

Offer Information Statement dated: 11 August 2009

(Lodged with the Monetary Authority of Singapore on 11 August 2009)

THIS OFFER INFORMATION STATEMENT 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.

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. Lodgement 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.

An application will be made to Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing and quotation of the new units in Ascendas Real Estate Investment Trust (“A-REIT”) to be issued for the purpose of the Private Placement (as defined herein) (“New Units”) on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Offer Information Statement. 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 lodgement of this Offer Information Statement.

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 under the Private Placement. The New Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state or jurisdiction of the United States and may not be offered or sold within the United States (“U.S.”) except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The New Units are being offered and sold outside the United States in reliance on Regulation S under the Securities Act and may be offered and sold to a limited number of institutional “accredited investors” (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act) in the United States pursuant to the exemption from the registration requirements of the Securities Act under Section 4(2) thereof.



(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

(Company Registration No. 200201987K)

OFFER AND PLACEMENT OF NEW UNITS IN A-REIT BY WAY OF A PRIVATE PLACEMENT OF 185,000,000 NEW UNITS TO INSTITUTIONAL AND OTHER INVESTORS AT AN ISSUE PRICE (THE “ISSUE PRICE”) OF BETWEEN S\$1.63 AND S\$1.70 (THE “ISSUE PRICE RANGE”) PER NEW UNIT (THE “PRIVATE PLACEMENT”).

Joint Lead Managers and Underwriters

CAZENOVE ASIA



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NOTICE TO UNITHOLDERS AND INVESTORS

No person has been authorised to give any information or make any representations other than those contained in this Offer Information Statement in connection with the Private Placement and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of A-REIT, Ascendas Funds Management (S) Limited, as manager of A-REIT (the “**Manager**”), HSBC Institutional Trust Services (Singapore) Limited, as trustee of A-REIT (the “**Trustee**”), or Cazenove & Co. (Singapore) Pte. Limited (a Standard Chartered group company) and DBS Bank Ltd, as the joint lead managers and underwriters for the Private Placement. Save as expressly stated in this Offer Information Statement, 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 Offer Information Statement 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 Offer Information Statement. Where such changes occur after the date of this Offer Information Statement and are material and 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 holders of Units (“**Unitholders**”) and investors should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

This Offer Information Statement 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 (other than Singapore) that would permit a public offering of the New Units or the possession, circulation or distribution of this Offer Information Statement or any other material relating to A-REIT or the New Units in any jurisdiction (other than Singapore) where action for that purpose is required. The New Units may not be offered or sold, directly or indirectly, and neither this Offer Information Statement 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. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice regarding an investment in the New Units and/or Units.

The Joint Lead Managers and Underwriters make no representation, warranty or recommendation whatsoever as to the merits of the Private Placement, the New Units or A-REIT, or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement 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 Offer Information Statement and the accompanying documents have been prepared solely for the purposes of the Private Placement and may not be relied upon for any other purposes.

The New Units have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly,

within the U.S. except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S. The New Units are being offered and sold in offshore transactions (as defined under Regulation S) in reliance on Regulation S and within the U.S. in reliance on the exemption from the registration requirements of the Securities Act under Section 4(2) thereto. The distribution of this Offer Information Statement and the placement of the New Units in certain jurisdictions may be prohibited or restricted by law. Persons who come into possession of this Offer Information Statement and/or its accompanying documents are required by the Manager and the Joint Lead Managers and Underwriters to inform themselves of, and observe, any such prohibitions and restrictions.

Selected financial data from audited financial statements of A-REIT for the financial year ended 31 March 2007 (the “**2006/07 Audited Financial Statements**”), the audited financial statements of A-REIT for the financial year ended 31 March 2008 (the “**2007/08 Audited Financial Statements**”), the audited financial statements of A-REIT for the financial year ended 31 March 2009 (the “**2008/09 Audited Financial Statements**”) and the unaudited financial statements of A-REIT for the financial quarter ended 30 June 2009 (the “**2009/10 First Quarter Unaudited Financial Statements**”) (collectively, the “**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 **Appendix A** of this Offer Information Statement. Financial data relating to (i) distribution per Unit (“**DPU**”), (ii) earnings per Unit and (iii) earnings per Unit after any adjustment to reflect the issue of New Units is also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Financial Statements, which are available on the website of A-REIT at 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.

The information contained on the website of A-REIT does not constitute part of this Offer Information Statement.

Prospective investors are advised to obtain and read the Financial Statements (including the relevant notes) before making any investment decision in relation to the New Units.

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.

Investors have no right to request the Manager to redeem their Units while Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of 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.

This Offer Information Statement 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

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

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 property expenses and operating expenses, and governmental and public policy changes. (See the section entitled “Risks Factors” of this Offer Information Statement for a discussion of certain factors to be considered in connection with an investment in the New Units.)

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 Offer Information Statement and make their own assessment of the future performance of A-REIT before deciding whether to subscribe for the New Units. Investors 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 Offer Information Statement in the light of their personal circumstances. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

All figures in this Offer Information Statement unless expressed differently or otherwise stated are rounded off to one decimal place.

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

CORPORATE INFORMATION

Directors of the Manager	: 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
Legal Adviser for the Private Placement and to the Manager	: Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Joint Lead Managers and Underwriters for the Private Placement	: Cazenove & Co. (Singapore) Pte. Limited ¹ (A Standard Chartered group company) 9 Raffles Place, #52-01 Republic Plaza Singapore 048619 DBS Bank Ltd 6 Shenton Way DBS Building Tower One Singapore 068809
Legal Adviser to the Joint Lead Managers and Underwriters	: Allen & Overy LLP 24 Raffles Place #22-00 Clifford Centre Singapore 048621
Unit Registrar and Unit Transfer Office	: Boardroom Corporate & Advisory Services Pte. Ltd. 3 Church Street #08-01 Samsung Hub Singapore 049483

¹ Cazenove & Co. (Singapore) Pte. Limited is a wholly-owned subsidiary of Cazenove Asia Limited and a Standard Chartered group company. The mark "Cazenove" and marks containing "Cazenove" are trade marks of Cazenove IP Limited and are used under limited licence. Cazenove Asia Limited, its subsidiaries and affiliated companies are now subsidiaries or affiliated companies of Standard Chartered Bank (Hong Kong) Limited, and are not affiliated with JPMorgan Cazenove Limited, Cazenove Inc., or their subsidiaries.

OVERVIEW OF THE PRIVATE PLACEMENT

The following summary is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Offer Information Statement.

1. Ascendas Real Estate Investment Trust

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 89 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 900 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. A-REIT had total assets of S\$4.6 billion as at 30 June 2009.

2. The Private Placement

The Manager proposes an offering of 185,000,000 New Units at an Issue Price per New Unit which is between the Issue Price Range of S\$1.63 and S\$1.70 by way of a private placement to institutional and other investors. Based on an Issue Price of S\$1.63 (which is the lower end of the Issue Price Range) (the "**Minimum Issue Price**") A-REIT will raise:

- (i) gross proceeds of at least S\$301.6 million; and
- (ii) net proceeds of approximately S\$296.0 million (after taking into account the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by A-REIT).

(See "Overview of the Private Placement – Timing of the Private Placement" for details relating to the determination of the Issue Price.)

The New Units will be issued pursuant to a general mandate given by Unitholders to the Manager at the extraordinary general meeting of Unitholders held on 30 June 2009, pursuant to which the Manager may, during the period from 30 June 2009 to 30 June 2010, issue new Units and/or convertible securities or other instruments (including but not limited to warrants) which may be convertible into Units ("**Convertible Securities**") such that the number of new Units (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 30 June 2009 (the "**Base Figure**"), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a pro rata basis to existing Unitholders, shall not be more than 20.0% of the Base Figure.

3. Rationale for the Private Placement

The Manager believes that the Private Placement will bring the following benefits to Unitholders:

Provide A-REIT with greater financial capacity to capitalise on potential growth opportunities

The Private Placement will provide A-REIT with greater financial capacity to capitalise on potential growth opportunities. The Private Placement will allow A-REIT to pursue potential growth opportunities, including acquisitions of income-producing properties and built-to-suit development projects, as and when they may arise to create greater value and returns for Unitholders.

With the proceeds from the Private Placement, A-REIT will be able to act more expeditiously and be more responsive when pursuing potential growth opportunities, which are essential in a competitive environment where the timelines in making bids and making payment for acquisition of income-producing properties are important.

Strengthen A-REIT's balance sheet and capital structure and enhance its financial flexibility

Assuming that, pending the deployment of the net proceeds of the Private Placement as described in the section "Overview of the Private Placement – Use of Proceeds", the net proceeds from the Private Placement are fully used to repay debt facilities, A-REIT's Aggregate Leverage¹ is expected to decrease from 35.7% as at 9 August 2009, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority (the "**Latest Practicable Date**") to 29.3%, as illustrated in the following table.

	Before the Private Placement ⁽¹⁾	Immediately after the Private Placement and pending deployment of the net proceeds of the Private Placement for their intended use ⁽²⁾
Borrowings and Deferred Payment	S\$1,644.2 million	S\$1,348.2 million
Deposited Property	S\$4,602.9 million	S\$4,602.9 million
Aggregate Leverage	35.7%	29.3%

Notes:

- (1) As at the Latest Practicable Date.
- (2) Assuming that, pending the deployment of the net proceeds of the Private Placement as described in the section "Overview of the Private Placement – Use of Proceeds", the net proceeds of approximately S\$296.0 million from the Private Placement (based on the Minimum Issue Price) are fully 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.

In addition, the reduction in Aggregate Leverage is expected to create additional borrowing capacity, which will enable A-REIT to capitalise on potential growth opportunities, as and when they may arise.

1 "Aggregate Leverage" is defined in the Property Fund 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 (as defined herein).

Possible increase in trading liquidity of Units

The New Units to be issued pursuant to the Private Placement will increase the number of Units in issue by 185,000,000, which is an increase of 11.0% of the total number of Units in issue as at the Latest Practicable Date.

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

4. Use of Proceeds

The Manager intends to use the net proceeds of approximately S\$296.0 million (based on the Minimum Issue Price) from the Private Placement in the following manner:

- (i) approximately S\$175.4 million will be used to fund the development of the high-tech built-to-suit facility for Singapore Telecommunications Limited ("**SingTel**"); and
- (ii) 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,

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 the Minimum Issue Price, the additional proceeds will be used for general corporate and working capital purposes.

The high-tech built-to-suit facility for SingTel is located at Kim Chuan Road, off Upper Paya Lebar Road. It is easily accessible via the Pan Island Expressway and Kallang-Paya Lebar Expressway and is within walking distance to the future Tai Seng MRT station. It is expected to be completed and operational in the second quarter of 2010. SingTel has committed to lease the property upon its completion for 20 years with an option to extend for an additional 10 years. The development is sited next to the Kim Chuan Telecommunications Complex, an existing building owned by A-REIT which is currently also leased to SingTel. The building will sit on a land area of 13,879 sq m and is expected to have a gross floor area of 32,862 sq m on completion. The estimated investment for the land and base building is S\$99.6 million. A further investment of up to S\$75.8 million would be made in the installation of additional mechanical and electrical equipment to enhance the building specifications to the requirement of SingTel.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds from the Private Placement may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds

from the Private Placement via SGXNET as and when such funds are materially utilised.

5. Status of the New Units

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).

A-REIT’s policy is to distribute its distributable income on a quarterly basis to Unitholders.

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 New Units are expected to be issued on 20 August 2009. The current expectation of the Manager is that the quantum of DPU under the Advanced Distribution will be approximately 1.93 cents¹.

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.

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.

6. Timing of the Private Placement

The Private Placement will commence from the time and date this Offer Information Statement is lodged with the Authority and will remain open until the close of the book of orders for the Private Placement, which is currently expected to be no later than 12 August 2009. The close of the book of orders for the Private Placement will be announced by the Manager no later than the Market Day after the date of such closure.

After the Issue Price has been determined by agreement between the Manager and the Joint Lead Managers and Underwriters, it will be announced by the Manager via SGXNET. The Issue Price is currently expected to be determined no later than 12 August 2009.

The Manager will announce the completion of the book building process, the results of the Private Placement and the Issue Price via an announcement through SGXNET.

¹ The estimated distribution 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 is based on normalised July 2009 actual revenue and expenses.

INFORMATION RELATING TO A-REIT

DEVELOPMENT OF A-REIT

The general development of the business of A-REIT from the beginning of the period comprising the three most recent completed financial years to the Latest Practicable Date is set out below. Save as disclosed below, to the best of the Manager's knowledge and belief, there have been no material changes in the affairs of A-REIT since the release of A-REIT's financial results for the financial quarter ended 30 June 2009.

<i>Date</i>	<i>Significant developments</i>
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 represents 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 represents a 9.0% year-on-year 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 undertakes the development of a partial build-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 logistic & 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 represents 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 undertakes the development of a partial build-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.

<i>Date</i>	<i>Significant developments</i>
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 represents 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.
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 represents 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 €197.5 million (S\$395.0 million equivalent) seven year AAA-rated commercial mortgage-backed securities ("CMBS") priced at 20 basis points above the 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 represents 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 undertakes the development of (i) two suburban business park facilities, including amenity centre at Plot 8 Changi Business Park and (ii) 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 represents 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 represents 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.

Date	Significant developments
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 CGG Veritas Hub.
28 January 2008	: A-REIT announced completion of HansaPoint@CBP with 100.0% 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.
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% 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, representing 6.28% of the total issued Units 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 has been 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 represents 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 ended 30 June 2008. A-REIT's DPU of 3.89 cents represents 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 represents 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.

Date	Significant developments
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 represents a 13.8% year-on-year growth over 3.56 cents. A DPU of 4.05 cents was announced by A-REIT to Unitholders for the period from 1 October 2008 to 31 December 2008.
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 launched on 15 January 2009.
2 February 2009	: The Manager announced that A-REIT's corporate family rating of A3 has been downgraded to "Baa1" as reported in a statement released by Moody's Investors Service Inc. (" Moody's ") on 30 January 2009 ¹ .
5 February 2009	: A cumulative distribution of 4.78 cents per Unit was announced by A-REIT to Unitholders for the period from 1 October 2008 to 20 January 2009.
12 February 2009	: The Manager issued 93,710,021 Units at an issue price of S\$1.16 per Unit pursuant to a preferential offering.
17 April 2009	: The Manager announced A-REIT's financial results for the financial year ended 31 March 2009. A-REIT's annual DPU of 15.18 cents represents a 7.4% year-on-year growth over 14.13 cents in the previous financial year (" FY "). A DPU of 2.50 cents was announced by A-REIT to Unitholders for the period from 21 January 2009 to 31 March 2009.
30 April 2009	: A-REIT issued S\$110,000,000 4.75% fixed rate series 001 notes due 2011 under the S\$1,000,000,000 Multicurrency MTN Programme established on 20 March 2009.
4 May 2009	: A-REIT entered into a conditional sale and purchase agreement to purchase the land at Kim Chuan Road comprised in Lots 6356K and 6357N of Mukim 23 for the proposed built-to-suit development of a 9-storey hi-tech industrial building for SingTel.
25 May 2009	: A-REIT issued S\$40,000,000 4.75% fixed rate series 001 notes due 2011 under the S\$1,000,000,000 Multicurrency Medium Term Note Programme established on 20 March 2009.

1 **Source:** Moody's. Moody's 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 Moody's is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, the Manager, the Joint Lead Managers and Underwriters or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

Date	Significant developments
17 July 2009	: The Manager announced A-REIT's financial results for the three months ended 30 June 2009. A-REIT's DPU of 3.62 cents represents a 6.9% year-on-year contraction from 3.89 cents. Adjusting for the enlarged number of Units in issue, the pro forma year-on-year DPU growth was 17.9%.
22 July 2009	: A-REIT issued S\$125,000,000 5.00% fixed rate series 002 notes due 2013 under the S\$1,000,000,000 Multicurrency MTN Programme established on 20 March 2009.
7 August 2009	: The Manager announced that A-REIT is in the process of redeeming the P1-AAA-001 CMBS at their principal amount of €144.0 million (S\$300 million) and it is expected to be completed by 19 August 2009.

THE MANAGER OF A-REIT

The manager of A-REIT is Ascendas Funds Management (S) Limited and its registered office is located at 61 Science Park Road, #02-18 The GALEN, Singapore Science Park II, Singapore 117525. The names and addresses of the Directors are set out below.

Name	Position	Address
Mr David Wong Cheong Fook	Chairman & Independent Director	61 Science Park Road #02-18 The GALEN Singapore Science Park II Singapore 117525
Ms Chong Siak Ching	Vice Chairman & Non-executive Director	61 Science Park Road #02-18 The GALEN Singapore Science Park II Singapore 117525
Mr Benedict Kwek Gim Song	Independent Director & Chairman of the Audit Committee	61 Science Park Road #02-18 The GALEN Singapore Science Park II Singapore 117525
Mr Swee Kee Siong	Non-executive Director	61 Science Park Road #02-18 The GALEN Singapore Science Park II Singapore 117525
Mr Chia Kim Huat	Independent Director	61 Science Park Road #02-18 The GALEN Singapore Science Park II Singapore 117525
Mr Joseph Chen Seow Chan	Independent Director	61 Science Park Road #02-18 The GALEN Singapore Science Park II Singapore 117525

Name	Position	Address
Mr Tan Ser Ping	Executive Director & Chief Executive Officer	61 Science Park Road #02-18 The GALEN Singapore Science Park II Singapore 117525

INFORMATION ON THE UNITS

Number of Units

As at the Latest Practicable Date, there were 1,684,920,057 Units in issue.

Substantial Unitholders of A-REIT and Their Unitholdings

Based on the Register of Substantial Unitholders maintained by the Manager, the unitholdings of Substantial Unitholders 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	359,706,000	21.3%	26,857,023 ⁽¹⁾	1.6%
Ascendas Pte Ltd	-	-	386,563,023 ⁽²⁾	22.9%
Jurong Town Corporation	-	-	386,563,023 ⁽²⁾	22.9%

Notes:

- (1) Ascendas Land (Singapore) Pte Ltd is deemed to be interested in the Units held by Ascendas Funds Management (S) Limited by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.
- (2) Ascendas Pte Ltd and Jurong Town Corporation are deemed to be interested in the Units held by Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.

History of Issuance of Units

No Units have been issued by the Manager for cash or services within the 12 months immediately preceding the Latest Practicable Date, save as set out in the table below.

Date	Number of Units issued	Issue Price per Unit	Purpose
16 May 2008	3,223,302	S\$2.6023	Payment of performance fee to the Manager for the financial year ended 31 March 2008 in accordance with the terms of the Trust Deed.
24 June 2008	834,647	S\$2.2436	Payment of a portion of the base management fee to the Manager for the period from 19 November 2007 to 18 May 2008 in accordance with the terms of the Trust Deed.

Date	Number of Units issued	Issue Price per Unit	Purpose
16 December 2008	1,871,191	S\$1.2232	Payment of a portion of the base management fee to the Manager for the period from 19 May 2008 to 18 November 2008 in accordance with the terms of the Trust Deed.
16 December 2008	273,382	S\$2.5521	Payment of acquisition fee to the Manager in respect of the acquisition of Rutherford and Science Hub in Science Park I and CGG Veritas Hub from related parties in accordance with the terms of the Trust Deed.
21 January 2009	258,000,000	S\$1.16	Repayment of a portion of A-REIT's indebtedness and funding of committed development projects.
12 February 2009	93,710,021	S\$1.16	Repayment of a portion of A-REIT's indebtedness and funding of committed development projects.
16 June 2009	1,447,023	S\$1.5715	Payment of a portion of the base management fee to the Manager for the period from 19 November 2008 to 18 May 2009 in accordance with the terms of the Trust Deed.

Price Range and Trading Volume of the Units on the SGX-ST

The highest and lowest closing prices and the average daily volume of Units traded on the SGX-ST for the 12 calendar months immediately preceding August 2009 and for the period commencing on 1 August 2009 to the Latest Practicable Date are as follows:

Month	Price Range (S\$ per Unit)		Average Daily Volume Traded ('000 Units)
	Highest	Lowest	
August 2008	2.55	2.26	3,916
September 2008	2.32	1.83	4,505
October 2008	1.98	1.43	4,927
November 2008	1.82	1.23	4,825
December 2008	1.41	1.13	4,393
January 2009	1.60	1.26	6,871
February 2009	1.38	1.21	5,626
March 2009	1.33	1.06	7,985
April 2009	1.48	1.25	5,629
May 2009	1.55	1.30	10,906

Month	Price Range (S\$ per Unit)		Average Daily Volume Traded (’000 Units)
	Highest	Lowest	
June 2009	1.65	1.43	5,775
July 2009	1.70	1.50	5,971
1 August 2009 to the Latest Practicable Date	1.80	1.73	6,058

Source: Bloomberg L.P.. Bloomberg L.P. 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, the Manager, the Joint Lead Managers and Underwriters or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

INDEBTEDNESS

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

- (i) total CMBS notes of S\$1,045.0 million;
- (ii) term loan facility of S\$300.0 million;
- (iii) S\$275.0 million notes of various maturities issued under the S\$1.0 billion MTN program;
- (iv) committed revolving credit facility of S\$200.0 million; and
- (v) uncommitted revolving credit facility of S\$100.0 million.

A-REIT has, among the S\$1,045.0 million CMBS notes outstanding, S\$300.0 million CMBS notes due in August 2009 and the redemption of these CMBS notes are currently in progress which is expected to be completed by 19 August 2009. The redemption is funded through existing credit facilities.

A-REIT continues to explore various funding options including new credit facilities and extension of debt maturity with existing lenders to enhance its debt expiry profile.

Some of 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 at least 50.0% of A-REIT’s interest rate exposure using interest rate swaps. As at 30 June 2009, A-REIT has 98.2% of its loan portfolio on fixed rates for an average remaining duration of 3.1 years at an overall weighted average cost of borrowings of 3.75% (including margins charged on the loans and amortised annual costs of the various credit facilities).

USE OF PROCEEDS

Offer Proceeds and Use of Proceeds

The Private Placement is intended to raise gross proceeds of at least S\$301.6 million (based on the Minimum Issue Price).

The net proceeds of Private Placement, being the gross proceeds of the Private Placement less the estimated amount of Underwriting Commission (as defined herein) as well as the other fees and expenses (including professional fees and expenses) incurred or to be incurred in connection with the Private Placement, is estimated to be approximately S\$296.0 million (based on the Minimum Issue Price).

The Manager intends to use the net proceeds of from the Private Placement to fund the development of the high-tech built-to-suit facility for SingTel and partly or wholly fund potential acquisition of income-producing properties and built-to-suit development opportunities, with the balance of the net proceeds, if any, to be used for general corporate and working capital purposes.

For each dollar of the gross proceeds of at least S\$301.6 million (based on the Minimum Issue Price) that will be raised from the Private Placement, the Manager intends to allocate the proceeds from the Private Placement in the following manner:

- (i) approximately 58.2 cents will be used to fund the development of the high-tech built-to-suit facility for Singapore Telecommunications Limited (which amounts to approximately S\$175.4 million);
- (ii) approximately 40.0 cents will be used to partly or wholly fund potential acquisition of income-producing properties and built-to-suit development opportunities and for general corporate and working capital purposes (which amounts to approximately S\$120.6 million); and
- (iii) approximately 1.8 cents to pay for the Underwriting Commission as well as the other fees and expenses (including the professional fees and expenses) incurred in connection with the Private Placement (which amounts to approximately S\$5.6 million).

In the event that the Issue Price is above the Minimum Issue Price, the additional proceeds will be used for general corporate and working capital purposes.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds from the Private Placement may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised.

Additional Details on the Use of Proceeds

The following sets out additional details on the use of proceeds if such proceeds are used to (i)

acquire or refinance the acquisition of an asset (other than in the ordinary course of business), (ii) acquire or refinance the acquisition of a business and (iii) discharge, reduce or retire the indebtedness of A-REIT.

Acquisition or Refinance the Acquisition of an Asset

As mentioned above, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement to partly or wholly fund potential acquisition of income-producing properties and built-to-suit development opportunities, which are in A-REIT's ordinary course of business.

As at the Latest Practicable Date, save as disclosed in this Offer Information Statement, the Manager or the Trustee, has not entered into any agreement to acquire any assets or develop any projects for which any part of the net proceeds of the Private Placement will be used.

The Manager will make an announcement via SGXNET whenever the net proceeds from the Private Placement are utilised to acquire any assets.

Acquisition or Refinance the Acquisition of a Business

None of the proceeds of the Private Placement will be used to finance or refinance the acquisition of a business.

Discharge, Reduction or Retirement of the Indebtedness of A-REIT

As mentioned above, notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement to repay existing indebtedness.

The actual indebtedness which may be reduced by the Manager out of the proceeds of the Private Placement would depend on, among other things, the outcome of the Manager's negotiations with the relevant lenders, the prevailing economic environment at the relevant time as well as the requirements of A-REIT. Each such repayment would be announced by the Manager on SGXNET. The details of the indebtedness of A-REIT which the Manager may reduce with the net proceeds from the Private Placement (including the details of the maturity of such indebtedness and, in relation to indebtedness which A-REIT has incurred over the past 12 months, the uses to which the proceeds giving rise to such indebtedness were put) are set out in the table below.

Indebtedness which may be Reduced	Usage	Amount	Maturity Date(s)
S\$100.0 million Uncommitted Revolving Credit Facility	Refinance borrowings	S\$100.0 million	September 2009
S\$300.0 million Term Loan Facility ⁽¹⁾	- ⁽²⁾	S\$300.0 million	March 2010
S\$150.0 million MTN	Refinancing existing borrowings and general working capital purposes	S\$150.0 million	April 2011
S\$200.0 million Committed Revolving Credit Facility	Refinance borrowings	S\$200.0 million	November 2011

Indebtedness which may be Reduced	Usage	Amount	Maturity Date(s)
S\$350.0 million CMBS	- ⁽²⁾	S\$350.0 million	May 2012
S\$125.0 million MTN	Refinancing existing borrowings and general working capital purposes	S\$125.0 million	July 2013
S\$395.0 million CMBS	- ⁽²⁾	S\$395.0 million	May 2014

Notes:

(1) This facility was provided by one of the Joint Lead Managers and Underwriters.

(2) This indebtedness was not incurred over the past 12 months.

As at the Latest Practicable Date, the Manager has not identified any indebtedness of A-REIT which the Manager may reduce.

Working Capital

In the reasonable opinion of the Manager, the working capital available to A-REIT, as at the date of lodgement of this Offer Information Statement, after taking into account the loan facilities available to A-REIT, is sufficient for the present requirements of A-REIT.

Certain Details Relating to the Underwriting of the Private Placement

The Private Placement of 185,000,000 New Units is underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of a management and placement agreement entered into between the Manager and the Joint Lead Managers and Underwriters on 11 August 2009 (the "**Placement Agreement**").

Pursuant to the Placement Agreement, the Joint Lead Managers and Underwriters have agreed, subject to the terms and conditions of the Placement Agreement, to procure subscriptions for or place out, as applicable, and failing which, to subscribe and pay for, the New Units at the Issue Price in the proportions set out in the table below:

Joint Lead Manager and Underwriter	Number of New Units underwritten
Cazenove & Co. (Singapore) Pte. Limited (a Standard Chartered group company)	92,500,000
DBS Bank Ltd	92,500,000
Total	185,000,000

The Joint Lead Managers and Underwriters will be entitled to a selling and underwriting commission (the "**Underwriting Commission**") of 1.5% of the gross proceeds of the Private Placement together with any goods and services tax payable thereon.

Subscribers of the New Units under the Private Placement may be required to pay brokerage (and if so required, such brokerage will be up to 1.0% of the Issue Price), any stamp duty and other similar charges in accordance with the laws and practices of the country of subscription, in addition

to the Issue Price.

The Issue Price shall be such price per New Unit within the Issue Price Range as agreed between the Manager and the Joint Lead Managers and Underwriters pursuant to a price determination supplement entered into on the price determination date (which is expected to be no later than 12 August 2009, or such other date as the Manager and the Joint Lead Managers and Underwriters may agree.

The obligations of the Joint Lead Managers and Underwriters under the Placement Agreement are conditional upon, among other things, the approval to list the New Units on the Main Board of the SGX-ST having been obtained, and there being no material adverse change, or any development reasonably likely to involve a prospective material adverse change, in the financial condition, business or prospects of A-REIT. The Joint Lead Managers and the Underwriters may also terminate the Placement Agreement for, among other things, a breach by the Manager of its obligations or representations and warranties in the Placement Agreement in any material respect, or upon the occurrence of the *force majeure* events described in the Placement Agreement.

The Manager has pursuant to the Placement Agreement agreed that it will not, without the prior written consent of the Joint Lead Managers and Underwriters (such consent not to be unreasonably withheld or delayed), directly or indirectly:

- (i) offer, issue, contract to issue, grant any option to purchase any Units (or any securities convertible into or exchangeable for Units or which carry rights to subscribe for Units);
- (ii) enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing; or
- (iii) publicly announce any intention to do any of the above,

from the date hereof until the date falling 90 days from the day the New Units are listed on the SGX-ST, other than as required by applicable laws and regulations. The restrictions set out above shall not apply to (a) the New Units to be offered under the Private Placement, (b) the Units to be issued to the Manager in full or part payment of the Manager's fees under the Trust Deed, (c) the Units to be issued as full or partial consideration for the acquisition of an investment by A-REIT or any of its subsidiaries, and (d) the issue of any convertibles bonds by or on behalf of A-REIT or any of its subsidiaries which are convertible into new Units after the date hereof, and the conversion of such bonds into Units.

The Joint Lead Managers and Underwriters and their affiliates may engage in transactions with, and perform services for, the Manager in the ordinary course of business and have engaged, and may in the future engage, in commercial banking (including the provision of loans or credit) and/or investment banking transactions with the Manager, for which they have received, or may in the future receive, customary compensation.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

OPERATING REVIEW

*This section should be read together with the selected financial data from the Financial Statements which is set out in **Appendix A** of this Offer Information Statement. Such selected financial data should also be read together with the relevant notes to the Financial Statements, which are available on the website of A-REIT at 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.*

The information contained in the website of A-REIT does not constitute part of this Offer Information Statement.

Statement of Total Return and Distribution Statements

Selected financial data from the 2006/07 Audited Financial Statements, the 2007/08 Audited Financial Statements, the 2008/09 Audited Financial Statements and the 2009/10 First Quarter Unaudited Financial Statements, including the line items in the statement of total return and distribution statement of A-REIT, is set out in **Appendix A** of this Offer Information Statement. Financial data relating to (i) DPU, (ii) earnings per Unit and (iii) earnings per Unit after any adjustment to reflect the issue of New Units is also set out in **Appendix A** of this Offer Information Statement. Such selected financial data should be read together with the relevant notes to the Financial Statements.

Balance Sheet and Cash Flow Statement

Selected financial data from the 2008/09 Audited Financial Statements and the 2009/10 First Quarter Unaudited Financial Statements, including the line items in the balance sheet of A-REIT, is set out in **Appendix A** of this Offer Information Statement. Such selected financial data should be read together with the relevant notes to the Financial Statements.

The pro forma financial effects of the Private Placement on the net asset value ("**NAV**") per Unit as at 30 June 2009 presented below are strictly for illustrative purposes and were prepared based on the 2009/10 First Quarter Unaudited Financial Statements, taking into account the estimated costs of the Private Placement and assuming that, as at 30 June 2009:

- (i) 185,000,000 New Units are issued at the Issue Price of S\$1.63 per New Unit; and
- (ii) approximately S\$296.0 million of the net proceeds from the Private Placement are used to fund the development of the hi-tech built-to-suit facility for SingTel and to partly or wholly fund potential acquisition of income-producing and built-to-suit development opportunities, with the balance of the net proceeds, if any, to be used for general corporate and working capital purposes.

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

	As at 30 June 2009	
	Prior to the Private Placement	After the Private Placement
NAV (S\$'000)	2,729,177	3,025,177
Issued Units ('000)	1,684,920	1,869,920
NAV per Unit (S\$)	1.62	1.62

The information in the table above has been prepared on the basis of, and is consistent with, the accounting policies set out in the 2008/09 Audited Financial Statements.

Liquidity and Capital Resources

Selected financial data from the 2008/09 Audited Financial Statements and the 2009/10 First Quarter Unaudited Financial Statements is set out in **Appendix A** of this Offer Information Statement. Such selected financial data and information should be read together with the relevant notes to the Financial Statements.

Financial Year Ended 31 March 2009

Cash generated from operating activities was S\$242.6 million, comprising rental income from investment properties net of property and trust management expenses.

Net cash outflow from investing activities of S\$387.0 million consisted mainly of purchase of investment properties (including acquisition charges) of S\$194.2 million and payment for properties under development of S\$168.9 million. During the year, A-REIT expanded its portfolio of properties through the acquisition of two properties with a total value of S\$271.8 million.

Net cash inflow from financing activities comprised net increase in borrowings after repayment of debts, distributions paid to Unitholders and finance cost. During the financial year, A-REIT secured a new committed revolving credit facility of S\$200.0 million and completed an equity fund raising to raise gross proceeds of S\$408.0 million.

Interim Financial Period 2009/10: Period from 1 April 2009 to 30 June 2009

Cash generated from operating activities of S\$64.8 million comprised rental income from investment properties net of property and trust management expenses.

Net cash outflow from investing activities of S\$35.7 million consisted mainly of payment for properties under development which amounted to S\$34.8 million.

Net cash inflow from financing activities of S\$39.1 million comprised net increase in borrowings after repayment of debts, distributions paid to Unitholders and finance cost. During the three months, A-REIT issued S\$150.0 million of fixed rate notes under the S\$1.0 billion Multicurrency MTN Programme established in March 2009.

FINANCIAL REVIEW

Management's Discussion and Analysis of Financial Condition and Results of Operations

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. The occupancy rate for A-REIT's multi-tenanted buildings was 93.7% compared to 91.4% 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 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.

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 Fund 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 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.

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

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, the Manager, the Joint Lead Managers and Underwriters or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

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 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 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, 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 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%.

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, the Manager, the Joint Lead Managers and Underwriters or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

Financial Year Ended 31 March 2009

A-REIT achieved a DPU of 15.18 cents for the financial year ended 31 March 2009, an increase of 7.4% over the 14.13 cents recorded in the previous financial year. This was supported by annual gross revenue of S\$396.5 million and net property income of S\$296.6 million. Net property income and income available for distribution recorded growth of 21.8% and 12.6% respectively over the previous financial year. This was attributable to positive rental reversion for certain properties, active leasing and full year contribution from acquisitions and development projects completed in the previous year.

As at 31 March 2009, A-REIT had a portfolio of 89 properties and total assets of S\$4.5 billion, with a tenant base of over 860 international and local companies. A-REIT acquired two properties, 8 Loyang Way 1 (SKP) and 31 International Business Park (Creative Resource) and completed three development projects namely Pioneer Hub, 15 Changi North Way and 3 Changi Business Park Crescent for a total of S\$446.3 million.

The occupancy rate of the portfolio declined marginally to 97.8% from 98.4% a year ago in the face of the global economic crisis. The occupancy rate for multi-tenanted buildings also decreased to 95.3% from 96.4% a year ago.

A-REIT leased and renewed a total of 185,929 sq m of space in FY2008/09, of which, 114,897 sq m were renewal of leases. Customer retention rate stood at 80%, signifying a large majority of customers renewed their tenancy with A-REIT upon expiration of their existing leases.

The regulatory annual revaluation exercise for A-REIT's portfolio was completed in March 2009, and the portfolio recorded a total depreciation in portfolio value by \$115.4 million on the back of a weakened outlook for the economy. The devaluation represented a decline of 2.5% of the total value of the property portfolio.

The Manager conducted an equity fund raising in January 2009 which comprised a private placement of 258,000,000 new Units and a non-renounceable one-for-15 preferential offering and raised gross proceeds of S\$408.0 million. The private placement Units were issued on 21 January 2009 and the preferential offering Units were issue on 12 February 2009. The proceeds of the equity fund raising was used to finance development projects and to repay a portion of A-REIT's existing borrowings.

As at 31 March 2009, 90.0% of A-REIT's interest rate exposure was fixed with a weighted average term of 3.4 years remaining and at a weighted average cost of 3.7% (including margins charged on the loans and amortised annual costs of the various credit facilities). The Aggregate Leverage as at 31 March 2009 was 35.5%.

Interim Financial Period 2009/10: Period from 1 April 2009 to 30 June 2009

For the first quarter ended 30 June 2009, A-REIT achieved a DPU of 3.62 cents which represented a 6.9% year-on-year contraction from 3.89 cents due to the larger number of Units in issue as a result of the equity raising exercise in January/February 2009. However, on a pro forma basis, DPU (as adjusted to take into account Units in issue as at 30 June 2008) would have grown by 17.9%. This was supported by gross revenue of S\$102.4 million and net property income of S\$80.7 million. Net property income and income available for distribution recorded growth of

15.8% and 17.9% respectively over the same period last financial year. This was mainly due to additional rental income from completed acquisition and development projects in last 12 months, active leasing, higher rental rates for certain properties and lower property operating expenses.

As at 30 June 2009, A-REIT had a portfolio of 89 properties and total assets of S\$4.6 billion, with a tenant base of over 900 international and local companies. A-REIT completed asset enhancement work for one of its property in the first quarter of the current financial year. The portfolio occupancy was 97.1%. The occupancy rate for A-REIT's multi-tenanted buildings was 94.0%.

As at 30 June 2009, 98.2% of A-REIT's interest rate exposure was fixed with a weighted average term of 3.1 years remaining and at a weighted average cost of 3.75% (including margins charged on the loans and amortised annual costs of the medium term note programme). The Aggregate Leverage as at 30 June 2009 was 35.5%.

BUSINESS PROSPECTS AND TREND INFORMATION¹

Business and financial prospects of A-REIT

The Manager believes that there are tentative signs of the global economy bottoming although they may not yet point to a clear recovery. The global economic recovery, if any, is likely to be fragile and 2009 is expected to be a difficult year for most businesses generally. As for Singapore, the Ministry of Trade and Industry of Singapore's ("MTI") revised estimate for real GDP in 2009 still shows a contraction of between 4% and 6%.

The outlook for A-REIT in FY2009/10 will depend largely on whether there is a sustainable recovery especially in terms of global end consumer demand which will in turn have an impact on A-REIT's existing tenants as well as on demand for industrial space.

The diversified nature of A-REIT's portfolio should prove to be advantageous during such times of economic uncertainty. As at 30 June 2009, about 90% of A-REIT's portfolio revenue is committed for the balance of FY2009/10 and the weighted average lease to expiry is five years. A fair mix of long and short term leases (47% versus 53% by portfolio value respectively) in the portfolio provides a certain degree of predictability and sustainability.

Significant trends and conditions of the market

Singapore real GDP contracted by 9.6% year-on-year in the first quarter of 2009 and the MTI advance estimates indicate that GDP contracted by 3.7% year-on-year in the second quarter of 2009. On a seasonally-adjusted annualized basis, quarter-on-quarter real GDP rose by 20.4% in the second quarter of 2009 (compared to a contraction of 12.7% quarter-on-quarter in the first quarter of 2009).

1 **Source:** All the information attributed to MTI in this section is extracted from the MTI's press release titled "MTI Revises 2009 Growth Forecast" dated 14 July 2009 which are both 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, the Manager, the Joint Lead Managers and Underwriters or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

The manufacturing sector experienced a smaller contraction of 1.5% in the second quarter of 2009 compared to a 24.3% contraction in the first quarter of 2009 due mainly to a spike in output in the volatile biomedical sector and inventory restocking in the electronic cluster. The service sector contracted by 5.1% in the second quarter of 2009 while the construction sector continued to register growth at 18.3%.

Non-oil domestic exports in May 2009 fell 12.0% year-on-year (19% decrease in Apr 2009), but rose 5.6% month-on-month (1.4% decrease in Apr 2009). In addition, container traffic in May 2009, which edged up 0.7% from April 2009, showed sign of stability.

According to URA's second quarter 2009 statistics, overall industrial property prices and rental rates (as represented by the URA price and rental indices) declined by 4.5% and 5.6% quarter-on-quarter respectively. Average occupancy rate was 92.0% in the second quarter of 2009 (93.0% in the first quarter of 2009 and 92.9% in the second quarter of 2009). However, net space demand for factory and warehouse space declined to 107,000 sq m in the second quarter of 2009 (109,000 sq m in the first quarter of 2009)¹.

(See the section entitled "Risk Factors" of this Offer Information Statement for a discussion of certain factors to be considered in connection with an investment in the New Units.)

1 **Source:** URA Official Statistics as at 24 July 2009 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, the Manager, the Joint Lead Managers and Underwriters or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

RISK FACTORS

The risks described below should be carefully considered before making an investment decision in relation to the New Units or the Units. The risks described below are not the only ones relevant to A-REIT, the Manager, the Trustee, the New Units or the Units. Additional risks not described below or not presently known to the Manager and/or the Trustee or that it/they currently deem(s) immaterial may also impair the business operations of A-REIT. The business, financial condition or results of operations of A-REIT could be materially and adversely affected by any of these risks.

RISKS ASSOCIATED WITH A-REIT'S BUSINESS

Uncertainties and instability in global market conditions could adversely affect the business, financial condition and results of operations of A-REIT.

The U.S. credit markets and the sub-prime residential mortgage market have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. These and other related events have had a significant impact on the global capital markets associated not only with asset-backed securities but also with the global credit and financial markets as a whole. These events could adversely affect A-REIT, including:

- a negative impact on the ability of the tenants of A-REIT to pay their rents in a timely manner or continuing their leases, thus reducing A-REIT's cash flow;
- an increase in counterparty risk; and
- an increased likelihood that one or more of A-REIT's banking syndicate or insurers may be unable to honour their commitments to A-REIT.

There is also uncertainty as to the scale of the downturn in the U.S. or the global economy, the decrease in consumer demand and the impact of the global downturn on the Singapore economy.

MTI recently announced its growth forecast for the Singapore economy to be -4.0% to -6.0% in 2009, an upward revision from the initial mid-April forecast of -6.0% to -9.0%¹. Notwithstanding the revision in the growth forecast, the MTI warned that the outlook for the rest of the year remains weak and is susceptible to downside risks as there is no clear evidence that advanced economies such as the U.S. and Eurozone have recovered. There can be no assurance that Singapore's actual GDP growth would not be worse than the current or any revised official GDP forecast.

The properties held by A-REIT may be revalued downwards.

Although general property prices, especially CBD office, in Singapore were revalued significantly upwards between 2006 and 2008, general property prices in Singapore have begun to fall since

¹ **Source:** The MTI's press release titled "MTI Revises 2009 Growth Forecast" dated 14 July 2009 which are both 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, the Manager, the Joint Lead Managers and Underwriters or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

the end of 2008. There can be no assurance that A-REIT will not be required to make downward revaluation of the properties held by A-REIT in the future. Any fall in the gross revenue or net property income earned from A-REIT's properties may result in downward revaluation of the properties held by A-REIT.

In addition, A-REIT is required to measure investment properties at fair value at each balance sheet date and any change in the fair value of the investment properties is recognised in the statements of total return. The changes in fair value may have an adverse effect on A-REIT's financial results in the financial years where there is a significant decrease in the valuation of A-REIT's investment properties which will result in revaluation losses that will be charged to its statements of total return. However, this should not have an impact on income available for distributions to Unitholders.

The amount A-REIT may borrow is limited, which may affect the operations of A-REIT and the borrowing limit may be exceeded if there is a downward revaluation of assets.

The Property Fund Guidelines provide that the Aggregate Leverage of a real estate investment trust ("REIT") may reach a maximum of 60.0% of the value of its Deposited Property provided that a credit rating of the REIT from Fitch Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. In addition, such credit rating should be maintained and disclosed so long as the Aggregate Leverage of the REIT exceeds 35.0% of the value of its Deposited Property. A-REIT is currently assigned a corporate family rating of "Baa1" by Moody's¹, and is currently permitted to borrow up to a maximum of 60.0% of the value of its Deposited Property. However, a decline in the value of A-REIT's Deposited Property may affect A-REIT's ability to borrow further.

Adverse business consequences of this limitation on borrowings may include:

- an inability to fund capital expenditure requirements in relation to A-REIT's properties;
- an inability to fund acquisitions of properties; and
- cash flow shortages which may have an adverse impact on A-REIT's ability to make distributions.

A downward revaluation of any of A-REIT's properties or investments may result in a breach of the borrowing limit under the Property Fund Guidelines. In the event of such a breach, A-REIT, through the Trustee, would not be able to incur further indebtedness. In such circumstances, while A-REIT may not be required to dispose of its assets to reduce its indebtedness, the inability to incur further indebtedness may constrain its operational flexibility.

A-REIT may have a higher level of gearing than certain other types of unit trusts and may experience limited availability of funds and face risks associated with debt financing and refinancing.

A-REIT may, from time to time, require additional debt financing to fund working capital

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requirements, to support the future growth of its business and/or to refinance existing debt obligations. In addition, A-REIT's indebtedness means that a material portion of its expected cash flow may be required to be dedicated to the payment of interest on its indebtedness, thereby reducing the funds available to A-REIT for use in its general business operations. A-REIT's indebtedness may also restrict its ability to obtain additional financing for capital expenditure, acquisitions or general corporate purposes and may cause it to be particularly vulnerable in the event of a general economic downturn. 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 current financial crisis. A-REIT's level of borrowings may represent a higher level of gearing as compared to certain other types of unit trust, such as non-specialised collective investment schemes which invest in equities and/or fixed income instruments.

A-REIT will also be subject to the risk that it may not be able to refinance its existing and/or future borrowings or that the terms of such refinancing will not be as favourable as the terms of its existing borrowings, particularly in light of current uncertainty and instability in the global market conditions. In addition, A-REIT may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations and A-REIT's ability to make distributions to Unitholders. Such covenants may also restrict A-REIT's ability to acquire properties or undertake other capital expenditure or may require it to set aside funds for maintenance or repayment of security deposits. Furthermore, if prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make real estate loans) result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase, which would adversely affect A-REIT's cash flow and the amount of distributions A-REIT could make to Unitholders.

A-REIT is subject to interest rate fluctuations.

As at the Latest Practicable Date, none of A-REIT's borrowings are on a floating rate basis. However, should the interest on any of A-REIT's borrowing become on a floating rate basis, A-REIT will be exposed to interest rate fluctuations for such borrowings which may then result in its operations or financial condition being potentially affected by interest rate fluctuations.

There is no assurance that the current rating given to A-REIT by Moody's will be maintained or that the rating will not be reviewed, downgraded, suspended or withdrawn in the future.

On 30 January 2009, Moody's downgraded A-REIT's corporate rating to "Baa1" from "A3"¹. The rating assigned by Moody's is based on the views of Moody's only. Future events could have a negative impact on the rating of A-REIT and prospective investors should be aware that there is no assurance that the rating given will continue or that the rating would not be reviewed, downgraded, suspended or withdrawn as a result of future events or judgment on the part of Moody's. Any rating changes that could occur may have a negative impact on the trading price of the Units. A downgrade of the rating may lead to A-REIT being unable to obtain future credit on terms which

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are as favourable as those of its existing borrowings, resulting in loans at higher interest rates.

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 as compared to a portfolio which has a diverse range of investments. Real estate investments, particularly investments in high value properties such as those in which A-REIT has invested in and/or intends to invest in, 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. For instance, A-REIT may be unable to liquidate its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets, to ensure a quick sale. Rising capitalisation rates and/or REIT yields may also result in increasing difficulty in the divestment of business space and industrial properties. 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.

In addition, if A-REIT defaults in its payment obligations, mortgagees to any of the affected properties could foreclose or require a forced sale of any of the affected properties with a consequent loss of income and asset value to A-REIT. The amount to be received upon a foreclosure sale of any affected property would be dependent on numerous factors, including the actual fair market valuation of the relevant property at the time of such sale, the timing and manner of the sale and the availability of buyers. Each of A-REIT's properties is illiquid and there can be no assurance that any of A-REIT's properties can or will be liquidated in a short period of time. For all these reasons, there can be no assurance that the proceeds from any foreclosure sale will be sufficient for A-REIT to meet its obligations pursuant to its borrowings.

A-REIT's business is concentrated in Singapore, which may result in a higher level of risk compared to some other REITs that have properties spread over diverse locations.

As at the Latest Practicable Date, properties held by A-REIT are principally located in Singapore. Such concentration in Singapore may entail a higher level of risk as compared to some other REITs which have properties spread over different countries or have a more diverse range of investments. A substantial portion of A-REIT's earnings depends on the continued strength of Singapore's business space and industrial property market, which is in turn affected by general economic and business conditions. This exposes A-REIT to the risk of a prolonged downturn in economic and real estate conditions in Singapore. The value of A-REIT's properties and the rental revenue collected may also be adversely affected by local real estate conditions.

The Manager may change A-REIT's investment strategy.

A-REIT's policies with respect to certain activities, including investments and acquisitions, will be determined by the Manager, subject to applicable laws and regulations. The Manager has stated its intention to restrict investments to real estate which is income-producing and which is used, or primarily used, for business spaces and industrial purposes. The Trust Deed grants the Manager wide powers to invest in other types of assets, including any real estate, real estate-related assets as well as listed and unlisted securities in Singapore and other jurisdictions.

The Manager may not be able to implement its investment strategy.

The Manager's investment strategy includes expanding A-REIT's portfolio of business spaces and

industrial properties and providing regular and stable distributions to Unitholders. There can be no assurance that the Manager will be able to implement its investment strategy successfully or that it will be able to expand A-REIT's portfolio at all, or at any specified rate or to any specified size. The Manager may not be able to make investments or acquisitions on favourable terms or within a desired time frame.

A-REIT will be relying on external sources of funding to expand its portfolio, which may not be available on favourable terms or at all, particularly in light of current global market conditions mentioned above. Even if A-REIT were able to successfully make additional property investments, there can be no assurance that A-REIT will achieve its intended return on such investments. Since the amount of debt that A-REIT can incur to finance acquisitions is limited by the Property Fund Guidelines, such acquisitions will largely be dependent on A-REIT's ability to raise equity capital, which may result in a dilution of Unitholders' holdings. Potential vendors may also view the prolonged time frame and lack of certainty generally associated with the raising of equity capital to fund any such purchase negatively and may prefer other potential purchasers.

Furthermore, there may be significant competition for attractive investment opportunities from other real estate investors, including business space and industrial property development companies, private investment funds and other REITs whose investment policy is also to invest in business space and industrial properties. There can be no assurance that A-REIT will be able to compete effectively against such entities.

The Manager may not be able to implement its asset enhancement strategy.

One of the Manager's strategies for growth is to increase yields and total returns through a combination of the addition and/or optimisation of business space and industrial space at the relevant property. Any plans for asset enhancement initiatives are subject to known and unknown risks, uncertainties and other factors which may lead to any of such asset enhancement initiatives and/or their outcomes being materially different from the original projections or plans. There can be no assurance that the Manager will be able to implement any of its proposed asset enhancement initiatives successfully or that the carrying out of any asset enhancement initiative will enhance the value of the relevant property. The proposed asset enhancement initiatives are subject to A-REIT obtaining the approvals of the relevant authorities. Furthermore, the Manager may not be able to carry out the proposed asset enhancement initiative within a desired timeframe, and any benefit or return which may arise from such asset enhancement initiative may be reduced or lost. Even if the asset enhancement initiative is successfully carried out, there can be no assurance that A-REIT will achieve its intended return or benefit on such asset enhancement initiative.

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

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

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

The Manager and the property manager of A-REIT are 100.0% directly owned by the Ascendas group. As at the Latest Practicable Date, Ascendas owns an aggregate interest of 22.9% 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.

A-REIT may be involved in legal and other proceedings from time to time.

A-REIT may be involved from time to time in disputes with various parties such as contractors, sub-contractors, consultants, suppliers, construction companies, purchasers and other partners involved in the asset enhancement, operation and purchase of its properties. These disputes may lead to legal and other proceedings, and may cause A-REIT to suffer additional costs and delays. In addition, A-REIT may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable orders, directives or decrees that result in financial losses and delay the construction or completion of its projects.

The outbreak of an infectious disease or any other serious public health concerns in Asia and elsewhere could adversely impact the business, financial condition and results of operations of A-REIT.

In 2009, outbreaks of Influenza A (H1N1-2009) occurred in several countries across the world including Singapore.

In late 2003 and June 2004, outbreaks of avian influenza occurred in several countries in Asia. In 2005 and 2006, outbreaks were reported in other parts of the world including Europe, the Middle East and Africa. Some of these outbreaks severely affected the poultry and related industries and, in addition, several cases of bird-to-human transmission of avian influenza were reported in various countries. In June 2007, World Health Organisation reported new cases of human infection of avian influenza (H5N1) in China and Indonesia.

In 2003, Hong Kong, Taiwan, China, Singapore, Malaysia and other places experienced an outbreak of Severe Acute Respiratory Syndrome, which adversely affected the Asian economies, including Singapore. Property was one sector that experienced poor performance during the Severe Acute Respiratory Syndrome outbreak.

The outbreak of an infectious disease such as Influenza A (H1N1-2009), avian influenza or Severe Acute Respiratory Syndrome in Asia and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities in Asia and could thereby adversely impact the revenues and results of A-REIT. There can be no assurance that any precautionary measures taken against infectious diseases would be effective. A future outbreak of an infectious disease or any other serious public health concerns in Asia could have an adverse effect on the business, financial condition and results of operations of A-REIT.

Terrorist attacks, other acts of violence or war and adverse political developments may affect the business, financial condition and results of operations of A-REIT.

The terrorist attacks that destroyed the World Trade Center in New York City on 11 September 2001, in Bali on 12 October 2002 and on 1 October 2005, in Jakarta on 5 August 2003 and 17 July 2009, and in Mumbai in November 2008, together with the military activities of the U.S. and its allies in Afghanistan and Iraq, have resulted in substantial and continuing economic volatility and

social unrest in Southeast Asia. Terrorist attacks in Thailand and other areas of Southeast Asia, have exacerbated this volatility. Further developments stemming from these events or other similar events could cause further volatility. Any additional significant military or other response by the U.S. and/or its allies or any further terrorist activities could also materially and adversely affect international financial markets and the Singapore economy which may in turn adversely affect the operations, revenues and profitability of A-REIT. The consequences of any of these terrorist attacks or armed conflicts are unpredictable, and A-REIT may not be able to foresee events that could have an adverse effect on its business, financial condition and results of operations.

RISKS ASSOCIATED WITH THE OPERATION OF THE PROPERTIES HELD BY A-REIT

The properties held by A-REIT may face competition from other properties.

There are many business space and industrial properties in Singapore that compete with A-REIT's properties in attracting tenants. The properties held by A-REIT may also compete with properties that may be developed in the future.

The loss of tenants may adversely affect the business, financial condition and results of operations of A-REIT.

A-REIT's financial condition, results of operations, ability to lease properties and/or make distributions and the value of its property portfolio may be adversely affected by the bankruptcy, insolvency or downturn in the business of tenants, including the decision by such tenants not to renew their leases or terminate their leases before they expire.

A-REIT's properties or a part of them may be subject to compulsory acquisition by the Government of Singapore.

The Land Acquisition Act, Chapter 152 of Singapore, gives the Government of Singapore the power to, among other things, acquire any land in Singapore:

- for any public purpose;
- where the acquisition is of public benefit or of public utility or in the public interest; or
- for any residential, commercial or industrial purpose.

The compensation to be awarded pursuant to any such compulsory acquisition would be based on, among other factors:

- (i) the market value of the property as at the date of the publication in the Government Gazette of the notification of the likely acquisition of the land (provided that within six months from the date of publication of such notification, a declaration of intention to acquire is made by publication in the Government Gazette); or
- (ii) the market value of the property as at the date of publication in the Government Gazette of the declaration of intention to acquire, where such declaration is made after six months of the notification.

Accordingly, if the market value of a property or part thereof which is acquired is greater than the market values referred to above, the compensation paid in respect of the acquired property may be less than its market value and this would have an adverse effect on the assets of A-REIT.

A-REIT may suffer an uninsured loss.

A-REIT maintains insurance policies in line with general business practices in Singapore in the real estate and business space and industrial properties sectors, with policy specifications and insured limits which A-REIT believes are practical adequate. Risks insured against include property damage and public liability. There are, however, certain types of losses (such as from wars or acts of God) that generally are not insured because they are either uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits occur, A-REIT could be required to pay compensation, suffer loss capital invested in the relevant property, or anticipated future revenue from that property. A-REIT would also remain liable for any debt that is with recourse to A-REIT and may remain liable for any mortgage indebtedness or other financial obligations related to the relevant property. Any such loss could adversely affect the results of operations and financial condition of A-REIT. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future or that adequate insurance coverage for A-REIT will be available in the future on commercially reasonable terms or at commercially reasonable rates.

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:

- vacancies following the expiry or termination of tenancies that lead to reduced occupancy rates which reduce A-REIT's gross revenue and its ability to recover certain operating costs through service charges;
- the ability of the property managers of A-REIT to collect rent from tenants on a timely basis or at all;
- tenants requesting for rental rebates due to the impact of the current economic downturn;
- tenants requesting waiver of interest on late payment of rent;
- 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;
- tenants seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income at all, 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;
- 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;
- the local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for, business space and industrial space, changes in market rental rates and operating expenses for A-REIT's properties);
- the Manager's ability to provide adequate management and maintenance or to purchase or put in place adequate insurance;

- competition for tenants from other similar properties which may affect rental income or occupancy levels at A-REIT's properties;
- 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
- natural disasters, acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases and other events beyond the control of the Manager.

The properties held by A-REIT may be subject to increases in property expenses.

A-REIT's ability to make distributions to Unitholders could be adversely affected if property expenses, such as maintenance charges, property management fees, property taxes and other operating expenses increase without a corresponding increase in revenue.

Factors which could increase property expenses include any:

- increase in the amount of maintenance charges for any affected properties held by A-REIT;
- increase in property taxes and other statutory charges;
- change in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure 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;
- increase in utility charges;
- increase in sub-contracted service costs;
- inflation;
- increase in insurance premiums; and
- damage or defect affecting any properties held by A-REIT which needs to be rectified, leading to unforeseen capital expenditure.

A-REIT is exposed to general risks associated with relying on third-party contractors to provide various services.

A-REIT engages third-party contractors to provide various services in connection with its business space and industrial developments and asset enhancement initiatives, including construction, piling and foundation, building and property fitting-out works, alterations and additions, interior decoration, installation of air-conditioning units and lifts, and gardening and landscaping works. A-REIT is exposed to the risk that a third-party contractor may incur costs in excess of project estimates, which may have to be borne by A-REIT in order to complete the project. Furthermore, major third-party contractors may experience financial or other difficulties which may affect their

ability to carry out construction works, thus delaying the completion of development projects or resulting in additional costs to A-REIT. There can also be no assurance that the services rendered by the third-party contractors will always be satisfactory or match A-REIT's targeted quality levels. All of these factors could have an adverse effect on the business, financial condition and results of operations of A-REIT.

RISKS ASSOCIATED WITH AN INVESTMENT IN THE UNITS

The trading price of the Units has been, and may continue to be, volatile.

The trading price of the Units has been, and may continue to be, subject to large fluctuations. The trading price of the Units may increase or decrease in response to a number of events and factors, including:

- quarterly variations in operating results;
- changes in estimates and recommendations by securities analysts;
- the operating and stock price performance of companies in the real estate industry and other REITs;
- developments affecting A-REIT, its tenants or its competitors;
- valuations of the properties held by A-REIT;
- changes to the regulatory system, including the tax system, both generally and specifically in relation to Singapore REITs;
- changes in general economic conditions; and
- other events or factors described in this Offer Information Statement.

This volatility may adversely affect the trading price of the Units regardless of A-REIT's operating performance.

A-REIT may not be able to make distributions or the level of distributions may fall.

The income which A-REIT earns from its real estate investments depends on, among other things, its debt-servicing requirements, the amount of rental income received, and the level of property expenses and operating expenses incurred. If the properties held by A-REIT do not generate sufficient income, its cash flow and ability to make distributions will be adversely affected. There can be no assurance that the level of distributions will increase over time, that there will be contractual increases in rent under the leases of the properties held by A-REIT or that the receipt of rental revenue in connection with any enhancement of the properties held by A-REIT or future acquisitions of properties will increase A-REIT's income available for distribution to Unitholders.

The Singapore Code on Take-overs and Mergers may discourage or prevent certain types of transactions.

The SFA and the Singapore Code on Take-overs and Mergers contains certain provisions that may delay, deter or prevent a future take-over or change in control of A-REIT. Any person acquiring an interest (either on his or her own or together with parties acting in concert with him or her) in:

- (i) 30.0% or more of the total Units; or
- (ii) when holding not less than 30.0% but not more than 50.0% of the total Units, more than 1.0% of the total Units in any six-month period,

will be required to make a general offer for the remaining Units. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change of control of A-REIT. Some of the Unitholders may, therefore, be disadvantaged as a transaction of that kind might have allowed the sale of Units at a price above the prevailing market price.

GENERAL INFORMATION

LEGAL AND ARBITRATION PROCEEDINGS

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 lodgement of this Offer Information Statement, a material effect on the financial position or profitability of A-REIT.

MATERIAL CONTRACTS

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 before the date of lodgement of this Offer Information Statement, save for:

- (i) the placement agreement entered into on 15 January 2009 between the Manager and Citigroup Global Markets Singapore Pte. Ltd. and Macquarie Capital Securities (Singapore) Pte. Limited in connection with an equity fund raising to raise S\$408.0 million; and
- (ii) the placement agreement entered into on 11 August 2009 between the Manager and Cazenove & Co. (Singapore) Pte. Limited (a Standard Chartered group company) and DBS Bank Ltd in connection with the Private Placement.

BREACH OF TERMS AND CONDITIONS OR COVENANTS OF CREDIT ARRANGEMENT OR BANK LOAN

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.

SIGNIFICANT CHANGES

Save as disclosed in this Offer Information Statement, to the best of the Manager's knowledge and belief, no event has occurred from 30 June 2009, being the last day of the period covered by the 2009/10 First Quarter Unaudited Financial Statements, to the Latest Practicable Date, which may have a material effect on the financial position and results of A-REIT.

TRADING OF UNITS

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

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

STATEMENT BY EXPERTS

No statement or report attributed to an expert is included in this Offer Information Statement.

CONSENTS FROM ISSUE MANAGERS AND UNDERWRITERS

Each of Cazenove & Co. (Singapore) Pte. Limited (a Standard Chartered group company) and DBS Bank Ltd has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to being named in this Offer Information Statement as a Joint Lead Manager and Underwriter to the Private Placement.

AUTHORITY TO ISSUE NEW UNITS

The New Units will be issued pursuant to a general mandate given by Unitholders to the Manager at the extraordinary general meeting of Unitholders held on 30 June 2009, pursuant to which the Manager may, during the period from 30 June 2009 to 30 June 2010, issue new Units and/or Convertible Securities such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the Base Figure, of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a pro rata basis to existing Unitholders, shall not be more than 20.0% of the Base Figure.

RESULTS OF THE ALLOTMENT

An announcement though the SGXNET will be made by the Manager within one Market Day after the occurrence of each of the following events:

- (i) completion of the book-building process; and
- (ii) allotment of the New Units to the persons acquiring the New Units under the Private Placement.

The Manager will announce the results of the Private Placement through an SGXNET announcement to be posted on the SGX-ST website at www.sgx.com.

CREDITING OF UNITS

No certificate shall be issued to Unitholders by either the Manager or the Trustee, in respect of the New Units. For so long as A-REIT is listed, quoted and traded on the SGX-ST and the Units have not been suspended from such listing, quotation and trading for more than 60 consecutive calendar days or de-listed permanently, The Central Depository (Pte) Limited (“**CDP**”) shall be appointed by the Manager as the Unit depository for A-REIT, and all Units issued will be represented by entries in the register of 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 dated 9 October 2002 entered into between CDP, the Manager and the Trustee. The Manager or the agent appointed by the Manager shall issue to CDP no later than 14 days after the issue of Units, a confirmation note confirming the

date of issue and the number of Units so issued and for the purposes of the Trust Deed, such confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

MISCELLANEOUS

A-REIT is subject to the Code on Collective Investment Schemes issued by the Authority. The Code on Collective Investment Schemes can be found on the website of the Authority at www.mas.gov.sg.

Save as disclosed in this Offer Information Statement, including the Appendix 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 certain assumptions and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecasts. See the section entitled "Risk Factors" of this Offer Information Statement for further details. Under no circumstances should the inclusion of such information herein 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.

There are no pre-emptive rights to subscribe for or purchase the New Units.

Dated 11 August 2009

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

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)

GLOSSARY

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

2006/07 Audited Financial Statements	:	The audited financial statements of A-REIT for the financial year ended 31 March 2007
2007/08 Audited Financial Statements	:	The audited financial statements of A-REIT for the financial year ended 31 March 2008
2008/09 Audited Financial Statements	:	The audited financial statements of A-REIT for the financial year ended 31 March 2009
2009/10 First Quarter Unaudited Financial Statements	:	The unaudited financial statements of A-REIT for the financial quarter ended 30 June 2009
Advanced Distribution	:	The declared 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, in respect of the Existing Units
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
Authority	:	Monetary Authority of Singapore
A-REIT	:	Ascendas Real Estate Investment Trust
Base Figure	:	The number of Units in issue as at 30 June 2009
CDP	:	The Central Depository (Pte) Limited
CMBS	:	Commercial mortgage-backed securities
Convertible Securities	:	Convertible securities or other instruments (including but not limited to warrants) which may be convertible into Units
Deposited Property	:	The total assets of A-REIT, including all its authorised investments held or deemed to be held upon the trusts under the Trust Deed
Directors	:	The directors of the Manager
DPU	:	Distribution per Unit
EPU	:	Earnings per Unit
Existing Units	:	The Units in issue on the day immediately prior to the date on which the New Units are issued under the Private Placement
Financial Statements	:	The 2006/07 Audited Financial Statements, the 2007/08 Audited Financial Statements, the 2008/09 Audited Financial Statements and the 2009/10 First Quarter Unaudited Financial

Statements, of which certain selected data is set out in **Appendix A** of this Offer Information Statement

FY	:	Financial Year
Issue Price	:	The issue price per New Unit, which will be determined by the Manager and the Joint Lead Managers and Underwriters after an accelerated book-building process
Issue Price Range	:	Between S\$1.63 and S\$1.70 per New Unit
Joint Lead Managers and Underwriters	:	Cazenove & Co. (Singapore) Pte. Limited (a Standard Chartered group company) ¹ and DBS Bank Ltd, as the joint lead managers and underwriters for the Private Placement
Latest Practicable Date	:	9 August 2009, being the latest practicable date prior to the lodgement of this Offer Information Statement
Manager	:	Ascendas Funds Management (S) Limited, as manager of A-REIT
Market Day	:	A day on which the SGX-ST is open for trading in securities
Minimum Issue Price	:	S\$1.63 per New Unit (which is the lower end of the Issue Price Range)
Moody's	:	Moody's Investors Service Inc.
MTI	:	Ministry of Trade and Industry
MTN	:	Medium Term Note
NAV	:	Net asset value
New Units	:	The new Units to be issued by the Manager pursuant to the Private Placement
Offer Information Statement	:	This offer information statement to Unitholders dated 11 August 2009
Placement Agreement	:	The placement agreement dated 11 August 2009 entered into between the Manager and the Joint Lead Managers and Underwriters
Private Placement	:	The offer and placement of new Units by way of a private placement of 185,000,000 new Units to institutional and other investors at an Issue Price which is within the Issue Price Range
Property Fund Guidelines	:	The Property Fund Guidelines in Appendix 2 of the Code on

¹ Cazenove & Co. (Singapore) Pte. Limited is a wholly-owned subsidiary of Cazenove Asia Limited and a Standard Chartered group company. The mark "Cazenove" and marks containing "Cazenove" are trade marks of Cazenove IP Limited and are used under limited licence. Cazenove Asia Limited, its subsidiaries and affiliated companies are now subsidiaries or affiliated companies of Standard Chartered Bank (Hong Kong) Limited, and are not affiliated with JPMorgan Cazenove Limited, Cazenove Inc., or their subsidiaries.

	: Collective Investment Schemes issued by the Monetary Authority of Singapore
Regulation S	: Regulation S under the Securities Act
REIT	: Real estate investment trust
Securities Act	: U.S. Securities Act of 1933, as amended
SFA	: Securities and Futures Act, Chapter 289 of Singapore
SGX-ST	: Singapore Exchange Securities Trading Limited
SingTel	: Singapore Telecommunications Limited
Sq m	: Square metres
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, as trustee of A-REIT
URA	: Urban Redevelopment Authority of Singapore
Underwriting Commission	: The selling and underwriting commission which the Joint Lead Managers and Underwriters will be entitled to pursuant to the Underwriting Agreement
Unit	: A unit representing an undivided interest in A-REIT
Unitholder	: The Depositor whose securities account with CDP is credited with Unit(s)
Unit Registrar	: Boardroom Corporate & Advisory Services Pte. Ltd.
U.S. or United States	: United States of America
S\$ and cents	: Singapore dollars and cents
%	: Per centum or percentage

The terms “Depositor” and “Depository Agent” shall 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 shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

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

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

All figures in this Offer Information Statement unless expressed differently or otherwise stated are rounded off to one decimal place.

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

The information contained in the Manager's website does not constitute part of this Offer Information Statement.

APPENDIX A

CERTAIN FINANCIAL INFORMATION RELATING TO A-REIT

Selected financial data from the 2006/07 Audited Financial Statements, the 2007/08 Audited Financial Statements, the 2008/09 Audited Financial Statements and the 2009/10 First Quarter 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 per Unit and earnings per Unit after any adjustment to reflect the issue of New Units is also set out below.

Such selected financial data should be read together with the relevant notes to the Financial Statements, which are available on the website of A-REIT at 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.

The 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) will be appreciated.

Statement of Total Return

	3 months ended		Financial year ended		
	30 June		31 March		
	2009	2008	2009	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000
Gross revenue	102,441	92,537	396,534	322,270	283,007
Property operating expenses	(21,730)	(22,837)	(99,916)	(78,780)	(72,660)
Net Property income	80,711	69,700	296,618	243,490	210,347
Interest income	3	3	29	114	332
Management fees	(5,692)	(5,404)	(31,698)	(25,579)	(21,607)
Trust expenses	(641)	(1,921)	(4,715)	(2,508)	(1,913)
Finance costs	(15,510)	(12,824)	(59,485)	(40,537)	(38,777)
Net income	58,871	49,554	200,749	174,980	148,382
Net (depreciation)/appreciation on revaluation of investment properties	-	-	(115,443)	494,141	188,712
Total return for the period/year before income tax	58,871	49,554	85,306	669,121	337,094
Income tax expense	-	-	-	-	-
Total return for the period/year	58,871	49,554	85,306	669,121	337,094
Non-tax deductible expenses, net	2,166	2,229	10,174	12,289	15,442
Net depreciation/(appreciation) on revaluation of investment properties	-	-	115,443	(494,141)	(188,712)
Income available for distribution	61,037	51,783	210,923	187,269	163,824
Distribution per Unit (cents)	3.62	3.89	15.18	14.13	12.75
Earnings per Unit (cents)	3.50	3.72 ⁽¹⁾	6.11	50.31 ⁽¹⁾	26.13 ⁽¹⁾
Pro forma earnings per Unit adjusted to reflect the issue of New Units pursuant to the Private Placement (cents)	3.15	3.27	5.40	44.17	22.85

Note:

(1) In accordance to FRS 33, comparative earnings per Unit ("EPU") and weighted average number of Units for calculation of EPU have been restated to account for the effects of the equity fund raising in January/February 2009.

Balance Sheets

	As at 30 June 2009	As at 31 March 2009
Non-Current Assets		
Investment properties	4,436,982	4,425,735
Investment properties under development	128,181	76,343
Plant and equipment	4,737	5,012
Other receivables	1,404	1,503
Total Non-Current Assets	4,571,304	4,508,593
Current Assets		
Trade and other receivables	20,775	22,230
Cash and cash equivalents	6,810	16,735
Total Current Assets	27,585	38,965
Current Liabilities		
Trade and other payables	160,798	147,281
Securities deposits	34,490	34,055
Deferred payments	10,206	9,706
Derivative liabilities	1,870	635
Interest-bearing term loans	599,935	599,827
Interest-bearing short term borrowings	114,000	245,500
Total Current Liabilities	921,299	1,037,004
Net Current Liabilities	(893,714)	(998,039)
Non-Current Liabilities		
Securities deposits	834	815
Deferred payments	12,935	13,272
Derivative liabilities	41,628	50,061
Interest-bearing term loans	893,016	743,367
Total Non-Current Liabilities	948,413	807,515
Net assets	2,729,177	2,703,039
Represented by:		
Unitholders' funds	2,729,177	2,703,039
Units on issue ('000)	1,684,920	1,683,473
Net asset value per unit (\$)	1.62	1.61

Statement of Cash Flows

	3 months ended 30 June 2009	Financial year ended 31 March 2009
	\$'000	\$'000
Operating activities		
Net income	58,871	200,749
Adjustment for:		
Interest income	(3)	(29)
Net impairment loss written back	(35)	(222)
Finance costs	15,510	59,485
Management fees paid/payable in units	1,138	4,521
Depreciation of plant and equipment	275	1,101
Operating income before working capital changes	75,756	265,605
Changes in working capital:		
Trade and other receivables	1,589	(3,563)
Trade and other payables	(12,519)	(19,394)
Cash flows from operating activities	64,826	242,648
Investing activities		
Purchase of investment properties (including acquisition charges)	-	(194,240)
Payment for investment properties under development	(34,806)	(168,937)
Payment for capital improvement projects	(852)	(4,819)
Payment for deferred settlements	-	(18,980)
Cash flows from investing activities	(35,658)	(386,976)
Financing activities		
Equity issue costs paid	(84)	(8,189)
Proceeds from issue of Units	-	407,984
Distributions paid to Unitholders	(42,087)	(217,611)
Finance costs paid	(15,425)	(54,675)
Interest received	3	29
Proceeds from borrowings	212,000	584,780
Repayment of borrowings	(193,500)	(556,680)
Cash flows from financing activities	(39,093)	155,638
Net (decrease)/increase in cash and cash equivalents	(9,925)	11,310
Cash and cash equivalents at beginning of financial period/year	16,735	5,425
Cash and cash equivalents at end of financial period/year	6,810	16,735



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