



(Constituted in the Republic of Singapore
pursuant to a trust deed dated 9 October 2002 (as amended))

**Update on A-REIT's tenant, T.T. International Tradepark Pte Ltd,
a wholly owned subsidiary of TT International Ltd**

12 November 2008, Singapore – On 31 October 2008, TT International Limited (“**TTIL**”) announced that their bankers had not agreed to renew facilities extended to it. On 7 November 2008, TTIL announced that it had defaulted on the repayment of the notes under its MTN programme as it was not in a position to make payment. Ascendas Funds Management (S) Limited (“**the Manager**”), the Manager of Ascendas Real Estate Investment Trust (“**A-REIT**”), wishes to state the following:

1. TT International Limited is the parent company of T.T. International Tradepark Pte Ltd (“**TTIT**”) which is a tenant in A-REIT's portfolio. The property comprises a 6-storey warehouse and an adjacent 10-storey office building. It is situated near the Jurong East MRT station and in close proximity to the International Business Park. It is also accessible via the Ayer Rajah Expressway and Pan Island Expressway. With a net lettable area of 42,765 sqm, the property accounts for about 2.3% of A-REIT's portfolio total net lettable area.
2. TTIT has a 10-year lease with effect from March 2004 and accounts for about 1.8% of A-REIT's total gross monthly revenue as at 30 September 2008. The current passing rent is S\$14.03 psm (S\$1.30 psf pm) per month. At this juncture, TTIT is not in arrears on its rental obligation.
3. TTIT has placed a security deposit equivalent to 11.4 months' rent (S\$6.86 million) with A-REIT. If the tenant should default on its rental or lease obligations, this security deposit could be used to offset any potential negative impact on A-REIT's financial results in the near term.
4. In addition, the Master Plan 2008 announced by the Urban Redevelopment Authority has earmarked the Jurong Lake District (Jurong East and Jurong

Lake) to be developed into the biggest lakeside destination for business and leisure. This district will serve as a vibrant commercial area (Jurong Gateway) and a waterfront leisure destination (Lakeside). The strategic location of the property will be advantageous to re-letting should there be a need to market the space. Also, there is future potential to reposition the property into a Hi-Tech Industrial building due to its favorable location and building specifications.

5. The Manager is monitoring the situation closely and will take necessary actions to mitigate A-REIT's risk exposure.

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For enquiries, please contact:

Sabrina Tay
Snr Executive, Corporate Communications
Ascendas Funds Management (S) Ltd
Tel : +65 6508 8840
Mobile : +65 9833 5833
Email: sabrina.tay@ascendas-fms.com

Tan Shu Lin (Ms)
Head, Capital Markets
Ascendas Funds Management (S) Ltd
Tel: +65 6508 8822
Mobile: +65 9683 1500
Email: shulin.tan@ascendas-fms.com

Important Notice

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 the Units are listed. It is intended that unitholders of A-REIT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.