



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

ANNOUNCEMENT
PAYMENT OF BASE FEE & ACQUISITION FEES
BY WAY OF ISSUE OF UNITS
IN ASCENDAS REAL ESTATE INVESTMENT TRUST

The Board of Directors of Ascendas Funds Management (S) Limited ("**Ascendas-FMS**") wishes to announce that 2,144,573 units ("**Units**") in Ascendas Real Estate Investment Trust ("**A-REIT**") have been issued to Ascendas-FMS, in its capacity as Manager of A-REIT. The Units were for payment of 20% of the base management fee ("**Base Management Fee**") for the period from 19 May 2008 to 18 November 2008 and acquisition fees ("**Acquisition Fee**") payable in units for the acquisitions of CGGVeritas Hub and Science Hub & Rutherford which were completed on 25 March 2008 and 26 March 2008 respectively.

- 1,871,191 Units were allotted today for settlement of 20% of the Base Management Fee at an issue price of S\$1.2232 per Unit; and
- 273,382 Units were allotted today for settlement of the Acquisition Fee at an issue price of S\$2.5521 per Unit.

The Base Fee is calculated in the Trust Deed constituting A-REIT (the "**Trust Deed**") by taking 0.5% per annum of the value of the total assets of A-REIT. In accordance with the Trust Deed, the issue price was determined based on the volume weighted average traded price for a unit for all trades done on Singapore Exchange Securities Trading Limited ("**SGX-ST**") in the ordinary course of trading on the SGX-ST for 10 business days (i.e. from 1 December 2008 to 15 December 2008) immediately preceding the date of issue of Units to Ascendas-FMS.

In accordance with the Trust Deed, the Manager may elect from time to time to receive both its Base Management Fee and performance fee wholly in units or wholly in cash or in any combination of both. The Manager has elected to receive 20% of the Base Management Fee in Units and 80% in cash for all properties and performance fee, if any, in units. This arrangement aligns the interest of the Manager with the interests of the Unitholders of A-REIT.

In accordance with the Trust Deed and the Property Funds Guidelines, when A-REIT acquires real estate assets from interested parties, the Acquisition Fee shall be paid in the form of units issued by A-REIT at the prevailing market price. The units should not be sold within one year from their date of issuance. The issue price of the units for the Acquisition Fee was determined based on the volume weighted average traded price for a unit for all trades done on SGX-ST in the ordinary course of trading on the SGX-ST from 6 May 2008 to 20 May 2008 which is 10 days preceding the date which the Acquisition Fee was due.

Following the above issue of Units, the total A-REIT units on issue is 1,331,763,013 of which Ascendas-FMS's holding is 23,821,380 units or approximately 1.79%.

By Order of the Board

Ascendas Funds Management (S) Limited (Company Registration No. 200201987K)
as Manager of Ascendas Real Estate Investment Trust

Ms Maria Theresa Belmonte
Assistant Company Secretary
16 December 2008

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

A-REIT is Singapore's first listed business space and industrial real estate investment trust. It has a diversified portfolio of 88 properties in Singapore, comprising business and science park properties, hi-tech industrial properties, light industrial properties, and logistics and distribution centres, with total assets of about S\$4.6 billion. These properties house a tenant base of over 860 international and local companies from a wide range of industries and activities, including research and development, life sciences, information technology, engineering, light manufacturing, logistics service providers, electronics, telecommunications, manufacturing services and back-room office support in service industries. Major tenants include SingTel, C&P Logistics, Siemens, Honeywell, Zuellig Pharma, LFD (Singapore), OSIM International, Venture Corporation, Federal Express, Freight Links Express, Johnson & Johnson, RSH, Infineon Technologies, Procter & Gamble and Hyflux.

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

A corporate family credit rating of A3 was assigned to A-REIT by Moody's Investors Service in December 2005 and reaffirmed in January 2008.

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

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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 Singapore Stock Exchange ("**SGX-ST**").

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

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.