



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

**PROPOSED PRIVATE PLACEMENT OF 258,000,000 NEW UNITS (“NEW UNITS”)
IN ASCENDAS REAL ESTATE INVESTMENT TRUST (“A-REIT”)
AT AN ISSUE PRICE OF S\$1.16 PER NEW UNIT**

1. Introduction

Further to its announcement dated 15 January 2009 in relation to, among other things, the private placement of 258,000,000 new units in A-REIT (“**Private Placement New Units**”) at an issue price of between S\$1.13 and S\$1.16 per Private Placement New Unit (the “**Private Placement**”), the Board of Directors of Ascendas Funds Management (S) Limited, in its capacity as the manager of A-REIT (the “**Manager**”), is pleased to announce that the Private Placement has been fully subscribed and that Citigroup Global Markets Singapore Pte. Ltd. and Macquarie Capital Securities (Singapore) Pte. Limited, as joint lead managers and underwriters for the Equity Fund Raising (as defined in A-REIT’s announcement dated 15 January 2009) (the “**Joint Lead Managers and Underwriters**”), in consultation with the Manager, have closed the book of orders for the Private Placement.

The issue price per Private Placement New Unit has been fixed at S\$1.16 per Private Placement New Unit (the “**Issue Price**”), as agreed between (i) the Manager and (ii) the Joint Lead Managers and Underwriters, following an accelerated book building process.

The issue price of S\$1.16 per Private Placement New Unit represents a discount of 7% to the adjusted volume weighted average price (“**Adjusted VWAP**”) ¹ of S\$1.2469 per units in A-REIT (“**Unit**”) for the full Market Day on 15 January 2009. The Issue Price of S\$1.16 for the Private Placement New Units is also the issue price for the New Units to be issued pursuant to the Preferential Offering (as described in the announcement dated 15 January 2009 issued by the Manager in relation to the launch of the equity fund raising).

2. Listing of and Quotation for the Private Placement New Units

The trading of the Private Placement New Units on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) is currently expected to commence on 21 January 2009.

¹ The Adjusted VWAP is computed based on the volume weighted average price of all trades in the Units on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the full Market Day (being a day on which the SGX-ST is open for trading in securities) on 15 January 2009 and subtracting the estimated Cumulative Distribution (as defined below) of 4.78 cents per Unit.

This announcement is not an offer of securities for sale into the United States, Canada or Japan. The securities described herein may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended) unless they are registered or exempt from registration. There will be no public offer of securities in the United States.

3. Status of the Private Placement New Units

A-REIT's policy is to distribute its distributable income on a quarterly basis to unitholders of A-REIT ("**Unitholders**"). In connection with the Private Placement, the Manager however intends to declare, in lieu of the scheduled distribution in respect of the period from 1 October 2008 to 31 December 2008, a distribution of the distributable income for the period from 1 October 2008 to the day immediately prior to the date on which the Private Placement New Units are issued (the "**Cumulative Distribution**").

The current expectation of the Manager is that the quantum of the distribution per unit in A-REIT ("**Unit**") under the Cumulative Distribution will be approximately 4.78 cents, which comprises the following:

- (i) a distribution for period from 1 October 2008 to 31 December 2008 of 4.05 cents; and
- (ii) a distribution for period from 1 January 2009 to the day immediately prior to the date on which the Private Placement New Units are issued, which is expected to be on 21 January 2009, of approximately 0.73 cents².

The actual quantum of the distribution per Unit under the Cumulative Distribution will be announced on a later date after the management accounts of A-REIT for the relevant period have been finalised.

The next distribution thereafter will comprise A-REIT's distributable income for the period from the day the Private Placement New Units are issued to 31 March 2009. Quarterly distributions will resume thereafter. By implementing the Cumulative Distribution, distributable income accrued by A-REIT up to the day immediately preceding the date of issue of the Private Placement New Units will only be distributed in respect of the then existing Units.

The Private Placement New Units 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 Private Placement New Units are issued, other than in respect of the entitlement to the Cumulative Distribution and the eligibility to participate in the preferential offering of up to 95,932,777³ new Units to Entitled Unitholders⁴ (the "**Preferential Offering**"). For the avoidance of

2 The estimated distribution for the period from 1 January 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 December 2008 actual revenue and expenses with the assumption that the performance fees payable in the fourth quarter of A-REIT's financial year 2008/2009 is pro-rated over the stated period, and that such fees are paid in cash.

3 Taking into account the provisional allotments of New Units of Entitled Unitholders on the basis of one New Unit for every 15 existing Units held on the books closure date to determine the entitlements to the Preferential Offering (as defined below) and the additional New Units that would be provisionally allotted as a result of the Rounding Mechanism (as described in the announcement dated 15 January 2009 issued by the Manager in relation to the launch of the equity fund raising).

4 Unitholders as at 5.00 p.m. on 23 January 2009 (the "**Books Closure Date**") other than those whose registered addresses with The Central Depository (Pte) Limited ("**CDP**") are outside Singapore, and who have not, at least three Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices

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doubt, the holders of the Private Placement New Units will not be entitled to the Cumulative Distribution or be eligible to participate in the Preferential Offering.

BY ORDER OF THE BOARD
ASCENDAS FUNDS MANAGEMENT (S) LIMITED
(Company Registration No. 200201987K)
(as manager of Ascendas Real Estate Investment Trust)

Maria Theresa Belmonte
Assistant Company Secretary
15 January 2009

Important Notice

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

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

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

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

and documents. The holders of the Private Placement New Units are not entitled to participate in the Preferential Offering and will not be considered Entitled Unitholders for the purposes of the Preferential Offering.

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