



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

**PROPOSED ISSUE OF EXCHANGEABLE COLLATERALISED SECURITIES
BY RUBY ASSETS PTE. LTD.**

Ascendas Funds Management (S) Limited, as manager of Ascendas Real Estate Investment Trust (“**A-REIT**”, and as manager of A-REIT, the “**Manager**”), is pleased to announce that Ruby Assets Pte. Ltd. (the “**Issuer**”), a special purpose vehicle, has launched an offering of S\$300 million exchangeable collateralised securities of seven-year maturity (the “**ECS**”), exchangeable into new units in A-REIT (“**Exchange Units**”), to institutional investors and accredited investors.

It is intended that the proceeds arising from the issue of the ECS will be applied towards on-lending by the Issuer to HSBC Institutional Trust Services (Singapore) Limited, as trustee of A-REIT (the “**Trustee**”), by way of a secured convertible loan (the “**Collateral Loan**”) pursuant to a facility agreement to be entered into between the Trustee and the Issuer (the “**Facility Agreement**”). A-REIT will in turn apply the Collateral Loan towards refinancing existing borrowings, financing acquisitions and development of properties by A-REIT and/or for the general working capital purposes of A-REIT.

The ECS will have a cash settlement feature, being an option for the Issuer to pay cash in lieu of delivering Exchange Units in order to satisfy the exchange right of a holder of the ECS (“**ECS Holder**”) under the terms and conditions of the ECS in full or in part. Similarly, the Collateral Loan will have a cash settlement feature giving the Trustee the option to pay cash to the Issuer or the relevant ECS Holder (on behalf of the Issuer) in lieu of delivering Exchange Units in order to satisfy the Issuer’s conversion right under the Facility Agreement in full or in part.

Citigroup Global Markets Singapore Pte. Ltd. has been appointed as the sole bookrunner and lead manager (the “**Lead Manager**”) of the issue of the ECS (the “**Issue**”). The Issue is expected to be assigned an “AAA” rating by Standard & Poor’s Rating Services and an “Aaa” rating by Moody’s Investors Service.

The terms and conditions of the ECS are to be agreed between the Manager and the Lead Manager following an accelerated book building process and pricing in relation to the Issue. An announcement will be made by the Manager of the definitive terms of the ECS when priced. An application will be made for the listing of the ECS and the Exchange Units to be issued upon exchange of the ECS on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Issue is conditional upon, *inter alia*, the approval in-principle of the SGX-ST for the listing of the ECS and the Exchange Units.

The closing date for the Issue is expected to be by end March 2010.

None of the directors and substantial shareholders of the Manager and the substantial unitholders of A-REIT have any interest, direct or indirect, in the Issue.

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

15 March 2010

Important Notice

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

The ECS and the Exchange Units have not been, and will not be registered under the U.S. Securities Act 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States, except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act. This notice is for information purposes only and does not constitute an offer or sale of ECS or Exchange Units in the United States or any other jurisdiction. Neither this notice nor any portion hereof may be sent or transmitted into the United States or any jurisdiction where to do so is unlawful. Any failure to comply with these restrictions may constitute a violation of the United States securities law or the securities laws of any such other jurisdiction.

This announcement 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.

The value of Units and ECS, 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 and/or ECS 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.

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