

Press Release
20 May 2011



A-REIT tenders for Business Park Site at Fusionopolis for S\$110 million

20 May 2011, Singapore – The Board of Directors of Ascendas Funds Management (S) Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”), is pleased to announce that A-REIT has submitted a bid of S\$110 million for a 6,253-sqm site (the “**Site**”) at Fusionopolis within the one-north (“**one-north**”) master plan region. The tender for the Site was launched under the Government Industrial Land Sales Programme by the Jurong Town Corporation (“**JTC**”).

If A-REIT is awarded the Site, it will be developed into a modern suburban business facility of 25,000 sqm GFA comprising 60% business park space and 40% office space to cater to prospective tenants in the Infocomm Technology (“**ICT**”) and Media industries as well as research and development activities in Physical Science and Engineering.

In addition, this Site will allow A-REIT to further widen its product offerings in catering to the knowledge and value-based type industries and an opportunity to further diversify its customer base. This property, together with A-REIT’s existing properties within the one-north region as well as the neighbouring Science Park I & II will enable A-REIT to enhance its market leadership position in the Business & Science Parks segment as well as extracting economies of scale in operations.

About the Site

Located within walking distance to the one-north Mass Rapid Transit (“**MRT**”) station which is expected to be operational in 4Q2011, the Site has a land area of 6,253 sqm with a 60-year land lease tenure and an allowable plot ratio of 4.0 times. The Site is also easily accessible via the Ayer Rajah Expressway.



Source: Onemap.sg

The total development cost of the property is not expected to exceed 3.3% of A-REIT's deposited property as at 31 Mar 2011.

Rationale for the investment

The strategic location of the Site will reinforce A-REIT's presence and market share within the Business & Science Parks segment while achieving economics of scale in operations. This property is also in line with the future economic development direction of Singapore to attract further investment from value and knowledge intensive industries

The Manager has earlier committed to the following investments:

- 1) Development of FedEx Singapore Regional Hub, a built-to-suit facility for FedEx in the eastern part of Singapore with an estimated cost of S\$35.9 million and expected completion in 4Q FY2011/12
- 2) Redevelopment of 1 Senoko Avenue (FoodAxis @ Senoko) to create additional gross floor area of about 34,519 sqm for about S\$59.0 million. Completion is expected in 4Q FY2011/12
- 3) Asset enhancement for 10 Toh Guan Road to create more parking space and the enhancement of its exterior façade at an expected cost of S\$33.7 million to be undertaken over two phases with completion of phase I expected in 3Q FY2011/12 and phase II in 2Q FY2012/13

- 4) Forward purchase of a business park facility at Shanghai, China for approximately S\$117.6 million. Expected completion of this acquisition is in 2H FY2012/13.

About one-north

one-north is a 200 hectare development located in central Singapore, where world-class research facilities and business parks are built to support growth in Biomedical Sciences, Infocomm Technology (ICT), Media, Physical Sciences and Engineering.

The one-north masterplan classifies developments into industry-focused clusters, namely, Biopolis, Fusionopolis, Vista Xchange, Mediapolis and Wessex Estate to be developed in progressive phases over twenty years. The Biopolis and Fusionopolis clusters are developed in the first phase to build a strong foundation for the major industries and encourage organic growth in their neighbourhoods where Biopolis provides world class research facilities for Biomedical Sciences while Fusionopolis supports the development of Infocomm Technology (ICT), Media, Physical Sciences and Engineering.

Vista Xchange is designated to be the premium business centre, residential and entertainment hub of one-north and Mediapolis houses Singapore's media ecosystem from incubation and R&D, to content production, distribution and playout while Wessex Estate is home to Singapore's creative community.

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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 93 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\$5.4 billion. These properties house a tenant base of about 980 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 (EPR/NAREIT) Global Real Estate Index and Global Property Research (GPR) Asia 250 and FTSE ST Mid Cap. A-REIT has a corporate family rating of "A3" by Moody's Investor Services.

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.

About the Ascendas Group (www.ascendas.com)

Ascendas is Asia's premier provider of business space solutions with a significant presence in the region. Ascendas develops, manages and markets IT Parks, industrial parks (manufacturing, logistics and distribution centres), business parks, science parks, hi-tech facilities, office and retail space. Among its flagships are the Singapore Science Park, International Tech Park Bangalore, Ascendas-Xinsu in Suzhou and Dalian-Ascendas IT Park. More than 1,800 of the world's leading companies, many in the Fortune 500 list, have made Ascendas properties their preferred address in Asia.

Ascendas is also a leading real estate fund management player focused on the management of public-listed property trusts and private real estate funds, investing in a diverse range of industrial and commercial real estate properties across Asia. Listed on the main board of Singapore Exchange Securities Trading Limited are Ascendas Real Estate Investment Trust (A-REIT), Singapore's first business space trust, and Ascendas India Trust (a-iTrust), Asia and Singapore's first Indian property trust. The Ascendas Group also manages a range of private real estate funds which invest in business space in India, China, South Korea and ASEAN. All the funds are supported by Ascendas' strong fund management and real estate expertise, and are testament to its commitment to each of its markets.

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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 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.

Any discrepancies in the Figures included herein between the listed amounts and total thereof due to rounding.