



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

## ASCENDAS REAL ESTATE INVESTMENT TRUST PRIVATE PLACEMENT

### USE OF PROCEEDS

Further to its announcement dated 31 March 2011 (the “**Announcement**”) in relation to the private placement which raised net proceeds of approximately S\$393.3 million (the “**Private Placement**”), the Board of Directors of Ascendas Funds Management (S) Limited, in its capacity as the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”, and the manager of A-REIT, the (the “**Manager**”) wishes to announce that the proceeds from the Private Placement have been fully utilised as follows:

- i) S\$125.6 million (which is equivalent to 31.9% of the net proceeds of the Private Placement) to fund the acquisition of Neuros & Immunos as further described in the use of proceeds announcement dated 11 April 2011;
- ii) S\$5.0 million (which is equivalent to 1.3% of the net proceeds of the Private Placement) to partially fund A-REIT’s 11<sup>th</sup> development project for the construction of FedEx Singapore Regional Hub (the “**Development Project**”);
- iii) S\$21.3 million to partially fund A-REIT’s ongoing asset enhancement initiatives at Techview and 10 Toh Guan Road and the redevelopment of 1 Senoko Ave (FoodAxis @ Senoko), (which is equivalent to 5.4% of the net proceeds of the Private Placement) (the “**AEI**”);
- iv) S\$121.55 million (which is equivalent to 30.4% of the net proceeds of the Private Placement) to finance the acquisition of Nordic European Centre (“**Nordic**”) in International Business Park;
- v) S\$110.0 million (which is equivalent to 28.0% of the net proceeds of the Private Placement) to fund the acquisition of the 6,253 square metre site which has a 60-year leasehold interest at Fusionopolis within the one-north master plan region (the “**Fusionopolis Site**”);

with the balance of the net proceeds to be used for general corporate and working capital purposes.

It was stated in the Announcement that notwithstanding its then current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes. The Manager has used the net proceeds of the Private Placement to finance the acquisitions of Nordic and the Fusionopolis Site instead of funding the forward purchase of the business space property located at Shanghai, China and the remaining outstanding amounts of the Development Project and the AEI (collectively, the “**Investments**”) as stated in the Announcement, as the funding for the Investments is expected to be made over the next 6 to 12 months. The Manager believes that the re-deployment of funds for the acquisitions of Nordic

and the Fusionopolis Site is in line with its active capital management strategy to achieve an optimal capital structure and to optimise A-REIT's cost of capital.

The Manager currently intends to finance the Investments through its existing banking facilities. Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, adopt other financing plans which are in line with the Manager's capital management strategy and the then prevailing market conditions.

BY ORDER OF THE BOARD

ASCENDAS FUNDS MANAGEMENT (S) LIMITED

(Company Registration No. 200201987K)

(as manager of Ascendas Real Estate Investment Trust)

Mary Judith de Souza

Company Secretary

08 July 2011

**Important Notice**

The value of units in A-REIT ("**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 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.