

Press Release
03 October 2011



A-REIT's maiden acquisition in Beijing, China

- Acquisition of Ascendas Z-Link, a business park property

3 October 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 made its maiden acquisition in Beijing, China with the purchase of Ascendas Z-Link, a business park property in Zhongguancun Software Park (“**Z-Park**”), within the Haidian District in Beijing (“**Ascendas Z-Link**” or “**the Property**”). This was effected through the acquisition of all the shares in Ascendas ZPark (Singapore) Pte. Ltd. (“**AZS**”) from Ascendas China Industrial and Business Parks Fund (the “**Vendor**”) for an attributed value of RMB 300 million for the Property. AZS is the holding company of Ascendas Hi-Tech Development (Beijing) Co. Ltd., which in turn, owns the Property.

Mr. Tan Ser Ping, Chief Executive Officer and Executive Director of the Manager said, “We are pleased to enter the Beijing market with the acquisition of Ascendas Z-Link, a quality business park property in Z-Park, Zhongguancun (中关村). Z-Park is a state-level park sponsored by the National Ministry of Information Industry catering to information technology and research & development companies, data centres and back up office operations. The good location and building specifications of Ascendas Z-Link is in line with A-REIT’s investment strategy in China, which is to focus primarily in the business & science park segment in major tier one gateway cities such as Beijing and Shanghai. With this acquisition, we welcome Baidu and Raisecom into A-REIT’s portfolio of over 990 customers.”

Description of the Property

Ascendas Z-Link is located at No. 8 Dongbeiwang West Road in the renowned Z-Park in the Haidian District. It is sited on a land area of approximately 37,707 sqm and has a leasable area of 27,450 sqm. Completed in 2004, Ascendas Z-Link is a 3-storey multi-tenanted business park building with four inter-connecting blocks and one level basement car park. It is currently

100% occupied by prominent tenants such as Baidu, Inc.com (the leading internet search company in China and listed on NASDAQ) and and Raisecom Technology Co., Ltd (a global equipment provider of innovative last-mile access and aggregation solutions in the telecommunications market).



Location map of Ascendas Z-Link (Source: googlemap.com)

Ascendas Z-Link is in close proximity to public transportation and is about a five minutes' drive away from the 5th Ring Road and Badaling Expressway and about a 15 minutes' walk away from the Metro Light Railway Xi Er Qi (西二旗) Station.



The Vendor agreed to sell all the issued and paid up shares in the capital of AZS (the “**Shares**”) free from any encumbrances and has also agreed to novate to A-REIT all of its rights and obligations under the shareholder loan of an outstanding amount of about S\$15.46 million extended by the Vendor to AZS (the “**Shareholder Loan**”) free from any encumbrances. The purchase price for the Shares is approximately S\$26.33 million while the consideration for the novation of the Shareholder Loan is about S\$15.46 million.

A-REIT will incur estimated transactional costs of about S\$1.16 million, inclusive of approximately S\$0.57 million (being 1% of the attributed value of the Property) being the acquisition fee payable to the Manager. As the Vendor is an interested party of A-REIT, the acquisition fee will be paid in units. These units shall not be sold within one year from their date of issuance.

The Audit Committee of the Manager (which comprises a majority of the independent directors of the Manager) has reviewed the transaction and is of the view that the acquisition of AZS is on normal commercial terms and is not prejudicial to the interests of A-REIT and its minority Unitholders.

The annualised pro forma financial effect of Ascendas Z-Link on A-REIT's DPU for FY2010/11 is expected to be 0.02 cents per unit⁽¹⁾ after applicable taxes in China.

About Haidian (海淀) District and Zhongguancun (中关村)

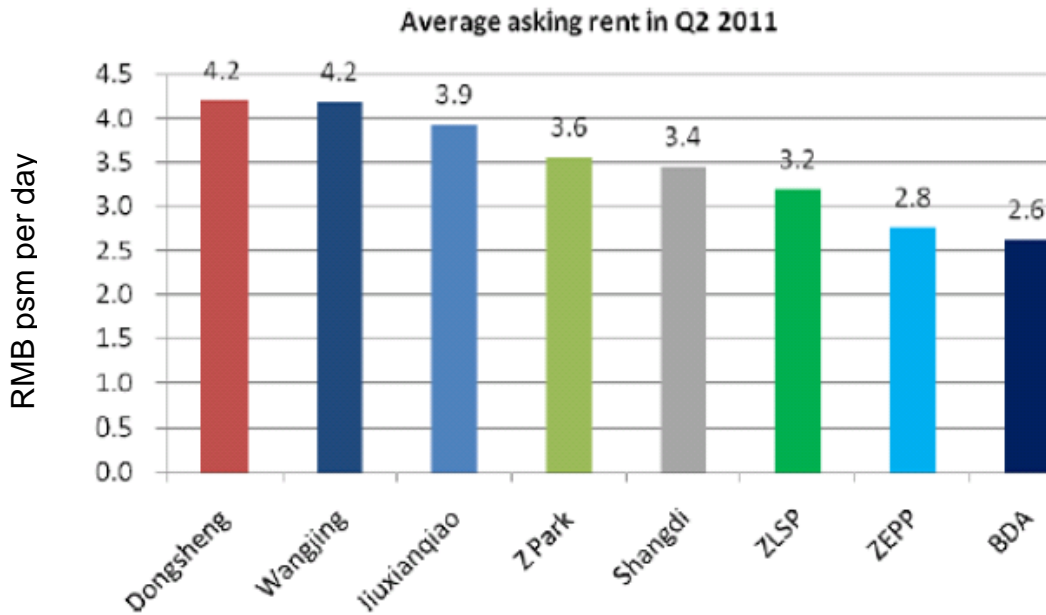
As the capital of China, Beijing is an important city for most MNCs to establish a presence in. Haidian (海淀) District is a suburban district of the municipality of Beijing in the northwestern part of Beijing. The economy of Haidian is largely driven by Zhongguancun (中关村). Zhongguancun was established in 1999 and termed the “silicon valley” in Beijing with the aim of attracting hi-tech companies into the capital. This is also one of the more established business parks in Beijing.

The Haidian Development Area comprises seven sub-development areas, including Zhongguancun Western Zone, Tsinghua Science and Technology Development Area, PKU Science and Technology Development Area, Zhongguancun Life Science Development Area, Shangdi Information Industrial Base, Yongfeng High and New Technology Industrial Base as well as Zhongguancun Software Development Area (Z-Park).

Zhongguancun is the preferred location for businesses looking for suburban business space due to its reputation for scientific, technological as well as high-tech science promotion and integration. Its proximity to 68 universities including renowned Peking University and Tsinghua University provides an ample talent pool for businesses located within the vicinity.

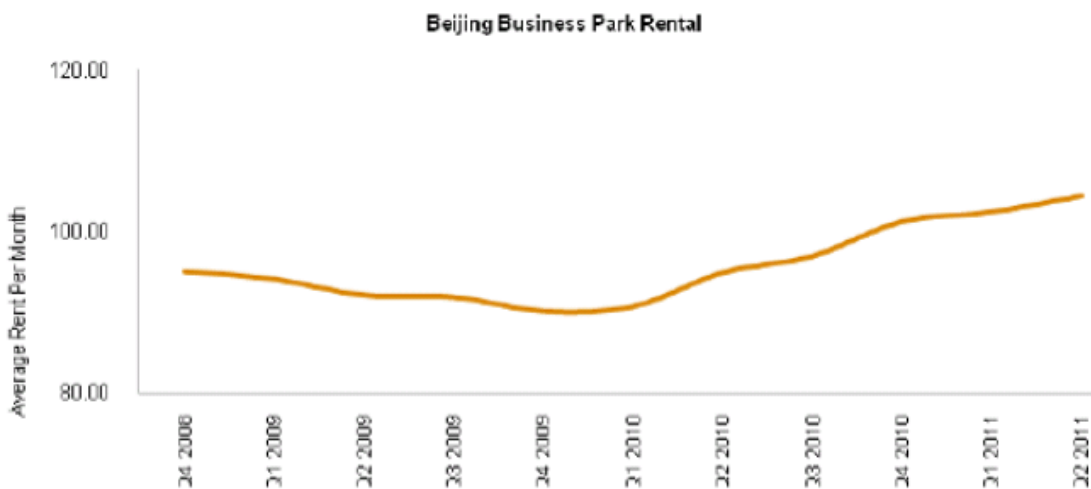
Popularity of business parks, as an alternative to downtown office towers, has been strong since 2003. Demand has come from both domestic and international companies, and the most active users are the telecommunications, electronics and E-commerce related industries.

⁽¹⁾ Assuming A-REIT had completed and held the Property for the whole of FY2010/11; the Property was funded using 40% debt and 60% equity; and in respect of the Property, the Manager had elected to receive its base fee 80% in cash and 20% in units. The computation has also taken into account applicable taxes payable in China



Average asking rental rates of various suburban office locations in Beijing, China (Source: CBRE)

The business park rental level in Beijing has been on a rising trend since 2003 due to the constant strong demand for business park space as more companies seek alternative space for business continuity planning. In 2Q 2011, the average rent for business parks in Beijing is approximately RMB 108 psm per month (RMB 3.60 psm per day), nearly 5% increase from the previous quarter. The increase in rental level could be contributed to limited supply and the increased popularity of business parks among the users given improved public transportation and infrastructure in the major business parks.



Beijing Business Park Rental, China (Source: CBRE)

About Z-Park



Z-Park covers an area of 1.19 km² comprising the Software R&D Zone and Enterprise Incubation and Comprehensive Management and Service Zone. It is a state-level park sponsored by the National Ministry of Information Industry and Beijing's municipal government. It was one of the ten sites granted the "National Software Industry Base" and the "National Software Export Base" by China's National Development and Reform Commission (国家发展改革委员会), Ministry of Industry and Information Technology (工业和信息化部), and Ministry of Commerce (商务部) with an aim to promote an integrated research and innovation industry within the zone.

The biggest and oldest of the 53 national high-tech zones in China, Z-Park is often dubbed China's homegrown Silicon Valley due to its pioneering efforts in the innovation and creativity industry. It is one of the top international software development zones integrating software development, enterprise incubation, exhibition of software development with personnel training and comprehensive management and service.



Location Map of Zhongguncun Software Park (Z-Park) (Source: <http://madis1.iss.ac.cn>)

Z-Park is about 4 km away from the 5th Ring Road and about 40 km away from Beijing Capital International Airport. Multiple bus lines offer stops at the gate of Z-Park and is about 15 minutes walk away from the Metro Light Railway Xi Er Qi (西二旗) Station. With increased connectivity, Z-Park is becoming a location of choice for companies looking to site their offices in suburban locations. Z-Park currently houses over 20,000 international and local companies including Lenovo, China Unionpay, IBM, Oracle and Thomson Reuters.

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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\$5.5 billion as at 30 June 2011. These properties house a tenant base of over 990 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-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.