



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

## **ANNOUNCEMENT**

### **PAYMENT OF DEVELOPMENT MANAGEMENT FEE BY WAY OF ISSUE OF UNITS IN ASCENDAS REAL ESTATE INVESTMENT TRUST**

The Board of Directors of Ascendas Funds Management (S) Limited ("**Manager**" or "**AFM**") wishes to announce that 902,713 units ("**Units**") in Ascendas Real Estate Investment Trust ("**A-REIT**") have been issued today to AFM, in its capacity as Manager of A-REIT. The Units were for the payment of part of the development management fee in relation to the purchase of the 6,253 square metre development site at Fusionopolis (the "**Site**") within the one-north master plan region for S\$110 million ("**Development Management Fee**"). This Site was awarded to A-REIT on 08 June 2011 by Jurong Town Corporation ("**JTC**") via a public tender process.

The purchase of the Site constitutes an "interested person transaction" under Chapter 9 of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") as well as Appendix 6 (Investment: Property Funds) of the Code of Collective Investment Schemes ("**Property Funds Appendix**") issued by the Monetary Authority of Singapore due to JTC's relationship with Ascendas Pte Ltd ("**APL**"). APL is the wholly-owned subsidiary of JTC which holds an aggregate deemed interest of 391,565,695 units in A-REIT (approximately 18.8% of the total number of units in issue) as at the date of the award of the Site. In addition, the Manager is an indirect wholly-owned subsidiary of APL.

In accordance with the Trust Deed of A-REIT and the Property Funds Appendix, when the Manager receives a percentage-based fee from A-REIT when the latter acquires real estate assets from interested parties, such a fee should be paid in the form of units issued by A-REIT at the prevailing market price. These units should not be sold within one year from their date of issuance.

In accordance with the Trust Deed, the Manager is entitled to receive a development management fee not exceeding 3.0% of the total project costs incurred in a development project undertaken on behalf of the A-REIT. In addition, when the estimated total project costs is greater than S\$100.0 million, the Trustee of A-REIT (the "**Trustee**") and the

Manager's independent directors will review and approve the quantum of the development management fee.

Development Management fee will be paid based on the total development cost of the project ie based on the acquisition value of the land and the project development costs. The Trustee and the Manager's independent directors have reviewed and approved a sum of S\$1.853 million or approximately 1.68% of the cost for the acquisition of the Site as appropriate sum to be payable to AFM as part of the Development Management Fee in the form of Units as it relates to a transaction with an interested party.

The Site was awarded on 8 June 2011 and the transaction was completed on 05 September 2011. In accordance with established precedence, related fees payable in Units are to be paid one month upon the completion of the transaction.

The issue price of the units for the Development Management Fee was determined based on the volume weighted average traded price for all trades done on SGX-ST in the ordinary course of trading on the SGX-ST from 20 September 2011 to 03 October 2011 which is 10 business days immediately preceding the date of issue of Units to AFM. The Units were issued at an issue price of S\$2.0527.

Following the above issue of Units, the total A-REIT units on issue is 2,083,313,388 of which AFM's holding is 34,064,354 or approximately 1.64%.

When the construction contract value is determined upon its award, the balance Development Management Fee will be computed based on the same percentage (ie 1.68% of the development cost) and this will be paid in cash if the construction contract is not awarded to an interested party.

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

Ms. Mary Judith De Souza  
Company Secretary  
05 October 2011

**About A-REIT ([www.a-reit.com](http://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 about 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](http://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 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.

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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.