

A-REIT completes Acquisition of Cintech Properties for a total acquisition cost of S\$185.5 million

- *Strengthened footprint in the Science Park segment*
- *Potential for positive rental growth in overall portfolio*

29 March 2012, Singapore – Ascendas Funds Management (S) Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”) is pleased to announce the completion of the acquisition of 73 Science Park Drive, Cintech I, 75 Science Park Drive, Cintech II, 77 & 79 Science Park Drive, Cintech III & IV (collectively, the “**Properties**”) (the “**Acquisition**”) at a total acquisition cost of S\$185.5 million.

Mr Tan Ser Ping, Executive Director and Chief Executive Officer of the Manager said, “We are pleased to complete the acquisition of the Properties, further strengthening A-REIT’s footprint in the Science Park segment with nine properties located in Singapore Science Park I & II. With the inclusion of these multi-tenanted Properties, the proforma weighted average lease to expiry as at 31 December 2011 is 4.04 years.”

In accordance with the terms of the Sale and Purchase Agreement dated 6 February 2012, Ascendas Land (Singapore) Pte Ltd (as the vendor of the Properties) (“**ALS**”) has issued a notice to HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of A-REIT) indicating that it does not wish to receive any Equity Consideration in connection with the Acquisition. No Consideration Units were therefore issued by A-REIT to ALS in connection with the Acquisition. Accordingly, the Purchase Consideration was paid for by A-REIT fully in cash by way of internal resources and the drawing down of existing debt facilities. As a result, the aggregate leverage of A-REIT is 38% before taking into account any potential revaluation gains arising from the annual valuation of the portfolio which is due by the end of the current financial year.

A-REIT’s Portfolio Performance Remains Resilient

The Manager is pleased to note that for the financial year-to-date, A-REIT’s portfolio continues to achieve positive rental reversion of between 5% and 15% upon renewal of

existing leases as the passing rental rates for the portfolio remained below the prevailing market rental rates.

Quarter-to-date renewal of leases continued to record positive rental reversions:

Multi-tenanted properties ⁽¹⁾	YTD increase in renewal rates ⁽²⁾	Quarter-to-date 4Q FY11/12 Increase in renewal rates ⁽³⁾	Quarter-to-date 4QFY11/12 increase / (decrease) in new take up rates ⁽⁴⁾
Business & Science Parks	5.5%	2.6%	2.4%
Hi-Tech Industrial	5.3%	19.0%	(9.1)% ⁽⁵⁾
Light Industrial	11.0%	16.1%	3.9%
Logistics & Distribution Centres	15.7%	12.5%	24.1% ⁽⁶⁾

Notes:

- (1) A-REIT's Singapore portfolio only
- (2) YTD FY11/12 renewal rental rates versus previous contracted rates
- (3) Quarter-to-date 4QFY11/12 renewal rental rates versus previous contracted rates
- (4) Rental rates for new take up (including expansion by existing tenants) in quarter-to-date 4QFY11/12 versus new take-up rental rates achieved in 3QFY11/12
- (5) New take up rate in the Hi-Tech Industrial segment declined by 9.1% due to quantity discount given to a new large space user
- (6) New take up rate in the Logistics & Distribution Centres segment increased by 24.1% due to ground floor warehouse space leased in the eastern part of Singapore which typically commands a higher rental rate

Quarter-to-date leasing transactions remained healthy with rental rates reflecting prevailing market levels:

Average Gross Rental Rates (\$ psfpm)				
Segment ⁽¹⁾	A-REIT's (psfpm)			Market ⁽³⁾ (psfpm)
	Range	Weighted Average ⁽²⁾	Median	
Business & Science Park	\$3.50 - \$4.30	\$3.87	\$3.87	\$3.90
Hi-tech industrial	\$1.60 - \$3.24	\$2.76	\$2.78	\$2.85
Light Industrial & Flatted Factories	\$1.22 - \$2.28	\$1.69	\$1.60	\$1.90
Logistics & Distribution Centres	\$1.26 - \$1.65	\$1.58	\$1.60	\$1.75

Notes:

- (1) A-REIT's Singapore portfolio only
- (2) A-REIT's rates are based on the weighted average of gross rental rates for new leases, expansions and renewals for the quarter-to-date
- (3) Source: URA 4Q2011 Report, CBRE Market View Singapore 4Q2011

The passing rental rates for all leases in A-REIT's multi-tenanted buildings, with lease expiry dates over multiple years, are still significantly (between 13% and 28%) below the prevailing market spot rental rates.

About the Properties

Located within Singapore Science Park I, one of the two designated Science Parks in Singapore, the Properties are easily accessible via the Ayer Rajah Expressway and conveniently connected to the central business district in Singapore, being approximately a 15-minute's drive away. The Properties are situated near the Kent Ridge Mass Rapid Transit station and are well served by various bus services available in the vicinity of the Properties. A majority of the tenants of the Properties are engaged in various types of research and development activities and technology industries.

With the completion of the acquisition of the Properties, A-REIT currently owns 101 properties in Singapore and one business park property in China. The Manager is due to announce its annual revaluation on 31 March 2012. Given the healthy occupancy and defensive nature of A-REIT's portfolio, the Manager expects a marginal increase in the value of the portfolio.

- End -

About A-REIT (www.a-reit.com)

A-REIT is Singapore's first listed business space and industrial real estate investment trust. A-REIT has a diversified portfolio of 101 properties in Singapore, comprising business and science park properties, hi-tech industrial properties, light industrial properties, and logistics and distribution centres, and a business park property in China with total assets of over S\$6.0 billion. These properties house a tenant base of over 1,100 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, Baidu, Inc., 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

Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them in the announcements dated 6 February 2012 and 8 March 2012, and the circular to Unitholders dated 8 March 2012 (the "**Circular**").

The value of A-REIT's 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.