



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

PHASE ONE COMPLETION OF THE ACQUISITION OF THE AUSTRALIAN LOGISTICS PORTFOLIO

*Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as defined in the announcement dated 18 September 2015 and titled "Proposed Acquisition of a Portfolio of Australian Logistics Properties" (the "**Announcement**").*

Further to the Announcement in relation to the proposed acquisition of a portfolio of 26 logistics properties located in Australia (the "**Target Portfolio**" or the "**Properties**" and each a "**Property**") and the announcement in relation to the issuance of fixed-rate subordinated perpetual securities ("**Perpetual Securities**") on 14 October 2015, Ascendas Funds Management (S) Limited, the manager of Ascendas Real Estate Investment Trust ("**A-REIT**", and the manager of A-REIT, the "**Manager**"), is pleased to announce that A-REIT has completed the acquisition of 10 of the Properties today (the "**Phase 1 Completion**") pursuant to the Land Sale Contracts.

The Properties which have been acquired by A-REIT pursuant to the Phase 1 Completion are located at the following addresses:

- (i) 484-490 Great Western Highway, Arndell Park, New South Wales;
- (ii) 494-500 Great Western Highway, Arndell Park, New South Wales;
- (iii) 676-698 Kororoit Creek Road, Altona North, Victoria;
- (iv) 700-718 Kororoit Creek Road, Altona North, Victoria;
- (v) 2-56 Australand Drive, Berrinba, Queensland;
- (vi) 62 Sandstone Place, Parkinson, Queensland;
- (vii) 92 Sandstone Place, Parkinson, Queensland;
- (viii) 62 Stradbroke Street, Heathwood, Queensland;
- (ix) 82 Nossa Street, Heathwood, Queensland; and
- (x) 35 Baile Road, Canning Vale, Western Australia,

(collectively, the "**Phase 1 Properties**").

The completion of the acquisition of the remaining 16 Properties is expected to occur in the fourth quarter of 2015.

The purchase consideration (including the refundable deposit paid) for the Phase 1 Properties is A\$407.1 million (the “**Phase 1 Purchase Consideration**”), being approximately 40.2% of the A-REIT Purchase Consideration for the Target Portfolio.

The acquisition fee payable to the Manager (the “**Acquisition Fee**”) in respect of the Phase 1 Completion, being 1.0% of the Phase 1 Purchase Consideration, amounts to approximately A\$4.07 million (approximately S\$4.07 million) and will be paid to the Manager in the form of units in A-REIT (“**Units**”) ¹.

As announced, A-REIT has successfully issued the fixed-rate subordinated Perpetual Securities to partially fund the acquisition of the Target Portfolio. The net proceeds from the issuance of the Perpetual Securities have been fully utilised for purposes of the Phase 1 Completion.

Following the Phase 1 Completion, A-REIT owns 102 properties in Singapore, 10 properties in Australia and 2 business park properties in China.

BY ORDER OF THE BOARD

ASCENDAS FUNDS MANAGEMENT (S) LIMITED

(as manager of Ascendas Real Estate Investment Trust)

Mary Judith de Souza
Company Secretary

23 October 2015

¹ As stated in the Announcement, following the receipt of FIRB’s clearance, the Acquisition Fee will be paid to the Manager in the form of Units and the Manager has undertaken not to dispose of the Acquisition Fee Units within one year from the date of issuance.

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 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.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

The past performance of A-REIT is not necessarily indicative of the future performance of A-REIT.

This announcement 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 similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on the Manager's current view of future events.