



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

PHASE TWO AND FINAL 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 “**Acquisition Announcement**”).

1. PHASE 2 COMPLETION

Further to the Acquisition 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 completion of the acquisition of 10 of the Properties on 23 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 the remaining 16 Properties today (the “**Phase 2 Completion**”).

With the Phase 2 Completion, A-REIT has fully completed the acquisition of the Target Portfolio.

The Properties which have been acquired by A-REIT pursuant to the Phase 2 Completion are located at the following addresses:

SN	Address	State
1	Lot 4, Honeycomb Drive, Eastern Creek	New South Wales
2	5 Eucalyptus Place, Eastern Creek	New South Wales
3	1A & 1B Raffles Glade, Eastern Creek	New South Wales
4	7 Grevillea Street, Eastern Creek	New South Wales
5	94 Lenore Drive, Erskine Park	New South Wales
6	1-15 Kellet Close, Erskine Park	New South Wales
7	1 Distribution Place, Seven Hills	New South Wales
8	35-61 South Park Drive, Dandenong South	Victoria
9	14-28 Ordish Road, Dandenong South	Victoria
10	81-89 Drake Boulevard, Altona	Victoria
11	2-34 Aylesbury Drive, Altona	Victoria

12	9 Andretti Court, Truganina	Victoria
13	31 Permas Way, Truganina	Victoria
14	162 Australis Drive, Derrimut	Victoria
15	77 Logistics Place, Larapinta	Queensland
16	99 Radius Drive, Larapinta	Queensland

and (collectively, the “**Phase 2 Properties**”).

The purchase consideration for the Phase 2 Properties (including the refundable deposit already paid previously) is A\$605.9 million (the “**Phase 2 Purchase Consideration**”), being approximately 59.8% of the A-REIT Purchase Consideration for the Target Portfolio.

The acquisition fee payable to the Manager (the “**Acquisition Fee**”), being 1.0% of the Phase 2 Purchase Consideration, amounts to approximately A\$6.06 million (approximately S\$6.06 million) and will be paid to the Manager in the form of units in A-REIT (“**Units**”) ¹.

Save for the Acquisition Fee, the Phase 2 Purchase Consideration is funded by proceeds from Australian onshore loans and other borrowings.

Following the Phase 2 Completion, A-REIT owns 102 properties in Singapore, 26 properties in Australia and 2 business park properties in China.

2. ENTRY INTO THE STRATEGIC MANAGEMENT AGREEMENT

The Manager has incorporated a wholly-owned subsidiary, Ascendas Funds Management (Australia) Pty Ltd (“**AFMA**”), in Australia to provide management services in respect of the Properties.

Concurrently with the Phase 2 Completion, AFMA has: (i) entered into the Strategic Management Agreement (“**SMA**”) with the Manager and Perpetual Corporate Trust Limited (in its capacity as trustee of Ascendas REIT Australia); and (ii) in furtherance of the SMA, entered into an Asset Management Agreement (“**AMA**”) with the Trust Company (Australia) Limited (in its capacity as trustee of Ascendas Logistics Trust) and the trustees of the various Property-holding Sub-Trusts.

The fees that AFMA will receive under the SMA and AMA are similar to the rates charged by the Manager in respect of services provided to A-REIT by AFM in Singapore under the lease management agreement.

¹ As stated in the Acquisition Announcement, following the receipt of FIRB's clearance, the Acquisition Fee will be paid to the Manager in the form of units in A-REIT (“**Units**”) and the Manager has undertaken not to dispose of the Acquisition Fee Units within one year from the date of issuance.

BY ORDER OF THE BOARD
ASCENDAS FUNDS MANAGEMENT (S) LIMITED
(as manager of Ascendas Real Estate Investment Trust)

Mary Judith de Souza
Company Secretary

18 November 2015

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.