

NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, EU MEMBER STATES, CANADA OR JAPAN



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

RESULTS OF PRIVATE PLACEMENT AND PRICING OF NEW UNITS UNDER THE PRIVATE PLACEMENT AND PREFERENTIAL OFFERING

*Capitalised terms used herein, unless otherwise defined, shall have the meaning ascribed to them in the announcement of Ascendas Real Estate Investment Trust dated 9 December 2015 in relation to the launch of the proposed equity fund raising (the “**Announcement**”).*

1. Introduction

Further to the Announcement in relation to the proposed issuance of 180,360,511¹ new units in Ascendas Real Estate Investment Trust (“**A-REIT**”, and the new units in A-REIT, the “**New Units**”) pursuant to the Equity Fund Raising to raise gross proceeds of no less than S\$408.0 million² by way of (i) the Private Placement of 90,000,000 New Units to institutional and other investors at an issue price of between S\$2.223 and S\$2.290 per New Unit to raise gross proceeds of no less than S\$200.1 million and (ii) the *pro-rata* and non-renounceable Preferential Offering of 93,735,511 New Units³ on the basis of three New Units for every 80 existing Units (the “**Preferential Offering Ratio**”) held as at a date and time to be separately announced (the “**Preferential Offering Books Closure Date**”) (fractions of a new Unit to be disregarded and subject to the Rounding Mechanism) at an issue price of 0.5 cents less than the Private Placement Issue Price to raise gross proceeds of no less than S\$207.9 million, Ascendas Funds Management (S) Limited, in its

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- 1 Calculated based on 90,000,000 New Units to be issued under the Private Placement and 93,735,511 New Units to be issued under the Preferential Offering (being the Base Preferential Offering Units to be issued under the Preferential Offering) and assuming full subscription of the Base Preferential Offering Units.
 - 2 Calculated based on 90,000,000 New Units to be issued at the Minimum Private Placement Issue Price and 93,735,511 New Units (being the Base Preferential Offering Units to be issued under the Preferential Offering) to be issued at the Minimum Preferential Offering Issue Price and assuming full subscription of the Base Preferential Offering Units.
 - 3 Taking into account the provisional allotments of New Units of Entitled Unitholders on the basis of three New Units for every 80 existing Units held on the Preferential Offering Books Closure Date (fractions of a new Unit to be disregarded). The number of Base Preferential Offering Units does not take into account the additional Units which will be provisionally allotted as a result of the Rounding Mechanism.

This announcement is not an offer of securities for sale into the United States or elsewhere. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act**”), and may not be offered or sold in the United States unless registered under the Securities Act, or except pursuant to an applicable exemption from registration. There will be no public offer of securities in the United States.**

capacity as manager of A-REIT (the “**Manager**”), is pleased to announce that J.P. Morgan (S.E.A.) Limited, as sole manager and underwriter for the Private Placement (the “**Sole Lead Manager and Underwriter**”), in consultation with the Manager, has closed the book of orders for the Private Placement.

2. Issue Price

2.1 Issue Price of the New Units under the Equity Fund Raising

The issue price per New Unit under the Private Placement has been fixed at S\$2.223 (the “**Private Placement Issue Price**”), as agreed between the Manager and the Sole Manager and Underwriter, following an accelerated book-building process and the issue price per New Unit under the Preferential Offering has been fixed at S\$2.218 per New Unit (the “**Preferential Offering Issue Price**”).

The Private Placement Issue Price of S\$2.223 per New Unit represents a discount of:

- (i) 6.2% to the volume weighted average price (“**VWAP**”) of S\$2.3706 per Unit for trades in the Units done on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the Market Day⁴ on 8 December 2015 (being the Market Day preceding the day on which the Placement Agreement was signed) and up to the time the Placement Agreement was signed on 9 December 2015; and
- (ii) (for illustrative purposes only) 5.0% to the adjusted VWAP⁵ (“**Adjusted VWAP**”) of S\$2.3400 per Unit.

The gross proceeds from the Private Placement are approximately S\$200.1 million.

The Preferential Offering Issue Price of S\$2.218 per New Unit represents a discount of:

- (i) 6.4% to the VWAP of S\$2.3706 per Unit; and
- (ii) (for illustrative purposes only) 5.2% to the Adjusted VWAP of S\$2.3400 per Unit.

The Private Placement Issue Price of S\$2.223 and Preferential Offering Issue Price of S\$2.218 represent a 5.9% and 5.6% premium, respectively, to the net asset value per Unit (based on A-REIT’s unaudited financial results for the financial period from 1 April 2015 to 30 September 2015).

2.2 Issue Price of the Consideration Units

As stated in the announcement dated 9 December 2015 in relation to the Proposed Acquisition (as defined herein), the issue price for Units to be issued to Ascendas Frasers Pte. Ltd., as vendor of the Property (the “**Vendor**”) (or its nominee(s)) as partial

4 “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

5 The Adjusted VWAP is computed based on the VWAP of all trades in the Units on the SGX-ST for the full Market Day on 8 December 2015 (being the Market Day preceding the day on which the Placement Agreement was signed) and up to the time the Placement Agreement was signed on 9 December 2015 and subtracting the Advanced Distribution of approximately 3.060 cents per Unit. This amount is an estimate only based on information currently available to the Manager and the Manager’s estimate of A-REIT’s revenue and expenses (including estimated and pro-rated performance fees payable to the Manager), and the actual Advanced Distribution may differ.

consideration for the Proposed Acquisition (the “**Consideration Units**”) will be the same as the issue price for the Units issued under the Private Placement. Accordingly, the issue price of the Consideration Units is S\$2.223 per Unit and 94,466,936 Units will be issued to the Vendor (or its nominee(s)) upon completion of the Proposed Acquisition.

3. **Preferential Offering**

As the Manager is expecting to receive (i) 20.0% of its base management fee for the period from 1 June 2015 to 30 November 2015 (the “**Management Fee**”) and (ii) the acquisition fee (the “**Phase 2 Acquisition Fee**”) in connection with the acquisition of the 16 logistics properties located in Australia (see the announcement dated 18 November 2015), in the form of Units (collectively, the “**Additional Units**”) prior to the Preferential Offering Books Closure Date, the Manager shall be eligible to participate in the Preferential Offering in respect of these Additional Units.

However, as the issue price of the Units to be issued for the payment of the Management Fee and the Phase 2 Acquisition Fee will be determined based on the VWAP for all trades on the SGX-ST for 10 business days (“**10-day VWAP**”) immediately preceding the date of issue of Units to the Manager, the Manager is currently unable to determine the exact number of Units to be issued as payment of the Management Fee and the Phase 2 Acquisition Fee.

Solely for illustrative purposes only, based on the illustrative price of S\$2.3678 per Unit⁶, a total of 4,413,378 Units (the “**Illustrative Increased Units**”) are expected to be issued to the Manager (comprising 1,854,041 Units to be issued as part payment for the Management Fee of approximately S\$4.39 million and 2,559,337 Units to be issued as payment for the Phase 2 Acquisition Fee of approximately S\$6.06 million).

Based on the Illustrative Increased Units, the additional number of Units to be issued under the Preferential Offering will be 165,501 (not taking into account the Rounding Mechanism) (the “**Illustrative Increased Preferential Offering Units**”).

Given that the Undertaking provided by Ascendas Pte Ltd (“**APL**”) is subject to a maximum subscription amount of S\$35.0 million, taking into account the additional number of Units to be provisionally allotted to the Manager under the Preferential Offering in respect of the Illustrative Increased Units, APL will not be obliged to procure the Manager and/or Ascendas Land (Singapore) Pte Ltd to make any excess applications pursuant to the Undertaking.

The actual number of Additional Units to be issued to the Manager may differ from the Illustrative Increased Units depending on the actual issue price of such Units.

6 Based on the 10-day VWAP before 9 December 2015.

4. Use of Proceeds

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of no less than S\$408.3 million from the Equity Fund Raising⁷ in the following manner:

- (i) approximately S\$224.7 million (which is equivalent to 55.0% of the minimum gross proceeds of the Equity Fund Raising) to partially fund the proposed acquisition (the “**Proposed Acquisition**”) of the property commonly known as One@Changi City, together with the plant and property therein (collectively, the “**Property**”) and the associated costs;
- (ii) approximately S\$82.0 million (which is equivalent to 20.1% of the minimum gross proceeds of the Equity Fund Raising) to partially fund a potential acquisition (the “**Potential Australian Acquisition**”) of a logistics property in Australia (the “**Australian Property**”)⁸ and the associated costs;
- (iii) approximately S\$98.8 million (which is equivalent to 24.2% of the minimum gross proceeds of the Equity Fund Raising) to be used for funding debt repayment and future acquisitions; and
- (iv) approximately S\$2.8 million (which is equivalent to 0.7% of the minimum gross proceeds of the Equity Fund Raising) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by A-REIT in connection with the Equity Fund Raising,

with the balance of the gross proceeds of the Equity Fund Raising, if any, to be used for general corporate and/or working capital purposes.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Equity Fund Raising at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

Pending the deployment of the net proceeds from the Equity Fund Raising, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Equity Fund Raising via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

7 Calculated based on the gross proceeds of approximately S\$200.1 million from the Private Placement, the gross proceeds of approximately S\$207.9 million from the Preferential Offering (based solely on the Base Preferential Offering Units) and the additional gross proceeds of approximately S\$0.4 million from the Illustrative Increased Preferential Offering Units, assuming full subscription of the Base Preferential Offering Units and the Illustrative Increased Preferential Offering Units.

8 The Manager is currently in the process of conducting due diligence on the Australian Property and it may or may not proceed with the Potential Australian Acquisition. The Manager will make the appropriate announcements in relation to the Potential Australian Acquisition in due course (if required) in accordance with the Listing Manual of the SGX-ST.

The Manager will separately make an announcement regarding the intended use of proceeds once the number of New Units proposed to be issued pursuant to the Preferential Offering is determined (based on the Preferential Offering Ratio, fractional entitlements to be disregarded and taking into account the Rounding Mechanism).

5. Authority to Issue New Units

The 90,000,000 New Units to be issued under the Private Placement will be issued pursuant to the General Mandate given to the Manager at the annual general meeting held on 29 June 2015.

In relation to paragraph 5 of the Announcement, it should be noted that the 90,000,000 New Units to be issued pursuant to the Private Placement, together with the 1,866,849 Units issued since 29 June 2015 (the “**Issued Units**”), would constitute 3.8% (instead of 3.7% as stated in the Announcement) of the 2,407,746,767 Units in issue as at 29 June 2015 (the “**Base Figure**”), which is within the 20.0% limit for issue of new Units other than on a pro rata basis and the 93,901,012 New Units (being the Base Preferential Offering Units and the Illustrative Increased Preferential Offering Units) to be issued pursuant to the Preferential Offering⁹ (together with the 90,000,000 New Units to be issued pursuant to the Private Placement and the Issued Units) would constitute 7.7% (instead of 7.6% as stated in the Announcement) of the Base Figure, which is within the 50.0% limit for issuances of new Units under the General Mandate.

Accordingly, the Manager is relying on the general mandate given by the Unitholders to the Manager obtained at the annual general meeting held on 29 June 2015, and the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

6. Listing of, Dealing in and Quotation of the New Units

The trading of the New Units on the SGX-ST pursuant to the Private Placement is currently expected to commence at 9.00 a.m. on 18 December 2015.

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

9 Assuming full subscription of the Base Preferential Offering Units and the Illustrative Increased Preferential Offering Units.

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

Mary Judith de Souza
Company Secretary
10 December 2015

Important Notice

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. This announcement is not for publication or distribution, directly or indirectly, in or into the United States, EU Member States, Canada or Japan. This announcement is not an offer of securities for sale into the United States or elsewhere. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States unless registered under the Securities Act or, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States.

The value of 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 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.