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

COMPLETION OF ACQUISITION OF ONE@CHANGI CITY, ISSUANCE OF CONSIDERATION UNITS AND USE OF PROCEEDS

Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the announcement of Ascendas Real Estate Investment Trust dated 9 December 2015 in relation to the proposed acquisition of One@Changi City (the “Acquisition Announcement”).

1. COMPLETION OF THE ACQUISITION OF ONE@CHANGI CITY

Further to the Acquisition Announcement, the Manager is pleased to announce that A-REIT has today completed the acquisition (the “**Acquisition**”) of the property located at 1 Changi Business Park Central 1, Singapore 486036 and commonly known as One@Changi City, together with the plant and equipment therein (collectively, the “**Property**”). The purchase consideration for the Property is S\$420.0 million, of which S\$210.0 million is satisfied by way of issuance of the Consideration Units and the balance of S\$210.0 million is satisfied by way of cash.

In connection with the completion of the Acquisition (the “**Completion**”), the Trustee has today entered into a deed of ratification, accession and retirement to take over and assume all of the Vendor’s rights and obligations as subsidiary proprietor of the Property under the limited liability partnership agreement in respect of Changi City Carpark Operations LLP.

The Acquisition Fee payable to the Manager in respect of the Acquisition amounts to approximately S\$4.2 million and will be paid to the Manager in the form of Units¹.

2. ISSUANCE OF THE CONSIDERATION UNITS

In connection with the Completion, the Manager wishes to announce that 94,466,936 new Units have been issued today at an issue price of S\$2.223 per new Unit to Ascendas Land (Singapore) Pte Ltd (“**ALS**”), an entity which has been nominated by the Vendor to receive the Consideration Units, as partial consideration for the Acquisition.

With the issuance of the Consideration Units, the total number of Units in issue is 2,663,851,629, of which (i) ALS holds 476,167,336 Units (representing approximately 17.88%

¹ As the Acquisition will constitute an “interested party transaction” under the Property Funds Appendix, the Acquisition Fee Units shall not be sold within one year from the date of issuance in accordance with paragraph 5.7 of the Property Funds Appendix.

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.

of the total number of Units in issue); and (ii) Ascendas-Singbridge Pte. Ltd., through its indirect wholly-owned subsidiaries, ALS and the Manager, holds an aggregate deemed interest in 533,065,636 Units (representing approximately 20.01% of the total number of Units in issue).

The Consideration Units will not be entitled to distributions by A-REIT for the period immediately preceding the date of issue of the Consideration Units, and will only be entitled to distributions by A-REIT from the date of their issue to the end of the semi-annual financial period in which the Consideration Units are issued, as well as all distributions thereafter.

Save as set out above, the Consideration Units will, upon issue, rank *pari passu* in all respects with the Units in issue on the day immediately preceding the date of issue of the Consideration Units.

The Consideration Units are expected to be listed and quoted on the Main Board of the SGX-ST with effect from 9.00 a.m. on 2 March 2016.

The Consideration Units have been issued under a temporary stock counter from the existing A-REIT stock counter, such temporary stock counter to be maintained for the period commencing from the date of issue of the Consideration Units to the last day of “cum-distribution” trading for the existing Units, in respect of the distribution period from 18 December 2015 to 31 March 2016 (or such other period as the Manager may determine). After the last day of “cum-distribution” trading, both the Consideration Units and the existing Units will be aggregated and traded under the existing A-REIT stock counter on the Main Board of the SGX-ST.

3. USE OF PROCEEDS FROM THE EQUITY FUND RAISING

The Manager wishes to announce that further to the use of proceeds from the Equity Fund Raising as announced on: (i) 22 January 2016 (in conjunction with the financial results of A-REIT for the financial period ended 31 December 2015) and (ii) 22 February 2016 (in relation to the completion of the acquisition of the logistics property 6-20 Clunies Ross Street, Pemulwuy, located in Sydney, Australia), approximately S\$224.7 million² has been deployed to partially finance the Total Acquisition Cost.

Such use is in accordance with the stated use and is in accordance with the percentage of the gross proceeds of the Equity Fund Raising allocated to such use as set out in the announcement dated 15 January 2016 in relation to the results of the preferential offering.

Following this use of proceeds (together with the Rectification Works Security Sum to be paid in due course), the proceeds from the Equity Fund Raising will have been fully utilised.

² This excludes the sum of S\$20,000, which shall be withheld by the Trustee in relation to rectification works to be carried out by the Vendor in respect of certain identified defects in the Property at its cost and expense within three months after Completion (the “**Rectification Works Security Sum**”). The Trustee has agreed to withhold S\$20,000 as the Rectification Works Security Sum, instead of S\$82,000 as certain identified defects in the Property have been carried out and completed by the Vendor.

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

1 March 2016

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 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.