



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

**PAYMENT OF ACQUISITION FEE BY WAY OF ISSUE OF UNITS
IN ASCENDAS REAL ESTATE INVESTMENT TRUST ("ASCENDAS REIT")**

The Board of Directors of Ascendas Funds Management (S) Limited ("**Ascendas-FMS**") wishes to announce that 1,694,710 units in Ascendas Reit ("**Units**") have been issued today to Ascendas-FMS, in its capacity as Manager of Ascendas Reit. The Units were for payment of acquisition fee in relation to the acquisition by Ascendas Reit of 12, 14 and 16 Science Park Drive from Ascendas Land (Singapore) Pte Ltd on 16 February 2017 ("**Acquisition Fee**"). These Units were issued at an issue price of S\$2.4783 per Unit.

In accordance with the Trust Deed and Appendix 6 (Property Funds) of the Code on Collective Investment Scheme, when Ascendas Reit acquires real estate assets from interested parties, the acquisition fee earned by Ascendas-FMS on such acquisition shall be paid in the form of Units issued by Ascendas Reit at the prevailing market price. The Units should not be sold within one year from their date of issuance. In accordance with established precedence, related fees payable in Units are to be paid 30 days after the completion of the transaction.

The issue price of the Units was determined based on the volume weighted average traded price for all trades done on Singapore Exchange Securities Trading Limited ("**SGX-ST**") in the ordinary course of trading on the SGX-ST from 6 March 2017 to 17 March 2017 which is 10 business days immediately preceding the date of issue of Units to Ascendas-FMS.

Following the above issue of Units, the total number of Units in Ascendas Reit in issue is 2,924,767,194, of which Ascendas-FMS holds 64,391,435 Units or approximately 2.20% of the total Units in issue.

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
20 March 2017

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 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.

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 Ascendas Reit is not indicative of the future performance of Ascendas Reit.

This announcement may contain forward-looking statements that involve assumptions, 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 developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, 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. 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.