

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**



Summary of Ascendas Reit Group Results

	Note	01/04/18 to 31/03/19 ('FY18/19') S\$'000	01/04/17 to 31/03/18 ('FY17/18') S\$'000	Variance %
Gross revenue		886,171	862,111	2.8%
Net property income		649,579	629,400	3.2%
Total amount available for distribution:	(a)	485,683	468,045	3.8%
- Taxable income		432,053	438,380	(1.4%)
- Distribution from capital	(b)	53,630	29,665	80.8%
Distribution per Unit ("DPU") (cents)				
		FY18/19	FY17/18	Variance %
For the quarter from 1 January to 31 March	(a)	4.148	3.910	6.1%
- Taxable income		3.633	3.590	1.2%
- Distribution from capital	(b)	0.515	0.320	60.9%
For the period from 1 April to 31 March	(a)	16.035	15.988	0.3%
- Taxable income		14.273	14.976	(4.7%)
- Distribution from capital	(b)	1.762	1.012	74.1%

Footnotes

- (a) Included in FY18/19 and FY17/18 was distribution of rollover adjustments from prior years amounting to S\$7.8 million (DPU impact of 0.250 cents) in 4Q FY18/19 and S\$5.9 million (DPU impact of 0.200 cents) in 1Q FY17/18. This arose mainly from tax rulings by the Inland Revenue Authority of Singapore ("IRAS") on the non-tax deductibility of certain finance costs in prior years.
- (b) This relates to the distribution of (i) income repatriated from Australia by way of tax deferred distributions and/or shareholder loan repayment, (ii) net income from properties in the United Kingdom ("UK"), where the profits have yet to be repatriated to Singapore, (iii) reimbursements received from vendors in relation to outstanding incentives that were subsisting at the point of the completion of the acquisition of certain properties in Australia and the UK, and (iv) rental support received from vendors in relation to the acquisition of certain properties in Australia and the UK. Such distributions are deemed to be capital distributions from a tax perspective and are not taxable in the hands of Unitholders, except for Unitholders who are holding the Units as trading assets.

DPU for FY18/19 is calculated based on the summation of DPU for each quarter as follows:

DPU (cents)	1Q FY18/19	2Q FY18/19	3Q FY18/19	4Q FY18/19	FY18/19
Taxable	3.671	3.513	3.456	3.633	14.273
Capital	0.331	0.374	0.542	0.515	1.762
Total	4.002	3.887	3.998	4.148	16.035

Distribution Details

	1 October 2018 to 31 March 2019		
Distribution Type	Taxable	Capital	Total
Distribution rate (cents per unit)	7.089	1.057	8.146
Book closure date	8 May 2019		
Payment date	30 May 2019		

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

Introduction

Ascendas Real Estate Investment Trust (“Ascendas Reit” or the “Trust”) is a real estate investment trust constituted by the Trust Deed entered into on 9 October 2002 between Ascendas Funds Management (S) Limited as the Manager of Ascendas Reit and HSBC Institutional Trust Services (Singapore) Limited as the Trustee of Ascendas Reit, as amended and restated.

Since the beginning of the financial year, Ascendas Reit and its subsidiaries (the “Group”) had completed the following acquisitions and divestments:

No.	Type	Property	Amount (mil)	Date
i	Divestment	30 Old Toh Tuck Road, Singapore	S\$24.0	30 Apr 2018
ii	Acquisition	169-177 Australis Drive, Melbourne, Australia	A\$34.0	04 Jun 2018
iii	Acquisition	1314 Ferntree Gully Drive, Melbourne, Australia	A\$16.2	26 Jun 2018
iv	Acquisition	12 logistics properties, The United Kingdom (First UK Logistics Portfolio)	£200.0	16 Aug 2018
v	Divestment	41 Changi South Avenue 2, Singapore	S\$13.6	20 Aug 2018
vi	Acquisition	1-7 Wayne Goss Drive, Brisbane, Australia	A\$30.0	07 Sep 2018
vii	Acquisition	Cargo Business Park, Brisbane, Australia	A\$33.5	17 Sep 2018
viii	Acquisition	26 logistics properties, The United Kingdom (Second UK Logistics Portfolio)	£253.2	04 Oct 2018

As at 31 March 2019, the Group has a diversified portfolio of 98 properties in Singapore, 35 properties in Australia and 38 properties in the UK, with a tenant base of around 1,360 customers across the following segments: Business & Science Park/Suburban Office, High-specifications Industrial Properties/Data Centres, Light Industrial Properties/Flatted Factories, Logistics & Distribution Centres and Integrated Development, Amenities & Retail.

The Group’s results include the consolidation of subsidiaries and a joint venture. The commentaries provided are based on the consolidated Group results unless otherwise stated.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1(a)(i) Statement of Total Return and Distribution Statement

	Group						
	Note	4Q FY18/19 S\$'000	4Q FY17/18 S\$'000	Variance %	FY18/19 S\$'000	FY17/18 S\$'000	Variance %
Gross revenue	(a)	225,058	215,748	4.3%	886,171	862,111	2.8%
Property services fees		(8,225)	(7,111)	15.7%	(32,882)	(31,552)	4.2%
Property tax		(14,988)	(15,100)	(0.7%)	(52,900)	(59,617)	(11.3%)
Other property operating expenses		(38,412)	(35,667)	7.7%	(150,810)	(141,542)	6.5%
Property operating expenses	(b)	(61,625)	(57,878)	6.5%	(236,592)	(232,711)	1.7%
Net property income		163,433	157,870	3.5%	649,579	629,400	3.2%
Management fees	(c)	(13,858)	(12,684)	9.3%	(54,379)	(50,707)	7.2%
Trust and other expenses	(d)	(1,343)	(1,681)	(20.1%)	(7,675)	(7,714)	(0.5%)
Finance income	(g)	2,762	2,373	16.4%	10,448	9,081	15.1%
Finance costs	(g)	(32,999)	(28,218)	16.9%	(126,488)	(109,842)	15.2%
Foreign exchange differences	(e)	11,633	(29,919)	(138.9%)	(11,093)	7,275	n.m.
Gain on disposal of investment properties	(f)	-	724	(100.0%)	5,088	5,309	(4.2%)
Net non property expenses		(33,805)	(69,405)	(51.3%)	(184,099)	(146,598)	25.6%
Net income	(g)	129,628	88,465	46.5%	465,480	482,802	(3.6%)
Net change in fair value of financial derivatives	(h)	(8,365)	47,197	(117.7%)	22,197	9,805	126.4%
Net change in fair value of investment properties	(i)	29,304	3,800	n.m.	29,304	3,800	n.m.
Share of joint venture's results	(j)	85	122	-30.3%	493	514	(4.1%)
Total return for the period before tax		150,652	139,584	7.9%	517,474	496,921	4.1%
Tax expense	(k)	(6,622)	(1,097)	n.m.	(14,391)	(2,827)	n.m.
Total return for the period		144,030	138,487	4.0%	503,083	494,094	1.8%
Attributable to:							
Unitholders and perpetual securities holders		144,030	138,505	4.0%	503,087	494,118	1.8%
Non-controlling interests		-	(18)	(100.0%)	(4)	(24)	(83.3%)
		144,030	138,487	4.0%	503,083	494,094	1.8%
Distribution Statement							
Total return for the period attributable to Unitholders and perpetual securities holders		144,030	138,505	4.0%	503,087	494,118	1.8%
Less: Amount reserved for distribution to perpetual securities holders	(l)	(3,514)	(3,514)	-	(14,250)	(14,250)	-
Other net non tax deductible expenses/ (taxable income) and other adjustments	(m)	1,790	(26,071)	(106.9%)	(27,480)	(37,688)	(27.1%)
Net change in fair value of investment properties		(29,304)	(3,800)	n.m.	(29,304)	(3,800)	n.m.
Income available for distribution		113,002	105,120	7.5%	432,053	438,380	(1.4%)
Total amount available for distribution comprising:							
- Taxable income		113,002	105,120	7.5%	432,053	438,380	(1.4%)
- Distribution from capital	(n)	16,021	9,383	70.7%	53,630	29,665	80.8%
Total amount available for distribution		129,023	114,503	12.7%	485,683	468,045	3.8%

Note: "n.m." denotes "not meaningful"

ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

Explanatory notes to the statement of total return and distribution statement

- (a) Gross revenue comprises gross rental income and other income (which includes revenue from utilities charges, interest income from finance lease receivable, car park revenue and claims on liquidated damages).

Gross revenue increased by 2.8% in FY18/19, mainly due to new acquisitions in Australia and the UK during the financial year. The completion of redevelopment works at Schneider Electric Building (formerly known as “50 Kallang Avenue”) and 20 Tuas Avenue 1 also contributed to the increase. These were partially offset by non-renewals in certain properties in Singapore and divestments in Singapore during the year.

- (b) Property operating expenses comprise property services fees, property taxes and other expenses such as maintenance and conservancy costs, utilities expenses, marketing fees, land rent and other miscellaneous property-related expenses.

Property operating expenses increased mainly due to new acquisitions and higher operating expenses incurred in relation to the deployment of the new operation command centre supporting multiple buildings in Singapore. This was partially offset by lower property tax expenses arising from the retrospective downward revisions in the annual value of certain properties in FY18/19.

- (c) Higher management fees in FY18/19 were mainly due to higher deposited property under management attributable to the new acquisitions made since the last financial year. The Manager has elected to receive 20% of the base management fees in Units and the other 80% in cash.

- (d) Trust and other expenses comprise statutory expenses, professional fees, compliance costs, listing fees and other non-property related expenses. Other trust expenses remained at around the same level as the previous year.

- (e) Foreign exchange differences arose mainly from the revaluation of AUD, GBP, HKD, JPY and USD denominated borrowings. Cross currency swaps were entered into to hedge against the foreign exchange exposure of HKD, JPY and USD borrowings. Hence, the foreign exchange differences were largely offset by fair value movements in the foreign currency component of the cross currency swaps. Please refer to note (h) below.

In FY18/19, the Group recorded a foreign exchange loss of S\$11.1 million mainly due to SGD depreciating against HKD in relation to the HKD denominated Medium Term Notes (“MTN”). In FY17/18, the Group recorded a foreign exchange gain of S\$7.3 million mainly from the strengthening of SGD against HKD and JPY in relation to the HKD and JPY denominated MTN respectively, partially offset by realised foreign exchange loss recognised on the maturity of certain cross currency interest rate swaps during the year.

- (f) The gain on disposal of investment property in FY18/19 arose mainly from disposals of 30 Old Toh Tuck Road and 41 Changi South Avenue 2 in Singapore. In FY17/18, the Group disposed 10 Woodlands Link, 13 International Business Park and 84 Genting Lane in Singapore.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

(g) The following items have been included in net income:

Group						
	4Q FY18/19	4Q FY17/18	Variance	FY18/19	FY17/18	Variance
Note	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue						
Gross rental income	204,907	196,345	4.4%	800,273	784,308	2.0%
Other income	20,151	19,403	3.9%	85,898	77,803	10.4%
Property operating expenses						
Provision of allowance for impairment loss on doubtful receivables	(30)	(8)	n.m.	(20)	(10)	100.0%
Finance income						
Interest income	2,762	2,373	16.4%	10,448	9,081	15.1%
Finance costs						
Interest expense	(32,090)	(27,310)	17.5%	(122,942)	(106,305)	15.7%
Other borrowing costs	(909)	(908)	0.1%	(3,546)	(3,537)	0.3%
	(32,999)	(28,218)	16.9%	(126,488)	(109,842)	15.2%

Note: "n.m." denotes "not meaningful"

1. Finance income comprises receipts from interest rate swaps and interest income from bank deposits.
 2. Finance costs comprise interest expenses on borrowings, payments on interest rate swaps, amortised costs of establishing debt facilities (including the MTNs, term loan facilities and committed revolving credit facilities).
- (h) Net change in fair value of financial derivatives arose mainly from the revaluation of interest rate swaps, cross currency swaps and foreign exchange forward contracts entered into to hedge against the interest rate and foreign exchange exposures of the Group.

Group						
	4Q FY18/19	4Q FY17/18	Variance	FY18/19	FY17/18	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Fair value (loss)/gain on:						
- interest rate swaps	(7,719)	6,411	n.m.	(11,645)	7,188	n.m.
- cross currency swaps	(462)	40,527	(101.1%)	34,236	1,464	n.m.
- foreign exchange forward contracts	(184)	259	(171.0%)	(394)	1,153	(134.2%)
Net change in fair value of financial derivatives	(8,365)	47,197	(117.7%)	22,197	9,805	126.4%

Note: "n.m." denotes "not meaningful"

- (i) Independent valuations for the investment properties as at 31 March 2019 were undertaken by (i) CBRE Pte. Ltd., Colliers International Consultancy & Valuation (Singapore) Pte Ltd, Edmund Tie & Company (SEA) Pte. Ltd., Jones Lang LaSalle Property Consultants Pte. Ltd., Savills Valuation and Professional Services (S) Pte. Ltd., Knight Frank Pte. Ltd. for Singapore properties; (ii) Jones Lang LaSalle Advisory Services Pty Limited for Australian properties; and (iii) Knight Frank LLP for UK properties.
- (j) Share of joint venture's results relates to the carpark operations at ONE@Changi City in Singapore, which is operated through a joint venture entity, Changi City Carpark Operations LLP ("CCP LLP"). The Group uses the equity method to account for the results of CCP LLP.
- (k) Tax expense in FY18/19 includes deferred tax expense relating to the undistributed profits in the subsidiaries of the Group. It also includes withholding tax paid on interest payments and distributions from the trusts that indirectly hold the properties in Australia.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

- (l) On 14 October 2015, Ascendas Reit issued S\$300.0 million of subordinated perpetual securities (the "Perpetual Securities"). The Perpetual Securities confer the holders a right to receive distribution payments at 4.75% per annum, with the first distribution rate reset on 14 October 2020 and subsequent resets occurring every five years thereafter. Distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative in accordance with the terms and conditions of the Perpetual Securities.
- (m) Net effect of non tax deductible expenses / (taxable income) and other adjustments comprises:

	Note	Group					
		4Q FY18/19 S\$'000	4Q FY17/18 S\$'000	Variance %	FY18/19 S\$'000	FY17/18 S\$'000	Variance %
Management fees paid/payable in units		2,772	2,535	9.3%	10,873	10,139	7.2%
Trustee fee		506	653	(22.5%)	1,993	2,749	(27.5%)
Gain on disposal of investment property		-	(724)	(100.0%)	(5,088)	(5,309)	(4.2%)
Net change in fair value of financial derivatives		8,365	(47,197)	(117.7%)	(22,197)	(9,805)	126.4%
Foreign exchange differences		(11,633)	29,919	(138.9%)	11,093	(7,275)	n.m.
Other net non tax deductible expenses and other adjustments	A	15,138	8,252	83.4%	44,153	29,321	50.6%
Income from subsidiaries and joint venture	B	(21,120)	(19,509)	8.3%	(76,069)	(63,359)	20.1%
Rollover adjustment from prior years	C	7,762	-	n.m.	7,762	5,851	32.7%
Other net non tax deductible expenses/ (taxable income) and other adjustments		1,790	(26,071)	(106.9%)	(27,480)	(37,688)	(27.1%)

Note: "n.m." denotes "not meaningful"

- A. Other net non tax deductible expenses and other adjustments include mainly set-up costs on loan facilities, commitment fees paid on undrawn committed credit facilities, interest expenses on loans drawn to fund overseas investments and returns attributable to the Perpetual Securities holders.
- B. This relates to the net income from the Trust's subsidiaries and joint venture including the effects of consolidation.
- C. The distribution of rollover adjustments amounting to S\$7.8 million (DPU impact of 0.250 cents) in 4Q FY18/19 and S\$5.9 million (DPU impact of 0.200 cents) in 1Q FY17/18 arose mainly from tax rulings by the Inland Revenue Authority of Singapore ("IRAS") on the non-tax deductibility of certain finance costs for prior years.
- (n) This relates to the distribution of (i) income repatriated from Australia by way of tax deferred distributions and/or shareholder loan repayment, (ii) net income from properties in the UK, where the profits have yet to be repatriated to Singapore, (iii) reimbursements received from vendors in relation to outstanding incentives that were subsisting at the point of the completion of the acquisition of certain properties in Australia and the UK, and (iv) rental support received from vendors in relation to the acquisition of certain properties in Australia and the UK. Such distributions are deemed to be capital distributions from a tax perspective and are not taxable in the hands of Unitholders, except for Unitholders who are holding the Units as trading assets.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1(b)(i) Statements of Financial Position

	Note	Group		Trust	
		31/03/19 S\$'000	31/03/18 S\$'000	31/03/19 S\$'000	31/03/18 S\$'000
Non-current assets					
Investment properties	(a)	11,143,937	10,118,978	8,769,500	8,625,500
Investment properties under development	(b)	91,595	95,463	91,595	86,400
Finance lease receivables		50,554	53,243	50,554	53,243
Interest in subsidiaries	(c)	-	-	1,179,012	669,354
Loans to subsidiaries	(d)	-	-	297,000	269,538
Investment in joint venture		102	123	-	-
Derivative assets	(e)	31,546	9,129	29,767	9,129
		11,317,734	10,276,936	10,417,428	9,713,164
Current assets					
Finance lease receivables		2,688	2,385	2,688	2,385
Trade and other receivables	(f)	39,635	28,337	33,570	28,275
Derivative assets	(e)	1,425	819	1,425	759
Cash and fixed deposits		52,341	25,016	6,678	3,860
Property held for sale	(g)	-	20,300	-	20,300
	(h)	96,089	76,857	44,361	55,579
Current liabilities					
Trade and other payables		158,255	143,831	131,581	140,122
Security deposits		46,862	42,095	46,690	42,044
Derivative liabilities	(e)	8	616	8	371
Short term borrowings	(i)	215,820	624,700	215,820	624,700
Term loans	(i)	301,094	285,243	301,094	-
Medium term notes	(i)	94,994	-	94,994	-
Provision for taxation		7,934	7,016	1,140	1,437
	(h)	824,967	1,103,501	791,327	808,674
Non-current liabilities					
Security deposits		82,167	77,985	79,921	76,537
Derivative liabilities	(e)	64,112	62,923	55,958	59,258
Amount due to a subsidiary		-	-	25,646	25,492
Medium term notes	(i)	1,889,936	1,601,066	1,889,936	1,601,066
Term loans	(i)	1,595,947	1,008,211	701,997	722,968
Deferred tax liabilities	(j)	10,701	1,411	-	-
		3,642,863	2,751,596	2,753,458	2,485,321
Net assets					
		6,945,993	6,498,696	6,917,004	6,474,748
Represented by:					
Unitholders' funds	(k)	6,641,611	6,194,310	6,612,622	6,170,366
Perpetual securities holders		304,382	304,382	304,382	304,382
Non-controlling interests		-	4	-	-
		6,945,993	6,498,696	6,917,004	6,474,748

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

Explanatory notes to the statements of financial position

- (a) Movements in investment properties are mainly due to the acquisition of the First and Second UK Logistics Portfolios, acquisitions in Australia, divestments in Singapore and the completion of investment properties under development ("IPUD"). Please refer to the table on Page 2 for more details of the acquisitions and divestments.
- (b) As at 31 March 2019, IPUD relates to a built-to-suit development in Singapore. IPUDs as at 31 March 2018 relate to the progress payment made in relation to the fund-through acquisition of 1-7 Wayne Goss Drive in Brisbane, Australia and redevelopment of 20 Tuas Avenue 1. 20 Tuas Avenue 1 in Singapore and 1-7 Wayne Goss Drive in Brisbane were reclassified to investment properties in April 2018 and September 2018 respectively.
- (c) Interest in subsidiaries relates to entities directly or indirectly wholly-owned by Ascendas Reit. The increase in interest in subsidiaries was a result of capitalisation of subsidiaries to fund the acquisitions in Australia and the UK.
- (d) Loans to subsidiaries relate to the interest-bearing loans extended to subsidiaries to fund their overseas acquisitions.
- (e) Derivative assets and derivative liabilities relate to favourable and unfavourable changes in the fair value of certain interest rate swaps, cross currency swaps and foreign currency forward contracts respectively.
- (f) Increase in trade and other receivables mainly relate to the UK properties.
- (g) As at 31 March 2018, the property held for sale relates to 30 Old Toh Tuck Road in Singapore, which was divested on 30 April 2018.
- (h) Notwithstanding the net current liabilities position, based on the Group's available financial resources, the Manager is of the opinion that the Group will be able to refinance its borrowings and meet its current obligations as and when they fall due.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

(i) **Details of borrowings**

Gross borrowings	Group		Trust	
	31/03/19	31/03/18	31/03/19	31/03/18
	S\$'000	S\$'000	S\$'000	S\$'000
Secured borrowings				
Amount repayable after one year				
- Term loans	541,543	285,924	-	-
Amount repayable within one year				
- Term loans	-	285,924	-	-
Total secured borrowings	541,543	571,848	-	-
Unsecured borrowings				
Amount repayable after one year				
- Medium term notes	1,893,839	1,604,347	1,893,839	1,604,347
- Term loans	1,061,435	724,029	704,080	724,029
	2,955,274	2,328,376	2,597,919	2,328,376
Amount repayable within one year				
- Short term borrowings	215,819	624,699	215,819	624,699
- Medium term notes	95,000	-	95,000	-
- Term loans	301,142	-	301,142	-
	611,961	624,699	611,961	624,699
Total unsecured borrowings	3,567,235	2,953,075	3,209,880	2,953,075

As at 31 March 2019, the Group has A\$564.3 million (31 March 2018: A\$564.3 million) secured syndicated term loans from Australian banks ("Syndicated Loans"). The Syndicated Loans are secured by way of a first mortgage over 26 properties in Australia and assets of their respective holding trusts, and guaranteed by Ascendas Reit. The carrying value of properties secured for the Syndicated Loans was S\$1,025.4 million or A\$1,068.6 million as at 31 March 2019 (31 March 2018: S\$1,038.3 million or A\$1,024.6 million).

In addition, the Group has various unsecured credit and overdraft facilities with varying degrees of utilisation as at the reporting date.

As at 31 March 2019, 83.0% (31 March 2018: 71.9%) of the Group's borrowings are on fixed interest rates (after taking into consideration effects of the interest rate swaps) with an overall weighted average tenure of 3.6 years (31 March 2018: 3.3 years). The overall weighted average cost of borrowings for the year ended 31 March 2019 was 3.0% (31 March 2018: 2.9%).

- (j) Deferred tax liabilities relate to tax provided on the undistributed profits in the subsidiaries of the Group.
- (k) Increase in Unitholders' funds was mainly due to the units issued in the private placement completed in September 2018. Please refer to "Statement of Movements in Unitholders' Funds" on page 11 and 12.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1(c) Cash flow statement together with a comparative statement for the corresponding period of the immediate preceding financial year

	Note	Group			
		4Q FY18/19 S\$'000	4Q FY17/18 S\$'000	FY18/19 S\$'000	FY17/18 S\$'000
Cash flows from operating activities					
Total return for the period before tax		150,652	139,584	517,474	496,921
Adjustments for;					
Provision of allowance for impairment loss on doubtful receivables		30	8	20	10
Finance income		(2,762)	(2,373)	(10,448)	(9,081)
Finance costs		32,999	28,218	126,488	109,842
Foreign exchange (gain)/loss		(11,633)	29,919	11,093	(7,275)
Gain from disposal of investment properties		-	(724)	(5,088)	(5,309)
Management fees paid/payable in units		2,772	2,535	10,873	10,139
Net change in fair value of financial derivatives		8,365	(47,197)	(22,197)	(9,805)
Net change in fair value of investment properties		(29,304)	(3,800)	(29,304)	(3,800)
Share of joint venture's results		(85)	(122)	(493)	(514)
Operating income before working capital changes		151,034	146,048	598,418	581,128
Changes in working capital:					
Trade and other receivables		5,437	(3,871)	(3,373)	10,984
Trade and other payables		19,743	(23,937)	23,117	(28,548)
Cash generated from operating activities		176,214	118,240	618,162	563,564
Income tax paid		(2,473)	37	(5,729)	(24,677)
Net cash generated from operating activities		173,741	118,277	612,433	538,887
Cash flows from investing activities					
Dividend received from a joint venture company		133	140	512	517
Purchase of investment properties		936	-	(903,933)	(206,643)
Payment for investment properties under development		(90,873)	(12,302)	(109,888)	(55,088)
Payment for capital improvement on investment properties		(19,090)	(8,548)	(76,471)	(77,630)
Payment of deferred sum payable for an investment property		-	(20,000)	-	(20,000)
Proceeds from the divestment of investment property		-	16,680	37,580	60,760
Interest received		4,480	3,629	24,413	22,971
Net cash used in investing activities		(104,414)	(20,401)	(1,027,787)	(275,113)
Cash flows from financing activities					
Proceeds from issue of units		-	-	452,138	-
Equity issue costs paid		(17)	-	(3,970)	-
Distributions paid to Unitholders		-	-	(463,083)	(294,585)
Distributions paid to perpetual securities holders		-	-	(14,250)	(14,250)
Finance costs paid		(35,529)	(33,664)	(128,650)	(118,388)
Transaction costs paid in respect of borrowings		(1,203)	(1,322)	(7,407)	(1,633)
Proceeds from borrowings		353,985	354,258	2,311,699	1,103,111
Repayment of borrowings		(354,928)	(432,919)	(1,702,070)	(982,319)
Net cash (used in)/generated from financing activities		(37,692)	(113,647)	444,407	(308,064)
Net increase/(decrease) in cash and cash equivalents		31,635	(15,771)	29,053	(44,290)
Cash and cash equivalents at beginning of the period		(26,546)	(7,000)	(22,949)	22,000
Effect of exchange rate changes on cash balances		(168)	(178)	(1,183)	(659)
Cash and cash equivalents at end of the financial period	(a)	4,921	(22,949)	4,921	(22,949)

Footnotes

- (a) Included in cash and cash equivalents was a bank overdraft amounting to approximately S\$47.4 million as at 31 March 2019 (S\$48.0 million as at 31 March 2018).

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1(d)(i) Statements of Movements in Unitholders' Funds

	Note	Group		Trust	
		4Q FY18/19 S\$'000	4Q FY17/18 S\$'000	4Q FY18/19 S\$'000	4Q FY17/18 S\$'000
Unitholders' Funds					
Balance at beginning of the financial period		6,502,846	6,070,807	6,480,185	6,072,926
Operations					
Total return for the period attributable to Unitholders and perpetual securities holders		144,030	138,505	132,339	98,419
Less: Amount reserved for distribution to perpetual securities holders		(3,514)	(3,514)	(3,514)	(3,514)
Net increase in net assets from operations		140,516	134,991	128,825	94,905
Movement in foreign currency translation reserve	(a)	(5,363)	(14,023)	-	-
Unitholders' transactions					
Development management fee paid in units	(b)	840	-	840	-
Management fees paid/payable in Units		2,772	2,535	2,772	2,535
Net decrease in net assets from Unitholders' transactions		3,612	2,535	3,612	2,535
Balance at end of the financial period		6,641,611	6,194,310	6,612,622	6,170,366
Perpetual Securities Holders' Funds					
Balance at beginning of the financial period		300,868	300,868	300,868	300,868
Amount reserved for distribution to perpetual securities holders		3,514	3,514	3,514	3,514
Balance at end of the financial period		304,382	304,382	304,382	304,382
Non-controlling interests					
Balance at beginning of the financial period		-	22	-	-
Total return for the period attributable to non-controlling interests		-	(18)	-	-
Balance at end of the financial period		-	4	-	-
Total		6,945,993	6,498,696	6,917,004	6,474,748

Footnotes

- (a) This represents the foreign exchange translation differences arising from translation of the financial statements of foreign subsidiaries denominated in foreign currencies.
- (b) In 4Q FY18/19, 298,656 new units were issued at \$2.8126 per Unit for the partial payment of development management fee for a built-to-suit development in Singapore.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	Group		Trust	
		FY18/19 S\$'000	FY17/18 S\$'000	FY18/19 S\$'000	FY17/18 S\$'000
Unitholders' Funds					
Balance at beginning of the financial period		6,194,310	6,030,710	6,170,366	6,045,136
Operations					
Total return for the period attributable to Unitholders of the Trust		503,087	494,118	459,938	423,926
Less: Amount reserved for distribution to perpetual securities holders		(14,250)	(14,250)	(14,250)	(14,250)
Net increase in net assets from operations		488,837	479,868	445,688	409,676
Movement in foreign currency translation reserve	(a)	(38,104)	(31,822)	-	-
Unitholders' transactions					
New Units issued	(b)	452,138	-	452,138	-
Equity issue costs		(4,200)	-	(4,200)	-
Development management fee paid in units	(c)	840	-	840	-
Management fees paid/payable in Units		10,873	10,139	10,873	10,139
Distributions to Unitholders	(d)	(463,083)	(294,585)	(463,083)	(294,585)
Net decrease in net assets from Unitholders' transactions		(3,432)	(284,446)	(3,432)	(284,446)
Balance at end of the financial period		6,641,611	6,194,310	6,612,622	6,170,366
Perpetual Securities Holders' Funds					
Balance at beginning of the financial period		304,382	304,382	304,382	304,382
Amount reserved for distribution to perpetual securities holders		14,250	14,250	14,250	14,250
Distributions to Perpetual Securities Holders		(14,250)	(14,250)	(14,250)	(14,250)
Balance at end of the financial period		304,382	304,382	304,382	304,382
Non-controlling interests					
Balance at beginning of the financial period		4	28	-	-
Total return for the period attributable to non-controlling interests		(4)	(24)	-	-
Balance at end of the financial period		-	4	-	-
Total		6,945,993	6,498,696	6,917,004	6,474,748

Footnotes

- (a) This represents the foreign exchange translation differences arising from translation of the financial statements of foreign subsidiaries denominated in foreign currencies.
- (b) This relates to the issuance of new units on 18 September 2018 pursuant to a private placement of 178,007,000 Units at an issue price of S\$2.540 per Unit.
- (c) This relates to the issuance of 298,656 new units at \$2.8126 per Unit for the partial payment of development management fee for a built-to-suit development in Singapore.
- (d) The distribution paid in FY18/19 comprised of distributions to Unitholders for the period from 1 October 2017 to 30 September 2018. The distribution paid in FY17/18 comprised of distributions to Unitholders for the period from 16 February 2017 to 30 September 2017.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1(d)(ii) Details of any changes in the Units

	Group and Trust			
	4Q FY18/19 Units	4Q FY17/18 Units	FY18/19 Units	FY17/18 Units
Issued Units at beginning of the financial period	3,110,543,167	2,928,503,929	2,928,503,929	2,924,767,194
Issue of new Units:				
- Management fees paid in Units	-	-	4,032,238	3,736,735
- Equity fund raising	-	-	178,007,000	-
- Development management fees paid in Units	298,656	-	298,656	-
Issued Units at the end of the financial period	3,110,841,823	2,928,503,929	3,110,841,823	2,928,503,929
Units to be issued:				
Management fees payable in Units	1,295,832	1,288,798	1,295,832	1,288,798
Units issued and issuable at end of the financial period	3,112,137,655	2,929,792,727	3,112,137,655	2,929,792,727

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period, and as at the end of the immediately preceding year.

There are no treasury Units in issue as at 31 March 2019 and 31 March 2018. The total number of issued Units are as disclosed in paragraph 1d(ii).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 March 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted new Financial Reporting Standards in Singapore ("FRSs") and interpretations effective for the financial period beginning 1 April 2018 as follows:

(i) *FRS 115 Revenue from Contracts with Customers*

FRS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met. There was no significant impact to the financial statements of the Group. Accordingly, comparative financial information presented in this set of announcement has not been restated.

(ii) *FRS 109 Financial Instruments*

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. There was no change in measurement basis arising from the adoption of the new classification and measurement model. In assessing for impairment losses on financial assets, the Group has adopted the simplified approach and recorded lifetime expected losses on all trade receivables using the expected credit loss model. There was no significant impact to the financial statements of the Group. Accordingly, the Group did not recognise any adjustments to the opening unitholders' funds on 1 April 2018.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

6. Earnings per Unit (“EPU”) and Distribution per Unit (“DPU”) for the financial period

		Group			
	Note	4Q FY18/19	4Q FY17/18	FY18/19	FY17/18
<u>EPU</u>					
<u>Basic EPU</u>					
Weighted average number of Units		3,110,627,252	2,928,518,249	3,025,745,174	2,926,787,818
Earnings per Unit in cents	(a)	4.517	4.610	16.156	16.396
<u>Diluted EPU</u>					
Weighted average number of Units		3,110,627,252	2,928,518,249	3,025,745,174	2,926,787,818
Earnings per Unit in cents (diluted)		4.517	4.610	16.156	16.396
<u>DPU</u>					
Number of Units in issue		3,110,841,823	2,928,503,929	3,110,841,823	2,928,503,929
Distribution per Unit in cents		4.148	3.910	16.035	15.988

Footnotes

- (a) The EPU has been calculated using total return for the period and the weighted average number of Units issued and issuable during the period.

The diluted EPU is equivalent to the basic EPU as no dilutive instruments were in issue as at 31 March 2019 and 31 March 2018.

7. Net asset value per Unit based on Units issued at the end of the period

		Group		Trust	
	Note	31/03/19 cents	31/03/18 cents	31/03/19 cents	31/03/18 cents
Net asset value per Unit		213	212	212	211
Adjusted net asset value per Unit	(a)	205	204	204	203

Footnote

- (a) The adjusted net asset value per Unit is arrived at after deducting the amount to be distributed for the relevant period after the reporting date.

ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

8. Review of Performance

	4Q FY18/19 (A) S\$'000	3Q FY18/19 (B) S\$'000	Group Variance (A) vs (B) %	4Q FY17/18 (C) S\$'000	Variance (A) vs (C) %
Gross revenue	225,058	226,420	(0.6%)	215,748	4.3%
Property operating expenses	(61,625)	(58,387)	5.5%	(57,878)	6.5%
Net property income	163,433	168,033	(2.7%)	157,870	3.5%
Non property expenses	(15,201)	(16,315)	(6.8%)	(14,365)	5.8%
Net finance costs	(30,237)	(30,041)	0.7%	(25,845)	17.0%
Foreign exchange differences	11,633	(9,411)	n.m.	(29,919)	(138.9%)
Gain on disposal of investment property	-	-	n.m.	724	(100.0%)
	(33,805)	(55,767)	(39.4%)	(69,405)	(51.3%)
Net income	129,628	112,266	15.5%	88,465	46.5%
Net change in fair value of financial derivatives	(8,365)	19,338	(143.3%)	47,197	(117.7%)
Net change in fair value of investment properties	29,304	-	n.m.	3,800	n.m.
Share of joint venture's results	85	162	(47.5%)	122	(30.3%)
Total return for the period before tax	150,652	131,766	14.3%	139,584	7.9%
Tax expense	(6,622)	(2,955)	124.1%	(1,097)	n.m.
Total return for the period	144,030	128,811	11.8%	138,487	4.0%
Attributable to:					
Unitholders and perpetual securities holders	144,030	128,798	11.8%	138,505	4.0%
Non-controlling interests	-	13	(100.0%)	(18)	(100.0%)
Total return for the period	144,030	128,811	11.8%	138,487	4.0%
<u>Distribution Statement</u>					
Total return for the period attributable to					
Unitholders and perpetual securities holders	144,030	128,798	11.8%	138,505	4.0%
Less: Amount reserved for distribution to perpetual securities holders	(3,514)	(3,591)	(2.1%)	(3,514)	-
Net effect of (taxable income)/ non tax deductible expenses and other adjustments	1,790	(17,706)	(110.1%)	(26,071)	(106.9%)
Net change in fair value of investment properties	(29,304)	-	n.m.	(3,800)	n.m.
Income available for distribution	113,002	107,501	5.1%	105,120	7.5%
Total amount available for distribution comprising:					
- Taxable income	113,002	107,501	5.1%	105,120	7.5%
- Distribution from capital	16,021	16,846	(4.9%)	9,383	70.7%
Total amount available for distribution	129,023	124,347	3.8%	114,503	12.7%
<u>EPU/DPU</u>					
Earnings per unit (cents)	4.517	4.028	12.1%	4.610	(2.0%)
Distribution per unit (cents)	4.148	3.998	3.8%	3.910	6.1%

Note: "n.m." denotes "not meaningful"

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

4Q FY18/19 vs 3Q FY18/19

Net property income decreased by 2.7% mainly due to lower utilities income in Singapore, higher property tax in certain properties in Singapore and higher operating expenses incurred in relation to the deployment of the new operation command centre supporting multiple buildings in Singapore.

Non-property expenses decreased by 6.8% due to higher professional fees incurred in 3Q FY18/19. Net finance costs increased marginally between 4Q FY18/19 and 3Q FY18/19 mainly arising from the enlarged portfolio base subsequent to the acquisition of the Second UK Logistics Portfolio.

Foreign exchange gain of S\$11.6 million in 4Q FY18/19 was mainly due to the strengthening of SGD against HKD, JPY and USD in relation to foreign currency denominated borrowings. In 3Q FY18/19, the Group recorded a foreign exchange loss of S\$9.4 million, mainly from the weakening of SGD against HKD, JPY and USD in relation to HKD, JPY and USD denominated borrowings, partially offset by the strengthening of the SGD against AUD and GBP in relation to AUD and GBP denominated borrowings.

The higher tax expense in 4Q FY18/19 was mainly due to the increase in deferred tax liability from the undistributed profits in the subsidiaries of the Group.

4Q FY18/19 vs 4Q FY17/18

Gross revenue increased by 4.3%, mainly due to acquisitions in Australia and the UK, and contributions from completed redevelopment at 20 Tuas Avenue 1 in FY18/19. The increase was partially offset by non-renewals in certain properties in Singapore in FY18/19.

Property operating expenses increased by 6.5% mainly due to new acquisitions and higher operating expenses incurred in relation to the deployment of the new operation command centre supporting multiple buildings in Singapore.

Non-property expenses increased 5.8% mainly due to an increase in manager's fee as a result of enlarged deposited property under management. Higher net finance costs of 17.0% in 4Q FY18/19 was due to higher average debt balance and higher average cost of borrowings.

Foreign exchange gain of S\$11.6 million in 4Q FY18/19 was mainly due to the strengthening of SGD against HKD, JPY and USD in relation to foreign currency denominated borrowings. In 4Q FY17/18, the Group recorded a foreign exchange loss of S\$29.9 million mainly from the maturity of certain cross currency interest rate swaps during the quarter.

The higher tax expense in 4Q FY18/19 was primarily due to the increase in deferred tax liability from the undistributed profits in the subsidiaries of the Group.

9. Variance between forecast and the actual results

The current results are broadly in line with the Trust's commentary made in 3Q FY18/19 Financial Results Announcement under Paragraph 10 on page 18. The Trust has not disclosed any financial forecast to the market.

10. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The global economy continues to face considerable headwinds including the on-going US-China trade conflict and prolonged Brexit uncertainties. Market expectations of interest rate hikes have been pared down amid the lingering downside risks.

Singapore

Singapore's 1Q 2019 GDP growth eased to 1.3% year-on-year ("y-o-y") from 1.9% y-o-y in 4Q 2018. The manufacturing sector contracted by 1.9% y-o-y compared to a 5.1% y-o-y growth in the previous quarter. The Singapore government expects the economy to grow at slightly below the midpoint of the "1.5% to 3.5%" forecast range in 2019 (source: Ministry of Trade and Industry). In view of the uncertain economic outlook, businesses are likely to remain conservative with their capital investments and expansion plans.

On top of the excessive new supply of industrial property space that was built-up over the last 4-5 years, an additional 2.8 million sqm of new industrial space is expected to complete in 2019 and 2020, representing 5.7% of the total stock of 49.1 million sqm as at 31 March 2019.

The above factors, amongst others, are expected to keep a lid on leasing activity and industrial property rents in the meantime.

Assets under management (AUM) in Singapore stood at S\$8.8 billion (79% of total property value as at 31 March 2019) underpinned by a diversified pool of tenants operating in across more than 20 industries. Properties in the business and science park segment, which makes up 42% of the Singapore portfolio, can serve the needs of the new economy industries and remains a key growth area for Ascendas Reit.

Australia

The Australian economy grew by 2.3% y-o-y in 2018 (2017: 2.4% y-o-y). The slower growth was attributable to weaker household spending and housing prices. A key external risk to Australia's growth outlook is the potentially slower growth in China, its key trading partner. Consensus GDP growth forecast for Australia in 2019 is 2.3% (Source: Bloomberg).

Ascendas Reit's Australian properties are well-located in key industrial precincts. The stable performance of the portfolio is underpinned by the long weighted average lease to expiry of 4.5 years and average annual rent escalations of approximately 3% per annum. The Manager will continue to be prudent and look for accretive opportunities to grow the S\$1.6 billion AUM in Australia (14% of total property value) further.

United Kingdom (UK)

In 2018, the UK economy grew by 1.4% y-o-y (2017: 1.8% y-o-y). The services sector, which is the largest contributor to the UK economy, recorded a y-o-y growth of 1.7%, the lowest it has been since 2011. Consensus GDP growth forecasts for 2019 has been revised down to 1.2% (source: Bloomberg). The lack of clarity over Brexit continues to weigh on UK's growth outlook.

Logistics properties continue to attract investors, underpinned by constrained supply and the strong demand for space as a result of the high e-commerce penetration rate in the UK.

Ascendas Reit's UK portfolio stood at S\$0.8 billion (7% of total property value) as at 31 March 2019. Strong attributes such as the long weighted average lease to expiry of 9.3 years and the domestic nature of the tenants' logistics business will stand Ascendas Reit in good stead to overcome any potential impact arising from Brexit. The Manager will continue to look for acquisition opportunities to scale up its presence in the UK/Europe.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

11. Distributions

(a) Current financial period

Any distributions declared for the current financial period?

Yes

(i) Name of distribution: 59th distribution for the period from 1 October 2018 to 31 March 2019

Distribution Type/ Rate	Taxable	Capital	Total
Amount (cents per unit)	7.089	1.057	8.146

Par value of units: Not applicable

Tax Rate: Taxable income distribution
Individuals who receive such distribution as investment income (excluding income received through partnership) will be exempted from tax.

Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their own marginal rate subsequently.

Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt where the distributions received are returned to the respective CPF and SRS accounts.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution

Tax-exempt income distribution is exempt from tax in the hands of all Unitholders, regardless of their nationality, corporate identity or tax residence status. Unitholders are not entitled to tax credits for any taxes paid by the trustee of Ascendas Reit on the income of Ascendas Reit against their Singapore income tax liability.

Capital distribution

Distributions out of capital are not taxable in the hands of all Unitholders provided that the Units are not held as trading assets. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Book closure date: 8 May 2019

Payment date: 30 May 2019

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

(b) Corresponding financial period of the immediately preceding year

Any distributions declared for the corresponding period of the immediate preceding year?

Yes

(ii) Name of distribution: 56th distribution for the period from 1 October 2017 to 31 March 2018

Distribution Type/ Rate	Taxable	Capital	Total
Amount (cents per unit)	7.324	0.556	7.880

Par value of units: Not applicable

Tax Rate: Taxable income distribution
Individuals who receive such distribution as investment income (excluding income received through partnership) will be exempted from tax.

Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their own marginal rate subsequently.

Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt where the distributions received are returned to the respective CPF and SRS accounts.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution

Tax-exempt income distribution is exempt from tax in the hands of all Unitholders, regardless of their nationality, corporate identity or tax residence status. Unitholders are not entitled to tax credits for any taxes paid by the trustee of Ascendas Reit on the income of Ascendas Reit against their Singapore income tax liability.

Capital distribution

Distributions out of capital are not taxable in the hands of all Unitholders provided that the Units are not held as trading assets. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Book closure date: 2 May 2018

Payment date: 24 May 2018

12. If no distribution has been declared/(recommended), a statement to that effect

Not applicable.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

13. If the Group has obtained a general mandate from unitholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

Ascendas Reit has not obtained a general mandate from Unitholders for interested person transactions.

14. Use of proceeds from equity fund raising

Gross proceeds of S\$452.1 million from the Private Placement in September 2018:

Intended use of proceeds	Announced use of proceeds¹ (S\$'million)	Actual use of proceeds (S\$'million)	Balance of proceeds (S\$'million)
To partially fund the second portfolio of 26 UK logistics properties and the associated costs.	246.6	246.6	-
To partially fund the development of a build-to-suit facility located in Singapore.	109.0	90.8	18.2
To fund debt repayment and future acquisitions.	92.3	92.3	-
To pay the fees and expenses, including professional fees and expenses, incurred or to be incurred by Ascendas Reit in connection with the Private Placement.	4.2	4.2	-
Total	452.1	433.9	18.2

15. Certificate pursuant to Paragraph 7.3 of the Property Funds Guidelines

The Manager hereby certifies that in relation to the distribution to the Unitholders of Ascendas Reit for the period from 1 October 2018 to 31 March 2019:

The Manager is satisfied on reasonable grounds that, immediately after making the distribution, Ascendas Reit will be able to fulfill, from its deposited property, its liabilities as and when they fall due.

Ascendas Reit currently distributes 100% of its distributable income to Unitholders, other than gains on the sale of properties, and unrealised surplus on revaluation of investment properties and investment properties under development, on a semi-annual basis at the discretion of the Manager. In the case of its overseas subsidiaries, income from these subsidiaries will be distributed, after relevant adjustments (if any) such as withholding tax, on a semi-annual basis at the discretion of the Manager.

16. Directors confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these financial results to be false or misleading in any material aspect.

¹ As set out and defined in the Use of Proceeds Announcement dated 4 October 2018.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

17. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

18. Segmented revenue and results for business or geographical segments

	Note	FY18/19 S\$'000	Group FY17/18 S\$'000	Variance %
<u>Gross revenue</u>				
Business & Science Park/Suburban Office		316,796	314,249	0.8%
High-Specifications Industrial Properties		194,721	191,374	1.7%
Light Industrial Properties	(a)	90,399	93,400	(3.2%)
Logistics and Distributions Centres	(b)	222,870	201,643	10.5%
Integrated Development, Amenities & Retail		61,385	61,445	(0.1%)
Total Gross revenue	(d)	886,171	862,111	2.8%
<u>Net property income</u>				
Business & Science Park/Suburban Office		217,966	220,814	(1.3%)
High-Specifications Industrial Properties	(c)	152,520	142,020	7.4%
Light Industrial Properties	(a)	62,250	65,087	(4.4%)
Logistics and Distributions Centres	(b)	169,688	153,785	10.3%
Integrated Development, Amenities & Retail		47,155	47,694	(1.1%)
Total Net property income	(d)	649,579	629,400	3.2%

Footnotes

- (a) The decrease in gross revenue and net property income in the Light Industrial Properties segment is mainly due to the non-renewals in certain properties in Singapore and divestment of 10 Woodlands Link, 84 Genting Lane and 41 Changi South in Singapore.
- (b) The increase in gross revenue and net property income in the Logistics and Distribution Centres segment is mainly due to the acquisitions of the First and Second UK Logistics Portfolios, logistics properties in Australia and contributions from completed redevelopment at 20 Tuas Avenue 1, partially offset by the divestment of 30 Old Toh Tuck in Singapore.
- (c) The increase in net property income in the High-Specifications Industrial Properties segment is mainly due to lower property tax expenses arising from retrospective downward revisions in the annual value of certain properties in Singapore and full year contribution from the completion of redevelopment of Schneider Electric Building.
- (d) Please refer to paragraphs 1(a)(i)(a) and 1(a)(i)(b) on page 4 for details.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	FY18/19 S\$'000	Group FY17/18 S\$'000	Variance %
<u>Gross revenue</u>				
Singapore		747,661	752,222	(0.6%)
Australia		116,676	109,889	6.2%
United Kingdom		21,834	-	100.0%
Total Gross revenue	(a)	886,171	862,111	2.8%
<u>Net property income</u>				
Singapore		533,358	536,856	(0.7%)
Australia		95,240	92,544	2.9%
United Kingdom		20,981	-	100.0%
Total Net property income	(a)	649,579	629,400	3.2%

Footnotes

(a) Please refer to paragraphs 1(a)(i)(a) and 1(a)(i)(b) on page 4 for details.

19. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8 on pages 16 to 17 for the review of the actual performance.

20. Breakdown of revenue

	Note	Group		
		FY18/19 S\$'000	FY17/18 S\$'000	Variance %
Gross revenue reported for first half year	(a)	434,693	429,084	1.3%
Net income after tax for first half year	(b)	218,772	262,135	(16.5%)
Gross revenue reported for second half year	(c)	451,478	433,027	4.3%
Net income after tax for second half year	(d)	232,317	217,840	6.6%

Footnotes

(a) Gross revenue for the first half of FY18/19 ("1H FY18/19") increased by 1.3% over the first half of FY17/18 ("1H FY17/18"), mainly attributable to (i) full year contributions from the acquisition of 100 and 108 Wickham Street in Brisbane which were acquired in the second half of FY17/18, (ii) contributions from the acquisition of 169-177 Australis Drive in Melbourne and Cargo Business Park in Brisbane, and (iii) completion of redevelopment of Schneider Electric Building and 20 Tuas Avenue 1. This was partially offset by the divestment of 10 Woodlands Link, 13 International Business Park, 84 Genting Lane and 30 Old Toh Tuck in Singapore.

(b) Net income after tax for 1H FY18/19 decreased by 16.5% over 1H FY17/18 despite an increase in Net Property Income of S\$4.2 million mainly due to (i) an increase in net interest expense of S\$6.0 million, (iii) foreign exchange loss recognised in 1H FY18/19 of S\$13.3 million (1H FY17/18: gain S\$23.3 million), and (iv) an increase in tax expenses of S\$4.1 million due to the increase in deferred tax liability from the undistributed profits in the subsidiaries of the Group.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

- (c) Gross revenue for the second half of FY18/19 (“2H FY18/19”) increased by 4.3% over the second half of FY17/18 (“2H FY17/18”), mainly attributable to (i) the full year contribution from 108 Wickham Street in Brisbane which was acquired during the second half of FY17/18; (ii) contributions from the acquisition of two UK Logistics Portfolios, 169-177 Australis Drive in Melbourne and Cargo Business Park in Brisbane; as well as (iii) contributions from the completed redevelopment of 20 Tuas Avenue 1. This was partially offset by the divestment of 84 Genting Lane, 30 Old Toh Tuck and 41 Changi South in Singapore.
- (d) Net income after tax for 2H FY18/19 increased by 6.6% over 2H FY17/18 mainly due to the increase in Net Property Income of S\$16.0 million and foreign exchange gain recognised in 2H FY18/19 of S\$2.2 million (2H FY17/18: loss S\$16.0 million). This was partially offset by an increase in net interest expense of S\$9.3 million and an increase in tax expenses of S\$7.4 million.

21. Breakdown of the total distribution for the financial years ended 31 March 2019 and 31 March 2018

	Group	
	FY18/19 S\$'000	FY17/18 S\$'000
1 Jan 19 to 31 Mar 19	129,023	-
1 Oct 18 to 31 Dec 18	124,347	-
1 Jul 18 to 30 Sep 18	115,042	-
1 Apr 18 to 30 Jun 18	117,271	-
1 Jan 18 to 31 Mar 18	-	114,503
1 Oct 17 to 31 Dec 17	-	116,261
1 Jul 17 to 30 Sep 17	-	118,783
1 Apr 17 to 30 Jun 17	-	118,498
Total distribution to unitholders	485,683	468,045

22. Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying a managerial position in Ascendas Funds Management (S) Limited (the “Company”) or in any of Ascendas Reit’s principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial unitholder of Ascendas Reit.

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

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

**ASCENDAS REAL ESTATE INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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
29 April 2019