

Press Release
8 August 2014



A-REIT acquires Aperia, a newly completed integrated mixed-use development, for S\$458 million

8 August 2014, Singapore – Ascendas Funds Management (S) Limited, the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”) (the “**Manager**” of A-REIT), is pleased to announce the acquisition of Aperia, a newly completed integrated mixed-use development in Kallang iPark (the “**Property**”) for a total transaction value of S\$458 million (the “**Transaction Value**”) (the “**Acquisition**”).

Mr Tan Ser Ping, Executive Director and Chief Executive Officer of the Manager said, “Aperia sets the trend for a new generation of business space. As a new landmark in the Lavender precinct, the building has already secured commitment for 46% of the space with another 15% in advanced negotiations. Aperia will be home to renowned companies such as Intel, Roche Diagnostics, Audi, Cardinal Health, McDonald’s, and popular retailers such as Cold Storage, Tim Ho Wan and Old Town Cafe, just to name a few. This acquisition marks another milestone in A-REIT’s drive to continuously enhance our portfolio.”

About the Property

Aperia is an integrated industrial mixed-use development located at Kallang Avenue/Lavender Street. The Property is zoned “Business 1 – White” with a plot ratio of 3.0, of which 0.5 is for white use. Aperia has a total gross floor area (“GFA”) of 86,696 square metres (“sqm”), consisting of two Business-1 towers (with a GFA of 72,290 sqm) and three levels of retail and amenity space (with a GFA of 14,406 sqm).

Centrally located at the fringe of the CBD, Aperia is easily accessible by various private and public transport options. The Property is also about five minutes’ walk to the Lavender Mass Rapid Transit (“MRT”) Station (which is two stations from the City Hall MRT Station) and the upcoming Bendemeer MRT Station.

The Business-1 towers have good quality finishes, a high floor-to-ceiling height of 3.6 metres and equipped with Grade A building lift provisions and an integrated security surveillance system.

The Business-1 towers are fully integrated with the retail space, which features a naturally-lit atrium, and a suite of facilities such as childcare, enrichment centres, restaurants and other F&B outlets.

Aperia obtained its temporary occupation permit (“TOP”) on 16 June 2014 and has been conferred the Greenmark Platinum Award for its sustainable features.

Aperia is sited on a 60-year leasehold land which commenced in February 2012. Land price of S\$218.3 million for the full 60-year tenure had been paid. Following the Acquisition, the weighted average land lease tenure for the portfolio will increase to 47.2 years from 46.4 years¹.

Details of the Acquisition

The Acquisition was negotiated based on the development cost of the Property in 2012.

A-REIT is expected to incur transaction costs of about S\$5.0 million, which includes about S\$4.58 million in acquisition fees (being 1% of the Transaction Value of the Property) payable to the Manager.

The Acquisition is partially funded by a combination of (1) the proceeds raised from the private placement by A-REIT at S\$2.54 per unit, as announced by the Manager on 8 March 2013 (the “**Placement**”) on SGX-ST, as well as (2) debt financing. Accordingly, the aggregate leverage ratio of A-REIT is expected to increase from 31.6% as at 30 June 2014 to 34.0% after the Acquisition.

With the addition of Aperia, A-REIT will own a total of 104 properties in Singapore and two business park properties in China.

¹ Weighted average land lease tenure for Singapore portfolio assuming Aperia has been acquired on 30 June 2014.

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About A-REIT (www.a-reit.com)

A-REIT is Singapore's first listed business space and industrial real estate investment trust. It has a diversified portfolio of 104 properties in Singapore, comprising business and science park properties, high-specs industrial properties, light industrial properties, and logistics and distribution centres, and 2 business park properties in China. As at 30 June 2014, total assets amount to about S\$7.5 billion. These properties house a tenant base of around 1,330 international and local companies from a wide range of industries and activities, including research and development, life sciences, information technology, engineering, light manufacturing, logistics service providers, electronics, telecommunications, manufacturing services and back-room office support in service industries. Major tenants include SingTel, Siemens, Honeywell, Zuellig Pharma, Citibank N.A., OSIM International, DBS Bank, Federal Express, Baidu Inc., Johnson & Johnson, RSH, Infineon Technologies, Cold Storage and Hyflux.

A-REIT is listed in several indices. These include the FTSE Straits Times Index, the Morgan Stanley Capital International, Inc (MSCI) Index, the European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and Global Property Research (GPR) Asia 250. A-REIT has an issuer rating of "A3" by Moody's Investor Services.

A-REIT is managed by Ascendas Funds Management (S) Limited (in its capacity as manager of A-REIT), a wholly-owned subsidiary of the Singapore-based Ascendas Group.

About the Ascendas Group (www.ascendas.com)

Ascendas is Asia's leading provider of business space solutions with more than 30 years of experience. Based in Singapore, Ascendas has built a strong regional presence and serves a global clientele of over 2,400 customers in 25 cities across 10 countries including Singapore, China, India, South Korea and Vietnam.

Ascendas specialises in masterplanning, developing, managing and marketing IT parks, industrial & logistics parks, business parks, science parks, hi-specs facilities, office and retail spaces. Leveraging on its track record and experience, Ascendas has introduced new business space concepts such as integrated communities and solutions which seamlessly combine high-quality business, lifestyle, retail and hospitality spaces to create conducive human-centric work-live-play-learn environments. Its flagship projects include the Singapore Science Park and Changi City at Changi Business Park in Singapore, International Tech Park Bangalore in India and Ascendas-Xinsu in Suzhou Industrial Park, China. Ascendas provides end-to-end real estate solutions, assisting companies across the entire real estate process.

In November 2002, Ascendas launched Singapore's first business space trust, Ascendas Real Estate Investment Trust (A-REIT), and in August 2007, Ascendas India Trust (a-iTrust) was launched as the first listed Indian property trust. In July 2012, Ascendas listed Ascendas Hospitality Trust (A-HTRUST), which comprises a portfolio of quality hotels in Australia, China, Japan and Singapore. Besides managing listed real estate funds, Ascendas also manages a series of private funds with commercial and industrial assets across Asia.

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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 of A-REIT 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.

This release 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 other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, 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. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

Any discrepancies in the Figures included herein between the listed amounts and total thereof due to rounding.