Press Release
For Immediate Release

Ascendas Reit to acquire a new logistics property in Sydney for A$23.5 million

1 July 2020, Singapore – Ascendas Funds Management (S) Limited (the "**Manager**"), the Manager of Ascendas Real Estate Investment Trust ("**Ascendas Reit**"), is pleased to announce the Acquisition of a new logistics property to be developed on Lot 7, Kiora Crescent, Yennora, in Sydney, Australia (the "**Property**") (the "**Acquisition**"), for A$23.5 million [1] (S$21.1 million [2]) (the "**Purchase Consideration**"). The Property will be developed by Larapinta Project Pty Ltd (the "**Vendor**").

Mr William Tay, Executive Director and Chief Executive Officer of the Manager said, "Despite the COVID-19 pandemic, Sydney continues to be the strongest industrial market in Australia underpinned by robust tenant demand and sustained levels of investor interest. The acquisition of this new prime grade logistics property gives Ascendas Reit greater exposure to the Sydney market and also enhances the quality of our portfolio."

Details of the Acquisition

Perpetual Corporate Trust Limited as trustee of Ascendas Longbeach Trust No. 10 (indirectly wholly-owned by Ascendas REIT Australia) (the "**Trustee**") has entered into agreements [3] with the Vendor for the purchase of the freehold land at Lot 7, Kiora Crescent, Yennora and the ensuing development of the logistics property.

The Acquisition of the land has been completed and the development of the logistics property is expected to complete in the second quarter of 2021.

[1] Includes 9.5 months of rental guarantee provided by the Vendor.
[2] All conversions from Australian Dollar amounts into Singapore Dollar amounts in this press release are based on the 31 May 2020 exchange rate of A$1.00: S$0.89957.
[3] Includes the sale and purchase agreement for the acquisition of land at Lot 7, Kiora Crescent, Yennora, and a development management agreement for the ensuing development of the Property.

The Purchase Consideration of A$23.5 million, which comprises the land and development cost, is 19.8% lower than the "as if complete" market valuation of the Property (A$29.3 million as at 30 June 2020[4]).

Ascendas Reit is expected to incur an estimated total transaction cost of A$1.43 million (S$1.29 million) which includes stamp duty, professional advisory fees, and acquisition fees payable to the Manager in cash (being 1% of the Purchase Consideration of A$23.5 million, which amounts to approximately A$0.235 million (S$0.211 million)).

Net property income yield[5] for the first year is approximately 6.2% and 5.8% pre-transaction costs and post-transaction costs respectively. The Acquisition is expected to be accretive to Ascendas Reit's Distribution per Unit.

The Acquisition will be funded through internal resources and/or existing debt facilities.

Benefits of Acquisition

The Property is well located in the established inner-western Sydney industrial precinct of Yennora, an area that is enjoying renewed growth given its proximity to central western Sydney and the trend towards last mile logistics.

The area is well serviced by the Hume Highway to the south and M4 Motorway to the North that links the west, east and south west of Sydney. The Property is approximately 26 km west of the Sydney Central Business District and is surrounded by logistics and industrial properties.

The quality of Ascendas Reit's Australian portfolio will be further boosted by this prime grade logistics warehouse located on freehold land (26,632 sq m). With an approximate lettable floor area of 13,100 sq m, it is designed to be functional and efficient for a wide range of users.

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[4] The valuation was commissioned by Ascendas Funds Management (Australia) Pty Ltd and Perpetual Corporate Trust Limited (in its capacity as trustee of Ascendas Longbeach Trust No. 10), and was carried out by Knight Frank NSW Valuation & Advisory Pty Ltd using the capitalisation and discounted cash flow methods.
[5] The net property income yields are derived from the estimated net property income expected in the first year of acquisition and includes a rental guarantee provided by the Vendor.

About Ascendas Real Estate Investment Trust (www.ascendas-reit.com)

Ascendas Real Estate Investment Trust (Ascendas Reit) is Singapore's first and largest listed business space and industrial real estate investment trust. It was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in November 2002.

As at 31 March 2020, investment properties under management stands at S$12.8 billion, comprising 197 properties across the developed markets of Singapore, Australia, the United Kingdom and the United States. Ascendas Reit's portfolio includes business and science parks, suburban office properties, high-specifications industrial properties, light industrial properties, logistics and distribution centres, and integrated developments, amenities and retail properties.

These properties house a tenant base of around 1,490 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, DSO National Laboratories, Citibank, DBS, CareFusion, Wesfarmers, Ceva Logistics, JPMorgan and A*STAR Research Entities.

Ascendas 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. Ascendas Reit has an issuer rating of 'A3' by Moody's Investors Service.

Ascendas Reit is managed by Ascendas Funds Management (S) Limited, a wholly owned subsidiary of Singapore-listed CapitaLand Limited, one of Asia's largest diversified real estate groups.

About CapitaLand Limited (www.capitaland.com)

CapitaLand Limited (CapitaLand) is one of Asia's largest diversified real estate groups. Headquartered and listed in Singapore, it owns and manages a global portfolio worth over S$131.9 billion as at 31 December 2019. CapitaLand's portfolio spans across diversified real estate classes which includes commercial, retail; business park, industrial and logistics; integrated development, urban development; as well as lodging and residential. With a presence across more than 200 cities in over 30 countries, the Group focuses on Singapore and China as its core markets, while it continues to expand in markets such as India, Vietnam, Australia, Europe and the USA.

CapitaLand has one of the largest real estate investment management businesses globally. It manages seven listed real estate investment trusts (REITs) and business trusts as well as over 20 private funds. Since it pioneered REITs in Singapore with the listing of CapitaLand Mall Trust in 2002, CapitaLand's REITs and business trusts have expanded to include Ascendas Real Estate Investment Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust, Ascendas India Trust and CapitaLand Malaysia Mall Trust.

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The past performance of Ascendas Real Estate Investment Trust ("Ascendas Reit") is not indicative of future performance. The listing of the units in the Ascendas Reit ("Units") on the Singapore Exchange Securities Trading Limited (the "SGX-ST") does not guarantee a liquid market for the Units. The value of the 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. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.

This press release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.