

Press release
For Immediate Release

Ascendas launches two China real estate funds

- *Adds to its growing portfolio of regional funds*
- *Taps China's robust industrial and commercial real estate sectors*

1. **Singapore, 7 August 2007** – Ascendas, Asia's leading business space solutions provider, announced today the successful establishment of two China funds, Ascendas China Industrial & Business Parks Fund ("ACIBPF") and Ascendas China Commercial Fund ("ACCF"). These two funds are the latest additions to Ascendas' portfolio of real estate funds and represent the next step in developing its regional fund management business.
2. Both ACIBPF and ACCF are sponsored and managed by Ascendas. ACIBPF is expected to invest up to S\$600 million in industrial and business park assets, while ACCF is targeting to invest up to S\$800 million in commercial assets. Investors in the two funds include a good mix of established Singapore and global institutional investors. The funds will leverage on Ascendas' strong knowledge of the China real estate market based on its 13 years of experience in developing and managing quality business space, and a proven track record of managing real estate funds in the region.
3. The two funds' initial portfolios comprise underlying cash flow-generating assets from different segments of the China real estate market. ACIBPF seeks to achieve returns by investing in light industrial and logistics facilities including warehouses and distribution centres, software and IT related facilities, suburban business office buildings and business parks across mainland China. ACCF seeks to invest in a portfolio of high quality commercial properties in first-tier cities in mainland China.

Ascendas China Industrial & Business Parks Fund ("ACIBPF")

4. The ACIBPF seed assets consist of Ascendas' flagship project in China – the Xinsu assets, which are prime buildings (including built-to-suit and ready-built facilities)

and land in the renowned Suzhou Industrial Park (“SIP”), comprising 54 buildings with a total gross floor area in excess of 261,000 square metres. An additional five hectares of land has been slated for future development. A pipeline of potential assets to be injected to the ACIBPF has also been identified.

5. ACIBPF offers investors an opportunity to gain exposure to a unique high growth sector in mainland China, primarily the industrial and business parks arena which has been boosted by strong macro-economic performance, economic restructuring and the emergence of the business process outsourcing (BPO), research and development (R&D), software and call centre services industry. GDP growth in the major industrial parks in China is expected to exceed the average 9.8% GDP growth of the country over the last 16 years. Through a focused strategy executed by an experienced team of fund managers, ACIBPF is expected to deliver good returns to investors.

Ascendas China Commercial Fund (“ACCF”)

6. The seed asset in ACCF comprises Ascendas Ocean Towers, a 25-storey Grade A commercial office building with a lettable area of 50,192 square metres, located in the prime central business district of Huangpu in Shanghai.
7. ACCF offers investors an opportunity to reap attractive returns from the robust growth of the commercial sector in major cities in China, such as Shanghai, Beijing, Guangzhou and Shenzhen. Specifically, the ACCF seeks to maximise total returns on capital by building a portfolio of investments comprising income-generating “Grade A” commercial buildings strategically located in prime business areas in China, with a diversified tenant base and potential for asset enhancement and rental growth.
8. Ms Chong Siak Ching, President & CEO of Ascendas Pte Ltd, said: “We see an important role for Ascendas to share our strong regional expertise in real estate funds management, which is a budding growth area in China’s financial sector. The launch of these two funds opens up future opportunities for Ascendas China to contribute to China’s economic growth. They show our commitment to China for the long term.”

9. Added Mr Tay Eng Kiat, CEO of Ascendas China: “The focused investment strategies of the two funds will fuel new opportunities to develop Ascendas’ fund management portfolio, including the potential of introducing a China real estate investment trust. We expect our funds strategy to further boost our presence in China and contribute to the growth and development of China’s real estate industry in the long term.”
10. Ascendas has been actively involved in China since 1994 and has significant experience in deal sourcing, development, investment and asset management. Its operations span many major cities including Shanghai, Suzhou, Beijing, Dalian, Xi’an, Nanjing, Hangzhou, Tianjin and Shenzhen.
11. Ascendas first introduced the business space solutions concept to the country’s burgeoning real estate industry through its Xinsu project in SIP. It also re-aligned the focus of asset developers to the concept of providing a three-dimensional physical, networking and virtual business space to meet the needs of an increasingly sophisticated market.
12. This three-dimensional business space concept will be raised to a new benchmark with the Ascendas Dalian IT Park. The Dalian Park, enjoying panoramic views of both mountain and sea, is designed to offer a work-live-play environment with a business lifestyle unmatched in China. Another iconic project underway is the Singapore-Hangzhou Science & Technology Park, which will also offer Ascendas’ signature work-play lifestyle.

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ABOUT ASCENDAS

Ascendas is Asia's premier provider of business space solutions, with a significant presence in regional markets including Singapore, China, India and South Korea. The company develops, manages and markets IT Parks, industrial parks (manufacturing, logistics and distribution centres), business parks, science parks, hi-tech facilities, office and retail space. Among its flagships are the Singapore Science Park, Ascendas Plaza in Shanghai and Ascendas-Xinsu in Suzhou, China. Over 1,300 of the world's leading companies, many in the Fortune 500 list, have made Ascendas properties their preferred address in Asia.

In November 2002, Ascendas launched Singapore's first business space trust, known as the Ascendas Real Estate Investment Trust, or A-REIT. In August 2007, the Ascendas India Trust (a-iTrust) was launched as Singapore's first listed Indian property trust. In November 2006, it participated in A-KOF, an office fund in Korea. Ascendas also launched a series of private funds: Ascendas India Development Trust (AIDT), Ascendas ASEAN Business Space Fund, Ascendas China Commercial Fund (ACCF) and Ascendas China Industrial & Business Parks Fund (ACIBPF).

Ascendas' property portfolio in China includes:

- Ascendas-Xinsu in Suzhou Industrial Park
- Ascendas Plaza, Shanghai
- Ascendas Ocean Towers, Shanghai
- Ascendas Innovation Hub, Xi'an
- Ascendas iHub, Nanjing
- Dalian Ascendas IT Park, Dalian
- Singapore-Hangzhou Science & Technology Park, Hangzhou
- Ascendas Wujiang Ready-Built Facilities, Wujiang
- Vision (Shenzhen) Business Park, Shenzhen
- Vision International Centre, Beijing
- Build-&-Lease projects in the Beijing Economical & Technological Development Area, e.g. Exel Logistics, Friwo, YUM
- Build-&-Lease projects in other parts of China, e.g. Hitachi, Knowles, Metrologic

Ascendas' track record in Asia includes:

Singapore
Singapore Science Parks I, II & III
Neuros and Immunos, Biopolis
Frontier, ePark@Ubi

Focus One, ePark@Ubi
FoodXchange@Admiralty
ePark@Admiralty
A-Z Building
Ascendas Global Gateway Building
Kaki Bukit Techparks I & II
Techlink
Techplace I & II
Techpoint
Techview
Tuas Techpark
<i>Build-To-Suit (BTS) projects include facilities for Honeywell, NH Techno Glass, Infineon, Hamilton Sundstrand, Hoya and Thales.</i>
India
International Tech Park Bangalore
International Tech Park Chennai
International Tech Park Pune
International Tech Park Nagpur
Ascendas Mahindra IT Park, Chennai
CyberPearl, Hyderabad
The V, Hyderabad
AREMS for Mahindra Industrial Park, Chennai
South Korea
Citicorp Center, Seoul
DSME Building, Seoul
Anam Tower, Seoul
CJ GLS Logistics Center, Yong-In
Philippines
Carmelray Industrial Park II
Taiwan
Nankang Software Park
Vietnam
Vietnam-Singapore Industrial Park, Ho Chi Minh
Indonesia
Batamindo Industrial Park

Bintan Industrial Estate
Karimun Marine Industrial Estate
Techpark Cikarang
Oman
AREMS for 6 industrial estates and an IT Park in Muscat