

Press Release

Ascendas expands into Shenyang, China

- *Seals strategic partnership with Shenyang Hunnan New District*
- *Brings first-of-its-kind real estate management system into China*

1. **Singapore, 11 July 2003** – Leading business space solutions provider Ascendas today sealed a strategic partnership with the Shenyang Hunnan New District Administrative Committee (SHND), marking Ascendas' expansion into China's fifth largest city.
2. SHND, which owns the 130-sq km Shenyang Hunnan New District, also signed a 10-year contract to use the Ascendas Real Estate Management System (AREMS) -- the first-of-its-kind in Asia – for its 10 sq km Shenyang Automotive Park located within the District. This makes SHND Ascendas' first customer in China to adopt its unique proprietary system for quality park management. Ascendas' primary focus as SHND's partner is to raise management standards at the Automotive Park, and enhance its attraction as an auto and parts manufacturing base for foreign investors.
3. An important feature of the 10-year AREMS deal is that the Automotive Park will be able to leverage on the Ascendas brand, a recognised hallmark of quality, to signify its high standards of management. Masterplanning of the Automotive Park is completed and infrastructure development is underway.
4. Other aspects of the partnership call for Ascendas to provide international marketing and local marketing services for the Shenyang Hunnan New District. Further opportunities will be explored for customised development projects within the District.
5. The partnership was sealed in Singapore by Ms Chong Siak Ching, President & CEO of Ascendas, and Mr Wang Xiangkun, Vice-Mayor of Shenyang Municipal Government. Witnessing the agreement were the Mayor of Shenyang, Mr Chen Zhenggao, and Ascendas Chairman Mr Lew Syn Pau.
6. Ascendas is Asia's first to innovatively package its business space best practices and know-how into a comprehensive management system tailored to park developers. A

product derived from Ascendas' strong brand name, AREMS culls from tried and tested practices over the years and bundles the best practices into a unique product for ready application.

7. Like in Oman, Ascendas will provide to the Shenyang Automotive Park the entire value chain of real estate management services in a seamlessly integrated system. This includes park conceptualisation, development management, property & facility management, lease management, asset management, customer relationship management, marketing consultancy and the use of its web-based proprietary Ascendas Integrated Management System (AIMS).
8. In addition, Ascendas will provide ongoing upgrades and new innovations in its management systems, ongoing consultancy services and the necessary training in Singapore to the developer's property team. In Oman, Ascendas has secured a 10-year AREMS deal covering seven parks totalling over 5,000 hectares.
9. Mr Wang Xiang Kun, Vice-Mayor of the Shenyang Municipal Government and President of the Shenyang Hunnan New District Administrative Committee, said "Ascendas has an established brand name in providing world-class business environments and service excellence. The partnership and particularly AREMS allows us to tap on Ascendas' strengths and reputation to enhance Shenyang's business potential. We have confidence in the Ascendas brand and their commitment in making our partnership a success."
10. Ms Chong Siak Ching, President & CEO of Ascendas, said "Shenyang, and recently Oman, have given AREMS a strong endorsement on the Ascendas quality. We are pleased to be given the opportunity to contribute our real estate skills to set new standards in Shenyang and help attract quality investments into the Shenyang Automotive Park and the Shenyang Hunnan New District."

Expansion of footprint in China

11. With AREMS, Ascendas can now share its proprietary intellectual property with other park developers in China, opening the way for Ascendas China to expand into other parts of the country.
12. Ms Chong Siak Ching, President & CEO of Ascendas, said: "Shenyang marks Ascendas' expansion further northwards in China, which is a key growth market for Ascendas. We already have a foothold in Beijing, Shanghai, Suzhou and Shenzhen. Shenyang, a major manufacturing hub, presents vast business potential from its strategic location in the Bohai Bay Economic Zone.
13. "Our China team is looking to extend our footprint into Hangzhou. We are also studying the investment environment in key cities west of China, such as Chengdu, Chongqing and Xi'an," added Ms Chong.
14. Said Mr Lee Yi Shyan, Chief Executive Officer of International Enterprise Singapore (IE Singapore), "Shenyang, as the capital of Liaoning province, is well placed as the logistics and commercial hub for China's north-eastern corridor. IE Singapore has worked closely with Ascendas for the past year to become partners with the Hunnan New District. Ascendas' vast experience in developing and managing industrial and business parks present unique value to the development of the Hunnan New District." IE Singapore is the national agency responsible for helping Singapore-based companies to grow and internationalise successfully.

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About Ascendas

Ascendas has a well-established track record as Asia's leading provider of total business space solutions, with investments in 11 countries in the Asia Pacific. Its solutions include the development, management and marketing of industrial space (manufacturing, logistics and distribution centres), sub-urban business space (business & science parks and high-tech facilities) and urban office space. It also bundles e-infrastructure as part of its value-added services. These solutions provide "plug-and-play" business environments to customers in key markets in Asia Pacific, such as Singapore, China, India, the Philippines, South Korea and Australia.

Backed by a strong team of over 300 professionals, Ascendas has business environments spread over nearly 2 million square metres in the Asia Pacific. Its international clientele of some 1,000 customers include Fortune 500 corporations, multinational corporations, leading local enterprises and research organisations. Ascendas has 9 offices in the region including Singapore, China, India, the Philippines and Japan.

About Shenyang Hunnan New District Administrative Committee

Shenyang Hunnan New District Administrative Committee is a government agency authorised by the Shenyang municipal government to oversee the development of the Shenyang Hunnan New District.

About Shenyang Hunnan New District

As an extension of the older Shenyang Hi-Tech Park, the 130-sq km Shenyang Hunnan New District comprises a hi-tech industrial area, a Central Business District, residential, university and tourist destinations. Within the 40-sq km industrial area are well-developed industrial sectors, including specialised parks catering to companies involved in the automotive, IT, hi-tech equipment, software development, biopharmaceutical and new materials manufacturing industries. Over 480 foreign companies have a presence there. They include Compaq, Sunrise, Nortel, Bell, Toshiba, NEC and LG. China's leading software company, Neusoft, has a strong presence in the New District.

About Shenyang

Shenyang, the capital of Liaoning province and the major gateway to the north-east of China, is one of China's leading automotive industrial hubs. Around it are 8 cities which together form one of China's fastest growing economic zones. Well-established as a traditional industrial base, Shenyang attracted US\$1.2 billion in foreign direct investments in 2001 alone.