

PARTICULARS TO BE INCLUDED
IN AN OFFER INFORMATION STATEMENT

OFFER INFORMATION STATEMENT

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ASCENDAS REAL ESTATE INVESTMENT TRUST

(Constituted in the Republic of Singapore
pursuant to a trust deed dated 9 October 2002 (as amended))

Date of lodgment: 15 June 2004

In this Offer Information Statement, capitalised terms not otherwise defined herein have the meaning given to them in the Glossary on pages 17 to 18 of this Offer Information Statement.

In the Offer Information Statement, provide the following information:

(a) the address of the registered office of the manager of the Fund (the “Manager”);

The registered office of the Manager, Ascendas-MGM Funds Management Limited, is at 75 Science Park Drive, #01-03, CINTECH II, Singapore Science Park I, Singapore 118255.

(b) the business carried on and to be carried on by the Fund and the general development of the business since inception of the Fund, indicating any material change in the affairs of the Fund since the last annual report;

Business carried on by the Fund and the general development of the business since inception of the Fund

Ascendas Real Estate Investment Trust (“**A-REIT**”) is a business and industrial REIT (real estate investment trust) listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). It has a diversified portfolio of 17 properties in Singapore, namely The Alpha, The Aries, The Capricorn, The Gemini, Techplace I, Techplace II, Techlink, Honeywell Building, OSIM Headquarters Building, Ghim Li Building, Ultro Building, IDS Logistics Corporate Headquarters, Trivec Building, TT International Tradepark, Changi International Logistics Centre, Siemens Center and Nan Wah Building (the “**Existing Properties**”).

The Manager aims to achieve income stability and long-term growth in the portfolio with the objective of delivering consistent and growing returns to the unitholders of A-REIT (the “**Unitholders**”). The Manager will pursue its objective through a combination of the following strategies:

- ?? **Organic growth strategy.** Growth potential in A-REIT’s portfolio will be delivered through pro-active asset and funds management, including the active management of A-REIT’s properties in order to maintain or improve occupancy levels and net property income.
- ?? **Acquisition growth strategy.** Premium properties that meet the Manager’s investment criteria such as strategic locations and quality tenants will be acquired in order to grow and enhance the portfolio. In this regard, the Manager is continually identifying properties that meet its investment criteria and is currently evaluating a number of properties for acquisition in the near future. Future acquisitions may be financed by equity or debt or a combination of both.
- ?? **Financing growth strategy.** The Manager will employ appropriate debt and equity financing policies.

The Manager does not expect the business currently carried on by A-REIT to change in any material respect for the foreseeable future.

The general development of the business of A-REIT since its inception is set out below:

<u>Date</u>	<u>Significant developments</u>
9 October 2002	: A-REIT declared as an authorised unit trust under the Trustees Act, Chapter 337 of Singapore.
5 November 2002	: A-REIT launched initial public offering of Units.
13 November 2002	: A-REIT initial public offering closed five times oversubscribed.
15 November 2002	: Confirmation from the Ministry of Finance that Central Provident Fund (“CPF”) members who use CPF funds to purchase units in A-REIT (“Units”) will be entitled to tax-free distributions.
19 November 2002	: A-REIT commenced trading on the SGX-ST.
9 December 2002	: Tax transparency extended to Singapore permanent residents who are tax residents in Singapore and non-corporate Singapore constituted or registered entities (e.g. town councils and statutory boards).
19 February 2003	: The Manager announced A-REIT’s financial results for the period from 19 November 2002 to 31 December 2002. A-REIT’s distributable income had exceeded the distribution forecast for the same period by 5.4%.
16 April 2003	: The Manager announced A-REIT’s financial results for the period from 19 November 2002 to 31 March 2003. A-REIT’s distributable income had exceeded the distribution forecast for the same period by 7.8%. Distribution of 2.78 cents per Unit was made by A-REIT to its Unitholders for the period from 19 November 2002 to 31 March 2003.
20 June 2003	: Acquisition of OSIM Headquarters Building for S\$35.0 million.
22 September 2003	: A-REIT entered into a conditional put and call option agreement to acquire a building currently being developed by Ascendas Land (Singapore) Pte Ltd (“Ascendas”) for Infineon Technologies Asia Pacific Ltd for S\$50.9 million.
13 October 2003	: Acquisition of Ghim Li Building for S\$13.5 million.
16 October 2003	: The Manager announced A-REIT’s financial results for the period from 1 April 2003 to 30 September 2003. A-REIT’s distributable income had exceeded the distribution forecast for the same period by 14.0%. Distribution of 4.05 cents per Unit was made by A-REIT to its Unitholders for the period from 1 April 2003 to 30 September 2003.

- 30 October 2003 : Acquisition of Ultro Building for S\$18.0 million.
- 15 January 2004 : The Manager announced A-REIT's financial results for the period from 1 October 2003 to 31 December 2003. A-REIT's distributable income had exceeded the distribution forecast for the same period by 17.0%.
- 19 January 2004 : A-REIT issued a circular to Unitholders in connection with an Extraordinary General Meeting of Unitholders convened to seek Unitholders' approval for, *inter alia*, the proposed issue of 160,500,000 new Units to partly fund the proposed acquisition of certain new properties.
- 10 February 2004 : All the resolutions with respect to the proposed issue of 160,500,000 new Units were approved at the Extraordinary General Meeting of Unitholders.
- 19 February 2004 : Acquisition of IDS Logistics Corporate Headquarters for S\$50.0 million.
- 4 March 2004 : A-REIT issued 160,500,000 new Units to partly fund the acquisition of new properties.
- 4 March 2004 : Acquisition of Trivec Building for S\$32.0 million.
- 5 March 2004 : Acquisition of TT International Tradepark for S\$92.0 million.
- 9 March 2004 : Acquisition of Changi International Logistics Centre for S\$45.6 million.
- 12 March 2004 : Acquisition of Siemens Center for S\$65.75 million.
- 15 April 2004 : The Manager announced A-REIT's financial results for the period from 1 January 2004 to 31 March 2004. A-REIT's distributable income had exceeded the distribution forecast for the same period by 13.0%.
- 15 April 2004 : The Manager announced the appointment of its new Chief Executive Officer, Mr Tan Ser Ping.
- 20 May 2004 : The Manager announced proposed acquisition of Progen Building for S\$24.8 million.
- 31 May 2004 : Acquisition of Nan Wah Building for S\$23.3 million.
- 15 June 2004 : The Manager announces proposed acquisition of C & P Logistics Hub for S\$225.0 million.

A-REIT has an opportunity to enlarge its portfolio with the purchase of two new properties, namely, Progen Building and C & P Logistics Hub (together with Nan Wah Building, the "**Properties**"). It has entered into an option agreement with Progen Pte Ltd for the acquisition of Progen Building and an option agreement with C & P Holdings Pte Ltd for the acquisition of C & P Logistics Hub. The Manager intends for A-REIT to acquire Progen Building and C & P

Logistics Hub as it believes that the inclusion of these two properties in A-REIT's real estate portfolio will be beneficial to A-REIT and its Unitholders. Subject to securing the necessary financing, the Manager plans to complete the acquisitions of Progen Building and C & P Logistics Hub by September 2004.

The Manager's rationale for the acquisition of Nan Wah Building as well as the proposed acquisitions of Progen Building and C & P Logistics Hub is set out in **Appendix 1** of this Offer Information Statement. In addition, detailed information about the Properties and certain pro forma financial information relating to each of them can be found in **Appendix 2** of this Offer Information Statement.

Material changes in the affairs of the Fund since the last annual report

Save as disclosed herein, there have been no material changes in the affairs of A-REIT since its last annual report for the financial year ended 31 March 2004.

(c) the number of units being offered by the Fund;

The Manager is issuing up to 83,182,640 new Units (the **'New Units'**) for placement through Citigroup Global Markets Singapore Pte. Ltd. (**'Citigroup'**) to institutional and certain other investors at an issue price of between S\$1.3825 and S\$1.4250 per New Unit (the **'Placement'**) to raise a gross amount of S\$115.0 million for A-REIT.

The actual issue price per New Unit (the **'Issue Price'**) will be determined following an accelerated book building process by agreement between the Manager and Citigroup on a date currently expected to be 16 June 2004 (the **'Price Determination Date'**), which date is subject to change. Citigroup has agreed to underwrite the Placement at an Issue Price of S\$1.3825 (being the bottom of the issue price range). The actual number of New Units comprised in the Placement will depend on the Issue Price. At an Issue Price of S\$1.4250 (being the top of the issue price range), 80,701,754 New Units will be issued; at an Issue Price of S\$1.3825 (being the bottom of the issue price range), 83,182,640 New Units will be issued.

The New Units, upon issue and allotment, will only be entitled to participate in the distributable income of A-REIT for the period from the date of their issue (the **'Issue Date'**) to 30 September 2004 whereas the existing Units are entitled to participate in A-REIT's distributable income in respect of the whole of the current distribution period (4 March 2004 to 30 September 2004). From the next distribution period, the New Units will rank *pari passu* in all respects with the existing Units, including the right to any distribution which may be paid for that distribution period and all distributions thereafter.

As the New Units will not be entitled to participate in A-REIT's distributable income for the period from 4 March 2004 to the day immediately prior to the Issue Date, it is necessary for the New Units to trade under a separate stock counter for the period commencing from the Issue Date to the last day of "cum-distribution" trading for both the New Units and the existing Units (with respect to distributions for the period from the Issue Date or, as the case may be, 4 March 2004 to 30 September 2004), which is expected to be in late October 2004. After the last day of "cum-distribution" trading, the New Units and the existing Units will be aggregated and traded under the existing A-REIT stock counter on the next market day, *i.e.* the first day of "ex-distribution" trading for both the new Units and the existing Units.

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- (d) **the offer price, any discount or commission given to the underwriter (if any), and the estimated net proceeds on an aggregate basis to be derived by the Fund from the sale of the units being offered; if it is not possible to state the offer price or the discount or commission, the method by which it is to be determined must be explained;**
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Offer price : Between S\$1.3825 and S\$1.4250 for each New Unit. The actual Issue Price will be determined following an accelerated book building process by agreement between the Manager and Citigroup on the Price Determination Date, which date is subject to change. Citigroup has agreed to underwrite the Placement at an Issue Price of S\$1.3825. Among the factors that will be considered in determining the Issue Price will be the prevailing market conditions and estimates of the business potential and earning prospects of A-REIT.

Underwriting and selling commission : Up to S\$1,840,000 payable to Citigroup in relation to the Placement.

Estimated net proceeds (being the gross proceeds less the estimated underwriting and selling commission as well as the professional and other fees and expenses incurred by A-REIT in connection with the Placement) : Approximately S\$113,045,000.

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- (e) **the range of the closing market price during the 90 days preceding the latest practicable date prior to the lodgment of the Offer Information Statement (“Latest Practicable Date”);**
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Range of closing market price during the 90-day period preceding the Latest Practicable Date (13 March 2004 to 10 June 2004) : Between S\$1.25 and S\$1.50 per Unit

- (f) **the principal purposes for which the estimated net proceeds to be derived by the Fund from the sale of the units being offered are intended to be used and the approximate amount intended to be used for each such purpose; if any material amounts of other funds are to be used in conjunction with the proceeds for such purposes, the amounts and sources of such other funds;**

The principal purposes for which the estimated net proceeds to be derived by the Fund from the sale of the units being offered are intended to be used and the approximate amount intended to be used for each such purpose

The Manager currently intends to use the net proceeds of the Placement to partly finance the acquisitions of Progen Building and C & P Logistics Hub. Prior to completing the acquisitions of Progen Building and C & P Logistics Hub (which is expected to take place by September 2004), the Manager may use some of the net proceeds of the Placement to repay a portion of A-REIT's existing borrowings (including the borrowings incurred by A-REIT for the purchase of Nan Wah Building) in order to minimise A-REIT's interest costs during the interim period between the completion of the Placement and the acquisitions of Progen Building and C & P Logistics Hub.

The current estimated aggregate acquisition costs of Progen Building and C & P Logistics Hub are approximately S\$260.2 million, comprising:

- (i) the aggregate purchase price of the two properties amounting to S\$249.8 million;
- (ii) stamp duty of S\$7.5 million;
- (iii) an acquisition fee of S\$2.5 million (being 1.0% of the aggregate purchase price of the two properties) payable to the Manager pursuant to the Trust Deed; and
- (iv) S\$0.4 million, estimated to be the professional and other fees and expenses incurred by A-REIT in connection with the acquisitions of Progen Building and C & P Logistics Hub.

The amount and sources of such other funds to be used in conjunction with the proceeds derived by the Fund from the sale of the units

It is intended that A-REIT will incur additional borrowings to be used in conjunction with the net proceeds of the Placement to fund the acquisitions of Progen Building and C & P Logistics Hub.

A-REIT has a three-year S\$150.0 million unsecured credit facility (the **'First Facility'**) and a S\$300.0 million unsecured credit facility (the **'Second Facility'**), both from Oversea-Chinese Banking Corporation Limited.

The First Facility comprises a S\$80.0 million transferable term loan facility, a S\$65.0 million revolving credit facility and a S\$5.0 million banker's guarantee facility. S\$145.0 million has been drawn down from the First Facility (S\$80.0 million from the transferable term loan facility and S\$65.0 million from the revolving credit facility).

The Second Facility comprises a S\$200.0 million term loan facility and a S\$100.0 million uncommitted revolving credit facility. S\$153.2 million has been drawn down under the term

loan facility in the Second Facility, leaving another S\$146.8 million still available for drawing down thereunder.

The Manager currently intends to restructure and enlarge the Second Facility into a S\$350.0 million term loan facility prior to the completion of the acquisitions of Progen Building and C & P Logistics Hub (which is expected to take place by September 2004). Under the restructured and enlarged facility, taking into account the S\$153.2 million already drawn down, A-REIT will have S\$196.8 million still available for drawing down.

The actual amount to be borrowed by A-REIT for the purpose of the acquisitions of Progen Building and C & P Logistics Hub will represent the difference between (i) the aggregate acquisition costs of Progen Building and C & P Logistics Hub and (ii) the net proceeds of the Placement less any amounts used to discharge part of A-REIT's existing borrowings in the interim period between the completion of the Placement and the acquisitions of the said properties. The Manager estimates that the additional borrowings to be incurred by A-REIT will amount to up to approximately S\$171.7 million.

(g) the place where the Fund was constituted and the date of constitution;

A-REIT was constituted in Singapore on 9 October 2002 pursuant to the Trust Deed.

(h) the names and addresses of the directors of the Manager as at the Latest Practicable Date;

The names and addresses of the directors of the Manager are set out in **Appendix 3** of this Offer Information Statement.

(i) the unitholders' fund and borrowings of the Fund, as of the Latest Practicable Date showing:

(i) in the case of the unitholders' fund, the number of units issued and outstanding; or

(ii) in the case of borrowings, the total amount of the borrowings outstanding, together with the rate of interest (whether fixed or floating) payable thereon;

(i) Unitholders' fund

As at the Latest Practicable Date, there were 709,525,633 Units issued and outstanding.

(ii) Borrowings

As at the Latest Practicable Date, A-REIT had drawn down an aggregate amount of S\$145.0 million from the First Facility and an aggregate amount of S\$153.2 million from the Second Facility.

The average interest rate in relation to A-REIT's total borrowings is 1.58% excluding margins and 2.22% including margins. This average interest rate is a combination of both fixed interest rates and floating interest rates.

- (j) **the manner in which the units being offered are to be distributed, giving particulars of any outstanding or proposed underwriting, including the name and address of each underwriter;**

Citigroup Global Markets Singapore Pte. Ltd., which is located at 3 Temasek Avenue, #12-00 Centennial Tower, Singapore 039190, has been appointed as the underwriter and placement agent for the Placement.

In accordance with the terms and conditions of the placement agreement dated 15 June 2004 entered into between the Manager and Citigroup, the Manager has agreed to issue, and Citigroup has agreed to procure subscriptions for, or place out, or failing which to subscribe for, at the Issue Price, the New Units to be issued pursuant to the Placement.

Under the Placement, Citigroup may place New Units to institutional and certain other investors, including the Substantial Unitholders of A-REIT (but not Ascendas and MGM Singapore Pte. Ltd.) so as to enable the Substantial Unitholders to maintain their proportionate unitholdings at their pre-placement levels (in percentage terms). The SGX-ST has waived the requirement under Rule 812 of its Listing Manual that Unitholders' approval be obtained for such placements to the Substantial Unitholders.

- (k) **the income, prospects and distributions of the Fund, together with:**

- (i) **the following information in respect of the Fund for the financial year ended 31 March 2004 being the most recently completed financial year of the Fund in the following format:**

Year Ended	Net Investment Income Before Tax (S\$'000)	Taxable Income Available For Distribution To Unitholders⁽¹⁾ (S\$'000)	Extraordinary Items (S\$'000)	Distribution Per Unit (cents)
31 March 2004	40,591	45,536	Nil	8.16

Note:

- (1) The taxable income available for distribution to Unitholders is derived by adjusting for the net effect of non-tax deductible/(chargeable) items from the net investment income before tax of A-REIT.

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- (ii) a statement as to the financial and business prospects of the Fund, together with any material information which will be relevant thereto, including all special business factors or risks (if any) which are unlikely to be known or anticipated by the general public and which could materially affect profits; and
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Since the listing of A-REIT on the SGX-ST, the Manager has sought to maximise income yield and capital growth through a three-point strategy of enhancing yield, stability and growth. The Manager has in the last 12 months consistently focused on this approach. A-REIT has acquired properties which are yield-accretive and which have diversified its portfolio in various respects – asset class, industry sector, location, tenancy-mix and lease expiry profile.

Review of Performance for the Financial Year Ended 31 March 2004

Gross revenue for the financial year ended 31 March 2004 was \$65.9 million, an increase of 4.0% over the forecast in the prospectus issued in connection with the initial public offering of A-REIT in November 2002.

Property operating expenses on A-REIT's original portfolio (comprising The Alpha, The Aries, The Capricorn, The Gemini, Techplace I, Techplace II, Techlink and Honeywell Building) were below the forecast by 17.0%.

Net profit exceeded the forecast by 9.0% with distributable income per Unit exceeding the forecast by 13.0%.

Significant Trends and Competitive Conditions of the Industrial Real Estate Market

The Ministry of Trade and Industry said that Singapore's gross domestic product ("GDP") grew at an 11.0% annualised rate in the 3 months through March 2004 after adjustments for seasonal patterns and that it expects growth for calendar year 2004 to be between 5.5% and 7.5%. The manufacturing sector, a major user of industrial space, grew by 12.0% in the first calendar quarter of 2004. This is attributed to the continued growth in domestic exports of IT components.¹

Colliers International (Singapore) Pte Ltd advised that the overall occupancy rate for industrial space has reached 87.0% during this financial year, which indicates an improved supply and demand situation. Recent information from JTC Corporation also indicates improved demand for most of its ready-built facilities. In the fourth calendar quarter of 2003, net allocation had improved substantially to 160,000 sq ft from a negative 254,000 sq ft in the third calendar quarter of 2003, ending five consecutive quarters of negative allocation.²

The Economic Development Board ("EDB") announced that fixed asset investment in 2003 was S\$8.6 billion, with \$6.5 billion derived from manufacturing projects.³

These positive events in the manufacturing sector should lead to an improved demand for industrial space. The average occupancy rate of 88.8% across A-REIT's portfolio of 16 properties (as at 31 March 2004) is better than the market average occupancy rate.

The present state of the industrial real estate market provides great potential for further yield-

¹ Ministry of Trade and Industry press release published in May 2004.

² Colliers International (Singapore) Pte Ltd's quarterly research report published in January 2004.

³ EDB's "Year 2003 in Review" report published in January 2004.

accretive acquisitions providing further portfolio diversification, enhanced income stability and extension of lease expiry profiles. This in turn will enhance returns to Unitholders.

Outlook for the Financial Year Ending 31 March 2005

Given the expected recovery in economic conditions in Singapore and the Manager's continued pro-active management strategy, the Manager expects to deliver the distribution per Unit of 8.86 cents for the financial year ending 31 March 2005 as stated in the Unitholders' circular dated 18 February 2004 (which was issued in connection with an Extraordinary General Meeting of Unitholders convened to seek Unitholders' approval for, *inter alia*, the proposed issued of 160,500,000 new Units to partly fund the proposed acquisition of certain new properties).

Other Material Information – special business factors or risks (if any) which are unlikely to be known or anticipated by the general public and which could materially affect profits

The Manager is an affiliate of Ascendas, which is a wholly-owned subsidiary of Ascendas Pte Ltd. There are potential conflicts of interest between A-REIT, Ascendas and the Manager.

Ascendas, its subsidiaries and affiliates are engaged in the investment in, and the development and management of, properties in Singapore, including business park (including science park), light industrial and built-to-suit properties. Three of the eight members of the board of directors of the Manager are representatives of Ascendas. In addition, the Manager has appointed a subsidiary of Ascendas, Ascendas Services Pte Ltd, as the property manager of A-REIT's properties. As a result, the strategy and activities of A-REIT may be influenced by the overall interests of Ascendas. There can be no assurance that conflicts of interest will not arise between A-REIT and Ascendas in the future, including in relation to the acquisition of properties and competition for tenants within the Singapore property market.

Related party transactions entered into by A-REIT, depending on the materiality of such transactions, may need to be publicly announced and/or approved by Unitholders as the case may be, and will be reviewed by the independent directors of the Manager, the Manager's Audit Committee and subsequently by the Trustee (in accordance with, among other things, the Property Funds Guidelines (the "**Property Funds Guidelines**") in the Code on Collective Investment Schemes issued by the Authority).

Conflicts related to the acquisition of properties from Ascendas

The Manager may, on behalf of A-REIT, acquire assets from Ascendas or parties related to Ascendas in the future. In such cases, the Manager intends to obtain appraisals from independent parties and comply with all other requirements applicable to such transactions under the Property Funds Guidelines and the Listing Manual. However, there can be no assurance that, with respect to the properties acquired in the future from Ascendas or parties related to Ascendas, the negotiations with respect to the properties acquired, the purchase price of the properties and other terms and conditions relating to the purchase of the properties (in particular with respect to the representations, warranties and/or indemnities agreed to or not agreed to, as the case may be) will not be adverse to A-REIT or will reflect an arm's length acquisition of the properties by A-REIT.

The amount A-REIT may borrow is limited, which may affect the operations of A-REIT

Under the Code on Collective Investment Schemes, A-REIT is generally only permitted to borrow up to 35.0% of its Deposited Property. The Code on Collective Investment Schemes also provide that if (i) all the borrowings of the fund are rated at least A (including any sub-

categories or gradations therein) by Fitch Inc., Moody's or Standard and Poor's or (ii) the credit rating of the fund is at least A (including any sub-categories or gradations therein) as rated by Fitch Inc., Moody's or Standard and Poor's, the property fund may borrow more than 35.0% of the fund's deposited property.

As at the Latest Practicable Date, the level of A-REIT's borrowings was approximately S\$298.2 million, which represents a gearing of 29.1%. The Manager proposes to incur additional borrowings to partly finance the acquisition of Progen Building and C & P Logistics Hub; such additional borrowings are expected to increase A-REIT's gearing to approximately 33.8%. A-REIT's ability to incur further borrowings thereafter may therefore be limited.

Adverse business consequences of this limitation on borrowings may include:

- ?? an inability to fund capital expenditure requirements in relation to A-REIT's existing portfolio or in relation to the acquisition by A-REIT of future properties to expand its portfolio;
- ?? a decline in the value of Deposited Property may cause the borrowing limit to be exceeded, thus affecting A-REIT's ability to make further borrowings; and
- ?? cashflow shortages (including with respect to required distributions) which A-REIT might otherwise be able to resolve by borrowing funds.

A-REIT depends on certain key personnel, and the loss of any key personnel may adversely affect its operations

A-REIT's success depends, in part, upon the continued service and performance of members of the Manager's senior management team and certain key senior personnel. These key personnel may leave the Manager in the future or compete with it and A-REIT. The loss of any of these key employees could have a material adverse effect on A-REIT's business, results of operations and financial condition.

The gross revenue earned from, and the value of, properties held by A-REIT may be adversely affected by a number of factors

The gross revenue earned from, and the value of, A-REIT's properties may be adversely affected by a number of factors, including:

- ?? vacancies following expiry or termination of leases that lead to reduced occupancy levels – this reduces rental income and the ability to recover certain operating costs such as service charges;
- ?? the Manager's ability to provide adequate management, maintenance or insurance;
- ?? the Manager's ability to collect rent on a timely basis or at all;
- ?? tenants seeking the protection of bankruptcy laws which could result in delays in receipt of rent payments, or which could hinder or delay the sale of a property, or inability to collect rentals at all or the termination of the tenant's lease;
- ?? tenants failing to comply with the terms of their leases or commitments to lease;
- ?? the amount of rent and the terms on which lease renewals and new leases are agreed being less favourable than current leases;
- ?? the national and international economic climate and real estate market conditions (such as

the oversupply of, or reduced demand for, space, the Singapore Government's release of land, changes in market rental rates and operating expenses of A-REIT's properties);

- ?? the amount and extent to which AREIT is required to grant rebates on rental rates to tenants due to market pressure;
- ?? competition for tenants from other similar properties which may affect rental levels or occupancy levels at A-REIT's properties; and
- ?? changes in laws and governmental regulations relating to real estate including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in the management expenses or unforeseen capital expenditure to ensure compliance. Rights relating to the relevant properties may also be restricted by legislative actions, such as revisions to building standards laws or the city planning laws, or the enactment of new laws relating to condemnation and redevelopment.

A-REIT may be adversely affected by the illiquidity of real estate investments

Real estate investments, particularly investments in high value properties such as those in which A-REIT intends to invest, are relatively illiquid. Such illiquidity may affect A-REIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. This could have an adverse effect on A-REIT's ability to make expected distributions to its Unitholders.

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- (iii) a statement by the Manager whether, in its reasonable opinion, the working capital available to the Fund as at the Latest Practicable Date is sufficient for present requirements and, if insufficient, how the additional working capital thought by the Manager to be necessary, is proposed to be provided;**
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As at 31 May 2004, after adjusting for the security deposits held on behalf of tenants (S\$10.2 million) and the deferred settlement amount of S\$5.0 million payable to OSIM International Limited, A-REIT had positive working capital of approximately S\$2.7 million. After taking into consideration A-REIT's positive cash flows from operations, its available debt facilities and the expected net proceeds of the Placement, the Manager confirms that, in its reasonable opinion, the working capital available to A-REIT as at the Latest Practicable Date is sufficient for the present requirements of A-REIT.

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- (i) the number of units of the Fund owned by each person who has an interest of not less than 5.0% of all the units in the Fund ("Substantial Unitholder") (as recorded in the Register of Substantial Unitholders of the Fund) at the Latest Practicable Date;**
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The number of Units owned by each Substantial Unitholder (as recorded in the Register of Substantial Unitholders of A-REIT) at the Latest Practicable Date is set out in **Appendix 4** of this Offer Information Statement.

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- (m) **information on any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have or have had in the last 12 months before the Latest Practicable Date, a material effect on the Fund's financial position or profitability;**
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To the best of the Manager's knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, which, in the opinion of the Manager, may have or have had in the last 12 months before the Latest Practicable Date, a material effect on the financial position or profitability of A-REIT.

- (n) **the prices at which units of the Fund have been issued for cash, or traded, within the period commencing on the date after the listing date of the Fund to the Latest Practicable Date; for units which have been traded, give the price range and volume traded for each of those months; for units which have been issued during those months, state the number of units issued at each price; if any units have been issued for services, state the nature and value of the services and give the name and address of the person who received the units;**
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- (i) 160,500,000 Units were issued at an issue price of S\$1.16 per Unit on 4 March 2004 to partly finance the acquisition of certain new properties. Other than as aforesaid, no Units have been issued by A-REIT for cash within the period commencing on 20 November 2002, being the date immediately after A-REIT was listed on the SGX-ST, to the Latest Practicable Date.
- (ii) The closing price range for the Units and the volume of Units traded on the SGX-ST (on a monthly basis) within the period commencing on 20 November 2002, being the date immediately after A-REIT was listed on the SGX-ST, to the Latest Practicable Date are set out in **Appendix 5** of this Offer Information Statement.
- (iii) Within the period commencing on 20 November 2002 (being the date immediately after A-REIT was listed on the SGX-ST) to the Latest Practicable Date, (a) 899,640 Units were issued at an issue price of S\$0.8674 on 20 June 2003, (b) 807,535 Units were issued at an issue price of S\$1.0337 per Unit on 5 December 2003, (c) 1,572,381 Units were issued at an issue price of S\$1.2983 per Unit on 19 April 2004 and (d) 746,077 Units were issued at an issue price of S\$1.4347 per Unit on 8 June 2004.
- (iv) The Units listed in sub-paragraphs (n)(iii)(a), (b) and (d) above were issued as payment of the Base Fee which is payable to Ascendas-MGM Funds Management Limited (in its capacity as the manager of A-REIT) under the Trust Deed for the provision of asset management services to A-REIT for the periods from 19 November 2002 to 18 May 2003, 19 May 2003 to 18 November 2003 and 19 November 2003 to 18 May 2004, respectively. The values represented by these 899,640, 807,535 and 746,077 Units are S\$780,348, S\$834,749 and S\$1,070,398, respectively.

The Units listed in sub-paragraph (n)(iii)(c) above were issued as payment of the Performance Fee which is payable to Ascendas-MGM Funds Management Limited (in its capacity as the manager of A-REIT) under the Trust Deed for the year ended 31 March 2004, and the value represented by these Units is S\$2,041,423.

The address of Ascendas-MGM Funds Management Limited is 75 Science Park Drive, #01-03 CINTECH II, Singapore Science Park I, Singapore 118255.

- (o) **a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the trustee of the Fund (in its capacity as trustee of the Fund) is a party, for the period commencing after the Fund was listed on the Singapore Exchange Securities Trading Limited until the Latest Practicable Date, including the date of, parties to and general nature of the contract, and the amount of any consideration passing to or from the Fund;**
-

There were no material contracts entered into by the Trustee (in its capacity as trustee of A-REIT) or the Manager (in its capacity as manager of A-REIT), other than contracts entered into in A-REIT's ordinary course of business for the period commencing on 20 November 2002, being the date immediately after A-REIT was listed on the SGX-ST, and ending on 15 June 2004, save for:

- (i) the loan documents entered into by the Trustee (in its capacity as trustee of A-REIT) in connection with the borrowings described in paragraph (f) above;
 - (ii) the placement agreement dated 18 February 2004 entered into between Citigroup, DBS Bank Ltd, J.P. Morgan (S.E.A.) Limited and the Manager, in connection with an issue of 160,500,000 new Units in March 2004, and
 - (iii) the placement agreement dated 15 June 2004 entered into between Citigroup and the Manager in connection with the Placement.
-

- (p) **the last available audited consolidated balance-sheet of the Fund;**
-

The last audited balance sheet of A-REIT is set out in **Appendix 6** of this Offer Information Statement.

- (q) **a table or statement indicating:**
-

- (i) **the consolidated net tangible asset per unit of the Fund as of the date on which the last audited balance sheet was made up; and**

The net tangible asset ("**NTA**") per Unit at 31 March 2004, being the date on which the last audited balance sheet of A-REIT was made up, was S\$0.98.

- (ii) **the effect of the issue on the net tangible asset per unit.**

On the assumption that the net proceeds of the Placement will be used to to partly finance the acquisitions of Progen Building and C & P Logistics Hub, the pro forma financial effects of the proposed issue of the New Units on the NTA per Unit as at 31 March 2004, as if A-REIT had purchased Progen Building and C & P Logistics Hub as

well as Nan Wah Building on 1 April 2003, and held and operated them through to 31 March 2004, are as follows:

	Completion of the Placement ⁽¹⁾		
	Before ⁽²⁾	After	
		Assuming Issue Price of S\$1.3825 ⁽³⁾	Assuming Issue Price of S\$1.4250 ⁽⁴⁾
NTA (S\$'000)	672,681	785,726	785,726
Units in issue ('000)	707,207	790,390	787,909
NTA per Unit (S\$)	0.95	0.99	1.00

Notes:

- (1) The table has been prepared on the basis that the pro forma gearing of AREIT is increased to approximately 34.7% and that Nan Wah Building, Progen Building and C & P Logistics Hub are recorded in A-REIT's balance sheet at their respective purchase price (including the costs of acquisition).
- (2) Based on AREIT's balance sheet as at 31 March 2004 (being AREIT's last audited balance sheet) adjusted for A-REIT's distribution in respect of the period from 1 October 2003 to 31 March 2003, which was paid on 26 April 2004.
- (3) At an Issue Price of S\$1.3825, 83,182,640 New Units will be issued.
- (4) At an Issue Price of S\$1.4250, 80,701,754 New Units will be issued.

(r) **particulars of all other material information relating to the units being offered and not disclosed pursuant to sub-paragraphs (a) to (q).**

Save as disclosed in this Offer Information Statement, including the Appendices to this Offer Information Statement, the Manager is not aware of any other material facts relating to the Placement.

Dated 15 June 2004

sgd

Tan Ser Ping
Chief Executive Officer

sgd

Stephen Hawkins
Trust Manager

GLOSSARY

In this Offer Information Statement, the following definitions apply throughout unless otherwise stated:

“A-REIT” or the “Fund”	: Ascendas Real Estate Investment Trust
“Ascendas”	: Ascendas Land (Singapore) Pte Ltd
“Authority”	: The Monetary Authority of Singapore
“Base Fee”	: The base fee of 0.5% per annum of the Deposited Property payable to the Manager under the Trust Deed
“CDP”	: The Central Depository (Pte) Limited
“CPF”	: Central Provident Fund
“Citigroup”	: Citigroup Global Markets Singapore Pte. Ltd.
“Deposited Property”	: All the gross assets of A-REIT, including all its authorised investments held or deemed to be held upon the trusts under the Trust Deed
“EDB”	: Economic Development Board
“Existing Properties”	: The Alpha, The Aries, The Capricorn, The Gemini, Techplace I, Techplace II, Techlink, Honeywell Building, OSIM Headquarters Building, Ghim Li Building, Ultro Building, IDS Logistics Corporate Headquarters, Trivec Building, TT International Tradepark, Changi International Logistics Centre, Siemens Centre and Nan Wah Building
“Issue Date”	: The date of issue of the New Units
“Issue Price”	: The issue price of each New Unit to be issued under the Placement
“Latest Practicable Date”	: 10 June 2004, being the latest practicable date prior to the lodgement of this Offer Information Statement
“Listing Manual”	: The Listing Manual of the SGX-ST
“Manager”	: Ascendas-MGM Funds Management Limited, as manager of A-REIT
“New Units”	: The new Units proposed to be issued by A-REIT in connection with the Placement
“NTA”	: Net tangible assets
“Performance Fee”	: The annual performance fee of 0.1% per annum of the Deposited Property payable to the Manager under the Trust Deed, provided that the annual growth in distributions per Unit in a given financial year

(calculated before accounting for the Performance Fee in that financial year) exceeds 2.5%, and an additional 0.1% per annum of the Deposited Property in the event that the growth in distributions per Unit in a given financial year (calculated before accounting for the Performance Fee in that financial year) exceeds 5.0%

“Placement”	:	The proposed placement of up to 83,182,640 New Units by Citigroup to institutional and certain other investors at the Issue Price
“Price Determination Date”	:	The date on which the Issue Price will be determined, which is currently expected to be 16 June 2004 (subject to change)
“Properties”	:	Nan Wah Building, Progen Building and C & P Logistics Hub and “Property” refers to any one of them
“Property Funds Guidelines”	:	The Property Funds Guidelines in the Code on Collective Investment Schemes issued by the Authority
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Substantial Unitholder”	:	A person with an interest in one or more Units constituting not less than 5.0% of all Units in issue
“Trust Deed”	:	The trust deed dated 9 October 2002 constituting A-REIT, entered into between the Trustee and the Manager (as amended)
“Trustee”	:	Bermuda Trust (Singapore) Limited, as trustee of A-REIT
“Unit”	:	A unit representing an undivided interest in A-REIT
“Unitholder”	:	A holder of Units
“S\$” and “cents”	:	Singapore dollars and cents
“sqm”	:	Square metre(s)
“%”	:	Per centum or percentage

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Offer Information Statement shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

APPENDIX 1

RATIONALE FOR THE ACQUISITIONS

Apart from enhancing A-REIT's reputation as a provider of premium industrial space, the Manager believes that the acquisitions of Nan Wah Building, Progen Building and C & P Logistics Hub offer the following benefits:

1. Increased Earnings and Distributions

The Manager believes that the acquisitions of the Properties will improve the earnings and distributions enjoyed by Unitholders because:

- (i) it is expected that the Properties will together generate a property yield (before acquisition costs) of approximately 7.9%; and
- (ii) the additional borrowings to be incurred to partly finance the acquisitions of Progen Building and C & P Logistics Hub will facilitate the enhancement of A-REIT's mix of equity and debt financing by increasing the gearing of A-REIT from 29.1% (as at the Latest Practicable Date) to approximately 33.8% on completion of the acquisitions, and thereby improve returns to Unitholders.

The Manager targets to complete the acquisitions of Progen Building and C & P Logistics Hub by September 2004.

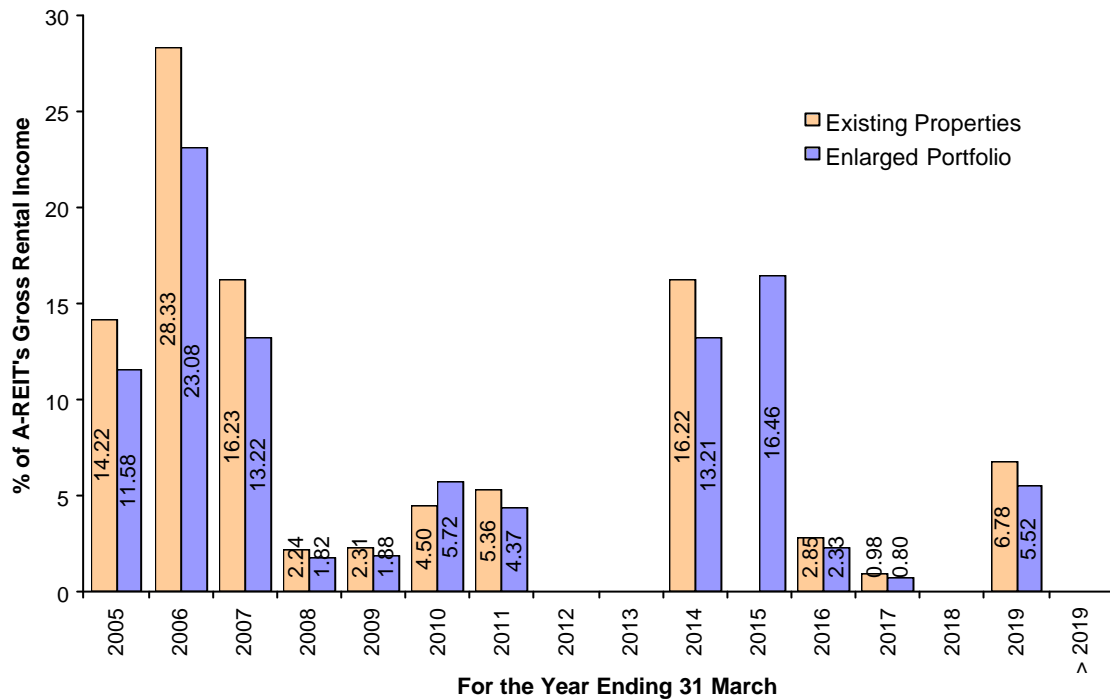
2. Enhanced Stability of Earnings and Distributions

The weighted average lease term to expiry of the Properties of 9.2 years will result in an overall increase in A-REIT's overall weighted average lease term to expiry to 5.5 years as compared to a term of 4.6 years for A-REIT's portfolio prior to the acquisition of Nan Wah Building⁴. The Manager believes that this improved lease expiry profile will help underpin the stability of A-REIT's earnings and distributions going forward.

The following chart shows the weighted average lease expiry profile (by gross rental income) of A-REIT's enlarged portfolio after the acquisitions of the Properties.

⁴ Comprising The Alpha, The Aries, The Capricorn, The Gemini, Techplace I, Techplace II, Techlink, Honeywell Building, OSIM Headquarters Building, Ghim Li Building, Ultro Building, IDS Logistics Corporate Headquarters, Trivec Building, TT International Tradepark, Changi International Logistics Centre and Siemens Center.

**Weighted Average Lease Expiry Profile (by Income) –
A-REIT's Enlarged Portfolio**



3. Competitive Strengths

The Manager believes that the Properties benefit from the following strengths:

- (i) **Strategic Locations:** The Properties are strategically located and enjoy a high level of connectivity to the rest of Singapore due to their proximity to major transport arteries and public transportation hubs.
- (ii) **Strong Tenancy Profile:** The properties are mainly occupied by tenants on relatively long leases with the weighted average lease term to expiry of 9.2 years as detailed below:

	Weighted Average Lease Term to Expiry
	(Years)
Nan Wah Building	4.9
Progen Building	6.5
C & P Logistics Hub	10.0
Weighted average for all three Properties	9.2

(iii) **Quality Tenant Base** : The major tenants in the Properties are well-established companies, with a summary of the major tenants detailed below:

- (a) Nan Wah Marketing Pte Ltd, the major tenant at Nan Wah Building, is a distributor of various sanitary wares, faucets and bathroom accessories.
- (b) Progen Holdings Ltd, the holding company of Progen Pte Ltd, is the major tenant at Progen Building. Progen Holdings Ltd is listed on the Stock Exchange of Singapore Dealing and Automated Quotation System (SESDAQ). Progen Holdings Ltd participates in both public and private industrial and commercial building tenders for the supply and installation of air-conditioning and mechanical ventilation systems. It also does high-speed cleaning of recycled precision trays and storage containers in a clean room environment with operations in Singapore, Malaysia and China.
- (c) C & P Holdings Pte Ltd, the tenant of C & P Logistics Hub, is a major containment shipping company with eight core business: Warehousing, Transport, Logistics, Rent-A-Car, Infobank, Inland Ports, Chemical Storage & Management and Marine.

4. Enhanced Tenant Base

The acquisitions of the Properties are expected to benefit Unitholders through further diversification of A-REIT's income by tenant and an increase in the number of long-term tenants in A-REIT's properties.

Following completion of the acquisitions of Progen Building and C & P Logistics Hub, A-REIT's top 10 tenants in terms of gross rental income will make up 51.6% of the portfolio income with the majority on long-term leases compared with 45.0% before the acquisitions. The table below lists the top 10 tenants of A-REIT after the acquisitions.

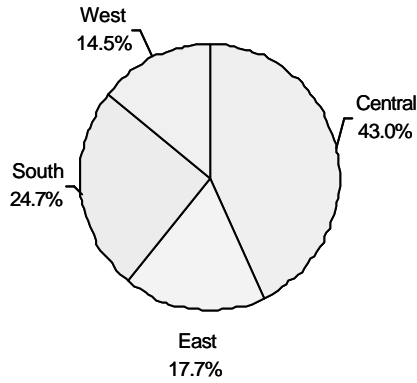
Tenant	Percentage by Net Property Income
	(%)
C & P Holdings Pte Ltd	17.0
Siemens Pte Ltd	6.3
TT International Tradepark Pte Ltd	6.1
Honeywell Pte Ltd	4.3
Institute of High Performance Computing	3.8
Zuellig Pharma Pte Ltd	3.2
IDS Logistics Services Pte Ltd	3.2
Progen Pte Ltd	2.9
OSIM International Ltd	2.5
Venture Corporation Ltd	2.2
Total	51.6

5. Assets Class and Geographic Diversification

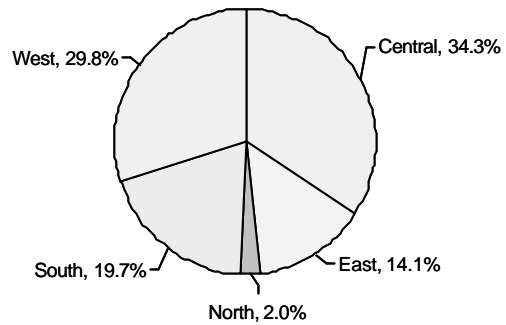
The acquisitions of the Properties provide A-REIT with a diversified portfolio.

The following charts illustrate the diversification of A-REIT's portfolio, in terms of geographic location and asset class, before and after the acquisition of the Properties:

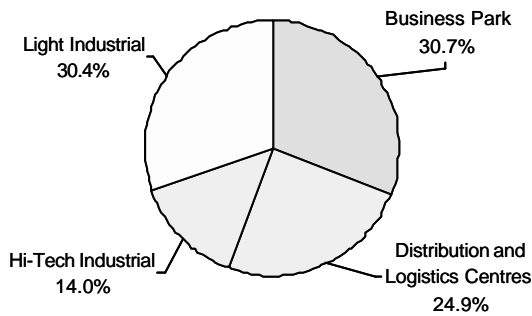
Geographical Diversification - Existing Properties



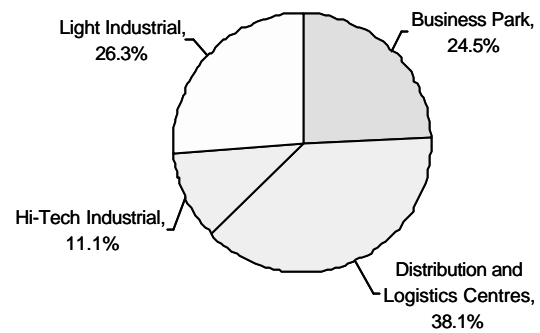
Geographical Diversification - Enlarged Properties



Asset Class Diversification - Existing Properties



Asset Class Diversification - Enlarged Properties



6. Growth

The acquisitions of the Properties provide for growth through stepped rental increase incorporated into the long-term leases of Nan Wah Marketing Pte Ltd, Progen Pte Ltd, and C & P Holdings Pte Ltd (see Appendix 2 of this Circular for further details). The stepped rental increases, combined with the Manager's ability to continue to improve cash flows as leases expire, underpin future growth in earnings and distributions for Unitholders.

7. Capital Management

The acquisitions of Progen Building and C & P Logistics Hub are proposed to be funded by a mix of funds from the issue of the New Units and additional borrowings as A-REIT intends to take advantage of the cheaper cost of debt funding to enhance returns to Unitholders. Following completion of the Placement, the acquisitions of Progen Building and C & P Logistics Hub as well as the discharge of the additional borrowings incurred by A-REIT to purchase Nan Wah Building, A-REIT's gearing is expected to increase from 29.1% (as at the Latest Practicable Date) to approximately 33.8%, which is still below the maximum gearing level of 35.0% permitted under the Property Funds Guidelines.

8. Increased Market Capitalisation

Following the successful completion of the Placement as well as the acquisitions of Progen Building and C & P Logistics Hub, based on the market price of the Units as at the Latest Practicable Date and assuming that 83,182,640 New Units are issued pursuant to the Placement, the market capitalisation of A-REIT is expected to increase from approximately S\$1,028.8 million to S\$1,149.4 million given the 790,389,640 Units that would then be in issue. Unitholders are therefore expected to benefit from the anticipated increase in trading liquidity.

9. Economies of Scale

The acquisitions of Progen Building and C & P Logistics Hub will enlarge the portfolio of properties owned by A-REIT and allow Unitholders to benefit in the long-term from the economies of scale which the Manager will enjoy in their dealings with suppliers, as well as the resulting ability of the Manager to generate cost synergies.

APPENDIX 2

INFORMATION ON THE PROPERTIES

The following sections set out selected information in respect of the Properties and certain pro forma financial information relating to the acquisitions of the Properties.

Nan Wah Building

Nan Wah Building was acquired from Nan Wah Marketing Pte Ltd and is a multi-tenanted industrial office building with warehousing facility. The property is located within the Changi South Industrial Area in proximity to the Singapore Expo, Changi Business Park and Changi Airport. The total net lettable area of Nan Wah Building is approximately 16,137 sqm on a land area of 7,555 sqm. The property was completed in 1999, and the anchor tenant, Nan Wah Marketing Pte Ltd, occupies 36.0% of the space.

Progen Building

Progen Building is owned by Progen Pte Ltd and is a four storey multi-tenanted light industrial building with office and warehousing facilities. The property is located 20 kilometres north of the city centre and is easily accessible by the Bukit Timah Expressway, Kranji Expressway and the Seletar Expressway. The total net lettable area is approximately 17,267 sqm built on land area of 14,205 sqm. The property is 23.0% occupied by the vendor, Progen Pte Ltd, with the balance occupied by Venture Corporation Ltd (an existing tenant of AREIT), Connor Manufacturing Asia Pte Ltd and Target-Rota Malaysia.

C & P Logistics Hub

C & P Logistics Hub is owned by C & P Holdings Pte Ltd and comprises two multi-level warehouse buildings and a third similar building under construction, which is expected to be completed by October 2004. The total net lettable area of the three buildings on completion will be approximately 128,019 sqm. The property is well-served by the Ayer Rajah Expressway and West Coast Highway, and is approximately 15 kilometres from the city centre.

The main features of the property is the ramp-up access, suitable for semi-trailer vehicles, to all warehouse levels above ground, the high clearance warehouse and the well-designed loading dock areas.

The following table sets out a summary of selected information for the Properties in the first year of ownership:

	<i>Nan Wah Building</i>	<i>Progen Building</i>	<i>C & P Logistics Hub</i>
Acquisition price (\$ million)	23.3	24.8	225.0
Net property income (\$ million)	2.0	2.1	17.5

	Nan Wah Building	Progen Building	C & P Logistics Hub
Property yield⁽¹⁾ before costs	8.4%	8.4%	7.8%
Rent escalation	Stepped rental increase of 9.0% in years 4, 7 and 10	?? 3.0% per annum in respect of the 10-year lease agreement relating to a leased area of 3,911 sqm ?? Rental increase of 5.0% in year 4 in respect of the 5-year lease agreement relating to a leased area of 13,356 sqm	6.0% increase in effective rent in year 4 and year 7
Net lettable area (sqm)	16,137	17,267	128,019 ⁽²⁾
Weighted average lease term to expiry (years)	4.9	6.5	10.0
Major tenant	Nan Wah Marketing Pte Ltd	Progen Holdings Ltd	C & P Holdings Pte Ltd
Asset class	Distribution and Logistic Centres	Light Industrial	Distribution and Logistic Centres
Land lease title	Leasehold of 30 years commencing 16 October 1997, with an option to renew for a further 30 years	Leasehold of 30 years commencing 16 January 1996, with an option to renew for a further 30 years	?? Leasehold of 27 years and 2 months commencing from 1 June 1998, and, upon expiry of the term, a further term of 8 years and 5 months in respect of Private Lot A1628(b) ?? Leasehold of 23 years 4 months from 1 April 2002, and, upon expiry of the term, a further term of 8 years and 5 months in respect of Private Lots 1628 and 1628(a)

	<i>Nan Wah Building</i>	<i>Progen Building</i>	<i>C & P Logistics Hub</i>
			(The Property comprises Private Lots 1628, 1628(a) and 1628(b))

Notes:

- (1) The property yield is calculated based on the net property income over the property value of the property, except that when it is first acquired, it is based on the relevant acquisition costs of the property.
- (2) Current net lettable area is 82,458 sqm and increases to 128,019 sqm on completion of the third building in October 2004.

APPENDIX 3

NAMES AND ADDRESSES OF THE DIRECTORS OF THE MANAGER

The names and addresses of the directors of the Manager are as follows:

Name	Address
Mr Lew Syn Pau	20 Leonie Hill #02-26 Block B Leonie Tower Singapore 239222
Mr David Clarke	Unit 5 13-15 Sutherland Crescent Darling Point NSW 2027 Australia
Ms Chong Siak Ching	55 Chartwell Drive Singapore 558749
Mr Gregory Goodman	5 Bradleys Road Mosman NSW 2088 Australia
Mr Swee Kee Siong	1 Capricorn Drive Singapore 579555
Mr David Wong Cheong Fook	14 Joan Road Singapore 298892
Mr Benedict Kwek Gim Song	30 Mount Elizabeth #06-34 Singapore 228519
Mr Thai Chee Ken	118 Coronation Road West Singapore 269342
Mr James T Hodgkinson (Alternate Director to Mr David Clarke)	17 Middle Head Road Mosman NSW 2088 Australia

APPENDIX 4

NUMBER OF UNITS OWNED BY EACH SUBSTANTIAL UNITHOLDER

Based on the Register of Substantial Unitholders maintained by the Manager, the Substantial Unitholders and their respective interests (direct and deemed) in the Units as at the Latest Practicable Date are as follows:

Substantial Unitholder	Direct Interest	% of issued and outstanding Units	Deemed Interest	% of issued and outstanding Units
Ascendas Land (Singapore) Pte Ltd	138,897,702	19.6%	-	-
Ascendas Pte Ltd	-	-	138,897,702	19.6%
MGM Singapore Pte. Ltd.	57,240,729	8.1%	-	-
The Capital Group of Companies, Inc.	53,661,500	7.6%	-	-
Prudential Asset Management (Singapore) Limited	41,739,850	5.9%	-	-
UOB Asset Management Limited	37,150,450	5.2%	-	-

APPENDIX 5

PRICE RANGE OF THE UNITS AND TRADING VOLUME ON THE SGX-ST

The table below sets forth with regard to the periods indicated (commencing on 20 November 2002, the day after AREIT was listed on the SGX-ST, to the Latest Practicable Date) the high and low closing prices of the Units and the total volume traded in board lots of 1,000 Units.

Month	Price Range (S\$ per Unit)		Volume Traded ('000 Units)
	High	Low	
November 2002	0.925	0.895	63,600,000
December 2002	0.890	0.850	15,881,000
January 2003	0.865	0.790	10,966,000
February 2003	0.840	0.820	7,159,000
March 2003	0.835	0.810	6,474,000
April 2003	0.860	0.815	4,597,000
May 2003	0.850	0.815	8,932,000
June 2003	0.950	0.830	50,990,000
July 2003	1.010	0.940	39,109,000
August 2003	1.000	0.960	15,612,000
September 2003	1.050	0.965	34,763,000
October 2003	1.060	1.010	31,888,000
November 2003	1.050	1.000	7,301,000
December 2003	1.150	1.030	10,373,000
January 2004	1.230	1.160	8,907,000
February 2004	1.230	1.180	29,344,000
March 2004	1.290	1.210	34,198,000
April 2004	1.390	1.270	22,540,000
May 2004	1.440	1.330	54,753,000
1 June 2004 to Latest Practicable Date	1.500	1.430	16,405,000

Source: Bloomberg as of 10 June 2004

APPENDIX 6

LAST AUDITED BALANCE SHEET OF A-REIT

Balance Sheet as at 31 March 2004

	S\$'000
Non-current assets	
Investment properties	<u>996,431</u>
Current assets	
Trade and other receivables	20,343
Cash and cash equivalents	<u>3,938</u>
	<u>24,281</u>
Current liabilities	
Trade and other payables	<u>(39,212)</u>
	<u>(39,212)</u>
Net current (liabilities)/assets	(14,931)
Non-current liabilities	
Other payables	<u>(26,050)</u>
Interest-bearing borrowings	<u>(263,800)</u>
Net assets	<u>691,650</u>
Represented by:	
Unitholders' Funds	
Issued equity	666,691
Issue costs	(22,850)
Revaluation reserves	30,188
Accumulated profits	<u>17,621</u>
Total Unitholders' Funds	<u>691,650</u>
Units in issue ('000)	<u>707,207</u>
Net asset value per Unit	<u>\$0.98</u>