

**A-REIT secures lower borrowing costs with  
its inaugural AAA-rated CMBS priced at the spread of 33 basis points**

**Singapore, 30 July, 2004** – Ascendas Real Estate Investment Trust (“**A-REIT**”) is pleased to announce that its issue of Euro 144.0 million (approximately S\$300 million equivalent) AAA-rated Commercial Mortgage Backed Securities (“**CMBS**”) has been successfully priced at 33 basis points above Euro Interbank Offered Rate (“**EURIBOR**”). The CMBS will be issued by Emerald Assets Limited, a special purpose vehicle, as Euro-denominated notes (the “**Notes**”) which are backed and secured by the cashflow and assets from 17 properties within A-REIT's current portfolio.

Mr Tan Ser Ping, Chief Executive Officer of Ascendas-MGM Funds Management Limited, as manager of A-REIT (the “**Manager**”), said, "We are pleased that A-REIT's first CMBS issue has received strong demand from investors in Europe and Asia. With the right financial structure and a good understanding of investors' needs, we were able to tap the global debt capital markets and provide A-REIT with extremely competitive debt financing terms."

The Euro proceeds from the CMBS issue will be swapped to Singapore Dollar proceeds and on-lent to A-REIT to refinance its existing bank loans and for general working capital purposes. A-REIT currently has traditional bank debt facilities which will be largely repaid by the CMBS issue. After taking into account establishment costs which will be amortised over five years, the savings for A-REIT are expected to be over 30 basis points or which equates to a saving in excess of S\$1 million per annum on this initial issuance. Further savings may be achieved from future issuances from the CMBS programme.

The CMBS issue provides A-REIT with certainty of funding for the next five years. In addition, A-REIT has in place standby bank facilities of S\$150 million. A-REIT's future debt financing will be undertaken via these bank facilities and/or from subsequent issues under the CMBS programme.

## Details of the CMBS

The Notes are expected to be rated AAA by the three international rating agencies, namely Fitch, Inc., Moody's Investor Service Inc. and Standard & Poor's Rating Services.

The Notes will carry quarterly coupon payments and have an expected maturity date in August 2009. Applications have been made to list the Notes on the Luxembourg Stock Exchange and on Singapore Exchange Securities Trading Limited (the "SGX-ST"). In-principle approval has been obtained for the listing of the Notes on the SGX-ST and the Notes are expected to be issued and listed on the SGX-ST on or about 6 August 2004.

J.P. Morgan (S.E.A.) Limited and Oversea-Chinese Banking Corporation Limited are the joint lead managers and joint bookrunners for the CMBS issue.

For enquiries, please contact:

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### **About A-REIT ([www.a-reit.com](http://www.a-reit.com))**

A-REIT is the first business space and light industrial REIT listed on the SGX-ST. It has a diversified portfolio of 19 properties in Singapore, comprising business park (including science park), light and hi-tech industrial properties, and logistics and distribution centres, with a book value of S\$1.30 billion. These properties house a tenant base of over 350 international and local companies from a range of industries and activities, including research and development, life sciences, information technology, engineering and light manufacturing. Major tenants include Siemens, TT International Tradepark, Honeywell, IHPC, Zuellig Pharma, IDS Logistics Services, OSIM International, Venture Corporation, Ultron Technologies, Ghim Li Global, Nan Wah Marketing and Progen Holdings.

A-REIT is included in several indices. These include the Morgan Stanley Capital International, Inc (MSCI) Index, the FTSE Global Small Cap Asia Pacific Ex Japan Index Series, the European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index, and the Standard & Poor inaugural S&P Asia PowerPicks 2004 portfolio.

A-REIT is managed by **Ascendas-MGM Funds Management Limited**, a joint venture between Singapore-based Ascendas Pte Ltd and Macquarie Goodman Management Ltd of Australia.

### **Important Notice**

The Notes are offered pursuant to exemptions invoked under Section 274 and Section 275 of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”). Accordingly, the Notes may not be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor specified in Section 274 of the SFA, (ii) to a sophisticated investor, and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”). The Notes may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the same meaning as set out in Regulation S issued pursuant to the Securities Act.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes in any country or jurisdiction where action for that purpose is required.

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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

The value of units in A-REIT (“**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 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.