



## **A-REIT Completes Acquisition of Nan Wah Building**

**31 May 2004, Singapore** – Ascendas-MGM Funds Management Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”), is pleased to announce the completion today of A-REIT’s acquisition of Nan Wah Building (the “**Property**”) for a purchase price of S\$23.3 million.

Bermuda Trust (Singapore) Limited (the “**Trustee**”), as trustee of A-REIT, has today exercised the call option under the Put and Call Option Agreement (“**Option Agreement**”) entered into on 13 May 2004 between Nan Wah Marketing Pte Ltd, (the “**Vendor**”) and the Trustee regarding the sale and purchase of the Property located at 4 Changi South Lane, Singapore 486127.

Pursuant to the Trustee’s exercise of the call option under the Option Agreement, the Trustee and the Vendor entered into the sale and purchase agreement for the Property and completed the sale and purchase on the same day for a purchase price of S\$23.3 million. Following the completion of the sale and purchase of the Property, the Trustee and the Vendor entered into a lease agreement (the “**Lease Agreement**”) under which the Vendor has agreed to lease 36 per cent. of the building for a term of 10 years commencing 31 May 2004 with a rental escalation of 9 per cent. every three years. The Vendor will also assign their existing sub-tenancies which occupy 64 per cent. of the building to A-REIT.

The property yield of this 17th property in A-REIT’s portfolio is expected to be 8.4 per cent before acquisition costs. The acquisition of the Property will be funded from available debt facilities.

Mr Tan Ser Ping, Chief Executive Officer of the Manager, said, “We welcome Nan Wah Marketing who has signed a 10-year lease with A-REIT. With this yield-accretive acquisition, A-REIT now has a well diversified portfolio of 17 properties with a book value of S\$1.02 billion.”

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## About A-REIT

A-REIT is the first business space and light industrial REIT listed on the SGX-ST. It has a diversified portfolio of 17 properties comprising business park (including science park), and light and hi-tech industrial properties and logistics and distribution centres in Singapore, with a book value of S\$1.02 billion. These properties house a tenant base of over 350 international and local companies operating in 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 and Nan Wah Marketing.

A-REIT is included in the Morgan Stanley Capital International, Inc (MSCI) Index with effect from the close of 28 May 2004. A-REIT is also featured on FTSE Global Small Cap Asia Pacific Ex Japan Index Series and European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and included in Standard & Poor's 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 Australian-based Macquarie Goodmann Management Limited.

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