

**A-REIT to buy Exklusiv Centre at Alexandra Road for S\$44.8 million**  
**- well-located light industrial property will further diversify the portfolio**

**24 August 2004, Singapore** – Ascendas Real Estate Investment Trust (“**A-REIT**”) has entered into a put and call option agreement with Group Exklusiv Pte Ltd (“**Group Exklusiv**”) today, to acquire Exklusiv Centre (the “**Property**”) located at 247 Alexandra Road at a price of S\$44.8 million. The acquisition will provide a property yield of 7.9<sup>1</sup> per cent. in the first year.

Group Exklusiv will lease back the property for 12 years at an initial annual net rent of S\$3.6 million when the acquisition is completed, expected to be in December 2004. The lease provides for stepped rental increases of 8.0 per cent. at the beginning of the 4<sup>th</sup> year and the 10<sup>th</sup> year of ownership. In the 7<sup>th</sup> year, the rent will be based on the prevailing market rent then, subject to a cap of 8.0 per cent. increase over the preceding year’s rent or maintained at the preceding (6<sup>th</sup>) year’s rent if the prevailing market rent in the 7<sup>th</sup> year is lower.

The Property comprises a 5-storey office cum motor vehicle showroom building for Group Exklusiv’s two subsidiaries, Exklusiv Auto Services Pte Ltd and Car & Cars Pte Ltd, the Singapore distributors for the Renault and Volkswagen range of motor vehicles. Well-located along one of the two major motor vehicle showroom belts in Singapore, it has high visibility along both Alexandra Road and Leng Kee Road. The Property is less than 500 metres away from the Redhill Mass Rapid Transit station and is easily accessible by the Ayer Rajah and Central Expressways. The Property is currently undergoing major refurbishment which is expected to be completed by December 2004 at no cost to A-REIT.

---

<sup>1</sup> Based on an initial payment of S\$43.9 million of the purchase price of the Property. The remaining S\$0.9 million will be paid at the end of the 3<sup>rd</sup> year of ownership.

The Property stands on a land area of 7,150 sqm with leasehold expiring in year 2051. Upfront land premium has been paid in full.

Mr Tan Ser Ping, Chief Executive Officer of the A-REIT Manager, Ascendas-MGM Funds Management Ltd, said, "The Exklusiv Centre is a light industrial property which houses a consumer-oriented business that is closely related to the country's economic performance. This acquisition further diversifies the A-REIT portfolio and its tenant risk profile and is yield-accretive at the same time."

Assuming the acquisition is funded at the optimal gearing level of 30 per cent. debt and 70 per cent. equity, and that A-REIT had purchased, held and operated the Property for the entire financial year ended 31 March 2004, the annualised pro forma financial effect on A-REIT's in distributable income per unit will be 0.08 cents.

Once the acquisition is completed, A-REIT's weighted average lease term to expiry will increase from 5.6 years to 5.8 years. The weighting of A-REIT's Light Industrial asset class size will also increase from 26 per cent. to 29 per cent.

The sale of the Property is subject to A-REIT obtaining satisfactory financing for the acquisition and the approval of the Housing & Development Board (HDB).

To-date, A-REIT has a total of 19 properties in its portfolio and another two pre-committed projects which are being developed by Ascendas Pte Ltd. The first Ascendas project is a build and lease development at Kallang for Infineon Technologies. The second project is a building being developed at Depot Road for lease to HP upon completion.

### **Group Exklusiv**

Group Exklusiv Pte Ltd is a private company controlled by Mr Peter Kwee and his wife Mdm Lee Eng May Catherine. It owns Exklusiv Auto Services Pte Ltd and Car & Cars Pte Ltd through its subsidiary, Sport Auto Pte Ltd.

- End -

## 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\$1.3 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, Ultro Technologies, Ghim Li Global, Nan Wah Marketing and Progen Holdings.

A-REIT is listed 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.

For enquiries, please contact:

<p>Ho Mei Peng Investor Relations Manager Ascendas-MGM Funds Management Ltd Tel: +65 6774 9152 Mobile: +65 9668 8290 Email: <a href="mailto:meipeng.ho@ascendas-mgm.com">meipeng.ho@ascendas-mgm.com</a></p>	<p>Philip Pearce Investment &amp; Business Development Manager Ascendas-MGM Funds Management Ltd Tel : +65 6774 9844 Mobile : +65 9627 8632 Email : <a href="mailto:philip.pearce@ascendas-mgm.com">philip.pearce@ascendas-mgm.com</a></p>
--	--