



## **A-REIT To Acquire Multi-Tenanted Nan Wah Building Located in Changi South Lane**

**13 May 2004, Singapore** - Ascendas Real Estate Investment Trust (“**A-REIT**”) has entered into a Put and Call Option Agreement (the “Option Agreement”) with Nan Wah Marketing Pte Ltd (“**Nan Wah Marketing**”) on 13 May 2004 for the acquisition of the Nan Wah Building (“**Property**”) for a purchase price of S\$23.3 million.

Upon completion of the sale, Nan Wah Marketing will lease back 36 per cent of the Property or 5,791 sqm of space for 10 years from A-REIT, at an initial annual rent of S\$1 million and will assign to A-REIT, their existing sub-tenancies which occupy 64 per cent of the Property.

The Property will be purchased at a yield of 8.4 per cent. for the first year. The Property is expected to contribute positively to A-REIT’s earnings from the date of completion of the acquisition, which is anticipated to take place by June 2004. Assuming that the acquisition is funded at an optimal gearing level of 30 per cent. debt / 70 per cent. equity and that A-REIT had purchased, held and operated the Property for the financial year ended 31 March 2004, the pro forma financial effect on A-REIT’s distributable income per unit for that period would be 0.06 cents per unit.

Mr Tan Ser Ping, Chief Executive Officer of the Manager said, “We have delivered yield growth to our unitholders through our acquisitions in the last financial year. We are pleased to add to our existing portfolio, Nan Wah Building, a property strategically located in the eastern part of Singapore.”

## Details of the Acquisition

<b>Property</b>	:	<b>Nan Wah Building</b>
<b>Purchase price</b>	:	S\$23.3 million
<b>Property yield (before acquisition cost)</b>	:	8.4 per cent.
<b>Net lettable area</b>	:	16,137 sqm
<b>Lease term of anchor tenant</b>	:	10 years for 36 per cent. of space (5,791 sqm)
<b>Expected date of completion</b>	:	June 2004

### Certain conditions precedent

- Approval of Jurong Town Corporation for the sale of the Property

## The Property

Nan Wah Building is located at 4 Changi South Lane, Singapore 486127 within the Changi South Industrial Area in proximity to the Singapore Expo, Changi Business Park and Changi Airport. It is easily accessible by the East Coast Parkway and Pan-Island Expressway. The Property is a multi-tenanted industrial office building with a warehousing facility. The total net lettable area of Nan Wah Building is approximately 16,137 sqm built on a land area of 7,555 sqm. The land is held on a 30-year lease commencing 16 October 1997, with an option to renew for a further term of 30 years. The Property was completed in 1999, and the anchor tenant, Nan Wah Marketing occupies 36 per cent of the space in the Property. Nan Wah Marketing Pte Ltd is a distributor of various sanitary wares, faucets and bathroom accessories.

- End -

## 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 16 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\$996 million. 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, Ultro Technologies and Ghim Li Global.

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

For enquiries, please contact:

<p>Ho Mei Peng Investor Relations 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>Stephen Hawkins Trust Manager Ascendas-MGM Funds Management Ltd Tel : +65 6774 9690 Mobile : +65 9627 8425 Email : <a href="mailto:stephen.hawkins@ascendas-mgm.com">stephen.hawkins@ascendas-mgm.com</a></p>
--	--