



A-REIT To Acquire Light Industrial Progen Building Located in Woodlands Loop

20 May 2004, Singapore - Ascendas Real Estate Investment Trust (“**A-REIT**”) has entered into a Put and Call Option Agreement (the “Option Agreement”) with Progen Pte Ltd (“Progen”) on 20 May 2004 for the acquisition of the Progen Building (“**Property**”) for a purchase price of S\$24.8 million.

Upon completion of the sale, Progen Holdings Ltd (“Progen Holdings”) will occupy 23 per cent of the Property or 3,911 sqm of space under a lease for 10 years from A-REIT. The initial annual rent will be S\$0.79 million with 3 per cent rental escalations per annum. The remaining area of 13,356 sqm in the Property is currently occupied by Venture Corporation, Connor Manufacturing Asia Pte Ltd and Target-Rota Malaysia under their respective leasing terms.

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 July 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 0.07 cents per unit.

Mr Tan Ser Ping, Chief Executive Officer of the Manager said, “The Progen Building is a quality light industrial property sited in the north of Singapore. The Property is easily accessible by labour force located in the nearby housing estates at Woodlands and Sembawang.”

Certain conditions precedent

The sale of the Property is subject to the approval of Progen Holdings' shareholders and Jurong Town Corporation.

The Property

Progen Building is located at 12 Woodlands Loop, Singapore 738283, 20 km north of the city centre and easily accessible by Bukit Timah Expressway, Kranji Expressway and Seletar Expressway. The Property is a 4-storey multi-tenanted light industrial building with office and warehousing facilities. The total net lettable area of Progen Building is approximately 17,267 sqm built on a land area of 14,205 sqm. The land is held on a 30-year lease commencing 16 January 1996, with an option to renew for a further term of 30 years.

The Company

Progen Holdings is a listed company on the Singapore Stock Exchange. The Progen Group participates in both public and private industrial and commercial building tenders for the supply and installation of air-conditioning and mechanical ventilation systems. In 1998, the Group diversified into high-speed cleaning of recycled precision trays and storage containers in a clean room environment. The Group also expanded its business into the Asia region in 1993. Currently, it has operations in Singapore, Malaysia and China.

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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 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: meipeng.ho@ascendas-mgm.com</p>	<p>Stephen Hawkins Trust Manager Ascendas-MGM Funds Management Ltd Tel : +65 6774 9690 Mobile : +65 9627 8425 Email : stephen.hawkins@ascendas-mgm.com</p>
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