



A-REIT FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

Ascendas Real Estate Investment Trust (A-REIT) is a real estate investment trust constituted by the Trust Deed entered into on 9 October 2002 between Ascendas-MGM Funds Management Limited as the Manager of A-REIT and HSBC Institutional Trust Services (Singapore) Limited as the Trustee of A-REIT, as amended by a First Supplemental Deed dated 16 January 2004, a Second Supplemental Deed dated 23 February 2004, a Third Supplemental Deed dated 30 September 2004 and a Fourth Supplemental Deed dated 17 November 2004.

Units in A-REIT were allotted in November 2002 based on a prospectus dated 5 November 2002. These units were subsequently listed on the Singapore Stock Exchange on 19 November 2002.

Upon listing in November 2002, the property portfolio of A-REIT consisted of eight properties - The Alpha, The Aries, The Capricorn, The Gemini, Honeywell Building, Techlink, Techplace I and Techplace II. Since listing, the portfolio has been diversified through the acquisition of OSIM HQ Building in June 2003, Ghim Li Building and Ultro Building in October 2003, IDS Logistics Corporate Headquarters in February 2004, Changi Logistics Centre, Trivec Building, TT International Tradepark and Siemens Center in March 2004, Nan Wah Building in May 2004, Progen Building and C&P Logistics Hub in July 2004, SB Building in November 2004, Exklusiv Centre, CG Aerospace Building, Autron Building, Fedex Building, Freight Links (Changi) Building, Freight Links (Toh Guan) Building, MacDermid Building, Wisma Gulab, Steel Industries Building, Volex Building, Infineon Building and Techpoint in December 2004.

In the quarter under review, A-REIT acquired KA Place, KA Centre, Kim Chuan Telecommunications Complex and Telepark in March 2005 partially funded through a private placement of new Units. A-REIT now has a diversified portfolio of 36 properties and houses a tenant base of more than 460 customers.

A-REIT has recently completed the acquisition of Da Vinci Building and MSL Building on 1 April 2005 and AEM Evertech and Hyflux Building on 4 April 2005.

A-REIT has signed put and call option agreements for the acquisition of NESS Building expected to complete in October 2005, an industrial building (under development) expected to complete April 2006 and BBR Building expected to complete in June 2005.

A-REIT Announcement of Results for the Year Ended 31 March 2005

1(a) Income statement together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) **Income statement (Year ended 31 March 05 vs Year ended 31 March 04)**

	Actual 01/04/04 to 31/03/05 (Note c) S\$'000	Actual 01/04/03 to 31/03/04 (Note c) S\$'000	Increase / (Decrease) (Note c) %
Gross revenue	128,987	65,914	96%
Property services fees	(3,758)	(2,259)	66%
Property tax	(7,449)	(3,230)	131%
Other property operating expenses	(21,666)	(10,115)	114%
Property operating expenses	(32,873)	(15,604)	111%
Net property income	96,114	50,310	91%
Interest income	73	20	265%
Manager's fee	(7,020)	(3,547)	98%
Performance fee	(4,229)	(2,041)	107%
Trust expenses	(1,215)	(809)	50%
Borrowing costs	(8,506)	(3,342)	155%
Non property expenses	(20,897)	(9,719)	115%
Net investment income	75,217	40,591	85%
Non tax deductible expenses (Note a)	8,948	4,945	81%
Net investment income available for distribution (Note b)	84,165	45,536	85%

The following items have been included in arriving at net investment income:

	Actual 01/4/04 to 31/03/05 (Note c) S\$'000	Actual 01/4/03 to 31/03/04 (Note c) S\$'000
Gross rental income	117,597	57,731
Other income	11,390	8,183
Allowances for doubtful receivables, net	(37)	(133)

Footnotes

- (a) *Non tax deductible expenses relate to units issued to the Manager in part payment of its management fees/performance fees and other non tax deductible items.*
- (b) *A-REIT's distribution policy is to distribute 100% of its taxable income (other than gains on the sales of real properties determined to be trading gains). The taxable income has generally been distributed to unitholders on a semi-annual basis up to 30 September 2004 and on a quarterly basis from 1 October 2004.*
- (c) *36 properties in year ended 31 March 2005 vs 16 properties in year ended 31 March 2004.*

1(a)(ii) Income statement (4Q FY2005 vs 4Q FY2004)

	Actual 01/01/05 to 31/03/05 (Note c) S\$'000	Actual 01/01/04 to 31/03/04 (Note c) S\$'000	Increase / (Decrease) (Note c) %
Gross revenue	40,949	17,638	132%
Property services fees	(1,150)	(634)	81%
Property tax	(1,186)	(462)	157%
Other property operating expenses	(5,452)	(2,776)	96%
Property operating expenses	(7,788)	(3,872)	101%
Net property income	33,161	13,766	141%
Interest income	18	4	350%
Manager's fee	(2,339)	(1,044)	124%
Performance fee	(4,229)	(2,041)	107%
Trust expenses	(347)	(218)	59%
Borrowing costs	(2,916)	(1,226)	138%
Non property expenses	(9,813)	(4,525)	117%
Net investment income	23,348	9,241	153%
Non tax deductible expenses (Note a)	5,911	2,620	126%
Net investment income available for distribution (Note b)	29,259	11,861	147%

The following items have been included in arriving at net investment income:

	Actual 01/01/05 to 31/03/05 (Note c) S\$'000	Actual 01/01/04 to 31/03/04 (Note c) S\$'000
Gross rental income	40,391	15,734
Other income	558	1,904
Allowances for doubtful receivables, net	(42)	(72)

Footnotes

- (a) *Non tax deductible expenses relate to units issued to the Manager in part payment of its management fees/performance fees and other non-tax deductible items.*
- (b) *A-REIT's distribution policy is to distribute 100% of its taxable income (other than gains on the sales of real properties determined to be trading gains). The taxable income is generally distributed to unitholders on a semi-annual basis up to 30 September 2004 and on a quarterly basis from 1 October 2004.*
- (c) *36 properties in 4Q 2005 vs 16 properties in 4Q 2004.*

1(a)(iii) The Sixth Distribution Calculation

	Actual 01/01/05 to 01/03/05 (Note a) S\$'000	Actual 02/03/05 to 31/03/05 (Note b) S\$'000	Actual 01/01/05 to 31/03/05 S\$'000
Gross revenue	27,933	13,016	40,949
Property services fees	(754)	(396)	(1,150)
Property tax	(799)	(387)	(1,186)
Other property operating expenses	(4,876)	(576)	(5,452)
Property operating expenses	(6,429)	(1,359)	(7,788)
Net property income	21,504	11,657	33,161
Interest income	7	11	18
Manager's fee	(1,466)	(873)	(2,339)
Performance fee	(136)	(4,093)	(4,229)
Trust expenses	(167)	(180)	(347)
Borrowing costs	(1,748)	(1,168)	(2,916)
Non property expenses	(3,510)	(6,303)	(9,813)
Net investment income	17,993	5,355	23,348
Non tax deductible expenses	1,156	4,755	5,911
Net investment income available for distribution	19,150	10,109	29,259

	Actual 01/01/05 to 01/03/05	Actual 02/03/05 to 31/03/05	Actual 01/01/05 to 31/03/05
Distribution per unit (in cents) (Note c)	1.83	0.87	2.70
Applicable number of units (Note d)	1,050,637,379	1,160,556,950	1,087,277,236

Footnotes

- (a) Represents distributable income payable to the Ascendasreit class of units from 1 January 2005 up to the date of issue of new units pursuant to the private placement on 2 March 2005.
- (b) Represents distributable income payable to both Ascendasreit and Ascendasreit A classes of units from date of issue of new units pursuant to the private placement being 2 March 2005 to 31 March 2005.
- (c) The sixth distribution comprises A-REIT's distributable income for the period from 1 January 2005 to 31 March 2005. Ascendasreit class unitholders are entitled to distributable income from 1 January 2005 to 31 March 2005 of 2.70 cents per unit and Ascendasreit A class unitholders are entitled to distributable income from 2 March 2005 to 31 March 2005 of 0.87 cents per unit. The distribution will be paid on 31 May 2005.
- (d) The DPU has been calculated based on the applicable number of units which is either the units applicable for the distribution over the respective period or the weighted average number of units on issue where units were issued during the period.

Please see paragraph 11 for more details on the sixth distribution.

1 (b)(i) Balance sheet, together with comparatives as at the end of the immediately preceding financial year

	Actual 31/03/05 S\$'000	Actual 31/03/04 S\$'000
Non-current assets		
Investment properties	2,076,893	996,431
Total non-current assets	2,076,893	996,431
Current assets		
Trade and other receivables	30,581	19,559
Deposits and prepayments	1,754	784
Cash	5,164	3,938
Total current assets	37,499	24,281
Current liabilities		
Trade and other payables	65,602	39,212
Total current liabilities	65,602	39,212
Net current assets/(liabilities)	(28,103)	(14,931)
Non-current liabilities		
Other payables	67,330	26,050
Borrowings	556,000	263,800
Total non-current liabilities	623,330	289,850
Net assets	1,425,460	691,650
Represented by:		
Unitholders' funds	1,425,460	691,650
Secured borrowings		
Amount repayable after one year	300,000	-
Unsecured borrowings		
Amount repayable after one year	256,000	263,800
	556,000	263,800

Details of borrowings & collateral

A term loan of \$300 million was granted by a special purpose company, Emerald Assets Limited ("Emerald Assets") at a floating interest rate of relevant Singapore 3 month swap offer rate plus a margin of 0.325% per annum. As security for the credit facilities granted by Emerald Assets, the Trustee has granted in favour of Emerald Assets the following:

- (i) a mortgage over the 17 properties acquired before July 2004 ("Portfolio 1 properties").
- (ii) an assignment and charge of the rental proceeds and tenancy agreements in the Portfolio 1 properties.
- (iii) an assignment of the insurance policies relating to the Portfolio 1 properties.
- (iv) a fixed and floating charge over certain assets of the Trust relating to the Portfolio 1 properties.

In addition, A-REIT has in place the following bank facilities:

- (i) S\$150 million unsecured revolving credit facility granted by Oversea-Chinese Banking Corporation
- (ii) S\$150 million unsecured revolving credit facility granted by BNP Paribas.
- (iii) S\$100 million unsecured revolving credit facility granted by The Development Bank of Singapore Limited.
- (iv) S\$300 million unsecured revolving credit facility granted by The United Overseas Bank Limited.
- (v) S\$45 million letter of guarantee granted by Oversea-Chinese Banking Corporation Limited.

As at 31 March 2005, S\$256 million has been drawn from these facilities.

Interest rate swaps of \$422.5 million (75.9% of total debt) have been effected to provide fixed rate funding for terms of 3 to 5 years. The \$422.5 million of debt fixed through swaps has a weighted average term remaining of 3.22 years. The fair value of the swaps is \$1.25 million (FY 2003/04: -\$1.57 million). A-REITs weighted average funding cost as at 31 March 2005 is 2.77% (including margins charged on the loans and amortised/annual costs of the Commercial Mortgage Backed Securities programme).

A-REIT Announcement of Results for the Year Ended 31 March 2005

1(c) **Cash flow statement together with a comparative statement for the corresponding period of the immediately preceding financial year**

1(c)(i) **Cash flow statement (Year ended 31 March 05 vs Year ended 31 March 04)**

	Actual 01/04/04 to 31/03/05 S\$'000	Actual 01/04/03 to 31/03/04 S\$'000
Operating activities		
Net investment income	75,217	40,591
Adjustment for		
Interest income	(73)	(20)
Provision for doubtful receivables	37	133
Borrowing costs	8,506	3,342
Fund manager's fee paid/payable in units	7,739	3,815
Operating income before working capital changes	91,426	47,861
Changes in working capital		
Trade and other receivables	(8,164)	(18,532)
Trade and other payables	2,248	5,510
	(5,916)	(13,022)
Cash generated from operating activities	85,510	34,839
Investing activities		
Purchase of investment properties (including acquisition costs)	(848,140)	(309,968)
Payment for capital improvement projects	(15,284)	(29,272)
Payment for deferred settlement	(5,000)	-
Deposit paid for purchase of investment properties	(8,223)	(679)
Cash flows from investing activities	(876,647)	(339,919)
Financing activities		
Equity issue costs paid	(10,597)	(4,101)
Proceeds from issue of units	597,904	186,180
Distributions to unitholders paid	(78,285)	(37,260)
Borrowing costs paid	(8,933)	(2,185)
Interest received	73	26
Proceeds from borrowings	934,400	172,500
Repayment of borrowings	(642,200)	(33,700)
Cash flows from financing activities	792,362	281,460
Net increase/(decrease) in cash and cash equivalents	1,226	(23,620)
Cash and cash equivalents at beginning of the period	3,938	27,558
Cash and cash equivalents at end of the period	5,164	3,938

1(c)(ii) Cash flow statement (4Q FY2005 vs 4Q FY2004)

	Actual 01/01/05 to 31/03/05 S\$'000	Actual 01/01/04 to 31/03/04 S\$'000
Operating activities		
Net investment income	23,348	9,241
Adjustment for		
Interest income	(18)	(4)
Provision for doubtful receivables	42	72
Borrowing costs	2,916	1,226
Fund manager's fee paid/payable in units	5,399	2,200
Operating income before working capital changes	31,687	12,735
Changes in working capital		
Trade and other receivables	1,373	(15,298)
Trade and other payables	(7,739)	(9,861)
	(6,366)	(25,159)
Cash generated from operating activities	25,321	(12,424)
Investing activities		
Purchase of investment properties (including acquisition costs)	(255,555)	(259,790)
Payment for capital improvement projects	(5,174)	(3,594)
Payment for deferred settlement	-	-
Deposits paid for purchase of investment properties	(3,181)	-
Cash flows from investing activities	(263,910)	(263,384)
Financing activities		
Equity issue costs paid	(3,485)	(4,101)
Proceeds from issue of new units	82,904	186,180
Distribution to unitholders paid	(21,138)	-
Borrowing costs paid	(1,607)	(69)
Interest received	18	4
Proceeds from borrowings	216,000	91,000
Repayment of borrowings	(36,000)	-
Cash flows from financing activities	236,692	273,014
Net increase/(decrease) in cash and cash equivalents	(1,897)	(2,794)
Cash and cash equivalents at beginning of period	7,061	6,732
Cash and cash equivalents at end of the period	5,164	3,938

1(d)(i) Statement of changes in unitholders' funds (Year ended 31 March 05 vs Year ended 31 March 04)

	Actual 01/04/04 to 31/03/05 S\$'000	Actual 01/04/03 to 31/03/04 S\$'000
Balance as at beginning of period	691,650	498,160
Operations		
Net investment income	75,217	40,591
Net appreciation on revaluation of investment properties (Note a)	21,823	-
Net appreciation on revaluation of investment properties (Note b)	-	7,871
Net increase in net assets resulting from Operations	97,040	48,462
Unitholders' transactions		
New Units issued under Equity Fund Raisings/Private Placements	720,000	186,180
Performance fees paid in units	2,041	-
Management fees paid in units	2,606	1,615
Equity issue costs	(9,592)	(5,507)
Distributions to unitholders	(78,285)	(37,260)
Net increase in net assets resulting from Unitholders' transactions	636,770	145,028
Balance as at end of period	1,425,460	691,650

Footnotes

- (a) Revaluations of the 19 properties acquired before November 2004 were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd, Colliers International Consultancy & Valuation (S) Pte Ltd and DTZ Debenham Tie Leung (SEA) Pte Ltd in February 2005.
- (b) Revaluations of the 11 properties acquired before November 2003 were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd in December 2003.

Statement of changes in unitholders' funds (4Q FY2005 vs 4Q FY2004)

	Actual 01/01/05 to 31/03/05 S\$'000	Actual 01/01/04 to 31/03/04 S\$'000
Balance as at beginning of period	1,217,452	501,736
Operations		
Net investment income	23,348	9,241
Net appreciation on revaluation of investment properties (Note a)	3,124	-
Net increase in net assets resulting from operations	26,472	9,241
Unitholders' transactions		
New Units issued under Private Placement in March 2005	205,000	-
Equity issue costs	(2,326)	-
Distributions to unitholders	(21,138)	(5,507)
New Units issued under Equity Fund Raising in March 2004	-	186,180
Net increase in net assets resulting from Unitholders' transactions	181,536	180,673
Balance as at end of period	1,425,460	691,650

Footnote

- (a) Revaluations of the 19 properties acquired before November 2004 were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd, Colliers International Consultancy & Valuation (S) Pte Ltd and DTZ Debenham Tie Leung (SEA) Pte Ltd in February 2005.

1(d)(ii) Details of any changes in the units (Year ended 31 March 05 vs Year ended 31 March 04)

	Actual 01/04/04 to 31/03/05 Units	Actual 01/04/03 to 31/03/04 Units
Balance at beginning of period	707,207,175	545,000,000
Issue of new units:		
- Issued pursuant to private placement in March 2005	109,919,571	-
- Issued pursuant to equity raising in December 2004	258,064,516	-
- Issued pursuant to private placement in June 2004	82,142,857	-
- Performance fees paid in units	1,572,381	-
- Management fees paid in units	1,650,450	1,707,175
- Issued pursuant to equity raising in March 2004	-	160,500,000
Balance at end of period	1,160,556,950	707,207,175

Details of any changes in the units (4Q FY2005 vs 4Q FY2004)

	Actual 01/01/05 to 31/03/05 Units	Actual 01/01/04 to 31/03/04 Units
Balance at beginning/end of period	1,050,637,379	546,707,175
Issue of new units:		
- Issued pursuant to private placement in March 2005	109,919,571	-
- Issued pursuant to equity raising in March 2004	-	160,500,000
Balance at end of period	1,160,556,950	707,207,175

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by our auditors.

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

NA

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with those stated in the audited financial statements for the year ended 31 March 2004.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Nil

A-REIT Announcement of Results for the Year Ended 31 March 2005

6 Earnings per unit and distribution per unit for the financial period

6.1 EPU/DPU (Year ended 31 March 05 vs Year ended 31 March 04)

Number of units on issue at end of period
 Applicable number of units for calculation of EPU/DPU (Note a)
 Earnings per unit in cents (EPU)
 Distribution per unit in cents (DPU)

Actual 01/04/04 to 31/03/05	Actual 01/04/03 to 31/03/04
1,160,556,950	707,207,175
880,438,402	558,242,039
8.66	7.27
9.56	8.16

6.2 EPU/DPU (4Q FY2005 vs 4Q FY2004)

Number of units on issue at end of period
 Applicable number of units for calculation of EPU/DPU (Note a)
 Earnings per unit in cents (EPU)
 Distribution per unit in cents (DPU)

Actual 01/01/05 to 31/03/05	Actual 01/01/04 to 31/03/04
1,160,556,950	707,207,175
1,087,277,236	707,207,175
2.17	1.55
2.70	1.99

Footnote

(a) *The EPU and DPU has been calculated based on the applicable number of units which is either the units applicable for the distribution over the respective period or the weighted average number of units on issue at each quarter where units were issued during the period.*

7 Net asset value per unit based on units issued at the end of the period

Net asset value per unit
 Adjusted net asset value per unit (Note a)

31/03/05 cents	31/03/04 cents
123	98
120	95

Footnote

(a) *A-REIT's distribution policy is to distribute 100% of its taxable income (other than gains on the sale of real properties determined to be trading gains). The undistributed income for the relevant period prior to the balance date has been excluded in calculating adjusted net asset value per unit.*

8 Review of the performance

Income statement (4Q FY2005 vs 4Q FY2004)

	Actual 01/01/05 to 31/03/05 S\$'000	Actual 01/01/04 to 31/03/04 S\$'000	Increase / (Decrease) %
Gross revenue	40,949	17,638	132%
Property operating expenses	(7,788)	(3,872)	101%
Net property income	33,161	13,766	141%
Non property expenses	(6,915)	(3,303)	109%
Net borrowing costs	(2,898)	(1,222)	137%
	(9,813)	(4,525)	117%
Net investment income	23,348	9,241	153%
Non tax deductible expenses	5,911	2,620	126%
Net investment income available for distribution (Note a)	29,259	11,861	147%
Earnings per unit (cents)	2.17	1.55	40%
Distribution per unit (cents)	2.70	1.99	36%

Footnote

(a) *A-REIT's distribution policy is to distribute 100% of its taxable income (other than gains on the sales of real properties determined to be trading gains). The taxable income has generally been distributed to unitholders on a semi-annual basis up to 30 September 2004 and on a quarterly basis from 1 October 2004.*

Review of Performance 4Q FY2005 vs 4Q FY2004

Gross revenue was up 132% due mainly to additional rental income from the following completed acquisitions: IDS Logistics Corporate Headquarters, Siemens Center, TT International Tradepark, Changi Logistic Centre, Trivec Building (all completed prior to 1 April 2004), Nan Wah Building completed on 31 May 2004, Progen Building and C&P Logistics Hub completed before 31 July 2004, SB Building completed in November 2004 and Techpoint, Infineon Building, Exklusiv Centre, Wisma Gulab, Steel Industries Building, CG Aerospace Building, Autron Building, Fedex Building, Freight Links (Changi) Building, Freight Links (Toh Guan) Building, MacDermid Building and Volex Building in December 2004 and KA Place, KA Centre, Kim Chuan Telecommunications Complex and Telepark in March 2005.

Property expenses were higher due to :-

- 1) Higher property tax due to discontinuance of rebates from 31 December 2003, the increased annual value of certain properties and increased number of properties in the portfolio.
- 2) Land rent payable on most new properties acquired since the prior corresponding period.
- 3) Higher utilities expenses due to the increased number of properties in the portfolio as well as higher costs in some properties due to the introduction of energy aggregation. This also results in higher utilities income as these tenancy charges are recovered from tenants.
- 4) Higher maintenance & conservancy expenses due to the increased number of properties in the portfolio.

Non-property expenses increased due to higher management fees as the new acquisitions increased assets under management and a performance fee was charged on 31 March 2005 as a result of the DPU increasing by greater than 5% over the prior year's DPU.

Borrowing costs increased by 137% as additional debt was drawn down to fund the new acquisitions, and partly due to higher floating interest rates.

The net investment income was higher than the comparable period last year mainly due to the benefit of additional income from the new properties acquired during the current and previous financial years.

9 Variance between forecast and the actual results

	Actual 01/04/04 to 31/03/05 S\$'000	Forecast 01/04/04 to 31/03/05 (Note a) S\$'000	Increase / (Decrease) %
Gross revenue	128,987	124,843	3%
Property services fees	(3,758)	(3,857)	(3%)
Property tax	(7,449)	(7,399)	1%
Other property operating expenses	(21,666)	(21,383)	1%
Property operating expenses	(32,873)	(32,639)	1%
Net property income	96,114	92,204	4%
Interest income	73	44	67%
Manager's fee	(7,020)	(7,003)	0%
Performance Fee	(4,229)	(3,544)	19%
Trust expenses	(1,215)	(1,106)	10%
Borrowing costs	(8,506)	(8,383)	1%
Non property expenses	(20,897)	(19,992)	5%
Net investment income	75,217	72,212	4%
Non tax deductible expenses (Note b)	8,948	8,137	10%
Net investment income available for distribution	84,165	80,349	5%
Earnings per unit (cents)	8.66	8.35	4%
Distribution per unit (cents)	9.56	9.30	3%

Footnotes

(a) *The forecast for the year ended 31 March 2005 has been derived from the forecast stated in the Circular dated 18 November 2004 in relation to the issue of 258,064,516 new units. Certain amounts that were included as expenses and subsequently recharged to tenants as revenue in the forecast have been netted off to be consistent with the presentation of the actual results.*

(b) *Non tax deductible expenses relate to units issued to the Manager in part payment of its management fees and other non-tax deductible items.*

Review of Performance for the year ended 31 March 2005

Gross Revenue for the year was \$129 million, 3% above the forecast in the Circular dated 18 November 2004 due mainly to:

- 1) Early completion for most of the buildings acquired in November/December 2004. The forecast assumed 13 new buildings would be acquired on 15 December 2004 whereas most were acquired earlier.
- 2) The acquisition of Telepark, Kim Chuan Telecommunications Complex, KA Centre and KA Place in early March 2005 which was not anticipated in the forecast.

Property operating expenses were in line with the forecast.

The higher performance fees as compared to forecast was due to higher deposited property as a result of the acquisition of Telepark, Kim Chuan Telecommunications Complex, KA Centre and KA Place in early March 2005.

The net investment income exceeded forecast by 4% and DPU was 3% above forecast, both due to the above stated reasons.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The economy registered growth of 8.4% in 2004. With the underlying strength of the Singapore economy as well as the gradual recovery of the manufacturing sector in 2004, the industrial property market showed signs of recovery with prices of overall industrial space rising 1.2% and rents increasing by 1.6%. The vacancy rate of factory space decreased from 12.4% in 3Q 2004 to 12.0% in 4Q 2004 and vacancy rate of warehouse space decreased from 14.2% in 3Q 2004 to 14.0% in 4Q 2004.

The recovering industrial property market coupled with A-REIT's asset management strategy resulted in an overall increase in the occupancy rate of A-REIT's portfolio from 88.8% as at 31 March 2004 to 94.1% as at 31 March 2005.

The Singapore REIT market was given a further boost with the announcement during the Budget Statement 2005 that the tax rate on distributions made by any listed REIT to a foreign non-individual investor during the period from 18 February 2005 to 17 February 2010 will be reduced from 20% to 10%. In addition, for the same time period mentioned above, stamp duty for the transfer of properties into REITs shall be waived if the REIT is already listed on the Singapore Exchange Securities Trading Limited. Both of these changes are expected to be positive to A-REIT.

A-REIT has continued with its investment strategy of acquiring and investing in top grade properties. For the financial year ended 31 March 2005, A-REIT acquired \$1.01 billion worth of property. Coupled with the manager's proactive asset management strategy, A-REIT outperformed the forecasted distribution per unit (DPU) of 9.30 cents with a DPU of 9.56 cents for the financial year ended 31 March 2005.

Outlook for the financial year ending 31 March 2006

The Ministry of Trade and Industry forecasted GDP to grow by 3-5% in 2005, in line with the economy's medium-term growth potential. The more modest pace of growth compared with 2004 reflects the expectation of slower growth in the external economies and global IT industry as well as the elimination of the low base effect in 2003. This was reflected in the first quarter 2005 flash estimates released by MTI which showed that the economy grew by only 2.4% year on year, and was 5.8% down on the previous quarter due to volatility in the pharmaceutical sector.

According to CB Richard Ellis 4Q 2004 industrial market research, overall demand for industrial space is expected to remain moderate and selective in the first half of 2005. There is anecdotal evidence that some industrialists who moved their operations from Singapore to China previously may have plans to bring some of these operations back to Singapore in the foreseeable future. This is partly due to the increasing skilled labour costs and labour shortages in some parts of China. If these plans materialize, there could be renewed demand in Singapore from such companies.

On the other hand, the government also recently announced a series of budget measures to strengthen Singapore as a logistics hub which may induce more logistics companies to expand their operations in Singapore which is a potential boost to the industrial market in 2005.

Barring any unforeseen circumstances, the Manager of A-REIT is confident to exceed the projected DPU of 9.94 cents for the year ending 31 March 2006 (as stated in the circular dated 18 November 2004) due to the expected DPU accretion from acquisitions recently announced, subject to the economy performing in line with MTI forecasts.

11 Distributions**(a) Current financial period**

Any distributions declared for the current financial period : Yes

Name of distribution :	Sixth distribution for the three months ended 31 March 2005
Distribution Type :	Income
Distribution Rate :	Ascendasreit class: 2.70 cents per unit (representing period from 1 January 2005 to 31 March 2005) Ascendasreit A class: 0.87 cents per unit (representing period from 2 March 2005 to 31 March 2005)
Par value of units :	Not meaningful
Tax Rate :	Individuals who receive such distribution as investment income (excluding income received through partnership) will be exempted from tax. Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their own marginal rate subsequently. Investors using CPF funds and SRS funds will also receive pre tax distributions. These distributions are tax exempt where the distributions received are returned to CPF and SRS accounts. Qualifying foreign non-individual investor will receive their distributions after deduction of tax at the rate of 10%. All other investors will receive their distributions after deduction of tax at the rate of 20%.
Book closure date :	29 April 2005
Date payable :	31 May 2005

(b) Corresponding period of the immediately preceding year

Any distributions declared for the previous corresponding financial period : Yes

Name of distribution :	Advanced distribution for period 1 October 2003 to 3 March 2004
Distribution Type :	Income
Distribution Rate :	3.47 cents per unit (representing 5 months and 3 days)
Par value of units :	Not meaningful
Tax Rate :	Qualifying individuals received pre-tax distributions and paid tax at their own marginal rate for distributions made out of income for the period from 1 October 2003 to 31 December 2003. The distributions made out of income for the period from 1 January 2004 to 3 March 2004 to individuals who received such distributions as investment income (excluding income received through partnership) were exempted from tax. Qualifying corporate investors received pre-tax distributions and paid tax on the distributions at their own marginal rate subsequently. Investors using CPF funds and SRS funds also received pre tax distributions. These distributions were tax exempt where the distributions received were returned to CPF and SRS accounts. All other investors received their distributions after deduction of tax at the rate of 20%
Book closure date :	16 February 2004
Date paid :	26 April 2004

12 If no distribution has been declared/(recommended), a statement to that effect

NA

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13 Segmented revenue and results for business or geographical segments (of the group)

A-REIT's business is investing in industrial properties (including science & business park, light industrial, hi-tech industrial and distribution & logistics properties) and all the existing properties are located in Singapore.

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Section 9 for the review of the actual performance.

15 Breakdown of sales

	Actual 01/04/04 to 31/03/05 S\$'000	Actual 01/04/03 to 31/03/04 S\$'000	Increase / (Decrease) %
(a) Gross revenue reported for first half year	54,399	31,905	71%
(b) Net investment income after tax for first half year	31,851	20,463	56%
(c) Gross revenue reported for second half year	74,588	34,009	119%
(d) Net investment income after tax for second half year	43,366	20,128	115%

16 Breakdown of the total distribution for the financial year ended 31 March 2005

Annual distribution to unitholders

	Actual 01/04/04 to 31/03/05 S\$'000	Actual 01/04/03 to 31/03/04 S\$'000
1 Jan 05 to 31 Mar 05 (Note a)	-	-
1 Oct 04 to 31 Dec 04	21,138	-
4 Mar 04 to 30 Sep 04	38,176	-
1 Oct 03 to 3 Mar 04	18,971	-
1 Apr 03 to 30 Sep 03	-	22,109
19 Nov 02 to 31 Mar 03	-	15,151
Total distribution to unitholders	78,285	37,260

Footnote

(a) Please refer to para 11(a).

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.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

By order of the Board
Ascendas-MGM Funds Management Limited

Tay Hsiu Chieh
Company Secretary
14 April 2005