

A-REIT renewed and leased 51,816 sqm of space in 3Q FY06/07

15 January 2006, Singapore – Ascendas Real Estate Investment Trust (“A-REIT”) has renewed and signed new leases (including expansions) amounting to a total net lettable area of 51,816 sqm for the three months ended 31 December 2006 (the “Period”). These leases represent 7.7% of the net lettable area of its multi-tenanted buildings⁽¹⁾ (which accounts for about 54.1% of its portfolio value) and an annualised rental income of S\$11.9 million for A-REIT.

Total new leases (including expansions) for the Period was 14,942 sqm, of which 44.3% was in Business and Science Parks, and 24.2% was in Hi-Tech Industrial properties. The remaining 31.6% was in the other 2 asset classes – Light Industrial properties and Logistics and Distribution centres. The net allocation for this Period was 2,925 sqm.

A-REIT’s portfolio comprises 54.1% multi-tenanted buildings and 45.9% sale-and-leaseback properties based on portfolio value.

The average gross rent for the expansions, new leases and renewals in this Period for Business and Science Parks was \$26.18 per sqm per month; \$20.00 per sqm per month for Hi-Tech Industrial properties; \$15.28 per sqm per month for Light Industrial properties; and \$15.47 per sqm per month for Logistics and Distribution centres.

Alison Wong, Portfolio Manager (Hi-Tech Industrial properties) of Ascendas-MGM Funds Management Limited (“A-MGM”) said, “We are pleased that the continued recovery in the high end of the industrial property market has resulted in our renewal rates for properties in the Hi-Tech Industrial as well as the Business and Science Park sectors to increase by about 14% above existing rates during this Period. We will continue to strengthen our relationship with our existing tenants and also to market and attract new customers to our properties in order to maintain and enhance A-REIT’s steady stream of income.”

⁽¹⁾ Multi-tenanted buildings in A-REIT’s portfolio as at 31 December 2006 include: (1) The Alpha (2) The Aries (3) The Capricorn (4) The Gemini (5) Honeywell Building (6) Telepark (7) Techquest (8) Techplace I (9) Techplace II (10) Ubi Biz-Hub 4 (11) Tampines Biz-Hub (12) 84 Genting Lane (13) 150 Ubi Avenue 4 (14) KA Centre (15) KA Place (16) Techlink (17) Techpoint (18) Techview (19) Siemens Center (20) Pacific Tech Centre (21) 1 Jalan Kilang (22) 50 Kallang Avenue (23) Changi Logistics Centre (24) LogisTech (25) Nan Wah Building (26) Xilin Districentre Building A & B (27) Xilin Districentre Building D (28) 1 Changi South Lane (29) LogisHub@Clementi (30) Exclusiv Centre

The overall portfolio occupancy rate as at 31 December 2006 declined slightly to 96.1% compared to 97.2% as at 30 September 2006 mainly due to the non-renewal of two large tenants in the Logistics and Distribution centres portfolio, one of which consolidated its operations to its own premises. The outlook for the logistics property sector remains subdued due to the expected new supply of about 310,000 sq m over the next one to two years.

Looking ahead, business expansion and new investments in a broad range of industrial sectors are expected to continue to fuel demand for industrial space. In addition, a spillover effect from the present tight supply and rising rent in the Central Business District is expected to increase demand for business park and high specification industrial space. In view of this, A-REIT expects continued healthy demand for Business and Science Parks, and Hi-Tech Industrial space. However, the outlook for the flatted factories and the Logistics and Distribution centres sectors remain subdued because of the relatively high vacancy rates in the former sector and expected new supply in the latter sector.

Some of the new tenants that A-REIT welcomed in this quarter include: Phoenix Communications Pte Ltd at Pacific Tech; Man Financial (S) Pte Ltd at Techlink; PL Asia Pacific (Singapore) Pte Ltd at Gemini; and Harrier Technology Pte Ltd at Techplace II.

Existing tenants expanding their space include: Fischer Systems Asia Pte Ltd at KA Centre; i-DNA Biotechnology Pte Ltd at Gemini; Sunstar Engineering Pte. Ltd at Alpha; and Dufry Singapore Pte Ltd at Tampines Biz-Hub.

Tenants who have renewed their leases with A-REIT include: Schneider Electric South East Asia (HQ) Pte Ltd at Techpoint; Scandent Group Pte Ltd at Techquest; Manufacturing Integration Technology Pte Ltd at Techplace II; and Speedmark Logistics Pte Ltd at LogisTech.

As announced in the last leasing update released to the market on 17 October 2007, one of A-REIT's tenants, Ness Display Singapore Pte Ltd ("Ness") has gone into liquidation. Ness had leased about 8,073 sqm (0.58% of portfolio NLA) of space and its monthly rental represents less than 1% of A-REIT's monthly gross revenue. The Manager continues to market the space to prospective tenants. There is a cash security deposit remaining from Ness equivalent to approximately five months rent which could be used to partially offset potential negative impact on A-REIT's financial results in the future.

Table 1: Occupancy Rate of MTBs in A-REIT's portfolio as at 31 December 2006

A	MULTI-TENANTED BUILDINGS	Gross Floor Area (sqm)	Net Lettable Area (sqm)	Occupancy Rate
	Business & Science Parks			
1.	The Alpha	24,633	17,855	89.9%
2.	The Aries	14,695	13,557	93.6%
3.	The Capricorn	28,602	22,426	96.3%
4.	The Gemini	32,629	27,545	78.6%
5.	Honeywell Building	18,123	14,635	100.0%
6.	Telepark	40,555	24,252	99.8%
7.	Techquest	7,920	6,580	100.0%
	Light Industrial			
8.	Tampines Biz-Hub	18,086	13,926	99.6%
9.	Ubi Biz-Hub	12,978	10,874	100.0%
10.	84 Genting Lane	11,917	9,779	99.2%
11.	27 Ubi Road 4	9,087	8,082	87.6%
12.	Techplace I	81,981	59,669	91.2%
13.	Techplace II	100,391	71,400	97.2%
14.	Exklusiv Centre	12,803	10,513	100.0%
	Hi-tech Industrial			
15.	1 Jalan Kilang	7,158	6,025	100.0%
16.	50 Kallang Avenue	18,584	14,522	93.0%
17.	KA Centre	19,638	12,806	94.3%
18.	KA Place	10,163	6,812	79.6%
19.	Pacific Tech Centre	25,718	19,682	92.4%
20.	Siemens Center	36,529	27,781	100.0%
21.	Techlink	48,007	34,556	90.7%
22.	Techpoint	56,196	41,904	99.8%
23.	Techview	50,985	38,962	91.2%
	Logistics & Distribution Centres			
24.	1 Changi South Lane	25,583	23,146	74.0%
25.	Changi Logistics Centre	51,742	38,697	94.4%
26.	LogisHub@Clementi	26,505	22,481	82.2%
27.	Nan Wah Building	18,794	15,878	100.0%
28.	LogisTech	35,100	27,360	77.8%
29.	Xilin Districentre Building A & B	24,113	20,992	100.0%
30.	Xilin Districentre Building D	17,651	14,358	100.0%
	Sub-total for Multi-tenanted Buildings	886,866	677,055	93.1%

Table 1: Properties with long-term leases in A-REIT's portfolio as at 31 Dec 06

B.	SINGLE-TENANTED BUILDINGS	Gross Floor Area (sqm)	Net Lettable Area (sqm)	Occupancy Rate
	Business & Science Parks			
31.	NESS Building	9,593	8,073	0.0%
32.	PSB Building	32,013	21,689	100.0%
33.	Ultro Building	11,450	10,127	100.0%
34.	LabOne Building	10,116	8,202	100.00%
	Light Industrial			
35.	37A Tampines St 92	12,011	9,604	100.0%
36.	AEM-Evertech Building	14,767	11,799	100.0%
37.	53 Serangoon North Ave 4	10,589	8,329	100.0%
38.	Aztech Building	15,934	13,997	100.0%
39.	BBR Building	6,501	5,421	100.0%
40.	Da Vinci Building	14,929	13,789	100.0%
41.	Ghim Li Building	8,046	7,230	100.0%
42.	Hamilton Sundstrand Building	17,737	16,744	100.0%
43.	Hoya Building	5,092	5,092	100.0%
44.	Hyflux Building	20,465	16,980	100.0%
45.	NNB Industrial Building	11,537	9,794	100.0%
46.	OSIM HQ Building	17,683	15,068	100.0%
47.	Progen Building	19,887	17,267	100.0%
48.	SB Building	13,998	11,895	100.0%
49.	Steel Industries Building	12,930	11,254	100.0%
50.	Thales Building	6,299	6,049	100.0%
51.	Volex Building	8,931	8,000	100.0%
52.	Weltech Building	7,998	6,509	100.0%
	Hi-tech Industrial			
53.	138 Depot Road	29,626	26,485	100.0%
54.	Infineon Building	27,278	27,109	100.0%
55.	Kim Chuan Telecommunications Complex	35,456	25,129	100.0%
56.	Wisma Gulab	15,557	11,821	100.0%
	Logistics & Distribution Centres			
57.	Xilin Districentre Building C	18,708	13,660	100.0%
58.	C&P Logistics Hub	138,409	128,021	100.0%
59.	Freight Links (Changi) Building	23,208	20,724	100.0%
60.	Freight Links (Toh Guan) Building	29,741	23,723	100.0%

Table 1: Properties with long-term leases in A-REIT's portfolio as at 30 Dec 06

B.	SINGLE-TENANTED BUILDINGS	Gross Floor Area (sqm)	Net Lettable Area (sqm)	Occupancy Rate
	Logistics & Distribution Centres			
61.	IDS Logistics Corporate HQ	23,751	21,883	100.0%
62.	JEL Centre	10,107	9,494	100.0%
63.	MacDermid Building	4,937	4,321	100.0%
64.	SENKEE Logistics Hub	41,658 ⁽²⁾	28,421	100.0%
65.	TT International Tradepark	52,156	42,765	100.0%
66.	Logistics 21	39,971	47,616	100.0%
67.	Sembawang Kimtrans Logistics Centre	16,353	15,410	100.0%
	Warehouse Retail Scheme			
68.	Courts	28,395	28,395	100.0%
	Sub-total for Single-tenanted Buildings	795,422	717,889	98.9%
	Portfolio Total	1,682,288	1,394,944	96.1%

- End -

A-REIT (www.a-reit.com)

A-REIT is the first business space and light industrial real estate investment trust ("REIT") listed on the SGX-ST. It has a diversified portfolio of 71 properties in Singapore, comprising suburban office space (including business park and science park properties), high specifications industrial mixed use properties, light industrial properties, and logistics and distribution centres, with a book value of S\$3.1 billion. These properties house a tenant base of over 750 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 SingTel, C&P Logistics, Siemens, TT International, Honeywell, IHPC, Zuellig Pharma, LFD (Singapore), OSIM International, Venture Corporation, Federal Express, Freight Links Express, Johnson & Johnson, RSH, Infineon Technologies, Procter & Gamble, Hyflux and Hewlett-Packard.

A-REIT is listed in several indices. These include the Morgan Stanley Capital International, Inc (MSCI) Index, the European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and Global Property Research (GPR) Asia 250.

A-REIT is managed by **Ascendas-MGM Funds Management Limited** (in its capacity as manager of A-REIT), a 60:40 joint venture between Singapore-based Ascendas Pte Ltd and Australian-based Macquarie Goodman Management Limited.

⁽²⁾ GFA for SENKEE Logistics Hub excludes 43,000 sqm under construction for the stage 2 asset enhancement (subject to survey).

For enquiries, please contact:

Media

Sabrina Tay (Ms)
Snr Executive, Corporate Communications
Ascendas-MGM Funds Management Ltd
Tel : +65 6774 9152
Mobile : +65 9731 8621
Email : sabrina.tay@ascendas-mgm.com

Analysts

Tan Shu Lin
Fund & Investor Relations Manager
Ascendas-MGM Funds Management Ltd
Tel : +65 6774 9610
Mobile : +65 9248 4446
Email : shulin.tan@ascendas-mgm.com

Important Notice

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of A-REIT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of A-REIT is not necessarily indicative of the future performance of A-REIT.

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 other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.