

**A-REIT sets record high occupancy rate of
98.7% in 3Q FY2007/08**

17 January 2008, Singapore – Ascendas Real Estate Investment Trust (“A-REIT”) has renewed and signed new leases (including expansions) amounting to a total net lettable area of 46,933 sqm for the three months ended 31 December 2007 (the “Period”). These leases represent 6.8% of the net lettable area of its multi-tenanted buildings⁽¹⁾ and an annualised rental income of S\$11.1 million for A-REIT.

The overall portfolio occupancy rate increased to a record high of 98.7% as at 31 December 2007 compared to 96.1% a year ago. Occupancy rate for A-REIT’s multi-tenanted buildings has also increased to 97.0% at the end of the Period versus 96.2% as at 30 September 2007.

Total new leases (including expansions) for the Period were 16,961 sqm, of which 28.7% was in Business and Science Parks, and 32.8% was in Hi-Tech Industrial properties. The remaining 38.6% was in the other two sectors – Light Industrial & Flatted Factories and Logistics & Distribution Centres.

A-REIT’s portfolio comprises 51% multi-tenanted buildings and 49% sale-and-leaseback properties based on portfolio value.

The gross rental rates for the expansions, new leases and renewals in this Period are as follows:

Rental Rates (S\$ psm per month)			
Sector	Range	Weighted Average	Median
Business & Science Park	\$29.42 - \$45.74	\$38.63	\$38.75
Hi-tech Industrial	\$25.85 - \$40.90	\$33.15	\$32.65
Light Industrial & Flatted Factories	\$14.50 - \$27.00	\$16.95	\$15.60
Logistics & Distribution Centres	\$18.51 - \$30.14*	\$25.36	\$26.38

* For office space within logistics buildings

⁽¹⁾ Refer Table 1A for a list of Multi-tenanted buildings

Mr Tan Tuan Hong, Chief Financial Officer of Ascendas-MGM Funds Management Limited (“A-MGM”) said, “Through our active asset management strategies, we are pleased to report a further improvement of the portfolio occupancy rate to 98.7% for the quarter ended 31 December 2007 which translates to an incremental annualized income of S\$11.1 million. Occupancy rate for our multi-tenanted buildings also increased to 97.0% compared to 93.1% a year ago. This is mainly attributed to the continued healthy demand for business space in the Business & Science Parks and Hi-Tech Industrial sectors which registered an occupancy rate of 96.7% and 97.6% respectively.

Expansion and renewed leases account for approximately 80% of the leases that were signed this quarter. Renewal rates for Science & Business Parks and Hi-Tech Industrial sectors registered a double-digit growth of 46.1% and 71.5% over previous transacted rates respectively. This is a testament to A-REIT’s ability to maintain a strong landlord-tenant relationship through a comprehensive customer care programme and its ability to enhance and achieve growth in its existing portfolio.

In addition, we are pleased to announce that HansaPoint@CBP, a partial built-to-suit development project undertaken by A-REIT in November 2006, has attained 100% pre-committed occupancy during the construction period. The development is expected to be completed in February 2008. This is a strong indication of our marketing capabilities and the trust that our customers have in A-REIT.”

Capitalising on under-utilized plot ratio to create additional lettable space and thereby generating growth, the Manager has earlier announced four asset enhancement initiatives. The projects are well under way and are expected to be completed by end 2008. When completed in December 2008, Hoya Building and Thales Building will add a combined 2,605 sqm of net lettable space to the existing buildings while the asset enhancement initiative for Alpha will be completed in February 2008. The spaces created have all been pre-committed.

Looking ahead, demand for industrial space is likely to remain healthy, particularly for the Business Parks and Hi-Tech Industrial sectors as a result of a numbers of multi-national companies setting up facilities in Singapore and the continued spillover effect from the tight office supply in the central business district. Anticipated high supply of 702,000 sqm in the logistics & distribution centres sector for the next two years is expected to dampen rental rate.

Some of the new tenants that A-REIT welcomed in this quarter include: Pfizer Private Limited at Capricorn and Trans Living International Pte. Ltd at LogisTech.

Tenants who have renewed their leases with A-REIT include: Johnson & Johnson Pte. Ltd. at Aries; Quintiles East Asia Pte Ltd at 1 Jalan Kilang as well as 3Com Asia Pacific Rim Pte Ltd and Nuance-Watson (Singapore) Pte Ltd at LogisTech.

Table 1A: Occupancy Rate of MTBs in A-REIT's portfolio as at 31 December 2007

A	MULTI-TENANTED BUILDINGS	Gross Floor Area (sqm)	Net Lettable Area (sqm)	Occupancy Rate
	Business & Science Parks			
1.	The Alpha	24,633	17,855	96.3%
2.	The Aries	14,695	13,557	96.6%
3.	The Capricorn	28,602	22,257	96.3%
4.	The Gemini	32,629	27,267	92.2%
5.	Honeywell Building	18,123	14,681	100.0%
6.	Telepark	40,555	24,628	100.0%
7.	Techquest	7,920	6,580	100.0%
8.	iQuest @ IBP	12,143	9,079	94.0%
	Light Industrial			
9.	Techplace I	81,981	59,598	93.1%
10.	Techplace II	100,391	70,849	96.6%
11.	247 Alexandra Road	13,699	10,513	100.0%
12.	27 Ubi Road 4	9,087	8,082	87.6%
13.	Tampines Biz-Hub	18,086	14,638	96.2%
14.	84 Genting Lane	11,917	9,779	79.9%
15.	Ubi Biz-Hub	12,978	10,937	100.0%
	Hi-tech Industrial			
16.	Techlink	48,007	34,563	97.6%
17.	Siemens Center	36,529	27,781	100.0%
18.	Techpoint	56,107	41,955	100.0%
19.	KA Centre	19,638	13,301	100.0%
20.	KA Place	10,163	6,812	85.4%
21.	Pacific Tech Centre	31,095	19,687	100.0%
22.	Techview	50,985	38,680	93.4%
23.	1 Jalan Kilang	7,158	6,025	100.0%
24.	50 Kallang Avenue	18,584	14,574	96.9%
	Logistics & Distribution Centres			
25.	LogisTech	31,033	27,293	99.6%
26.	Changi Logistics Centre	51,742	38,854	98.3%
27.	Nan Wah Building	18,794	15,858	100.0%
28.	Xilin Districentre Building A & B	24,113	20,878	100.0%
29.	Xilin Districentre Building D	17,651	14,358	100.0%
30.	LogisHub@Clementi	26,505	22,481	100.0%
31.	1 Changi South Lane	25,767	23,793	100.0%
	Sub-total for Multi-tenanted Buildings	901,310	687,193	97.0

Table 1: Properties with long-term leases in A-REIT's portfolio as at 31 December 2007

B	SINGLE-TENANTED BUILDINGS	Gross Floor Area (sqm)	Net Lettable Area (sqm)	Occupancy Rate
	Business & Science Parks			
1.	Ultro Building	11,450	10,127	100.0%
2.	30 Tampines Industrial Ave 3	9,593	8,073	100.0%
3.	PSB Building	32,013	21,689	100.0%
4.	LabOne Building	8,202	8,202	100.0%
	Light Industrial			
5.	OSIM HQ Building	17,683	15,068	100.0%
6.	Ghim Li Building	8,046	7,230	100.0%
7.	Progen Building	19,887	17,267	100.0%
8.	SB Building	13,998	11,895	100.0%
9.	Steel Industries Building	12,930	11,254	100.0%
10.	Volex Building	8,931	8,000	100.0%
11.	53 Serangoon North Ave 4	10,589	8,329	100.0%
12.	Da Vinci Building	14,929	13,789	100.0%
13.	52 Serangoon North Ave 4	14,767	11,799	100.0%
14.	Hyflux Building	20,465	16,980	100.0%
15.	Weltech Building	7,998	6,509	100.0%
16.	BBR Building	6,501	5,421	100.0%
17.	Hoya Building	5,092	5,092	100.0%
18.	NNB Industrial Building	11,537	9,794	100.0%
19.	37A Tampines St 92	12,011	9,604	100.0%
20.	Hamilton Sundstrand Building	17,737	16,744	100.0%
21.	Thales Building	6,299	6,248	100.0%
22.	Aztech Building	15,934	15,934	100.0%
23.	Super Industrial Building	23,457	18,079	100.0%
24.	26 Senoko Way	12,616	10,723	100.0%
25.	1 Kallang Place	15,490	12,265	100.0%
26.	11 Woodlands Terrace	2,778	2,280	100.0%
27.	18 Woodlands Loop	18,422	16,601	100.0%
28.	9 Woodlands Terrace	2,778	2,280	100.0%
29.	1 Senoko Avenue	10,524	8,843	100.0%
	Hi-tech Industrial			
30.	Infineon Building	27,278	27,278	100.0%
31.	Wisma Gulab	15,557	11,821	100.0%
32.	Kim Chuan Telecommunications Complex	35,456	25,129	100.0%
33.	138 Depot Road	29,626	26,485	100.0%
34.	2 Changi South Lane	26,300	20,939	100.0%

Logistics & Distribution Centres				
35.	IDS Logistics Corporate HQ	23,751	21,883	100.0%
36.	TT International Tradepark	52,156	42,765	100.0%
37.	C&P Logistics Hub	138,409	128,021	100.0%
38.	MacDermid Building	5,064	4,321	100.0%
39.	Freight Links (Changi) Building	23,208	20,724	100.0%
40.	Freight Links (Toh Guan) Building	29,741	23,723	100.0%
41.	Xilin Districentre Building C	18,708	13,660	100.0%
42.	SENKEE Logistics Hub	41,658	28,421	100.0%
43.	JEL Centre	10,107	9,494	100.0%
44.	Logistics 21	48,140	47,616	100.0%
45.	Sembawang Kimtrans Logistics Centre	16,353	15,410	100.0%
46.	Goldin Building	20,094	19,171	100.0%
Warehouse Retail Scheme				
47.	Courts Megastore	24,868	24,868	100.0%
48.	Giant Hypermart	42,194	33,444	100.0%
Sub-total for Single-tenanted Buildings		1,001,325	861,292	100.0%
Portfolio Total		1,902,635	1,548,485	98.7%

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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 79 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 total assets of S\$3.42 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, 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, FTSE ST Mid Cap Index.

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.

For enquiries, please contact:

Sabrina Tay (Ms)
Senior Executive, Corporate Communications
Ascendas-MGM Funds Management Ltd
Tel : +65 6774 9152
Mobile : +65 9833 5833
Email : sabrina.tay@ascendas-mgm.com

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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.