

A-REIT renewed and leased 60,794 sqm of space in 4Q FY06/07

17 April 2007, Singapore – Ascendas Real Estate Investment Trust (“A-REIT”) has renewed and signed new leases (including expansions) amounting to a total net lettable area of 60,794 sqm for the three months ended 31 March 2007 (the “Period”). These leases represent 8.8% of the net lettable area of its multi-tenanted buildings⁽¹⁾ and an annualised rental income of S\$12.4 million for A-REIT.

Total new leases (including expansions) for the Period were 9,866 sqm, of which 19.7% was in Business and Science Parks, and 25.4% was in Hi-Tech Industrial properties. The remaining 54.9% was in the other two asset classes – Light Industrial & Flatted Factories and Logistics & Distribution centres.

A-REIT’s portfolio comprises 51.4% multi-tenanted buildings and 48.6% 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 \$24.03 per sqm per month; \$22.30 per sqm per month for Hi-Tech Industrial properties; \$14.89 per sqm per month for Light Industrial & Flatted Factories; and \$12.96 per sqm per month for Logistics & Distribution centres.

Tan Shu Lin, Fund Manager of Ascendas-MGM Funds Management Limited (“A-MGM”) said, “Through our active asset management strategies, we are pleased to achieve renewal and new leases which amount to an annualized income of S\$12.4 million. The increased demand in Hi-Tech Industrial as well as Business and Science Park properties, partly due to a spillover effect from the tight supply and rising rent in the Central Business District, resulted in a positive rental reversion of 18.5% and 13.1% respectively in FY2006/07. We will continue to strengthen our relationship with our existing tenants and also market and attract new tenants to our properties so as to maintain and enhance A-REIT’s steady stream of income.”

⁽¹⁾ Multi-tenanted buildings in A-REIT’s portfolio as at 31 March 2007 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) 247 Alexandra Road (31) iQuest @ IBP

The overall portfolio occupancy rate remained at 96.6% as at 31 March 2007 compared to 95.0% in the prior corresponding period.

Looking ahead, demand for industrial space is expected to remain buoyant due to the continued business expansion and new investments in a wide range of industrial sectors. The extremely tight central business district office supply could continue to push up office rental resulting in more tenants moving their back-end offices to suburban locations. Given the limited new supply of quality suburban office space, demand for quality business park and high specification industrial space is expected to be strong. In view of this, A-REIT expects continued healthy demand in the Business and Science Parks sector, as well as for 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 expected new supply particularly in the latter sector where 471,000sm of space is expected in 2007.

Some of the new tenants that A-REIT welcomed in this quarter include: Aberdeen Asset Management Asia Limited at Techpoint; Honda Connectors (S) Pte Ltd at KA Place; and Crown Worldwide Pte Ltd at Changi Logistics Centre.

Existing tenants expanding their space include: I-Flex Solutions Pte Ltd at iQuest @ IBP; Telstra Singapore Pte Ltd at Pacific Tech Centre; and Birkart Globistics (S.E.A.) Pte Ltd at Logishub@Clementi.

Tenants who have renewed their leases with A-REIT include: Verizon Communications Singapore Pte Ltd at Aries; Unaxis Singapore Pte Ltd at Capricorn; Blueprint Impex Pte Ltd at Techquest; Entegris Singapore Pte Ltd at Techpoint; Daikin Asia Servicing Pte Ltd and Zuellig Pharma Pte Ltd at Changi Logistics Centre; Venture Corporation Ltd at Techplace II; and Hock Cheong Printing Pte Ltd at Techplace II.

As part of A-REIT's proactive asset management strategies, we will soon commence an asset enhancement initiative for The Alpha, a property located in Singapore Science Park 2, to construct additional 3,527 sq m of space. Upon completion in December 2007, the entire space will be leased to SGX-Listed FJ Benjamin Group for 10 years. The yield for this property is expected to increase by about 0.5% as a result of this initiative.

A-REIT has previously announced that one of its tenants, Ness Display Singapore Pte Ltd ("Ness"), had gone into liquidation. Ness had leased about 8,073 sqm (0.53% 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 and is pleased to advise that the space is currently under offer. The prospective tenant currently occupies space in one of Ascendas Group's building. This development is a testament to A-REIT's ability to leverage off its sponsor's capabilities while engaging in proactive asset management strategies to effectively market our quality business space. Accordingly there is not expected to be any significant negative impact on A-REIT's financial results in FY2007/08.

IHPC, a tenant in The Capricorn in Science Park II, recently advised that it will be relocating to one-North from April 2009. IHPC occupies 5091 sqm of the net lettable space in The Capricorn. The Manager is confident that it will be able to re-let the space within the next two years given the tight supply and growing rental market conditions in the business and science park sector.

Table 1: Occupancy Rate of MTBs in A-REIT's portfolio as at 31 March 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	91.5%
2.	The Aries	14,695	13,557	95.3%
3.	The Capricorn	28,602	22,257	96.3%
4.	The Gemini	32,629	27,267	79.0%
5.	Honeywell Building	18,123	14,681	100.0%
6.	Telepark	40,555	24,628	100.0%
7.	Techquest	7,920	6,580	96.8%
8.	iQuest @ IBP	12,143	9,079	84.3%
	Light Industrial			
9.	Tampines Biz-Hub	18,086	14,638	98.4%
10.	Ubi Biz-Hub	12,978	10,937	100.0%
11.	84 Genting Lane	11,917	9,779	96.1%
12.	27 Ubi Road 4	9,087	8,082	87.6%
13.	Techplace I	81,981	59,598	92.4%
14.	Techplace II	100,391	70,849	96.4%
15.	Exklusiv Centre	13,699	10,513	100.0%
	Hi-tech Industrial			
16.	1 Jalan Kilang	7,158	6,025	100.0%
17.	50 Kallang Avenue	18,584	14,574	95.9%
18.	KA Centre	19,638	13,301	95.9%
19.	KA Place	10,163	6,812	79.6%
20.	Pacific Tech Centre	31,095	19,687	92.4%
21.	Siemens Center	36,529	27,781	100.0%
22.	Techlink	48,007	34,563	94.8%
23.	Techpoint	56,196	41,955	100.0%
24.	Techview	50,985	38,680	91.2%
	Logistics & Distribution Centres			
25.	1 Changi South Lane	25,767	23,793	74.0%
26.	Changi Logistics Centre	51,742	38,854	96.9%
27.	LogisHub@Clementi	26,505	22,481	91.6%
28.	Nan Wah Building	18,794	15,858	100.0%
29.	LogisTech	31,033	27,293	76.9%
30.	Xilin Districentre Building A & B	24,113	20,878	100.0%
31.	Xilin Districentre Building D	17,651	14,358	100.0%
	Sub-total for Multi-tenanted Buildings	901,399	687,193	93.7%

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

B.	SINGLE-TENANTED BUILDINGS	Gross Floor Area (sqm)	Net Lettable Area (sqm)	Occupancy Rate
	Business & Science Parks			
32.	NESS Building	9,593	8,073	0.0%
33.	PSB Building	32,013	21,689	100.0%
34.	Ultro Building	11,450	10,127	100.0%
35.	LabOne Building	8,202	8,202	100.0%
	Light Industrial			
36.	37A Tampines St 92	12,011	9,604	100.0%
37.	AEM-Evertech Building	14,767	11,799	100.0%
38.	53 Serangoon North Ave 4	10,589	8,329	100.0%
39.	Aztech Building	15,934	15,934	100.0%
40.	BBR Building	6,501	5,421	100.0%
41.	Da Vinci Building	14,929	13,789	100.0%
42.	Ghim Li Building	8,046	7,230	100.0%
43.	Hamilton Sundstrand Building	17,737	16,744	100.0%
44.	Hoya Building	5,092	5,092	100.0%
45.	Hyflux Building	20,465	16,980	100.0%
46.	NNB Industrial Building	11,537	9,794	100.0%
47.	OSIM HQ Building	17,683	15,068	100.0%
48.	Progen Building	19,887	17,267	100.0%
49.	SB Building	13,998	11,895	100.0%
50.	Steel Industries Building	12,930	11,254	100.0%
51.	Thales Building	6,299	6,248	100.0%
52.	Volex Building	8,931	8,000	100.0%
53.	Weltech Building	7,998	6,509	100.0%
54.	Super Industrial Building	23,457	18,079	100.0%
55.	26 Senoko Way	12,616	10,723	100.0%
56.	1 Kallang Place	15,490	12,265	100.0%
57.	18 Woodlands Loop	18,422	16,601	100.0%
58.	9 Woodlands Terrace	2,778	2,280	100.0%
59.	11 Woodlands Terrace	2,778	2,280	100.0%
	Hi-tech Industrial			
60.	138 Depot Road	29,626	26,485	100.0%
61.	Infineon Building	27,278	27,278	100.0%
62.	Kim Chuan Telecommunications Complex	35,456	25,129	100.0%
63.	Wisma Gulab	15,557	11,821	100.0%

64.	2 Changi South Lane	26,300	20,939	100.0%
Logistics & Distribution Centres				
65.	Xilin Districentre Building C	18,708	13,660	100.0%
66.	C&P Logistics Hub	138,409	128,021	100.0%
67.	Freight Links (Changi) Building	23,208	20,724	100.0%
68.	Freight Links (Toh Guan) Building	29,741	23,723	100.0%
69.	IDS Logistics Corporate HQ	23,751	21,883	100.0%
70.	JEL Centre	10,107	9,494	100.0%
71.	MacDermid Building	4,937	4,321	100.0%
72.	SENKEE Logistics Hub	41,658 ⁽²⁾	28,421	100.0%
73.	TT International Tradepark	52,156	42,765	100.0%
74.	Logistics 21	48,140	47,616	100.0%
75.	Sembawang Kimtrans Logistics Centre	16,353	15,410	100.0%
Warehouse Retail Scheme				
76.	Courts	24,868	24,868	100.0%
77.	Giant Hypermart	42,194	33,444	100.0%
Sub-total for Single-tenanted Buildings		947,146	833,278	99.0%
Portfolio Total		1,848,545	1,520,471	96.6%

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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 77 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\$3.3 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.

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).

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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.