

**A-REIT issues 7-Year AAA-rated CMBS priced  
at 20 basis points above Euribor**

**Singapore, 14 May 2007** – Ascendas Real Estate Investment Trust (“**A-REIT**”) is pleased to announce that its issue of approximately Euro 197.5 million (S\$395 million equivalent) AAA-rated Commercial Mortgage Backed Securities (“**CMBS**”) has been priced at 20 basis points above the Euro Interbank Offered Rate (“**EURIBOR**”). The CMBS is being issued by Emerald Assets Limited (“**Emerald**”), a special purpose vehicle, as Euro-denominated notes (the “**Notes**”) which are backed and secured by the cashflow and assets from 50 of A-REIT’s properties. This is the third CMBS issue by Emerald Assets Limited under its recently enlarged S\$5 billion multi-currency secured medium-term note programme.

Mr Tan Ser Ping, Chief Executive Officer of Ascendas-MGM Funds Management Limited, as manager of A-REIT (the “**Manager**”), said, "We are pleased to complete A-REIT’s third Euro denominated CMBS issue. The issue provides A-REIT with very competitive long-term debt financing terms. Compared with previous issues, we were able to lower the margin above EURIBOR on progressively more flexible terms which signals an increasing acceptance by the market that Singapore-based debt securities can be priced on comparable terms to similar European products."

The Euro proceeds from the CMBS issue have been swapped into Singapore Dollars and on-lent to A-REIT to refinance its existing bank loans and for general working capital purposes. A-REIT will repay some of its existing bank debt using the proceeds of the CMBS issue. A-REIT will pay Emerald a margin of 20 basis points above the Singapore swap offered rate.

The CMBS issue provides A-REIT with certainty of funding for the next seven years and further diversifies its debt maturity profile and funding source. In addition, this provides A-REIT with significant capacity to fund future acquisitions and development projects by drawing down on its available standby bank facilities. A-REIT’s future

debt financing could be undertaken via these bank facilities and/or from subsequent issues under the CMBS programme.

#### Details of the CMBS

The current CMBS transaction takes advantage of the diversity and scale offered by the A-REIT portfolio by pooling an additional 33 properties with the 17 properties that supported the inaugural EUR 144 million CMBS issued in August 2004. The aggregate portfolio provides cashflow and assets to secure the current incremental issue of EUR 197.5 million while achieving an loan-to-value of approximately 35%. The Notes have an expected maturity date of 14 May 2014 and incorporate optional prepayment terms, providing A-REIT with attractive long term financing while offering additional financial flexibility to take advantage of future opportunities.

Rating affirmation of the transaction was provided by three international rating agencies, namely Moodys Investors Service, Fitch, Inc. and Standard & Poor's Rating Services.

BNP Paribas is the sole arranger and book runner for this transaction.

For enquiries, please contact:

Shane Hagan  
Chief Financial Officer  
Ascendas-MGM Funds Management Ltd  
Tel (65) 6774 9411  
Mobile (65) 9127 7461  
Email [shane.hagan@ascendas-mgm.com](mailto:shane.hagan@ascendas-mgm.com)

#### **About A-REIT ([www.a-reit.com](http://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 and Science Parks), high specifications industrial mixed use properties, Flatted Factories, Light Industrial properties, Logistics and Distributions centres as well as warehouse retail facilities, 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.

**Important Notice**

No prospectus has been or will be registered in Singapore with the Monetary Authority of Singapore in relation to the securities described herein and the Notes are or have been offered in Singapore pursuant to exemptions invoked under Sections 274 and 275 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). This press release does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Where interest is derived from any Notes and discount income (other than discount income from secondary trading) is derived from any of the Notes the tenor of which is one year or less by any person who (i) is not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available under Section 13(1)(a) of the Income Tax Act, Chapter 134 of Singapore (the "Income Tax Act") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest or discount income derived from the Notes is not exempt from tax (including for the reasons described above) shall include such interest or discount income in a return of income made under the Income Tax Act.