



(Constituted in the Republic of Singapore
pursuant to a trust deed dated 9 October 2002 (as amended))

A-REIT Completes Acquisition of SB Building

1. Ascendas-MGM Funds Management Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”), is pleased to announce the completion of the acquisition of SB Building (the “**Property**”) for a purchase price of S\$17.8 million.
2. HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”), as trustee of A-REIT, has today exercised the call option under the Put and Call Option Agreement (the “**Option Agreement**”) entered into on 17 September 2004 between SB Façade Pte Ltd (the “**Vendor**”) and the Trustee regarding the sale and purchase of the Property located at 25 Changi South Street 1.
3. Pursuant to the Trustee’s exercise of the call option under the Option Agreement, the Trustee and the Vendor entered into the sale and purchase agreement for the Property and completed the sale and purchase on the same day for the purchase price of S\$17.8 million.
4. Following the completion of the sale and purchase of the Property, the Trustee and Soilbuild Group Holdings Ltd (“**Soilbuild**”), the holding company of the Vendor entered into a lease agreement under which Soilbuild has agreed to lease back the property from A-REIT for a term of 12 years with stepped annual rental increases.
5. The acquisition of SB Building is funded from available bank facilities, which will be repaid upon receipt of the gross proceeds from A-REIT’s equity raising, expected to be on 1 December 2004.

6. The acquisition of the Property will not have a significant impact on A-REIT's results for the financial year ending 31 March 2005. A-REIT's projected distributable income for the financial year ending 31 March 2006 disclosed in the circular dated 18 November 2004 issued by the Manager in connection with A-REIT's equity raising remains unchanged as the Property has been acquired on the same terms as those outlined in the circular.

By Order of the Board
Ascendas-MGM Funds Management Limited
Manager of A-REIT

Tay Hsiu Chieh
Company Secretary
26 November 2004

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Important Notice

The value of units in A-REIT ("**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 Singapore Exchange Securities Trading Limited ("**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.