

Press Release



A-REIT secures new investments in development projects amounting to over S\$270 million

18 October 2007, Singapore – Ascendas-MGM Funds Management Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”) is pleased to announce that A-REIT has committed to new investments for development projects amounting to S\$277 million.

The development projects are:

- two suburban business park facilities, including an amenity centre, at Plot 8 Changi Business Park to be completed in three phases; and
- an industrial facility at Pioneer Walk

Mr Tan Ser Ping, Chief Executive Officer of the Manager, said: “We are pleased to be able to secure these development projects which are partial built-to-suit arrangements with a significant percentage of the space pre-committed. This clearly demonstrates A-REIT’s ability to deliver better returns by leveraging on its development capability. With the current positive economic environment, we are confident of marketing the remaining space effectively so as to achieve sustainable returns and value for our Unitholders.”

Plot 8 Changi Business Park



Artist Impression of Built-To-Suit facility at Changi Business Park



Multi-tenanted building with amenity podium

To be developed over three phases, the development at Plot 8 Changi Business Park comprise three business park buildings – a 2-building build-to-suit facility and a multi-tenanted block with an amenity podium. These buildings will be sited on a land area of 29,864 sqm with a 30 + 30 years lease tenure and will have a combined gross floor area of 74,660 sqm.

This project is strategically located at Changi Business Park, a short walking distance to the Singapore Expo and Expo MRT station and easily accessible to other parts of Singapore via the major expressways.

The built-to-suit portion of the project is about 42,000 sqm and is pre-committed to a leading international financial institution. It will be built in two phases with the first phase expected to be completed in 1Q 2009 and the second phase of the building to be completed in 4Q 2010.

The multi-tenanted building with a total gross floor area of approximately 33,000 sqm will have about 6,000 sqm of amenity space to cater to the needs of the increasing population at the Changi Business Park. Expected date of completion is in the second half of 2009.

The total development cost for all phases of this project is estimated at about \$191 million.

Industrial Facility at Pioneer Walk



Located in the western part of Singapore and well served by the Ayer Rajah Expressway, this partial build-to-suit facility will be sited on a land area of 36,600 sqm with land lease tenure of 30 years. Upon completion, it will have a lettable floor area of 80,609 sqm on two blocks of 6-storey ramp-up high specification industrial space.

Costing S\$86 million, the development will be constructed in two phases and is targeted for completion in the third/fourth quarter of 2008. 80% or 28,376 sqm of Phase 1 of space has been pre-committed and 40% or 18,396 sqm of Phase 2 is under offer to prospects.

Interests of Directors and Controlling Shareholder

No Director of the Manager or controlling shareholder of A-REIT has any interest, direct or indirect, in the transaction, other than by way of fees payable to the Manager and Ascendas Group. The base management fee payable to the Manager and project management fee payable to Ascendas Group, are on the same basis as what was disclosed in the A-REIT prospectus dated 5 November 2002, therefore the Listing Rules relating to Interested Person

Transactions are not applicable to these fees. There is no acquisition fees payable for development projects. However, a development management fee is payable to Ascendas-MGM as the development manager pursuant to the terms in the Circular dated 8 June 2007 and approved at the Unitholders' Meeting on 28 June 2007.

A-REIT currently has a portfolio of 78 properties and it has previously announced two developments projects worth in aggregate about S\$61 million, that have yet to be completed: HansaPoint @ CBP and Plot 7 & 8 Changi LogisPark (North) which are expected to be completed in 1Q 2008 and 2Q 2008 respectively.

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About 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 78 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 and 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 Goodman International Limited.

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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.