



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

Issue of Units to Manager in lieu of Performance Fee

The Board of Directors of Ascendas-MGM Funds Management Limited (“**Ascendas-MGM**”) wishes to announce that 2,579,346 units in Ascendas Real Estate Investment Trust (“**A-REIT**”) (“**Units**”) have been issued to Ascendas-MGM in its capacity as manager of A-REIT. The Units were allocated at an issue price of S\$2.1777 per Unit, in lieu of payment of the Performance Fee for the financial year ended 31 March 2006.

The Performance Fee is defined in the trust deed constituting A-REIT (the “**Trust Deed**”) as a total of 0.2% per annum of the Deposited Property by way of a fee of 0.1% per annum if growth in Distributable Income per unit (“**DPU**”) in a financial year (calculated before accounting for the Performance Fee) exceeds 2.5% over the DPU for the prior corresponding period (“**PCP**”); and an additional 0.1% per annum if the growth in DPU exceeds 5% over the DPU for the PCP.

A-REIT recorded a DPU of 11.68 cents for the financial year ended 31 March 2006, a 22.0% increase over the previous year’s DPU of 9.56 cents.

In accordance with the Trust Deed, the issue price was determined based on the volume weighted average traded price for a unit for all trades done on Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in the ordinary course of trading on the SGX-ST for 10 business days immediately preceding the date of issue of Units to Ascendas-MGM.

This mode of payment of Performance Fee in Units was disclosed in the section entitled “The Manager and the Sponsors” on page 125 of the prospectus dated 5 November 2002 issued in connection with the initial public offering of units.

Following the above issue of Units, the total A-REIT units on issue is 1,279,783,054 of which Ascendas-MGM's holding is 12,164,421 units.

By Order of the Board

Ascendas-MGM Funds Management Limited

(Company Registration No. 200201987K)

Manager of Ascendas Real Estate Investment Trust (A-REIT)

Soon Kah Hwee

Assistant Company Secretary

17 April 2006