



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

ANNOUNCEMENT

PLACEMENT OF 82,142,857 NEW UNITS IN ASCENDAS REAL ESTATE INVESTMENT TRUST THROUGH CITIGROUP GLOBAL MARKETS SINGAPORE PTE. LTD. AT S\$1.40 FOR EACH NEW UNIT (THE “PLACEMENT”)

The Board of Directors of Ascendas-MGM Funds Management Limited (as manager of Ascendas Real Estate Investment Trust (“**A-REIT**”)) (the “**Manager**”), is pleased to announce that, pursuant to the Placement, the Manager has today issued 82,142,857 new units in A-REIT (the “**New Units**”)

Results of the Placement

The Placement, comprising the issue and allotment of 82,142,857 New Units at an issue price of S\$1.40 per New Unit through Citigroup Global Markets Singapore Pte. Ltd. to institutional and other investors, has been fully taken up.

Use of Proceeds

The gross proceeds of the Placement amount to S\$115.0 million. The Manager currently intends to use the net proceeds of the Placement to partly finance the acquisitions of Progen Building and C & P Logistics Hub.

Announcements will be made upon the completion of A-REIT’s acquisitions of Progen Building and C & P Logistics Hub.

Placement to Substantial Unitholders

The Manager has obtained a waiver of the requirement in Rule 812(2) of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (which requires A-REIT to obtain specific approval from the unitholders of A-REIT (“**Unitholders**”) for any proposed placement of new units in A-REIT (“**Units**”) to, *inter alia*, Substantial Unitholders¹) for the

¹ Persons with an interest in one or more Units constituting not less than 5.0% of all outstanding Units.

placement of new Units to A-REIT's Substantial Unitholders (but not Ascendas Land (Singapore) Pte Ltd and MGM Singapore Pte. Ltd.) where:

- (i) new Units are proposed to be placed to Substantial Unitholders as well as other Unitholders and/or investors; and
- (ii) the number of new Units to be placed to each Substantial Unitholder is no more than what is required to maintain its proportionate unitholdings at its pre-placement level in percentage terms.

Pursuant to the waiver described above, 4,392,500 New Units and 4,142,000 New Units have respectively been placed to The Capital Group of Companies, Inc. ("**Capital Group**") and UOB Asset Management Limited ("**UOB**"), both of which are Substantial Unitholders. The 4,142,000 New Units placed to UOB results in UOB maintaining its unitholding at the pre-Placement level of 5.2%². Following the placement of 4,392,500 New Units to Capital Group, its unitholding falls from the pre-Placement level of 7.6%² to 7.3%.

In compliance with the conditions of the waiver described above, the Manager hereby certifies that it is independent of Capital Group and UOB.

Status of the New Units

The New Units are expected to commence trading on the Main Board of the SGX-ST at **9.00 a.m. on Thursday, 24 June 2004.**

The New Units are only entitled to participate in the distributable income of A-REIT for the period from the date of their issue (23 June 2004) to 30 September 2004 whereas the existing Units ("**Existing Units**") are entitled to participate in A-REIT's distributable income in respect of the whole of the current distribution period (4 March 2004 to 30 September 2004). From the next distribution period, the New Units will rank *pari passu* in all respects with the Existing Units, including the right to any distribution which may be paid for that distribution period and all distributions thereafter.

As the New Units are not entitled to participate in A-REIT's distributable income for the period from 4 March 2004 to 22 June 2004, it is necessary for the New Units to trade under a separate stock counter, "Ascendasreit A", for the period commencing from 24 June 2004 to the last day of "cum-distribution" trading for both the New Units and the Existing Units (with respect to distributions for the period from 23 June 2004 or, as the case may be, 4 March 2004 to 30 September 2004), which is expected to be in late October 2004. After the last day of "cum-distribution" trading, the New Units and the Existing Units will be aggregated

² As at 10 June 2004, being the latest practicable date prior to the lodgement of the offer information statement relating to the Placement with the Monetary Authority of Singapore.

and traded under the existing A-REIT stock counter on the next market day, *i.e.* the first day of “ex-distribution” trading for both the New Units and the Existing Units.

BY ORDER OF THE BOARD

Ascendas-MGM Funds Management Limited

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

Tay Hsiu Chieh

Company Secretary

23 June 2004

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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 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.