

## Press Release



### **A-REIT completes acquisition of eight properties (including Techview) - Also signs agreement to acquire JEL Centre for S\$11.0 million**

**5 October 2005** - Ascendas-MGM Funds Management Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”) is pleased to announce the completion of acquisitions of Hoya Building, LogisHub@Clementi, Techquest, Techview, 1 Changi South Lane, 11 Tampines Street 92, Cityneon Design Centre and NNB Industrial Building (the “**Properties**”) for an aggregate purchase price of S\$180.4 million. A-REIT has now completed the acquisition of nine properties (the acquisition of SENKEE Logistics Hub was completed on 23 September 2005) out of the 12 properties that were intended to be partly funded by the equity fund raising and by the issue of units to partially fund the acquisition of Techview (the “**Techview Units**”).

A-REIT has today exercised the call option under the respective put and call option agreements (the “**Option Agreements**”) entered into with the respective vendors as follows:

	<b>Property</b>	<b>Vendor</b>	<b>Purchase Price <sup>(1)</sup></b>
1	Hoya Building	Ascendas Land (Singapore) Pte Ltd	\$5.3 million
2	LogisHub@Clementi	Ascendas (Tuas) Pte Ltd	\$18.1 million
3	Techquest	Ascendas Land (Singapore) Pte Ltd	\$7.5 million
4	Techview <sup>(2)</sup>	Ascendas (KB View) Pte Ltd	\$76.0 million
5	1 Changi South Lane	Accord Famous Logistics Pte Ltd	\$34.8 million
6	11 Tampines Street 92	Trivec Singapore Pte Ltd	\$16.8 million
7	Cityneon Design Centre	Cityneon Displays (S) Pte Ltd	\$10.0 million
8	NNB Industrial Building	Ng Nam Bee Marketing Pte Ltd	\$12.0 million
	<b>Total:</b>		<b>\$180.4 million</b>

Notes:

(1) Any discrepancy in figures is due to rounding.

(2) The consideration for Techview was partially satisfied by the Techview Units.

Pursuant to the exercise of the respective call options under the Option Agreements, A-REIT and the respective vendors of the Properties has entered into the respective sale and purchase agreements for the Properties and completed the sale and purchases today.

Out of the net proceeds of S\$237.7 million from A-REIT's equity fund raising and the issue of units to partially fund the Techview acquisition, S\$219.6 million has been applied towards the completion of the acquisition of the Properties and the repayment of debt drawn down to fund the acquisition of SENKEE Logistics Hub on 23 September 2005.

The Manager will make a further announcement upon the utilisation of the remaining net proceeds of S\$18.1 million from the equity fund raising when it completes the remaining acquisitions.

#### **Put and call option agreement signed to acquire JEL Centre**

A-REIT has also signed a put and call option agreement today, to acquire JEL Centre for a purchase price of S\$11.0 million from JEL Corporation (Far East) Pte Ltd, a wholly-owned subsidiary of JEL Corporation (Holdings) Ltd. JEL Centre is located at No. 11 Changi North Way.

The acquisition of JEL Centre will be yield accretive to A-REIT's unitholders. The pro forma financial effect of the acquisition on the distributable income per unit for the financial year ended 31 March 2005 is expected to increase by 0.02 cents per unit<sup>1</sup> in A-REIT ("**Units**").

The signing of the sale and purchase agreement for JEL Centre will be subject to A-REIT securing financing to acquire the property, JEL Corporation (Holdings) Ltd

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<sup>1</sup> Assuming that: A-REIT had purchased, held and operated JEL Centre for the whole of the financial year ended 31 March 2005 (based on 44 properties); the acquisition of JEL Centre had been funded using the optimal gearing level of 30% debt and 70% equity; and that the Manager had elected to receive its base fee entirely in cash and its performance fee entirely in units in respect of this property.

obtaining its shareholders' approval for the sale of the property and approval from JTC Corporation for the transfer of the land lease to A-REIT.

With the sale of JEL Centre, JEL Corporation (Holdings) Ltd will lease back 100% of the space for 10 years with annual stepped rental increases. The company is principally engaged in the trading and distribution of photographic products and fast-moving consumer goods in emerging markets of Indo-China, Central Asia, certain countries/regions in Africa and Latin America.

JEL Centre comprises a four-storey warehouse cum ancillary office building which was completed on 12 August 2004. The property is sited on a land area of 7,219 sqm with a 60-year land lease commencing from 16 November 2003. Located within the JTC Changi North Industrial Area, JEL Centre is in close proximity to the Singapore Expo, Changi Business Park and Changi Airport. It is well-served by the Pan-Island Expressway (PIE) and East Coast Parkway (ECP).

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### **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 Singapore Exchange Securities Trading Limited (the “SGX-ST”). It has a diversified portfolio of 53 properties in Singapore, comprising business park (including science park), light and hi-tech industrial properties, and logistics and distribution centres, with a book value of S\$2.5 billion. These properties house a tenant base of over 500 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, IHPC, Zuellig Pharma, IDS Logistics Services,

OSIM International, Venture Corporation, Federal Express, Freight Links Express, Johnson & Johnson, RSH, Infineon Technologies, Procter & Gamble and Hyflux.

A-REIT is listed in several indices. These include the Morgan Stanley Capital International, Inc (MSCI) Index, the FTSE Global Small Cap Asia Pacific Ex Japan Index Series, the European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and the Standard & Poor inaugural S&P Asia PowerPicks 2004 portfolio.

A-REIT won the “Most Transparent Company” in the SIAS 5<sup>th</sup> Investors’ Choice Awards under the REIT category in September 2004. In July 2004, A-REIT received the most votes for Best Investor Relations by sell-side analysts in Singapore, in the 2004 Asia Equities Market Report conducted by Institutional Investor Research Group.

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**

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.