



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

**OFFER AND PLACEMENT OF 101,832,114 NEW UNITS IN
ASCENDAS REAL ESTATE INVESTMENT TRUST ("NEW UNITS")
AT AN ISSUE PRICE OF S\$2.13 (THE "ISSUE PRICE") FOR EACH NEW UNIT
BY WAY OF:**

- (I) **A PREFERENTIAL OFFERING OF BETWEEN 58,500,000 AND 64,500,000 NEW UNITS TO SINGAPORE REGISTERED UNITHOLDERS (AS DEFINED IN THE CIRCULAR OF ASCENDAS REAL ESTATE INVESTMENT TRUST ("A-REIT") DATED 20 SEPTEMBER 2005 (THE "CIRCULAR")) ON A NON-RENOUNCEABLE BASIS OF 1 NEW UNIT FOR EVERY 20 EXISTING UNITS IN A-REIT ("UNITS") HELD AS AT 19 SEPTEMBER 2005, 5.00 P.M. (THE "BOOKS CLOSURE DATE"), FRACTIONS OF A NEW UNIT TO BE DISREGARDED (THE "PREFERENTIAL OFFERING") AND SUBJECT TO THE ROUNDING MECHANISM (AS DEFINED BELOW); AND**
- (II) **A PLACEMENT OF THE BALANCE OF THE NEW UNITS TO RETAIL AND INSTITUTIONAL INVESTORS (THE "PRIVATE PLACEMENT" AND TOGETHER WITH THE PREFERENTIAL OFFERING, THE "EQUITY FUND RAISING").**

The Issue Price

Further to its announcement on 20 September 2005, Ascendas-MGM Funds Management Limited, the manager (the "**Manager**") of A-REIT is pleased to announce that the Issue Price for its equity fund raising has been agreed between the Manager and Citigroup Global Markets Singapore Pte. Ltd, the lead manager and underwriter of the Equity Fund Raising, following an accelerated book building process carried out on 20 September 2005. At S\$2.13 per New Unit, the Issue Price is a 2.9% discount to the volume weighted average price of units based on all trades in the Units on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for one and a half market days from 19 September 2005 up to the time trading on the SGX-ST closed at 12.30 p.m. on 20 September 2005.

The Private Placement

The Private Placement of New Units generated over S\$350 million worth of demand from institutional and retail investors after its launch yesterday.

The Preferential Offering

The Preferential Offering will be made to Singapore Registered Unitholders (as defined in the Circular) by Citigroup Global Markets Singapore Pte. Ltd., the lead manager and underwriter for the Equity Fund Raising on a non-renounceable basis of 1 New Unit for every 20 existing Units held as at the Books Closure Date, (fractions of a New Unit to be disregarded).

Where a Singapore Registered Unitholder's provisional allocation of New Units under the Preferential Offering is other than an integral multiple of 1,000 Units, it will be increased to such number which, when added to the Unitholder's unitholdings as at the Books Closure Date, results in an integral multiple of 1,000 Units (the "**Rounding Mechanism**"). The Rounding Mechanism will be extended to investors who have purchased Units under the Central Provident Fund Investment Scheme ("**CPFIS**") and/or the Supplementary Retirement Scheme ("**SRS**"), and to Units held by nominee companies. However, in the case of nominee companies, as the Rounding Mechanism will be applied at the level of the aggregate Units held in the securities accounts of such nominee companies with The Central Depository (Pte) Limited, investors whose Units are held by such nominee companies may not enjoy the benefit of the Rounding Mechanism on an individual level.

The Circular will be despatched on 22 September 2005 to Singapore Registered Unitholders for their immediate attention. Singapore Registered Unitholders who wish to accept their provisional allocations of New Units under the Preferential Offering may do so in the manner set out in the Circular.

The Preferential Offering will open on 23 September 2005 at 9.00 a.m. and will close on:

- 29 September 2005 at 4.45 p.m. (for acceptances made through Acceptance Forms (as defined in the Circular)); and
- 29 September 2005 at 9.30 p.m. (for acceptances made through an ATM of a Participating Bank (as defined in the Circular)).

Singapore Registered Unitholders who had used their CPFIS funds to purchase their existing Units and/or purchased their existing Units under the SRS can **only** accept their provisional allocations of New Units by instructing the relevant banks in which they hold their Central Provident Fund Investment Scheme accounts and/or SRS accounts to subscribe for New Units on their behalf.

Status of the New Units

The New Units will rank *pari passu* in all respects with the then existing Units, including the right to any distributions which may be paid for that period from the date the New Units are issued (expected to be 5 October 2005) to 31 December 2005 as well as all distributions thereafter.

Listing of the New Units

The expected date and time of listing of the New Units is 5 October 2005 at 2.00 p.m.

BY ORDER OF THE BOARD

Ascendas-MGM Funds Management Limited

(Company Registration No. 200201987K)

as manager of Ascendas Real Estate Investment Trust

Tay Hsiu Chieh

Company Secretary

21 September 2005

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.