



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

A-REIT completes purchase of Thales Building for S\$5.78 million

1. Ascendas-MGM Funds Management Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”) is pleased to announce the completion of the purchase of Thales Building (the “**Property**”) for S\$5.78 million, funded from available bank debt facilities.
2. HSBC Institutional Trust Services (Singapore) Limited as trustee of A-REIT (the “**Trustee**”), has today exercised the call option under the put and call option agreement (the “**Option Agreement**”) entered into with Ascendas (Tuas) Pte Ltd (the “**Vendor**”) on 3 January 2006
3. Pursuant to the exercise of the respective call option under the Option Agreement, the Trustee and the Vendor have entered into the sale and purchase agreement for the Property and completed the sale and purchase today.
4. Located at 21 Changi North Rise, the Property is a three-storey light industrial building with a gross floor area of 6,248 sqm on a land area of 10,159 sqm (subject to survey). The entire property will be leased for 10 years by Thales Avionics Asia Pte Ltd which is one of the world’s largest professional electronics groups, serving the defence, aerospace and security markets.

5. A-REIT currently has a portfolio of 60 properties and has announced three other proposed acquisitions: a building along Depot Road being developed by Ascendas Pte Ltd for lease to a US Fortune 500 multinational company which is a pre-committed project expected to be completed in 2006; and 50 Kallang Avenue and Aztech Building which are both expected to be completed by February 2006.

BY ORDER OF THE BOARD
ASCENDAS-MGM FUNDS MANAGEMENT LIMITED
(Company Registration No. 200201987K)
as manager of Ascendas Real Estate Investment Trust

Soon Kah Hwee
Assistant Company Secretary
3 January 2006

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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 Singapore Stock Exchange ("**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.