



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

**OFFER AND PLACEMENT OF 179,292,903 NEW UNITS IN
ASCENDAS REAL ESTATE INVESTMENT TRUST ("NEW UNITS")
AT AN ISSUE PRICE OF S\$1.55 (THE "ISSUE PRICE") FOR EACH NEW UNIT BY WAY OF:**

- (I) **A PREFERENTIAL OFFERING OF 83,554,220 NEW UNITS TO SINGAPORE REGISTERED UNITHOLDERS (AS DEFINED IN ASCENDAS REAL ESTATE INVESTMENT TRUST'S ("A-REIT") CIRCULAR DATED 18 NOVEMBER 2004 (THE "CIRCULAR")) ON A NON-RENOUNCEABLE BASIS OF 1 NEW UNIT FOR EVERY 10 OF THE EXISTING UNITS IN A-REIT ("UNITS") HELD AS AT 16 NOVEMBER 2004, 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);**
- (II) **AN OFFERING OF 37,500,000 NEW UNITS TO THE PUBLIC IN SINGAPORE THROUGH THE AUTOMATED TELLER MACHINES ("ATMS") OF DBS BANK LTD (INCLUDING POSB ATMS) ON A "FIRST-COME, FIRST-SERVED" BASIS (THE "ATM OFFERING"); AND**
- (III) **A PRIVATE PLACEMENT OF 58,238,683 NEW UNITS TO RETAIL AND INSTITUTIONAL INVESTORS (THE "PRIVATE PLACEMENT").**

The Preferential Offering

The Preferential Offering is made to Singapore Registered Unitholders by DBS Bank Ltd and Macquarie Securities (Singapore) Pte. Ltd. (the "**Joint Lead Managers and Underwriters**") as joint lead managers and underwriters on a non-renounceable basis of 1 New Unit for every 10 of the 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 their 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 subscribed for or purchased Units under the Central Provident Fund Investment Scheme 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 has been despatched to Singapore Registered Unitholders on 18 November 2004 and it requires your 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 19 November 2004 at 9.00 a.m. and close on:

- 25 November 2004 at 4.45 p.m. (for acceptances made through Acceptance Forms (as defined in the Circular)); and
- 25 November 2004 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 Central Provident Fund Investible Savings ("**CPF 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.

The ATM Offering

The ATM Offering is made to the public in Singapore by DBS Bank Ltd as lead manager and underwriter. Anyone wishing to purchase the New Units under the ATM Offering will need to make an application in the manner set out in the Circular. Copies of the Circular may be obtained on request, subject to availability, from any branch of DBS Bank Ltd (including POSB).

- Only for DBS Bank Ltd (including POSB) ATM cardholders.
- On a "first-come, first-served" basis.
- Applicants may use cash and/or CPF Funds.
- Minimum number of New Units per application: 1,000 New Units (investors may also apply for larger numbers of New Units in integral multiples of 1,000).
- Maximum number of New Units per application: 500,000 New Units.
- Only one application may be made for the benefit of one person for the New Units under the ATM Offering. Multiple applications will be rejected.
- Any references to "Prospectus" and "Shares" on the ATM screens of DBS Bank Ltd (including POSB) will be references to the Circular and New Units, respectively.

The ATM Offering will open on 19 November 2004 at 12.00 noon and will close on 25 November 2004 at 12.00 noon (subject to an early closure at the discretion of DBS Bank Ltd, in consultation with Ascendas-MGM Funds Management Limited, the manager of A-REIT (the "**Manager**"), in the event that the New Units under the ATM Offering are fully taken up).

The Private Placement

The New Units under the Private Placement will be privately placed to retail and institutional investors by the Joint Lead Managers and Underwriters.

Status of the New Units and the Temporary Stock Counter

The New Units will only be entitled to participate in the distributable income of A-REIT for the period from the date of their issue to 31 December 2004 whereas the existing Units are entitled to participate in A-REIT's distributable income in respect of the entire distribution period from 1 October 2004 to 31 December 2004. From the next distribution period (1 January 2005 to 31 March 2005), 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 distribution period as well as all distributions thereafter.

Accordingly, the New Units will be traded under a separate temporary stock counter from the date of their issue to the last day of "cum-distribution" trading for the New Units as well as the existing Units in respect of the distribution period from 1 October 2004 to 31 December 2004, which is expected to be in January 2005.

Listing of the New Units

The expected date and time of listing of the New Units is 1 December 2004 at 2.00 p.m.

BY ORDER OF THE BOARD

Ascendas-MGM Funds Management Limited

(as manager of Ascendas Real Estate Investment Trust)

Tay Hsiu Chieh

Company Secretary

18 November 2004

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 Singapore Exchange Securities Trading Limited (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.