



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

A-REIT Completes Acquisition of Fedex Building

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 A-REIT’s acquisition of Fedex Building located at 6 Changi South Street 2 (the “**Property**”) for a purchase price of S\$33.5 million. This property was one of the 13 properties for which the recently completed equity raising was intended to fund.
2. HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”), as trustee of A-REIT, has today exercised the call option under the put and call option agreement (the “**Option Agreement**”) entered into on 14 October 2004 between Cargo Distribution Pte Ltd (the “**Vendor**”) and the Trustee regarding the sale and purchase of the Property.
3. Pursuant to the Trustee’s exercise of the call option under the Option Agreement, the Trustee and the vendor of the Property entered into the sale and purchase agreement for the Property and completed the sale and purchase today.
4. The purchase price of the Property of S\$33.5 million is excluding stamp duty and other transactional costs relating to the acquisition of the Property, which must be paid contemporaneously with the completion of the acquisition. Including these amounts, and after adjusting for miscellaneous completion account items such as goods and services tax, rental income and expense apportionments, and deposits already paid, approximately S\$34.6 million has been applied from the net proceeds of the equity fund raising to fund the completion of the acquisition of the Property.

5. The Manager will make further announcements upon the utilisation of the remaining net proceeds of S\$68.2 million from the equity fund raising when it completes the acquisitions of the remaining three properties.

By Order of the Board
Ascendas-MGM Funds Management Limited
Manager of A-REIT

Tay Hsiu Chieh
Company Secretary
9 December 2004

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Important Notice

The value of units in A-REIT ("**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 Exchange Securities Trading Limited ("**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.