



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

**ANNOUNCEMENT  
EXTRAORDINARY GENERAL MEETING OF UNITHOLDERS  
AND PROPOSED EQUITY FUND RAISING EXERCISE**

1. The Board of Directors of Ascendas-MGM Funds Management Limited (as the manager of A-REIT) (the “**Manager**”) wishes to announce that the Manager has today issued a circular (the “**Circular**”) to the unitholders of A-REIT (“**Unitholders**”), setting out (among other things) details of:

- (i) the proposed acquisition of 13 properties (namely, Infineon Building, Techpoint, Exklusiv Centre, CG Aerospace Building, Autron Building, SB Building, Fedex Building, Freight Links (Changi) Building, Freight Links (Toh Guan) Building, MacDermid Building, Wisma Gulab, Steel Industries Building and Volex Building) by A-REIT (the “**Acquisitions**”); and
- (ii) the Manager’s financing plans in that regard,

together with the notice of an Extraordinary General Meeting of the Unitholders (the “**EGM**”).

The EGM will be held on 2 November 2004 at 2.30 p.m. at Collyer Room, Level 4, Raffles City Convention Centre, 2 Stamford Road, Singapore 178882.

2. Unitholders' approval will be sought at the EGM for the following proposals:

- (i) the acquisition of Infineon Building from Ascendas Land (Singapore) Pte Ltd (the “**Infineon Acquisition**”), such acquisition being an “interested person transaction” (as defined in the Listing Manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) as well as an “interested party transaction” (as defined in the Property Funds Guidelines of the Code on Collective Investment Scheme issued by the Monetary Authority of Singapore);
- (ii) the issue of new units in A-REIT (“**Units**”) as partial consideration for the proposed acquisition of Infineon Building (the “**Infineon Consideration Units**”);
- (iii) the acquisition of Techpoint from Ascendas Land (Singapore) Pte Ltd (the “**Techpoint Acquisition**”), such acquisition being an interested person transaction as well as an interested party transaction;
- (ii) the issue of new Units as partial consideration for the proposed acquisition of Techpoint (the “**Techpoint Consideration Units**”, and together with the Infineon Consideration Units, the “**Consideration Units**”);
- (v) the issue of such number of new Units as to raise up to S\$400.0 million in gross proceeds under an equity fund raising exercise (the “**Equity Fund Raising**”);

- (vi) the placement of new Units under the private placement tranche of the Equity Fund Raising to MGM Singapore Pte. Ltd., a substantial Unitholder (the “**MGM Singapore Placement**”);
- (vii) the proposed supplement to the trust deed constituting A-REIT (the “**Trust Deed**”) to allow the Manager to issue new Units as full or partial consideration for the purchase of a property by A-REIT at the same issue price per Unit as that for an issue of new Units under an equity fund raising exercise carried out in conjunction with such a purchase (the “**Issue Price Supplement**”);
- (viii) the proposed supplement to the Trust Deed to grant the Manager the right at any time to irrevocably elect to receive its Base Fee and/or Performance Fee (both as defined in the Trust Deed) in respect of each additional property which A-REIT may acquire in the future in the form of cash and/or Units for so long as such property is held by A-REIT (the “**Management Fee Supplement**”); and
- (ix) the ratification of A-REIT’s issue of 82,142,857 Units in June 2004 at an issue price of S\$1.40 per Unit (the “**Ratification**”) so that A-REIT’s general mandate for the issue of Units will be refreshed and A-REIT will have the ability to issue additional new Units in the current financial year within the thresholds stipulated in the Trust Deed without having to seek Unitholders’ approval prior to such issue.

**Unitholders should note that the approval of the resolutions relating to the Infineon Acquisition, the Techpoint Acquisition and the MGM Singapore Placement are subject to, and contingent upon, the resolution relating to the issue of new Units for the purpose of the Equity Fund Raising. The approval of the resolutions relating to the issue of the Infineon Consideration Units and the Techpoint Consideration Units are subject to, and contingent upon, the resolutions relating to the Infineon Acquisition or, as the case may be, the Techpoint Acquisition, and the Issue Price Supplement. The approval of the resolutions relating to the issue of new Units for the purpose of the Equity Fund Raising, the Issue Price Supplement, the Management Fee Supplement as well as the Ratification are not subject to, nor contingent upon, the approval of any other resolution proposed to be passed at the EGM.**

3. The proposed Equity Fund Raising is targeted to commence no later than 30 November 2004 and will comprise:
  - (i) a preferential offering new Units to Singapore Registered Unitholders<sup>1</sup> on a non-renounceable basis of 1 new Unit for every 10 existing Units held as at the Books Closure Date (as defined in paragraph 8) (the “**Preferential Offering**”); and
  - (ii) an offering of new Units by way of:
    - (a) an offering to the public in Singapore through the automated teller machines of DBS Bank Ltd on a “first-come, first-served” basis (the “**ATM Offering**”); and
    - (b) a private placement of new Units to retail and institutional investors (the “**Private Placement**”).

<sup>1</sup> Unitholders at the Books Closure Date (as defined in paragraph [9]) other than those whose registered addresses with The Central Depository (Pte) Limited (“**CDP**”) are outside Singapore, who do not have a “rights” mailing address with CDP and who have not, at least 5 market days prior to the Books Closure Date, provided CDP with addresses in Singapore for service of notices and documents.

Save in respect of the new Units undertaken to be subscribed for by Ascendas Land (Singapore) Pte Ltd, MGM Singapore Pte. Ltd. and the Manager under the Preferential Offering and, if the relevant approval is obtained at the EGM, the new Units which may be offered to MGM Singapore Pte. Ltd. under the Private Placement, the Preferential Offering and the Private Placement will be underwritten by DBS Bank Ltd and Macquarie Securities (Singapore) Ptd. Ltd. The ATM Offering will be underwritten by DBS Bank Ltd.

4. New Units issued pursuant to the Equity Fund Raising and the Consideration Units will not be entitled to participate in the distribution of any distributable income accrued by A-REIT prior to the date of issue of such Units. Such Units, upon issue and allotment, 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 (the "**Third Quarter Distribution Period**"). From the next distribution period following the Third Quarter Distribution Period, the new Units to be issued under the Equity Fund Raising and the Consideration Units will rank *pari passu* in all respects with the erstwhile existing Units, including the right to any distributions which may be paid for that distribution period (1 January 2005 to 31 March 2005) as well as all distributions thereafter.
5. Further details of the matters for which Unitholders' approvals are sought (including the financial effects of the Acquisition) are set out in the Circular. An electronic copy of the Circular will be available on A-REIT's website at <http://www.a-reit.com> from 12 noon on 15 October 2004.
6. Approval in-principle has been obtained from the SGX-ST for the listing and quotation on the main board of the SGX-ST of up to 285,715,000 new Units to be issued for the purposes of the Equity Fund Raising, the Infineon Acquisition and the Techpoint Acquisition. The SGX-ST's in principle approval is not an indication of the merits of the Equity Fund Raising and the Acquisitions (as defined herein).
7. The Manager has sought and obtained a waiver from Rule 812(1) of the SGX-ST's Listing Manual so that restricted placees listed thereunder (such as the directors of the Manager, their immediate family and substantial Unitholders) that are Singapore Registered Unitholders can participate in the Preferential Offering. The said waiver also allows the directors of the Manager and their immediate family to apply for new Units under the ATM Offering.
8. The Board of Directors of the Manager also wishes to give notice that, subject to the passing of the relevant resolutions to be proposed at the EGM, the Transfer Books and Register of Unitholders of A-REIT will be closed on 27 October 2004 at 5.00 p.m. (the "**Books Closure Date**") for the purpose of determining the provisional allocations of Singapore Registered Unitholders under the Preferential Offering.

By Order of the Board  
Ascendas-MGM Funds Management Limited  
(as manager of Ascendas Real Estate Investment Trust)

Tay Hsiu Chieh  
Company Secretary

14 October 2004

## **Important Notice**

The value of Units and the income 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 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.