

Press Release
13 October 2003



A-REIT Completes Acquisition of Ghim Li Building

13 October 2003, Singapore – Ascendas-MGM Funds Management Limited (the “Manager”), the manager of Ascendas Real Estate Investment Trust (“A-REIT”), is pleased to announce the completion today of A-REIT’s acquisition of Ghim Li Building. Bermuda Trust (Singapore) Limited (the “Trustee”), as trustee of A-REIT, has today exercised the call option under the Put and Call Option Agreement (“Option Agreement”) entered into on 4 September 2003 between Ghim Li Holdings Co Pte Ltd (“Ghim Li”) and the Trustee regarding the sale and lease of Ghim Li Building.

The proposed acquisition of Ghim Li Building located at 41 Changi South Avenue 2 Singapore 486153 by A-REIT from Ghim Li for a purchase price of S\$13.5 million was first announced on 4 September 2003.

Pursuant to the Trustee’s exercise of the call option under the Option Agreement, the Trustee and Ghim Li entered into the sale and purchase agreement for Ghim Li Building and completed the sale and purchase on the same day for a total purchase price of S\$13.5 million. Following the completion of the sale and purchase of Ghim Li Building, the Trustee and Ghim Li Global Pte Ltd, a wholly-owned subsidiary of Ghim Li, entered into a lease agreement under which Ghim Li Global Pte Ltd has agreed to lease the building from A-REIT for a term of 10 years, with rents payable commencing from today.

The Ghim Li building will contribute to the rental income of A-REIT, and the estimated increase in A-REIT’s net property income arising from the acquisition of the Ghim Li Building is S\$1.19 million in the first year of ownership. There will be a stepped increase of 9 per cent. in the rental rates every three years thereafter. The property yield from this tenth real estate asset of A-REIT is expected to be 8.84 per cent. before acquisition costs, and 8.43 per cent. after acquisition costs in the first year.

Mr Goh Kok Huat, Chief Executive Officer of the Manager said, “This acquisition of Ghim Li Building by A-REIT will bring accretive returns to be seen in our third quarter results for financial year ending 2004. We are pleased to tie-up this 10-year lease arrangement with Ghim Li Global Pte Ltd which effectively extends our lease expiry profile and diversifies the tenant profile in A-REIT’s property portfolio.”

- End -

About A-REIT

A-REIT is the first business space and light industrial REIT listed on the SGX-ST. Including the Ghim Li Building acquired on 13 October 2003, it has a diversified portfolio of ten properties comprising business park (including science park), light industrial and built-to-suit properties in Singapore, with a book value of approximately S\$658 million. These properties house a tenant base of over 300 international and local companies operating in a range of industries and activities, including research and development, life sciences, information technology, engineering and light manufacturing. Tenants include Biopharmaceutical Manufacturing Technology Centre, Federal Express, Honeywell, Lilly Systems Biology, OSIM International, Teradyne and Venture Corporation, just to name a few. The rental income from the tenants contributes to the stable distributions to be delivered by A-REIT.

A-REIT is managed by **Ascendas-MGM Funds Management Limited**, a joint venture between Singapore-based Ascendas Investment Pte Ltd, a related company of Ascendas Land (Singapore) Pte Ltd, and Australian-based Macquarie Goodman Industrial Management Pty Limited.

For enquiries, please contact:

Ho Mei Peng Investor Relations Ascendas-MGM Funds Management Ltd Tel: +65 6774 9152 Mobile: +65 9668 8290 Email: meipeng.ho@ascendas-mgm.com	Philip Pearce Investment & Business Development Manager Ascendas-MGM Funds Management Ltd Tel : +65 6774 9844 Mobile : +65 9627 8632 Email : philip.pearce@ascendas-mgm.com
--	--

Disclaimer

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

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 may only deal in their Units through trading on 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.