



**OFFER AND PLACEMENT OF 160,500,000 NEW UNITS (“NEW UNITS”)
IN ASCENDAS REAL ESTATE INVESTMENT TRUST (“A-REIT”)
AT AN ISSUE PRICE* OF S\$1.16 FOR EACH NEW UNIT BY WAY OF:**

- (A) A PREFERENTIAL OFFERING OF 82,006,076 NEW UNITS TO SINGAPORE REGISTERED UNITHOLDERS (AS DEFINED IN THE CIRCULAR DATED 18 FEBRUARY 2004 (THE “CIRCULAR”)) ON A NON-RENOUNCEABLE BASIS OF THREE NEW UNITS FOR EVERY TWENTY OF THE EXISTING UNITS (AS DEFINED IN THE CIRCULAR) HELD AS AT 5.00 P.M. ON 16 FEBRUARY 2004, FRACTIONS OF A UNIT TO BE DISREGARDED (THE “PREFERENTIAL OFFERING”);
- (B) AN OFFERING OF 16,050,000 NEW UNITS TO RETAIL INVESTORS IN SINGAPORE THROUGH THE AUTOMATED TELLER MACHINES (“ATMS”) OF THE PARTICIPATING BANKS (AS DEFINED IN THE CIRCULAR) (THE “ATM OFFERING”); AND
- (C) A PLACEMENT OF 62,443,924 NEW UNITS TO RETAIL AND INSTITUTIONAL INVESTORS (THE “PRIVATE PLACEMENT”, AND TOGETHER WITH THE PREFERENTIAL OFFERING AND THE ATM OFFERING, THE “EQUITY FUND RAISING”).

PREFERENTIAL OFFERING OF 82,006,076 NEW UNITS AT S\$1.16 PER NEW UNIT

1. The Preferential Offering is made to Singapore Registered Unitholders on a non-renounceable basis of three New Units for every twenty of the Existing Units held as at 16 February 2004, 5.00 p.m.
2. The Circular will today be despatched to Singapore Registered Unitholders **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 close on:
 - (a) 26 February 2004 at 4.45 p.m. (for acceptances made through an Acceptance Form (as defined in the Circular)); and
 - (b) 26 February 2004 at 9.30 p.m. (for acceptances made through an ATM of a Participating Bank).
3. Singapore Registered Unitholders who had used their Central Provident Fund Investible Savings (“**CPF Funds**”) to purchase their Existing Units can **only** accept their provisional allocations of New Units by instructing the relevant approved banks in which they hold their Central Provident Fund Investment Accounts to do so on their behalf.

* The trust deed constituting A-REIT provides that the issue price of the New Units must not comprise more than a 5.0% discount to the weighted average price for trades done on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on the day the placement agreement relating to the Equity Fund Raising is signed. The weighted average price shall be calculated based on the trades done for a full market day or, if trading in the listed units in A-REIT (“**Units**”) is not available for a full market day, the weighted average price shall be calculated based on the trades done on the preceding market day up to the time the said placement agreement is signed. This issue price of S\$1.16 for each New Unit complies with the trust deed requirement described herein.

ATM OFFERING IN RESPECT OF 16,050,000 NEW UNITS AT S\$1.16 PER NEW UNIT

4. The ATM Offering is made in and accompanied by the Circular. Anyone wishing to acquire 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 and from Citigroup Global Markets Singapore Pte. Ltd. at 1 Temasek Avenue, #31-00 Millenia Tower, Singapore 039192.
5. An investor must have an existing bank account with and be an ATM cardholder of a Participating Bank in order to participate in the ATM Offering. An applicant can make payment for his application under the ATM Offering using cash and/or CPF Funds. The minimum application under the ATM Offering is for 1,000 New Units. An applicant may apply for a larger number of New Units under the ATM Offering in integral multiples of 1,000 New Units. In the event of an over-subscription for the New Units offered under the ATM Offering as at the close of the ATM Offering, the successful applicants for the New Units under the ATM Offering shall be determined by ballot.
6. The ATM Offering will open on 19 February 2004 at 9.00 a.m. and will close on 26 February 2004 at 12.00 noon. Balloting of the applications under the ATM Offering (if necessary) will be done on 2 March 2004.

PRIVATE PLACEMENT OF 62,443,924 NEW UNITS AT S\$1.16 PER NEW UNIT

7. The 62,443,924 New Units under the Private Placement will be jointly placed by Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd and J.P. Morgan (S.E.A.) Limited (together, the “**Joint Lead Managers and Underwriters**”) to retail and institutional investors.

UNDERTAKINGS BY ASCENDAS LAND (SINGAPORE) PTE LTD, MGM SINGAPORE PTE. LTD. AND ASCENDAS-MGM FUNDS MANAGEMENT LIMITED

8. Ascendas Land (Singapore) Pte Ltd (“**Ascendas**”), MGM Singapore Pte. Ltd. (“**MGM Singapore**”) and Ascendas-MGM Funds Management Limited (as manager of A-REIT) (the “**Manager**”), who own an aggregate of 153,332,175 Units as at the date of this announcement (comprising approximately 28.1% of the Units in issue as at the date of this announcement), have each given an undertaking to the Joint Lead Managers and Underwriters, Bermuda Trust (Singapore) Limited (as trustee of A-REIT) (the “**Trustee**”) and (in the case of Ascendas and MGM Singapore) the Manager to take up their respective provisional allocations of 16,106,250, 6,637,500 and 256,076 New Units under the Preferential Offering. Ascendas and MGM Singapore have also given an undertaking to the Joint Lead Managers and Underwriters, the Trustee and the Manager to take up 15,416,452 and 6,353,229 New Units respectively under the Private Placement to maintain their proportionate unitholdings following the completion of the Equity Fund Raising at their pre-placement levels of 19.64% and 8.09% (both as at 15 January 2004), respectively.

LISTING AND TRADING OF NEW UNITS

9. The expected date of listing of the New Units is 4 March 2004 at 2.00 p.m. The New Units will be traded in board lots of 1,000 Units. However, approval has been obtained from the SGX-ST for the setting up of a temporary counter to allow unitholders and investors to trade in board lots of 50 Units for a period of one calendar month from the expected date of listing of the New Units. Based on the expected listing date of 4 March 2004, this temporary counter is expected to be available from 4 March 2004 to 3 April 2004, both dates inclusive.

By Order of the Board
Ascendas-MGM Funds Management Limited,
Manager of Ascendas Real Estate Investment Trust (A-REIT)

Tay Hsiu Chieh
Company Secretary
18 February 2004

For enquiries, please contact:

Anne Than
Investor Relations, Ascendas-MGM Funds Management Limited
Tel: +65 6774 9152, Mobile: +65 9690 8074, Email: anne.than@ascendas.com
Or visit A-REIT's website at www.a-reit.com

DISCLAIMERS

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 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.