



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

ANNOUNCEMENT

USE OF PROCEEDS OF EQUITY PLACEMENT TO FINANCE COMPLETION OF PHASE ONE OF THE ACQUISITION OF C & P LOGISTICS HUB

The Board of Directors of Ascendas-MGM Funds Management Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”), is pleased to announce that the net proceeds of S\$113.3 million from A-REIT's placement completed on 23 June 2004 have been applied to finance the completion today of phase one of the acquisition of C & P Logistics Hub (“Phase One”), with the remaining balance funded by available debt facilities.

Phase One of the acquisition completion consists of two multi-level warehouse buildings with total net lettable area of 80,846 sqm. Phase Two of the acquisition, expected to occur in December 2004, will consist of the third warehouse building which is currently under construction.

The purchase price is S\$142.1 million, excluding stamp duty, certain transaction costs relating to the acquisition, and a deferred settlement component of the purchase price amounting to S\$82.9 million in relation to phase two of the acquisition. Including stamp duty and other transaction costs including GST, and after adjusting for the deposit already paid, approximately S\$153.7 million has been paid today for Phase One.

BY ORDER OF THE BOARD

Ascendas-MGM Funds Management Limited
Manager of Ascendas Real Estate Investment Trust (A-REIT)

Tay Hsiu Chieh
Company Secretary
21 July 2004

DISCLAIMERS

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 (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.