

18 February 2004



A-REIT TO ISSUE 160.5 MILLION NEW UNITS AT S\$1.16 PER NEW UNIT TO FUND ACQUISITIONS

- 160.5 million New Units to be issued at an Issue Price of S\$1.16
- Forecast FY 2005 distribution per Unit of 8.86 cents ¹, an increase of 8.2 per cent. following the completion of the acquisition of the Properties and issue of New Units.

Singapore, 18 February 2004 – Ascendas-MGM Funds Management Limited (“**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”), wishes to announce that it is issuing 160.5 million new units in A-REIT (“**New Units**”) at an issue price of S\$1.16 per New Unit (“**Issue Price**”). This is a discount of 3.9 per cent. from the weighted average price of trades on 17 February 2004 of S\$1.207 per unit. The proceeds from the issue of New Units (the “**Issue**”), estimated to be S\$186.2 million, are intended to be used to partly finance A-REIT’s acquisitions of all or some of the following properties: Changi International Logistics Centre, IDS Logistics Corporate Headquarters, Siemens Center, Trivec Building and TT International Tradepark (together, “**Properties**”), with the balance to be funded with debt.

The 160.5 million New Units will be issued for placement by Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd and J.P. Morgan (S.E.A.) Limited through:

- (a) a preferential offering of 82.0 million New Units to the Singapore Registered Unitholders² on a non-renounceable basis of three New Units for every twenty of

¹ Based on the assumptions and subject to the qualifications and sensitivity analysis set out in the A-REIT circular dated 18 February 2004 (the “**Circular**”).

² Unitholders as at 16 February 2004 at 5.00 p.m. other than those whose registered addresses with The Central Depository (Pte) Limited (“**CDP**”) are outside Singapore and who have not, at least five market days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents.

- the existing units in A-REIT ("**Existing Units**") held on 16 February 2004 at 5.00 p.m., at the Issue Price; and
- (b) an offering of 78.5 million New Units, at the Issue Price, by way of:
- (i) an offering of 16.1 million New Units to retail investors in Singapore through the automated teller machines of participating banks; and
 - (ii) a private placement of 62.4 million New Units to retail and institutional investors.

The expected date and time of listing of the New Units on the Main Board of Singapore Exchange Securities Trading Limited ("**SGX-ST**") is 4 March 2004 at 2.00 p.m.

In conjunction with the Issue, the Manager has declared an advance distribution (the "**Advance Distribution**") of A-REIT's distributable income for the period from 1 October 2003 to 3 March 2004, the day immediately prior to the expected date of issue of the New Units (4 March 2004). The purpose of the Advance Distribution is to ensure that A-REIT's distributable income derived from investments acquired before the New Units are issued is only distributed in respect of the Existing Units held prior to the Issue. The Manager currently estimates that the range for the Advance Distribution will be between 3.45 cents to 3.55 cents per unit in A-REIT. For the avoidance of doubt, the New Units will not be entitled to participate in the Advance Distribution.

Based on the Issue Price of S\$1.16 per New Unit, upon the completion of the acquisition of the Properties and the Issue, the forecast distribution per unit ("**DPU**") for the financial year ending 31 March 2005 is 8.86 cents³, representing a 8.2 per cent. increase over the forecast 8.19 cents⁴ based on A-REIT's existing eleven properties.

Mr Goh Kok Huat, Chief Executive Officer of A-REIT, said "We are very confident that the new issue will be well subscribed as A-REIT has consistently outperformed its forecasts and delivered increased earnings and distributions for unitholders since its

³ Based on the assumptions and subject to the qualifications and sensitivity analysis set out in the Circular.

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IPO. The forecast DPU of 8.86 cents, an increase of 8.2 per cent., is very attractive as compared to other yield driven investments.”

Mr Stephen Hawkins, Trust Manager of A-REIT, said “With the completion of the equity fund raising, A-REIT will continue to be on the look-out to acquire yield-accretive properties. By doing so, we are committed to provide A-REIT unitholders with DPU growth and stability of income.”

Important Dates and Times:

Event	Date and Time
Opening date and time for the Preferential Offering and the ATM Offering	19 February 2004 at 9.00 a.m.
Closing date and time for the ATM Offering	26 February 2004 at 12.00 noon.
Closing date and time for the Preferential Offering	26 February 2004 at 4.45 p.m. (Acceptance Form) 26 February 2004 at 9.30 p.m. (ATM)

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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 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.

About A-REIT

A-REIT is the first business space and light industrial REIT listed on the SGX-ST. It has a diversified portfolio of 11 properties comprising business park (including science park), and light and hi-tech industrial properties in Singapore, with a book value of approximately S\$698 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. Major tenants include Biopharmaceutical Manufacturing Technology Centre, Federal Express, Ghim Li Global, Honeywell, Lilly Systems Biology, OSIM International, Teradyne, Ultro Technologies and Venture Corporation.

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