

A-REIT to Raise S\$400 Million Worth of New Units to Fund Acquisitions at S\$1.55 per New Unit

Singapore, 18 November 2004 – Ascendas Real Estate Investment Trust (“**A-REIT**”) is raising \$400 million worth of new units, to partly fund the acquisitions of 13 properties, comprising:

- About 179.3 million new units in A-REIT (“**New Units**”) to be issued under an equity fund-raising exercise, and
- About 78.8 million units to be issued to Ascendas Land (Singapore) Pte Ltd (“**Ascendas**”) as partial consideration (“**Consideration Units**”) for the purchase of two properties -- Infineon Building and Techpoint -- from Ascendas.

The balance of the funding for the acquisitions of the 13 properties will come from available debt facilities.

The units have been priced at S\$1.55 per unit (“**Issue Price**”), representing a discount of 2.9% from the volume weighted average price of S\$1.5967¹ per unit of all trades done on 17 November 2004.

Based on the completion of the acquisitions and the issue of the New Units and the Consideration Units at the Issue Price, the projected distribution per unit (“**DPU**”) for the financial year ending 31 March 2006 (“**FY 2006**”) is 9.94 cents², representing a 7.45% increase over the projected DPU of 9.25 cents² based on A-REIT’s existing portfolio of 19 properties. At the Issue Price, the projected distribution yield for FY 2006 is 6.4%.

¹ Before adjustment for the cumulative distribution in respect of the period from 1 October 2004 to the day before the issue of the New Units and Consideration Units

² Based on the assumptions and subject to the qualifications and sensitivity analysis set out in the A-REIT circular dated 18 November 2004 (the “**Circular**”).

The equity fund-raising comprises:

- (a) A preferential offering of about 83.6 million New Units to Singapore Registered Unitholders³ on a non-renounceable basis of one New Unit for every 10 existing units in A-REIT (“**Existing Units**”) held on the Books Closure Date (the “**Preferential Offering**”). The Preferential Offering opens at 9.00 a.m. on 19 November 2004 and will close at 4.45 p.m. on 25 November 2004 for acceptances effected via acceptance forms and 9.30 p.m. for acceptances effected via the automated teller machines (“**ATMs**”) of the participating banks. The provisional allocations to Singapore Registered Unitholders under the Preferential Offering will be increased to such number which, when added to their unitholdings⁴ as at the Books Closure Date, results in an integral multiple of 1,000 units;
- (b) An offering of 37.5 million New Units to retail investors in Singapore through the ATMs of DBS Bank (including POSB ATMs) on a “first-come, first-served” basis (the “**ATM Offering**”). The ATM Offering commences at 12.00 noon on 19 November 2004 and will be closed upon full subscription or 12.00 noon, 25 November 2004 (whichever is earlier); and
- (c) A private placement of about 58.2 million New Units (the “**Private Placement**”) to retail and institutional investors.

The Preferential Offering and the Private Placement are underwritten by DBS Bank Ltd and Macquarie Securities (Singapore) Pte Ltd, while the ATM Offering is underwritten by DBS Bank Ltd.

The expected date and time of listing of the New Units and Consideration Units on the Main Board of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) is 1 December 2004 at 2.00 p.m.

³ Unitholders as at 16 November 2004 at 5.00 p.m. (the “**Books Closure Date**”) other than those whose registered addresses with The Central Depository (Pte) Limited (“**CDP**”) were outside Singapore, who did not have a “rights” mailing address with CDP 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.

⁴ For nominee companies, this will be taken to be the level of aggregate units held in their accounts with CDP.

Mr Tan Ser Ping, Chief Executive Officer of A-REIT, said “A-REIT has consistently delivered good performance with increased earnings and distributions to unitholders. We are confident that this new issue will be well received given A-REIT’s established track record and prospects of further growth in DPU.”

Distribution

The New Units and Consideration Units will only be entitled to participate in the distributable income of A-REIT for the period from the date of their issue, expected to be on 1 December 2004 to 31 December 2004 whereas the existing units are entitled to participate in A-REIT’s distributable income for the third quarter distribution period from 1 October to 31 December 2004.

From the next distribution period (1 January 2005 to 31 March 2005), the New Units and Consideration Units will rank equal in all respects with the then existing units, including the right to any distributions which may be paid for that distribution period as well as all distributions thereafter.

Important Dates and Times:

Event	Date and Time
Opening date and time for the Preferential Offering	19 November 2004 at 9.00 a.m. (Acceptance Form and ATM)
Closing date and time for the Preferential Offering	25 November 2004 at 4.45 p.m. (Acceptance Form) 25 November 2004 at 9.30 p.m. (ATM)
Opening date and time for the ATM Offering	19 November 2004 at 12.00 noon (First come, first served)
Closing date and time for the ATM Offering	25 November 2004 at 12.00 noon <i>(Subject to an earlier closure upon full subscription or 12.00 noon, 25 Nov 04, whichever is earlier)</i>

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About A-REIT

A-REIT is the first business space and light industrial real estate investment trust (REIT) listed on the SGX-ST. It has a diversified portfolio of 19 properties in Singapore, comprising business park (including science park), light and hi-tech industrial properties, and logistics and distribution centres, with a book value of S\$1.24 billion (excluding C & P Logistics Hub Phase II due for completion in December 2004). These properties house a tenant base of over 350 international and local companies from a range of industries and activities, including research and development, life sciences, information technology, engineering and light manufacturing. Major tenants include Siemens, TT International, Honeywell, IHPC, Zuellig Pharma, IDS Logistics Services, OSIM International, Venture Corporation, Federal Express, Johnson & Johnson, ST Microelectronics and Procter & Gamble.

A-REIT is included in several indices. These include the Morgan Stanley Capital International, Inc (MSCI) Index, the FTSE Global Small Cap Asia Pacific Ex Japan Index Series, the European Public Real Estate Association/National Association of Real Estate

Investment Trusts (EPRA/NAREIT) Global Real Estate Index and the Standard & Poor inaugural S&P Asia PowerPicks 2004 portfolio. A-REIT won the "Most Transparent Company" in the SIAS 5th Investors' Choice Awards under the REIT category in September 2004. In July 2004, A-REIT received the most votes for Best Investor Relations by sell-side analysts in Singapore, in the 2004 Asia Equities Market Report conducted by Institutional Investor Research Group.

A-REIT is managed by **Ascendas-MGM Funds Management Limited**, a joint venture between Singapore-based Ascendas Pte Ltd and Macquarie Goodman Management Ltd of Australia.

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 costs), 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 the current views 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, Ascendas-MGM Funds Management Limited, as the manager of A-REIT (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.