

A-REIT launches equity fund raising with an issue price range of between S\$2.10 and S\$2.15 for each new unit

20 September 2005 – Ascendas Real Estate Investment Trust (“**A-REIT**”) is pleased to announce the launch of an equity fund raising to raise between S\$216.6 million to S\$217.1 million with an offer of an aggregate of between 101.0 million and 103.1 million new units to partly fund the acquisition of 12 properties¹. The balance of the funding for the acquisitions of the 12 properties will come from available bank debt facilities. The equity fund raising comprises:

- A preferential offering of between 58.5 million to 64.5 million new units in A-REIT to Singapore Registered Unitholders² on a non-renounceable basis of one new unit for every 20 existing units in A-REIT (“**Existing Units**”) held on the Books Closure Date, (fractions of a New Unit to be disregarded and subject to the rounding mechanism) (the “**Preferential Offering**”), commencing on 23 September 2005; and
- A private placement of the balance of the new units to retail and institutional investors (the “**Private Placement**”) by Citigroup Global Markets Singapore Pte Ltd, with the book building process starting today.

Between 10.6 million and 11.2 million new units will be issued to Ascendas Land (Singapore) Pte Ltd (“**Ascendas**”) to partly finance the acquisition of Techview from Ascendas (KB View) Pte Ltd (the “**Consideration Units**”). Altogether, S\$240.0 million will be raised by way of the new units to be issued under the equity fund raising and the Consideration Units.

¹ Excluding Thales Building which will be completed in January 2006 and 138 Depot Road to be completed in April 2006.

² Unitholders as at 19 September 2005 at 5.00 p.m. (the “**Books Closure Date**”) other than those whose addresses registered 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.

The new units will be priced at an issue price range of between S\$2.10 and S\$2.15 for each new unit (the “**Issue Price Range**”), representing a discount of between 2.0% to 4.2% from the volume weighted average price of \$2.1931 per Unit of all trades done for one and a half market days from 19 September 2005 to mid-day on 20 September 2005. The final issue price will be determined after the close of the Private Placement.

Based on the issue of the new units and the Consideration Units at the bottom end of the Issue Price Range of S\$2.10, the projected distribution per unit (“**DPU**”) for the financial year ending 31 March 2006 (“**FY2005/06**”) is 11.37 cents³, representing a 14.4% increase over the projected DPU of 9.94 cents previously announced in A-REIT’s circular dated 18 November 2004. This represents a projected distribution yield for FY2005/06 of 5.4%.

Mr Tan Ser Ping, Chief Executive Officer of A-REIT, said “The forecast DPU of 11.37 cents³ giving a projected trading yield of 5.4% offers more than 200 basis points above the Singapore ten-year bond yield of about 2.9%. With A-REIT’s proven track record of delivering predictable earnings and distributions to its unitholders as well as capital stability, we are confident that the new issue will be well received.”

The Circular will be despatched on 22 September 2005 to Singapore Registered Unitholders for their immediate attention. The Preferential Offering opens at 9.00 a.m. on 23 September 2005 and will close at 4.45 p.m. on 29 September 2005 for acceptances effected via acceptance forms submitted to The Central Depository (Pte) Ltd 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, will result in an integral multiple of 1,000 units.

Singapore Registered Unitholders who had used their Central Provident Fund Investible Savings (“**CPF Funds**”) to purchase their existing Units and/or purchased their existing Units under the Supplementary Retirement Scheme (“**SRS**”) can only accept their

³ Based on the assumptions and subject to the qualifications and sensitivity analysis set out in the A-REIT circular dated 25 August 2005 (the “**Circular**”).

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

provisional allocations of New units by instructing the relevant banks in which they hold their Central Provident Fund Investment Scheme accounts and/or SRS accounts to subscribe for new units on their behalf.

The Preferential Offering and the Private Placement are underwritten by Citigroup Global Markets Singapore Pte 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 5 October 2005 at 2.00 p.m.

Status of the new units

The new units and the Techview Consideration Units will rank equally in all respects with the then existing Units, including the right to any distributions which may be paid for that period from the date the new units are issued (expected to be 5 October 2005) to 31 December 2005 as well as all distributions thereafter.

For the avoidance of doubt, the new units and the Consideration Units will not be entitled to participate in the distribution of any distributable income accrued by A-REIT prior to the issue of such Units.

Important Dates and Times:

Event	Date and Time
Opening date and time for the Preferential Offering	23 September 2005 at 9.00 a.m. (Acceptance Form and ATM)
Closing date and time for the Preferential Offering	29 September 2005 at 4.45 p.m. (Acceptance Form) 29 September 2005 at 9.30 p.m. (ATM)

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For enquiries, please contact:

Ho Mei Peng

Investor Relations Manager, Ascendas-MGM Funds Management Limited

Tel: +65 6774 9152, Mobile: +65 9386 7770, Email: meipeng.ho@ascendas-mgm.com

Website www.a-reit.com

About A-REIT (www.a-reit.com)

A-REIT is the first business space and light industrial real estate investment trust listed on the SGX-ST. It has a diversified portfolio of 44 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\$2.3 billion. These properties house a tenant base of over 500 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 SingTel, C&P Logistics, Siemens, TT International, Honeywell, IHPC, Zuellig Pharma, LFD (Singapore), OSIM International, Venture Corporation, Federal Express, Freight Links Express, Johnson & Johnson, RSH, Infineon Technologies, Procter & Gamble and Hyflux.

A-REIT is listed 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, Global Property Research (GPR) Asia 250 and the Standard & Poor inaugural S&P Asia PowerPicks 2004 portfolio.

A-REIT is managed by **Ascendas-MGM Funds Management Limited** (in its capacity as manager of A-REIT), a 60:40 joint venture between Singapore-based Ascendas Pte Ltd and Australian-based Macquarie Goodmann Management Limited.

Important Notice

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.