

Press Release



A-REIT to acquire 150 Ubi Avenue 4 for \$13.2 million

26 January 2006, Singapore – Ascendas-MGM Funds Management Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”) is pleased to announce that A-REIT has signed a put and call agreement today to acquire 150 Ubi Avenue 4 (the “**Property**”) for a purchase price of \$13.2 million from Sunlight Electrical Pte. Ltd. (“**Sunlight**”).

The acquisition of the Property will be accretive to A-REIT’s distributable income per unit (DPU) and the pro forma financial effect of the acquisition on the DPU for the financial year ended 31 March 2005 would be an additional 0.04 cents per unit ⁽¹⁾.

Said Mr Tan Ser Ping, Chief Executive Officer of the Manager, “This is the 29th announced acquisition in this financial year, demonstrating the continuing momentum in acquisition growth. This multi-tenanted building will add to the diversification of the portfolio and tenant mix, providing long term value to our unitholders.”

150 Ubi Road 4, Singapore 408825

The property is located at Ubi Avenue 4, within the business and industrial hub of Ubi and is accessible via the Pan Island Expressway and the upcoming Kallang-Paya Lebar Expressway. There are a host of public amenities and services available in the nearby vicinity.

Completed on 21 May 1998, the property comprises a six-storey multi-tenanted light industrial building with ancillary offices and a covered carpark on the first storey. Upon completion of the transaction expected by March 2006, Sunlight will lease back a total of about 4,400 sqm of space in the property with two leases of 4 years (2,250 sqm) and 10

⁽¹⁾ Assuming that: A-REIT had purchased, held and operated the property for the whole of the financial year ended 31 March 2005 (based on 58 properties); the acquisition was fully funded by available bank debt facilities; and in respect of the property, the Manager had elected to receive its base Fee entirely in cash and its performance Fee entirely in units.

years (2,150 sqm) respectively. Other major tenants in the Property include: Ban Leong Technologies Ltd and Blum South East Asia. Sunlight is primarily engaged in the manufacture and sale of a range of LV switchgear which is used in the distribution and protection of electricity supplies for commercial, industrial, residential buildings and process plants. Sunlight is listed on the Singapore Exchange.

A-REIT will be responsible for the payment of land rent, property tax, maintenance and utilities and lease administration fee. A-REIT will also incur acquisition costs amounting to \$0.3 million of which \$0.1 million (being 1% of the purchase price) is the acquisition fee payable to the Manager.

The Property sits on a land area of 6,492 sqm with a land lease tenure of 30 + 30 years with effect from 1 July 1996 and has a gross floor area and net lettable area of 12,984 sqm and 10,931 sqm respectively.

The acquisition of the Property is subject to conditions precedent including the approval from Housing Development Board for the assignment of the land lease and the approval of the transaction by the shareholders of Sunlight.

A-REIT currently has a portfolio of 60 properties and has announced six other proposed acquisitions: a building along Depot Road being developed by Ascendas Pte Ltd for lease to a US Fortune 500 multinational company which is a pre-committed project expected to be completed in 2006; 50 Kallang Avenue and Aztech Building, both expected to be completed by February 2006; LabOne Building expected to be completed by middle of 2006 and the two newly announced developments – warehouse retail facilities for Courts and Cold Storage expected to be completed by October/November 2006 and January/February 2007, respectively.

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

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 60 properties in Singapore, comprising suburban office space (including business park and science park properties), high specifications industrial mixed use properties, light industrial properties, and logistics and distribution centres, with a book value of S\$2.6 billion. These properties house a tenant base of over 680 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 and Group Exklusiv Pte Ltd.

A-REIT is listed in several indices. These include the Morgan Stanley Capital International, Inc (MSCI) Index, the European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and Global Property Research (GPR) Asia 250.

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 Goodman Management Limited.

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Important Notice

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 of A-REIT 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.

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 other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.