

Press Release



A-REIT completes acquisition of two properties worth \$46.0 million

18 November 2005, 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 completed the acquisition of PSB Science Park Building for \$35.0 million and JEL Centre for \$11.0 million today.

The put and call option agreement for JEL Centre at No. 11 Changi North Way was signed with JEL Corporation (Far East) Pte Ltd and announced on 5 October 2005 while the put and call option agreement for PSB Science Park Building was signed with PSB Corporation Pte Ltd (“**PSB**”) for PSB Science Park Building sited at 1 Science Park Drive on 4 November 2005.

The pro forma financial effect of PSB Science Park Building on A-REIT’s distributable income per unit for the financial year ended 31 March 2005 would be 0.09 cents⁽¹⁾.

Mr Tan Ser Ping, Chief Executive Officer of the Manager, said, “We are pleased to complete the acquisition of two strategically located properties. The long term leases of these properties will further extend the weighted average lease expiry profile of A-REIT portfolio and their annual stepped rental increases will provide organic growth to the portfolio.”

⁽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 57 properties including Hamilton Sundstrand Building and Thales Building); the acquisition of the property had been funded using 100% debt; 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.

Description of PSB Science Park Building

The PSB Science Park Building is sited in Singapore Science Park I, at the junction of Ayer Rajah Expressway and South Buona Vista Road. Directly opposite the building is the proposed circle line (Kent Ridge station) under construction now and expected to be completed by 2010.

The property is a fully air-conditioned two-storey building with three-level basement for office, workshops and laboratories use. Upon completion of the transaction, PSB Corporation Pte Ltd will lease back the whole building for 15 years with annual stepped rental increases. The tenant, who uses the premise for product testing and system automation activities, will pay for the maintenance and utilities expenses while A-REIT will be responsible for the property tax and lease management fee. A-REIT will also incur costs relating to the acquisition amounting to \$0.5 million.

The property sits on a land area of 31,856 sqm (subject to survey) with a land lease tenure of 95.5 years expiring on 30 June 2080 and has a net lettable area of 21,064 sqm. The gross floor area is about 32,013 sqm. Land premium has already been paid upfront by the vendor.

A-REIT now has a portfolio of 57 properties. A-REIT had also announced three 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; Hamilton Sundstrand Building and Thales Building which are currently under construction and expected to be completed by November 2005 and January 2006 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 57 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\$2.6 billion. These properties house a tenant base of over 610 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.