

Press Release



A-REIT rated A3 by Moody's Investors Services

8 December 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 been assigned a first time corporate family rating of A3 by Moody's Investors Service in a press release issued by them today. A3 is otherwise known as A- by other rating agencies.

Mr Tan Ser Ping, Chief Executive Officer of the Manager, said, “We are pleased with the corporate rating for A-REIT which reflects the high quality properties in the portfolio, the well diversified tenant base and the stable and relatively long lease expiry profile. The publication of this rating will provide further flexibility in funding future acquisitions by A-REIT that will continue to add value to our unitholders. “

The revised regulations prescribed by the Monetary Authority of Singapore allow a maximum gearing of 60% if the REIT publishes a credit rating. However, to maintain the appropriate risk profile of a REIT, the Manager expects A-REIT to maintain a long term optimal gearing ratio not exceeding 45%. Assuming the maximum gearing limit of 45%, A-REIT will have debt funding capacity of about S\$500 million available to fund future acquisitions.

In line with the change in the Property Funds Guidelines under the Code of Collective Investment Schemes, the Manager will publish the following information henceforth as part of the supplemental information prepared and issued together with the quarterly results.

1) Deferred amounts

A-REIT has deferred purchase considerations totalling \$85.5 million which constitutes about 3.2% of its total assets of \$2.66 billion (assuming Hamilton Sundstrand Building and 37A Tampines Street 92 have been completed). The deferred amounts and its impact on the respective property yield are detailed in Table 1 in the Appendix.

2) Gearing after including deferred amount

A-REIT's gearing as at 30 September 2005 was 32.7%. In October and November A-REIT has completed the acquisition of another 12 properties worth \$267.1 million funded with equity and debt. Assuming that A-REIT has also completed the acquisition of Hamilton Sundstrand Building and 37A Tampines Street 92 and taking into account the total amount of deferred purchase consideration, A-REIT's gearing will be 34.7% based on its total assets of S\$2.66 billion. Without taking into account the deferred purchase consideration, A-REIT's gearing will be 31.5%.

3) Tenants' diversification by country of origin and industry sectors (in terms of rental income)

A-REIT tenants' industry sectors and country of origin information prepared previously was based on net lettable area. In the future, this information will be prepared based on rental income. Please see charts 1 to 8 in the Appendix for details of the respective asset classes.

- End -

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 58 properties in Singapore, comprising suburban office space (including business park and science park), 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 wide 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 included 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 Group.

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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.

APPENDIX

TABLE 1: DEFERRED PURCHASE CONSIDERATION IN A-REIT'S PORTFOLIO

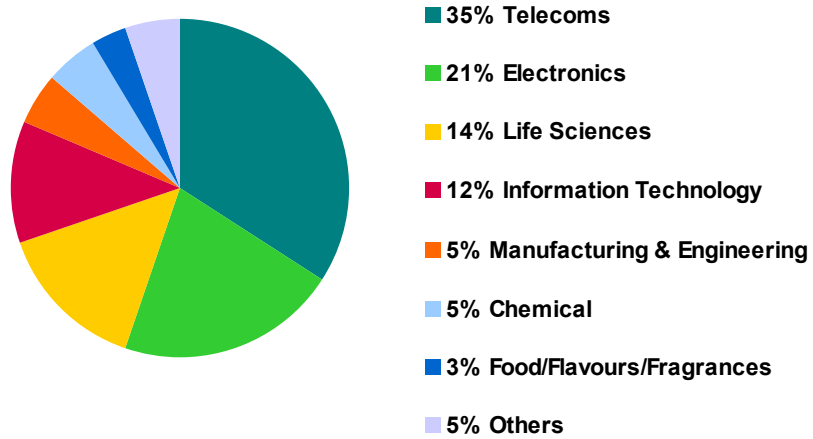
Property	Acquisition Date	Deferred Amount (\$ m)	Purchase Price (\$ m)	Property Yield (With Deferred)	Property Yield (No Deferred)	Property Yield (after Deferred amount is paid)
TT International Tradepark	Mar 04	8.80	92.00	7.9%	7.1%	7.8%
Siemens Center	Mar 04	12.25	65.75	8.3%	6.7%	8.3%
SB Building	Nov 04	3.80	17.80	8.7%	6.8%	8.2%
Exklusiv Centre	Nov 04	0.90	44.82	7.9%	7.7%	8.3%
Wisma Gulab	Dec 04	12.20	55.70	7.9%	6.2%	7.8%
Xilin Districentre Buildings A & B (formerly CG Aerospace Building)	Dec 04	8.10	31.10	9.9%	7.3%	7.6%
Freight Links (Changi) Bldg	Dec 04	6.40	32.00	9.3%	7.5%	8.7%
Freight Links (Toh Guan) Bldg	Dec 04	7.28	36.40	8.9%	7.2%	8.4%
Telepark	Mar 05	7.60	186.00	7.5%	7.2%	7.6%
Kim Chuan Telecoms Complex	Mar 05	10.00 (note 2)	100.00	-	7.7%	-
7 Changi South Street 2	May 05	2.00	30.63	8.2%	7.7%	8.4%
1 Jalan Kilang	Oct 05	1.87	18.65	8.0%	7.2%	NA (note 1)
11 Tampines St 92	Oct 05	4.25	16.75	7.7%	6.9%	NA (note 1)
GRAND TOTAL		85.45	727.60			
Total assets as at 30 Nov 2005 (assuming completion of Hamilton Sundstrand Building and 37A Tampines Street 92)			2,661.55			
% of deferred amount in relation to total assets				3.2%		

Note:

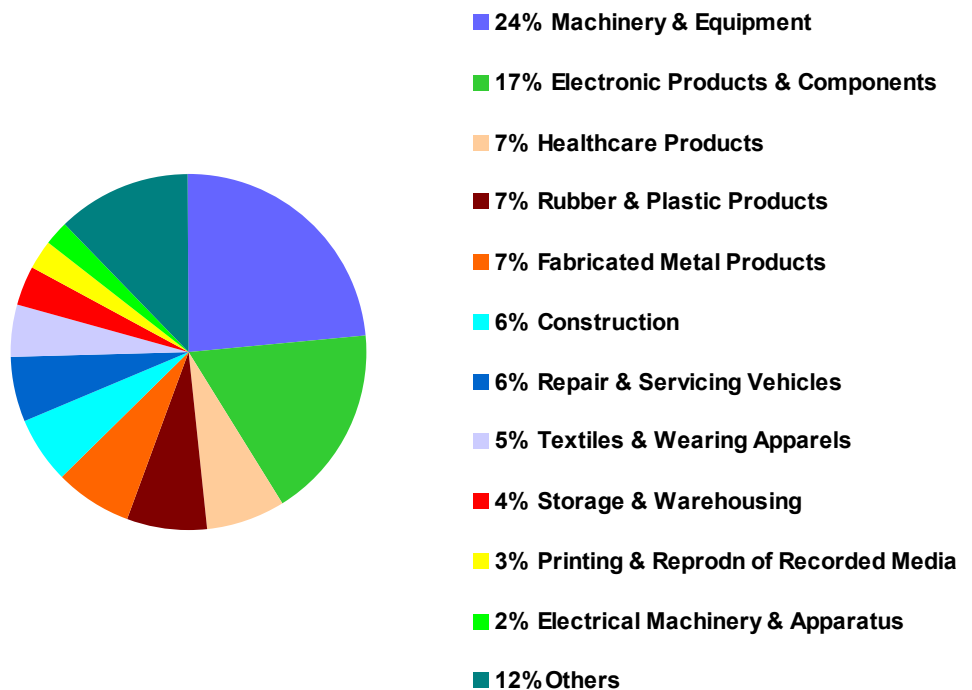
- (1) 1 Jalan Kilang and 11 Tampines St 92 are multi tenanted buildings. As such, it is not possible to determine their prospective property yield as it depends on the occupancy and rental rates at the point in time.
- (2) The property yield for Kim Chuan Telecommunications Complex was already announced without the deferred amount.

**Tenants' diversification by industry sectors and country of origin
(in terms of rental income)**

Business Park Properties tenant sectors



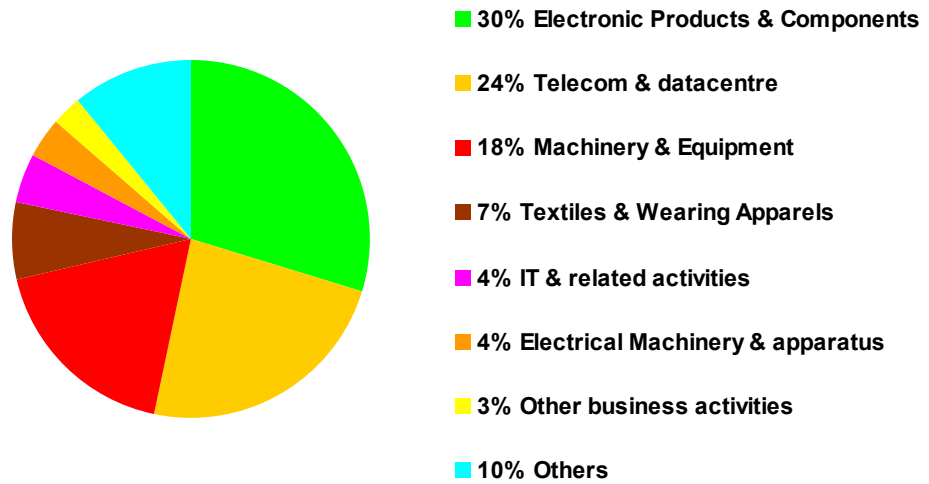
Light Industrial Properties tenant sectors



Notes:

(1) Others include Food Products & Beverage, Chemicals & Chemical Products, Furniture & Manufacturing NEC, Paper Products, Telecommunication, Cleaning Services, Medical, Precision & Optical Instruments, Clocks and IT & related activities.

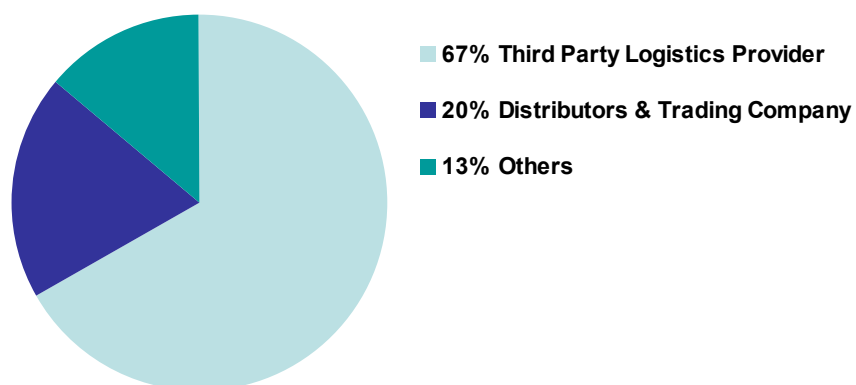
Hi-Tech Industrial Properties tenants sectors



Note:

(1) Others include Furniture & Manufacturing NEC, Construction, Transport Equipment, Supporting & Auxiliary Transport Activities, Medical, Precision & Optical Instruments, Clocks, Rubber & Plastic products and Printing & Reproduction of Recorded Media.

Logistics Properties tenants sectors

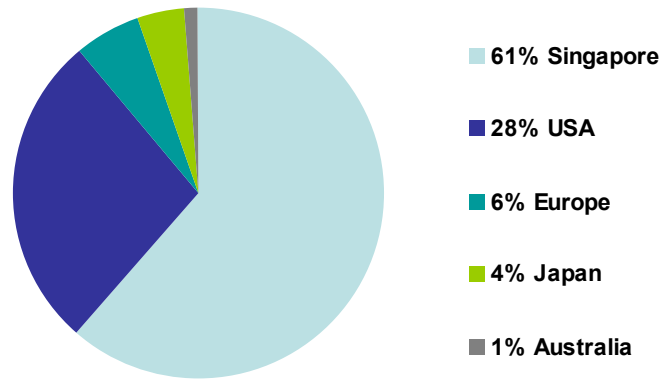


Note:

(1) Third Party Logistics provide freight forwarding and shipping.

(2) Others include Electronics and Telecommunication & Data Centres.

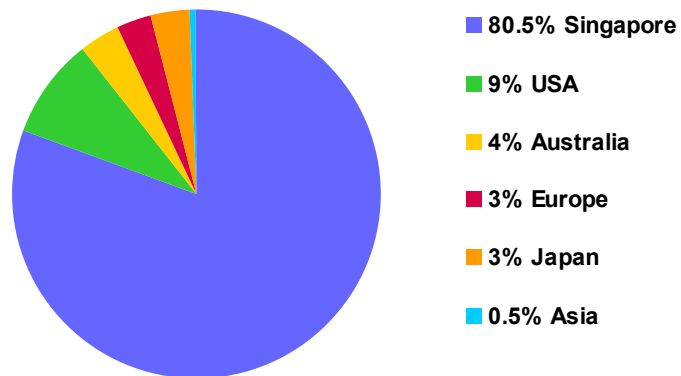
Business Park Properties tenants' country of origin



Note:

(1) Europe includes Austria, Belgium, France, Germany, Sweden, Switzerland and UK.

Light Industrial Properties tenants' country of origin

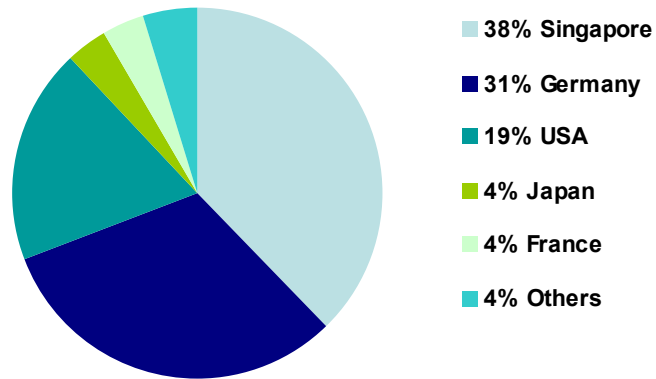


Notes:

(1) Asia includes China, Hong Kong, Malaysia and Taiwan (exclude Singapore and Japan).

(2) Europe includes Belgium, France, Germany, Italy, Sweden, Switzerland and UK.

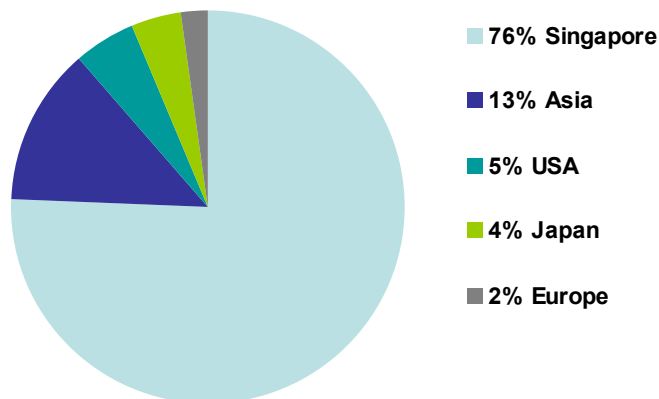
Hi-Tech Industrial properties tenants' country of origin



Note:

(1) Others include Australia, Canada, China, Hong Kong, India, Italy, Korea, Malaysia, Netherlands, Norway, Switzerland, Taiwan and UK.

Logistics properties tenants' country of origin



Notes:

(1) Asia includes Hong Kong, India, Malaysia, Philippines and Taiwan (exclude Singapore and Japan).

(2) Europe includes France, Germany, Netherlands, Norway, Switzerland & UK.