

Embargoed for release after 5.06 pm

Press Release
14 April 2005



A-REIT's fourth quarter DPU is 17% above prior corresponding period

Highlights:

- 1 S\$84.2 million of distributable income is 85% above prior corresponding period ("pcp") of S\$45.5 million
- 2 S\$96.1 million of net property income is 91% above pcp of S\$50.3 million
- 3 Distributable income per unit ("DPU") of 9.56 cents is 17% above pcp
- 4 55.6% of total returns delivered for FY 04/05

Summary of A-REIT Results (For the year ended 31 March 2005)

	Actual FY04/05	Forecast ⁽¹⁾	Variance (per cent)
Net investment income (S\$m)	75.2	72.2	4
Available for distribution (S\$m)	84.2	80.3	5
DPU (cents) <i>(Based on the applicable number of units on issue as at 31 March 05)</i>	9.56	9.30	3

Summary of Distributions Payable

Stock counter	Distribution period	DPU (Cents)
1. Ascendasreit	1 January 05 to 31 March 05	2.70
2. Ascendasreit A	2 March 05 to 31 March 05	0.87

14 April 2005, Singapore – The Board of Directors of Ascendas-MGM Funds Management Limited ("**Manager**"), the manager of Ascendas Real Estate Investment Trust ("**A-REIT**"), is pleased to announce that A-REIT's DPU is 9.56 cents for the financial year ended 31 March 05 ("**FY05**"), which is 17% higher than 8.16 cents in the pcp, and 3% higher than the forecast ⁽¹⁾ of 9.30 cents per unit

¹ As stated in the A-REIT circular dated 18 November 2004 (the "**Circular**").

Mr Tan Ser Ping, Chief Executive Officer of the Manager said, "A-REIT's acquisitions of 20 properties totaling S\$1.01 billion made in the last financial year and the underlying existing portfolio have generated attractive returns for our unitholders in FY05. The financial impact of the enlarged portfolio is evident through the 17% increase in DPU and the rise in market capitalisation to S\$2.2 billion from S\$0.9 billion. The extension of our portfolio weighted average lease term to expiry (WALE) to 7.4 years from 4.6 years compared to 31 March 2004 provides further predictability and stability to underlying income. A-REIT is looking ahead to another year of excellence bolstered by sustained growth and continued resilience in our property portfolio."

Stable and regular returns

A-REIT will pay out a DPU of 2.70 cents for units trading on the main stock counter, *Ascendasreit*, for the final quarter of FY05. Approximately 109.9 million units trading on the temporary stock counter, *Ascendasreit A*, which were issued on 2 March 2005 pursuant to the private placement in February 2005, will receive a DPU of 0.87 cents per unit for the period from 2 March 2005 to 31 March 2005. Distributions for units trading under both counters will be paid out on 31 May 2005.

A unitholder who has held A-REIT units from 1 April 2004 would have received total returns of 55.6% including both capital gains and distributions paid out in respect of FY05.

Expanded Portfolio Through Acquisitions

During FY05, A-REIT added 20 properties to its portfolio, and these included acquisitions from several listed companies including SingTel, RSH, Autron Singapore and Freight Links Express. A-REIT also purchased its first freehold property, Wisma Gulab in December 2004. The total number of properties has increased by more than 100% to 36 during FY05.

On 4 April 2005, A-REIT announced the completion of four additional properties, AEM-Evertch Building, Da Vinci Building, Hyflux Building and MSL Building for a total purchase price of S\$65.1 million, bringing the total number of A-REIT properties to 40.

The weighted average lease term to expiry of A-REIT's portfolio has significantly increased to 7.4 years, up from 4.6 years announced in April 2004. A-REIT has a well diversified spread of properties within the four asset classes of business park, high tech

industrial, light industrial and logistics, which minimises its reliance on any one property, such that no single property accounts for more than 14.8% of net property income.

Resilient Portfolio

A-REIT's portfolio of 36 properties is 94.1% occupied as at 31 March 2005 compared to 88.8% in the prior corresponding period. The occupancy of the multi-tenanted buildings is 89.0% as at 31 March 2005 compared to 85.1% in the prior corresponding period.

The Manager has successfully renewed or leased a total of 25,692 sqm of space in fourth quarter of FY05. This space represents 5.4% of the net lettable area in A-REIT's multi-tenanted properties portfolio and represents S\$5.8 million in annualised gross rental income. During FY05, a total of 102,570 sqm of space was newly leased or renewed. In addition, about 90% of A-REIT's gross revenue for FY06 is already committed as at 31 March 2005.

Occupancy in A-REIT's property portfolio is well ahead of the Urban Redevelopment Authority's occupancy rates for properties across Singapore by an average of 80% across all asset classes.

Capital Management

As at 31 March 2005, A-REIT has hedged 75.9% of its total debt facilities of S\$556 million and has a weighted average term remaining of 3.22 years. A-REIT's weighted average funding cost is 2.77% including margins charged on the loans and the amortised / annual costs of A-REIT's Commercial Mortgage Backed Securities programme.

Inclusion in Indices and Accolades

Since its listing in November 2002, A-REIT has been included in a number of indices. This is an affirmation of the markets' confidence in A-REIT, as it grows its market capitalisation and increases its trading liquidity. Recent inclusions include the Straits Times Index (STI) from 18 March 05 with a weightage of 0.6 based on market free float, and the Morgan Stanley Capital International (MSCI) index in May last year.

A-REIT is also included in the FTSE EPRA/NAREIT Global Real Estate Index Series with an increased investability weight of 100%.

In FY05, A-REIT received the following accolades in recognition of its excellence in corporate governance:

- 1 Ranked no. 9 in BT Corporate Transparency Index 2004
- 2 Most Transparent Company under REIT category in SIAS Investors' Choice Award
- 3 Best Investor Relations by Institutional Investor Research Group

Going Forward

A-REIT will continue to maintain a synergistic approach to deliver total returns for unitholders through acquiring yield-accretive properties which are well-located in Singapore and offer stability through diversification of tenant and industry mix. A-REIT will also maintain its holistic approach of ensuring maximum returns through quality asset management to continually enhance the value of all properties within the portfolio.

For enquiries, please contact:

Ho Mei Peng Investor Relations Manager Ascendas-MGM Funds Management Ltd Tel: +65 6774 9152 Mobile: +65 9668 8290 Email: meipeng.ho@ascendas-mgm.com	Philip Pearce Portfolio Manager Ascendas-MGM Funds Management Ltd Tel : +65 6774 9844 Mobile : +65 9627 8632 Email : philip.pearce@ascendas-mgm.com
--	--

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 40 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\$2.1 billion. These properties house a tenant base of over 470 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, IDS Logistics Services, OSIM International, Venture Corporation, Federal Express, Freight Links Express, Johnson & Johnson, RSH, Infineon Technologies, Procter & Gamble, Nippon SP Tech, Singapore Technologies Logistics.

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 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 Goodmans Management Limited.

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 current view 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, 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 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.