



A-REIT Distribution Per Unit Outperforms Forecast by 13 per cent

15 April 2004, 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 has recorded distributable income of S\$45.5 million for the year ended 31 March 2004 (“**Period**”), which is 15 per cent higher than the forecast in the IPO prospectus dated 5 November 2002.

The distributable income per unit of 8.16 cents is 13 per cent higher than the forecast in the IPO prospectus dated 5 November 2002. A distribution of 3.47 cents per unit for the period from 1 October 2003 to 3 March 2004 (the day before the listing of new units pursuant to the recent Equity Fund Raising) will be paid to Unitholders on 26 April 2004.

Summary of A-REIT Results (For the year ended 31 March 2004)

	Actual	Forecast	Variance (per cent)
Net profit (S\$'000)	40,591	37,310	9
Available for distribution (S\$'000)	45,536	39,520	15
Distributable income per unit (cents)	8.16*	7.24	13
Distribution per unit (cents) <i>(For period from 1 Oct 2003 to 3 March 2004 in respect of the trading of new units on 4 March 2004)</i>	3.47	-	-

*Based on the weighted average units on issue as at 31 March 2004 of 558.2 million units.

For more details on the financial results, please refer to the A-REIT Financial Statements dated 15 April 2004 released on MASNET.

Delivered Performance

A-REIT has delivered a total return of 64.8% based on the opening price of S\$0.82 as at 1 April 2003 and the closing price of S\$1.27 as at 31 March 2004 as well as the distribution yield which is 9.9% based on the opening unit price.

For the year ended 31 March 2004, the distributable income per unit is 8.16 cents. Unitholders have already received a distribution of 4.05 cents per unit from 1 April 2003 to 30 September 2003, paid on 21 November 2003, and an advance distribution of 3.47 cents per unit from 1 October 2003 to 3 March 2004 will be paid on 26 April 2004 (**“Advance Distribution”**).

The Advance Distribution is for the period up until the day immediately prior to the issue of new units on 4 March 2004 under the recent equity fund raising and ensures that A-REIT’s distributable income derived from investments acquired before the new units are issued is only distributed in respect of the Existing Units held prior to the Issue.

The next distribution covering the period from 4 March 2004 to 30 September 2004 will be paid out in November 2004.

Mr Goh Kok Huat, Chief Executive Officer of the Manager said, “A-REIT’s annual results reflect another year of out performance with distributable income per unit exceeding the forecast by 13%. We believe that through pro-active management of properties within the portfolio and the proposed acquisitions plans, A-REIT can look forward to another strong year of income and capital growth.”

Enlarged Portfolio

In the past year, A-REIT’s property portfolio has doubled to 16 properties and a new asset class, logistics, has been added to diversify the overall portfolio. A-REIT raised S\$180.6 million through an equity fund raising in March 2004 to partly finance the acquisition of five properties: Changi International Logistics Centre, IDS Logistics Corporate Headquarters, Siemens Center, Trivec Building and TT International Tradepark, with the balance funded from available debt facilities.

The new acquisitions extend the weighted average lease term to expiry of A-REIT’s portfolio to 4.6 years from 2.9 years previously and reduce A-REIT’s reliance on any one property, such that no single asset will account for more than 13.1% of total net property income as compared to 18.6% previously.

Resilient Portfolio

On a portfolio basis, the average occupancy rate of A-REIT's 16 properties is 88.8% as at 31 March 2004.

The Manager has successfully renewed or leased a total of 120,373 sqm of space for the period 1 April 2003 to 31 March 2004. This space represents 28% of the net lettable area in A-REIT's enlarged portfolio and amounts to S\$24.7 million in annualised gross rental income.

Going Forward

The Manager aims to continue to deliver total returns for unitholders of income yield and capital growth through various strategies. As part of its acquisition growth strategy, A-REIT will look to acquire yield-accretive properties which are well-located and offer stability through diversification of tenant and industry mix, extension of lease expiry profile and improvement to the weighted term to expiry.

Asset management will be an on-going process within existing properties in A-REIT's portfolio to ensure maximum returns and enhance the value of the properties.

In the financial year ending 31 March 2005, A-REIT is confident of delivering the forecast distribution per unit of 8.86⁽¹⁾ cents as disclosed in the circular dated 18 February 2004.

(1) For financial year ending 31 March 2005 and based on the assumptions set out in the circular dated 18 February 2004.

Inclusion in Indices

A-REIT has recently been included in the FTSE Global Small Cap Asia Pacific Ex Japan Index Series, which are formed from the wider FTSE Global Equity Index Series, that meets the FTSE hallmarks of investor acceptance, transparency, predictability, accuracy, independently governed and available ground rules.

A-REIT was picked as one of four Singapore stocks by Standard & Poor's Asian Equity Research for its inaugural S&P Asia PowerPicks 2004 Portfolio. According to S&P's

equity analysts, the chosen stocks are best positioned to outperform within their respective sectors.

A-REIT was also included in the EPRA/NAREIT Global Real Estate Index, the only representative and independent European real estate index available in Europe. The index provides users with a very clear and transparent set of ground rules ensuring the indices are objective and understandable. The index is adopted by the worldwide investment community and now seen as the leading index for the quoted real estate sector worldwide.

- End -

This press release should be read in conjunction with the A-REIT Financial Statements Announcement for the period from 1 April 2003 to 31 March 2004 announced on MASNET.

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About A-REIT

A-REIT is the first business space and light industrial REIT listed on the SGX-ST. It has a diversified portfolio of 16 properties comprising business park (including science park), and light and hi-tech industrial properties and logistics and distribution centres in Singapore, with a book value of S\$996 million. These properties house a tenant base of over 350 international and local companies operating in a range of industries and activities, including research and development, life sciences, information technology, engineering and light manufacturing. Major tenants include Biopharmaceutical Manufacturing Technology Centre, Federal Express, Ghim Li Global, Honeywell, Lilly Systems Biology, OSIM International, Teradyne, Ultro Technologies, Venture Corporation, IDS Logistics, Nippon Express, TT International Tradepark, Zuellig Pharma and Siemens.

A-REIT is managed by **Ascendas-MGM Funds Management Limited**, a joint venture between Singapore-based Ascendas Pte Ltd and Australian-based Macquarie Goodman Industrial 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, 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 Singapore Exchange Securities Trading Limited ("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.