Press Release
18 April 2007

A-REIT reports full year DPU of 12.75 cents which is 9.2% above prior corresponding period

Highlights:

1. Distributable income per unit ("**DPU**") of 12.75 cents for FY2006/07 is 9.2% above prior corresponding period ("**pcp**") of 11.68 cents

2. Gross revenue of S$283.0 million is 24.6% above pcp of S$227.2 million

3. Net property income of S$210.3 million is 21.2 % above pcp of S$173.6 million

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

	FY 2006/07 $m	FY 2005/06 $m	Variance (%)
Gross Revenue (S$m)	283.0	227.2	24.6
Net Property Income (S$m)	210.3	173.6	21.2
Net Income (S$m)	148.4	132.0	12.0
Available for distribution (S$m)	163.8	142.6	14.9
DPU (cents)	12.75	11.68	9.2

18 April 2007, Singapore – The Board of Directors of Ascendas-MGM Funds Management Limited (the "**Manager**"), the manager of Ascendas Real Estate Investment Trust ("**A-REIT**"), is pleased to announce a DPU of 12.75 cents per unit for the financial year ended 31 March 2007, an increase of 9.2% on the 11.68 cents recorded in the pcp.

Chief Executive Officer of the Manager, Mr Tan Ser Ping said, "We are pleased to report a strong operating performance in which the benefits of the improving property market as well as the Manager's proactive asset management strategies are being reflected.

Overall occupancy increased to 96.6% as compared to 95.0% in the prior corresponding period. Occupancy in A-REIT's property portfolio is well ahead of the Urban Redevelopment Authority's occupancy rates for industrial properties across Singapore by an average of 4.3%

to 12.1% across the sub-sectors in which A-REIT has invested. Positive rental reversions were achieved, particularly for the Business and Science Park sector and the Hi-Tech Industrial sector which saw the highest average rental reversion of 13.1% and 18.5% respectively in FY200607.

We will continue to work with existing and potential tenants to provide business space solutions to meet their total business needs while continuing to acquire and develop quality properties to create further value for our unitholders."

A-REIT's total net income available for distribution rose to S$163.8 million in the financial year ended 31 March 2007, a 14.9% increase over the pcp.

A-REIT recorded a DPU of 12.75 cents for FY06/07, an increase of 9.2% over pcp. Based on the closing price of S$2.39 on 31 March 2007, this represents a yield of 5.3%. The quarterly DPU of 3.30 cents for the three months ended 31 March 2007 will be paid out on 30 May 2007.

Portfolio Continues to Grow through Quality Acquisitions and Developments

A-REIT continues to expand its portfolio with acquisitions and developments of quality properties. As at 31 March 2007, A-REIT had a portfolio of 77 properties with a total book value of S$3.3 billion, housing a tenant base of over 750 international and local companies. In the last quarter, A-REIT completed the acquisitions of Super Industrial Building and 26 Senoko Way for S$49 million, 2 Changi South Lane, 1 Kallang Place, 18 Woodlands Loop, and 9 & 11 Woodlands Terrace for $63.05 million and iQuest @ IBP for S$18.6 million. The development of a built-to-suit warehouse retail facility (Giant Hypermart) for Cold Storage (Singapore) Ltd was completed on schedule and within budget in February 2007.

Despite the increased competition for quality business space properties, A-REIT acquired 17 properties and committed to development projects worth in total about $488 million bringing total assets up from $2.8 billion to $3.3 billion as at 31 Mar 2007. Four transactions worth $148 million are pending completion:

1) A partial build-to-suit business park property (HansaPoint @ CBP) is being built at Plot 15 Changi Business Park with Rohde & Schwarz Singapore Pte Ltd as the anchor tenant. The building is expected to be completed by early 2008.

2) A partial build-to-suit distribution facility which is currently under development at Plot 7 & 8 Changi LogisPark (North) with Zuellig Pharma Pte Ltd as the anchor tenant. The development project is expected to be completed by early 2008.
3) An additional five-storey ramp up warehouse, as part of an asset enhancement of SENKEE Logistics Hub, currently under construction by SENKEE Logistics Pte Ltd, will be acquired for $63.8 million upon satisfaction of certain conditions precedent. The construction is expected to be completed in early 2008.
4) A logistic and distribution facility, currently being built by the vendor, Goldin Enterprises Pte Limited, at Pioneer Walk will be acquired for S$22.5 million in the second half of 2008 upon satisfaction of certain conditions precedent.

In line with the Property Fund Guidelines, 72 out of 77 properties in A-REIT's portfolio were revalued by Colliers, CBRE and Chesterton. It is pleasing to report A-REIT's portfolio value has increased by S$148.9 million or 4.9%. Accordingly, the net asset value per unit has increased from $1.34 to $1.49 after the revaluation.

The two warehouse retail facilities (Courts Megastore and Giant Hypermart) recorded aggregate unrealized revaluation gains of $24.3 million above the combined total development cost. This demonstrates A-REIT's commitment to pursue attractive earnings accretive opportunities while maintaining a disciplined approach to ensure risks are mitigated.

A Well Diversified Portfolio with High Occupancy

The overall occupancy of A-REIT's portfolio of 77 properties was 96.6% as at 31 March 2007 compared to 95.0% in the pcp. The occupancy rate for A-REIT's multi-tenanted buildings was 93.7% compared to 91.4% in the pcp.

The Manager has successfully renewed or leased a total of 60,794 sqm of space in the fourth quarter. The weighted average lease term to expiry of A-REIT's portfolio has remained stable at 6.8 years as at 31 March 2007.

A-REIT maintains a well-diversified investment grade property portfolio spread across a number of sub-sectors to meet the real estate needs of its customers. The sub-sectors comprising Business and Science Parks properties, Hi-Tech Industrial properties, Light Industrial properties, Flatted Factory space, Logistics and Distributions centres as well as Warehouse Retail Facilities. These sub-sectors are exposed to different segments of the economy and have different growth drivers. By diversifying our portfolio, it minimizes our reliance on any one property such that no single property accounts for more than 6.0% of the monthly gross revenue.

Capital Management

The Manager continues to engage in active capital management strategies to optimize A-REIT's capital structure.

A-REIT completed an equity raising exercise in February 2007 to raise $100 million by way of a private placement of 40,323,000 units at $2.48 per unit. The amount was used to finance new acquisitions and development projects and repayment of a portion of A-REIT's existing borrowings. A-REIT's aggregate leverage as at 31 March 2007 is 37.3%, which provides additional debt capacity of more than $450m to fund further acquisition and development activities.

The Manager continues to adopt a prudent stance toward interest rate risk management. With the recent reduction in interest rates, the Manager has fixed more of its floating debt through interest rate swaps of 5 to 7 years duration. Accordingly, 95% of total debt has been fixed for an average 4.5 years at a weighted average interest rate of 3.38% (including margins charged on the loans and amortised/annual costs of the medium term note programme). Therefore, any further volatility in interest rates will have minimal financial impact on A-REIT in FY07/08.

Outlook for FY2007/08

As the economy continues to grow, the Manager anticipates a positive outlook for A-REIT's suburban business space, particularly in the Business and Science Park properties and Hi-Tech space due to the higher demand for such space and the tight supply in the Central Business District. As such, we can expect some positive rental reversions for leases which are up for renewal in the next financial year.

The outlook for the flatted factories and the Logistics and Distribution centres sectors remain subdued because of the relatively high expected new supply in the next 2 years, particularly in the latter, where 471,000sm of space is expected in 2007.

Given the positive outlook for the economy, the Manager will continue on its three-pronged approach of proactive asset management strategies, asset creation and optimization of capital structure to generate predictable income and capital stability for its unitholders.

- 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 77 properties in Singapore, comprising suburban office space (including Business and Science Parks), high specifications industrial mixed use properties, Flatted Factories, Light Industrial properties, Logistics and Distributions centres as well as warehouse retail facilities, with a book value of S$3.3 billion. These properties house a tenant base of over 750 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, , Zuellig Pharma, LFD (Singapore), OSIM International, Venture Corporation, Federal Express, Freight Links Express, Johnson & Johnson, RSH, Infineon Technologies, Procter & Gamble, Hyflux, and Hewlett-Packard.

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.

For enquiries, please contact:

Media	**Analysts**
Sabrina Tay	Tan Shu Lin
Snr Executive, Corporate Communications	Fund & Investor Relations Manager
Ascendas-MGM Funds Management Ltd	Ascendas-MGM Funds Management Ltd
Tel : +65 6774 9152	Tel : +65 6774 9610
Mobile : +65 9833 5833	Mobile : +65 9248 4446
Email : sabrina.tay@ascendas-mgm.com	Email : shulin.tan@ascendas-mgm.com

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.