

*For Immediate Release*

## **MAPLETREELOG EXPANDS SINGAPORE PORTFOLIO WITH ACQUISITION OF LIANG HUAT BUILDING**

- **Acquisition of Singapore property for S\$55 million**
- **Accretive acquisition with initial net property yield of 7.8%**

**Singapore, [26] November 2010** – Mapletree Logistics Trust Management Ltd. (“MLTM”), as Manager of Mapletree Logistics Trust (“MapletreeLog”), is pleased to announce that it has today signed a Sale and Purchase agreement and completed the acquisition of the Liang Huat Building at 51 Benoi Road, Singapore (the “Property”) at a purchase price of S\$55 million.

The Property comprises six blocks of industrial warehouses, including two ancillary buildings. Strategically located in the Jurong area near the Joo Koon MRT station, it is also well-connected to the Ayer Rajah and Pan Island Expressways. The Property has good building specifications making it a suitable and popular choice for end users who are in the light industrial and assembly-related business with warehousing needs.

The Property is acquired on an outright sale basis and approval from JTC has been obtained. The vendor, Khai Wah Development Pte Ltd, is a wholly owned subsidiary of Ho Lee Group Pte Ltd (“Ho Lee Group”). Ho Lee Group is one the leading property development and construction firm in Singapore established in 1996. Currently, 40% of the Property is occupied by companies within the Ho Lee Group while the balance is leased to third parties.

The acquisition provides an initial net property yield of 7.8%. As part of the terms of the sale and purchase agreement, the vendor will provide rental income guarantee for existing leases that are deemed to be below that of the market in the vicinity. The rental guarantee has a yearly escalation of 2% for a period of 5 years. Outgoings such as land rent, property tax and property maintenance of this multi-tenanted facility will also be borne by the vendor during this period.

Mr Richard Lai, CEO of MLTM said, “We are very pleased to be announcing the completion of this acquisition, which will further enhance our Singapore portfolio. The Property has a well-diversified customer mix, comprising of both local and foreign end users from various industry clusters. This provides stability to MapletreeLog’s return, while allowing growth through built-in rental escalations and future rental reversions. Furthermore, the Property also has potential for asset enhancement to cater to expansion requirements of the existing clients or re-development opportunity in the future as the current plot ratio is not maximised.”

With the addition of this Property, MapletreeLog’s total portfolio will increase to 94 properties with a book value of approximately \$3.4 billion<sup>1</sup>.

This acquisition is funded with the proceeds from the recent equity fund raising exercise announced on 21 September 2010 (“EFR Announcement”). This acquisition was one of the four potential acquisitions identified in the EFR Announcement and the second acquisition of the four to be completed.

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**About MapletreeLog ([www.mapletreelogisticstrust.com](http://www.mapletreelogisticstrust.com))**

MapletreeLog, the first Asia-focused logistics REIT in Singapore, was listed on the SGX-ST main board on 28 July 2005. The Trust is also included in the FTSE ST Mid-Cap Index, the Global Property Research’s GPR 250 Index and GPR 250 REIT Index. MapletreeLog’s principal strategy is to invest in a diversified portfolio of income-producing logistics real estate and real estate-related assets. As at 30 September 2010, it has a portfolio of 91 logistics assets in Singapore, Hong Kong, Japan, China, Malaysia, South Korea and Vietnam with a total book value in excess of S\$3.4 billion. MapletreeLog is managed by Mapletree Logistics Trust Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd.

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<sup>1</sup> Based on book value of investment properties as at 30 Sept 2010 and purchase price of all announced acquisitions (excluding other acquisition related cost) to date.

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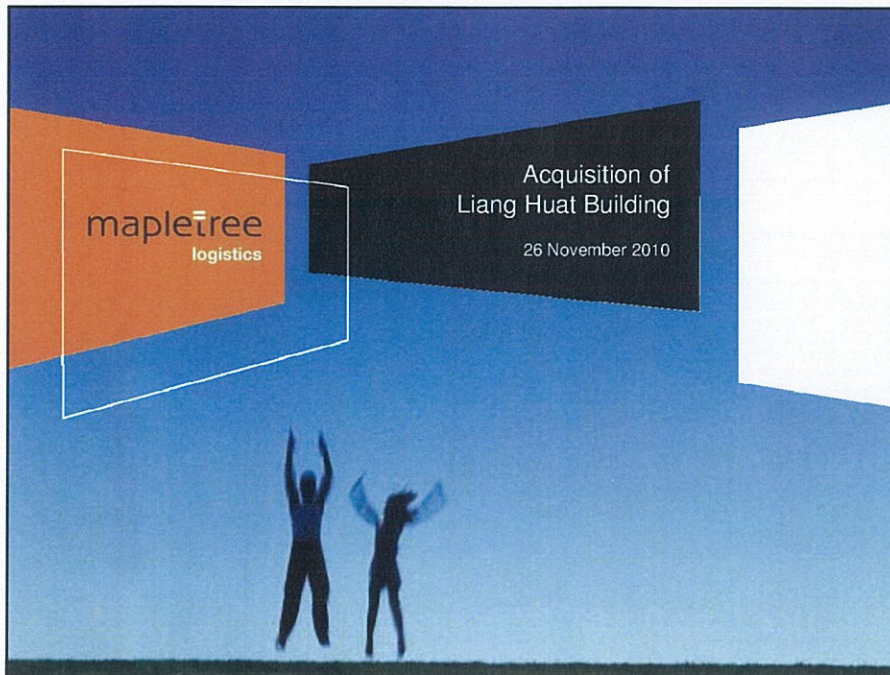
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### Important Notice


The value of units in MapletreeLog ("Units") and the income 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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of MapletreeLog is not necessarily indicative of its future performance.

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.



## Liang Huat Building



 **Liang Huat Building** is located strategically in Jurong area and near Joo Koon MRT station. It is also well-connected to the Ayer Rajah and Pan Island Expressways. The property comprises 6 blocks of industrial warehouse including two ancillary buildings.

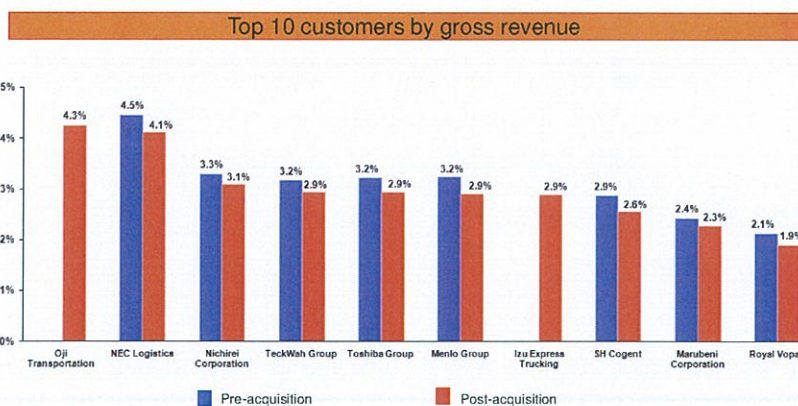
- Purchase price: S\$ 55 million
- Land tenure: 30+30 years from 16 April 1995, expiring on 15 April 2055
- Land area: ~ 356,000 sq ft  
GFA: ~ 391,000 sq ft
- Vendor: Khai Wah Development Pte Ltd (subsidiary of Ho Lee Group)
- Outgoings: Land rent, property tax, routine property maintenance, service charge and all outgoings borne by Vendor

### Benefits of the acquisition

- Attractive NPI yield
  - ✓ Initial net property yield of 7.8%
- Good mix of end users profile
  - ✓ Local and international end users from various mix of light industrial and assembly related industries
- Strategic location
  - ✓ Located strategically in the Jurong area and near the Joo Koon MRT station
  - ✓ Well-connected to the Ayer Rajah and Pan Island Expressways
- Stable rental income & growth potential
  - ✓ Rental guaranteed for 5 years
  - ✓ Annual rent escalation rate of 2%
  - ✓ Good building specifications
  - ✓ Re-development potential

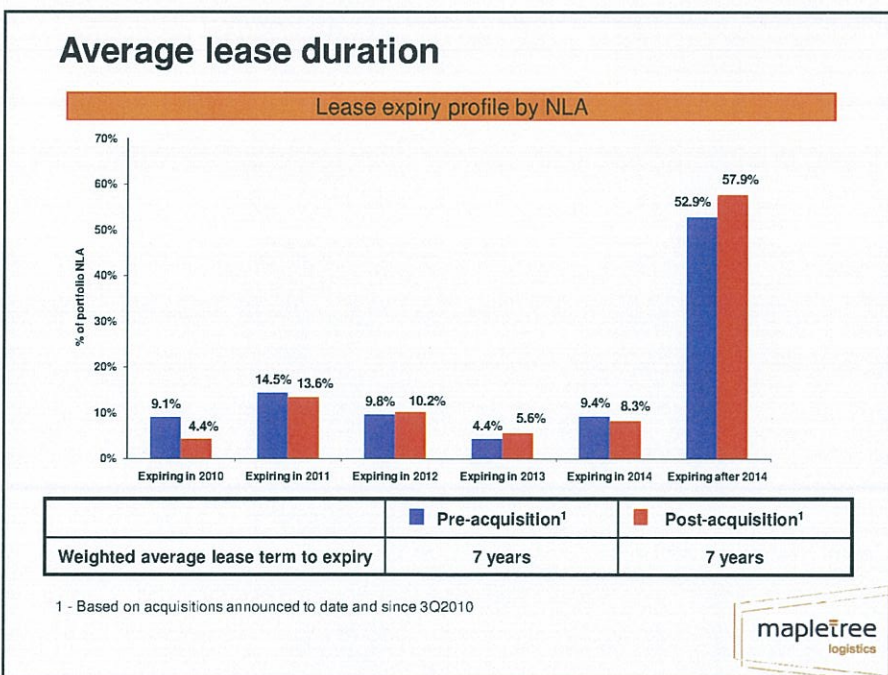
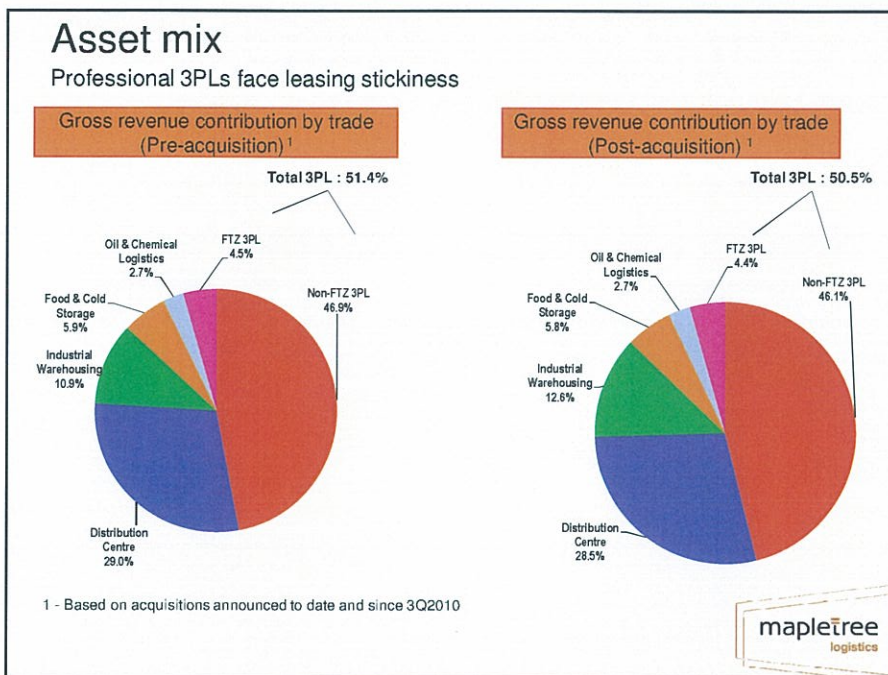


### Customer diversification provides portfolio stability



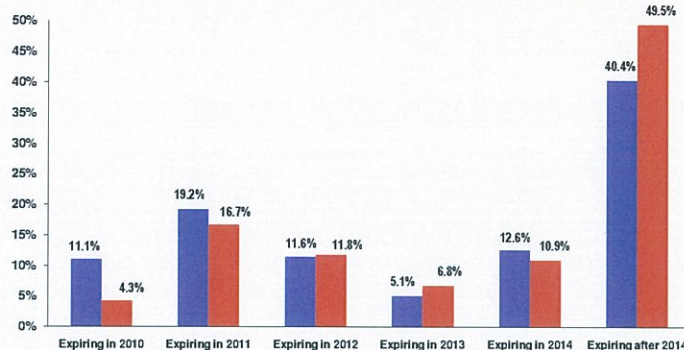
1 - Based on acquisitions announced to date and since 3Q2010  
 2 - No difference in top 10 customers pre- and post-acquisition





## Average lease duration

Lease expiry profile by gross revenue

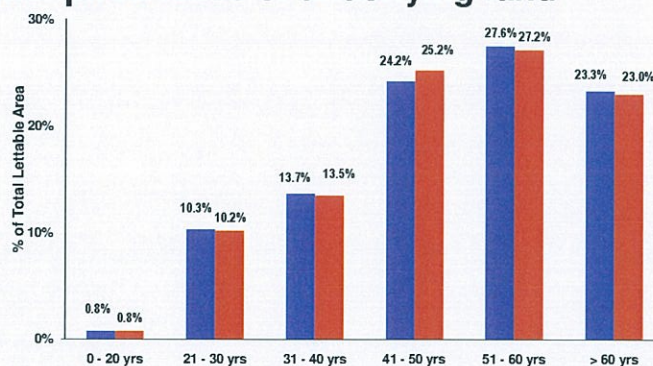


	Pre-acquisition <sup>1</sup>	Post-acquisition <sup>1</sup>
Weighted average lease term to expiry	5 years	5 years

1 - Based on acquisitions announced to date and since 3Q2010



## Unexpired lease of underlying land



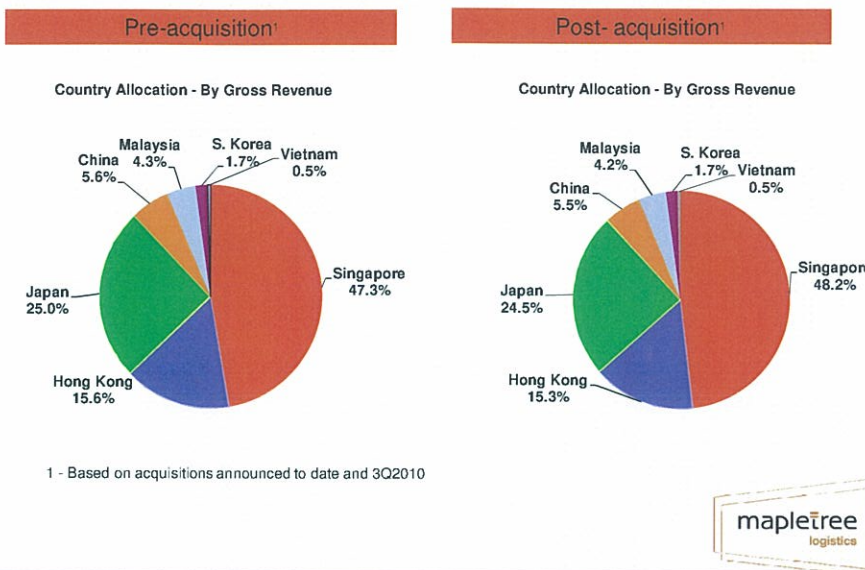
	Pre-acquisition <sup>2</sup>	Post-acquisition <sup>2</sup>
Weighted average of unexpired lease term of underlying land <sup>1</sup>	207 years	209 years

1 - For purposes of computation, land tenure for all the freehold properties is assumed to be 999 years.

2 - Based on acquisitions announced to date and since 3Q2010



## Geographical allocation of portfolio



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