

*For Immediate Release*

## MAPLETREELOG'S AMOUNT DISTRIBUTABLE FOR 3Q 2008 RISES 33% YEAR-ON-YEAR

### Highlights:

- Amount distributable of S\$25.4 million for the three months ended 30 September 2008 ("3Q 2008") is 33.1% higher than that in the same period last year ("3Q 2007").
- Available distribution per unit ("DPU") of 1.84 cents for 3Q 2008 is 7.0% higher than the 3Q 2007 DPU after taking into account the enlarged unitholders base resulting from the rights issue that was completed in August 2008.
- Value of completed assets is close to S\$2.7 billion with another S\$46 million acquisitions announced but pending completion as at 30 September 2008.

**Singapore, 21 October 2008** – The Board of Directors of Mapletree Logistics Trust Management Ltd. ("MLTM"), Manager of Mapletree Logistics Trust ("MapletreeLog"), is pleased to announce a total amount distributable of S\$25.4 million for 3Q 2008, an improvement of 33.1% compared with 3Q 2007.

S\$'000	3Q 2008 Actual	3Q 2007 Actual	Variance (3Q 2008 vs 3Q 2007)	YTD Sep 08 Actual	YTD Sep 07 Actual	Variance (YTD Sep 08 vs YTD Sep 07)	2Q2008 Actual	Variance (3Q 2008 vs 2Q 2008)
Gross Revenue	46,046	38,496	19.6% ↑	132,524	101,445	30.6% ↑	43,841	5.0% ↑
Net Property Income	40,244	33,906	18.7% ↑	115,891	89,613	29.3% ↑	38,292	5.1% ↑
<b>Amount Distributable</b>	<b>25,432</b>	<b>19,112</b>	<b>33.1% ↑</b>	69,064	52,100	32.6% ↑	22,625	12.4% ↑
<b>Available DPU (cents)</b>	<b>1.84</b>	<b>1.72</b>	<b>7.0% ↑</b>	5.78	4.79	20.7% ↑	2.04	9.8% <sup>1</sup> ↓

*Note to table:* MapletreeLog's distribution policy is to distribute at least 90% of its taxable income, comprising substantially its income from the letting of its properties and related property services income after deduction of allowable expenses and allowances, and of its tax-exempt income, if any.

1: This is following the rights issue which was completed on 22 August 2008 where 831.1 million new units were issued which increased the total number of outstanding units from 1,108 million to 1,939 million.

Mr. Chua Tiow Chye, Chief Executive Officer of MLTM, said, "We are pleased to announce MapletreeLog's strong performance for 3Q 2008, with amount distributable registering a 33.1% y-o-y increase. The increases in amount distributable and DPU are largely due to the additional 18 properties acquired within the past one year. We also continue to see strong rental reversions for leases that came up for renewal. As at 30 September 2008, the Trust's portfolio comprises 79 properties, with a book value of about S\$2.7 billion. In addition, there are another two<sup>2</sup> acquisitions, with a book value of S\$46 million that have been announced but are pending completion as at 30 September 2008. Upon completion, MapletreeLog's portfolio will comprise 81 properties with a book value of over S\$2.7 billion; 47 properties in Singapore, 11 in Malaysia, 8 each in Hong Kong and Japan, 6 in China and 1 property in South Korea."

#### **A robust regional portfolio**

The Trust's portfolio value grew 7.6% quarter-on-quarter, from 76 properties valued at S\$2,485.5 million as at 30 June 2008, to 79 properties valued at S\$2,673.9 million as at 30 September 2008.

In terms of 3Q 2008 net property income, Singapore accounted for 54%, Hong Kong, 24%, Japan 12%, Malaysia 5%, China 4% and South Korea 1%.

#### **Steady growth in amount distributable**

MapletreeLog's 3Q 2008 DPU of 1.84 cents registered a 7.0% y-o-y increase, taking into account the enlarged unitholding of 1,939 million after completion of the rights issue in August 2008. Mr. Chua said, "We are confident that our robust and diversified regional portfolio and strong operating performance will provide our unitholders with steady and growing distributions."

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<sup>2</sup> Comprises 1 property in China (ISH WaiGaoQiao) and 1 property in Malaysia (G-Force)

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### Focus on organic growth

In 3Q 2008, about 78,000 sqm of space representing approximately 3.7% of the net lettable area of MapletreeLog's portfolio was renewed or re-leased. Rental reversions continued to be strong and were approximately 30% higher than preceding rents. The majority of these reversions were from leases in Singapore and Hong Kong which saw reversion rates of 34.1% and 33.4% respectively. For the rest of 2008, approximately 25,000 sqm of space is due for renewal, mainly from Singapore and Hong Kong.

MapletreeLog has a diversified and strong tenant base, with no tenant accounting for more than 5% of monthly gross revenue contribution and the top ten tenants accounting for 29% of its monthly gross revenue<sup>3</sup>. Despite the current economic conditions, portfolio occupancy rates remain consistently high at about 99%. Approximately 58% of our tenants are third party logistics companies. Our tenants, and the clients that our tenants service, are engaged in a wide array of economic activities ranging from consumer goods, industrials, information technology, telecommunications, healthcare and oil storage. This diversification of tenancies reduce dependency on any particular economic sector.

The weighted average lease term to expiry is over 5 years with 66% of the leases having expiry dates beyond 3 years. As at 30 September 2008, the weighted average of unexpired lease term of the underlying land of the portfolio is over 152 years<sup>4</sup>.

### Capital management strategy

The completion of the rights issue in August 2008 has strengthened MapletreeLog's balance sheet:

- As at 30 September 2008, MapletreeLog's leverage ratio was 36.9%, down significantly from 56.3% as at 30 June 2008.
- Expected capital expenditure to complete committed acquisitions is only S\$26 million.

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<sup>3</sup> Based on gross revenue for the month of September 2008

<sup>4</sup> For computation purposes, freehold land is assigned a lease term of 999 years

- Out of the S\$1,023 million debt as of 30 September 2008, only around S\$114 million is due to mature within the next 12 months. The Manager has committed bank lines and firm proposals which are twice this amount, as well as other uncommitted lines, which eliminates any refinancing-related risk.
- The average duration of MapletreeLog's debt has improved to 2.8 years as of 30 September 2008, compared to 2.2 years as of 30 June 2008.
- The weighted average annualised interest rate in 3Q 2008 was 2.7% p.a., the same as in 2Q 2008.
- Approximately 60% of MapletreeLog's total borrowings as of 30 September 2008 are hedged, compared to approximately 45% as of 30 June 2008.

### Outlook

"With the completion of the rights issue, MapletreeLog's balance sheet has strengthened substantially with reduced gearing and improved debt maturity profile. We are well positioned to weather the current challenging environment as there is no funding or refinancing risk. At the appropriate time, we will explore opportunities that may arise when market conditions recover."

"The Manager's immediate focus is therefore to optimise yield from organic growth through extracting positive rental reversions and undertaking asset enhancements. In 3Q 2008, we continued to see very strong rental reversion and we believe that we will see rental increases averaging over 20% from previous rentals for the 208,000 sqm of space renewed and/or replaced throughout the whole year of 2008." Mr. Chua said.

### Distribution to unitholders

The 3Q 2008 DPU of 1.84 cents represents a 7.0% y-o-y increase from the 3Q 2007 DPU of 1.72 cents. MapletreeLog will pay this DPU of 1.84 cents on 28 November 2008 for the period from 1 July 2008 to 30 September 2008.

For those unitholders who subscribed to the rights units, the DPU on the rights units for the period works out to 0.61 cents. The rights units i.e. MapletreeLog A (ISIN Code: SG1X18940905) will merge with the old units on the date the units are traded ex-distributions, which will be on 30 October 2008.

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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 (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 2008, it has a portfolio of 79 logistics assets in Singapore, Hong Kong, Japan, China, Malaysia and South Korea with a total book value of close to S\$2.7 billion. MapletreeLog is managed by Mapletree Logistics Trust Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd.

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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

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5

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.

