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>> Announcement Details

The details of the announcement start here ...

Announcement Title * MapletreeLog acquires 3 properties for S\$83.5 million in Vietnam, Japan and Singapore

Description Please see attached.

Attachments



 MLT_PressRelease1_31May2010.pdf
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For Immediate Release

MAPLETREELOG ACQUIRES 3 PROPERTIES FOR S\$83.5 MILLION IN VIETNAM, JAPAN AND SINGAPORE

- **MapletreeLog's first foray into Vietnam**
- **First set of two Properties acquired from Sponsor's development pipeline**
- **Acquisition of Singapore Property**

Singapore, 31 May 2010 - Mapletree Logistics Trust Management Limited ("**MLTM**"), as Manager of Mapletree Logistics Trust ("**MapletreeLog**"), is pleased to announce the following three acquisitions ("**Acquisitions**"): 


- (a) One warehouse in Vietnam ("**Mapletree Logistics Centre**") by way of conditional Sale and Purchase Agreement with Mapletree Investments Pte Ltd ("**Sponsor**");
- (b) One warehouse in Japan ("**Sendai Centre**") by way of conditional Sale and Purchase Agreement with the Sponsor; and
- (c) One distribution centre in Singapore ("**Natural Cool Lifestyle Hub**") by way of a Put and Call Option Agreement with Natural Cool Investments Pte Ltd (a wholly owned subsidiary of SGX-listed Natural Cool Holdings Limited).

The total consideration for the Acquisitions is S\$83.5 million, consisting of US\$6.4 million (~ S\$8.8 million) for Mapletree Logistics Centre, JPY 1.49 billion (~ S\$21.7 million) for Sendai Centre and S\$53 million for Natural Cool Lifestyle Hub.

INTERESTED PARTY TRANSACTION

Sendai Centre and Mapletree Logistics Centre are purchased from the Sponsor. Accordingly, the acquisitions of the two properties are considered as interested party transactions¹ (“IPT”). To ensure that they are undertaken on an arm’s length basis, two independent valuations have been obtained for each of the two properties. One of the two valuations is commissioned independently by HSBC Institutional Trust Services (Singapore) Limited as Trustee of MapletreeLog (“Trustee”). The purchase prices for Mapletree Logistics Centre and Sendai Centre are below the average of the independent valuations. The valuers and their indicative valuations for the two properties are as follows:

Property	Valuers	Indicative Valuations	Average Valuation
Mapletree Logistics Centre	CB Richard Ellis (Vietnam) Co., Ltd	US\$ 6.58 million	US\$ 6.415 million
	Knight Frank Vietnam Co., Ltd	US\$ 6.25 million	
Sendai Centre	DTZ Debenham Tie Leung	JPY 1.47 billion	JPY 1.4975 billion
	Chiyoda Toshi Kantei	JPY 1.525 billion	

Given that the aggregated transaction value of the two properties is less than 5% of MapletreeLog’s net tangible asset value², no unit holders’ approval is required under the guidelines relating to property funds in Appendix 2 of the Code on Collective Investment Schemes issued by The Monetary Authority of Singapore as at 11 November 2009 (“**Property Funds Guidelines**”) and Singapore Exchange Securities Trading Limited’s (“**SGX-ST**”) Listing Manual.

In addition to the measures required in the Property Funds Guidelines and SGX-ST Listing Manual to ensure that IPTs are carried out on an arms-length basis, the Manager has put in place further measures in its Prospectus³ to de-conflict the Manager, MapletreeLog and the Sponsor. Transactions (either individually or in aggregate involving the same interested party

¹ As defined in the Property Funds Guidelines and SGX-ST Listing Manual.

² Net Tangible Asset Value (“NAV”) as of 31 Mar 2010 is S\$1.7 bil; accordingly, 3% and 5% of NAV approximates S\$51 million and S\$85 million respectively.

³ Prospectus dated 18 July 2005 for MapletreeLog’s Initial Public Offering

during the same financial year) which exceed 3% but below 5% of the value of its net tangible assets will be subject to the review and prior approval from the Audit Committee.

While the aggregate value of Sendai Centre and Mapletree Logistics Centre do not exceed 3% of MapletreeLog's net tangible assets², for the purpose of good corporate governance and transparency, the Manager has decided to subject the two IPT transactions to full review by the Audit Committee specifically, instead of reviewing them at its next periodical review of IPTs. The Audit Committee had done a review of the proposed acquisitions of Sendai Centre and Mapletree Logistics Centre and based on the merits of the case, given its recommendation to the Board to approve both acquisitions. All non-independent directors of the Board had abstained from voting on both acquisitions and unanimous concurrence was obtained from all independent directors of the Board and approval given to proceed with the acquisitions.

To further align the interest of the Manager to that of MapletreeLog and in line with the requirements under the Property Funds Guidelines, the acquisition fees arising from both acquisitions will be satisfied through issuance of new MapletreeLog units. Details will be announced when the issuance is completed.

MERITS OF THE ACQUISITIONS

The Manager believes that the Acquisitions will have significant benefits for unit holders:

[A] Attractive Net Property Income (“NPI”) yields⁴ and DPU accretion

- The NPI yield of Sendai Centre in Japan is 6.8% which is higher than the implied property yield of MapletreeLog's existing Japan portfolio of 5.0%. The NPI yield of Natural Cool Lifestyle Hub in Singapore is 8.05% which is higher than the implied property yield of 7.1% of MapletreeLog's existing Singapore portfolio.

⁴ Net property income yield is calculated as earnings before interest, taxes, depreciation and amortisation (“EBITDA”) of each Acquisition divided by the purchase price of the Acquisition.

- The NPI yield of Mapletree Logistics Centre in Vietnam is 10.3%. This will be the first Vietnam asset in the portfolio.
- Collectively, the Acquisitions have a weighted average NPI yield of about 7.9% which is higher than MapletreeLog's existing portfolio of 6.2%.
- In view of the size of the consideration, the Manager intends to fund the Acquisitions fully by debt in the interim. The accretion to DPU is expected to be 0.157 cents or 2.62%⁵ based on 1Q 2010 financial results.

[B] First foray into new growing logistics market – Vietnam

- The Manager believes Vietnam is a market of immense opportunities. Vietnam has shown quick recovery from the recent economic downturn; posting real GDP growth rates averaging 7.3% from 2005 to 2009⁶. Annual real GDP growth between 2010 and 2011 is expected to average about 6.5%⁷. Statistics showed industrial production in the first four months of 2010 increased by 13.5% against the same period in 2009⁸. After a brief experience with hyper inflation in the recent past, the State Bank of Vietnam appears more conscious of the need to keep a lid on inflation while growing the economy. It has in recent times tightened its monetary policies. With that strong recovery, Vietnam is expected to be the fastest growing economy in terms of real GDP in East Asia only after China⁹.
- While China's continuing strength as a manufacturing base is widely recognized, many international corporations have adopted a "China-Plus-One" strategy where an alternative lower cost production base is being set up outside China. In this respect, Vietnam is viewed by many as a low-cost alternative to China. Coupled with its young

⁵ Assuming MapletreeLog has purchased, held and operated the properties on a proforma basis from the beginning of Jan 2010 based on annualised 1Q 2010 financial results and assuming that the Acquisitions are 100% debt funded. However, if these Acquisitions are 40% debt funded and assuming the new units to fund the balance are issued at a unit price of 75 cents, the corresponding accretion would be 0.039 cents or 0.64%. On this basis, the gearing of MapletreeLog would remain at 38.6% - the same level as at 31 March 2010.

⁶ Source: World Economic Outlook, April 2010, International Monetary Fund

⁷ Source: Economist Intelligence Unit Country Forecast – Vietnam, January 2010

⁸ Source: General Statistics Office of Vietnam

⁹ Source: World Economic Outlook, April 2010, International Monetary Fund

and well-educated population of more than 85 million, and abundant natural resources, Vietnam is also attractive to various sectors in logistics, manufacturing, retail, information technology, and basic materials amongst others.

- The Manager sees Vietnam as an important key emerging market in Asia with its competitive cost structure and burgeoning middle-class population which presents attractive growth prospects. With growing demand for logistics spaces in Vietnam, the Manager believes Vietnam will provide opportunities to our valued partners and tenants. With the acquisition of its first property in Vietnam, MapletreeLog will be well positioned to tap the growth of the logistics industry in Vietnam.

[C] Acquisitions from the Sponsor's development pipeline

- As announced previously, the Sponsor has about S\$700 million committed in logistics development projects in China, Vietnam and Malaysia. About S\$300 million of these development projects are completed or nearing completion and are currently undergoing stabilisation in operation and leasing. The Sponsor has granted a right of first refusal to MapletreeLog to acquire these assets when they become available. In view of signs of further cap rate compression and hence, rising prices in most property markets in Asia including Vietnam and Japan, the Manager has decided that the timing is appropriate to acquire Sendai Centre and Mapletree Logistics Centre. These acquisitions mark the start of MapletreeLog's acquisitions from the Sponsor's development pipeline.
- The two acquisitions are expected to result in DPU accretion of approximately 0.049 cents or 0.81% from the annualised 1Q 2010 DPU of 6.0 cents¹⁰.

[D] Stable leases with quality tenants, long lease terms and locked-in growth

¹⁰ Assuming MapletreeLog has purchased, held and operated the properties on a proforma basis from beginning of Jan 2010 based on annualised 1Q 2010 financial results and assuming that the acquisitions are 100% debt funded. However, if these acquisitions are 40% debt funded and assuming the new units to fund the balance are issued at a unit price of 75 cents, the corresponding accretion would be 0.004 cents or 0.07%. On this basis, the gearing of MapletreeLog would remain at 38.6% - the same level as at 31 March 2010.

- All three Acquisitions are 100% leased with stable rental income.
- Natural Cool Lifestyle Hub will be leased back to the vendor for a 10-year term with annual increment of 2% in rent.
- Sendai Centre will be purchased with existing leases to two sitting tenants with nine years remaining on the leases. Similarly, Mapletree Logistics Centre will be acquired with existing leases to five sitting tenants.
- The Manager believes that the tenants are of high quality, adding to the stability of MapletreeLog's rental income while providing an important foothold in the promising new market of Vietnam.

[E] In line with “follow-the-client” strategy

- The Manager continues to receive high level of interests from its customers on logistics space in Vietnam. With Vietnam as one of the key emerging logistics market, the acquisition will enable MapletreeLog to further entrench its existing clientele relationships and support its mission to be the real estate partner of choice to its customers for logistics space.

[F] Continuing focus on accretive third-party acquisitions

- The acquisition of Natural Cool Lifestyle Hub will be accretive to MapletreeLog's DPU. The proforma financial effect of the acquisition on the annualised DPU (based on actual 3 months 2010 financial results) is an additional 0.108 cents or 1.80% from the annualised 1Q 2010 DPU of 6.0 cents¹¹. The vendor will lease back the property for 10 years with a rental escalation of 2% p.a. The parent of the vendor, Natural Cool Holdings Pte Ltd, is an air-conditioning and switchgear specialist providing products and services to both commercial and residential properties in Singapore, Malaysia and India.

¹¹ Assuming MapletreeLog has purchased, held and operated the property on a proforma basis from beginning of Jan 2010 based on annualised 1Q 2010 financial results and assuming that the acquisition is 100% debt funded. However, if the acquisition is 40% debt funded

RATIONALE FOR THE ACQUISITIONS

Mr. Richard Lai, Chief Executive Officer of MLTM, said, “We are pleased to announce these three yield accretive acquisitions which are a first for us in two respects. Firstly, it kick-starts the process of making purchases from the Sponsor’s strong development pipeline of approximately S\$700 million of logistics properties in China, Vietnam and Malaysia of which about S\$300 million have been completed or nearing completion. MapletreeLog has a right of first refusal over these developments which form a pipeline for the trust once they are completed and their operations and leasing stabilised. The Manager expects to gradually acquire most of those projects that are completed or nearing completion over the course of the next two years.”

Mr. Lai continued, “Secondly, the acquisition of Mapletree Logistics Centre marks MapletreeLog’s entry into Vietnam and establishes our presence as a logistics real estate provider there. We are excited about the prospects for Vietnam and believe that the country’s logistics sector is well positioned for strong growth as it increasingly becomes a major manufacturing hub and consumption market. The Sponsor is currently developing two more projects in Vietnam which are in different stages of construction and leasing and we hope that some of these can be bought over by MapletreeLog over the next few years.”

Overall, the acquisitions in Singapore and Japan will further entrench our position and diversify our customer base in these two developed markets. With these acquisitions, MapletreeLog’s portfolio will increase to 87 properties spread across seven countries: 50 properties in Singapore, eight in Hong Kong, 10 in Japan, six in China, 11 in Malaysia and one each in South Korea and Vietnam.”

FUNDING FOR THE ACQUISITIONS

MapletreeLog has sufficient financial flexibility and capacity to fund the Acquisitions which are expected to be completed by end June for Mapletree Logistics Centre and Sendai Centre, and by September for Natural Cool Lifestyle Hub. The funding for the acquisitions is expected to

and assuming the new units to fund the balance are issued at a unit price of 75 cents, the corresponding accretion would be 0.029 cents or 0.49%. On this basis, the gearing of MapletreeLog would remain at 38.6% - the same level as at 31 March 2010.

Mapletree Logistics Trust Management Ltd.

1 Maritime Square #13-01, HarbourFront Centre, Singapore 099253

tel 65 6377 6111 fax 65 6273 2753

Co. Reg. No. 200500947N

be largely by debt in the interim. MapletreeLog has the necessary debt lines in place to fund these Acquisitions. Based on the transactions being fully funded by debt, MapletreeLog's gearing would be 40.2%¹².

==END==

About MapletreeLog (www.maptreelogisticstrust.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 31 March 2010, it has a portfolio of 84 logistics assets in Singapore, Hong Kong, Japan, China, Malaysia and South Korea with a total book value of more than S\$3 billion. MapletreeLog is managed by Mapletree Logistics Trust Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd.

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31 May 2010

Important Notice

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

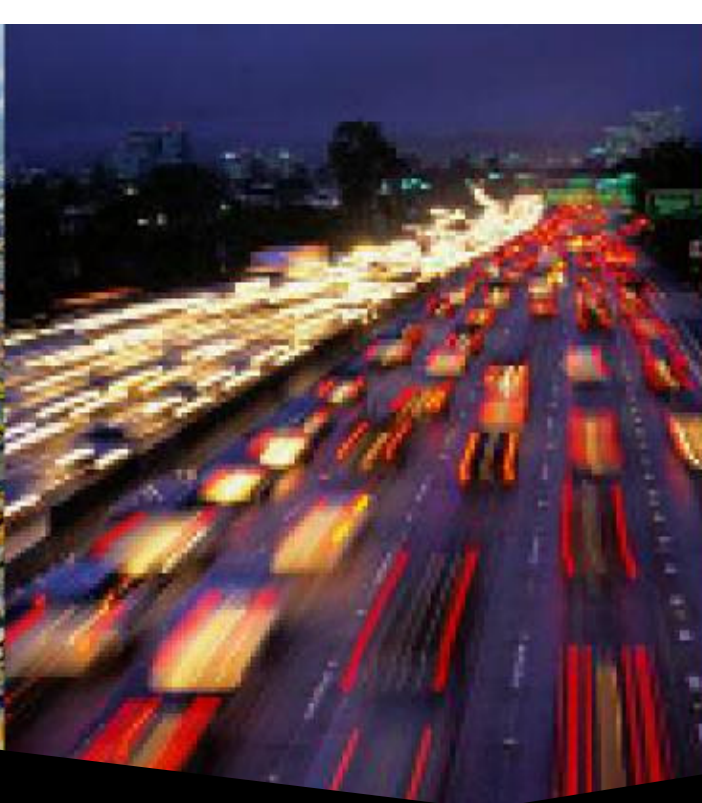
The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of MapletreeLog may only deal in their Units through trading on the 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 MapletreeLog is not necessarily indicative of the future performance of MapletreeLog.

The information in this Announcement must not be published outside the Republic of Singapore and in particular, but without limitation, must not be published in any United States edition of any publication.

¹² MapletreeLog's gearing as at 31 March 2010 is 38.6%



Acquisition of

- Mapletree Logistics Centre (Vietnam)
- Sendai Centre (Japan)
- Natural Cool Lifestyle Hub (Singapore)

31 May 2010

maple^{re}tree
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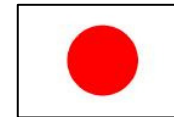


MapletreeLog expands its Asian footprints

- First foray into new growing logistics market - Vietnam
- 1st set of acquisitions from the Sponsor's development pipeline
- Continuing focus on third-party acquisitions



No. 01, VSIP Street 10, Vietnam Singapore Industrial Park, Thuan An District, Binh Duong Province, Vietnam



2-1-6 Minato, Miyagino Ward, Sendai City, Miyagi Prefecture, Japan



Natural Cool Lifestyle Hub, 29 Tai Seng Avenue, Singapore 534119

Mapletree Logistics Centre




The property is a single-storey multi-tenanted logistics and warehousing facility with mezzanine offices. The property is located at No. 01, VSIP Street 10, Vietnam Singapore Industrial Park, Thuan An District, Binh Duong Province, Vietnam -- a world class integrated industrial park that was initiated by the governments of Singapore and Vietnam.

It is strategically located 17 km north of Ho Chi Minh City 'HCMC' within the Binh Duong Province. It is within a 40 minutes drive from HCMC and the close proximity to HCMC provides easy access to the city's developed infrastructure, professional services and social amenities.

- **Purchase Price: US\$ 6.4 million (~ S\$ 8.8 million)**
- **Land tenure: Remaining 38 years (Up to 20 July 2048)**
- **Land area: 32,281.7 sqm
GFA : 23,315.5 sqm**
- **Vendor: Mapletree Investments Pte Ltd**
- **Tenants: Nippon Express, Loscam, Nitto Denko, Cargo International, Nissin (100% leased)**
- **Lease Expiry: Ranging between 2010 to 2013**
- **Outgoings: All outgoings will be borne by the landlord.**

Sendai Centre



 The property is a 2-storey chilled and frozen facility with ancillary office, located in 2-1-6 Minato, Miyagino Ward, Sendai City, Miyagi Prefecture, Japan. Sendai City, the capital of Miyagi prefecture is the logistics hub of Tohoku (northeastern Japan) region because of the accessibility of Routes 45, 4 and Tohoku Expressway. The key logistics areas within Sendai City are Miyagino (where the Property is located) and Wakabayashi.

- **Purchase Price : JPY1.49 billion (~S\$21.7million)**
- **Land tenure : Freehold**
- **Land area : 11,328.6 sqm
GFA : 4,435.8 sqm**
- **Vendor : Mapletree Investments Pte Ltd**
- **Tenants:**
 - **Kibun Fresh System Co., Ltd. – logistics subsidiary of a well-known food processing company, Kibun Foods**
 - **Shiogama Rikuun K.K. - one of the major transport companies in Tohoku region**
- **Lease terms: 10 years fixed lease ending 2019**
- **Outgoings: Property maintenance will be borne by the tenant.**

Natural Cool Lifestyle Hub



The property is a 7-storey distribution and service centre with ancillary offices.

Natural Cool Lifestyle Hub is located at Tai Seng Ave and is about 15 minutes drive away from the city. In close proximity are the Kallang-Payar Lebar Expressway and the Pan Island Expressway. The new Tai Seng MRT station is also within walking distance.

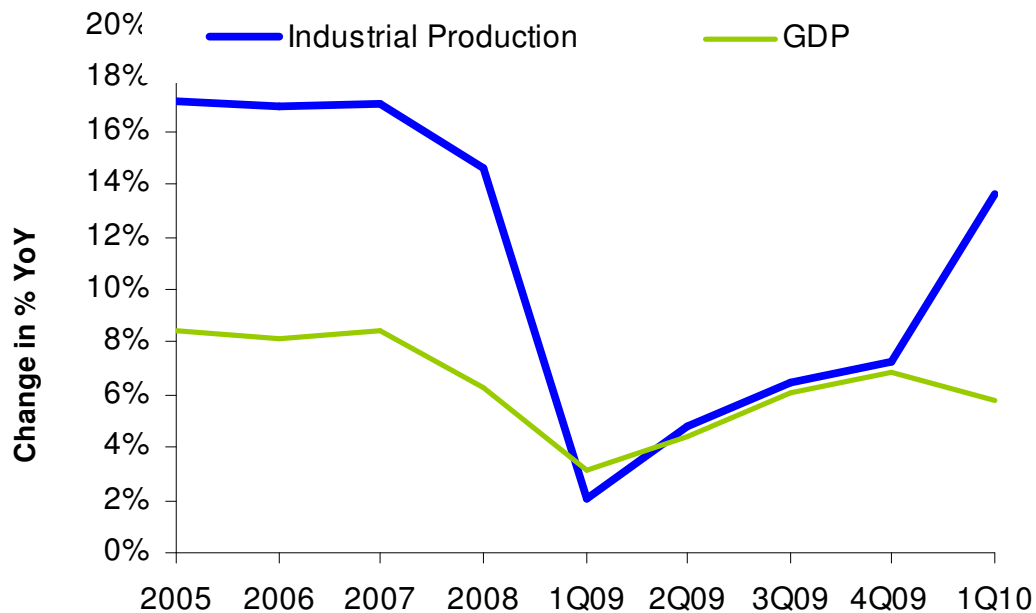
- **Purchase Price: S\$53.0 million**
- **Land tenure : 30+30 years from 1 February 2007, expiring on 31 January 2067**
- **Land area : 7,891.8 sqm (approx)
GFA : 19,715.1 sqm (approx)**
- **Vendor / Tenant: Natural Cool Investments Pte. Ltd.**
- **Lease terms : Sale and Leaseback to vendor for a 10-year term with 2% increment annually**
- **Outgoings: Land rent, property tax and property maintenance will be borne by the tenant.**

Benefits of the Acquisitions

- **Attractive NPI yields and DPU accretion**
- **First foray into new growing logistics market - Vietnam**
 - ✓ Fastest growing economy in East Asia after China
- **Acquisitions from the Sponsor's development pipeline**
 - ✓ 1st acquisitions; to be followed by others over the next few years
- **Stable leases with quality tenants, long lease terms and locked-in growth**
 - ✓ 100% occupied and fully income generating
 - ✓ Good locations and good asset quality
- **In line with “follow-the-client” strategy**
 - ✓ Vietnam is one of the key emerging logistics markets; Vietnam acquisition will further entrench existing clientele
- **Continuing focus on third party acquisitions**

Vietnam – land of opportunities

- **Vietnam is expected to be the fastest growing economy in term of real GDP in East Asia only after China¹**
 - ✓ Real GDP growth rates averaging 7.3% from 2005 to 2009¹
 - ✓ Real GDP growth for 2010-11 expected to average 6.5%²
 - ✓ Industrial production grew by 13.5% in the first four months of 2010 against same period in 2009³
- **Quick recovery from the recent economic downturn**



- **Strong government effort to attract foreign direct investment**
 - ✓ Vietnam realized FDI of US\$3.4 billion during Jan-April 2010 which was 36% higher than the corresponding period in 2009⁴

1 - Source: World Economic Outlook April 2010, International Monetary Fund

2 - Economist Intelligence Unit Country Forecast – Vietnam, January 2010

3 – General Statistics Office of Vietnam

4 - Source: Vietnam Logistics Digest

Vietnam – land of opportunities (contd..)

- **“China plus One” Strategy: Vietnam as 2nd production base outside of China**
 - ✓ Low production and operation costs advantage
 - ✓ Young and well-educated population of more than 85 million
 - ✓ Attracted a steady flow of foreign direct investment → channeled into a variety of infrastructure projects as well as joint ventures by logistics, freight forwarding, shipping and port companies.
- **Growing logistics market in Vietnam**
 - ✓ Government initiatives to improve infrastructure: aims to invest as much as 10% of GDP on infrastructure including the transport, energy and telecommunications sectors¹
 - ✓ Improved infrastructure developments and ancillary services such as warehousing, depots and distribution centers will further boost the demand for logistics services and create huge business opportunities for the existing logistics service providers

With its first step into Vietnam, MapletreeLog is well positioned to tap the growth of the logistics industry in Vietnam

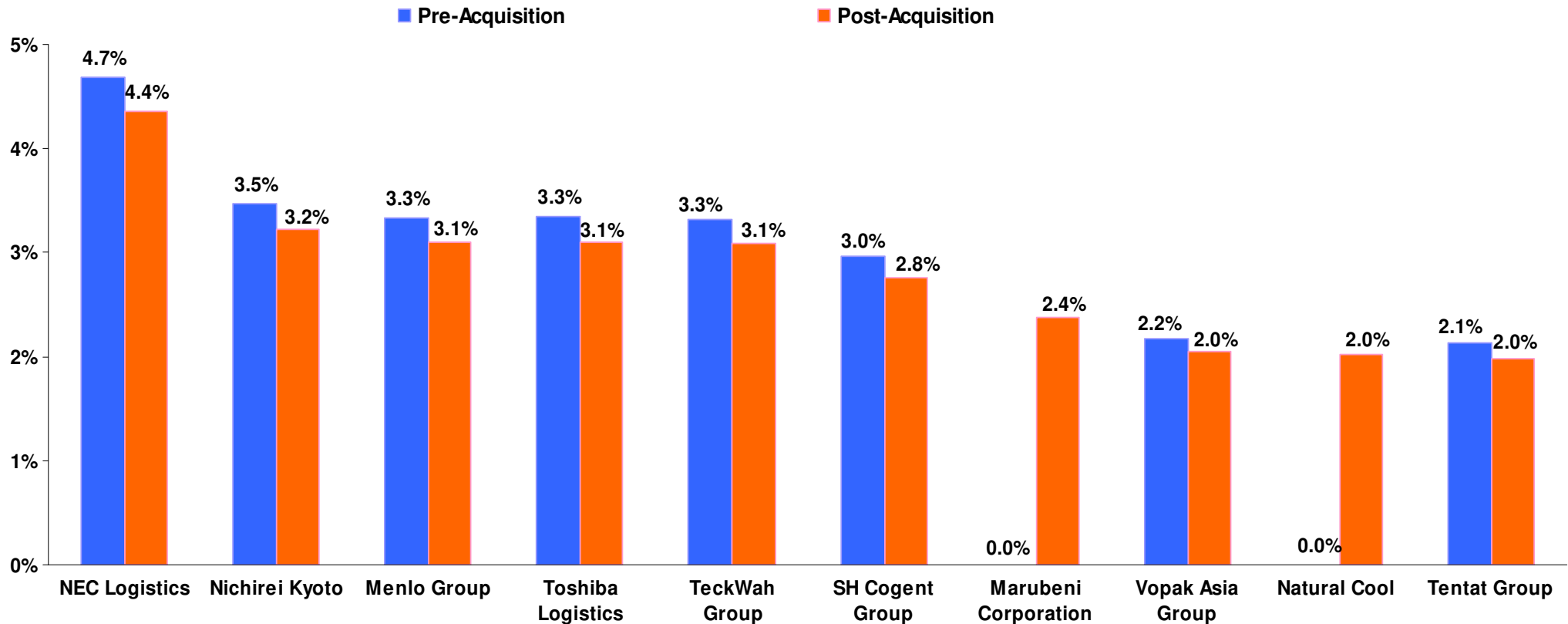
Acquisitions are DPU accretive

	Mapletree Logistics Centre + Sendai Centre + Natural Cool Lifestyle Hub
Total Return (over 10 years)	9.9%
DPU impact¹ (proforma annualised impact)	0.157 Singapore cents or 2.62%

Assuming MapletreeLog has purchased, held and operated the properties on a proforma basis from beginning of Jan 2010 based on annualised 1Q 2010 financial results and that the Acquisitions are 100% debt funded. However, if these Acquisitions are 40% debt funded and assuming the new units to fund the balance are issued at a unit price of 75 cents, the corresponding accretion would be 0.039 cents or 0.64%. On this basis, the gearing of MapletreeLog would remain at 38.6% - the same level as at 31 March 2010.

Tenant diversification provides portfolio stability

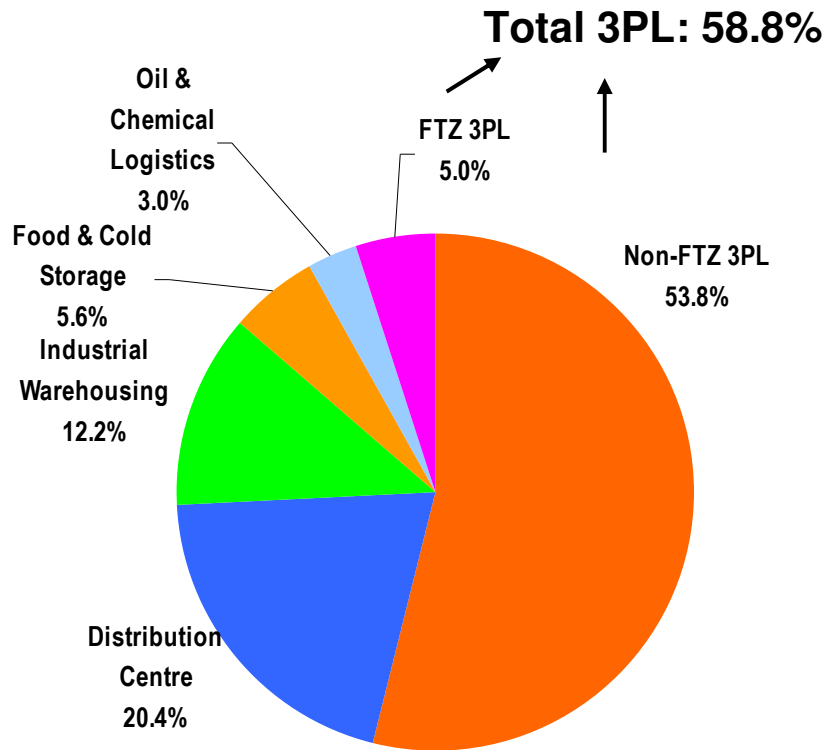
Top 10 tenants by gross revenue as at 31 March 2010



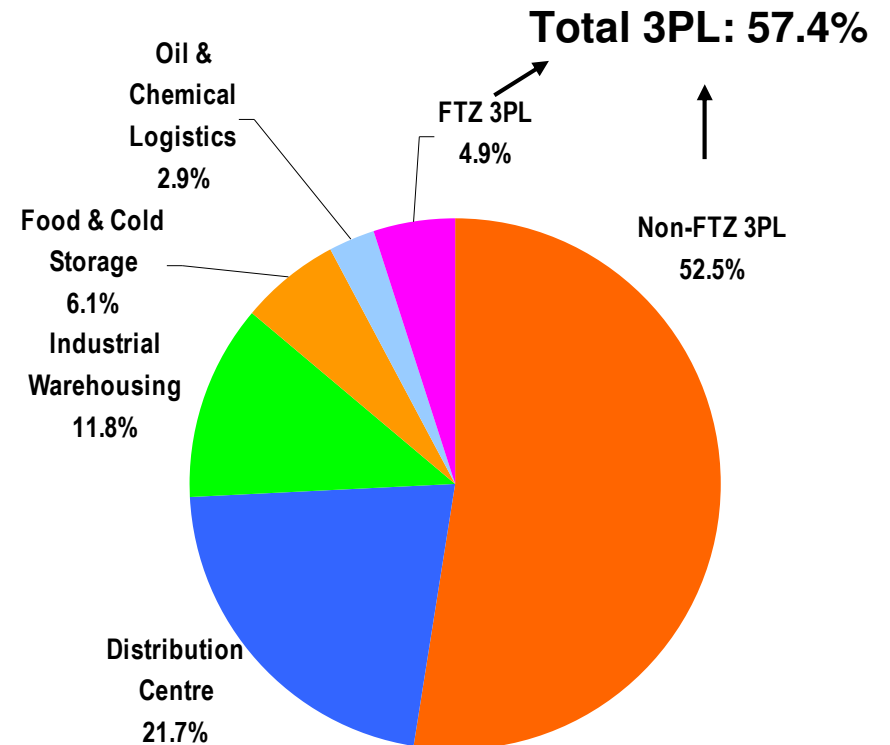
Asset Mix

Professional 3PLs face leasing stickiness

Gross revenue contribution by trade
(Pre-acquisition)

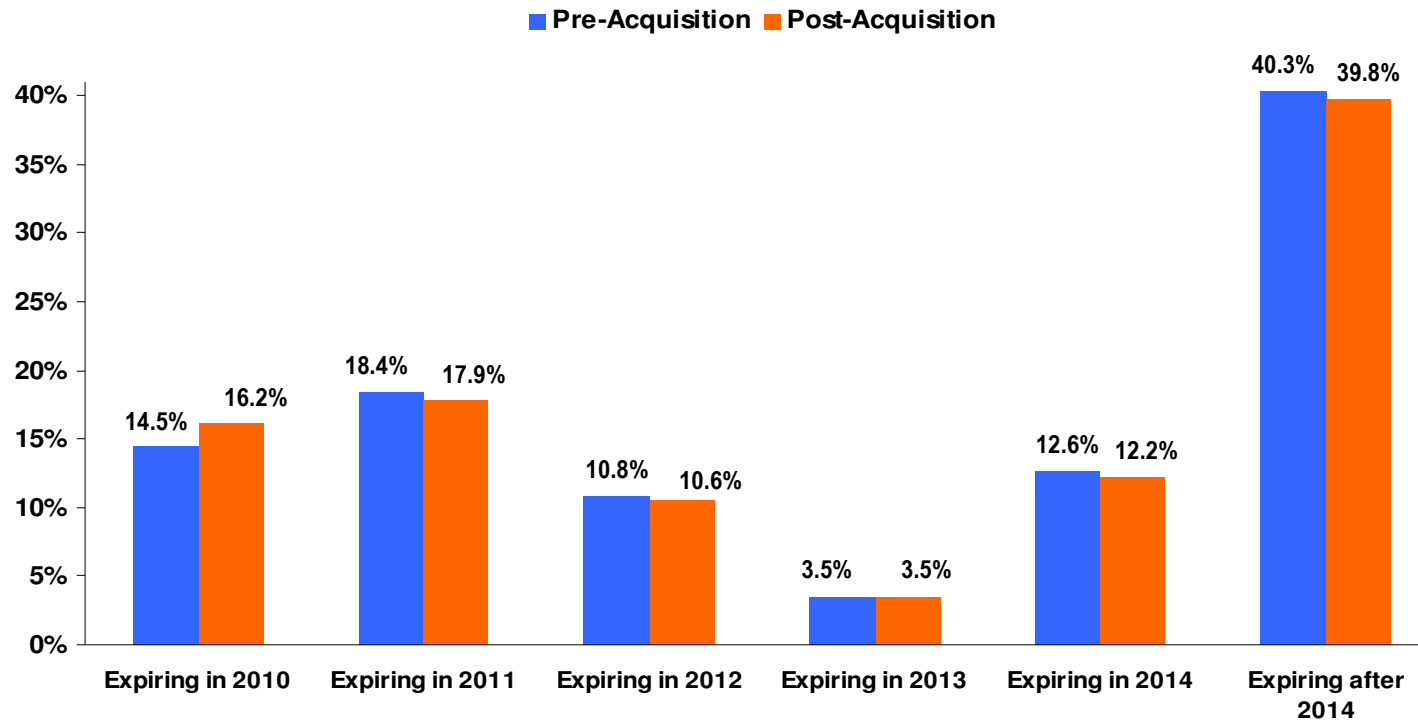


Gross revenue contribution by trade
(Post-acquisition)



Average lease duration

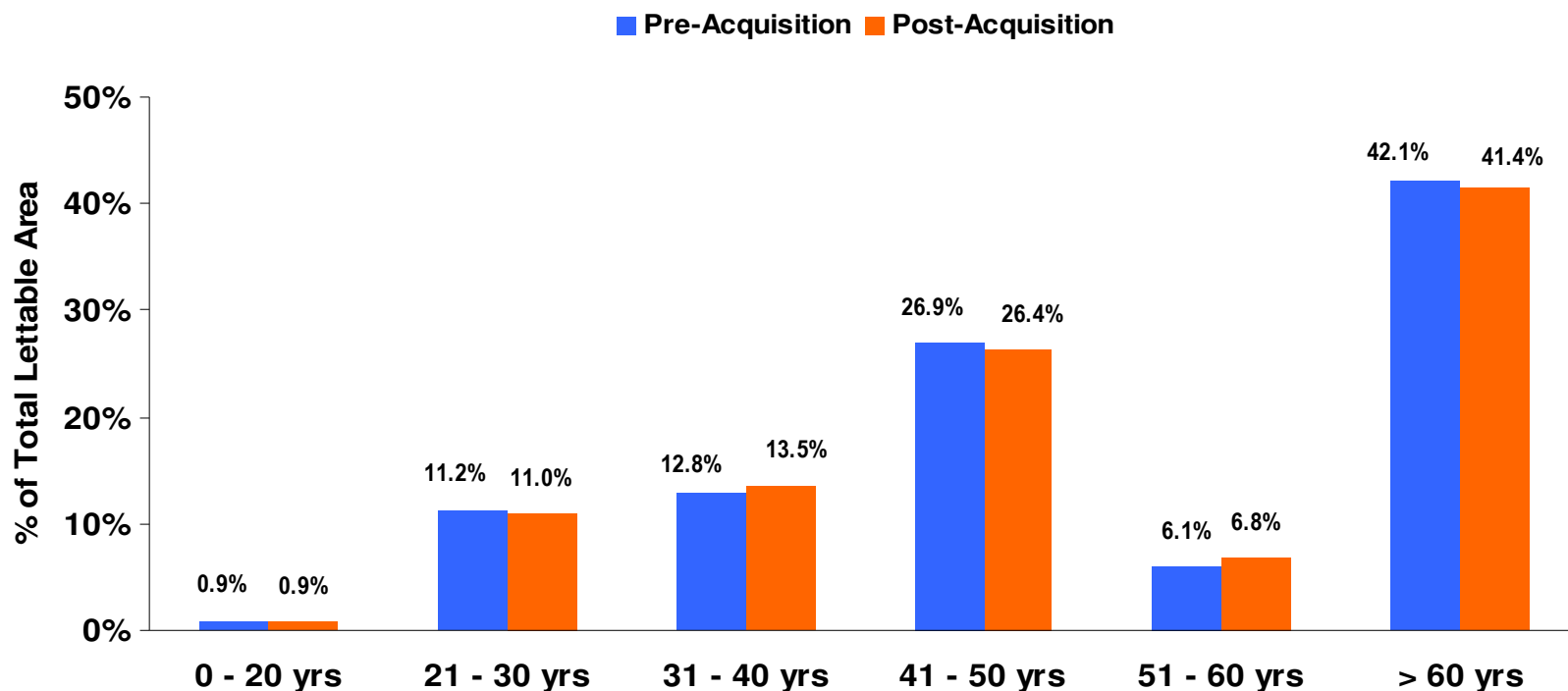
Lease expiry profile by gross revenue



	Pre-acquisition	Post-acquisition
Weighted average lease term to expiry	4.8 years	4.9 years

Unexpired lease of underlying land

Remaining years to expiry of underlying land lease*

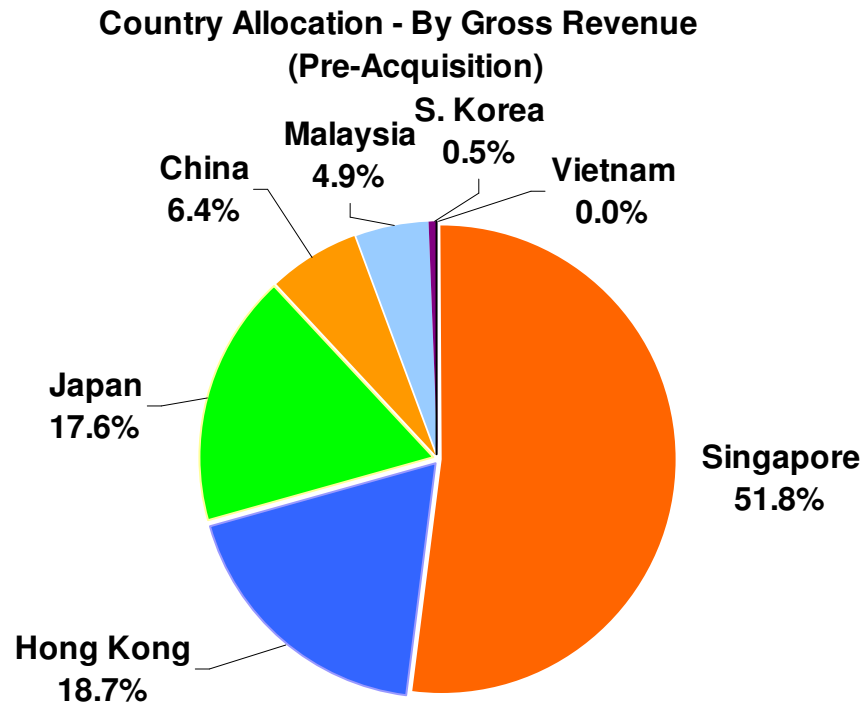


	Pre-acquisition	Post-acquisition
Weighted average of unexpired lease term of underlying land	164.6 years	164.0 years

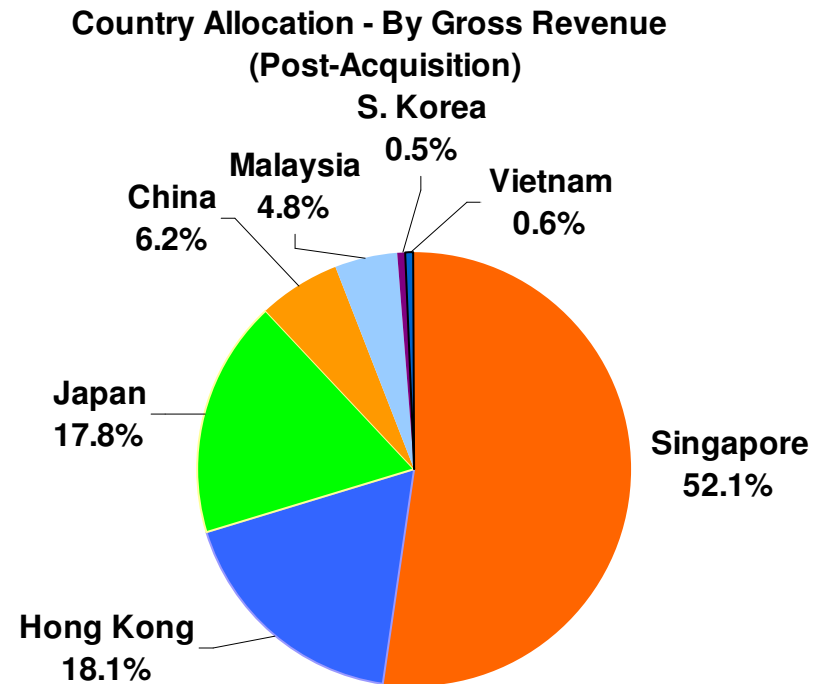
12 * For purposes of computation, land tenure for all the freehold properties is assumed to be 999 years

Geographical allocation of portfolio

Pre-acquisition



Post-acquisition



Disclaimer

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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.

- END -