

*For Immediate Release*

## **MAPLETREELOG ACQUIRES TWO MALAYSIAN PROPERTIES FOR RM29.4 MILLION**

**Singapore, 28 June 2006** – Mapletree Logistics Trust Management Ltd. (“MLTM”), manager of Mapletree Logistics Trust (“MapletreeLog”), is pleased to announce that it has signed a Letter of Offer to purchase a warehouse building (“Subang 3”) in Malaysia for an acquisition price of RM19.9 million or S\$8.7 million<sup>1</sup>. In another related deal, MapletreeLog, through its Trustee, HSBC Institutional Trust Services (Singapore) Limited, has signed a Letter of Offer to acquire a warehouse building (“Subang 3 Extension”) – which adjoins the forementioned property - for RM9.5 million or S\$4.2 million<sup>1</sup> by purchasing shares of a special purpose vehicle (“SPV”), LYL Building Materials Sdn Bhd (“LYL”), which owns the asset. The two adjoining properties which are owned by related vendors, are located at Subang.

The deals will be accretive to MapletreeLog’s distribution per unit (“DPU”) and the pro forma financial effect of the two acquisitions on the DPU for the financial year ended 31 December 2005 would be additional 0.004 Singapore cents per unit<sup>2</sup> for Subang 3 and 0.002 Singapore cents per unit<sup>2</sup> for Subang 3 Extension.

### **Benefits and rationale of the Acquisitions**

Mr. Chua Tiow Chye, Chief Executive Officer of MLTM, said, “These two yield-accretive acquisitions continue our thrust to enhance the geographical diversification and tenant base of MapletreeLog’s portfolio in the region. We are also expecting healthy rental growth in the Malaysian market where the fundamentals of the local logistics industry are improving due to

<sup>1</sup> Based on exchange rate of S\$1.00 to RM2.286.

<sup>2</sup> Assuming that MapletreeLog had purchased, held and operated the subject property for the whole of the financial year ended 31 December 2005 (based on 18 properties).

increasing warehousing needs from third party logistics companies (“3PLs”) and supply shortage of warehousing facilities.”

Property consultant, CB Richard Ellis, had indicated that the logistics industry in Malaysia is growing strongly in tandem with the country’s strong economic recovery since 2001, with 3PLs seeking good quality logistics facilities in Malaysia to consolidate their operations within the next two years and hypermarkets looking to expand their warehousing requirements. Bank Negara, Malaysia’s central bank, has forecast a 6.0% expansion in the Malaysian economy this year, up from 5.3% in 2005.

Subang 3 and Subang 3 Extension have been leased to an established multi-national 3PL operator for three years, with two consecutive option terms of three years each for Subang 3 and an option to renew for another three years for Subang 3 Extension.

### **Funding**

MapletreeLog will acquire Subang 3 property and shares of LYL through a Malaysia-incorporated SPV, MapletreeLog (M) Holdings Sdn. Bhd. (“MMH”), a holding company for MapletreeLog’s Malaysian assets. Approval for the acquisition will be subject to the approval of the Foreign Investment Committee (“FIC”) and the State Authority there. MapletreeLog will have up to two years to comply with the FIC requirement that a mandatory 30% bumiputra stake be held by a bumiputra partner.

The Manager intends to fund the acquisition entirely by debt.

### **General Description of the properties**

The two properties are located in the well established Subang industrial area, about 30 to 40 minutes’ drive from the city centre of Kuala Lumpur.

1. Subang 3 property

The property comprises a single-storey warehouse and a three-storey office block. The warehouse area is approximately 7,491.8 sqm and the office area is approximately 867.1 sqm, bringing the gross floor area ("GFA") to about 8,358.9 sqm. The property is located on a 13,682.9 sqm site which has a 99-year state lease expiring on 29 November 2089.

2. Subang 3 Extension

The property comprises a single-storey warehouse facility with a GFA of 4,518.1 sqm and has nine lorry bays. The property is located on two plots of land totaling 8,101.1 sqm in area and have 99-year leases expiring on 1 September 2093 and 23 November 2104.

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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. Its principal strategy is to invest in a diversified portfolio of income-producing logistics real estate and real estate-related assets. It has a portfolio of 24 logistics assets located in Singapore and Hong Kong worth a total of S\$715.4 million (as at 31 March 2006). 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 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.