

*For Immediate Release*

## **MAPLETREELOG ACQUIRES XI'AN SEASTAR DISTRIBUTION CENTRE IN CHINA FOR RMB90.0 MILLION**

**Singapore, 15 March 2007** – Mapletree Logistics Trust Management Ltd. (“MLTM”), manager of Mapletree Logistics Trust (“MapletreeLog”), is pleased to announce that MapletreeLog has signed a Sale and Purchase Agreement to acquire a distribution centre in Shan’xi Province, China for RMB90.0 million (S\$17.8 million<sup>1</sup>) from Xi’an Seastar Supermarket Co. (“Seastar Supermarket”). The property will be purchased through MapletreeLog’s wholly foreign-owned enterprise incorporated in China.

The deal has been structured on a sale and leaseback basis whereby the property will be leased back to the vendor for seven years.

The distribution centre, Xi’an Seastar Distribution Centre (“Seastar Distribution Centre”), is located at No. 20 Mingguang Road, Economic and Technologic Development Zone, Xi’an in the Shan’xi Province. The acquisition will be accretive to MapletreeLog’s distribution per unit (“DPU”) and the pro forma financial effect of the acquisition on the DPU for the financial year ended 31 December 2006 would be an additional 0.03 Singapore cents per unit<sup>2</sup>.

### **Benefits and rationale of the acquisition**

Mr. Chua Tiow Chye, Chief Executive Officer of MLTM, said, “We are very pleased with this acquisition which will provide us with a good platform to establish our presence in western China, following our maiden purchase of a logistics centre in Shanghai and our announcement on the

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<sup>1</sup> Based on exchange rate of S\$1.00 to RMB5.07.

<sup>2</sup> Assuming that MapletreeLog had purchased, held and operated the subject property for the whole of the financial year ended 31 December 2006 (based on 41 properties) and that the acquisition is fully funded by debt.

acquisition of a logistics park in Guangzhou city last year. This acquisition marks our entry into the inland regions of China, which will be the new areas of growth as the government focuses its development efforts on these areas.”

“The rapid urbanisation of China as a result of continued economic growth and emerging affluent middle classes are spurring the fast growth of the country’s large retail industry and outsourcing trend. As distribution centres play an important role in supporting the retail supply chain, the acquisition of Seastar Distribution Centre will allow us to capitalise on these emerging growth opportunities in China’s burgeoning retail industry,” Mr. Chua said.

According to Jones Lang LaSalle, growth in China’s property market for warehousing and distribution centres is likely to take off in 2007 as global retailers expand aggressively in the country<sup>3</sup>. Consultancy firm, IGD, forecast that China’s grocery market will grow by 65% from US\$276 billion in 2005 to US\$456 billion in 2009.

Seastar Supermarket is a leading supermarket chain with a network of 83 standard supermarkets, 47 mini-marts, five extended supermarkets and three department stores. It is owned by Seastar Group, a large investment group which has interests in retail, real estate development, hotel, pharmaceutical and highway development businesses in western China.

### **Funding**

The acquisition is expected to be completed by mid-2007. From MapletreeLog’s perspective, the Manager intends to fund the acquisition entirely by debt.

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<sup>3</sup> Reuters, “Big retailers fuel China’s logistics growth”, 8 March 2007

**General description of the property**

The property comprises two buildings: a single-storey warehouse with a four-storey office block occupying a gross floor area of 17,861.2 sqm and a two-storey warehouse occupying a gross floor area of 5,314.7 sqm. Its total gross floor area is therefore 23,175.9 sqm and it sits on leasehold land covering an area of about 29,883.6 sqm. The land lease expires in June 2055. Construction of the property was completed in 2004.

The property is located within the Economic and Technologic Development Zone which is about 25 minutes' drive from the city centre of Xi'an and the airport. The Zone which houses many multinational companies such as Siemens and Coca-cola, is one of the largest manufacturing bases in Xi'an.

The property has been valued at RMB106.0 million by Savills Valuation and Professional Services Limited as at 14 March 2007.

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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 listed in 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. It has a portfolio of 41 logistics assets in Singapore, Hong Kong, China and Malaysia valued at S\$1,429.0 million (as at 31 December 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.