mapletree logistics

press release

For Immediate Release

MAPLETREE LOGISTICS TRUST EXPANDS PRESENCE IN SYDNEY, AUSTRALIA WITH A$85 MILLION ACQUISITION

Singapore, 29 May 2016 – Mapletree Logistics Trust Management Ltd., as manager (the "Manager") of Mapletree Logistics Trust ("MLT"), is pleased to announce the proposed acquisition of a portfolio of four dry warehouse facilities located in Sydney, New South Wales, Australia (the "Properties") at a purchase consideration of A$85.0 million (S$84.4 million[1])(the "Acquisition"). The Properties are being acquired from Altis Real Estate Equity Partnership (AREEP) II Fund. Brief details of the properties are set out below:

Asset	Purchase Consideration (A$ mil)	GFA (sqm)	Tenants
114 Kurrajong Avenue, Mount Druitt, NSW	24.3	18,137	Dulux Group (Australia), Sunnyfield
53 Britton Street, Smithfield, NSW	27.8	13,484	Janala (a.k.a. Cope Sensitive Freight)
405-407 Victoria Street, Wetherill Park, NSW	17.7	12,323	Tesrol Joinery, Cargo & Logistics Management, National Australia Bank
3 Distillers Place, Huntingwood, NSW	15.2	8,963	Transport Refrigeration Services
Total	**85.0**	**52,907**	

Ms Ng Kiat, Chief Executive Officer of the Manager, said, "We are pleased to announce the proposed addition of four properties in Sydney, the prime logistics hub of Australia. Located approximately 30 kilometres from the central business district, they will expand our footprint in Sydney to five assets with a combined GFA of 108,300 square metres. Fully leased to established local industry players with a WALE of 5.5 years with fixed annual escalations, they will provide stable and growing income to our Unitholders."

About the Properties

Sydney is Australia's prime logistics sub-market. As the capital city of New South Wales, the largest state in Australia, it is the most densely populated city in the continent. Strong economic growth and robust retail sales growth have translated into healthy leasing demand for logistics properties. Leasing conditions are further supported by balanced supply-demand dynamics. In 2015, Sydney's

[1] Based on exchange rate of A$1 = S$0.9924.

warehouse take-up totalled 859,500 square metres ("sqm"), outstripping 342,300 sqm of new supply (of which approximately 90% was pre-committed)[2].

The Properties are strategically located in Sydney's Outer Central West ("OCW") region, within 4 to 10 kilometres from MLT's existing facility, Coles Chilled Distribution Centre. The region has emerged as Sydney's premier logistics hub given its proximity to the intersection of two major expressways, M4 and M7 Motorways, which provides direct access to the Sydney airport and seaports, as well as the CBD and major suburbs in Northern, Southern and Western Sydney.

The Properties have a combined gross floor area ("GFA") of 52,907 sqm sited on freehold land of 123,320 sqm. One of the Properties (114 Kurrajong Avenue, Mount Druitt) has an expansion land of 11,504 sqm which can potentially yield an additional 6,840 sqm of GFA. The design and layout of the Properties are generic and functional. In addition, the central location of these properties in OCW Sydney and their medium size averaging 7,558 sqm GFA per tenancy also make them attractive to a wide range of potential tenants.

The Properties are 100% leased to seven tenants which are established local enterprises from diverse industry sectors serving the domestic Australian economy, including transport and logistics, chemicals, building and construction, and financial services.

Rationale for the Acquisition

The Manager believes that the Acquisition will have the following benefits for Unitholders:

1. Offers an attractive net property income yield of 7.1% at the purchase consideration of A$85.0 million, and is expected to be accretive at the distribution level;
2. Provides regular and growing cash flow to MLT's rental revenue as it is purchased with existing leases with a weighted average lease expiry ("WALE") of 5.5 years (by net lettable area) as at 1 July 2016 and fixed annual escalations;
3. Strengthens MLT's footprint and scale in Sydney, the prime logistics sub-market in Australia, with the addition of four well-located assets;
4. Offers organic growth potential through asset enhancement /development opportunities; and
5. Adds geographic and income diversification to MLT's portfolio.

[2] Jones Lang LaSalle, "Sydney Industrial Market Overview", Q1-Q4 2015

Following this Acquisition, gross revenue contribution from Australia will account for approximately 6.1% of MLT's overall gross revenue, up from 4.3% currently.

Transaction Costs and Management Fees

MLT is expected to incur estimated transaction costs of about A$6.1 million (S$6.1 million), which include stamp duty, professional advisory fees and the acquisition fee payable to the Manager of A$0.85 million (S$0.84 million), being 1% of the purchase consideration of A$85.0 million.

The Manager has elected to receive the management fee, lease management fee and property management fee in Units in respect of the Properties for the first three years after acquisition.

Funding for the Acquisition

The Acquisition will be funded by proceeds raised from the recent issuance of S$250 million of perpetual securities[3]. The Acquisition is expected to complete in July 2016, subject to receipt of Australian Foreign Investment Review Board's approval. Taking into account the issuance of perpetual securities and post completion of the Acquisition, MLT's aggregate leverage ratio will be approximately 36%. MLT's total portfolio will increase to 122 properties with a book value of approximately S$5.2 billion[4].

Structure for the Acquisition

The Properties will be acquired through a special purpose Australian trust, MapletreeLog Frontier Trust ("Head Trust"). The Properties will be held by a sub-trust named NSW Assets Trust under the Head Trust. The trusts are established in Australia, pursuant to trust deeds entered into with The Trust Company (Australia) Limited and The Trust Company Limited, being appointed as the respective trustees of the Head Trust and NSW Assets Trust.

= END =

About Mapletree Logistics Trust (www.mapletreelogisticstrust.com)

MLT, the first Asia-focused logistics REIT in Singapore, was listed on the SGX-ST Mainboard on 28 July 2005. MLT'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 2016, it has a portfolio of 118 logistics

[3] Please refer to announcement dated 25 May 2016.
[4] Based on the book value of investment properties as at 31 March 2016.

assets in Singapore, Hong Kong, Japan, China, South Korea, Australia, Malaysia and Vietnam, with a total book value of S$5.1 billion. MLT is managed by Mapletree Logistics Trust Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd.

For enquiries, please contact:
Ms Lum Yuen May
Vice President, Investor Relations
Tel: +65 6659 3671
Email: lum.yuenmay@mapletree.com.sg

Important Notice

The value of units in MLT ("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 MLT 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. Representatives 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.