



(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 5 July 2004 (as amended))

ANNOUNCEMENT

PROPOSED DIVESTMENT OF TWO PROPERTIES IN JAPAN

1.0 INTRODUCTION

1.1 Divestment of Two Properties in Japan

Mapletree Logistics Trust Management Ltd., as manager (the “**Manager**”) of Mapletree Logistics Trust (“**MLT**”), wishes to announce that HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”), in its capacity as trustee of MLT, has through its special purpose entity incorporated in Japan, entered into a sale and purchase agreement (the “**SPA**”) with Godo Kaisha Asset Toshi Jigyo 4 Go (the “**Buyer**”), being an unrelated third party, in relation to the proposed divestment of Zama Centre and Shiroishi Centre in Japan (the “**Properties**”, and the divestment of the Properties, the “**Divestment**”) for a total sale consideration of JPY13,500 million (approximately S\$165.4 million¹) (the “**Sale Consideration**”).

1.2 Information on the Properties

Property	Location	Description	Gross Floor Area (sqm)	Year of Building Completion
Zama Centre	Zama-shi, Kanagawa, Japan	Four-storey warehouse with cargo lifts	41,170	2007
Shiroishi Centre	Sapporo-shi, Hokkaido, Japan	Four-storey warehouse with cargo lifts	11,181	1973

2.0 RATIONALE FOR THE DIVESTMENT

The proposed Divestment is in line with the Manager’s active asset management strategy to improve the quality and yield of the portfolio. After evaluating all viable options and taking into consideration the Properties’ older warehouse specifications, limited future income growth and lack of redevelopment potential, the Manager assessed that divesting the Properties at the offered price is desirable in the interest of MLT’s unitholders (“**Unitholders**”).

3.0 SALE CONSIDERATION

The Sale Consideration was agreed on a willing-buyer and willing-seller basis, taking into account, among other factors, the independent valuation of the Properties conducted by CBRE K.K. (“**CBRE**”) at JPY10,225 million (approximately S\$125.3 million) as at 31 March 2017, using the discounted cash flow and interest capitalisation method. This valuation was commissioned by the Trustee, as part of MLT’s year end valuation exercise of its portfolio of properties.

¹ Unless otherwise stated, all S\$ equivalent figures are derived based on the exchange rate of S\$1 = JPY81.60.

The Sale Consideration is 32% above the valuation of the Properties of JPY10,225 million as at 31 March 2017, and 10% above the original purchase price (including other related costs) of JPY12,309 million.

After providing for taxes and transaction related expenses, MLT is expected to recognise an estimated divestment gain of approximately JPY234 million (approximately S\$2.9 million) over the original purchase cost², which the Manager intends to distribute to Unitholders. More details on this will be provided when the final distributable amount has been determined.

4.0 PRINCIPAL TERMS OF THE DIVESTMENT

The Buyer has paid an amount equivalent to 5% of the Sale Consideration as deposit and will pay the balance of the Sale Consideration on completion of the Divestment. The transaction is expected to be completed by the third quarter of 2017.

5.0 USE OF DIVESTMENT PROCEEDS

The estimated net proceeds from the Divestment is approximately JPY12,543 million (approximately S\$153.7 million), after providing for taxes and transaction related expenses such as professional fees. Apart from distributing the divestment gain of approximately JPY234 million to Unitholders, the net divestment proceeds may be used for funding committed investments, reducing existing debt, and/or other general corporate purposes.

6.0 PRO FORMA FINANCIAL EFFECTS OF THE DIVESTMENT

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Divestment on the distribution per Unit (“DPU”) and net asset value (“NAV”) per Unit of MLT presented below were prepared based on the audited financial statements of MLT for the financial year ended 31 March 2017.

The pro forma effects are for illustrative purposes only and do not represent MLT’s actual DPU and NAV per Unit following the completion of the Divestment.

6.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effect of the Divestment on the DPU for the 12 months ended 31 March 2017, as if MLT had completed the Divestment on 1 April 2016, is as follows:

	Pro Forma Financial Effects of the Divestment for the 12 months ended 31 March 2017	
	Before the Divestment	After the Divestment
DPU (cents)	7.44	7.40 ³

² The estimated divestment gain over the book value of the Properties is approximately JPY2,300 million (approximately S\$28.2 million), after providing for taxes and transaction related expenses.

³ Including the distribution of the estimated divestment gain of approximately JPY234 million (approximately S\$2.9 million).

6.2 Pro Forma NAV per Unit

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effect of the Divestment on NAV per Unit as at 31 March 2017, as if MLT had completed the Divestment on 31 March 2017, is as follows:

	Pro Forma Financial Effects of the Divestment as at 31 March 2017	
	Before the Divestment	After the Divestment
NAV per Unit (S\$)	1.04	1.05

7.0 OTHER INFORMATION

7.1 Disclosure under Rule 1010(13) of the Listing Manual

A proposed disposal by MLT may fall into any of the categories set out in Rule 1004 of the Listing Manual of Singapore Exchange Securities Limited (“**SGX-ST**”) depending on the size of the relative figures computed on the following applicable bases of comparison:

- (i) the net asset value of the assets to be disposed of, compared with MLT’s net asset value;
- (ii) the net profits attributable to the assets to be disposed of, compared with MLT’s net profits; and
- (iii) the aggregate value of the consideration received, compared with MLT’s market capitalisation.

The relative figures for the Divestment using the aforesaid bases of comparison are set out in the table below:

Criteria	The Divestment (S\$ million)	MLT (S\$ million)	Relative Percentage (%)
Net Asset Value	126.5	3,189.7	4.0
Net Property Income ⁽¹⁾	7.1	312.2	2.3
Sale Consideration against MLT’s market capitalisation ⁽²⁾	165.4	2,988.7	5.5

Notes:

- (1) In the case of a real estate investment trust, the net property income is a close proxy to the net profits attributable to its assets.
- (2) As at 29 June 2017, being the market day preceding the date of the SPA.

Under Rule 1010 of the Listing Manual, where any of the relative figures computed on the bases set out above exceeds 5% but does not exceed 20%, the Divestment is regarded as being a discloseable transaction.

7.2 Interest of Directors and Controlling Unitholders

None of the directors of the Manager (“**Directors**”) has an interest, direct or indirect, in the Divestment. The Directors are also not aware of any Controlling Unitholder (as defined in the Listing Manual of the SGX-ST) having any interest, direct or indirect, in

the Divestment, and have not received any notification of interest in the Divestment from any Controlling Unitholder.

7.3 Director's Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Divestment or any other transaction contemplated in relation to the Divestment.

7.4 Divestment Fee

A divestment fee of JPY67.5 million (approximately S\$827,000), being 0.5% of the Sale Consideration, is payable to the Manager pursuant to the 4th Amending and Restating Deed dated 26 April 2016. The Manager has elected to use this fee to part pay for the marketing commission of 1.0% for the transaction. The balance commission of 0.5% will be borne by the Trust.

7.5 Documents for Inspection

Copies of the SPA dated 30 June 2017 and the valuation reports on the Properties by CBRE are available for inspection by prior appointment during normal business hours at the registered office of the Manager at 10 Pasir Panjang Road #13-01 Mapletree Business City Singapore 117438 for three months from the date of this announcement.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as MLT continues to be in existence.

By Order of the Board
Wan Kwong Weng
Joint Company Secretary
Mapletree Logistics Trust Management Ltd.
(Company Registration No. 200500947N)
As Manager of Mapletree Logistics Trust

30 June 2017

Important Notice

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in MLT ("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 MLT 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 MLT is not necessarily indicative of the future performance of MLT.

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.