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**Miscellaneous**  
 \* Asterisks denote mandatory information

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**>> Announcement Details**  
 The details of the announcement start here ...

Announcement Title \*

Description

**Attachments**

-  [MLT\\_PressRelease\\_22Aug2010.pdf](#)
-  [MLT\\_PresentationSlides\\_22Aug10.pdf](#)

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*For Immediate Release*

## MAPLETREELOG GAINS FURTHER Foothold IN SOUTH KOREA WITH 2<sup>nd</sup> PROPERTY

- Acquisition of 2<sup>nd</sup> property in South Korea for KRW 28 billion (approximately S\$32 million)
- Accretive acquisition with initial net property yield in excess of 9%; higher than existing South Korea asset of 7.7%

**Singapore, 22 August 2010** – Mapletree Logistics Trust Management Ltd. (“MLTM”), as Manager of Mapletree Logistics Trust (“MapletreeLog”), is pleased to announce that a Conditional Sale and Purchase Agreement has been signed with Multi-Q Logistics Co. Ltd for the acquisition of Multi-Q Centre (the “Property”) in Gyeonggi-do, South Korea (the “Acquisition”). The Property comprises 2 blocks of warehouses as follows:

- (a) **Block A:** a 3-storey warehouse cum office with gross floor area (“GFA”) of about 20,800 sqm; and
- (b) **Block B:** a 4-storey warehouse with ancillary cold storage facilities with GFA of about 7,900 sqm.

The Property will be acquired for a total purchase consideration of KRW 28 billion; equivalent to approximately S\$32 million<sup>1</sup>. The vendor, Multi-Q Logistics Co. Ltd, specializes in the storage and distribution of fast moving consumer goods. The Vendor will lease back the Property for 5 years at rentals that provide for annual escalation.

This Acquisition will be the seventh announced since December 2009, bringing the total acquisitions announced to-date to about equivalent of S\$460 million. About S\$260 million of these have been completed; with this, the total book value of MapletreeLog’s investment properties currently stands at about S\$3.09 billion. The balance of S\$200 million is at various stages of completion. Taking

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<sup>1</sup> Exchange rate S\$1 = KRW 867.04

these into account, the total book value of MapletreeLog's investment properties will reach approximately S\$3.32 billion, on completion<sup>2</sup>.

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

**(A) Attractive Net Property Income (“NPI”) yield**

- At a purchase price of KRW 28 billion and an initial net property yield in excess of 9%, the yield on the Property compares favorably to the implied property yield of 7.7% for our existing property in South Korea.

**(B) Good location**

- The Property is located in Gyeonggi-do, a well established logistics cluster in South Korea where around 70% of warehouses and distribution centres in South Korea are located.
- Encompassing the Seoul area, Gyeonggi-do is well served by major highways linking it to other parts of South Korea. The location enjoys steady and consistent demand for warehouses due to its proximity to industrial areas in the adjacent Pangyo and Seongnam districts as well as the cities in Yongin and Bundang.

**(C) Quality Asset**

- The 2 blocks in the Property are of good building specifications with functional design and layout. Both are served by direct ramp access to the second level.

**Rationale for the acquisition in South Korea**

Mr Richard Lai, Chief Executive Officer of MLTM, said, “We are very pleased to have made this acquisition. Aside from its attractive net property yield, the Property has unutilised plot ratio which can add an additional GFA of about 3,800 sqm when utilised. This will be subject to local authority approval and other conditions precedent including market condition. This acquisition continues our building of a stronger foothold in South Korea. We acquired our first property in South Korea –

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<sup>2</sup> Based on book value of investment properties as at 30 June 2010 and purchase price of acquisitions(excluding other acquisition related cost)

Oakline, also situated in Gyeonggi-do, in early 2008. However, following that acquisition, the world economy was hit by the sub-prime crisis and subsequently, the financial upheaval that followed the demise of Lehman Brothers Inc. Hence we had temporarily adopted a defensive stance and avoided further acquisitions in South Korea. Nevertheless, we continue to believe in the potential of South Korea as a growth market for MapletreeLog.”

South Korea is Asia’s fourth largest economy after China, Japan and India and is strategically located as a gateway between China and Europe. In 2009, South Korea reported a GDP of US\$833 billion<sup>3</sup>, of which 80% constitutes export and import trade. The South Korean economy expanded by 7.8%<sup>4</sup> in 1Q 2010, the highest since 2001. The Bank of Korea has recently revised its GDP growth forecast upwards to 5.9% p.a., arising from better than expected growth in facilities investments of 20.9% and goods export of 16.8%. The growth potential of South Korea’s logistics sector is evident in the recognition given by the South Korean government to the sector as being one of the key drivers to national development. In this respect, the government has established a master plan to foster the logistics industry as a new growth engine with overall goal of raising logistics value-add to 11%<sup>5</sup> of the country’s GDP by 2020.

Mr Lai further elaborated that “on the back of the country’s strong GDP growth and trade figures, we believe we will be able to ride on the wave of economic recovery and further expand our presence in South Korea. We will continue to keep a lookout for yield-accretive acquisition of logistics assets of good quality and location in South Korea and build on our footprint in South Korea, especially with the aim of helping our customers grow within Asia.”

### **Funding for the acquisition**

MapletreeLog has sufficient financial flexibility and capacity to fund the Acquisition which is expected to complete by end 3Q 2010. Assuming that the purchase price and other acquisition costs of the Property are fully funded by debt, MapletreeLog’s gearing level will increase to 44.2%, after taking into account all acquisitions announced to date.

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<sup>3</sup> Source: Economy watch website, 7 June 2010

<sup>4</sup> Source: Republic of Korea Economic Bulletin

<sup>5</sup> Source: Invest Korea – Promising Investment Opportunities: Logistics 2009

= END =

**About MapletreeLog ([www.mapletree logisticstrust.com](http://www.mapletree logisticstrust.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 18 August 2010, it has a portfolio of 87 logistics assets in Singapore, Hong Kong, Japan, China, Malaysia, South Korea and Vietnam with a total book value of approximately S\$3.09 billion. MapletreeLog is managed by Mapletree Logistics Trust Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd.

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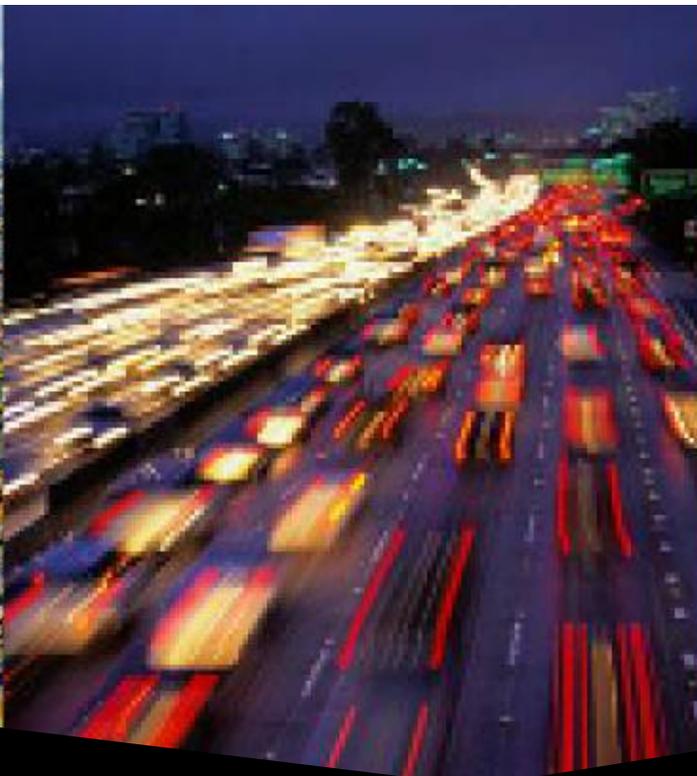
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**Important Notice**

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.

By courtesy of the PSA Corporation Limited.



## Acquisition in South Korea - Multi-Q Centre

20 Aug 2010

maple<sup>re</sup>tree  
logisticstrust



# MapletreeLog gains further foothold in Korea with 2<sup>nd</sup> property

- Continues its advancement into Korea
- Attractive yield and DPU accretion
- Good location
- Quality Asset



- - Target Property
- - Existing Property

# Multi-Q Centre



**Multi-Q Centre** is located 15 minutes from Yeongdong Expressway (Route 50), Yangji Interchange (IC). It is one of the main logistics area for in-land distribution in Korea and connects to major roads such as the Gyeongbu Expressway (Route 1) and the Jungbu Expressway (Route 37), which connects Seoul to the Southern and Central parts of Korea respectively.

- **Purchase Price: KRW 28 billion (~ S\$ 32.3 million)**
- **Land tenure: Freehold**
- **Land area: ~ 23,700 sqm**
- **GFA: ~ 28,800 sqm**
- **Vendor/Lessee: Multi-Q Logistics Co Ltd**
- **Lease Expiry: 5 years from date of completion**
- **Outgoings: Property maintenance and property tax will be borne by customer**

# Benefits of the Acquisition

## ➤ Attractive NPI yields

- ✓ Initial net property yield in excess of 9%, the yield on the Property compares favorably to the implied property yield of 7.7% for the existing property in South Korea.

## ➤ Good Location

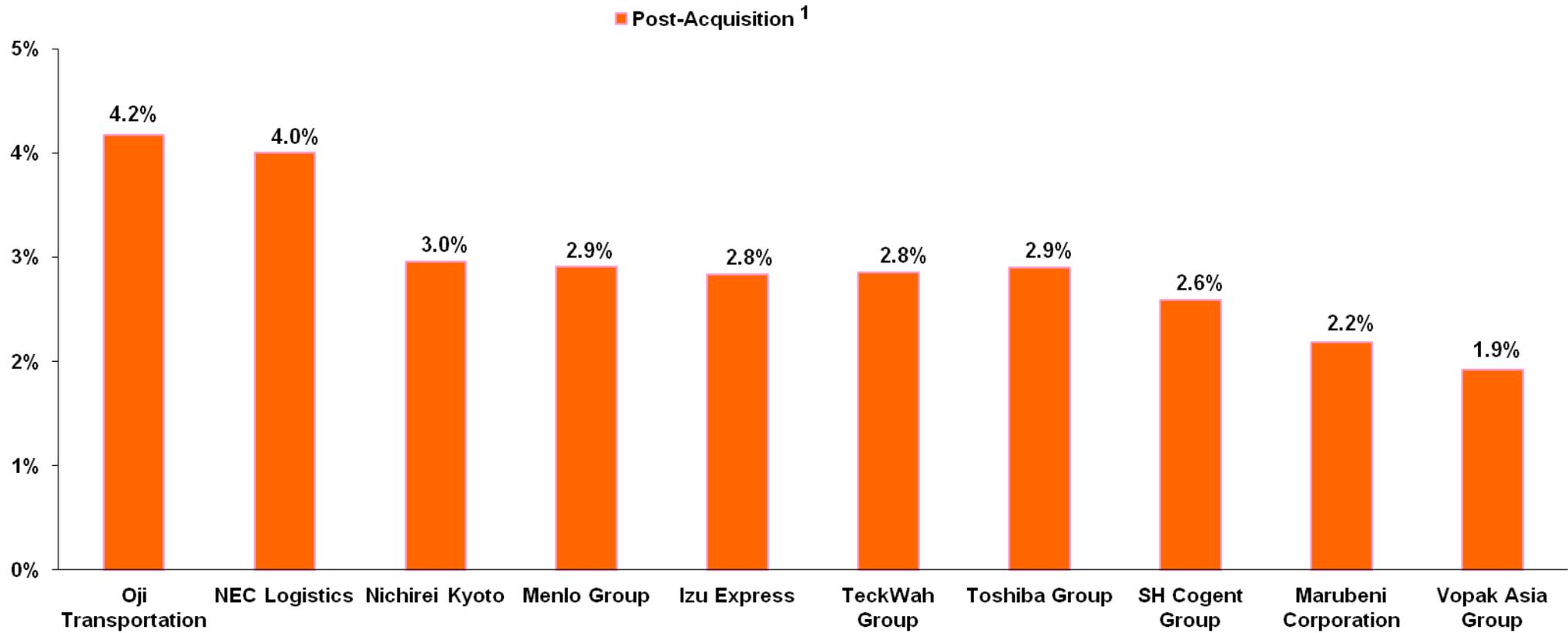
- ✓ Located in Gyeonggi-do → where ~70% of warehouses and distribution centres in Korea are located.
- ✓ Biggest logistics cluster in Korea
- ✓ Well served by major highways linking it to other parts of Korea

## ➤ Quality properties

- ✓ Good building specifications
- ✓ Functional design and layout
- ✓ Direct ramp access to second level

# Tenant diversification provides portfolio stability

## Top 10 tenants by gross revenue

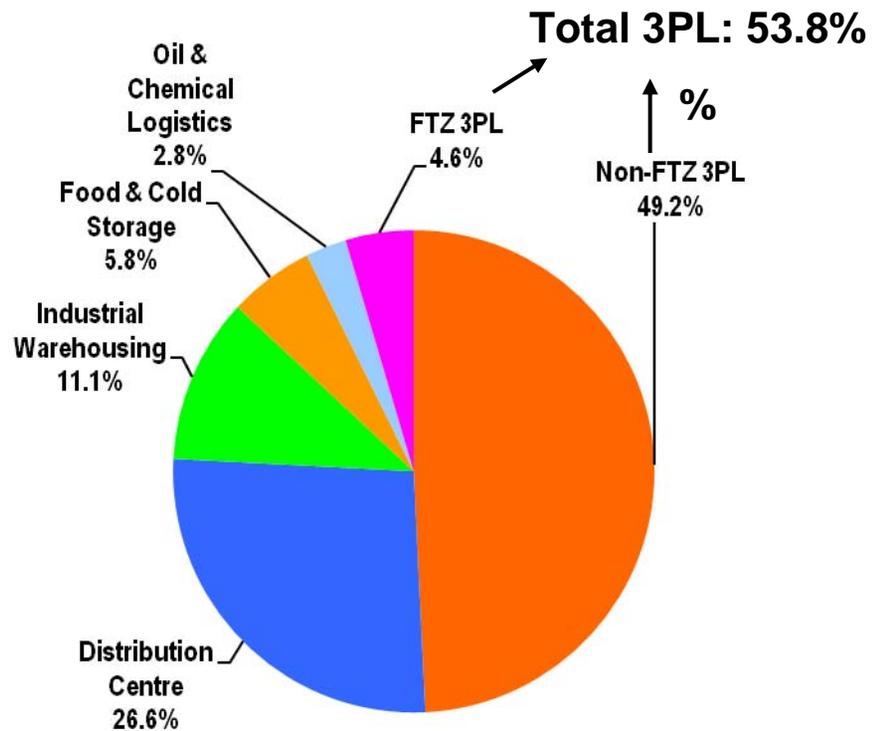


4 1 - Based on acquisitions announced to date  
2. No material difference between post-acquisition situation and pre-acquisition.

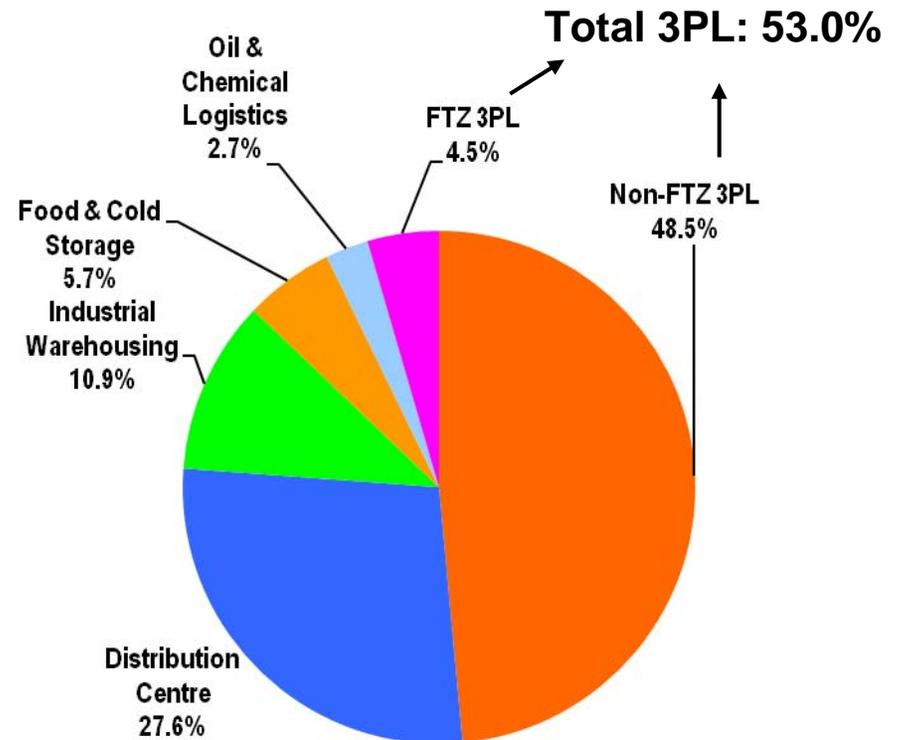
# Asset Mix

## Professional 3PLs face leasing stickiness

Gross revenue contribution by trade  
(Pre-acquisition)

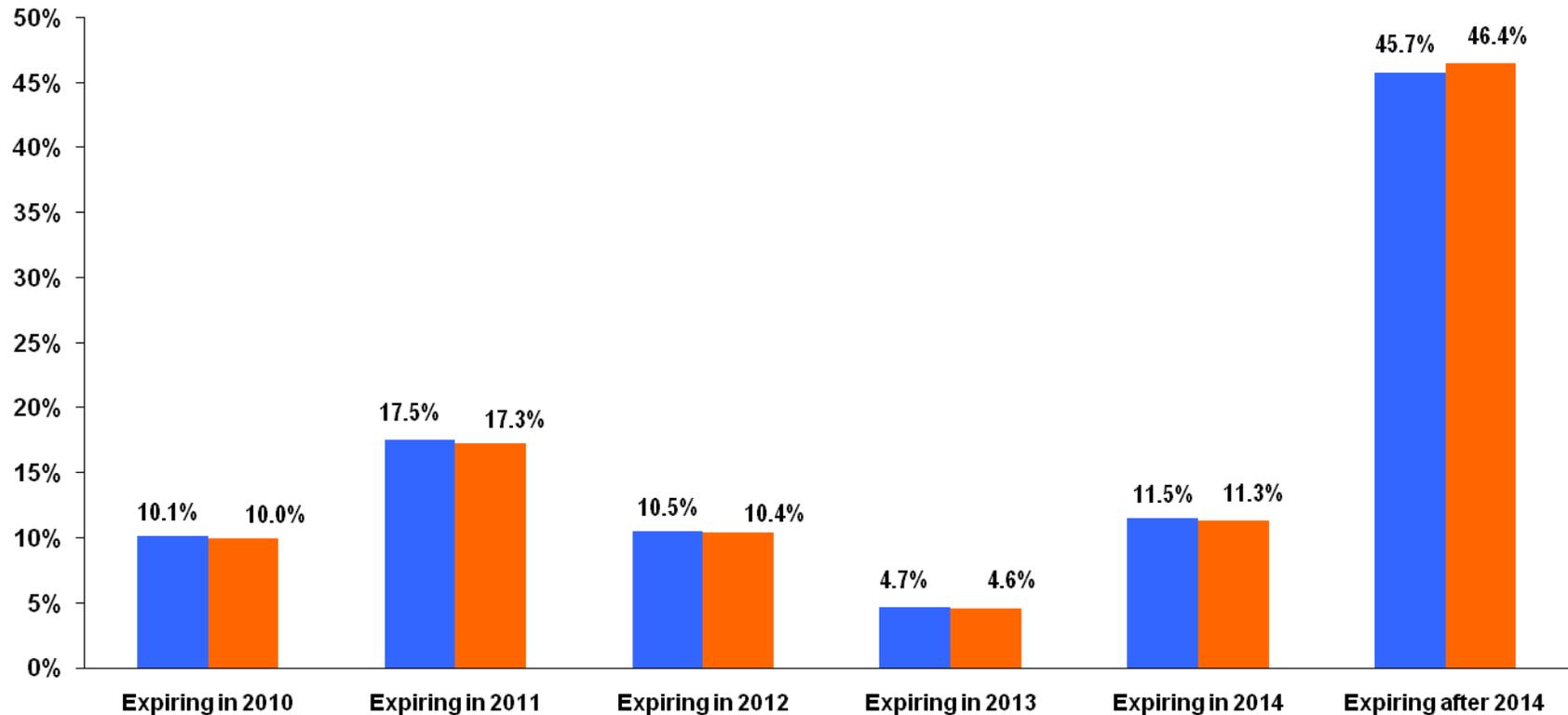


Gross revenue contribution by trade  
(Post-acquisition)<sup>1</sup>



# Average lease duration

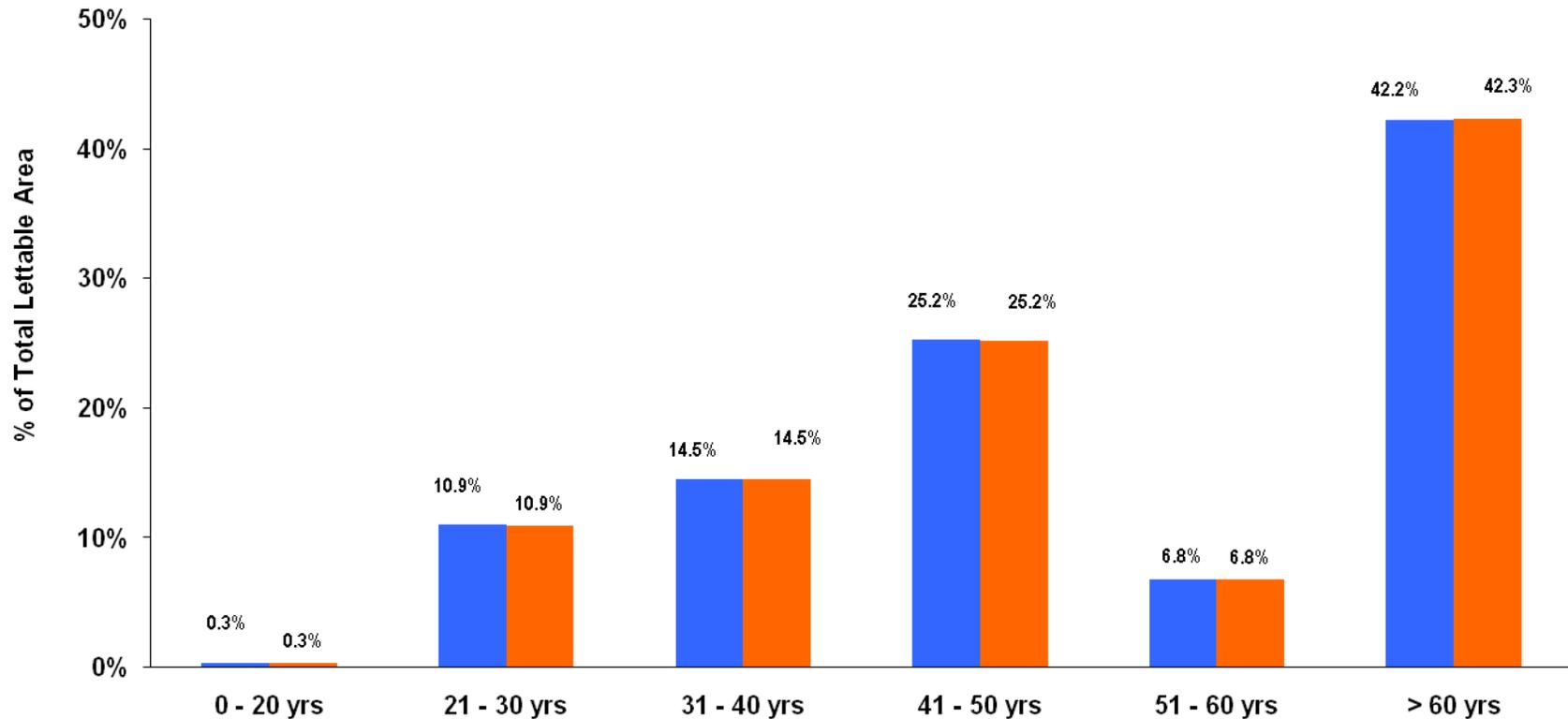
Lease expiry profile by gross revenue



	■ Pre-acquisition	■ Post-acquisition <sup>1</sup>
Weighted average lease term to expiry	5.0 years	5.0 years

# Unexpired lease of underlying land

## Remaining years to expiry of underlying land lease<sup>1</sup>



	Pre-acquisition	Post-acquisition <sup>2</sup>
<b>Weighted average of unexpired lease term of underlying land</b>	<b>167.4 years</b>	<b>168.4 years</b>

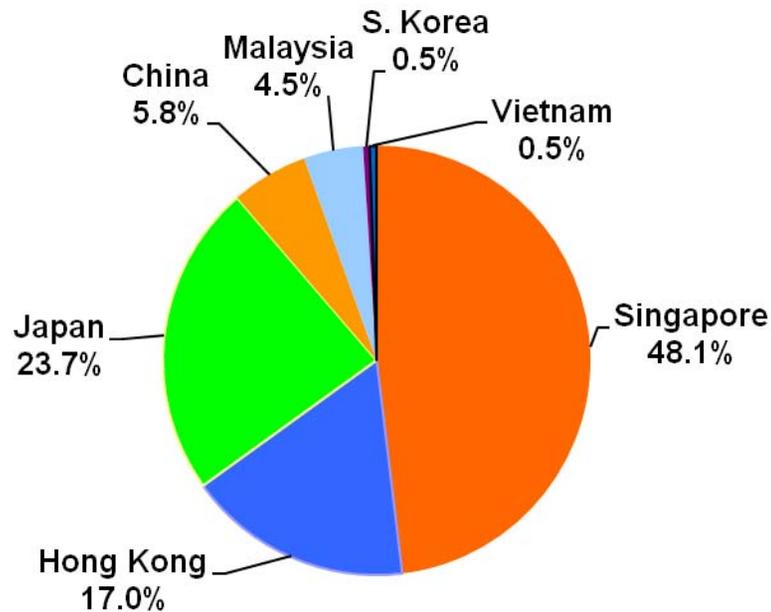
1 - For purposes of computation, land tenure for all the freehold properties is assumed to be 999 years.

7 2 - Based on acquisitions announced to date

# Geographical allocation of portfolio

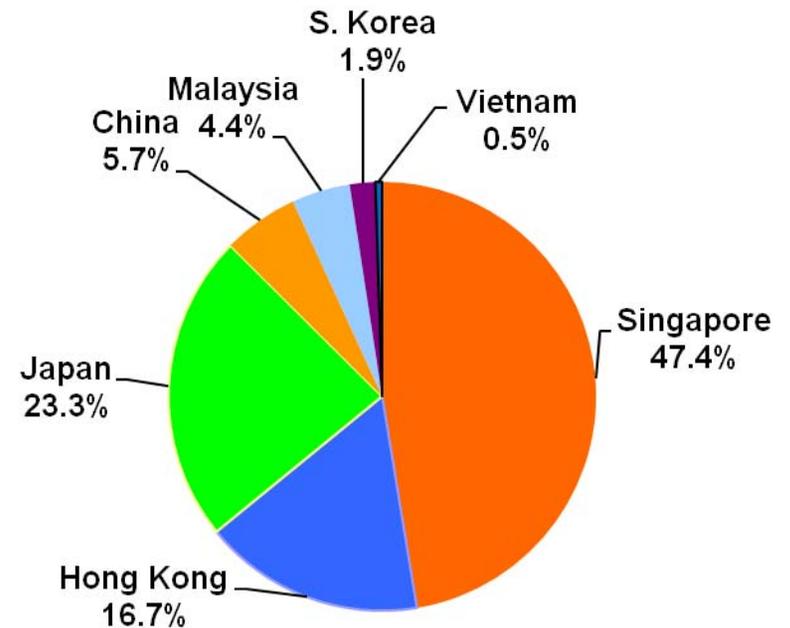
## Pre-acquisition

Country Allocation - By Gross Revenue  
(Pre-Acquisition)



## Post-acquisition<sup>1</sup>

Country Allocation - By Gross Revenue  
(Post-Acquisition)



# Disclaimer

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**- END -**