



MacarthurCook Investment Managers (Asia) Limited
 (Company Registration No. 200615904N)

Manager of MacarthurCook Industrial REIT
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(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 5 December 2006 (as amended))

NEWS RELEASE

MacarthurCook Industrial REIT's 3Q 2009¹ distribution to unitholders up 23.0%, year-on-year

Highlights

- Portfolio achieves year-on-year net property income growth of 49.1%
- Distribution per unit ("DPU") of 2.35 cents for 3Q 2009 is 22.4% higher, year-on-year

Summary of MI-REIT's results for 3Q 2009

| | 3Q 2009 (1/10/08 to 31/12/08) | 3Q 2008 (1/10/07 to 31/12/07) | Variance % |
|--|-------------------------------------|-------------------------------------|---------------|
| Gross Revenue (S\$'000) | 12,948 | 8,408 | +54.0 |
| Net Property Income (S\$'000) | 9,386 | 6,297 | +49.1 |
| Amount available for Distribution (S\$'000) ² | 6,246 | 5,001 | +24.9 |
| Distribution to Unitholders (S\$'000) | 6,150 | 5,001 | +23.0 |
| DPU (Cents) | 2.35 | 1.92 | +22.4 |

Singapore, 9 February 2009 – MacarthurCook Investment Managers (Asia) Limited (the "Manager"), the manager of MacarthurCook Industrial REIT ("MI-REIT"), is pleased to announce a distribution to unitholders of S\$6.2 million for 3Q 2009, which is S\$1.1 million higher (+23.0%) than the distribution for the same period last year. The DPU of 2.35 cents for the quarter is 22.4% higher than the 3Q 2008 DPU of 1.92 cents.

The books closure date to determine the entitlement to the 3Q 2009 DPU of 2.35 cents is 17 February 2009 and the date payable is 20 March 2009.

Mr Nick McGrath, Chief Executive Officer of the Manager and Head of Real Estate Asia said, "We are pleased that MI-REIT continues to achieve results that support our aim of providing unitholders with a stable income stream. The S\$3.1 million (+49.1%) year-on-year increase to MI-REIT's 3Q2009 net property income of S\$9.4 million was largely driven by rental income from the nine additional properties acquired during the last financial year."

¹ For the third quarter ended 31 December 2008.

² MI-REIT's distribution policy is to distribute at least 90% of its taxable income for the full financial year.

The Manager expects MI-REIT to deliver a DPU that is in line with its recent performance for the balance of the current financial year, barring any unforeseen events. However, the Manager expects that the outlook for MI-REIT in FY2010 will be dependent upon unfolding global economic factors. The Manager is focused on property and asset management, staying close to existing tenants and monitoring demand for industrial space.

The total carrying amount of MI-REIT's portfolio stands at S\$553.5 million, as at 31 December 2008. The net asset value ("NAV") of S\$1.27 per Unit exceeds the NAV at the initial public offer of S\$1.20 by 5.8%.

Portfolio Valuation

Although there is little transactional evidence to support a change in values, the Manager has formed the view that the continued global financial crisis and economic downturn, which has led to a recessionary environment in Singapore, has resulted in a softening in some industrial capital values during 3Q 2009.

Accordingly, in addition to external annual valuations³ which were obtained for all 21 properties throughout 2Q2009 and 3Q2009, the Manager further conducted and adopted internal valuations for all the properties to reflect the portfolio's fair value of S\$556.3 million as at 31 December 2008.

Properties where changes in values have been reflected are:

| The Properties | External Valuation³ (S\$m) | Date of External Valuation | Internal valuation as at 31 December 2008 (S\$m) |
|------------------------------|--|---------------------------------------|---|
| 7 Clementi Loop | 18.3 | 18/07/08 | 17.4 |
| 61 Yishun Industrial Park A | 24.6 | 13/08/08 | 23.4 |
| 103 Defu Lane 10 | 14.5 | 13/09/08 | 13.8 |
| 541 Yishun Industrial Park A | 16.8 | 26/09/08 | 16.0 |

Capital Management - Renewal of Debt Facility

The Manager is currently advanced in negotiations with its lenders in relation to the refinancing of its existing facility of \$220.8 million that is due on 17th April 2009. The facility was drawn to S\$201.3 million as at 31 December 2008.

The interest rate on S\$100 million of MI-REIT's debt is fixed under an interest rate swap that was entered into in February 2008 for three years. This is in addition to an existing interest rate cap at 3.50% on S\$120.19 million of debt, which expires at the end of March 2009.

As at 31 December 2008, MI-REIT had an aggregate leverage ratio of 39.7%, which sits comfortably within the Manager's long term gearing range of 40%-45%.

The Manager did not announce any new acquisitions during the nine months to 31 December 2008.

³ All properties owned by MI-REIT are independently revalued annually on a rolling basis and in accordance with the Property Fund Guidelines and the relevant accounting standard, Financial Reporting Standard 40 Investment Property. External valuations were obtained from CB Richard Ellis and Colliers.

Active Asset Management and a Well-Diversified Portfolio

As at 31 December 2008, the security of MI-REIT's rental income continues to be supported by the following factors:

- All 21 properties owned by MI-REIT are fully leased;
- 18 of MI-REIT's 21 properties were acquired in sale and lease-back transactions, which allow a great degree of financial due diligence to be conducted on the tenants and their ability to meet the lease commitments. As a result, MI-REIT has a quality portfolio occupied by quality tenants, with 64.9% of MI-REIT's rental income derived from companies that are publicly listed or are subsidiaries of publicly listed companies;
- 19 of the properties are under head lease arrangements, while 12 properties have subtenant agreements which provide an additional layer of income protection;
- Security deposits on each of the properties ranging from three months rental to two years rental with the majority of the properties (17) with security deposits of 6 months rental or more;
- 19 of the properties have built-in rental escalations staggered throughout their leases to support organic rental growth. 17 of the properties have escalations that range from 2.5% to 8.0%, whilst one has annual escalation of 1.5% and another at Consumer Price Index. The following rental income escalations took place at the start of FY2009:
 - 23 Changi South Avenue 2 – 2.5% rental increase (in 2nd Year)
 - 1 Bukit Batok Street 22 – 1.5% rental increase (annually)
- Relatively long lease expiry profile: As at 31 December 2008, MI-REIT had a weighted average lease term to expiry of 4.8 years. Only 2.6% of MI-REIT's rental income is subject to lease expiry in the FY2010. The majority of MI-REIT's leases do not expire until FY2013 (44.7%), FY2015 (18.5%) and FY2017 and beyond (23.9%); and
- The properties have been built with flexible layouts and high building specifications that increase their attractiveness to a wider range of tenants. Over the last nine months to 31 December 2008, re-leasing activity to replace short-term occupancies at the multi-tenanted 15 Tai Seng Drive have been successful, achieving double digit growth in rentals.

Diversification benefits

Since listing, MI-REIT's tenant diversification has improved, with no head tenant contributing more than 20.2% of rental income⁴ as at 31 December 2008, compared to 33.6% at the time of listing. MI-REIT's top ten tenants as at 31 December 2008 accounted for 67.0% of MI-REIT's rental income, an improvement compared to 94.2% at the time of listing.

MI-REIT has a deliberate strategy of owning a portfolio of properties that are well-diversified across the main industrial sub-sectors, enabling MI-REIT to meet the space requirements of diverse segments of the economy. As at 31 December 2008, rental income was from tenants who are primarily engaged in: warehouse and logistics (55.4%), manufacturing (36.2%), and research and technology (8.4%). Geographically, Singapore accounted for 94.0% of the portfolio and Japan, 6.0%, by asset value.

⁴ Based on rental income as at 31 December 2008. Rental Income is the contractual rent receivable under lease arrangement, with or to be entered into with the tenants (after rent rebates and provisions for rent-free periods). There are no rent rebates or rent-free periods.

Outlook

In January 2009, the Ministry of Trade and Industry revised its 2009 growth forecast for the Singapore economy to between - 2.0% and -5.0%. The World Bank expects global trade volume to decline by 2.1% in 2009, the first contraction in 26 years.

Mr McGrath said, "Real estate market conditions over the next 12 months are expected to be challenging, as global trade contracts and economic growth is affected. While industrial rents and capital values in Singapore have held up relatively well during the last six months of 2008, we expect a softening in capital values to occur over the next 12 months as the global recession and tight liquidity affects demand for real estate in the Asian economic region. In the long term however, we expect demand for Asian industrial real estate to be healthy, supported by the long term upward economic growth trend and supporting economic fundamentals in the region.

In the meantime, we will continue to focus on our proactive asset management strategy with a view to maintaining MI-REIT's current fully leased profile. In addition, the Manager expects MI-REIT to benefit from organic income growth in the portfolio via the built-in rental escalations. We are also focused on the capital structure of MI-REIT and are in advanced negotiations with MI-REIT's funding banks in relation to a new facility to refinance the existing S\$220.8 million facility maturing in April 2009.

Barring any further unforeseen events or continued and significant deterioration in the external economic environment, the Manager expects MI-REIT to deliver a DPU that is in line with its recent performance for the balance of the current financial year.

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UBS AG, acting through its business group, UBS Investment Bank ("UBS"), was the Sole Financial Advisor and Global Coordinator for the initial public offering of MI-REIT. UBS and The Hongkong and Shanghai Banking Corporation Limited were the Joint Lead Underwriters and Bookrunners for the initial public offering of MI-REIT.

This announcement has been prepared and released by MacarthurCook Investment Managers (Asia) Limited, as manager of MacarthurCook Industrial REIT. UBS Investment Bank as Sole Financial Advisor and Global Coordinator of the IPO, is not required to release this announcement and has not verified the accuracy, completeness or adequacy of the information contained herein. UBS Investment Bank does not accept any responsibility for, and disclaims any liability with respect to, the accuracy, completeness or adequacy of the information contained in this announcement or incorporated by reference herein.

About MacarthurCook Industrial REIT

Managed by MacarthurCook Investment Managers (Asia) Limited, MacarthurCook Industrial REIT's investment policy is to invest primarily in industrial real estate assets in Singapore, and across wider Asia, specifically in markets such as Japan, Hong Kong, Malaysia, Korea and China. The Manager's key objectives are to deliver secure, stable distributions to unitholders, as well as provide long-term capital growth.

MacarthurCook Limited owns 92.5% of the Manager, with the remaining 7.5% owned by United Engineers Development Pte Ltd, a wholly owned subsidiary of United Engineers Limited.

About MacarthurCook Limited

MacarthurCook Limited (MCK) is an Australian Securities Exchange listed company with offices in Australia and Singapore, specialising in the investment management of direct property, real estate securities and mortgage assets.

MacarthurCook manages approximately A\$1.45 billion on behalf of over 23,000 investors as at 30 June 2008. MacarthurCook is a quality endorsed company (ISO 9001:2000 international standard accreditation), and is the investment manager for the MacarthurCook Industrial REIT, MacarthurCook Industrial Property Fund, MacarthurCook Mortgage Fund, Advance Mortgage Fund, MacarthurCook Property Securities Fund, Advance Property Securities Fund, RMR Asia Pacific Real Estate Fund and RMR Asia Real Estate Fund.

The MacarthurCook Property Securities Fund is listed on the Australian Securities Exchange and the Singapore Securities Exchange. The MacarthurCook Industrial Property Fund is listed on the Australian Securities Exchange. The MacarthurCook Industrial REIT is listed on the Singapore Securities Exchange. The RMR Asia Pacific Real Estate Fund and RMR Asia Real Estate Fund are listed on the American Stock Exchange.

In 2005, 2006, 2007 and 2008 BRW magazine named MacarthurCook as one of Australia's fastest-growing companies in its Fast 100 list.

Important Notice

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in MI-REIT (the "Units").

The value of the 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 MI-REIT is not necessarily indicative of the future performance of MI-REIT.

This announcement is not an offer of securities for sale in the United States. The New Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any applicable state securities laws, and may not be offered or sold within the United States in the absence of registration or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws. Any public offering of the New Units to be made in the United States, will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the issuer and its management, as well as financial statements. The issuer does not intend to conduct a public offering of securities in the United States.

This announcement shall not constitute an offer to sell or a solicitation of an offer to buy securities nor shall there be any sale of any securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.