



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

MI-REIT Embarks on Regional Expansion with Strategic Alliance and First Acquisition in Japan

- Forms strategic alliance with specialist Tokyo based funds group, Atlas Partners
- Acquires Saitama pharmaceutical distribution centre for SGD 29.2 Million
- The acquisition is DPU accretive

Singapore, 26 November 2007 – MacarthurCook Investment Managers (Asia) Limited (“MCKIM Asia”), Manager of MacarthurCook Industrial REIT (“MI-REIT”), announced today that MI-REIT has expanded into Japan by establishing a strategic alliance in the Japanese industrial sector with Atlas Partners Japan (“APJ”), a Japanese real estate fund and asset management firm, in conjunction with MI-REIT’s acquisition of the beneficial interest of a Saitama based warehouse and distribution facility. The announcement marks MI-REIT’s first acquisition in Japan and also its first outside of Singapore.

The Asahi Ohmiya Warehouse shall be acquired for a total consideration of S\$29.2 million¹ in a sale and purchase agreement. Going forward, MI-REIT will outsource the asset management of the property to APJ, who will also source for acquisition opportunities and provide asset management support for other properties acquired in Japan. APJ is an established specialist in Japanese real estate fund and asset management for global institutional investors; its assets under management are in excess of US\$740 million as at 31 October 2007.

Important First Step in Regional Expansion

Mr Chris Calvert, CEO of MCKIM Asia said: “We are very pleased to have formed this alliance with APJ, who are well-regarded specialists in Japanese real estate fund and asset management. Our collaboration with an experienced Japanese partner ensures that our property will be well managed, and also put us in a strong position to expand our investment portfolio in Japan through the acquisition of other strategic assets.

¹ JPY 2.23 billion, based on an exchange rate of S\$1.00 to JPY 76.40.

This development is an important first step of our expansion into Japan and a natural evolution of our overall pan-Asian strategy for MI-REIT. Whilst we will continue to focus on growth within our core market of Singapore, the highly developed Japanese real estate market is our second most important market outside of Singapore. Our Japanese acquisition is consistent with our goal to make selective and strategic acquisitions that also provide geographic diversification on a portfolio level.

Over time, we expect that 20% of our portfolio will be located in Japan, with 50% in Singapore, and the remainder spread across other major Asian industrial property markets.

Mr Calvert continued, “The alliance between MI-REIT and APJ will enable both companies to benefit from the growing demand for new, modern distribution warehousing facilities in key regional hubs in Japan, which we believe is in part due to a number of factors, including:

- 1) The lack of supply of modern warehousing, distribution and logistics facilities in Japan. Much of the current inventory of distribution space is old and does not meet modern specification needs;
- 2) The erosion of the traditional Japanese preference for real estate ownership and occupier demand as Japanese corporates come to realise that the outsourcing of industrial real estate on their balance sheets will free up capital that can be reinvested more efficiently into their core businesses. As a result, we expect that more and more Japanese companies will embark on the “asset light’ trend that is gaining momentum throughout Asia;
- 3) Fixed term lease contracts in Japan, under which tenant-occupiers seeking premature termination of lease contracts are legally obligated for the full term of the agreement;
- 4) The increasing acceptance of the logistics sector in major regional cities in Japan as an investment class²; and
- 5) A favourable outlook for the Japanese economy, which rebounded in the third quarter this year and is growing at an annual pace of 2.6%. Business investment rose 1.7% this quarter as companies bought more general industrial machinery. According to NLI Research Institute, exports were the main factor behind the rise, led by a strong growth of shipments to China³.

This development also underscores our ability to develop mutually beneficial alliances in the Asian region, and demonstrates the strength of our commitment to develop MI-REIT into a Pan-Asian industrial REIT. “

The Asahi Ohmiya Warehouse

² CB Richard Ellis, Asian Industrial Property Market Flash, Q2 2007

³ Associated Press, “Japan economy rose at 2.6 pct pace in 3Q”, November 12, 2007

The Asahi Ohmiya Warehouse, located in the regional logistics and distribution hub of Saitama Prefecture in the Greater Tokyo Area, will continue to be leased to its current lessee, MediceoMedical (“Mediceo”), for the remainder of the five year lease term, which commenced in May 2007. The lease term includes an option to renew for another 5 years. Mediceo is a wholly owned subsidiary of Mediceo Paltic Holdings Co., Ltd, a publicly listed group on the Japanese Stock Exchange, is primarily engaged in the wholesale of pharmaceutical products and medical equipment.

The property is a purpose-built, four level warehouse with an ancillary 3 storey office building, currently used as a distribution centre for pharmaceutical products. The property is linked to key ports and metropolitan areas by two major expressways, Route 17 and the Ohmiya By-Pass. It has a net lettable area of 9,089 sqm on a land area of 2,573 sqm.

The property has been valued at JPY2.23 billion (SGD 29.2 million) by independent property valuer, CB Richard Ellis, dated 12 November 2007, in accordance with instructions issued by the Trustee.

The acquisition, which is targeted for completion in December 2007, will be accretive to MI-REIT’s distribution per unit (“DPU”), with the following pro forma financial effect:

- an additional 0.06⁴ Singapore cents per unit, representing an increase of 0.79% from the forecast FY2008 DPU of 7.41 Singapore cents per unit⁵ for the financial year ended 31 March 2008 (“FY2008”); and
- an additional 0.06 Singapore cents per unit, representing an increase of 0.75% from the forecast DPU of 7.59 Singapore cents per unit for the financial year ended 31 March 2009 (“FY2009”).

The property further contributes to MI-REIT’s income stability through enhanced tenancy and property diversification. Exposure to MI-REIT’s largest tenant, UE Tech Park Pte Ltd (a wholly owned subsidiary of United Engineers Limited), is reduced from 31.6% to 29.8%⁶ of portfolio income. In addition to these benefits, MI-REIT’s exposure to the developed Japanese real estate market is increased from zero to 7.3%⁷.

Funding of the Acquisition

⁴ On an annualized basis. Assuming MI-REIT has purchased, held and operated the properties for the financial year ended 31 March 2008 (“FY2008”) and that the acquisition is 100% debt-funded.

⁵ No comparisons against a corresponding period in the previous year can be made as no pro forma financials are available. SGX-ST had granted MI-REIT a waiver from the requirement to prepare historical pro forma statements of total return, cash flow statements and balance sheets for the purpose of its initial public offering.

⁶ Does not include the impact from announced acquisitions that are pending completion.

⁷ Country allocation by value of investment.

Given the relative lower cost of borrowing in Japanese yen, the Manager intends to finance the acquisition wholly by debt. However, alternative means of funding may be considered as appropriate. The acquisition is expected to increase MI-REIT's gearing level from 33.0%⁸ to 36.7%.

The Manager confirms that the acquisition is an authorised investment under the Trust Deed.

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The Sole Financial Advisor and Global Co-ordinator for the IPO is UBS AG, acting through its business group UBS Investment Bank.

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 and has not been involved in the preparation or release of 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 disclaim 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

MacarthurCook Industrial REIT listed on the main board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 19 April 2007. With the acquisition of the Asahi Ohmiya Warehouse, MI-REIT's property investments have a total value of S\$617.6 million, and consist of 21 high-quality industrial assets across Singapore and Japan, including Plot

⁸ Does not include announce acquisitions that are pending completion.

4A International Business Park, which is currently under development. The largest property in the portfolio is UE Technology Park at 8 and 10 Pandan Crescent, which now has a current market value of S\$137.9 million.

Managed by MacarthurCook Investment Managers (Asia) Limited, MI-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 providing 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 Stock 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\$1.5 billion on behalf of over 25,000 investors. MacarthurCook is the investment manager for 13 funds including: MacarthurCook Industrial REIT, MacarthurCook Industrial Property Fund, MacarthurCook Office Property Trust, MacarthurCook Retail Property Trust, MacarthurCook Diversified Property Income Fund, MacarthurCook Mortgage Fund, Advance Mortgage Fund, MacarthurCook Property Securities Fund, MacarthurCook Asian Real Estate Securities Fund, Advance Property Securities Fund, RMR Asia Pacific Real Estate Fund and RMR Asia Real Estate Fund. MacarthurCook Limited is a quality endorsed company having achieved accreditation to the ISO 9001:2000 international standard in the areas of Client Services, Mortgage Administration, Direct Property and Real Estate Securities.

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

The Company has approximately 1,000 shareholders, the largest of which are Ascalon Capital Managers Limited, an associate of the St George Banking Group with about 18 per cent, and MacarthurCook directors and senior executives, who hold 15 per cent. In 2005

and 2006 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.

The value of Units and the income derived from them may fall as well as arise. 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 MI-REIT 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 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.

This Announcement 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, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), 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.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.