



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- UPDATE

Singapore, 22 October 2008 - With the current level of anxiety having exhibited in the market the directors of MacarthurCook Investment Managers (Asia) Limited the manager of MacarthurCook Industrial REIT provide the following update to investors.

1. Property Valuations

All properties owned by MI-REIT are revalued annually on a rolling basis and pursuant to the Property Fund Guidelines.

In September 2008, seven properties were revalued resulting in a net increase in value of \$1.3 million.

In October 2008, a further two properties have been revalued resulting in an increase in valuation of \$200,000 on the 15 Tai Seng Drive property.

The details of the valuations by CB Richard Ellis are as follows:-

The Properties	Valuation as at October 2007	Valuation as at October 2008	Accretion in value
11 Changi South St 3	\$20.8m	\$20.8m	Nil
15 Tai Seng Drive	\$28.9m	\$29.1m	\$0.2m

MI-REIT has a quality portfolio of properties occupied by quality tenants with many of the properties having head leases in place. The property values are holding up well in the current market.

2. Security of Rental Income

Eighteen of MI-REIT's twenty one properties were acquired as part of a sale and lease back transaction. Such transactions allow a great degree of financial due diligence to be conducted on the tenants and their ability to meet the lease commitments. The security of MI-REIT's income is demonstrated by:-

- a long lease expiry profile
- head lease arrangements
- quality and diversification of tenants

a) Long Lease Expiry Profile

As detailed in the 2008 Annual Report, only 3.6% of the rental income is subject to lease expiry in the 2010 financial year. The major lease expiries of the MI-REIT portfolio do not occur until the 2013 (44.2%), 2015 (18.3%) and 2018 (21.2%) financial years.

b) Head Lease Arrangements

19 of the properties are under a head lease arrangement, whilst 12 of the properties have additional subtenants, providing MI-REIT with an extra layer of income protection as both the occupier and the head lessee have a financial commitment.

In addition, MI-REIT holds 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 of rental or more.

c) Quality and Diversification of Tenants

MI-REIT has a deliberate strategy of owning a diversified portfolio of properties across a range of industrial sectors such as logistic facilities, manufacturing, office parks and research and development.

Approximately 36% of MI-REIT's rental income is exposed to manufacturing facilities which tend to have higher tenant retention rates in an economic downturn due to the greater difficulty and expense of these tenants moving their operations relative to logistic users.

As at 30 June 2008, 64.1% of MI-REIT's portfolio rental income is derived from publicly listed companies or subsidiaries of publicly listed companies¹.

3. Occupancy

The twenty-one properties owned by MI-REIT are currently 100% leased.

Furthermore, re-leasing activity to replace short term leases at the multi-tenanted 15 Tai Seng Drive has been successful over the last six months, with new two to three year leases entered into at rental rates in excess of S\$1.40 psf, compared to previous rentals at S\$0.85 – S\$1.00.

4. Rental Arrears

No tenants are currently in arrears with rental payments.

¹ Includes United Tech Park Pte Ltd, Ossia International Ltd, GRP Limited, E-HUB Metals Pte Ltd, Cimelia Resource Recovery Pte Ltd, KTL Global Limited, Builders Shop Pte Ltd, Xpress Print (Pte) Ltd, Powermatic Data Systems Limited and Mediceo Medical.

5. Distribution Forecasts

For the June quarter ("1Q2009") a distribution of 2.35 cents per unit was paid.

Barring any unforeseen events, it is expected that the distribution for the September 2008 ("2Q2009") and December 2008 quarters ("3Q2009") will be in line with the recent distribution and the March 2009 distribution ("4Q2009") will be higher should the amount available for distribution retained in previous quarters not be required.

6. Half Yearly Results

The half yearly results for the period to 30 September 2008 will be released on 7 November 2008.

7. Debt Negotiations

MI-REIT's \$220m facility that is currently with National Australia Bank and Commonwealth Bank expires on 18 April 2009.

We are currently advanced in negotiations in relation to a new facility that will also provide funding for the settlement of Plot 4A, International Business Park in December 2009.

It is our current expectation that this matter will be finalised in January 2009.

8. New Appointments

MacarthurCook is expanding its team in Singapore to take advantage of investment opportunities when markets stabilise. Joining the MI-REIT team over the next month are the following two senior property professionals.

Mr Lester Leow - Fund Manager

As Fund Manager - Real Estate Funds, Lester will be responsible for overseeing the management of the MI-REIT property portfolio.

Lester joins MacarthurCook on 29 October 2008 having previously held the roles of Vice President-Real Estate Funds Business at Ascendas Pte Ltd, Vice President Investment at Cambridge Industrial Trust Management Limited and Assistant Director of Business Space Solutions at CapitaLand/PREMAS International.

Mr Koh Wee Lih – Senior Investment Manager

Wee Lih joins MacarthurCook in early November as Senior Investment Manager where he will be responsible for property acquisitions and management of the asset management function.

Prior to joining MacarthurCook Wee Lih was Senior Manager, Investment with AIG Global Real Estate Investment and Manager Investment and Asset Management with CapitaLand Commercial Limited.

Both Lester and Wee Lih bring to MI-REIT extensive experience in the Singapore, Chinese and Vietnamese real estate markets.

9. Dividend Reinvestment Plan

The Manager is currently investigating the benefits of a dividend reinvestment plan for investors. Should we decide to proceed with this unitholders will be provided with relevant information.

10. Alignment of Interest

The MacarthurCook Group and its related entities have demonstrated their confidence in MI-REIT by increasing their ownership of the REIT from 13.16% of units on issue as at 30 September 2008 to 14.73% as at Friday 17 October 2008.

For further information, kindly contact:

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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\$1.5 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 and 2007 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.