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1QFY10 Financial Results Presentation

7 August 2009



Important Notice

This Presentation is focused on comparing actual results for the financial period from 1 April 2009 to 30 June 2009 ("1QFY2010") versus actual results year-on-year ("y-o-y") and quarter-on-quarter ("q-o-q"). This Presentation shall be read in conjunction with MacarthurCook Industrial REIT's ("MI-REIT") results for 1Q FY2010 as per the SGXNet Announcement.

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Agenda

1. Key Highlights
2. Financial Performance
3. Capital Management
4. Portfolio Management
5. Outlook

MI-REIT 1QFY2010 Key Highlights

- **MI-REIT Distribution for 1QFY2010:**
  - Distributable income of S$4.0 million, down 34.5% y-o-y
  - Distribution per unit (“DPU”) of 1.51 cents, down 35.7% y-o-y
- **Net asset value** as at 30 June 2009: S$1.07 per unit
- **Property portfolio**: 21 properties valued at S$526.4 million, as at 30 June 2009
- **Gearing:** 41.8% as at 30 June 2009
- **Distribution of 100% of taxable income available for distribution in 1Q2010**
- **As at 30 June 2009, MI-REIT’s income stream continued to be supported by:**
  - 98.64% portfolio occupancy rate, which is higher than the market average[1]
  - A strong and diversified tenant profile
  - Average of 10 months security deposits across the portfolio
  - Weighted average lease duration of 4.37 years

[1] According to the URA, the vacancy rate for factory and warehouse space at the end of 2nd quarter 2009 was 7.8% and 9.0%.

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Distribution Details

Stock Counter	Distribution Period	Distribution per unit (S$ Cents)
MacCookIReit	1 April 2009 to 30 June 2009	1.51

Distribution Timetable

Ex-Date: **(Units will be traded ex-distribution)**	14 August 2009, 9.00am
Books Closure Date:	18 August 2009, 5.00pm
Distribution Payment Date:	18 September 2009

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Financial Performance

1Q2010 Financial Results Summary

	1Q2010 S$'000 Actual	1Q2009 S$'000 Actual	Variance (%)
Gross Revenue[1]	10,964	12,424	(11.8)
Net Property Income	9,317	9,029	+3.2
Total return after income tax and minority interest, before distribution	2,181	8,892	(75.5)
Amount Available for Distribution[2]	4,022	6,620	(39.2)
Distribution to Unitholders	4,022	6,138	(34.5)
DPU (S$ Cents)[3]	1.510	2.350	(35.7)

1. Underlying rental income for 1Q2010 remained largely stable compared to 1Q2009. The fall in gross revenue in 1Q2010 was largely due to the refund of prior year service charges to MI-REIT's tenants and a lower recovery of property tax and land rent this quarter, due to the rebates from the authorities as announced in the 2009 Singapore budget. The refund and property tax and land rent rebates also correspondingly reduce property operating expenses.
2. The decrease in amount available to Unitholders in 1Q2010 was largely due to higher borrowing costs and a reduction in taxable income resulting from a claim for industrial building allowance. Borrowing costs were higher mainly due to the increase in interest margins and facility fees associated with the extension of MI-REIT's Singapore term loan facility to 31 December 2009. The industrial building allowance applies to qualifying Singapore based industrial buildings that are used for qualifying purposes.
3. MI-REIT's distribution policy is to distribute at least 90% of the Trust's taxable income for the full financial year. For 1Q2010, the Manager has resolved to distribute 100% of the taxable income available for distribution to the Unitholders.

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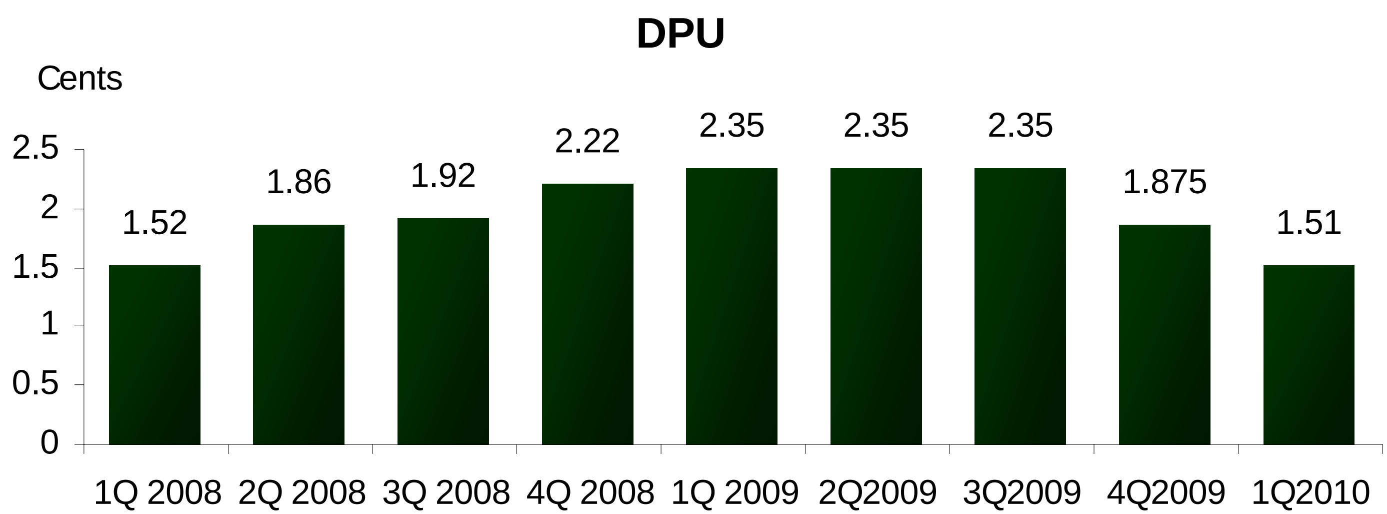
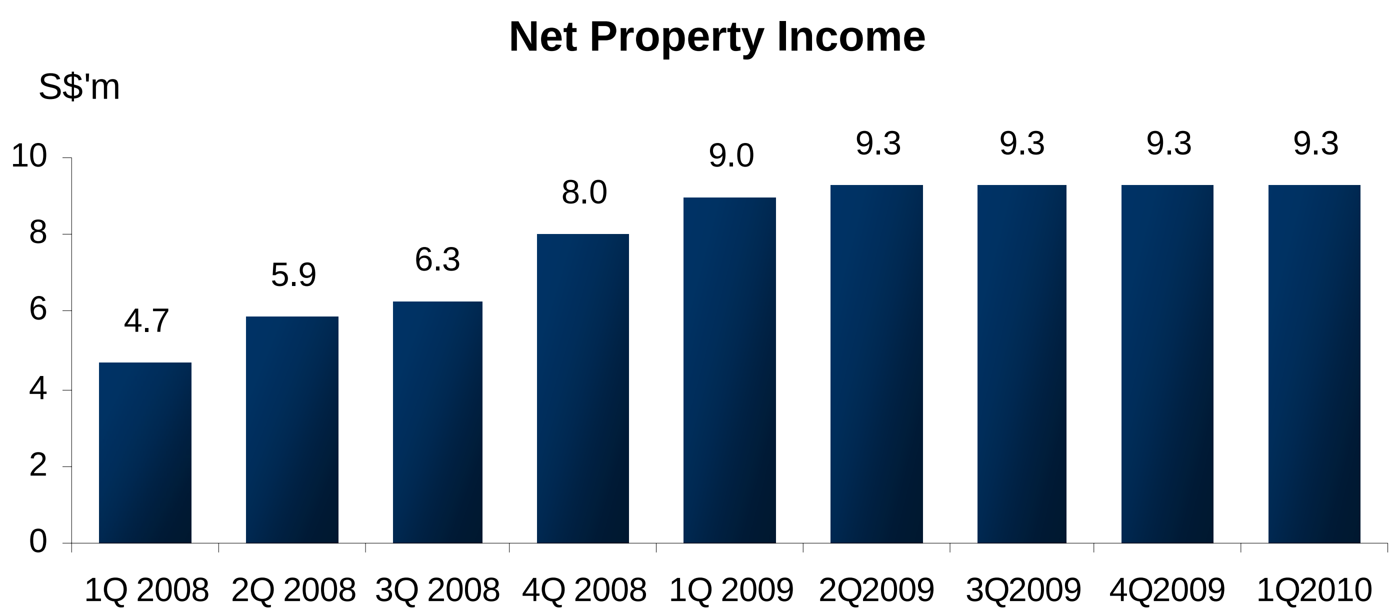
1Q2010 DPU and Net Property Income





Balance Sheet

	30 June 2009	31 March 2009
Total Assets (S$'M)	538.8	544.0
Comprising (S$'M):		
- Investment Properties	526.4	530.3
- Cash and Cash Equivalents	8.3	10.0
- Trade and Other Receivables	4.1	3.7
Total Liabilities (S$'M)	252.6	254.7
Net Assets attributable to Unitholders (S$'M)	286.1	289.2
NAV per unit	**S$1.07**	**S$1.09**
Gearing	41.8%	41.2%
Total Debt[1] (S$'M)	225.0	224.4

	Quarter ended 30 June 2009	Quarter ended 30 June 2008
Interest Expense (S$'000)[2]	2,477.2	1,148.9
Interest Coverage Ratio[3]	3.28 times	6.96 times

Footnotes:

1. Interest-bearing borrowings before adjustment for unamortized borrowing costs.
2. Interest expense is calculated net of interest income/expenses received/paid from derivative financial instruments.
3. Ratio of EBITDA over interest expense.

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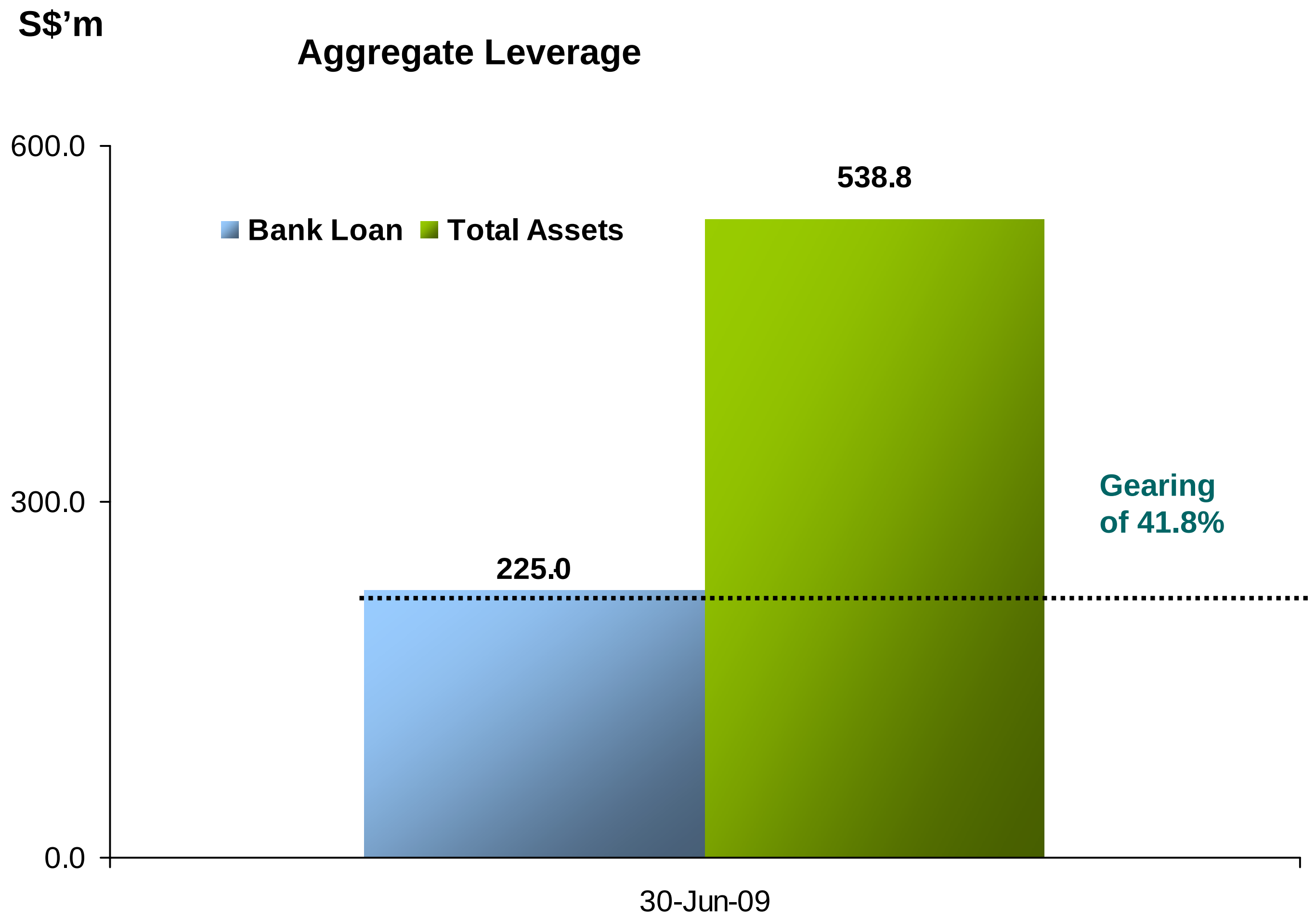
Capital Management

Debt and Gearing Profile

Gearing of 41.8% as at 30 June 2009

Total debt facilities of S$225.0 million



Capital Management

- On 22 May 2009, the Manager announced that MI-REIT had achieved credit approval for an extension of its existing drawn Singapore debt facility of S$202.3 million to 31 December 2009 with an all in interest margin of 5.0% per annum.
- This extension gives MI-REIT additional time to secure a longer term debt refinance, a process in which the Manager is actively engaged.
- In addition, the Manager has embarked on a series of initiatives that seeks to progressively reduce MI-REIT's leverage ratio from 41.8% as at 30 June 2009 to 30-35% over time by obtaining the optimal combination of debt/equity.
- These capital management initiatives are intended to strengthen MI-REIT's financial profile and to give it financial flexibility, including provision of $91.0 million funding for the acquisition of Plot 4A, International Business Park upon completion of its construction, which is currently expected to occur in the fourth quarter of 2009.
- The Manager is in discussions in relation to the refinance of the Japan debt facility, due on 18 December 2009.

Capital Management

MI-REIT's funding position as at 30 June 2009

	Term Loan (S$'m)	Due Date
Singapore Debt	202.3	31 December 2009
Japan Debt	22.7 (JPY 1.5 billion)	18 December 2009

Interest Rates

- **Singapore debt facility**
  - 3 year interest rate swap on S$100m (until 10 Feb 2011), pay fixed at 1.905%
  - Management is evaluating the hedging options in respect of the balance of the Singapore debt.
- **Japan debt facility**
  - Fixed interest rate at 1.97% (inclusive of bank's margin)

Portfolio Management

A Resilient Portfolio

As at 30 June 2009, MI-REIT's rental income continues to be supported by the following factors:

- Portfolio is 98.64% occupied;
- 65.5% of rental income derived from companies that are publicly listed or are subsidiaries of publicly listed companies;
- 18 properties acquired in sale and lease-back transactions; a greater degree of financial due diligence is conducted on the tenants and their ability to meet the lease commitments;
- 19 properties have head lease arrangements with strong covenants;
- 13 properties have subtenant arrangements which provide additional income protection;
- Security deposits on all of the properties;
- Built-in rental escalations for 19 of the properties support organic rental growth;
- Tenant diversification, with no single tenant contributing more than 20.3% of rental income;
- Strong lease expiry profile: weighted average lease term to expiry (WALE) of 4.37 years;
- Flexible layouts / high building specs increase properties' attractiveness to wide range of tenants;
- Diversification across the main industrial sub-sectors.

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MI-REIT's Portfolio as at 30 June 2009

	Property / Address	Fair Value as at 30 June 2009 (S$'m)	Fair Value as at 31 March 2009 (S$'m)[1]
Warehouse & Logistics Total: S$331.1 m Percentage: 62.5%	8 & 10 Pandan Crescent	131.3	131.3
	31 Admiralty Road	14.2	14.2
	10 Changi South Lane	33.5	33.5
	23 Changi South Avenue 2	22.5	22.5
	103 Defu Lane 10	13.8	13.8
	61 Yishun Industrial Park A	23.6	23.6
	11 Changi South Street 3	20.2	20.2
	Asahi Ohmiya Warehouse	28.7	32.4
	7 Clementi Loop	16.8	16.8
	15 Tai Seng Drive	26.5	26.5
Manufacturing Total: S$183.7 m Percentage: 34.7%	1 Bukit Batok Street 22	22.5	22.5
	20 Gul Way	43.8	43.8
	3 Tuas Avenue 2	21.9	21.9
	8 & 10 Tuas Avenue 20	12.2	12.2
	8 Senoko South Road	12.0	12.0
	10 Soon Lee Road	9.4	9.4
	1 Kallang Way	13.4	13.4
	135 Joo Seng Road	23.3	23.3
	26 Tuas Avenue 7	9.3	9.3
	541 Yishun Industrial Park A	15.9	15.9
Research & Technology Total: S$14.8 m Percentage: 2.8%	2 Ang Mo Kio Street 65	14.8	14.8
	Total Portfolio Value	**529.6**	**533.3**
	Adjustment for the effect of: -Straight-lining of rental income	(3.2)	(3.0)
	Total Carrying Amount	**526.4**	**530.3**

1 The investment properties in Singapore and in Japan were revalued by independent professional valuers on 31 March 2009 and 12 November 2008, respectively. On 30 June 2009, the fair values of all the properties were updated internally by the Manager with a 9.5% downward revision of the value of the property in Japan.

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Security of Rental Income

1) Head Lease Arrangements

- 19 properties in the portfolio under head lease arrangements
- 18 properties were acquired in sale and lease-back transactions, which allow a greater degree of financial due diligence to be conducted on the tenants and their ability to meet the lease commitments
- The portfolio is 98.64% occupied, 6.1% above market average of 93.0% (Source: URA 1Q2009 statistic)

2) Additional income protection from subleases

- 13 of the properties have additional sublease arrangements
- These provide an additional extra layer of income protection as both the occupier and the head lessee have a financial commitment
- MI-REIT has the right to take over existing sub-tenancies upon the expiry of the head lease

3) Security Deposits

- All of the properties in the MI-REIT portfolio are supported by security deposits (in the form of cash or bankers' guarantees)
- As at 30 June 2009, the deposits ranged from 3 months rental to 19 months rental, with an average of 10 months rental per property for the portfolio.

Security Deposits	3 months rental or less	6 months rental	10 months rental	12 months rental	14 months rental	15 months rental	18 months rental	19 months rental
Number of Properties	4	5	1	6	1	1	2	1

Organic Rental Income Growth

Regular income growth from built-in rental escalations

- 19 of the properties have contracted rental escalations staggered throughout their leases;
- 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;
- Rental escalations for the following are scheduled to take place in FY2010:

✓ 31 Admiralty Road – 5% rental increase

✓ 3 Tuas Avenue 2 – 5% rental increase

✓ 8 & 10 Tuas Avenue 20 – 5% rental increase

✓ 10 Soon Lee Road – 5% rental increase

✓ 26 Tuas Avenue 7 – 5% rental increase

✓ 10 Changi South Lane – 3.25% rental increase

✓ 1 Kallang Way 2A – 3.0% rental increase

✓ 135 Joo Seng Road – 5.0% rental increase

✓ 7 Clementi Loop – 5.0% rental increase

✓ 1 Bukit Batok Street 22 -1.5% annual rental increase

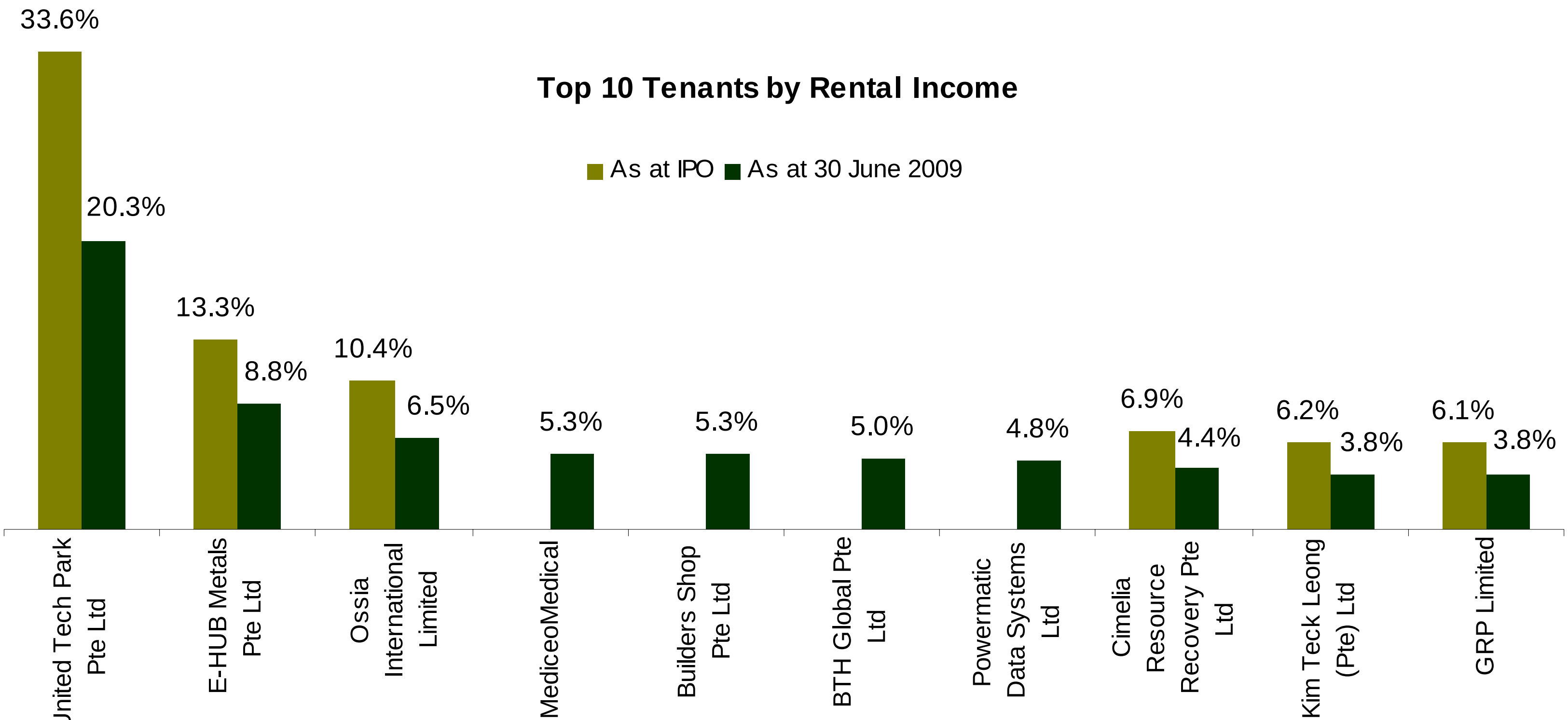
Built-in Rental Escalations Support Organic Growth

Property	Year of Lease commencement	Year of Rental Escalation from Lease Commencement Date	% of Rental Escalation per Year
1	FY2008	Annual	1.50%
2	FY2008	Year 2	2.50%
3	FY2008	Years 3,5,7	3.00%
4	FY2008	Year 3, 5	3.25%
5	FY2008	Years 3, 5	5.00%
6	FY2008	Year 3,5,7,9	5.00%
7	FY2008	Years 3,5	5.00%
8	FY2008	Years 3,5,7	5.00%
9	FY2008	Years 3,5,7,9	5.00%
10	FY2008	Years 2,4	5.00%
11	FY2008	Years 2,4	5.00%
12	FY2008	Year 3	5.00%
13	FY2008	Year 3,5	5.00%
14	FY2008	Years 4,7	6.00%
15	FY2008	Years 4,7, 10	7.00%
16	FY2008	Year 4	7.50%
17	FY2008	Years 4, 7, 10	7.50%
18	FY2008	Year 4,7,10	8.00%
19	December 2004 (Novation to MI-REIT on 17 Dec 2007)	Years 7,8,9,10	CPI Index

[1] The leases for 15 Tai Seng Drive and the Asahi Ohmiya Warehouse in Japan are not subject to rental escalation clauses.

Greater Diversification By Rental Income[1]

- Improved tenant diversification, with no single tenant contributing more than 20.3% of rental income as at 30 June 2009, compared with 33.6% at listing.
- Top 10 tenants accounted for 67.9% of the total portfolio income as at 30 June 2009, compared to 94.2% as at the initial public offer.
- 65.5% of rental income is from publicly listed tenants or subsidiaries of publicly listed companies[2].

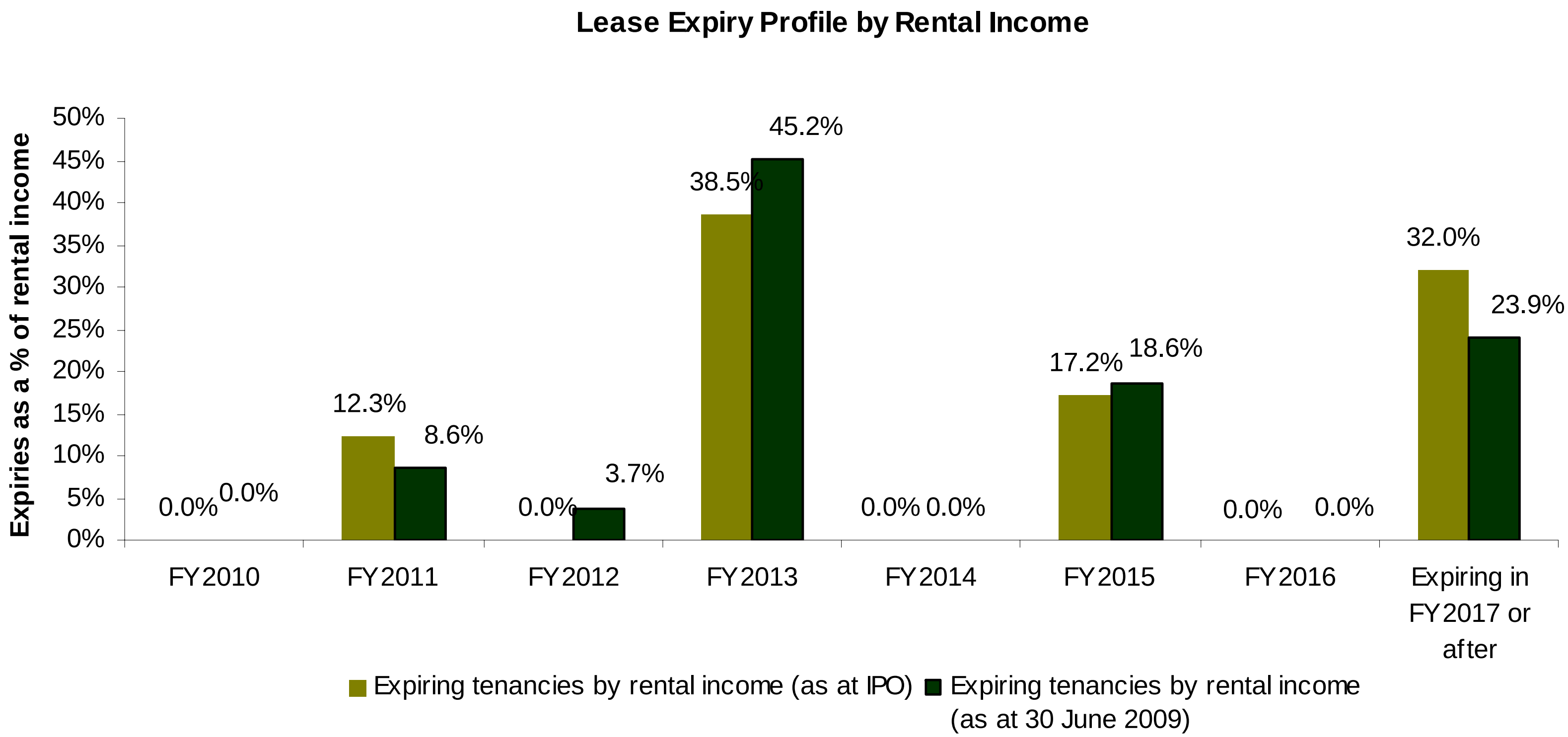


1) Rental income is the contractual rent receivable under the lease arrangement with the tenants (after rent rebates and provisions for rent-free periods).

2) 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, Mediceo Medical.

Balanced Lease Expiry Profile

- Income stability from relatively long average lease duration
  - No lease expiries in FY2010
  - The majority of leases do not expire until FY2013 (45.2%), FY2015 (18.6%) and FY2017 and after (23.9%)



	Initial Portfolio of 12 Properties (As at IPO)	Portfolio of 21 Properties (As at 30 June 2009)
Weighted average lease term to expiry	6.7 years	4.37 years

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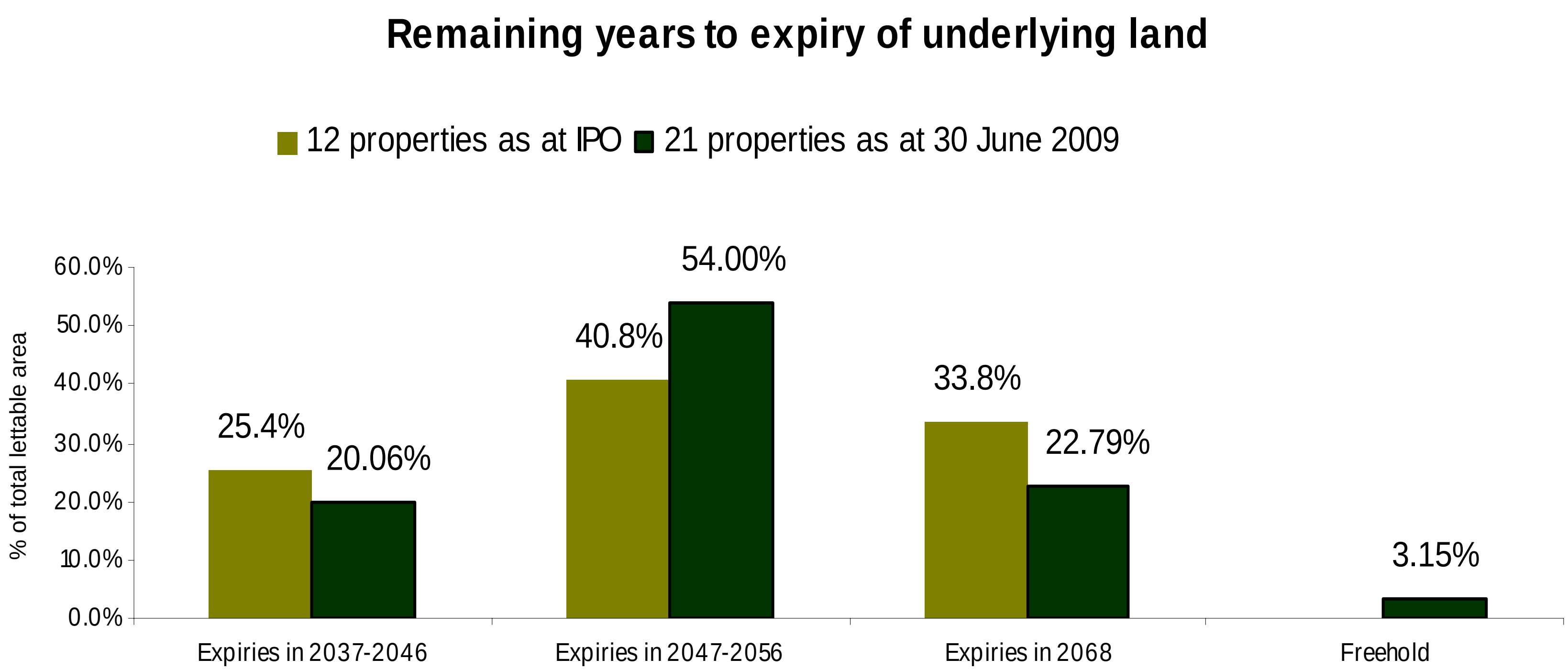
Long Leasehold For Underlying Land



	Initial Portfolio of 12 Properties (As at IPO)	Portfolio of 21 Properties (As at 30 June 2009)
Average of unexpired lease term of underlying land	47.8 years	42.6 years

Singapore Portfolio

Presence throughout key industrial precincts

Logistics and Warehousing

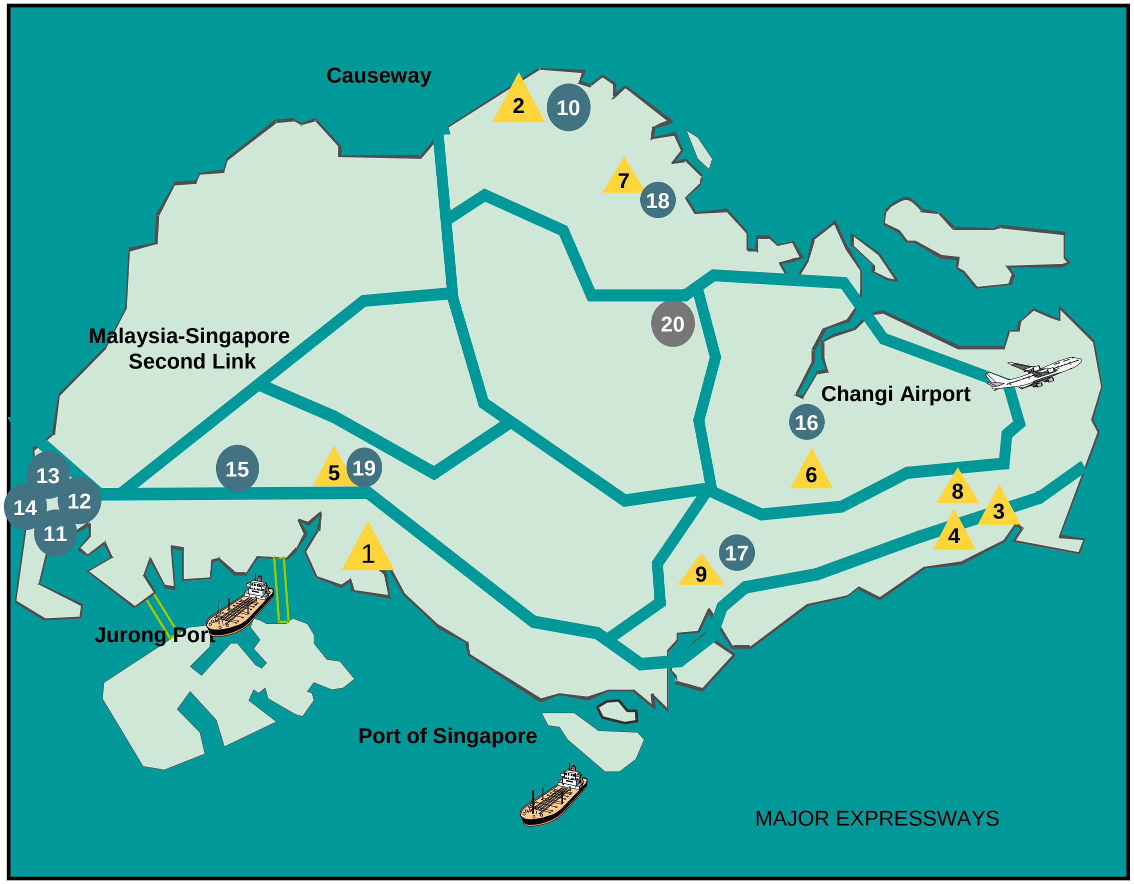
1. 8 & 10 Pandan Crescent
2. 31 Admiralty Road
3. 23 Changi South Avenue 2
4. 10 Changi South Lane
5. 7 Clementi Loop
6. 103 Defu Lane 10
7. 61 Yishun Industrial Park A
8. 11 Changi South Street 3
9. 15 Tai Seng Drive

Manufacturing

10. 8 Senoko South Road
11. 20 Gul Way
12. 3 Tuas Avenue 2
13. 26 Tuas Avenue 7
14. 8 & 10 Tuas Avenue 20
15. 10 Soon Lee Road
16. 135 Joo Seng Road
17. 1 Kallang Way 2A
18. 541 Yishun Industrial Park A
19. 1 Bukit Batok Street 22

Research and Technology

20. 2 Ang Mo Kio Street 65

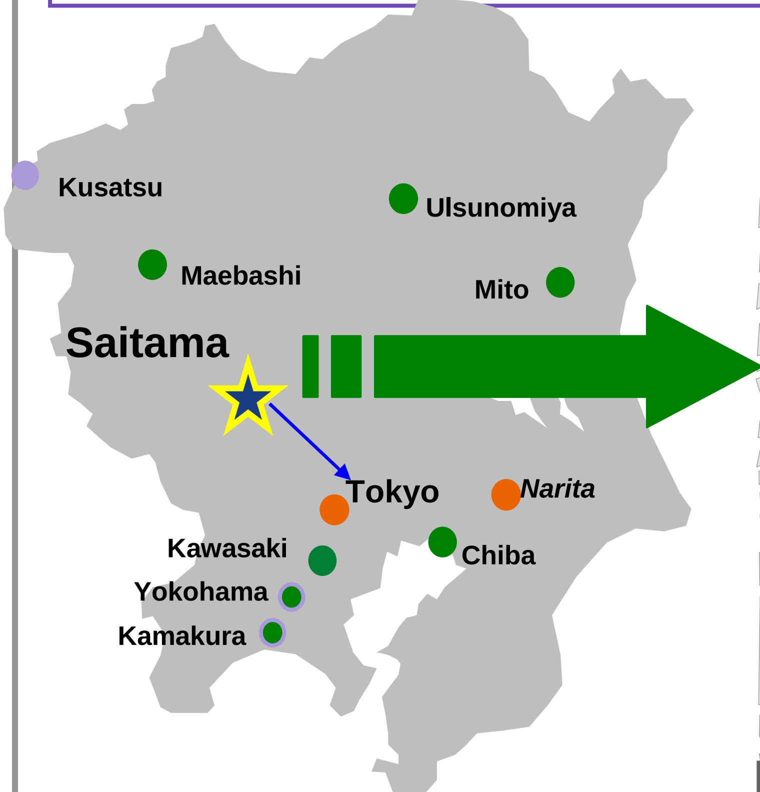


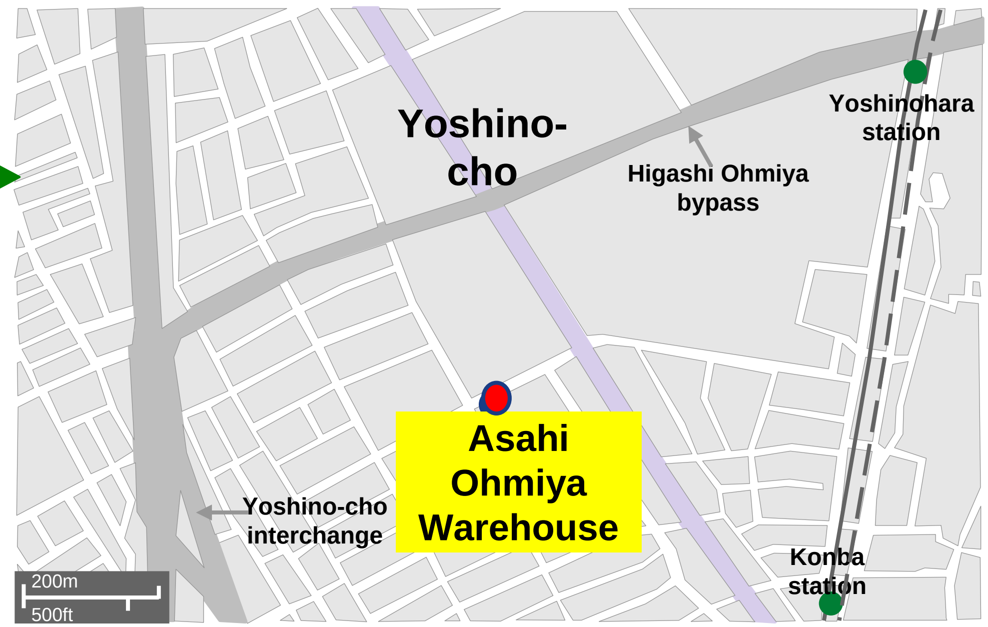
And in Japan

Asahi Ohmiya Warehouse

Address: 1-398-3, 11, 13 Yoshinocho, Kita-Ku,

Saitama City, Japan





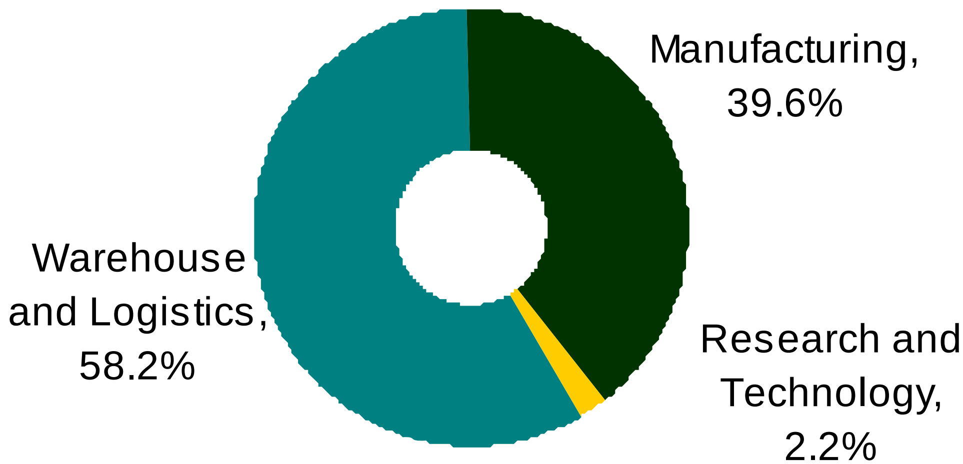
750 m away to Konba Station of Saitama Shintoshikoutuu New Shuttle Line

Approximately 35 km northwest of central Tokyo

Portfolio Diversity and Strength

Well diversified Portfolio by Property Usage
98.64% occupied as at 30 June 2009

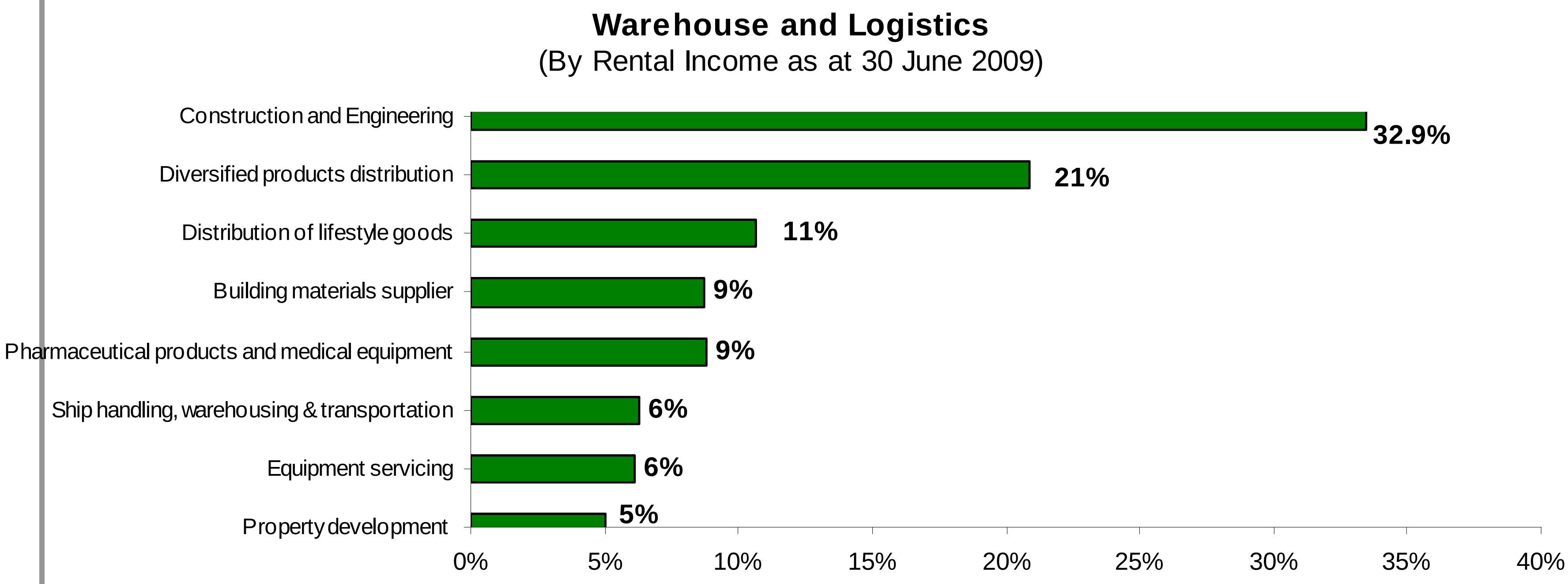
Property Usage by Net Lettable Area
(As at 30 June 2009)



Portfolio Diversity and Strength

Diverse Tenant Industry Mix: Warehouse and Logistics
By Rental Income as at 30 June 2009

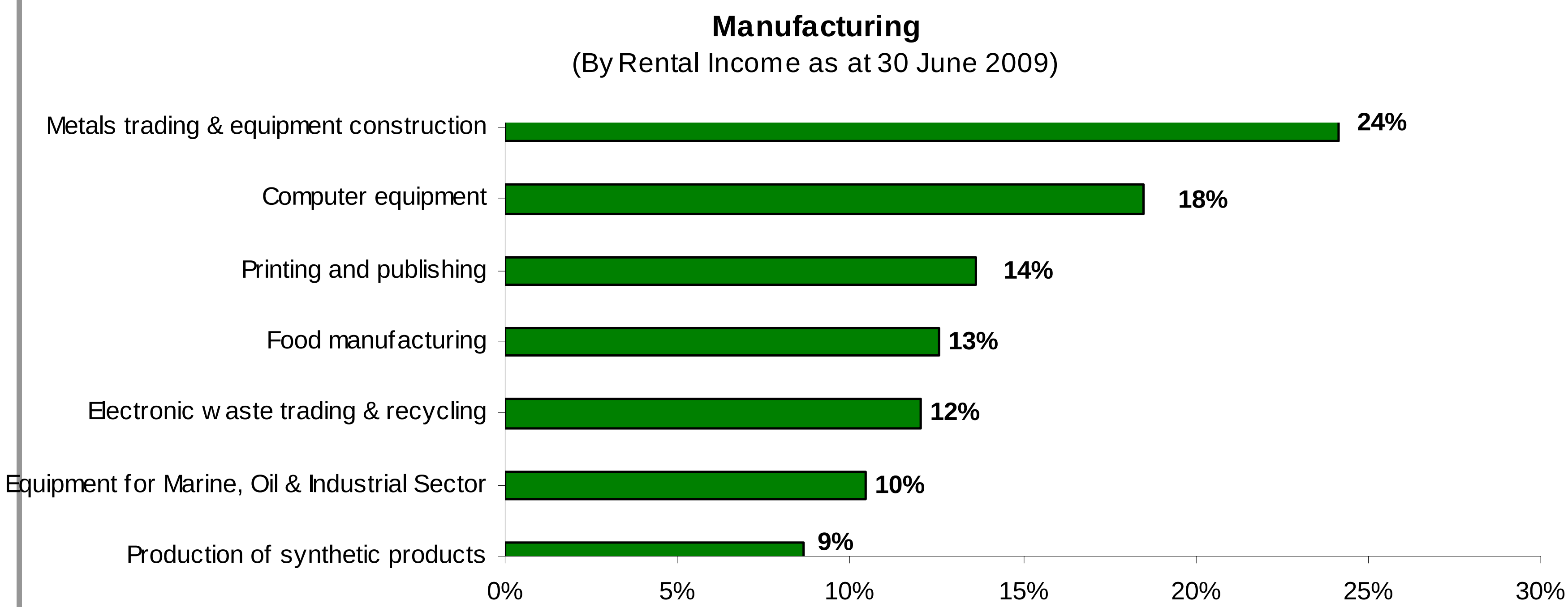
- Approximately 60.7% of YTD rental income is contributed by tenants who are engaged in warehousing and logistics.



Portfolio Diversity and Strength

Diverse Tenant Industry Mix: Manufacturing
By Rental Income as at 30 June 2009

- Approximately 36.24% of YTD rental income is contributed by tenants who are engaged in manufacturing.



Diverse Tenant Industry Mix: Research and Technology
By Rental Income as at 30 June 2009

- Approximately 3.05% of YTD rental income is contributed by a tenant who is engaged in cosmetics research and production.

A Focused Investment Approach

MI-REIT's investment objectives continue to be supported by our three pronged investment strategy*

Strategy	Investment Objectives
Prudent capital and risk management strategy	▪ Maintain a strong balance sheet and reduce debt to a sustainable long term gearing level ▪ Manage exposure to interest rate and foreign exchange risk
Active asset management strategy	▪ Maintain maximum committed occupancy for our portfolio ▪ Increase the competitive positioning of the Trust's assets to improve returns (i.e. regular maintenance of buildings) ▪ Continue to secure strong rental reversions from our short term tenancies at 15 Tai Seng Drive
Acquisition growth strategy*	▪ Seek the acquisition of strategic assets that enhance the Trust's earnings and profile ▪ Resume our active acquisition growth strategy when conditions allow ▪ Maintain sector specialisation, but diversify geographically in other Asian markets

* The Manager is currently focused on the capital structure of MI-REIT and on the active management of MI-REIT's industrial real estate assets. It will resume its acquisition growth strategy when conditions allow.

Outlook

Economic Outlook

- On 14 July 2009, the Ministry of Trade and Industry ("MTI") announced that it expects the Singapore economy to contract by 4.0 to 6.0% in 2009, a revision from the contraction of 6.0% to 9.0% forecast earlier.
- On a seasonally-adjusted annualized basis, real GDP for the second quarter of 2009 increased by 20.4%, compared to the first quarter, during which a contraction of 12.7% had been experienced.
- Three factors are reflected in the revised forecast:
  - A less severe contraction than expected in the first quarter 2009 results. Real GDP contracted by 12.7% on a seasonally-adjusted annualized basis, less than the contraction of 14.6% forecast for first quarter 2009 in May and 19.7% forecast in April.
  - An improved second quarter 2009 performance resulting mainly from a spike in biomedical manufacturing output and inventory restocking in the electronics industry.
  - However, the outlook for the remainder of the calendar year remains subdued, with expectations of a weak recovery susceptible to downside risks.

Singapore Industrial Property

- Overall industrial property prices and rental rates in Singapore declined by 4.5% and 5.6% over the previous quarter respectively, according to 2nd quarter 2009 statistics by the URA.
- The average occupancy rate was 92.2% in 2nd quarter 2009, compared with 93.0% in first quarter 2009 and 93.4% in fourth quarter 2008.

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Our View

- The Manager expects global economic conditions to remain subdued over the balance of the year. Industrial tenants are not immune from the global downturn and MI-REIT's rental income may be affected if tenants' businesses are affected. However, the Manager is committed to its efforts to maintain its high tenant retention and occupancy levels.
- Barring any further unforeseen events, the Manager expects rental income to remain stable.
- With the higher cost of borrowing, the income available for distribution in FY2010 is most likely to be lower than in FY2009.
- As at 30 June 2009, MI-REIT had an aggregate leverage of 41.8%. In addition to securing an extension of the existing Singapore debt facility to 31 December 2009, the Manager has embarked on a series of initiatives that seeks to progressively reduce MI-REIT's leverage ratio to 30-35% over time by obtaining the optimal combination of debt/equity.
- These capital management initiatives are intended to strengthen MI-REIT's financial profile and to give it financial flexibility, including provision of $91.0 million funding for the acquisition of Plot 4A, International Business Park upon completion of its construction, which is currently expected to occur in the fourth quarter of 2009.

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Thank You