Rating Action: Moody's assigns Baa1 rating to Mapletree Logistics Trust's Yen note issue

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Singapore, December 20, 2011 -- Moody's Investors Service has assigned a Baa1 rating to the issue of 10-year, JPY9 billion senior unsecured notes by MapletreeLog Treasury Company Pte. Ltd. ("MTC") from the Multi Currency Medium Term Note ("MTN") programme. At the same time, Moody's has assigned a provisional (P) Baa1 rating to the MTN programme which is under MTC and MapletreeLog Treasury Company (HKSAR) Ltd. ("MTCHK").

MTCHK is a wholly-owned subsidiary of MTC which in turn is a wholly-owned subsidiary of Mapletree Logistics Trust ("MLT"). The MTN programme is guaranteed by HSBC Institutional Trust Services (Singapore) Limited ("HSBC") in its capacity as trustee of MLT.

Moody's has also affirmed MLT's Baa1 corporate family rating. The outlook for all the ratings is stable.

The proceeds from the notes (ninth series) will be mainly applied to refinance existing JPY maturing debts.

RATINGS RATIONALE

The provisional rating on the MTN programme is the same as the corporate family rating of Baa1 for MLT. "This is because MLT has no secured debt in its capital structure and as such, there is no legal subordination risk", says Alan Greene, a Moody's Vice President and Senior Credit Officer.

Moody's Baa1 corporate family rating for MLT reflects the stable and recurring earnings and cash flow streams derived from its good mix of portfolio, with quality and strategically located logistics properties. "These core assets are supported by a diverse and good quality tenant mix and relatively long leases," says Greene, who is the Lead Analyst for MLT.

The rating outlook is stable as Moody's expects that MLT will exercise prudence in its expansionary strategy while keeping its credit profile within targeted parameters and maintaining a well-laddered debt maturity profile. In addition, MLT has proven its operational resilience during an economic downturn by maintaining high occupancy levels and revenue growth.

The rating could be upgraded if MLT shows improvements in its liquidity profile and credit metrics, including Debt/Total Assets below 35% and EBITDA/Interest above 3.5-4.0x, on a sustained basis.

On the other hand, the rating could be downgraded if occupancy rate falls, or profitability declines due to a high level of supply in the market or adverse changes in market conditions; or it makes any significant debt-funded acquisitions such that EBITDA/Interest coverage falls below 2.5-3x or Debt/Total Assets rises above 45%.

The principal methodology used in rating MLT was Moody's Approach for REITs and Other Commercial Property Firms published in July 2010. Please see the Credit Policy page on www.moodys.com for a copy of the methodology.

Listed in July 2005, MLT is an Asian-focused logistics property S-REIT with a portfolio of 98 properties valued at S$3.7 billion (as of September 30, 2011) in Singapore, Japan, Hong Kong, China, Malaysia, South Korea and Vietnam.

REGULATORY DISCLOSURES

Although this credit rating has been issued in a non-EU country which has not been recognized as endorsable at this date, this credit rating is deemed "EU qualified by extension" and may still be used by financial institutions for regulatory purposes until 31 January 2012. ESMA may extend the use of credit ratings for regulatory purposes in the European Community for three additional months, until 30 April 2012, if ESMA decides that exceptional circumstances arise that may imply potential market disruption or financial instability. Further information on the EU endorsement status and on the Moody's office that has issued a particular Credit Rating is available on www.moodys.com.

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Information sources used to prepare the rating are the following : parties involved in the ratings, public information, and confidential and proprietary Moody's Investors Service information.

Moody's considers the quality of information available on the rated entity, obligation or credit satisfactory for the purposes of issuing a rating.

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