

Media release by: Macquarie Pacific Star Prime REIT Management Limited (Macquarie Pacific Star)

Manager of: Macquarie Prime Real Estate Investment Trust (MP REIT)

Embargoed from release until after 5.00pm

MP REIT REPORTS DPU OF 1.78 CENTS FOR 2Q 2008

HIGHLIGHTS

- 2Q 2008 DPU of 1.78 cents achieved despite some disruption in Chengdu operations
- Singapore properties continue to demonstrate strong performance
- Review of Toshin master lease at Ngee Ann City yields increase of 19.75% in rents
- First Nike-owned and managed concept store in South-east Asia to open at Wisma Atria in December 2008

SINGAPORE, 30 July 2008 – Macquarie Pacific Star, the Manager of MP REIT - the S-REIT with the largest presence in Orchard Road – today announced that MP REIT's second quarter (2Q 2008) distributable income was S\$17.2 million. Distribution Per Unit (DPU) for the period 1 April to 30 June 2008 was 1.78 cents, 18.7% higher compared to the 1.50 cents achieved for the previous corresponding period. On an annualised basis, the latest distribution represents a yield of 6.95%.¹

Gross revenue was S\$30.2 million, or 27.8% higher than that of S\$23.6 million in 2Q 2007, driven by higher rental rates achieved for renewals, new committed leases and revenue from the overseas properties. Net property income was higher at S\$23.2 million, an increase of 29.2% over 2Q 2007.

¹ Based on last traded unit price of S\$1.03 on 30 June 2008.

Overview of MP REIT’s financial results

Statement of total return	2Q 2008	2Q 2007	% Change
Gross revenue (S\$ million)	30.2	23.6	27.8
Net property income (S\$ million)	23.2	17.9	29.2
Distributable income (S\$ million)	17.2	14.3	20.2
DPU (cents)	1.78	1.50	18.7
Annualised DPU (cents)	7.16	6.02	18.9

Mr Stephen Girdis, Chairman of Macquarie Pacific Star, said, “We are pleased to report another strong set of results in 2Q 2008, despite some disruption at our Chengdu property resulting from the Sichuan earthquake. The strong performance is a reflection of MP REIT’s strong portfolio fundamentals, characterised by stable income contribution from our Japan properties, coupled with our efforts to drive organic growth at our Singapore assets.”

Mr Franklin Heng, Chief Executive Officer of Macquarie Pacific Star, said, “DPU of 1.78 cents per unit for 2Q 2008, is 18.7% higher than the 1.50 cents paid in 2Q 2007. Demand for office space in Singapore remains robust and we expect to continue enjoying rent reversions for another 53,600 square feet of space due for renewal in the rest of 2008. On the retail end, we achieved a 19.75% rental upside from the Toshin master lease at Ngee Ann City. The full impact of this and the increased income from the new beauty and wellness precinct on Ngee Ann City Level 5 will be realised in the latter half of the year.”

Mr Heng added, “We have also inked an agreement with Nike to set up its biggest and first directly-owned and managed concept store in Singapore and South-east Asia in Wisma Atria before year-end. Nike will take up about 8,000 square feet of space at substantially higher rents. We believe that the new concept store will strengthen Wisma Atria’s appeal as a leading fashion mall along Orchard Road to its loyal clientele of modern urban women who are dynamic, fashionable and increasingly fitness-conscious.

“Our prudent capital management strategy has served us well, especially amid rising inflation and an increasingly challenging credit environment. Our gearing level remains at a low of 28.9%, and we are actively working to refinance our S\$220 million of short-term debt due September 2008 at competitive market rates. In the meantime, we continue to assess various options with regards to the strategic review, and will keep the market informed of any material developments regarding MP REIT.”

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About Macquarie Prime REIT

Macquarie Prime REIT (MP REIT) is a Singapore-based real estate investment trust (REIT) investing primarily in real estate used for retail and office purposes, both in Singapore and overseas. Listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) since 20 September 2005, MP REIT is the only Singapore REIT to own two landmark properties on Orchard Road, Singapore’s premier shopping and tourist precinct. Its initial portfolio included a 74.23% strata title interest in Wisma Atria and a 27.23% strata title interest in Ngee Ann City.

In 2007, MP REIT enlarged its asset base and geographical footprint with the acquisition of seven properties in the prime areas of Roppongi, Shibuya-ku, Minato-ku and Meguro-ku in Tokyo, Japan and a premier retail property in Chengdu, China. MP REIT’s portfolio now comprises 10 properties in the three countries, valued at about S\$2.2 billion. MP REIT remains focused on sourcing property assets in Asia, while driving organic growth from its existing portfolio, through proactive leasing efforts and creative asset enhancements.

*MP REIT is managed by an external manager, **Macquarie Pacific Star Prime REIT Management Limited**, which is 50% indirectly owned by Macquarie Bank Limited of Australia, and 50% indirectly owned by Investmore Enterprises Ltd. Visit MP REIT’s website at www.mpreit.com.sg for more details.*

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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.

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