



Investor Presentation

October 2016

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This presentation shall be read in conjunction with Mapletree Industrial Trust's ("MIT") financial results for Second Quarter Financial Year 2016/2017 in the SGXNET announcement dated 25 October 2016.

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1 Overview of Mapletree Industrial Trust

2 Portfolio Highlights

3 2Q & 1HFY16/17 Financial Performance

4 Outlook and Strategy

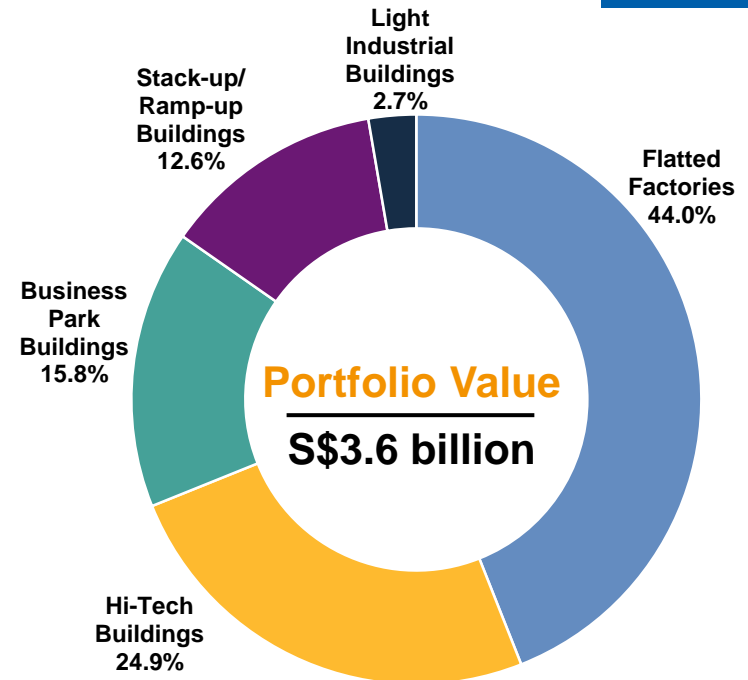
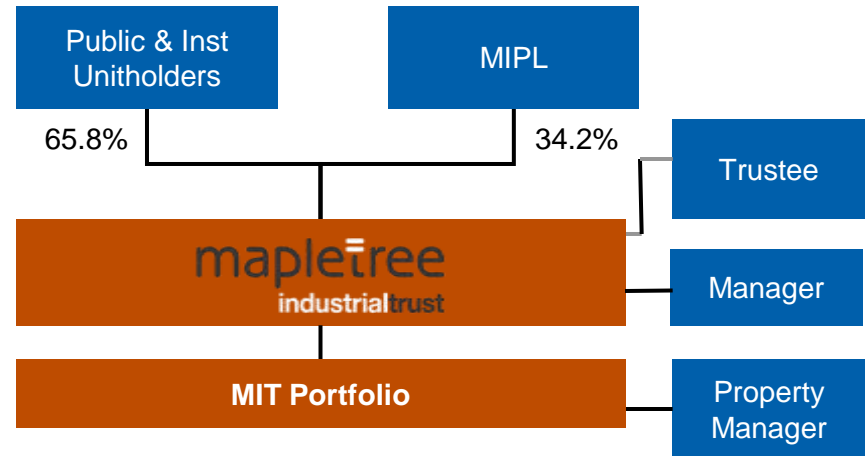
OVERVIEW OF MAPLETREE INDUSTRIAL TRUST



Flatted Factory, Kolam Ayer 1

Overview of Mapletree Industrial Trust

Sponsor	Mapletree Investments Pte Ltd (“MIPL”) Owns 34.2% of MIT
Investment mandate	Focused on industrial real estate assets in Singapore, excluding properties primarily used for logistics purposes
Portfolio	85 properties valued at S\$3.6 billion 19.7 million sq ft GFA 14.8 million sq ft NLA
Manager	Mapletree Industrial Trust Management Ltd. 100% owned by the Sponsor
Property Manager	Mapletree Facilities Services Pte. Ltd. 100% owned by the Sponsor
Trustee	DBS Trustee Limited



As at 31 Mar 2016



FLATTED FACTORIES

High-rise multi-tenanted industrial buildings with basic common facilities used for light manufacturing activities.



STACK-UP/RAMP-UP BUILDINGS

Stacked-up factory space with vehicular access to upper floors. Multi-tenanted space suitable for manufacturing and assembly activities.



HI-TECH BUILDINGS

High specification industrial buildings with higher office content for tenants in technology and knowledge-intensive sectors. Usually fitted with air-conditioned lift lobbies and common areas.



LIGHT INDUSTRIAL BUILDINGS

Multi-storey developments usually occupied by an anchor tenant for light manufacturing activities.

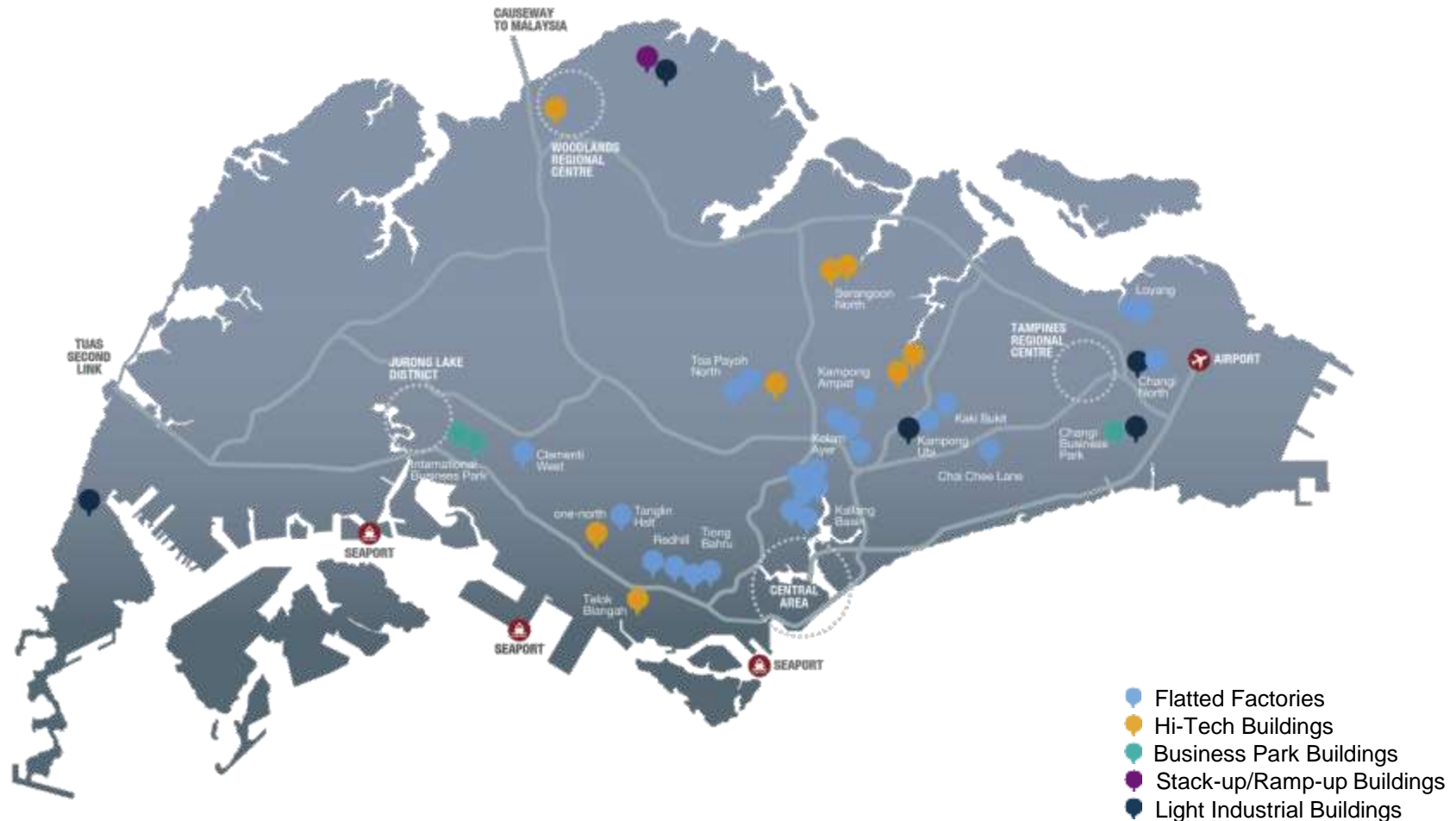


BUSINESS PARK BUILDINGS

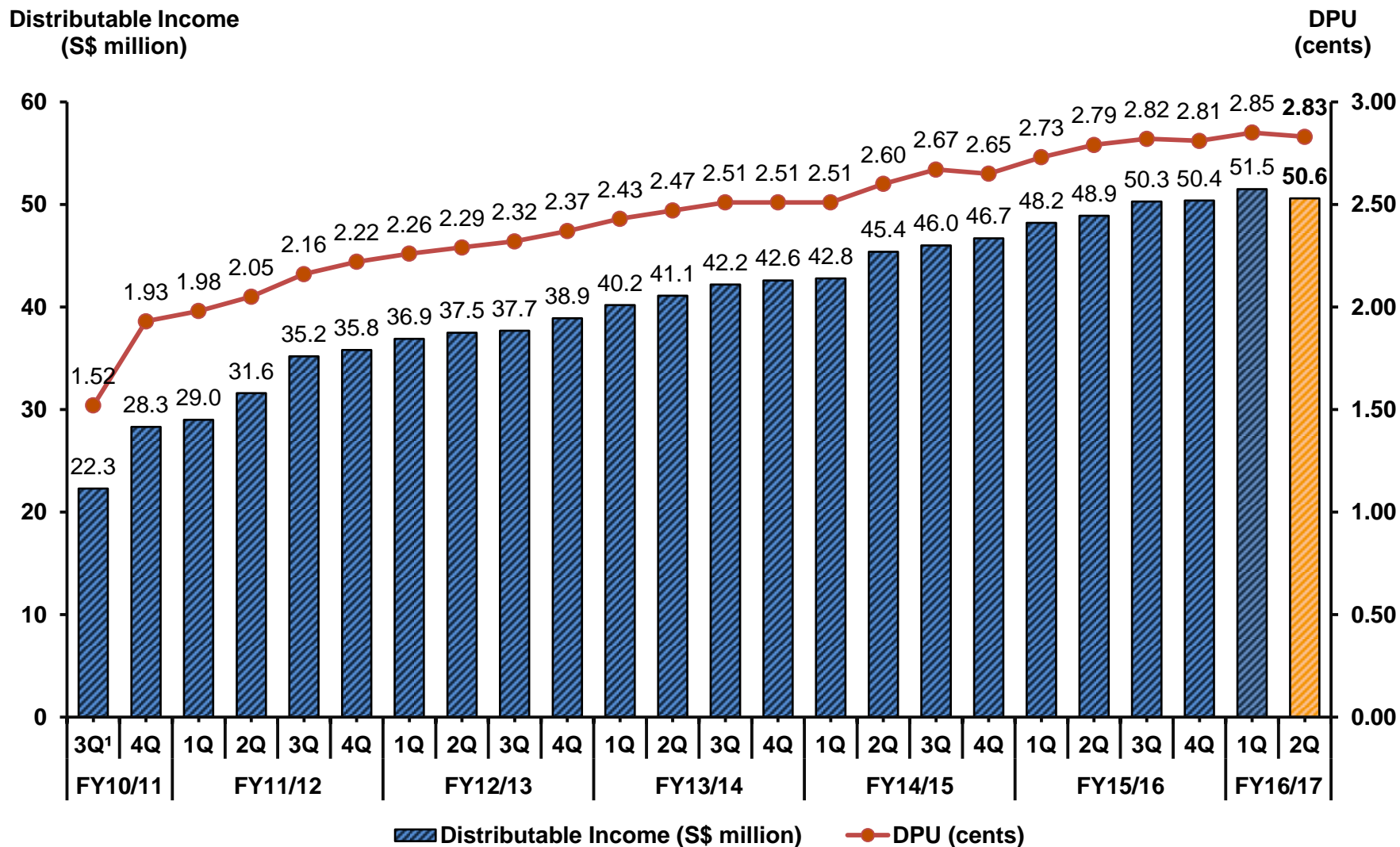
High-rise multi-tenanted buildings in specially designated "Business Park zones". Serve as regional headquarters for MNCs as well as space for R&D and knowledge-intensive enterprises.

Strategically Located across Singapore

Close to Public Transportation Networks and Established Industrial Estates



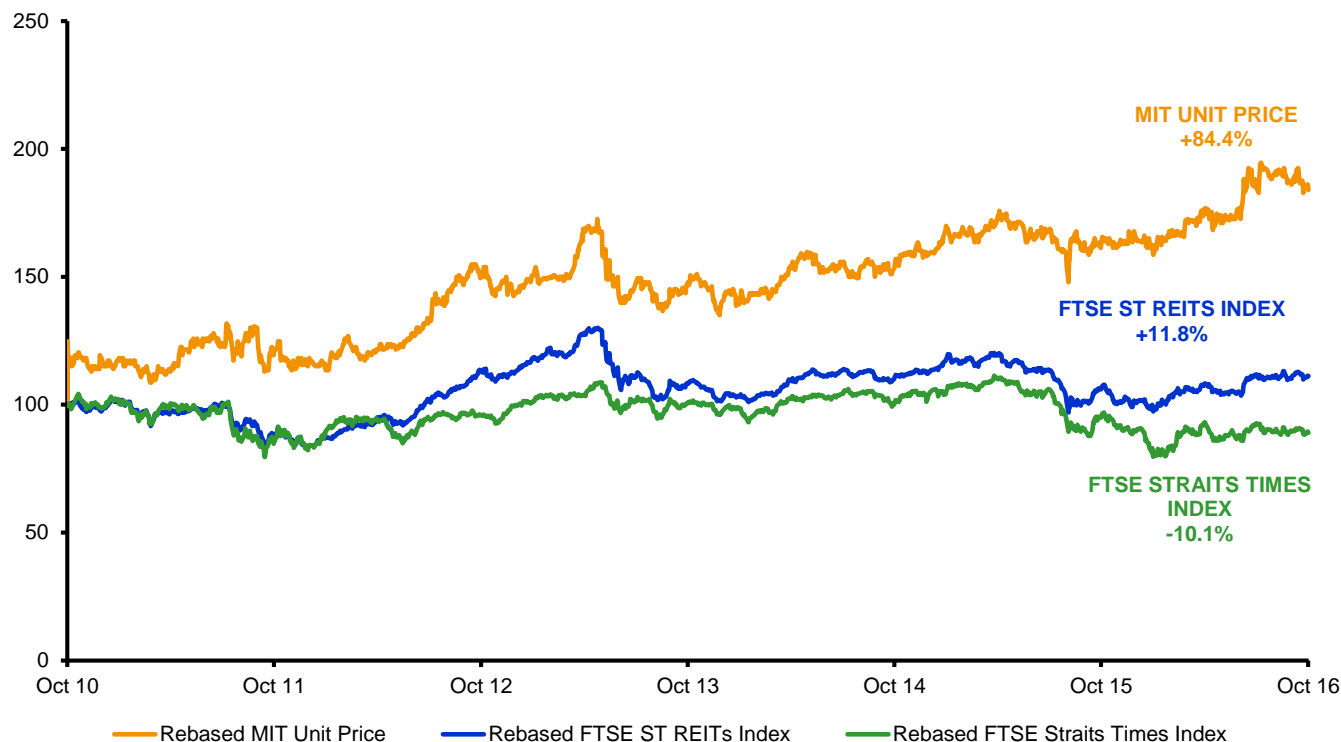
Sustainable and Growing Returns



¹ MIT was listed on 21 Oct 2010.

Healthy Returns since IPO

COMPARATIVE TRADING PERFORMANCE SINCE IPO¹



MIT's Return on Investment

Capital Appreciation

Distribution Yield

Total Return

Listing on 21 Oct 2010 to 24 Oct 2016

84.4%

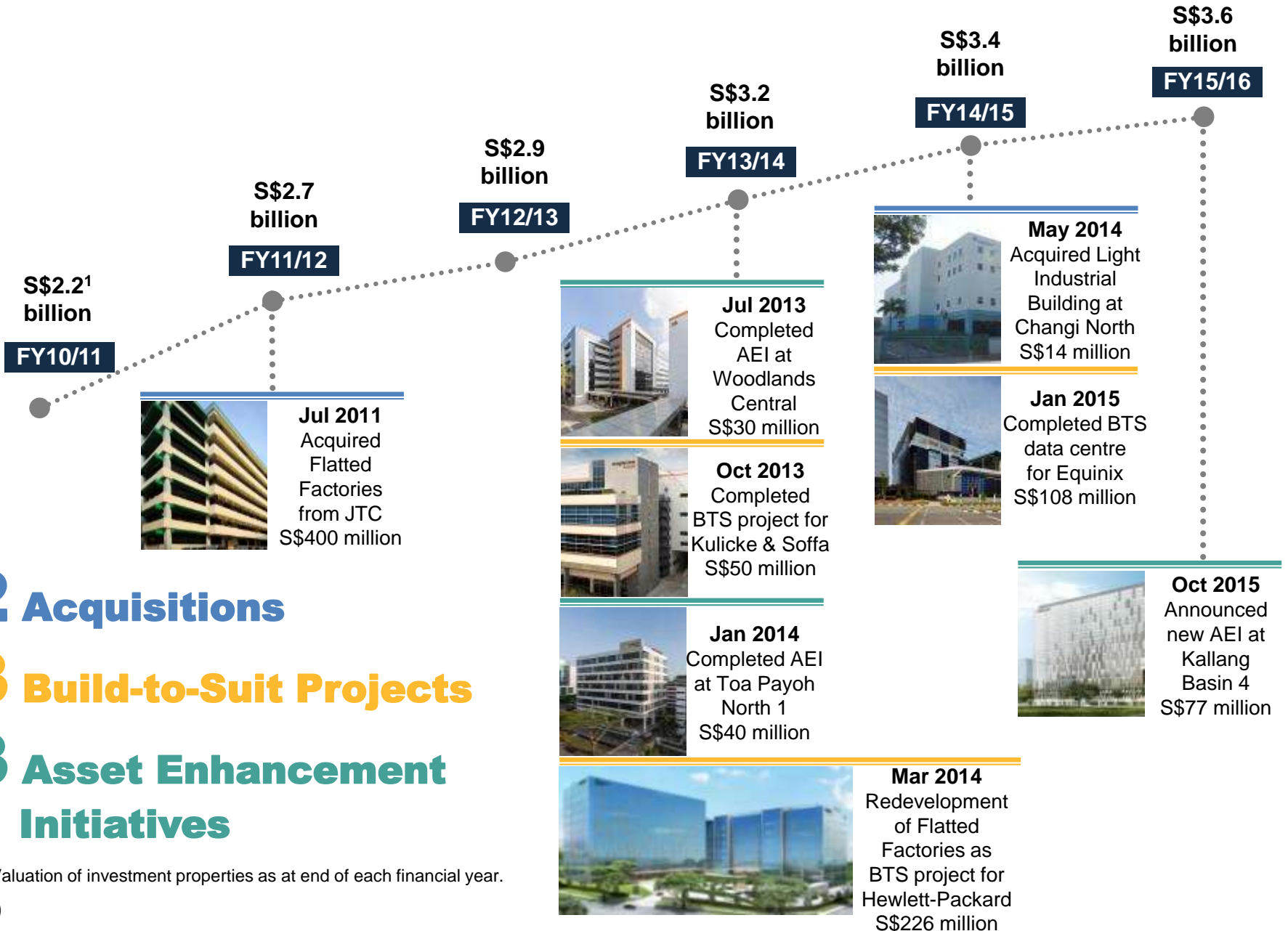
62.7%

147.1%²

¹ Rebased MIT's issue price of S\$0.93 and opening unit prices of FTSE ST REITs Index and FTSE Straits Times Index on 21 Oct 2010 to 100. Source: Bloomberg.

² Sum of distributions and capital appreciation for the period over the issue price of S\$0.93.

Portfolio Growth since IPO



2 Acquisitions

3 Build-to-Suit Projects

3 Asset Enhancement Initiatives

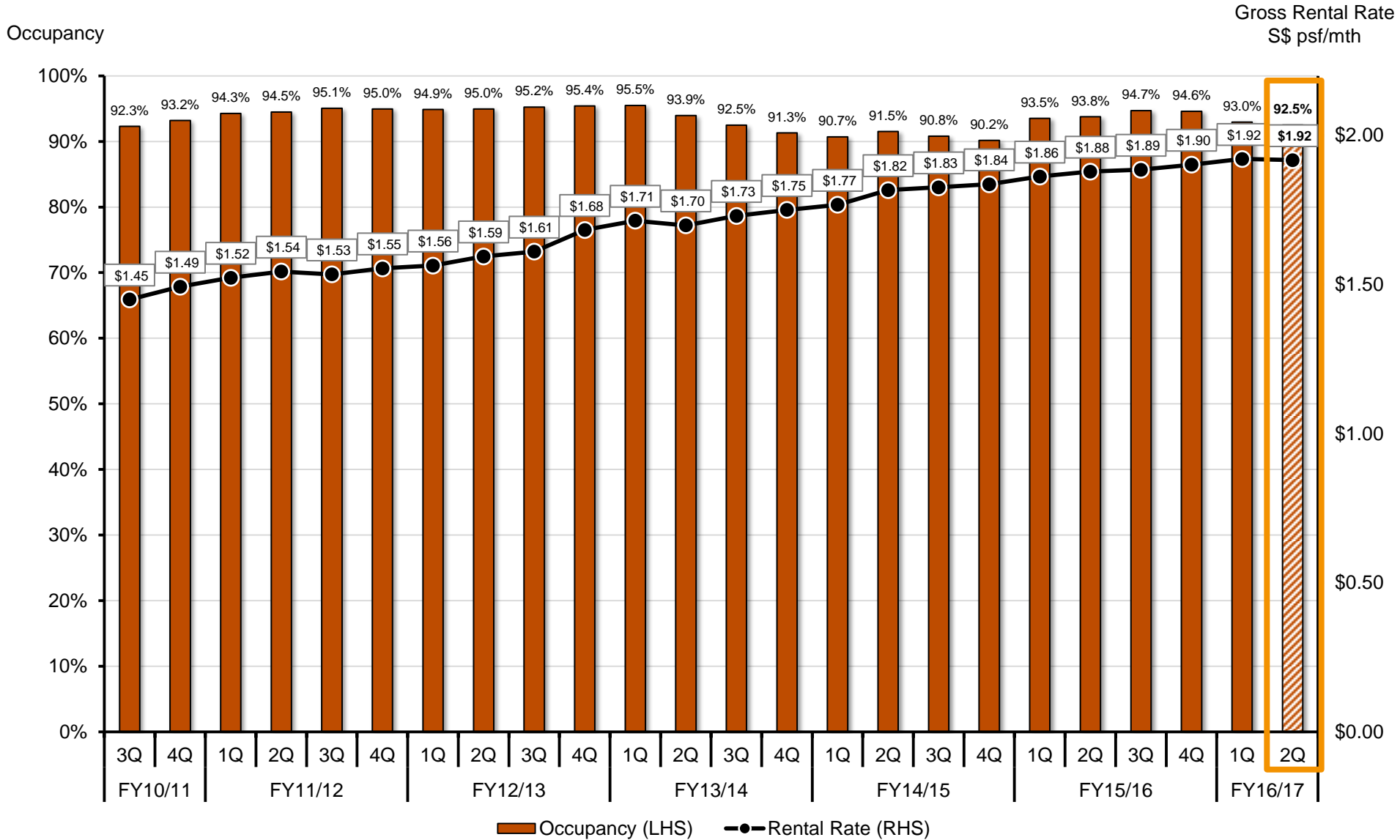
¹ Valuation of investment properties as at end of each financial year.

PORTFOLIO HIGHLIGHTS

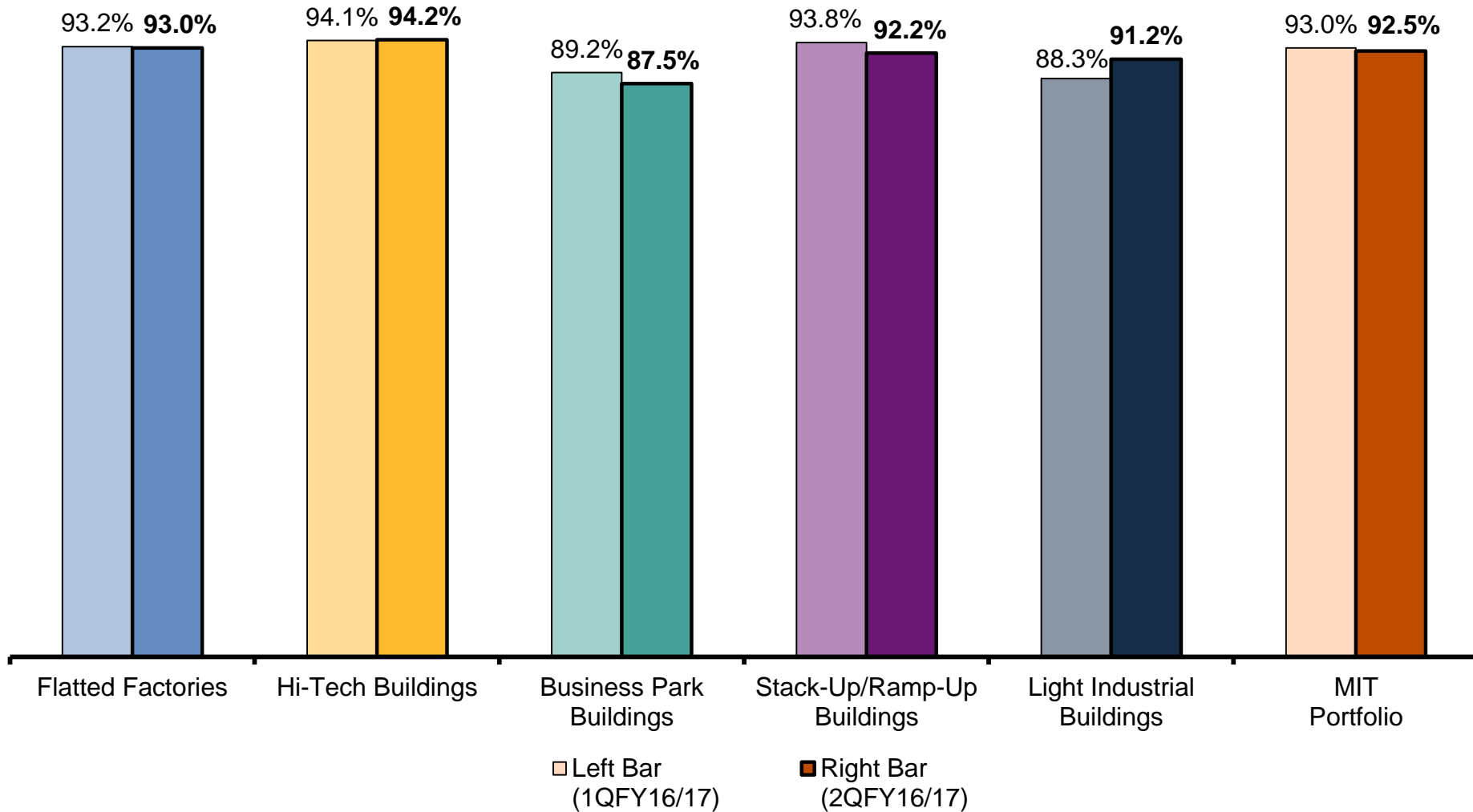


Hi-Tech Building, build-to-suit data centre for Equinix

Portfolio Performance



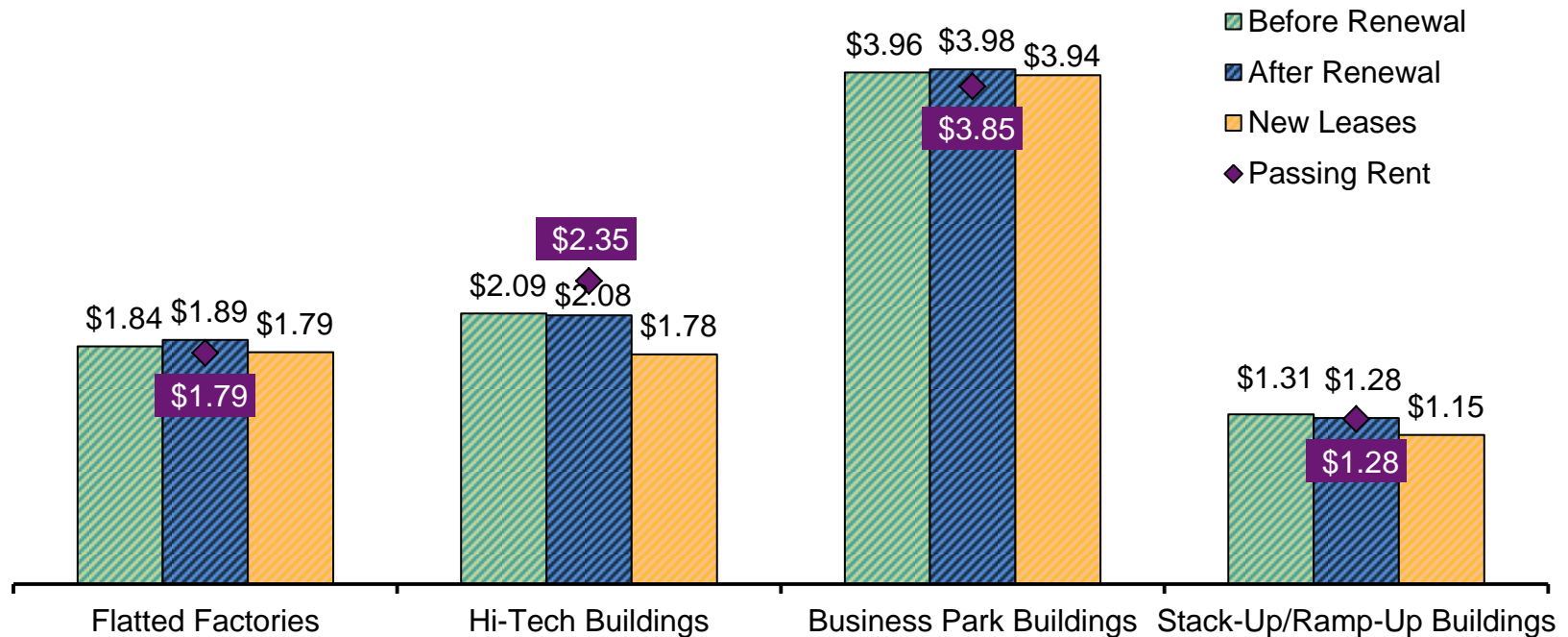
Segmental Occupancy Levels



Rental Revisions¹

Gross Rental Rate (\$ psf/mth)²

For period 2QFY16/17

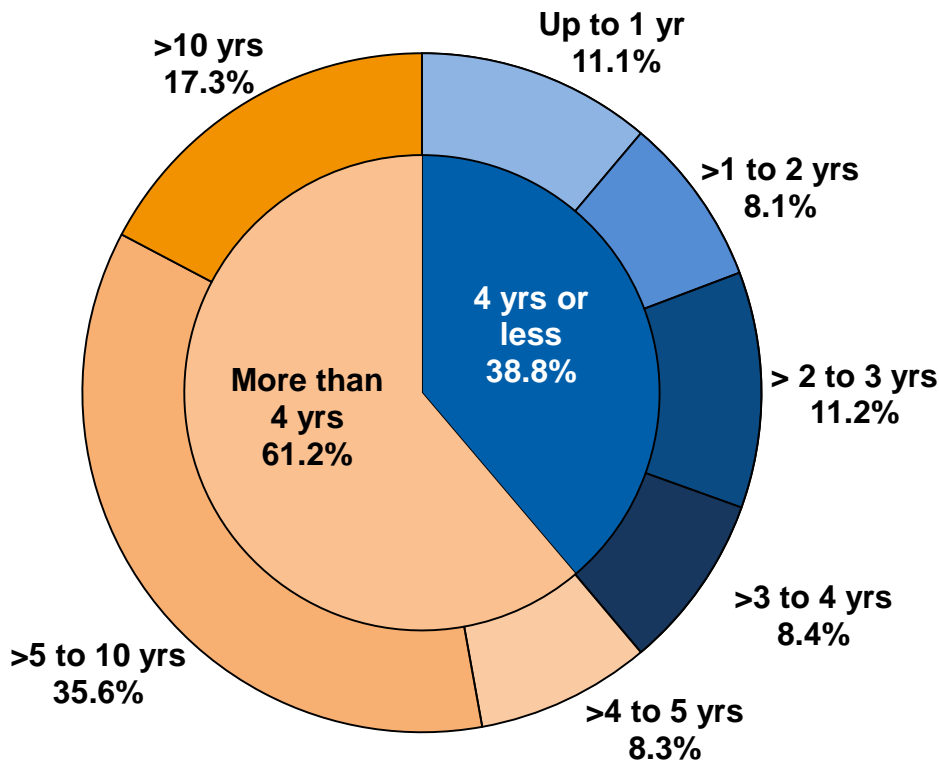


Renewal Leases	97 Leases (243,952 sq ft)	9 Leases (19,814 sq ft)	6 Leases (35,223 sq ft)	12 Leases (200,985 sq ft)
New Leases	83 Leases (192,626 sq ft)	8 Leases (37,443 sq ft)	9 Leases (24,801 sq ft)	7 Leases (75,736 sq ft)

¹ Excluded Light Industrial Buildings as no leases were due for renewal and only 1 new lease was secured for the period.

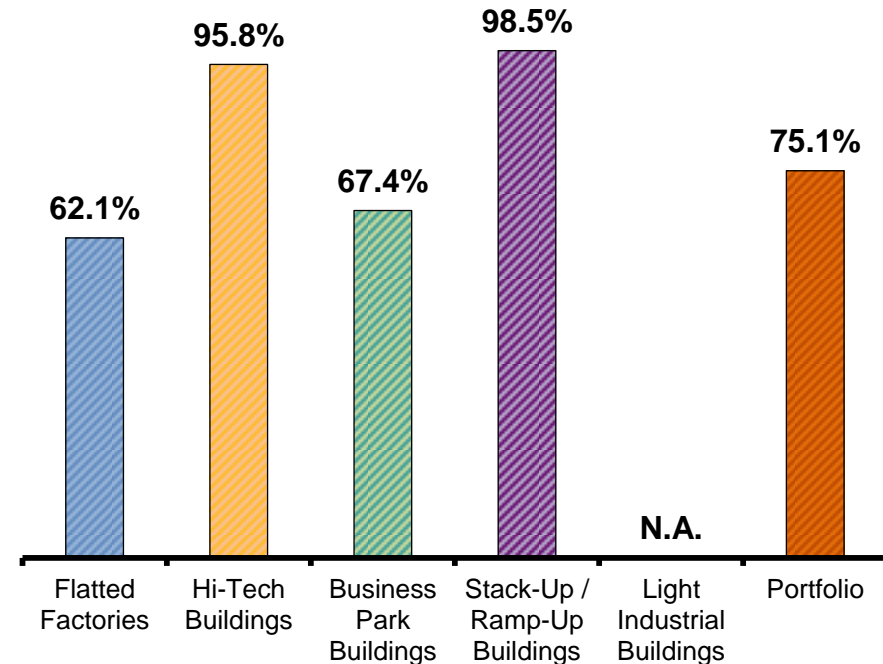
² Gross Rental Rate figures exclude short term leases; except Passing Rent figures which include all leases.

LONG STAYING TENANTS



As at 30 Sep 2016
By number of tenants.

RETENTION RATE FOR 2QFY16/17



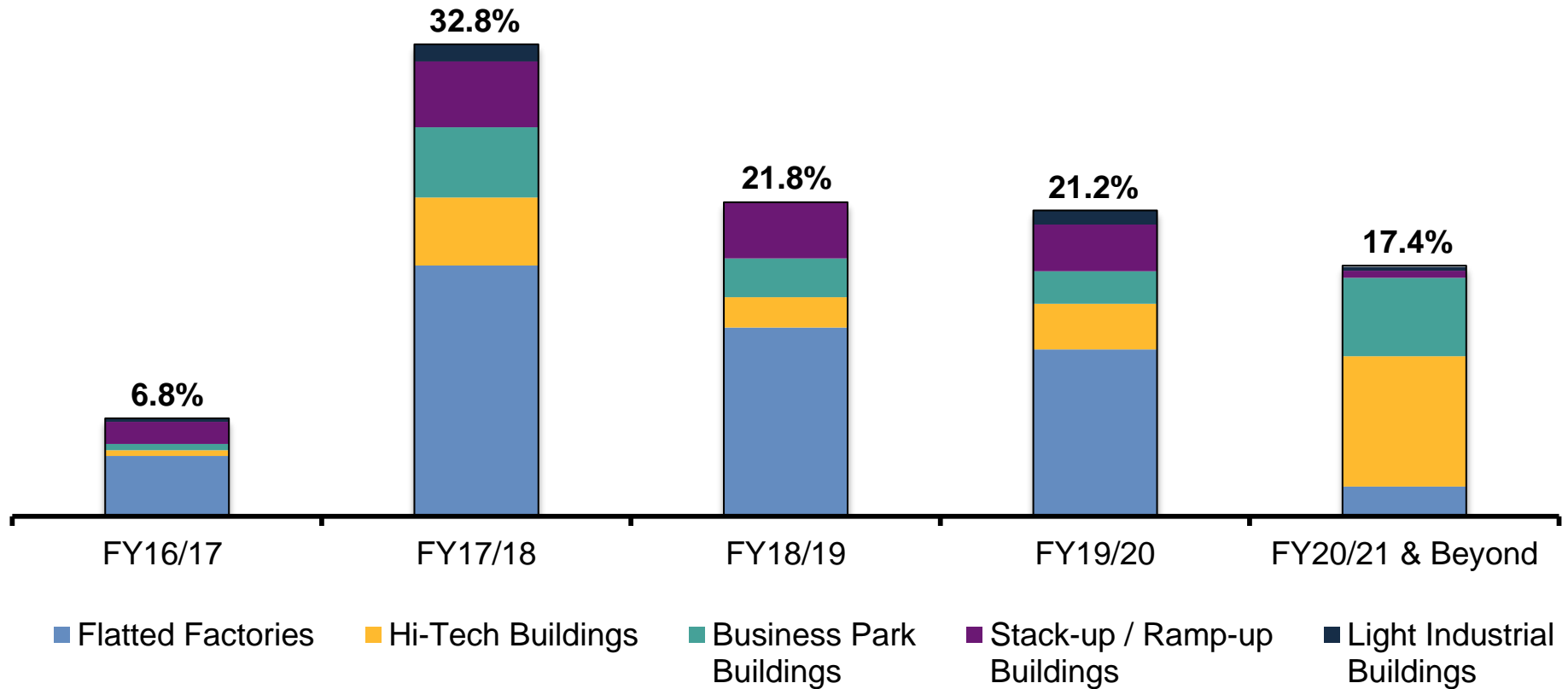
Based on NLA.
N.A. – Not applicable as no leases were due for renewal.

- ✦ 61.2% of the tenants have leased the properties for more than 4 years
- ✦ Tenant retention rate of 75.1% in 2QFY16/17

Lease Expiry Profile

EXPIRING LEASES BY GROSS RENTAL INCOME

As at 30 September 2016



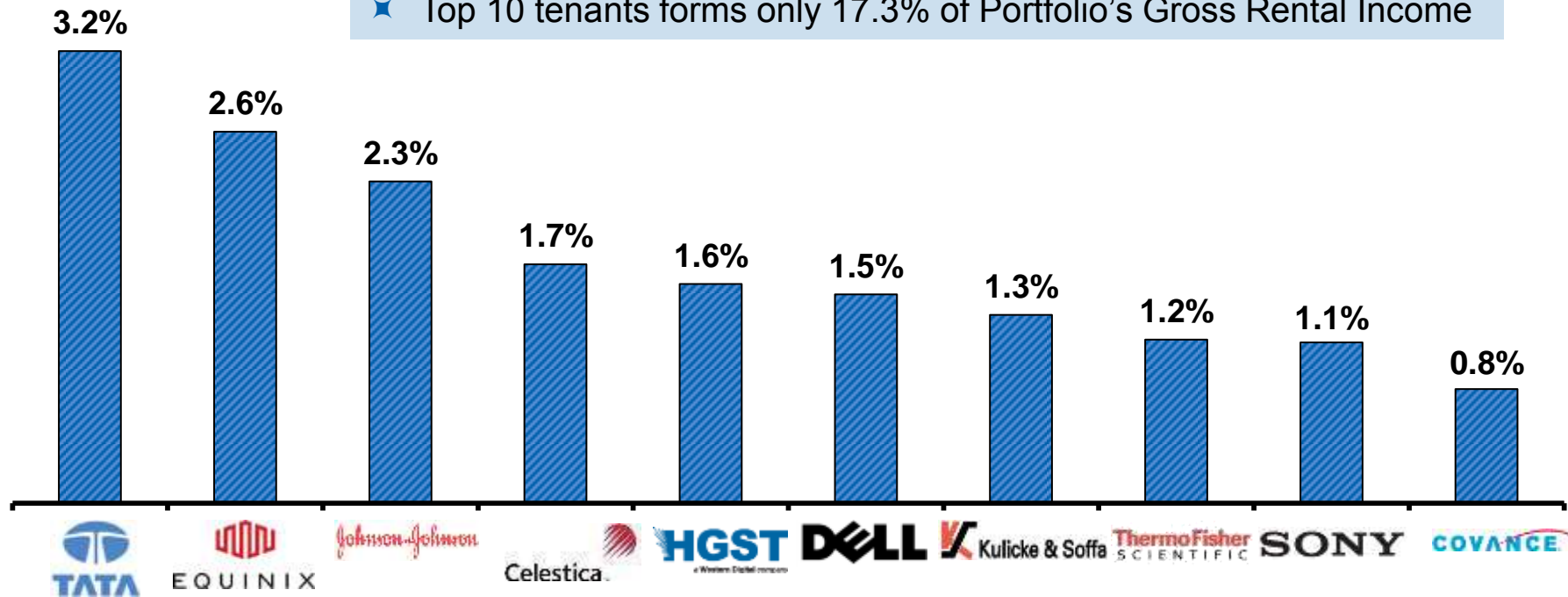
Portfolio WALE by Gross Rental Income = 2.8 years

Large and Diversified Tenant Base

TOP 10 TENANTS BY GROSS RENTAL INCOME

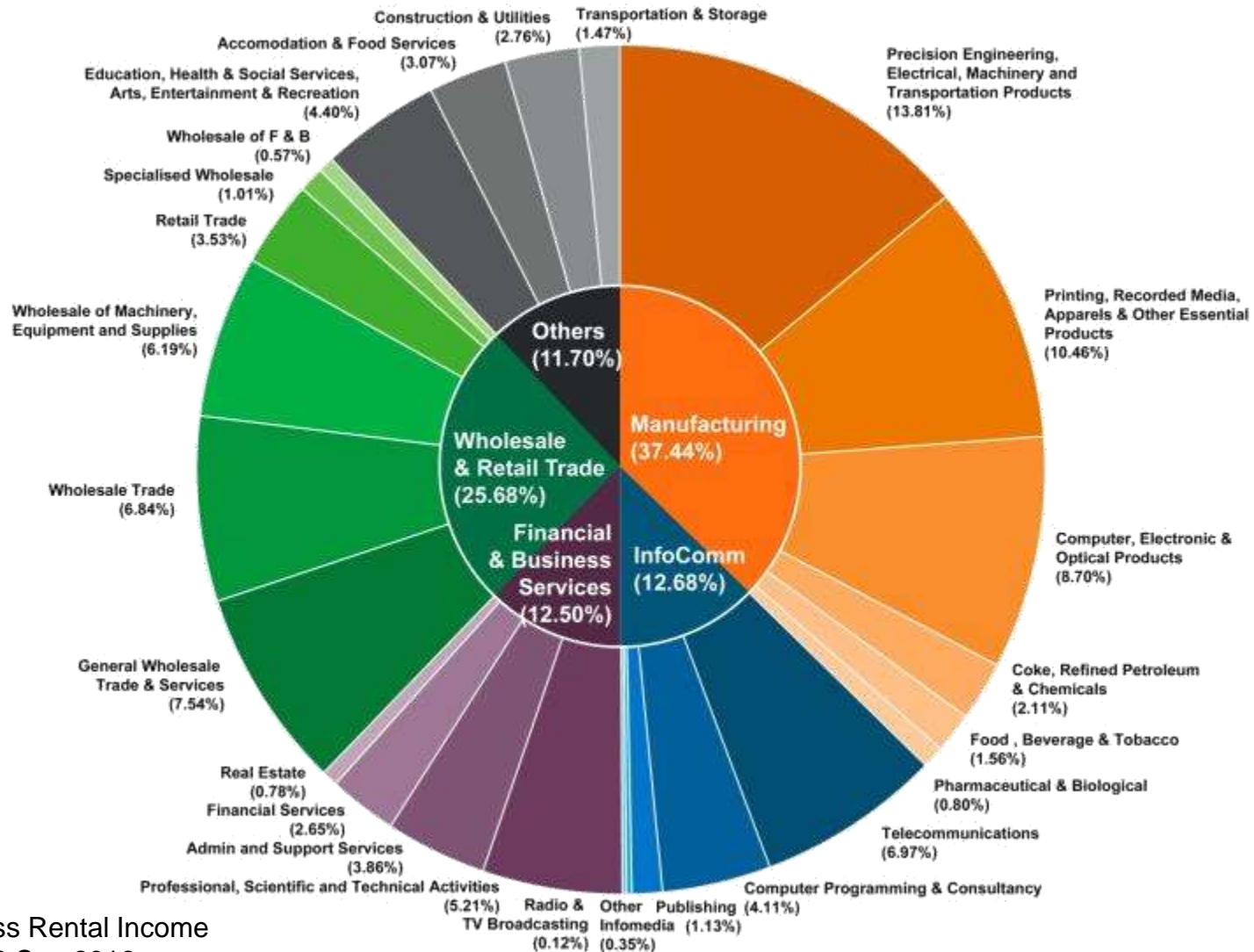
As at 30 September 2016

- ✦ Over 2,000 tenants
- ✦ Largest tenant contributes <3.2% of Portfolio's Gross Rental Income
- ✦ Top 10 tenants forms only 17.3% of Portfolio's Gross Rental Income



Tenant Diversification Across Trade Sectors

No single trade sector accounted >14% of Portfolio's Gross Rental Income





Estimated Cost
S\$226 million¹

GFA
824,500 sq ft

Completion
Phase 1 : TOP on 21 Oct 2016
Phase 2 : By 2Q2017

- ✦ 100% committed by Hewlett-Packard for lease term of 10.5² + 5 + 5 years with annual rental escalations³
- ✦ Hewlett-Packard to become MIT's largest tenant upon lease commencement



¹ Includes book value of S\$56 million (as at 31 Mar 2014) prior to commencement of redevelopment.

² The 6-month rent-free periods will be redistributed over the first 18 months for both phases.

³ Hewlett-Packard will pay gross rents and MIT will be responsible for property tax and property operating expenses.

AEI – Kallang Basin 4 Cluster



Estimated Cost
S\$77 million

Additional GFA
336,000 sq ft

Completion
1Q2018

- ✦ Development of 14-storey Hi-Tech Building (at existing car park) and improvement works at existing buildings
- ✦ Located at Kallang iPark, an upcoming industrial hub for high value and knowledge-based businesses
- ✦ Commenced construction works in Aug 2016



REPUTABLE SPONSOR



- ✦ Leading real estate development, investment and capital management company
- ✦ Owns and manages S\$34.7 billion of office, retail, logistics, industrial, residential, corporate lodging/serviced apartments and student housing properties
- ✦ Manages 4 Singapore-listed real estate investment trusts and 5 private equity real estate funds with assets in Singapore and Asia Pacific
- ✦ Offices across 10 economies in Asia Pacific and Europe, with assets in Asia, Australia, Europe and USA

¹ Excluding Mapletree Business City.

BENEFITS TO MIT

- 1. Leverage on Sponsor's network**
 - ✦ Leverage on Mapletree's financial strength, market reach and network
- 2. Alignment of Sponsor's interest with Unitholders**
 - ✦ Mapletree's stake of 34.2% demonstrates support in MIT
- 3. In-house development capabilities**
 - ✦ Able to support growth of MIT by providing development capabilities
- 4. Right of First Refusal to MIT**
 - ✦ Sponsor has granted right of first refusal to MIT over future sale or acquisition of industrial or business park properties in Singapore¹
 - ✦ Sponsor won the government tender for a 126,700 sq ft industrial site located next to Tai Seng MRT Station

2Q & 1HFY16/17 FINANCIAL PERFORMANCE



Business Park Buildings, The Strategy and The Synergy

2Q & 1HFY16/17 Results Highlights

- ✦ **Growth driven by y-o-y increase in rental rates across all property segments and increase in occupancy at Hi-Tech Buildings segment**
 - 2QFY16/17 Distributable Income: S\$50.6 million (▲ 3.4% y-o-y)
 - 2QFY16/17 DPU: 2.83 cents (▲ 1.4% y-o-y)

- ✦ **Continued momentum in growing Hi-Tech Buildings segment**
 - Phase 1 of build-to-suit (“BTS”) project for Hewlett-Packard obtained Temporary Occupation Permit (“TOP”) on 21 Oct 2016
 - Phase 2 of BTS project for Hewlett-Packard and asset enhancement initiative (“AEI”) at Kallang Basin 4 Cluster on track for completion

- ✦ **Portfolio update in 2QFY16/17**
 - Maintained average portfolio passing rental rate of S\$1.92 psf/mth
 - Average portfolio occupancy of 92.5%

- ✦ **Proactive capital management**
 - Low aggregate leverage of 29.0%
 - Robust balance sheet with healthy interest cover ratio of 8.0 times and weighted average all-in funding cost of 2.6% in 2QFY16/17

Statement of Total Returns (Year-on-Year)

	2QFY16/17 (S\$'000)	2QFY15/16 (S\$'000)	↑ / (↓)
Gross revenue	84,208	82,736	1.8%
Property operating expenses	(20,578)	(21,709)	(5.2%)
Net property income	63,630	61,027	4.3%
Interest on borrowings	(6,633)	(6,402)	3.6%
Trust expenses	(7,290)	(7,228)	0.9%
Total return for the period	49,707	47,397	4.9%
Net non-tax deductible items	887	1,510	(41.3%)
Amount available for distribution	50,594	48,907	3.4%
Distribution per Unit (cents)	2.83	2.79	1.4%

Statement of Total Returns (Year-on-Year)

	1HFY16/17 (S\$'000)	1HFY15/16 (S\$'000)	↑ / (↓)
Gross revenue	168,300	164,355	2.4%
Property operating expenses	(40,871)	(43,136)	(5.3%)
Net property income	127,429	121,219	5.1%
Interest on borrowings	(13,114)	(12,847)	2.1%
Trust expenses	(14,477)	(14,301)	1.2%
Total return for the period	99,838	94,071	6.1%
Net non-tax deductible items	2,268	3,068	(26.1%)
Amount available for distribution	102,106	97,139	5.1%
Distribution per Unit (cents)	5.68	5.52	2.9%

Statement of Total Returns (Qtr-on-Qtr)

	2QFY16/17 (S\$'000)	1QFY16/17 (S\$'000)	↑ / (↓)
Gross revenue	84,208	84,092	0.1%
Property operating expenses	(20,578)	(20,293)	1.4%
Net property income	63,630	63,799	(0.3%)
Interest on borrowings	(6,633)	(6,481)	2.3%
Trust expenses	(7,290)	(7,187)	1.4%
Total return for the period	49,707	50,131	(0.8%)
Net non-tax deductible items	887	1,381	(35.8%)
Amount available for distribution	50,594	51,512	(1.8%)
Distribution per Unit (cents)	2.83	2.85	(0.7%)

Balance Sheet

	30 Sep 2016	30 Jun 2016	↑ / (↓)
Total assets (S\$'000)	3,673,195	3,639,977	0.9%
Total liabilities (S\$'000)	1,213,248	1,177,712	3.0%
Net assets attributable to Unitholders (S\$'000)	2,459,947	2,462,265	(0.1%)
Net asset value per Unit (S\$)	1.37	1.37	-

Strong Balance Sheet

	30 Sep 2016	30 Jun 2016
Total Debt	S\$1,064.0 million	S\$1,027.0 million
Aggregate Leverage Ratio	29.0%	28.2%
Weighted Average Tenor of Debt	3.5 years	3.7 years

Strong balance sheet to pursue growth opportunities

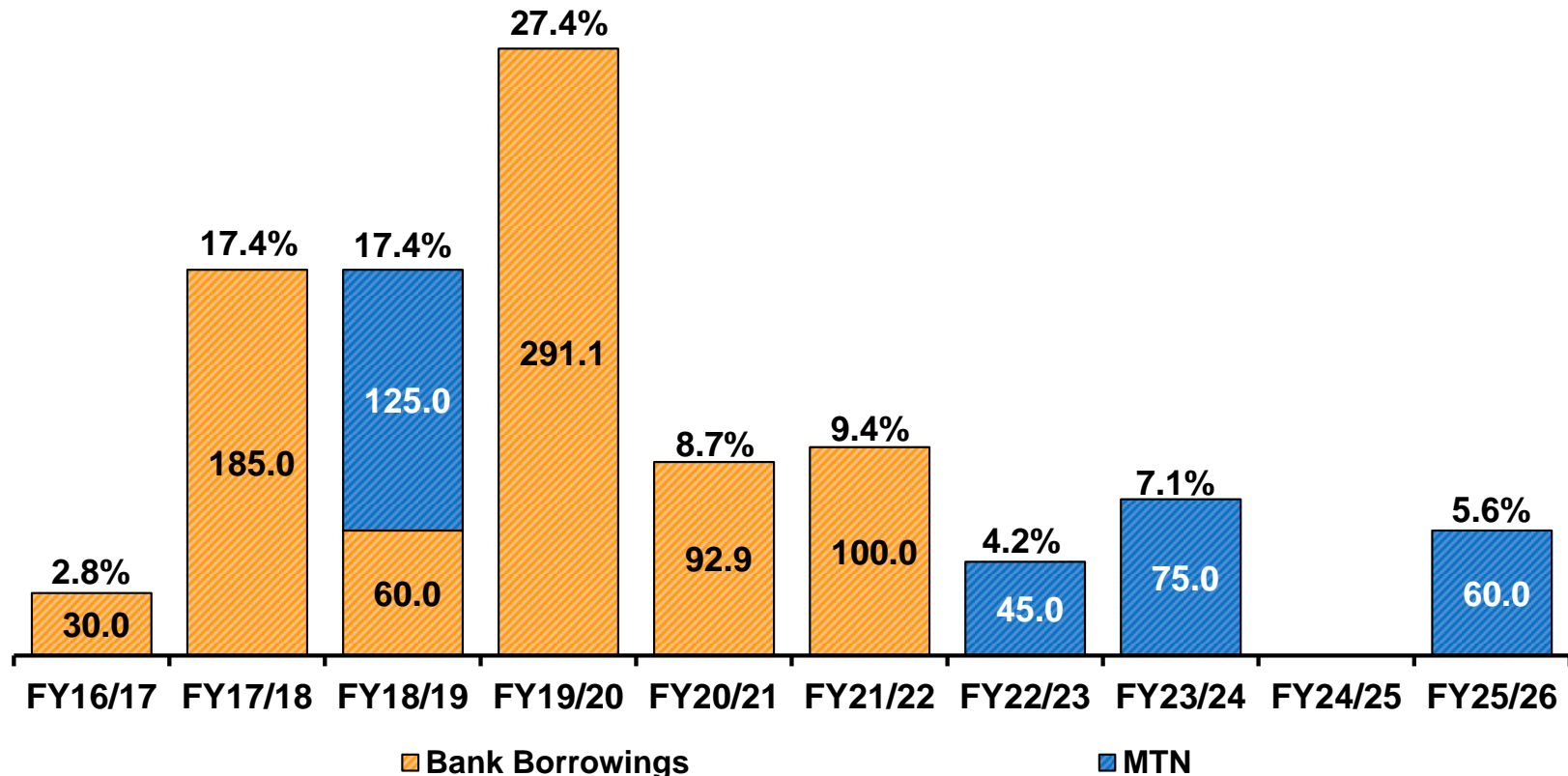
- ✦ 'BBB+' rating with Stable Outlook by Fitch Ratings
- ✦ 100% of loans unsecured with minimal covenants

Well Diversified Debt Maturity Profile

DEBT MATURITY PROFILE

As at 30 September 2016

Weighted Average Tenor of Debt = 3.5 years



Interest Rate Risk Management

	30 Sep 2016	30 Jun 2016
Fixed as a % of Total Debt	68.6%	87.6%
Weighted Average Hedge Tenor	3.7 years	2.7 years
	2QFY16/17	1QFY16/17
Weighted Average All-in Funding Cost	2.6%	2.5%
Interest Coverage Ratio	8.0 times	8.2* times

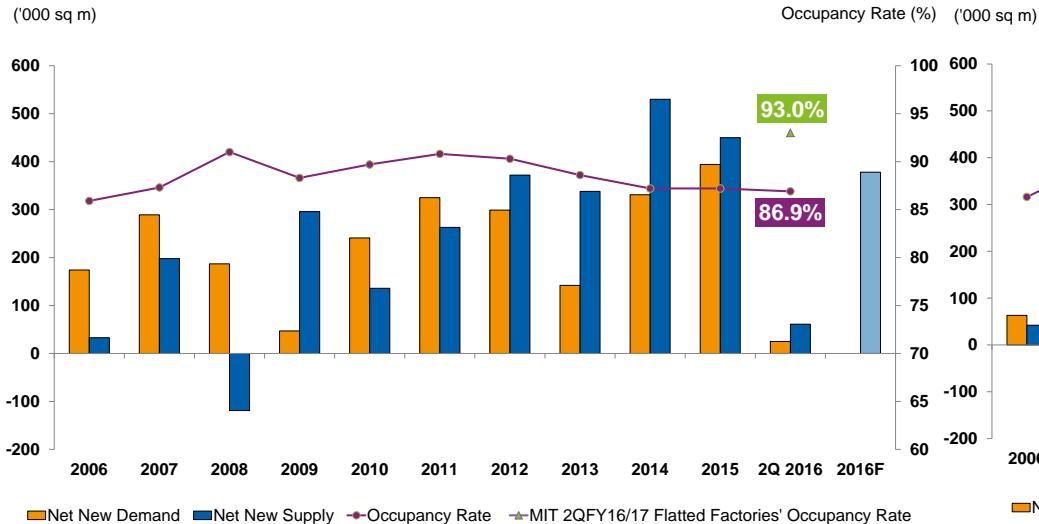
* Restated to include finance costs

- ✦ 68.6% of debt is hedged for a weighted average term of 3.7 years
- ✦ S\$150 million of hedges will expire in 2HFY16/17, of which S\$50 million has been replaced
- ✦ Replacements of expiring interest rate hedges are expected to be more costly in view of low interest rates of these expiring hedges

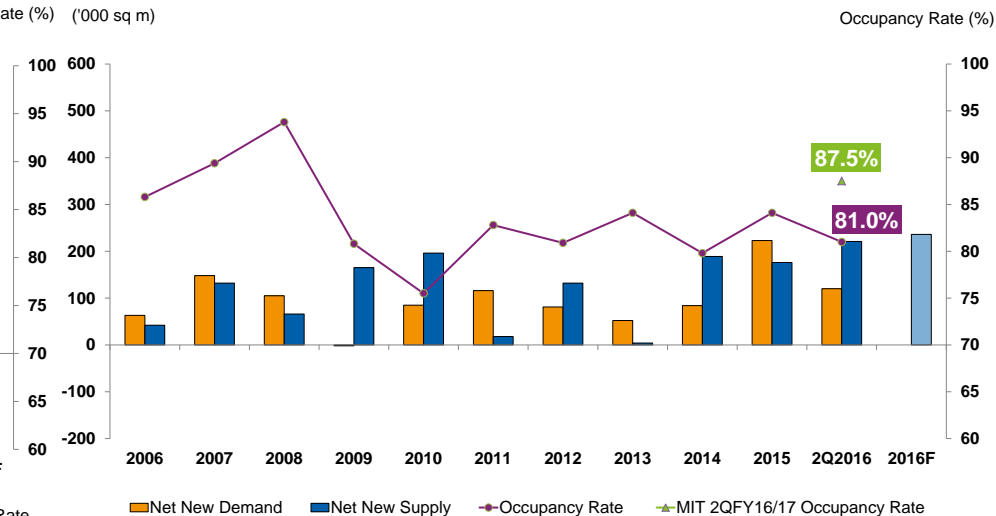
OUTLOOK AND STRATEGY

Stack-up/Ramp-up Buildings, Woodlands Spectrum

DEMAND AND SUPPLY FOR MULTI-USER FACTORIES



DEMAND AND SUPPLY FOR BUSINESS PARKS



- ✦ Total stock for factory space: 36.0 million sq m
- ✦ Potential net new supply of 1.8 million sq m (~4.9% of existing stock) in 2016, of which
 - Multi-user factory space accounts for 0.4 million sq m (~3.6% of existing stock)
 - Business park space accounts for 0.2 million sq m (~11.0% of existing stock)
- ✦ Moderation in quantum of industrial land released through Industrial Government Land Sales Programme since 2013
- ✦ Median rents for industrial real estate for 2QFY16/17
 - Multi-user Factory Space: S\$1.84 psf/mth (1.1% q-o-q)
 - Business Park Space: S\$4.25 psf/mth (3.7% q-o-q)

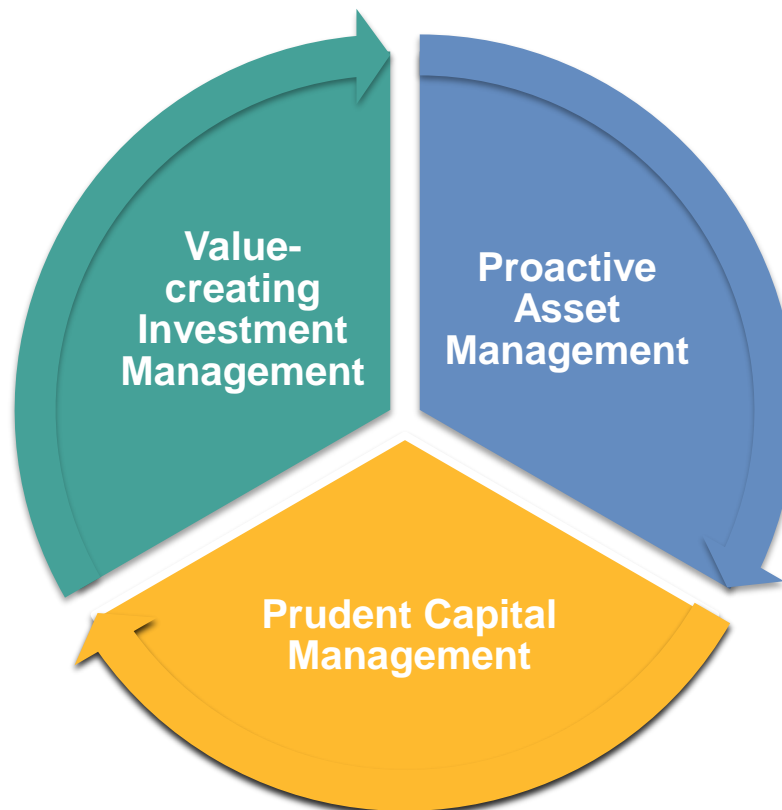
- ✦ The economy grew by 0.6% y-o-y in the quarter ended 30 Sep 2016, easing from 2.0% growth in preceding quarter¹
- ✦ The business environment is expected to remain challenging in view of the uncertain macroeconomic environment and large impending supply of industrial space in Singapore. This is likely to exert pressure on occupancy and rental rates.
- ✦ Continued focus on active asset management and prudent capital management
 - Focusing on tenant retention to maintain stable portfolio occupancy
 - Implementing appropriate interest rate hedging strategies

¹ Ministry of Trade and Industry (Advance Estimates), 14 Oct 2016

Delivering Sustainable Returns

SECURE investments to deliver growth and diversification

- ✦ Pursue DPU-accretive acquisitions and development projects
- ✦ Secure BTS projects with pre-commitments from high-quality tenants
- ✦ Consider opportunistic divestments



IMPROVE competitiveness of properties

- ✦ Implement proactive marketing and leasing initiatives
- ✦ Deliver quality service and customised solutions
- ✦ Improve cost effectiveness to mitigate rising operating costs
- ✦ Unlock value through AEI

OPTIMISE capital structure to provide financial flexibility

- ✦ Maintain a strong balance sheet
- ✦ Diversify sources of funding
- ✦ Employ appropriate interest rate management strategies



End of Presentation

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