



1QFY18/19 Financial Results

24 July 2018

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1 Key Highlights – 1 Apr 2018 to 30 Jun 2018

2 1QFY18/19 Financial Performance

3 Portfolio Update

4 Investment Update

5 Outlook and Strategy

KEY HIGHLIGHTS

1 APR 2018 TO 30 JUN 2018



Hi-Tech Buildings, build-to-suit project for HP

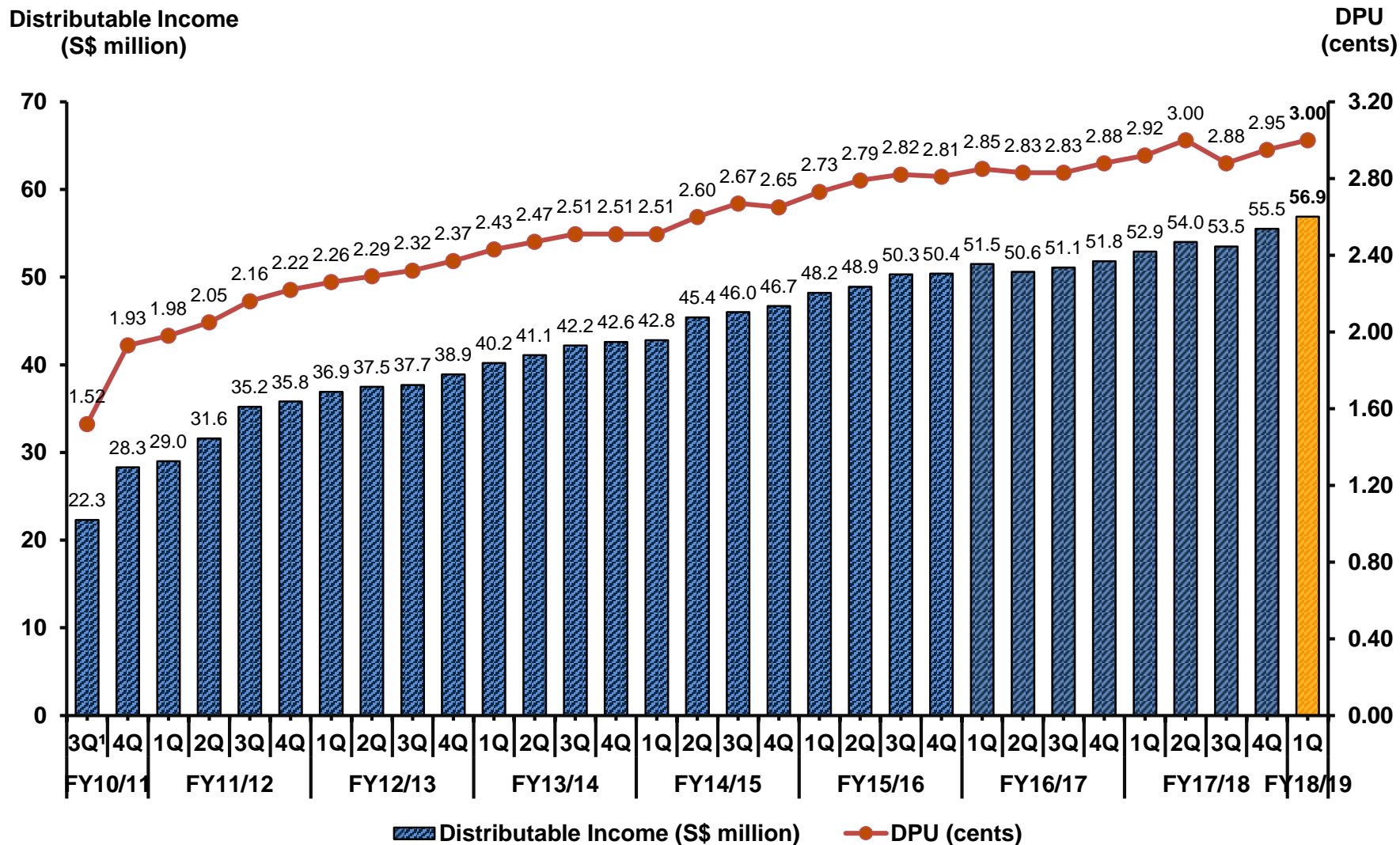
- ✦ **Growth driven by contribution from Phase Two of build-to-suit (“BTS”) project for HP Singapore Private Limited (“HP”), 40% interest in portfolio of 14 data centres in United States and compensation from early termination of leases**
 - 1QFY18/19 Distributable Income: S\$56.9 million (▲ 7.6% y-o-y)
 - 1QFY18/19 DPU: 3.00 cents (▲ 2.7% y-o-y)

- ✦ **Portfolio update**
 - Overall Portfolio occupancy rate of 88.3%

- ✦ **Investment update**
 - Acquisition and upgrading of 7 Tai Seng Drive into a Hi-Tech Building
 - Completed third BTS data centre development, Mapletree Sunview 1

- ✦ **Prudent capital management**
 - Aggregate leverage of 35.0%
 - Hedged borrowings of 77.9%

Sustainable and Growing Returns



¹ MIT was listed on 21 Oct 2010.

1QFY18/19 FINANCIAL PERFORMANCE



Flatted Factory, Kolam Ayer 1

Statement of Total Returns (Year-on-Year)

	1QFY18/19 (S\$'000)	1QFY17/18 (S\$'000)	↑ / (↓)
Gross revenue	91,487	88,812	3.0%
Property operating expenses	(22,028)	(20,620)	6.8%
Net property income	69,459	68,192	1.9%
Borrowing costs	(9,358)	(7,874)	18.8%
Trust expenses	(7,848)	(7,693)	2.0%
Share of profit of joint venture (net of taxes) ¹	4,334	-	**
Net income / total return for the period after income tax	56,587	52,625	7.5%
Net non-tax deductible items	(2,916)	280	(1,141.4%)
Distribution declared by joint venture	3,237	-	**
Amount available for distribution	56,908	52,905	7.6%
Distribution per Unit (cents)	3.00	2.92	2.7%

* Amount less than S\$1,000

** Not meaningful

¹ Share of profit of joint venture (net of taxes) relates to MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

Statement of Total Returns (Qtr-on-Qtr)

	1QFY18/19 (S\$'000)	4QFY17/18 (S\$'000)	↑ / (↓)
Gross revenue	91,487	90,391	1.2%
Property operating expenses	(22,028)	(22,512)	(2.1%)
Net property income	69,459	67,879	2.3%
Borrowing costs	(9,358)	(9,269)	1.0%
Trust expenses	(7,848)	(6,736)	16.5%
Share of joint venture ¹	4,334	21,048	(79.4%)
<i>Comprising:</i>			
- Net profit after tax	4,334	3,172	36.6%
- Net fair value gain on investment properties	-	17,876	**
Net income before net fair value gain on investment properties and investment properties under development	56,587	72,922	(22.4%)
Net fair value gain on investment properties and investment properties under development	-	65,470	**
Income tax credit / (expense)	*	(32)	**
Total return for the period after income tax	56,587	138,360	(59.1%)
Net non-tax deductible items	(2,916)	(86,112)	(96.6%)
Distribution declared by joint venture	3,237	3,234	0.1%
Amount available for distribution	56,908	55,482	2.6%
Distribution per Unit (cents)	3.00	2.95	1.7%

* Amount less than S\$1,000

** Not meaningful

¹ Share of joint venture relates to MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

Statement of Financial Position

	30 Jun 2018	31 Mar 2018	↑ / (↓)
Total assets (S\$'000)	4,258,096	4,154,320	2.5%
Total liabilities (S\$'000)	1,471,946	1,374,248	7.1%
Net assets attributable to Unitholders (S\$'000)	2,786,150	2,780,072	0.2%
Net asset value per Unit (S\$)¹	1.48	1.47	0.7%

¹ Net tangible asset per unit was the same as net asset value per unit as there were no intangible assets as at the statement of position dates.

Strong Balance Sheet

	30 Jun 2018	31 Mar 2018
Total debt (MIT Group)	S\$1,335.5 million	S\$1,219.8 million
Weighted average tenor of debt	3.0 years	3.3 years
Aggregate leverage ratio ¹	35.0%	33.1%

Strong balance sheet to pursue growth opportunities

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

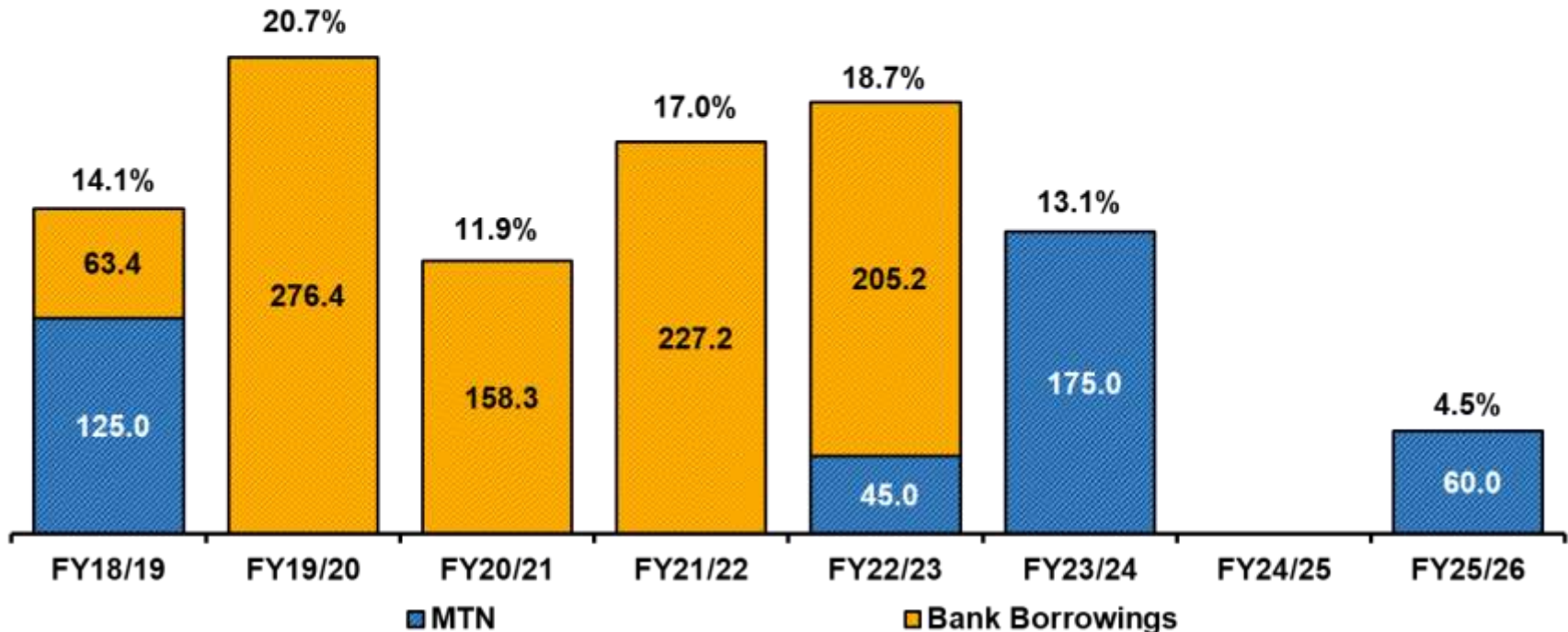
¹ In accordance with Property Funds Guidelines, the aggregate leverage ratio includes proportionate share of borrowings of the joint venture and deposited property values. As at 30 Jun 2018, total debt including MIT's proportionate share of joint venture debts is S\$1,573.3 million.

Well Diversified Debt Maturity Profile

DEBT MATURITY PROFILE

As at 30 June 2018

Weighted Average Tenor of Debt = 3.0 years



Amounts in S\$ million

Risk Management

	30 Jun 2018	31 Mar 2018
Fixed as a % of total debt	77.9%	85.1%
Weighted average hedge tenor	2.7 years	2.9 years
	1QFY18/19	4QFY17/18
Weighted average all-in funding cost	3.0%	2.9%
Interest coverage ratio	6.9 times	6.7 times

- ✦ About S\$225 million of interest rate hedges are due to expire in 2HFY18/19
- ✦ 100% capital hedge: US\$ investment in joint venture matched with US\$ borrowings
- ✦ About 81% of FY18/19 net US\$ income stream are hedged into S\$

PORTFOLIO UPDATE



Business Park Buildings, The Strategy and The Synergy

100 Properties Across 5 Property Segments

Portfolio Value¹

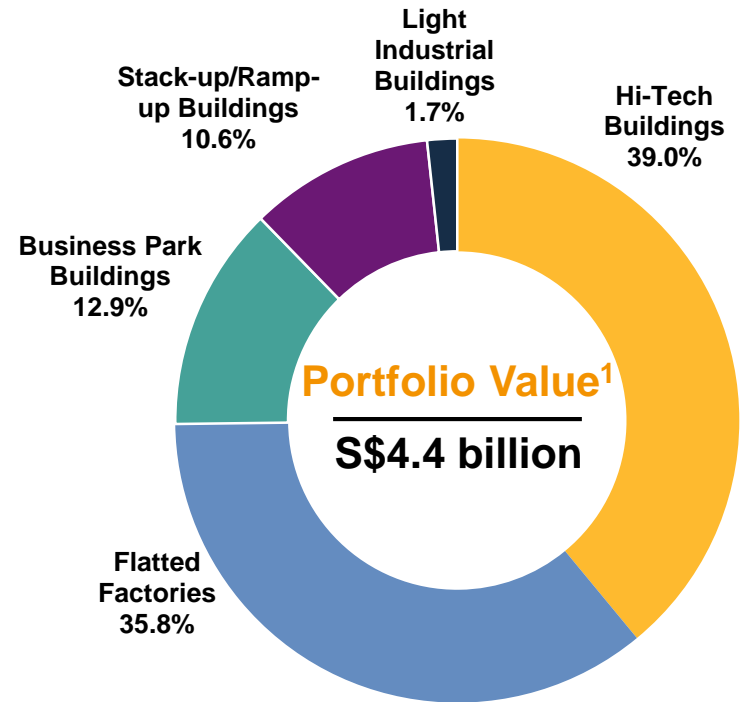
S\$4.4 billion

Total NLA (sq ft)

18.2 million²

Tenant Base

>2,000 tenants



Portfolio value by geography

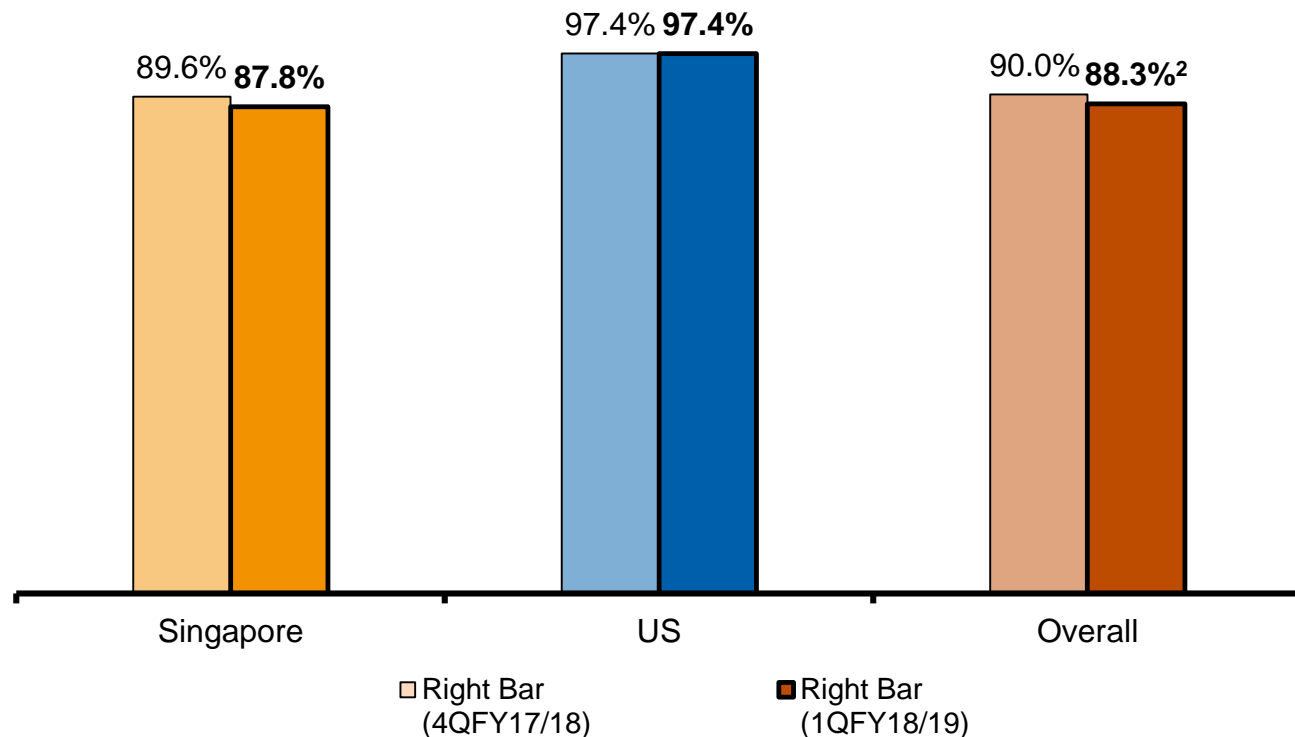
Singapore	90.5%
United States	9.5%

¹ Based on MIT's book value of investment properties and investment properties under development as well as MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States as at 30 Jun 2018.

² Excludes the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree.

Portfolio Overview

	Singapore Portfolio	US Portfolio	Overall
Number of properties	86	14	100
NLA (million sq ft)	15.9	2.3 ¹	18.2 ¹
Average passing rental rate (\$ psf/mth)	S\$2.02	US\$2.01	



¹ Excludes the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree.

² Based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

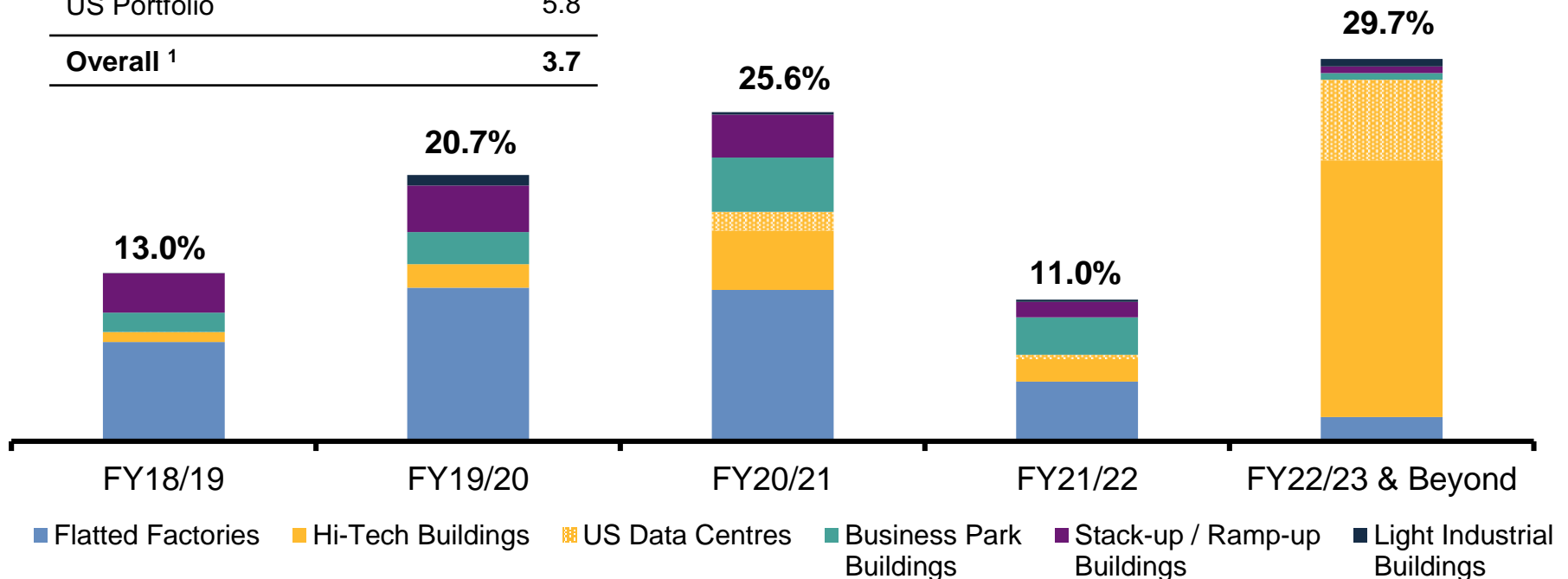
Lease Expiry Profile¹

EXPIRING LEASES BY GROSS RENTAL INCOME

As at 30 June 2018

WALE by Gross Rental Income (years)

Singapore Portfolio	3.5
US Portfolio	5.8
Overall ¹	3.7



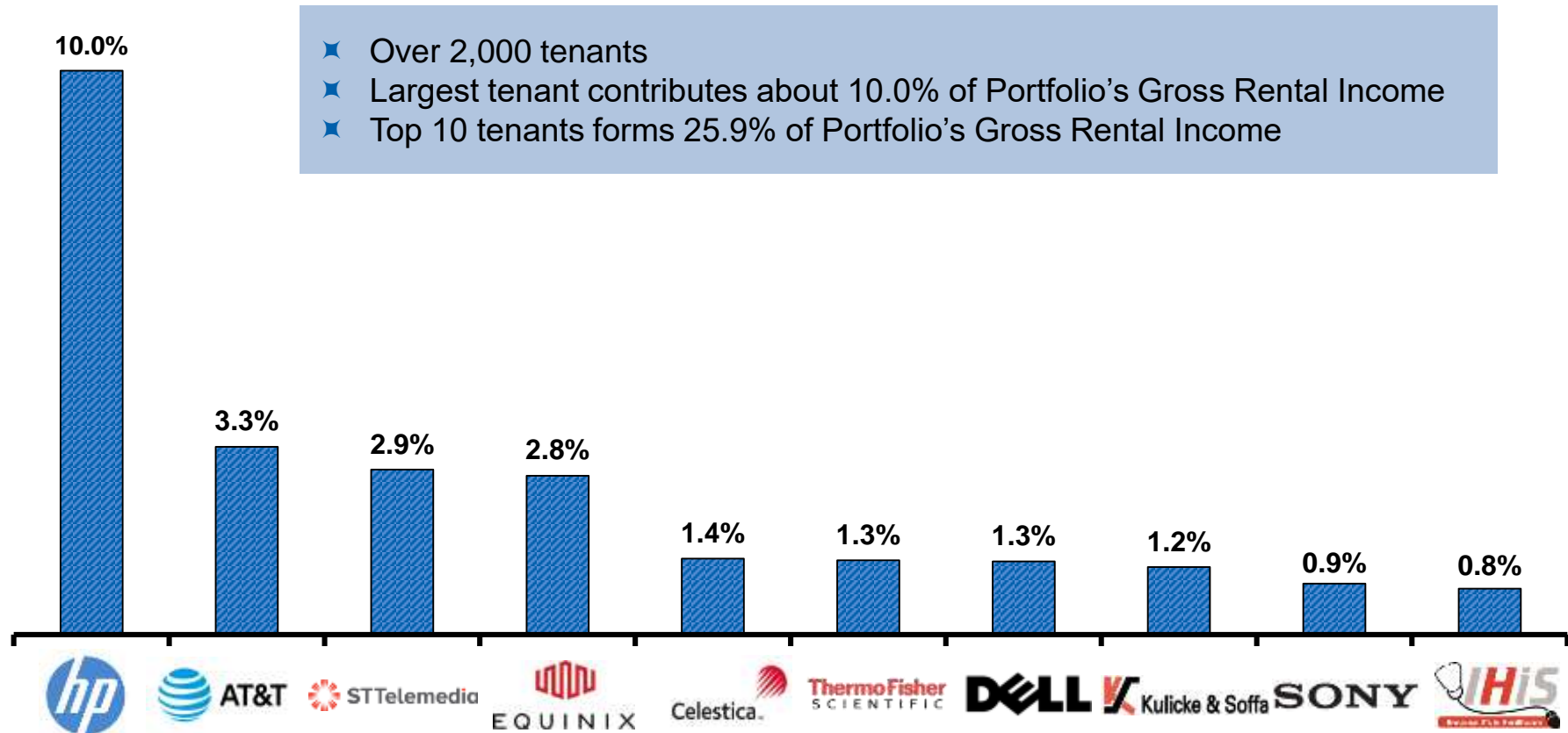
Portfolio WALE by Gross Rental Income = 3.7 years

¹ Based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

Large and Diversified Tenant Base

TOP 10 TENANTS BY GROSS RENTAL INCOME¹

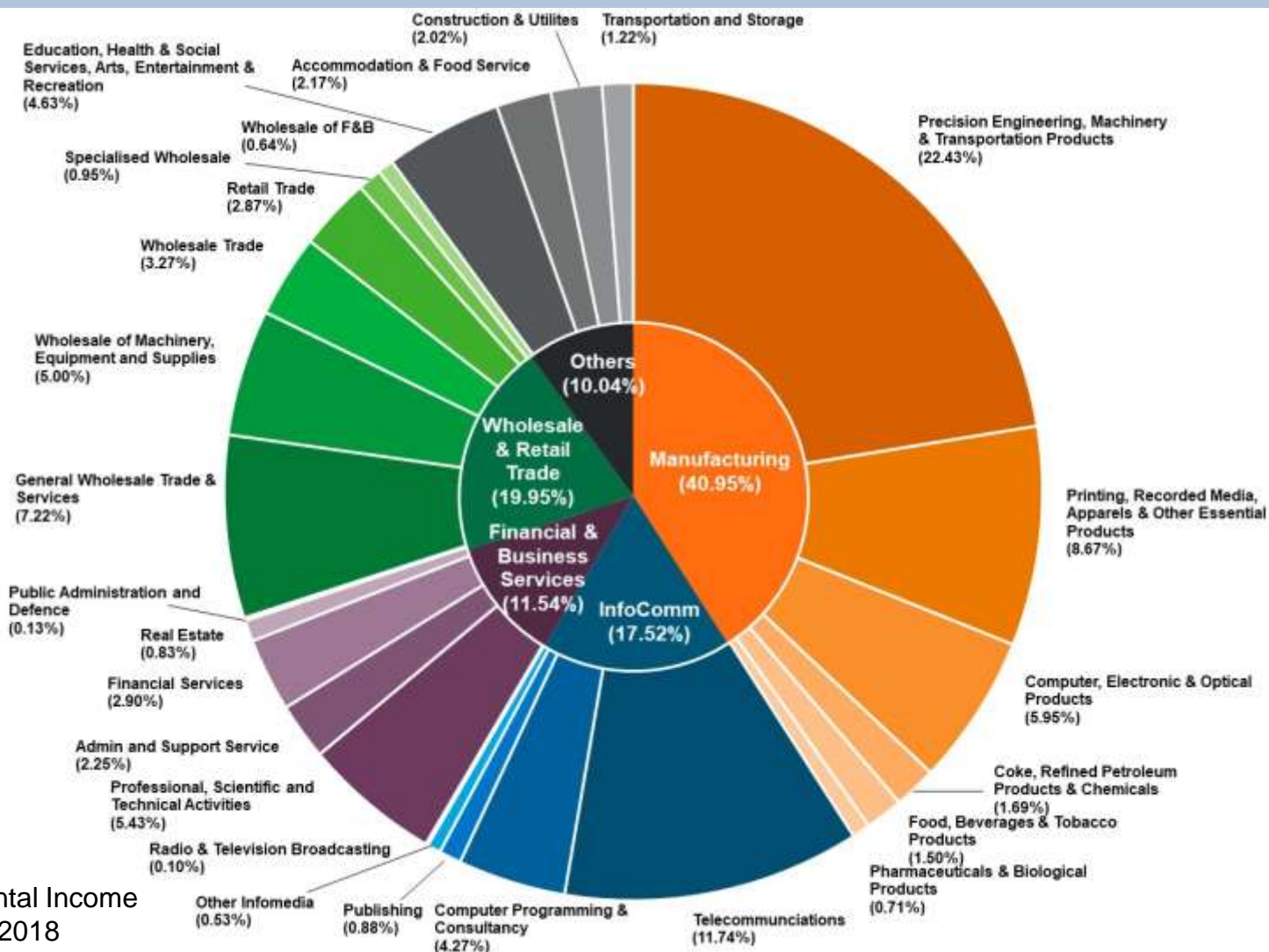
As at 30 June 2018



¹ Based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

Tenant Diversification Across Trade Sectors¹

No single trade sector accounted >23% of Portfolio's Gross Rental Income



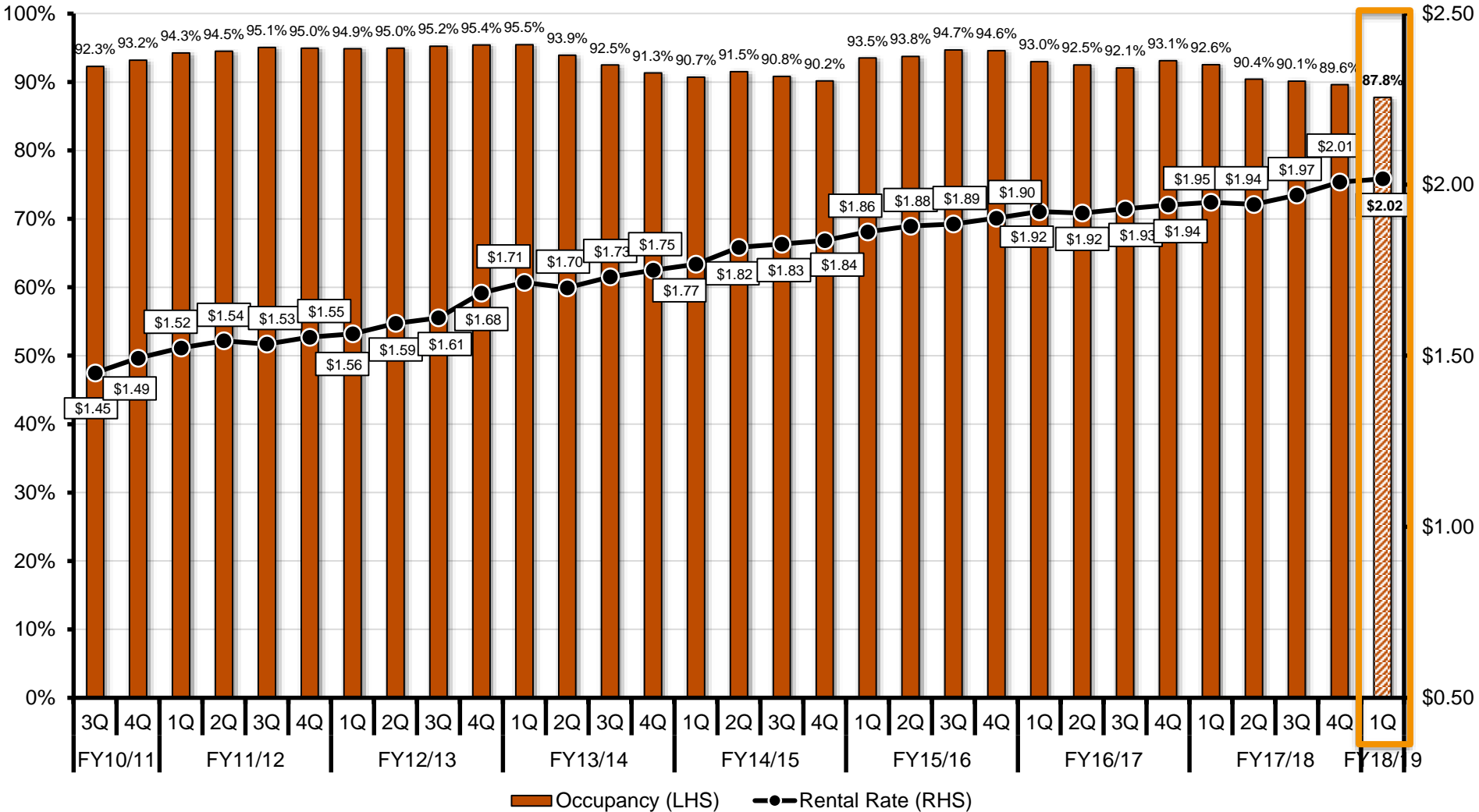
By Gross Rental Income
As at 30 Jun 2018

¹ Based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

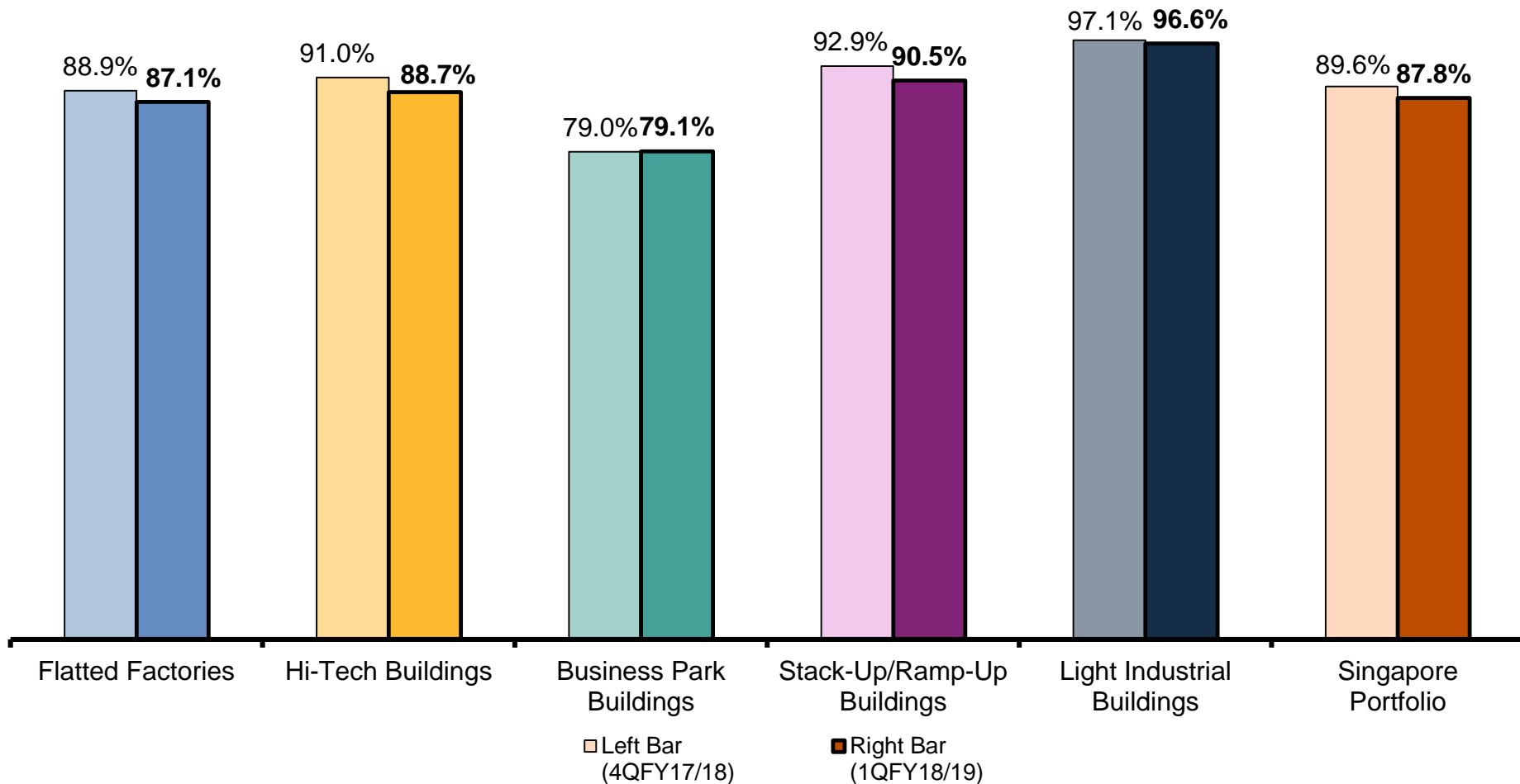
Singapore Portfolio Performance

Gross Rental Rate
S\$ psf/mth

Occupancy



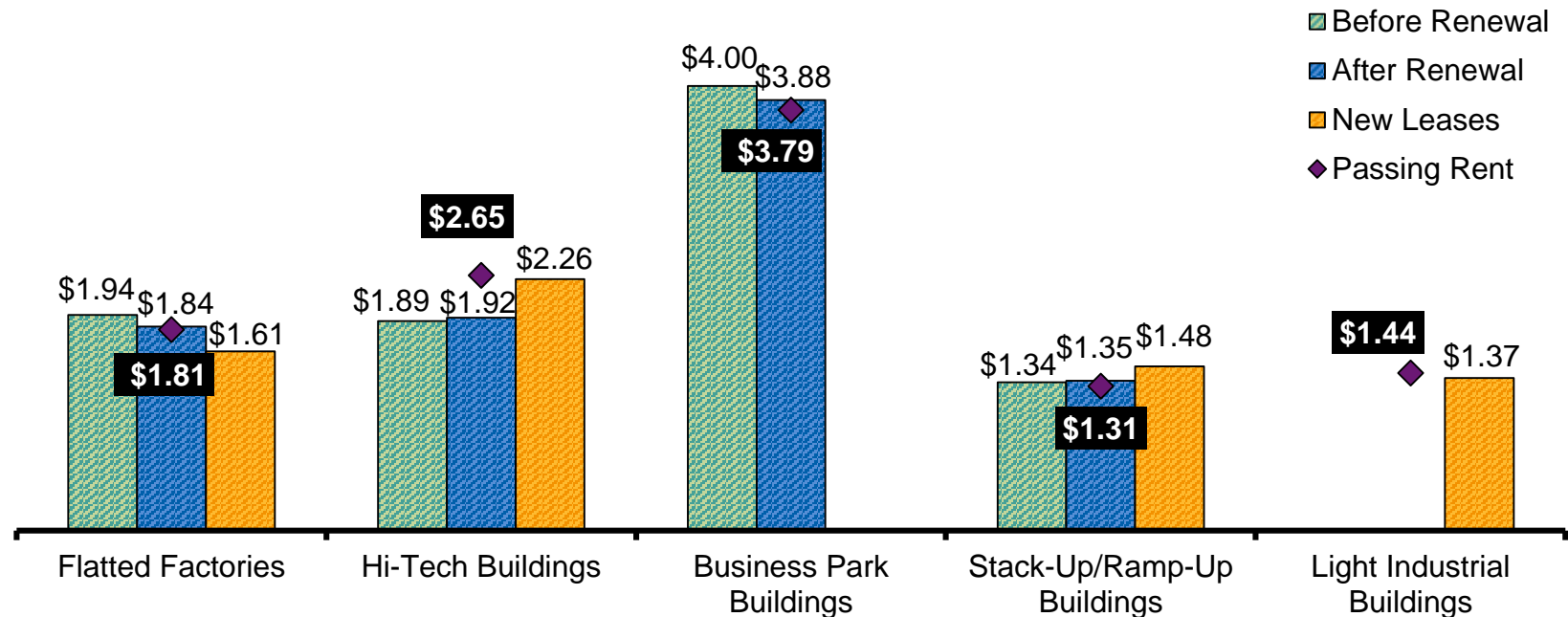
Segmental Occupancy Levels (Singapore)



Rental Revisions (Singapore)

Gross Rental Rate (S\$ psf/mth)^{1,2}

For period 1QFY18/19



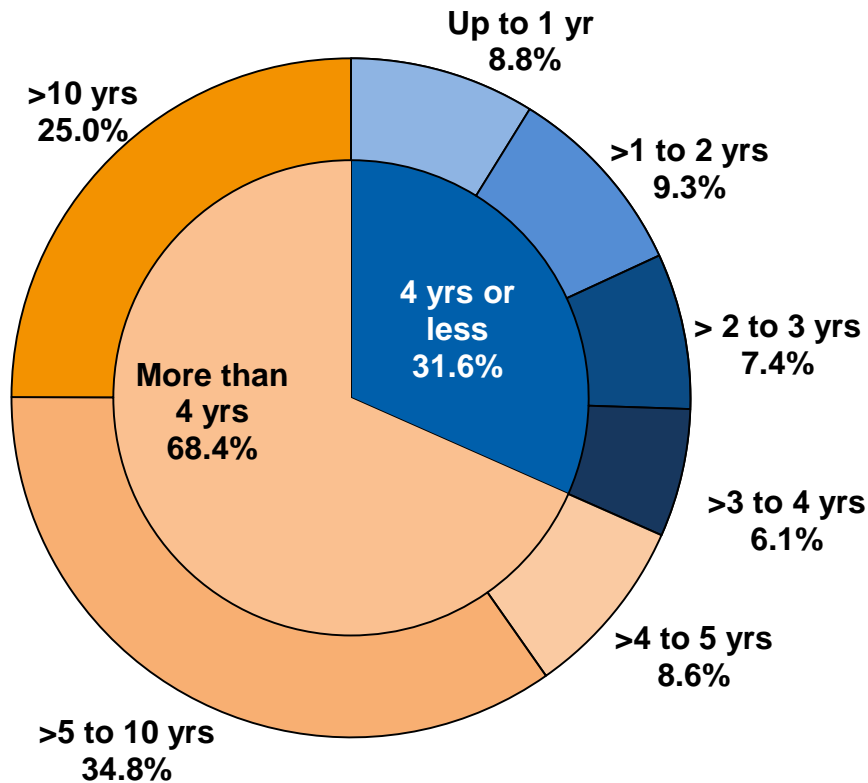
Renewal Leases	77 Leases (245,211 sq ft)	10 Leases (18,963 sq ft)	7 Leases (24,496 sq ft)	7 Leases (76,005 sq ft)	N.A.
New Leases	61 Leases (161,083 sq ft)	10 Leases (70,825 sq ft)	1 Lease (1,601 sq ft)	2 Leases (15,080 sq ft)	2 Leases (9,715 sq ft)

¹ Gross Rental Rate figures exclude short term leases; except Passing Rent figures which include all leases.

² Excluded the rental rate for the sole new lease at Business Park Buildings for confidentiality.

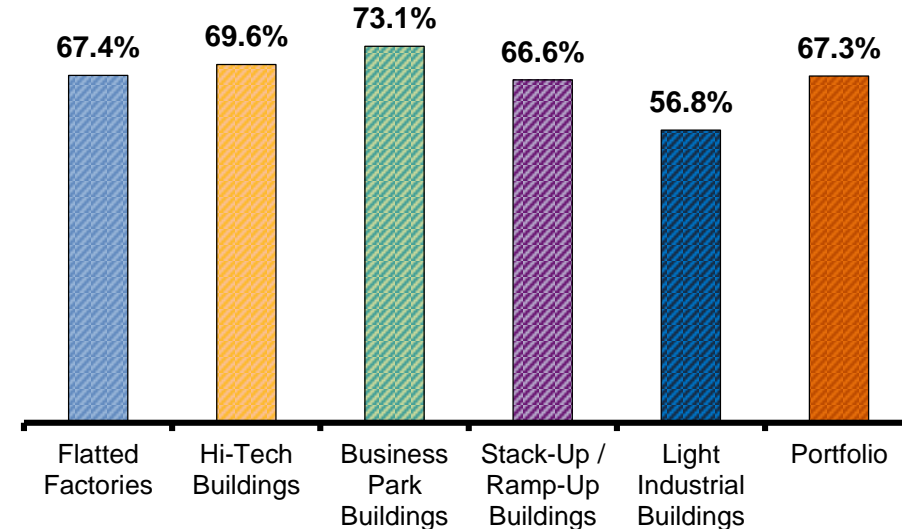
Tenant Retention (Singapore)

LONG STAYING TENANTS



As at 30 Jun 2018
By number of tenants.

RETENTION RATE FOR 1QFY18/19



Based on NLA.

- ✦ 68.4% of the tenants have leased the properties for more than 4 years
- ✦ Tenant retention rate of 67.3% in 1QFY18/19



INVESTMENT UPDATE

Stack-up/Ramp-up Buildings, Woodlands Spectrum



Estimated Cost
\$76 million

GFA
242,000 sq ft

Completed
13 Jul 2018

- ✦ Completed a six-storey BTS data centre
- ✦ 100% committed by an established data centre operator
- ✦ Initial lease term of >10 years with staggered rental escalations and renewal options
- ✦ Situated on land area of about 96,800 sq ft
- ✦ Site allocated by JTC with zoning for Business 2 use and land tenure of 30 years
- ✦ Located in a specialised industrial park for data centres with ready-built infrastructure

Acquisition and Upgrading – 7 Tai Seng Drive maple^{tree} industrial



Estimated Project Cost
S\$95 million

GFA
256,600 sq ft

Completion of Upgrading
2H2019

- ✦ Acquisition of a seven-storey property at a purchase consideration of S\$68.0 million and upgrading the property into a Hi-Tech Building
- ✦ Upgrading works include increasing power and floor loading capacities and installing additional telecommunication infrastructure
- ✦ Land tenure: 30 years + 30 years (from 16 Mar 1993)
- ✦ 100% committed by an established information and communication technology company for an initial term of 25 years¹ with annual rental escalations



OUTLOOK AND STRATEGY

Hi-Tech Buildings, 7337 Trade Street, San Diego

Singapore

- ✦ Challenging operating environment despite positive outlook
 - Singapore economy grew by 3.8% y-o-y in the quarter ended 30 Jun 2018, higher than 4.3% growth in preceding quarter¹
 - Uncertainties from heightened global political and trade tensions continue to threaten projected growth momentum
 - Continuing supply of competing industrial space
- ✦ Median rents for industrial real estate for 1QFY18/19²
 - Multi-user Factory Space: S\$1.79 psf/mth (1.7% q-o-q)
 - Business Park Space: S\$4.10 psf/mth (-4.7% q-o-q)
- ✦ The Manager will continue to focus on tenant retention to maintain a stable portfolio occupancy.

United States

- ✦ Growing demand in the United States for leased data centre space
 - Driven by movement to cloud and outsourcing as well as the need for data to be stored close to its end users and for geographical diversity
 - Between 2017 and 2022F, the demand for leased data centre space (by net utilised square feet) in the United States is expected to grow at a compound annual growth rate (“CAGR”) of 8.7%, faster than the CAGR of 6.8% for the supply of leased data centre space (by net operational square feet)³.

¹ Ministry of Trade and Industry (Advance Estimates), 13 Jul 2018

² URA/JTC Realis, 23 Jul 2018

28 ³ Source: 451 Research, LLC., 2Q 2018.

Stable and Resilient Portfolio

- ✦ Only 13.0% of the Overall Portfolio's leases (by gross rental income) due for renewal in FY18/19
- ✦ US Portfolio's WALE of 5.8 years offers high income stability

Enhanced Financial Flexibility

- ✦ Hedged borrowings of 77.9%
- ✦ Aggregate leverage of 35.0% provides financial flexibility to pursue investment opportunities

Growth by Acquisitions and Developments

- ✦ Completed BTS data centre development, Mapletree Sunview 1
- ✦ Upgrading of 7 Tai Seng Drive to a Hi-Tech Building on track for completion in 2H2019



End of Presentation

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