EVOLVING OUR BUSINESS

Annual Report 2018/2019

mapletree
industrial

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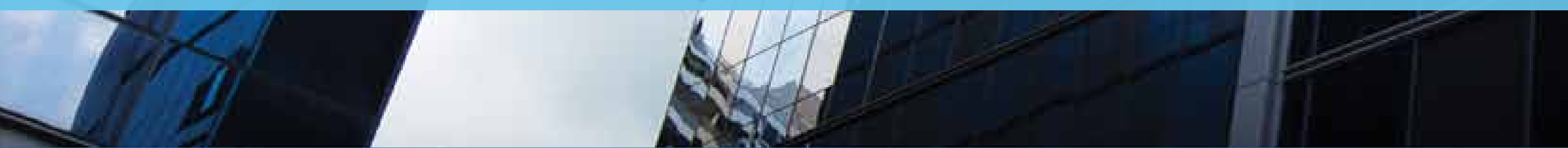


VISION

TO BE THE PREFERRED INDUSTRIAL REAL ESTATE SOLUTIONS PROVIDER

MISSION

TO DELIVER SUSTAINABLE AND GROWING RETURNS TO UNITHOLDERS BY PROVIDING QUALITY INDUSTRIAL REAL ESTATE SOLUTIONS TO CLIENTS

CORPORATE PROFILE

Mapletree Industrial Trust ("MIT") is a real estate investment trust ("REIT") listed on the Main Board of Singapore Exchange. Its principal investment strategy is to invest in a diversified portfolio of income-producing real estate used primarily for industrial purposes in Singapore and income-producing real estate used primarily as data centres worldwide beyond Singapore, as well as real estate-related assets.

MIT's property portfolio comprises 87 industrial properties in Singapore and 14 data centres in the United States of America (40% interest through the joint venture with Mapletree Investments Pte Ltd). The properties in Singapore include Hi-Tech Buildings, Flatted Factories, Business Park Buildings, Stack-up/Ramp-up Buildings and Light Industrial Buildings. As at 31 March 2019, MIT's total assets under management was S$4.8 billion.

MIT is managed by Mapletree Industrial Trust Management Ltd. (the "Manager"), a wholly-owned subsidiary of Mapletree Investments Pte Ltd (the "Sponsor"). The Sponsor is a leading real estate development, investment, capital and property management company headquartered in Singapore.

ADAPTING TO CHANGE

Adopting a progressive mindset will keep us ahead of the curve as we identify new engines of growth to diversify our portfolio and to remain competitive. The timely contribution from our first overseas acquisition in the United States of America and the completion of development projects in Singapore has put us in good stead to withstand the challenges ahead.

DISTRIBUTABLE INCOME
FY18/19

S$231.8
MILLION

SHAPING THE FUTURE

We have gained considerable momentum in FY18/19 with the acquisition of 18 Tai Seng and the completion of our build-to-suit data centre development, Mapletree Sunview 1. With the upgrading of 7 Tai Seng Drive as a data centre on track for completion, we maintain our focus in growing the Hi-Tech Buildings segment to strengthen our portfolio for future growth.

HI-TECH BUILDINGS

43.3%

LARGEST PROPERTY SEGMENT BY VALUATION


mapletree
industrial


mapletree
industrial

DELIVERING ON PROMISES

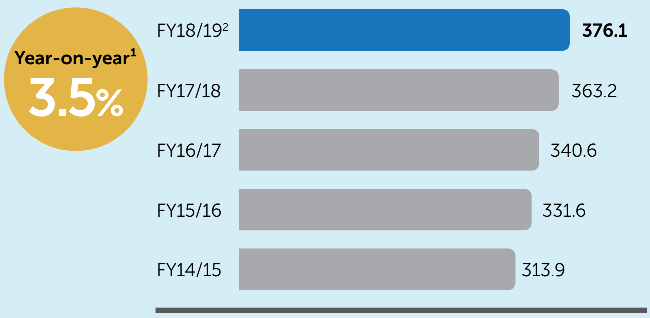
TOTAL RETURN SINCE LISTING

220.3%

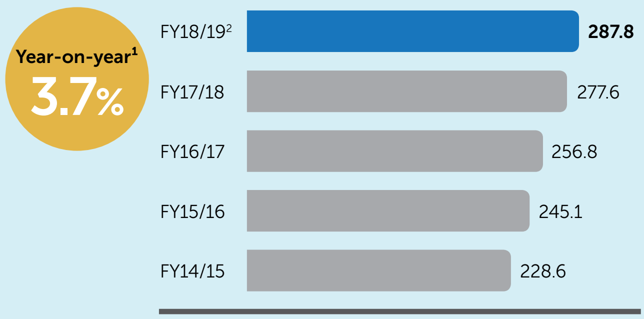
Since listing, we have successfully completed seven development projects. The recently completed asset enhancement initiative at 30A Kallang Place, with a high committed occupancy of 92.9% and high-quality tenant base, will enhance our portfolio resilience. Being proactive in unlocking value from our portfolio and attracting users from new growth segments has allowed us to deliver on our promise of achieving steady returns for Unitholders.

KEY HIGHLIGHTS

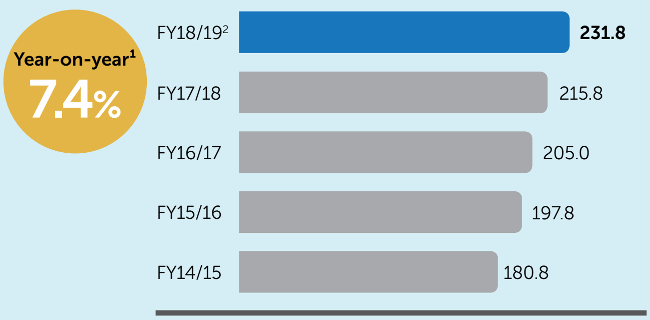
GROSS REVENUE
S$ MILLION



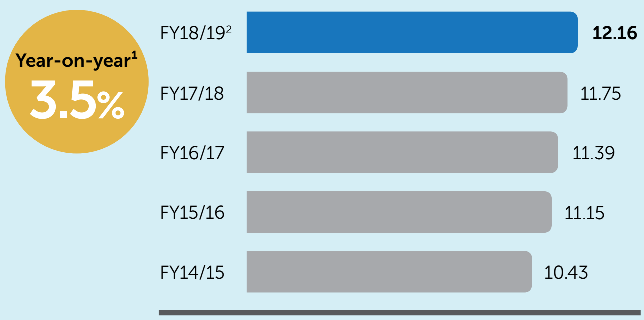
NET PROPERTY INCOME
S$ MILLION



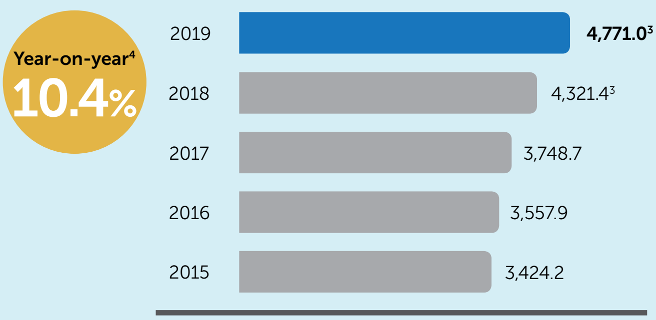
DISTRIBUTABLE INCOME
S$ MILLION



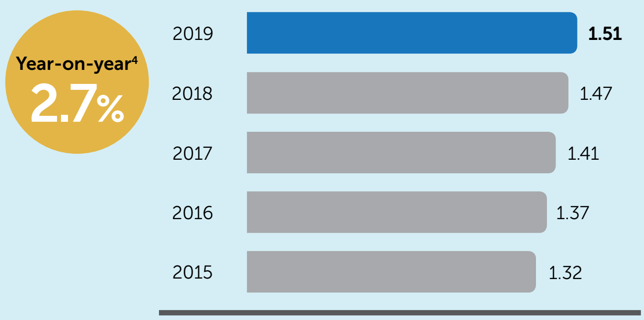
DISTRIBUTION PER UNIT
SINGAPORE CENTS



ASSETS UNDER MANAGEMENT
(AS AT 31 MARCH)
S$ MILLION



NET ASSET VALUE PER UNIT
(AS AT 31 MARCH)
S$



1 Refers to year-on-year comparison for FY18/19.
2 FY18/19 denotes financial year 2018/2019 ended 31 March 2019.
3 Includes MIT's 40% interest of the joint venture with the Sponsor in a portfolio of 14 data centres in the United States of America (the "United States").
4 Refers to year-on-year comparison for 31 March 2019.

KEY INFORMATION

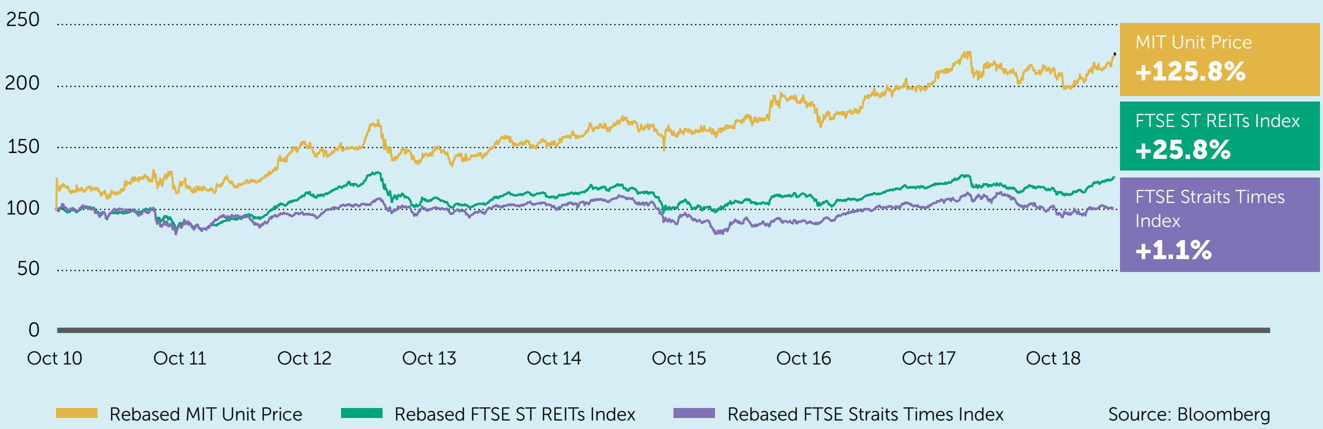
S$ MILLION

As at 31 March	2015	2016	2017	2018	2019
Total assets	3,516.0	3,623.9	3,798.1	4,154.3	4,607.1
Total debt	1,076.6	1,022.4	1,107.9	1,219.8	1,398.2
Unitholders' funds	2,312.2	2,465.2	2,532.8	2,780.1	3,047.5
Assets under management (including interest in joint venture)	3,424.2	3,557.9	3,748.7	4,321.4	4,771.0

KEY FINANCIAL RATIOS

As at 31 March	2015	2016	2017	2018	2019
Aggregate leverage[5] (%)	30.6	28.2	29.2	33.1	33.8
Average borrowing cost for financial year (%)	2.1	2.4	2.6	2.9	3.0
Weighted average tenor of debt (years)	3.7	4.0	3.5	3.3	4.4
Interest cover ratio for financial year (times)	8.1	8.2	7.9	7.1	6.6

COMPARATIVE TRADING PERFORMANCE SINCE LISTING[6]



5 In accordance with Property Funds Guidelines, the aggregate leverage ratio includes MIT's proportionate share of borrowings and deposited property of joint venture. As at 31 March 2019, total debt including MIT's proportionate share of joint venture debt was S$1,642.3 million.

6 Rebased MIT's unit issue price of S$0.93 and opening unit prices of FTSE ST REITs Index and FTSE Straits Times Index on 21 October 2010 to 100.

UNIT PERFORMANCE

The Singapore equity market declined during the financial year amid concerns over the trade dispute between China and the United States, which resulted in expectations of slowing global economic growth. The FTSE Straits Times Index finished in negative territory with a decline of 6.3% in FY18/19.

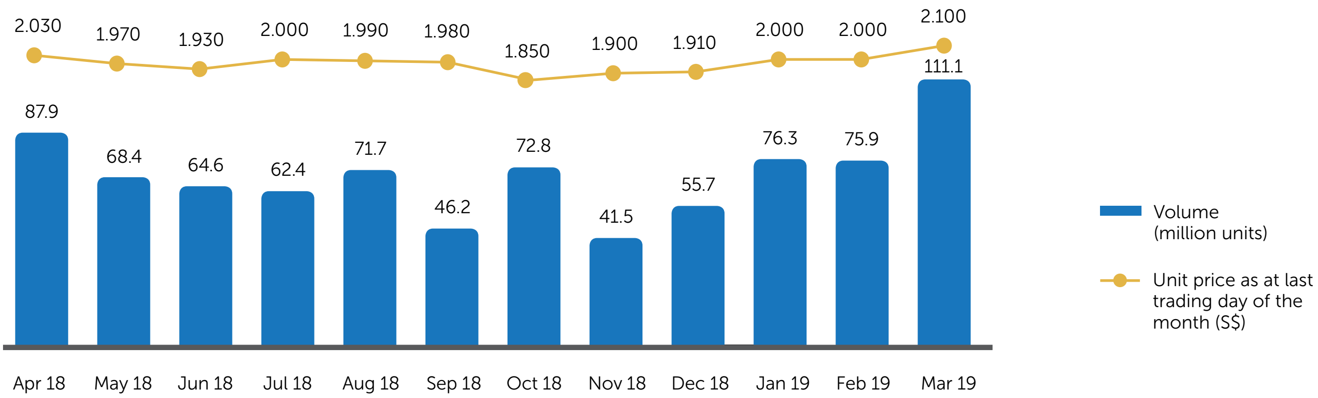
Conversely, the FTSE ST REITs Index outperformed and increased by 5.2% during the financial year. This was supported by market expectations of the United States Federal Reserve's accommodative stance towards interest rate hikes. MIT unit price also increased by 3.4% in FY18/19 to close the period at S$2.100, with an average daily closing unit price of S$1.966. A total of 834.5 million units were traded, with an average daily trading volume of 3.34 million.

MIT unit price increased by 125.8% since its listing on 21 October 2010. Over the years, its market capitalisation has also increased from S$1.36 billion to S$4.24 billion as at 31 March 2019.

UNIT PRICE AND TRADING VOLUME

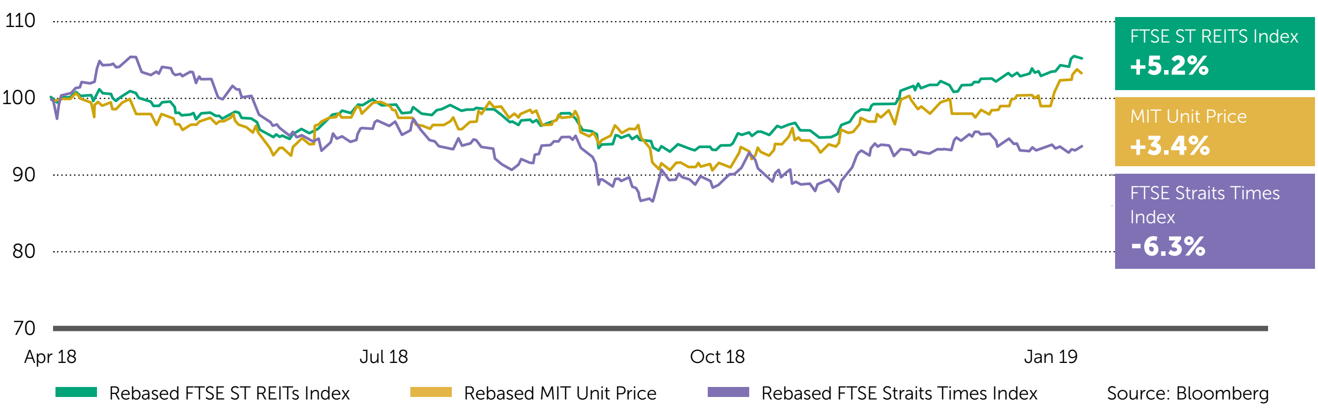
	FY18/19	FY17/18	FY16/17	FY15/16	FY14/15
Closing unit price on the last trading day prior to the commencement of the period (S$)	**2.030**	1.780	1.595	1.580	1.365
Highest closing unit price (S$)	**2.110**	2.120	1.810	1.635	1.580
Lowest closing unit price (S$)	**1.840**	1.770	1.550	1.375	1.370
Average closing unit price (S$)	**1.966**	1.913	1.679	1.540	1.467
Closing unit price for the period (S$)	**2.100**	2.030	1.780	1.595	1.580
Average daily trading volume (million units)	**3.34**	3.53	2.49	2.93	2.64
Market capitalisation (S$ billion)[1]	**4.24**	3.83	3.21	2.87	2.76

TRADING PERFORMANCE IN FY18/19



Source: Bloomberg

COMPARATIVE TRADING PERFORMANCE IN FY18/19[2]



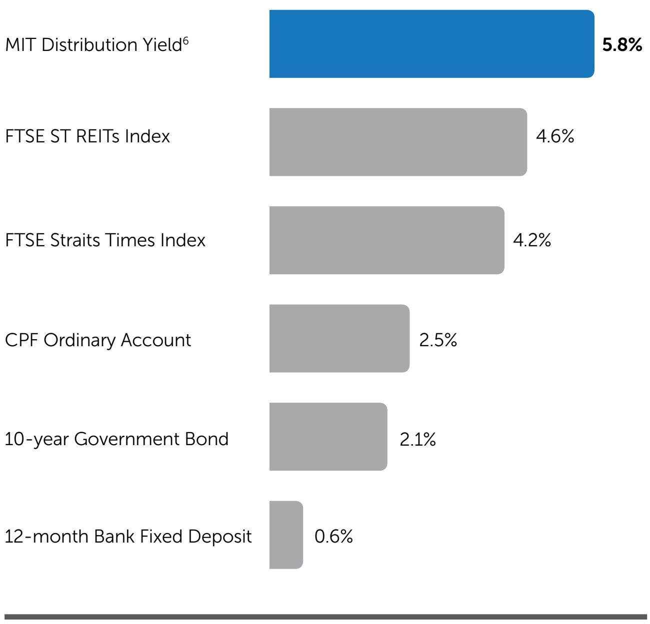
Source: Bloomberg

RETURN ON INVESTMENT

	1-Year From 1 April 2018	3-Year From 1 April 2016	5-Year From 1 April 2014	Since Listing From 21 October 2010
Total return (%) as at 31 March 2019	9.4[3]	53.8[3]	95.5[3]	220.3[4]
Capital appreciation (%)	3.4	31.7	53.8	125.8
Distribution yield (%)	6.0	22.1	41.7	94.5
Closing unit price on the last trading day prior to the commencement of the period / unit issue price at listing (S$)	2.030	1.595	1.365	0.930

COMPARATIVE YIELDS[5]

AS AT 31 MARCH 2019



CONSTITUENTS OF KEY INDICES[7]

Bloomberg Asia Pacific Financial Index
Bloomberg Asia REIT Index
Bloomberg World Financial Index
Bloomberg World REIT Index
Dow Jones Global Select REIT Index
FTSE EPRA/NAREIT Global REITs Index
FTSE EPRA/NAREIT Global REITs TR Index
FTSE ST Real Estate Index
FTSE ST REITs Index
FTSE Value-Stocks ASEAN Index
GPR 250 Index
GPR 250 REIT Index
GPR/APREA Investable 100 Index
iEdge APAC ex Japan Dividend Leaders REIT Index
iEdge Real Estate Index
iEdge S-REIT Index
MSCI Singapore Small Cap Index (USD)
S&P Global BMI (USD)
S&P Global Property Index (USD)
S&P Global REIT Index (USD)
S&P Global Small Cap Index
STOXX Asia 1200 Price Index
WisdomTree Global ex-US Real Estate Index

1 Based on the closing unit prices for the period.
2 Rebased closing unit prices as at 31 March 2018 to 100.
3 Sum of distributions and capital appreciation for the period over the closing unit price on the last trading day prior to the commencement of the period.
4 Sum of distributions and capital appreciation for the period over the unit issue price at listing.
5 Sources: Bloomberg, Monetary Authority of Singapore (for the 10-year Government Bond's yield) and Central Provident Fund ("CPF") Board (for the CPF Ordinary Account's yield).
6 MIT distribution yield is based on FY18/19 distribution per unit ("DPU") of 12.16 Singapore cents over the latest closing unit price of S$2.100 as at 31 March 2019.
7 The list of key indices is not exhaustive.

STRATEGIC DIRECTION

The Manager's three-pronged strategy is underpinned by the commitment to provide quality industrial real estate solutions to its clients through understanding their requirements and delivering innovative real estate solutions that meet their evolving business needs.

During the financial year, the Manager continued to execute the strategy of growing the Hi-Tech Buildings segment through acquisitions, build-to-suit ("BTS") projects and asset enhancement initiatives ("AEI"). These underscore the Manager's efforts in reshaping and building a portfolio

COMPETITIVE STRENGTHS

STABLE AND RESILIENT PORTFOLIO

Diversified portfolio of 101 properties across five property segments in Singapore and the United States with a large tenant base of over 2,200 tenants

TRACK RECORD OF SECURING DPU-ACCRETIVE INVESTMENTS

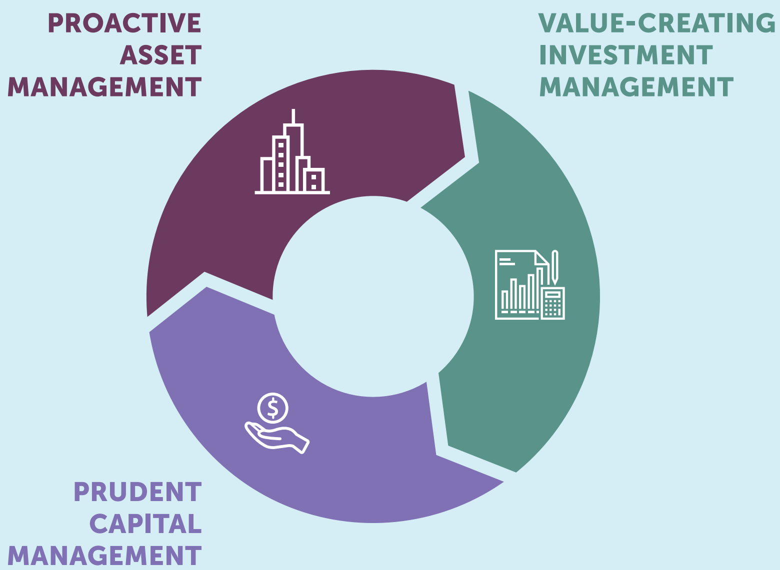
Completed three AEI, four BTS projects and five acquisitions since its listing on 21 October 2010

ACCESS TO FAST-GROWING DATA CENTRE SECTOR

Access to the fast-growing data centre sector, with data centres in Singapore and the United States comprising 8.4% and 9.1% of the portfolio (by valuation) respectively

INVESTMENT STRATEGY

To invest in a diversified portfolio of income-producing real estate used primarily for industrial purposes in Singapore and income-producing real estate used primarily as data centres worldwide beyond Singapore, as well as real estate-related assets



STRATEGIC OBJECTIVES

STRATEGIC APPROACH

FY18/19 ACHIEVEMENTS

of assets for higher value uses. As at 31 March 2019, the Hi-Tech Buildings segment accounted for 43.3% of the portfolio by valuation, up from 14.8% when the segment was first introduced in 2013. By leveraging on the Sponsor's local market experience and resources as well as the Manager's competitive strengths, the Manager will continue to pursue growth opportunities in Singapore and overseas, with a focus on high specification industrial facilities and data centres.

ENHANCED FINANCIAL FLEXIBILITY

Strong balance sheet and a well-diversified debt maturity profile with a weighted average tenor of debt of 4.4 years

EXPERIENCED MANAGER

Professional management team with an established track record and a wealth of experience in real estate development, investment and property management

REPUTABLE SPONSOR WITH ALIGNED INTEREST

Leverages on the Sponsor's development capabilities as well as local market experience and extensive network of offices, including the United States. The Sponsor's 31.8% stake in MIT demonstrates its alignment of interest with Unitholders

Improve competitiveness of properties

PROACTIVE ASSET MANAGEMENT

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

Secured long leases from high-quality tenants from various sectors at 30A Kallang Place and achieved a high committed occupancy level of **92.9%**

Completed upgrading works for The Strategy and The Synergy at **S$7.3 million**

Secure investments to deliver growth and diversification

VALUE-CREATING INVESTMENT MANAGEMENT

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

Acquired **7 Tai Seng Drive** for upgrading to a data centre for Equinix Singapore at S$95.0 million

Completed **Mapletree Sunview 1**, the third BTS data centre development

Acquired **18 Tai Seng**, a nine-storey mixed-use industrial development with Business 2 industrial, office and retail spaces at S$268.3 million

Optimise capital structure to provide financial flexibility

PRUDENT CAPITAL MANAGEMENT

- Maintain a strong balance sheet
- Diversify sources of funding
- Employ appropriate interest rate and foreign exchange rate risk management strategies

Successfully raised **S$201.0 million** through a private placement to partly finance the acquisition of 18 Tai Seng

Issued **S$125.0 million** 10-year 3.58% fixed rate notes

Raised **S$55.8 million** through the distribution reinvestment plan for progressive funding needs of development projects

LETTER TO UNITHOLDERS

Left
WONG MENG MENG
Chairman

Right
THAM KUO WEI
Chief Executive Officer

Dear Unitholders,

EVOLVING OUR BUSINESS

We have been progressively reshaping and building a portfolio of assets for higher value uses, which suit the changing needs of industrialists and attract users from new growth segments. We will continue to undertake acquisitions, BTS projects and AEI to keep pace with the changing industrial landscape and to enhance the stability of our returns to Unitholders.

During the financial year, we continued to execute our growth strategy with further investments in data centres. 7 Tai Seng Drive was acquired in June 2018 to be upgraded to a data centre for Equinix Singapore. The total cost of the acquisition and upgrading of 7 Tai Seng Drive is expected to be S$95 million. This collaboration with Equinix Singapore builds on its presence at MIT properties in Singapore and the United States. The upgrading of 7 Tai Seng Drive is on track for completion in the second half of 2019.

In July 2018, we completed our third BTS data centre development, Mapletree Sunview 1. The six-storey purpose-built data centre with gross floor area ("GFA") of about 242,000 square feet ("sq ft") is fully leased to an established data centre operator for an initial lease term of more than 10 years with staggered rental escalations.

In February 2019, we successfully completed the accretive acquisition of 18 Tai Seng from the Sponsor for an agreed property value of S$268.3 million. The nine-storey high-specification mixed-use industrial development comprises Business 2 industrial, office and retail spaces with a GFA of about 443,810 sq ft. Centrally located in the Paya Lebar iPark, 18 Tai Seng is the sole property which is directly connected to Tai Seng MRT station by an underground pedestrian link. With an expected net property income yield of 6.8%, the acquisition has enlarged the portfolio's tenant base to include multinational companies in the high value-added automotive, medical, information and communications technology sectors.

These expansions in the Hi-Tech Buildings segment are part of the broader evolution of our business to build and grow resilient income streams. As at 31 March 2019, the Hi-Tech Buildings segment represented the largest property segment at 43.3% of the portfolio by valuation, up from 14.8% six years ago when we set out our strategic focus on growing the segment.

DELIVERING SUSTAINABLE GROWTH

MIT achieved another year of strong financial performance in FY18/19. Net property income for FY18/19 rose by 3.7% year-on-year to S$287.8 million. This was driven by contributions from development projects and an acquisition in Singapore, mainly from Phase Two of the BTS project for HP Singapore (Private) Limited, Mapletree Sunview 1 and 18 Tai Seng. Distributable income for FY18/19 grew by 7.4% year-on-year to S$231.8 million due to higher net property income and full-year income contribution from MIT's 40% interest in the portfolio of 14 data centres in the United States ("US Portfolio"). DPU of 12.16 Singapore cents for FY18/19 was 3.5% higher than the DPU of 11.75 Singapore cents for FY17/18. This represented a total return of about 9.4%[1] for our Unitholders in FY18/19, which comprised capital appreciation of 3.4% and distribution yield of 6.0%.

MIT's total assets under management increased by 10.4% year-on-year to S$4,771.0 million[2] as at 31 March 2019. Over the same period, the net asset value per unit increased from S$1.47 to S$1.51.

MAINTAINING A STRONG BALANCE SHEET

MIT's steady growth is underpinned by its prudent approach towards capital management. As part of the efforts to diversify funding sources, we resumed the distribution reinvestment plan in 2QFY18/19. In addition, we tapped on the equity market with the successful launch of a private placement in February 2019. The private placement was more than two times covered and attracted strong participation from a diverse

> **“As at 31 March 2019, the Hi-Tech Buildings segment represented the largest property segment at 43.3% of the portfolio by valuation, up from 14.8% six years ago when we set out our strategic focus on growing the segment.”**

1 Sum of distributions and capital appreciation for the period over the latest closing unit price of S$2.030 as at 31 March 2018.
2 Includes MIT's 40% interest of the joint venture with the Sponsor in a portfolio of 14 data centres in the United States.

LETTER TO UNITHOLDERS

base of investors. Gross proceeds of S$201.0 million from the private placement were utilised to partly finance the acquisition of 18 Tai Seng.

Following the private placement, the aggregate leverage of 33.8% as at 31 March 2019 will provide MIT sufficient financial capacity to support anticipated funding requirements in the near-term. Accordingly, we had suspended the application of the distribution reinvestment plan after the 4QFY18/19 distribution.

MIT issued S$125.0 million 10-year 3.58% fixed rate notes under the S$2 billion Euro Medium Term Securities Programme in March 2019. As a result, the weighted average tenor of debt increased from 3.3 years as at 31 March 2018 to 4.4 years as at 31 March 2019. The weighted average all-in funding cost stood at 3.0% in FY18/19.

To manage the impact of interest rate and foreign exchange fluctuations on distributions, about 78.6% of MIT's total debt as at 31 March 2019 had been hedged through interest rate swaps and fixed rate borrowings while 90.4% of FY18/19 foreign currency net income stream had been hedged into Singapore dollars through foreign exchange forward contracts.

IMPROVING PORTFOLIO RESILIENCE

The large supply of industrial space and the uneven recovery in the manufacturing sector continued to affect the performance of the portfolio of properties in Singapore ("Singapore Portfolio"). The Singapore Portfolio occupancy rate decreased to 87.9% in FY18/19 from 89.1% in the preceding year. This was attributed to the lower occupancies registered across most property segments except the Hi-Tech Buildings and Light Industrial Buildings segments. The positive leasing momentum and completion of investment projects improved the occupancy rate of the Hi-Tech Buildings segment. The US Portfolio occupancy rate remained unchanged at 97.4%. Consequently, MIT's average portfolio occupancy rate was 88.4% in FY18/19, as compared to 89.6% in FY17/18.

We strive to capture opportunities for organic growth through tenant retention, forward lease renewals and prospecting for new tenants. The Singapore Portfolio retention rate stood at a healthy level of 71.6% as a result of the recalibration of rental rates in response to market conditions and the active engagement with our tenants ahead of their lease expiries. In addition, we are proactively prospecting tenants from growing trade sectors. At the recently completed AEI at 30A Kallang Place, we have a high committed occupancy of 92.9%, with long leases secured from high-quality tenants from various sectors such as information communications and technology and precision engineering.

COMMITTING TO SUSTAINABILITY

We are committed to conducting our business in an environmentally and socially responsible manner while maintaining high corporate governance standards. We will be incorporating the United Nations Sustainable Development Goals in our framework to guide our long-term sustainability strategies in our third annual sustainability report. We will continue to advance our sustainability practices to deliver greater value for our stakeholders and enhance the resilience of our business.

SHAPING THE FUTURE

Amid waning global growth momentum, the pace of growth in the Singapore economy is expected to slow in 2019 as compared to 2018. The slowing economic growth and the demand-supply imbalance may weigh on the leasing activity in selected segments of the industrial market in Singapore.

Demand for data centre space in the United States remained strong, backed by growth in data consumption as well as increasing adoption of cloud services by businesses and consumers. These will underpin the stability of revenue contribution from the US Portfolio.

We expect the timely investments within the Hi-Tech Buildings segment to enhance the portfolio resilience and deliver sustainable returns. With the Sponsor's extensive capabilities and network, we remain disciplined in pursuing investment opportunities in Singapore and overseas.

ACKNOWLEDGEMENTS

On behalf of the Board, we welcome Mr Pok Soy Yoong, Mr Andrew Chong, Dr Andrew Lee and Mr William Toh. With their vast experience in management and the financial sector, we believe Mr Pok, Mr Chong, Dr Lee and Mr Toh will add to the bench strength as well as diversity of perspectives to the business strategy of MIT.

We wish to extend our sincere appreciation to our directors and staff for their dedication and commitment. We would also like to thank our Unitholders, tenants and business partners for their continued support.

WONG MENG MENG
Chairman

Tham Kuo Wei

THAM KUO WEI
Chief Executive Officer

21 MAY 2019

SIGNIFICANT EVENTS

2018

JUNE

Completed the acquisition of 7 Tai Seng Drive, which will be upgraded to a data centre for Equinix Singapore at a total project cost of S$95 million[1]

JULY

Completed MIT's third BTS data centre development, Mapletree Sunview 1

DPU for 1QFY18/19 increased 2.7% year-on-year to 3.00 Singapore cents

AUGUST

Fitch Ratings affirmed MIT's Issuer Default Rating at 'BBB+' with a Stable Outlook

SEPTEMBER

Established S$2 billion Euro Medium Term Securities Programme

OCTOBER

Delivered DPU of 3.01 Singapore cents for 2QFY18/19, a year-on-year increase of 0.3%

2019

JANUARY

Achieved DPU of 3.07 Singapore cents for 3QFY18/19, a year-on-year increase of 6.6%

Successfully obtained Unitholders' approval for the acquisition of 18 Tai Seng at the extraordinary general meeting

FEBRUARY

Completed the acquisition of 18 Tai Seng at an agreed property value of S$268.3 million

Successfully raised gross proceeds of about S$201.0 million through a private placement to partly finance the acquisition of 18 Tai Seng

MARCH

Issued S$125.0 million 10-year 3.58% fixed rate notes under the S$2 billion Euro Medium Term Securities Programme

APRIL

DPU of 3.08 Singapore cents for 4QFY18/19 registered a year-on-year increase of 4.4%

DPU of 12.16 Singapore cents for FY18/19 was 3.5% higher than the same period last year

1 This includes the purchase consideration of 7 Tai Seng Drive at S$68.0 million.

ORGANISATION STRUCTURE

MAPLETREE INDUSTRIAL TRUST MANAGEMENT LTD.

Board of Directors

Mr Wong Meng Meng
Non-Executive Chairman and Director

Mr Soo Nam Chow
Independent Non-Executive Director

Mr John Koh Tiong Lu
Lead Independent Non-Executive Director

Mr Wee Joo Yeow
Independent Non-Executive Director

Mr Guy Daniel Harvey-Samuel
Independent Non-Executive Director

Mr Pok Soy Yoong
Independent Non-Executive Director

Ms Mary Yeo Chor Gek
Independent Non-Executive Director

Mr Andrew Chong Yang Hsueh
Independent Non-Executive Director

Dr Andrew Lee Tong Kin
Independent Non-Executive Director

Mr William Toh Thiam Siew
Independent Non-Executive Director

Mr Seah Choo Meng
Non-Executive Director

Mr Hiew Yoon Khong
Non-Executive Director

Mr Wong Mun Hoong
Non-Executive Director

Mr Tham Kuo Wei
Executive Director and
Chief Executive Officer

Audit and Risk Committee

Mr Soo Nam Chow
Chairman

Mr John Koh Tiong Lu

Mr Guy Daniel Harvey-Samuel

Mr Pok Soy Yoong

Mr Seah Choo Meng

Nominating and Remuneration Committee

Mr Wee Joo Yeow
Chairman

Ms Mary Yeo Chor Gek

Mr Hiew Yoon Khong

Chief Executive Officer

Mr Tham Kuo Wei

Joint Company Secretaries

Mr Wan Kwong Weng

Ms See Hui Hui

Chief Financial Officer

Ms Ler Lily

FINANCE

Ms Charmaine Lum Sheh Min
Director

Ms Charlene Zhang Shixin
Vice President

Ms Daphne Ong Shi Ying
Manager

Ms Long Shai Sia
Assistant Manager

TREASURY

Mr Miguel Vega Sun
Manager

Ms Lim Xiu Ling
Assistant Manager

Head of Investment

Mr Peter Tan Che Heng

INVESTMENT

Mr Benjamin Cher Shao Jie
Assistant Manager

Mr Darren Lu Wei Jie
Assistant Manager

Head of Asset Management

Ms Serene Tam Mei Fong

ASSET MANAGEMENT

Mr Steven Chew Chee Song
Senior Manager

Mr Zhou Yong Cheng
Senior Manager

Ms Jan Yan Weiyun
Manager

Mr Garrick Seah Jian Rui
Assistant Manager

Mr Tan Guanzheng
Assistant Manager

Mr Benjamin Yeo Eng Chong
Assistant Manager

Vice President Investor Relations

Ms Melissa Tan Hwei Leng

INVESTOR RELATIONS

Ms Cheng Mui Lian
Manager

ORGANISATION, CORPORATE AND TRUST STRUCTURES

MAPLETREE FACILITIES SERVICES PTE. LTD.

Board of Directors

Ms Koh Lay Keng

Ms Chng Siok Khim

Head of Group Development Management
Mr Tan Wee Seng

Head of Marketing
Ms Chng Siok Khim

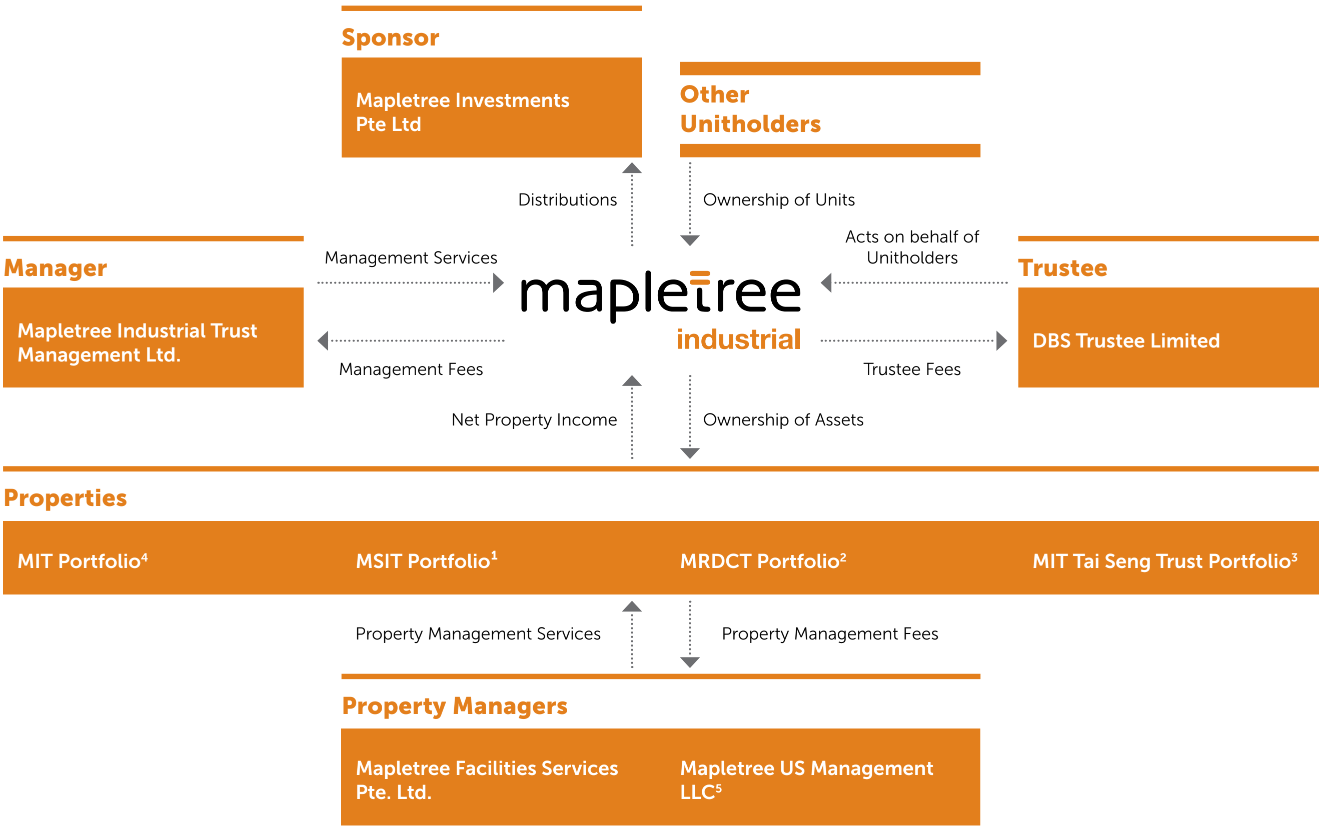
Head of Property Management
Mr Paul Tan Tzyy Woon

CORPORATE STRUCTURE

Mapletree Industrial Trust

- Mapletree Singapore Industrial Trust ("MSIT")[1]
- Mapletree Industrial Trust Treasury Company Pte. Ltd.
- Mapletree Redwood Data Centre Trust ("MRDCT")[2]
- MIT Tai Seng Trust[3]

TRUST STRUCTURE



1 MSIT was constituted as a private trust on 27 March 2006. The MSIT portfolio comprises two Hi-Tech Buildings and three Light Industrial Buildings in Singapore. MIT acquired MSIT on Listing Date, 21 October 2010.
2 Relates to MIT's 40% interest of the joint venture with the Sponsor in a portfolio of 14 data centres in the United States.
3 MIT Tai Seng Trust was constituted as a private trust on 29 August 2007. MIT acquired MIT Tai Seng Trust on 1 February 2019, which holds 18 Tai Seng, Singapore.
4 Refers to properties held directly under MIT.
5 A wholly-owned subsidiary of Mapletree Investments Pte Ltd, which provides property management, lease management, project management and marketing services in relation to the 14 data centres in the United States.

BOARD OF DIRECTORS

1	2	3	
4	5	6	7
8	9	10	
11	12	13	14

1 MR WONG MENG MENG
2 MR SOO NAM CHOW
3 MR JOHN KOH TIONG LU
4 MR WEE JOO YEOW
5 MR GUY DANIEL HARVEY-SAMUEL
6 MR POK SOY YOONG
7 MS MARY YEO CHOR GEK
8 MR ANDREW CHONG YANG HSUEH
9 DR ANDREW LEE TONG KIN
10 MR WILLIAM TOH THIAM SIEW
11 MR SEAH CHOO MENG
12 MR HIEW YOON KHONG
13 MR WONG MUN HOONG
14 MR THAM KUO WEI

MR WONG MENG MENG

Non-Executive Chairman and Director

Mr Wong Meng Meng, Senior Counsel, is the Non-Executive Chairman and Director of the Manager.

Mr Wong is also a Non-Executive Director of the Sponsor, a member of its Audit and Risk Committee and a member of its Transaction Review Committee. In addition, Mr Wong is a Director of NIE International Private Limited.

Mr Wong is the Founder-Consultant of WongPartnership LLP, a leading law firm in Singapore. He is a Member of the Competition Appeal Board, Singapore and a member of the Advisory Committee of the School of Humanities & Social Sciences, Temasek Polytechnic. He is also a member of the Quality Assurance Framework for Universities (QAFU) Panel.

MR SOO NAM CHOW

Independent Non-Executive Director

Mr Soo Nam Chow is an Independent Non-Executive Director and the Chairman of the Audit and Risk Committee of the Manager.

Mr Soo has worked in the auditing and accounting industry in Singapore for over 35 years and has extensive auditing and advisory experience in various industries in both the private and public sectors. His leadership roles covered risk management, accounting and audit practice, Japanese practice and financial management. He was a Partner with KPMG and later KPMG LLP from 1988 to 2009.

Mr Soo obtained his professional qualification as a Certified Accountant from the Association of Chartered Certified Accountants in 1983. He is also a member of the Institute of Singapore Chartered Accountants.

MR JOHN KOH TIONG LU

Lead Independent Non-Executive Director

Mr John Koh Tiong Lu is the Lead Independent Non-Executive Director and a member of the Audit and Risk Committee of the Manager.

Mr Koh was a Managing Director and a Senior Advisor of the Goldman Sachs Group until 2006. Mr Koh was also an Independent Director and Chairman of the Investment Committee of Mapletree Industrial Fund Ltd., a private real estate fund managed by the Sponsor.

Mr Koh has over 25 years of experience in investment banking and law. Prior to joining the Goldman Sachs Group in 1999, Mr Koh spent 18 years as a lawyer at various firms, including J. Koh & Co (a Singapore firm founded by Mr Koh) as well as serving in the Singapore Attorney-General's Chambers.

Mr Koh sits on various boards of directors, including NSL Ltd. and KrisEnergy Limited, and serves as the Chairman of the Audit Committee of both companies. He is also a Director of the National Library Board and the National Museum of Singapore, as well as Athenex, Inc. and Aurora Mobile Limited, both listed on NASDAQ.

Mr Koh holds a Bachelor of Arts degree and a Master of Arts degree from the University of Cambridge and is a graduate of Harvard Law School.

BOARD OF DIRECTORS

MR WEE JOO YEOW
Independent Non-Executive Director

Mr Wee Joo Yeow is an Independent Non-Executive Director and the Chairman of the Nominating and Remuneration Committee of the Manager.

Mr Wee was the Managing Director and Head of Corporate Banking in Singapore with United Overseas Bank Limited ("UOB") until his retirement in 2013. Mr Wee has more than 30 years of corporate banking experience. He joined UOB in 2002. Prior to that, Mr Wee was with Overseas Union Bank from 1981 to 2001 and held senior appointments before its merger into UOB.

Mr Wee sits on the boards of directors of Frasers Property Limited, Oversea-Chinese Banking Corporation Limited, Great Eastern Holdings Limited, PACC Offshore Services Holdings Ltd. and a number of private companies.

He holds a Bachelor of Business Administration (Honours) degree from the University of Singapore and a Master of Business Administration from New York University.

MR GUY DANIEL HARVEY-SAMUEL
Independent Non-Executive Director

Mr Guy Daniel Harvey-Samuel is an Independent Non-Executive Director and a member of the Audit and Risk Committee of the Manager.

Mr Harvey-Samuel is currently a Non-Executive Director of Surbana Jurong Private Limited and a Director of TJ Holdings III Pte. Ltd.. Mr Harvey-Samuel also serves as a member of the Board of Community Chest Committee, JTC Corporation, M1 Limited, National Parks Board, Capella Hotel Group Pte Ltd and Wing Tai Holdings Ltd, as well as a Council Member of National Arts Council.

Mr Harvey-Samuel started his career with the HSBC Group in 1978 and has since held various senior management roles within the HSBC Group in the United Kingdom, Australia, Malaysia, Hong Kong and Singapore. Mr Harvey-Samuel was the Chief Executive Officer of HSBC Singapore before his retirement in March 2017.

MR POK SOY YOONG
Independent Non-Executive Director

Mr Pok Soy Yoong is an Independent Non-Executive Director and a member of the Audit and Risk Committee of the Manager.

Mr Pok has over 30 years of working experience in the areas of Singapore direct tax and international tax. He is among the leading tax experts in Singapore on complex tax transactions and issues, and is particularly noted for his leading role in the creation of the taxation framework for real estate investment trusts. Prior to his retirement from professional practice on 31 December 2008, Mr Pok was the Head of Tax with a Big Four accounting firm as well as a member of its Management Committee. He served as the Chief Operating Officer (Tax) of the firm's Far East Tax Practices, covering 15 countries. Since retirement, Mr Pok served as the lead technical editor of the authoritative book on Singapore taxation, The Law and Practice of Singapore Income Tax (1st and 2nd editions), and the leader of this public-private sector collaborative project.

MS MARY YEO CHOR GEK
Independent Non-Executive Director

Ms Mary Yeo Chor Gek is an Independent Non-Executive Director and a member of the Nominating and Remuneration Committee of the Manager.

Ms Yeo is the Vice President, Freight Forwarding of UPS Asia Group, the world's largest package delivery company and a leading global provider of specialised transportation and logistics services. She joined UPS Asia Group in 1988 and has been with UPS Asia Group for more than 30 years. She has more than 30 years of experience in the transportation and logistics industry.

Ms Yeo is also a Board Member of the Civil Aviation Authority of Singapore and a member of its Audit Committee. She was formerly a Board Member of Infocomm Development Authority of Singapore (now IMDA) and the Central Provident Fund Board.

Ms Yeo was conferred the Public Service Medal (P.B.M) in 2014 for her contributions to IMDA. In 2018, she was appointed as Justice of the Peace by the President of the Republic of Singapore. She holds a Master of Business Administration degree from the Northumbria University.

MR ANDREW CHONG YANG HSUEH

Independent Non-Executive Director

Mr Andrew Chong Yang Hsueh is an Independent Non-Executive Director of the Manager.

Mr Chong has over thirty years of experience in the fields of strategy, management, marketing and engineering. Mr Chong currently serves on the Future Economy Manufacturing Sub-committee co-chaired by the Senior Minister of State for Trade and Industry. Mr Chong is a Board Member of the Ministry of Manpower's Workforce Singapore Agency (WSG), chairs the Board of the Singapore Semiconductor Industry Association (SSIA), serves on the Board of Governors of the Institute of Technical Education (ITE) and is active on the Board of social enterprises in Singapore. He has been an Advisor to the Board of Infineon Technologies Asia Pacific since August 2017 after he stepped down as President and Managing Director; a role he had since 2010.

Mr Chong received his Bachelor of Electronics Engineering in 1987 and his Master of Business Administration in 1993 from the University of Adelaide in South Australia. He was conferred a Medal of Commendation at the 2017 May Day Awards for promoting good industrial relations and initiating workers' training and skills upgrading programmes.

DR ANDREW LEE TONG KIN

Independent Non-Executive Director

Dr Andrew Lee Tong Kin is an Independent Non-Executive Director of the Manager.

Dr Lee is currently Associate Professor of Accounting Practice at Singapore Management University (SMU). Prior to joining SMU in 2003, Dr Lee held various senior analyst appointments in corporate banking, credit risk analysis, bond ratings, and structured credit products at DBS Bank, Standard & Poor's, UBS, and the former Banque Paribas. Dr Lee was also previously Senior Lecturer in Banking & Finance and Director of the Centre for Research in Financial Services at Nanyang Technological University (NTU) in Singapore. Between 2009 and 2011, he has served on the Accounting Standards Council of Singapore as well as the Pro-tem Singapore Accountancy Council's CFO Sub-Committee and Centre of Excellence Business Valuation Workgroup.

Dr Lee holds a PhD degree in accounting from New York University, and is a Fellow Chartered Accountant (FCA) and Chartered Valuer & Appraiser (CVA) of Singapore. He was conferred a Public Administrative Medal (Bronze) at the 2014 National Day Awards in recognition of his dedication and service to Singapore's tertiary education sector.

MR WILLIAM TOH THIAM SIEW

Independent Non-Executive Director

Mr William Toh Thiam Siew is an Independent Non-Executive Director of the Manager.

Mr Toh is also an Independent Investment Committee Member of Mapletree India China Fund Ltd., Mapletree China Opportunity Fund II Pte. Ltd. and Mapletree Global Student Accommodation Private Trust.

Mr Toh is a principal of DCG Capital, an independent investment manager specialising in Asian markets. He has more than 25 years of investment experience and served on the boards of Asia Life (M) Berhad, ST Asset Management Ltd. and Moris Rasik Foundation (incorporated in Timor Leste).

Mr Toh studied at the University of Tasmania, Australia on a Colombo Plan Scholarship and graduated with a First Class Honours degree in Mathematical Economics. He attended the CFA Investment Management Workshop jointly hosted by the CFA Institute and Harvard Business School.

BOARD OF DIRECTORS

MR SEAH CHOO MENG
Non-Executive Director

Mr Seah Choo Meng is a Non-Executive Director and a member of the Audit and Risk Committee of the Manager.

Mr Seah is currently a Senior Advisor, GCEO's Office of Surbana Jurong Private Limited and Chairman of Threesixty Cost Management Pte. Ltd. and Threesixty Contract Advisory Pte. Ltd..

Prior to this, Mr Seah was the Past Chairman of Langdon & Seah Singapore Pte. Ltd. (as it was then known). Langdon & Seah was an independent firm of construction cost consultants and project managers providing professional consultancy services to the developer, architectural and engineering sectors of the construction industry.

Mr Seah is a Board Director of the Ren Ci Hospital and Chairman of its Building Committee. He is a Member of the Construction Adjudicator Accreditation Committee, Singapore Mediation Centre. He is also a Principal Mediator, Senior Adjudicator and a Member of the Professional Conduct Panel of the Singapore Mediation Centre.

Mr Seah is a Fellow of the Royal Institution of Chartered Surveyors as well as a Fellow of the Singapore Institute of Surveyors and Valuers. He is also a Fellow of the Royal Institution of Surveyors Malaysia. He is also an Accredited Mediator, Neutral Evaluator and Adjudicator with the Singapore Mediation Centre. He was previously the Council Chairman of the Singapore Institute of Surveyors and Valuers and a past President of the Society of Project Managers.

MR HIEW YOON KHONG
Non-Executive Director

Mr Hiew Yoon Khong is a Non-Executive Director and a member of the Nominating and Remuneration Committee of the Manager.

Mr Hiew is currently the Executive Director and Group Chief Executive Officer of the Sponsor. He is also a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust), Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust) and Mapletree North Asia Commercial Trust Management Ltd. (the manager of Mapletree North Asia Commercial Trust).

Mr Hiew joined the Sponsor in 2003 as Group Chief Executive Officer. He has since led the Group from a Singapore-centric real estate company worth S$2.3 billion to a global company with total assets under management of more than S$55.7 billion.

From 2003 to 2011, Mr Hiew was concurrently Senior Managing Director (Special Projects) of Temasek Holdings. His past directorships include serving as a member on the Board of Trustees of the National University of Singapore and Board member of Sentosa Development Corporation.

Mr Hiew holds a Master of Arts degree in Economics from the University of Warwick, and a Bachelor of Arts degree in Economics from the University of Portsmouth.

MR WONG MUN HOONG
Non-Executive Director

Mr Wong Mun Hoong is a Non-Executive Director of the Manager.

Mr Wong is currently the Group Chief Financial Officer of the Sponsor. He oversees the Finance, Tax, Treasury and Private Funds Management functions of the Sponsor.

Mr Wong is also a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust) and Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust) and Singapore Cruise Centre Pte. Ltd.. In addition, he serves as the Chairman of SMU Real Estate Programme Advisory Board.

Prior to joining the Sponsor in 2006, Mr Wong had over 14 years of investment banking experience in Asia, of which the last 10 years were with Merrill Lynch & Co, having worked at its Singapore, Tokyo and Hong Kong offices.

Mr Wong graduated with a Bachelor of Accountancy (Honours) degree from the National University of Singapore in 1990 and holds the professional designation of Chartered Financial Analyst from the CFA Institute of the United States. He attended the Advanced Management Programme at INSEAD Business School.

MR THAM KUO WEI

Executive Director and Chief Executive Officer

Mr Tham Kuo Wei is both an Executive Director and the Chief Executive Officer of the Manager.

Prior to joining the Manager, he was the Deputy Chief Executive Officer (from August 2009) and Chief Investment Officer (from April 2008 to August 2009) of the Sponsor's Industrial Business Unit where he was responsible for structuring, setting up and managing real estate investment platforms in Singapore and the region.

Prior to this, Mr Tham was the Chief Investment Officer of CIMB-Mapletree Management Sdn. Bhd. in Malaysia from July 2005, and he was responsible for setting up and managing the private equity real estate fund. He was instrumental in securing investments from institutional investors in Malaysia and overseas. He was also responsible for sourcing and acquiring completed assets as well as managing development projects across the office, retail, industrial and residential sectors.

Before Mr Tham's secondment to CIMB-Mapletree Management Sdn. Bhd., he was the Senior Vice President of Asset Management in the Sponsor and was responsible for the Sponsor's portfolio of Singapore commercial, industrial and residential assets. He joined the Sponsor in June 2002 as Project Director for its new Business and Financial Centre project at the New Downtown in Singapore. Prior to joining the Sponsor, Mr Tham held various positions in engineering and logistics management in PSA Corporation from 1993 to 2002.

Mr Tham holds a Bachelor of Engineering (Honours) degree from the National University of Singapore.

MANAGEMENT TEAM

MR THAM KUO WEI
Executive Director
and Chief Executive Officer

Mr Tham Kuo Wei is the Executive Director and the Chief Executive Officer of the Manager. Please refer to his profile under the Board of Directors section of this Annual Report (see page 25).

MS LER LILY
Chief Financial Officer

Ms Ler Lily is the Chief Financial Officer of the Manager. Ms Ler is responsible for financial reporting, budgeting, treasury and taxation matters.

Prior to joining the Manager, Ms Ler was the Head of Treasury and Investor Relations at Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust) where she led the treasury team in treasury risk management, debt and capital management and oversaw the investor relations function since September 2009. She has served in different roles within the Sponsor since she joined in September 2001. Her last held position with the Sponsor was Vice President (Treasury).

Prior to joining the Sponsor, Ms Ler worked in Asia Food & Properties Limited for about four years and also spent three years as an external auditor with Deloitte & Touche LLP in Singapore.

Ms Ler holds a Bachelor of Accountancy (Honours) degree from the Nanyang Technological University, Singapore. She is a CFA charterholder and also a Chartered Accountant of Singapore.

MR PETER TAN CHE HENG

Head of Investment

Mr Peter Tan Che Heng is the Head of Investment of the Manager. Mr Tan is responsible for formulating and executing investment strategies to enhance MIT's portfolio returns.

Mr Tan has more than 18 years of experience in real estate investment, development management, asset management and business development.

Prior to joining the Manager, Mr Tan was Head of Investment, Industrial of the Sponsor where he was responsible for the acquisition and development of the Sponsor's industrial assets in Singapore and the region. He was a key member of the investment team for the pan-Asia Mapletree Industrial Fund, which closed its investment period in 2009 with investments in Singapore, Malaysia, Japan and China.

Before joining the Sponsor in 2006, Mr Tan held various positions at Ascendas Services Pte Ltd and Boustead Projects Pte Ltd, where he was responsible for business development, development management and asset management of industrial facilities in Singapore and the region for approximately six years.

Mr Tan holds a Bachelor of Science (Building) (Honours) degree from the National University of Singapore.

MS SERENE TAM MEI FONG

Head of Asset Management

Ms Serene Tam Mei Fong is the Head of Asset Management of the Manager. Ms Tam is responsible for formulating and executing strategies to maximise income from the assets.

Ms Tam has been with the Manager since MIT was listed in 2010. Her last appointment was Vice President of the Asset Management team, where she was responsible for the operational performance of properties under her charge. Before joining the Manager, Ms Tam was a Senior Asset Manager of the Sponsor, where she was responsible for managing the industrial properties in the MIT Private Trust portfolio. She was part of the team responsible for the acquisition of MIT Private Trust portfolio of 64 properties from JTC Corporation in 2008.

Prior to joining the Sponsor in 2007, Ms Tam had worked at Jones Lang LaSalle Property Consultants Pte Ltd and JTC Corporation in the areas of marketing, development and portfolio management of offices and logistics facilities in Singapore and the region for about seven years.

Ms Tam holds a Bachelor of Business (Financial Analysis) (Honours) degree from the Nanyang Technological University, Singapore.

CORPORATE SERVICES AND PROPERTY MANAGEMENT TEAMS

MR WAN KWONG WENG
Joint Company Secretary

Mr Wan Kwong Weng is the Joint Company Secretary of the Manager as well as the other three Mapletree REIT managers, and concurrently Group Chief Corporate Officer of the Sponsor, where he is responsible for all legal, compliance and corporate secretarial matters, as well as corporate communications, human resource and administration across all business units and countries.

Prior to joining the Sponsor, Mr Wan was Group General Counsel – Asia at Infineon Technologies for seven years where he was a key member of its Asia-Pacific management team. He started his career as a litigation lawyer with one of the oldest law firms in Singapore, Wee Swee Teow & Co, and was subsequently with the Corporate & Commercial/ Private Equity practice group of Baker & McKenzie in Singapore and Sydney.

Mr Wan has an LL.B. (Honours) (Newcastle upon Tyne), where he was conferred the Wise Speke Prize, as well as an LL.M. (Merit) (London). He also attended the London Business School Senior Executive Programme. Mr Wan is called to the Singapore Bar, where he was conferred the Justice FA Chua Memorial Prize, and is also on the Rolls of Solicitors (England & Wales). He was also conferred the Public Service Medal (P.B.M.) in 2012 and Public Service Star (B.B.M.) in 2017 for his contributions to Central Singapore CDC.

MS SEE HUI HUI
Joint Company Secretary

Ms See Hui Hui is the Joint Company Secretary of the Manager as well as Director, Legal of the Sponsor.

Prior to joining the Sponsor in 2010, Ms See was in the Corporate/Mergers & Acquisitions practice group of WongPartnership LLP, one of the leading law firms in Singapore. She started her career as a litigation lawyer with Tan Kok Quan Partnership.

Ms See holds an LL.B (Honours) from the National University of Singapore, and is admitted to the Singapore Bar.

MR TAN WEE SENG
Head of Group Development Management

Mr Tan Wee Seng is the Head of Group Development Management of the Sponsor. Mr Tan oversees the execution of all development projects, including asset enhancement initiatives undertaken within the Sponsor across all business units and countries.

Prior to joining the Sponsor in 2012, Mr Tan spent 18 years with Lendlease Group in various senior positions. Mr Tan had over 25 years of design, project/construction management experience in the industrial, logistics, pharmaceutical, telecommunications, institutional, retail and commercial sectors across different geographies.

Mr Tan holds a Bachelor of Science (Building) degree from the National University of Singapore.

MS CHNG SIOK KHIM
Head of Marketing

Ms Chng Siok Khim is the Head of Marketing of the Property Manager. Ms Chng is responsible for developing and executing marketing strategies as well as overseeing the lease management for MIT's properties in Singapore. She contributes to the product repositioning of the asset enhancement initiatives for MIT's properties in Singapore.

Ms Chng has over 25 years of marketing experience in the industrial, office, retail and logistics sectors. Prior to her current appointment, Ms Chng was overseeing the marketing of the Sponsor's office, retail and logistics properties. She was primarily responsible for the successful pre-leasing of Bank of America Merrill Lynch HarbourFront in 2007.

Before joining the Sponsor in 2004, Ms Chng was the Associate Director, Business Space with DTZ Debenham Tie Leung for nine years. She was responsible for managing all aspects of the department's marketing functions, which included leasing and sales activities, accounts servicing and sole agency project marketing.

Ms Chng holds a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore.

MR PAUL TAN TZYY WOON
Head of Property Management

Mr Paul Tan Tzyy Woon is the Head of Property Management of the Property Manager. Mr Tan oversees the property management functions for MIT's properties in Singapore, ensuring that all the properties are safe, reliable and conducive for tenants to work in.

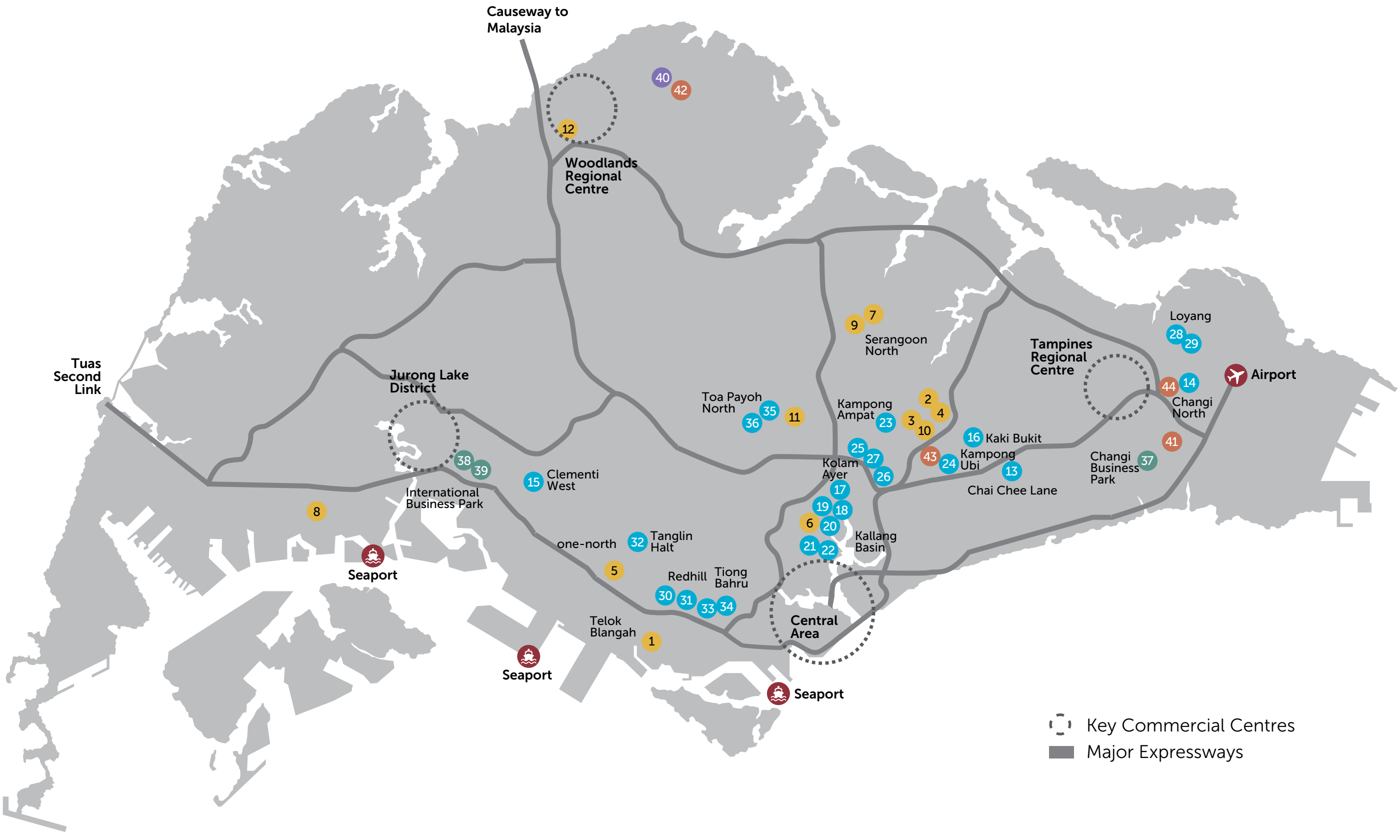
Prior to his current appointment, Mr Tan was a Senior Asset Manager of the Manager, where he was responsible for optimising the performance of MIT's properties under his charge. Before joining the Manager, Mr Tan was the Senior Manager (Corporate Marketing / Development Management) of the Sponsor where he was responsible for the marketing of an overseas project and asset management of the Singapore properties under the pan-Asia Mapletree Industrial Fund.

Prior to joining the Sponsor in 2008, Mr Tan had worked at JTC Corporation and Urban Redevelopment Authority where he was involved in the planning, marketing, sale and development of lands in Singapore.

Mr Tan holds a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore. He passed Level III of the Chartered Financial Analyst Programme in 2009.

STRATEGIC LOCATIONS ACROSS SINGAPORE AND THE UNITED STATES

87 industrial properties
in Singapore across 44 clusters



PROPERTY CLUSTERS[1]

Hi-Tech Buildings

1 1 & 1A Depot Close
2 7 Tai Seng Drive
3 18 Tai Seng
4 19 Tai Seng Drive
5 26A Ayer Rajah Crescent
6 30A Kallang Place
7 K&S Corporate Headquarters
8 Mapletree Sunview 1
9 Serangoon North
10 STT Tai Seng 1
11 Toa Payoh North 1
12 Woodlands Central

Flatted Factories

13 Chai Chee Lane
14 Changi North
15 Clementi West
16 Kaki Bukit
17 Kallang Basin 1
18 Kallang Basin 2
19 Kallang Basin 3
20 Kallang Basin 4
21 Kallang Basin 5
22 Kallang Basin 6
23 Kampong Ampat
24 Kampong Ubi
25 Kolam Ayer 1
26 Kolam Ayer 2
27 Kolam Ayer 5
28 Loyang 1
29 Loyang 2
30 Redhill 1
31 Redhill 2
32 Tanglin Halt
33 Tiong Bahru 1
34 Tiong Bahru 2
35 Toa Payoh North 2
36 Toa Payoh North 3

Business Park Buildings

37 The Signature
38 The Strategy
39 The Synergy

Stack-up/Ramp-up Buildings

40 Woodlands Spectrum 1 & 2

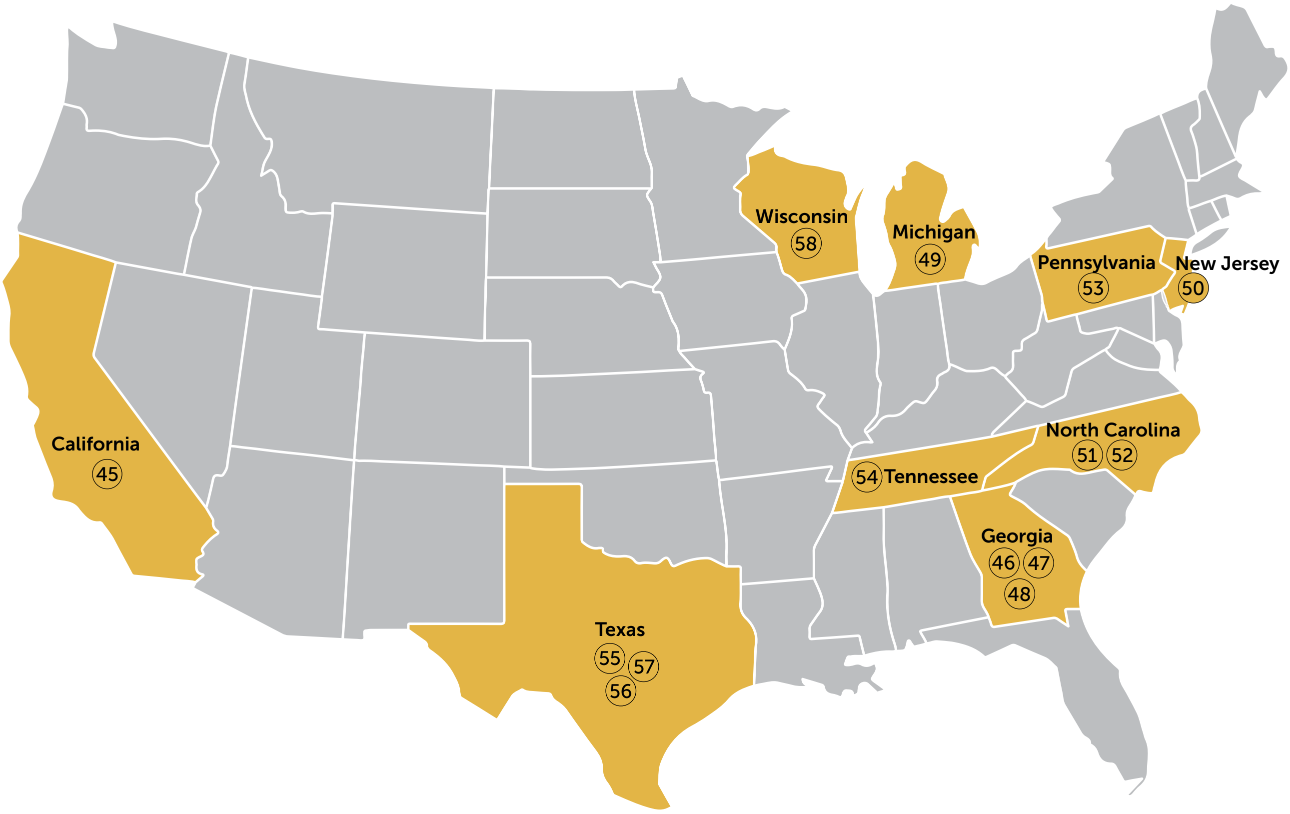
Light Industrial Buildings

41 19 Changi South Street 1
42 26 Woodlands Loop
43 45 Ubi Road 1
44 2A Changi North Street 2

1 A property "cluster" consists of one or more individual buildings situated on the same land lot or adjoining land lots.

14 data centres

in the United States[2]



Hi-Tech Buildings[2]

California
45 7337 Trade Street, San Diego

Georgia
46 180 Peachtree, Atlanta
47 1001 Windward Concourse, Alpharetta
48 2775 Northwoods Parkway, Atlanta

Michigan
49 19675 W Ten Mile Road, Southfield

New Jersey
50 2 Christie Heights, Leonia

North Carolina
51 1805 Center Park Drive, Charlotte
52 5150 McCrimmon Parkway, Morrisville

Pennsylvania
53 2000 Kubach Road, Philadelphia

Tennessee
54 402 Franklin Road, Brentwood

Texas
55 1221 Coit Road, Plano
56 3300 Essex Drive, Richardson
57 5000 Bowen, Arlington

Wisconsin
58 N15W24250 Riverwood Drive, Pewaukee

2 Relates to MIT's 40% interest of the joint venture with the Sponsor in a portfolio of 14 data centres in the United States.

FOCUS ON RESHAPING AND BUILDING A PORTFOLIO OF ASSETS FOR HIGHER VALUE USES THROUGH

3 Asset Enhancement Initiatives
4 Build-to-Suit Projects
5 Acquisitions

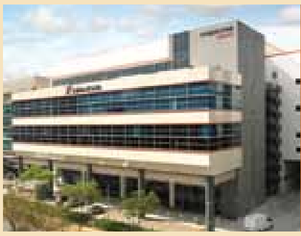
ACQUISITION

JUL 2011
11 Flatted Factories
S$400 million[3]

FY10/11 — S$2.2 billion[2]
FY11/12 — S$2.7 billion
FY12/13 — S$2.9 billion
FY13/14 — S$3.2 billion
FY14/15 — S$3.4 billion

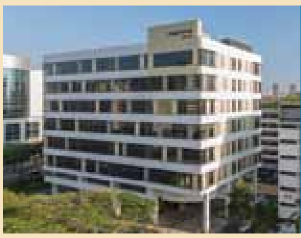
AEI

JUL 2013
Woodlands Central
S$30 million



BTS PROJECT

OCT 2013
K&S Corporate Headquarters
S$50 million



AEI

JAN 2014
Toa Payoh North 1
S$40 million

ACQUISITION

MAY 2014
2A Changi North Street 2
S$14 million

BTS DATA CENTRE

JAN 2015
26A Ayer Rajah Crescent
S$108 million

1 Includes MIT's 40% interest of the joint venture with the Sponsor in a portfolio of 14 data centres in the United States.
2 Refers to assets under management as at 31 March at end of each financial year.
3 All values of investment projects are per the announcements.
4 Acquired through a joint venture with the Sponsor.
5 This includes the purchase consideration of 7 Tai Seng Drive at S$68.0 million.

GROWTH OF ASSETS UNDER MANAGEMENT AT CAGR OF

10.2%

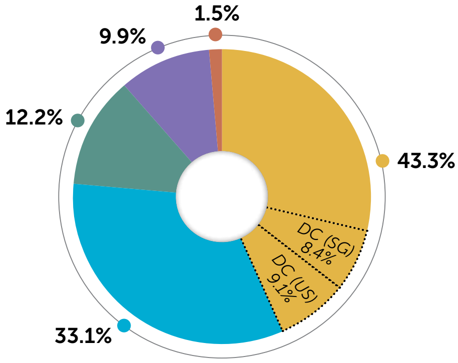
43.3%

HI-TECH BUILDINGS AS THE LARGEST PROPERTY SEGMENT

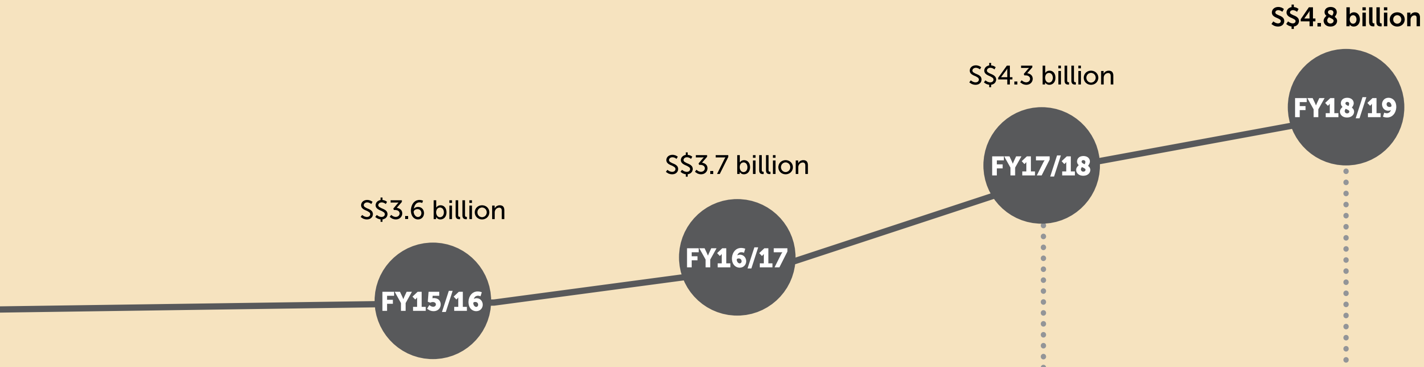
ASSETS UNDER MANAGEMENT[1]

S$4.8 BILLION

As at 31 March 2019



- Hi-Tech Buildings
  - *DC (SG): Data Centres (Singapore)*
  - *DC (US): Data Centres (United States)*
- Flatted Factories
- Business Park Buildings
- Stack-up/Ramp-up Buildings
- Light Industrial Buildings

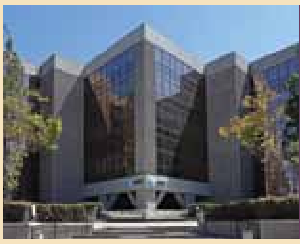


BTS PROJECT

JUN 2017
1 & 1A
Depot Close
S$226 million

ACQUISITION

JUN 2018
7 Tai Seng Drive
(upgrading to a data centre)
S$95 million[5]



ACQUISITION

DEC 2017
14 data centres in United States
US$750 million[4]

BTS DATA CENTRE

JUL 2018
Mapletree Sunview 1
S$76 million

AEI

FEB 2018
30A Kallang Place
S$77 million

ACQUISITION

FEB 2019
18 Tai Seng
S$268.3 million

OPERATIONS REVIEW

Centrally located in the Paya Lebar iPark, 18 Tai Seng is the sole property which is directly connected to Tai Seng MRT station by an underground pedestrian link.

DELIVERING ON THE STRATEGY

FY18/19 marked another year of significant progress in delivering on the strategy of growing the Hi-Tech Buildings segment. The Manager acquired a seven-storey industrial property located at 7 Tai Seng Drive from Mapletree Logistics Trust at a purchase consideration of S$68.0 million in June 2018, which will be upgraded to a data centre for Equinix Singapore. The purchase consideration of 7 Tai Seng Drive was not more than the higher of the two independent valuations conducted by Cushman & Wakefield VHS Pte Ltd ("Cushman") and Savills Valuation and Professional Services (S) Pte Ltd ("Savills") in April 2018 at $68.0 million and S$70.0 million respectively[6]. Upon the completion of the upgrading works in the second half of 2019, the property will be fully leased to Equinix Singapore for an initial term of 25 years with annual rental escalations. The total cost of the acquisition and upgrading works is expected to be S$95 million[5].

The Manager completed its third BTS data centre development, Mapletree Sunview 1 in July 2018. With GFA of about 242,000 sq ft, the six-storey purpose-built data centre is fully leased to an established data centre operator for an initial lease term of more than 10 years with staggered rental escalations.

In January 2019, the Manager successfully obtained Unitholders' approval at the extraordinary general meeting to acquire 18 Tai Seng from Mapletree Tai Seng Pte. Ltd., an indirect wholly-owned subsidiary of the Sponsor, through the acquisition of all the units of Marina Trust[7], which holds 18 Tai Seng. The agreed property value of S$268.3 million was in line with Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers") (appointed by the Trustee) and represented a discount of about 0.6% discount to Savills' valuation of S$270.0 million (appointed by the Manager)[8].

Centrally located in the Paya Lebar iPark, 18 Tai Seng is the sole property which is directly connected to Tai Seng MRT station by an underground pedestrian link. The nine-storey high-specification mixed-use industrial development comprises Business 2 industrial, office and retail spaces with a total GFA of about 443,810 sq ft. With an expected net property income yield of 6.8%, the acquisition has enlarged the portfolio's tenant base to include multinational companies in the high value-added automotive, medical, information and communications technology sectors.

These expansions in the Hi-Tech Buildings segment underscore the Manager's strategy in reshaping and building a portfolio of assets for higher value uses, which will cater to the changing needs of industrialists and attract users from new growth segments. As at 31 March 2019, the Hi-Tech Buildings segment represented the largest property segment at 43.3% of the portfolio by valuation, up from 14.8% six years ago when the segment was first introduced.

Third BTS data centre development, Mapletree Sunview 1

PORTFOLIO OVERVIEW

PROPERTY PORTFOLIO STATISTICS

	As at 31 March 2019	As at 31 March 2018
Number of properties	**101 Properties** 87 in Singapore 14 in United States	**99 Properties** 85 in Singapore 14 in United States
Net lettable area ("NLA") (million sq ft)	18.6[9]	18.0[9]
Portfolio valuation (S$ million)	4,771.0[1]	4,321.4[1]
Average portfolio occupancy for the financial year (%)	88.4[1]	89.6[1]

MIT's property portfolio comprises 87 properties in Singapore and 14 data centres in the United States. The broad spectrum of industrial properties in Singapore are strategically located in established industrial estates and business parks, which are well-served by public transportation networks. As at 31 March 2019, MIT's assets under management was S$4,771.0 million, with properties in Singapore and United States accounting for 90.9% and 9.1% of the portfolio respectively.

6 Two independent valuations were obtained from Cushman (appointed by the Trustee) and Savills (appointed by the Manager). Cushman had used the Income Capitalisation and Discounted Cash Flow methods. Savills had used the Income Capitalisation, Discounted Cash Flow and Residual Land Value methods and used the Comparison method as a check.
7 Marina Trust has been renamed "MIT Tai Seng Trust" upon the completion of the acquisition on 1 February 2019.
8 Both independent valuers relied on the Income Capitalisation method and Discounted Cash Flow analysis and used the Comparison method as a check.
9 Excludes the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree, Atlanta.

OPERATIONS REVIEW

WELL-STAGGERED LEASE EXPIRY PROFILE

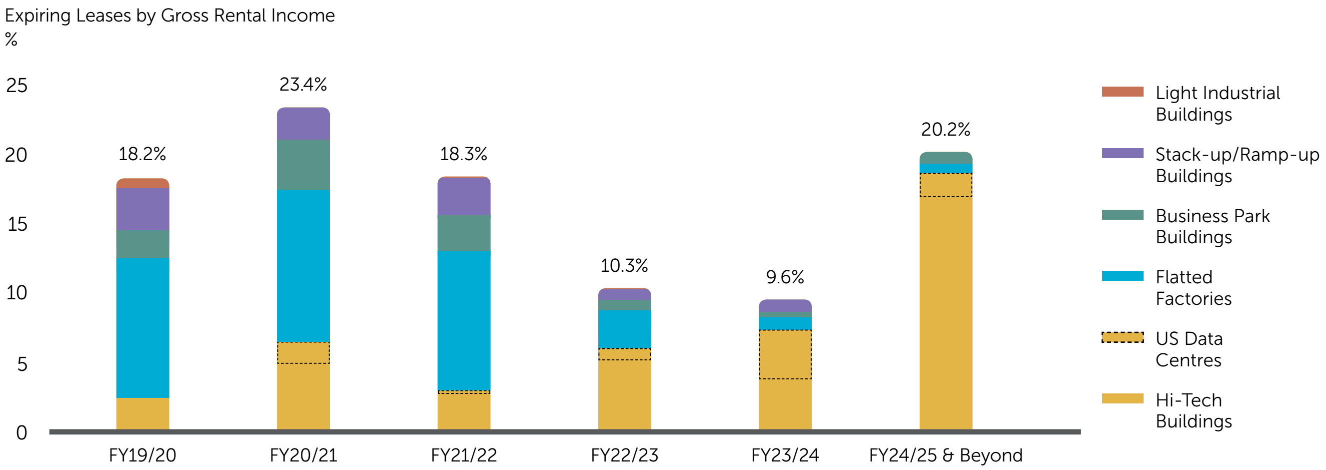
The Manager continues to engage tenants for renewal negotiations at least six months ahead of the lease expirations. As at 31 March 2019, the portfolio's weighted average lease to expiry ("WALE") on a committed basis (by gross rental income) was 3.6 years, with approximately 18.2% of the leases expiring in FY19/20. The portfolio's lease expiry profile is well-staggered with no more than 25% of the leases expiring in any financial year.

WALE ON A COMMITTED BASIS (BY GROSS RENTAL INCOME)

WALE (in Years)	As at 31 March 2019	As at 31 March 2018
Singapore Portfolio	**3.5**	3.6
US Portfolio	**5.0**	6.0
Overall[1]	**3.6**	3.8

LEASE EXPIRY PROFILE (BY GROSS RENTAL INCOME)[1]

As at 31 March 2019



As at 31 March 2019, the WALE for new and renewal leases that commenced in FY18/19 was 3.2 years. This accounted for 21.1% of the portfolio's gross rental income.

Based on the date of commencement of leases, the portfolio's WALE was 3.5 years as at 31 March 2019. The WALE (based on the date of commencement of leases) for the Singapore Portfolio and the US Portfolio stood at 3.3 years and 5.0 years respectively as at 31 March 2019.

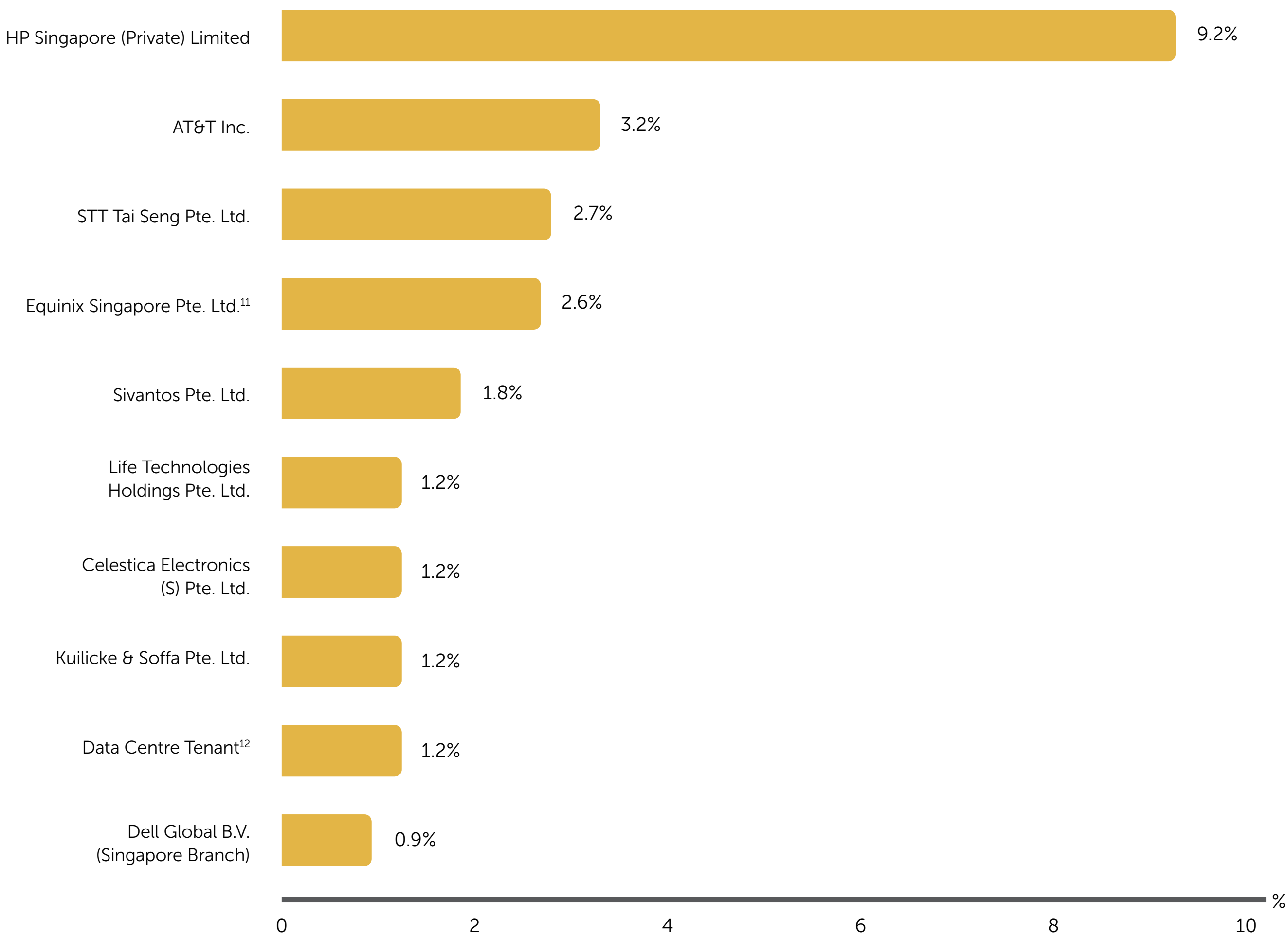
LARGE AND WELL-DIVERSIFIED TENANT BASE

MIT has a large and well-diversified tenant base that underpins the stability of its portfolio. As at 31 March 2019, there were 2,223[10] tenants with 3,029 leases in MIT's portfolio.

As at 31 March 2019, the top 10 tenants contributed 25.2% of the portfolio's monthly gross rental income. Sivantos Pte. Ltd. was the latest entrant to the list of top 10 tenants upon the completion of the acquisition of 18 Tai Seng on 1 February 2019. Another new entrant was the data centre tenant following the completion of BTS data centre development at Mapletree Sunview 1.

TOP 10 TENANTS (BY GROSS RENTAL INCOME)[1]

As at 31 March 2019



No single tenant and trade sector accounted for more than 10% and 21% of the portfolio's monthly gross rental income respectively. The tenant diversification across trade sectors and low dependence on any particular tenant enabled MIT to mitigate its concentration risk and enhance its portfolio resilience.

10 The total number of tenants in the portfolio is lower than the aggregate number of tenants in all five property segments as there are some tenants who have leases in more than one property segment or geographical location.

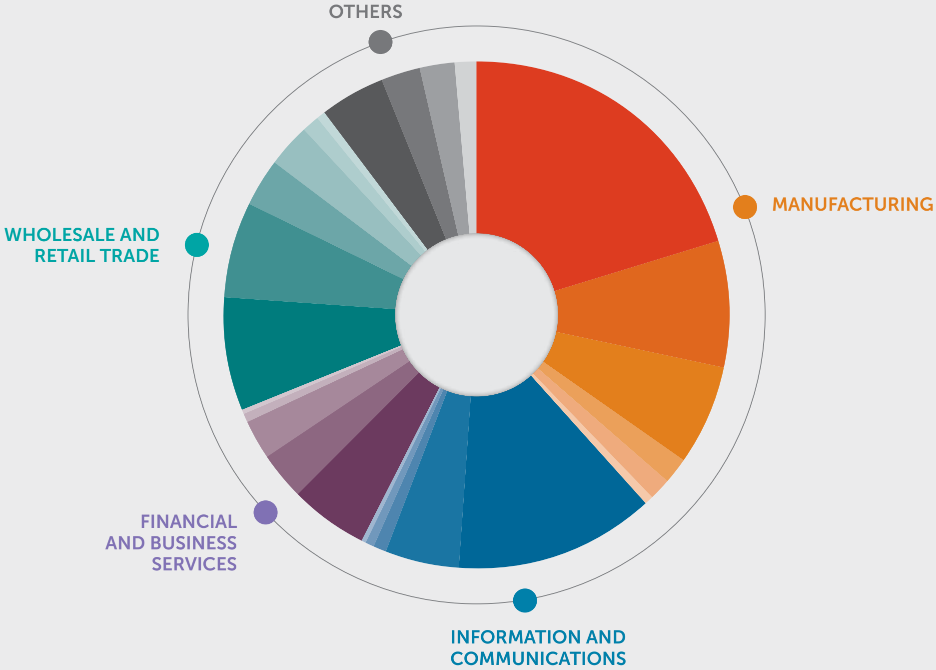
11 Included the contribution from Equinix Inc. at 180 Peachtree, Atlanta.

12 The identity of the tenant cannot be disclosed due to the strict confidentiality obligations under the lease agreement.

OPERATIONS REVIEW

TENANT DIVERSIFICATION ACROSS TRADE SECTORS (BY GROSS RENTAL INCOME)[1]

As at 31 March 2019



MANUFACTURING	40.45%
Precision Engineering, Machinery and Transportation Products	20.51%
Printing, Recorded Media, Apparels and Other Essential Products	9.83%
Computer, Electronic and Optical Products	6.25%
Coke, Refined Petroleum Products and Chemicals	1.79%
Food, Beverage and Tobacco Products	1.44%
Pharmaceuticals and Biological Products	0.63%

INFORMATION AND COMMUNICATIONS	18.98%
Telecommunications	12.70%
Computer Programming and Consultancy	4.76%
Publishing	0.81%
Other Infomedia	0.61%
Radio and TV Broadcasting	0.10%

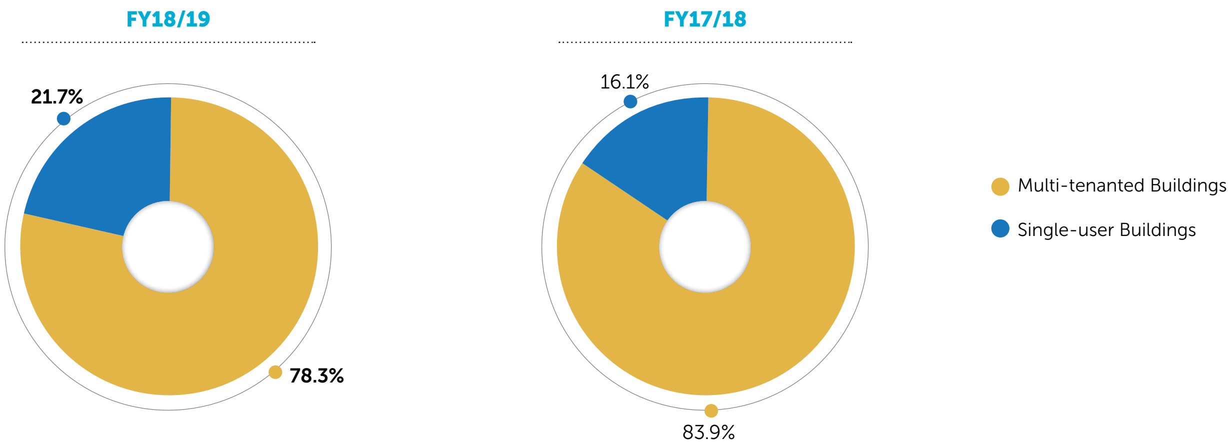
FINANCIAL AND BUSINESS SERVICES	11.35%
Professional, Scientific and Technical Activities	5.08%
Financial Services	3.04%
Admin and Support Services	2.36%
Real Estate	0.75%
Public Administration and Defence	0.12%

WHOLESALE AND RETAIL TRADE	19.01%
General Wholesale Trade and Services	7.20%
Wholesale of Machinery, Equipment and Supplies	4.28%
Wholesale Trade	3.05%
Retail Trade	3.01%
Specialised Wholesale	0.93%
Wholesale of Food and Beverage	0.54%

OTHERS	10.21%
Education, Health and Social Services, Arts, Entertainment and Recreation	4.28%
Accommodation and Food Services	2.39%
Construction and Utilities	2.19%
Transportation and Storage	1.35%

About 21.7% of the portfolio (by gross revenue) constitutes as single-user buildings. The leases in single-user buildings are generally longer with built-in rental escalations, which offer portfolio stability. The remaining 78.3% of the portfolio comprises multi-tenanted buildings, which provide organic rental revenue growth potential due to the shorter lease durations.

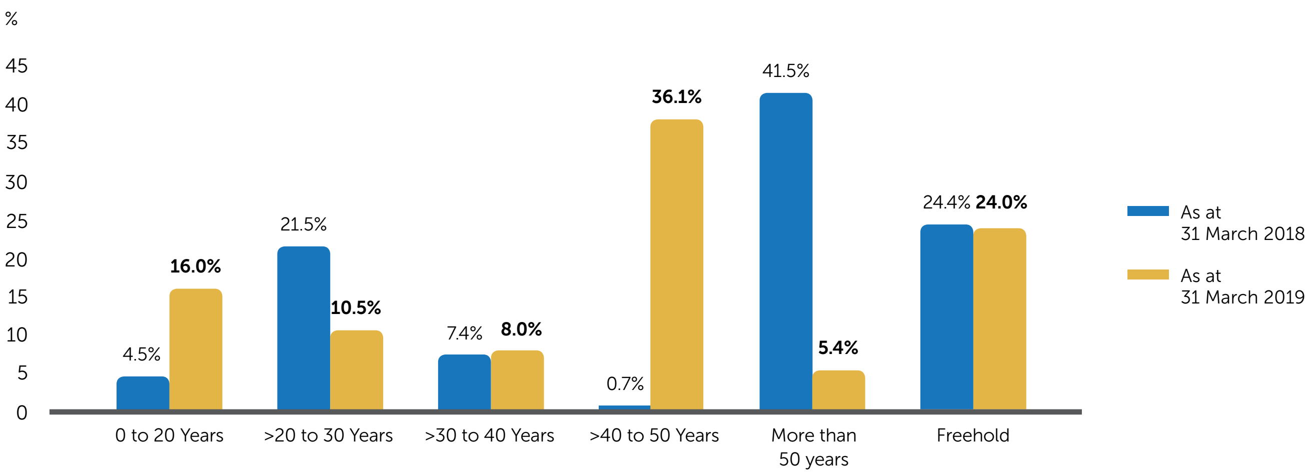
SPLIT BETWEEN MULTI-TENANTED BUILDINGS AND SINGLE-USER BUILDINGS (BY GROSS REVENUE)[1]



STABILITY FROM EXTENDED LEASES

The weighted average unexpired lease term for underlying leasehold land for the properties was 37.2 years as at 31 March 2019. All data centres in the United States are sited on freehold land[13], which accounted for 24.0% of the portfolio (by land area).

REMAINING YEARS TO EXPIRY ON UNDERLYING LAND LEASES[1] [14] (BY LAND AREA)



PORTFOLIO OCCUPANCY AND RENTAL RATES

The large supply of industrial space and the uneven recovery in the manufacturing sector continued to affect the performance of the Singapore Portfolio. The Singapore Portfolio occupancy rate decreased to 87.9% in FY18/19 from 89.1% in FY17/18. This was due to lower occupancies registered across most property segments, except the Hi-Tech Buildings and Light Industrial Buildings segments. The positive leasing momentum and completion of investment projects improved the occupancy rate of the Hi-Tech Buildings segment. The US Portfolio occupancy rate remained unchanged at 97.4% in FY18/19. Consequently, MIT's average portfolio occupancy rate fell to 88.4% in FY18/19 from 89.6% in the preceding year.

13 Except for the parking deck (150 Carnegie Way) at 180 Peachtree, Atlanta. As at 31 March 2019, the parking deck has a remaining land lease tenure of approximately 36.7 years, with an option to renew for an additional 40 years.
14 Exclude the options to renew.

OPERATIONS REVIEW

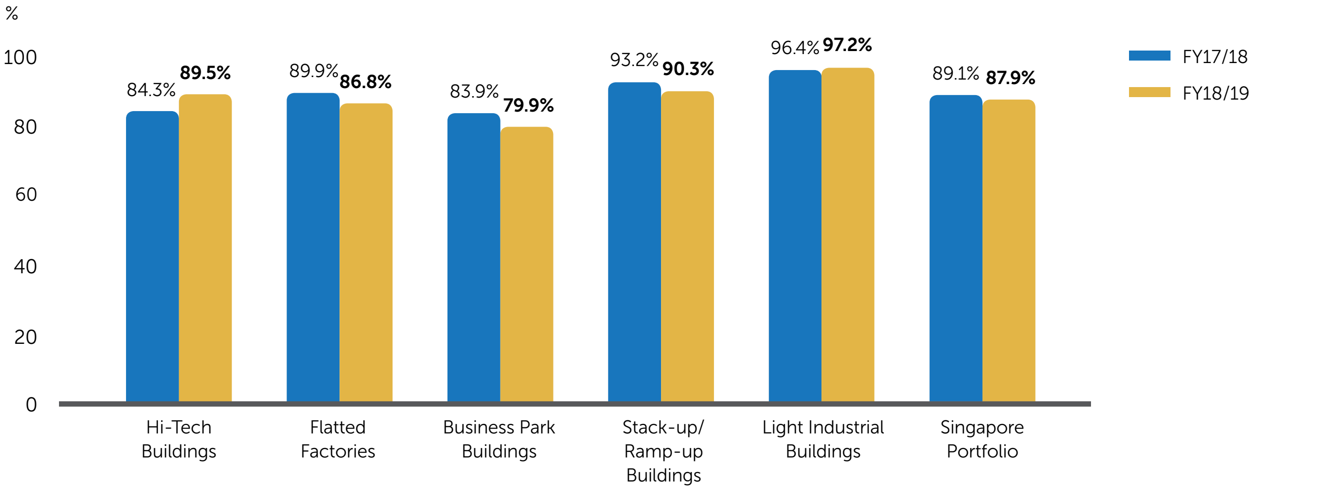
AVERAGE PORTFOLIO OCCUPANCY AND RENTAL RATES

	Average Portfolio Occupancy (%)			Average Passing Rental Rate ($ psf/mth)	
	Singapore Portfolio	US Portfolio	Overall[1]	Singapore Portfolio	US Portfolio
FY18/19	**87.9**	**97.4**	**88.4**	**S$2.04**	**US$2.03**
FY17/18	89.1	97.4	89.6	S$1.96	US$2.01

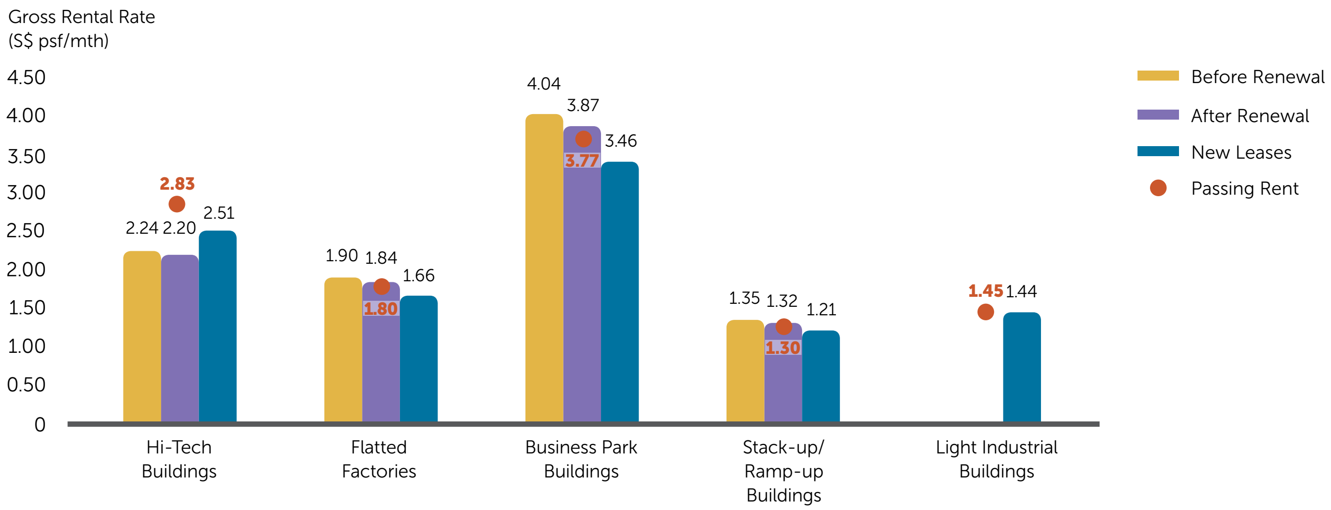
The average passing rental rate for Singapore Portfolio increased 4.1% to S$2.04 per square foot per month ("psf/mth") in FY18/19 from S$1.96 psf/mth in the preceding year. This was attributed to higher rental rates for new leases secured at the completed AEI, 30A Kallang Place as well as high average rental rate of 18 Tai Seng, which was acquired on 1 February 2019.

The average passing rental rate for the US Portfolio also increased to US$2.03 psf/mth in FY18/19 from US$2.01 psf/mth in the preceding year.

SEGMENTAL OCCUPANCY RATES (SINGAPORE)



RENTAL REVISIONS[15] FOR FY18/19 (SINGAPORE)

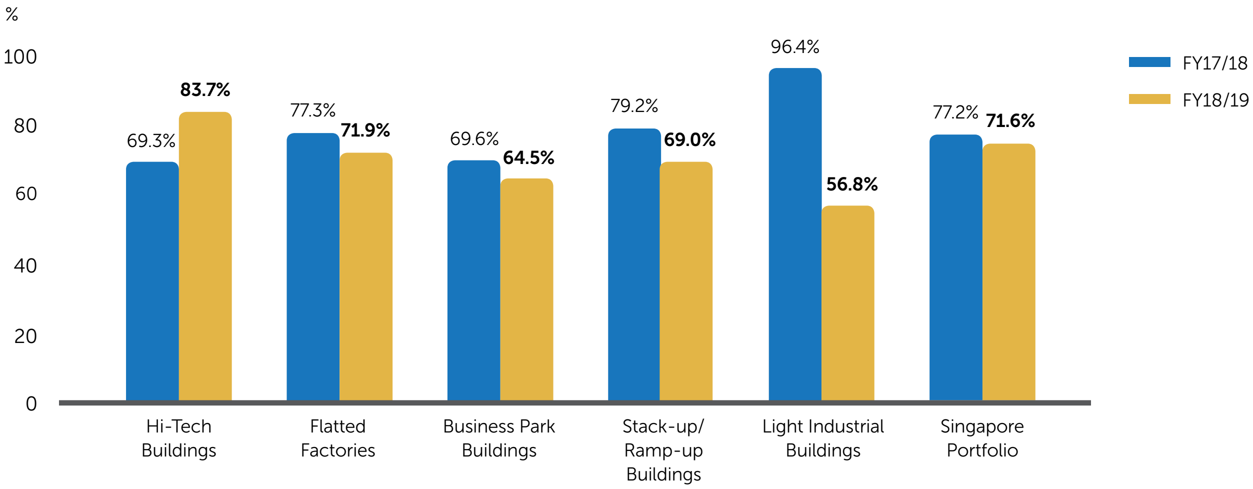


15 Gross Rental Rates figures exclude short-term leases of less than three years; except Passing Rent figures which include all leases.

FOCUS ON TENANT RETENTION

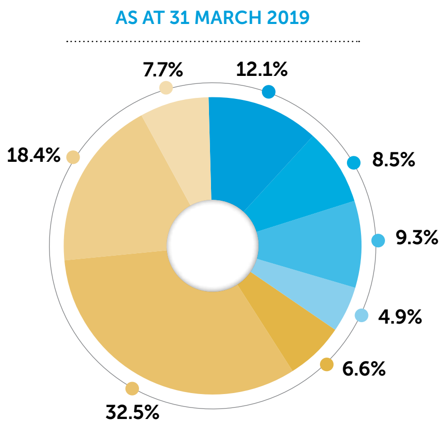
The Manager continues to focus on tenant retention to maintain a stable portfolio occupancy in order to address the leasing challenges from an impending large supply of industrial space. The retention rate for the Singapore Portfolio stood at a healthy level of 71.6% as a result of the recalibration of rental rates in response to market conditions and the active engagement with the tenants ahead of their lease expirations.

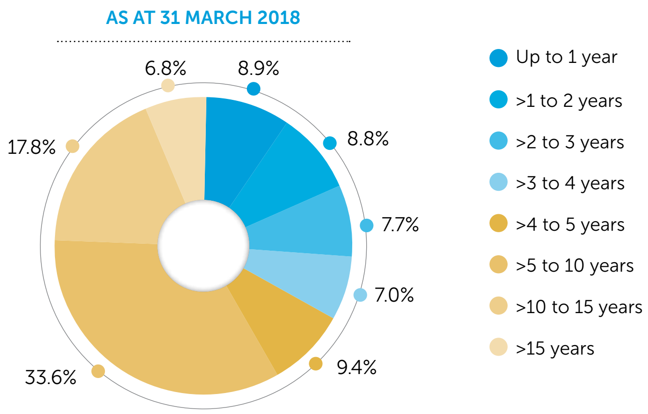
RETENTION RATE[16] (SINGAPORE)



MIT's tenants continued to demonstrate a high degree of stickiness to the portfolio. As at 31 March 2019, 26.1% of the tenants have remained in the portfolio for more than 10 years and 65.2% have been leasing space in the portfolio for more than four years.

LONG STAYING TENANTS (SINGAPORE)





TENANT CREDIT RISK MANAGEMENT

To minimise tenant credit risk, the Manager's Credit Control Committee, which comprises representatives from Asset Management, Property Management, Finance, Legal, Marketing and Lease Management Departments, meets fortnightly to review payment trends of tenants. This enables the Manager to adopt a disciplined approach in anticipating and initiating necessary actions to address potential arrears cases. The total arrears outstanding as at 31 March 2019 remained low at approximately 0.3% of gross revenue for FY18/19.

16 Based on NLA.

PROPERTY PORTFOLIO
OVERVIEW

HI-TECH BUILDINGS – SINGAPORE

Hi-Tech Buildings are high-specification industrial buildings with higher office content for tenants in technology and knowledge-intensive sectors. They are usually fitted with air-conditioned lift lobbies and common areas. Most of MIT's Hi-Tech Buildings are occupied by anchor tenants who are involved in light industrial activities such as precision engineering and data centre operations. The tenants include multinational corporations and Singapore-listed companies who are committed to long-term leases with built-in rental escalations.

Hi-Tech Buildings, 1 & 1A Depot Close

KEY STATISTICS
(As at 31 March 2019)

NUMBER OF PROPERTIES
17
(Grouped into 12 clusters)

GROSS FLOOR AREA
5,139,346
Sq ft

NET LETTABLE AREA
4,280,820
Sq ft

NUMBER OF TENANTS
250

GROSS REVENUE
(for FY18/19)
S$123.0
Million

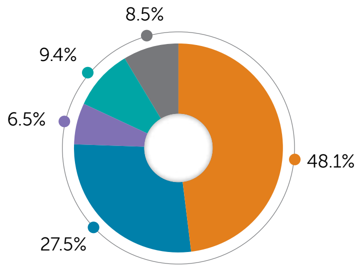
OCCUPANCY
(for FY18/19)
89.5
%

VALUATION
S$1,628.8
Million

% OF PORTFOLIO
(By Valuation)
34.2
%

TENANT BUSINESS SECTOR

By Gross Rental Income



- Manufacturing
- Information and Communications
- Financial and Business Services
- Wholesale and Retail Trade
- Other Trade Sectors

TOP FIVE TENANTS IN HI-TECH BUILDINGS – SINGAPORE

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2019)
1	HP Singapore (Private) Limited	1 & 1A Depot Close	Precision Engineering, Electrical, Machinery and Transportation Products	9.2%
2	STT Tai Seng Pte. Ltd.	STT Tai Seng 1	Telecommunciations	2.7%
3	Equinix Singapore Pte. Ltd.	26A Ayer Rajah Crescent	Telecommunciations	2.2%
4	Sivantos Pte. Ltd.	18 Tai Seng	Printing, Recorded Media, Apparels and Essential Products	1.8%
5	Life Technologies Holdings Pte. Ltd.	Woodlands Central	Education, Health and Social Services, Arts, Entertainment and Recreation	1.2%

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease[1,2]	Remaining Term of Lease[1,2]	Location	GFA (sq ft)	NLA (sq ft)	Purchase Price S$'000	Valuation as at 31/03/2018 S$'000	Valuation as at 31/03/2019 S$'000	Gross Revenue for FY18/19 S$'000	Average Occupancy Rate for FY18/19 %
1 & 1A Depot Close	01/07/2008	60 years	49 years	1 & 1A Depot Close Singapore	824,576	725,007	44,000[3]	384,000	394,000	38,204	100.0
7 Tai Seng Drive[4]	27/06/2018	30+30 years	34 years	7 Tai Seng Drive Singapore	256,657	256,657	68,000[3]	–	82,100	260	14.8
18 Tai Seng	01/02/2019	30 years	25 years	18 Tai Seng Street Singapore	443,815	384,212	268,300[3]	–	268,300	3,483	91.5
19 Tai Seng Drive	21/10/2010	30+30 years	32 years	19 Tai Seng Drive Singapore	92,641	92,641	13,700	21,200	21,800	2,274	100.0
26A Ayer Rajah Crescent	27/01/2015[5]	30 years	24 years	26A Ayer Rajah Crescent Singapore	384,802	384,802	–	122,000	125,000	8,727	100.0
30A Kallang Place	01/07/2008	33 years	22 years	30A Kallang Place Singapore	336,437	279,057	–	93,000	98,200	5,736	22.5
K&S Corporate Headquarters	04/10/2013[5]	30+28.5 years	52 years	23A Serangoon North Avenue 5 Singapore	332,224	285,913	–	61,000	61,700	7,996	98.7
Mapletree Sunview 1	13/07/2018[5]	30 years	28 years	12 Sunview Drive Singapore	242,190	242,190	_	51,700	75,000	3,145	92.9
Serangoon North	01/07/2008	60 years	49 years	6 Serangoon North Avenue 5 Singapore	784,534	586,147	129,900[3]	169,000	182,000	18,042	94.3
STT Tai Seng 1	21/10/2010	30+30 years	50 years	35 Tai Seng Street Singapore	172,945	144,305	95,000	95,700	95,700	10,784	100.0
Toa Payoh North 1	01/07/2008	30 years	19 years	970, 978, 988 & 998 Toa Payoh North Singapore	666,851	477,025	43,400[3]	111,000	111,000	13,118	90.3
Woodlands Central	01/07/2008	60 years	49 years	33 & 35 Marsiling Industrial Estate Road 3 Singapore	601,674	422,864	39,400[3]	107,000	114,000	11,206	98.4
Subtotal Hi-Tech Buildings – Singapore					**5,139,346**	**4,280,820**	**701,700**	**1,215,600**	**1,628,800**	**122,975**	**89.5[6]**

1 Refers to the tenure of underlying land.
2 Remaining term of lease includes option to renew the land leases.
3 Excludes stamp duties and other acquisition related costs.
4 The acquisition of 7 Tai Seng Drive was completed on 27 June 2018 and is currently under development to be upgraded into a high-specification building.
5 Refers to the Temporary Occupation Permit date.
6 Refers to the aggregate occupancy for the property segment.

PROPERTY PORTFOLIO
OVERVIEW

HI-TECH BUILDINGS – UNITED STATES

Hi-Tech Buildings in the United States comprise data centres, which are primarily leased to tenants on a core-and-shell basis with triple net leases. They are occupied by high-quality and established tenants, including Fortune Global 500 corporations and companies listed on the New York Stock Exchange and the NASDAQ Stock Market. These tenants are committed to long-term leases with built-in rental escalations.

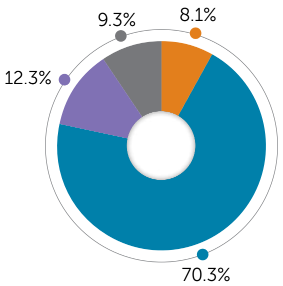
Hi-Tech Building, 7337 Trade Street, San Diego

KEY STATISTICS
(As at 31 March 2019)

NUMBER OF PROPERTIES	NET LETTABLE AREA	NUMBER OF TENANTS	GROSS REVENUE (for FY18/19)
14	2,252,795 Sq ft	15	S$37.4[1] Million

OCCUPANCY (for FY18/19)	VALUATION	% OF PORTFOLIO (By Valuation)
97.4 %	US$801.3 Million	9.1[1] %

TENANT BUSINESS SECTOR
By Gross Rental Income



TOP FIVE TENANTS IN HI-TECH BUILDINGS – UNITED STATES

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2019)
1	AT&T Inc.	7337 Trade Street, San Diego, 402 Franklin Road, Brentwood and N15W24250 Riverwood Drive, Pewaukee	Telecommunciations	3.2%
2	The Vanguard Group	2000 Kubach Road, Philadelphia	Financial Services	0.7%
3	General Electric Company	1001 Windward Concourse, Alpharetta	Precision Engineering, Electrical, Machinery and Transportation Products	0.6%
4	Level 3 Communications Inc.	180 Peachtree, Atlanta and 19675 W Ten Mile Road, Southfield	Telecommunciations	0.5%
5	Equinix, Inc.	180 Peachtree, Atlanta	Telecommunciations	0.4%

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease[2]	Location	NLA (sq ft)	Purchase Price[3] US$'000	Valuation as at 31/03/2018 US$'000	Valuation as at 31/03/2019 US$'000	Gross Revenue for FY18/19[1] S$'000	Average Occupancy Rate for FY18/19 %
California									
7337 Trade Street, San Diego	20/12/2017	Freehold	7337 Trade Street, San Diego	499,402	169,200	176,000	182,000	6,541	100.0
Georgia									
180 Peachtree, Atlanta	20/12/2017	Freehold[4]	180 Peachtree, Atlanta	357,441	138,000	140,000	153,000	8,218	93.10
1001 Windward Concourse, Alpharetta	20/12/2017	Freehold	1001 Windward Concourse, Alpharetta	184,553	52,000	54,000	54,000	2,806	100.0
2775 Northwoods Parkway, Atlanta	20/12/2017	Freehold	2775 Northwoods Parkway, Atlanta	32,740	7,200	7,700	7,900	348	100.0
Michigan									
19675 W Ten Mile Road, Southfield	20/12/2017	Freehold	19675 W Ten Mile Road, Southfield	52,940	6,100	6,400	6,400	831	74.3
New Jersey									
2 Christie Heights, Leonia	20/12/2017	Freehold	2 Christie Heights, Leonia	67,000	10,500	11,400	11,200	911	100.0
North Carolina									
1805 Center Park Drive, Charlotte	20/12/2017	Freehold	1805 Center Park Drive, Charlotte	60,850	26,000	28,000	28,000	1,364	66.7
5150 McCrimmon Parkway, Morrisville	20/12/2017	Freehold	5150 McCrimmon Parkway, Morrisville	143,770	24,000	25,600	26,000	1,474	100.0
Pennsylvania									
2000 Kubach Road, Philadelphia	20/12/2017	Freehold	2000 Kubach Road, Philadelphia	124,190	70,000	75,000	71,000	3,052	100.0
Tennessee									
402 Franklin Road, Brentwood	20/12/2017	Freehold	402 Franklin Road, Brentwood	347,515	110,000	115,000	117,000	4,924	100.0
Texas									
1221 Coit Road, Plano	20/12/2017	Freehold	1221 Coit Road, Plano	128,753	23,200	24,300	24,800	1,423	100.0
3300 Essex Drive, Richardson	20/12/2017	Freehold	3300 Essex Drive, Richardson	20,000	38,000	40,000	40,000	1,804	100.0
5000 Bowen, Arlington	20/12/2017	Freehold	5000 Bowen, Arlington	90,689	26,000	27,000	27,000	1,606	100.0
Wisconsin									
N15W24250 Riverwood Drive, Pewaukee	20/12/2017	Freehold	N15W24250 Riverwood Drive, Pewaukee	142,952	49,800	53,000	53,000	2,100	100.0
Subtotal Hi-Tech Buildings – United States				**2,252,795**	**750,000**	**783,400**	**801,300**	**37,402**	**97.4[5]**

1 Refers to MIT's 40% interest of the joint venture with the Sponsor in a portfolio of 14 data centres in the United States.
2 Refers to the tenure of underlying land.
3 Excludes stamp duties and other acquisition related costs.
4 Except for the parking deck (150 Carneige Way). As at 31 March 2019, the parking deck has a remaining land lease tenure of about 36.7 years, with an option to renew for an additional 40 years.
5 Refers to the aggregate occupancy for the property segment.

PROPERTY PORTFOLIO OVERVIEW

FLATTED FACTORIES

Flatted Factories comprise high-rise multi-tenanted buildings. Standard units range from 1,000 sq ft to 10,000 sq ft, sharing naturally ventilated corridors and lift lobbies. Other common facilities include car parks, loading and unloading areas and cargo lifts. Selected Flatted Factories enjoy amenity centres located within the clusters.

Majority of Flatted Factories are located near public housing estates, providing tenants access to a ready labour pool and the convenience of shops and services. Most of the Flatted Factories are also well-connected to major roads, expressways and the Mass Rapid Transit system, offering convenient access for tenants.

Flatted Factory, Chai Chee Lane

Flatted Factory, Kallang Basin 3

KEY STATISTICS

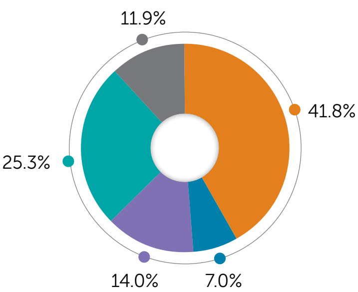
(As at 31 March 2019)

NUMBER OF PROPERTIES	GROSS FLOOR AREA	NET LETTABLE AREA	NUMBER OF TENANTS
56 (Grouped into 24 clusters)	10,732,293 Sq ft	7,682,202 Sq ft	1,676

GROSS REVENUE (for FY18/19)	OCCUPANCY (for FY18/19)	VALUATION	% OF PORTFOLIO (By Valuation)
S$155.7 Million	86.8 %	S$1,578.0 Million	33.1 %

TENANT BUSINESS SECTOR

By Gross Rental Income



TOP FIVE TENANTS IN FLATTED FACTORIES

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2019)
1	Blackmagic Design Manufacturing Pte. Ltd.	Kolam Ayer 5	Computer, Electronic and Optical Products	0.4%
2	Inzign Pte Ltd	Kallang Basin 3 and Kallang Basin 4	Printing, Recorded Media, Apparels and Essential Products	0.4%
3	Semiconductor Technologies & Instruments Pte Ltd	Kallang Basin 6	Precision Engineering, Electrical, Machinery and Transportation Products	0.4%
4	TWG Tea Company Pte. Ltd.	Kampong Ampat	Accommodation and Food Service	0.3%
5	ICM Pharma Pte. Ltd.	Kallang Basin 4	General Wholesale Trade and Services	0.3%

PROPERTY PORTFOLIO
OVERVIEW

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease[1]	Remaining Term of Lease[1]	Location
Chai Chee Lane	26/08/2011	60 years	52 years	510, 512 & 514 Chai Chee Lane Singapore
Changi North	01/07/2008	60 years	49 years	11 Changi North Street 1 Singapore
Clementi West	01/07/2008	30 years	19 years	1 Clementi Loop Singapore
Kaki Bukit	01/07/2008	60 years	49 years	2, 4, 6, 8 & 10 Kaki Bukit Avenue 1 Singapore
Kallang Basin 1	26/08/2011	20 years	12 years	5 & 7 Kallang Place Singapore
Kallang Basin 2	26/08/2011	20 years	12 years	9 & 11 Kallang Place Singapore
Kallang Basin 3	26/08/2011	30 years	22 years	16 Kallang Place Singapore
Kallang Basin 4	01/07/2008	33 years	22 years	26, 26A, 28 & 30 Kallang Place Singapore
Kallang Basin 5	01/07/2008	33 years	22 years	19, 21 & 23 Kallang Avenue Singapore
Kallang Basin 6	01/07/2008	33 years	22 years	25 Kallang Avenue Singapore
Kampong Ampat	01/07/2008	60 years	49 years	171 Kampong Ampat Singapore
Kampong Ubi	26/08/2011	60 years	52 years	3014A, 3014B & 3015A Ubi Road 1 Singapore
Kolam Ayer 1	01/07/2008	43 years	32 years	8, 10 & 12 Lorong Bakar Batu Singapore
Kolam Ayer 2	01/07/2008	43 years	32 years	155, 155A & 161 Kallang Way Singapore
Kolam Ayer 5	01/07/2008	43 years	32 years	1, 3 & 5 Kallang Sector Singapore
Loyang 1	01/07/2008	60 years	49 years	30 Loyang Way Singapore
Loyang 2	01/07/2008	60 years	49 years	2, 4 & 4A Loyang Lane Singapore
Redhill 1	01/07/2008	30 years	19 years	1001, 1001A & 1002 Jalan Bukit Merah Singapore
Redhill 2	01/07/2008	30 years	19 years	1003 & 3752 Bukit Merah Central Singapore
Tanglin Halt	01/07/2008	56 years	45 years	115A & 115B Commonwealth Drive Singapore
Tiong Bahru 1	01/07/2008	30 years	19 years	1090 Lower Delta Road Singapore
Tiong Bahru 2	01/07/2008	30 years	19 years	1080, 1091, 1091A, 1092 & 1093 Lower Delta Road Singapore
Toa Payoh North 2	01/07/2008	30 years	19 years	1004 Toa Payoh North Singapore
Toa Payoh North 3	01/07/2008	30 years	19 years	1008 & 1008A Toa Payoh North Singapore
Subtotal Flatted Factories				

1 Refers to the tenure of underlying land.
2 NLA excludes long strata leases at Kampong Ubi, Loyang 1 and Loyang 2.
3 Excludes stamp duties and other acquisition related costs.
4 Refers to the aggregate occupancy for the property segment.

GFA (sq ft)	NLA[2] (sq ft)	Purchase Price[3] S$'000	Valuation as at 31/03/2018 S$'000	Valuation as at 31/03/2019 S$'000	Gross Revenue for FY18/19 S$'000	Average Occupancy Rate for FY18/19 %
973,647	787,827	133,300	151,000	151,000	12,406	87.9
121,278	73,206	18,200	19,700	19,700	1,763	92.5
251,038	211,615	22,200	37,200	36,300	4,366	87.6
1,341,959	960,644	147,600	202,000	203,000	16,790	72.0
190,663	133,343	23,200	18,000	16,600	2,838	90.2
366,234	251,417	44,500	33,000	30,100	5,078	89.1
509,081	407,009	74,000	78,000	77,400	7,663	86.0
582,718	383,118	50,000	76,000	72,600	7,814	84.7
442,422	280,440	44,300	56,400	55,400	6,099	91.5
312,694	208,240	30,900	41,300	40,400	4,397	85.4
456,708	294,776	60,300	109,000	116,000	11,390	98.7
723,427	535,901	125,300	125,000	125,000	10,864	95.9
478,901	339,706	49,300	75,000	75,200	7,224	92.5
506,726	349,610	46,100	70,000	70,200	6,865	87.1
670,586	447,312	71,900	87,000	89,000	9,094	90.7
524,842	378,667	29,000	65,700	66,300	5,937	82.0
324,253	236,248	16,800	38,800	40,400	3,778	82.1
420,184	312,766	41,500	63,400	61,800	6,594	89.8
307,657	220,476	37,500	53,800	53,000	5,496	86.7
242,384	171,688	28,900	47,000	47,000	4,263	93.6
159,831	110,574	14,500	19,500	19,300	2,176	83.3
465,554	341,531	45,800	66,700	65,300	7,367	87.6
167,186	108,968	13,700	20,500	20,500	2,559	92.8
192,320	137,120	16,400	26,200	26,500	2,915	89.3
10,732,293	**7,682,202**	**1,185,200**	**1,580,200**	**1,578,000**	**155,736**	**86.8[4]**

PROPERTY PORTFOLIO OVERVIEW

BUSINESS PARK BUILDINGS

Business Park Buildings are high-rise multi-tenanted buildings within a landscaped environment. Fitted with air-conditioned lift lobbies and common areas, each unit can be customised to meet tenants' requirements. They serve as regional headquarters for multinational companies and spaces for research and development and knowledge-intensive enterprises.

Business Park Buildings are located within government identified "Business Parks" zones, which accommodate various amenities such as food and beverage outlets, fitness centres, convenience outlets and childcare centres. They are served by good public transportation network and are well-connected to major roads and expressways.

Business Park Building,
The Strategy

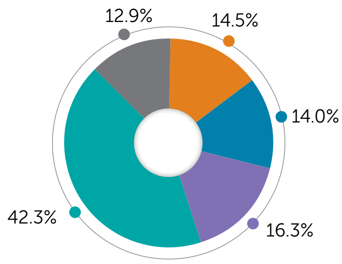
KEY STATISTICS
(As at 31 March 2019)

NUMBER OF PROPERTIES	GROSS FLOOR AREA	NET LETTABLE AREA	NUMBER OF TENANTS
3	1,680,726 Sq ft	1,191,624 Sq ft	142

GROSS REVENUE (for FY18/19)	OCCUPANCY (for FY18/19)	VALUATION	% OF PORTFOLIO (By Valuation)
S$46.5 Million	79.9 %	S$581.0 Million	12.2 %

TENANT BUSINESS SECTOR

By Gross Rental Income



TOP 5 TENANTS IN BUSINESS PARK BUILDINGS

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2019)
1	Dell Global B.V. (Singapore Branch)	The Strategy	Wholesale of Machinery, Equipment and Supplies	0.9%
2	Sony Electronics (Singapore) Pte. Ltd.	The Strategy	Wholesale Trade	0.8%
3	Covance (Asia) Pte Ltd	The Synergy	General Wholesale Trade and Services	0.8%
4	Tata Consultancy Services Asia Pacific Pte. Ltd.	The Signature	Computer Programming and Consultancy	0.4%
5	Huawei International Pte. Ltd.	The Signature and The Strategy	General Wholesale Trade and Services	0.4%

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease[1]	Remaining Term of Lease[1]	Location	GFA (sq ft)	NLA (sq ft)	Purchase Price[2] S$'000	Valuation as at 31/03/2018 S$'000	Valuation as at 31/03/2019 S$'000	Gross Revenue for FY18/19 S$'000	Average Occupancy Rate for FY18/19 %
The Signature	01/07/2008	60 years	49 years	51 Changi Business Park Central 2 Singapore	510,324	343,434	98,500	149,000	151,000	14,181	88.8
The Strategy	01/07/2008	60 years	49 years	2 International Business Park Singapore	725,171	565,578	213,900	293,000	298,000	20,800	72.4
The Synergy	01/07/2008	60 years	49 years	1 International Business Park Singapore	445,231	282,612	91,000	128,000	132,000	11,535	84.0
Subtotal Business Park Buildings					**1,680,726**	**1,191,624**	**403,400**	**570,000**	**581,000**	**46,516**	**79.9[3]**

1 Refers to the tenure of underlying land.
2 Excludes stamp duties and other acquisition related costs.
3 Refers to the aggregate occupancy for the property segment.

PROPERTY PORTFOLIO OVERVIEW

STACK-UP/RAMP-UP BUILDINGS

Stack-up/Ramp-up Buildings are multi-storey developments that serve a wide range of industrial activities. Principal activities included precision engineering, semiconductor assembly and manufacturing of products like dies, moulds, tools and commodities.

Each unit within the six-storey stack-up buildings is a standalone factory with its own loading area and parking lots. Each level of the eight-storey ramp-up building resembles a typical Flatted Factory's ground floor. Units located on each floor of the ramp-up building share common loading and unloading area.

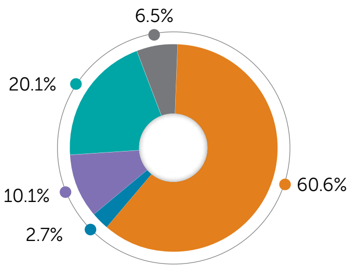
Stack-up/Ramp-up Buildings, Woodlands Spectrum

KEY STATISTICS
(As at 31 March 2019)

NUMBER OF PROPERTIES	GROSS FLOOR AREA	NET LETTABLE AREA	NUMBER OF TENANTS
7 (Grouped into 1 cluster)	3,714,473 Sq ft	3,034,589 Sq ft	126
GROSS REVENUE (for FY18/19)	**OCCUPANCY** (for FY18/19)	**VALUATION**	**% OF PORTFOLIO** (By Valuation)
S$43.9 Million	90.3 %	S$473.0 Million	9.9 %

TENANT BUSINESS SECTOR

By Gross Rental Income



- Manufacturing
- Information and Communications
- Financial and Business Services
- Wholesale and Retail Trade
- Other Trade Sectors

TOP FIVE TENANTS IN STACK-UP/RAMP-UP BUILDINGS

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2019)
1	Univac Precision Engineering Pte. Ltd.	Woodlands Spectrum	Precision Engineering, Electrical, Machinery and Transportation Products	0.6%
2	Ultra Clean Asia Pacific Pte. Ltd.	Woodlands Spectrum	Precision Engineering, Electrical, Machinery and Transportation Products	0.5%
3	Leica Geosystems Technologies Pte. Ltd.	Woodlands Spectrum	Computer, Electronic and Optical Products	0.3%
4	Schott Singapore Pte. Ltd.	Woodlands Spectrum	Computer, Electronic and Optical Products	0.3%
5	NIP Asia Pte Ltd	Woodlands Spectrum	Printing, Recorded Media and Essential Products	0.3%

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease[1]	Remaining Term of Lease[1]	Location	GFA (sq ft)	NLA[2] (sq ft)	Purchase Price[3] S$'000	Valuation as at 31/03/2018 S$'000	Valuation as at 31/03/2019 S$'000	Gross Revenue for FY18/19 S$'000	Average Occupancy Rate for FY18/19 %
Woodlands Spectrum 1 & 2	01/07/2008	60 years	49 years	2 Woodlands Sector 1, 201, 203, 205, 207, 209 & 211 Woodlands Avenue 9 Singapore	3,714,473	3,034,589	265,000	467,000	473,000	43,853	90.3
Subtotal Stack-up/Ramp-up Buildings					**3,714,473**	**3,034,589**	**265,000**	**467,000**	**473,000**	**43,853**	**90.3**

1 Refers to the tenure of underlying land.
2 NLA excludes long strata leases at Woodlands Spectrum 1 & 2.
3 Excludes stamp duties and other acquisition related costs.

PROPERTY PORTFOLIO OVERVIEW

LIGHT INDUSTRIAL BUILDINGS

Light Industrial Buildings consist of medium to high rise properties suitable for industrial activities, including manufacturing and warehousing. They are strategically located in established industrial estates which are served by major expressways. Light Industrial Buildings can be single-tenanted or multi-tenanted with a small number of tenants in each building.

Light Industrial Building, 45 Ubi Road 1

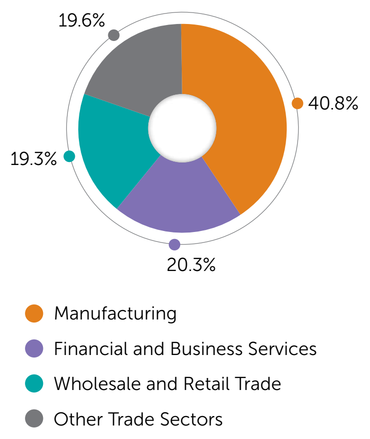
KEY STATISTICS
(As at 31 March 2019)

NUMBER OF PROPERTIES	GROSS FLOOR AREA	NET LETTABLE AREA	NUMBER OF TENANTS
4	449,173 Sq ft	410,840 Sq ft	14

GROSS REVENUE (for FY18/19)	OCCUPANCY (for FY18/19)	VALUATION	% OF PORTFOLIO (By Valuation)
S$7.0 Million	97.2 %	S$75.5 Million	1.5 %

TENANT BUSINESS SECTOR

By Gross Rental Income



TOP FIVE TENANTS IN LIGHT INDUSTRIAL BUILDINGS

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2019)
1	Heptagon Micro Optics Pte. Ltd.	26 Woodlands Loop	Computer, Electronic and Optical Products	0.5%
2	Aureumaex Industries (S) Pte. Ltd	2A Changi North Street 2	Education, Health and Social Services, Arts, Entertainment and Recreation	0.3%
3	LSW Pte. Ltd.	19 Changi South Street 1	Printing, Recorded Media and Essential Products	0.2%
4	Skechers Singapore Pte. Ltd.	45 Ubi Road 1	General Wholesale Trade and Services	0.2%
5	Centurion Corporation Limited	45 Ubi Road 1	Financial Services	0.1%

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease[1 2]	Remaining Term of Lease[1 2]	Location	GFA (sq ft)	NLA (sq ft)	Purchase Price S$'000	Valuation as at 31/03/2018 S$'000	Valuation as at 31/03/2019 S$'000	Gross Revenue for FY18/19 S$'000	Average Occupancy Rate for FY18/19 %
19 Changi South Street 1	21/10/2010	30+30 years	38 years	19 Changi South Street 1 Singapore	74,900	71,075	12,400	13,000	13,000	1,249	85.5
26 Woodlands Loop	21/10/2010	30+30 years	36 years	26 Woodlands Loop Singapore	155,818	149,095	21,900	25,500	25,500	2,190	100.0
45 Ubi Road 1	21/10/2010	30+30 years	34 years	45 Ubi Road 1 Singapore	150,610	122,825	23,500	22,500	22,500	2,418	98.9
2A Changi North Street 2	28/05/2014	30+30 years	42 years	2A Changi North Street 2 Singapore	67,845	67,845	12,000[3]	14,500	14,500	1,164	100.0
Subtotal Light Industrial Buildings					**449,173**	**410,840**	**69,800**	**75,500**	**75,500**	**7,021**	**97.2[4]**

1 Refers to the tenure of underlying land.
2 Remaining term of lease includes option to renew the land leases.
3 Excludes stamp duties and other acquisition related costs.
4 Refers to the aggregate occupancy for the property segment.

PROPERTY PORTFOLIO
AT A GLANCE

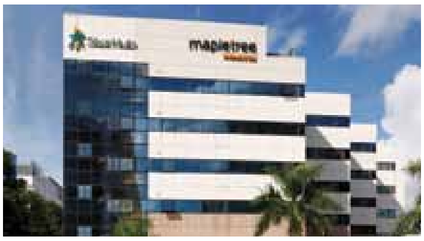
SINGAPORE

Hi-Tech Buildings

1 1 & 1A Depot Close

2 7 Tai Seng Drive

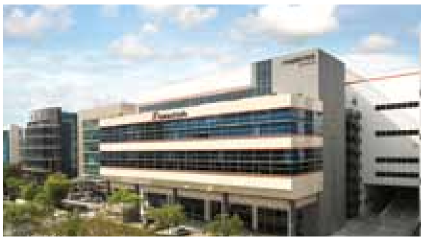
3 18 Tai Seng



4 19 Tai Seng Drive

5 26A Ayer Rajah Crescent

6 30A Kallang Place



7 K&S Corporate Headquarters

8 Mapletree Sunview 1

9 Serangoon North

10 STT Tai Seng 1

11 Toa Payoh North 1

12 Woodlands Central

Flatted Factories

13 Chai Chee Lane

14 Changi North

15 Clementi West

SINGAPORE

Flatted Factories

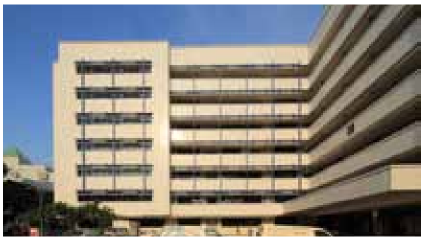
16 Kaki Bukit

17 Kallang Basin 1

18 Kallang Basin 2

19 Kallang Basin 3

20 Kallang Basin 4



21 Kallang Basin 5

22 Kallang Basin 6

23 Kampong Ampat

24 Kampong Ubi

25 Kolam Ayer 1

26 Kolam Ayer 2

27 Kolam Ayer 5

28 Loyang 1

29 Loyang 2

30 Redhill 1

PROPERTY PORTFOLIO
AT A GLANCE

SINGAPORE

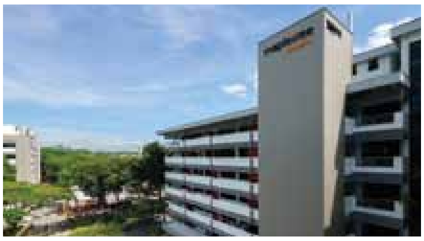
Flatted Factories

31 Redhill 2

32 Tanglin Halt

33 Tiong Bahru 1

34 Tiong Bahru 2



35 Toa Payoh North 2

36 Toa Payoh North 3

Business Park Buildings

37 The Signature

38 The Strategy

39 The Synergy

Stack-up/Ramp-up Buildings

40 Woodlands Spectrum 1 & 2

Light Industrial Buildings

41 19 Changi South Street 1

42 26 Woodlands Loop

43 45 Ubi Road 1

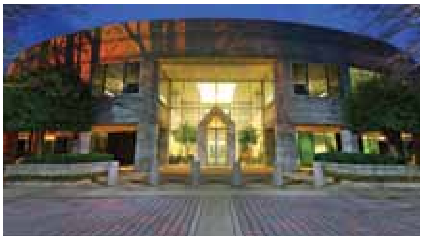
44 2A Changi North Street 2

UNITED STATES

Hi-Tech Buildings[1]

45 7337 Trade Street
San Diego, California

46 180 Peachtree
Atlanta, Georgia



47 1001 Windward Concourse
Alpharetta, Georgia

48 2775 Northwoods Parkway
Atlanta, Georgia

49 19675 W Ten Mile Road
Southfield, Michigan

50 2 Christie Heights
Leonia, New Jersey

51 1805 Center Park Drive
Charlotte, North Carolina

52 5150 McCrimmon Parkway
Morrisville, North Carolina

53 2000 Kubach Road
Philadelphia, Pennsylvania

54 402 Franklin Road
Brentwood, Tennessee

55 1221 Coit Road
Plano, Texas

56 3300 Essex Drive
Richardson, Texas

57 5000 Bowen
Arlington, Texas

58 N15W24250 Riverwood Drive
Pewaukee, Wisconsin

1 Relates to MIT's 40% interest of the joint venture with the Sponsor in a portfolio of 14 data centres in the United States.

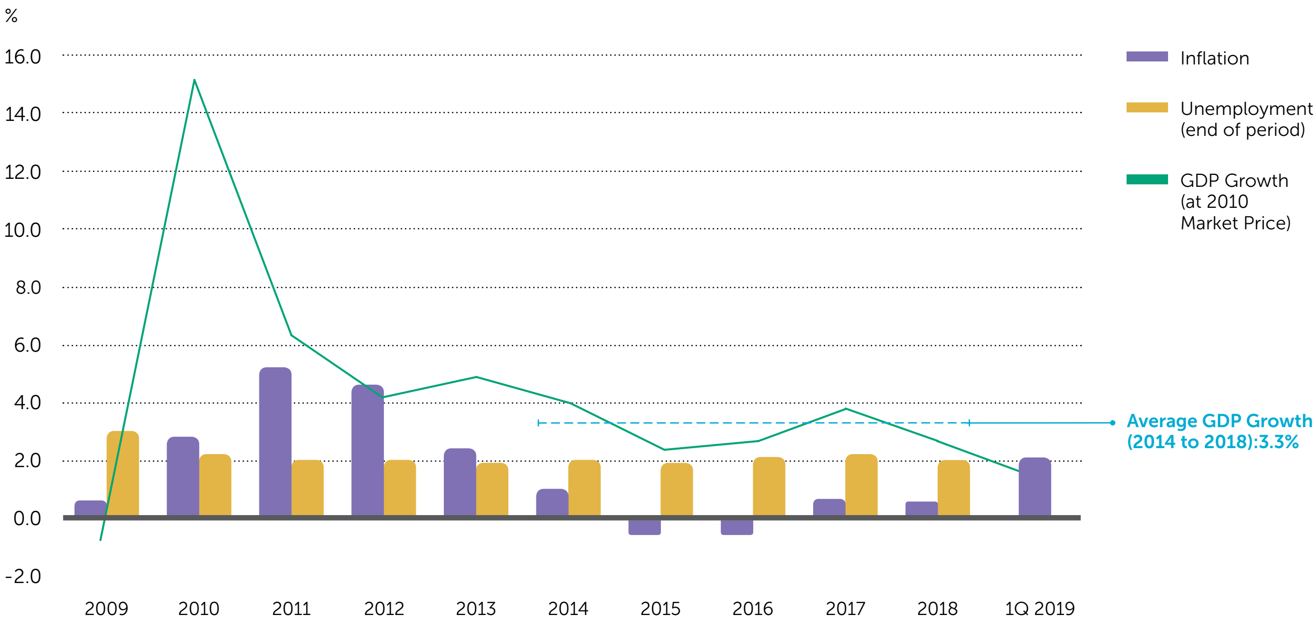
SINGAPORE INDUSTRIAL PROPERTY MARKET OVERVIEW

Edmund Tie & Company (SEA) Pte Ltd

ECONOMIC OVERVIEW

Singapore's gross domestic product ("GDP") grew by 3.2% in 2018, a moderation from the 3.9% growth in 2017 (Figure 1). In 1Q 2019, GDP grew by 1.2% year-on-year ("y-o-y"), slightly lower than the 1.3% growth in the preceding quarter. Unemployment rate increased slightly to 2.2% in 1Q 2019 compared with 2.0% in 1Q 2018.

FIGURE 1: ANNUAL GDP GROWTH, UNEMPLOYMENT AND INFLATION



Source: Department of Statistics, Ministry of Trade and Industry, International Monetary Fund

The construction sector, supported by increase in public and private sector construction activities, grew by 2.9% y-o-y while the wholesale & retail trade continued to be lacklustre, declining by 1.8% y-o-y in 1Q 2019. Although GDP growth was largely backed by the manufacturing sector and the servicing producing industries in 2018, the manufacturing sector experienced a weaker performance in 1Q 2019 due to the waning global electronics cycle, which resulted in output declines for precision engineering and electronics clusters. The Index of Industrial Production, an indicator for manufacturing output, declined by 0.5% y-o-y in 1Q 2019, a reversal compared with 10.0% y-o-y increase in 1Q 2018.

Negative growth was registered for output for the electronics (-15.3%), precision engineering (-13.3%) and chemicals (-2.7%) clusters in March 2019. On the other hand, the biomedical manufacturing, general manufacturing and transport engineering clusters experienced growth of 13.7%, 5.8% and 1.8% respectively.

According to the Ministry of Trade and Industry, further escalation of the United States-China trade dispute and the sharper-than-expected slowdown of the China's economy may pose downside risks for the external growth outlook in 2019. Taking into account the performance of the Singapore economy in 1Q 2019 and weaker external demand outlook for Singapore, Ministry of Trade and Industry expects GDP growth for 2019 to be between 1.5% and 2.5%. With a slowdown in manufacturing sector likely to affect economic growth, Government's plans and policies are geared towards increasing productivity in the sector. There are also initiatives to assist firms to re-engineer processes to stay relevant in the highly globalised and ever-changing economy. Moving forward, the Monetary Authority of Singapore expects modern services that are underpinned by digitalisation and innovation, as well as selected segments in the financial sector, to be key support pillars of the economy.

KEY GOVERNMENT POLICIES AND PLANS

SIX CLUSTERS OF INDUSTRIES INTRODUCED TO ENCOURAGE TRANSFORMATION

Under the S$4.5 billion Industry Transformation Programme, the Government announced that the Industry Transformation Maps ("ITM") will be grouped into six clusters to boost collaboration opportunities (Table 1). The integrated approach is to prepare for the next phase of economic transformation and position the country as a "global Asia node" for technology, innovation and enterprise.

TABLE 1: ITM CLUSTERS AND INDUSTRIES

Manufacturing	Built Environment	Professional Services
• Energy & Chemicals • Precision Engineering • Marine & Offshore • Aerospace • Electronics	• Construction (including Architecture & Engineering services) • Real Estate • Cleaning • Security	• Professional Services • ICT and Media • Financial Services
Lifestyle	**Essential Domestic Services**	**Trade & Connectivity**
• Food Services • Retail • Hotels • Food Manufacturing	• Healthcare • Education (Early Childhood and Private Education)	• Logistics • Air Transport • Sea Transport • Land Transport (including Public Transport) • Wholesale Trade

Source: Ministry of Trade and Industry, Edmund Tie & Company

INITIATIVE TO ACCELERATE THE ADOPTION OF INDUSTRIAL INTERNET-OF-THINGS SOLUTIONS

Led by Agency for Science, Technology and Research ("A*STAR"), the Industrial Internet-of-Things Innovation, based on a public-private partnership model, aims to accelerate and drive the adoption of Industrial Internet-of-Things ("IIoT") research into industry ready solutions for cross-sectoral industry partners. The initiative comprises global multinational corporations, large local enterprises, as well as small-and medium-sized enterprises. As a result, end-users can connect with solutions providers across the IIoT value chain and co-develop new technologies with A*STAR's research institutes and institutes of higher learning in Singapore.

INDUSTRIAL PROPERTY MARKET OVERVIEW

As at 1Q 2019, there is a total of 528.4 million square foot[1] ("sq ft") of industrial space. 50% (265.9 million sq ft) of the total stock is single-user factory space, followed by multiple-user factory space (23%, 122.8 million sq ft), warehouse space (22%, 116.0 million sq ft) and business park space (5%, 23.7 million sq ft).

1 All data on areas are based on net lettable area ("NLA") unless otherwise stated.

SINGAPORE INDUSTRIAL PROPERTY MARKET OVERVIEW

INDUSTRIAL GOVERNMENT LAND SALES PROGRAMME

The Government announced five sites on the Confirmed List and seven sites on the Reserve List in the first half of 2019 Industrial Government Land Sales ("IGLS") Programme, totaling 11.86 hectares ("ha") (Table 2). The Confirmed and Reserve lists could potentially yield about 893,400 sq ft and 1.8 million sq ft of gross floor area ("GFA") to the total pipeline supply respectively. Majority of the land plots in the IGLS Programme are zoned Business 2 (B2) and have small site areas of below 1.5ha with leasehold tenures of 20 years. These smaller plots with shorter land tenures were first introduced in 2012 and are consistent with the Government's intention for industrial land to stay affordable for small industrialists. The shorter land tenures also allow for flexibility in land rejuvenation in order to keep up with the changing market demand.

TABLE 2: IGLS PROGRAMME FOR FIRST HALF OF 2019[2,3]

CONFIRMED LIST OF INDUSTRIAL SITES					
Location	Zoning	Site Area (Ha)	Gross Plot Ratio	Tenure (Years)	Estimated Launch Month
Woodlands Industrial Park E2/E5*	B2	0.5	2.5	20	Closed on 26 March 2019
Plot 2, Tampines North Drive 3*	B2	0.48	2.5		Closed on 23 April 2019
Plot 2, Jalan Papan	B2	1.24	1.4		Closed on 21 May 2019
Plot E, Gul Circle	B2	0.80	1.4		Closing on 25 June 2019
Senoko Drive	B2	1.20	2.5	30	May 2019
RESERVE LIST OF INDUSTRIAL SITES					
Plot 19, Tuas South Link 3*	B2	0.45	1.4	20	Available
Gul Circle*	B2	1.00	1.4	20	Available
Plot 9, Tampines North*	B2	0.49	2.5	20	Available
Plot 2, Gambas Way*	B2	1.20	2.5	30	Closed on 7 May 2019
Plot 1 Benoi Sector*	B2	2.00	2.5	30	Available
Tuas Avenue 6	B2	0.50	1.4	20	May 2019
Plot 4, Kakit Bukit Road 5	B2	2.00	2.5	30	June 2019

Source: JTC, Edmund Tie & Company
*Previously listed in the second half of 2018 Confirmed and Reserve Lists.

2 Includes sites that were launched in the previous IGLS programme.
3 As at end May 2019.

MAJOR INVESTMENT SALES

The largest investment sales for industrial buildings in 2018 was the sale of 20 Tuas South Avenue 14, located adjacent to the future Tuas Mega port, to Logos under a sale and leaseback agreement. The 1.6 million sq ft (GFA) development was sold for S$585 million at S$450 per square foot ("per sq ft") (Table 3).

TABLE 3: SELECTED INDUSTRIAL INVESTMENT TRANSACTIONS (2018 & 1Q 2019)

Development	Land Lease Tenure	Type	GFA (sq ft)	Vendor	Buyer	Price (million)	Unit Price per GFA (per sq ft)
20 Tuas South Avenue 14	30 years Leasehold ("LH") from 2008	Ramp-up logistics warehouse	1,600,000	REC (Solar firm)	Logos (Sale and leaseback)	S$585.0	S$450
18 Tai Seng	30 years LH from 2014	High-spec mixed-use industrial building	443,810	Mapletree Investments Pte Ltd	Mapletree Industrial Trust	S$268.3	S$605
Admirax	60 years LH from 2000	Industrial building	581,832	Ascendas-Singbridge	BlackRock	S$106.0	S$182
Geo-Tele Centre (9 Tai Seng Drive)	30 years LH from 1995	Data centre	218,905	Sabana REIT	Ascendas-Singbridge [4]	S$99.6	S$455
Pei Fu Industrial Building	Freehold	Industrial building	155,864	En-bloc	SLB Development	S$76.3	S$489
RBM Centre (7 Tai Seng Drive)	30 years LH from 1993	Industrial building	256,600	Mapletree Logistics Trust	Mapletree Industrial Trust	S$68.0	S$265
8 Tai Seng Link	60 years LH from 2006	Industrial building	268,000	Marvell Asia	Charles & Keith Group	S$60.0	S$224

Source: JTC, various REITs, OneMap, Edmund Tie & Company

MULTIPLE-USER FACTORY SPACE

Slower output in the manufacturing sector continues to weigh on the demand and rents for multiple-user factory space. Coupled with moderated supply, we expect rents for multiple-user factory space to stay flat in 2019.

STOCK AND SUPPLY

As at 4Q 2018, total multiple-user factory stock grew by 2.2% y-o-y (2.6 million sq ft) to 121.9 million sq ft. In 1Q 2019, multiple-user factory stock increased further to 122.8 million sq ft. Major completions included TrendSpace (542,912 sq ft) by JTC and Platinum @ Pioneer (110,242 sq ft).

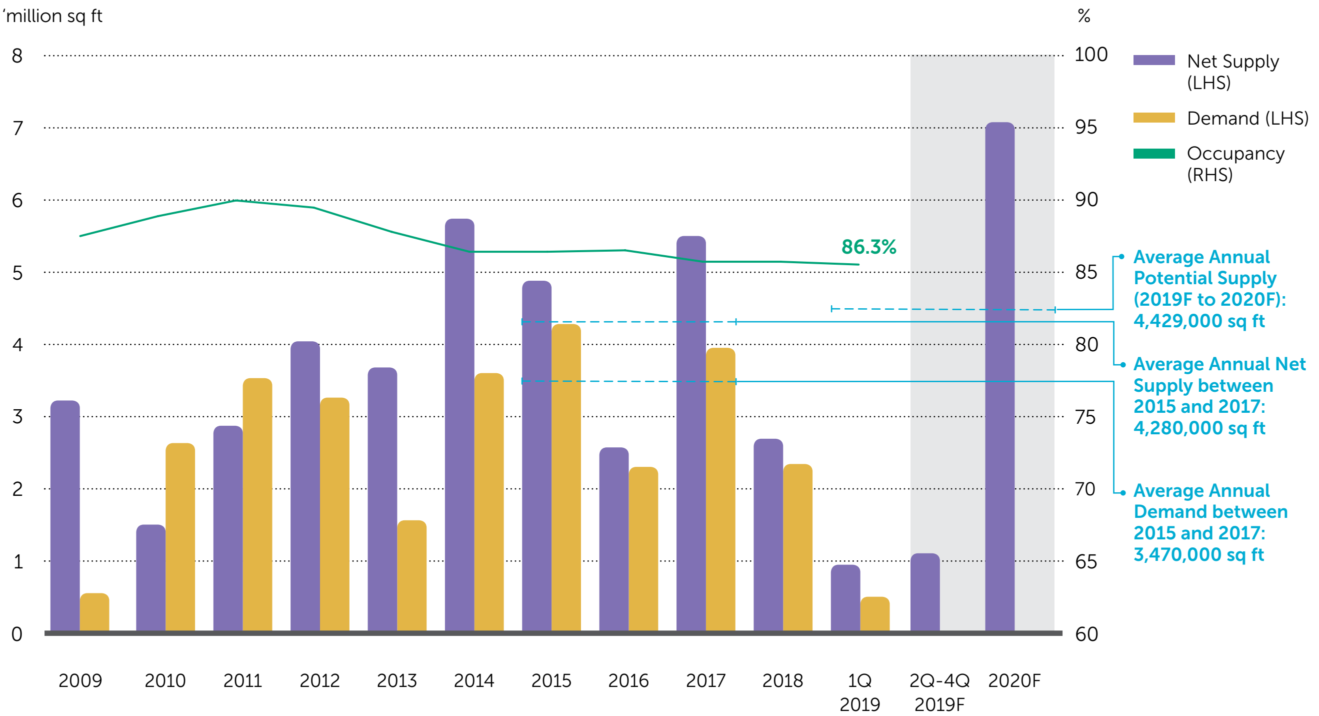
4 Ascendas-Singbridge bought Geo-Tele Centre with plans to revamp the property into a data centre.

SINGAPORE INDUSTRIAL PROPERTY MARKET OVERVIEW

DEMAND AND OCCUPANCY

While the manufacturing sector experienced a slowdown, the Government's effort in regulating the market by tapering the release of land via the IGLS programme is showing its effect. While the demand for multiple-user factory space fell by 41.0% y-o-y (1.6 million sq ft) to 2.3 million sq ft in 2018, net supply fell by 51.6% y-o-y (2.8 million sq ft) to 2.6 million sq ft (Figure 2). This has allowed demand to catch up with supply, leading to occupancy stabilising at 86.5% in 2018. In 1Q 2019, occupancy was 86.3%.

FIGURE 2: NET SUPPLY, DEMAND, OCCUPANCY AND POTENTIAL SUPPLY (MULTIPLE-USER FACTORY SPACE)[1]



Source: JTC, Edmund Tie & Company

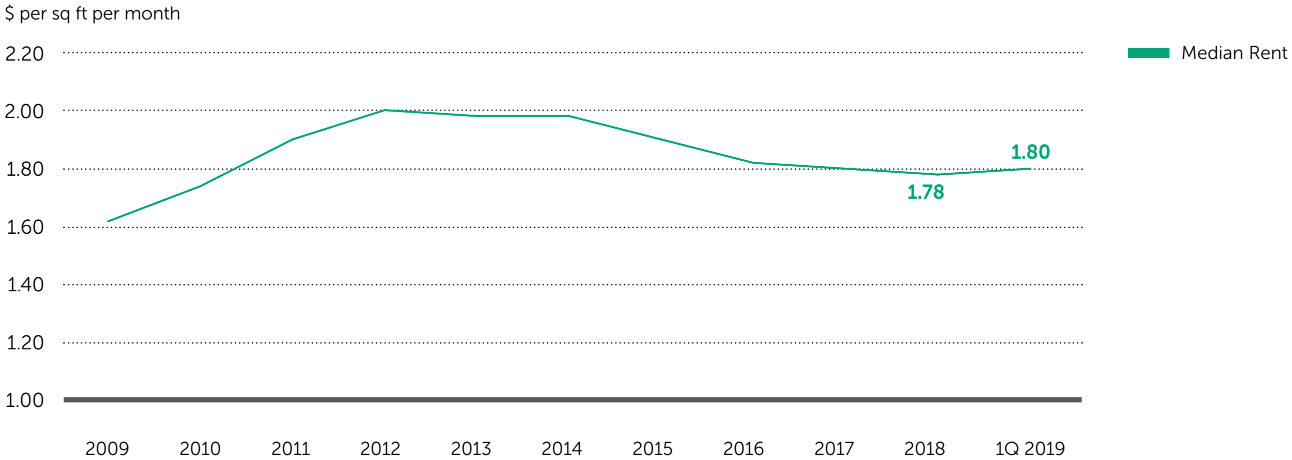
POTENTIAL SUPPLY

Between 2Q 2019 and 2020, an estimated total of 9.9 million sq ft of GFA of multiple-user factory space is expected to complete. Only 2.2 million sq ft is expected in 2019, lower than the supply in 2018 (2.6 million sq ft). Three major projects - Defu Industrial City (3.5 million sq ft), TimMac @ Kranji (1.5 million sq ft) and Bedok Food City (1.1 million sq ft) - are expected to be completed in 2020.

RENTS

Despite a slower output from the manufacturing sector, rents for multiple-user factory space were stable in 2018, cushioned by the lower supply. As the manufacturing sector continued to transform with the advances in technology, demand for new multiple-user factory space remained healthy. In 2018, median rents for multiple-user factory space dipped only slightly from S$1.80 per sq ft to S$1.78 per sq ft per month (Figure 3). In 1Q 2019, the median rent for multiple-user factory space was S$1.80 per sq ft per month.

FIGURE 3: RENTS FOR MULTIPLE-USER FACTORY SPACE[5]



Source: JTC, Edmund Tie & Company

OUTLOOK

Despite undergoing transformation under the fourth industrial revolution, the manufacturing sector experienced contraction in 1Q 2019, with the output decline for precision engineering and electronics clusters outweighing output expansions in the biomedical manufacturing, transport engineering and general manufacturing clusters. At the same time, global uncertainties continue to persist on the back of the United States-China trade dispute. The imposition of further tariffs by the United States will likely affect the region's growth negatively, due to lower import demand. Multiple-user factory, especially those with traditional industrial space, may see a fall in rents. On the other hand, supported by the lower supply, we expect overall rents for multiple-user factory space to stay flat in 2019.

5 Refers to gross rent per month including service charge but excluding Goods and Services Tax ("GST").

SINGAPORE INDUSTRIAL PROPERTY MARKET OVERVIEW

HIGH-SPECIFICATION INDUSTRIAL SPACE

Apart from the manufacturing sector which has slowed down, value-add industries are driving the demand for high-specification industrial space, lending support for rents. However, with the global economy uncertainties amidst a United States-China trade dispute, we expect a moderation in the demand for high-specification industrial space and rents to stay flat in 2019.

STOCK AND SUPPLY

There is no official statistics on high-specification industrial space. In general, high-specifications industrial space have better specifications such as higher floor loading and back-up power supply and are usually in strategic locations. They also have additional features e.g. corporate lobby and facilities such as swimming pool and sky gardens. Based on Edmund Tie & Company's estimation, there is about 48 million sq ft of high-specification industrial stock as at 1Q 2019. Around 3.2 million sq ft was completed in 2018, 7.0% higher than the 3.0 million sq ft[6] supply that was completed in 2017. There is no completion in 1Q 2019 (Figure 4).

There were four major completions of high-specification industrial developments in 2018. One of which was 30A Kallang Place (336,000 sq ft GFA) by Mapletree Industrial Trust, which targets mainly clean and technology-related companies and the other three developments are strata-titled developments for sale.

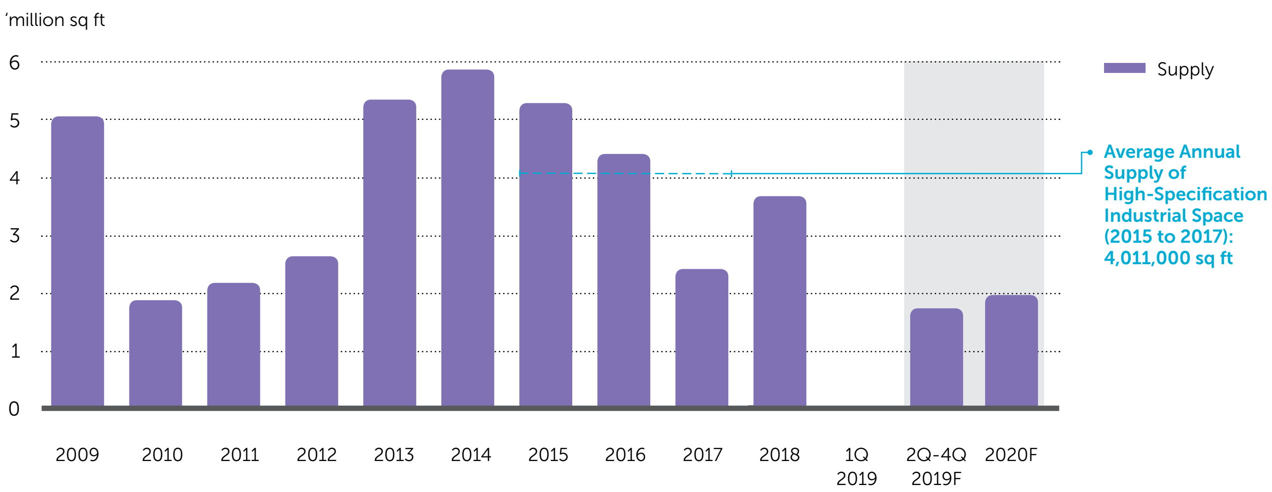
POTENTIAL SUPPLY

A total of 3.7 million sq ft GFA of high-specification industrial space is expected to be completed between 2Q 2019 and 2020. Solaris@Kallang 164 and 171 (total GFA 900,300 sq ft) are redevelopments of two industrial buildings into high-specification industrial buildings located at Kallang Way. Both developments are expected to be completed in 2019.

RENTS

The 75th percentile rent for multiple-user factory space, which is a proxy for high-specification industrial space, remained stable in 2018 at S$2.20 per sq ft per month (Figure 5). In 1Q 2019, the 75th percentile rent increased slightly to S$2.21 per sq ft per month.

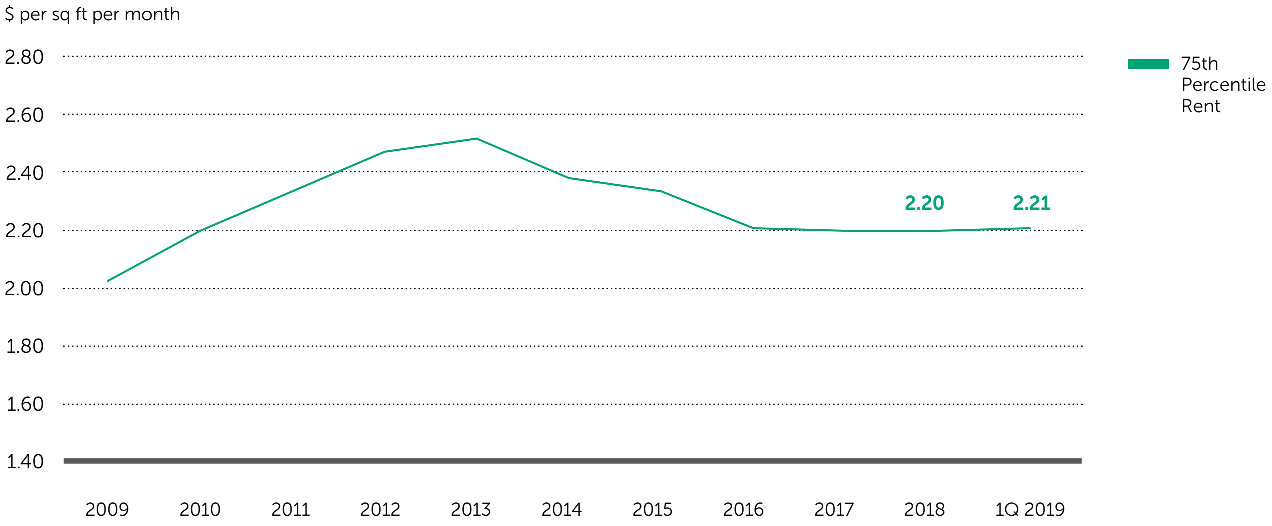
FIGURE 4: SUPPLY OF HIGH-SPECIFICATION INDUSTRIAL SPACE[1]



Source: JTC, Edmund Tie & Company

6 Based Edmund Tie & Company's estimation.

FIGURE 5: RENTS FOR HIGH-SPECIFICATION INDUSTRIAL SPACE[7]



Source: JTC, Edmund Tie & Company

OUTLOOK

The demand for high-specification industrial space is being driven by value-add companies and technology industries e.g. digital applications companies. The growth of the technology sector is also supported by the prevalent use of Internet-of-Things technology. These technology-related companies require industrial space with high-specifications, such as high and reliable electrical loading and efficient floor plates. However, as the global economy undergoes uncertainties amidst the United States-China trade dispute, we expect a moderation in the demand for high-specification industrial space and rents to stay flat in 2019.

BUSINESS PARK SPACE

Information technology and media companies continued to drive the demand for strategically located business parks. Bearing in mind the locality and tapered supply, we expect rents for business parks located in the Central region to increase by 3% to 5% while rents for business parks located in the West and East regions to stay flat in 2019.

STOCK AND SUPPLY

In 2018, business park space grew by 2.0% y-o-y (net supply: 464,800 sq ft) from 23.0 million sq ft to 23.5 million sq ft. Completions in 2018 were Alice@Mediapolis (425,000 sq ft) at one-north, The Kingsmen Experience (141,330 sq ft) and FM Global Centre (125,000 sq ft). In 1Q 2019, total stock grew to 23.7 million sq ft upon the completion of 5 Science Park Drive (275,100 sq ft), which is fully leased by Shopee. 58.5% (13.9 million sq ft) of business park space is in the Central region, 24.2% (5.7 million sq ft) in the East region and 17.3% (4.1 million sq ft) in the West region.

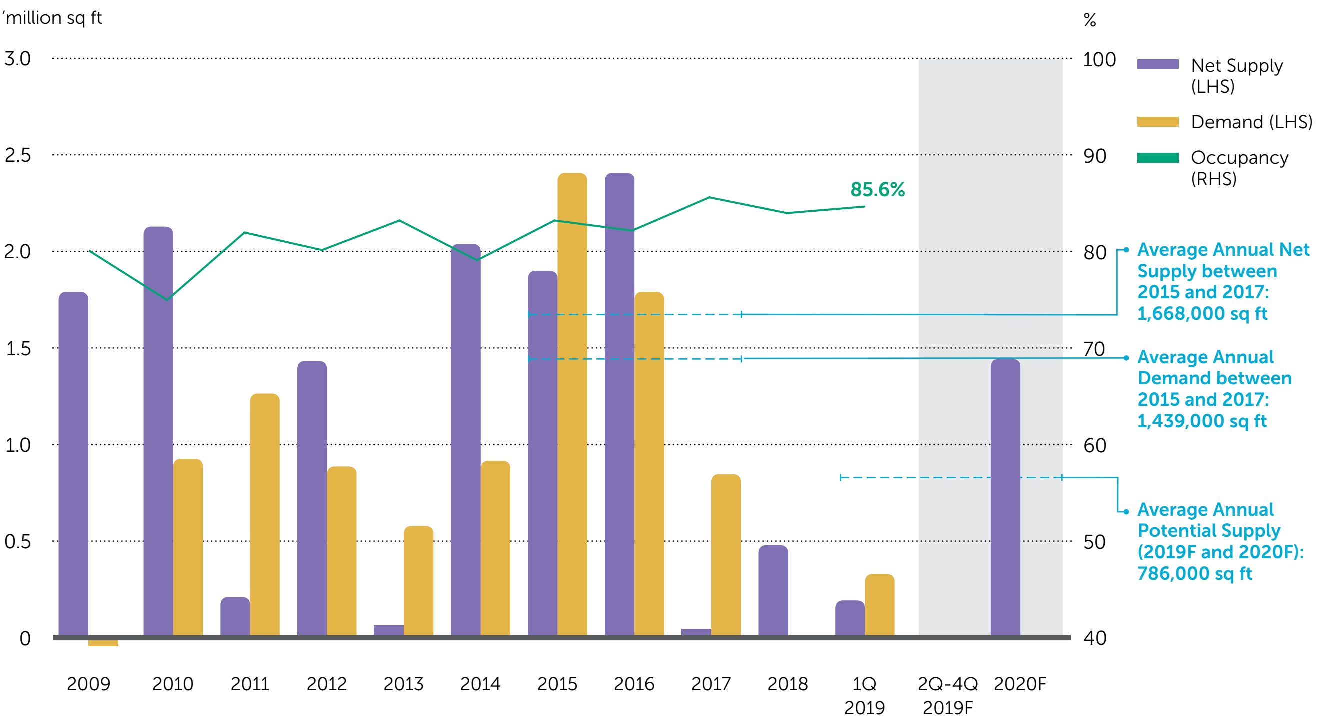
7 Refers to gross rent per month including service charge but excluding GST.

SINGAPORE INDUSTRIAL PROPERTY MARKET OVERVIEW

DEMAND AND OCCUPANCY

Highly developed infrastructure and digital transformations, as supported by the government, have led to higher innovation and productivity in industrial and technology-related companies. This in turn drives the demand for high quality and unique workspace in business parks. There is also increased demand for build-to-suit facilities such as Grab's new headquarters at one-north, which will incorporate a research and development centre. Islandwide occupancy fell by 1.7 percentage points to 84.9% in 2018 and rebounded to 85.6% in 1Q 2019 (Figure 6). Business park space in the Central region (i.e. one-north and Mapletree Business City) continued to enjoy the highest occupancy (90.1%) in 1Q 2019 due to their strategic locations, integrated concepts and high-quality developments.

FIGURE 6: NET SUPPLY, DEMAND, OCCUPANCY AND POTENTIAL SUPPLY (BUSINESS PARK SPACE)[1]



Source: JTC, Edmund Tie & Company

POTENTIAL SUPPLY

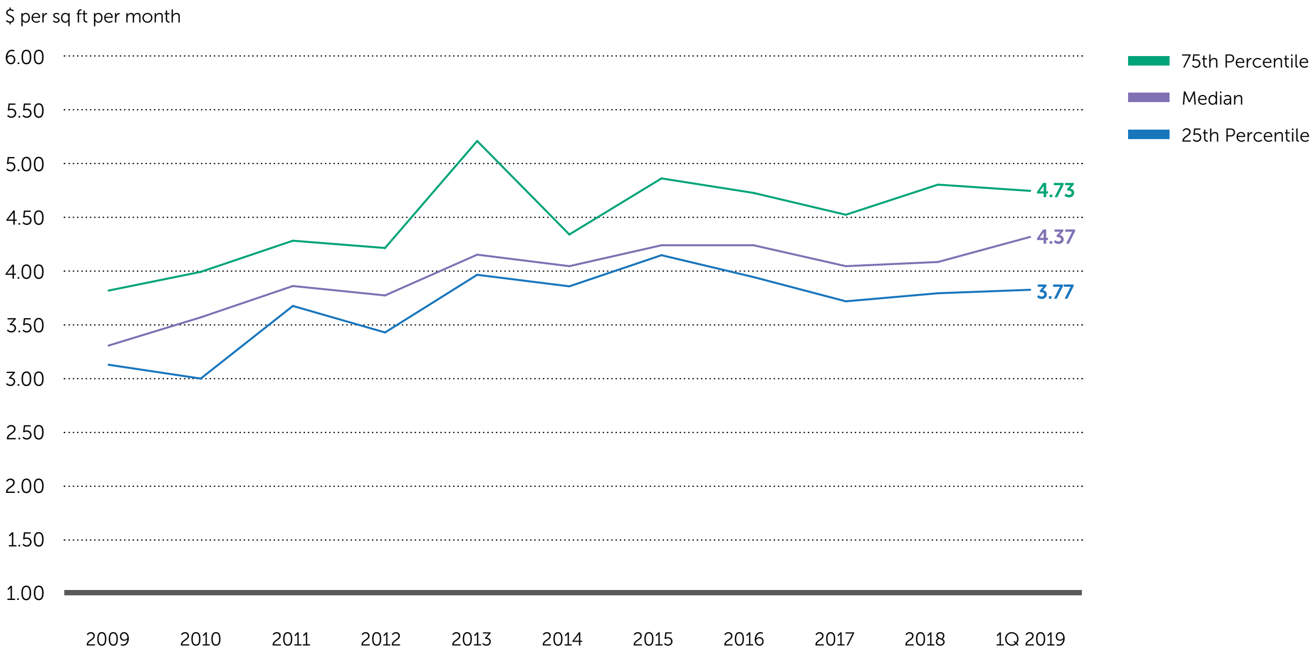
Around 1.7 million sq ft (GFA) of business park space is in the pipeline between 2Q 2019 and 2020. The largest pipeline supply is CleanTech Three (673,000 sq ft) by JTC, an integrated development for research laboratories and start-ups which is expected to complete in 2020. There are no upcoming projects to be completed from 2Q 2019 to 4Q 2019.

RENTS

The flexibility and environment of business parks have consistently drawn demand from technology and research companies in the engineering, biomedical and bioscience sectors. Despite the fall in occupancy in 2018, the lack of new supply led to an increase in rents of business park space. The 75th percentile rent for business park space, which are generally for better and newer business parks, rose by 6.5% y-o-y to S$4.79 per sq ft per month. In comparison, the rent at the 25th percentile[8] and median rents rose by 1.9% and 1.1% to S$3.74 and S$4.13 per sq ft per month respectively in 2018 (Figure 7). As at 1Q 2019, the 75th percentile, median and 25th percentile monthly rents for business park space were S$4.73 per sq ft, S$4.37 per sq ft and S$3.77 per sq ft respectively.

8 The 25th percentile rents generally represents transactions in older stock.

FIGURE 7: RENTS FOR BUSINESS PARK SPACE[9]



Source: JTC, Edmund Tie & Company

OUTLOOK

Business parks are generally more attractive compared to traditional industrial parks given their campus-style environment and variety of amenities. Technology-related companies also benefit from the clustering with similar industries and education institutions, which encourages the sharing of knowledge and generates social capital. High-quality business park space further enables the growth of knowledge-based industries in the technology, software and e-commerce sectors. Bearing in mind the locality and the tapered supply, we expect rents for business parks located in the Central region to increase by 3% to 5% while rents for business parks located in the West and East regions to stay flat in 2019.

STACK-UP FACTORY SPACE

With the ramp-up accessibility and varying unit sizes, stack-up factories allow for co-existence of both small and big companies, encouraging collaboration opportunities. Keeping in mind the slower manufacturing activity which will likely lead to minimum expansion plans for business operations, we expect rents for stack-up factory space to remain stable in 2019.

STOCK AND POTENTIAL SUPPLY

There is no official statistics on stack-up factory space. According to Edmund Tie & Company, there is an estimated 8.8 million sq ft (GFA) of stack-up factory space[10] as at 1Q 2019. The last completion is JTC TrendSpace (542,912 sq ft) in 1Q 2019. There is no supply of stack-up factory space expected in the rest of 2019.

DEMAND AND OCCUPANCY

Stack-up factory provides users with direct vehicular access to individual units in the upper floors, enabling better efficiency. The latest completion, JTC TrendSpace, located at Sungei Kadut, is the first high-rise multi-tenanted development attracting both furniture and furniture-related companies. Based on Edmund Tie & Company's estimation, average occupancy rate for private stack-up factory was around 91.8% in 2018.

9 Refers to gross rent per month including service charge but excluding GST.
10 Includes only ramp-up factory space. Does not include ramp-up warehouses.

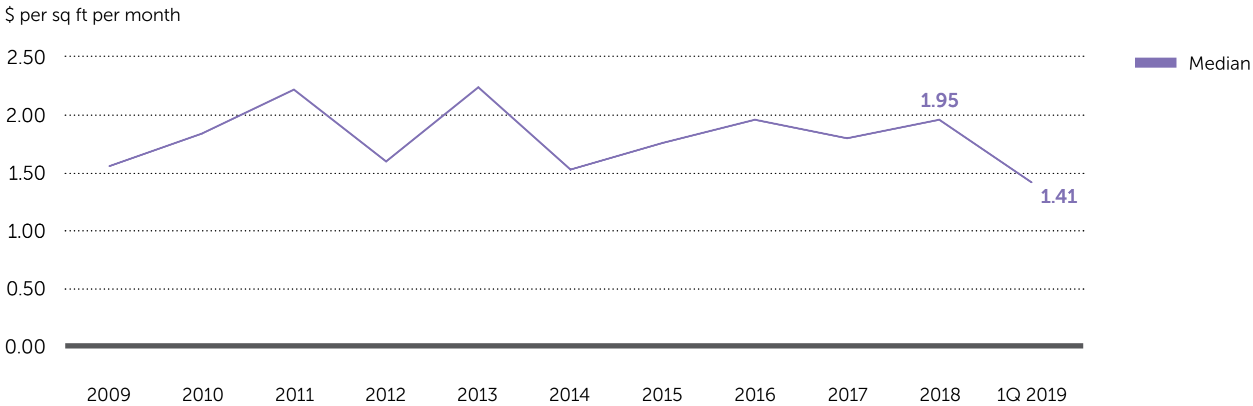
SINGAPORE INDUSTRIAL PROPERTY MARKET OVERVIEW

RENTS

There are limited rental transactions for stack-up factory due to its limited stock. Transacted rents also vary as the unit sizes of stack-up factory range from 2,000 sq ft to over 40,000 sq ft. In 2018, monthly rental transactions for stack-up factory was between S$1.50 per sq ft and S$1.93 per sq ft.

The majority of rental transactions were in Bukit Batok Connection, which was used here as a proxy for stack-up factory rents (Figure 8). In 2018, rents increased by 8.9% y-o-y to S$1.95 per sq ft per month compared with the decline in 2017 of 8.2% y-o-y. As at 1Q 2019, the median rent is S$1.41 per sq ft per month.

FIGURE 8: RENTS FOR STACK-UP FACTORY[11]



Source: JTC, Edmund Tie & Company

OUTLOOK

Stack-up factory space, with direct ramp access, provides industrialists an alternative to land-based factory space and improves operational efficiency. As such, stack-up factory space is a viable alternative for general manufacturing industrialists as well as niche businesses, e.g. food and furniture. The space is especially attractive for small-and medium-sized enterprises. Given their varying unit sizes, stack-up factories allow for the co-existence of both small and big companies, encouraging collaboration opportunities. Keeping in mind the slower manufacturing activity which will likely lead to minimum expansion plans for business operations, we expect rents for stack-up factory space to remain stable in 2019.

LIMITING CONDITIONS

Where it is stated in the report that information has been supplied to us in the preparation of this report by the sources listed, this information is believed to be reliable and we will accept no responsibility if this should be otherwise. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with relevant government authorities.

The forward statements in this report are based on our expectations and forecasts for the future. These statements should be regarded as our assessment of the future, based on certain assumptions on variables which are subject to changing conditions. Changes in any of these variables may significantly affect our forecasts.

Utmost care and due diligence has been taken in the preparation of this report. We believe that the contents are accurate, and our professional opinion and advice are based on prevailing market conditions as at the date of the report. As market conditions do change, we reserve the right to update our opinion and forecasts based on the latest market conditions.

Edmund Tie & Company (SEA) gives no assurance that the forecasts and forward statements in this report will be achieved and undue reliance should not be placed on them.

11 Includes only rental transactions in Bukit Batok Connections. Refers to gross rent per month including service charge but excluding GST.

UNITED STATES DATA CENTRE MARKET OVERVIEW

451 Research, LLC.

GLOBAL DATA CENTRE MARKET

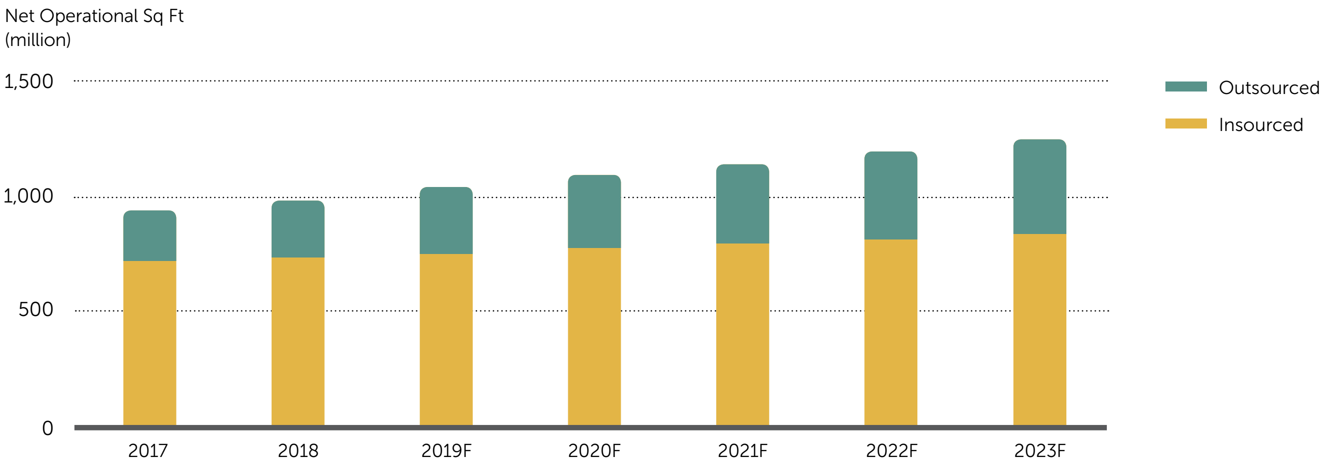
Cloud providers continue to affect the global data centre industry, leasing large amounts of space and power around the world as well as building their own sites. However, cloud providers are not the only ones: content, social media, e-payments, software-as-a-service and other information technology ("IT") firms continue to lease space, as do enterprises as well as government agencies. Leased data centres refer to facilities owned by data centre operators that are leased to a single tenant or to multiple tenants. These do not include facilities owned and operated by enterprises or investors leasing the facilities to enterprises as in-house data centre space.

The global leased data centre market is expected to grow at a compound annual growth rate ("CAGR") of 6.5% from 2017 to 2023F due to various reasons. One is the rapidly increasing amount of data and content as well as the need to house it in secure, resilient locations. In addition, cloud and service providers are under pressure to add data centre space at a very rapid pace in order to keep pace with the growth of cloud computing. In many locations, they lease space in order to achieve their desired timetables. The global market for cloud computing is expected to grow at a CAGR of 16.1% from 2017 to 2023F.

In addition, enterprises are faced with data centres that are obsolete or radically underpowered and need non-capital intensive expansion facilities. Many organisations also seek backup data centres for disaster-recovery and business-continuity purposes, as well as to comply with data sovereignty and other regulations. All of these factors have driven demand for leased data centre space in all regions of the world and this demand is expected to continue unabated. The global market for outsourced data centres is expected to grow at a CAGR of 11.0% from 2017 to 2023F (see Figure 1).

Asia and some areas in Europe are expected to see particularly strong growth due to the rapid uptake of cloud and other IT services. In addition, many countries in Asia and some in Europe have had relatively few leased data centres available and top international cloud providers have not been present there, both of which are changing.

FIGURE 1: WORLDWIDE INSOURCED (ENTERPRISE-USED) AND OUTSOURCED (LEASED & CLOUD PROVIDER-OWNED) DATA CENTRE SPACE



Source: 451 Research LLC., 1Q 2019

UNITED STATES DATA CENTRE MARKET OVERVIEW

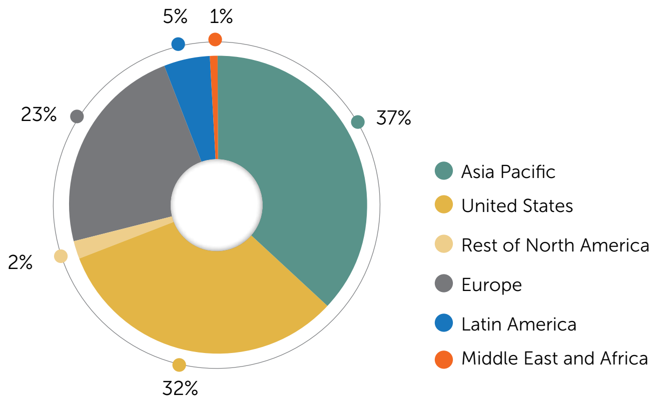
An estimated 74% of global data centre space is in-house data centres used by enterprises. The number of insourced data centres is growing slightly, particularly in countries where there are fewer outsourced options available, for example in smaller countries in Asia, Europe and Latin America. In North America and other advanced data centre markets with plenty of outsourcing options, as enterprises open some facilities, they are often also closing secondary facilities due to consolidation and movement of workloads to cloud, colocation or other forms of outsourcing. This keeps the overall amount of insourced space constant or even negative in those countries.

UNITED STATES DATA CENTRE GROWTH AND DEMAND DRIVERS

The United States is the largest data centre market in the world and the most established, representing 32% of the global insourced and outsourced data centre space by operational sq ft (see Figure 2). It is also home to the largest single market, Northern Virginia.

FIGURE 2: BREAKDOWN OF INSOURCED AND OUTSOURCED DATA CENTRE SPACE BY REGION

Net Operational Sq Ft



Source: 451 Research LLC., 1Q 2019

The outsourced data centre market is growing for several reasons and its drivers in the United States are similar to those for overall network and IT outsourcing demand. These include:

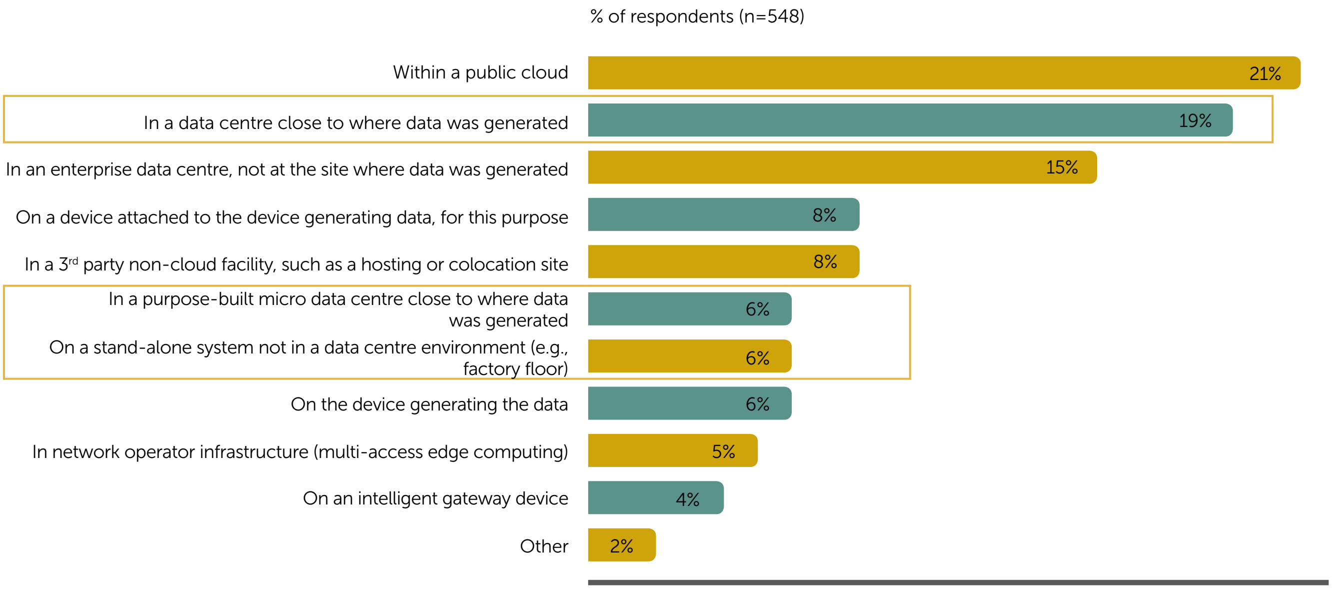
1. **The explosive growth of data and cloud computing and the need for data storage.** Large amounts of data are produced around the world constantly. Many enterprises are required to store data for extended periods. In 2017, Data Center Systems surveyed enterprises and found that unstructured data was growing at 40% to 60% per year. Seagate/IDC have predicted that data created in 2025 (163 zettabytes) will be 10 times the amount created in 2017. Storage growth will continue to be a strong driver of data centre demand.

   In addition, the adoption of web-based applications such as software-as-a-service, platform-as-a-service, infrastructure-as-a-service (cloud computing), video streaming, mobile payments and social media has led to a growing need for data centre space from the providers of those services. These applications require stable, scalable infrastructure in multiple cities in which these service providers operate.

2. **Consumer device proliferation**. The proliferation of new devices fuels consumer demand for application and content delivery, which in turn requires resilient, low-latency Internet Protocol (IP) and cloud infrastructure. According to the Cisco VNI in February 2019, the number of IPv6 capable smartphones and tablets is expected to grow at a CAGR of 18% between 2017 and 2022F.

3. **The need for data to be stored close to its end users.** The rise of the mobile work force and the demand for data and applications to be available on mobile devices have led to a requirement that data and services be available at any time in multiple locations. For many firms, this means that they need to store data close to end users; and, therefore, they require data centre space in multiple locations. In addition, the growth of the Internet of Things and the impending mobile 5G system deployments are expected to boost data centre demand. The Internet of Things will require data centre space in order to store and process data relatively close to where that data is generated – e.g., potentially in or near population centres. Findings from our surveys so far have shown that 19% of data is analysed close to where it is generated and 12% is analysed in a micro data centre or a stand-alone system close to where the data was generated (see Figure 3). The trend of storing data close to where it is generated is expected to grow. Wireless 5G is likely to make accessing data-heavy content such as movies simpler for mobile end users and is expected to drive demand for data centre space in order to store content and provide low latency access to it in population centres.

FIGURE 3: IOT DATA INITIAL STORAGE AND ANALYSIS

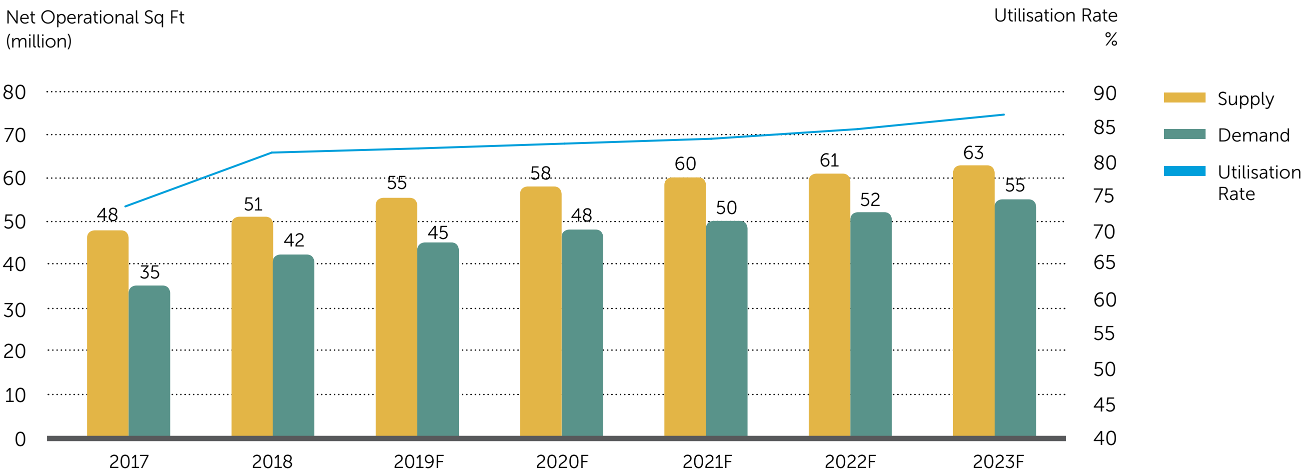


Source: 451 Research LLC., Voice of the Enterprise, Internet of Things, Workloads and Key Projects 2018

4. **The need for geographic diversity and resilience.** To reduce risks from natural disasters, terrorist attacks and accidental outages, firms need backup data centres where data can be duplicated and stored in case a primary data centre experiences an outage.

The United States leased data centre market had an estimated US$14.8 billion in revenue for 2018. This is estimated using the amount of leased space multiplied by the approximate pricing for each city. The growth drivers for leased data centres in the United States are expected to remain strong, underpinning continued demand for data centre space.

FIGURE 4: UNITED STATES LEASED DATA CENTRE SUPPLY AND DEMAND



Source: 451 Research LLC., 1Q 2019

UNITED STATES DATA CENTRE MARKET OVERVIEW

Leased data centre supply (by net operational sq ft) and demand (by net utilised sq ft) are expected to grow at a CAGR of 4.6% and 7.6% respectively between 2017 and 2023F. Pricing for data centre space has remained fairly stable overall, with prices around 20% lower for large hyperscale clients. However, prices for smaller, older retail colocation space have declined over the past few years because many of these facilities' customers have started using public cloud, shrinking their demand for retail colocation.

KEY DATA CENTRE MARKETS IN THE UNITED STATES

The data centre market in the United States comprises 15 key markets with over one million sq ft of leased data centre space and over a hundred smaller, more locally-focused markets. The 15 key markets are shown (see Figure 5). These markets together account for an estimated 75% of the leased data centre space in the United States. They are key fibre hubs as well as population centres and have seen strong demand for data centre space from public cloud providers, network carriers, social media and content firms, government and enterprises in other verticals. Some of these markets, particularly Northern Virginia, grow at a very large scale. Northern Virginia has seen supply additions of over 800,000 sq ft per year since 2015, sometimes closer to one million sq ft, while Dallas has added over 300,000 sq ft per year. They are expected to continue seeing strong demand.

The key markets are so large partly because over time, enterprises have often placed workloads in the United States regionally. An enterprise typically either owns or leases data centre space in the city where it is headquartered, as well as in at least one other region, either for disaster-recovery purposes or to improve latency for customers/end users in a different part of the country. Enterprises tend to look at the key markets for these regional placements (or at very low-cost rural locations). They are also top markets for insourced data centre space, due to the large concentration of enterprises in these locations.

While secondary markets saw data centre demand mainly from local businesses, they are starting to see more deployments from cloud providers and other firms that are not based locally. In addition, the secondary markets are expected to grow further as the adoption of technologies, such as 5G wireless and Internet of Things, will need data to be stored relatively close to end users around the country, rather than in large regional data centres.

FIGURE 5: TOP 15 MARKETS IN THE UNITED STATES (BY NET OPERATIONAL SQ FT)

Top 15 Markets in the United States
Northern Virginia
New York/New Jersey
Dallas
Silicon Valley
Chicago
Los Angeles
Atlanta
Phoenix
Las Vegas
Boston
Philadelphia
Seattle
Denver
Miami
Houston

Source: 451 Research Datacenter KnowledgeBase, 1Q 2019

FINANCIAL REVIEW

	FY18/19 S$'000	FY17/18 S$'000	Change %
Gross revenue	376,101	363,230	3.5
Property operating expenses	88,331	85,627	3.2
Net property income	**287,770**	**277,603**	**3.7**
Distribution declared by joint venture	**15,192**	**3,234**	**369.8**
Amount available for distribution	**231,759**	**215,848**	**7.4**
Distribution per Unit (Singapore cents)	**12.16**	**11.75**	**3.5**

GROSS REVENUE

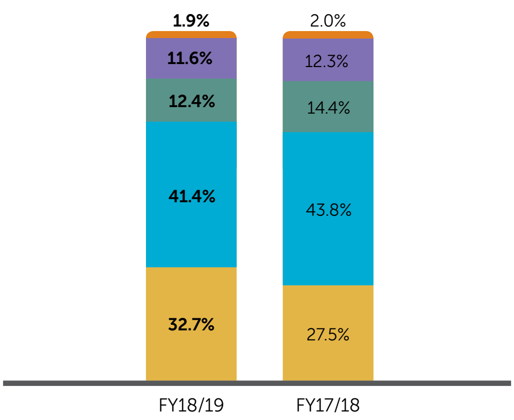
Gross revenue for FY18/19 was S$376.1 million, an increase of S$12.9 million or 3.5% from FY17/18. The revenue growth was mainly attributed to new revenue contribution from the Phase Two of the BTS project for HP Singapore (Private) Limited ("HP Phase Two"), 18 Tai Seng, Mapletree Sunview 1 and 30A Kallang Place, partially offset by the lower portfolio occupancy in FY18/19.

NET PROPERTY INCOME

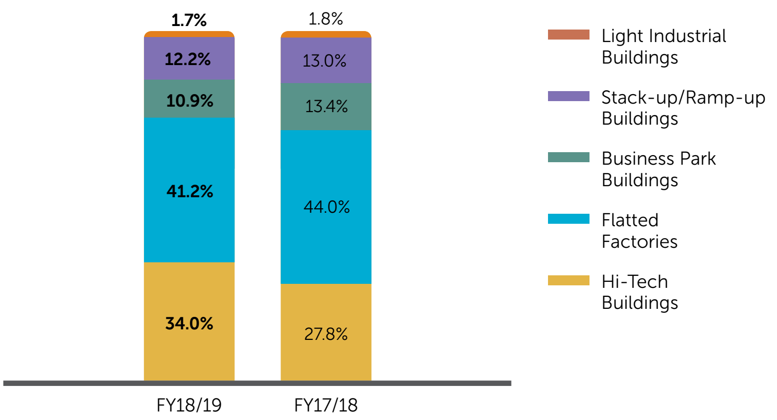
Net property income was S$287.8 million in FY18/19, which was S$10.2 million or 3.7% higher compared to S$277.6 million in FY17/18 due to higher gross revenue, partially offset by higher property operating expenses. Property operating expenses for FY18/19 was S$88.3 million, S$2.7 million or 3.2% higher than FY17/18. The increase in property operating expenses was mainly due to higher property taxes and property maintenance expenses, partially offset by lower utilities and marketing commission.

Flatted Factories segment remained the largest contributor, accounting for 41.2% of the net property income, followed by the Hi-Tech Buildings segment, which accounted for 34.0% of the net property income. The contribution from the Hi-Tech Buildings segment increased in FY18/19 due to the new contribution from HP Phase Two, 18 Tai Seng, Mapletree Sunview 1 and 30A Kallang Place.

GROSS REVENUE (BY SEGMENT)



NET PROPERTY INCOME (BY SEGMENT)



FINANCIAL REVIEW

Percentage of total operating expenses to net assets	FY18/19 S$'000	FY17/18 S$'000
Property operating expenses	88,331	85,627
Manager's management fees	30,893	29,209
Trustee's fees	581	546
Other trust expenses	2,001	1,322
Total operating expenses	**121,806**	**116,704**
Net assets	**3,047,526**	**2,780,072**
Percentage of total operating expenses to net assets (%)	4.0	4.2

DISTRIBUTIONS TO UNITHOLDERS

Amount available for distribution for FY18/19 was S$231.8 million, an increase of S$15.9 million or 7.4% from S$215.8 million in FY17/18, mainly due to higher net property income and full-year distribution declared by the joint venture, partially offset by higher borrowing costs and higher manager's management fees. The higher borrowing costs were due to interest expense on debt borrowed to fund the investment in joint venture, acquisition of 18 Tai Seng, as well as interest incurred in relation to HP Phase Two, Mapletree Sunview 1 and 30A Kallang Place which were being expensed (instead of being capitalised) upon obtaining Temporary Occupation Permit. The weighted average interest rate for FY18/19 was 3.0% as compared to 2.9% in FY17/18. Higher manager's management fees were due to better portfolio performance and increased value of assets under management.

During FY18/19, 135,893,787 new Units were issued in respect of a private placement, the distribution reinvestment plan as well as the payment of manager's management fees and acquisition fees in Units. The total number of units in issue as at 31 March 2019 was 2,021,111,388.

Correspondingly, DPU for FY18/19 was 3.5% higher at 12.16 Singapore cents as compared to 11.75 Singapore cents in FY17/18.

UNITS ISSUED IN FY18/19

New Units arising from	Number of Units	Issued price (S$)
Private placement	103,360,000	1.945
Distribution reinvestment plan	29,239,867	1.8612 to 1.9434
Manager's management fees	1,609,789	1.8978 to 2.0159
Manager's acquisition fees	1,684,131	1.9941 to 2.0079
Total	**135,893,787**	

QUARTERLY DISTRIBUTION PER UNIT

Singapore (cents)	1Q	2Q	3Q	4Q	Full Year
FY18/19	**3.00**	**3.01**	**3.07**	**3.08**[1]	**12.16**
FY17/18	2.92	3.00	2.88[2]	2.95	11.75
% Change year-on-year	2.7	0.3	6.6	4.4	3.5

1 DPU was computed based on weighted average number of units for the period. An advanced distribution of 1.71 Singapore cents per Unit was paid to eligible Unitholders for the period from 1 January 2019 to 19 February 2019, the day immediately prior to the date on which the private placement new Units were issued. The DPU for the enlarged units in issue for the remaining period from 20 February 2019 to 31 March 2019 was 1.37 Singapore cents per Unit.

2 DPU was computed based on weighted average number of units for the period. An advanced distribution of 0.99 Singapore cent per Unit was paid to eligible Unitholders for the period from 1 October 2017 to 1 November 2017, the day immediately prior to the date on which the private placement new Units were issued. The DPU for the enlarged units in issue for the remaining period from 2 November 2017 to 31 December 2017 was 1.89 Singapore cents per Unit.

NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

As at 31 March

	2019 S$'000	2018 S$'000	Change %
Total assets	4,607,064	4,154,320	10.9
Total liabilities	1,559,538	1,374,248	13.5
Net assets attributable to Unitholders	**3,047,526**	**2,780,072**	**9.6**
Net asset value per Unit (S$)	**1.51**	**1.47**	**2.7**

Total assets increased by 10.9% from S$4,154.3 million as at 31 March 2018 to S$4,607.1 million as at 31 March 2019, primarily attributed to the increase in portfolio value. The increase in portfolio value comprised a portfolio revaluation gain of S$30.8 million and capitalised cost of S$397.2 million mainly from the acquisitions of 18 Tai Seng and 7 Tai Seng Drive. Net assets attributable to Unitholders increased by 9.6% to S$3,047.5 million over the previous year, reflecting a higher net asset value per Unit of S$1.51 as at 31 March 2019 mainly due to net fair value gain recognised on the Group's portfolio and new Units issued pursuant to the private placement and distribution reinvestment plan.

VALUATION OF PROPERTIES AND ASSETS UNDER MANAGEMENT

As at 31 March

	2019		2018	
	S$ million	Capitalisation Rate	S$ million	Capitalisation Rate
Hi-Tech Buildings	1,628.8	5.70% to 7.05%	1,215.6	6.25% to 7.00%
Flatted Factories	1,578.0	6.50% to 7.75%	1,580.2	6.50% to 7.75%
Business Park Buildings	581.0	5.90%	570.0	6.00%
Stack-up/Ramp-up Buildings	473.0	6.50%	467.0	6.50%
Light Industrial Buildings	75.5	6.50% to 7.00%	75.5	6.50% to 7.00%
Valuation of Singapore Portfolio	**4,336.3**		**3,908.3**	
Valuation of MIT's 40% interest in US Portfolio	**434.7**[1]	**6.00% to 8.50%**	**413.1**[2]	**6.00% to 8.50%**
Assets under management	**4,771.0**		**4,321.4**	

As at 31 March 2019, MIT's 87 properties in Singapore were valued at S$4,336.3 million by Knight Frank Pte Ltd and Colliers International Consultancy & Valuation (Singapore) Pte Ltd[3].

The US Portfolio held through MRDCT was valued at US$801.3 million (approximately S$1,086.7 million)[1] as at 31 March 2019[4]. This represented an overall increase of US$17.9 million (approximately S$24.3 million) over the previous valuation of US$783.4 million (approximately S$1,032.8 million)[2] as at 31 March 2018. MIT's 40% interest in the US Portfolio was US$320.5 million (approximately S$434.7 million) as at 31 March 2019.

MIT's total assets under management increased by 10.4% from S$4,321.4 million as at 31 March 2018 to S$4,771.0 million as at 31 March 2019.

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") issued by the Accounting Standards Council (Singapore), relevant requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed.

MAS has granted a waiver to the Group from complying with the requirement under Paragraph 4.3 of Appendix 6 to the Code on Collective Investment Schemes (the "CIS Code") to prepare its financial statements in accordance with the Singapore Financial Reporting Standards ("SFRS"). The Group has adopted SFRS(I) for the financial year beginning 1 April 2018 and the financial statements of the Group have been prepared in accordance with SFRS(I).

1 Based on applicable March 2019 month end exchange rate of US$1 to S$1.35612.
2 Based on applicable March 2018 month end exchange rate of US$1 to S$1.31839.
3 18 Tai Seng was valued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd while the remaining 86 properties in Singapore were valued by Knight Frank Pte Ltd.
4 The US Portfolio held through MRDCT was valued by Newmark Knight Frank Valuation & Advisory using the sales comparison and income capitalisation approach.

CORPORATE LIQUIDITY AND CAPITAL RESOURCES

KEY FUNDING STATISTICS

As at 31 March	2019	2018
Total outstanding debt (S$ million)	**1,398.2**	1,219.8
Bank loans outstanding	**993.2**	814.8
Debt securities outstanding	**405.0**	405.0
Key Capital Management Indicators		
Unutilised bank facilities (S$ million)	**552.6**	532.1
Weighted average tenor of debt	**4.4 years**	3.3 years
Aggregate leverage ratio[1]		
- Based on deposited property	**33.8%**	33.1%
- Based on net assets	**50.7%**	49.3%
Average borrowing cost for the financial year	**3.0%**	2.9%
Interest cover ratio for the financial year	**6.6 times**	7.1 times
Interest rate hedge ratio	**78.6%**	85.1%
Weighted average tenor of interest rate hedges	**4.0 years**	2.9 years
MIT Issuer Default Rating by Fitch Ratings	**BBB+ Stable**	BBB+ Stable

1 The aggregate leverage ratio included the 40% proportionate share of borrowings and assets of MRDCT. As at 31 March 2019, total debt including such proportionate share was S$1,642.3 million based on the exchange rate of US$1 to S$1.35612 (as at 31 March 2018: S$1,457.1 million based on an exchange rate of US$1 to S$1.31839).

Total outstanding debt of S$1,398.2 million as at 31 March 2019 was higher by S$178.4 million, mainly due to the acquisition of 18 Tai Seng, ongoing development projects and capital expenditure. All borrowings continued to be unsecured with minimal financial covenants.

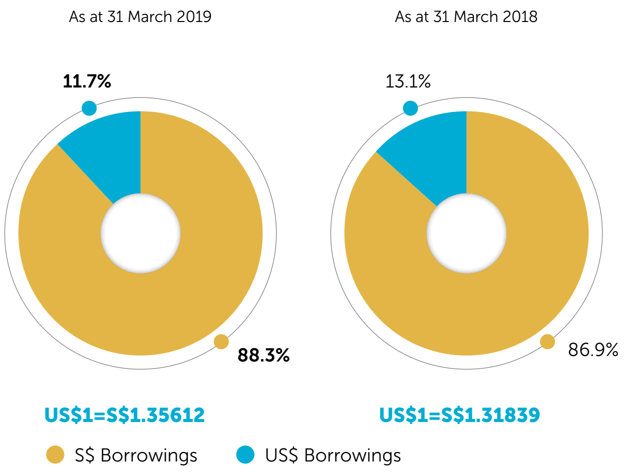
To partly fund the acquisition of 18 Tai Seng, the Manager launched a private placement in February 2019 and raised gross proceeds of S$201.0 million. 103,360,000 new units were issued at the issue price of S$1.945 pursuant to the private placement, which was well supported by investors at approximately 2.2 times covered with an upsize option exercised in full. The issue price represented a discount of approximately 3.3% to the adjusted volume weighted average price. The proceeds, which had been fully disbursed as at 31 March 2019, were largely used in accordance with the stated use and percentage allocated as set out in the announcement dated 12 February 2019.

The distribution reinvestment plan was resumed in 2QFY18/19 after its suspension in 4QFY15/16. Proceeds of approximately S$55.8 million in aggregate from distributions in respect of 2QFY18/19 and 3QFY18/19 as well as the advanced distribution for the period from 1 January 2019 to 19 February 2019 were utilised to partly fund development costs and capital expenditure in FY18/19. A total of 29,239,867 new units were issued in FY18/19 in respect of the distribution reinvestment plan, with issue price ranging from S$1.8612 to S$1.9434. Furthermore, the distribution reinvestment plan was also applied to the balance distribution for the period from 20 February 2019 to 31 March 2019 (the "Balance 4QFY18/19 Distribution"). 2,172,035 new units were issued at the issue price of S$2.0193 pursuant to the distribution reinvestment plan for the Balance 4QFY18/19 Distribution, and proceeds of approximately S$4.4 million were deployed to partly fund development costs and capital expenditure in 1QFY19/20. Following the successful execution of the equity fund raising exercise, there is sufficient debt headroom available to support the current ongoing development project as well as reasonably-sized growth opportunities in the near term; as such, the Manager has also announced the suspension of the distribution reinvestment plan thereafter.

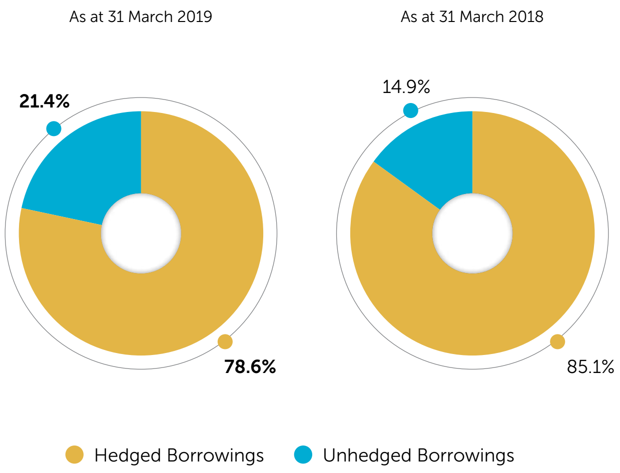
During the year, a S$2 billion Euro Medium Term Securities Programme ("Euro Programme") was established on 5 September 2018. The establishment of the new securities programme provides access to a larger debt capital market investor base both internationally and within Singapore. On 26 March 2019, the first series of notes was issued under the Euro Programme, which comprised S$125.0 million fixed rate notes with a tenor of 10 years and at a coupon rate of 3.58%. Proceeds of the issuance were used to refinance existing debt.

The aggregate leverage ratio computed based on total assets increased to 33.8% as at 31 March 2019 from 33.1% a year ago with the higher total outstanding debt, partly offset by revaluation gain from investment properties. As at 31 March 2019, the debt headroom to an aggregate leverage ratio of 40% was about S$501 million, which can be utilised to fund potential investment opportunities.

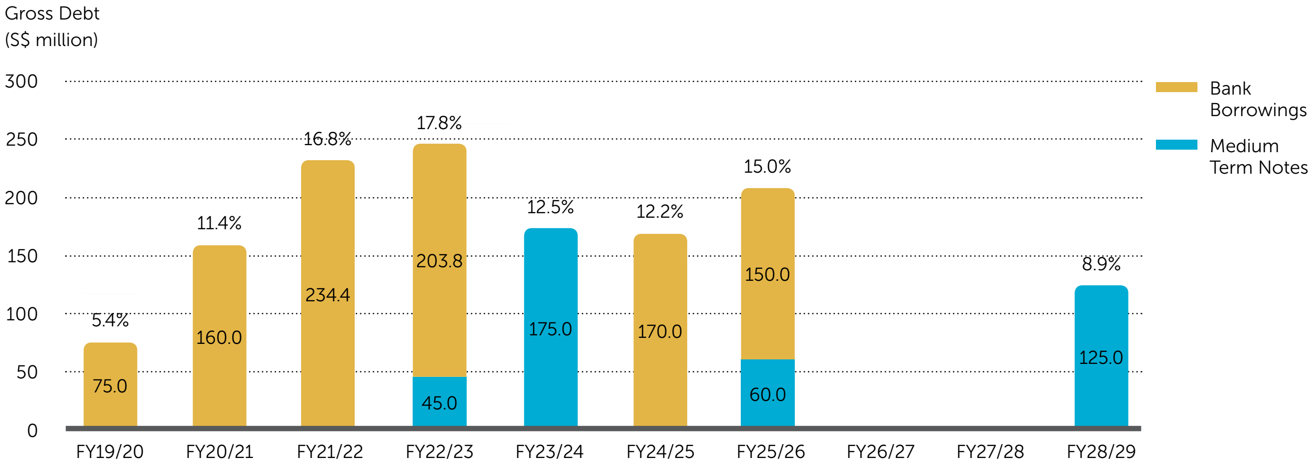
DEBT CURRENCY BREAKDOWN PROFILE



INTEREST RATE HEDGING PROFILE



DEBT MATURITY PROFILE



The debt maturity profile as at 31 March 2019 was well-diversified with an average debt tenor of 4.4 years and the highest debt maturity concentration at 17.8% in FY22/23. The available bank facilities are sufficient to meet the S$75.0 million debt maturing in FY19/20. The sources of debt comprised a combination of bank borrowings and medium term notes issued to debt capital market investors with a breakdown of 71% and 29%, respectively.

INTEREST RATE HEDGING

Interest rate hedges were in place to mitigate interest rate risk through a combination of both interest rate swaps and fixed rate debt. 78.6% of total debt as at 31 March 2019 had hedged interest rates (31 March 2018: 85.1%) with an average hedge tenor of 4.0 years (31 March 2018: 2.9 years). A notional amount of S$150.0 million of the interest rate hedges would expire in FY19/20. The Manager proactively manages the interest rate risk to ensure adequate protection against future interest rate volatility, weighing between the costs and benefits of these hedges. Based on 21.4% of total debt which was unhedged, interest cost would be expected to increase by approximately S$1.5 million per annum for every 50 basis point increase in interest rates generally.

FOREIGN EXCHANGE RATE HEDGING

The 40% share of investment in MRDCT continued to be funded by US dollar debt, which provided a natural hedge on the foreign exchange rate fluctuation that may arise on the US dollar investment. As the income steam received from MRDCT would be received in US dollars, foreign exchange forward contracts were entered into to hedge against foreign exchange rate volatility. 90.4% of the FY18/19 US dollar net income stream had been hedged into Singapore dollars through such forward contracts.

CORPORATE GOVERNANCE

The Manager of MIT is responsible for the strategic direction and management of the assets and liabilities of MIT as well as its subsidiaries (collectively, the "Group"). As a REIT manager, the Manager is licensed by the Monetary Authority of Singapore (the "MAS") and holds a Capital Markets Services Licence for REIT management ("CMS Licence").

The Manager discharges its responsibility for the benefit of MIT and its unitholders ("Unitholders"), in accordance with the applicable laws and regulations as well as the trust deed constituting MIT (as amended) (the "Trust Deed"). To this end, the Manager sets the strategic direction of the Group and gives recommendations to DBS Trustee Limited, in its capacity as trustee of MIT (the "Trustee"), on the acquisition, divestment and enhancement of assets of the Group.

The Manager's roles and responsibilities include:

- carrying on the Group's business to generate returns in a sustainable manner and conducting all transactions on normal commercial terms and on an arm's length basis;
- preparing annual budget proposal with forecast on gross revenue, property expenditure, capital expenditure and providing explanations on major variances against prior year's actual results and written commentaries on key issues and any other relevant assumptions. The purpose of such proposals and analyses is to chart the Group's business for the year ahead and to explain the performance of MIT's properties compared to the prior year; and
- ensuring compliance with applicable laws and regulations, including the Securities and Futures Act (Chapter 289 of Singapore), the Listing Manual of Singapore Exchange Securities Trading Limited (the "SGX-ST"), the Code on Collective Investment Schemes ("CIS Code") issued by the MAS (including Appendix 6 of the CIS Code, the "Property Funds Appendix"), the Singapore Code on Takeovers and Mergers, the Trust Deed, written directions, notices, codes and other guidelines that the MAS may issue from time to time and any tax rulings.

The Manager is committed to complying with the substance and spirit of the Code of Corporate Governance 2012 (the "Code").

The following describes the main corporate governance policies and practices of the Manager with reference to the Code and, where there are deviations from the principles and guidelines of the Code, explanations for such deviations.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Effective Board

Our Policy and Practices

The Manager adopts the principle that an effective Board of Directors (the "Board") for the Manager is one constituted with the right core competencies and diversity of experience, so that the collective wisdom of the Board can give guidance and provide insights as well as strategic thinking to the management team of the Manager ("Management").

The key roles of the Board are to:

- guide the corporate strategy and direction of the Manager;
- ensure that the Management discharges business leadership and demonstrates the highest quality of management with integrity and enterprise; and
- oversee the proper conduct of the Manager.

In discharging their roles and responsibilities, all Directors of the Board are expected to act and have acted in the best interests of MIT.

The positions of Chairman and Chief Executive Officer ("CEO") are held by two separate persons in order to maintain effective oversight. The Board has also established the Audit and Risk Committee (the "AC") and the Nominating and Remuneration Committee (the "NRC"), each of which operates under delegated authority from the Board, to assist the Board in discharging its oversight function.

The Board comprises fourteen Directors, of whom thirteen are Non-Executive Directors and nine are Independent Directors.

The following sets out the composition of the Board*:

- Mr Wong Meng Meng, Non-Executive Chairman and Director
- Mr Soo Nam Chow, Independent Non-Executive Director and Chairman of the AC
- Mr John Koh Tiong Lu, Lead Independent Non-Executive Director and Member of the AC
- Mr Wee Joo Yeow, Independent Non-Executive Director and Chairman of the NRC
- Mr Guy Daniel Harvey-Samuel, Independent Non-Executive Director and Member of the AC (1)
- Mr Pok Soy Yoong, Independent Non-Executive Director and Member of the AC (2)
- Ms Mary Yeo Chor Gek, Independent Non-Executive Director and Member of the NRC
- Mr Andrew Chong Yang Hsueh, Independent Non-Executive Director (3)

- Dr Andrew Lee Tong Kin, Independent Non-Executive Director[3]
- Mr William Toh Thiam Siew, Independent Non-Executive Director[4]
- Mr Seah Choo Meng, Non-Executive Director and Member of the AC
- Mr Hiew Yoon Khong, Non-Executive Director and Member of the NRC
- Mr Wong Mun Hoong, Non-Executive Director
- Mr Tham Kuo Wei, Executive Director and CEO

(1) Appointed as Member of the AC on 1 September 2018.
(2) Appointed as Independent Non-Executive Director on 26 December 2018 and Member of the AC on 1 April 2019.
(3) Appointed as Independent Non-Executive Director on 26 December 2018.
(4) Appointed as Independent Non-Executive Director on 1 September 2018.
* Pursuant to the SFLCB Regulations (as defined herein), as several Independent Directors of the Board will be reaching the end of their nine-year tenures and retiring from the Board by September 2019, to prepare for this transition, Mr Pok Soy Yoong, Mr Andrew Chong Yang Hsueh, Dr Andrew Lee Tong Kin and Mr William Toh Thiam Siew have been appointed as new Directors to the Board in FY18/19.

The Board comprises business leaders and distinguished professionals with banking, legal, real estate, strategic planning, management and accounting experience.

The diverse professional backgrounds of the Directors enable Management to benefit from their external, varied and objective perspectives on issues brought before the Board for discussion and deliberation. Each Director is appointed on the strength of his or her calibre, experience, stature and potential to give proper guidance to Management on the business of the Group. In addition, the Board considers additional factors such as the age, gender and educational background of its members. The profiles of the Directors are set out in pages 20 to 25 of this Annual Report. The Board is of the view that the present principal directorships included in their individual profiles are sufficient to inform Unitholders of their principal commitments. The Board meets regularly, at least once every quarter, to review the business performance and outlook of the Group and deliberate on business strategy, including any significant acquisitions, disposals, fund-raising and development projects undertaken by the Group. When exigencies prevent a Director from attending a Board or Board committee meeting in person, such Director can participate by audio or video conference.

The meeting attendance of the Board, AC, NRC and general meetings for FY18/19 is as follows:

		BOARD	AC	NRC	AGM[3]	EGM[6]
Number of meetings held in FY18/19		5	5	1	1	1
Board Members	**Membership**					
Mr Wong Meng Meng (Appointed on 7 September 2010) (Last reappointment on 29 September 2017)	Non-Executive Chairman and Director	4	N.A.[1]	N.A.[1]	1	1
Mr Soo Nam Chow (Appointed on 7 September 2010) (Last reappointment on 29 September 2017)	Independent Non-Executive Director and Chairman of the AC	5	5	N.A.[1]	1	1
Mr John Koh Tiong Lu (Appointed on 7 September 2010) (Last reappointment on 29 September 2017)	Lead Independent Non-Executive Director and Member of the AC	5	5	N.A.[1]	1	1
Mr Wee Joo Yeow (Appointed on 7 September 2010) (Last reappointment on 28 September 2018)	Independent Non-Executive Director and Chairman of the NRC	5	N.A.[1]	1	1	1
Mr Guy Daniel Harvey-Samuel (Appointed on 14 July 2017) (Last reappointment on 29 September 2017)	Independent Non-Executive Director and Member of the AC[4]	4	2[4]	N.A.[1]	1	0
Mr Pok Soy Yoong (Appointed on 26 December 2018)	Independent Non-Executive Director and Member of the AC[5]	2	N.A.[1]	N.A.[1]	N.A.[1]	1
Ms Mary Yeo Chor Gek (Appointed on 15 March 2013) (Last reappointment on 30 September 2016)	Independent Non-Executive Director and Member of the NRC	4	N.A.[1]	1	1	1
Mr Andrew Chong Yang Hsueh (Appointed on 26 December 2018)	Independent Non-Executive Director	2	N.A.[1]	N.A.[1]	N.A.[1]	1
Dr Andrew Lee Tong Kin (Appointed on 26 December 2018)	Independent Non-Executive Director	2	N.A.[1]	N.A.[1]	N.A.[1]	1
Mr William Toh Thiam Siew (Appointed on 1 September 2018)	Independent Non-Executive Director	3	N.A.[1]	N.A.[1]	N.A.[1]	1

CORPORATE GOVERNANCE

		BOARD	AC	NRC	AGM(3)	EGM(6)
Number of meetings held in FY18/19		5	5	1	1	1
Board Members	**Membership**					
Mr Seah Choo Meng (Appointed on 7 September 2010) (Last reappointment on 28 September 2018)	Non-Executive Director and Member of the AC	3	3	N.A.(1)	1	0
Mr Hiew Yoon Khong (Appointed on 7 September 2010) (Last reappointment on 30 September 2016)	Non-Executive Director and Member of the NRC	4	N.A.(1)	1	1	1
Mr Wong Mun Hoong (Appointed on 7 September 2010) (Last reappointment on 28 September 2018)	Non-Executive Director	5	5(2)	N.A.(1)	1	1
Mr Tham Kuo Wei (Appointed on 23 July 2010) (Last reappointment on 28 September 2018)	Executive Director and CEO	5	5(2)	1(2)	1	1

Notes:
(1) N.A. means not applicable.
(2) Attendance was by invitation.
(3) Held on 17 July 2018.
(4) Appointed as Member of the AC on 1 September 2018.
(5) Appointed as Member of the AC on 1 April 2019.
(6) Held on 22 January 2019.

The Board has also approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities to be undertaken by the Group. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

The Board's approval is required for material transactions undertaken by the Group, including the following:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and *ad hoc* development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

Each Director is given a formal letter of appointment setting out his or her duties and obligations under the relevant laws and regulations governing the Manager and the Group. The Manager also has in place an orientation programme to brief new Directors on the Group's business, strategic directions, risk management policies, the regulatory environment in which the Group operates and the governance practices of the Group and the Manager, including in areas such as accounting, legal and industry-specific knowledge as appropriate. The Board is updated on any material change to relevant laws, regulations and accounting standards by way of briefings from professionals or updates issued by Management.

Board Composition and Guidance

Principle 2: Strong and independent element on the Board

Our Policy and Practices

The Board reviews from time to time the size and composition of the Board to ensure that the size of the Board is appropriate in facilitating effective decision making.

The Manager adopts the principle that a board composition with a strong and independent element will allow the Directors to engage in robust deliberations with Management and provide external, diverse and objective insights on issues brought before the Board for discussion and deliberation. In particular, the Non-Executive Directors will also conduct periodic review of the investment mandate as well as the strategic focus of MIT with Management. Further, such a board composition, and the separation of the roles of the Chairman and the CEO, provides oversight to ensure that Management discharges its roles and responsibilities effectively and with integrity.

The Board assesses the independence of each Director in accordance with the requirements of the Code and Regulations 13D to 13H[1] of the Securities and Futures (Licensing and Conduct of Business) Regulations ("SFLCB Regulations"). A Director is considered to be independent if he or she has no relationship with the Manager, its related corporations and its shareholders who hold 10% or more of the voting shares of the Manager, or Unitholders who hold

1 The SFLCB Regulations were amended by the Securities and Futures (Licensing and Conduct of Business)(Amendment No.2) Regulations 2018 which came into operation on 8 October 2018. One of the amendments to the SFLCB Regulations was the insertion of Regulations 13D to 13H which relate to board composition and director's independence.

10% or more of the Units in issue, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement; and is independent from the management and any business relationship with the Manager and MIT, every substantial shareholder of the Manager and every substantial unitholder of MIT, is not a substantial shareholder of the Manager or a substantial unitholder of MIT and has not served on the Board for a continuous period of nine years or longer.

For FY18/19, each of the Independent Directors had carried out an assessment on whether there were any relationships or circumstances which may impact his or her independent status. Accordingly, each of the Independent Directors had either made a negative declaration or disclosed such relationships or circumstances as applicable. The declarations or disclosures made by each Independent Director had been reviewed by the NRC.

The Board of the Manager, after considering the relevant requirements under the SFLCB Regulations, specifically Regulation 13E(b)(i) of the SFLCB Regulations and the Code, wishes to set out its views in respect of each of the Directors as follows:

Director	(i) had been independent from the management of the Manager and MIT during FY18/19	(ii) had been independent from any business relationship with the Manager and MIT during FY18/19	(iii) had been independent from every substantial shareholder of the Manager and every substantial unitholder of MIT during FY18/19	(iv) had not been a substantial shareholder of the Manager or a substantial unitholder of MIT during FY18/19	(v) has not served as a director of the Manager for a continuous period of 9 years or longer as at the last day of FY18/19
Mr Wong Meng Meng[(1),(10)]	√			√	√
Mr Soo Nam Chow	√	√	√	√	√
Mr John Koh Tiong Lu[(2),(10)]	√			√	√
Mr Wee Joo Yeow[(3),(10)]	√		√	√	√
Mr Guy Daniel Harvey-Samuel[(4),(10)]	√		√	√	√
Ms Mary Yeo Chor Gek	√	√	√	√	√
Mr Andrew Chong Yang Hsueh	√	√	√	√	√
Dr Andrew Lee Tong Kin	√	√	√	√	√
Mr Pok Soy Yoong[(5),(10)]	√			√	√
Mr William Toh Thiam Siew	√	√	√	√	√
Mr Seah Choo Meng[(6),(10)]		√		√	√
Mr Hiew Yoon Khong[(7),(10)]		√		√	√
Mr Wong Mun Hoong[(8),(10)]		√		√	√
Mr Tham Kuo Wei[(9),(10)]		√		√	√

Notes:

(1) Mr Wong Meng Meng is currently a Non-Executive Director of the Sponsor which wholly-owns the Manager and is a substantial unitholder of MIT. Pursuant to the SFLCB Regulations, during FY18/19, Mr Wong is deemed not to be (a) independent from a business relationship with the Manager and MIT as he received fees for his directorship on the Sponsor for the current and immediately preceding financial year; and (b) independent from every substantial shareholder of the Manager and substantial unitholder of MIT, by virtue of his directorship on the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2019, Mr Wong was able to act in the best interests of all Unitholders of MIT as a whole.

(2) Mr John Koh Tiong Lu was an Independent Director and Chairman of the investment committee of Mapletree Industrial Fund Ltd., a private real estate fund managed by the Sponsor before stepping down on 31 December 2018. Pursuant to the SFLCB Regulations, during FY18/19, Mr Koh is deemed not to be (a) independent from a business relationship with the Manager and MIT; and (b) independent from every substantial shareholder of the Manager and substantial unitholder of MIT, by virtue of his past directorship on Mapletree Industrial Fund Ltd.. Nonetheless, the Board takes the view that Mr Koh's status as an Independent Director is not affected as he was an Independent Director of Mapletree Industrial Fund Ltd. and was not involved in the management of its business. The Board is satisfied that as 31 March 2019, Mr Koh was able to act in the best interests of all the Unitholders of MIT as a whole.

CORPORATE GOVERNANCE

(3) Mr Wee Joo Yeow is currently a Non-Executive Director of Oversea-Chinese Banking Corporation Limited ("OCBC"). In FY18/19, Mapletree Industrial Trust Treasury Company Pte. Ltd.("MITTC"), being a wholly-owned subsidiary of MIT, paid certain management fees in excess of S$200,000 to OCBC in connection with a Multicurrency Euro Medium Term Securities Programme established on 5 September 2018 ("EMTS Programme"). Under Guideline 2.3(d) of the Code, a director may be considered as not independent if he is, among others, a director of an organisation to which a company or any of its subsidiaries made, or from which the company or any of its subsidiaries received, significant payments or material services in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S$200,000 should generally be deemed significant.

Pursuant to the SFLCB Regulations, during FY18/19, Mr Wee is deemed not to be independent from a business relationship with the Manager and MIT, by virtue of the fees paid by MITTC to OCBC pursuant to the EMTS Programme. Notwithstanding the foregoing, the Board takes the view that Mr Wee's status as an Independent Director is not affected as (a) he is appointed as an Independent Non-Executive Director of OCBC and is not involved in the management of OCBC's business and (b) the fees paid pursuant to the terms of EMTS Programme were agreed on an arm's length basis and Mr Wee was not involved in any negotiations related to the EMTS Programme.

The Board is satisfied that, as at 31 March 2019, Mr Wee was able to act in the best interests of all Unitholders of MIT as a whole.

(4) Mr Guy Daniel Harvey-Samuel is currently an Independent Non-Executive Director of JTC Corporation ("JTC"). In FY18/19, in connection with all fees including land rents and differential premiums payable to JTC in relation to properties leased from JTC, an aggregate amount in excess of S$200,000 was paid by MIT to JTC. Under Guideline 2.3(d) of the Code, a director may be considered as not independent if he is, among others, a director of an organisation to which a company or any of its subsidiaries made, or from which the company or any of its subsidiaries received, significant payments or material services in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S$200,000 should generally be deemed significant.

Pursuant to the SFLCB Regulations, during FY18/19, Mr Harvey-Samuel is deemed not to be independent from a business relationship with the Manager and MIT, by virtue of the fees paid by MIT to JTC. Notwithstanding the foregoing, the Board takes the view that Mr Harvey-Samuel's status as an Independent Director is not affected as (a) he is appointed as an Independent Non-Executive Director of JTC and is not involved in the management of JTC's business and (b) all JTC leases were entered into on an arm's length basis and in accordance with market practice. The Board is satisfied that, as at 31 March 2019, Mr Harvey-Samuel was able to act in the best interests of all Unitholders of MIT as a whole.

(5) Mr Pok Soy Yoong was previously an Independent Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust) and stepped down from this position on 31 August 2018. Pursuant to the SFLCB Regulations, during FY18/19, Mr Pok is deemed not to be (a) independent from a business relationship with the Manager and MIT; and (b) independent from every substantial shareholder of the Manager and substantial unitholder of MIT, by virtue of his past directorship on Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust). Nonetheless, the Board takes the view that this would not affect Mr Pok's ability to act as an Independent Director and exercise independent judgement on the Board with a view to the best interests of the Unitholders of MIT. The Board is satisfied that as at 31 March 2019, Mr Pok was able to act in the best interests of all the Unitholders of MIT as a whole.

(6) Mr Seah Choo Meng is currently a Senior Advisor to the Group CEO's Office of Surbana Jurong Private Limited, which is a related corporation of the Manager. Pursuant to the SFLCB Regulations, during FY18/19, Mr Seah is deemed not to be (a) independent from a management relationship with the Manager and MIT; and (b) independent from every substantial shareholder of the Manager and substantial unitholder of MIT, by virtue of his employment with Surbana Jurong Private Limited. Nonetheless, the Board is satisfied that, as at 31 March 2019, Mr Seah was able to act in the best interests of all Unitholders of MIT as a whole.

(7) Mr Hiew Yoon Khong is currently the Executive Director and Group Chief Executive Officer of the Sponsor. He is also a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust), Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust) and Mapletree North Asia Commercial Trust Management Ltd. (the manager of Mapletree North Asia Commercial Trust), which are related corporations of the Manager. Pursuant to the SFLCB Regulations, during FY18/19, Mr Hiew is deemed not to be (a) independent from a management relationship with the Manager and MIT by virtue of his employment with the Sponsor; and (b) independent from every substantial shareholder of the Manager and substantial unitholder of MIT by virtue of his directorships on related corporations of the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2019, Mr Hiew was able to act in the best interests of all Unitholders of MIT as a whole.

(8) Mr Wong Mun Hoong is currently the Group Chief Financial Officer of the Sponsor. He is also a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust), and Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust) and a Non-Executive Director of Singapore Cruise Centre Pte. Ltd. which is a related corporation of the Manager. Pursuant to the SFLCB Regulations, during FY18/19, Mr Wong is deemed not to be (a) independent from a management relationship with the Manager and MIT by virtue of his employment with the Sponsor; and (b) independent from every substantial shareholder of the Manager and substantial unitholder of MIT by virtue of his directorships with related corporations of the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2019, Mr Wong was able to act in the best interests of all Unitholders of MIT as a whole.

(9) Mr Tham Kuo Wei is currently the Executive Director and CEO of the Manager. Pursuant to the SFLCB Regulations, during FY18/19, Mr Tham is deemed not to be (a) independent from a management relationship with the Manager and MIT by virtue of his employment with the Manager; and (b) independent from every substantial shareholder of the Manager and substantial unitholder of MIT by virtue of his directorship in the Manager which is a related corporation of the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2019, Mr Tham was able to act in the best interests of all Unitholders of MIT as a whole.

(10) As at 31 March 2019, each of the abovementioned Directors was able to act in the best interests of all the Unitholders of MIT as a whole.

Based on a review of the relationships between the Directors and the Group in accordance with the requirements of the Code and the SFLCB Regulations and declarations of independence by the Independent Directors, the Board considers the following Directors to be independent:

- Mr Soo Nam Chow;
- Mr John Koh Tiong Lu;
- Mr Wee Joo Yeow;
- Mr Guy Daniel Harvey-Samuel;
- Mr Pok Soy Yoong;
- Ms Mary Yeo Chor Gek;
- Mr Andrew Chong Yang Hsueh;
- Dr Andrew Lee Tong Kin; and
- Mr William Toh Thiam Siew;

In view of the above, at least half of the Board comprises Independent Directors.

The Manager has a policy that its Directors should recuse themselves from discussions and abstain from voting on resolutions regarding a transaction or proposed transaction in which the Director has an interest or is conflicted. The Directors have complied with this policy and recused himself or herself from discussions and abstained from voting on resolutions regarding any proposed transaction which might potentially give rise to a conflict of interest.

Chairman and CEO

Principle 3: Clear division of responsibilities

Our Policy and Practices

The Manager adopts the principle of clear separation of the roles and responsibilities between the Chairman of the Board and the CEO of the Manager. The Chairman guides the Board in constructive debates on the Group's strategic direction, management of its assets and governance matters. The Chairman is a Non-Executive Director.

The Chairman and the CEO are not related to each other. The CEO is responsible for the running of the Manager's business operations. He has full executive responsibilities over the business and operational decisions of the Group. The CEO is also responsible for ensuring the Group's compliance with the applicable laws and regulations in its day-to-day operations.

As the Chairman is not an independent director, in accordance with Guideline 3.3 of the Code, Mr John Koh Tiong Lu has been appointed as the Lead Independent Director of the Manager. The principal responsibilities of the Lead Independent Director are to act as Chairman of the Board when matters concerning the Chairman are to be considered, and to be available to the Board and Unitholders for communication of Unitholders' concerns when other channels of communication through the Chairman or CEO are inappropriate, as well as for leading all deliberations on feedback regarding performance of the CEO and any interested party transactions.

Board Membership

Principle 4: Formal and transparent process for appointments

Our Policy and Practices

The Manager adopts the principle that Board renewal is an ongoing process to ensure good governance and to remain relevant to the changing needs of the Manager and the Group's business.

The Board established the NRC in January 2016 and it comprises three Directors, being Mr Wee Joo Yeow, Ms Mary Yeo Chor Gek and Mr Hiew Yoon Khong, all of whom are non-executive and the majority of whom (including the Chairman of the NRC) are independent. Mr Wee Joo Yeow is the Chairman of the NRC.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating committee, which include assisting the Board in matters relating to:

- the appointment and re-appointment of Board and committee members;
- the appointment and succession plan for the Executive Director and CEO, and the framework for the appointment and succession plan for the senior management executives of the Manager;
- training and professional development programmes for the Board;
- the process for evaluating Board performance; and
- the determination, on an annual basis and as and when circumstances require, of the independent status of a Director, bearing in mind the relevant guidelines of the Code and the SFLCB Regulations, as well as any other applicable regulations and guidelines and salient factors.

The composition of the Board is determined based on the following principles:

- the Chairman of the Board should be a non-executive director of the Manager;
- the Board should comprise directors with a broad range of commercial experience including expertise in funds management, law, finance, audit, accounting and real estate; and

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- at least one-third of the Board should comprise independent directors if the Chairman is an independent director or at least half of the Board should comprise independent directors if the Chairman is not an independent director.

As at least half of the Board comprises Independent Directors, the Manager will not be voluntarily subjecting any appointment or reappointment of directors to voting by Unitholders. The Board intends to continue to keep to the principle that at least half of the Board shall comprise independent directors.

The Manager does not, as a matter of policy, limit the maximum number of listed company board representations its Board members may hold as long as each of the Board members is able to commit his or her time and attention to the affairs of the Group, including attending Board and Board committee meetings and contributing constructively to the management of the Manager and the Group. The Manager believes that each Director is best placed to decide whether he or she has sufficient capacity to discharge his or her duties and responsibilities as Director in the best interests of the Manager and Unitholders. Taking into account the meeting attendance records of the Directors in FY18/19 as well as the contribution and performance of each individual Director at such meetings, the Board is satisfied that all the Directors have been able to carry out their duties as Director notwithstanding their principal commitments.

In keeping with the principle that a Director must be able to commit his or her time and attention to the affairs of the Group, the Board will generally not approve the appointment of alternate directors. There were no alternate directors appointed in FY18/19.

The NRC reviews and makes recommendations of nominations and/or re-nominations of directors on the Board and Board Committees to the Board for approval. As a principle of good corporate governance, all Board members are required to submit themselves for re-nomination and re-election at regular intervals during the annual general meeting of the Manager.

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board

Our Policy and Practices

The Manager adopts the principle that the Board's performance is ultimately reflected in the performance of the Manager and the Group.

To assess the performance of the Board and the Board committees, the Manager conducts confidential board effectiveness surveys once every two to three years. Board effectiveness surveys are carried out once every two to three years so as to provide more time for the Directors to observe, review and assess the effectiveness and performance of the Board and the Board committees. The last survey of the Board, the AC and the NRC was undertaken in May 2019, with the findings to be evaluated by the Board in July 2019. To this end, the NRC will assist the Board in (amongst other things) the assessment of the effectiveness of the Board, by reviewing the performance evaluation process and making recommendations to the Board.

Access to Information

Principle 6: Complete, adequate and timely access to information

Our Policy and Practices

The Manager adopts the principle that the Board shall be provided with timely and complete information prior to Board meetings as well as when the need arises.

Management is required to provide adequate and timely information to the Board, which includes matters requiring the Board's decision as well as ongoing reports relating to the operational and financial performance of the Group. Management is also required to furnish any additional information requested by the Board in a timely manner in order for the Board to make informed decisions.

The Directors have separate and independent access to Management and the Company Secretary.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

The Company Secretary attends to the administration of corporate secretarial matters and advises the Board on governance matters. The Company Secretary also attends all Board and Board committee meetings and provides assistance to the Chairman in ensuring adherence to Board procedures.

The Board takes independent professional advice as and when necessary, at the Manager's expense, to enable it and/or the Independent Directors to discharge their responsibilities effectively. The AC meets the external and internal auditors separately at least once a year, without the presence of Management.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: Formal and transparent procedure for fixing the remuneration of Directors

Level and Mix of Remuneration

Principle 8: Appropriate level of remuneration

Disclosure on Remuneration

Principle 9: Clear disclosure of remuneration matters

Our Policy and Practices

The Manager adopts the principle that remuneration matters should be sufficiently structured and benchmarked with good market practices to attract qualified talent to grow and manage its business.

The Manager adopts the principle that remuneration for the Board and Management should be viewed in totality. The remuneration structure supports the continuous development of the management bench strength to ensure robust talent management and succession planning.

Pursuant to the *Guidelines to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management (Guideline No: SFA04-G07)*, the Manager has disclosed in this report information on its NRC as set out below.

Additional information on remuneration matters are disclosed in accordance with the Alternative Investment Fund Managers Directive (the "AIFMD") in compliance with the requirements of the AIFMD.

Nominating and Remuneration Committee

The Manager has an established NRC which consists of a minimum of three members and is constituted in a way that enables it to exercise its judgment and demonstrate its ability to make decisions which are consistent with the current and future financial status of the business.

The current members are: Mr Wee Joo Yeow, Independent Non-Executive Director and Chairman of NRC, Ms Mary Yeo Chor Gek, Independent Non-Executive Director and Mr Hiew Yoon Khong, Non-Executive Director. The NRC met once during FY18/19 and was guided by an independent remuneration consultant, Willis Towers Watson, who has no relationship with the Manager, the controlling shareholders of the Manager or its related entities and the Board of Directors that would interfere with its ability to provide independent advice to the NRC.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating and remuneration committee, which include assisting the Board in matters relating to:

- reviewing and recommending to the Board all nominations for the appointment and re-appointment of Directors and of members to the various Board Committees;
- reviewing and recommending to the Board the succession plan for the Executive Director and CEO of the Manager;
- the remuneration framework for the Directors, the Executive Director and CEO and Management of the Manager, including all option plans, stock plans and the like as well as the performance hurdles of such plans;
- the specific remuneration package for the Executive Director and CEO of the Manager; and
- the termination payment, gratuities, severance payment and other similar payments to the Executive Director and CEO of the Manager.

Decision-making Process for Determining the Remuneration Policy

The NRC is responsible for the annual review of remuneration policy, its implementation and ensuring compliance with relevant legislation and regulation. The NRC makes remuneration decisions for employees annually in May following the end of the performance year. This timing allows the full-year financial results to be considered along with the other non-financial goals and objectives. The NRC developed the Manager's remuneration policy with a number of principles in mind. The overarching principle is to promote sustainable long-term success of MIT. The remuneration policy should:

- **Align with Unitholders:** A proportion of variable remuneration is deferred and delivered in the form of deferred awards over MIT phantom units, thereby aligning the interests of employees and Unitholders;
- **Align with performance:** Total variable compensation is managed taking into consideration financial performance and achievement of non-financial goals;
- **Encourage retention:** Deferred variable compensation does not give rise to any immediate entitlement. Awards normally require the participant to be employed continuously by the Manager until at least the third anniversary of the grant in order to vest in full; and
- **Be competitive:** Employees receive competitive compensation and benefits packages, which are reviewed annually and benchmarked by an independent remuneration consultant to the external market.

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In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives, financial performance of MIT and the individual performance and contributions to MIT during the financial year. Particularly for Management and key management staff, a portion of their variable compensation is deferred and subjected to downside risks to prevent excessive risk taking.

The key objectives and features of the Manager's policy on the remuneration of its Directors are as follows:
- the level of directors' fees should be appropriate (but not excessive) to attract and retain the Directors to provide good stewardship of the Manager and the Group;
- directors' fees are reviewed annually and subject to the approval of the Manager's shareholder;
- to ensure that each Directors' fees are commensurate with his or her responsibilities and time spent, each Director is paid a basic retainer and Directors who perform additional services through the Board committees are paid additional fees for such services;
- Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors, and the CEO also does not receive any director's fees in his capacity as a Director; and
- no Director is involved in deciding his or her own remuneration.

Directors' fees are paid entirely in cash.

The key objectives and features of the Manager's policy on the remuneration of its executives are as follows:
- the level and structure of executive remuneration should be competitive (but not excessive) to attract, motivate and retain a pool of talented executives for the present and future growth of the Manager; and
- executive remuneration should be performance-related with a view to promoting the long-term success and sustainability of the Manager.

The CEO is not present during the discussions relating to his own compensation and terms and conditions of service, and the review of his performance. However, the Board, with the assistance of the NRC, reviews the CEO's performance and the NRC Chairman, or his designate, will share with the CEO their views of his performance. In accordance with the directions and guidelines from the MAS on the remuneration of key executive officers of REIT managers, the Board, with the assistance of the NRC, reviews the CEO's specific remuneration package to ensure its compliance with the substance and spirit of such directions and guidelines from the MAS.

The remuneration of the Board and the employees of the Manager is paid by the Manager, and not paid by MIT. The Manager has set out in the table below information on the fees paid to the Directors for FY18/19:

Board Members	Membership	Fees Paid for FY18/19
Mr Wong Meng Meng	Non-Executive Chairman and Director	S$116,500.00
Mr Soo Nam Chow	Independent Non-Executive Director and Chairman of the AC	S$96,500.00
Mr John Koh Tiong Lu	Lead Independent Non-Executive Director and Member of the AC	S$92,500.00
Mr Wee Joo Yeow	Independent Non-Executive Director and Chairman of the NRC	S$85,000.00
Mr Guy Daniel Harvey-Samuel	Independent Non-Executive Director and Member of the AC(1)	S$71,541.69(1)
Mr Pok Soy Yoong	Independent Non-Executive Director(2) and Member of the AC(6)	S$14,637.10(2)
Ms Mary Yeo Chor Gek	Independent Non-Executive Director and Member of the NRC	S$74,000.00
Mr Andrew Chong Yang Hsueh	Independent Non-Executive Director	S$14,637.10(2)
Dr Andrew Lee Tong Kin	Independent Non-Executive Director	S$14,637.10(2)
Mr William Toh Thiam Siew	Independent Non-Executive Director	S$33,583.31(3)
Mr Seah Choo Meng	Non-Executive Director and Member of the AC	S$84,000.00
Mr Hiew Yoon Khong	Non-Executive Director and Member of the NRC	Nil(4)
Mr Wong Mun Hoong	Non-Executive Director	Nil(4)
Mr Tham Kuo Wei	Executive Director and Chief Executive Officer	Nil(5)

Notes:
(1) The Director's fees paid to Mr Guy Daniel Harvey-Samuel included prorated fee as Member of the AC for the period of appointment from 1 September 2018 to 31 March 2019.
(2) The Director's fees paid to Mr Pok Soy Yoong, Mr Andrew Chong Yang Hsueh and Dr Andrew Lee Tong Kin were prorated for the period of appointment from 26 December 2018 to 31 March 2019.
(3) The Director's fees paid to Mr William Toh Thiam Siew were prorated for the period of appointment from 1 September 2018 to 31 March 2019.
(4) Non-Executive Directors who are employees of the Sponsor do not receive any fees in their capacity as Directors and/or NRC member.
(5) The CEO does not receive any Director's fees in his capacity as a Director.
(6) Mr Pok Soy Yoong was appointed as Member of the AC on 1 April 2019.

Link between pay and performance

Employee remuneration at the Manager comprises fixed pay, variable incentive, allowances and benefits. Fixed pay comprises a salary and an annual wage supplement. All employees receive a salary that reflects their responsibilities and the level of experience and expertise needed to undertake their roles. Allowances and benefits include statutory provident contributions and benefits-in-kind to enable employees to undertake their role by ensuring their wellbeing.

Variable incentive is a material component of total remuneration and comprises Performance Target Bonus ("PTB"), Variable Bonus ("VB") and Long-term Incentive ("LTI") award. The PTB amount is determined based on the achievement of non-financial Key Performance Indicators ("KPIs") which are critical to improving the organisational effectiveness and operational efficiency of the Manager, e.g. successful implementation of Employee Engagement Survey 2017 action plans, participation in Corporate Social Responsibility ("CSR") events and tenants engagement. The VB amount is assessed based on the achievement of financial KPIs such as net property income, occupancy rate, DPU and WALE which measure the financial metrics essential to the Unitholders. KPIs and their weightages may change from year to year. The LTI award is a form of unit-linked incentive plan and represents conditional rights to receive a cash sum based on the achievement of MIT's Total Shareholder Return ("TSR") targets and value of a notional investment in MIT.

To this end, the NRC has reviewed the performance of the Manager for FY18/19 and is satisfied that all KPIs have largely been achieved.

For Management, a significant proportion of their variable incentive is deferred under the Manager's VB banking mechanism and vesting schedule of LTI award. Deferral of these two components is a key mechanism to building sustainable business performance. Under the VB banking mechanism, only a portion of a VB award declared in the financial year will be paid out while the rest of the VB award will be deferred and paid out in the subsequent years. The deferred VB award will be subject to downside risks depending on future performance. This ensures alignment between remuneration and sustaining business performance in the longer term. For the LTI award, it is subject to a three to five years vesting schedule. The settlement value of the LTI award is linked to the value of MIT units at the time of vesting.

Employees of the Manager are eligible to be considered for variable pay each year. Variable pay for all employees takes into account MIT, the Manager and the individual's performance against agreed financial and non-financial objectives similar to that of the Management. However, in execution, the PTB and VB are combined to form consolidated variable pay for the employees.

Over the last 5 financial years, the Manager has achieved outstanding results for MIT by delivering strong returns to Unitholders, as measured by the performance of unit price, DPU growth and NPI growth. In recognition of this, a one-time discretionary bonus was declared to the employees of the Manager, which was over and above the regular variable pay. Similar to the existing variable pay scheme, the one-time discretionary bonus declared will be subject to the banking mechanism and contains a deferred element.

The Manager will continue to be guided by the objective of delivering long term sustainable returns to Unitholders. The remuneration of the Management team will continue to be aligned with the goal of value creation for Unitholders. The performance will be measured over the next 5-year period, with an interim review at the end of the third year.

All fixed pay, variable incentives and allowances, including the one-time discretionary bonus are payable wholly in cash. All payments are entirely paid by the Manager and not as an additional expense imposed on MIT.

To assess the individual performance, a 5-point rating scale is used by the supervisors to provide an overall assessment of an employee's performance, and employees are required to perform a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. The Manager has ensured that this has been adhered to.

The remuneration for the CEO in bands of S$250,000 and a breakdown of the remuneration of the CEO and all of the key management personnel of the Manager in percentage terms, are provided in the remuneration table below. At present, there are only four key management personnel of the Manager (including the CEO).

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Total Remuneration Bands of CEO and Key Management Personnel for FY18/19	Salary, Allowances and Statutory Contributions	Bonus[1]	Long-term Incentives[2]	Benefits	Total
Above S$2,250,000 to S$2,500,000					
Mr Tham Kuo Wei	17%	52%	31%	N.M.[3]	100%
Other Key Management Personnel					
Ms Ler Lily	27%	47%	26%	N.M.[3]	100%
Mr Peter Tan Che Heng	30%	41%	29%	N.M.[3]	100%
Ms Serene Tam Mei Fong	36%	46%	18%	N.M.[3]	100%

Notes:
(1) The amounts disclosed are bonuses declared during the financial year including a one-time discretionary bonus awarded to the Manager for achieving outstanding performance for MIT over the last 5 financial years. Similar to the existing variable pay scheme, the one-time discretionary bonus declared is subject to the banking mechanism and contains a deferred element.
(2) The amounts disclosed include the grant value of the LTI awards. The LTI award is a form of unit-linked incentive plan and represent conditional rights to receive a cash sum based on the achievement of the TSR targets and fulfilment of vesting period of up to five years.
(3) Not meaningful.

The total remuneration for CEO and Key Management Personnel in FY18/19 was S$4.66 million.

The Manager is cognisant of the requirements in the Code and the *"Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management"* to disclose: (a) the remuneration of its CEO and each individual Director on a named basis; (b) the remuneration of at least its top five executive officers (who are neither Directors nor the CEO), on a named basis, in bands of S$250,000; and (iii) in aggregate the total remuneration paid to its top five key management personnel (who are not Directors or the CEO) and in the event of non-disclosure, the Manager is required to provide reasons for such non-disclosure. The Board had assessed and decided not to disclose (i) the remuneration of the CEO in exact quantum; (ii) the remuneration of at least its top five key management personnel (who are neither Directors nor the CEO), on a named basis, in bands of S$250,000; and (iii) the aggregate remuneration paid to its top five key management personnel (who are not Directors or the CEO) as the Manager is of the view that remuneration details are commercially sensitive due to the confidential nature of remuneration matters and with keen competition for management staff in the REIT industry, such disclosure may result in talent retention issues.

Since the remuneration of the CEO and key management personnel of the Manager are not separately billed but paid by the Manager, the Manager is also of the view that the interest of the Unitholders would not be prejudiced as the indicative range of the CEO's remuneration, as well as the total remuneration for the CEO and key management personnel of the Manager, have been provided. Further, there are sufficient information provided on the Manager's remuneration framework to enable the Unitholders to understand the link between the performance of MIT and the remuneration paid to the CEO and key management personnel of the Manager.

There were no employees of the Manager who were immediate family members of a Director or the CEO of the Manager and whose remuneration exceeded S$50,000 during FY18/19.

Quantitative Remuneration Disclosure under AIFMD

The Manager is required under the AIFMD to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of MIT.

All individuals included in the aggregated figures disclosed are rewarded in line with the Manager's remuneration policies.

The aggregate amount of remuneration awarded by the Manager to its staff in respect of the Manager's financial year ended 31 March 2019 was S$9.83 million. This figure comprised fixed pay of S$3.69 million, variable pay of S$5.85 million and allowances/benefits-in-kind of S$0.29 million. There were a total of 39 beneficiaries of the remuneration described above.

In respect of the Manager's financial year ended 31 March 2019, the aggregate amount of remuneration awarded by the Manager to its senior management (who are also members of staff whose actions have a material impact on the risk profile of MIT) was S$5.91 million, comprising 7 individuals identified having considered, among others, their roles and decision making powers.

(C) ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: Balanced and understandable assessment of the company's performance, position and prospects

Our Policy and Practices

The Board is responsible for providing a balanced and understandable assessment of MIT's performance, position and prospects, including interim and other price sensitive public reports, and reports to regulators, if required.

The Manager adopts the principle that to build confidence among stakeholders, there is a need to deliver sustainable value.

The Manager complies with statutory and regulatory requirements and adopts best practices in the Group's business processes. The Manager also updates the Board on the Group's performance and its business and market outlook on a regular basis, so as to enable the Board to make a balanced and informed assessment of the Group's performance, financial position and prospects.

Risk Management and Internal Controls

Principle 11: Sound system of risk management and internal controls

Our Policy and Practices

The Manager adopts the principle that a sound system of internal controls and risk management is necessary for the Group's business.

The Manager, working with the Sponsor, has established internal controls and risk management systems that address key operational, financial, compliance and information technology risks relevant to the Group's business and operating environment. These systems provide reasonable but not absolute assurance on the achievement of their intended internal controls and risk management objectives.

The key elements of the Group's internal controls and risk management systems are as follows:

Operating Structure

The Manager has a well-defined operating structure with clear lines of responsibility and delegated authority, as well as reporting mechanisms to Management and the Board. This structure includes certain functions, such as Human Resource, Information Systems & Technology, Internal Audit, Legal and Risk Management, which are outsourced to the Sponsor. The Manager also conducts an annual review of such outsourced functions to ensure required performance standards are met.

Policies, Procedures and Practices

Controls are detailed in formal procedures and manuals. For example, the Board has approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

The Board's approval is required for material transactions, including the following:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and *ad hoc* development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

The Group's procedures and practices are regularly reviewed and revised where necessary to enhance controls and efficiency. The Group has implemented a Control Self-Assessment programme to reinforce risk awareness and compliance with internal controls within the Group, by fostering accountability, control and risk ownership.

The internal audit function, which is outsourced to the Sponsor, reviews the Group's compliance with the control procedures and policies established within the internal controls and risk management systems. The internal audit function is also involved in the validation of the results from the Control Self-Assessment programme.

Whistle-blowing Policy

To reinforce a culture of good business ethics and governance, the Manager has a Whistle-blowing Policy to encourage the reporting, in good faith, of any suspected improper conduct, including possible financial irregularities, while protecting the whistle-blowers from reprisals. Any reporting concerning the Group or the Manager is notified to the AC Chairman of the Sponsor as well as the AC Chairman of the Manager for investigation and to the AC of the Manager on the findings.

For queries or to make a report, please write to reporting@mapletree.com.sg

CORPORATE GOVERNANCE

Risk Management

Risk management is an integral part of the Manager's business strategy. In order to safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process into the Manager's planning and decision-making process.

The risk management function which is outsourced to the Sponsor's Risk Management Department oversees the Enterprise Risk Management ("ERM") framework. The Risk Management Department reports key risk exposures, portfolio risk profile and activities in respect of significant risk matters to the AC and the Board independently on a quarterly basis.

The risk management system established by the Manager, which encompasses the ERM framework and the risk management process, is dynamic and evolves with the business. The Manager has identified key risks, assessed their likelihood and impact on MIT's business and established corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The Risk Management Department works closely with the Manager to review and enhance the risk management system, with the guidance and direction of the AC and the Board.

The Manager's policies and procedures relating to risk management can be found on pages 98 to 101 of this Annual Report.

Information Technology Controls

As part of the Group's risk management process, information technology controls and cybersecurity measures have been put in place and are periodically reviewed to ensure that information technology risks and cybersecurity threats are identified and mitigated. In addition, as part of the Manager's business continuity plan, information technology disaster recovery planning and tests are conducted to ensure that critical information technology systems remain functional in a crisis situation.

An annual review of the information technology controls was conducted by the Sponsor's Internal Audit Department as part of the FY18/19 annual Control Self-Assessment programme. The audit findings were submitted to the AC and the Board for review and appropriate remedial actions were implemented as at 31 March 2019.

In addition, for FY18/19, independent third parties were engaged to perform a Cybersecurity Maturity Assessment which covered a review of the Group's IT policies and Standard Operating Procedures, and a Vulnerability Assessment and Penetration Test to ensure that the appropriate information technology controls and cybersecurity measures were in place.

Financial Reporting

The Board is updated on a quarterly basis on the Group's financial performance. The Manager reports on significant variances in financial performance, in comparison with budgets and financial performance of corresponding periods in the preceding year and provides an updated full year forecast. In addition, the Board is provided with quarterly updates on key operational activities of the Group.

A management representation letter is provided to the AC and the Board quarterly by the Manager in connection with the preparation of the Group's financial statements. The representation letter is supported by declarations made individually by the various Heads of Department. Compliance checklists on announcement of financial statements, which are required for submission to the SGX-ST, are reviewed and confirmed by the Chief Financial Officer ("CFO") of the Manager.

The Group's financial results are reported to Unitholders quarterly in accordance with the requirements of the SGX-ST, and since FY18/19, are prepared in accordance with the Singapore Financial Reporting Standards (International). These results announcements provide analyses of significant variances in financial performance and commentary on the industry's competitive conditions in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next twelve months.

Detailed disclosure and analysis of the full year financial performance of the Group can be found on pages 129 to 206 of this Annual Report.

Financial Management

As a matter of financial and operational discipline, Management reviews on a monthly basis the performance of the MIT portfolio properties.

The key financial risks which the Group is exposed to include interest rate risk, foreign exchange rate risk, liquidity risk and credit risk. Where appropriate, the Manager procures hedging transactions to be entered into so as to protect the Group against interest rate and foreign exchange rate fluctuations. In addition, the Manager proactively manages liquidity risk by ensuring that sufficient working capital lines and loan facilities are maintained for the Group. The Manager's capital management strategy can be found on pages 78 to 79 of this Annual Report. The Manager also has in place credit control procedures for managing tenant credit risk and monitoring of arrears collection.

Internal Audit

The internal audit function, which is outsourced to the Sponsor's Internal Audit Department, prepares a risk-based audit plan annually to review the adequacy and effectiveness of the Group's system of internal controls and this audit plan is approved by the AC before execution. The Sponsor's Internal Audit Department is also involved during the year in conducting *ad hoc* audits and reviews that may be requested by the AC or Management on specific areas of concern, including validating the responses under the Manager's Control Self-Assessment programme. In doing so, the Sponsor's Internal Audit Department is able to obtain assurance that business objectives for the internal controls processes under review are being achieved and key control mechanisms are in place.

Upon completion of each review, a formal report detailing the audit findings and the appropriate recommendations is issued to the AC. The Sponsor's Internal Audit Department monitors and reports on a quarterly basis the timely implementation of the action plans to the Management and the AC.

The external auditors also provide an independent perspective on certain aspects of the internal financial controls system arising from their work and report their findings to the AC on an annual basis. The external auditors are also updated on the findings of the Manager's Control Self-Assessment programme.

Interested Person Transactions

All interested person transactions are undertaken on normal commercial terms and the AC regularly reviews all interested person transactions to ensure compliance with the internal control system as well as with relevant provisions of the Listing Manual and the Property Funds Appendix. In addition, the Trustee has the right to review such transactions to ascertain that the Property Funds Appendix has been complied with.

The following procedures are also undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of the Group's net tangible assets will be subject to review by the AC at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of the Group's net tangible assets will be subject to the review and prior approval of the AC and the Board. Such approval shall only be given if the transactions are on normal commercial terms and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 5.0% of the value of the Group's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the AC and the Board (which may, as they deem fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers). Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of the Unitholders.

The interested person transactions undertaken by the Group in FY18/19 are set out on pages 209 to 210 of this Annual Report. For the purpose of the disclosures, the full contract sum is taken as the value of the transaction where the interested person transaction has a fixed term and contract value, while the annual amount incurred and/or accrued is taken as the value of the transaction where an interested person transaction has an indefinite term or where the contract sum is not specified.

Dealing in MIT units

The Manager adopts the best practices on dealings in securities as set out in the Listing Manual. All Directors are required to disclose their interests in MIT and are also provided with disclosures of interests by other Directors as well as reminders on trading restrictions.

On trading in MIT units, the Directors and employees of the Manager are reminded not to deal in MIT units on short term considerations and are prohibited from dealing in MIT units:

- in the period commencing one month before the public announcement of the Group's annual results;
- in the period commencing two weeks before the public announcement of the Group's quarterly and semi-annual results; and
- at any time whilst in possession of price-sensitive information.

CORPORATE GOVERNANCE

Each Director is required to notify the Manager of his or her acquisition of MIT units or of changes in the number of MIT units which he or she holds or in which he or she has an interest, within two business days of such acquisition or change of interest. In addition, employees of the Manager and the Sponsor are to give pre-trading notifications before any dealing in MIT units.

Role of the Board and AC

The Board recognises the importance of maintaining a sound internal controls and risk management system to safeguard the assets of the Group and Unitholders' interests, through a framework that enables risks to be assessed and managed.

The AC provides oversight of the financial reporting, accounting policies and the adequacy and effectiveness of the Group's internal controls and risk management systems as well as its compliance processes.

The Board and the AC also take into account the results from the Control Self-Assessment programme, which requires the various departments to review and report on compliance with key control processes. As part of the Control Self-Assessment programme, the Internal Audit function performs a validation of Management's self-assessment responses on a sampling basis, after which the validated self-assessment results are reported to the AC and the Board.

It should be recognised that all internal controls and risk management systems contain inherent limitations and, accordingly, the internal controls and risk management systems can only provide reasonable but not absolute assurance.

The Board has received written assurance from the CEO and the CFO that: (a) the Group's financial records have been properly maintained and the Group's financial statements give a true and fair view of the Group's operations and finances; and (b) the Group's internal controls and risk management systems are effective.

Opinion on Internal Controls

Based on the internal controls and risk management systems established and maintained by the Manager and the Sponsor, work performed by the Sponsor's Internal Audit and Risk Management Departments as well as by the external auditors, reviews performed by Management and the above-mentioned assurance from the CEO and the CFO, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems addressing key financial, operational, compliance, information technology and risk management objectives, and which the Group considers relevant and material to its operations, were adequate and effective to meet the needs of the Group in its business as at 31 March 2019.

Audit and Risk Committee

Principle 12: The Board should establish an AC with written terms of reference which clearly set out its authority and duties.

Our Policy and Practices

The Board is supported by the AC which provides additional oversight of financial, risks and audit matters, so as to maximise the effectiveness of the Board and foster active participation and contribution.

The Manager adopts the principle that the AC shall have at least three members, all of whom must be non-executive and the majority of whom, including the AC Chairman, must be independent.

The AC presently consists of five members, majority of whom including the AC Chairman are independent and are appropriately qualified to discharge their responsibilities. They are:
- Mr Soo Nam Chow, Chairman;
- Mr John Koh Tiong Lu, Member;
- Mr Seah Choo Meng, Member;
- Mr Guy Daniel Harvey-Samuel, Member; and
- Mr Pok Soy Yoong, Member (from 1 April 2019).

None of the AC members are a partner or director of the incumbent external auditors, PricewaterhouseCoopers LLP ("PwC"), within the previous 12 months, nor does any of the AC members have any financial interest in PwC.

The AC has written terms of reference setting out its scope and authority, which include:
- examination of interested person transactions;
- review and approval of the scope of internal audit activities;
- review of audit findings of internal and external auditors as well as Management's responses to them and the implementation of remedial actions to address such findings;
- evaluation of the nature and extent of non-audit services performed by external auditors. In this regard, for FY18/19, MIT paid S$242,129 to PwC, of which S$138,749

was for audit services and S$103,380 relating to advisory services for the Group. The AC has undertaken a review of all non-audit services provided by PwC and is of the opinion that such non-audit services would not affect the independence of PwC as the external auditors;
- review of the quality and reliability of information prepared for inclusion in financial reports;
- authority to investigate any matters within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;
- recommendation to the Board on the appointment and re-appointment of external auditors; and
- approval of the remuneration and terms of engagement of external auditors.

In addition, the AC also:
- meets with the external and internal auditors, without the presence of Management, at least once a year to review and discuss the financial reporting process, system of internal controls (including financial, operational, compliance and information technology controls), and significant concerns, audit comments and recommendations;
- reviews and, if required, investigates the matters reported via the whistle-blowing mechanism, by which employees may, in confidence, raise concerns about suspected improprieties including financial irregularities. The objective of the whistle-blowing mechanism is to ensure that arrangements are in place for independent investigations of any reported matters and reviews of such investigations, to ensure appropriate follow-up actions are taken; and
- discusses during the AC meetings, any changes to accounting standards and issues which have a direct impact on the financial statements.

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The following significant matter impacting the financial statements was discussed with the Management and the external auditor and reviewed by the AC:

Key Audit Matter	How This Issue was Addressed by the AC
Valuation of investment properties	The AC considered the approach and techniques applied by MIT's valuers in determining the valuation of the investment properties. The AC discussed the details of the valuation with the valuers and Management and also considered the results of the work performed by the external auditor. The AC was satisfied with the valuation approach, the techniques used and the valuation for investment properties as adopted and disclosed in the financial statements. The valuation of investment properties was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for the financial year ended 31 March 2019. Refer to page 183 of this Annual Report.

A total of five AC meetings were held in FY18/19.

The Manager, on behalf of the Group, confirms that the Group has complied with Rules 712 and 715 of the Listing Manual in relation to the Group's auditing firm.

Internal Audit

Principle 13: Independent internal audit function

Our Policy and Practices

The Manager adopts the principle that a robust system of internal audits is required to safeguard Unitholders' interests, the Group's assets, and to manage risks. Apart from the AC, other Board committees may be set up from time to time to address specific issues or risks.

The internal audit function of the Group is outsourced to the Sponsor's Internal Audit Department and the Head of Internal Audit reports directly to the AC Chairman of both the Manager and the Sponsor.

CORPORATE GOVERNANCE

The AC is consulted and provides feedback to the AC of the Sponsor on the hiring, removal and evaluation of the Head of Internal Audit. The Sponsor's Internal Audit Department and the Head of Internal Audit have unfettered access to all of the Group's documents, records, properties and personnel, including access to the AC.

The role of the Sponsor's Internal Audit Department is to conduct internal audit work in consultation with, but independently of, Management. Its annual audit plan is submitted to the AC for approval and audit findings are submitted to the AC on a periodic basis. The AC also meets with the Head of Internal Audit at least once a year without the presence of Management.

The Sponsor's Internal Audit Department is a member of the Singapore branch of the Institute of Internal Auditors Inc. (the "IIA"), which has its headquarters in the United States. The Sponsor's Internal Audit Department subscribes to, and is in conformance with, the International Standards for the Professional Practice of Internal Auditing developed by the IIA (the "IIA Standards") and has incorporated these standards into its audit practices.

The IIA Standards cover requirements on:

- independence and objectivity;
- proficiency and due professional care;
- managing the internal audit activity;
- engagement planning;
- performing engagement;
- communicating results; and
- monitoring progress

The Sponsor's Internal Audit Department employees involved in information technology audits are Certified Information System Auditors and members of the Information System Audit and Control Association (the "ISACA") in the United States. The ISACA Information System Auditing Standards provide guidance on the standards and procedures to apply in information technology audits.

To ensure that the internal audits are performed by competent professionals, the Sponsor's Internal Audit Department recruits and employs qualified employees. In order that their technical knowledge remains current and relevant, the Sponsor's Internal Audit Department identifies and provides training and development opportunities to the employees.

In compliance with the IIA Standards, an external quality assessment review ("QAR") of the Sponsor's Internal Audit Department is conducted at least once every five years by a qualified, independent reviewer. In December 2018, an external QAR of Sponsor's Internal Audit Department was completed (following the previous QAR completed in 2013). The external QAR reviewer had concluded that the Sponsor's Internal Audit Department was in conformance with the IIA Standards.

For FY18/19, the AC is of the opinion that the internal audit function is independent, effective and adequately resourced.

(D) UNITHOLDER RIGHTS AND RESPONSIBILITIES

Unitholder Rights

Principle 14: Fair and equitable treatment of all Unitholders

Communication with Unitholders

Principle 15: Regular, effective and fair communication with Unitholders

Conduct of Unitholder Meetings

Principle 16: Greater Unitholder participation at annual general meetings

Our Policy and Practices

The Manager adopts the principle that all Unitholders should be treated fairly and equitably and their ownership rights arising from their unitholdings should be recognised.

To this end, the Manager issues via SGXNET announcements and press releases on the Group's latest corporate developments on an immediate basis where required by the Listing Manual. Where immediate disclosure is not practicable, the relevant announcement will be made as soon as possible to ensure that all stakeholders and the public have equal access to the information.

The public can access the electronic copy of the Annual Report via SGXNET as well as MIT's website. All Unitholders will receive a booklet containing key highlights of MIT, instructions on accessing the Annual Report online with the option of receiving a printed version of the Annual Report, a notice of annual general meeting and a proxy form with instructions on the appointment of proxies. The notice of annual general meeting for each annual general meeting is also published via SGXNET and MIT's website as well as in the newspaper. An annual general meeting is held once a year to provide a platform for Unitholders to interact with the Board and Management, in particular the Chairman of the Board, the Chairman of the AC, the CEO and the CFO. The external auditors are also present to address Unitholders' queries about the audit and the financial statements of the Group. A record of the Directors' attendance at the annual general meeting can be found in the record of their attendance of meetings set out at pages 81 to 82 of this Annual Report.

Similarly, where a general meeting is convened, all Unitholders are entitled to receive a circular enclosing a proxy form with instructions on the appointment of proxies. Prior to voting at an annual general meeting or any other general meeting, the voting procedures will be made known to the Unitholders to facilitate them in exercising their votes.

To safeguard Unitholders' interests and rights, a separate resolution is proposed for each substantially separate issue at an annual general meeting. Each resolution proposed at an annual general meeting and any other general meeting will be voted on by way of electronic polling. An independent scrutineer is also appointed to validate the vote tabulation and procedures. The Manager will announce the results of the votes cast for and against each resolution and the respective percentages and prepare minutes of such meetings.

The Manager has an Investor Relations Department which works with the Legal and Corporate Secretariat Department of the Sponsor to ensure the Group's compliance with the legal and regulatory requirements applicable to listed REITs, as well as to incorporate best practices in its investor relations programme. To keep the Board abreast of market perception and concerns, the Investor Relations Department provides regular updates on analyst and investor feedback.

Minutes of general meetings recording the substantive and relevant comments made and questions raised by Unitholders are available to Unitholders for their inspection upon request. Minutes of the annual general meeting are also available on MIT's website at www.mapletreeindustrialtrust.com.

The Manager regularly communicates major developments in the Group's businesses and operations to Unitholders, analysts and the media through the issuance of announcements and press releases. In addition, all announcements and press releases are first made on SGXNET and subsequently on MIT's website.

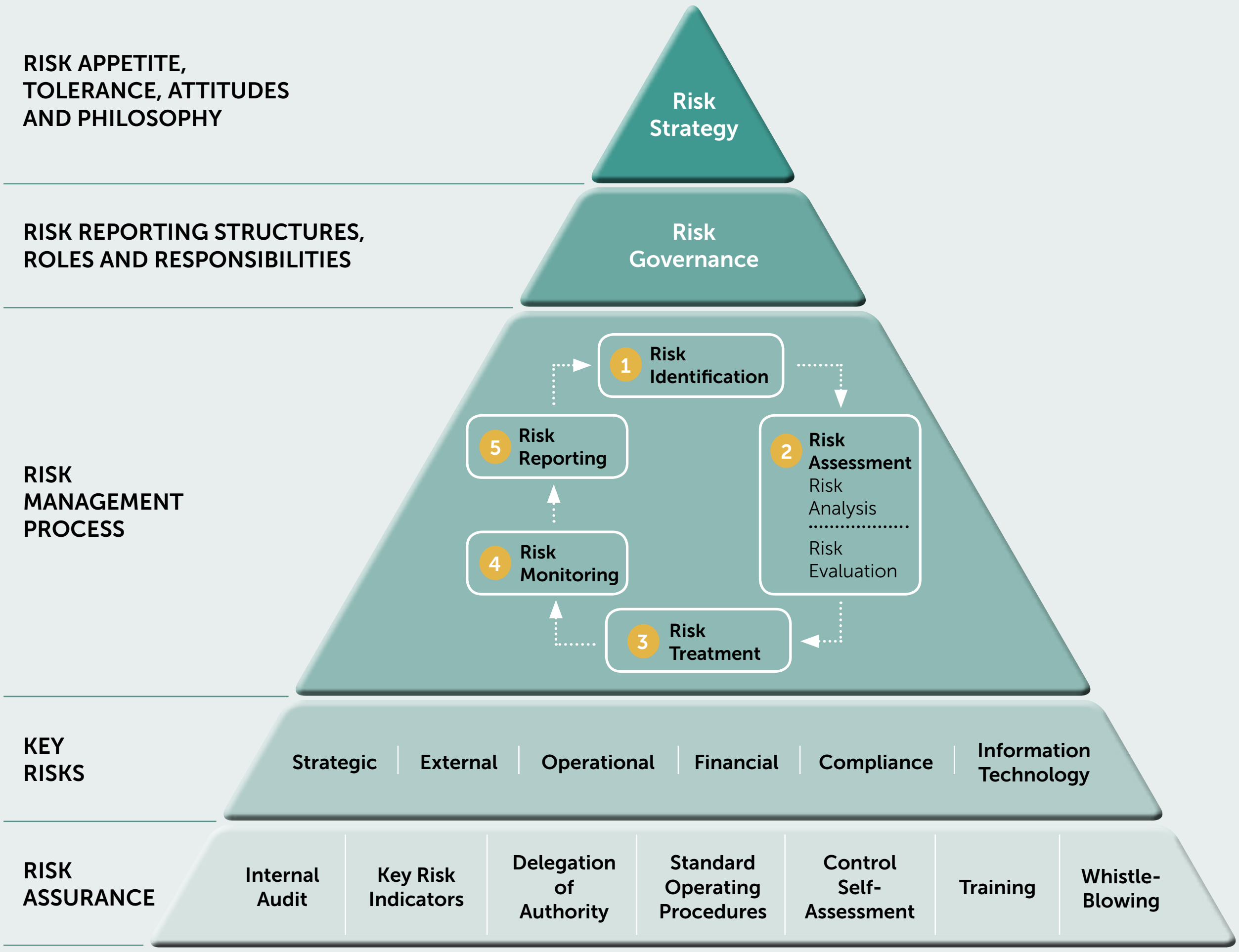
Investors can subscribe to email alerts of all announcements and press releases issued by MIT through its website. "Live" audio webcast of analyst briefings are conducted, where practicable.

The Manager also communicates with MIT's investors on a regular basis through group/individual meetings with investors, investor conferences and non-deal roadshows. The Manager's CEO and CFO are present at briefings and communication sessions to answer questions from investors.

MIT's distribution policy is to distribute at least 90% of its distributable income and such distributions are typically paid on a quarterly basis. For FY18/19, MIT made four distributions to Unitholders.

RISK MANAGEMENT

Risk Management continues to be an integral part of the Manager's business strategy in order to deliver sustainable and growing returns. To safeguard capital while creating value for Unitholders, the Manager proactively manages risks and embeds the risk management process as part of the planning and decision making process.



STRONG OVERSIGHT AND GOVERNANCE

The Board is responsible for determining the overall risk strategy and risk governance, and ensuring that the Manager implements sound risk management and internal control practices. The Board also approves the risk appetite and tolerance statements, which set out the nature and extent of risks involved to achieve the Manager's business objectives. The Board which is supported by the AC, comprises directors whose collective diverse experience and knowledge serve to give guidance and provide strategic insights to the Manager. The AC has direct access to the Sponsor's Risk Management Department, which it engages with quarterly as part of its review of MIT's portfolio risks.

At the Manager, the risk management culture involves both top-down oversight and bottom-up engagement from all employees. This ensures a risk approach that is aligned with its business objectives and strategies for MIT, and is integrated with operational processes for effectiveness and accountability.

The Manager's ERM framework is adapted from the International Organisation for Standardisation ("ISO") 31000 International Risk Management Standards. It is dynamic and evolves with the business which provides the Manager with a holistic and consistent process for the identification, assessment, monitoring and reporting of risks. The Sponsor's Risk Management Department works closely with the Manager to review and enhance the risk management under the guidance and direction of the AC and the Board. A Control Self-Assessment framework further reinforces risk awareness by fostering accountability, control and risk ownership, and provides additional assurance to the Board and the Manager that operational risks are being effectively and adequately managed and controlled.

ROBUST MEASUREMENT AND ANALYSIS

The Manager's risk measurement framework is based on Value-at-Risk ("VaR"), a methodology which measures the volatilities of market and property risk drivers such as rental rates, occupancy rates, capital values, interest rates and foreign exchange rates. It takes into consideration changes in market environment and asset cash flows. To complement the VaR methodology, other risks such as refinancing, tenant-related and development risks are also assessed, monitored and measured as part of the framework where feasible.

With the VaR methodology, risks are measured consistently across the portfolio, enabling the Manager to quantify the benefits that arise from diversification across the portfolio and to assess risk by asset class, risk type and country. The Manager recognises the limitations of any statistically-based system that relies on historical data. Therefore, MIT's portfolio is subject to stress testing and scenario analyses to ensure that the business remains resilient in the event of unexpected market shocks.

RISK IDENTIFICATION AND ASSESSMENT

The Manager identifies key risks, assesses their likelihood and impact on the business, and establishes corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The key risks identified include but are not limited to:

STRATEGIC RISKS

Market risk

MIT's portfolio is subject to real estate market risks such as rental rate and occupancy volatilities and country specific factors including competition, supply, demand and local regulations. Such risks are quantified, aggregated and monitored for existing assets and prospective acquisitions. Significant risk profile changes or emerging trends are reported for assessment and/or action.

Investment risk

The risks arising from investment activities are managed through a rigorous and disciplined investment approach, particularly in the area of asset evaluation and pricing. All acquisitions are aligned with MIT's investment strategy to enhance returns to Unitholders, increase income or to grow capital. Sensitivity analysis is performed for each acquisition on all key project variables to test the robustness of the assumptions used. For significant acquisitions, independent risk assessments are conducted by the Sponsor's Risk Management Department and included in the investment proposal submitted to the Board for approval. All investment proposals are subject to rigorous scrutiny by the Board (or the delegated Management Committee), in accordance with the Board's approved delegation of authority.

Upon receiving the Board's or Management Committee's approval, the investment proposals are then submitted to the Trustee, who is the final approving authority for all investment decisions.

RISK MANAGEMENT

The Trustee also monitors the compliance of the Manager's executed investment transactions with the Listing Manual of the SGX-ST, MAS's Property Funds Appendix and the provisions in the Trust Deed.

Project development risk
New development projects usually take a few years to complete, depending on the project size and complexity. To mitigate the risk of development delays, cost overruns and lower than expected quality, the Manager has put in place stringent pre-qualifications of consultants and contractors, and continually reviews the project's progress.

EXTERNAL RISKS

Economic and political risks
To manage country risks such as economic uncertainties or political turbulence in countries where it operates, the Manager conducts rigorous country and real estate market research and monitors economic, geopolitical and political developments closely.

OPERATIONAL RISKS

Comprehensive operating, reporting and monitoring guidelines enable the Manager to manage day-to-day activities and mitigate operational risks. To ensure relevance, the Manager regularly reviews its standard operating procedures and benchmarks them against industry practices where appropriate. Compliance with standard operating procedures is assessed under the Control Self-Assessment framework and reinforced through training of employees and regular reviews by the Sponsor's Internal Audit Department.

Human resource risk
Loss of key management personnel and identified talents can cause disruptions to the Manager's business operations and hinder the achievement of its business objectives. The Manager has put in place succession planning, talent management, competitive compensation and benefits plans to reward and retain performing personnel.

Property damage and business disruption risks
In the event of unforeseen catastrophic events, the Manager has in place a business continuity plan and crisis communication plan that should enable it to resume operations with minimal disruption and loss. MIT's properties are insured in accordance with industry norms in their respective jurisdictions and benchmarked against those in Singapore.

Credit risk
Credit risk is mitigated from the outset by conducting tenant credit assessment as part of the investment due diligence process prior to an acquisition. For new and sizeable leases, credit assessments of prospective tenants are undertaken prior to signing of lease agreements. On an ongoing basis, tenants' credit worthiness is closely monitored by the Manager's Asset Management Department and arrears are managed by the Manager's Credit Control Committee, which meets regularly to review debtor balances. To further mitigate risks, security deposits in the form of cash or banker's guarantees are collected from prospective tenants prior to commencement of leases, where applicable.

FINANCIAL RISKS

Financial market risks and capital adequacy are closely monitored and actively managed by the Manager and reported to the Board on quarterly basis.

At the portfolio level, the risk impact of interest rate and currency volatilities on value is quantified, monitored and reported quarterly using the VaR methodology. Refinancing risk is also quantified, taking into account the concentration of loan maturity profile and credit spread volatility.

Interest rate risk
MIT hedges its portfolio exposure to interest rate volatility arising from its borrowings by way of interest rate swaps and fixed rate borrowings.

Foreign currency risk
Where feasible, after taking into account cost, tax and other relevant considerations, the Manager will borrow in the same currency as the underlying assets to provide some natural hedge. To mitigate foreign exchange rate risk and to provide investors with a degree of income stability, a large proportion of rental income receivable from overseas assets is hedged using forward contracts and secured in Singapore Dollar terms.

Liquidity risk
The Manager actively monitors MIT's cash flow position and funding requirements to ensure significant liquid reserves to fund operations and meet short-term obligations (see Corporate Liquidity and Capital Resources section on pages 78 to 79.

The Manager also maintains sufficient financial flexibility and adequate debt headroom for MIT to fund future acquisitions. In addition, the Manager monitors and mitigates bank concentration risks by having a well-diversified funding base. The limit on MIT's aggregate leverage ratio is observed and monitored to ensure compliance with MAS's Property Funds Appendix.

COMPLIANCE RISKS

Regulatory risk

The Manager is committed to complying with the applicable laws and regulations of the various jurisdictions in which it operates. Non-compliance may result in litigation, penalties, fines or revocation of business licenses. The Manager identifies applicable laws and regulatory obligations and embeds compliance to these laws and regulations in day-to-day business processes.

Fraud risk

A comprehensive corporate governance framework has been established to maintain responsible and transparent business practices. The framework contains specific guidelines on anti-corruption practices – such as the prohibition of bribery, acceptance or offer of gifts and entertainment.

The Manager has also put in place a whistle-blowing policy to allow employees and stakeholders to raise any serious concerns about any danger, risk, malpractice or wrongdoing in the workplace while protecting them from reprisals.

Compliance with the policies and procedures is required at all times, which include policies on ethics and code of conduct, safe work practices and professional conduct. If an employee is found guilty of fraud, dishonesty or criminal conduct in relation to his/her employment, the Manager will take appropriate disciplinary action, including termination of employment.

INFORMATION TECHNOLOGY RISK

Concerns over the threat posed by cybersecurity attacks have risen as such attacks become increasingly sophisticated. The Manager has in place comprehensive policies and procedures governing information availability, control and governance, and data security. An information technology disaster recovery plan is in place and tested annually to ensure business recovery objectives are met. All employees are required to do a mandatory online training on information technology security awareness to ensure that they are aware of potential cybersecurity threats. There is also constant monitoring of Internet gateways to detect potential security event. In addition, network vulnerability assessment and penetration testing are also conducted regularly to check for potential security gaps.

RIGOROUS MONITORING AND CONTROL

The Manager has developed internal key risk indicators that serve as an early-warning system to highlight risks that have escalated beyond agreed tolerance levels. The Manager has also established required actions to be taken when risk thresholds are breached.

Every quarter, the Sponsor's Risk Management Department presents a comprehensive report to the Board and the AC, highlighting key risk exposures, portfolio risk profile, results of stress testing scenarios and status of key risk indicators. The Board and the AC are also kept abreast of any material changes to MIT's risk profile and activities.

INVESTOR RELATIONS

The Manager is committed to maintaining timely, balanced and effective communications with its stakeholders.

PROACTIVELY ENGAGING STAKEHOLDERS

In FY18/19, the Manager met over 160 investors through meetings, conference calls as well as investor conferences and roadshows in Singapore, Hong Kong, Bangkok and Kuala Lumpur. The Manager also organised property visits for investors to be more familiar with MIT's portfolio. Analyst and investor briefings on 2Q and 1HFY18/19 results were held at MIT's latest AEI at 30A Kallang Place to deepen the investment community's understanding of MIT's strategy of growing the Hi-Tech Buildings segment.

Investor education is an important part of the Manager's outreach efforts. The Manager continued to participate in the REITs Symposium, which was jointly organised by ShareInvestor and REIT Association of Singapore ("REITAS"). The one-day event featured booth displays of participating REITs and a series of educational talks.

The annual general meeting serves as an important communication channel between the Board, Management and Unitholders. MIT's eighth Annual General Meeting on 17 July 2018 was well-attended by 336 Unitholders and their proxies.

The Manager holds quarterly analyst teleconferences and briefings on MIT's financial results. The "live" audio webcasts of MIT's half-year and full-year financial results enable Management to apprise stakeholders of MIT's latest developments and address online queries. These recordings are available for download on MIT's website.

BROADENING INVESTOR BASE

The Manager proactively engages stakeholders on major corporate developments. For the proposed acquisition of 18 Tai Seng from the Sponsor, the Manager held a "live" audio webcast to address online questions and engaged the investment community through conference calls and investor roadshows in Singapore and Hong Kong. The Manager successfully obtained Unitholders' approval for the proposed acquisition of 18 Tai Seng at the Extraordinary General Meeting on 22 January 2019, which was attended by 222 Unitholders and their proxies.

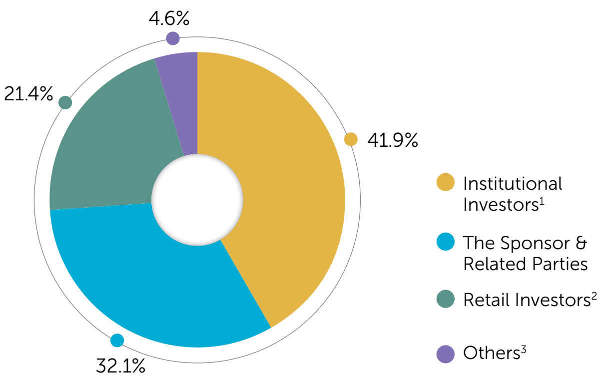
The Manager raised gross proceeds of S$201.0 million through a private placement for MIT's acquisition of 18 Tai Seng, which was approximately 2.2 times covered. This also broadened MIT's equity base with participation from over 40 new and existing investors.

ENSURING TIMELY AND TRANSPARENT DISCLOSURES

All announcements and press releases are published promptly through SGXNET and MIT's websites. Important information including annual reports, investor presentations and portfolio details is updated regularly on MIT's website. Stakeholders can subscribe for email alerts to receive the latest updates on MIT and contact the Investor Relations Department via a dedicated email address. Substantial Unitholders can promptly report any change in their unitholdings in MIT through a dedicated email address.

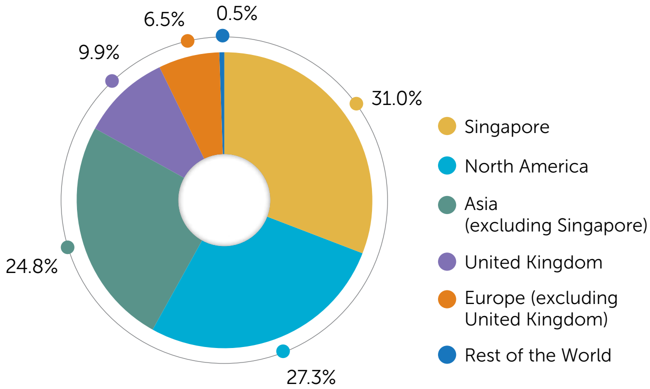
UNITHOLDINGS BY INVESTOR TYPE

AS AT 31 MARCH 2019



INSTITUTIONAL INVESTORS' UNITHOLDINGS BY GEOGRAPHY

AS AT 31 MARCH 2019



1 Institutional investors include private banks.
2 Retail investors include investors whose unitholdings are less than 300,000 units.
3 Others include corporates, custodians and nominees.

RESEARCH COVERAGE

17 equity research houses provide research coverage on MIT as at 31 March 2019.

1. Bank of America Merrill Lynch
2. CGS-CIMB Research
3. Citigroup Research
4. CLSA
5. Credit Suisse
6. Daiwa Capital Markets
7. DBS Bank
8. Deutsche Bank
9. Goldman Sachs Global Investment Research
10. J.P. Morgan Securities
11. Macquarie Capital Securities
12. Maybank Kim Eng Research
13. Mizuho Securities Asia Ltd
14. OCBC Investment Research
15. Phillip Securities Research
16. UBS Securities
17. UOB Kay Hian Research

The annual general meeting serves as an important communication channel between the Board, Management and Unitholders.

INVESTOR RELATIONS CALENDAR

2018	
24 Apr	Analyst Briefing and "Live" Audio Webcast for 4Q and FY17/18 Results
26 Apr	Post 4Q and FY17/18 Results Investor Luncheon Hosted by J.P. Morgan, Singapore
15 May	dbAccess Asia Conference, Singapore
19 May	REITs Symposium 2018, Singapore
17 Jul	Annual General Meeting 2017/2018, Singapore
25 Jul	Analyst Teleconference for 1QFY18/19 Results
23 to 24 Aug	Citi-REITAS-SGX C-Suite Singapore REITS & Sponsors Forum, Singapore and Hong Kong
20 Sep	Mapletree REITs Day Organised by DBS Bank, Bangkok
24 Oct	Analyst Briefing and "Live" Audio Webcast for 2Q and 1HFY18/19 Results
24 Oct	Post 2Q and 1HFY18/19 Results Investor Luncheon Hosted by CLSA, Singapore
14 Dec	Webcast for the Proposed Acquisition of 18 Tai Seng
2019	
7 to 8 Jan	Investor Roadshow Organised by DBS Bank, Singapore and Hong Kong
22 Jan	Extraordinary General Meeting for the Proposed Acquisition of 18 Tai Seng, Singapore
23 Jan	Analyst Teleconference for 3QFY18/19 Results
6 Mar	Citi ASEAN Top Picks Corporate Day, Kuala Lumpur
23 Apr	Analyst Briefing and "Live" Audio Webcast for 4Q and FY18/19 Results
23 Apr	Post 4Q and FY18/19 Results Investor Luncheon Hosted by Citigroup, Singapore

INVESTOR RELATIONS

Analyst briefing on 2Q and 1HFY18/19 results held at MIT's latest AEI at 30A Kallang Place.

FINANCIAL CALENDAR

	FY18/19	FY19/20[1]
Announcement of First Quarter Financial Results	24 Jul 2018	Jul 2019
Payment of First Quarter Distribution to Unitholders	30 Aug 2018	Aug 2019
Announcement of Second Quarter Financial Results	23 Oct 2018	Oct 2019
Payment of Second Quarter Distribution to Unitholders	6 Dec 2018	Nov 2019
Announcement of Third Quarter Financial Results	22 Jan 2019	Jan 2020
Payment of Third Quarter Distribution to Unitholders	8 Mar 2019	Feb 2020
Announcement of Full Year Financial Results	22 Apr 2019	Apr 2020
Payment of Fourth Quarter Advanced Distribution to Unitholders (For Period 1 Jan 2019 to 19 Feb 2019)	26 Mar 2019	May 2020
Payment of Fourth Quarter Balance Distribution to Unitholders (For Period 20 Feb 2019 to 31 Mar 2019)	10 Jun 2019	

1 Subject to changes.

To subscribe to the latest news on MIT, please visit www.mapletreeindustrialtrust.com.

For enquiries, please contact:

INVESTOR RELATIONS

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UNITHOLDER DEPOSITORY

For depository-related matters such as change of details pertaining to Unitholders' investment records, please contact:

The Central Depository (Pte) Limited
9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588
T : (65) 6535 7511
E : asksgx@sgx.com
W: www.sgx.com/cdp

SUSTAINABILITY REPORT

BOARD STATEMENT

Dear Stakeholders,

Sustainability forms an integral part of our corporate culture and underpins our business strategy and operations. We are committed to conducting our business in an environmentally and socially responsible manner while maintaining high corporate governance standards so as to build effective relationships with our stakeholders.

The Board reviews MIT's material environmental, social and governance ("ESG") factors and considers them in the formulation of the Manager's sustainability management strategies. We continue to evaluate the relevance of these material ESG factors against stakeholders' expectations and their significance to the business. The ESG factors had been identified and prioritised by key representatives of the Manager and the Property Manager. We have also determined how the performance would be measured with targets set for the forthcoming financial year. In this regard, the Board is supported by the Sustainability Steering Committee ("SSC"), which comprises the CEO of the Manager and representatives from the Sponsor's senior management team.

Our sustainability report is prepared in accordance with the Global Reporting Initiative ("GRI") Standards (2016): Core option as well as the SGX Sustainability Reporting Guide. We have improved our sustainability reporting disclosures by incorporating the United Nations Sustainable Development Goals ("SDGs") in our framework to guide our sustainability strategies. We believe we can play our part by addressing our negative impacts relating to global megatrends such as climate change and urbanisation while making a positive impact among local communities through initiatives promoting productive employment and equal opportunities among others.

In FY18/19, MIT continued to make progress in advancing sustainable practices. We reduced the overall portfolio average building electricity intensity by 3.2% from 92.7 kWh/m^2 in FY17/18 to 89.7 kWh/m^2 in FY18/19. This was partly due to the implementation of energy-saving measures across various property clusters such as the use of more energy efficient light bulbs and motion sensors, as well as the adjustment of timer controls at common areas in response to tenants' activities.

In October 2018, 26A Ayer Rajah Crescent was awarded the BCA Green Mark Award (Platinum) by the Building and Construction Authority ("BCA"). In addition, three of our property clusters – 1 & 1A Depot Close, 30A Kallang Place and 45 Ubi Road 1 – received the Water Efficient Building ("WEB") certifications issued by the Public Utilities Board ("PUB"). Since October 2018, the Sponsor has phased out the use of plastic bottles, which encouraged all employees to adopt green measures in their work practices.

Following the Mapletree Group Employee Engagement Survey in FY17/18, we implemented initiatives to address employee-related concerns on improving efficiency of work processes and enhancing collaboration across departments. We established a systematic mechanism to seek and review feedback from all employees on existing work processes with the objective to improve operational efficiency. In addition, we introduced Lean Thinking Training for team leaders across departments. The four-month programme, which included an activity-based workshop and project work, aims to improve in business processes while enhancing cross-functional teamwork.

We believe that giving back to the communities where we operate is crucial for the fulfilment of our obligations as a responsible business. In FY18/19, 110 employees participated in Mapletree-led activities and supported beneficiaries in Singapore.

We will continue to drive our sustainability agenda so as to deliver greater value for stakeholders and enhance the resilience of our business.

Board of Mapletree Industrial Trust Management Ltd.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

This is MIT's third sustainability report to summarise the sustainability performance of MIT and its properties located in Singapore for FY18/19 from 1 April 2018 to 31 March 2019, which the Manager has operational control[1]. This report includes the historical performance data for FY17/18 for comparison and excludes data from the portfolio of 14 data centres in the United States. The majority of the data centres in the United States are on master leases, which limit the Manager's control over the energy and water usage within them. There has not been any restatement of figures for data disclosed in previous years.

This report has been prepared in accordance with the GRI Standards: Core option and SGX-ST Listing Rules 711A and 711B, with MIT's material ESG factors and targets aligned with SDGs. The GRI Standards are the most widely adopted global standards for reporting on a range of economic, environmental, social and governance factors.

MIT publishes its report annually and continues to adopt the GRI Reporting Principles in defining the report's content.

GRI Reporting Principles	How MIT Demonstrates
Stakeholder Inclusiveness	The Manager engages and communicates with its stakeholders on an ongoing basis. Please refer to pages 107 and 108 on how the Manager engages and addresses the expectations and interests of its stakeholders.
Sustainability Context	The Manager evaluates various sustainability issues in a local context while maintaining a global perspective.
Materiality	The Manager focuses on material ESG factors, which are of strategic significance to MIT's business and are important to stakeholders.
Completeness, Balance	The Manager presents accurate, coherent and consistent information on the sustainability approach and initiatives to its stakeholders. This enables stakeholders to assess MIT's economic, environmental, social and governance performance over time and compare against its peers.
Comparability, Accuracy, Reliability, Clarity	
Timeliness	The report is prepared within four months from the end of the financial year. The data is of the same time period of the annual report.

The Manager welcomes feedback on MIT's sustainability report, approach and performance. Please send your questions or comments to ir_industrial@mapletree.com.sg.

1 The Manager is responsible for the environmental performance of the on-site premises and common areas of MIT's 75 properties. This is based on completed properties with operational control and full year of performance data at the beginning of the base year of FY17/18. It excluded seven properties in Singapore and the portfolio of 14 data centres in the United States, which the Manager does not have full operational control. It also excluded completed properties without full year of performance data at the beginning of the base year of FY17/18 i.e. 1 & 1A Depot Close, 7 Tai Seng Drive, 18 Tai Seng and 30A Kallang Place.

SUSTAINABILITY COMMITMENT

The Manager is committed to the principle of the triple bottom line, which broadens MIT's business focus on the financial returns to incorporate social and environmental considerations. It strives to build good relationships with its stakeholders, minimise the environmental footprint of MIT's business as well as safeguard the health and safety of its employees and tenants. The Manager aspires to empower its employees to participate in sustainability initiatives that have a positive impact on local communities while maintaining high levels of integrity and ethical standards when conducting business.

SUSTAINABILITY GOVERNANCE

The Manager's sustainability management is under the purview of the SSC. The SSC is co-led by the Sponsor's Deputy Group CEO and the Chief Corporate Officer. The SSC comprises the CEOs of the managers of all REITs sponsored by the Sponsor and other members of the Sponsor's senior management team. Mr Tham Kuo Wei, Executive Director and CEO, represented the Manager in the committee for FY18/19. The SSC develops the Sponsor's sustainability management strategies and manages its performance. As a Mapletree-sponsored REIT, MIT's sustainability approach is aligned with the Sponsor.

The SSC is supported by the Sustainability Working Committee ("SWC"). The SWC comprises representatives across business units and functions, which implements, executes and monitors policies and procedures within the sustainability framework across the organisation.

MIT's sustainability performance is benchmarked against the Sponsor's objectives, sustainability performance targets and industry peers so as to identify areas of improvement. The SSC regularly reviews its management approach to evaluate if existing policies and measures are adequate, and undertakes necessary remedial actions to address any gaps and improve its future performance.

STAKEHOLDER ENGAGEMENT

The Manager has identified six key stakeholders, which MIT's business has a considerable impact on, and those with significant influence on MIT's business. The Manager regularly engages the key stakeholders through various platforms and considers their feedback in developing effective responses and informed commercial decisions. The table below summarises the approach towards stakeholder engagement.

Key Stakeholder	Forms of Engagement	Key Topics and Concerns
Tenants	• Marketing and Property Management hotlines • Tenant Handbook and circulars • On-site property managers for multi-tenanted buildings • Meetings with key existing and new tenants throughout the year • Tenant engagement initiatives	• Well-managed industrial facilities • Safe working environment • Prompt response to feedback • Environmentally sustainable buildings • Responsible marketing communications
Investors (including analysts and media)	• Announcements via SGXNET throughout the year • Email alerts to subscribers on announcements and updates • Investor meetings, events and teleconferences throughout the year • Bi-annual analyst results briefings with "live" audio webcasts • Annual general meetings • Annual report • Website	• Stable and sustainable distributions • Viable long-term business strategy and outlook • Timely and transparent reporting • Good corporate governance

SUSTAINABILITY REPORT

Key Stakeholder	Forms of Engagement	Key Topics and Concerns
Employees	• Bi-annual communication sessions by senior management • Mapletree Group Employee Engagement Survey every two to three years • Training programmes and education sponsorships throughout the year • Recreation Club activities and staff volunteering activities throughout the year • Employee Handbook	• Equitable reward and recognition • Good communication of business strategies and corporate objectives • Training and development • Safe and healthy working environment
Regulators and trustee	• Meetings, briefings and regular reporting throughout the year • Responses to public consultations	• Compliance with rules and regulations • Good corporate governance
Third-party service providers	• Regular meetings with key service providers • Communicate standard operating procedures where applicable	• Safe working environment • Fair and reasonable business practices
Community	• Collaborate with non-profit organisations during the year • Support tenants' corporate social responsibility ("CSR") initiatives where possible • Provide feedback channels for ongoing development projects throughout the year	• Corporate philanthropy and engagement • Stronger landlord-tenant relationships • Manage impact of development projects on surrounding neighbourhoods

MATERIALITY AND THE SUSTAINABLE DEVELOPMENT GOALS

The Sponsor conducts a formal group-wide materiality assessment exercise annually through a three-step process to identify, prioritise and validate material ESG factors. The review of material ESG factors involved the consideration of emerging global trends, material topics identified by industry peers and the overall local context. Key material ESG factors were prioritised based on their impacts on MIT's business, stakeholders, the communities in which it operates, and its ability to address impacts relating to them. MIT's material ESG factors in FY18/19 remained the same as those identified in FY17/18.

In September 2015, the United Nations announced a set of 17 SDGs with the objectives to end all forms of poverty, fight inequalities and address climate change. The Manager has reviewed the SDGs against its material ESG issues and has chosen to focus on seven SDGs where MIT could make the most significant contributions.

The following table outlines MIT's material factors, commitments to contributing to the achievement of the SDGs and its performance against FY18/19 targets.

Material Factors / Relevant SDGs	Our Commitments	FY18/19 Targets	FY18/19 Performance
Economic			
Economic Performance 8 DECENT WORK AND ECONOMIC GROWTH	• Achieve sustainable economic growth in order to provide returns to MIT's Unitholders	–	Please refer to the Operations Review (pages 32 to 41), Financial Review (pages 75 to 77) and Financial Statements (pages 129 to 206) sections of the Annual Report for details of MIT's financial and operational performance.
Environment			
Energy 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION	• Reduce the energy intensity of MIT's properties by improving their energy performance and efficiency • Achieve BCA Green Mark ratings and higher for new developments • Participate in events such as "Lights Off" for Earth Hour and Earth Day to raise public awareness • Engage employees and tenants in green initiatives to reduce energy consumption	• Reduce average building electricity intensity by 1% for the existing portfolio[1] year-on-year, from the base year of FY17/18	✔ **3.2% reduction** in the average building electricity intensity
Water 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION	• Achieve BCA Green Mark ratings and higher for new developments • Participate in events such as Earth Hour and Earth Day to raise public awareness • Engage employees and tenants in green initiatives to reduce water consumption	• Obtain WEB certifications for 1 & 1A Depot Close, 30A Kallang Place and 45 Ubi Road 1	✔ Obtained WEB certification for **1 & 1A Depot Close, 30A Kallang Place and 45 Ubi Road 1**

SUSTAINABILITY REPORT

Material Factors / Relevant SDGs	Our Commitments	FY18/19 Targets	FY18/19 Performance
Social			
Health and Safety	• Maintain a safe and healthy environment for our employees, tenants, third-party service providers and visitors at MIT's properties • Empower employees and enhance their mental health and well-being through supporting educational and health care initiatives	Achieve zero incidents resulting in employee[2] permanent disability or fatality	✔ **Zero** incidents resulting in employee permanent disability or fatality
Employment and Talent Retention	• Maintain a safe and healthy environment for employees • Commit to fair employment practices by ensuring the hiring process remains stringent and offering equal opportunity to all potential candidates	• Continue to commit to fair employment practices by ensuring our hiring process remains stringent and offering equal opportunity to all potential candidates • Maintain a wide range of relevant learning and professional development programmes	✔ Offered a wide range of training programmes aimed at different levels of the organisation (see pages 117 to 119 for details)
Local Communities	• Support initiatives and projects that have a positive impact on local communities • Maintain a safe and healthy environment for our employees, tenants, third-party service providers and visitors at MIT's properties • Empower individuals and enhance their mental health and well-being through supporting educational and health care initiatives	Encourage employee participation in Mapletree CSR events	✔ **110** employees from the Manager and the Property Manager participated in Mapletree CSR events
Compliance			
Compliance with Laws and Regulations	• Work and collaborate with relevant regulators to achieve regulatory compliance • Maintain zero incidences of non-compliance with anti-corruption laws and socioeconomic regulations	Achieve no material incidences of non-compliance with relevant laws and regulations	✔ **Zero** material incidents of non-compliance with relevant laws and regulations
Anti-corruption		Maintain zero incidences of non-compliance with anti-corruption laws and regulations	✔ **Zero** incidents of non-compliance with anti-corruption laws and regulations

✔ Meet target ✘ Fall short of target

2 Relates to employees from the Manager and the Property Manager.

ECONOMIC

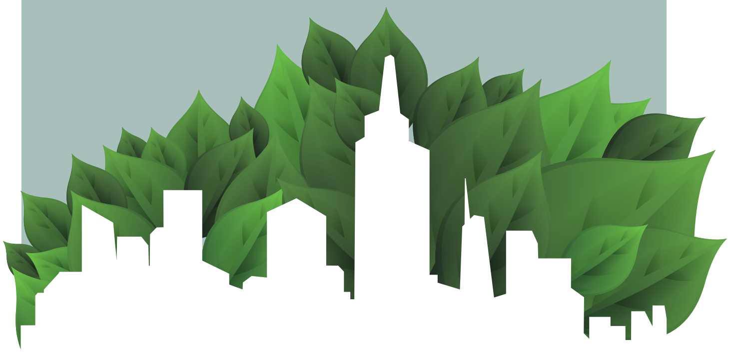
The Manager aims to deliver sustainable and growing returns to Unitholders through a three-pronged strategy of proactive asset management, value-creating investment management and prudent capital management. Please refer to the Operations Review (pages 32 to 41), Financial Review (pages 75 to 77) and Financial Statements (pages 129 to 206) sections of the Annual Report for details of MIT's financial and operational performance.

ENVIRONMENT

Globally, climate change has increasingly become a major issue, which can have significant impact on the sustainability of ecosystems and public health. The Manager and the Property Manager are committed to minimising MIT's environmental footprint through efficient property management and responsible management of resources such as energy and water.

The Manager and the Property Manager continue to advocate and engage stakeholders to incorporate environmentally friendly practices in their operations. Since October 2018, the Sponsor has phased out the use of plastic bottles and raised the awareness of sustainable alternatives to the single-use plastic products within the organisation. Employees are encouraged to use the water pitches and glasses provided in all meeting rooms. As part of the Sponsor's "Mapletree Goes Green" initiative, employees are also encouraged to adopt environmentally friendly practices such as using refillable water bottles and printing on both sides of paper. Ongoing initiatives to raise environmental awareness include placing recycling bins prominently within MIT's corporate office and properties.

To mark the annual Earth Day on 22 April 2018, all façade and non-essential lightings at MIT's corporate office as well as water features were switched off and air-conditioning temperature for common areas was increased by one degree Celsius. Tenants at the Mapletree Business City were also encouraged to participate in this movement.



SUSTAINABLE BUILDINGS

Monthly Group Property Management engineering forums are organised to discuss ongoing applications or renewal of green building certifications for MIT's properties. Properties with centralised air-conditioning systems are prioritised to achieve Green Mark certifications as air-conditioning accounts for a high proportion of the total energy consumption in a building. All tenants of the Green Mark buildings are given the Green Building Guides, which includes action plans for waste recycling, energy and water conservation.

In line with the BCA's third Green Building Masterplan to increase the number of green buildings in Singapore, the Manager and the Property Manager aim to attain BCA Green Mark ratings and higher for MIT's new developments.

ENVIRONMENTAL AWARD IN FY18/19

Property	Property Segment	Award
26A Ayer Rajah Crescent	Hi-Tech Building	BCA Green Mark Platinum

SUSTAINABILITY REPORT

ENERGY

TARGET FOR FY19/20

Reduce average building electricity intensity by 1% for the existing portfolio[3] year-on-year, from the base year of FY18/19

Energy use and its associated greenhouse gas ("GHG") have far-ranging environmental and health effects. Singapore has committed to reducing its GHG emissions intensity by 36% from 2005's levels by 2030.

A significant amount of energy consumption of industrial properties comes from the use of electricity for lightings, air-conditioning systems and lifts. The Manager and the Property Manager continuously improve the energy performance and efficiency of MIT's properties to reduce GHG emissions.

The Property Manager monitors utility consumption every month to assess consumption patterns and identify energy-saving opportunities. It provides electricity consumption data and other building-related information of selected properties to BCA annually for energy consumption monitoring and benchmarking for buildings in Singapore.

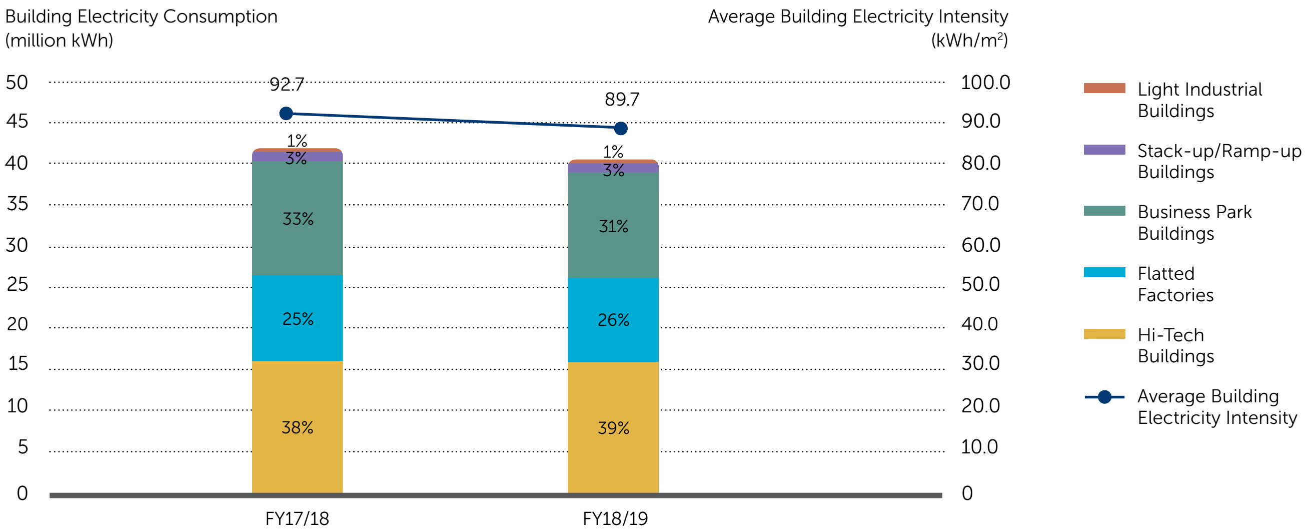
The Property Manager continues to incorporate environmentally sustainable practices into property management operations. These included the installation of energy efficient lighting, motion sensors as well as alternate light circuits and timers for lighting control. The Property Manager also reviews the tenants' fit-out designs to ensure that they adhere to the properties' power density limit.

Electricity at MIT properties is supplied by Tuas Power Supply Pte. Ltd and SP Group.

	Unit of Measure	FY18/19	FY17/18
Reported MIT's properties	Number of clusters	**33**	33
	Number of properties	**75**	75
Common area[4]	Square metre ("m^2")	**451,523**	451,560
Total building electricity consumption	Million kilowatt hours ("kWh")	**40.5**	41.9
Average building electricity intensity	kWh/m^2	**89.7**	92.7
Total building GHG emissions	Tonnes carbon dioxide equivalent ("CO_2e")	**16,974[5]**	17,761
Average building GHG emissions intensity	Tonnes CO_2e/m^2	**0.0376**	0.0393

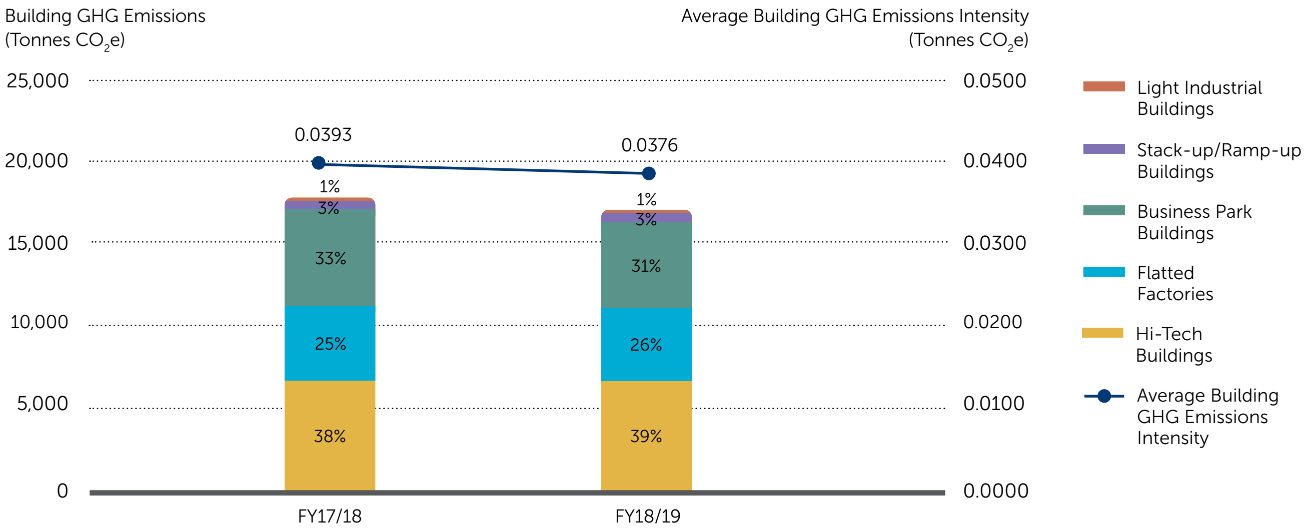
3 Based on 77 completed properties with operational control and full year of performance data at the beginning of the base year of FY18/19. This excludes the portfolio of 14 data centres in the United States and eight properties in Singapore without operational control as well as 18 Tai Seng and 30A Kallang Place.
4 Computation is based on the difference between GFA and NLA.
5 Total building GHG emissions was calculated using a conversion factor of 0.4192 kg CO_2/kWh – Singapore's average Operating Margin Grid Emission Factor in 2017. Source: Energy Market Authority.

TOTAL BUILDING ELECTRICITY CONSUMPTION AND AVERAGE BUILDING ELECTRICITY INTENSITY



The total building electricity consumption of MIT's properties in FY18/19 was 40.5 million kWh, which was 3.2% lower than 41.9 million kWh in FY17/18. Correspondingly, there was a reduction of 3.2% in the average building electricity intensity, from 92.7 kWh/m^2 in FY17/18 to 89.7 kWh/m^2 in FY18/19. These were partly due to energy savings from ongoing energy-saving initiatives across various properties such as the use of more energy efficient light bulbs and motion sensors, as well as the adjustment of timer controls at common areas in response to tenants' activities.

TOTAL BUILDING GHG EMISSIONS AND AVERAGE BUILDING GHG EMISSIONS INTENSITY



In FY18/19, the total building GHG emissions of MIT's properties in FY18/19 were 16,974 tonnes CO_2e, a decrease of 4.4% from 17,761 tonnes CO_2e in FY17/18. There was a reduction of 4.3% in the average building GHG emissions intensity from 0.0393 tonnes CO_2e/m^2 in FY17/18 to 0.0376 tonnes CO_2e/m^2 in FY18/19.

SUSTAINABILITY REPORT

WATER

TARGET FOR FY19/20
Obtain WEB certification for 18 Tai Seng

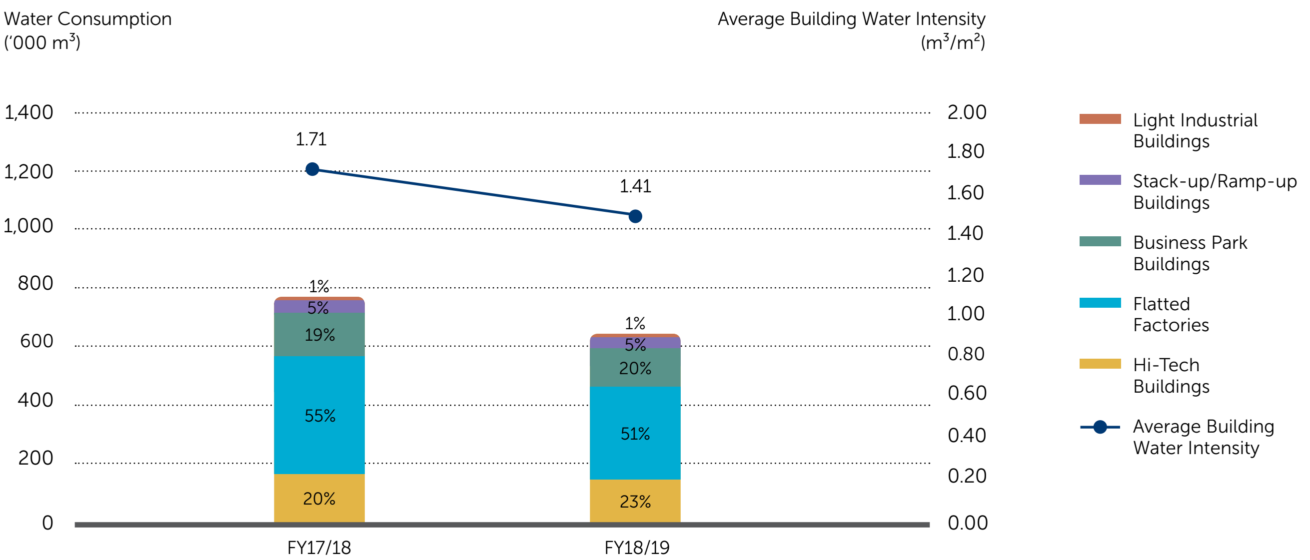
Water scarcity remains a challenge for Singapore as a result of the increasing demand for water and limited water resources. The sustainable use of water and the continuous improvement in water management are key priorities for the Manager and the Property Manager.

Numerous water-saving initiatives have been implemented to reduce the total water consumption and average building water intensity across MIT's properties. These included using low flush water systems and water efficient taps, installing motion sensor water faucets and adopting recommended water flow rates.

The Property Manager regularly monitors the water consumption for common areas of all properties. It also periodically checks the water supply facilities as well as executes timely repairs and regular maintenance to resolve water leakage issues.

Through such efforts, 1 & 1A Depot Close, 30A Kallang Place and 45 Ubi Road 1 have received the WEB certifications issued by PUB in FY18/19. To date, 36 clusters within MIT's portfolio had been awarded the WEB certifications. In recognition of its contribution towards water conservation, MIT was awarded the Friends of Water by PUB.

TOTAL WATER CONSUMPTION AND AVERAGE BUILDING WATER INTENSITY



In FY18/19, the total water consumption of MIT's properties was 638,149 m³, a decrease of 17.1% from 770,091 m³ in FY17/18. The average building water intensity reduced from 1.71 m³/m² in FY17/18 to 1.41 m³/m² in FY18/19.

Water used in MIT's properties was mainly provided by PUB. High-grade reclaimed water, also known as NEWater was used for the cooling tower at the Hi-Tech Building, K&S Corporate Headquarters. NEWater represented 20% of the water used for the Hi-Tech Buildings segment in FY18/19.

INITIATIVES FOR REDUCING WATER FOOTPRINT IN FY18/19

Over the last two years, MIT completed the progressive upgrading of toilets for 13 property clusters. Besides improving the work environment for tenants and employees, such upgrading efforts also resulted in lower water and energy consumption in common areas through various environmentally friendly features:

- Use of water fittings with at least a three-tick water efficiency rating under PUB's Mandatory Water Efficiency Labelling Scheme and Voluntary Water Efficiency Labelling Scheme;
- Replacement of existing water supply pipes with polypropylene pipes for greater water flow efficiency; and
- Reduction in the number of sanitary wares and shower cubicles.

SOCIAL

The following sections outline the efforts in ensuring the health and safety of users within MIT's properties, enhancing the development and personal well-being of the employees and supporting local communities.

HEALTH AND SAFETY

TARGET FOR FY19/20

Achieve zero incidents resulting in employee[2] permanent disability or fatality

The Manager and the Property Manager are committed to providing a safe and healthy environment for all employees, tenants, third-party service providers and visitors at all times.

Standard operating procedures are in place for employees from the Manager and the Property Manager to respond effectively to emergency situations in the workplace. A reporting protocol has also been established in the event of serious construction accidents occurring at any of the development sites, which is in compliance with the Ministry of Manpower ("MOM")'s reporting requirements on workplace incidents.

Bi-annual fire and evacuation drills are held at all MIT's properties to ensure that employees and tenants are familiar with the properties' emergency evacuation procedures. Fire safety audits of MIT's properties are also carried out to maintain compliance with the relevant laws and regulations. The Property Manager conducts annual risk assessments as well as regular inspections and maintenance of safety equipment and tools, lifts, escalators and stairwells at all MIT's properties. The health and safety performance of third-party service providers is monitored through regular spot checks to ensure their adherence to occupational health and safety laws and regulations.

All employees of the Manager and the Property Manager are encouraged to take personal and collective responsibility to maintain a healthy and secure workplace. Health and safety courses, which include topics relating to occupational first aid, fire safety manager and Work at Height safety, are offered to employees of the Property Manager. They are trained to perform risk assessments and ensure that safety measures are in place before the commencement of work activities carried out by contractors. Under the Mental Health First Aid programme, employees are encouraged to volunteer as mental health First Aiders and to receive training in providing emotional support to colleagues in crisis.

SUSTAINABILITY REPORT

In FY18/19, there were no reported work-related fatalities and permanent disability as well as no incidents of non-compliance with health and safety regulations. There were two incidents reported to MOM as at 31 March 2019. Two employees of the Property Manager suffered minor fractures in the course of carrying out their work duties, which resulted in a loss of 65 scheduled work days in FY18/19. As compared to zero incidents in the preceding financial year, the higher number of scheduled work days lost was due to longer recuperation period for both employees of the Property Manager. Both employees have since recovered and returned to work. Consequently, the accident frequency rate[6] was 5.6 incidents per million man-hours worked in FY18/19. The accident severity rate[7] was 183.3 man-days lost for every million man-hours worked in FY18/19[8].

All workplace incidents are investigated to determine the root causes and corrective action plans would be implemented, if necessary, in order to prevent future recurrence. The Manager and the Property Manager will continue to strengthen workplace safety awareness through briefings and trainings.

OVERVIEW OF HEALTH AND SAFETY POLICIES AND PROCEDURES

Stakeholder	Policies and Procedures
Employees	Health-related programmes are organised so as to promote employee health, wellness and safety. Health and safety policies for employees are outlined in the Employee Handbook.
Tenants	All tenants are required to adhere to health and safety standards by familiarising themselves with the instruction manuals. These include a Fit-out Manual on safety rules for additions and alterations works, a Fire Safety Manual and Evacuation Plan as well as a Tenant Handbook, which contains clauses on safety rules. Fire and evacuation drills are carried out twice a year to ensure that all employees are familiar with the emergency response plan. Regular communications in the form of circulars are issued to tenants as and when heightened security and health risks arise such as during terrorist threats and haze situations. Fire safety advisories are sent to tenants to minimise potential hazards during the period of the Hungry Ghost Festival. Site walkabouts are conducted by employees of the Property Manager every working day to ensure there are no potential safety and health hazards. Tenants are encouraged to adopt environmentally friendly practices and to limit the use of items that will negatively affect the indoor air quality. Standard operating procedures for hot works are in place to manage cutting and welding operations. Proper actions are taken to prevent loss and damages from fire and explosions that may occur from these processes.
Third-Party Service Providers	Requirements on health and safety standards are embedded within the screening and selection criteria for the engagement of third-party service providers. Appointed third-party service providers are required to meet health and safety policies that have been included in the terms and conditions of their service contracts.
Visitors	Site walkabouts are conducted by employees of the Property Manager every working day to ensure there are no potential safety and health hazards. Properties have sufficient directional signages, emergency exits and emergency lightings for the safety of visitors. Annual checks of lifts and fire alarm systems are conducted to ensure compliance with building regulations.

6 Accident frequency rate refers to injury rate per GRI Disclosure, which measures how often work incidents occur. Based on the Workplace Safety and Health Report 2018 from MOM, the formula for accident frequency rate is as follows:

$$\text{Accident Frequency Rate} = \frac{\text{Number of Workplace Accidents Reported}}{\text{Number of Man-hours Worked}} \times 1{,}000{,}000$$

7 Accident severity rate refers to lost day rate per GRI disclosure. Based on the Workplace Safety and Health Report 2018 from MOM, the formula for accident severity rate is as follows:

$$\text{Accident Severity Rate} = \frac{\text{Number of Man-days Lost to Workplace Accidents}}{\text{Number of Man-hours Worked}} \times 1{,}000{,}000$$

8 In 2018, the accident frequency rate and accident severity rate for the Real Estate Industry were 2.1 incidents per million man-hours worked and 162 man-days lost for every million man-hours worked. Source: Workplace Safety and Health Report 2018, MOM.

MINIMISING RISK AND SECURING SAFETY

As part of the ongoing building improvement works, MIT will be embarking on the upgrading of lifts, lift lobbies and toilets, as well as the conversion of common areas to breakout spaces. To ensure safety and reliability of use for tenants and visitors at MIT's properties, the lift upgrading programme will include total replacement and comprehensive maintenance of lifts. Predictive analytics will also be used to identify potential issues before they occur, which in turn minimise any downtime or lift incidents in the future.

TALENT RETENTION

TARGETS FOR FY19/20

Continue to commit to fair employment practices by adopting best practices in our hiring process and offering equal opportunity to all potential candidates

Maintain a wide range of relevant learning and professional development programmes

Employees are MIT's most valuable asset, and the driving force behind its long-term success. As wholly-owned subsidiaries of the Sponsor, the Manager and the Property Manager strongly believe in building an inclusive workplace that offers equal opportunities, talent development, competitive compensation and employee wellness.

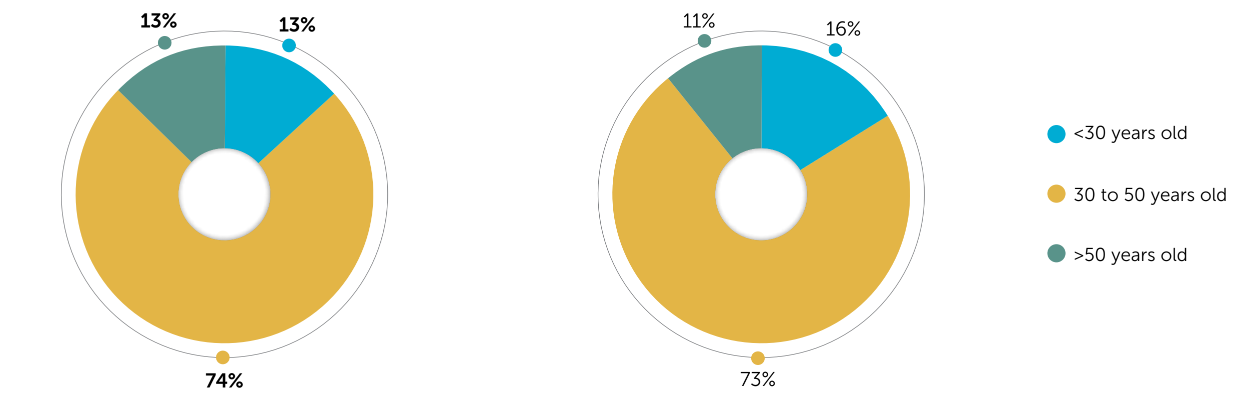
The Sponsor has in place an integrated human capital strategy to attract, motivate and retain employees. Its employment policies underscore the principles of fair employment and equal opportunities and adhere strictly to local labour laws. Recruitment and selection processes are based on fair and objective criteria such as skills, experience and qualifications. The Sponsor offers equal opportunities to all employees to grow and develop within the organisation and adopts a pay-for-performance remuneration system that rewards performance. The e-Performance appraisal system aligns evaluation practices across the Sponsor as well as tracks key performance indicators. It also enables employees to receive more regular and timely feedback about their performance as well as to communicate their development goals.

In addition, the Sponsor endeavours to attract potential talents through various platforms such as the Mapletree Associate Programme, Mapletree Executive Programme and Mapletree Internship Programme. These platforms serve to recruit motivated individuals at different points in their careers, which range from undergraduates, graduates, mid-career professionals, who are keen to enter the real estate industry.

SUSTAINABILITY REPORT

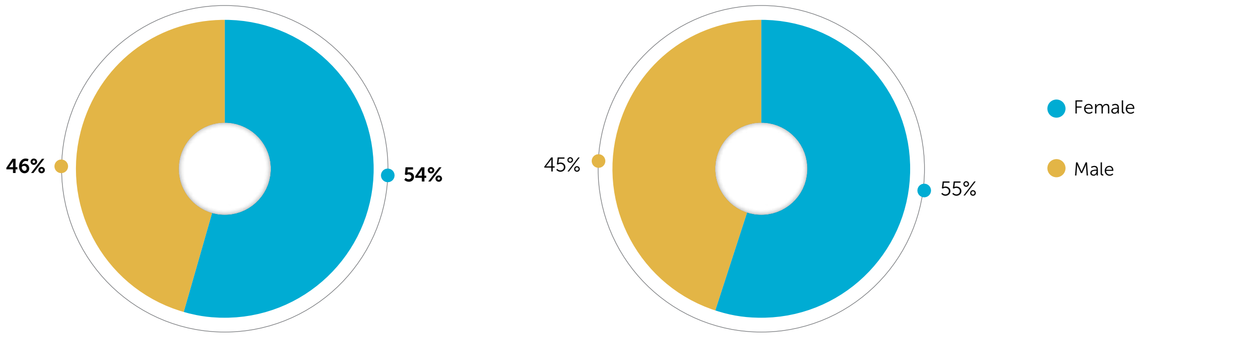
EMPLOYEE DIVERSITY BY AGE

AS AT 31 MARCH 2019 | AS AT 31 MARCH 2018



EMPLOYEE DIVERSITY BY GENDER

AS AT 31 MARCH 2019 | AS AT 31 MARCH 2018



The Sponsor collates and monitors the human resource data annually. As at 31 March 2019, the Manager and the Property Manager had 179 employees who were based in Singapore. This compared to 170 employees in the preceding financial year. In FY18/19, the average monthly turnover rate was 1.0% while the average monthly new hire rate was 1.3%.

The majority of the employees were within the age group of 30 to 50 years old. Female and male employees accounted for 54% and 46% of the workforce respectively. The profiles of employee diversity by age and gender remained stable as compared to the preceding financial year.

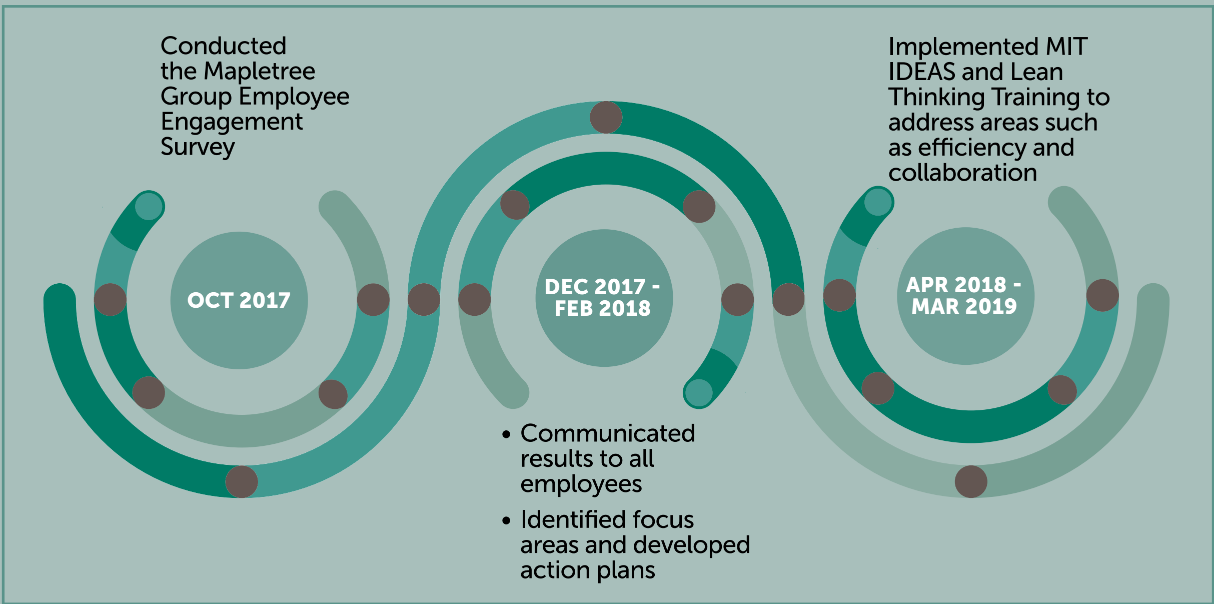
PEOPLE DEVELOPMENT

The Sponsor promotes a culture of continuous learning and development by offering a wide range of training programmes to ensure that all employees have the knowledge, skills and ability to excel in their roles. Employees are encouraged to participate in various functional and technical training programmes, which range from market updates, leadership, performance management and customer service training. In addition, there are training programmes aimed at different levels of the organisation such as the Mapletree Leadership Programme and Mapletree Performance Management workshops. To further professional development, the Sponsor offers educational sponsorships to eligible employees undertaking certified courses on a part-time basis. Immersion programmes are carried out on a quarterly basis to provide new hires an understanding of the organisation and business.

EMPLOYEE ENGAGEMENT

The Manager and the Property Manager regularly engage employees through the Industrial Communications Forum by providing business updates. The bi-annual town hall event is an opportunity for employees to interact with the senior management team.

TURNING INSIGHTS INTO ACTION



Following the Mapletree Group Employee Engagement Survey in FY17/18, the Manager and the Property Manager have implemented initiatives to address employee-related concerns on efficiency and collaboration in FY18/19. A systematic feedback mechanism, "MIT IDEAS" was established to seek and review feedback from all employees on existing work processes with the objective to enhance employee engagement and improve operational efficiency. The Manager and the Property Manager have successfully implemented several plans on increased productivity and operational efficiency based on numerous suggestions from employees.

Another initiative was the introduction of Lean Thinking Training in FY18/19 for team leaders across departments. The four-month programme includes an activity-based workshop and cross-functional project work. It aims to identify improvement areas in business processes and present workable solutions while enhancing teamwork across functions.

The survey also identified employee well-being as another focus area. Accordingly, the Sponsor has conducted a review on employee benefits scheme. It has enhanced the Insurance & Medical Benefits Programme and introduced new benefits such as Birthday Leave as well as increased the quantum for Long Service Award.

SUSTAINABILITY REPORT

EMPLOYEE WELL-BEING

The Sponsor strives to foster employee well-being by promoting a positive and engaging work environment. The Recreation Club regularly organises activities that promote staff interaction and family cohesiveness. These included Durian Fest, monthly futsal sessions, as well as movie screenings. All employees are able to reserve corporate passes to selected Singapore attractions.

In partnership with the Health Promotion Board, the Sponsor organises a series of workplace health promotion programmes to advocate a healthy lifestyle among all employees. These are also extended to tenants at Mapletree Business City, which featured an annual health screening session, a blood donation drive, lunch talks on lifestyle topics and monthly fitness programmes.

The Sponsor's Mapletree Education Award ("EduAward") recognises the academic achievements of the children of Singapore-based employees. The EduAward, which offers cash awards ranging from S$150 to S$500, is held twice a year, with 93 awards given out in FY18/19.

The Sponsor's Mapletree EduAward recognises the academic achievements of the children of Singapore-based employees.

ACHIEVING WORKPLACE WELLNESS

In October 2018, the Sponsor launched the Wellness@Mapletree programme. This was in response to the feedback from the Mapletree Group Employee Engagement Survey in FY17/18 for more benefits and programmes relating to employee well-being. Besides activities such as mass circuit trainings, mass walks and health workshops, the Wellness@Mapletree programme also came with an accompanying mobile application (Wellness@ Mapletree) where employees can easily access information and register for upcoming health and wellness events. The application also allows employees to participate in virtual challenges, and read about health tips and articles provided by external health consultants. Employees may also share posts and photos on their health and fitness journeys.

To date, more than 600 employees in Singapore have downloaded and accessed the application. Mass walks organised in October and November attracted a total of 600 employees.

The Wellness@Mapletree programme offers various activities such as mass circuit trainings, mass walks and health workshops.

LOCAL COMMUNITIES

TARGET FOR FY19/20
Encourage employee participation in Mapletree CSR events

The Manager is committed to contributing to local communities where it operates by supporting projects that generate positive socio-economic benefits, in line with the Sponsor's CSR objectives.

MAPLETREE SHAPING & SHARING PROGRAMME

The Mapletree Shaping & Sharing Programme is a group-wide framework that aims to achieve greater impact in four key areas – education, the arts, healthcare and the environment through a focused CSR approach. The objectives of the framework include empowering individuals through various educational and healthcare initiatives, enriching communities with the arts and functional design as well as building environmentally sustainable real estate developments. The CSR Board Committee consists of the Sponsor's chairman, two Board representatives from the four REITs (rotated on a two-year basis) and senior management, which provides strategic oversight of the framework.

All proposed community involvement initiatives are evaluated against the Mapletree CSR framework, with priority given to activities with specific social outcomes and longer term engagement as well as opportunities for staff volunteerism.

The Sponsor aligns business performance with its CSR efforts. It set aside S$1 million annually to fund its CSR commitments and programmes for every S$500 million of profit after tax and minority interests or part thereof.

ENCOURAGING STAFF VOLUNTEERISM

Employee volunteerism is an integral part of the Manager and the Property Manager's community outreach involvement that extends beyond philanthropy. 110 employees from the Manager and the Property Manager participated in Mapletree CSR events in FY18/19.

'MAKE A WISH COME TRUE'

Staff volunteers delivered presents to Beyond Social Services and Thye Hua Kwan Family Service Centre @ Tanjong Pagar.

The 'Make a Wish Come True' initiative was jointly organised by the Manager and the Property Manager in December 2018 for the fourth consecutive year. The initiative involved tenants at eight property clusters and staff volunteers, who fulfilled 337 wishes for families and children from the Beyond Social Services and Thye Hua Kwan Family Service Centre @ Tanjong Pagar. Staff volunteers also took part in the preparation and disbursement of items to the beneficiaries.

SUSTAINABILITY REPORT

SERVING THE COMMUNITY

The Manager and the Property Manager strive to give back to the communities in which MIT operates by supporting initiatives that are important to them. In FY18/19, the Manager and the Property Manager worked with the SME Centre @ Singapore Manufacturing Federation and Workforce Singapore to organise knowledge-sharing events on human resource issues and internationalisation for small-and-medium enterprises ("SME"). These events enabled distinguished speakers to share about trending human resource issues and challenges of internationalisation facing SME as well as the available government schemes addressing such challenges.

MIT as well as SME Centre @ Singapore Manufacturing Federation and Workforce Singapore organised knowledge-sharing events on human resource issues and internationalisation for SME.

The Healthy Workplace Ecosystem was held for the third consecutive year to promote healthy and active lifestyles among the working residents within the 30A Kallang Place, Kallang Basin, Serangoon North, The Strategy, The Synergy and Woodlands Spectrum Clusters. The Manager and the Property Manager collaborated with the Health Promotion Board to run a series of programmes, which included free health screenings, one-to-one health coaching sessions, physical activities and lunchtime workshops. In addition, participating canteen vendors at the respective property clusters are encouraged to offer healthier food and beverage options.

The Healthy Workplace Ecosystem was held for the third consecutive year to promote healthy and active lifestyles among the working residents at selected MIT clusters.

COMMUNITY FEEDBACK

To better understand their stakeholders' expectations and identify areas of improvements, the Manager and the Property Manager offer avenues to solicit feedback from the local communities. Tenants can contact on-site representatives of the Property Manager and members of the public can send their feedback and enquiries via the corporate website email. For clusters undergoing development or building improvement works, tenants are informed about the progress through the display of circulars on project details and construction schedules at the common areas.

MEMBERSHIPS

The Manager and the Property Manager are members of various industry organisations and collaborate with them to enhance relationships among tenants and prospective clients. These include the Association of Small and Medium Enterprises, Singapore Chinese Chamber of Commerce and Singapore International Chamber of Commerce.

As a member of REITAS, the Manager aims to promote the growth of the Singapore REIT industry through investor outreach events such as the REITs Symposium. The Manager also actively participates in consultations organised by key government agencies to offer constructive feedback on proposed regulatory measures that impact MIT's business.

Participation at REITs Symposium 2018.

GOVERNANCE

The Manager upholds a high standard of corporate governance and transparency in all business activities, which is vital for the long-term sustainability of MIT's business operations. The Sponsor and the Manager adopt a zero tolerance stance against bribery and corruption.

COMPLIANCE WITH LAWS AND REGULATIONS

TARGET FOR FY19/20

Achieve no material incidences of non-compliance with relevant laws and regulations

The Manager has a robust corporate governance framework in place and strives to comply with all relevant laws and regulations. Information on MIT's corporate governance framework and practices can be found on pages 80 to 97 of this Annual Report.

The Manager adheres to information security policies and procedures implemented by the Sponsor. It has taken prudent measures to ensure that sensitive personal data is handled appropriately, including incorporating confidentiality clauses into all tenancy agreements.

Directors and employees of the Manager are constantly updated with the latest developments in laws and regulations that are relevant to MIT's business through regular training.

MARKETING COMMUNICATIONS

The Manager is committed to adhering to relevant laws and regulations relating to the dissemination of marketing collaterals and Unitholder's communications.

All MIT's marketing collaterals and communications are reviewed for compliance with relevant laws and regulations, which include the Singapore Code of Advertising Practice and the Personal Data Protection Act. In addition, all tenancy agreements contain a clause that requires tenants to comply with the relevant laws and regulations on marketing communications and advertisement placements within MIT's properties.

The Manager aims to provide timely, transparent and accurate disclosures to Unitholders. All information and documents relating to Unitholder's communications, including SGX's announcements, press releases, website updates and annual reports, are reviewed for compliance with SGX's and the MAS's regulations before issuance. The Manager also engages MIT's investors regularly through annual general meetings, non-deal roadshows, conferences, meetings and conference calls.

In FY18/19, there were no material incidences of non-compliance with relevant laws and regulations.

ANTI-CORRUPTION

TARGET FOR FY19/20

Maintain zero incidences of non-compliance with anti-corruption laws and regulations

Employees are subject to and required to comply with the Sponsor's policies and procedures at all times, which cover issues such as ethics and code of conduct, attendance, safe work practices and professional conduct. The detailed policies and guidelines are published on the Sponsor's intranet and are accessible by all employees.

The Sponsor's policies and procedures outline the responsibilities of each employee in upholding its zero tolerance stance against all forms of corruption and bribery. The Employee Handbook contains specific guidance on anti-corruption practices such as the prohibition of bribery, acceptance or offer of lavish gifts or entertainment. A whistle-blowing policy is in place to allow employees and stakeholders to raise serious concerns of any suspected improper conduct, including possible financial irregularities, while protecting the whistle-blowers from reprisals. Reports can be made via a dedicated email address (reporting@mapletree.com.sg). Any reporting is notified to the AC Chairman of the Sponsor as well as the AC Chairman of the Manager for investigation and to the AC of the Manager on the findings. Appropriate disciplinary action will be taken against any employee who is found guilty of fraud, dishonesty or criminal conduct in relation to his/her employment.

The Sponsor has established procedures to monitor and manage the risk of non-compliance with all relevant laws and regulations, including the anti-money laundering policy. The CEO of the relevant business unit as well as the Group Chief Corporate Officer are notified immediately of any threatened or pending litigation for timely resolution. In line with the best practices on dealings in securities set out in the Listing Manual, directors and employees are notified before the start of any trading ban period when dealing in MIT units. Directors and employees are also reminded not to deal in MIT units on short term considerations and are prohibited from dealing in MIT units: (i) in the period commencing two weeks before the announcement of MIT's financial results for each of the first three quarters; (ii) in the period commencing one month before the announcement of MIT's full year financial results; and (iii) while in possession of price-sensitive information.

In FY18/19, there were no incidents of non-compliance with anti-corruption laws and regulations.

SUSTAINABILITY REPORT

GRI CONTENT INDEX

GRI Standards (2016)		Notes/Page Number(s)
General Disclosures		
Organisational Profile		
102-1	Name of the organisation	Mapletree Industrial Trust; Corporate Profile, Page 1
102-2	Activities, brands, products, and services	Corporate Profile, Page 1
102-3	Location of headquarters	Corporate Directory, Page 217
102-4	Location of operations	Corporate Profile, Page 1
102-5	Ownership and legal form	Corporate Profile, Page 1; Organisation, Corporate and Trust Structures, Pages 18 – 19
102-6	Markets served	Corporate Profile, Page 1
102-7	Scale of the organisation	Corporate Profile, Page 1; Talent Retention, Pages 117 – 120; Annual Report, Financial Statements, Pages 129 – 206
102-8	Information on employees and other workers	Talent Retention, Pages 117 – 120 Data was compiled from the Human Resource database, and excluded full-time and part-time employees on less than one-year contract. As the number of part-time and temporary employees is not significant to the operations as a whole, employee data was presented in totality, instead by the breakdown by employment type. MIT does not have a significant portion of its activities being carried out by workers who are not employees. Certain property management functions were outsourced to third-party service providers. MIT did not have any significant variation in employment numbers and essential data of all employees are stored and maintained in the SAP system.
102-9	Supply chain	Supply chain activities are minimal and insignificant to report on.
102-10	Significant changes to organisation and its supply chain	Significant Events, Page 17
102-11	Precautionary principle or approach	In general, the precautionary principle is embedded in MIT's approach to sustainability.
102-12	External initiatives	Materiality and the Sustainable Development Goals, Pages 109 – 110
102-13	Membership of associations	Memberships, Page 122

GRI Standards (2016)		Notes/Page Number(s)
General Disclosures		
Strategy		
102-14	Statement from senior decision-maker	Board Statement, Page 105
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Strategic Direction, Pages 12 – 13; Sustainability Commitment and Sustainability Governance, Page 107; Governance, Page 123
Governance		
102-18	Governance structure	Corporate Governance, Pages 80 – 97; Sustainability Governance, Page 107
Stakeholder Engagement		
102-40	List of stakeholder groups	Stakeholder Engagement, Pages 107 – 108
102-41	Collective bargaining agreements	No collective bargaining agreements are in place.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement, Pages 107 – 108
102-43	Approach to stakeholder engagement	Stakeholder Engagement, Pages 107 – 108
102-44	Key topics and concerns raised	Stakeholder Engagement, Pages 107 – 108
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Annual Report, Financial Statements, Pages 129 – 206
102-46	Defining report content and topic Boundaries	About This Report, Page 106; Materiality and the Sustainable Development Goals, Pages 109 – 110
102-47	List of material topics	Materiality and the Sustainable Development Goals, Pages 109 – 110
102-48	Restatements of information	About This Report, Page 106
102-49	Changes in reporting	Materiality and the Sustainable Development Goals, Pages 109 – 110
102-50	Reporting period	About This Report, Page 106
102-51	Date of most recent report	The Annual Report/Sustainability Report 2017/2018 was published on 29 June 2018.
102-52	Reporting cycle	About This Report, Page 106
102-53	Contact point for questions regarding the report	About This Report, Page 106
102-54	Claims of reporting in accordance with GRI Standards	About This Report, Page 106
102-55	GRI content index	GRI Content Index, Pages 124 – 128
102-56	External assurance	MIT has not sought external assurance on this report but may do so in the future.

SUSTAINABILITY REPORT

GRI Standards (2016)		Notes/Page Number(s)
Material Topics		
Economic Performance		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110; Financial Statements, Pages 129 – 206
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Financial Statements, Pages 129 – 206
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Financial Statements, Pages 129 – 206
201-1	Direct economic value generated and distributed	Financial Statements, Pages 129 – 206
Anti-corruption		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110; Anti-corruption, Page 123
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Anti-corruption, Page 123
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Anti-corruption, Page 123
205-3	Confirmed incidents of corruption and actions taken	Anti-corruption, Page 123
Energy		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110; Energy, Pages 112 – 113
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Energy, Pages 112 – 113
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Energy, Pages 112 – 113
302-1	Energy consumption within the organisation	Energy, Pages 112 – 113
302-3	Energy intensity	Energy, Pages 112 – 113
Water		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110; Water, Pages 114 –115
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Water, Pages 114 – 115
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Water, Pages 114 – 115
303-1	Water withdrawal by source	Water, Pages 114 – 115

GRI Standards (2016)		Notes/Page Number(s)
Material Topics		
Employment		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110; Talent Retention, Pages 117 – 120
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Talent Retention, Pages 117 – 120
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Talent Retention, Pages 117 – 120
401-1	New employee hires and employee turnover	Talent Retention, Pages 117 – 120 Information on the total number of new hires and employee turnover by age group, gender and region was deemed insignificant to report on.
Occupational Health and Safety		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110; Health and Safety, Pages 115 – 117
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Health and Safety, Pages 115 – 117
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Health and Safety, Pages 115 – 117
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Health and Safety, Pages 115 – 117
Training and Education		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110; People Development, Page 119
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; People Development, Page 119
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; People Development, Page 119
404-2	Programmes for upgrading employee skills and transition assistance programmes	People Development, Page 119

SUSTAINABILITY REPORT

GRI Standards (2016)		Notes/Page Number(s)
Material Topics		
Local Communities		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110 Local Communities, Pages 121 – 122
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110 Local Communities, Pages 121 – 122
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110 Local Communities, Pages 121 – 122
413-1	Operations with local community engagement, impact assessments, and development programs	Local Communities, Pages 121 – 122
Customer Health and Safety		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110 Health and Safety, Pages 115 – 117
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110 Health and Safety, Pages 115 – 117
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110; Health and Safety, Pages 115 – 117
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety, Pages 115 – 117
Marketing and Labelling		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110 Marketing Communications, Page 123
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110 Marketing Communications, Page 123
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110 Marketing Communications, Page 123
417-3	Incidents of non-compliance concerning marketing communications	Marketing Communications, Page 123
Socioeconomic Compliance		
103-1	Explanation of the material topic and its Boundary	Materiality and the Sustainable Development Goals, Pages 109 – 110 Compliance with Laws and Regulations, Page 123
103-2	The management approach and its components	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110 Compliance with Laws and Regulations, Page 123
103-3	Evaluation of the management approach	Sustainability Governance, Page 107; Materiality and the Sustainable Development Goals, Pages 109 – 110 Compliance with Laws and Regulations, Page 123
419-1	Non-compliance with laws and regulations in the social and economic area	Compliance with Laws and Regulations, Page 123

FINANCIAL STATEMENTS

REPORT OF THE TRUSTEE

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

DBS Trustee Limited (the "Trustee") is under a duty to take into custody and hold the assets of Mapletree Industrial Trust ("MIT") and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in MIT. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of Mapletree Industrial Trust Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 29 January 2008 (as amended) (the "Trust Deed") between the Trustee and the Manager in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed MIT and the Group during the financial year covered by these financial statements, set out on pages 135 to 206, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
DBS Trustee Limited

Jane Lim
Director

Singapore, 22 April 2019

STATEMENT BY THE MANAGER

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

In the opinion of the directors of Mapletree Industrial Trust Management Ltd., the accompanying financial statements of Mapletree Industrial Trust ("MIT") and its subsidiaries (the "Group"), as set out on pages 135 to 206, comprising the Statement of Financial Position and Portfolio Statement for MIT and the Group as at 31 March 2019, the Statements of Profit or Loss, Statements of Comprehensive Income, Distribution Statements and Statements of Movements in Unitholders' Funds for MIT and the Group, the Consolidated Statement of Cash Flows for the Group and Notes to the Financial Statements for the year then ended are drawn up so as to present fairly, in all material respects, the financial position of MIT and of the Group as at 31 March 2019 and the financial performance, amount distributable and movements in unitholders' funds of MIT and the Group and consolidated cash flows of the Group for the year then ended in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") issued by the Accounting Standard Council (Singapore) and the provisions of the Trust Deed and the relevant requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. At the date of this statement, there are reasonable grounds to believe that MIT and the Group will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
Mapletree Industrial Trust Management Ltd.

Tham Kuo Wei
Director

Singapore, 22 April 2019

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF MAPLETREE INDUSTRIAL TRUST
(CONSTITUTED UNDER A TRUST DEED IN THE REPUBLIC OF SINGAPORE)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the accompanying consolidated financial statements of Mapletree Industrial Trust ("MIT") and its subsidiaries (the "Group") and the Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Financial Position, Distribution Statement, Statement of Movements in Unitholders' Funds, and Portfolio Statement of MIT are properly drawn up in accordance with SFRS(I) and the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") relating to financial reporting so as to present fairly, in all material aspects, the consolidated financial position of the Group and the financial position of MIT, and the consolidated portfolio holdings of the Group and portfolio holdings of MIT as at 31 March 2019, and the consolidated financial performance of the Group and the financial performance of MIT, the consolidated amount distributable of the Group and the amount distributable of MIT, the consolidated movements of unitholders' funds of the Group and movements in unitholders' funds of MIT and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of MIT and the Group comprise:
- the statements of profit or loss of the Group and MIT for the financial year ended 31 March 2019;
- the statements of comprehensive income of the Group and MIT for the financial year ended 31 March 2019;
- the statements of financial position of the Group and MIT as at 31 March 2019;
- the distribution statements of the Group and MIT for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended;
- the statements of movements of unitholders' funds for the Group and MIT for the financial year then ended;
- the portfolio statement for the Group and MIT as at 31 March 2019; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there are evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2019. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF MAPLETREE INDUSTRIAL TRUST
(CONSTITUTED UNDER A TRUST DEED IN THE REPUBLIC OF SINGAPORE)

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties *Refer to Note 14 (Investment Properties and Investment Property under Development).* As at 31 March 2019, the carrying value of the Group's investment properties of $4.3 billion accounted for 94.1% of the Group's total assets. The valuation of the investment properties was a key audit matter due to the significant judgement in the key inputs used in the valuation techniques. These key inputs include capitalisation rates and discount rates and are dependent on the nature of each investment property and the prevailing market conditions. The key inputs are disclosed in Note 14 to the accompanying financial statements.	Our audit procedures included the following: • assessed the competence, capabilities and objectivity of the external valuers engaged by the Group; • obtained an understanding of the techniques used by the external valuers in determining the valuations of individual investment properties; • discussed the critical assumptions made by the external valuers for the key inputs used in the valuation techniques; • tested the integrity of information, including underlying lease and financial information provided to the external valuers; and • assessed the reasonableness of the adjusted capitalisation rates and discount rates by benchmarking these against those of comparable properties and prior year inputs. We have also assessed the adequacy of the disclosures relating to the assumptions, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations. We found the external valuers to be members of recognised bodies for professional valuers. We also found that the valuation techniques used were appropriate in the context of the Group's investment properties and the critical assumptions used for the key inputs were within the range of market data.

Other Information

The Manager is responsible for the other information. The other information comprises the information included in the Report of the Trustee and Statement by the Manager (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and other sections of MIT's Annual Report 2018/2019 ("Other Sections"), which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and take appropriate actions in accordance with SSAs.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with SFRS(I) and the applicable requirements of the CIS Code relating to financial reporting and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease the Group's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF MAPLETREE INDUSTRIAL TRUST
(CONSTITUTED UNDER A TRUST DEED IN THE REPUBLIC OF SINGAPORE)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yeow Chee Keong.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 22 April 2019

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Note	Group		MIT	
		FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Gross revenue	3	**376,101**	363,230	**353,703**	343,826
Property operating expenses	4	**(88,331)**	(85,627)	**(83,554)**	(79,858)
Net property income		**287,770**	277,603	**270,149**	263,968
Interest income	5	**246**	1,027	**971**	994
Investment income	6	**–**	–	**30,383**	19,332
Borrowing costs	7	**(40,108)**	(34,055)	**(40,108)**	(34,055)
Manager's management fees					
– Base fees		**(20,540)**	(19,215)	**(19,389)**	(18,248)
– Performance fees		**(10,353)**	(9,994)	**(9,716)**	(9,503)
Trustee's fees		**(581)**	(546)	**(581)**	(546)
Other trust expenses	8	**(2,001)**	(1,322)	**(1,967)**	(1,295)
Net foreign exchange (loss)/gain		**(202)**	18	**(4,742)**	3,415
Net fair value gain on investment properties and investment property under development	14(a)	**30,757**	65,470	**28,605**	67,757
Share of joint venture	18				
– Net profit after tax		**16,691**	3,900	**–**	–
– Net fair value gain on investment properties		**9,447**	17,876	**–**	–
		26,138	21,776	**–**	–
Loss on divestment of investment property		**–**	(200)	**–**	–
Profit before income tax		**271,126**	300,562	**253,605**	291,819
Income tax expense	9(a)	*****	(32)	**–**	(32)
Profit for the financial year		**271,126**	300,530	**253,605**	291,787
Earnings per unit					
– Basic and diluted (cents)	10	**14.25**	16.36		

* Amount less than $1,000

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

		Group		MIT	
	Note	**FY18/19 $'000**	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Profit for the financial year		**271,126**	300,530	**253,605**	291,787
Other comprehensive income/(loss):					
Items that may be reclassified subsequently to profit or loss:					
Cash flow hedges					
– Fair value losses		**(3,939)**	(718)	**(3,939)**	(718)
– Realised and transferred to borrowing cost	7	**1,300**	4,493	**1,300**	4,493
Share of hedging reserve of joint venture		**(3,094)**	526	**–**	–
Currency translation differences arising from share of joint venture		**551**	(672)	**–**	–
Other comprehensive (loss)/ income, net of tax		**(5,182)**	3,629	**(2,639)**	3,775
Total comprehensive income		**265,944**	304,159	**250,966**	295,562

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION – GROUP

AS AT 31 MARCH 2019

	Note	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
ASSETS				
Current assets				
Cash and cash equivalents	11	**40,010**	37,419	37,985
Trade and other receivables	12	**33,487**	24,398	10,221
Other current assets	13	**1,727**	1,572	1,202
Derivative financial instruments	21	**114**	14	–
		75,338	63,403	49,408
Non-current assets				
Investment properties	14(a)	**4,254,200**	3,856,600	3,530,850
Investment property under development	14(a)	**82,100**	51,700	217,800
Plant and equipment	15	**183**	84	3
Investment in a joint venture	18	**194,101**	181,158	–
Derivative financial instruments	21	**1,142**	1,375	–
		4,531,726	4,090,917	3,748,653
Total assets		**4,607,064**	4,154,320	3,798,061
LIABILITIES				
Current liabilities				
Trade and other payables	19	**104,650**	103,108	108,745
Borrowings	20	**74,982**	184,927	114,986
Derivative financial instruments	21	**238**	242	–
Current income tax liabilities	9(b)	**240**	32	*
		180,110	288,309	223,731
Non-current liabilities				
Other payables	19	**54,827**	51,403	46,143
Borrowings	20	**1,321,732**	1,033,190	991,425
Derivative financial instruments	21	**2,869**	1,346	3,973
		1,379,428	1,085,939	1,041,541
Total liabilities		**1,559,538**	1,374,248	1,265,272
Net assets attributable to Unitholders		**3,047,526**	2,780,072	2,532,789
Represented by:				
Unitholders' funds		**3,047,526**	2,780,072	2,532,789
UNITS IN ISSUE ('000)	23	**2,021,112**	1,885,218	1,802,160
NET ASSET VALUE PER UNIT ($)		**1.51**	1.47	1.41

* Amount less than $1,000

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION – MIT

AS AT 31 MARCH 2019

	Note	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000
ASSETS				
Current assets				
Cash and cash equivalents	11	**22,308**	30,810	31,136
Trade and other receivables	12	**33,085**	27,244	12,297
Other current assets	13	**1,138**	911	463
Derivative financial instruments	21	**114**	14	–
		56,645	58,979	43,896
Non-current assets				
Investment properties	14(a)	**3,807,400**	3,678,700	3,333,000
Investment property under development	14(a)	**82,100**	51,700	217,800
Plant and equipment	15	**183**	84	3
Investments in:				
– subsidiaries	16	**113,585**	*	*
– a joint venture	18	**166,158**	166,158	–
Loans to subsidiaries	17	**323,394**	166,594	179,794
Derivative financial instruments	21	**1,142**	1,375	–
		4,493,962	4,064,611	3,730,597
Total assets		**4,550,607**	4,123,590	3,774,493
LIABILITIES				
Current liabilities				
Trade and other payables	19	**92,298**	98,915	102,899
Borrowings	20	**74,982**	59,985	114,986
Loans from a subsidiary	20	**–**	124,942	–
Derivative financial instruments	21	**238**	242	–
Current income tax liabilities	9(b)	**32**	32	–
		167,550	284,116	217,885
Non-current liabilities				
Other payables	19	**51,807**	50,765	45,723
Borrowings	20	**916,670**	753,763	587,203
Loans from a subsidiary	20	**405,062**	279,427	404,222
Derivative financial instruments	21	**2,869**	1,346	3,973
		1,376,408	1,085,301	1,041,121
Total liabilities		**1,543,958**	1,369,417	1,259,006
Net assets attributable to Unitholders		**3,006,649**	2,754,173	2,515,487
Represented by:				
Unitholders' funds		**3,006,649**	2,754,173	2,515,487
UNITS IN ISSUE ('000)	23	**2,021,112**	1,885,218	1,802,160
NET ASSET VALUE PER UNIT ($)		**1.49**	1.46	1.40

* Amount less than $1,000

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Amount available for distribution to Unitholders at beginning of the year	**56,163**	52,403	**56,163**	52,403
Profit for the year	**271,126**	300,530	**253,605**	291,787
Adjustment for net effect of non-tax chargeable items and other adjustments (Note A)	**(54,559)**	(87,916)	**(21,846)**	(75,939)
Distribution declared by joint venture	**15,192**	3,234	**–**	–
Amount available for distribution	**231,759**	215,848	**231,759**	215,848
Distribution to Unitholders:				
Distribution of 2.88 cents per unit for the period from 01 January 2017 to 31 March 2017	**–**	(51,902)	**–**	(51,902)
Distribution of 2.92 cents per unit for the period from 01 April 2017 to 30 June 2017	**–**	(52,631)	**–**	(52,631)
Distribution of 3.00 cents per unit for the period from 01 July 2017 to 30 September 2017	**–**	(54,082)	**–**	(54,082)
Distribution of 0.99 cent per unit for the period from 01 October 2017 to 01 November 2017	**–**	(17,847)	**–**	(17,847)
Distribution of 1.89 cents per unit for the period from 02 November 2017 to 31 December 2017	**–**	(35,626)	**–**	(35,626)
Distribution of 2.95 cents per unit for the period from 01 January 2018 to 31 March 2018	**(55,614)**	–	**(55,614)**	–
Distribution of 3.00 cents per unit for the period from 01 April 2018 to 30 June 2018	**(56,568)**	–	**(56,568)**	–
Distribution of 3.01 cents per unit for the period from 01 July 2018 to 30 September 2018	**(56,779)**	–	**(56,779)**	–
Distribution of 3.07 cents per unit for the period from 01 October 2018 to 31 December 2018	**(58,299)**	–	**(58,299)**	–
Distribution of 1.71 cents per unit for the period from 01 January 2019 to 19 February 2019	**(32,481)**	–	**(32,481)**	–
Total Unitholders' distribution (including capital distribution) (Note B)	**(259,741)**	(212,088)	**(259,741)**	(212,088)
Amount available for distribution to Unitholders at end of the year	**28,181**	56,163	**28,181**	56,163

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Note A:				
Adjustment for net effect of non-tax deductible/ (chargeable) items and other adjustments comprise:				
– Trustee's fees	**581**	546	**581**	546
– Financing related costs	**1,851**	1,537	**1,851**	1,537
– Net fair value gain on investment properties and investment property under development	**(30,757)**	(65,470)	**(28,605)**	(67,757)
– Management fees paid/payable in units	**2,988**	2,309	**2,988**	2,309
– Expense capital items	**768**	917	**685**	805
– Adjustments from rental incentives	**(4,681)**	(7,613)	**(4,805)**	(7,646)
– Fund raising cost	**–**	32	**–**	32
– Loss on divestment of investment property	**–**	200	**–**	–
– Share of joint venture	**(26,138)**	(21,776)	**–**	–
– Realised revaluation gain from divestment of investment property	**–**	–	**–**	(3,427)
– Net foreign exchange loss/(gain)	**202**	(18)	**4,742**	(3,415)
– Other non-tax deductible items and adjustments	**627**	1,420	**717**	1,077
	(54,559)	(87,916)	**(21,846)**	(75,939)
Note B:				
Total Unitholders' distribution				
– Taxable income distribution	**(243,866)**	(210,097)	**(243,866)**	(210,097)
– Capital distribution	**(6,426)**	(1,991)	**(6,426)**	(1,991)
– Tax-exempt income	**(9,449)**	–	**(9,449)**	–
	(259,741)	(212,088)	**(259,741)**	(212,088)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Note	Group FY18/19 $'000	Group FY17/18 $'000
Cash flows from operating activities			
Profit for the financial year after income tax		**271,126**	300,530
Adjustments for:			
– Income tax expense	9(a)	*	32
– Net fair value gain on investment properties and investment property under development	14(a)	**(30,757)**	(65,470)
– Interest income		**(246)**	(1,027)
– Borrowing costs	7	**40,108**	34,055
– Manager's management fees paid/payable in units		**2,988**	2,309
– Rental incentives		**(4,552)**	(7,613)
– Depreciation	15	**40**	10
– Loss on divestment of investment property		**–**	200
– Share of joint venture		**(26,138)**	(21,776)
– Unrealised translation loss/(gain)		**21**	(16)
Operating cash flows before working capital changes		**252,590**	241,234
Change in operating assets and liabilities			
– Trade and other receivables		**(3,583)**	(3,472)
– Trade and other payables		**(4,388)**	6,730
– Other current assets		**84**	(106)
Cash generated from operations		**244,703**	244,386
Interest received		**245**	1,165
Income tax paid	9(b)	**(*)**	(*)
Net cash provided by operating activities		**244,948**	245,551
Cash flows from investing activities			
Additions to investment properties and investment property under development		**(131,518)**	(118,511)
Acquisition of a subsidiary, net of cash received	16	**(252,616)**	–
Additions to plant and equipment		**(140)**	(91)
Proceeds from the divestment of investment property		**–**	17,400
Investment in a joint venture		**–**	(166,158)
Loan to a joint venture		**–**	(242,392)
Repayment of loan from a joint venture		**–**	235,571
Distribution received from joint venture		**14,622**	–
Net cash used in investing activities		**(369,652)**	(274,181)
Cash flows from financing activities			
Repayment of bank loans		**(598,805)**	(867,663)
Payment of financing fees		**(1,758)**	(1,942)
Gross proceeds from bank loans		**772,576**	989,858
Net proceeds from issuance of new units		**198,964**	153,189
Distribution to public trust Unitholders		**(203,959)**[1]	(212,088)
Interest paid		**(39,723)**	(33,290)
Net cash provided by financing activities		**127,295**	28,064
Net increase/(decrease) in cash and cash equivalents		**2,591**	(566)
Cash and cash equivalents at beginning of financial year		**37,419**	37,985
Effects of currency translation on cash and cash equivalents		*	–
Cash and cash equivalents at end of financial year	11	**40,010**	37,419

* Amount less than $1,000

[1] This amount excludes S$55.8 million distributed through the issuance of 29,239,867 new units in MIT in FY18/19 as part payment of distributions for the period from 1 July 2018 to 19 February 2019, pursuant to the Distribution Reinvestment Plan ("DRP").

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

Reconciliation of liabilities arising from financing activities

			Non-cash movements			
	1 April 2018 $'000	Principal and interest payments $'000	Borrowing cost $'000	Foreign exchange movement $'000	Fair value changes on derivative financial instruments $'000	31 March 2019 $'000
Borrowings, interest payable and prepaid financing fees	**1,223,261**	**132,290**	**41,306**	**4,561**	**986**	**1,402,404**

			Non-cash movements		
	1 April 2017 $'000	Principal and interest payments $'000	Borrowing cost $'000	Foreign exchange movement $'000	31 March 2018 $'000
Borrowings, interest payable and prepaid financing fees	1,111,199	86,963	35,337	(10,238)	1,223,261

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Group		MIT	
	FY18/19	FY17/18	**FY18/19**	FY17/18
	$'000	$'000	**$'000**	$'000
OPERATIONS				
Balance at beginning of year	**941,088**	852,646	**915,043**	835,344
Profit for the year	**271,126**	300,530	**253,605**	291,787
Distributions	**(259,741)**	(212,088)	**(259,741)**	(212,088)
Balance at end of year	**952,473**	941,088	**908,907**	915,043
UNITHOLDERS' CONTRIBUTION				
Balance at beginning of year	**1,839,263**	1,684,051	**1,839,263**	1,684,051
Issue of new units pursuant to the private placement	**201,035**	155,740	**201,035**	155,740
Issue of new units pursuant to the DRP	**55,781**	–	**55,781**	–
Manager's management fees paid in units	**3,143**	2,023	**3,143**	2,023
Manager's acquisition fee paid in units	**3,363**	–	**3,363**	–
Issue expenses	**(2,071)**	(2,551)	**(2,071)**	(2,551)
Balance at end of year	**2,100,514**	1,839,263	**2,100,514**	1,839,263
HEDGING RESERVE				
Balance at beginning of year	**393**	(3,908)	**(133)**	(3,908)
Fair value losses	**(3,939)**	(718)	**(3,939)**	(718)
Cash flow hedges realised and transferred to borrowing cost (Note 7)	**1,300**	4,493	**1,300**	4,493
Share of hedging reserve of joint venture	**(3,094)**	526	**–**	–
Balance at end of year	**(5,340)**	393	**(2,772)**	(133)
FOREIGN CURRENCY TRANSLATION RESERVE				
Balance at beginning of year	**(672)**	–	**–**	–
Currency translation differences arising from share of joint venture	**551**	(672)	**–**	–
Balance at end of year	**(121)**	(672)	**–**	–
Total Unitholders' funds at the end of the year	**3,047,526**	2,780,072	**3,006,649**	2,754,173

The accompanying notes form an integral part of these financial statements.

PORTFOLIO STATEMENT

AS AT 31 MARCH 2019

Description of property/cluster[1]	Acquisition date	Term of lease *	Remaining term of lease *	Location
Investment properties held under MIT				
Flatted Factories				
Chai Chee Lane	26/08/2011	60 years	52 years	510, 512 & 514 Chai Chee Lane Singapore
Changi North	01/07/2008	60 years	49 years	11 Changi North Street 1 Singapore
Clementi West	01/07/2008	30 years	19 years	1 Clementi Loop Singapore
Kaki Bukit	01/07/2008	60 years	49 years	2, 4, 6, 8 & 10 Kaki Bukit Avenue 1 Singapore
Kallang Basin 1	26/08/2011	20 years	12 years	5 & 7 Kallang Place Singapore
Kallang Basin 2	26/08/2011	20 years	12 years	9 & 11 Kallang Place Singapore
Kallang Basin 3	26/08/2011	30 years	22 years	16 Kallang Place Singapore
Kallang Basin 4	01/07/2008	33 years	22 years	26, 26A, 28 & 30 Kallang Place Singapore
Kallang Basin 5	01/07/2008	33 years	22 years	19, 21 & 23 Kallang Avenue Singapore
Kallang Basin 6	01/07/2008	33 years	22 years	25 Kallang Avenue Singapore
Kampong Ampat	01/07/2008	60 years	49 years	171 Kampong Ampat Singapore
Kampong Ubi	26/08/2011	60 years	52 years	3014A, 3014B & 3015A Ubi Road 1 Singapore
Kolam Ayer 1	01/07/2008	43 years	32 years	8, 10 & 12 Lorong Bakar Batu Singapore
Kolam Ayer 2	01/07/2008	43 years	32 years	155, 155A & 161 Kallang Way Singapore
Kolam Ayer 5	01/07/2008	43 years	32 years	1, 3 & 5 Kallang Sector Singapore

The accompanying notes form an integral part of these financial statements.

Gross revenue FY18/19 $'000	Gross revenue FY17/18 $'000	Average occupancy rate FY18/19 %	Average occupancy rate FY17/18 %	Latest valuation date	Valuation as at 31/03/2019 $'000	Valuation as at 31/03/2018 $'000	Percentage of total net assets attributable to Unitholders as at 31/03/2019 %	Percentage of total net assets attributable to Unitholders as at 31/03/2018 %
12,406	12,275	**87.9**	85.9	31/03/2019[7]	**151,000**	151,000	**5.0**	5.4
1,763	1,692	**92.5**	85.1	31/03/2019[7]	**19,700**	19,700	**0.6**	0.7
4,366	4,693	**87.6**	93.4	31/03/2019[7]	**36,300**	37,200	**1.2**	1.3
16,790	19,017	**72.0**	93.6	31/03/2019[7]	**203,000**	202,000	**6.7**	7.3
2,838	2,880	**90.2**	90.8	31/03/2019[7]	**16,600**	18,000	**0.5**	0.7
5,078	5,096	**89.1**	89.0	31/03/2019[7]	**30,100**	33,000	**1.0**	1.2
7,663	7,642	**86.0**	84.3	31/03/2019[7]	**77,400**	78,000	**2.5**	2.8
7,814	8,155	**84.7**	89.6	31/03/2019[7]	**72,600**	76,000	**2.4**	2.7
6,099	6,247	**91.5**	95.1	31/03/2019[7]	**55,400**	56,400	**1.8**	2.0
4,397	4,490	**85.4**	87.7	31/03/2019[7]	**40,400**	41,300	**1.3**	1.5
11,390	11,145	**98.7**	99.9	31/03/2019[7]	**116,000**	109,000	**3.8**	3.9
10,864	10,639	**95.9**	93.5	31/03/2019[7]	**125,000**	125,000	**4.1**	4.5
7,224	7,477	**92.5**	95.8	31/03/2019[7]	**75,200**	75,000	**2.5**	2.7
6,865	7,177	**87.1**	88.5	31/03/2019[7]	**70,200**	70,000	**2.3**	2.5
9,094	8,809	**90.7**	89.8	31/03/2019[7]	**89,000**	87,000	**2.9**	3.1

PORTFOLIO STATEMENT

AS AT 31 MARCH 2019

Description of property/cluster[1]	Acquisition date	Term of lease *	Remaining term of lease *	Location
Loyang 1	01/07/2008	60 years	49 years	30 Loyang Way Singapore
Loyang 2	01/07/2008	60 years	49 years	2, 4 & 4A Loyang Lane Singapore
Redhill 1	01/07/2008	30 years	19 years	1001, 1001A & 1002 Jalan Bukit Merah Singapore
Redhill 2	01/07/2008	30 years	19 years	1003 & 3752 Bukit Merah Central Singapore
Tanglin Halt	01/07/2008	56 years	45 years	115A & 115B Commonwealth Drive Singapore
Tiong Bahru 1	01/07/2008	30 years	19 years	1090 Lower Delta Road Singapore
Tiong Bahru 2	01/07/2008	30 years	19 years	1080, 1091, 1091A, 1092 & 1093 Lower Delta Road Singapore
Toa Payoh North 2	01/07/2008	30 years	19 years	1004 Toa Payoh North Singapore
Toa Payoh North 3	01/07/2008	30 years	19 years	1008 & 1008A Toa Payoh North Singapore
Hi-Tech Buildings				
1 & 1A Depot Close	01/07/2008	60 years	49 years	1 & 1A Depot Close Singapore
26A Ayer Rajah Crescent	27/01/2015[2]	30 years	24 years	26A Ayer Rajah Crescent Singapore
30A Kallang Place	01/07/2008	33 years	22 years	30A Kallang Place Singapore
K&S Corporate Headquarters	04/10/2013[2]	30 + 28.5 years	52 years	23A Serangoon North Avenue 5 Singapore
Mapletree Sunview 1[3]	13/07/2018[2]	30 years	28 years	12 Sunview Drive Singapore
Serangoon North	01/07/2008	60 years	49 years	6 Serangoon North Avenue 5 Singapore

The accompanying notes form an integral part of these financial statements.

Gross revenue FY18/19 $'000	Gross revenue FY17/18 $'000	Average occupancy rate FY18/19 %	Average occupancy rate FY17/18 %	Latest valuation date	Valuation as at 31/03/2019 $'000	Valuation as at 31/03/2018 $'000	Percentage of total net assets attributable to Unitholders as at 31/03/2019 %	Percentage of total net assets attributable to Unitholders as at 31/03/2018 %
5,937	6,079	**82.0**	81.3	31/03/2019[7]	**66,300**	65,700	**2.2**	2.4
3,778	3,635	**82.1**	80.1	31/03/2019[7]	**40,400**	38,800	**1.3**	1.4
6,594	6,699	**89.8**	90.6	31/03/2019[7]	**61,800**	63,400	**2.0**	2.3
5,496	5,635	**86.7**	87.1	31/03/2019[7]	**53,000**	53,800	**1.7**	1.9
4,263	4,282	**93.6**	94.0	31/03/2019[7]	**47,000**	47,000	**1.5**	1.7
2,176	2,111	**83.3**	81.3	31/03/2019[7]	**19,300**	19,500	**0.6**	0.7
7,367	7,394	**87.6**	88.9	31/03/2019[7]	**65,300**	66,700	**2.1**	2.4
2,559	2,621	**92.8**	95.3	31/03/2019[7]	**20,500**	20,500	**0.7**	0.7
2,915	3,175	**89.3**	94.5	31/03/2019[7]	**26,500**	26,200	**0.9**	0.9
38,204	29,640	**100.0**	77.7	31/03/2019[7]	**394,000**	384,000	**12.9**	13.8
8,727	8,556	**100.0**	100.0	31/03/2019[7]	**125,000**	122,000	**4.1**	4.4
5,736	32	**22.5**	–	31/03/2019[7]	**98,200**	93,000	**3.2**	3.4
7,996	7,628	**98.7**	97.5	31/03/2019[7]	**61,700**	61,000	**2.0**	2.2
3,145	–	**92.9**	–	31/03/2019[7]	**75,000**	–	**2.5**	–
18,042	16,649	**94.3**	87.7	31/03/2019[7]	**182,000**	169,000	**6.0**	6.1

PORTFOLIO STATEMENT

AS AT 31 MARCH 2019

Description of property/cluster[1]	Acquisition date	Term of lease *	Remaining term of lease *	Location
Toa Payoh North 1	01/07/2008	30 years	19 years	970, 978, 988 & 998 Toa Payoh North Singapore
Woodlands Central	01/07/2008	60 years	49 years	33 & 35 Marsiling Industrial Estate Road 3 Singapore
Business Park Buildings				
The Signature	01/07/2008	60 years	49 years	51 Changi Business Park Central 2 Singapore
The Strategy	01/07/2008	60 years	49 years	2 International Business Park Singapore
The Synergy	01/07/2008	60 years	49 years	1 International Business Park Singapore
Stack-up/Ramp-up Buildings				
Woodlands Spectrum 1 & 2	01/07/2008	60 years	49 years	2 Woodlands Sector 1, 201, 203, 205, 207, 209 and 211 Woodlands Avenue 9 Singapore
Light Industrial Building				
2A Changi North Street 2	28/05/2014	30 + 30 years	42 years	2A Changi North Street 2 Singapore
Subtotal – Investment properties held under MIT				
Investment property under development held under MIT				
Hi-Tech Buildings				
Mapletree Sunview 1[3]	–	30 years	28 years	12 Sunview Drive Singapore
7 Tai Seng Drive[4]	27/06/2018	30 + 30 years	34 years	7 Tai Seng Drive Singapore
Subtotal – Investment property under development held under MIT				
Subtotal – MIT				

The accompanying notes form an integral part of these financial statements.

Gross revenue FY18/19 $'000	Gross revenue FY17/18 $'000	Average occupancy rate FY18/19 %	Average occupancy rate FY17/18 %	Latest valuation date	Valuation as at 31/03/2019 $'000	Valuation as at 31/03/2018 $'000	Percentage of total net assets attributable to Unitholders as at 31/03/2019 %	Percentage of total net assets attributable to Unitholders as at 31/03/2018 %
13,118	13,656	**90.3**	93.7	31/03/2019[7]	**111,000**	111,000	**3.6**	4.0
11,206	10,351	**98.4**	91.8	31/03/2019[7]	**114,000**	107,000	**3.8**	3.9
14,181	13,634	**88.8**	88.2	31/03/2019[7]	**151,000**	149,000	**5.0**	5.4
20,800	26,995	**72.4**	82.1	31/03/2019[7]	**298,000**	293,000	**9.8**	10.5
11,535	11,782	**84.0**	82.4	31/03/2019[7]	**132,000**	128,000	**4.3**	4.6
43,853	44,697	**90.3**	93.2	31/03/2019[7]	**473,000**	467,000	**15.5**	16.8
1,164	1,141	**100.0**	100.0	31/03/2019[7]	**14,500**	14,500	**0.5**	0.5
353,443	343,826				**3,807,400**	3,678,700		
–	–	**–**	–	31/03/2019[7]	**–**	51,700	**–**	1.9
260	–	**14.8**	–	31/03/2019[7]	**82,100**	–	**2.7**	–
260	–				**82,100**	51,700		
353,703	343,826				**3,889,500**	3,730,400		

PORTFOLIO STATEMENT

AS AT 31 MARCH 2019

Description of property/cluster[1]	Acquisition date	Term of lease *	Remaining term of lease *	Location
Investment properties held under Mapletree Singapore Industrial Trust ("MSIT")				
Hi-Tech Buildings				
19 Tai Seng Drive	21/10/2010	30 + 30 years	32 years	19 Tai Seng Drive Singapore
STT Tai Seng 1	21/10/2010	30 + 30 years	50 years	35 Tai Seng Street Singapore
Light Industrial Buildings				
19 Changi South Street 1	21/10/2010	30 + 30 years	38 years	19 Changi South Street 1 Singapore
26 Woodlands Loop	21/10/2010	30 + 30 years	36 years	26 Woodlands Loop Singapore
45 Ubi Road 1	21/10/2010	30 + 30 years	34 years	45 Ubi Road 1 Singapore
65 Tech Park Crescent[5]	21/10/2010	60 years	34 years	65 Tech Park Crescent Singapore
Subtotal – MSIT				
Investment property held under MIT Tai Seng Trust ("MITTST")				
Hi-Tech Building				
18 Tai Seng	01/02/2019	30 years	25 years	18 Tai Seng Street Singapore
Subtotal – MITTST				

Gross revenue / investment properties and investment properties under development – Group[6]
Investment in a joint venture (Note 18)
Other assets and liabilities (net) – Group
Net assets attributable to Unitholders – Group

* Refers to the tenure of underlying land. Remaining term of lease includes option to renew the land leases.
[1] A cluster consists of one or more individual buildings situated on the same land lot or adjoining land lots.
[2] Refers to the Temporary Occupation Permit ("TOP") date.
[3] 12 Sunview Drive, which has been renamed as Mapletree Sunview 1, had obtained the TOP on 13 July 2018 and had been reclassified as an investment property.
[4] The acquisition of 7 Tai Seng Drive was completed on 27 June 2018 and is currently under development to be upgraded into a high specification building.
[5] The property was divested on 20 July 2017.
[6] Investment properties comprise a portfolio of industrial buildings that are leased to external customers.

The accompanying notes form an integral part of these financial statements.

Gross revenue FY18/19 $'000	Gross revenue FY17/18 $'000	Average occupancy rate FY18/19 %	Average occupancy rate FY17/18 %	Latest valuation date	Valuation as at 31/03/2019 $'000	Valuation as at 31/03/2018 $'000	Percentage of total net assets attributable to Unitholders as at 31/03/2019 %	Percentage of total net assets attributable to Unitholders as at 31/03/2018 %
2,274	2,026	**100.0**	100.0	31/03/2019[7]	**21,800**	21,200	**0.7**	0.8
10,784	11,233	**100.0**	100.0	31/03/2019[7]	**95,700**	95,700	**3.1**	3.4
1,249	1,223	**85.5**	82.2	31/03/2019[7]	**13,000**	13,000	**0.4**	0.5
2,190	2,219	**100.0**	100.0	31/03/2019[7]	**25,500**	25,500	**0.8**	0.9
2,418	2,362	**98.9**	95.3	31/03/2019[7]	**22,500**	22,500	**0.7**	0.8
–	341	**–**	100.0	31/03/2017	**–**	–	**–**	–
18,915	19,404				**178,500**	177,900		
3,483	–	**91.5**	–	30/11/2018[8]	**268,300**	–	**8.8**	–
3,483	–				**268,300**	–		
376,101	363,230				**4,336,300**	3,908,300	**142.3**	140.6
					194,101	181,158	**6.4**	6.5
					(1,482,875)	(1,309,386)	**(48.7)**	(47.1)
					3,047,526	2,780,072	**100.0**	100.0

7 The carrying amounts of the Singapore investment properties were based on independent valuations as at 31 March 2019. The valuations were undertaken by Knight Frank Pte Ltd ("Knight Frank"), an independent valuer. Knight Frank has appropriate professional qualifications and experience in the location and category of the properties being valued. The valuations of the investment properties were based on the Income Capitalisation method, Discounted Cash Flow method, Residual Land Value method, and where applicable, the Direct Sale Comparison method as described in Note 14(d). It is the intention of the Group and MIT to hold the investment properties for the long term.

8 The carrying amount of the property was based on independent valuation as at 30 November 2018. The valuation was undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers"), an independent valuer. Colliers has appropriate professional qualifications and experience in the location and category of the property being valued. The valuation of the investment property was based on the Income Capitalisation method and Discounted Cash Flow method, and where applicable, the Direct Sale Comparison method as described in Note 14(d). It is the intention of the Group to hold the investment property for the long term.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Mapletree Industrial Trust ("MIT") is a Singapore-domiciled Real Estate Investment Trust constituted pursuant to the Trust Deed dated 29 January 2008 (as amended) between Mapletree Industrial Fund Management Pte. Ltd. and Mapletree Trustee Pte. Ltd.. The Trust Deed is governed by the laws of the Republic of Singapore. Mapletree Industrial Trust Management Ltd. (the "Manager") replaced Mapletree Industrial Fund Management Pte. Ltd. as Manager of MIT on 27 September 2010 and DBS Trustee Limited (the "Trustee") replaced Mapletree Trustee Pte. Ltd. as Trustee of MIT on 27 September 2010.

MIT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 21 October 2010 ("Listing Date") and was included under the Central Provident Fund ("CPF") Investment Scheme on 6 September 2010.

The principal activity of MIT and its subsidiaries (the "Group") is to invest in a diverse portfolio of industrial properties with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth.

In addition to the Trust Deed, MIT has entered into several service agreements in relation to the management of MIT and its property operations. The fee structures for the services are as follows:

(A) Trustee's fees

The Trustee's fees shall not exceed 0.1% per annum of the value of all the assets of Group ("Deposited Property") (subject to a minimum of $12,000 per month) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Trustee's fees are payable monthly in arrears out of the Deposited Property of the Group. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current arrangement between the Manager and the Trustee, the Trustee's fees are charged on a scaled basis of up to 0.02% per annum of the value of the Deposited Property (subject to a minimum of $12,000 per month).

(B) Manager's Management fees

The Manager is entitled under the Trust Deed to receive the following remuneration:

(i) A base fee of 0.5% per annum of the value of MIT's Deposited Property or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and

(ii) A performance fee of 3.6% per annum of the net property income of MIT or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders.

The management fees payable to the Manager will be paid in the form of cash and/or units. The base and performance fees are paid in cash and/or units are paid quarterly and annually, in arrears respectively.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

1. GENERAL INFORMATION (CONTINUED)

(C) Acquisition, Divestment and Development Management fees

The Manager is entitled to receive the following fees (if not prohibited by the Property Funds Appendix or if otherwise permitted):

(i) an acquisition fee not exceeding 1.0% of the acquisition price of real estate or real estate-related assets acquired directly or indirectly, through one or more Special Purpose Vehicles ("SPV"), pro-rated if applicable to the proportion of MIT's interest. For the purpose of this acquisition fee, real estate-related assets include all classes and types of securities relating to real estate;

(ii) a divestment fee not exceeding 0.5% of the sale price of real estate-related assets disposed, pro-rated if applicable to the proportion of MIT's interest. For the purposes of this divestment fee, real estate-related assets include all classes and types of securities relating to real estate; and

(iii) a development management fee not exceeding 3.0% of the total project costs incurred in a development project undertaken by the Manager on behalf of MIT.

The acquisition and divestment fees will be paid in the form of cash and/or units and are payable as soon as practicable after completion of the acquisition and disposal respectively.

The development management fee will be paid in the form of cash and is payable in equal monthly instalments over the construction period based on the Manager's best estimate of the total project costs and construction period and, if necessary, a final payment of the balance amount when the total project costs are finalised.

(D) Property Manager's Management fees

(i) Property management services

The Trustee will pay Mapletree Facilities Services Pte. Ltd. (the "Property Manager"), for each fiscal year (as defined in the Property Management Agreement), a fee of up to 2.0% per annum of the gross revenue of each property.

(ii) Lease management services

The Trustee will pay the Property Manager, for each fiscal year, a fee of up to 1.0% per annum of the gross revenue of each property.

(iii) Marketing services

The Trustee will pay the Property Manager, the following commissions:

- Up to 1 month's gross rent inclusive of service charge, for securing a tenancy of 3 years or less;
- Up to 2 months' gross rent inclusive of service charge, for securing a tenancy of more than 3 years;

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

1. **GENERAL INFORMATION** (CONTINUED)

(D) **Property Manager's Management fees** (continued)

(iii) Marketing services (continued)

- Up to 0.5 month's gross rent inclusive of service charge, for securing a renewal of tenancy of 3 years or less; or
- Up to 1 month's gross rent inclusive of service charge, for securing a renewal of tenancy of more than 3 years.

If a third party agent secures a tenancy, the Property Manager will be responsible for all marketing services commission payable to such third party agent, and the Property Manager will be entitled to a marketing services commission of:

- Up to 1.2 months' gross rent inclusive of service charge, for securing a tenancy of 3 years or less; or
- Up to 2.4 months' gross rent inclusive of service charge, for securing a tenancy of more than 3 years.

(iv) Project management services

The Trustee will pay the Property Manager, for each development or redevelopment, the refurbishment, retrofitting and renovation work of a property located in Singapore, the following fees:

- Where the construction costs are $2.0 million or less, a fee of 3.0% of the construction costs;
- Where the construction costs exceed $2.0 million but do not exceed $20.0 million, a fee of 2.0% of the construction costs or $60,000, whichever is the higher;
- Where the construction costs exceed $20.0 million but do not exceed $50.0 million, a fee of 1.5% of the construction costs or $400,000, whichever is the higher; and
- Where the construction costs exceed $50.0 million, a fee to be mutually agreed by the Manager, the Trustee and the Property Manager.

The Property Manager's fees will be paid in the form of cash and are payable monthly, in arrears.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Accounting Standards Council (Singapore) has introduced a new financial reporting framework, SFRS(I), that is identical to the International Financial Reporting Standards issued by the International Accounting Standards Board, for the financial year beginning on or after 1 January 2018.

The Monetary Authority of Singapore ("MAS") has granted a waiver to the Group from complying with the requirement under Paragraph 4.3 of Appendix 6 to the Code on Collective Investment Schemes (the "CIS Code") to prepare its financial statements in accordance with the Singapore Financial Reporting Standards ("SFRS"). The Group has adopted SFRS(I) for the financial year beginning 1 April 2018 and the financial statements of the Group have been prepared in accordance with SFRS(I). The financial statements have also been prepared in accordance with the applicable requirements of the CIS Code issued by MAS and the provisions of the Trust Deed.

These financial statements, which are expressed in Singapore Dollars and rounded to the nearest thousand, have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The area involving a higher degree of judgment, where assumptions and estimates are significant to the financial statements, is disclosed in Note 14 – Investment properties and investment property under development. The assumptions and estimates were used by the independent valuers in arriving at their valuations.

2.2 Adoption of SFRS(I)

These financial statements for the year ended 31 March 2019 are the first set of financial statements of the Group prepared in accordance with SFRS(I). The Group's previously issued financial statements for periods up to and including the financial year ended 31 March 2018 were prepared in accordance with SFRS.

In adopting SFRS(I) on 1 April 2018, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of SFRS(I)*.

Under SFRS(I) 1, these financial statements are required to be prepared using accounting policies that comply with SFRS(I) effective as at 31 March 2019. The same accounting policies are applied throughout all periods presented in these financial statements, subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

The Group's opening Statement of Financial Position has been prepared as at 1 April 2017, which is the Group's date of transition to SFRS(I) ("date of transition"). There is no restatement on the opening balances arising from the transition from SFRS to SFRS(I).

<u>Optional exemptions applied</u>

SFRS(I) 1 allows the exemption from application of certain requirements under SFRS(I) on a retrospective basis.

The Group has elected to apply the short-term exemption to adopt of SFRS(I) 9 *Financial Instruments* on 1 April 2018 in preparing this first set of financial statements in accordance with SFRS(I). Accordingly, the requirements of SFRS 39 *Financial Instruments: Recognition and Measurement* are applied to financial instruments up to the financial year ended 31 March 2018. The Group is also exempted from complying with SFRS(I) 7 *Financial Instruments: Disclosure* to the extent that the disclosures required by SFRS(I) 7 relate to the items within scope of SFRS(I) 9.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Adoption of SFRS(I) (continued)

Optional exemptions applied (continued)

As a result, the requirements under SFRS are applied in place of the requirements under SFRS(I) 7 and SFRS(I) 9 to comparative information about items within scope of SFRS(I) 9.

The accounting policies for financial instruments under SFRS(I) 9 is as disclosed in Note 2.9.

2.3 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the Group's activities. Revenue is presented net of goods and services tax ("GST"), rebates and discounts.

Revenue is recognised as follows:

(a) Rental income and service charges from operating leases

Rental income and service charges (net of any incentives given to the lessees) from operating leases on the investment properties are recognised on a straight-line basis over the lease term.

(b) Other operating income

Other operating income comprises carpark income and other ancillary income. Other operating income is recognised when the right to receive payment is established after services have been rendered.

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Investment income

Distribution income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

2.4 Government grants

Grants from government are recognised as receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Expenses

(a) Property operating expenses

Property operating expenses are recognised on an accrual basis. Included in property expenses are Property Manager's fees which are based on the applicable formula stipulated in Note 1(D).

(b) Manager's management fees

Manager's management fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(B).

2.6 Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising from investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Income tax (continued)

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of MIT for the income earned and expenditure incurred after its listing on the SGX-ST. Subject to meeting the terms and conditions of the tax ruling which include a distribution of at least 90% of the taxable income of MIT, the Trustee will not be taxed on the portion of taxable income of MIT that is distributed to Unitholders. Any portion of the taxable income that is not distributed to Unitholders will be taxed on the Trustee. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of MIT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with the IRAS.

Although MIT is not taxed on its taxable income distributed, the Trustee and the Manager are required to deduct income tax at the applicable corporate tax rate from the distributions of such taxable income of MIT (i.e. which has not been taxed in the hands of the Trustee) to certain Unitholders. The Trustee and the Manager will not deduct tax from the distributions made out of MIT's taxable income to the extent that the beneficial Unitholder is:

- An individual (excluding partnerships);
- A tax resident Singapore-incorporated company;
- A body of persons registered or constituted in Singapore (e.g. town council, statutory board, registered charity, registered co-operative society, registered trade union, management corporation, club and trade and industry association);
- A Singapore branch of a foreign company
- An international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act; and
- Real estate investment trust exchange-traded funds which have been accorded the tax transparency treatment

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains, if they are considered as trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the gains without tax being deducted at source.

2.7 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

For acquisition of subsidiaries which do not qualify as business combination, the transaction is accounted for in accordance with the respective accounting policy for the assets acquired and the liabilities assumed.

(iii) Disposals

When a change in MIT's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised.

Any retained interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in the Statements of Profit or Loss.

Please refer to the paragraph "Investments in subsidiaries and joint ventures" for the accounting policy on investments in subsidiaries in Note 2.8.

(b) Transactions with non-controlling interests

Changes in MIT's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Group. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised within equity attributable to the Unitholders of MIT.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Group accounting (continued)

(c) Joint ventures

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities. Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint venture over the Group's share of the fair value of the identifiable net assets of the joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of the joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in joint ventures are derecognised when the Group loses joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when joint control ceases, and its fair value and any proceeds on partial disposal, is recognised in the profit or loss.

Please refer to the paragraph "Investments in subsidiaries and joint ventures" for the accounting policy on investments in joint ventures in the separate financial statements of the Trust.

2.8 Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses in MIT's Statement of Financial Position. On disposal of such investments, the difference between the disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets

The accounting for financial assets from 1 April 2018 are as follows:

(a) Classification and measurement

The Group classifies the measurement category of its financial assets as amortised cost.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

(i) At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus directly attributable transaction costs.

(ii) At subsequent measurement

Financial assets mainly comprise of cash and cash equivalents, trade and other receivables, other current assets (except prepayments) and loans to subsidiaries that are not accounted for in accordance with Note 2.8, are subsequently carried at amortised cost.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on financial assets that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (continued)

The accounting for financial assets before 1 April 2018 are as follows:

(d) Classification and measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables include cash and cash equivalents, trade and other receivables and other current assets except for prepayments in the Statements of Financial Position.

(i) At initial measurement

These financial assets are initially recognised at fair value plus directly attributable transaction costs.

(ii) At subsequent measurement

These financial assets are subsequently carried at amortised cost using the effective interest method.

(e) Impairment

The Group assesses at each reporting date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the profit or loss.

The impairment allowance is reduced through the profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(f) Recognition and derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Borrowing costs

Borrowing costs are recognised in the profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.11 Investment properties and property under development

Investment properties are properties that are held for long-term rental yields and/or for capital appreciation. Investment property under development includes property that is being constructed or developed for future use as an investment property. Certain of the Group's investment properties acquired through interests in subsidiaries, are accounted for as acquisition of assets.

Investment properties are accounted for as non-current assets and are initially recognised at cost including transaction costs and borrowing costs and subsequently carried at fair value. Fair values are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuer at least once a year, on the highest and best-use basis in accordance with the CIS Code. Changes in fair values are recognised in the profit or loss.

Investment properties are subject to renovations or improvements at regular intervals. The costs of major renovations, improvements and initial direct costs incurred in negotiating and arranging operating leases are capitalised and the carrying amounts of the replaced components are written off to the profit or loss. The costs of maintenance, repairs and minor improvements are charged to the profit or loss when incurred.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is taken to the profit or loss.

2.12 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.13 Plant and equipment

(a) Measurement

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Plant and equipment (continued)

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful life
Plant and equipment	3 – 5 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate at each reporting date. The effects of any revision are recognised in the profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense in the profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the profit or loss.

2.14 Impairment of non-financial assets

Plant and equipment and investments in subsidiaries and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the profit or loss.

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount or if there is a change in the events that had given rise to the impairment since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Impairment of non-financial assets (continued)

A reversal of impairment loss for an asset other than goodwill is recognised in the profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in the profit or loss.

2.15 Financial guarantees classified as insurance contracts

Corporate guarantees issued by MIT to banks for borrowings of its subsidiary and joint venture are financial guarantees as they require MIT to reimburse the banks if the subsidiary or joint venture fails to make principal or interest payment overdue in accordance with the terms of the borrowings. These financial guarantees are accounted for as insurance contracts. Provision is recognised based on MIT's estimate of the ultimate cost of settling all claims incurred but unpaid at the end of the reporting period. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract. Intra-group transactions are eliminated on consolidation.

2.16 Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within twelve months after the reporting date are presented as current borrowings in the Statement of Financial Position even though the original term was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other borrowings due to be settled more than twelve months after the reporting date are presented as non-current borrowings in the Statement of Financial Position.

2.17 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

2.18 Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either (a) fair value hedge; or (b) cash flow hedge; or (c) net investment hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in the profit or loss when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Derivative financial instruments and hedging activities (continued)

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in cash flows of the hedged items.

The fair value of various derivative financial instruments used for hedging purposes are disclosed in Note 21. The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged instrument is more than 12 months and as a current asset or liability if the remaining expected life of the hedged instrument is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

The following hedges in placed as at 31 March 2019 qualified respectively as fair value, cash flow and net investment hedges under SFRS(I) 9. The Group's management strategies and hedge documentation are aligned with the requirements of SFRS(I) 9 and thus treated as continuing hedges.

(a) Fair value hedge

The Group has entered into fixed to floating interest rate swaps that are fair value hedges for the fair value exposures to interest rate movements of its borrowings ("hedged item"). The fair value changes on the hedged item resulting from the fair value risk are recognised in profit or loss. The fair value changes on the effective portion of interest rate swaps designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of interest rate swaps are recognised separately in profit or loss and presented separately in "other gains and losses".

(b) Cash flow hedge

(i) Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in the profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Derivative financial instruments and hedging activities (continued)

(b) Cash flow hedge (continued)

(ii) Currency forwards

The Group has entered into currency forwards that qualify as cash flow hedges and are used to hedge the highly probable forecasted foreign currency dividend income receivable from the investment in joint venture. The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in the hedging reserve and transferred to the profit or loss upon receipt of the dividend income.

The fair value changes on the ineffective portion of currency forwards are recognised immediately in the profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in hedging reserve are reclassified to profit or loss immediately.

(c) Net investment hedge

The Group has foreign currency borrowings that qualify as net investment hedges of foreign operations. These hedging instruments are accounted for similarly to cash flow hedges. The currency translation differences on the borrowings relating to the effective portion of the hedge are accumulated in the foreign currency translation reserve and reclassified to the profit or loss as part of the gain or loss on disposal of the foreign operation. The currency translation differences relating to the ineffective portion of the hedge are recognised immediately in the profit or loss.

2.19 Fair value estimation of financial assets and liabilities

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each reporting date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of currency forwards are based on valuations provided by the banks. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Leases

(a) When the Group is a lessee:

Leases of assets where substantially all risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in the profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(b) When the Group is a lessor:

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in the profit or loss on a straight-line basis over the lease term.

2.22 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of MIT.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, the consolidated financial statements, currency translation differences on the net investment hedges for foreign operations, borrowing in foreign currencies and other currency instruments qualifying as net investment hedges for foreign operations, are included in the foreign currency translation reserve within the Statement of Movements in Unitholders' Funds of the Group.

(c) Translation of Group entities' financial statements

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the reporting date;

(ii) Income and expenses are translated at average exchange rates (unless the average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Currency translation (continued)

(c) Translation of Group entities' financial statements (continued)

(iii) All resulting exchange differences are taken to the foreign currency translation reserve within the Statements of Movements in Unitholders' Funds of the Group.

(d) Consolidation adjustments

On consolidation, currency translation differences arising from the net investment in foreign operations, borrowings in foreign currencies and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve. When a foreign operation is sold, such currency translation differences recorded in the foreign currency translation reserve are recognised in the profit or loss as part of the gain or loss on sale.

2.23 Units and unit issuance expenses

Proceeds from the issuance of Units in MIT are recognised as Unitholders' funds. Incremental costs directly attributable to the issuance of new Units are deducted directly from the net assets attributable to the Unitholders.

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Manager who is responsible for allocating resources and assessing performance of the operating segments.

2.25 Distribution policy

MIT's distribution policy is to distribute at least 90% of its adjusted taxable income, comprising substantially its income from the letting of its properties and related property services income after deduction of allowable expenses and allowances, as well as interest income from the placement of periodic cash surpluses in bank deposits. Distributions, when paid, will be in Singapore Dollars.

3. GROSS REVENUE

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Rental income and service charges	**350,287**	337,796	**328,443**	319,034
Other operating income	**25,814**	25,434	**25,260**	24,792
	376,101	363,230	**353,703**	343,826

Gross revenue is generated by the Group's and MIT's investment properties.

Majority of the Group's and MIT's gross revenue is earned over time.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

4. PROPERTY OPERATING EXPENSES

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Operation and maintenance	**38,601**	38,156	**37,150**	36,764
Property tax	**29,144**	26,932	**27,852**	25,915
Property and lease management fees	**11,252**	10,897	**10,580**	10,315
Marketing and legal expenses	**6,760**	7,189	**6,628**	5,659
Land rental expenses on operating leases	**2,149**	2,006	**939**	781
Other operating expenses	**425**	447	**405**	424
	88,331	85,627	**83,554**	79,858

All of the Group's and MIT's investment properties generate rental income and the above expenses are direct operating expenses arising from its investment properties.

5. INTEREST INCOME

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Financial assets measured at amortised cost:				
– loan to a joint venture	**–**	919	**–**	919
– loan to a subsidiary	**–**	–	**732**	–
– fixed deposits	**31**	14	**26**	5
– third parties	**215**	94	**213**	70
	246	1,027	**971**	994

6. INVESTMENT INCOME

	MIT	
	FY18/19 $'000	FY17/18 $'000
Distribution income from:		
– subsidiaries	**15,191**	16,098
– joint venture	**15,192**	3,234
	30,383	19,332

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

7. BORROWING COSTS

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Interest expense				
– Bank borrowings	**25,307**	16,034	**25,307**	16,034
– Medium term notes	**13,794**	14,029	**–**	–
– Loans from a subsidiary	**–**	–	**13,794**	14,029
	39,101	30,063	**39,101**	30,063
Financing fees	**1,206**	1,575	**1,206**	1,575
Cash flow hedges reclassified from hedging reserves	**1,300**	4,493	**1,300**	4,493
Finance income on interest rate swap treated as fair value hedge	**(301)**	(794)	**(301)**	(794)
Fair value (gains)/losses on derivative financial instrument (Note 21)	**(986)**	65	**(986)**	65
Fair value adjustment on hedged item (Note 20)	**986**	(65)	**986**	(65)
	–	–	**–**	–
Less: Borrowing costs capitalised in investment property under development [Note 14 (a)]	**(1,198)**	(1,282)	**(1,198)**	(1,282)
Borrowing costs recognised in profit or loss	**40,108**	34,055	**40,108**	34,055

8. OTHER TRUST EXPENSES

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Listing expenses	**978**	813	**978**	813
Valuation fee	**109**	124	**104**	116
Audit fee	**139**	133	**126**	122
Legal and other professional fees	**775**	252	**759**	244
	2,001	1,322	**1,967**	1,295

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9. INCOME TAX

(a) Income tax expense

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Tax expense attributable to profit is made up of:				
– Current income tax	*	32	–	32
Under provision in prior financial year				
– Current income tax	*	–	–	–
	*	32	–	32

* Amount less than $1,000

The tax on total profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Profit before tax	**271,126**	300,562	**253,605**	291,819
Share of joint venture	**(26,138)**	(21,776)	**–**	–
Profit before tax excluding share of joint venture	**244,988**	278,786	**253,605**	291,819
Tax calculated at a tax rate of 17% (FY17/18: 17%)	**41,648**	47,394	**43,113**	49,609
Effects of:				
– Expenses not deductible for tax purposes	**1,159**	1,178	**1,159**	1,067
– Income not subjected to tax due to tax transparency ruling (Note 2.6)	**(37,578)**	(37,410)	**(39,409)**	(39,125)
– Net fair value gain on investment properties and investment property under development	**(5,229)**	(11,130)	**(4,863)**	(11,519)
– Under provision in prior financial year	*	–	–	–
	*	32	–	32

* Amount less than $1,000

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9. INCOME TAX (CONTINUED)

(b) Current income tax liabilities

	Group		MIT	
	31 March 2019 $'000	31 March 2018 $'000	**31 March 2019 $'000**	31 March 2018 $'000
Beginning of financial year	**32**	*	**32**	–
Tax expense	*****	32	**–**	32
Under provision in prior financial year	*****	–	**–**	–
Income tax paid	**(*)**	(*)	**–**	–
Acquisition of a subsidiary	**208**	–	**–**	–
End of financial year	**240**	32	**32**	32

* Amount less than $1,000

The income tax liabilities relate to taxable income of Mapletree Industrial Trust, Mapletree Industrial Trust Treasury Company Pte. Ltd and MIT Tai Seng Trust when it was a private trust.

10. EARNINGS PER UNIT

	Group	
	FY18/19	FY17/18
Total profit attributable to Unitholders of the Group ($'000)	**271,126**	300,530
Weighted average number of units outstanding during the year ('000)	**1,902,627**	1,836,442
Basic and diluted earnings per unit (cents per unit)	14.25	16.36

Diluted earnings per unit is the same as the basic earnings per unit as there were no dilutive instruments in issue during the financial year.

11. CASH AND CASH EQUIVALENTS

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Cash at bank	**21,010**	37,419	15,685	**14,308**	30,810	13,236
Short-term bank deposits	**19,000**	–	22,300	**8,000**	–	17,900
	40,010	37,419	37,985	**22,308**	30,810	31,136

Short-term bank deposits as at 31 March 2019 have a weighted average maturity of approximately 1 month (31 March 2018: nil and 1 April 2017: 1 month). The interest rates ranged from 1.40% to 1.61% (31 March 2018: nil and 1 April 2017: 0.40% to 0.64%) per annum.

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12. TRADE AND OTHER RECEIVABLES

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Trade receivables						
– third parties	**1,855**	3,541	1,271	**1,512**	3,504	875
– subsidiaries	**–**	–	–	**–**	7	–
Less : Allowance for impairment of receivables	**–**	–	–	**–**	–	–
Trade receivables – net	**1,855**	3,541	1,271	**1,512**	3,511	875
Interest receivables						
– third parties	**1**	–	2	**1**	–	*
– subsidiary	**–**	–	–	**732**	–	–
Distribution receivable from:						
– subsidiaries	**–**	–	–	**5,022**	3,194	2,829
– joint venture	**3,804**	3,234	–	**3,804**	3,234	–
Other receivables						
– third parties	**1,086**	1,299	109	**1,039**	1,286	79
– related party	**–**	–	154	**2**	–	150
Accrued revenue						
– rental incentives	**25,807**	15,640	8,027	**20,163**	15,358	7,713
– others	**932**	684	658	**810**	661	651
Net GST receivable	**2**	–	–	**–**	–	–
	33,487	24,398	10,221	**33,085**	27,244	12,297

* Amount less than $1,000

Other receivables due from a related party (non-trade) is unsecured, interest free and repayable on demand.

13. OTHER CURRENT ASSETS

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Prepayments	**1,564**	1,552	1,145	**987**	893	410
Deposits	**163**	20	57	**151**	18	53
	1,727	1,572	1,202	**1,138**	911	463

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14. INVESTMENT PROPERTIES AND INVESTMENT PROPERTY UNDER DEVELOPMENT

(a) Investment properties and investment property under development

	Group		MIT	
	Investment properties $'000	Investment property under development $'000	Investment properties $'000	Investment property under development $'000
31 March 2019				
Beginning of financial year	**3,856,600**	**51,700**	**3,678,700**	**51,700**
Acquisition of a subsidiary	**266,208**	**–**	**–**	**–**
Additions during the year	**109,506**	**21,529**	**108,966**	**21,529**
Net transfers during the year	**(8,869)**	**8,869**	**(8,869)**	**8,869**
Net fair value gain	**30,755**	**2**	**28,603**	**2**
End of financial year	**4,254,200**	**82,100**	**3,807,400**	**82,100**
31 March 2018				
Beginning of financial year	3,530,850	217,800	3,333,000	217,800
Additions during the year	17,524	94,256	17,587	94,256
Divestment during the year	(17,600)	–	–	–
Net transfers during the year	260,821	(260,821)	260,821	(260,821)
Net fair value gain	65,005	465	67,292	465
End of financial year	3,856,600	51,700	3,678,700	51,700

Details of the properties are shown in the Portfolio Statement.

Investment properties are leased to both related and non-related parties under operating leases [Note 24(c)].

During the year, borrowing costs amounting to $1,198,000 (FY17/18: $1,282,000) have been capitalised in the investment property under development (Note 7).

Valuation processes of the Group

The Manager engaged an external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year based on the properties' highest and best use.

At every financial year end, the Manager:

- verifies all major inputs to the independent valuation reports,
- assesses property valuation movements when compared to the prior year valuation reports; and
- holds discussion with the independent valuers.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

14. INVESTMENT PROPERTIES AND INVESTMENT PROPERTY UNDER DEVELOPMENT (CONTINUED)

(b) Fair value hierarchy

The different levels of recurring non-financial assets carried at fair value are defined as follows:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

All properties within MIT and the Group's portfolio are classified within Level 3 of the fair value hierarchy.

(c) Reconciliation of Level 3 fair value measurements

The reconciliation between the balances at the beginning of the financial year is disclosed within the investment properties and investment property under development movement table presented in Note 14(a).

(d) Valuation techniques and key unobservable inputs

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties and investment property under development categorised under Level 3 of the fair value hierarchy:

Property segment	Valuation technique(s)	Key unobservable inputs(#)	Range of unobservable inputs
Flatted Factories	Income capitalisation	Capitalisation rate	From to 6.50% to 7.75% (31 March 2018: From 6.50% to 7.75%; 1 April 2017: From 6.50% to 7.25%)
	Discounted cash flow	Discount rate	From 7.75% to 9.00% (31 March 2018: 7.75% to 9.00%; 1 April 2017: 8.00%)
Hi-Tech Buildings	Income capitalisation	Capitalisation rate	From 5.70% to 7.05% (31 March 2018: From 6.25% to 7.00%; 1 April 2017: From 6.50% to 7.00%)
	Discounted cash flow	Discount rate	7.75% (31 March 2018: 7.75%; 1 April 2017: 8.00%)
	Residual land value	Gross development value	The same capitalisation rate and discount rate as disclosed for this property segment have been applied in determining the gross development value.

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14. INVESTMENT PROPERTIES AND INVESTMENT PROPERTY UNDER DEVELOPMENT (CONTINUED)

(d) Valuation techniques and key unobservable inputs (continued)

Property segment	Valuation technique(s)	Key unobservable inputs(#)	Range of unobservable inputs
Business Park Buildings	Income capitalisation	Capitalisation rate	5.90% (31 March 2018: 6.00%; 1 April 2017: 6.00%)
	Discounted cash flow	Discount rate	7.25% (31 March 2018: 7.50%; 1 April 2017: 8.00%)
Stack-up/ Ramp-up Buildings	Income capitalisation	Capitalisation rate	6.50% (31 March 2018: 6.50%; 1 April 2017: 7.00%)
	Discounted cash flow	Discount rate	7.75% (31 March 2018: 7.75%; 1 April 2017: 8.00%)
Light Industrial Buildings	Income capitalisation	Capitalisation rate	From 6.50% to 7.00% (31 March 2018: From 6.50% to 7.00%; 1 April 2017: From 6.50% to 6.75%)
	Discounted cash flow	Discount rate	7.75% (31 March 2018: 7.75%; 1 April 2017: 8.00%)

(#) There were no significant inter-relationships between unobservable inputs.

The fair values are generally derived using the following methods:

- Income capitalisation – Properties are valued by capitalising the net property income at an appropriate rate of return to arrive at the market value. The net property income is the estimated annual net rental income of the building at current rate after deducting all necessary outgoings and expenses. The adopted yield reflects the nature, location, tenure, tenancy profile of the property together with the prevailing property market condition.

- Discounted cash flow – Properties are valued by discounting the future net income stream over a period to arrive at a present value.

- Residual land value – Investment property under development is valued, as a starting point using the Income Capitalisation method and Discounted Cash Flow method to derive the fair value of the property as if the development was already completed at reporting date. Deductions from that fair value, such as estimated construction cost and other costs to completion and estimated profit margin required to hold and develop property to completion are made to reflect the current condition of the property under development.

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14. INVESTMENT PROPERTIES AND INVESTMENT PROPERTY UNDER DEVELOPMENT (CONTINUED)

(d) Valuation techniques and key unobservable inputs (continued)

Equal weightage was applied to the Income Capitalisation method and Discounted Cash Flow method to derive at the valuation of investment properties. Where applicable, Direct Sale Comparison method was used as a check.

Significant reductions in the capitalisation rate and/or discount rate in isolation would result in a significantly higher fair value of the investment properties and investment property under development.

The significant unobservable inputs correspond to:

- Discount rate, based on the risk-free rate for 10-year bonds issued by the government in Singapore, adjusted for a risk premium to reflect the increased risk of investing in the asset class.

- Capitalisation rate corresponds to a rate of return on investment properties based on the expected income that the property will generate.

The Manager is of the view that the valuation methods and estimates are reflective of the current market condition.

15. PLANT AND EQUIPMENT

	Group and MIT	
	31 March 2019 $'000	31 March 2018 $'000
Cost		
Beginning of financial year	**123**	32
Additions	**139**	91
End of financial year	**262**	123
Accumulated depreciation		
Beginning of financial year	**39**	29
Depreciation charge	**40**	10
End of financial year	**79**	39
Net book value		
End of financial year	**183**	84

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16. INVESTMENTS IN SUBSIDIARIES

	MIT	
	31 March 2019 $'000	31 March 2018 $'000
Equity investments at cost		
Beginning of financial year	*	*
Additions	**113,585**	–
End of financial year	**113,585**	*

* Amount less than $1,000

On 1 February 2019, the Group acquired 100% of the equity interest in MIT Tai Seng Trust ("MITTST") from a related party. The principal activity of MITTST is to invest in the property with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. From the Group's perspective, the transaction has been accounted for as an acquisition of a group of assets and liabilities.

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group at the acquisition date, are as follows:

	$'000
Total assets	**277,484**
Total liabilities	**(13,996)**
Net assets acquired	**263,488**
Less: Cash and cash equivalents in subsidiary acquired	**(10,872)**
Cash outflow on acquisition	**252,616**

Details of the subsidiaries are as follows:

Name of subsidiary	**Principal activities**	**Country of business/ incorporation**	**Equity interest held by MIT**		
			31 March 2019 %	**31 March 2018 %**	1 April 2017 %
Mapletree Singapore Industrial Trust**	Property investment	Singapore	**100**	100	100
MIT Tai Seng Trust**	Property investment	Singapore	**100**	–	–
Mapletree Industrial Trust Treasury Company Pte. Ltd.**	Provision of treasury services	Singapore	**100**	100	100

** Audited by PricewaterhouseCoopers LLP, Singapore

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17. LOANS TO SUBSIDIARIES

	MIT	
	31 March 2019 $'000	31 March 2018 $'000
Beginning of financial year	**166,594**	179,794
Addition	**156,800**	–
Repayment	**–**	(13,200)
End of financial year	**323,394**	166,594

MIT has extended an interest free loan to one of its subsidiaries amounting to $166,594,000 (31 March 2018: $166,594,000; 1 April 2017: $179,794,000). This loan has no fixed repayment terms and is intended to be a long-term source of additional funding for the subsidiary. Settlement of these loans are neither planned nor likely to occur in the foreseeable future. The Manager considered this loan to be in substance part of the MIT's net investment in this subsidiary and has accounted for the loan in accordance with Note 2.8.

During the year, MIT has extended a loan to one of its subsidiaries amounting to $156,800,000 (31 March 2018 and 1 April 2017: nil) which is unsecured and repayable in full on 18 January 2024. The effective interest rate of the loan at reporting date is 2.89% per annum and the interest rates are repriced at each interest period mutually agreed between the subsidiary and MIT.

18. INVESTMENT IN A JOINT VENTURE

	MIT	
	31 March 2019 $'000	31 March 2018 $'000
Investment in a joint venture, at cost	**166,158**	166,158

There are no contingent liabilities relating to the Group's interest in the joint venture. MIT issued corporate guarantees to the banks for borrowings of Mapletree Redwood Data Centre Trust ("MRDCT") (Note 25 (b)).

Details of the joint venture are as follows:

Name of joint venture	**Principal activity**	**Country of business/ incorporation**	**Equity interest held by MIT and the Group**		
			31 March 2019 %	31 March 2018 %	1 April 2017 %
Mapletree Redwood Data Centre Trust	Property investment	Singapore	**40**	40	–

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18. INVESTMENT IN A JOINT VENTURE (CONTINUED)

Summarised financial information for joint venture

Set out below is the summarised financial information for MRDCT.

Summarised statement of financial position

	MRDCT	
	31 March 2019 $'000	31 March 2018 $'000
Non-current assets		
Investment properties	**1,086,659**	1,032,827
Other non-current assets	**–**	1,315
Current assets		
Cash and cash equivalents	**14,770**	18,830
Other current assets	**11,416**	4,086
Total assets	**1,112,845**	1,057,058
Current liabilities	**18,671**	22,723
Non-current liabilities		
Borrowings	**608,579**	591,167
Other non-current liabilities	**10,676**	606
Total liabilities	**637,926**	614,496
Net assets	**474,919**	442,562

Summarised statement of comprehensive income

	FY18/19 $'000	Period from 20 December 2017 to 31 March 2018 $'000
Gross revenue	**93,506**	26,292
Property operating expenses	**(24,870)**	(7,538)
Interest expense	**(21,634)**	(5,286)
Net fair value gain of investment properties	**23,618**	44,689
Profit before income tax	**70,620**	58,157
Income tax expense	**(5,277)**	(3,716)
Profit for the financial year	**65,343**	54,441
Other comprehensive income	**8,009**	(8,857)
Total comprehensive income	**73,352**	45,584
Dividends declared/received from joint venture	**15,192**	3,234

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18. INVESTMENT IN A JOINT VENTURE (CONTINUED)

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint venture.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint venture, is as follows:

	MRDCT	
	31 March 2019 $'000	31 March 2018 $'000
Net assets	**474,919**	442,562
Group's equity interest	**40%**	40%
Group's share of net assets	**189,968**	177,025
Acquisition cost	**4,133**	4,133
Carrying value	**194,101**	181,158

19. TRADE AND OTHER PAYABLES

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Current						
Trade payables						
– third parties	**1,460**	6,818	2,125	**1,401**	6,816	2,124
– related parties	**1,324**	3,751	1,992	**1,153**	3,517	1,862
Accrued operating expenses	**31,275**	28,979	28,526	**28,902**	27,490	26,358
Accrued retention sum	**13,256**	11,293	10,521	**10,291**	11,293	10,521
Accrued development cost	**14,921**	16,243	25,026	**12,200**	16,243	24,963
Tenancy related deposits	**27,975**	22,966	30,534	**26,140**	22,543	29,230
Rental received/billed in advance	**2,667**	4,563	2,226	**824**	2,754	468
Net GST payable	**4,146**	2,070	1,964	**3,691**	1,838	1,719
Interest payable	**5,889**	5,512	4,892	**4,606**	3,995	3,375
Interest payable to a subsidiary	**–**	–	–	**1,283**	1,517	1,517
Other payables	**301**	913	939	**303**	909	762
Withholding tax payable	**1,436**	–	–	**1,436**	–	–
Amount due to a subsidiary	**–**	–	–	**68**		
	104,650	103,108	108,745	**92,298**	98,915	102,899
Non-current						
Tenancy related deposits	**54,827**	51,403	46,143	**51,807**	50,765	45,723
	159,477	154,511	154,888	**144,105**	149,680	148,622

The non-trade amount due to a subsidiary is unsecured, interest free and repayable on demand.

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20. BORROWINGS AND LOANS FROM A SUBSIDIARY

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Current						
Borrowings						
Bank loans	**75,000**	60,000	115,000	**75,000**	60,000	115,000
Transaction cost to be amortised	**(18)**	(15)	(14)	**(18)**	(15)	(14)
	74,982	59,985	114,986	**74,982**	59,985	114,986
Medium term note	**–**	125,000	–	–	–	–
Transaction cost to be amortised	**–**	(58)	–	–	–	–
	–	124,942	–	–	–	–
	74,982	184,927	114,986	**74,982**	59,985	114,986
Loan from a subsidiary						
Loan from a subsidiary	**–**	–	–	**–**	125,000	–
Transaction cost to be amortised	**–**	–	–	**–**	(58)	–
	–	–	–	**–**	124,942	–
	74,982	184,927	114,986	**74,982**	184,927	114,986
Non-current						
Borrowings						
Bank loans	**918,171**	754,838	587,880	**918,171**	754,838	587,880
Transaction cost to be amortised	**(1,501)**	(1,075)	(677)	**(1,501)**	(1,075)	(677)
	916,670	753,763	587,203	**916,670**	753,763	587,203
Medium term notes	**405,000**	280,000	405,000	–	–	–
Change in fair value of hedged item (Note 7)	**921**	(65)	(65)	–	–	–
Transaction cost to be amortised	**(859)**	(508)	(713)	–	–	–
	405,062	279,427	404,222	–	–	–
	1,321,732	1,033,190	991,425	**916,670**	753,763	587,203
Loans from a subsidiary						
Loans from a subsidiary	**–**	–	–	**405,000**	280,000	405,000
Change in fair value of hedged item (Note 7)	**–**	–	–	**921**	(65)	(65)
Transaction cost to be amortised	**–**	–	–	**(859)**	(508)	(713)
	–	–	–	**405,062**	279,427	404,222
	1,321,732	1,033,190	991,425	**1,321,732**	1,033,190	991,425
	1,396,714	1,218,117	1,106,411	**1,396,714**	1,218,117	1,106,411

The above loans and notes are unsecured and, except for loans from a subsidiary, are subject to negative pledge on certain investment properties.

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20. BORROWINGS AND LOANS FROM A SUBSIDIARY (CONTINUED)

(a) Maturity of borrowings

The current bank loans mature within 6 months (31 March 2018: 6 months; 1 April 2017: 1 to 6 months) from the end of the financial year. There is no current medium term note and loan from subsidiary as at 31 March 2019. Current medium term note and loan from subsidiary mature in 2019 as at 31 March 2018 (1 April 2017: nil)

The non-current bank loans, medium term notes and loans from a subsidiary mature between 2020 and 2029 (31 March 2018: between 2019 and 2026; 1 April 2017: between 2018 and 2026).

(b) Weighted average interest rates

The weighted average all-in interest rates of total borrowings, including interest rate swaps as at the reporting date were as follows:

	Group			MIT		
	31 March 2019	31 March 2018	1 April 2017	**31 March 2019**	31 March 2018	1 April 2017
Bank loans (current)	**2.87%**	3.01%	2.07%	**2.87%**	3.01%	2.07%
Bank loans (non-current)	**2.87%**	2.85%	2.74%	**2.87%**	2.85%	2.74%
Medium term notes (current)	**–**	3.75%	–	**–**	–	–
Medium term notes (non-current)	**3.36%**	3.08%	3.26%	**–**	–	–
Loans from a subsidiary (current)	**–**	–	–	**–**	3.75%	–
Loans from a subsidiary (non-current)	**–**	–	–	**3.36%**	3.08%	3.26%

(c) Medium term notes

In March 2012, the Group established a $1,000,000,000 Multicurrency Medium Term Note Programme ("MTN Programme"), via a subsidiary, Mapletree Industrial Trust Treasury Company Pte. Ltd ("MITTC"). Under the MTN Programme, MITTC may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in series in Singapore Dollars or any other currency ("MTN").

In September 2018, the Group established a $2,000,000,000 Euro Medium Term Securities Programme ("EMTN Programme"), via a subsidiary, MITTC. Under the EMTN Programme, MITTC may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes or perpetual securities in series or tranches in Singapore Dollars or any other currency ("EMTN").

Each series of notes may be issued in various amounts and tenors, and may bear fixed, floating or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the MTN and EMTN Programmes.

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20. BORROWINGS AND LOANS FROM A SUBSIDIARY (CONTINUED)

(c) Medium term notes (continued)

The MTN and EMTN shall constitute direct, unconditional, unsecured and unsubordinated obligations of MITTC ranking *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future unsecured obligations of MITTC. All sums payable in respect of the notes will be unconditionally and irrevocably guaranteed by DBS Trustee Limited, in its capacity as Trustee of MIT.

Total notes outstanding under the MTN and EMTN Programme as at the reporting date were as follows:

Maturity date	Interest rate per annum	Frequency of interest payment	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000
8 March 2019	3.75%	semi-annually	**–**	125,000	125,000
7 September 2022	3.65%	semi-annually	**45,000**	45,000	45,000
11 May 2023	3.02%	semi-annually	**75,000**	75,000	75,000
28 March 2024	3.16%	semi-annually	**100,000**	100,000	100,000
2 March 2026	3.79%	semi-annually	**60,000**	60,000	60,000
26 March 2029	3.58%	semi-annually	**125,000**	–	–
			405,000	405,000	405,000

(d) Loans from a subsidiary

MITTC has on-lent the proceeds from the issuance of the MTN and EMTN to MIT, who has in turn used these proceeds to refinance its borrowings.

These loans are unsecured and repayable in full, consisting of:

Maturity date	Interest rate per annum	Frequency of interest payment	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000
8 March 2019	3.75%	semi-annually	**–**	125,000	125,000
7 September 2022	3.65%	semi-annually	**45,000**	45,000	45,000
11 May 2023	3.02%	semi-annually	**75,000**	75,000	75,000
28 March 2024	3.16%	semi-annually	**100,000**	100,000	100,000
2 March 2026	3.79%	semi-annually	**60,000**	60,000	60,000
26 March 2029	3.58%	semi-annually	**125,000**	–	–
			405,000	405,000	405,000

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

20. BORROWINGS AND LOANS FROM A SUBSIDIARY (CONTINUED)

(e) Carrying amount and fair value of non-current borrowings

The carrying amounts of the borrowings approximate their fair values, except for the following fixed-rate non-current borrowings:

	Carrying amounts			Fair values		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Group						
Bank loans	**100,000**	100,000	100,000	**99,257**	98,381	100,054
Medium term notes	**405,000**	280,000	405,000	**410,820**	283,285	414,481
MIT						
Bank loans	**100,000**	100,000	100,000	**99,257**	98,381	100,054
Loans from a subsidiary	**405,000**	280,000	405,000	**410,820**	283,285	414,481

The fair values above are determined from the cash flow analysis, discounted at the following market borrowing rates of an equivalent instrument at the reporting date at which the Manager expects to be available to the Group:

	Group			MIT		
	31 March 2019	31 March 2018	1 April 2017	**31 March 2019**	31 March 2018	1 April 2017
Bank loans	**3.0%**	3.2%	3.2%	**3.0%**	3.2%	3.2%
Medium term notes	**3.0%**	3.1%	2.7%	**–**	–	–
Loans from a subsidiary	**–**	–	–	**3.0%**	3.1%	2.7%

The fair values are within Level 2 of the fair value hierarchy.

(f) Interest rate risks

The exposure of the borrowings of the Group and MIT to interest rate changes and the contractual repricing dates at the reporting dates after taking into account interest rate swaps as follows:

	Group and MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000
6 months or less	**298,637**	181,631	277,880

NOTES TO THE FINANCIAL STATEMENTS

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21. DERIVATIVE FINANCIAL INSTRUMENTS

		Group and MIT		
	Maturity	Contract notional amount $'000	Fair value assets $'000	Fair value liabilities $'000
31 March 2019				
Fair value hedge				
– Interest rate swap	**2023**	**75,000**	**921**	**–**
Cash flow hedges				
– Interest rate swaps	**2019 – 2026**	**723,779**	**302**	**2,811**
– Currency forwards	**2019 – 2022**	**18,627**	**33**	**296**
Total		**817,406**	**1,256**	**3,107**
Less: Current portion			**(114)**	**(238)**
Non-current portion			**1,142**	**2,869**
31 March 2018				
Fair value hedge				
– Interest rate swap	2023	75,000	–	65
Cash flow hedges				
– Interest rate swaps	2018 – 2021	608,207	1,375	1,523
– Currency forwards	2018 – 2019	2,618	14	–
Total		685,825	1,389	1,588
Less: Current portion			(14)	(242)
Non-current portion			1,375	1,346
1 April 2017				
Fair value hedge	2023	75,000	–	65
– Interest rate swap				
Cash flow hedges				
– Interest rate swaps	2018 – 2021	400,000	–	3,908
Total		475,000	–	3,973
Less: Current portion			–	–
Non-current portion			–	3,973

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

21. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Hedging instruments used in Group's hedging strategy in FY18/19:

	Contractual notional amount 31 Mar 2019 $'000	Carrying amount: Assets/ (Liabilities) 31 Mar 2019 $'000	Carrying amount: Financial statement line item	Changes in fair value used for calculating hedge ineffectiveness*: Hedging instrument $'000	Changes in fair value used for calculating hedge ineffectiveness*: Hedged item $'000	Weighted average hedged rate	Maturity date
<u>Group and MIT</u>							
Fair value hedge							
Interest rate risk							
– Interest rate swap to hedge fixed rate borrowing	75,000	921	Derivative financial instruments	986	(986)	3.02%	2023
Cash flow hedges							
Interest rate risk							
– Interest rate swaps to hedge floating rate borrowings	723,779	(2,509)	Derivative financial instruments	(2,361)	2,361	SGD: 1.97% USD: 2.29%	2019 –2026
Currency risk							
– Currency forwards to hedge quarterly dividend income receivable in foreign currency	18,627	(263)	Derivative financial instruments	(277)	277	SGD: 1.32 USD: 1.00	2019 – 2022
Net investment hedge							
– Borrowings to hedge net investments in foreign operations	–	(163,168)	Borrowings	(4,540)	4,540	SGD:1.36 USD: 1.00	2021 -2022

* There are no hedge ineffectiveness and costs of hedging recognised in profit and loss in FY18/19.

Effect of fair value hedge on hedged items in FY18/19 are as follows:

	Carrying amount of assets/ (liabilities) $'000	Financial statement line items that includes hedged items	Accumulated amount of fair value adjustments $'000
<u>Group and MIT</u>			
Fair value hedge			
Interest rate risk			
– Interest rate swap to hedge fixed rate borrowings	75,921	Borrowings	921

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

22. HEDGING RESERVE

Movements in hedging reserve by risk category:

	31 March 2019			31 March 2018
	Interest rate risk $'000	**Foreign exchange risk $'000**	**Total $'000**	Total $'000
Group				
Beginning of financial year	**379**	**14**	**393**	(3,908)
Fair value losses	**(3,662)**	**(277)**	**(3,939)**	(718)
Cash flow hedges realised and transferred to borrowing cost	**1,300**	**–**	**1,300**	4,493
Share of hedging reserve of joint venture	**(3,094)**	**–**	**(3,094)**	526
End of financial year	**(5,077)**	**(263)**	**(5,340)**	393
MIT				
Beginning of financial year	**(147)**	**14**	**(133)**	(3,908)
Fair value losses	**(3,662)**	**(277)**	**(3,939)**	(718)
Cash flow hedges realised and transferred to borrowing cost	**1,300**	**–**	**1,300**	4,493
End of financial year	**(2,509)**	**(263)**	**(2,772)**	(133)

23. UNITS IN ISSUE

	Group and MIT	
	31 March 2019	31 March 2018
Beginning of financial year	**1,885,217,601**	1,802,160,168
Creation of new units arising from:		
Settlement of manager's management fees [Note 23(a)]	**1,609,789**	1,089,433
Settlement of manager's acquisition fees [Note 23(b)]	**1,684,131**	–
Private placement [Note 23(c)]	**103,360,000**	81,968,000
DRP [Note 23(d)]	**29,239,867**	–
End of the financial year	**2,021,111,388**	1,885,217,601

During the financial year, MIT issued the following units:

(a) 1,609,789 (31 March 2018: 1,089,433; 1 April 2017: 1,228,669) new units at the issue prices ranging from $1.8978 to $2.0159 (31 March 2018: $1.7406 to $2.0365 and 1 April 2017: $1.5938 to $1.7472) per unit, as part payment of the base fees to the Manager in units. The issue prices were determined based on the volume weighted average traded price for a unit for all trades done on SGX-ST in the ordinary course of trading for the last 10 business days of the relevant period in which the management fees accrues.

(b) 1,684,131 (31 March 2018 and 1 April 2017: nil) new units at the issue prices of $1.9941 and $2.0079 (31 March 2018 and 1 April 2017: nil) per unit, as payment of the acquisition fees to the Manager in units. The issue prices were determined based on the volume weighted average traded price for a unit for all trades done on SGX-ST in the ordinary course of trading for the last 10 business days of the relevant period in which the fees accrues.

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23. UNITS IN ISSUE (CONTINUED)

(c) 103,360,000 (31 March 2018: 81,968,000; 1 April 2017: nil) new units at $1.945 (31 March 2018: $1.900; 1 April 2017: nil) each pursuant to the private placement exercise.

(d) 29,239,867 (31 March 2018 and 1 April 2017: nil) new units at the issue prices range from $1.8612 to $1.9434 (31 March 2018 and 1 April 2017: nil) per unit were issued pursuant to the DRP.

Each unit in MIT represents an undivided interest in MIT. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of MIT by receiving a share of all net cash proceeds derived from the realisation of the assets of MIT less any liabilities, in accordance with their proportionate interests in MIT. However, a Unitholder does not have the right to require that any assets (or part thereof) of MIT be transferred to him; and
- Attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or Unitholders representing not less than 10.0% of the issued units of MIT) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of MIT in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in MIT. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of MIT exceed its assets.

24. COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the reporting date but not recognised in the financial statements, excluding those relating to investment in a joint venture (Note 18), are as follows:

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Capital expenditure contracted on investment properties and investment property under development	**37,899**	63,284	113,422	**37,264**	62,108	113,156

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24. COMMITMENTS (CONTINUED)

(b) Operating lease commitments – where the Group is a lessee

The Group and MIT lease land from non-related parties under non-cancellable operating lease agreements. The future minimum lease payables under such non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Not later than one year	**2,464**	2,447	2,512	**1,017**	1,025	1,036
Between one and five years	**9,434**	9,675	9,570	**4,002**	4,003	4,071
Later than five years	**36,143**	37,981	34,433	**23,209**	24,268	25,557
	48,041	50,103	46,515	**28,228**	29,296	30,664

The operating leases are subjected to revision of land rents at periodic intervals. For the purpose of the above disclosure, the prevailing land rent rates are used.

(c) Operating lease commitments – where the Group is a lessor

The Group and MIT lease out investment properties to related and non-related parties under non-cancellable operating leases. The future minimum lease receivables under such non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are analysed as follows:

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Not later than one year	**359,931**	325,486	308,264	**323,268**	308,622	292,356
Between one and five years	**716,902**	642,268	572,176	**607,326**	574,756	520,673
Later than five years	**561,632**	442,879	457,082	**524,223**	391,031	418,062
	1,638,465	1,410,633	1,337,522	**1,454,817**	1,274,409	1,231,091

25. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk in the normal course of its business. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards and interest rate swaps to hedge certain financial risk exposures.

Risk management is carried out under policies approved by the Manager. The Manager provides written principles for overall risk management as well as written policies covering specific areas, such as currency risk, interest rate risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk

(i) Currency risk

The Manager's investment strategy includes investing in real-estate related assets used primarily as data centres worldwide beyond Singapore. In order to manage the currency risk involved in investing in assets outside Singapore, the Manager adopts currency risk management strategies that may include:

- The use of foreign currency denominated borrowings to match the currency of the asset management as a natural currency hedge. Borrowings designated and qualified as hedges of net investments in the Group's joint venture have a carrying amount of $163,168,358 as at 31 March 2019 (31 March 2018: $158,628,685; 1 April 2017: $nil). The fair values of the borrowings approximate their carrying values except for the fixed-rate non-current borrowings disclosed in Note 20(e).

- Entering into currency forwards to hedge the foreign currency income to be received from the offshore assets, back into Singapore Dollars.

The Group's main currency exposure based on the information provided to key management is as follows (SGD equivalent):

<u>Group and MIT</u>

	31 March 2019 US$'000	31 March 2018 US$'000
Financial assets		
Cash and cash equivalents	**520**	9
Dividend receivable from joint venture	**3,804**	3,234
	4,324	3,243
Financial liabilities		
Borrowings	**(163,171)**	(159,393)
Interest payable	**(340)**	(332)
	(163,511)	(159,725)
Net financial liabilities	**(159,187)**	(156,482)
Add: Non-financial assets		
Investment in a joint venture	**189,968**	177,025
Net assets	**30,781**	20,543
Less: Notional amount of currency forwards	**(18,627)**	(2,618)
Currency profile including non- financial assets and liabilities	**12,154**	17,925
Currency exposure of net financial assets less borrowings designated as net investment hedge	**3,981**	2,147

The Group was not exposed to currency risk as at 1 April 2017 as the financial assets and liabilities were denominated in SGD.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis

The Group and MIT's main foreign currency exposure is in USD. As at 31 March 2019, if the USD increase/decrease by 5% against SGD, with all other variables including tax being constant, the Group and MIT's total profit would have been lower/higher by $199,000 (31 March 2018: $107,350) and the Group's other comprehensive income would have been lower/higher by $127,000 (31 March 2018: $7,300).

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group is exposed to interest rate risk on borrowings. The Group manages the risk by maintaining an appropriate mix of fixed and floating rate interest-bearing liabilities. This is achieved using fixed rate borrowings and interest rate swaps.

The Group enters into interest rate swaps with the same critical terms as hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding amount of the borrowings. As all critical items matched during the year, the economic relationship was 100% effective.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effective assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness. Hedge ineffectiveness may occur due to changes in the critical terms of either the interest rate swaps or the borrowings.

The Group and MIT's borrowings and loan to one of its subsidiaries at variable rates on which effective hedges have not been entered into are denominated in SGD. As at 31 March 2019, if the SGD interest rates increase/decrease by 0.5% (31 March 2018 and 1 April 2017: 0.5%) with all other variables including tax rate being held constant, the Group's total profit would have been lower/higher by $1,493,000 (31 March 2018: $908,000; 1 April 2017: $1,389,000) and the hedging reserve attributable to Unitholders would have been higher/lower by $6,042,000 (31 March 2018: $5,017,000; 1 April 2017: $5,307,000).

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing with customers of appropriate credit history and obtaining sufficient security to mitigate credit risk.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the Statements of Financial Position, except as follows:

	Group and MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000
Corporate guarantees provided for borrowings of joint venture	**244,102**	238,445	–

Trade receivables

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments greater than 120 days past due. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

There is no material impact on the provision for impairment of the above financial assets.

The Manager monitors the outstanding balances of the tenants by ageing profile on an ongoing basis. There were no significant concentration credit risk as at 31 March 2019, 31 March 2018 and 1 April 2017. Concentrations of credit risk relating to trade receivables is limited to the Group's many and varied tenants. The tenants are engaged in diversified business and are of acceptable credit rating.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables (continued)

The Group's and the MIT's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2019 are set out in the provision matrix as follows:

	Within 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	More than 90 days $'000	Total $'000
Group					
Trade receivables	928	514	160	253	1,855
Loss allowance	–	–	–	–	–
	928	514	160	253	1,855
MIT					
Trade receivables	710	423	139	240	1,512
Loss allowance	–	–	–	–	–
	710	423	139	240	1,512

The Manager believes that no additional allowance is necessary in respect of the remaining trade receivables as these receivables are mainly from tenants with good records and with sufficient security in the form of bankers' guarantees, insurance bonds, or cash security deposits as collaterals.

Previous accounting policy for impairment of trade receivables

The Group's and MIT's credit risk exposure in relation to trade receivables under SFRS 39 as at 31 March 2018 and 1 April 2017 are set out in the provision matrix as follows:

31 March 2018	Within 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	More than 90 days $'000	Total $'000
Group					
Trade receivables					
Gross carrying amount:					
– Not past due	–	–	–	–	–
– Past due but not impaired	699	352	225	85	1,361
– Past due and impaired	–	–	–	–	–
Net carrying amount	699	352	225	85	1,361

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables (continued)

31 March 2018	Within 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	More than 90 days $'000	Total $'000
MIT					
Trade receivables					
Gross carrying amount:					
– Not past due	–	–	–	–	–
– Past due but not impaired	688	336	223	84	1,331
– Past due and impaired	–	–	–	–	–
Net carrying amount	688	336	223	84	1,331

1 April 2017	Within 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	More than 90 days $'000	Total $'000
Group					
Trade receivables					
Gross carrying amount:					
– Not past due	–	–	–	–	–
– Past due but not impaired	842	321	63	45	1,271
– Past due and impaired	–	–	–	–	–
Net carrying amount	842	321	63	45	1,271

1 April 2017	Within 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	More than 90 days $'000	Total $'000
MIT					
Trade receivables					
Gross carrying amount:					
– Not past due	–	–	–	–	–
– Past due but not impaired	576	210	57	32	875
– Past due and impaired	–	–	–	–	–
Net carrying amount	576	210	57	32	875

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

The Group and MIT adopt prudent liquidity risk management by maintaining sufficient cash on demand and banking facilities to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

The table below analyses the maturity profile of the non-derivative financial liabilities of the Group and MIT based on contractual undiscounted cash flows prospectively for the next 5 years. Where it relates to a variable amount payable, the amount is determined by taking reference to the last contracted rate.

Group

	Less than 1 year $'000	Between 1 and 5 years $'000	Over 5 years $'000
At 31 March 2019			
Trade and other payables	**90,512**	**50,809**	**4,017**
Borrowings	**75,000**	**818,171**	**505,000**
Accrued interest and interest payable	**47,604**	**114,400**	**38,277**
	213,116	**983,380**	**547,294**
At 31 March 2018			
Trade and other payables	90,963	50,502	901
Borrowings	185,000	799,838	235,000
Accrued interest and interest payable	37,174	71,125	10,066
	313,137	921,465	245,967
At 1 April 2017			
Trade and other payables	101,627	45,604	539
Borrowings	115,000	712,880	280,000
Accrued interest and interest payable	31,469	67,442	18,489
	248,096	825,926	299,028

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

MIT

	Less than 1 year $'000	Between 1 and 5 years $'000	Over 5 years $'000
At 31 March 2019			
Trade and other payables	**80,458**	**47,795**	**4,012**
Borrowings	**75,000**	**598,171**	**320,000**
Loans from a subsidiary	**–**	**220,000**	**185,000**
Accrued interest and interest payable	**47,604**	**114,400**	**38,277**
	203,062	**980,366**	**547,289**
At 31 March 2018			
Trade and other payables	88,812	49,863	901
Borrowings	60,000	754,838	–
Loans from a subsidiary	125,000	45,000	235,000
Accrued interest and interest payable	37,174	71,125	10,066
	310,986	920,826	245,967
At 1 April 2017			
Trade and other payables	97,539	45,322	401
Borrowings	115,000	587,880	–
Loans from a subsidiary	–	125,000	280,000
Accrued interest and interest payable	31,469	67,442	18,489
	244,008	825,644	298,890

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

The table below analyses the Group's and MIT's derivative financial instruments for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying balances as the impact of discounting is not significant.

	Group and MIT		
	Less than 1 year $'000	Between 1 and 5 years $'000	Over 5 years $'000
At 31 March 2019			
Net-settled interest rate swaps – fair value and cash flow hedges			
– Net receipts/(payments)	**712**	**439**	**(90)**
Gross-settled currency forwards			
– Receipts	**8,233**	**10,394**	**–**
– Payments	**(8,476)**	**(10,632)**	**–**
	469	**201**	**(90)**
At 31 March 2018			
Net-settled interest rate swaps – fair value and cash flow hedges			
– Net receipts/(payments)	(3,697)	(1,793)	84
Gross-settled currency forwards			
– Receipts	2,358	260	–
– Payments	(2,373)	(264)	–
	(3,712)	(1,797)	84
At 1 April 2017			
Net-settled interest rate swaps – fair value and cash flow hedges			
– Net receipts/(payments)	(3,776)	(4,481)	943

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk

The Manager's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the CIS Code to fund future acquisitions and asset enhancement works. To maintain or achieve an optimal capital structure, the Manager may issue new units or source additional borrowing from both financial institutions and capital markets.

The Group is subject to the aggregate leverage limit as defined in Appendix 6 of the CIS Code ("Property Funds Appendix"). The Property Funds Appendix stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 45.0% of its Deposited Property.

The Group has an aggregate leverage ratio of 33.8% (31 March 2018: 33.1%; 1 April 2017: 29.2%) at the reporting date.

In accordance with Property Funds Appendix, the aggregate leverage ratio includes MIT's proportionate share of its joint venture's borrowings and deposited property values.

The Group and MIT are in compliance with the borrowing limit requirements imposed by the CIS Code and all externally imposed capital requirements for the financial years ended 31 March 2019 and 31 March 2018.

(e) Fair value measurements

The assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy are presented as follow:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Fair value measurement disclosure of other assets that are recognised or measured at fair value can be found at Note 14.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The fair values of currency forwards are based on valuations provided by the banks. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

25. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements (continued)

The fair value of the derivative financial instruments are presented below:

	Group and MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000
Level 2			
Assets			
Derivative financial instruments			
- Interest rate swaps	**1,223**	1,375	–
- Currency forwards	**33**	14	–
	1,256	1,389	–
Liabilities			
Derivative financial instruments			
- Interest rate swaps	**2,811**	1,588	3,973
- Currency forwards	**296**	–	–
	3,107	1,588	3,973

The carrying amount of trade and other receivables, other current assets and trade and other payables approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The carrying value of borrowings approximate its fair value except for fixed rate non-current borrowings as disclosed in Note 20(e).

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the Statements of Financial Position and in Note 21 except for the following:

	Group			MIT		
	31 March 2019 $'000	31 March 2018 $'000	1 April 2017 $'000	**31 March 2019 $'000**	31 March 2018 $'000	1 April 2017 $'000
Financial assets at amortised cost	**73,658**	–	–	**212,344**	–	–
Loans and receivables	**–**	61,837	48,263	**–**	58,072	43,486
Financial liabilities at amortised cost	**1,549,378**	1,365,995	1,259,073	**1,536,304**	1,363,205	1,254,565

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

26. IMMEDIATE, INTERMEDIATE AND ULTIMATE HOLDING COMPANIES

For financial reporting purposes under SFRS(I) 10 *Consolidated Financial Statements*, the Group is regarded as a subsidiary of Mapletree Investments Pte Ltd. The immediate, intermediate and ultimate holding companies are Mapletree Dextra Pte Ltd, Mapletree Investments Pte Ltd and Temasek Holdings (Private) Limited respectively. The immediate, intermediate and ultimate holding companies are incorporated in Singapore.

27. RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group when the Group has the ability, directly or indirectly to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals and entities. The Manager and the Property Manager are indirect wholly-owned subsidiaries of the intermediate holding company.

During the financial year, in addition to the information disclosed elsewhere in the financial statements, the following related party transactions took place at terms agreed between the parties as follows:

	Group		MIT	
	FY18/19 $'000	FY17/18 $'000	**FY18/19 $'000**	FY17/18 $'000
Acquisition fees paid/payable to the Manager	**3,363**	4,040	**3,363**	4,040
Divestment fees paid/payable to the Manager	**–**	88	**–**	–
Property and lease management fees paid/payable (including reimbursable expenses) to the Property Manager	**16,542**	15,736	**15,601**	14,902
Marketing commission paid/payable to the Property Manager	**6,327**	5,821	**6,305**	5,278
Development management fees paid/payable to the Manager	**581**	2,935	**581**	2,935
Project management fees paid/payable to the Property Manager	**346**	1,643	**346**	1,643
Interest expense and financing fees paid/payable to a related party	**6,060**	5,735	**6,060**	5,735
Other products and service fees paid/payable to related parties	**9,003**	8,037	**8,939**	7,974
Rental and other related income received/receivable from related parties	**15,951**	15,336	**2,905**	2,797
Subscription of MIT's units by a related party	**–**	9,500	**–**	9,500
Novation of option to purchase 7 Tai Seng Drive from a related party	**680**	–	**680**	–
Purchase of 7 Tai Seng Drive	**68,000**	–	**68,000**	–

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

28. FINANCIAL RATIOS

	Group	
	FY18/19	FY17/18
Ratio of expenses to weighted average net assets[1]		
– including performance component of asset management fee	**1.19%**	1.19%
– excluding performance component of asset management fee	**0.82%**	0.81%
Portfolio Turnover Ratio[2]	**–**	–

[1] The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore dated 25 May 2005. The expenses used in the computation relate to expenses of the Group, excluding property expenses, borrowing costs and income tax expense.

[2] In accordance with the formulae stated in the CIS Code, the ratio reflects the number of times per year that a dollar of assets is reinvested. The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

29. SEGMENT INFORMATION

The operating segments have been determined based on the reports reviewed by the management in making strategic decisions.

The Manager considers the business from a business segment perspective; managing and monitoring the business based on property types.

The Manager assesses the performance of the operating segments based on a measure of Net Property Income ("NPI"). Interest income and borrowing costs are not allocated to segments, as the treasury activities are centrally managed by the Group. In addition, the Manager monitors the non-financial assets as well as financial assets directly attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

29. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Manager for the reportable segments for year ended 31 March 2019 is as follows:

	Flatted Factories $'000	Hi-Tech Buildings $'000	Business Park Buildings $'000	Stack-up/ Ramp-up Buildings $'000	Light Industrial Buildings $'000	Total $'000
Gross revenue	155,736	122,975	46,516	43,853	7,021	376,101
Net property income	118,505	97,698	31,403	35,055	5,109	287,770
Interest income						246
Borrowing costs						(40,108)
Manager's management fees						(30,893)
Trustee's fees						(581)
Other trust expenses						(2,001)
Net foreign exchange loss						(202)
Net fair value gain/(loss) on investment properties and investment property under development	(11,296)	34,628	2,181	5,784	(540)	30,757
Share of joint venture		26,138				26,138
Profit for the year before income tax						271,126
Income tax expense						*
Profit for the financial year						271,126
Segment assets						
-Investment properties	1,578,000	1,546,700	581,000	473,000	75,500	4,254,200**
-Investment property under development	–	82,100	–	–	–	82,100**
-Investment in a joint venture	–	194,101	–	–	–	194,101
-Trade receivables	608	185	211	482	369	1,855
						4,532,256
Unallocated assets						
-Cash and cash equivalents						40,010
-Other receivables						31,632
-Other current assets						1,727
-Derivative financial instruments						1,256
-Plant and equipment						183
Consolidated total assets						4,607,064
Segment liabilities	39,485	18,065	14,895	11,508	1,551	85,504
Unallocated liabilities						
-Trade and other payables						73,973
-Borrowings						1,396,714
-Derivative financial instruments						3,107
-Current income tax liabilities						240
Consolidated total liabilities						1,559,538

* Amount less than $1,000

** Include net fair value gain on properties of $30.8 million and additions of $397.2 million during the year.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

29. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Manager for the reportable segments for year ended 31 March 2018 is as follows:

	Flatted Factories $'000	Hi-Tech Buildings $'000	Business Park Buildings $'000	Stack-up/ Ramp-up Buildings $'000	Light Industrial Buildings $'000	Total $'000
Gross revenue	159,065	99,771	52,411	44,697	7,286	363,230
Net property income	122,232	77,247	37,101	35,975	5,048	277,603
Interest income						1,027
Borrowing costs						(34,055)
Manager's management fees						(29,209)
Trustee's fees						(546)
Other trust expenses						(1,322)
Net foreign exchange gain						18
Net fair value (loss)/gain on investment properties and investment properties under development	17,407	35,964	2,943	12,256	(3,100)	65,470
Share of joint venture	–	21,776	–	–	–	21,776
Loss on divestment of investment property	–	–	–	–	(200)	(200)
Profit before income tax						300,562
Income tax expense						(32)
Profit for the financial year						300,530
Segment assets						
-Investment properties	1,580,200	1,163,900	570,000	467,000	75,500	3,856,600*
-Investment properties under development	–	51,700	–	–	–	51,700*
-Investment in a joint venture	–	181,158	–	–	–	181,158
-Trade receivables	2,921	49	27	310	234	3,541
						4,092,999
Unallocated assets						
-Cash and cash equivalents						37,419
-Other receivables						20,857
-Other current assets						1,572
-Derivative financial instruments						1,389
-Plant and equipment						84
Consolidated total assets						4,154,320
Segment liabilities	42,214	13,421	10,527	11,073	1,709	78,944
Unallocated liabilities						
-Trade and other payables						75,567
-Borrowings						1,218,117
-Derivative financial instruments						1,588
-Current income tax liabilities						32
Consolidated total liabilities						1,374,248

* Include net fair value gain on properties of $65.5 million and additions of $111.8 million for the financial year ended 31 March 2018.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2019

30. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2019 and which the Group has not early adopted:

(a) SFRS(I) 16 *Leases* (effective for annual periods beginning on or after 1 January 2019)

SFRS(I) 16 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The Group will apply the standard from its mandatory adoption date of 1 April 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

As at 31 March 2019, the Group has non-cancellable operating lease commitments of $48,041,000 (Note 24(b)). The Group expects to recognise right-of-use assets and lease liabilities of approximately $19,157,000 on 1 April 2019. Overall net assets will be the same and net current liabilities will be $776,000 higher due to the presentation of a portion of the liability as a current liability. The Group does not expect any impact to the profit for the financial year for FY19/20 as a result of adopting the new rules. Operating cash flows will increase and financing cash flows will decrease by approximately $2,260,000 as repayment of the principal portion and interest payment of the lease liabilities will be classified as cash flows from financing activities.

The Group does not expect any significant impact on the financial statements for its activities as a lessor upon adoption of SFRS(I) 16. However, some additional disclosures will be required from next year.

(b) SFRS(I) INT 23 *Uncertainty Over Income Tax Treatments* (effective for annual periods beginning on or after 1 January 2019)

The Group does not expect additional tax liability to be recognised on the adoption of the interpretation on 1 April 2019.

31. EVENTS OCCURRING AFTER REPORTING DATE

Subsequent to the reporting date, the Manager announced a distribution of 3.08 cents per unit for the period from 1 January 2019 to 31 March 2019. The distribution declared included an advanced distribution of 1.71 cents per unit for the period from 1 January 2019 to 19 February 2019, which was paid on 26 March 2019.

32. AUTHORISATION OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Manager and the Trustee on 22 April 2019.

STATISTICS OF UNITHOLDINGS

AS AT 31 MAY 2019

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	569	2.12	25,805	0.00
100 – 1,000	6,508	24.23	6,081,656	0.30
1,001 – 10,000	15,971	59.46	60,121,856	2.98
10,001 – 1,000,000	3,782	14.08	151,664,240	7.50
1,000,001 and Above	29	0.11	1,803,524,539	89.22
Total	**26,859**	**100.00**	**2,021,418,096**	**100.00**

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	26,307	97.95	2,009,266,571	99.40
Malaysia	385	1.43	9,269,230	0.46
Others	167	0.62	2,882,295	0.14
Total	**26,859**	**100.00**	**2,021,418,096**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1.	Mapletree Dextra Pte. Ltd.	628,027,959	31.06
2.	Citibank Nominees Singapore Pte Ltd	343,816,739	17.01
3.	DBS Nominees (Private) Limited	297,075,549	14.69
4.	HSBC (Singapore) Nominees Pte Ltd	187,253,682	9.26
5.	DBSN Services Pte. Ltd.	133,935,278	6.63
6.	Raffles Nominees (Pte.) Limited	96,197,728	4.76
7.	DB Nominees (Singapore) Pte Ltd	24,590,881	1.22
8.	Mapletree Industrial Trust Management Ltd.	13,787,692	0.68
9.	United Overseas Bank Nominees (Private) Limited	11,387,077	0.56
10.	Morgan Stanley Asia (Singapore) Securities Pte Ltd	8,378,161	0.41
11.	DBS Vickers Securities (Singapore) Pte Ltd	7,616,780	0.38
12.	BPSS Nominees Singapore (Pte.) Ltd.	6,357,124	0.31
13.	Merrill Lynch (Singapore) Pte. Ltd.	4,975,363	0.25
14.	BNP Paribas Nominees Singapore Pte. Ltd.	4,912,308	0.24
15.	ABN AMRO Clearing Bank N.V.	4,797,989	0.24
16.	UOB Kay Hian Private Limited	4,347,340	0.22
17.	OCBC Nominees Singapore Private Limited	3,474,472	0.17
18.	Citigroup Global Markets Singapore Securities Pte. Ltd.	3,341,846	0.17
19.	OCBC Securities Private Limited	2,807,744	0.14
20.	Phillip Securities Pte Ltd	2,622,163	0.13
	Total	**1,789,703,875**	**88.53**

STATISTICS OF UNITHOLDINGS

AS AT 31 MAY 2019

SUBSTANTIAL UNITHOLDERS AS AT 31 MAY 2019

No.	Name of Company	No. of Units: Direct Interest	No. of Units: Deemed Interest	% of Total Issued Capital
1.	Temasek Holdings (Private) Limited [(1)]	–	666,825,488	32.98
2.	Fullerton Management Pte Ltd [(1)]	–	641,815,651	31.75
3.	Mapletree Investments Pte Ltd [(2)]	–	641,815,651	31.75
4.	Mapletree Dextra Pte. Ltd.	628,027,959	–	31.06
5.	Schroders plc [(3)]	–	115,904,275	5.73

Notes

(1) Each of Temasek Holdings (Private) Limited ("Temasek") and Fullerton Management Pte Ltd ("Fullerton") is deemed to be interested in the 628,027,959 units held by Mapletree Dextra Pte. Ltd. ("MDPL") and 13,787,692 units held by Mapletree Industrial Trust Management Ltd. ("MITM") in which Mapletree Investments Pte Ltd ("MIPL") has a deemed interest. In addition, Temasek is deemed to be interested in 25,009,837 units in which its other subsidiaries and associated companies have direct or deemed interest. MDPL is a wholly-owned subsidiary of MIPL and MITM is a wholly-owned subsidiary of Mapletree Capital Management Ltd. which is a wholly-owned subsidiary of MIPL. MIPL is a wholly-owned subsidiary of Fullerton which is in turn a wholly-owned subsidiary of Temasek. Each of MIPL and the associated company referred to above is an independently-managed Temasek portfolio company. Temasek and Fullerton are not involved in their business or operating decisions, including those regarding their unitholdings.

(2) MIPL is deemed to be interested in the 628,027,959 units held by MDPL and 13,787,692 units held by MITM.

(3) Schroders plc is deemed to be interested in the 115,904,275 units held on behalf of clients as Investment Managers.

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER AS AT 21 APRIL 2019

No.	Name	No. of Units: Direct Interest	No. of Units: Deemed Interest	% of Total Issued Capital
1.	Wong Meng Meng	268,000	–	0.01
2.	Soo Nam Chow	–	432,000	0.02
3.	John Koh Tiong Lu	–	606,005	0.02
4.	Wee Joo Yeow	540,000	–	0.02
5.	Guy Daniel Harvey-Samuel	–	–	–
6.	Pok Soy Yoong	–	272,530	0.01
7.	Mary Yeo Chor Gek	–	–	–
8.	Andrew Chong Yang Hsueh	–	–	–
9.	Dr Andrew Lee Tong Kin	–	–	–
10.	William Toh Thiam Siew	273,938	–	0.01
11.	Seah Choo Meng	272,205	25,192	0.01
12.	Hiew Yoon Khong	740,789	2,753,826	0.17
13.	Wong Mun Hoong	–	–	–
14.	Tham Kuo Wei	566,848	–	0.02

FREE FLOAT

Based on the information made available to the Manager as at 31 May 2019, approximately 60.95% of the units in MIT were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

ISSUED AND FULLY PAID UNITS

2,021,418,096 units (voting rights: one vote per unit)
Market Capitalisation: S$4,265,192,182.56 (based on closing price of S$2.11 per unit on 31 May 2019)

INTERESTED PERSON TRANSACTIONS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

The transactions entered into with interested persons (IPTs) during the financial year, which fall under the Listing Manual of the SGX-ST and the Property Funds Appendix of the Code on Collective Investment Schemes are as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) S$'000
Exempted under Rule 905 and 906 of the Listing Manual	
(i) Mapletree Investments Pte Ltd and its subsidiaries	
– Manager's management fees	30,893
– Property and lease management fees	11,252
– Marketing commission	6,327
– Acquisition fees	3,363
– Development management fees	581
– Project management fees	346
(ii) DBS Trustee Limited	
– Trustee fees	581
Exceptions under Rule 916 of the Listing Manual[1]	
Mapletree Investments Pte Ltd and its subsidiaries	
– Manager's management fees	2,017
Approved by MIT Unitholders under Rule 906[2]	
Mapletree Tai Seng Pte. Ltd.	
– Acquisition of 18 Tai Seng	268,300
Non-exempted IPTs	
(i) Temasek Holdings (Private) Limited and its related companies	
– Lease related income	11,473
– Option to purchase 7 Tai Seng Drive	680
– Operating related expenses	586
(ii) Mapletree Logistics Trust	
– Acquisition of 7 Tai Seng Drive	68,000
(iii) Starhub Ltd and subsidiaries	
– Lease related income	5,769
– Operating related expenses	512
(iv) Singapore Airlines Limited and subsidiaries	
– Lease related income	801

INTERESTED PERSON TRANSACTIONS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

As set out in MIT's Prospectus dated 12 October 2010, fees and charges payable by MIT to the Manager under the Trust Deed and to the Property Manager under the Property Management Agreement are not subject to Rule 905 and Rule 906 of the SGX-ST's Listing Manual. The Property Management Agreement includes an extension of term and the Property Management Agreement will not be subject to Rule 905 and Rule 906 of the Listing Manual during the extension term.

For the purpose of the disclosure, the full contract sum was used where an interested person transaction had a fixed term and contract value, while the annual amount incurred and/or accrued was used where an interested person transaction had an indefinite term or where the contract sum was not specified.

Save as disclosed above, there were no additional interested person transactions (excluding transactions of less than S$100,000 each) entered into by MIT Group that involved the interests of the CEO or Director of the Manager, or any controlling unitholder of the Trust, during that financial year under review.

MIT Group has not obtained a general mandate from Unitholders pursuant to Rule 920 for any interested person transactions for the financial year under review.

Please also see Significant Related Party Transactions in Note 27 to the Financial Statements.

1 The joint venture is considered an IPT under Rule 906 of the Listing Manual as well as Paragraph 5 of the Property Funds Appendix. However, the entry into the joint venture agreement fall within the exception under Rule 916 of the Listing Manual and accordingly, the approval of Unitholders for the joint venture is not required.

2 The transaction was approved by Unitholders at the Extraordinary General Meeting held on 22 January 2019.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 9th Annual General Meeting of the holders of units of Mapletree Industrial Trust ("**MIT**", and the holders of units of MIT, "**Unitholders**") will be held on 16 July 2019 (Tuesday) at 2.30 p.m. at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 to transact the following businesses:

(A) AS ORDINARY BUSINESS

1. To receive and adopt the Report of DBS Trustee Limited, as trustee of MIT (the "**Trustee**"), the Statement by Mapletree Industrial Trust Management Ltd., as manager of MIT (the "**Manager**"), and the Audited Financial Statements of MIT for the financial year ended 31 March 2019 and the Auditor's Report thereon. **(Ordinary Resolution 1)**

2. To re-appoint PricewaterhouseCoopers LLP as the Auditor of MIT to hold office until the conclusion of the next Annual General Meeting of MIT, and to authorise the Manager to fix their remuneration. **(Ordinary Resolution 2)**

(B) AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

3. That approval be and is hereby given to the Manager, to

(a) (i) issue units in MIT ("**Units**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instruments made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent. (20%) of the total number of issued Units (as calculated in accordance with sub-paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

(2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units shall be based on the total number of issued Units at the time this Resolution is passed, after adjusting for:

(a) any new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time this Resolution is passed; and

(b) any subsequent bonus issue, consolidation or subdivision of Units;

(3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed constituting MIT (as amended) (the "**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) (unless revoked or varied by Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meeting of MIT or (ii) the date by which the next Annual General Meeting of MIT is required by applicable regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of MIT to give effect to the authority conferred by this Resolution.

(Please see Explanatory Note) **(Ordinary Resolution 3)**

BY ORDER OF THE BOARD
Mapletree Industrial Trust Management Ltd.
(Company Registration No. 201015667D)
As Manager of Mapletree Industrial Trust

Wan Kwong Weng
Joint Company Secretary

Singapore
28 June 2019

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A Unitholder who is not a Relevant Intermediary (as defined herein) entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Annual General Meeting is entitled to appoint more than one proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form (defined below).

   "**Relevant Intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

3. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the office of MIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 2.30 p.m. on 13 July 2019 being 72 hours before the time fixed for the Annual General Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing, administration and analysis by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Note:

Ordinary Resolution 3

The Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this Annual General Meeting until (i) the conclusion of the next Annual General Meeting of MIT, (ii) the date by which the next Annual General Meeting of MIT is required by the applicable regulations to be held, or (iii) the date on which such authority is revoked or varied by the Unitholders in a general meeting, whichever is the earliest (the "**Mandated Period**"), to issue Units, to make or grant Instruments and to issue Units pursuant to such Instruments, up to a number not exceeding fifty per cent. (50%) of the total number of issued Units of which up to twenty per cent. (20%) of the total number of issued Units may be issued other than on a pro rata basis to Unitholders.

The Ordinary Resolution 3 above, if passed, will also empower the Manager to issue Units during the Mandated Period, as either full or partial payment of fees which the Manager is entitled to receive for its own account pursuant to the Trust Deed.

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the total number of issued Units at the time the Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time the Ordinary Resolution 3 is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Ordinary Resolution 3 is in line with Rule 806 of the Listing Manual of the SGX-ST.

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations, in such instances, the Manager will then obtain the approval of Unitholders accordingly.

Mapletree Industrial Trust

(Constituted in the Republic of Singapore
pursuant to a Trust Deed dated 29 January 2008 (as amended))

PROXY FORM

9th Annual General Meeting

IMPORTANT

1. A Relevant Intermediary may appoint more than one proxy to attend and vote at the Annual General Meeting (please see Note 2 for the definition of "Relevant Intermediary").
2. For CPF/SRS investors who have used their CPF monies to buy Units of Mapletree Industrial Trust, this Report is forwarded to them at the request of their CPF Agent Banks/SRS Operators and is sent solely FOR INFORMATION only.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
4. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), a Unitholder of Mapletree Industrial Trust accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 28 June 2019.

I/We ____

______________________________ (Name(s) and NRIC/Passport/Company Registration Number(s))

of ____ (Address)

being a Unitholder/Unitholders of Mapletree Industrial Trust ("**MIT**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			No. of Units	%

or, both of whom failing, the Chairman of the 9th Annual General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the 9th Annual General Meeting of MIT to be held on 16 July 2019 (Tuesday) at 2.30 p.m. at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the 9th Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the 9th Annual General Meeting.

No.	Ordinary Resolutions	For *	Against *
	ORDINARY BUSINESS		
1.	To receive and adopt the Trustee's Report, the Manager's Statement, the Audited Financial Statements of MIT for the financial year ended 31 March 2019 and the Auditor's Report thereon.		
2.	To re-appoint PricewaterhouseCoopers LLP as the Auditor of MIT and to authorise the Manager to fix the Auditor's remuneration.		
	SPECIAL BUSINESS		
3.	To authorise the Manager to issue Units and to make or grant instruments convertible into Units.		

* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ______________ day of __________________ 2019.

Total number of Units held

____

Signature(s) of Unitholder(s) or Common Seal of
Corporate Unitholder

Glue all sides firmly.

Glue all sides firmly.

1st fold (this flap is for sealing)

Do not staple. Glue all sides firmly.

Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 08675

The Company Secretary
MAPLETREE INDUSTRIAL TRUST MANAGEMENT LTD.
(As Manager of Mapletree Industrial Trust)
c/o BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

2nd fold

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A unitholder of MIT ("**Unitholder**") who is not a Relevant Intermediary (as defined herein) entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Annual General Meeting is entitled to appoint more than one proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, it should annex to the Proxy Form (defined below) the proxy, or the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of unitholding (number of units and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS investors as its proxies shall comply with this Note. The appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form (defined below).

   "**Relevant Intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A Unitholder should insert the total number of Units held in the Proxy Form (defined below). If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of MIT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, the proxy form will be deemed to relate to all the Units held by the Unitholder.
4. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the office of MIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 2.30 p.m. on 13 July 2019, being 72 hours before the time set for the Annual General Meeting.
5. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the Annual General Meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the Annual General Meeting.
6. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a duly certified copy of such power of attorney must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
8. The Manager shall be entitled to reject any Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form (including any related attachment). In addition, in the case of Unitholders whose Units are entered against their names in the Depository Register, the Manager may reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by CDP to the Manager.
9. All Unitholders will be bound by the outcome of the Annual General Meeting regardless of whether they have attended or voted at the Annual General Meeting.
10. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. There shall be no division of votes between a Unitholder who is present in person and voting at the Annual General Meeting and his/her proxy(ies). A person entitled to more than one vote need not use all his/her votes or cast them the same way.

CORPORATE DIRECTORY

MANAGER

Mapletree Industrial Trust Management Ltd.

REGISTERED OFFICE

10 Pasir Panjang Road #13-01
Mapletree Business City
Singapore 117438
T : (65) 6377 6111
F : (65) 6273 8607
W : www.mapletreeindustrialtrust.com
E : ir_industrial@mapletree.com.sg

BOARD OF DIRECTORS

Mr Wong Meng Meng
Non-Executive Chairman and Director

Mr Soo Nam Chow
Independent Non-Executive Director

Mr John Koh Tiong Lu
Lead Independent Non-Executive Director

Mr Wee Joo Yeow
Independent Non-Executive Director

Mr Guy Daniel Harvey-Samuel
Independent Non-Executive Director

Mr Pok Soy Yoong
Independent Non-Executive Director

Ms Mary Yeo Chor Gek
Independent Non-Executive Director

Mr Andrew Chong Yang Hsueh
Independent Non-Executive Director

Dr Andrew Lee Tong Kin
Independent Non-Executive Director

Mr William Toh Thiam Siew
Independent Non-Executive Director

Mr Seah Choo Meng
Non-Executive Director

Mr Hiew Yoon Khong
Non-Executive Director

Mr Wong Mun Hoong
Non-Executive Director

Mr Tham Kuo Wei
Executive Director and
Chief Executive Officer

AUDIT AND RISK COMMITTEE

Mr Soo Nam Chow
Chairman

Mr John Koh Tiong Lu

Mr Guy Daniel Harvey-Samuel

Mr Pok Soy Yoong

Mr Seah Choo Meng

NOMINATING AND REMUNERATION COMMITTEE

Mr Wee Joo Yeow
Chairman

Ms Mary Yeo Chor Gek

Mr Hiew Yoon Khong

MANAGEMENT

Mr Tham Kuo Wei
Chief Executive Officer

Ms Ler Lily
Chief Financial Officer

Mr Peter Tan Che Heng
Head of Investment

Ms Serene Tam Mei Fong
Head of Asset Management

CORPORATE SERVICES

Mr Wan Kwong Weng
Joint Company Secretary

Ms See Hui Hui
Joint Company Secretary

PROPERTY MANAGER

Mr Tan Wee Seng
Head of Group Development Management

Ms Chng Siok Khim
Head of Marketing

Mr Paul Tan Tzyy Woon
Head of Property Management

UNIT REGISTRAR

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AUDITOR

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Singapore 018936
T : (65) 6236 3388

Mr Yeow Chee Keong
Partner
(With effect from financial year ended 31 March 2015)

MAPLETREE INDUSTRIAL TRUST MANAGEMENT LTD.
As Manager of Mapletree Industrial Trust
(Company Registration Number: 201015667D)

10 Pasir Panjang Road #13-01
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