

maple<sup>tree</sup>  
industrial trust

2Q & 1H FY2011 Financial Results

25 October 2011



# AGENDA

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# KEY HIGHLIGHTS

- Achieves DPU of 2.05 cents for 2QFY2011 (above Forecast by 10.8%); 3.5% increase over the previous quarter
- Higher Portfolio average passing rental rate of S\$1.54 psf/mth and higher Portfolio average occupancy rate of 94.5% for 2QFY2011
- Robust performance driven by positive rental revisions and initial contributions from newly acquired Flatted Factories from JTC
  - ✓ Healthy retention rate of 79.4%
  - ✓ Only 8.2% of portfolio leases (by Gross Revenue) are due for renewal in the next 6 months
- A larger and more diversified Portfolio post Acquisition
  - ✓ 81 properties valued at S\$2.6 billion
  - ✓ Largest tenant base among industrial REITs with over 2,000 tenants
  - ✓ Top tenants contribute only 18.8% of Portfolio's gross rental revenue
  - ✓ Largest tenant accounts for less than 4.0% of gross rental revenue

# KEY HIGHLIGHTS

- Strengthening the Portfolio with the introduction of longer lease packages
  - ✓ Help tenants have longer-term rental certainty for their business
  - ✓ Extend Portfolio WALE
- Healthy Balance Sheet and proactive capital management
  - ✓ Good interest coverage ratio of 6.4 times
  - ✓ Low blended cost of interest on borrowings at 2.2% p.a.
  - ✓ 78% of MIT's total borrowings hedged to fixed rates via interest rate swaps
  - ✓ Aggregate leverage ratio of 39.2% at sustainable level

# KEY MILESTONES ACHIEVED IN 1<sup>ST</sup> YEAR



21 October 2010  
**S\$1.188 billion raised via  
Initial Public Offering on SGX  
Mainboard**

**25 Oct 2011**

*2QFY2011 Results  
DPU of 2.05 cents*

**16 Aug 2011**

*Establishment of  
MTN Programme*

**27 Jul 2011**

*Launched Successful  
S\$177mil Equity Fund Raising*

**26 Jul 2011**

*1QFY2011 Results  
DPU of 1.98 cents*

**1 Jul 2011**

*Award of JTC Portfolio  
worth S\$400.3 mil*

**26 Mar 2011**

*2<sup>nd</sup> Financial Results  
DPU of 1.93 cents*

**26 Jan 2011**

*First Financial Results Exceed Forecast  
by 13.4%; DPU of 1.52 cents*



# 2Q & 1H FY2011 Financial Performance

# ACTUAL VERSUS PROSPECT STATEMENT

|  | Actual<br>2QFY2011<br>(S\$'000) | Forecast <sup>1</sup><br>2QFY2011<br>(S\$'000) | ↑ / (↓)      | Actual<br>1QFY2011<br>(S\$'000) | ↑ / (↓)     |
|--|---------------------------------|--|--------------|---------------------------------|-------------|
| Gross revenue  | 59,419                          | 53,218   | 11.7%        | 55,000                          | 8.0%        |
| Property operating expenses  | (17,887)                        | (16,717)                                       | 7.0%         | (16,760)                        | 6.7%        |
| <b>Net Property Income</b>   | <b>41,532</b>                   | <b>36,501</b>                                  | <b>13.8%</b> | <b>38,240</b>                   | <b>8.6%</b> |
| Interest on borrowings   | (5,626)                         | (5,322)  | 5.7%         | (4,964)                         | 13.3%       |
| Trust expenses   | (5,527)                         | (4,453)  | 24.1%        | (4,653)                         | 18.8%       |
| <b>Net income before tax &amp; distribution</b>                          | <b>30,379</b>                   | <b>26,726</b>                                  | <b>13.7%</b> | <b>28,623</b>                   | <b>6.1%</b> |
| Net appreciation in the value of investment properties                   | -                               | NA   | -            | -                               | -           |
| <b>Total return for the period before tax</b>                            | <b>30,379</b>                   | <b>26,726</b>                                  | <b>13.7%</b> | <b>28,623</b>                   | <b>6.1%</b> |
| Net non-tax deductible items   | 1,268                           | 404  | 213.9        | 408                             | 210.8%      |
| <b>Adjusted taxable income available for distribution to unitholders</b> | <b>31,647</b>                   | <b>27,130</b>                                  | <b>16.6%</b> | <b>29,031</b>                   | <b>9.0%</b> |
| <b>Distribution per Unit (cents)</b>                                     | <b>2.05</b>                     | <b>1.85</b>                                    | <b>10.8%</b> | <b>1.98</b>                     | <b>3.5%</b> |

**Footnote:**

<sup>1</sup> The Forecast figures formed part of the Forecast Year 2011/2012 figures disclosed in the Prospectus dated 12 October 2010 (the "Prospectus"). The Forecast does not include the contributions from the Flatted Factories portfolio acquired from JTC on 26 August 2011.



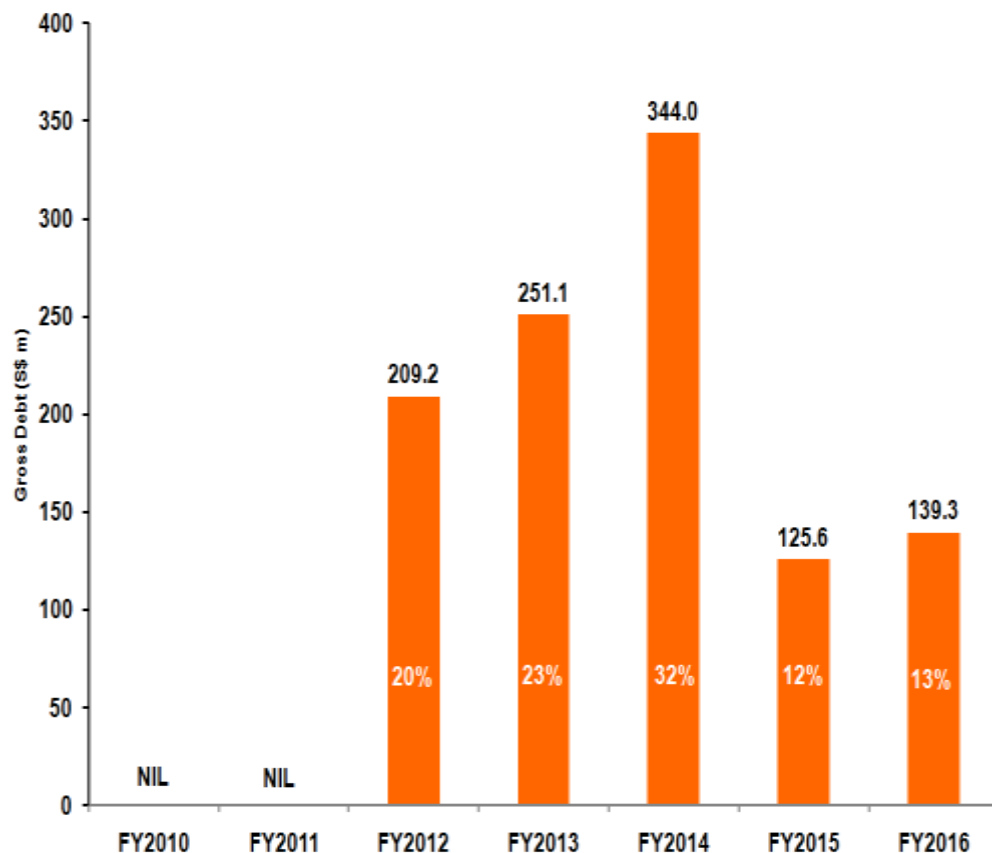
# HEALTHY BALANCE SHEET

|   | <b>Actual<br/>30 Sep 2011</b> | <b>Actual<br/>30 Jun 2011</b> |
|---|-------------------------------|-------------------------------|
| Total Assets (S\$'000)                                  | 2,716,477 <sup>1</sup>        | 2,313,853                     |
| Total Liabilities (S\$'000)                             | 1,177,018                     | 932,009                       |
| <b>Net Assets Attributable to Unitholders (S\$'000)</b> | <b>1,539,459</b>              | <b>1,381,844</b>              |
| <b>Net Asset Value per Unit (S\$)</b>                   | <b>0.95</b>                   | <b>0.95</b>                   |
| <b>Aggregate Leverage Ratio (%)</b>                     | <b>39.2</b>                   | <b>36.0</b>                   |
| <b>Interest Coverage Ratio</b>                          | <b>6.4 times</b>              | <b>6.8 times</b>              |

<sup>1</sup> The increase in value of investment properties reflects the acquisition value of the Flatted Factories portfolio acquired from JTC on 26 August 2011.



# SUSTAINABLE CAPITAL STRUCTURE



|   | As at<br>30 Sep 2011            |
|---|---------------------------------|
| <b>Total Debt</b>                                     | <b>S\$1,069.2 mil</b>           |
| <b>Fixed as a % of Total Debt</b>                     | <b>78%</b>                      |
| <b>Weighted Average All-in Funding Cost</b>           | <b>2.2%</b>                     |
| <b>Weighted Average Tenor of Debt</b>                 | <b>2.7 years</b>                |
| <b>Assets Unencumbered as % of Total Assets</b>       | <b>100%</b>                     |
| <b>MIT's Issuer Default Rating (by Fitch Ratings)</b> | <b>BBB+ with Stable Outlook</b> |



# Portfolio Update

# 81 Properties Across 4 Key Property Types

- One of the largest industrial landlords in Singapore
  - Total assets of approx. **S\$2.7 billion**
  - Total GFA of approx. **1.8 million sq m**
  - Total NLA of approx. **1.3 million sq m**
  - Tenant base of more than **2,000** MNCs, listed companies & local enterprises
- ✓ **Largest tenant base among industrial S-REITs**



Business Park Buildings



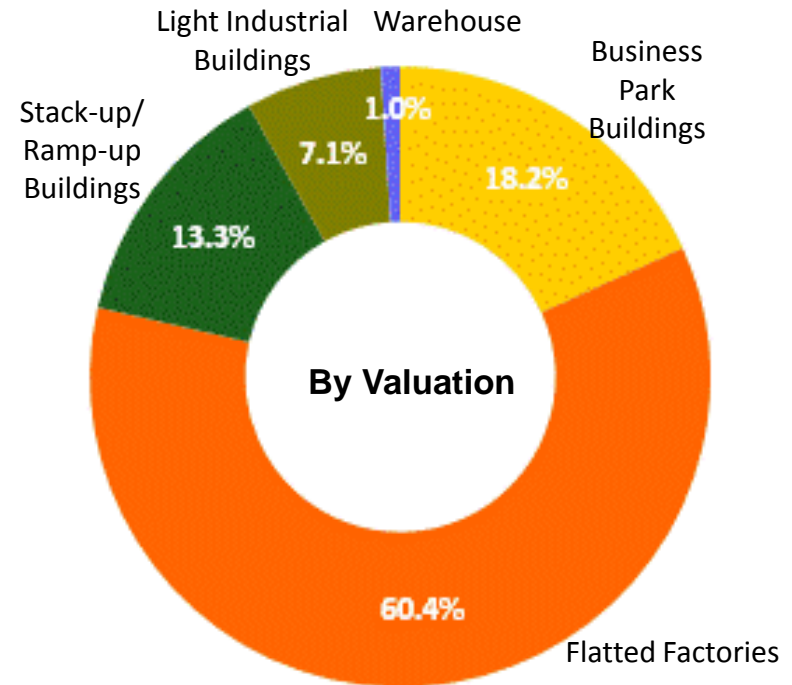
Flatted Factories



Stack-up / Ramp-up Buildings



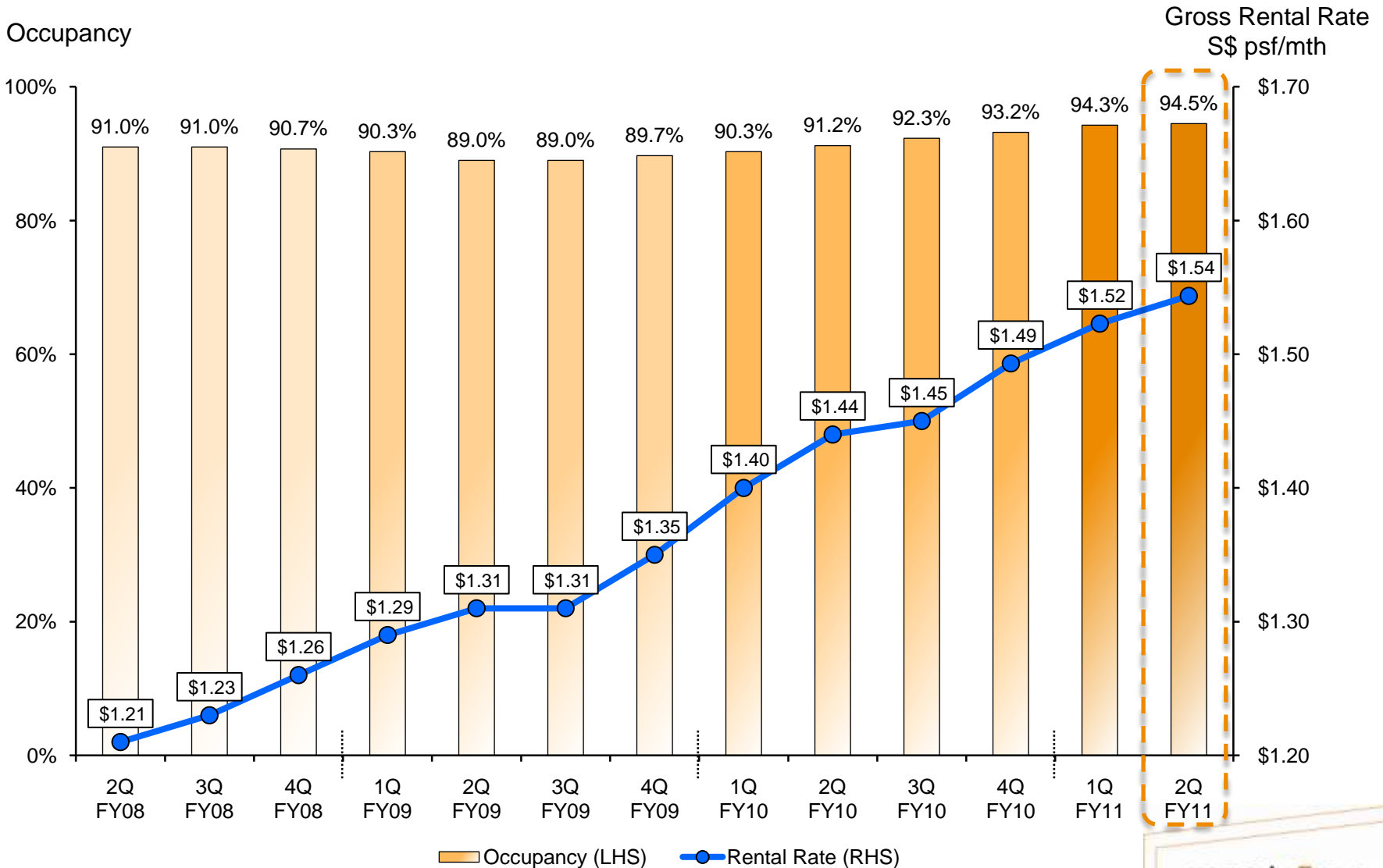
Light Industrial Buildings



As at 30 Sep 2011



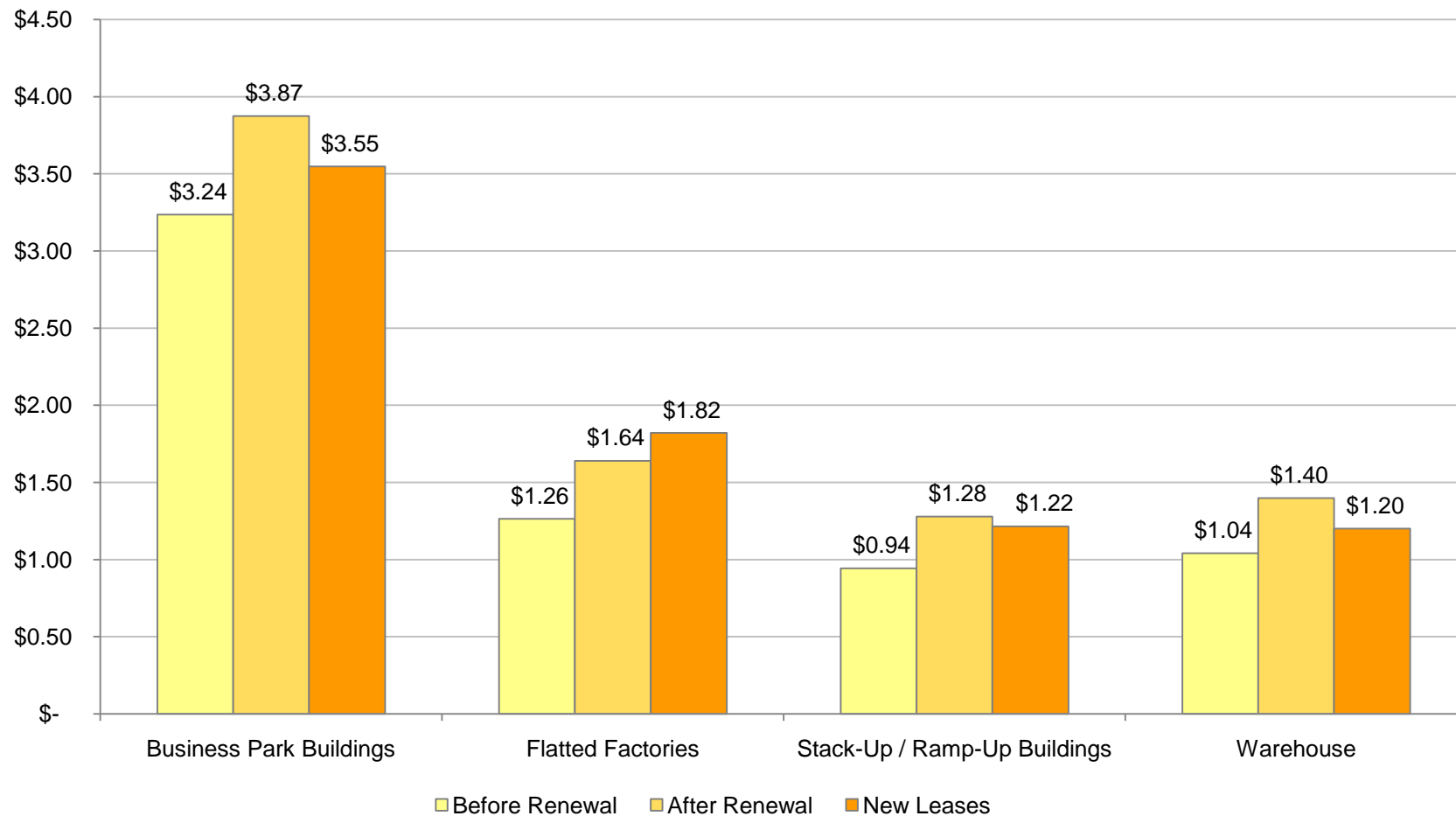
# HIGHER OCCUPANCY & PASSING RENT



# POSITIVE RENTAL REVISIONS

Gross Rental Rate

S\$ psf/mth

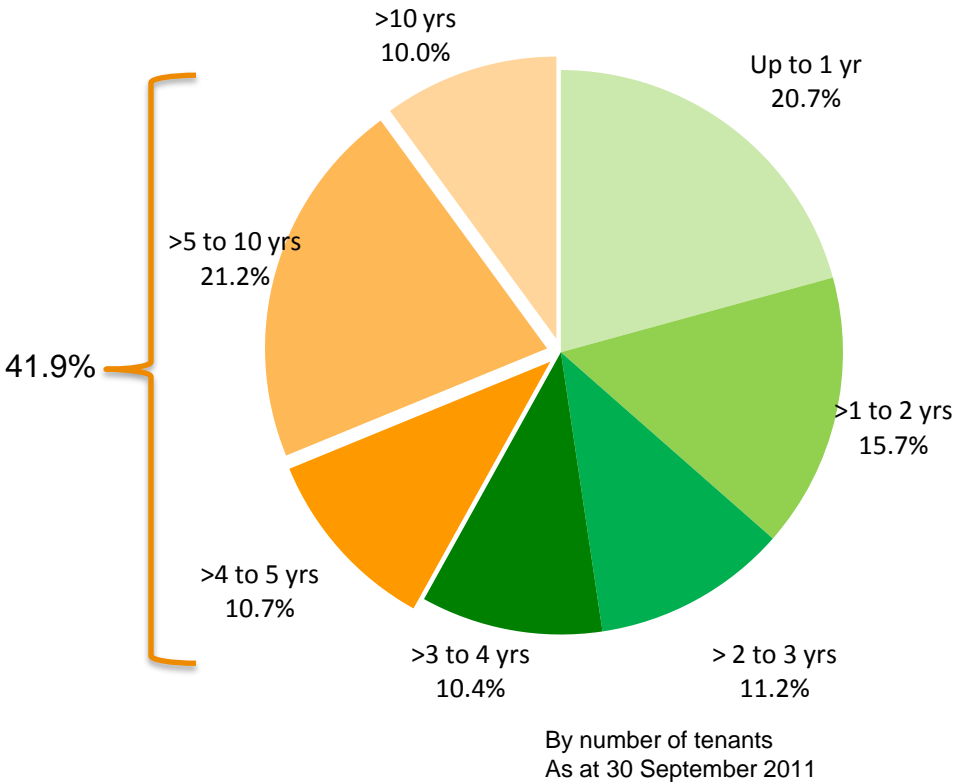


For period 2QFY2011



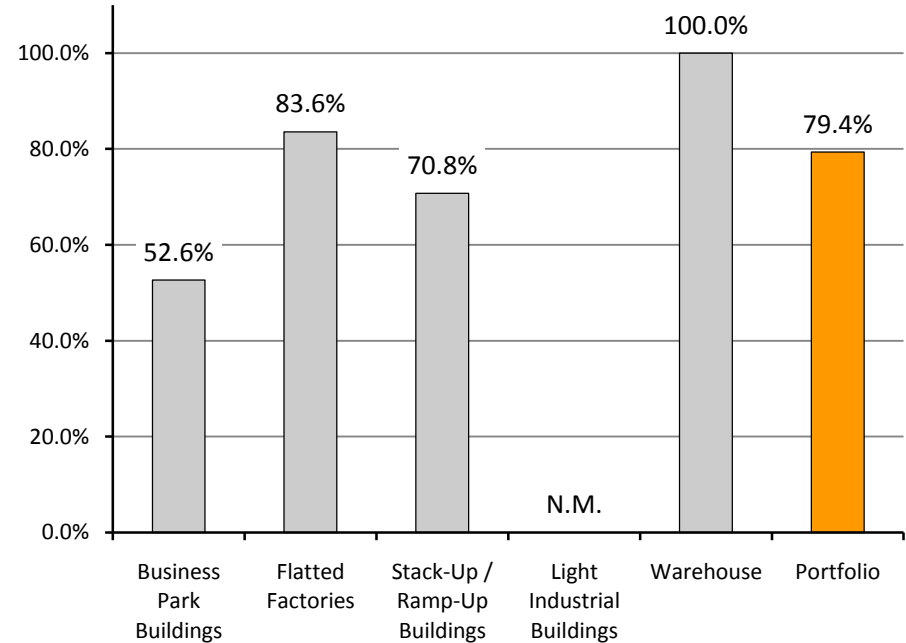
# CONTINUED STRONG TENANT RETENTION

## Long Staying Tenants



## High Retention Rate for 2QFY2011

Average Retention Rate



Based on NLA.

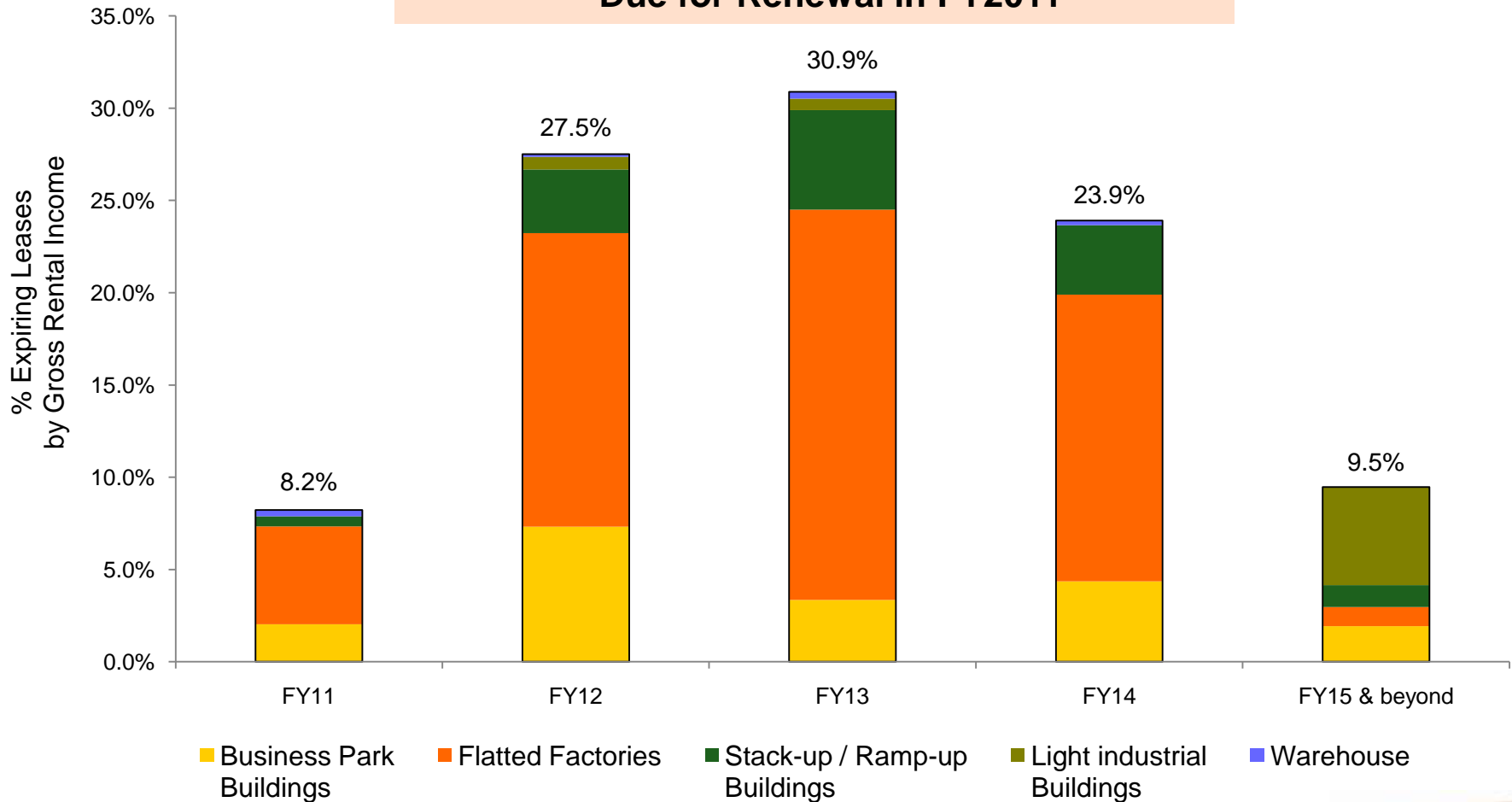
Not meaningful for Light Industrial Buildings as no leases were due for renewal

- 41.9% of the tenants have leased the properties for more than 4 years
- High tenant retention rate of 79.4% in 2QFY2011



# LEASE EXPIRY PROFILE

**Stable Rental Revenue with 8.2% of Leases Due for Renewal in FY2011**

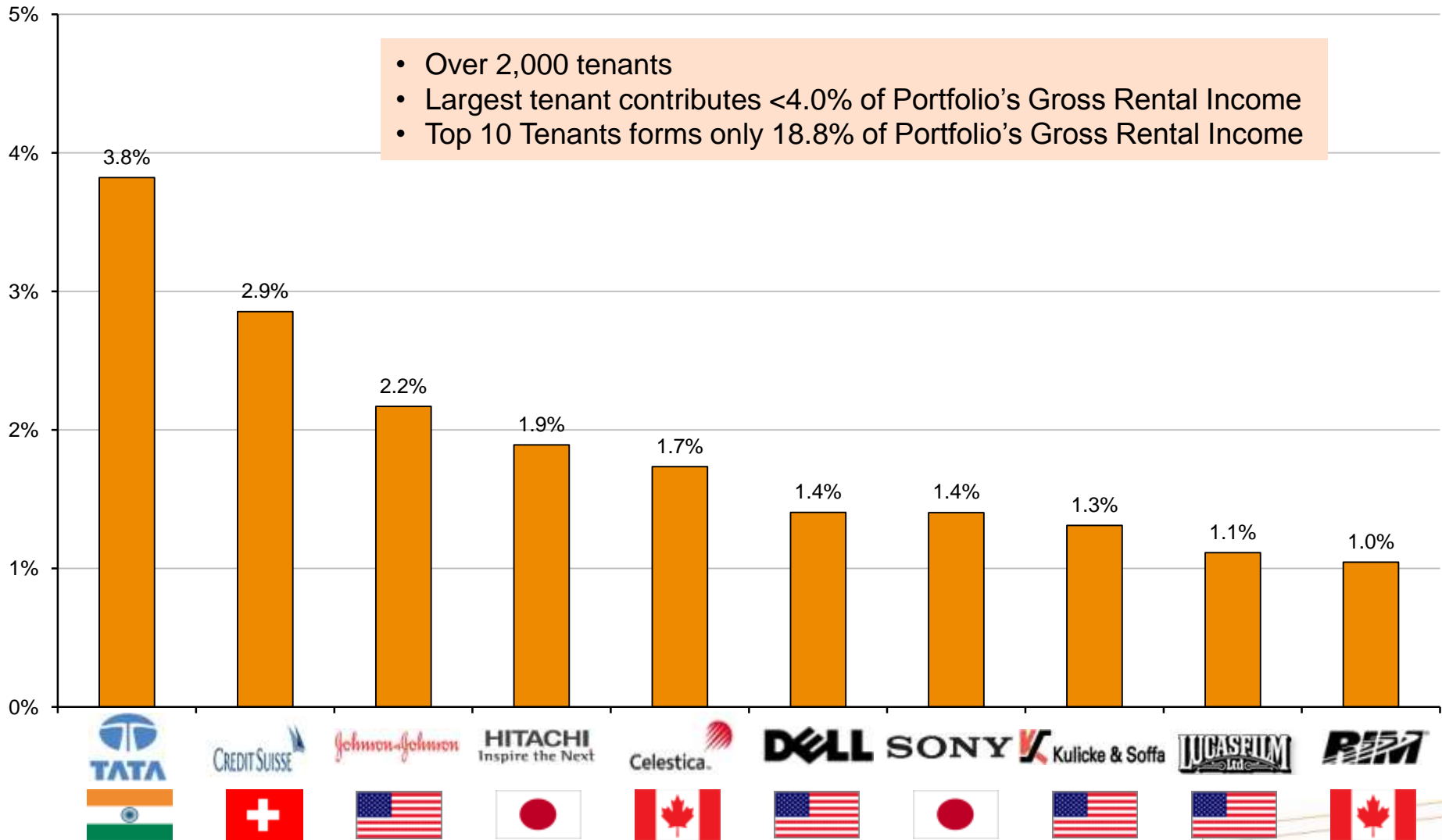


As at 30 Sep 2011

**Portfolio WALE by Rental Income = 2.5 years**

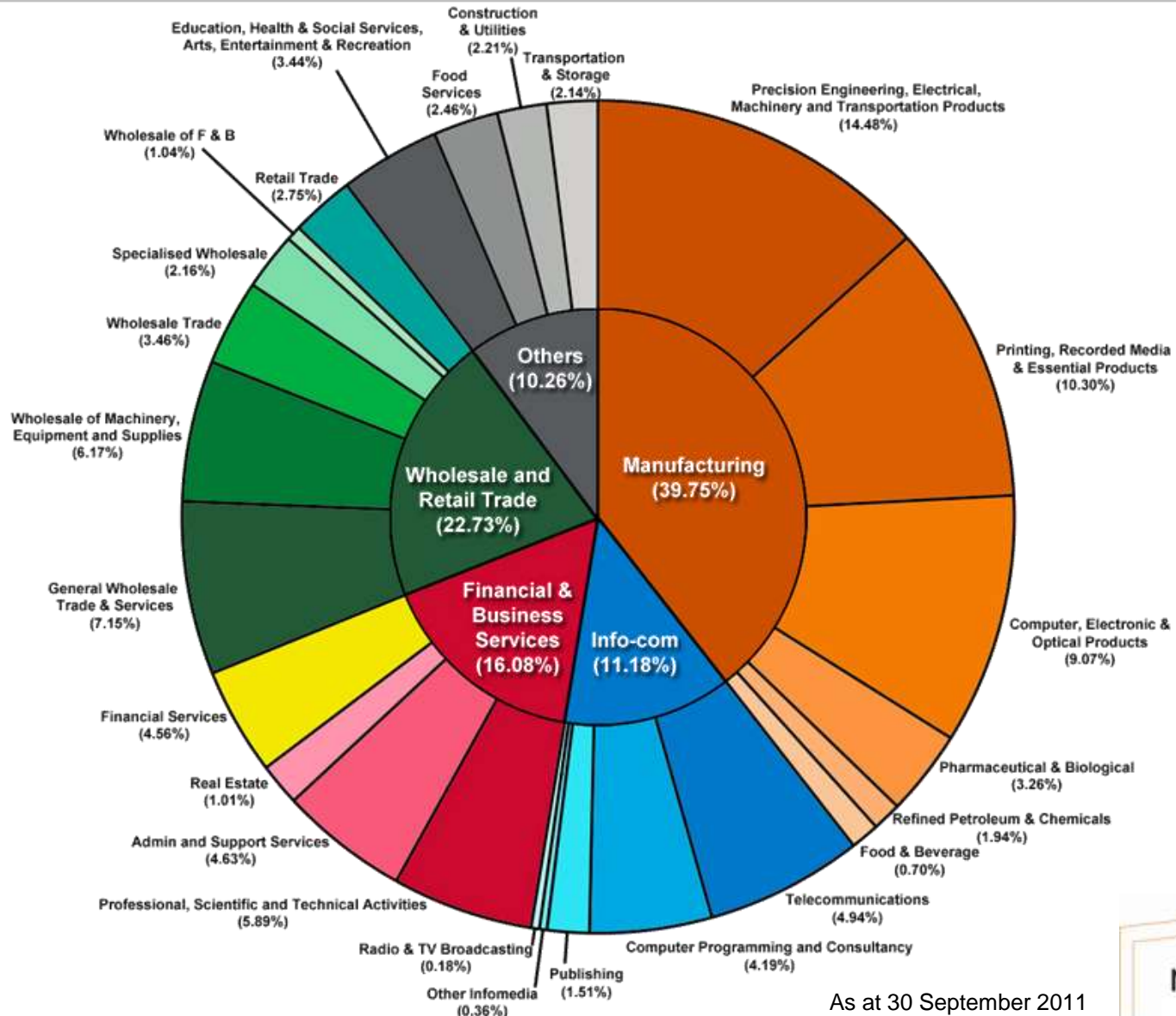


# LARGE AND DIVERSE TENANT BASE





# DIVERSITY OF TENANT TRADE SECTOR



# Outlook & Strategy

# MARKET OUTLOOK

- For the quarter ending 30 Sep 2011, on a seasonally-adjusted quarter-on-quarter (“q-o-q”) annualized basis, the economy grew by 5.9% compared to the 1.0% growth recorded in the previous quarter<sup>1</sup>
  - ✓ Growth bolstered by the biomedical manufacturing cluster
- Average rents of prime industrial real estate for the quarter ending 30 Sep 2011 has increased from the previous quarter <sup>2</sup>
  - ✓ Hi-Specs Space : S\$3.46 psf/mth (+1.5%)
  - ✓ Factory (Ground Floor) : S\$2.34 psf/mth (+4.0%)
  - ✓ Factory (Upper Floor) : S\$2.04 psf/mth (+4.1%)
- Barring any additional shocks to the global economy, the Manager expects market rents to stay flat in the near term

<sup>1</sup> Ministry of Trade and Industry (Advance Estimates)

<sup>2</sup> Colliers Market Report

# BUILDING A RESILIENT PORTFOLIO

- **Continued focus on optimising portfolio potential**
  - ✓ Improve operational synergies within portfolio
  - ✓ Explore opportunities to develop unutilized GFA within portfolio
  
- **Improve offering with longer lease packages to tenants**
  - ✓ Longer lease packages with staggered rental escalations
  - ✓ Help tenants to have longer-term rental certainty for business planning
  - ✓ Build longer relationships with tenants
  - ✓ Extend portfolio WALE

# Conclusion

# ON TRACK TO DELIVER FY2011 DPU

- ✓ **A larger and more resilient Portfolio post acquisition**
- ✓ **Stable revenue for FY2011**
- ✓ **Embedded organic potential within Portfolio**
- ✓ **High market occupancy for generic Flatted Factory space**
- ✓ **Healthy Balance Sheet and proactive capital management**

# STABLE PORTFOLIO WITH GROWTH POTENTIAL

Robust

**Continued Focus on Growth within Portfolio**

Resilient

**Large, Diversified and Resilient Portfolio with Market Presence**

Relevant

**Potential Growth Opportunity from Acquisitions**

Reputable

**Experienced Manager and Committed Sponsor**

Thank You

