

maple<sup>tree</sup>  
industrialtrust

4Q & FY12/13 Financial Results  
23 April 2013



# AGENDA

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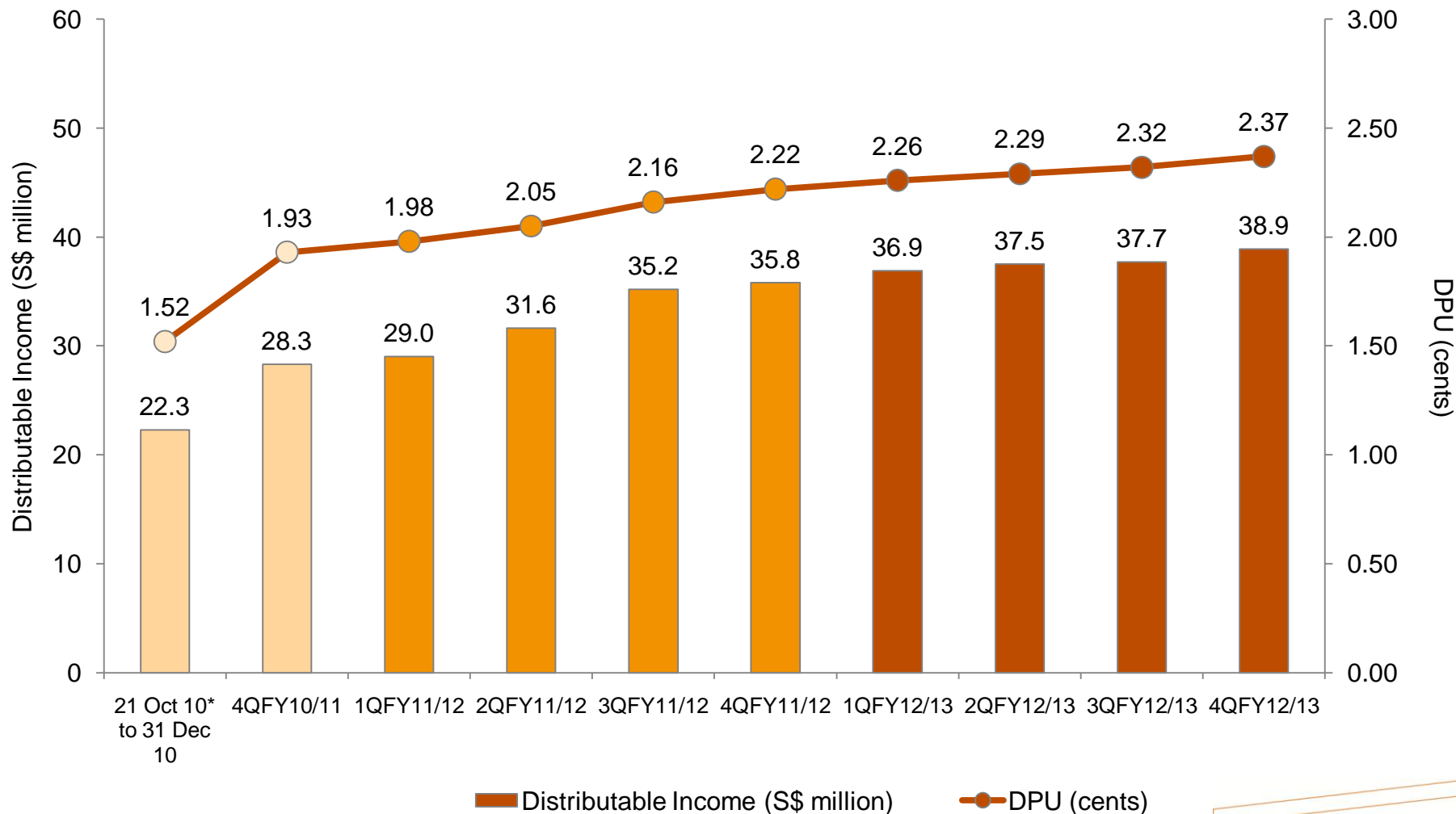
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Outlook & Strategy

# KEY HIGHLIGHTS

- **Strong performance for FY12/13 driven by increased rental revenue and higher occupancies**
  - ✓ FY12/13 Distributable Income rose by 14.6% y-o-y to S\$151.0 million
  - ✓ DPU for FY12/13 increased by 9.9% y-o-y to 9.24 cents with DPU for 4QFY12/13 at 2.37 cents
- **Higher 4QFY12/13 average rental and portfolio occupancy rate**
  - ✓ Higher average passing rental rate of S\$1.68 psf/mth and stable average portfolio occupancy rate at 95.4%
  - ✓ Positive rental revisions of 12.7% to 35.6% achieved across key property segments
  - ✓ Short-term lease extension by Credit Suisse contributed to higher rental revenue for the Business Park Buildings segment
- **Higher portfolio value at S\$2,879.9 million including a revaluation gain of S\$134.9 million**
- **Stronger balance sheet to pursue growth opportunities**
  - ✓ Healthy balance sheet with lower aggregate leverage ratio of 34.8% and weighted all-in funding cost of 2.4%
  - ✓ Application of Distribution Reinvestment Plan (DRP) for 4QFY12/13 following positive take-up of DRP in 3QFY12/13
- **Build-to-suit (BTS) projects for Kulicke and Soffa and Equinix secured in FY12/13 and 2 asset enhancement initiatives (AEI) to increase rental income over the next 2 years**

# SCORECARD SINCE IPO



\*MIT was listed on 21 Oct 10



A decorative graphic consisting of several overlapping, semi-transparent orange shapes. The shapes form a central, notched rectangular area that is wider on the right side. The colors range from a light, pale orange to a darker, more saturated orange. The overall effect is a modern, layered background.

# 4QFY12/13 & FY12/13 Financial Performance

# STATEMENT OF TOTAL RETURNS (YEAR-ON-YEAR)

	4QFY12/13 (S\$'000)	4QFY11/12 (S\$'000)	↑ / (↓)
Gross revenue	72,121	66,292	8.8%
Property operating expenses	(22,543)	(20,316)	11.0%
<b>Net Property Income</b>	<b>49,578</b>	<b>45,976</b>	<b>7.8%</b>
Interest on borrowings	(6,586)	(6,652)	(1.0)%
Trust expenses	(5,796)	(5,546)	4.5%
<b>Net income before tax &amp; distribution</b>	<b>37,196</b>	<b>33,778</b>	<b>10.1%</b>
Net appreciation in the value of investment properties and property under development	134,906	94,092	43.4%
<b>Total return for the period before tax</b>	<b>172,102</b>	<b>127,870</b>	<b>34.6%</b>
Income tax expense	(1,195)	-	N.M. <sup>1</sup>
<b>Total return for the period after tax before distribution</b>	<b>170,907</b>	<b>127,870</b>	<b>33.7%</b>
Net non-tax deductible items	(131,976)	(92,066)	43.3%
<b>Adjusted taxable income available for distribution to Unitholders</b>	<b>38,931</b>	<b>35,804</b>	<b>8.7%</b>
<b>Distribution per Unit (cents)</b>	<b>2.37</b>	<b>2.22</b>	<b>6.8%</b>

Footnote:

<sup>1</sup> N.M – Not meaningful.

# STATEMENT OF TOTAL RETURNS (YEAR-ON-YEAR)

	FY12/13 (S\$'000)	FY11/12 (S\$'000)	↑ / (↓)
Gross revenue	276,433	246,371	12.2%
Property operating expenses	(80,997)	(75,051)	7.9%
<b>Net Property Income</b>	<b>195,436</b>	<b>171,320</b>	<b>14.1%</b>
Interest on borrowings	(27,129)	(23,573)	15.1%
Trust expenses	(22,747)	(21,410)	6.2%
<b>Net income before tax &amp; distribution</b>	<b>145,560</b>	<b>126,337</b>	<b>15.2%</b>
Net appreciation in the value of investment properties and property under development	134,906	94,092	43.4%
<b>Total return for the period before tax</b>	<b>280,466</b>	<b>220,429</b>	<b>27.2%</b>
Income tax expense	(1,195)	-	N.M. <sup>1</sup>
<b>Total return for the period after tax before distribution</b>	<b>279,271</b>	<b>220,429</b>	<b>26.7%</b>
Net non-tax deductible items	(128,310)	(88,730)	44.6%
<b>Adjusted taxable income available for distribution to Unitholders</b>	<b>150,961</b>	<b>131,699</b>	<b>14.6%</b>
<b>Distribution per Unit (cents)</b>	<b>9.24</b>	<b>8.41</b>	<b>9.9%</b>

Footnote:

<sup>1</sup> N.M – Not meaningful.

# STATEMENT OF TOTAL RETURNS (QTR-ON-QTR)

	4QFY12/13 (S\$'000)	3QFY12/13 (S\$'000)	↑ / (↓)
Gross revenue	72,121	69,230	4.2%
Property operating expenses	(22,543)	(20,130)	12.0%
<b>Net Property Income</b>	<b>49,578</b>	<b>49,100</b>	<b>1.0%</b>
Interest on borrowings	(6,586)	(6,773)	(2.8%)
Trust expenses	(5,660)	(5,660)	(1.3%)
<b>Net income before tax &amp; distribution</b>	<b>37,196</b>	<b>36,667</b>	<b>1.4%</b>
Net appreciation in the value of investment properties and property under development	134,906	-	N.M <sup>1</sup>
<b>Total return for the period before tax</b>	<b>172,102</b>	<b>36,667</b>	<b>369.4%</b>
Income tax expense	(1,195)	-	N.M <sup>1</sup>
<b>Total return for the period after tax before distribution</b>	<b>170,907</b>	<b>36,667</b>	<b>366.1%</b>
Net non-tax deductible items	(131,976)	996	N.M <sup>1</sup>
<b>Adjusted taxable income available for distribution to Unitholders</b>	<b>38,931</b>	<b>37,663</b>	<b>3.4%</b>
<b>Distribution per Unit (cents)</b>	<b>2.37</b>	<b>2.32</b>	<b>2.2%</b>

Footnote:

7 <sup>1</sup> N.M – Not meaningful.



# HEALTHY BALANCE SHEET

	31 Mar 2013	31 Dec 2012
Total Assets (S\$'000)	2,967,608	2,818,486
Total Liabilities (S\$'000)	1,163,918	1,163,475
<b>Net Assets Attributable to Unitholders (S\$'000)</b>	<b>1,803,690</b>	<b>1,655,011</b>
<b>Net Asset Value per Unit (S\$)</b>	<b>1.10</b>	<b>1.02</b>

# STRONGER BALANCE SHEET

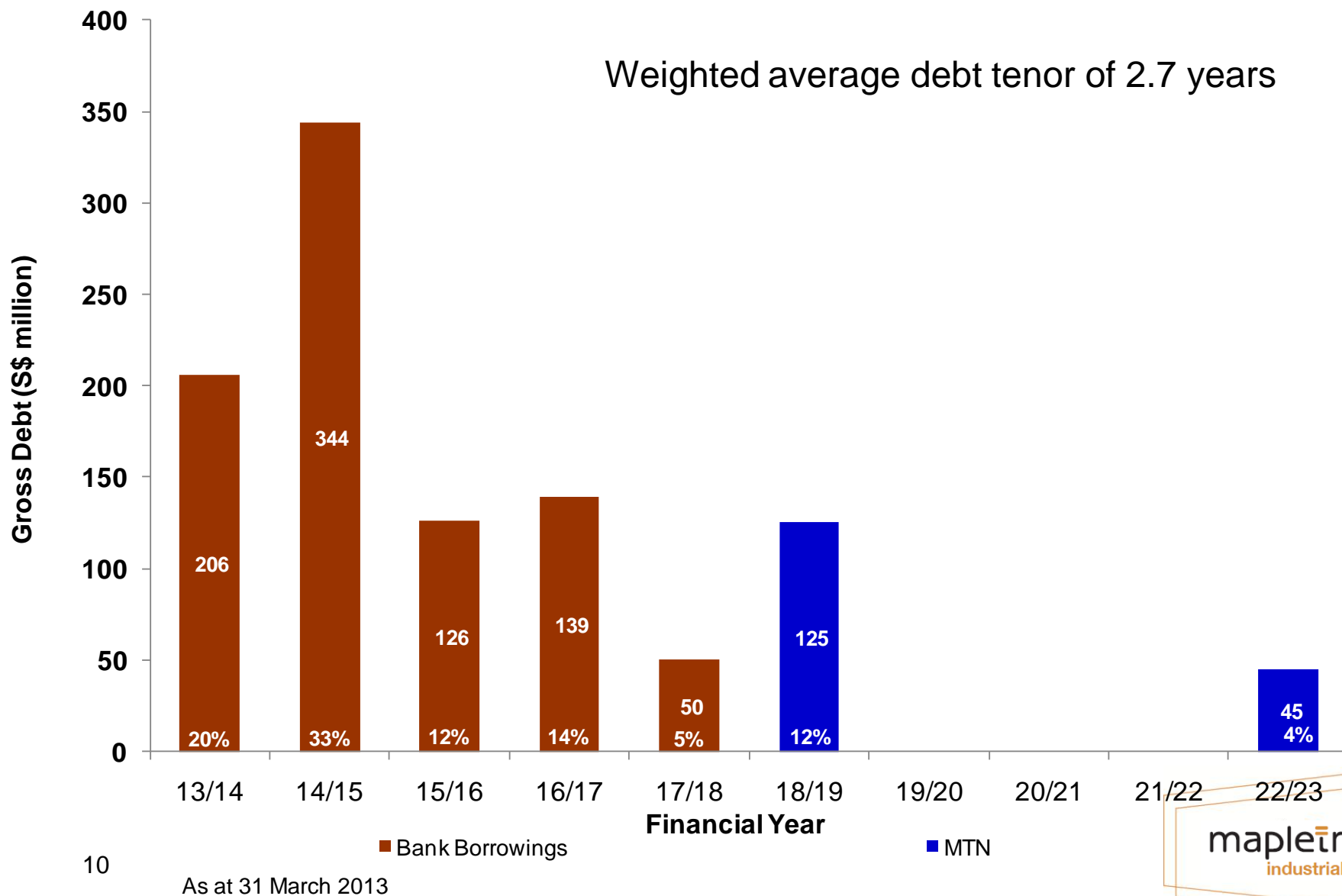
	As at 31 Mar 2013	As at 31 Dec 2012
Total Debt	S\$1,035.0 million	S\$1,048.5 million
Aggregate Leverage Ratio	34.8%	37.1%
Fixed as a % of Total Debt	88%	87%
Weighted Average Tenor of Debt	2.7 years	2.9 years

	4Q FY12/13	3Q FY12/13
Weighted Average All-in Funding Cost	2.4%	2.4%
Interest Coverage Ratio	6.6 times	6.4 times

## Stronger balance sheet to pursue growth opportunities

- Lower aggregate leverage ratio due to revaluation gain  
→ higher headroom for acquisitions/BTS opportunities
- Higher interest coverage ratio of 6.6 times
- 100% of loans unsecured with minimal covenants

# DEBT MATURITY PROFILE



# DISTRIBUTION DETAILS

Distribution Period	Distribution per Unit (cents)
1 January 2013 to 31 March 2013	2.37

Distribution Timetable	Dates
Last day of trading on “cum” basis	26 April 2013, 5:00pm
Ex-date	29 April 2013, 9:00am
Book closure date	2 May 2013, 5:00pm
Distribution payment date/ Credit of DRP Units to Unitholders’ securities accounts	By 4 June 2013
Listing of the DRP Units on the SGX-ST	By 5 June 2013



# Portfolio Update

# 83 PROPERTIES ACROSS 4 KEY PROPERTY TYPES

- One of the largest industrial landlords in Singapore
- Total property assets of approx. **S\$2.9 billion**
- Total GFA of approx. **19.1 million sq ft**
- Total NLA of approx. **14.2 million sq ft**
- Tenant base of more than **2,000** MNCs, listed companies & local enterprises

✓ **Largest tenant base among industrial S-REITs**



Flatted Factories



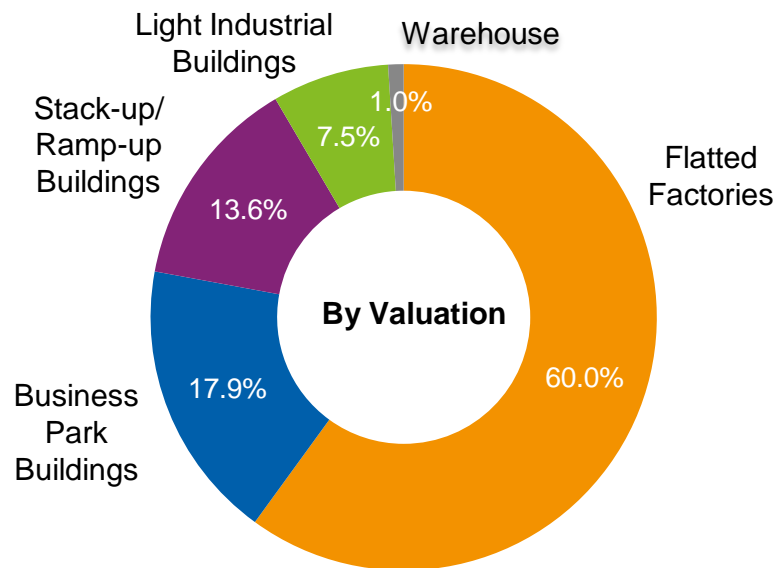
Business Park Buildings



Stack-up / Ramp-up Buildings

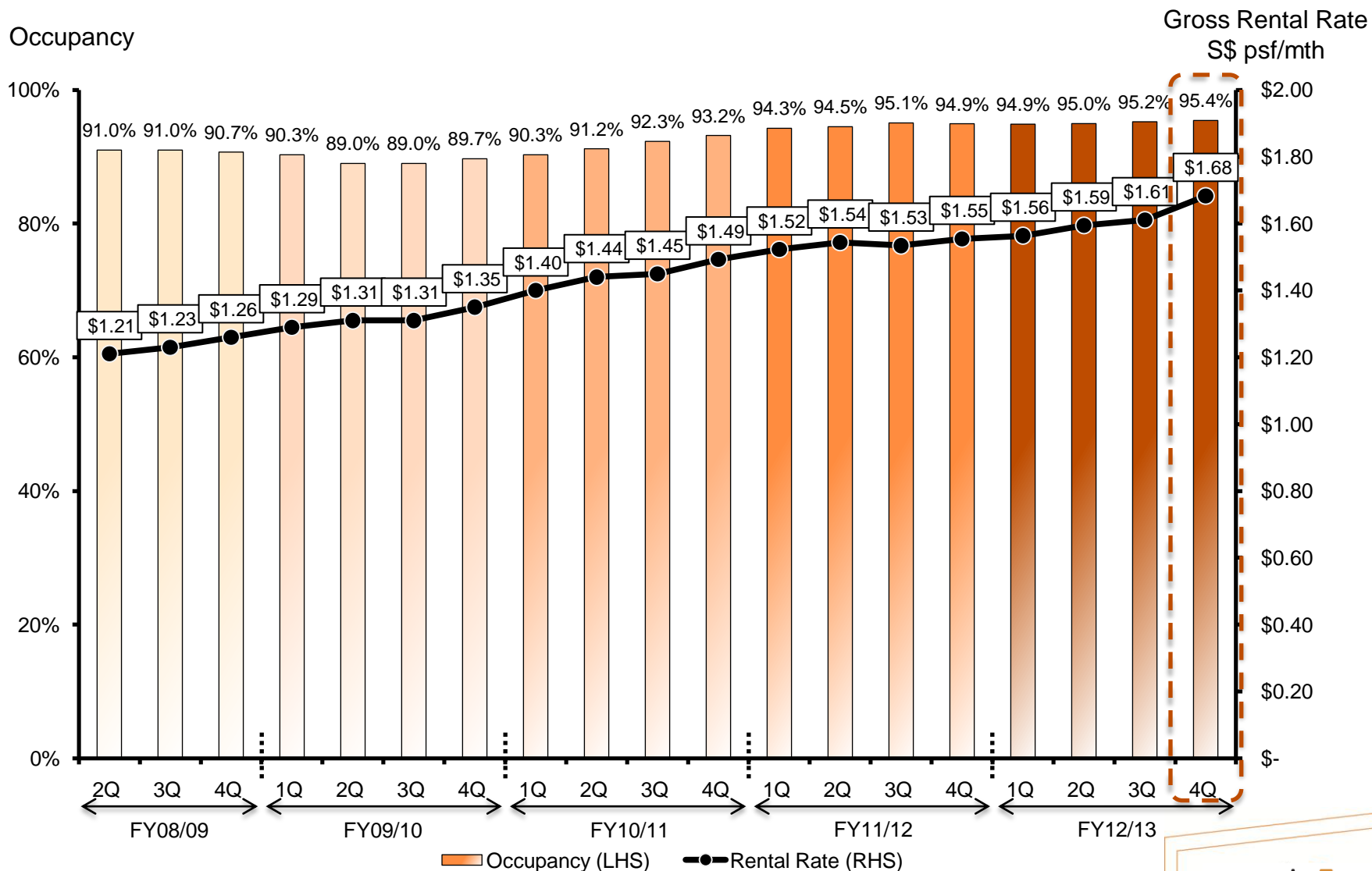


Light Industrial Buildings



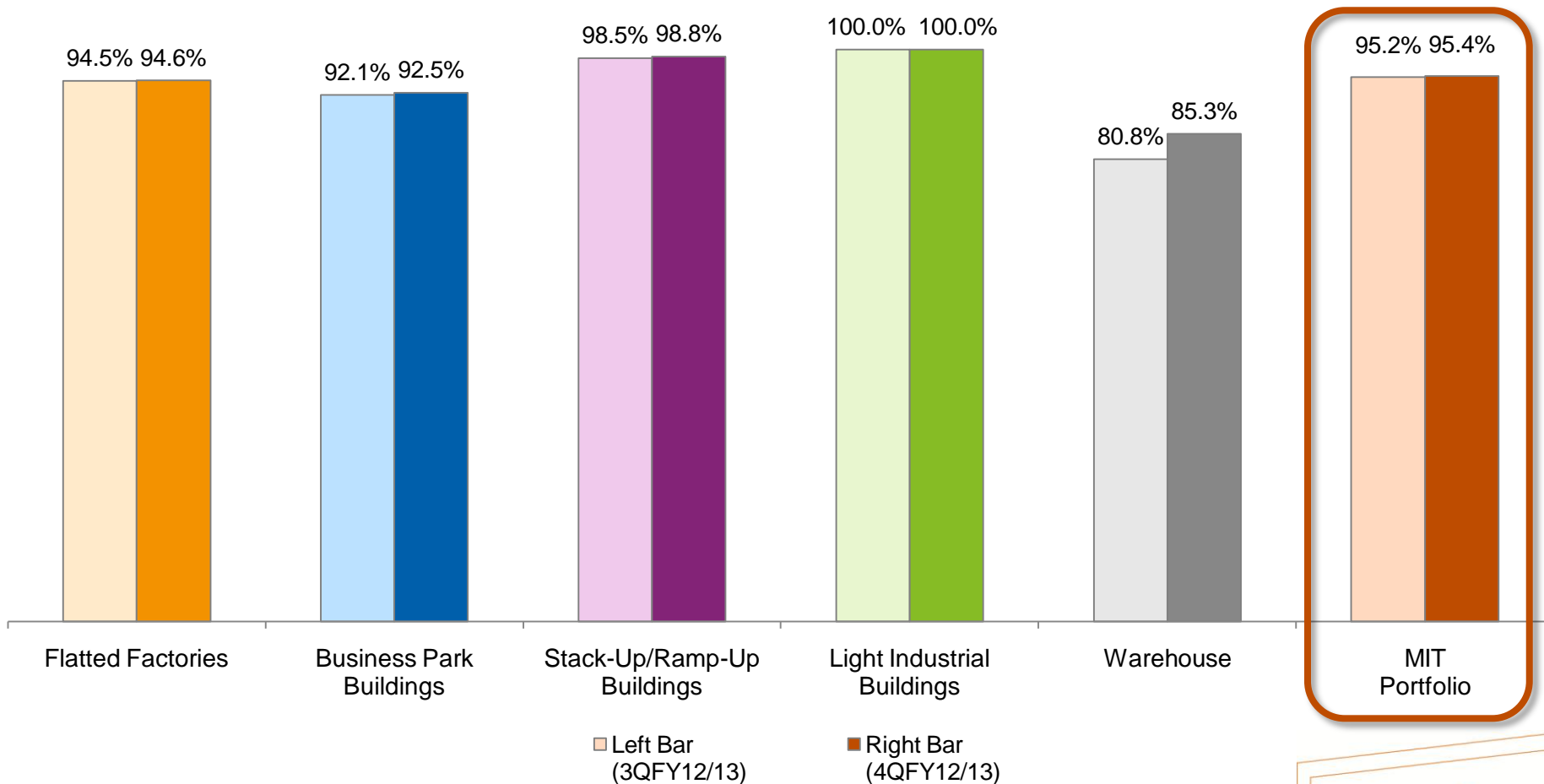
As at 31 March 2013

# RESILIENT PORTFOLIO PERFORMANCE



# STABLE OCCUPANCY LEVELS

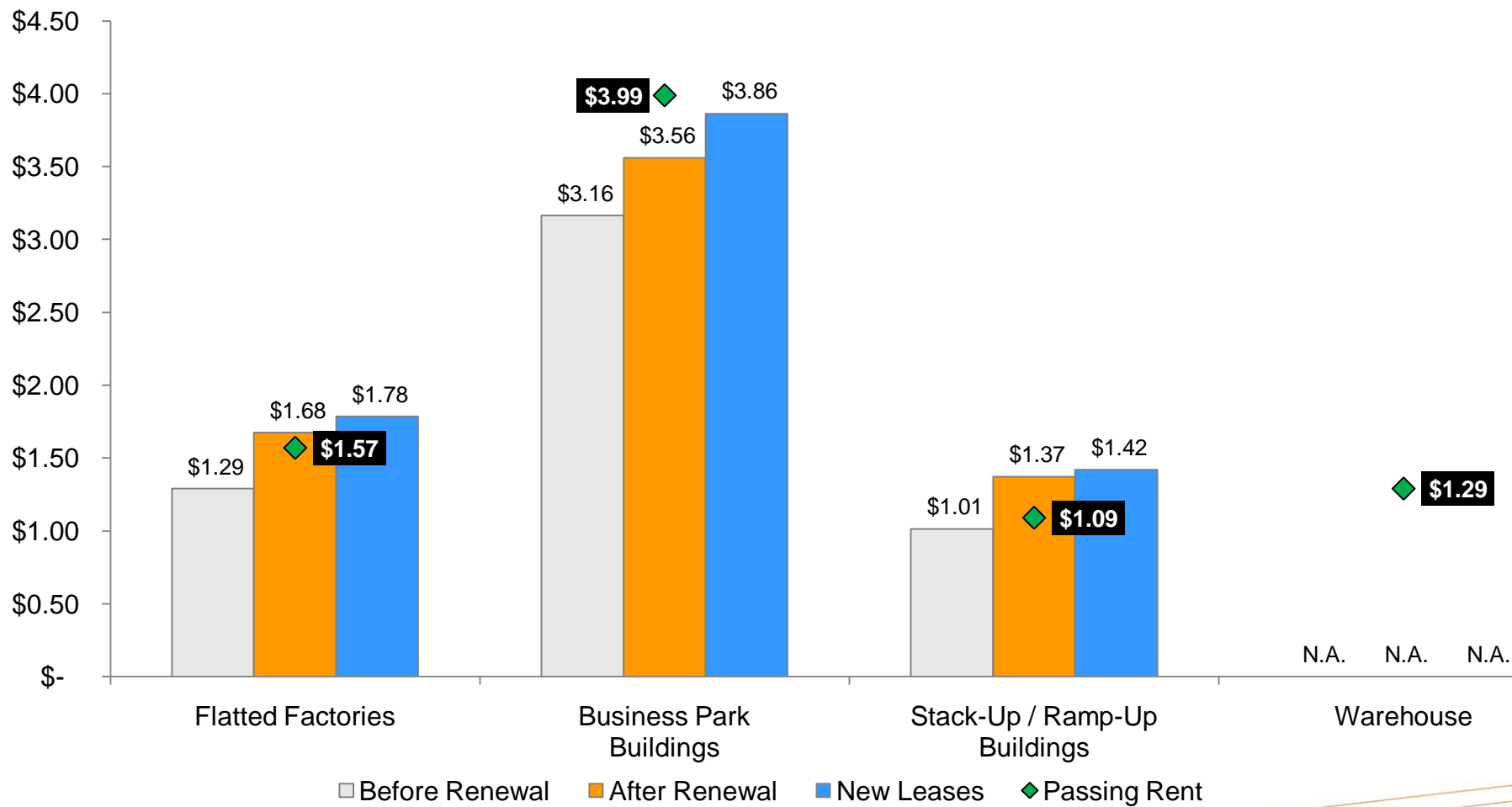
## Breakdown of Occupancy Levels by Property Segments





# POSITIVE RENTAL REVISIONS

Gross Rental Rate  
S\$ psf/mth



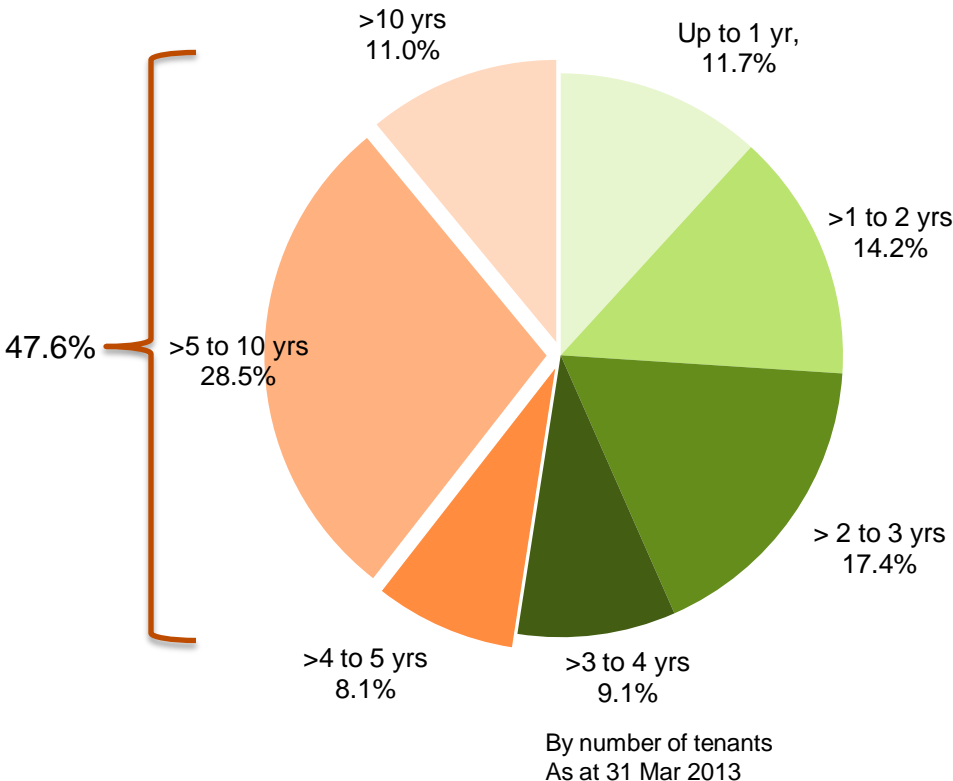
For period 4QFY12/13

Note: Numbers exclude short term leases except for Passing Rent



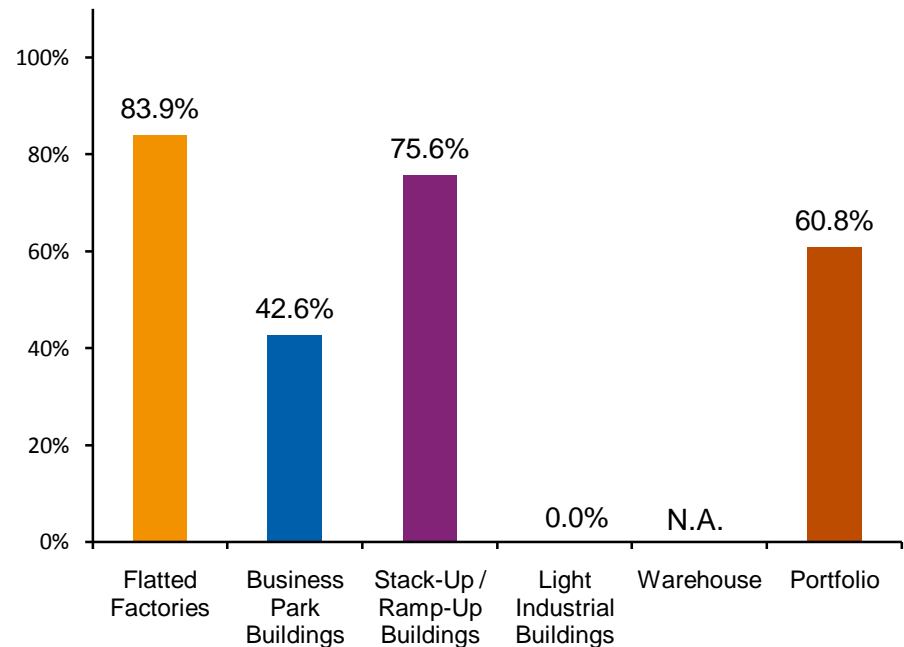
# STRONG TENANT RETENTION

## Long Staying Tenants



## Retention Rate for 4QFY12/13

### Average Retention Rate



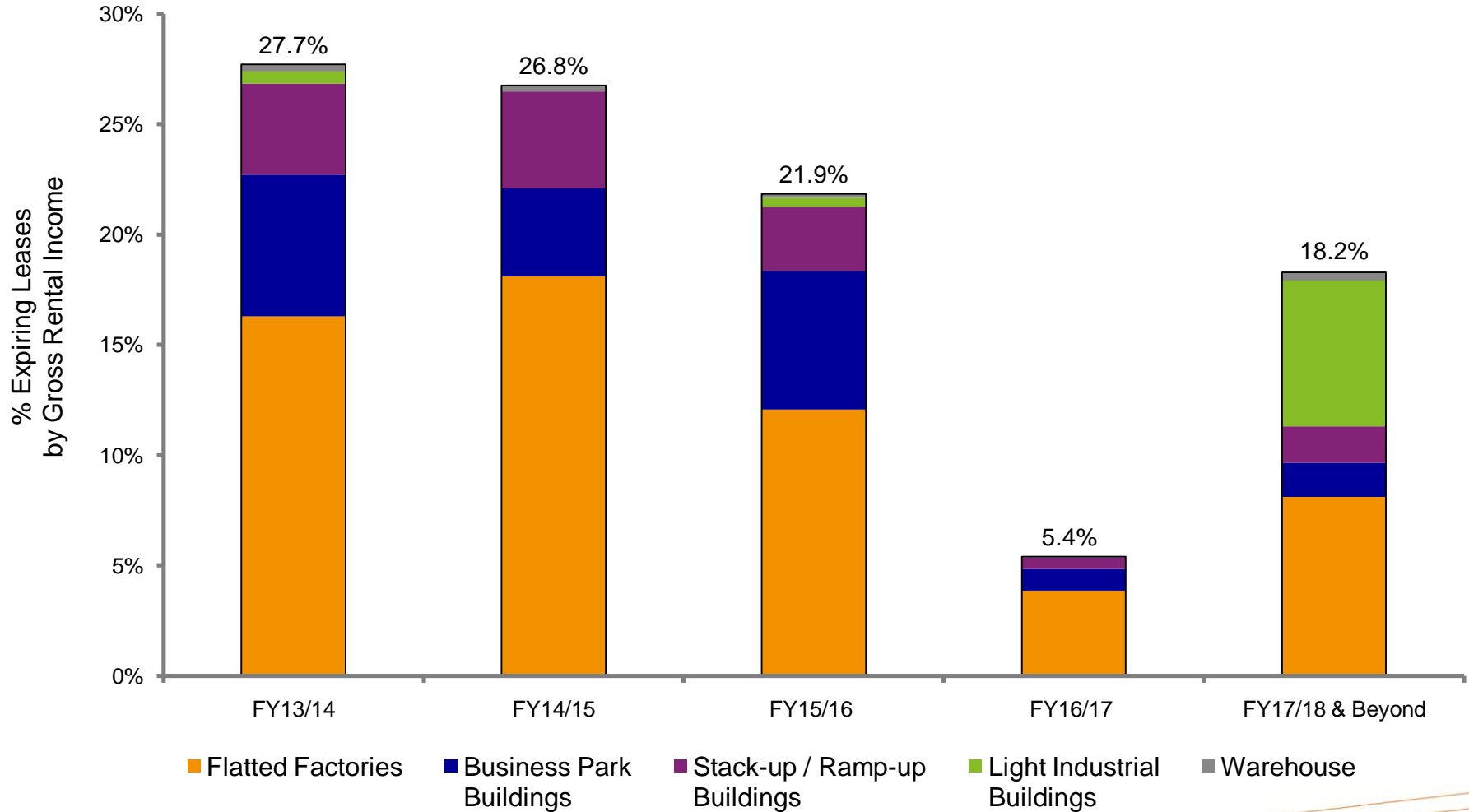
Based on NLA.

Not applicable for Warehouse as no leases were due for renewal

- 47.6% of the tenants have leased the properties for more than 4 years
- Tenant retention rate of 60.8% in 4QFY12/13

# STABLE RENTAL REVENUE

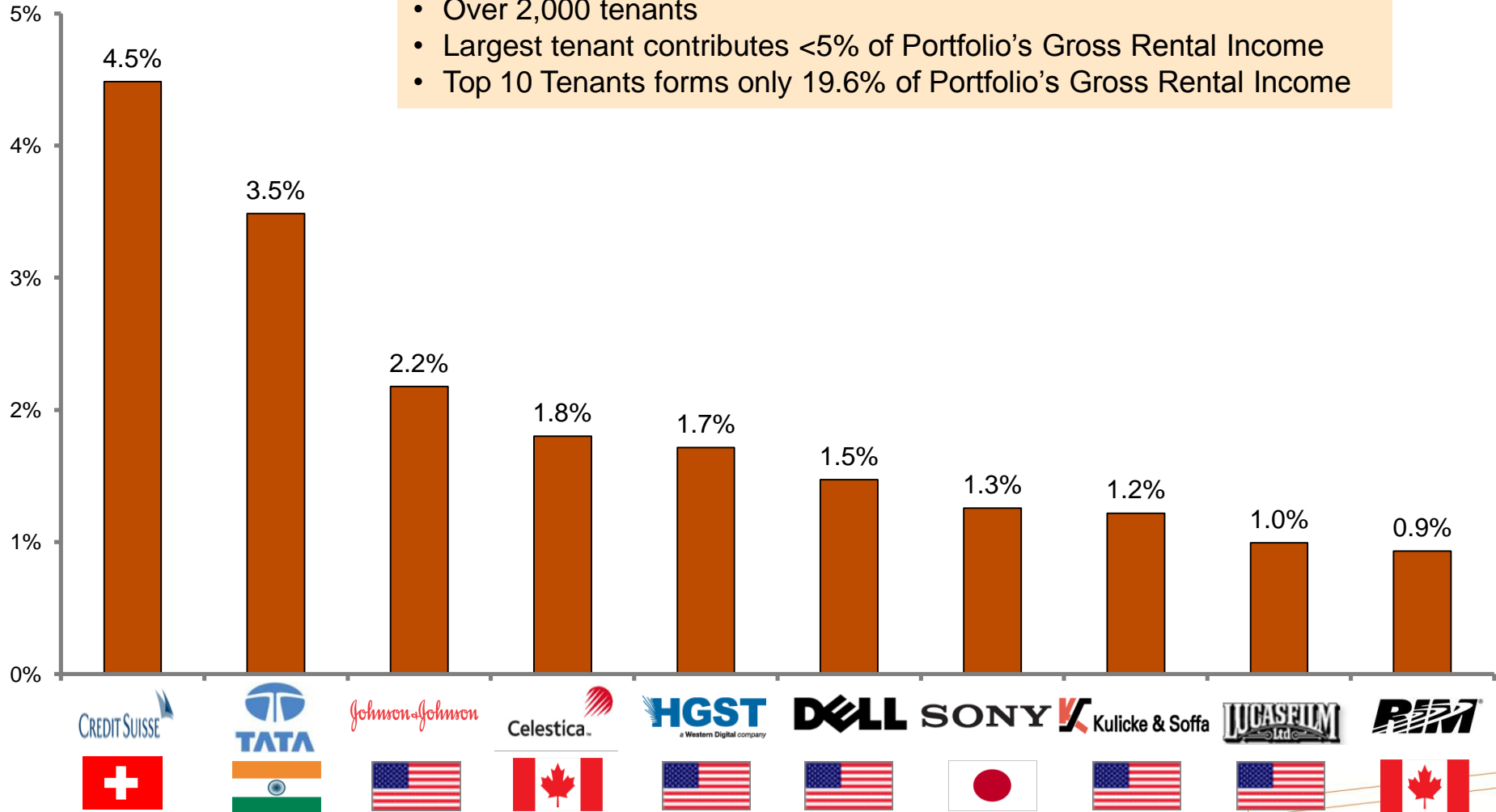
## 27.7% of Leases Remain Due for Renewal in FY13/14



**Portfolio WALE by Gross Rental Income = 2.4 years**

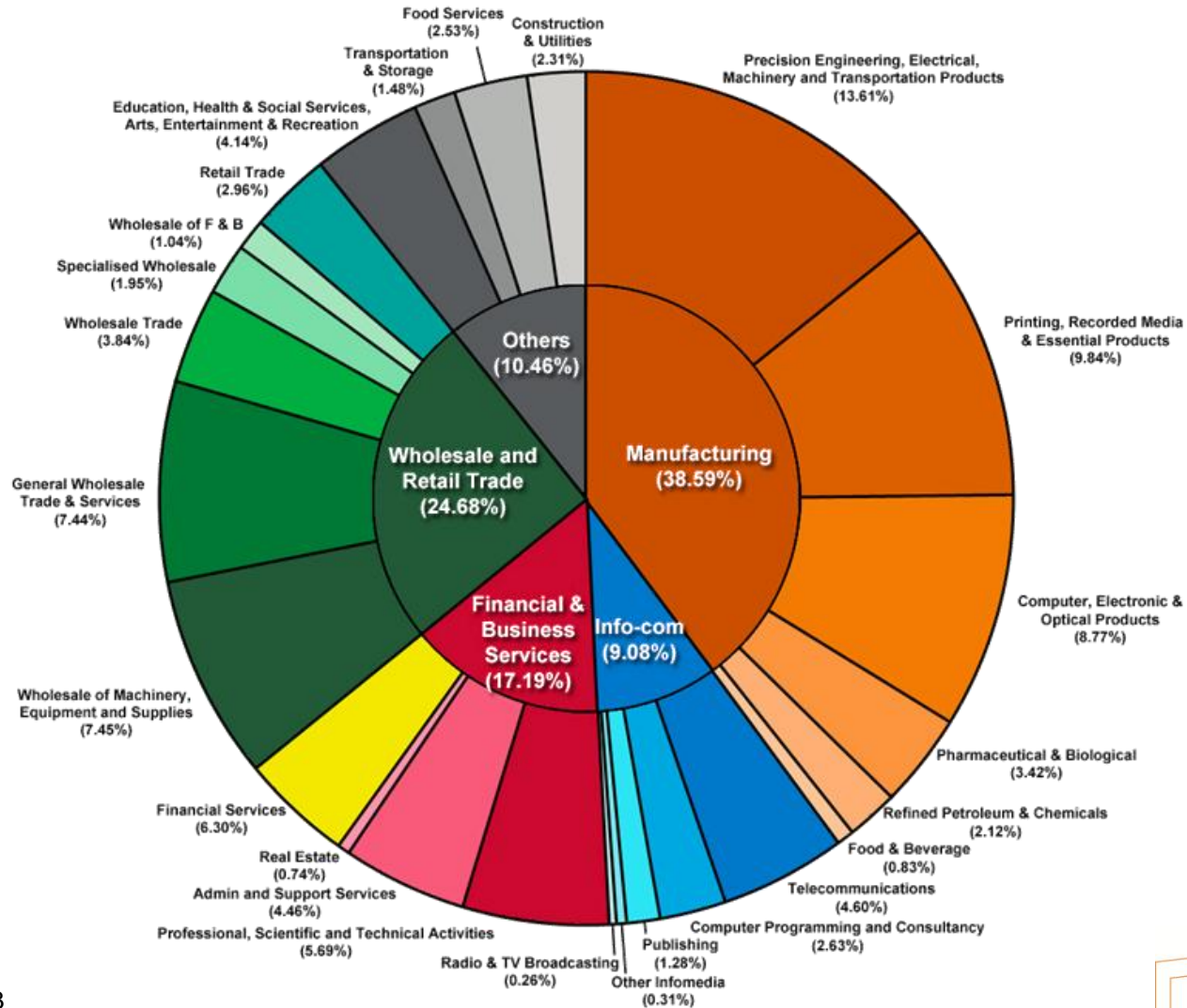
# LARGE AND DIVERSE TENANT BASE

Percentage of  
Gross Rental Income



- Over 2,000 tenants
- Largest tenant contributes <5% of Portfolio's Gross Rental Income
- Top 10 Tenants forms only 19.6% of Portfolio's Gross Rental Income

# DIVERSITY OF TENANT TRADE SECTOR



By Revenue  
As at 31 March 13





# Asset Enhancement and Development Updates

# BUILD-TO-SUIT – EQUINIX



Artist's Impression of completed development

## BTS Development for Equinix

<b>Location</b>	one-north
<b>GFA</b>	385,000 sq ft
<b>Estimated Cost</b>	S\$108 to S\$217 million
<b>Expected Completion</b>	2 <sup>nd</sup> Half 2014 (Phase 1 and Phase 2)

- 2<sup>nd</sup> data centre development after Tata Communications Exchange
- 2<sup>nd</sup> BTS project in FY12/13
- Quality tenant in a growing industry
- Groundbreaking ceremony on 18 April

- ✓ New 7-storey data center for Equinix.
- ✓ 100% of space committed
- ✓ 20 year lease with the option to renew for another two additional 5 year terms, or any other duration depending on the remaining land lease
- ✓ Land lease of 30 years
- ✓ Embedded annual rental escalation

# BUILD-TO-SUIT – KULICKE & SOFFA



*5<sup>th</sup> storey structural works in-progress*



*Artist's Impression of completed development*

## ■ Construction on track for completion

- ✓ New 5-storey high-tech industrial building for Kulicke and Soffa (K&S)
- ✓ 69% of space committed by K&S
- ✓ 10-year lease with the option to renew additional 10 + 10 years
- ✓ Land lease of 30 + 28 years
- ✓ Embedded annual rental escalation

BTS Development for K&S	
<b>Location</b>	Serangoon North Ave 5
<b>GFA</b>	330,000 sq ft
<b>Estimated Cost</b>	S\$50 million
<b>Expected Completion</b>	2 <sup>nd</sup> Half 2013





# AEI – WOODLANDS CENTRAL



*Completed 6-storey extension wing*



*Artist's Impression of completed development*

- **Asset enhancement initiative (AEI) on track for completion**
  - ✓ Reposition cluster as a high-tech industrial space for biomedical and medical technology companies
  - ✓ Extension of 6-storey wing, multi-storey car park and canteen
  - ✓ Secured additional 10% commitment for the new extension wing (60% committed )

Woodlands Central	
<b>Location</b>	33 & 35 Marsiling Industrial Estate Road 3
<b>Additional GFA</b>	70,000 sq ft
<b>Estimated Cost</b>	S\$30 million
<b>Expected Completion</b>	2nd Quarter 2013

# AEI – TOA PAYOH NORTH 1



*Formwork and rebar installation on level 2*

## ■ Construction on track for completion

- ✓ Development of new high-tech industrial building and amenity block with canteen, multi-storey car park and showrooms
- ✓ Central location with convenient access to various amenities
- ✓ Well-connected to Central Business District via major expressways



*Artist's Impression of completed development*

Toa Payoh North 1	
<b>Location</b>	970 & 998 Toa Payoh North
<b>Additional GFA</b>	150,000 sq ft
<b>Estimated Cost</b>	S\$40 million
<b>Expected Completion</b>	4 <sup>th</sup> Quarter 2013



# Outlook & Strategy

# MARKET OUTLOOK

- The economy contracted by 0.6% for the quarter ended 31 March 2013 on a quarter-on-quarter seasonally-adjusted annualised basis, as compared to the 1.5% expansion in the preceding quarter<sup>1</sup>
- Average rents for industrial real estate for 4QFY12/13<sup>2</sup> :
  - ✓ Business Park Space : S\$4.04 psf/mth (+3.3%)
  - ✓ Factory (Ground Floor) : S\$2.49 psf/mth (+0.4%)
  - ✓ Factory (Upper Floor) : S\$2.18 psf/mth (+0.5%)
- Rents for generic factory space and business park space expected to remain stable in the near term

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

<sup>2</sup> Colliers Market Report

# RESILIENT AND WELL-POSITIONED FOR GROWTH

## RESILIENT AND STABLE PORTFOLIO

- Higher Portfolio occupancy and rental rates
- Achieved positive rental revisions across key segments

## ENHANCED FINANCIAL FLEXIBILITY AND STRENGTHENED BALANCE SHEET

- Lower aggregate leverage ratio
- Ready access to diverse sources of funding
- Application of DRP for 4QFY12/13 distribution to finance progress payment requirements of development projects

## GROWTH BY ACQUISITIONS & SELECTIVE DEVELOPMENT

- Successfully secured 2 BTS projects in FY12/13
- Focus on value-adding development projects



Thank You