

maple<sup>tree</sup>  
industrial

3QFY13/14 Financial Results  
21 January 2014



# DISCLAIMER

**This presentation shall be read in conjunction with Mapletree Industrial Trust's ("MIT") financial results for Third Quarter Financial Year 2013/2014 in the SGXNET announcement dated 21 January 2014.**

This presentation is for information only and does not constitute an offer or solicitation of an offer to subscribe for, acquire, purchase, dispose of or sell any units in MIT or any other securities or investment.

Nothing in this presentation should be construed as financial, investment, business, legal or tax advice and you should consult your own independent professional advisors.

The information contained in this presentation has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, opinions and conclusions in this presentation.

This presentation may contain forward-looking statements that involve risks, uncertainties and assumptions. Future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in expected occupancy rate and demands, construction and development risks, changes in operating expenses (including employees wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and on the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management of future events.

The past performance of MIT is not indicative of the future performance of MIT. Similarly, the past performance of Mapletree Industrial Trust Management Ltd. ("**Manager**") is not indicative of the future performance of the Manager.

No part of this presentation may be copied, circulated or used without the prior written consent of the Manager.



# AGENDA

---

1

Key Highlights

2

3QFY13/14 & YTD FY13/14 Financial Performance

3

Portfolio Update

4

Asset Enhancement and Development Updates

5

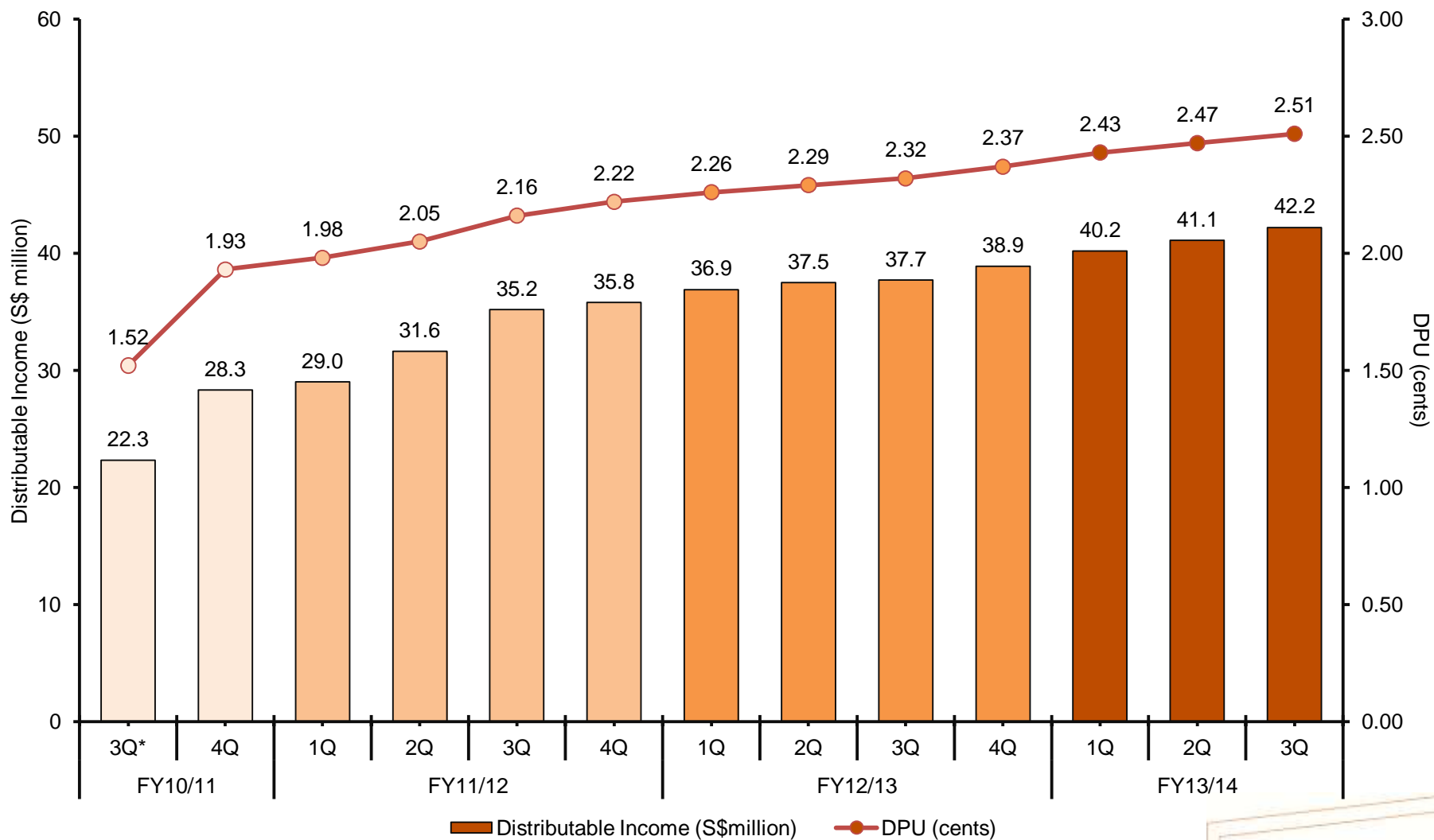
Outlook and Strategy

# KEY HIGHLIGHTS

- **Higher rental revenue across all property segments and improved occupancy at Flatted Factories boost growth in 3QFY13/14 distributable income and DPU**
  - ✓ Distributable Income : S\$42.2 million ( ↑ 12.0% y-o-y)
  - ✓ DPU : 2.51 cents ( ↑ 8.2% y-o-y)
  
- **Resilient portfolio with limited renewal risk for FY13/14**
  - ✓ Average portfolio passing rental rate of S\$1.73 psf/mth and average portfolio occupancy rate of 92.5%
  - ✓ Achieved positive rental revisions across all property segments
  - ✓ Only 5.0% of leases expiring in FY13/14
  
- **Robust capital structure**
  - ✓ Strong balance sheet with aggregate leverage ratio of 36.3% and weighted all-in funding cost of 2.3%
  - ✓ High interest cover ratio of 7.3 times



# SCORECARD SINCE IPO



\*MIT was listed on 21 Oct 10



The background features a large, stylized graphic element in shades of orange and white. It consists of several overlapping, semi-transparent shapes that create a sense of depth and movement, resembling a stylized 'W' or a series of connected lines. The colors range from a light, pale orange to a darker, more saturated orange. The overall effect is modern and professional.

# 3QFY13/14 & YTD FY13/14 Financial Performance

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

	3QFY13/14 (S\$'000)	3QFY12/13 (S\$'000)	↑ / (↓)
Gross revenue	75,635	69,230	9.3%
Property operating expenses	(20,653)	(20,130)	2.6%
<b>Net property income</b>	<b>54,982</b>	<b>49,100</b>	<b>12.0%</b>
Borrowing costs	(6,695)	(6,773)	(1.2%)
Trust expenses	(6,335)	(5,660)	11.9%
<b>Total return for the period</b>	<b>41,952</b>	<b>36,667</b>	<b>14.4%</b>
Net non-tax deductible items	219	996	(78.0%)
<b>Adjusted taxable income available for distribution to Unitholders</b>	<b>42,171</b>	<b>37,663</b>	<b>12.0%</b>
<b>Distribution per Unit (cents)</b>	<b>2.51</b>	<b>2.32</b>	<b>8.2%</b>

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

	YTD FY13/14 (S\$'000)	YTD FY12/13 (S\$'000)	↑ / (↓)
Gross revenue	224,107	204,312	9.7%
Property operating expenses	(62,663)	(58,454)	7.2%
<b>Net property income</b>	<b>161,444</b>	<b>145,858</b>	<b>10.7%</b>
Borrowing costs	(20,080)	(20,543)	(2.3%)
Trust expenses	(18,866)	(16,951)	11.3%
<b>Total return for the period</b>	<b>122,498</b>	<b>108,364</b>	<b>13.0%</b>
Net non-tax deductible items	1,000	3,666	(72.7%)
<b>Adjusted taxable income available for distribution to Unitholders</b>	<b>123,498</b>	<b>112,030</b>	<b>10.2%</b>
<b>Distribution per Unit (cents)</b>	<b>7.41</b>	<b>6.87</b>	<b>7.9%</b>



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

	3QFY13/14 (S\$'000)	2QFY13/14 (S\$'000)	↑ / (↓)
Gross revenue	75,635	73,374	3.1%
Property operating expenses	(20,653)	(19,366)	6.6%
<b>Net property income</b>	<b>54,982</b>	<b>54,008</b>	<b>1.8%</b>
Borrowing costs	(6,695)	(6,790)	(1.4%)
Trust expenses	(6,335)	(6,427)	(1.4%)
<b>Total return for the period</b>	<b>41,952</b>	<b>40,791</b>	<b>2.8%</b>
Net non-tax deductible items	219	322	(32.0%)
<b>Adjusted taxable income available for distribution to Unitholders</b>	<b>42,171</b>	<b>41,113</b>	<b>2.6%</b>
<b>Distribution per Unit (cents)</b>	<b>2.51</b>	<b>2.47</b>	<b>1.6%</b>

# BALANCE SHEET

	31 Dec 2013	30 Sep 2013	↑ / (↓)
Total Assets (S\$'000)	3,110,701	3,097,575	0.4%
Total Liabilities (S\$'000)	1,250,446	1,253,831	(0.3%)
<b>Net Assets Attributable to Unitholders (S\$'000)</b>	<b>1,860,255</b>	<b>1,843,744</b>	<b>0.9%</b>
<b>Net Asset Value per Unit (S\$)</b>	<b>1.11</b>	<b>1.11</b>	<b>-</b>

# STRONG BALANCE SHEET

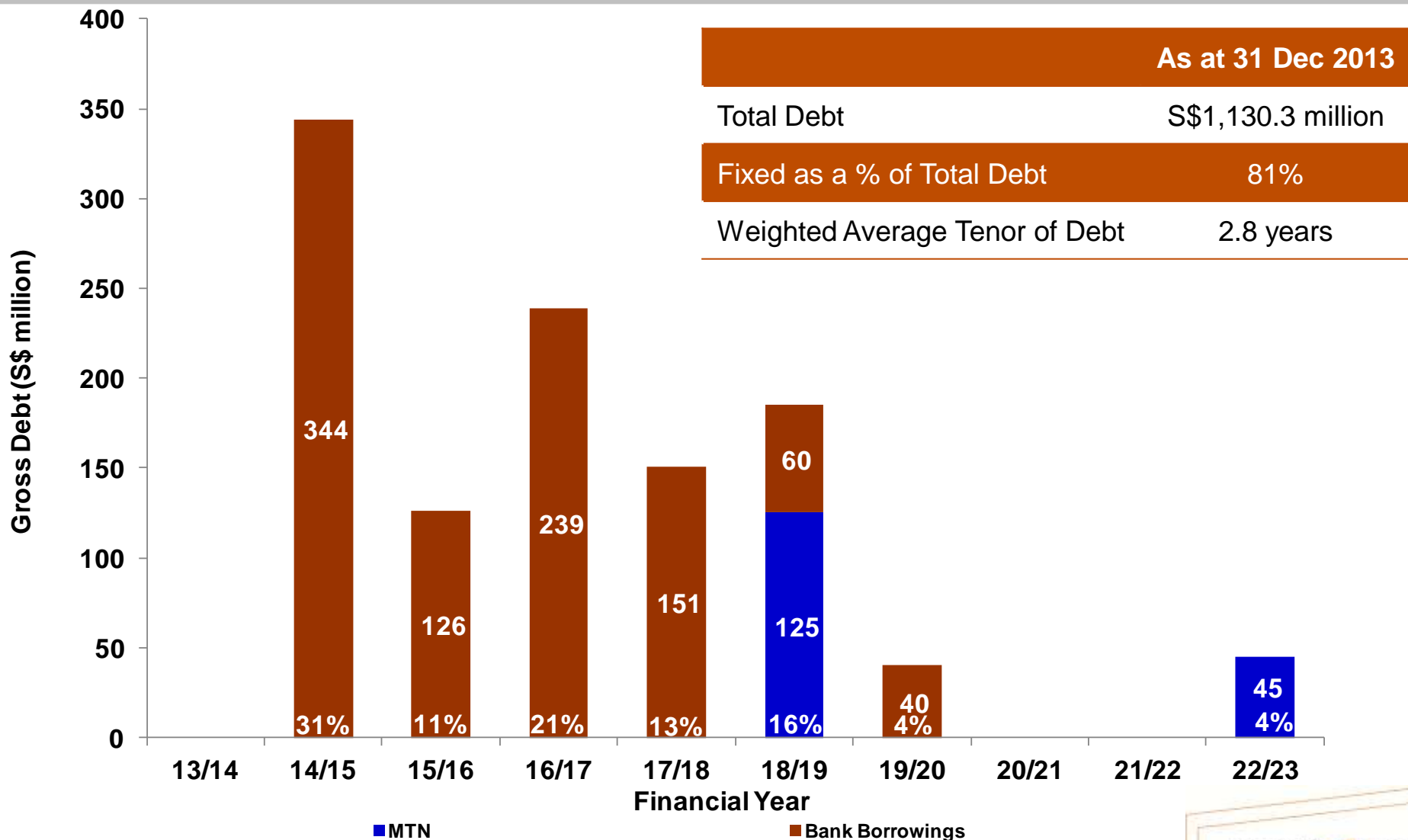
	As at 31 Dec 2013	As at 30 Sep 2013
Total Debt	S\$1,130.3 million	S\$1,124.9 million
Aggregate Leverage Ratio	36.3%	36.2%
Fixed as a % of Total Debt	81%	81%
Weighted Average Tenor of Debt	2.8 years	3.2 years
MIT's Issuer Default Rating (by Fitch Ratings)	BBB+ with Stable Outlook (Investment Grade)	BBB+ with Stable Outlook (Investment Grade)

	3QFY13/14	2QFY13/14
Weighted Average All-in Funding Cost	2.3%	2.3%
Interest Coverage Ratio	7.3 times	7.0 times

## Strong balance sheet to pursue growth opportunities

- Proceeds of S\$14.2 million from DRP in 2QFY13/14 utilised to fund development costs for AElS and BTS projects
- 'BBB+' rating with Stable Outlook by Fitch Ratings
- 100% of loans unsecured with minimal covenants

# DEBT MATURITY PROFILE



# DISTRIBUTION DETAILS

Distribution Period	Distribution per Unit (cents)
1 October 2013 to 31 December 2013	2.51

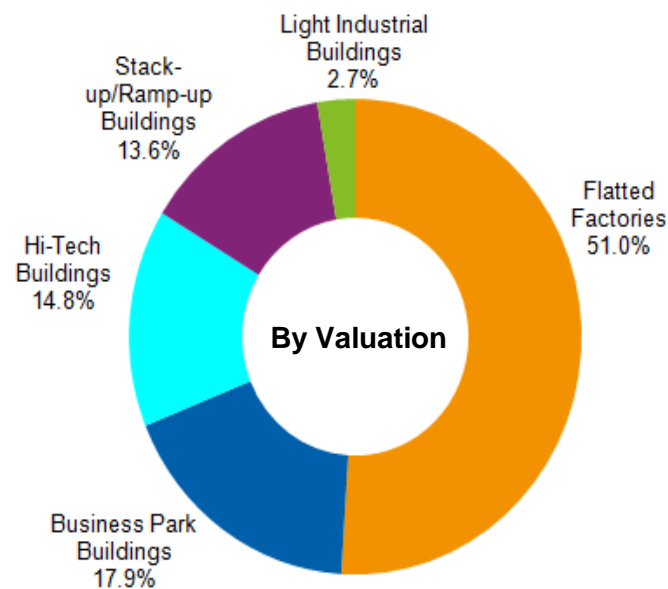
Distribution Timetable	Dates
Last day of trading on “cum” basis	24 January 2014 (Friday), 5:00pm
Ex-date	27 January 2014 (Monday), 9:00am
Book closure date	29 January 2014 (Wednesday), 5:00pm
Cash distribution payment date	By 6 March 2014 (Thursday)
Crediting of DRP Units to Unitholders’ securities accounts / Listing of the DRP Units on the SGX-ST	By 7 March 2014 (Friday)



# Portfolio Update

# 83 PROPERTIES ACROSS 5 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**



As at 31 Mar 2013



Flatted Factories



Business Park Buildings



Hi-Tech Buildings



Stack-up / Ramp-up Buildings



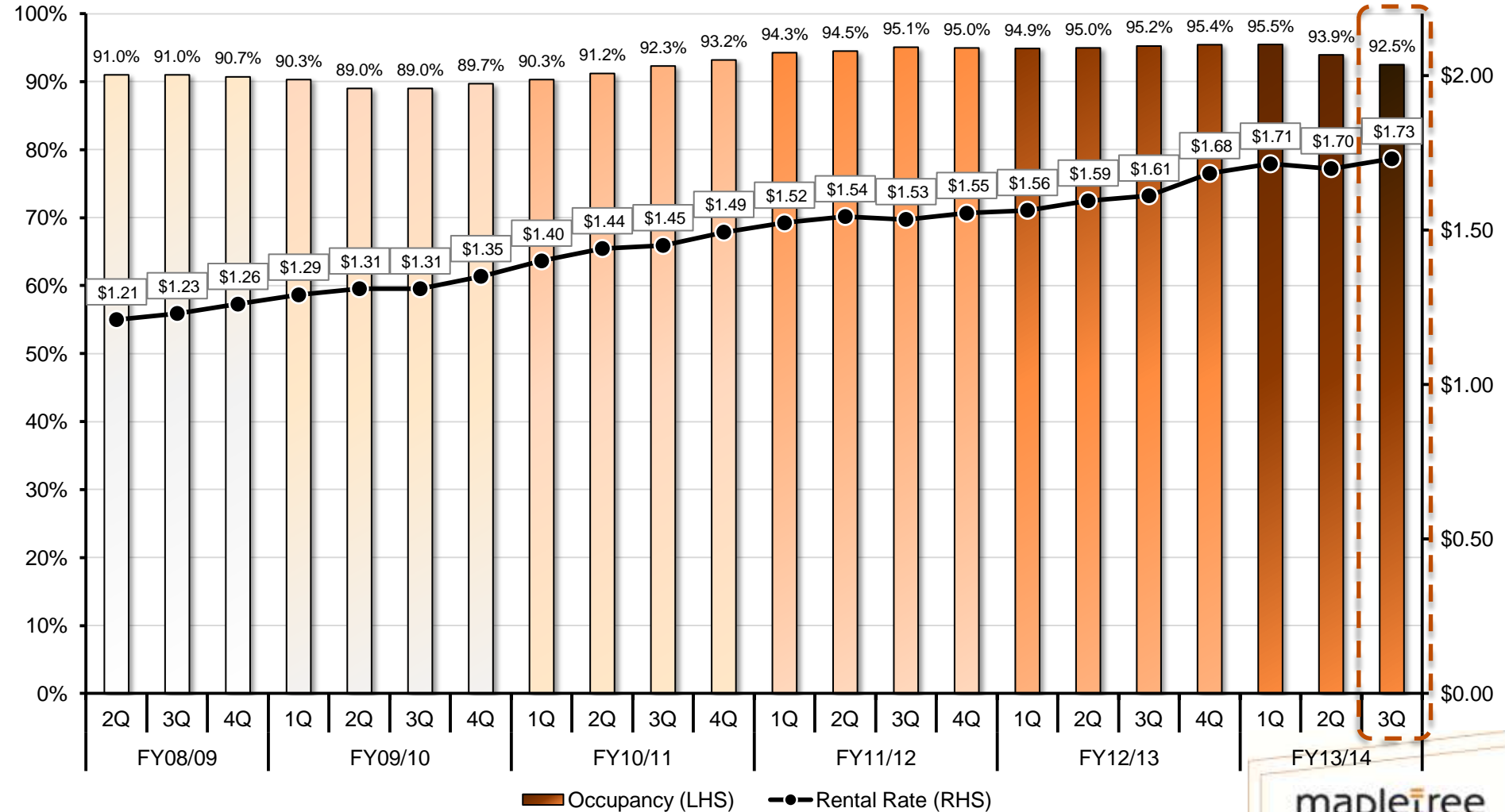
Light Industrial Buildings



# RESILIENT PORTFOLIO PERFORMANCE

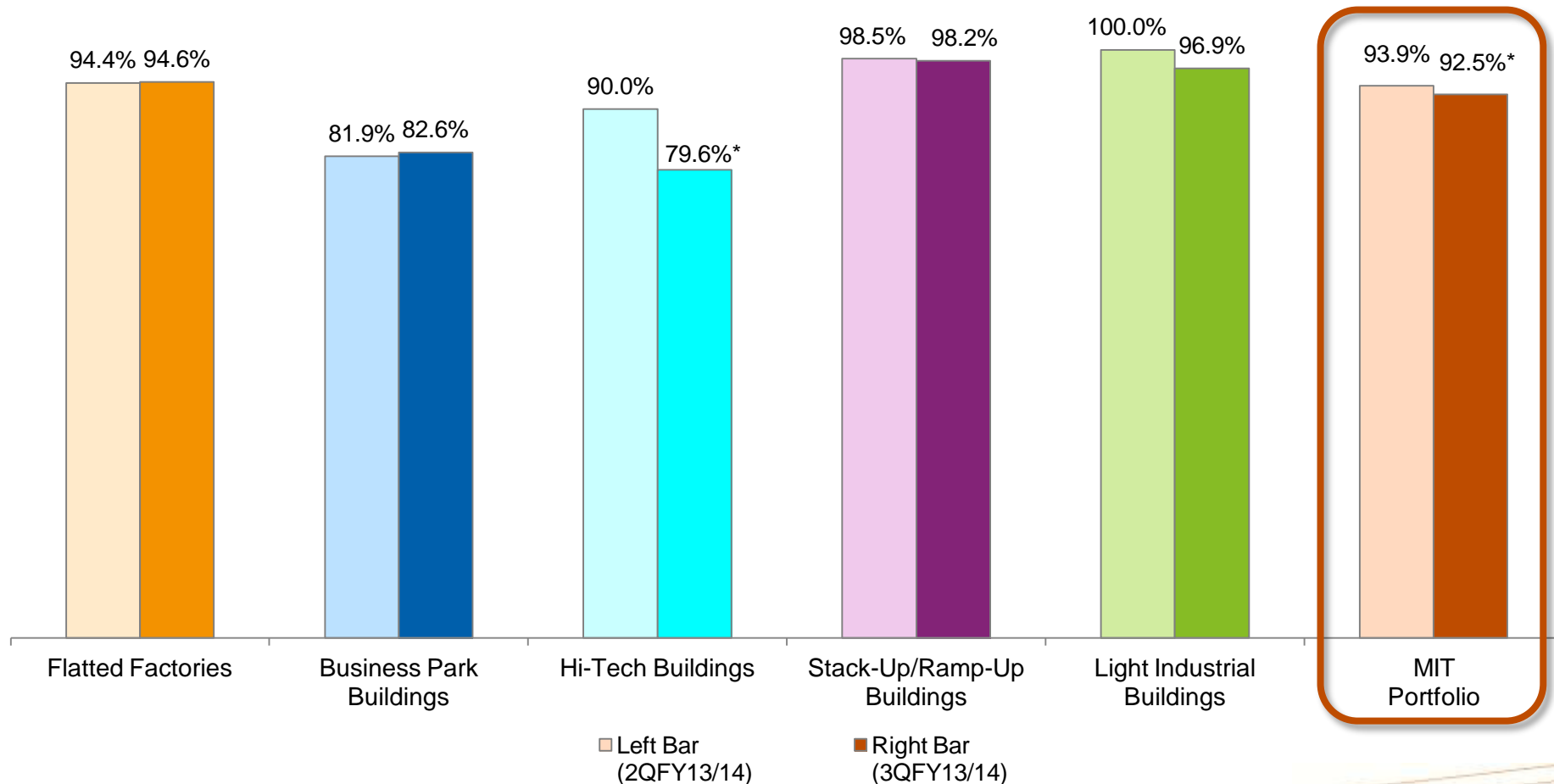
Occupancy

Gross Rental Rate  
S\$ psf/mth





# SEGMENTAL OCCUPANCY LEVELS



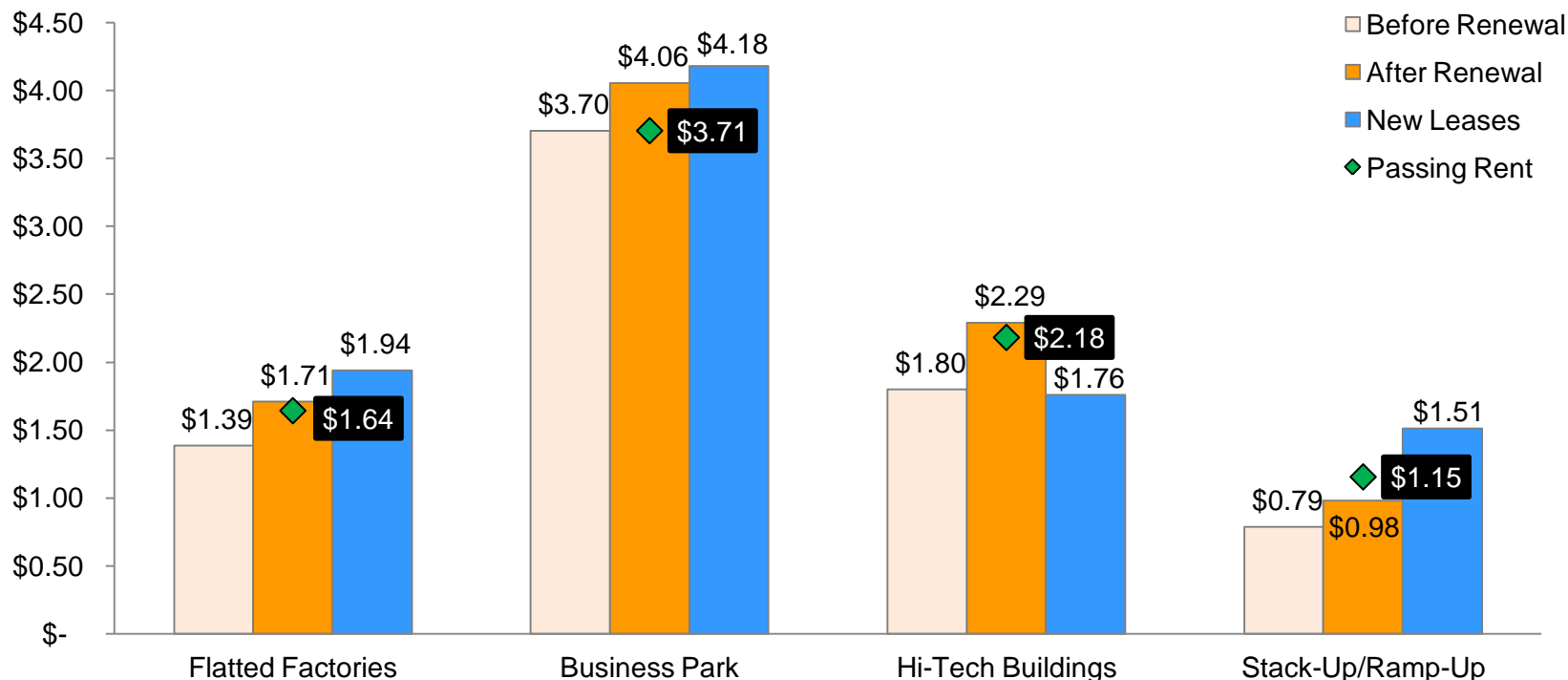
\* The drop in occupancy rates were due mainly to the increase in leasable area contributed by the completion of K&S Corporate Headquarters.



# POSITIVE RENTAL REVISIONS

Gross Rental Rate

S\$ psf/mth



**Renewal Leases**

148 Leases  
(484,698 sq ft)

2 Leases  
(6,200 sq ft)

10 Leases  
(91,286 sq ft)

14 Leases  
(159,017 sq ft)

**New Leases**

84 Leases  
(229,786 sq ft)

13 Leases  
(28,028 sq ft)

10 Leases  
(211,295 sq ft)

5 Leases  
(44,445 sq ft)

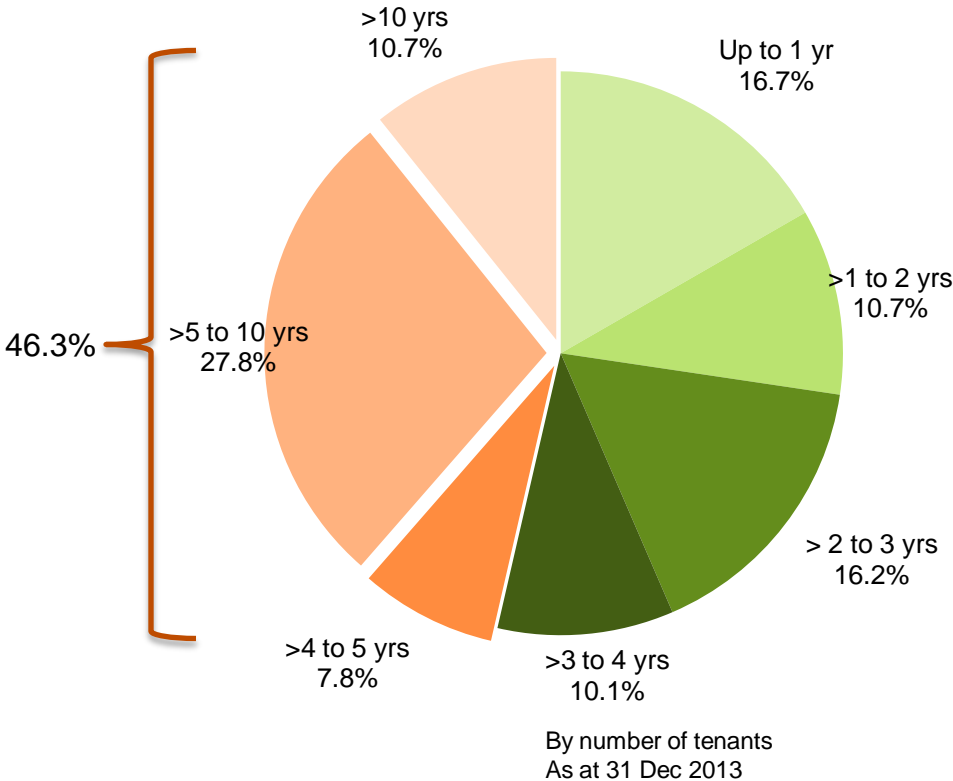
For period 3QFY13/14

Note: Rental rates exclude short-term leases (except for Passing Rents which include all leases)

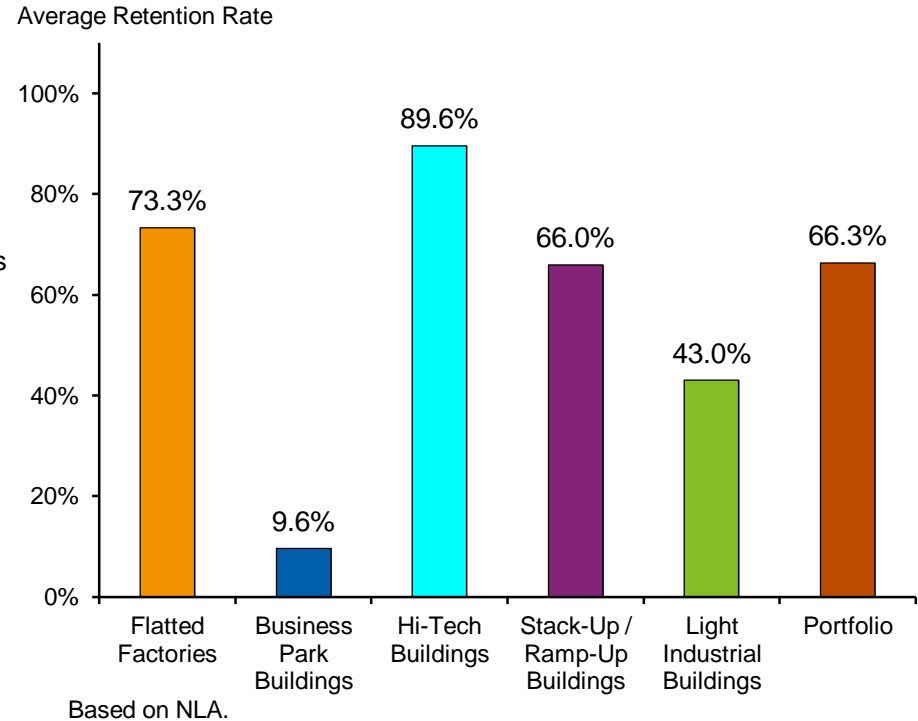


# HEALTHY TENANT RETENTION

## Long Staying Tenants



## Retention Rate for 3QFY13/14

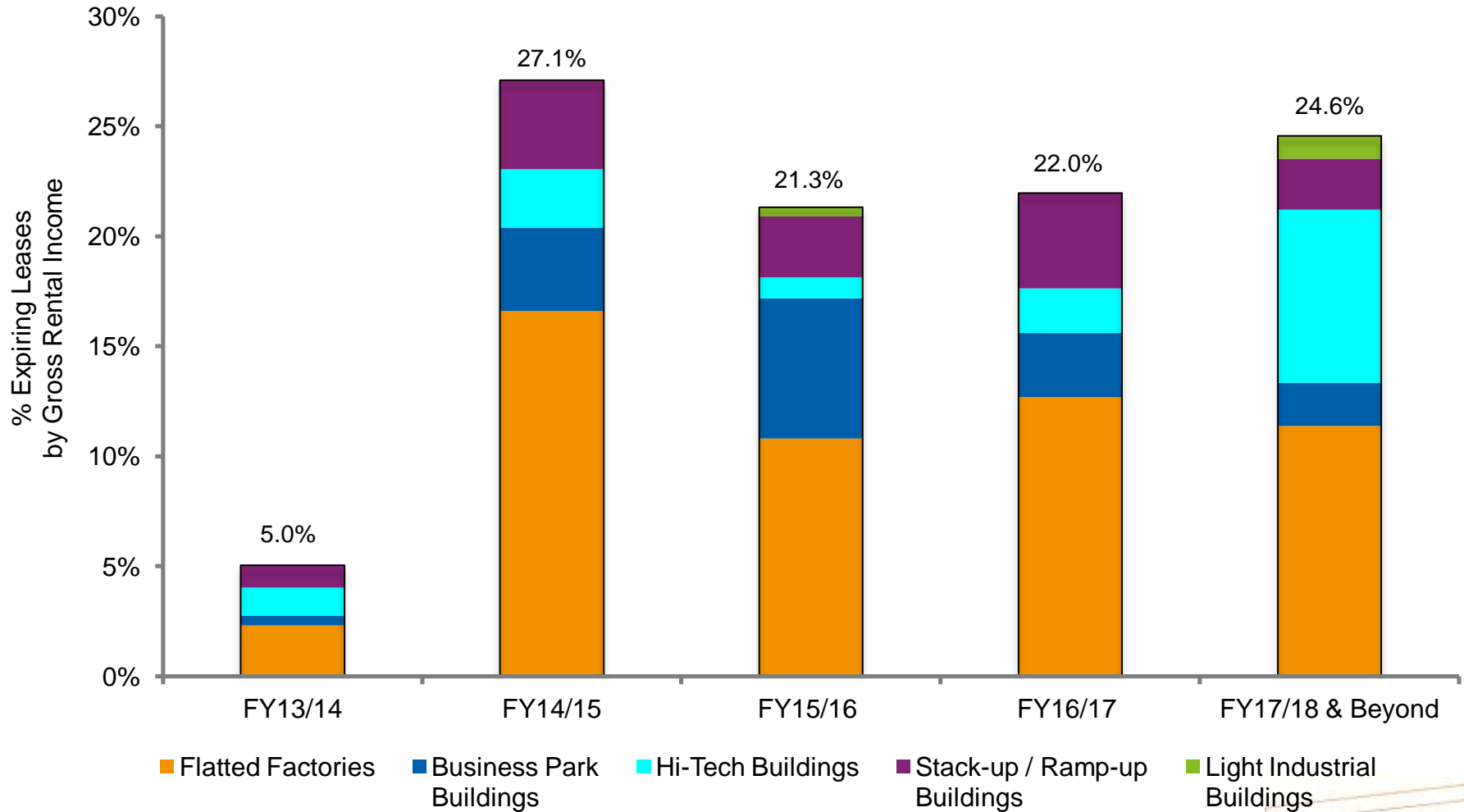


- 46.3% of the tenants have leased the properties for more than 4 years
- Tenant retention rate of 66.3% in 3QFY13/14



# LEASE EXPIRY PROFILE

## 5% of Leases Remain Due for Renewal in FY13/14

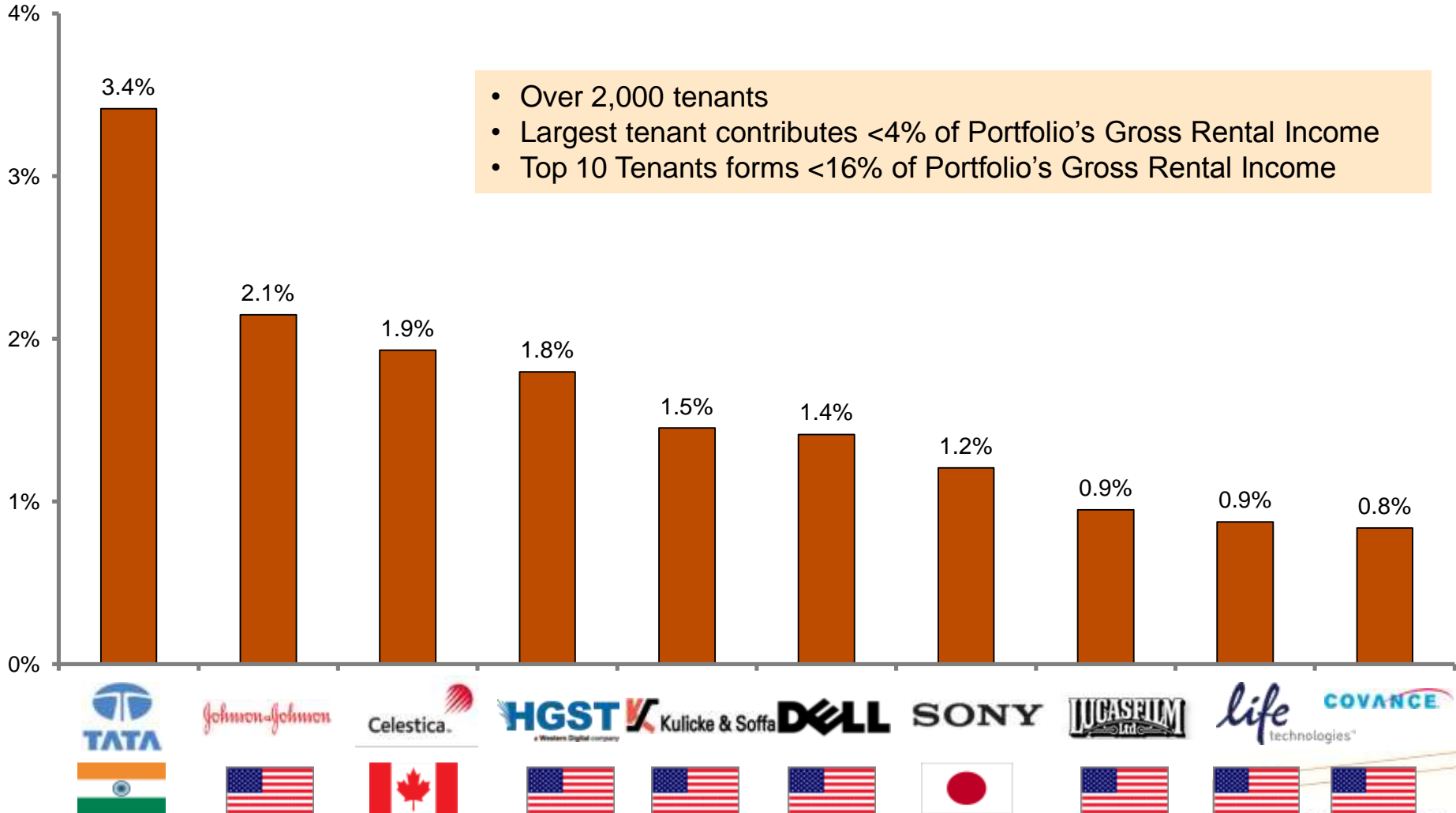


**Portfolio WALE by Gross Rental Income = 2.5 years**



# LARGE AND DIVERSE TENANT BASE

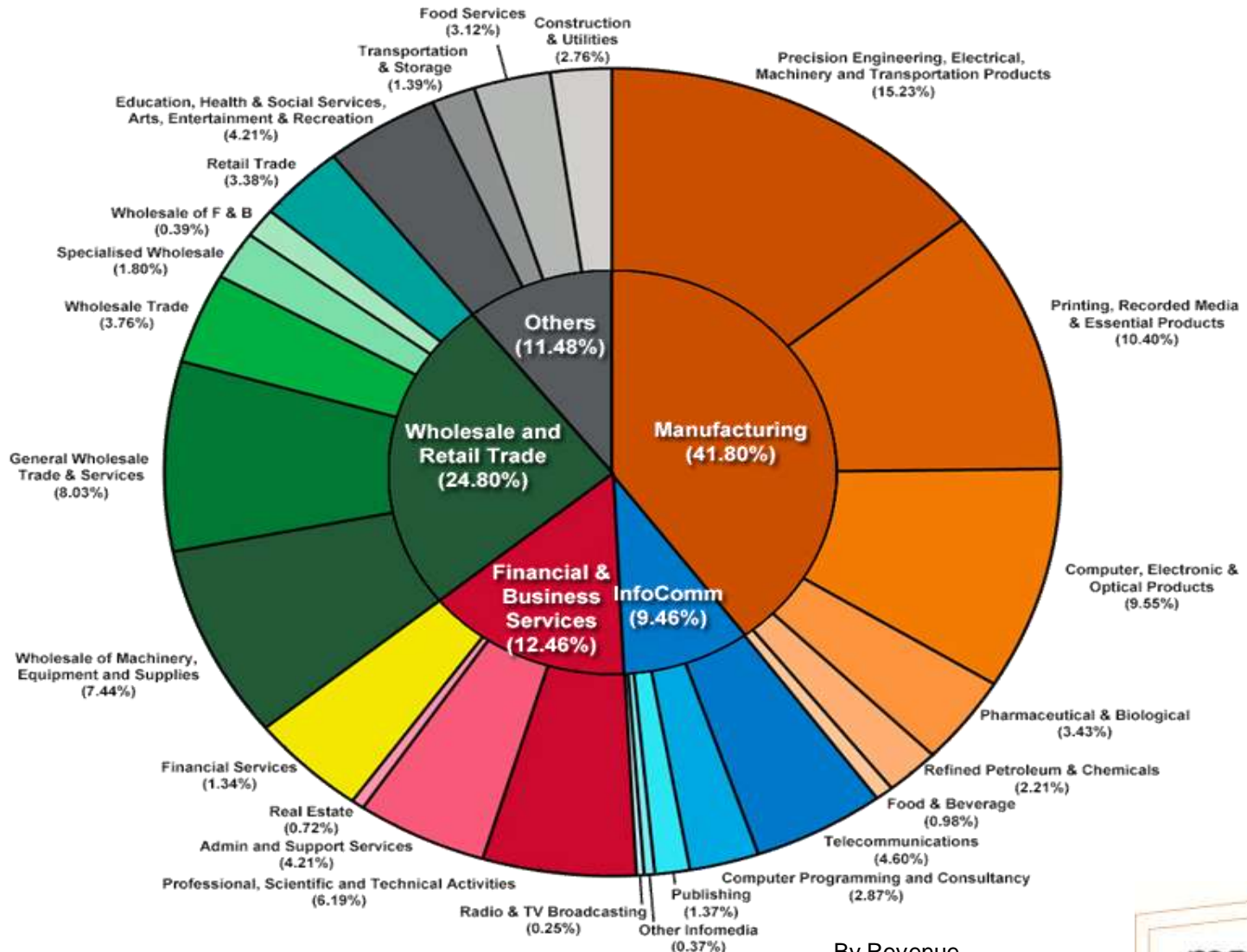
Percentage of  
Gross Rental Income



- Over 2,000 tenants
- Largest tenant contributes <4% of Portfolio's Gross Rental Income
- Top 10 Tenants forms <16% of Portfolio's Gross Rental Income



# DIVERSITY OF TENANT TRADE SECTOR



By Revenue  
As at 31 Dec 2013





# Asset Enhancement and Development Updates

# BUILD-TO-SUIT – EQUINIX

- New 7-storey data centre 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
- Completed the construction of first-storey pile caps

Location	one-north
GFA	385,000 sq ft
Estimated Cost	S\$108 million
Expected Completion	2 <sup>nd</sup> Half 2014



Ground slab construction in-progress



Artist's impression of completed development



# AEI – TOA PAYOH NORTH 1

- Development of new 8-storey high-tech building and 5-storey 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
- Secured 25% pre-commitment

Location	978 & 988 Toa Payoh North
GFA	150,000 sq ft
Estimated Cost	S\$40 million
Expected Completion	1 <sup>st</sup> Quarter 2014



Photo of high-tech building



Artist's impression of high-tech building



# Outlook and Strategy

# MARKET OUTLOOK

- The economy expanded by 4.4% on a year-on-year basis for the quarter ended 31 December 2013, as compared to the 5.9% expansion in the preceding quarter<sup>1</sup>
- Average rents for industrial real estate for 3QFY13/14<sup>2</sup> :
  - ✓ Business Park Space : S\$4.70 psf/mth (+11.9% q-o-q)
  - ✓ Multi-user Factory Space: S\$1.98 psf/mth (-1.0% q-o-q)

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

<sup>2</sup> Source: URA Realis as at 21 January 2014

# RESILIENT AND POSITIONED FOR GROWTH

## STABLE AND RESILIENT PORTFOLIO

- Large and well-diversified tenant base underpins stable operational performance
- Only 5.0% leases are due for renewal
- Achieved positive rental revisions across all segments

## ENHANCED FINANCIAL FLEXIBILITY

- Hedged borrowings minimise exposure to interest rate uncertainties
- Application of DRP for 3QFY13/14 distribution to finance progress payment requirements of development projects

## GROWTH BY ACQUISITIONS & SELECTIVE DEVELOPMENT

- BTS development for Equinix on track for completion



Thank You