



1QFY19/20 Financial Results

23 July 2019

Important Notice

This presentation shall be read in conjunction with Mapletree Industrial Trust's ("MIT") financial results for First Quarter Financial Year 2019/2020 in the SGXNET announcement dated 23 July 2019.

This presentation is for information only and does not constitute an offer or solicitation of an offer to sell or invitation to subscribe for or acquire any units in Mapletree Industrial Trust ("Units").

The past performance of the Units and MIT is not indicative of the future performance of MIT or Mapletree Industrial Trust Management Ltd. (the "Manager").

The value of Units and the income from them may rise or fall. Units are not obligations of, deposits in or guaranteed by the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This presentation may also contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions. Representative examples of these factors include general industry and economic conditions, interest rate trends, cost of capital, occupancy rate, 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

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

1 Key Highlights – 1 Apr 2019 to 30 Jun 2019

2 1QFY19/20 Financial Performance

3 Portfolio Update

4 Investment Update

5 Outlook and Strategy

KEY HIGHLIGHTS

1 APR 2019 TO 30 JUN 2019



Hi-Tech Building, 18 Tai Seng

✦ Growth driven by contributions from new projects

- 1QFY19/20 Distributable Income: S\$63.2 million (▲ 11.1% y-o-y)
- 1QFY19/20 DPU: 3.10 cents (▲ 3.3% y-o-y)

✦ Portfolio Update

- Higher Overall Portfolio occupancy of 90.8% due mainly to improved occupancy of the Hi-Tech Buildings segment
- Only 12.3% of leases (by gross rental income) remain due for renewal in FY19/20

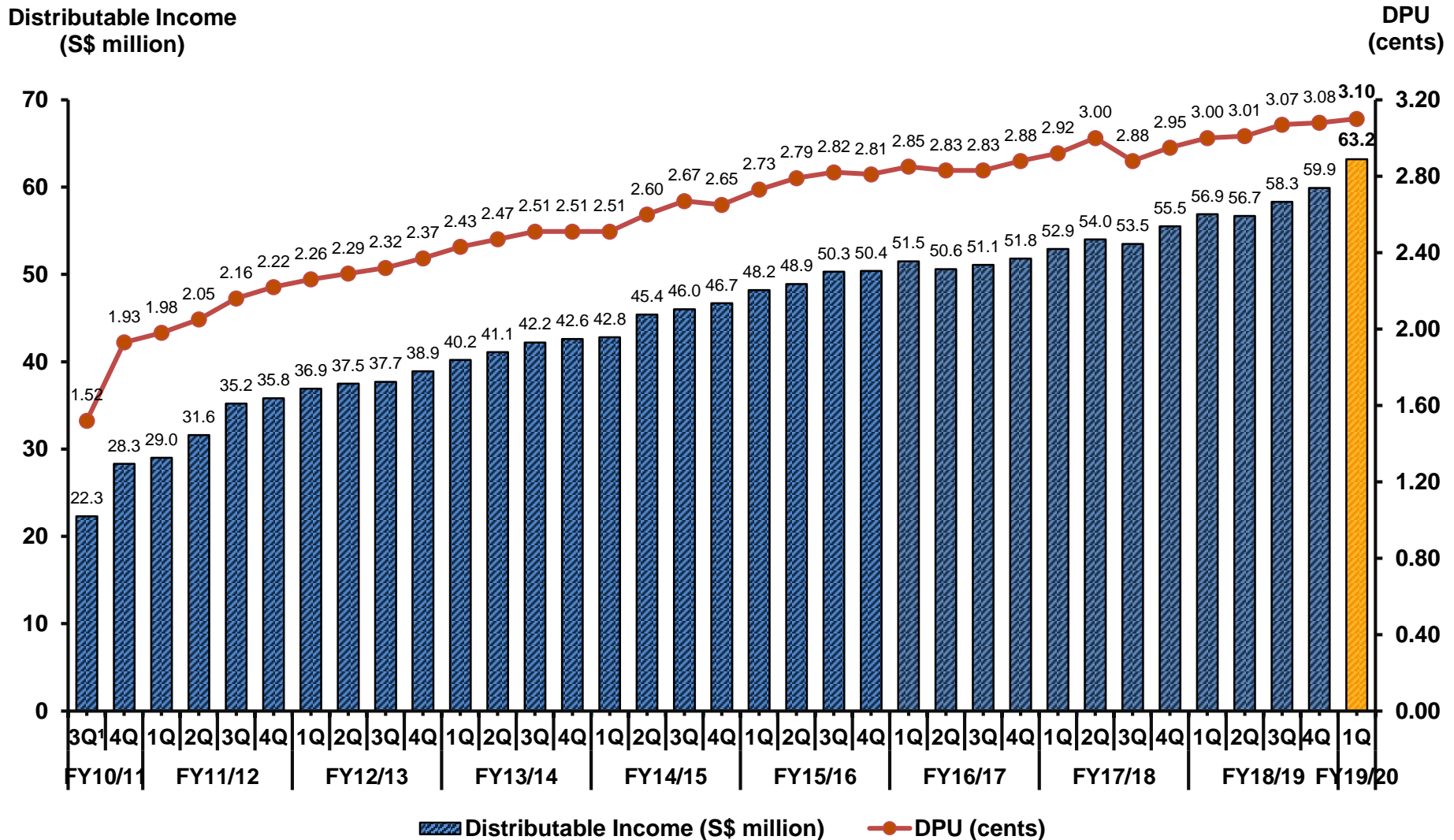
✦ Investment Update

- Completed upgrading of 7 Tai Seng Drive into a data centre for Equinix Singapore
- Embarking on its largest redevelopment project at Kolam Ayer with 24.4% of space pre-committed

✦ Capital management update

- Aggregate leverage of 33.4% allows sufficient headroom for growth opportunities

Sustainable and Growing Returns



¹ MIT was listed on 21 Oct 2010.

1QFY19/20 FINANCIAL PERFORMANCE



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

Statement of Profit or Loss (Year-on-Year)

	1QFY19/20 (S\$'000)	1QFY18/19 (S\$'000)	↑ / (↓)
Gross revenue	99,575	91,487	8.8%
Property operating expenses	(21,656)	(22,028)	(1.7%)
Net property income	77,919	69,459	12.2%
Borrowing costs	(10,576)	(9,358)	13.0%
Trust expenses	(8,835)	(7,848)	12.6%
Share of joint venture (net of taxes) ¹	4,311	4,334	(0.5%)
Profit for the period	62,819	56,587	11.0%
Net non-tax deductible items	(3,332)	(2,916)	14.3%
Distribution declared by joint venture	3,754	3,237	16.0%
Amount available for distribution	63,241	56,908	11.1%
Distribution per Unit (cents)	3.10	3.00	3.3%

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

Statement of Profit or Loss (Qtr-on-Qtr)

	1QFY19/20 (S\$'000)	4QFY18/19 (S\$'000)	↑ / (↓)
Gross revenue	99,575	98,822	0.8%
Property operating expenses	(21,656)	(22,972)	(5.7%)
Net property income	77,919	75,850	2.7%
Borrowing costs	(10,576)	(10,379)	1.9%
Trust expenses	(8,835)	(8,623)	2.5%
Net fair value gain on investment properties and investment property under development	-	30,757	*
Share of joint venture ¹	4,311	13,186	(67.3%)
<i>Comprising:</i>			
- Net profit after tax	4,311	3,739	15.3%
- Net fair value gain on investment properties	-	9,447	*
Profit for the period	62,819	100,791	(37.7%)
Net non-tax deductible items	(3,332)	(44,659)	(92.5%)
Distribution declared by joint venture	3,754	3,804	(1.3%)
Amount available for distribution	63,241	59,936	5.5%
Distribution per Unit (cents)	3.10	3.08	0.6%

* Not meaningful

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

Balance Sheet

	30 Jun 2019	31 Mar 2019	↑ / (↓)
Total assets (S\$'000)	4,635,120	4,607,064	0.6%
Total liabilities (S\$'000)	1,556,775	1,559,538	(0.2%)
Net assets attributable to Unitholders (S\$'000)	3,078,345	3,047,526	1.0%
Net asset value per Unit (S\$)¹	1.52	1.51	0.7%

¹ Net tangible asset per Unit was the same as net asset value per Unit as there were no intangible assets as at reporting dates.

Strong Balance Sheet

	30 Jun 2019	31 Mar 2019
Total debt (MIT Group)	S\$1,384.2 million	S\$1,398.2 million
Weighted average tenor of debt	4.2 years	4.4 years
Aggregate leverage ratio ¹	33.4%	33.8%

Strong balance sheet to pursue growth opportunities

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

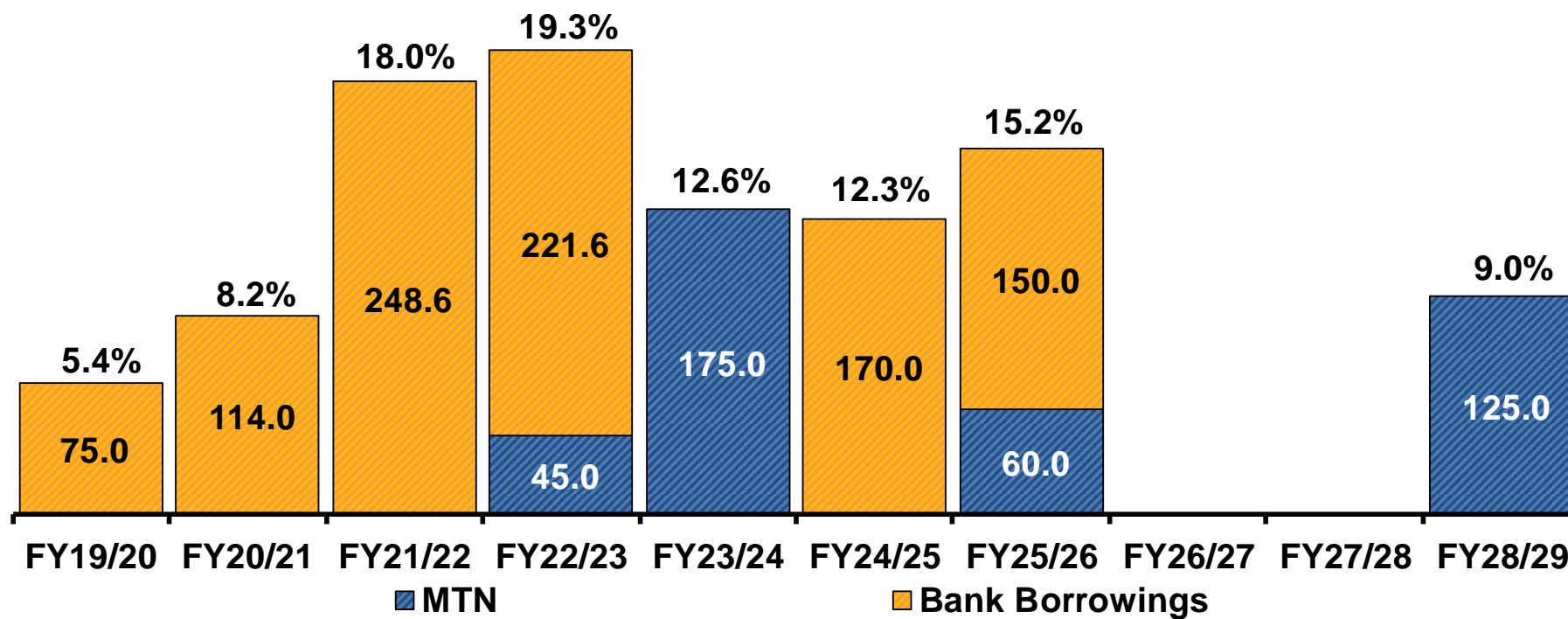
¹ In accordance with Property Funds Guidelines, the aggregate leverage ratio includes proportionate share of borrowings of the joint venture and deposited property values. As at 30 Jun 2019, total debt including MIT's proportionate share of joint venture debts is S\$1,630.1 million.

Well Diversified Debt Maturity Profile

DEBT MATURITY PROFILE

As at 30 June 2019

Weighted Average Tenor of Debt = 4.2 years



Amounts in S\$ million

Risk Management

	30 Jun 2019	31 Mar 2019
Fixed as a % of total debt	79.5%	78.6%
Weighted average hedge tenor	4.3 years	4.0 years
	1QFY19/20	4QFY18/19
Weighted average all-in funding cost	3.0%	3.0%
Interest coverage ratio	6.6 times	6.5 times

- ✦ S\$50 million interest rate hedge expiring in 4QFY19/20
- ✦ 100% capital hedge: US\$ investment in joint venture matched with US\$ borrowings
- ✦ About 85% of 2QFY19/20 net US\$ income stream are hedged into S\$

PORTFOLIO UPDATE



Business Park Buildings, The Strategy and The Synergy

101 Properties Across 5 Property Segments

Portfolio Value¹

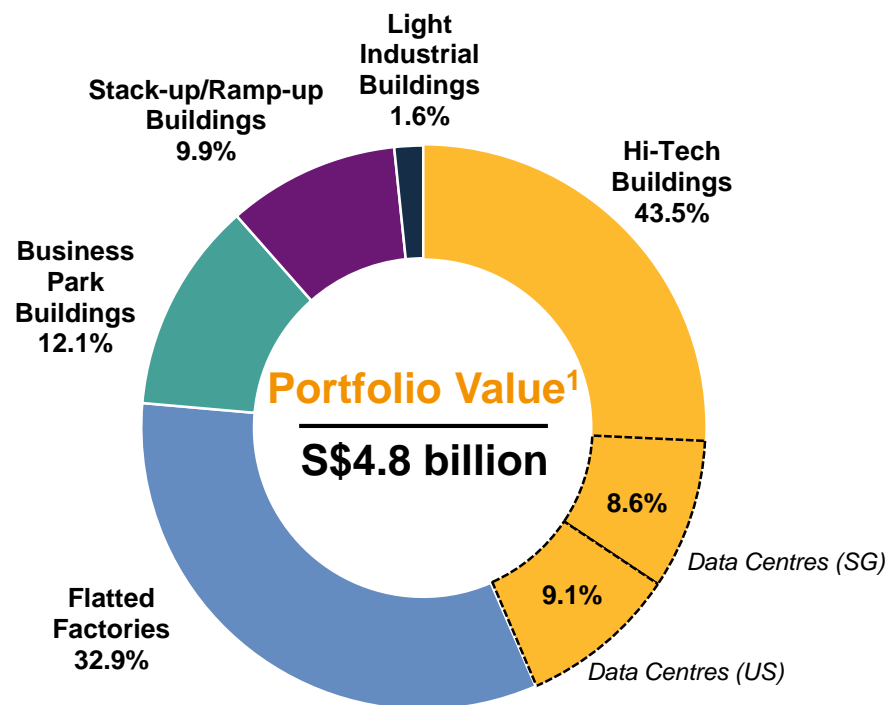
S\$4.8 billion

Total NLA (sq ft)

18.6 million²

Tenant Base

>2,200 tenants



Portfolio value by geography

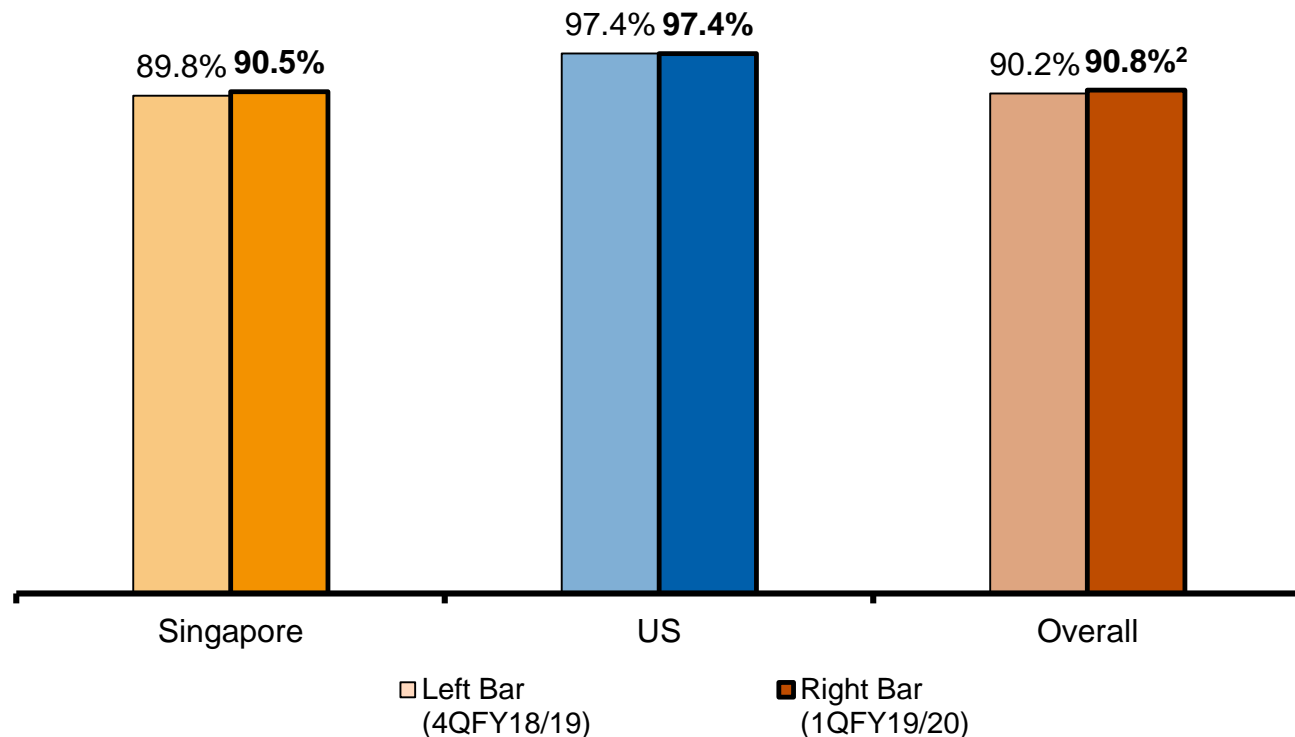
Singapore	90.9%
United States	9.1%

¹ Based on MIT's book value of investment properties and investment properties under development as well as MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States and included right of use assets of S\$19.2 million as at 30 Jun 2019.

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

Portfolio Overview

	Singapore Portfolio	US Portfolio	Overall
Number of properties	87	14	101
NLA (million sq ft)	16.3	2.3 ¹	18.6 ¹
Average passing rental rate (\$ psf/mth)	S\$2.10	US\$2.06	



- ¹ Excludes the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree.
- ² Based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

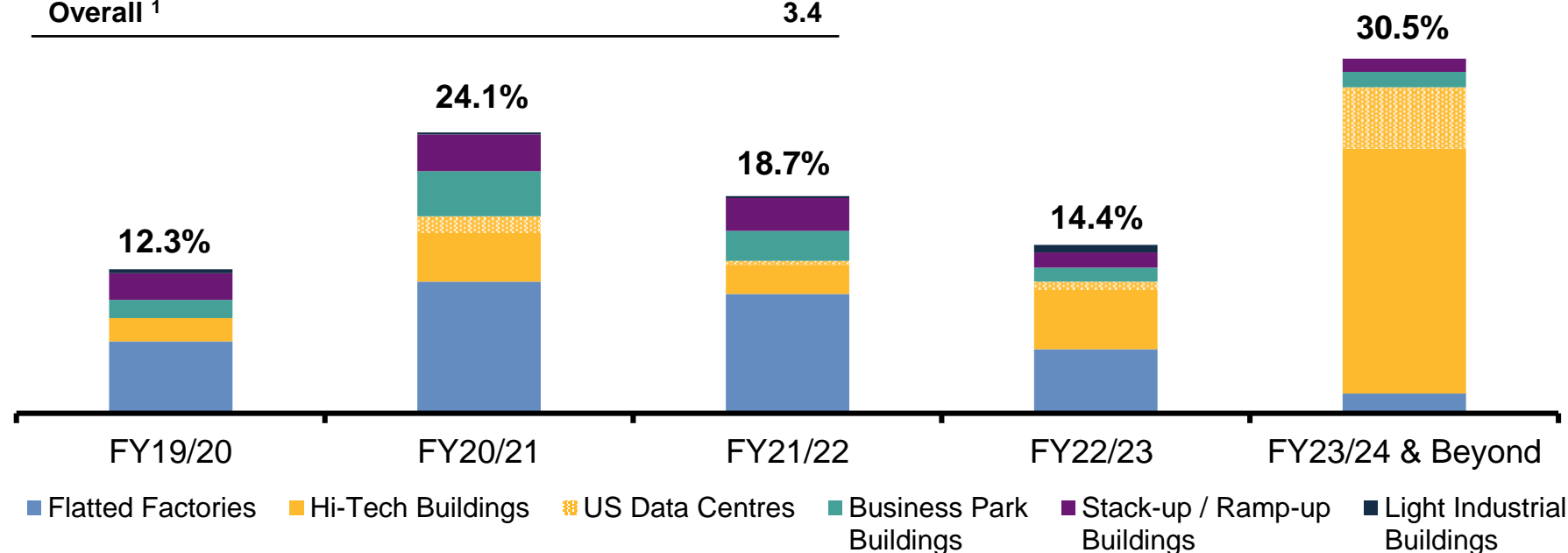
Lease Expiry Profile

EXPIRING LEASES BY GROSS RENTAL INCOME¹

As at 30 June 2019

WALE based on date of commencement of leases (years)²

Singapore Portfolio	3.3
US Portfolio	4.8
Overall ¹	3.4



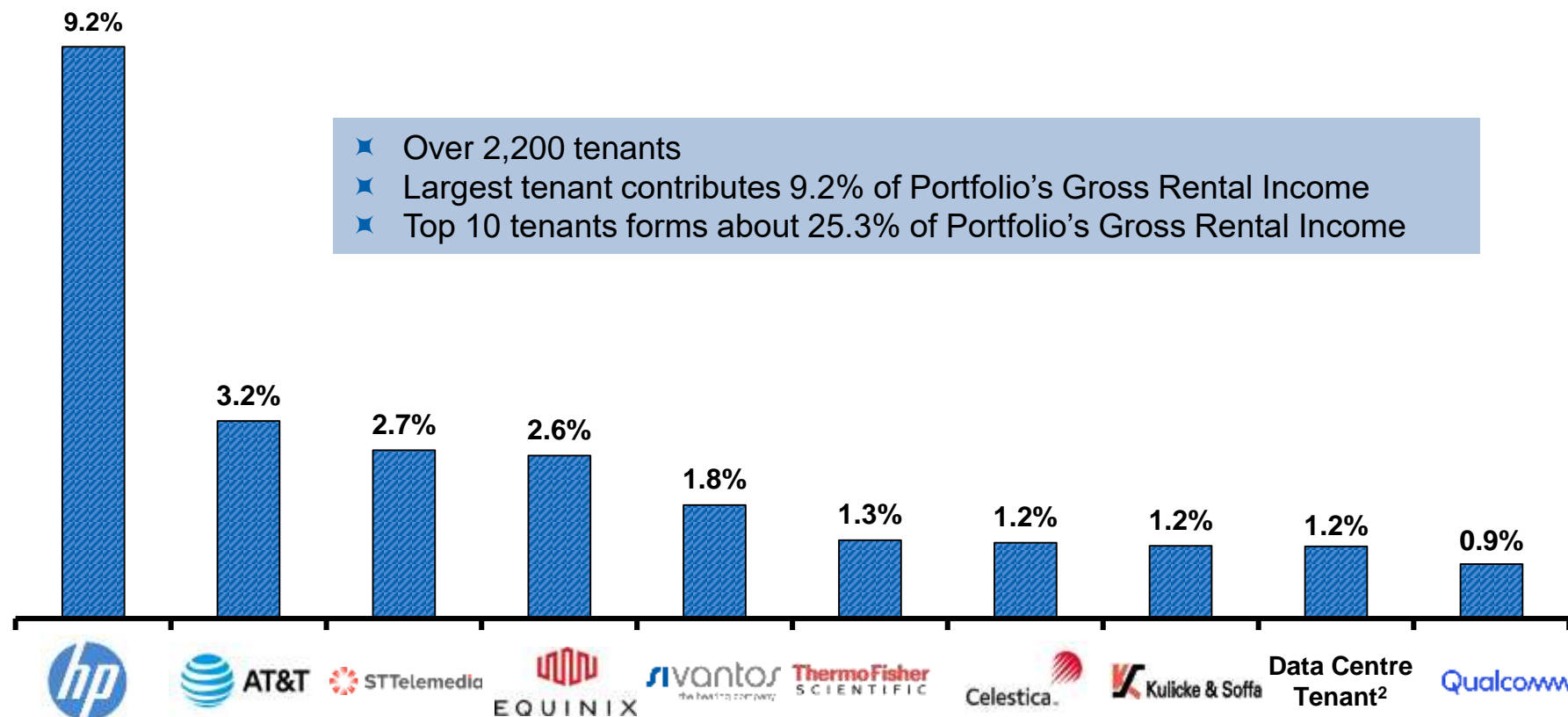
¹ Based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

² Refers to leases which commenced prior to and on 30 Jun 2019.

Large and Diversified Tenant Base

TOP 10 TENANTS BY GROSS RENTAL INCOME¹

As at 30 June 2019

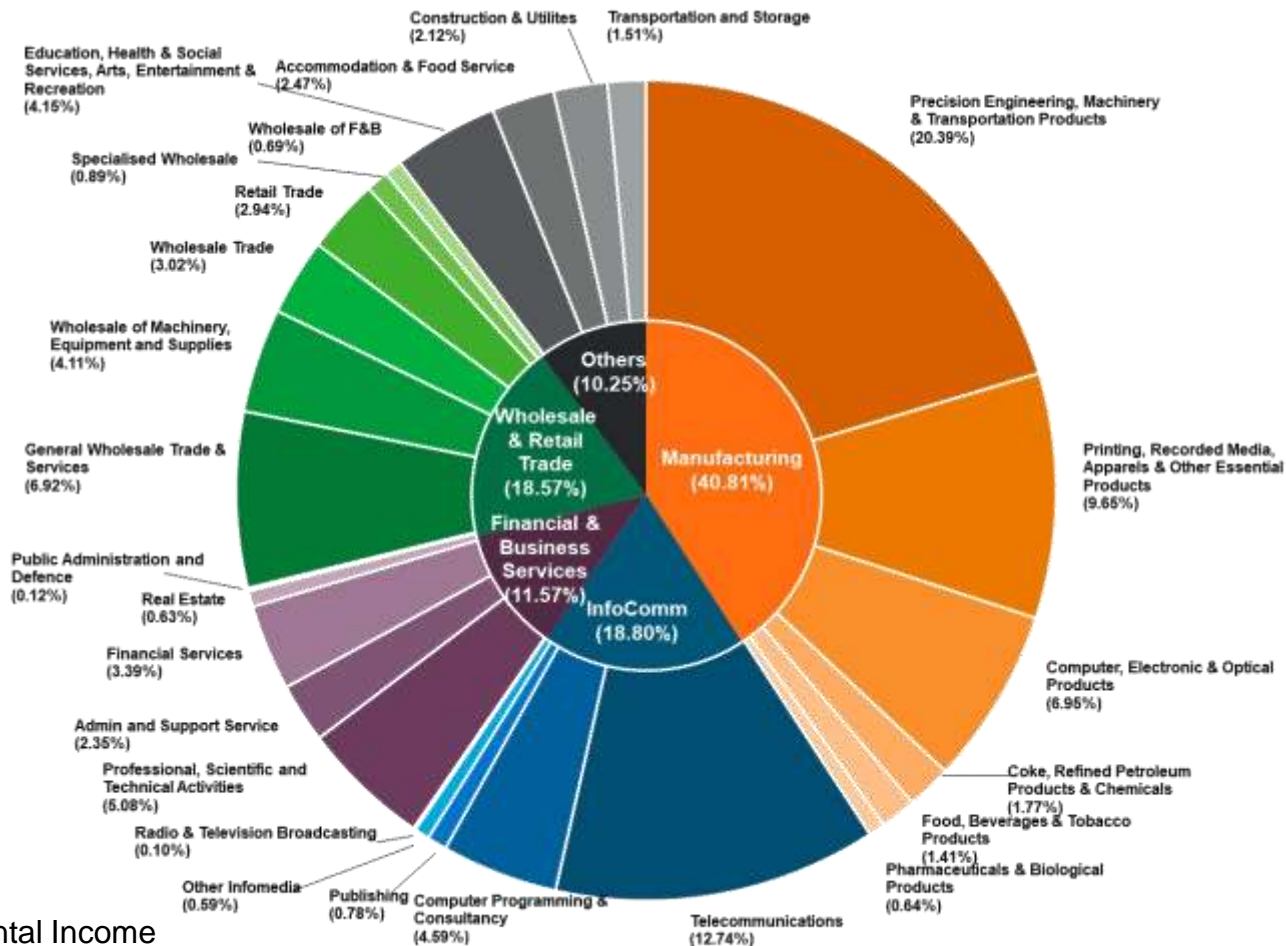


¹ Based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through Mapletree Redwood Data Centre Trust.

² The identity of the tenant cannot be disclosed due to the strict confidentiality obligations under the lease agreement.

Tenant Diversification Across Trade Sectors¹

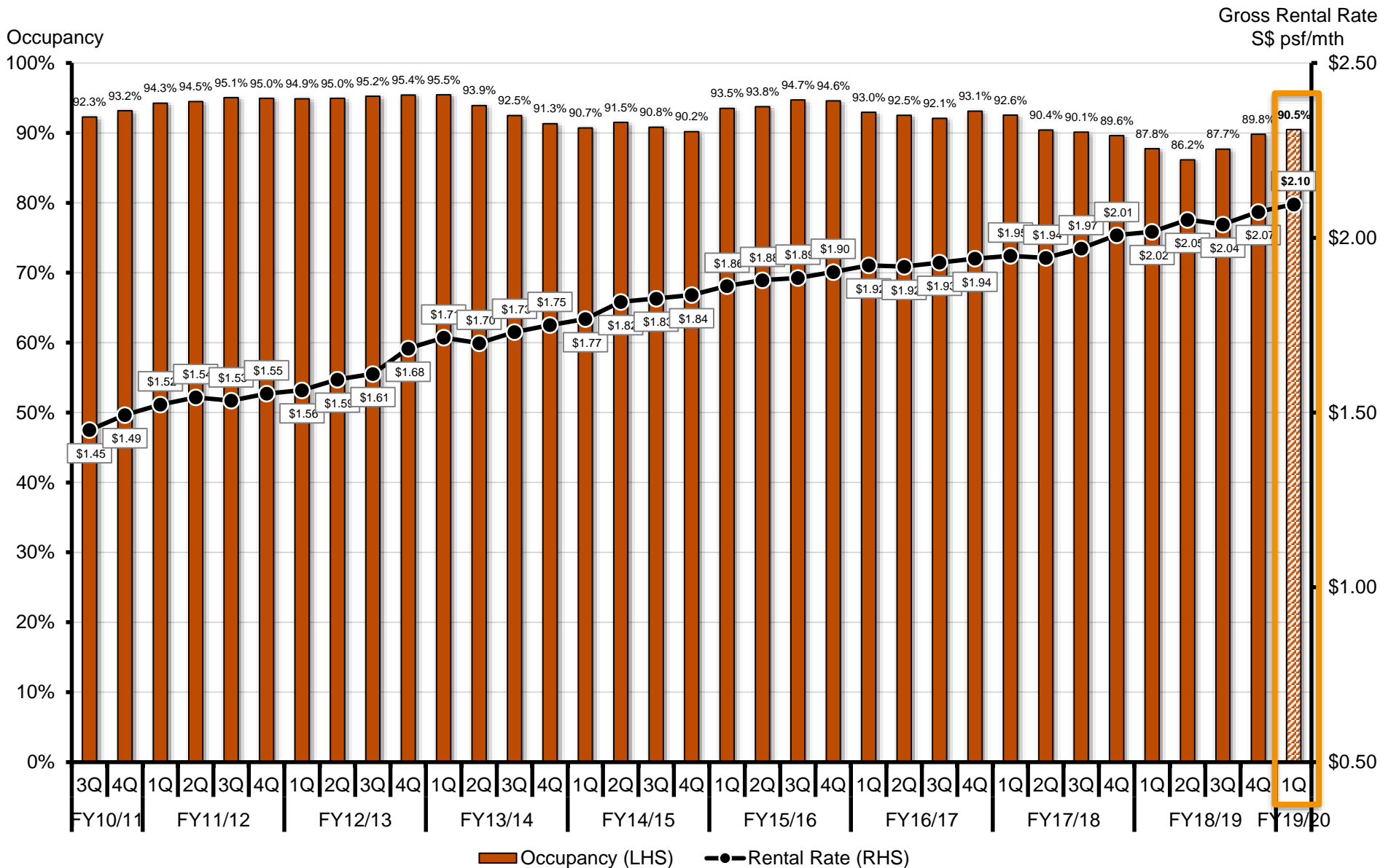
No single trade sector accounted >21% of Portfolio's Gross Rental Income



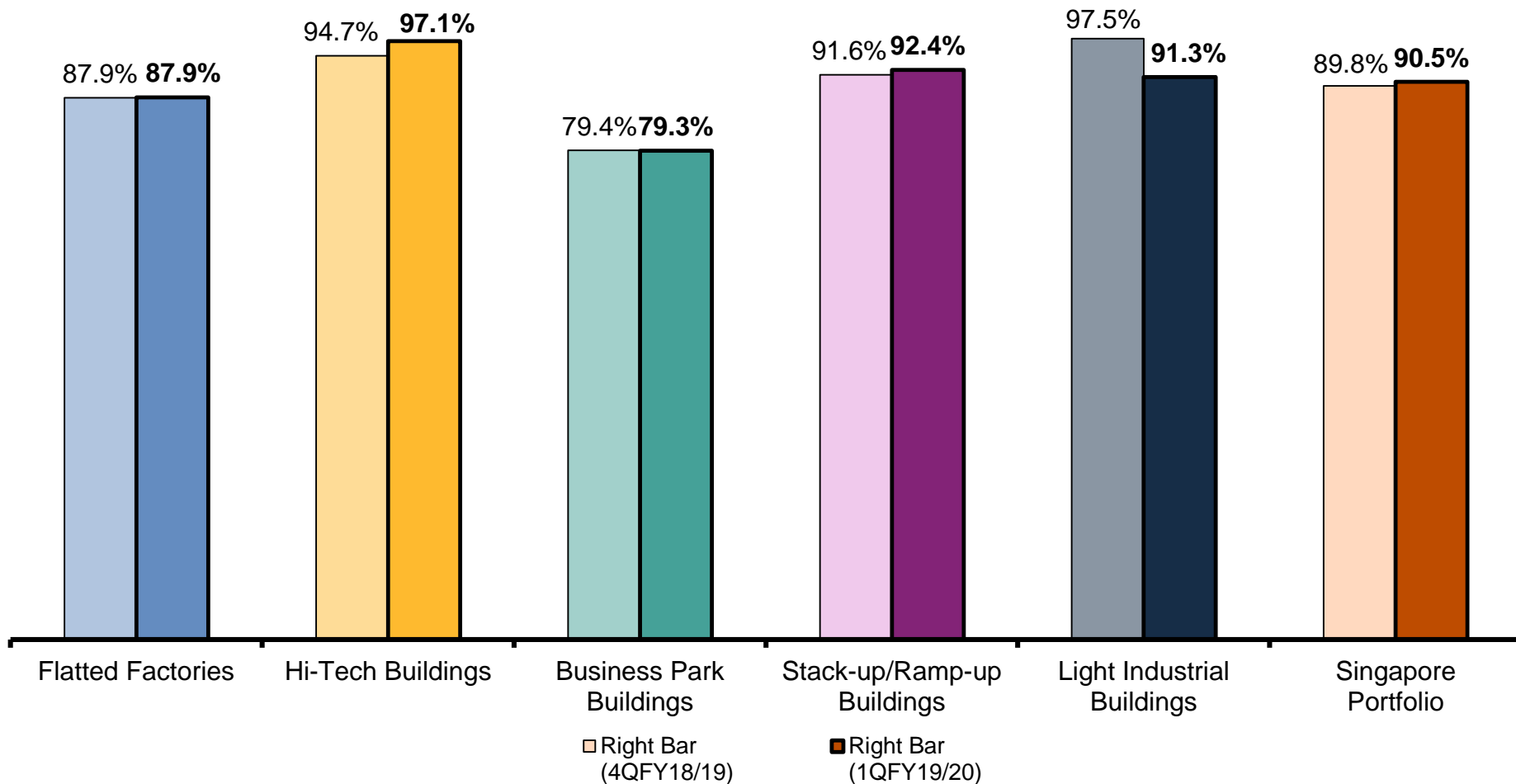
By Gross Rental Income
As at 30 Jun 2019

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

Singapore Portfolio Performance



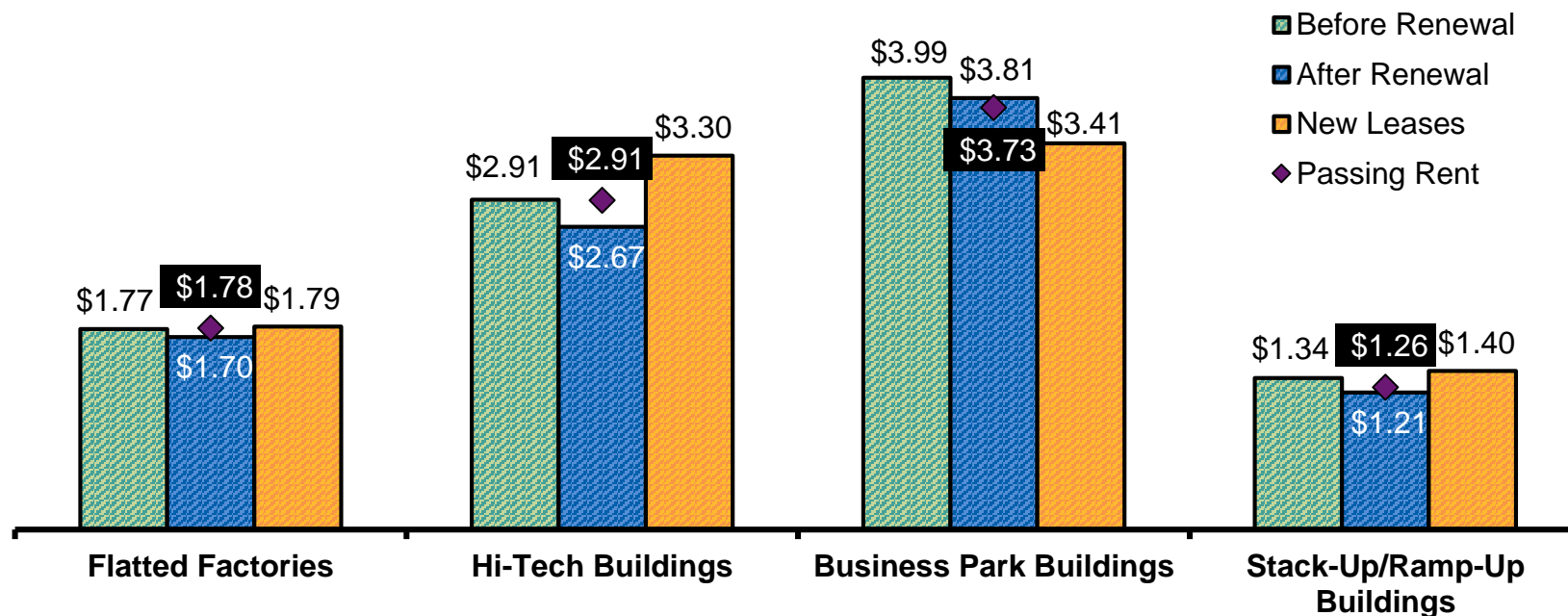
Segmental Occupancy Levels (Singapore)



Rental Revisions (Singapore)

Gross Rental Rate (\$\$ psf/mth)¹

For Period 1QFY19/20

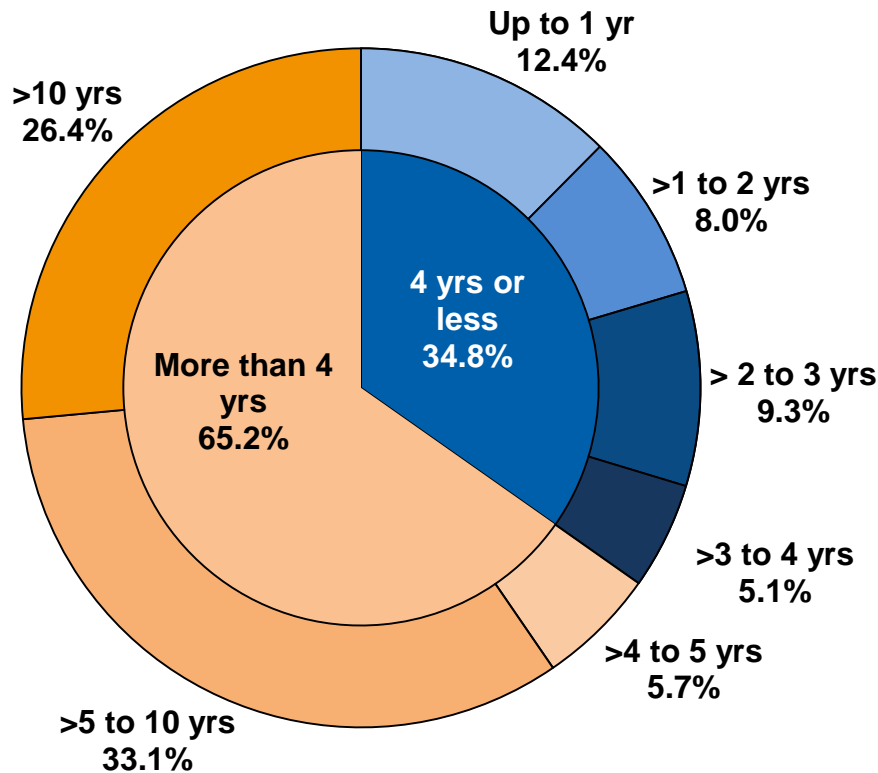


Renewal Leases	85 Leases (305,976 sq ft)	13 Leases (116,712 sq ft)	10 Leases (29,709 sq ft)	6 Leases (129,652 sq ft)
New Leases	49 Leases (148,279 sq ft)	4 Leases (16,667 sq ft)	8 Leases (28,167 sq ft)	2 Leases (8,816 sq ft)

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

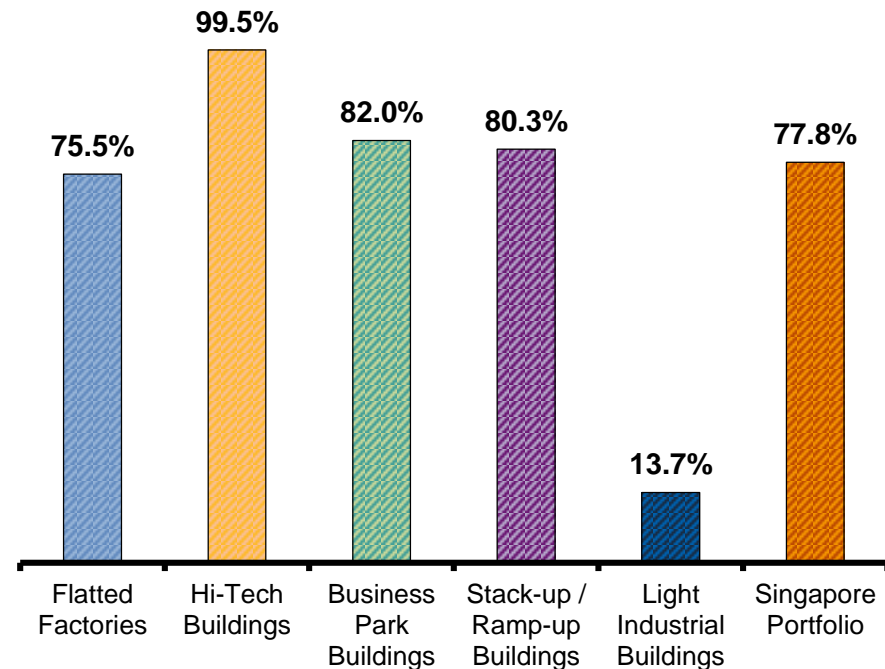
Healthy Tenant Retention (Singapore)

LONG STAYING TENANTS



As at 30 Jun 2019
By number of tenants.

RETENTION RATE FOR 1QFY19/20



Based on NLA.

- ✦ 65.2% of the tenants have leased the properties for more than 4 years
- ✦ Tenant retention rate of 77.8% in 1QFY19/20



INVESTMENT UPDATE

Stack-up/Ramp-up Buildings, Woodlands Spectrum

Upgrading – 7 Tai Seng Drive



7 Tai Seng Drive (after upgrading into a data centre)

Total Project Cost
\$95.0 million¹

GFA
256,600 sq ft

Completion
3 Jul 2019

- ✦ Completed upgrading of the seven-storey property into a data centre on 3 Jul 2019
- ✦ Commenced lease on 20 Jul 2019²
- ✦ Upgrading works include increasing power and floor loading capacities and installing additional telecommunication infrastructure
- ✦ 100% committed by Equinix Singapore for an initial term of 25 years³ with annual rental escalations

¹ Includes the purchase consideration of 7 Tai Seng Drive for S\$68.0 million.

² Includes a rent-free period of two months.

³ Subject to MIT exercising the option to extend the land lease for the additional 30 years.

Redevelopment – Kolam Ayer 2

	Property	GFA	Plot Ratio
Kolam Ayer 2 Cluster	Two Flatted Factories and an amenity centre	506,720 sq ft	1.5
After Redevelopment	New Hi-Tech Buildings, including a seven-storey BTS Facility for Anchor Tenant	865,600 sq ft	2.5



Kolam Ayer 2 Cluster at Kallang Way



Artist's impression of MIT's new high-tech industrial precinct with BTS Facility on the left

- ✦ Redevelopment of Kolam Ayer 2 Flatted Factory Cluster into a new high-tech industrial precinct at total project cost of S\$263 million¹
- ✦ Secured pre-commitment from a global medical device company headquartered in Germany (the “Anchor Tenant”) for about 24.4% of enlarged GFA (~211,000 sq ft)
- ✦ BTS Facility is 100% committed by Anchor Tenant for lease term of 15 + 5 + 5 years² with annual rental escalations
- ✦ Commencement in 2H2020 and completion in 2H2022

¹ Includes the book value of the Kolam Ayer 2 Cluster at S\$70.2 million as at 31 Mar 2019 prior to the commencement of the redevelopment.

² Includes a rent-free period of six months distributed over the first six years. Anchor Tenant will be responsible for all operating expense and property tax of the BTS Facility.



OUTLOOK AND STRATEGY

Hi-Tech Buildings, 7337 Trade Street, San Diego

Singapore

- ✦ Challenging operating environment
 - Singapore economy grew by 0.1% y-o-y in the quarter ended 30 Jun 2019, lower than 1.1% growth in preceding quarter¹
 - Companies remained cautious amid mounting downside risks from ongoing United States-China trade tensions and an uncertain global growth outlook
- ✦ Median rents for industrial real estate for 1QFY19/20²
 - Multi-user Factory Space: S\$1.77 psf/mth (-1.7% q-o-q)
 - Business Park Space: S\$4.00 psf/mth (-8.5% q-o-q)
 - Tapering supply of competing industrial space may help to stabilise both market rents and occupancy rates

United States

- ✦ United States remained the world's largest and most established data centre market
 - 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 2023F³
 - Primary growth drivers for outsourced data centre market: Growth of data and cloud computing, proliferation of consumer devices and the need for data to be stored close to its end users and at multiple locations for geographical diversity and resilience

¹ Ministry of Trade and Industry (Advance Estimates), 12 Jul 2019

² JTC J-Space, 22 Jul 2019

28 ³ Source: 451 Research, LLC., 1Q2019

Resilient and Poised for Growth

Stable and Resilient Portfolio

- ✦ Higher Overall Portfolio occupancy rate of 90.8%
- ✦ Only 12.3% of leases (by gross rental income) remain due for renewal in FY19/20

Enhanced Financial Flexibility

- ✦ Aggregate leverage of 33.4% provides financial flexibility to pursue investment opportunities
- ✦ Hedged borrowings of 79.5%

Growth by Acquisitions and Developments

- ✦ Completed upgrading of 7 Tai Seng Drive into a data centre for Equinix Singapore
- ✦ Embarking on its largest redevelopment project at Kolam Ayer with 24.4% of space pre-committed



End of Presentation

For enquiries, please contact Ms Melissa Tan, Director, Investor Relations,
DID: (65) 6377 6113, Email: melissa.tanhl@mapletree.com.sg