



# Investor Presentation

## November 2021



# Important Notice

This presentation shall be read in conjunction with Mapletree Industrial Trust's ("MIT") financial results for Second Quarter Financial Year 2021/2022 in the SGXNET announcement dated 26 October 2021.

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.

- 01 Key Highlights**
- 02 Overview of Mapletree Industrial Trust**
- 03 Portfolio Update**
- 04 2Q & 1HFY21/22 Financial Highlights**
- 05 Sustainability**
- 06 Outlook and Strategy**

# ***KEY HIGHLIGHTS***

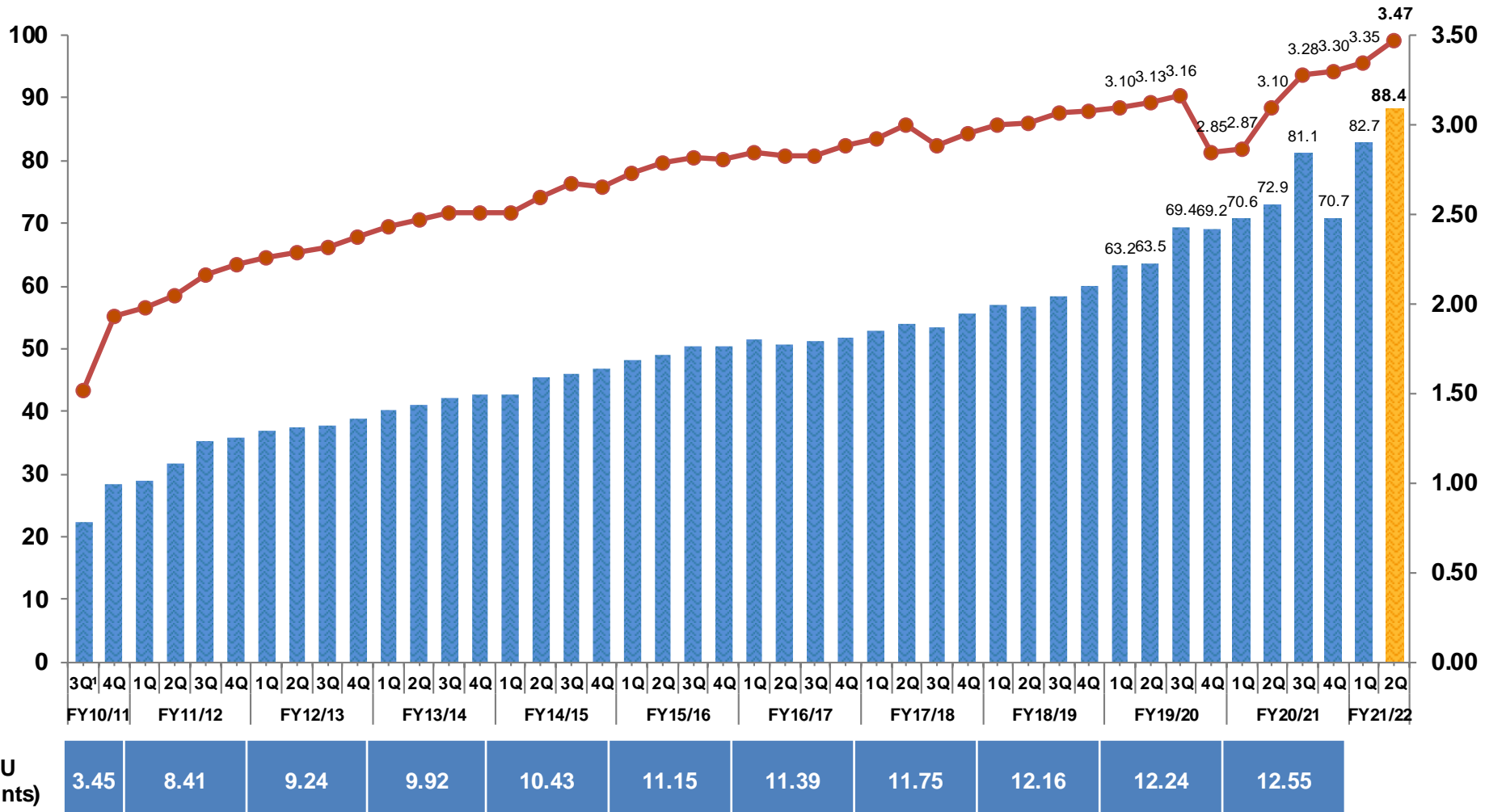


*Data Centres, 44490 Chillum Place (ACC2), Northern Virginia*

# Sustainable and Growing Returns

Distributable Income  
(S\$ million)

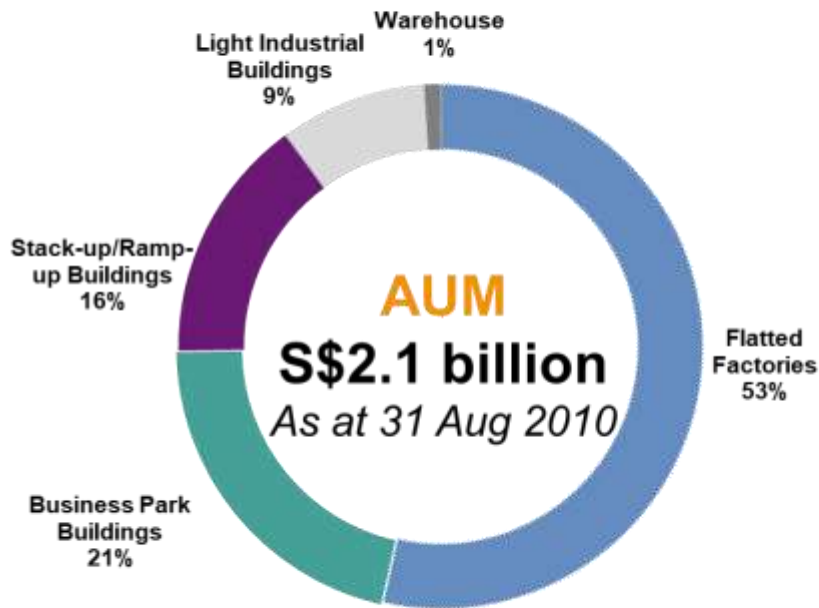
DPU  
(cents)



<sup>1</sup> MIT was listed on 21 Oct 2010.

## Reshaping and Building a Portfolio of Assets for Higher Value Uses Through Development Projects and Acquisitions

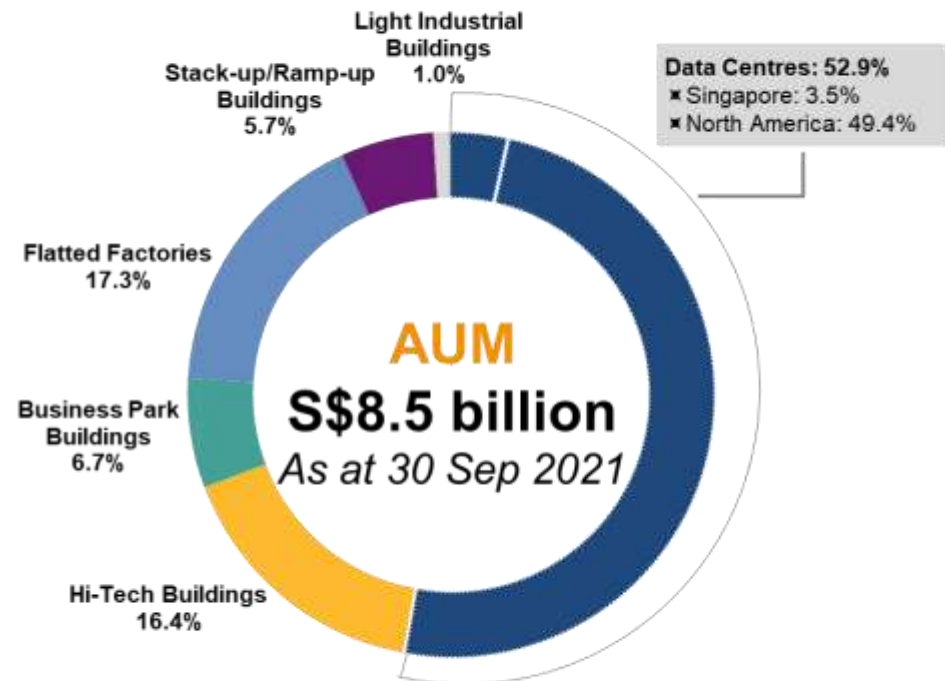
### 70 Properties



#### AUM by geography

Singapore	100.0%
-----------	--------

### 143 Properties



Data Centres: 52.9%  
 Singapore: 3.5%  
 North America: 49.4%

#### AUM by geography

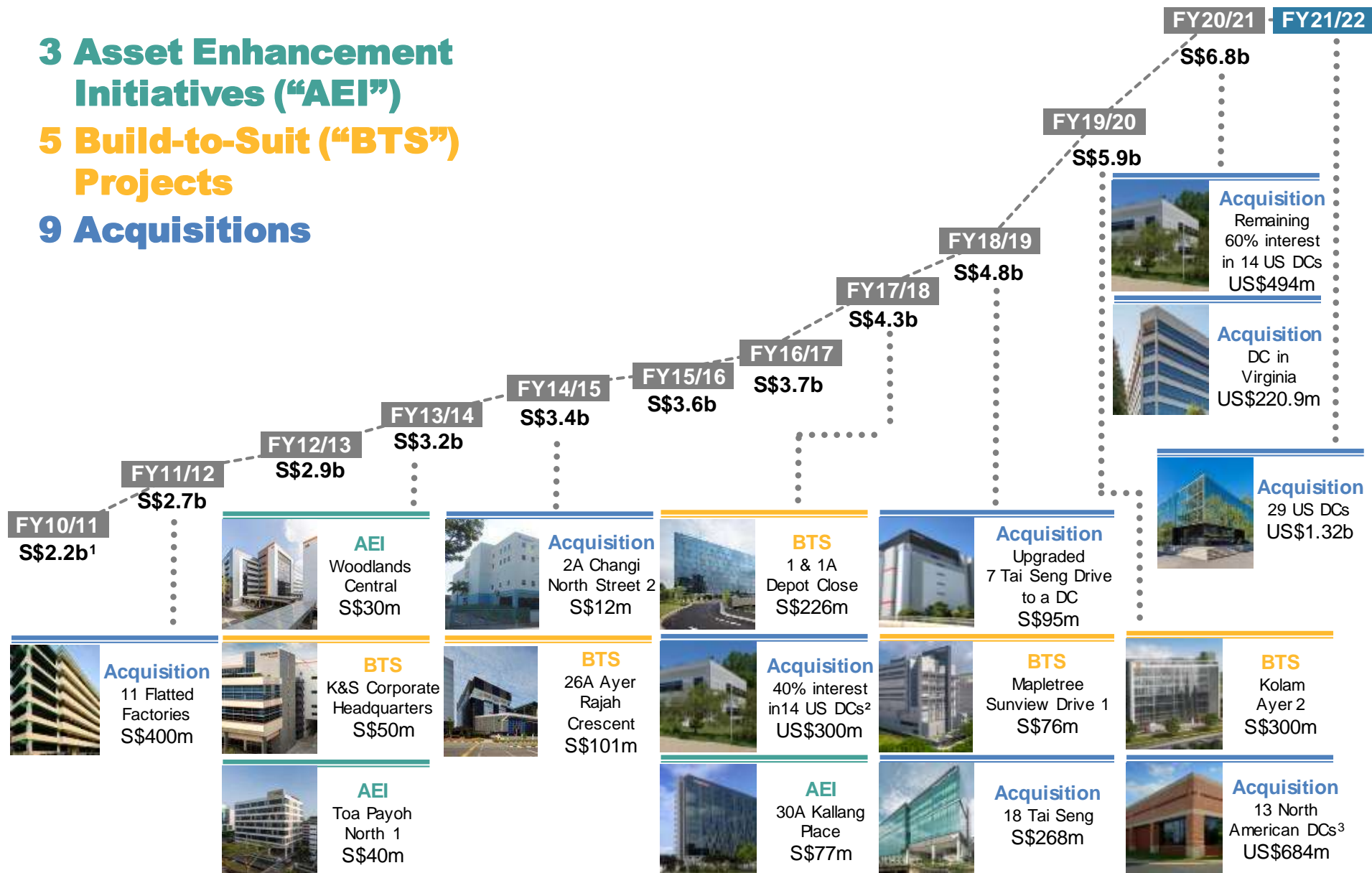
Singapore	50.6%
North America	49.4%

# Portfolio Growth since IPO

**3 Asset Enhancement Initiatives (“AEI”)**

**5 Build-to-Suit (“BTS”) Projects**

**9 Acquisitions**



<sup>1</sup> Valuation of investment properties on 31 Mar at end of each financial year.

<sup>2</sup> Acquired through a 40:60 joint venture with Mapletree Investments Pte Ltd (“MIPL”).

<sup>3</sup> Acquired through a 50:50 joint venture with MIPL.

## ✦ Strong performance driven primarily by contributions from portfolio acquisitions of data centres in North America

- 2QFY21/22 Distributable Income: S\$88.4 million (▲ 21.3% y-o-y)
- 2QFY21/22 DPU: 3.47 cents (▲ 11.9% y-o-y)

## ✦ Portfolio and investment updates

- Average Overall Portfolio occupancy of 93.7%
- Overall Portfolio's WALE increased q-o-q from 3.7 to 4.3 years
- Completed US\$1.32 billion acquisition of 29 data centres in the United States of America (the "United States") on 22 Jul 2021 (the "US Portfolio Acquisition")

## ✦ Capital management update

- Strong balance sheet with more than S\$1 billion of committed facilities available



# Acquisition – 29 Data Centres in the United States



400 Minuteman Road, Andover



250 Williams Street NW, Atlanta



2601 West Broadway Road, Tempe

<b>Acquisition</b>	Announced acquisition of a portfolio of 29 data centres in the United States on 20 May 2021
<b>Vendors</b>	Subsidiaries of Sila Realty Trust, Inc.
<b>Valuation</b>	US\$1,335.0 million <sup>1</sup> (S\$1,802.3 million) <sup>2</sup>
<b>Purchase Consideration</b>	Purchase Consideration: US\$1,320.0 million (S\$1,795.2 million) Total Acquisition Outlay: US\$1,342.3 million (S\$1,825.5 million)
<b>Land Area</b>	8.4 million sq ft
<b>Net Lettable Area</b>	3.3 million sq ft
<b>Completed</b>	22 Jul 2021 (Eastern Standard Time)

<sup>1</sup> Independent valuation by Newmark Knight Frank Valuation & Advisory, LLC as at 30 Apr 2021.

<sup>2</sup> Unless otherwise stated, an illustrative exchange rate of US\$1.00 to S\$1.36 is used in this presentation.

# Redevelopment – Kolam Ayer 2<sup>1</sup>

161, 163 & 165 Kallang Way <sup>1</sup>		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



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



Super structure work in progress for Block 1 and Block 2. Completed piling works for Block 3

- ✦ Redevelopment of Flatted Factories into a new high-tech industrial precinct at total project cost of S\$300 million<sup>2</sup>
- ✦ 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 years<sup>3</sup> with annual rental escalations
- ✦ Commenced construction for two industrial buildings in late Nov 2020; Construction contract of third industrial building was awarded in May 2021
- ✦ Expected completions of 163 & 165 Kallang Way in 2H2022 and 161 Kallang Way in 1H2023

<sup>1</sup> Upon commencement of the redevelopment works in Jul 2020, the cluster was renamed after its new address (161, 163 & 165 Kallang Way).

<sup>2</sup> 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.

<sup>3</sup> Includes a rent-free period of 6 months distributed over the first six years. Anchor Tenant is responsible for all operating expense and property tax of the BTS Facility.

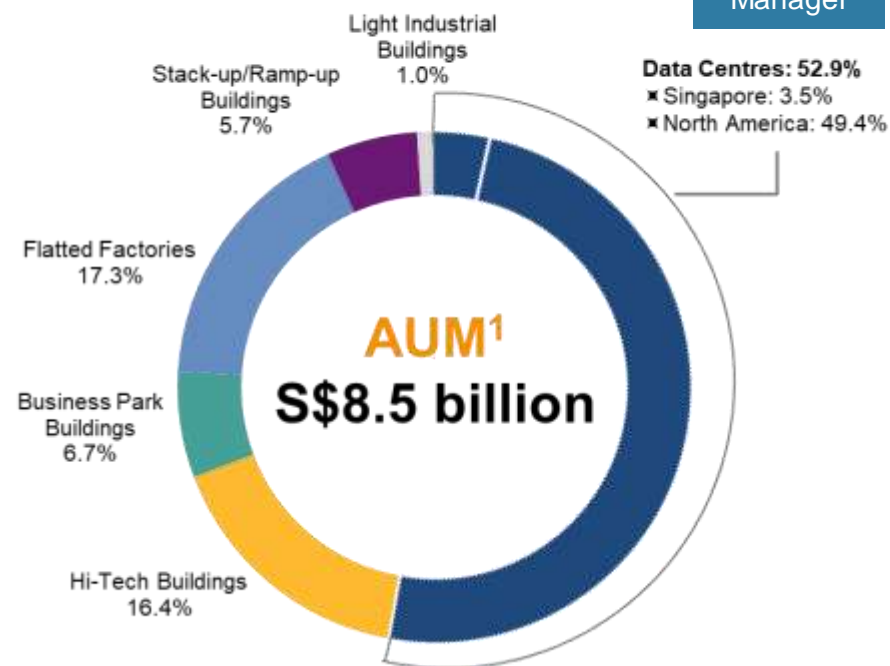
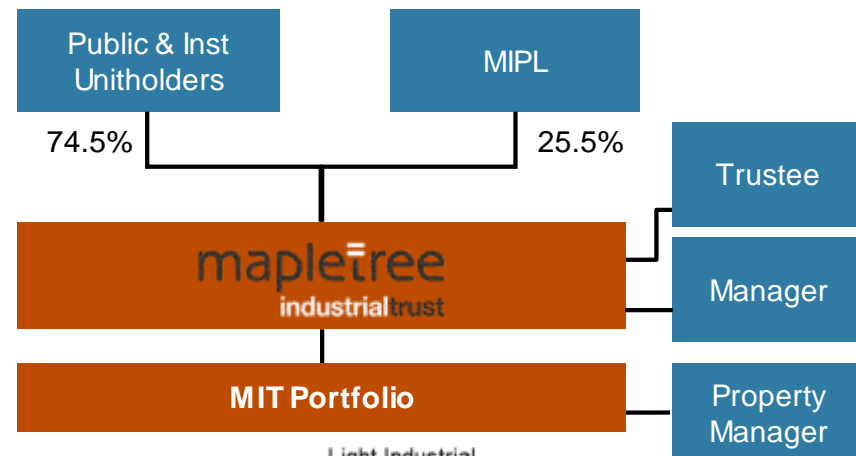
# ***OVERVIEW OF MAPLETREE INDUSTRIAL TRUST***



*Hi-Tech Building, 18 Tai Seng*

# Overview of Mapletree Industrial Trust

<b>Sponsor</b>	Mapletree Investments Pte Ltd (“MIPL”) Owns 25.5% of MIT
<b>Investment mandate</b>	Focused on (i) industrial real estate assets in Singapore, excluding properties primarily used for logistics purposes and (ii) data centres worldwide beyond Singapore
<b>Portfolio</b>	143 properties valued at S\$8.5 billion <sup>1</sup> 24.2 million <sup>2</sup> sq ft NLA
<b>Manager</b>	Mapletree Industrial Trust Management Ltd. 100% owned by the Sponsor
<b>Property Manager</b>	Mapletree Facilities Services Pte. Ltd. and Mapletree US Management LLC 100% owned by the Sponsor
<b>Trustee</b>	DBS Trustee Limited



## AUM by geography

Singapore	50.6%
North America	49.4%

<sup>1</sup> Based on MIT's book value of investment properties as well as MIT's interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America and included MIT's right-of-use assets as at 30 Sep 2021.

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

# Diverse Portfolio of 143 Properties

## DATA CENTRES

Facilities used primarily for the storage and processing of data. These include core-and-shell to fully-fitted facilities, which include building fit-outs as well as mechanical and electrical systems.



## FLATTED FACTORIES

High-rise multi-tenanted industrial buildings with basic common facilities used for light manufacturing activities.



## HI-TECH BUILDINGS

High-specification industrial buildings with higher office content for tenants in technology and knowledge-intensive sectors. Usually fitted with air-conditioned lift lobbies and common areas.



## STACK-UP/RAMP-UP BUILDINGS

Stacked-up factory space with vehicular access to upper floors. Multi-tenanted space suitable for manufacturing and assembly activities.



## BUSINESS PARK BUILDINGS

High-rise multi-tenanted buildings in specially designated "Business Park zones". Serve as regional headquarters for MNCs as well as spaces for R&D and knowledge-intensive enterprises.



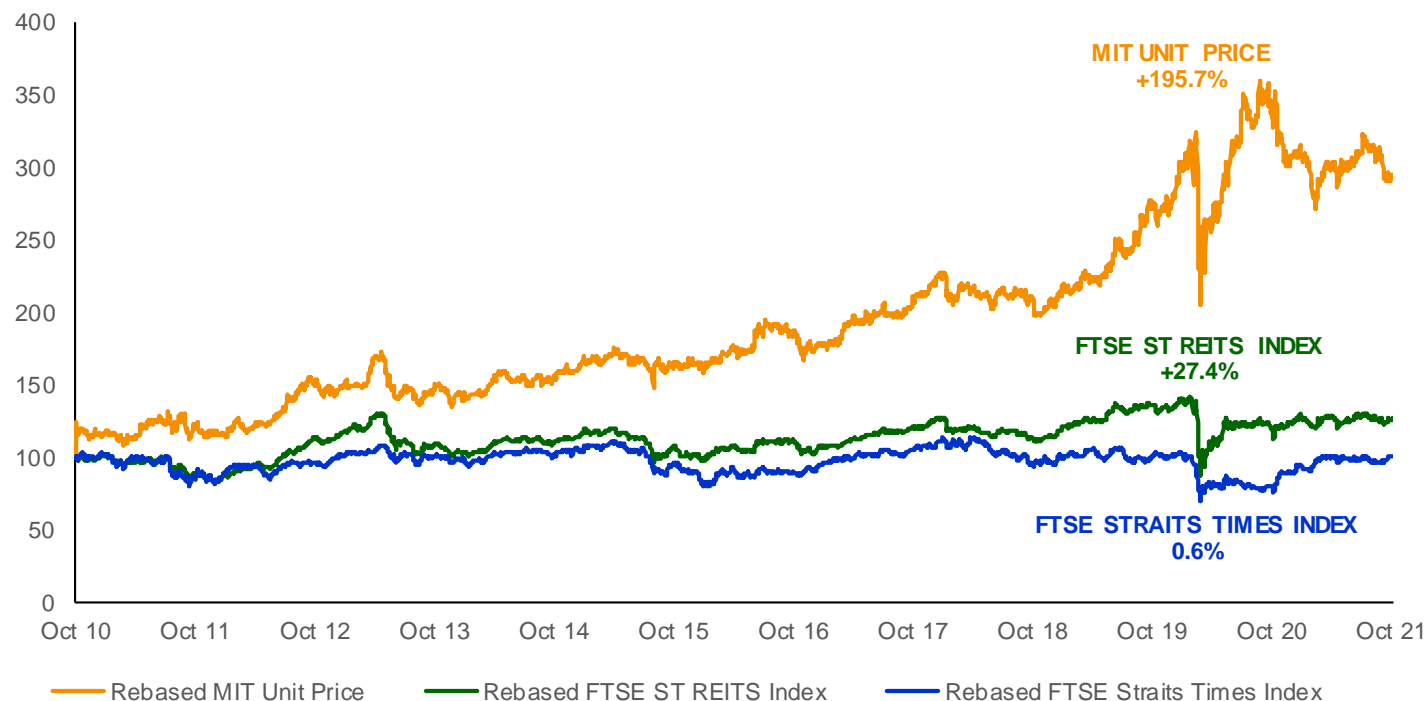
## LIGHT INDUSTRIAL BUILDINGS

Multi-storey developments usually occupied by an anchor tenant for light manufacturing activities.



# Healthy Returns since IPO

## COMPARATIVE TRADING PERFORMANCE SINCE IPO<sup>1</sup>



MIT's Return on Investment	Capital Appreciation	Distribution Yield	Total Return
Listing on 21 Oct 2010 to 29 Oct 2021	195.7% <sup>2</sup>	128.5% <sup>3</sup>	324.2% <sup>4</sup>

<sup>1</sup> Rebased MIT's issue price of S\$0.930 and opening unit prices of FTSE ST REITS Index and FTSE Straits Times Index on 21 Oct 2010 to 100. Source: Bloomberg.

<sup>2</sup> Based on MIT's closing unit price of S\$2.750 on 29 Oct 2021.

<sup>3</sup> MIT's distribution yield is based on DPU of S\$1.195 over the issue price of S\$0.930.

<sup>4</sup> Sum of distributions and capital appreciation for the period over the issue price of S\$0.930.

# 86 Properties in Singapore

Total  
NLA

**15.9m sq ft**

WALE  
(By GRI)<sup>1</sup>

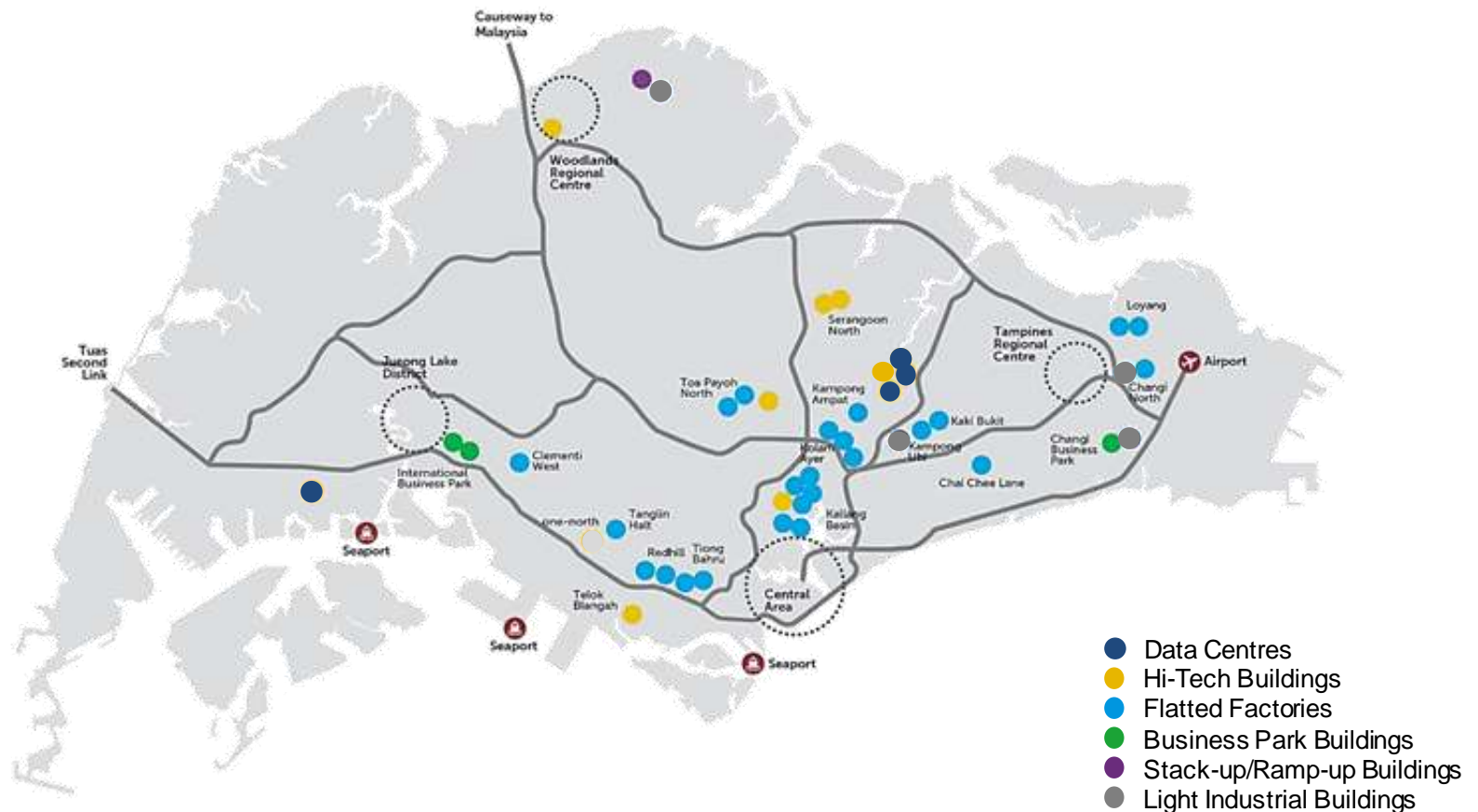
**2.8 years**

Weighted Average Unexpired  
Lease Term of Underlying Land<sup>1</sup>

**34.8 years**

Occupancy  
Rate<sup>2</sup>

**93.6%**



<sup>1</sup> As at 30 Sep 2021.

<sup>2</sup> For 2QFY21/22.

# 57 Data Centres Across North America

Total  
NLA<sup>1</sup>

**8.3m sq ft**

WALE  
(By GRI)<sup>2</sup>

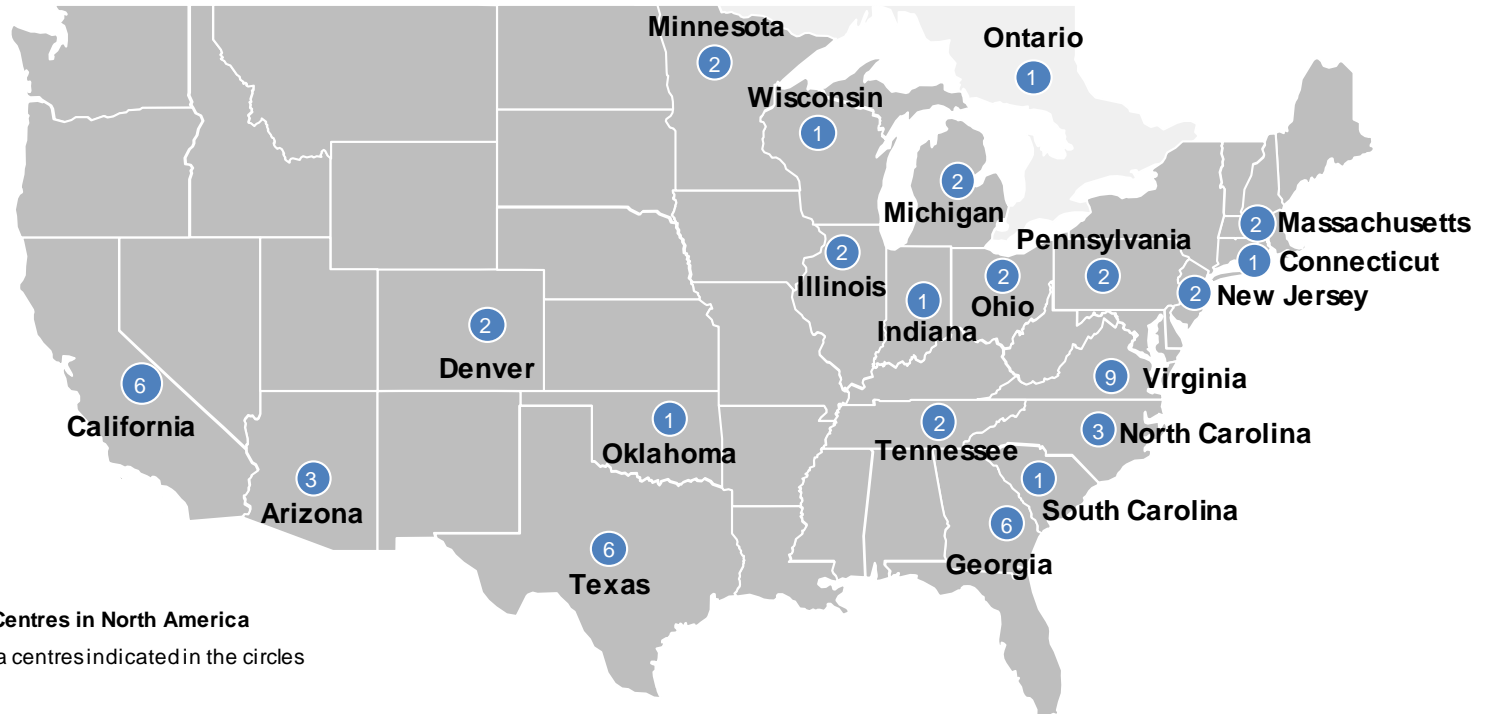
**6.5 years**

Weighted Average Unexpired  
Lease Term of Underlying Land<sup>3</sup>

**Freehold**

Occupancy  
Rate<sup>4</sup>

**93.9%**



● MIT's 57 Data Centres in North America

\*Number of data centres indicated in the circles

<sup>1</sup> Excluded the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree, Atlanta.

<sup>2</sup> As at 30 Sep 2021.

<sup>3</sup> All properties are sited on freehold land, except for the parking deck (150 Carnegie Way) at 180 Peachtree, Atlanta, 2055 East Technology Circle, Phoenix, 2005 East Technology Circle, Tempe and part of 250 Williams Street NW, Atlanta.

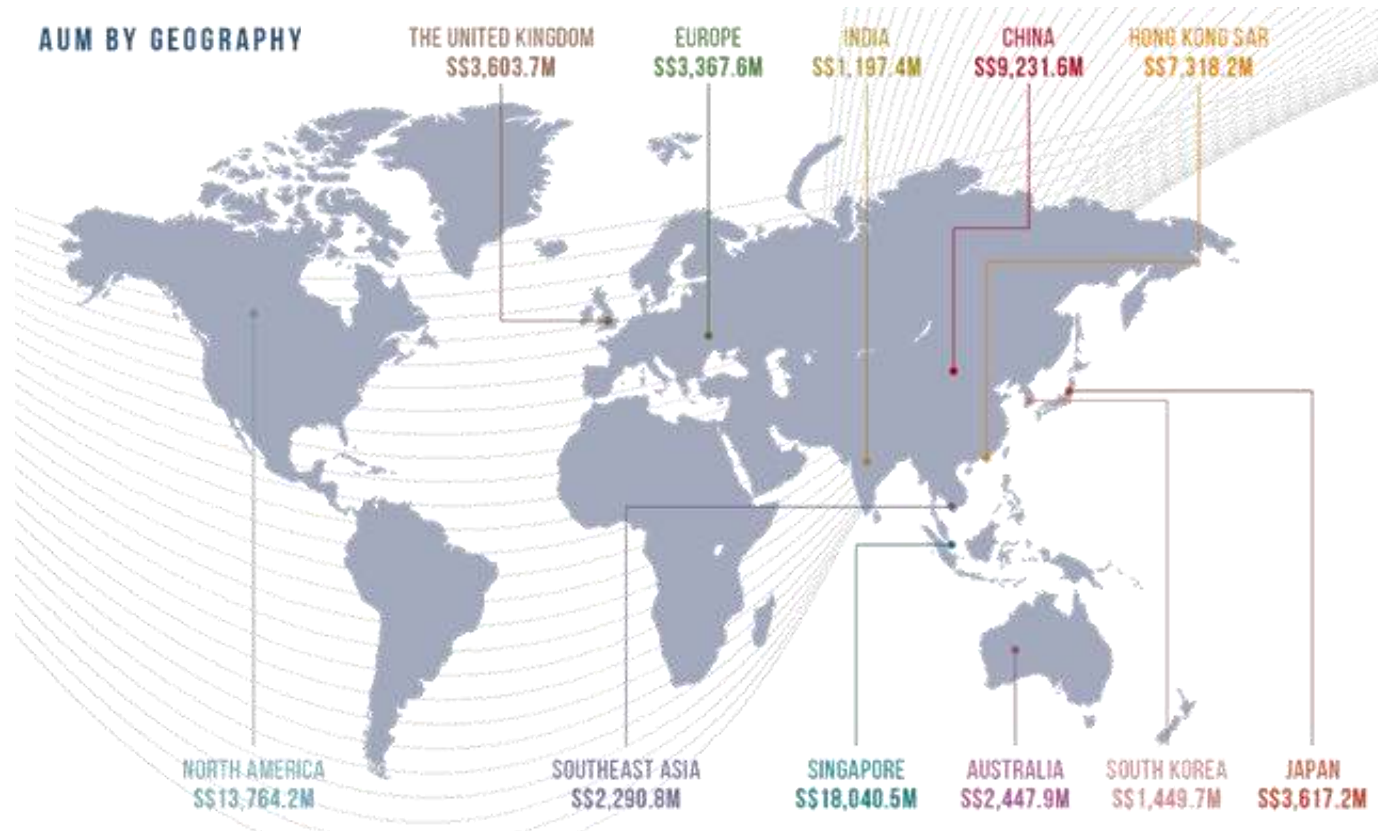
<sup>4</sup> For 2QFY21/22.



# Reputable Sponsor with Aligned Interest

## About the Sponsor, Mapletree Investments

- Leading real estate development, investment, capital and property management company
- As at 31 Mar 2021, the Sponsor owns and manages S\$66.3 billion of assets across Asia Pacific, Europe, the United Kingdom and North America, of which S\$13.8 billion is located in North America
- Right of first refusal to MIT over future sale of 50% interest in Mapletree Rosewood Data Centre Trust (“MRODCT”)





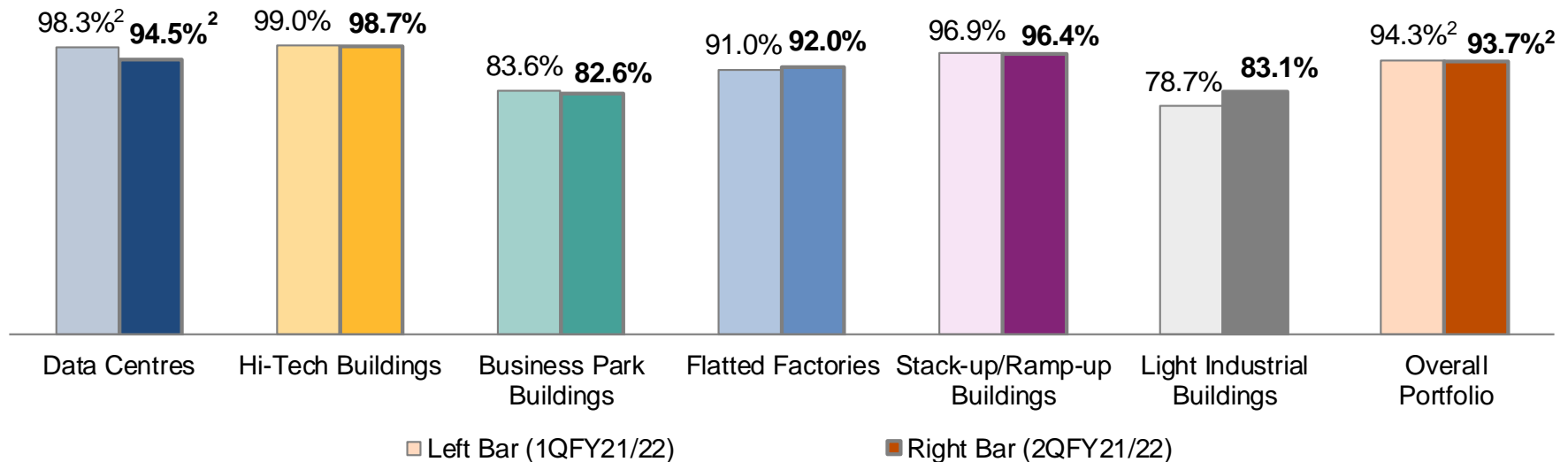
*Data Centres,  
13831 Katy Freeway, Houston*

**PORTFOLIO  
UPDATE**

# Portfolio Overview

	Singapore Portfolio	North American Portfolio	Overall Portfolio
Number of properties	86	57	143
NLA (million sq ft)	15.9	8.3 <sup>1</sup>	24.2 <sup>1</sup>
Occupancy (%)			
<b>2QFY21/22</b>	<b>93.6</b>	<b>93.9</b>	<b>93.7<sup>2</sup></b>
<i>1QFY21/22</i>	<i>93.4</i>	<i>97.8</i>	<i>94.3<sup>2</sup></i>

## SEGMENTAL OCCUPANCY RATES<sup>1</sup>



<sup>1</sup> Excludes the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree.

<sup>2</sup> Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through Mapletree Rosewood Data Centre Trust ("MRODCT").

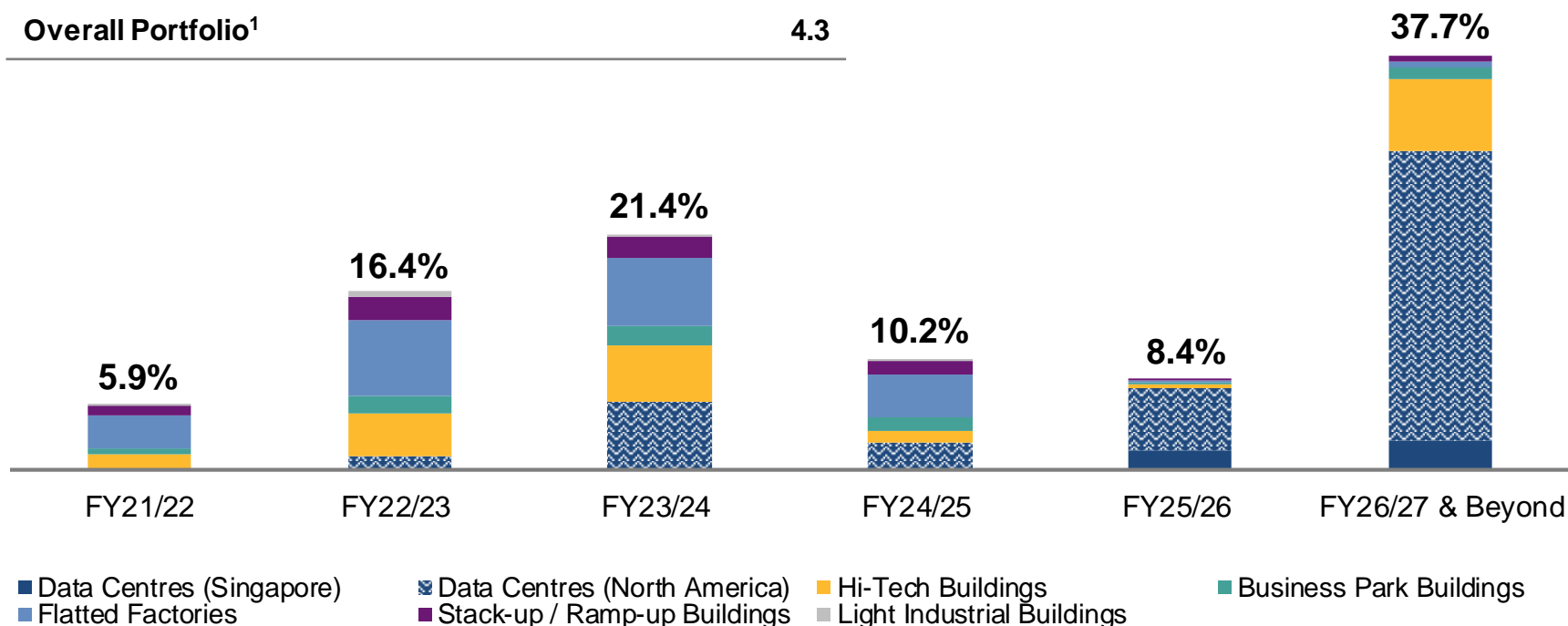
# Lease Expiry Profile

## EXPIRING LEASES BY GROSS RENTAL INCOME<sup>1</sup>

As at 30 September 2021

WALE based on date of commencement of leases (years)<sup>2</sup>

Singapore Portfolio	2.8
North American Portfolio	6.5
<b>Overall Portfolio<sup>1</sup></b>	<b>4.3</b>

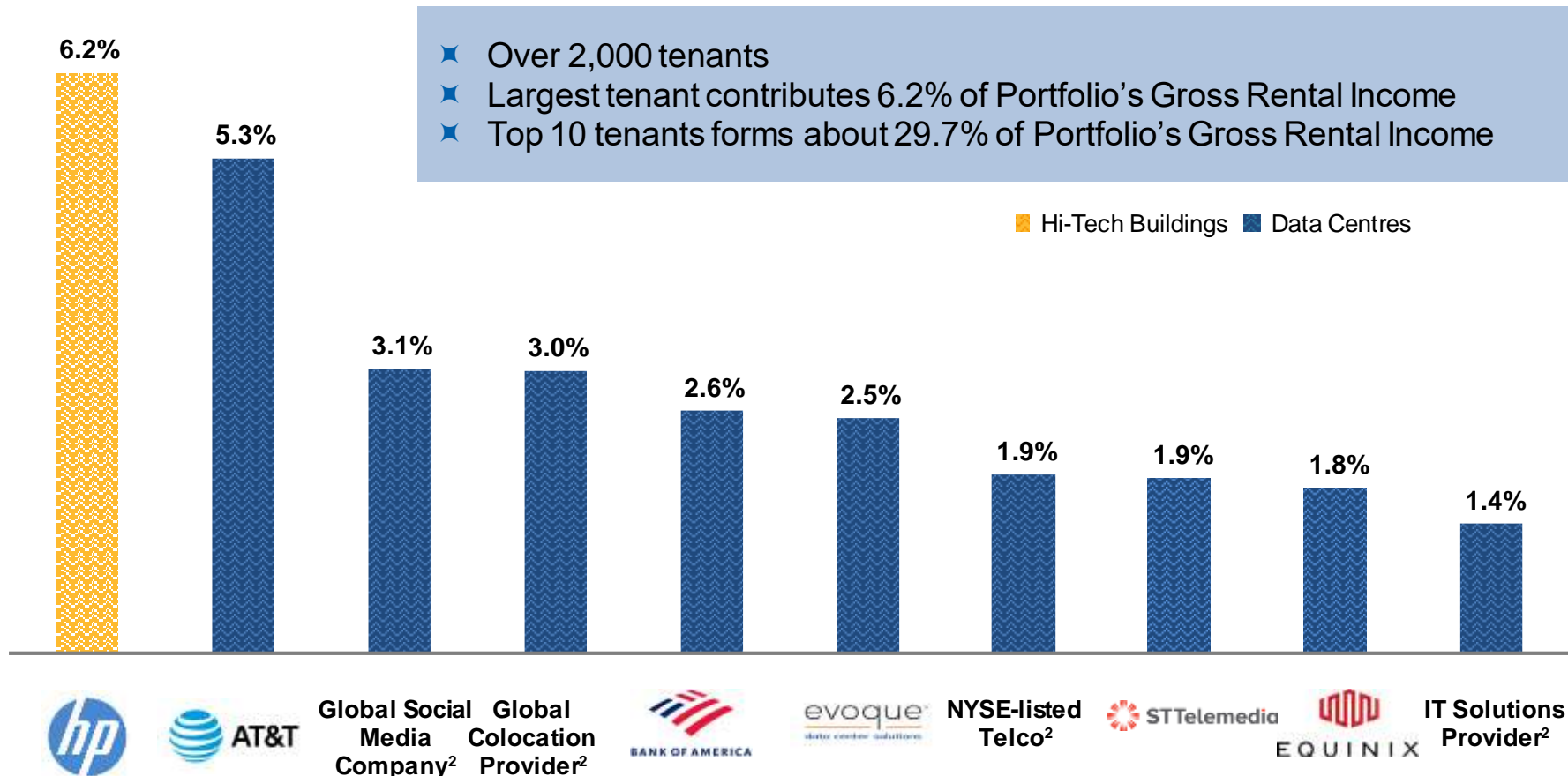


<sup>1</sup> Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through MRODCT.  
<sup>2</sup> Refers to leases which commenced prior to and on 30 Sep 2021.

# Large and Diversified Tenant Base

## TOP 10 TENANTS BY GROSS RENTAL INCOME<sup>1</sup>

As at 30 September 2021

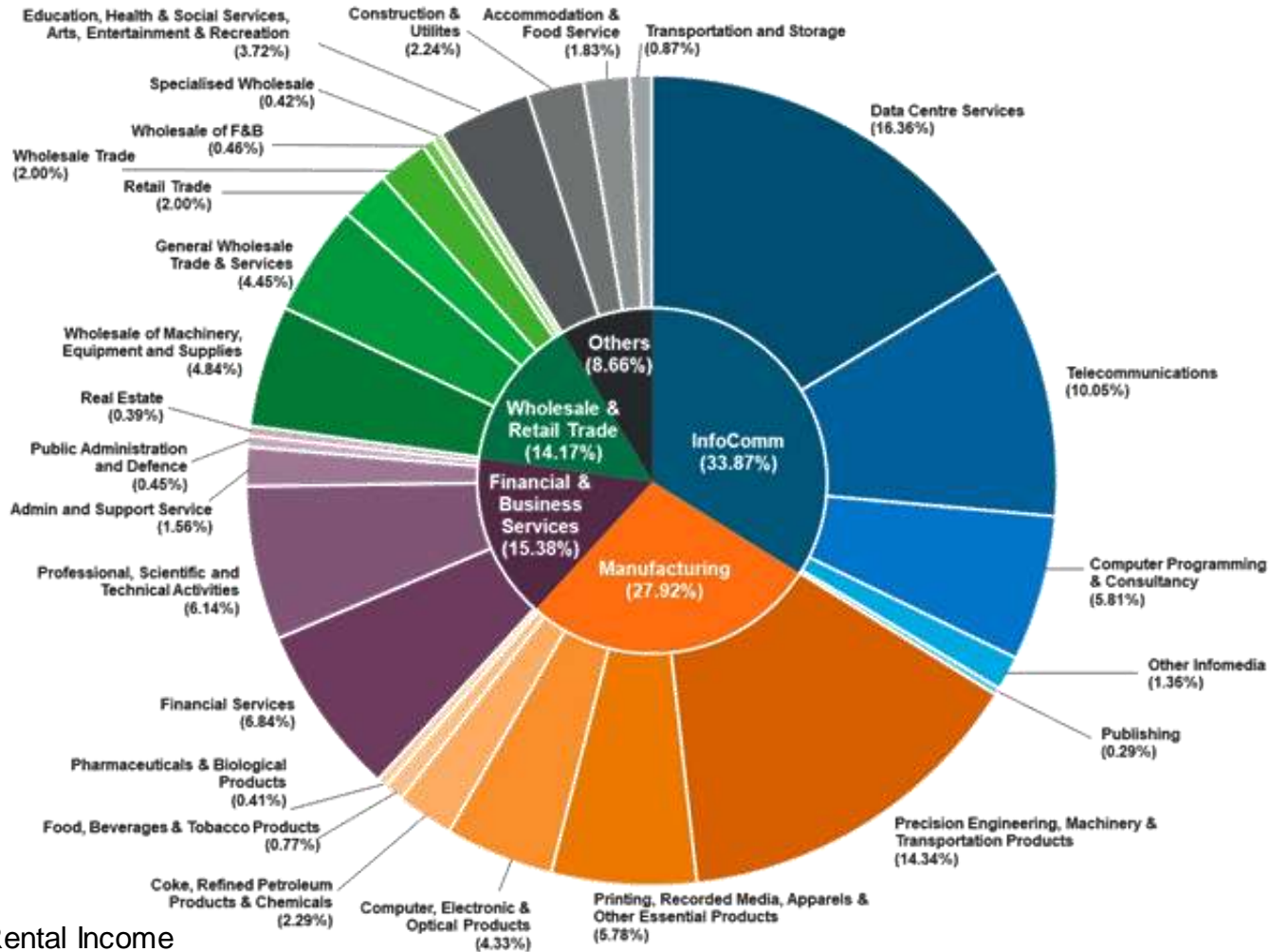


<sup>1</sup> Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through MRODCT.

<sup>2</sup> The identities of the tenants cannot be disclosed due to the strict confidentiality obligations under the lease agreements.

# Tenant Diversification Across Trade Sectors<sup>1</sup>

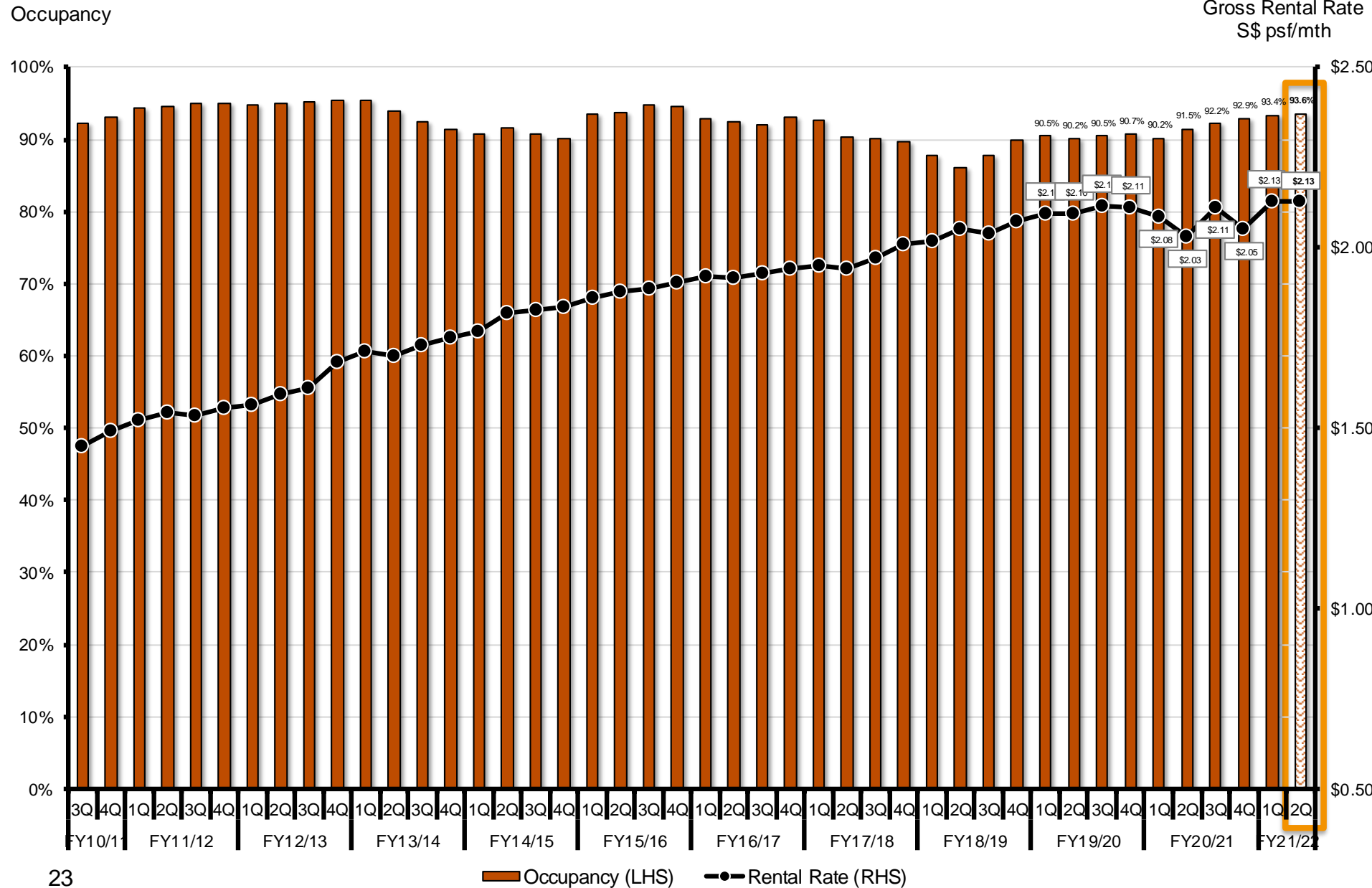
No single trade sector accounted >17% of Portfolio's Gross Rental Income



By Gross Rental Income  
As at 30 Sep 2021

<sup>1</sup> Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through MRODCT.

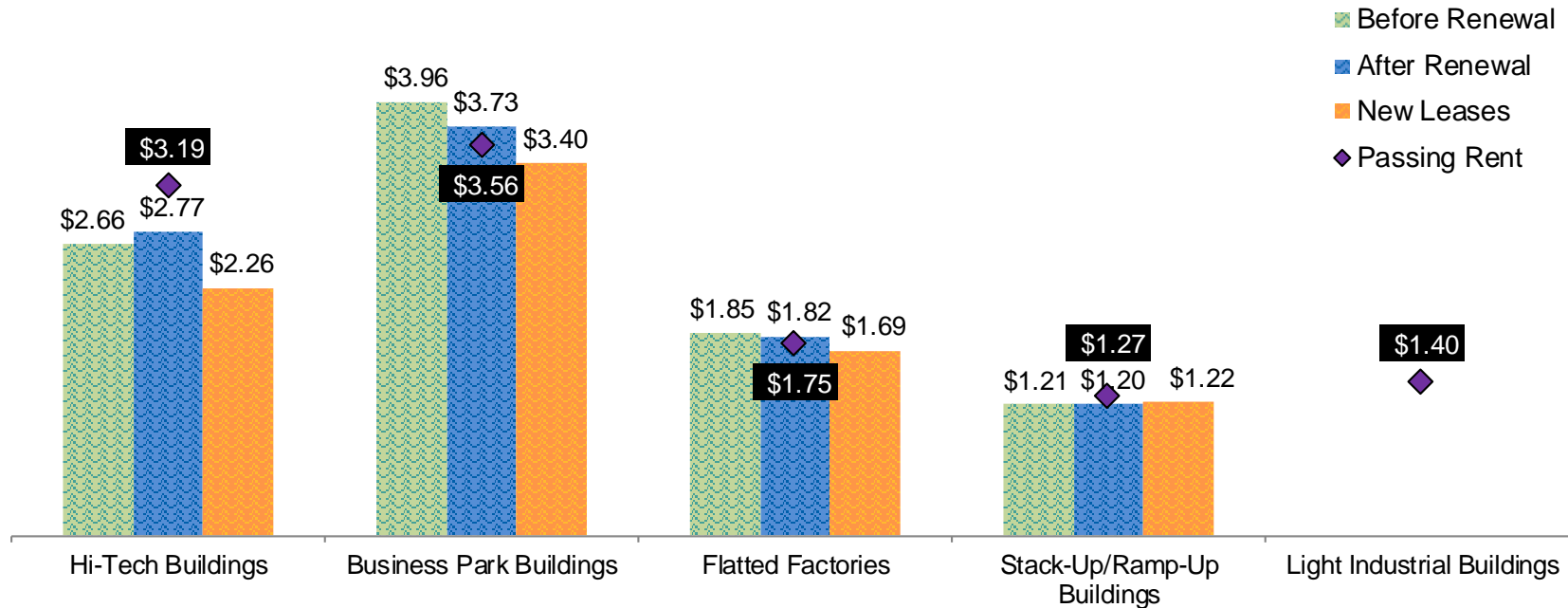
# Singapore Portfolio Performance



# Rental Revisions (Singapore)

## GROSS RENTAL RATE (\$ PSF/MTH)<sup>1</sup>

For Period 2QFY21/22



<b>Renewal Leases</b>	9 Leases (30,787 sq ft)	7 Leases (32,514 sq ft)	82 Leases (235,112 sq ft)	9 Leases (166,541 sq ft)	N.A. <sup>2</sup>
<b>New Leases</b>	4 Leases (6,550 sq ft)	9 Leases (30,096 sq ft)	55 Leases (136,398 sq ft)	6 Leases (119,534 sq ft)	N.A. <sup>3</sup>

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

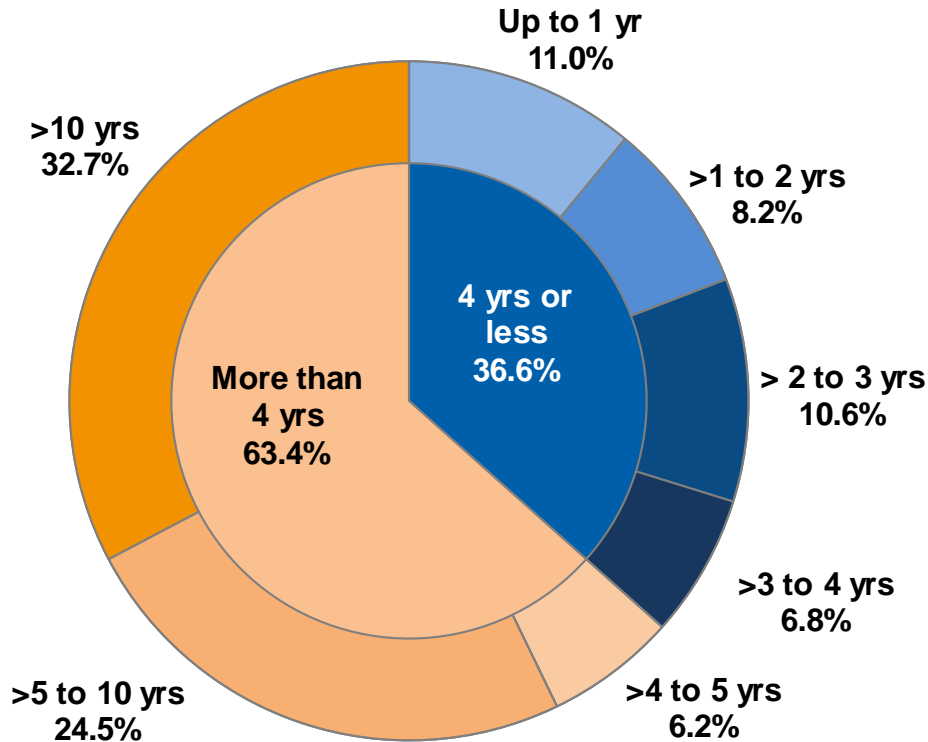
<sup>2</sup> Not applicable as the lease was not renewed in the quarter.

<sup>3</sup> Excluded rental rate for the sole new lease at the Light Industrial Buildings for confidentiality.



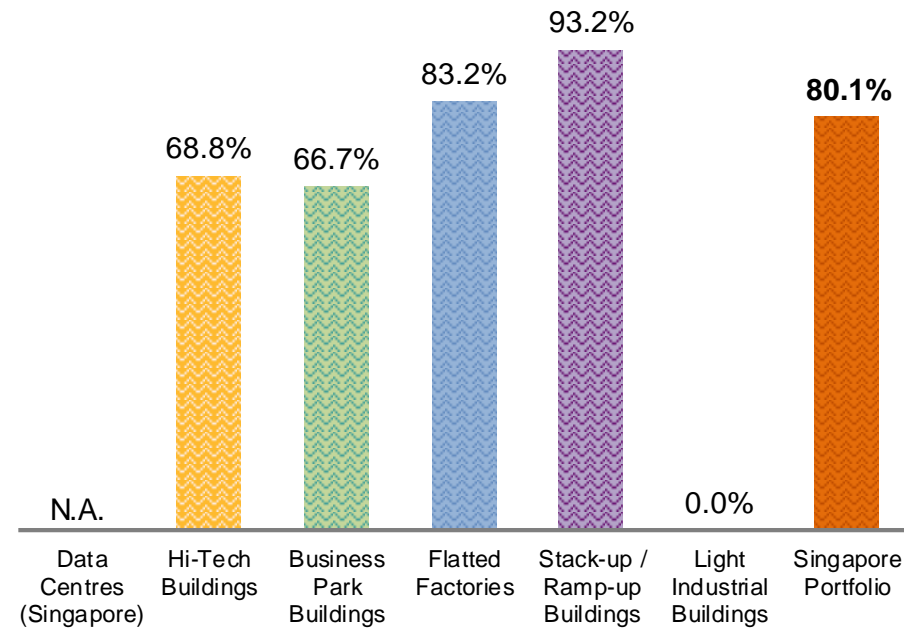
# Healthy Tenant Retention (Singapore)

## LONG STAYING TENANTS



As at 30 Sep 2021  
By number of tenants.

## RETENTION RATE FOR 2QFY21/22



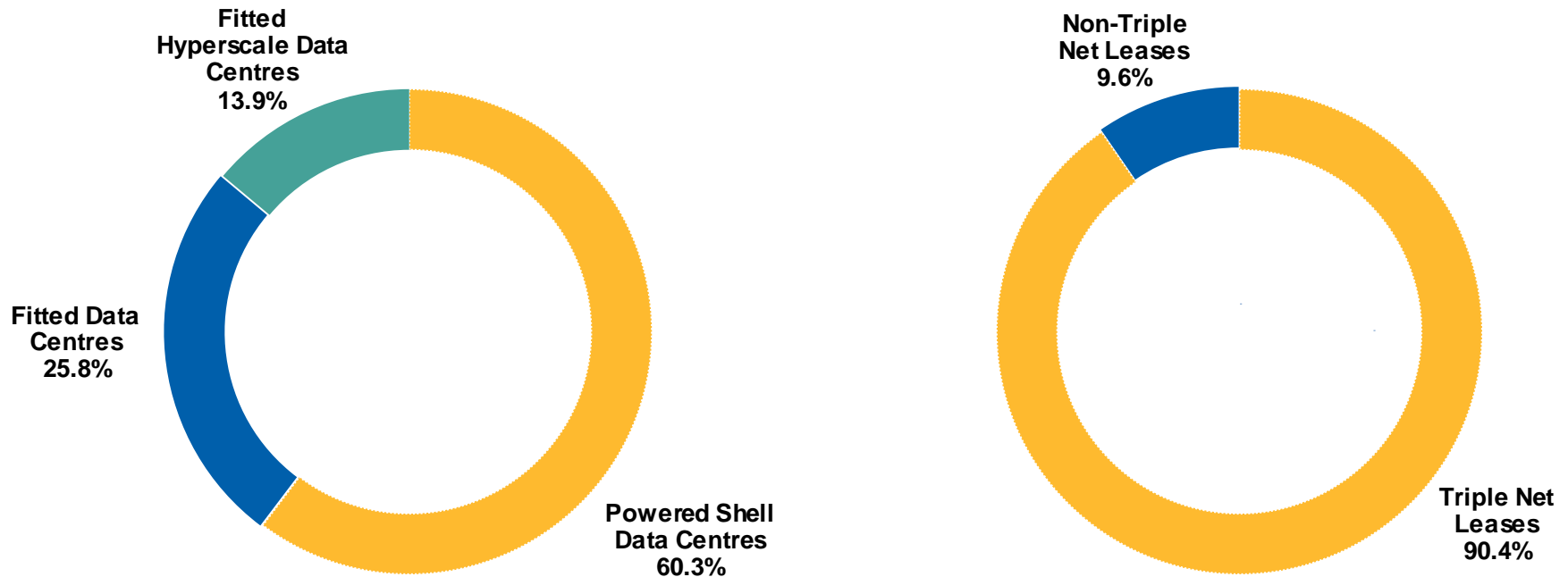
Based on NLA.  
Not applicable for Data Centres (Singapore) as there were no leases due for renewal.

- ✦ 63.4% of the tenants have leased the properties for more than 4 years
- ✦ Tenant retention rate of 80.1% in 2QFY21/22

# Diversified Mix of Data Centres (North America)

- ✦ 90.4% of the North American Portfolio are on triple net lease structures whereby all outgoings<sup>1</sup> are borne by the tenants
- ✦ Good mix of powered shell, fitted hyperscale and fitted data centres

## SPLIT BETWEEN LEASE TYPES FOR THE NORTH AMERICAN PORTFOLIO (BY GROSS RENTAL INCOME)<sup>2</sup>



<sup>1</sup> Refers to maintenance, tax and insurance charges.

<sup>2</sup> As at 30 Sep 2021. Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through MRODCT.

# 2Q & 1HFY21/22 FINANCIAL HIGHLIGHTS



*Business Park Buildings, The Strategy and The Synergy*

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

	2QFY21/22 (S\$'000)	2QFY20/21 (S\$'000)	↑ / (↓)
Gross revenue	155,560	103,350	50.5%
Property operating expenses	(35,240)	(21,748)	62.0%
<b>Net property income</b>	<b>120,320</b>	<b>81,602</b>	<b>47.4%</b>
Borrowing costs	(17,400)	(12,015)	44.8%
Trust expenses	(10,722)	(9,724)	10.3%
Share of joint ventures' results <sup>1</sup>	8,945	12,274	(27.1%)
<b>Profit before income tax</b>	<b>101,143</b>	<b>72,137</b>	<b>40.2%</b>
Income tax expense	(3,281)	(201)	>100.0%
<b>Profit for the period</b>	<b>97,862</b>	<b>71,936</b>	<b>36.0%</b>
Profit attributable to perpetual securities holders	2,407	-	*
<b>Profit attributable to Unitholders</b>	<b>95,455</b>	<b>71,936</b>	<b>32.7%</b>
Net non-tax deductible items	(13,352)	(10,992)	21.5%
Distributions declared by joint ventures	6,274	11,940	(47.5%)
<b>Amount available for distribution to Unitholders</b>	<b>88,377</b>	<b>72,884</b>	<b>21.3%</b>
<b>Distribution per Unit (cents)</b>	<b>3.47</b>	<b>3.10</b>	<b>11.9%</b>

\* Not meaningful

<sup>1</sup> Share of joint ventures' results relates to MIT's equity interest in the joint ventures with MIPL. The results of the joint ventures were equity accounted at the Group level. With effect from 1 Sep 2020, upon completion of the acquisition of the remaining 60% interest, financial results of the 14 data centres in the United States previously held under Mapletree Redwood Data Centre Trust ("MRDCT") had been consolidated.

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

	1HFY21/22 (S\$'000)	1HFY20/21 (S\$'000)	↑ / (↓)
Gross revenue	283,619	202,456	40.1%
Property operating expenses	(58,580)	(42,202)	38.8%
<b>Net property income</b>	<b>225,039</b>	<b>160,254</b>	<b>40.4%</b>
Borrowing costs	(32,638)	(22,583)	44.5%
Trust expenses	(23,158)	(19,061)	21.5%
Share of joint ventures' results <sup>1</sup>	17,925	26,022	(31.1%)
<b>Profit before income tax</b>	<b>187,168</b>	<b>144,632</b>	<b>29.4%</b>
Income tax expense	(4,695)	(201)	>100.0%
<b>Profit for the period</b>	<b>182,473</b>	<b>144,431</b>	<b>26.3%</b>
Profit attributable to perpetual securities holders	3,702	-	*
<b>Profit attributable to Unitholders</b>	<b>178,771</b>	<b>144,431</b>	<b>23.8%</b>
Net non-tax deductible items	(20,600)	(22,376)	(7.9%)
Distributions declared by joint ventures	12,902	21,387	(39.7%)
<b>Amount available for distribution to Unitholders</b>	<b>171,073</b>	<b>143,442<sup>2</sup></b>	<b>19.3%</b>
<b>Distribution per Unit (cents)</b>	<b>6.82</b>	<b>5.97<sup>2</sup></b>	<b>14.2%</b>

\* Not meaningful

<sup>1</sup> Share of joint ventures' results relates to MIT's equity interest in the joint ventures with MIPL. The results of the joint ventures were equity accounted at the Group level. With effect from 1 Sep 2020, upon completion of the acquisition of the remaining 60% interest, financial results of the 14 data centres in the United States previously held under MRDCT had been consolidated.

<sup>2</sup> Amount available for distribution includes tax-exempt income amounting to S\$7.1 million withheld and not included in the 39th distribution (equivalent to distribution per unit of 0.32 cent). Had the tax-exempt income distribution been included, DPU for 1HFY20/21 would be 6.29 cents.

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

	2QFY21/22 (S\$'000)	1QFY21/22 (S\$'000)	↑ / (↓)
Gross revenue	155,560	128,059	21.5%
Property operating expenses	(35,240)	(23,340)	51.0%
<b>Net property income</b>	<b>120,320</b>	<b>104,719</b>	<b>14.9%</b>
Borrowing costs	(17,400)	(15,238)	14.2%
Trust expenses	(10,722)	(12,436)	(13.8%)
Share of joint venture's results <sup>1</sup>	8,945	8,980	(0.4%)
<b>Profit before income tax</b>	<b>101,143</b>	<b>86,025</b>	<b>17.6%</b>
Income tax expense	(3,281)	(1,414)	>100.0%
<b>Profit for the period</b>	<b>97,862</b>	<b>84,611</b>	<b>15.7%</b>
Profit attributable to perpetual securities holders	2,407	1,295	85.9%
<b>Profit attributable to Unitholders</b>	<b>95,455</b>	<b>83,316</b>	<b>14.6%</b>
Net non-tax deductible items	(13,352)	(7,248)	84.2%
Distributions declared by joint ventures	6,274	6,628	(5.3%)
<b>Amount available for distribution to Unitholders</b>	<b>88,377</b>	<b>82,696</b>	<b>6.9%</b>
<b>Distribution per Unit (cents)</b>	<b>3.47</b>	<b>3.35</b>	<b>3.6%</b>

<sup>1</sup> Share of joint venture's results relates to MIT's equity interest in the joint ventures with MIPL. The results of the joint ventures were equity accounted at the Group level.

# Statement of Financial Position

	30 Sep 2021	30 Jun 2021	↑ / (↓)
Total assets (S\$'000)	8,211,340	6,990,532	17.5%
Total liabilities (S\$'000)	3,172,524	2,040,045	55.5%
<b>Net assets attributable to Unitholders (S\$'000)</b>	<b>4,736,962</b>	<b>4,651,040</b>	<b>1.8%</b>
<b>Net asset value per Unit (S\$)<sup>1</sup></b>	<b>1.78</b>	<b>1.75</b>	<b>1.7%</b>

<sup>1</sup> 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 Sep 2021	30 Jun 2021
Total debt (MIT Group)	<b>S\$2,905.6 million</b>	S\$1,787.2 million
Weighted average tenor of debt	<b>2.9 years</b>	2.8 years
Aggregate leverage ratio <sup>1</sup>	<b>39.6%</b>	31.0%

## Strong balance sheet to pursue growth opportunities

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

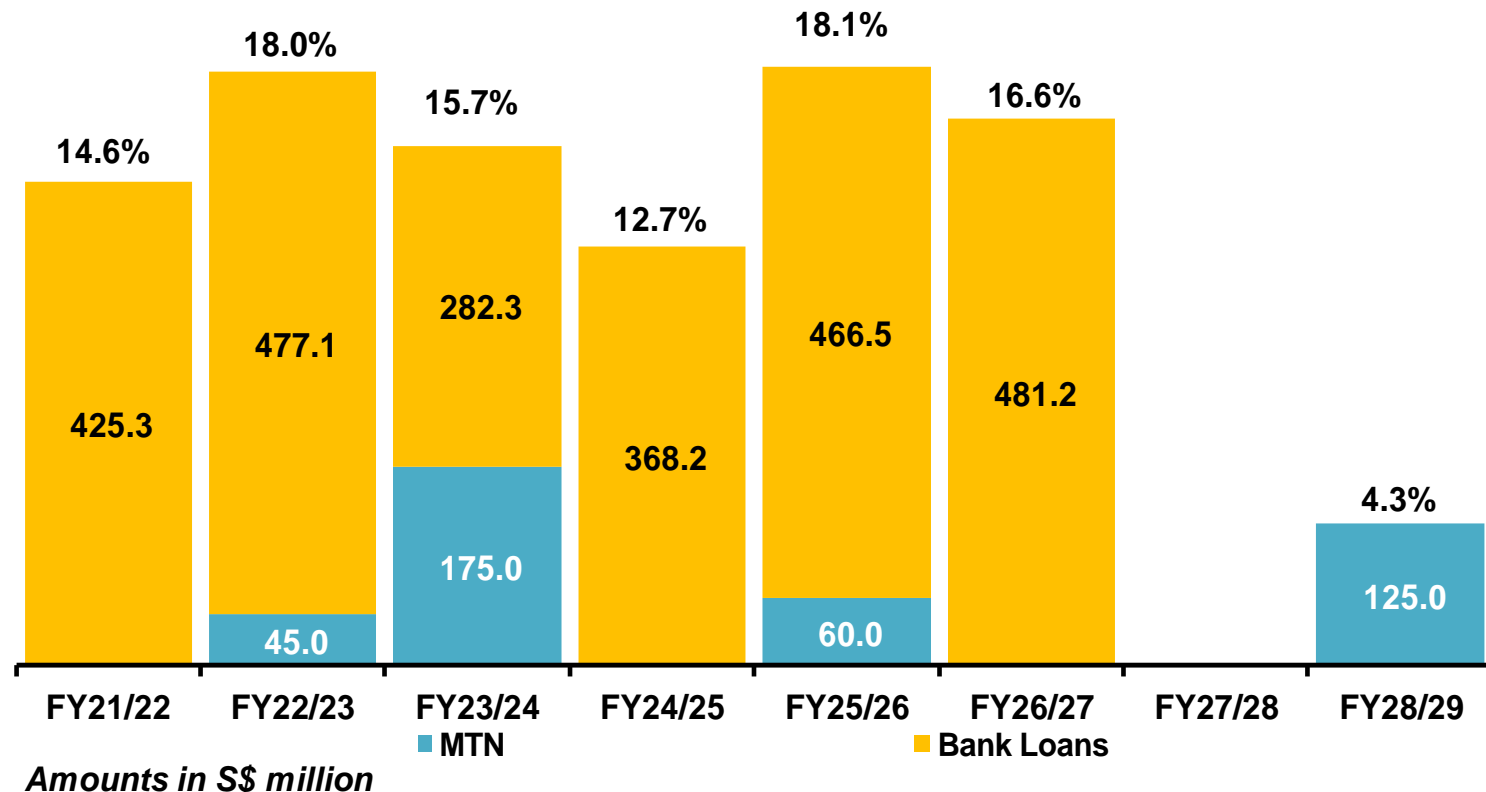
<sup>1</sup> In accordance with Property Funds Guidelines, the aggregate leverage ratio includes proportionate share of aggregate leverage as well as deposited property values of joint venture. As at 30 Sep 2021, aggregate leverage including MIT's proportionate share of joint venture is S\$3,460.4 million.



# Well Diversified Debt Maturity Profile

## DEBT MATURITY PROFILE

As at 30 September 2021



**Weighted Average Tenor of Debt = 2.9 years**

	30 Sep 2021	30 Jun 2021
Fixed as a % of total debt	<b>57.7%</b>	95.8%
Weighted average hedge tenor	<b>2.6 years</b>	2.8 years
Weighted average all-in funding cost for the quarter	<b>2.4%</b>	2.7%
Interest coverage ratio (“ICR”) for the quarter	<b>6.7 times</b>	6.8 times
ICR for the trailing 12 months <sup>1</sup>	<b>6.2 times</b>	6.3 times
Adjusted ICR for the trailing 12 months <sup>1</sup>	<b>5.9 times</b>	6.1 times

- ✦ Reduction in interest rate hedge ratio due mainly to drawdown of floating rate loans for US Portfolio Acquisition

<sup>1</sup> Calculated in accordance with Property Funds Guidelines dated 16 Apr 2020

# ***SUSTAINABILITY***



*Solar Panels at the Rooftop of K&S Corporate Headquarters*

# Focus on Sustainability Reporting (“SR”)

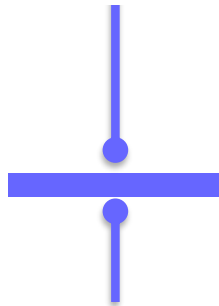
## In line with Singapore Green Plan 2030 and Long-term Net-zero Emissions Goal



SGX introduced SR on a “comply or explain” basis



SGX advocated for TCFD<sup>1</sup> alignment in a phased approach



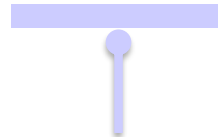
Issued inaugural SR



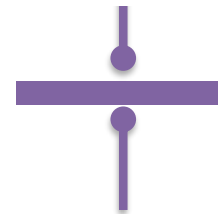
Issued SGX and GRI<sup>2</sup> (Core) aligned SR



Adopted UN Sustainable Development Goals



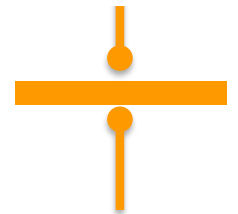
MAS introduced Environmental Risk Management Guidelines for asset managers, banks and insurers



Improved alignment with SGX and GRI Standards



SGX seeks feedback on TCFD, SR assurance, board diversity disclosures and introduction of ESG portal



Inaugural submission to GRESB<sup>3</sup> Real Estate Assessment 2021

Our response >>>

<sup>1</sup> Refers to Task Force on Climate-Related Financial Disclosures.

<sup>2</sup> Refers to Global Reporting Initiative.

<sup>3</sup> Refers to Global Real Estate Sustainability Benchmark.

# FY20/21 Sustainability Progress

## Environmental



First foray into **renewable energy** at two MIT's properties with generating capacity of **848.8 kWp**



Secured inaugural **\$300.0 million** sustainability-linked facility



**11.5%** reduction in average building electricity intensity from FY19/20



**16.3%** reduction in average building water intensity from FY19/20

## Social



**\$12.7 million** rental reliefs in FY20/21



Donated **over 2 million** disposable medical masks

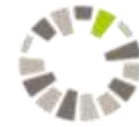


**65%** of employees received trainings relating to ESG topics



'Pack a Bag' CSR initiative raised **\$7,350** for 71 beneficiaries

## Governance



G R E S B

Inaugural submission to **GRESB Real Estate Assessment 2021**

## Framework Alignment



Please refer to Sustainability Report 2020/2021 for details on MIT's sustainability performance.



# ***OUTLOOK AND STRATEGY***

*Data Centres, 7337 Trade Street,  
San Diego*

# Macro Trends in Industrial Sector



## GOVERNMENT POLICIES

Effect of government policies on supporting and fostering domestic manufacturing



## INDUSTRY 4.0

Adoption of automation and data exchange in manufacturing technologies



## CHANGING NORMS OF WORKING

Shift towards a hybrid work arrangement



## SUSTAINABILITY

Increased focus on ESG

## SIGNIFICANCE

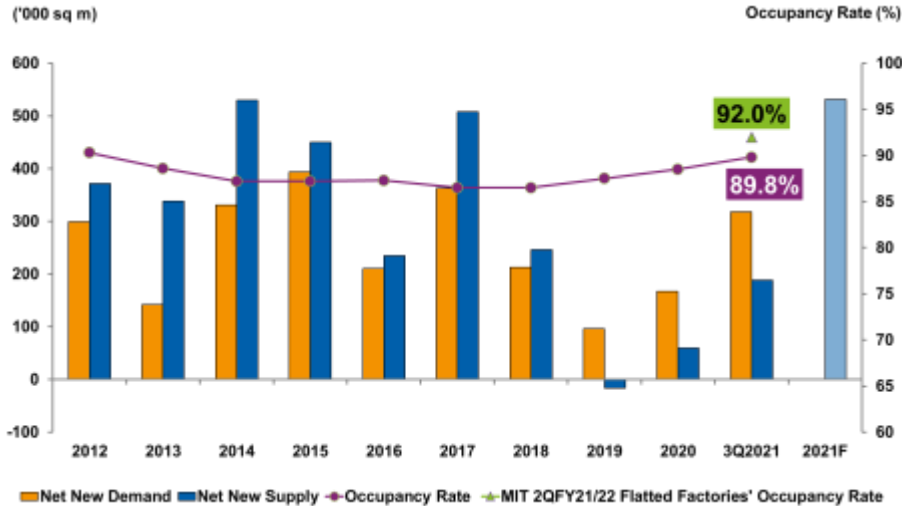
Affect supply of industrial space and new sources of demand

Greater demand for spaces that cater to high-tech manufacturing

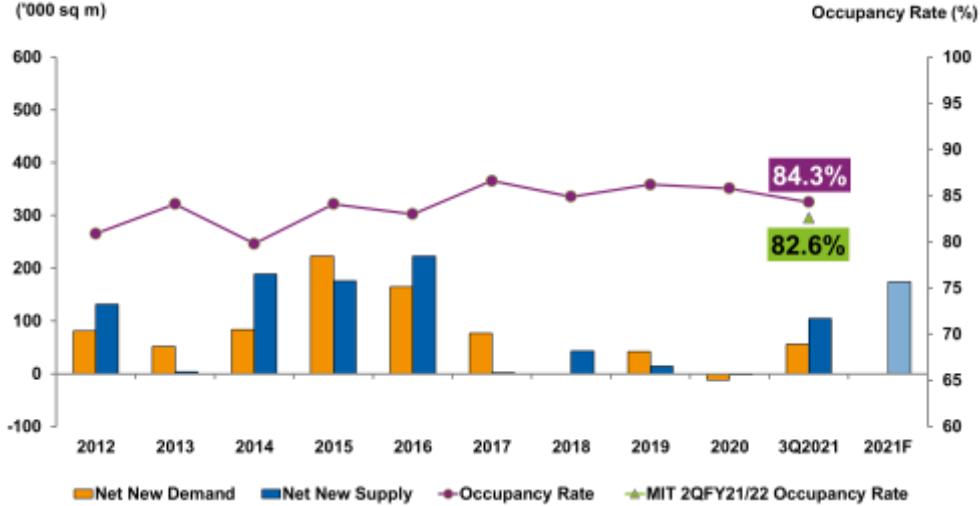
Re-think of corporate real estate strategies (e.g. demand for city-fringe locations)

Greater demand for buildings with green features and sustainable technologies

## DEMAND AND SUPPLY FOR MULTI-USER FACTORIES



## DEMAND AND SUPPLY FOR BUSINESS PARKS



- ✦ Total stock for factory and business park space: 39.4 million sq m
- ✦ Potential net new supply of 1.3 million sq m in 2021<sup>1</sup>, of which
  - Multi-user factory space accounts for 0.5 million sq m
  - Business park space accounts for 0.2 million sq m
  - Moderation in quantum of industrial land released through Industrial Government Land Sales Programme since 2013
- ✦ Median rents for industrial real estate for 3Q2021<sup>1</sup>
  - Multi-user Factory Space: S\$1.80 psf/mth (1.7% q-o-q)
  - Business Park Space: S\$3.90 psf/mth (-7.1% q-o-q)



# Macro Trends in Data Centre Sector<sup>1</sup>



Cloud Adoption



Online Gaming



E-Commerce & E-Payments



Social Media & Video Streaming



5G Roll-Out



Internet Of Things



Autonomous Vehicles



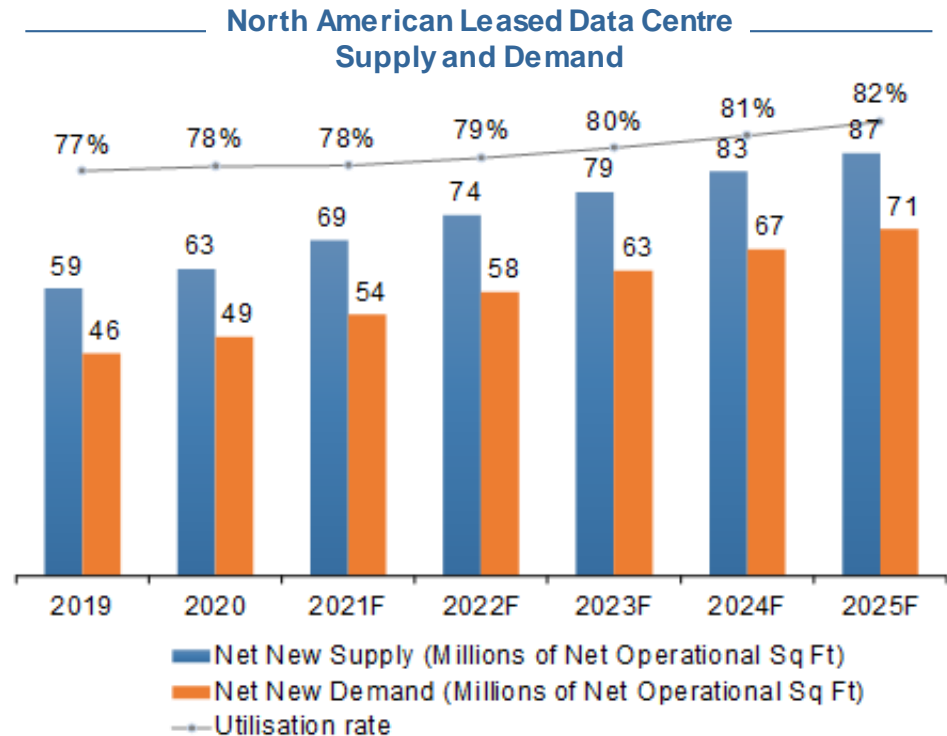
Artificial Intelligence

**9.2%**

CAGR of global leased data centre market revenue (2019-2025F)

## Robust and Resilient Data Centre Demand

- North America accounted for about 30.5% of global insourced and outsourced data centre space
- Leased data centre supply (by net operational sq ft) and demand (by net utilised sq ft) are expected to grow at a CAGR of 7% and 8% respectively between 2019 and 2025F



<sup>1</sup> Source: 451 Research LLC, 1Q2021

## Singapore

### ✦ **Challenging operating environment in view of uncertainty over trajectory of economic recovery from COVID-19 pandemic**

- Singapore economy grew by 6.5% y-o-y in the quarter ended 30 Sep 2021, moderating from the 15.2% growth in the preceding quarter<sup>1</sup>
- While business sentiments have improved further in 4Q2021 on the back of relatively resilient demand in the manufacturing and financial services sectors, significant downside risks remain as the local economy is still exposed to the lingering domestic and global uncertainties of COVID-19<sup>2</sup>

### ✦ **Impact on Singapore Portfolio**

- As at 30 Sep 2021, rental arrears of more than one month was about 1.0% of previous 12 months' gross revenue. This was an improvement from 1.1% as at 30 Jun 2021

<sup>1</sup> Source: Ministry of Trade and Industry (Advance Estimates), 14 Oct 2021.

<sup>2</sup> Source: Singapore Commercial Credit Bureau, 4Q2021.

## North America

### ✦ **Resilient asset class with growth opportunities**

- According to CBRE<sup>3</sup>, the data centre construction pipeline in the United States remained robust in the first half of 2021 (“1H2021”). The construction pipeline within primary markets increased from 457.8 megawatts (“MW”) in the end of 2020 to 527.6 MW in 1H2021, of which 317 MW, or 60%, had been pre-leased. Data centre demand across primary markets in the United States is also on pace for another strong year, with net absorption rate reaching 141.7 MW in 1H2021, up 5.3 MW y-o-y
- Although rental rates have steadily declined over the past 12 months, those in key supply constrained markets are stabilising and, in some instances, inching upward. Inventory bottlenecks in power-constrained markets like Silicon Valley and Northern Virginia will likely drive rental rates up as demand grows, while higher vacancy markets may see further declines in pricing

<sup>3</sup> Source: CBRE, North American Data Center Trends Report H1 2021, 19 Aug 2021.

## Stable and Resilient Portfolio

- ✦ Anchored by large and diversified tenant base with low dependence on any single tenant or trade sector
- ✦ Focus on tenant retention to maintain a stable portfolio occupancy

## Enhanced Financial Flexibility

- ✦ More than S\$1 billion of committed facilities available
- ✦ Healthy interest coverage ratio of 5.9 times<sup>1</sup>

## Growth by Acquisitions and Developments

- ✦ Completed US\$1.32 billion acquisition of 29 data centres located in the United States
- ✦ Redevelopment at 161, 163 & 165 Kallang Way to be slated for full completion in 1H2023

<sup>1</sup> Refers to adjusted interest coverage ratio for the trailing 12 months.



# End of Presentation

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

