



---

**Fitch Affirms Mapletree Industrial Trust at 'BBB+'/Stable** Ratings Endorsement Policy

04 Sep 2012 6:21 AM (EDT)

---

Fitch Ratings-Hong Kong-04 September 2012: Fitch Ratings has affirmed Mapletree Industrial Trust's (MIT) Issuer Default Rating (IDR) and senior unsecured note rating as follows:

Mapletree Industrial Trust's Long-term IDR at 'BBB+'; Outlook Stable  
Mapletree Industrial Trust Treasury Company Pte. Ltd.'s SGD125m notes due 2019 at 'BBB+'

The ratings are supported by MIT's granular industrial property portfolio across Singapore with a diversified tenant base and access to main transport links, its stable operating performance, high occupancy rates, adequate debt service coverage, and an experienced management team.

The ratings also reflect MIT's tight liquidity and geographical concentration in Singapore, as well as the inherent cyclicity of the industrial property market.

MIT's fixed charge coverage was robust at 5.8x in Q1 FY12/13 (financial year end March) and 6.1x in FY11/12, while net debt to recurring EBITDA was at 5.8x and 6.6x in the respective period. Occupancy rate remained high at 94.9% at end-Q1 FY12/13, notwithstanding a lower retention rate at 71.1% (76.1% in Q4 FY11/12). Gearing was moderate at 37.7% at end-Q1 FY12/13.

MIT has SGD335m debt due for refinancing in the next two years. Over this period, the sources of liquidity (existing cash, cash flows from operating activities after dividends and available committed revolving credit facilities (RCF)) would only cover 60% of its uses of liquidity (debt repayment and capex). MIT expects to obtain additional funding from banks and the debt capital market. With the additional funding, the liquidity ratio for the next two years would improve to 1x from 0.6x.

In Fitch's view MIT's refinancing risk is manageable given its proven access to various funding channels and its adequate financial strength. Apart from the committed RCF, MIT also has uncommitted facilities, and SGD1bn medium-term note programme with a remaining issuing capacity of SGD875m.

MIT is an industrial real estate investment trust listed in the Singapore Stock Exchange since October 2010. MIT has 81 industrial properties across Singapore with a total value at SGD2.7bn at end-June 2012. Mapletree Investments Pte Ltd remains the largest shareholder, holding about 30% of MIT.

**Contacts:**

Lead Surveillance Analyst

Kate Lin, CFA

Director

+852 2263 9912

Fitch (Hong Kong) Limited

28th Floor, Tower Two, Lippo Centre

89 Queensway, Hong Kong

**Committee Chairperson**

Stan Ho

Senior Director

+852 2263 9668

Media Relations: Wai Lun Wan, Hong Kong, Tel: +852 2263 9935, Email: wailun.wan@fitchratings.com.

Additional Information is available at [www.fitchratings.com](http://www.fitchratings.com). The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

The source of information used to assess these ratings was MIT.

Applicable criteria, "Criteria for Rating U.S. Equity REITs and REOCs", dated 27 February 2012, and "Corporate

Rating Methodology", dated 14 August 2012, are available at [www.fitchratings.com](http://www.fitchratings.com).

**Applicable Criteria and Related Research:**

Criteria for Rating U.S. Equity REITs and REOCs  
Corporate Rating Methodology

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE '[WWW.FITCHRATINGS.COM](http://WWW.FITCHRATINGS.COM)'. PUBLISHED RATINGS, CRITERIA AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE 'CODE OF CONDUCT' SECTION OF THIS SITE.

Copyright © 2012 by Fitch, Inc., Fitch Ratings Ltd. and its subsidiaries.