

PRESS RELEASE

**3QFY14/15 Distributable Income for Mapletree Industrial Trust
Grows 9.0% Year-on-Year**

- Distributable income for 3QFY14/15 increased 9.0% year-on-year to S\$46.0 million
- Distribution per Unit (“DPU”) rose 6.4% year-on-year to 2.67 cents in 3QFY14/15
- Robust balance sheet with 86% of gross borrowings hedged via interest rate swaps and fixed rate borrowings

20 January 2015 – Mapletree Industrial Trust Management Ltd., as manager (the “Manager”) of Mapletree Industrial Trust (“MIT”), is pleased to announce that MIT has achieved a distributable income of S\$46.0 million for the Third Quarter Financial Year 2014/2015 from 1 October 2014 to 31 December 2014 (“3QFY14/15”), a year-on-year increase of 9.0% from S\$42.2 million. DPU of 2.67 cents for 3QFY14/15 was 6.4% higher than the DPU of 2.51 cents for the same period last year.

Financial Results of MIT for 3QFY14/15

	3QFY14/15	2QFY14/15	1/(↓)%	3QFY13/14	1/(↓)%
Gross revenue (S\$'000)	78,131	77,909	0.3	75,635	3.3
Property expenses (S\$'000)	(20,155)	(21,713)	(7.2)	(20,653)	(2.4)
Net property income (S\$'000)	57,976	56,196	3.2	54,982	5.4
Distributable income (S\$'000)	45,951	45,398	1.2	42,171	9.0
No. of units in issue ('000)	1,732,299	1,716,047	0.9	1,676,219	3.3
Available DPU (cents)	2.67	2.60	2.7	2.51	6.4

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Mr Tham Kuo Wei, Chief Executive Officer of the Manager, said, “MIT delivered healthy growth in distributable income and DPU. This was driven mainly by positive rental revisions, revenue contribution from the completed development projects as well as proactive cost management efforts. Our cost saving initiative to work with licensed electricity retailers for bulk purchase of electricity has resulted in lower utilities expenses. During the quarter, we have also increased MIT’s hedge ratio from 77% to 86% through interest rate swaps and fixed rate borrowings. This minimises the effect of interest rate fluctuations on distributions to unitholders. We will continue to monitor the interest rate environment and implement appropriate interest rate management strategies to minimise exposure to market volatility.”

Growing and Resilient Portfolio

Average portfolio passing rent increased to S\$1.83 per square foot per month (“psf/mth”) from S\$1.82 psf/mth in the preceding quarter. The increase was due mainly to positive rental revisions secured for renewal leases as well as contributions from new leases in Hi-Tech Buildings. Average portfolio occupancy fell marginally quarter-on-quarter from 91.5% to 90.8% in 3QFY14/15. This was due to the progressive relocation of the tenants from the Telok Blangah Cluster. The Telok Blangah Cluster will be redeveloped as a build-to-suit project for Hewlett-Packard Singapore. Through proactive lease management, only 2.1% of leases (by revenue) remain due for renewal in FY14/15.

Prudent Capital Management

MIT’s balance sheet remained robust with a healthy interest coverage ratio of 8.1 times and a low weighted average all-in funding cost of 2.2% in 3QFY14/15. About 86% of MIT’s gross borrowings of S\$1,085.6 million had been hedged through interest rate swaps and fixed rate borrowings. The Manager will continue to apply the distribution reinvestment plan (“DRP”) for 3QFY14/15 distribution following the positive take-up rate of 50.1% in the preceding quarter. The proceeds from the DRP will help finance the progressive funding needs of the development projects.

Market Outlook

The Ministry of Trade and Industry (“MTI”) reported in its advance estimates on 2 January 2015 that the Singapore economy grew by 1.5% year-on-year in the fourth quarter of 2014 (“4Q2014”), compared to 2.8% in the preceding quarter. However, the manufacturing sector contracted by 2.0% year-on-year, a reversal from the 1.7% expansion in the preceding quarter. The contraction in the manufacturing sector was largely due to a decline in transport engineering, electronics and general manufacturing output. The Singapore economy was estimated to have grown by 2.8% for 2014, which was in line with MTI’s growth forecast of around 3%.

The median rental rate for multi-user factory space island-wide in 4Q2014 increased to S\$1.98 psf/mth from S\$1.91 psf/mth in the preceding quarter, according to the data from JTC Corporation¹. The median rental rate for business park space island-wide also increased to S\$4.09 psf/mth from S\$4.00 psf/mth in the preceding quarter.

Overall rents for multi-tenanted developments may ease due to increases in industrial space supply, while rents for properties with higher building specifications could see some upside².

Distribution to Unitholders

Unitholders can expect to receive their quarterly DPU for the period 1 October to 31 December 2014 in cash or DRP units by 5 March 2015. The closure of MIT’s transfer books and register of unitholders is at 5.00pm on 28 January 2015.

For further information, please contact:

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¹ Source: URA / JTC Realis as at 19 January 2015

² Source: Singapore industrial property market 4Q2014 report by Colliers International Research

About Mapletree Industrial Trust

Mapletree Industrial Trust is a Singapore-focused real estate investment trust that invests in a diversified portfolio of real estate used primarily for industrial purposes, whether wholly or partially, in Singapore, as well as real estate-related assets.

MIT's portfolio of 85 properties in Singapore has a total book value of approximately S\$3.2 billion as at 30 June 2014 with a total gross floor area of approximately 19.7 million square feet. MIT has a large and diversified tenant base of more than 2,000 multi-national companies and local enterprises. MIT is managed by Mapletree Industrial Trust Management Ltd. and sponsored by Mapletree Investments Pte Ltd.

About Mapletree Industrial Trust Management Ltd.

Mapletree Industrial Trust Management Ltd. is the manager of MIT. It manages MIT's assets and liabilities for the benefit of the Unitholders, sets MIT's strategic directions and provides recommendations on the acquisition, divestment, development and/or enhancement of MIT's assets in accordance with MIT's investment strategy. Employing active asset management, acquisition growth, capital and risk management, and selective development strategies, Mapletree Industrial Trust Management Ltd. seeks to generate returns for Unitholders by providing regular and stable distributions, as well as through achieving long-term growth in distribution per unit and net asset value per unit. Mapletree Industrial Trust Management Ltd. is a wholly-owned subsidiary of Mapletree Investments Pte Ltd.

About Mapletree Investments Pte Ltd

Mapletree Investments Pte Ltd ("MIPL") is a leading Asia-focused real estate development, investment and capital management company headquartered in Singapore. Its strategic focus is to invest in markets and real estate sectors with good growth potential in Asia. By combining its key strengths as a developer, an investor and a capital manager, MIPL has established a track record of award-winning projects in Singapore and delivered consistent and high returns from across various real estate classes in Asia.

As at 31 March 2014, MIPL owned and managed S\$24.6 billion of office, logistics, industrial, residential, serviced apartments, retail and mixed-use properties. Presently, it manages four Singapore-listed REITs and seven private equity real estate funds, which together hold a diverse portfolio of assets in Singapore and throughout Asia. MIPL has also established an extensive network of offices in Singapore, China, Hong Kong SAR, India, Japan, Malaysia, South Korea and Vietnam to support its regional expansion. MIPL's property portfolio includes award-winning projects in Singapore such as the VivoCity, Mapletree Business City, and Tata Communications Exchange as well as mixed-use developments in the region such as Future City and Nanhai Business City in China.