

## PRESS RELEASE

### Mapletree Industrial Trust Delivers Steady Distribution per Unit for 1QFY22/23

- DPU for 1QFY22/23 increased by 4.2% year-on-year to 3.49 cents
- Stronger year-on-year DPU growth driven by contribution from the 29 data centres acquired in the United States
- Portfolio rebalancing efforts with the divestments of two properties

25 July 2022 – Mapletree Industrial Trust Management Ltd., as manager (the “Manager”) of Mapletree Industrial Trust (“MIT”), is pleased to announce that MIT’s distribution per Unit (“DPU”) for the First Quarter Financial Year 2022/2023 from 1 April 2022 to 30 June 2022 (“1QFY22/23”) grew by 4.2% year-on-year to 3.49 cents.

#### Financial Results of MIT for 1QFY22/23

	1QFY22/23	4QFY21/22	↑/(↓)%	1QFY21/22	↑/(↓)%
Gross revenue (S\$'000)	<b>167,805</b>	164,092	2.3	128,059	31.0
Property expenses (S\$'000)	<b>(37,902)</b>	(39,885)	(5.0)	(23,340)	62.4
Net property income (S\$'000)	<b>129,903</b>	124,207	4.6	104,719	24.0
Amount available for distribution to Unitholders (S\$'000)	<b>92,138</b>	90,328	2.0	82,696	11.4
No. of units in issue ('000)	<b>2,688,073</b>	2,676,562	0.4	2,659,368	1.1
DPU (cents)	<b>3.49<sup>1</sup></b>	3.49 <sup>1</sup>	-	3.35	4.2

Gross revenue and net property income for 1QFY22/23 increased 31.0% and 24.0% year-on-year to S\$167.8 million and S\$129.9 million respectively. The increases were mainly driven by the contribution from the acquisition of 29 data centres in the United States of America (the “United States”).

<sup>1</sup> Includes the distribution of divestment gain from 26A Ayer Rajah Crescent over eight quarters from 2QFY21/22.

#### Mapletree Industrial Trust Management Ltd.

Correspondingly, the amount available for distribution to Unitholders for 1QFY22/23 increased by 11.4% year-on-year to S\$92.1 million.

Mr Tham Kuo Wei, Chief Executive Officer of the Manager, said, “Despite the improvement of the operational performance in Singapore and North America, we expect headwinds in the coming quarters as inflation pressure will result in higher property operating expenses and interest expenses. During this volatile period, we will focus on cost-mitigating measures while looking for opportunities to improve the portfolio through proactive rejuvenation and rebalancing.”

### **Improved Occupancies across Property Segments**

Average Overall Portfolio occupancy for 1QFY22/23 increased to 95.3% from 94.0% in the preceding quarter. This was due to the improved occupancies across all property segments in Singapore and North America. Positive rental revisions were achieved across key property segments in Singapore, namely Hi-Tech Buildings, Business Park Buildings, Flatted Factories and Stack-up/Ramp-up Buildings.

### **Divestments of Properties**

The divestments of a Light Industrial Building and a Data Centre in 1QFY22/23 signified the Manager’s proactive efforts in the rejuvenation and rebalancing of MIT’s portfolio. The Light Industrial Building, 19 Changi South Street 1, Singapore was sold at S\$13.0 million on 21 April 2022. 19675 West Ten Mile Road, Southfield, Michigan in the United States was transacted at US\$10.0 million on 9 June 2022 (Eastern Standard Time). The net proceeds from the divestments will be deployed to fund committed investments, working capital requirements and/or reduce existing debt.

### **Proactive Capital Management**

The weighted average all-in funding cost for 1QFY22/23 increased to 2.5% compared to 2.4% for the previous quarter. About 72.3% of MIT Group’s gross borrowings of S\$2,940.7 million had been hedged through interest rate swaps and fixed rate borrowings, which will reduce the impact of interest rate fluctuations on distributions. There were no significant replacement risks for interest rate hedges expiring in FY22/23, which had largely been extended. MIT’s

aggregate leverage ratio remained healthy at 38.4% as at 30 June 2022. The distribution reinvestment plan (“DRP”) will continue to be applied for the 1QFY22/23 distribution to finance progressive funding needs of the redevelopment project at 161, 163 & 165 Kallang Way.

**Outlook**

After more than two years of pandemic, the Russia-Ukraine conflict and its global effects on commodity markets, supply chains, inflation, and financial conditions have steepened the slowdown in global growth<sup>2</sup>. Global growth was projected to slow to 2.9% in 2022 and edge up slightly to 3.0% in 2023. Numerous risks, such as geopolitical tensions and the possibility of stubbornly high global inflation accompanied by tepid growth, could further derail the global recovery.

Rising energy prices continue to pose a risk of increased property operating expenses amid volatile utility tariffs. Interest rates are expected to increase in tandem with interest rate hikes as central banks tightened their monetary policies to alleviate inflation pressure. These inflationary effects are expected to affect distributions negatively. The Manager will adopt cost-mitigating measures while focusing on tenant retention to maintain a stable portfolio occupancy.

**Distribution to Unitholders**

Unitholders can expect to receive their quarterly DPU for the period from 1 April 2022 to 30 June 2022 in cash or DRP units on 9 September 2022. The closure of MIT’s transfer books and register of Unitholders will be at 5.00pm on 2 August 2022.

For further information, please contact:

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<sup>2</sup> Source: World Bank Group, Global Economic Prospects, June 2022.

## **About Mapletree Industrial Trust**

Mapletree Industrial Trust is a real estate investment trust (“REIT”) listed on the Main Board of Singapore Exchange. Its principal investment strategy is to invest in a diversified portfolio of income-producing real estate used primarily for industrial purposes in Singapore and income-producing real estate used primarily as data centres worldwide beyond Singapore, as well as real estate-related assets.

As at 30 June 2022, MIT’s total assets under management was S\$8.8 billion, which comprised 85 properties in Singapore and 56 properties in North America (including 13 data centres held through the joint venture with Mapletree Investments Pte Ltd). MIT’s property portfolio includes Data Centres, Hi-Tech Buildings, Business Park Buildings, Flatted Factories, Stack-up/Ramp-up Buildings and Light Industrial Buildings.

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 proactive asset management, value-creating investment management and prudent capital management strategies, Mapletree Industrial Trust Management Ltd. seeks to deliver sustainable and growing returns for Unitholders. Mapletree Industrial Trust Management Ltd. is a wholly-owned subsidiary of Mapletree Investments Pte Ltd.

## **About Mapletree Investments Pte Ltd**

Headquartered in Singapore, Mapletree Investments Pte Ltd (“MIPL”) is a global real estate development, investment, capital and property management company committed to sustainability. Its strategic focus is to invest in markets and real estate sectors with good growth potential. By combining its key strengths, MIPL has established a track record of award-winning projects, and delivers consistent and high returns across real estate asset classes.

As at 31 March 2022, MIPL owns and manages S\$78.7 billion of office, retail, logistics, industrial, data centre, residential and lodging properties. MIPL currently manages four Singapore-listed REIT and seven private equity real estate funds, which hold a diverse portfolio of assets in Asia Pacific, Europe, the United Kingdom and the United States.

MIPL’s assets are located across 13 markets globally, namely Singapore, Australia, Canada, China, Europe, Hong Kong SAR, India, Japan, Malaysia, South Korea, the United Kingdom, the United States and Vietnam. To support its global operations, MIPL has established an extensive network of offices in these countries.