

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

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MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

Summary Results of Mapletree Industrial Trust Group¹ (“MIT Group”)

	1QFY18/19	4QFY17/18	Inc/(Dec) %	1QFY17/18	Inc/(Dec) %
Gross revenue (S\$'000)	91,487	90,391	1.2	88,812	3.0
Net property income (S\$'000)	69,459	67,879	2.3	68,192	1.9
Amount available for distribution (S\$'000)	56,908 ²	55,482 ²	2.6	52,905	7.6
No. of units in issue ('000)	1,885,609	1,885,218	*	1,802,447	4.6
Distribution per unit (cents)	3.00	2.95	1.7	2.92	2.7

* Increase less than 0.1%

Footnotes:

- ¹ MIT Group comprises Mapletree Industrial Trust (“MIT”) and its wholly owned subsidiaries.
- ² Amount available for distribution included share of distribution of S\$3.2 million declared by joint venture based on MIT’s 40% interest in the joint venture with Mapletree Investments Pte Ltd.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

Introduction

MIT is a real estate investment trust 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.

MIT Group's property portfolio comprises 86 industrial properties in Singapore and 14 data centres in the United States (40% interest through the joint venture with Mapletree Investments Pte Ltd ("MIPL")). The properties in Singapore include Hi-Tech Buildings, Flatted Factories, Business Park Buildings, Stack-up/Ramp-up Buildings and Light Industrial Buildings. As at 30 June 2018, MIT's total assets under management was S\$4.4 billion.

MIT's distribution policy is to distribute at least 90.0% of its amount available for distribution, comprising substantially rental income from the letting of its properties and related property services income after deduction of allowable expenses, as well as interest income from the periodic placement of cash surpluses in bank deposits.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

1(a) Statement of Total Return and Distribution Statement (MIT Group) (1QFY18/19 vs 1QFY17/18)

<u>Statement of Total Return</u>	1QFY18/19 (S\$'000)	1QFY17/18 (S\$'000)	Increase/ (Decrease) %
Gross revenue	91,487	88,812	3.0
Property operating expenses (Note A)	(22,028)	(20,620)	6.8
Net property income	69,459	68,192	1.9
Interest income	60	(57) ¹	205.3
Borrowing costs (Note B)	(9,358)	(7,874)	18.8
Manager's management fees			
- Base fees	(4,966)	(4,730)	5.0
- Performance fees	(2,500)	(2,455)	1.8
Trustee's fees	(142)	(132)	7.6
Other trust expenses	(303)	(319)	(5.0)
Net foreign exchange gain	3	-	**
Share of profit of joint venture (net of taxes) ²	4,334	-	**
Net income / total return for the period before income tax	56,587	52,625	7.5
Income tax credit	*	-	**
Total return for the period after income tax	56,587	52,625	7.5

<u>Distribution Statement</u>	1QFY18/19 (S\$'000)	1QFY17/18 (S\$'000)	Increase/ (Decrease) %
Total return for the period after tax	56,587	52,625	7.5
Adjustment for net effect of non-tax deductible items and other adjustments (Note C)	(2,916)	280	(1,141.4)
Distribution declared by joint venture	3,237	-	**
Amount available for distribution	56,908	52,905	7.6

Footnotes:

¹ Includes waiver of late payment interest of S\$0.1 million previously charged in 4QFY16/17.

² Share of profit of joint venture (net of taxes) relates to MIT's 40% interest in the joint venture with MIPL. The results for the joint venture were equity accounted for at the Group level.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

Notes	1QFY18/19 (S\$'000)	1QFY17/18 (S\$'000)	Increase/ (Decrease) %
Note A Property operating expenses include: Depreciation	(5)	*	1,143.6
Note B Borrowing costs include: Interest on borrowings	(9,247)	(7,639)	21.0
Note C Adjustment for net effect of non-tax deductible/(chargeable) items and other adjustments comprises:			
Trustee's fees	142	132	7.6
Financing related costs	329	431	(23.7)
Management fees paid/payable in units	772	503	53.5
Expense capital items	121	96	26.0
Adjustments from rental incentives	(521)	(1,167)	(55.4)
Share of profit of joint venture	(4,334)	-	**
Net foreign exchange gain	(3)	-	**
Others	578	285	102.8

* Amount less than S\$1,000

** Not meaningful

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

1(b)(i) Statement of Financial Position (MIT Group)

	30 June 2018 (S\$'000)	31 March 2018 (S\$'000)
Current assets		
Cash and cash equivalents	40,805	37,419
Trade and other receivables	25,072	24,398
Other current assets	1,281	1,572
Derivative financial instruments ¹	-	14
Total current assets	67,158	63,403
Non-current assets		
Investment properties	3,934,253	3,856,600
Investment property under development	67,198	51,700
Investment in joint venture	186,541	181,158
Plant and equipment	79	84
Derivative financial instruments ¹	2,867	1,375
Total non-current assets	4,190,938	4,090,917
Total assets	4,258,096	4,154,320
Current liabilities		
Trade and other payables	87,871	103,108
Borrowings	188,399	184,927
Derivative financial instruments ¹	326	242
Current income tax liabilities	32	32
Total current liabilities	276,628	288,309
Non-current liabilities		
Other payables	49,053	51,403
Borrowings	1,144,864	1,033,190
Derivative financial instruments ¹	1,401	1,346
Total non-current liabilities	1,195,318	1,085,939
Total liabilities	1,471,946	1,374,248
Net assets attributable to Unitholders	2,786,150	2,780,072
Represented by:		
Unitholders' funds	2,786,150	2,780,072
Net asset value per unit (S\$)	1.48	1.47

Footnote:

¹ Derivative financial instruments reflect the fair value of the interest rate swaps and currency forwards entered into by the Group to manage its interest rate risks and currency risks.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

1(b)(ii) Aggregate Amount of Borrowings and Debt Securities (MIT Group)

	30 June 2018 (S\$'000)	31 March 2018 (S\$'000)
Current		
Bank loan (unsecured)	63,442	60,000
Less: Transaction costs to be amortised ¹	-	(15)
	63,442	59,985
Medium Term Notes ("MTN") (unsecured)	125,000	125,000
Less: Transaction costs to be amortised ¹	(43)	(58)
	124,957	124,942
Non-current		
Bank loan (unsecured)	867,080	754,838
Less: Transaction costs to be amortised ¹	(1,109)	(1,075)
	865,971	753,763
Medium Term Notes ("MTN") (unsecured)	280,000	280,000
Change in fair value of hedged item ²	(620)	(65)
Less: Transaction costs to be amortised ¹	(487)	(508)
	278,893	279,427
	1,333,263	1,218,117

Footnotes:

- ¹ Related transaction costs are amortised over the bank loan facility periods and the tenors of the MTN.
- ² Relates to the changes in fair value of the S\$75.0 million MTN issued on 11 May 2015; the Group has adopted a fair value hedge on this series of MTN.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

1(b)(i) Statement of Financial Position (MIT)

	30 June 2018 (S\$'000)	31 March 2018 (S\$'000)
Current assets		
Cash and cash equivalents	37,964	30,810
Trade and other receivables	25,206	27,244
Other current assets	649	911
Derivative financial instruments ¹	-	14
Total current assets	63,819	58,979
Non-current assets		
Investment properties	3,756,099	3,678,700
Investment property under development	67,198	51,700
Investments in:		
- joint venture	166,158	166,158
- subsidiaries	*	*
Plant and equipment	79	84
Loan to a subsidiary ²	166,594	166,594
Derivative financial instruments ¹	2,867	1,375
Total non-current assets	4,158,995	4,064,611
Total assets	4,222,814	4,123,590
Current liabilities		
Trade and other payables	84,583	98,915
Borrowings	63,442	59,985
Loan from a subsidiary	124,957	124,942
Derivative financial instruments ¹	326	242
Current income tax liabilities	32	32
Total current liabilities	273,340	284,116
Non-current liabilities		
Other payables	48,295	50,765
Borrowings	865,971	753,763
Loans from a subsidiary	278,893	279,427
Derivative financial instruments ¹	1,401	1,346
Total non-current liabilities	1,194,560	1,085,301
Total liabilities	1,467,900	1,369,417
Net assets attributable to Unitholders	2,754,914	2,754,173
Represented by:		
Unitholders' funds	2,754,914	2,754,173
Net asset value per unit (S\$)	1.46	1.46

* Amount less than S\$1,000

Footnotes:

¹ Derivative financial instruments reflect the fair value of the interest rate swaps and currency forwards entered into by MIT to manage its interest rate risks and currency risks.

² Reflects MIT's quasi equity investment in MSIT.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

1(c) Statement of Cash Flows (MIT Group)

	1QFY18/19 (S\$'000)	1QFY17/18 (S\$'000)
Cash flows from operating activities		
Total return for the period after tax	56,587	52,625
Adjustments for:		
- Income tax credit	*	-
- Interest income	(60)	57
- Borrowing costs	9,358	7,874
- Manager's management fees paid/payable in units	772	503
- Rental incentives	(521)	(1,167)
- Depreciation	5	*
- Share of profit of joint venture (net of taxes)	(4,334)	-
- Unrealised translation gain	17	-
Operating cash flows before working capital changes	61,824	59,892
Changes in operating assets and liabilities		
Trade and other receivables	(148)	(535)
Trade and other payables	(8,856)	(5,184)
Other current assets	114	(157)
Cash generated from operations	52,934	54,016
Interest received	60	84
Income tax credit	*	-
Net cash provided by operating activities	52,994	54,100
Cash flows from investing activities		
Additions to investment properties ¹	(80,426)	(970)
Additions to investment properties under development	(23,142)	(25,043)
Distribution received from joint venture	3,231	-
Net cash generated used in investing activities	(100,337)	(26,013)
Cash flows from financing activities		
Repayment of bank loans	(86,400)	(88,000)
Gross proceeds from bank loans	200,204	119,592
Payment of financing related costs	(111)	(800)
Distributions to Unitholders	(55,614)	(51,902)
Interest paid	(7,350)	(5,888)
Net cash generated from/(used in) financing activities	50,729	(26,998)
Net increase in cash and cash equivalents	3,386	1,089
Cash and cash equivalents at beginning of period	37,419	37,985
Currency translation on cash and cash equivalents	*	-
Cash and cash equivalents at end of the period	40,805	39,074

* Amount less than S\$1,000

Footnote:

¹ Includes the acquisition of 7 Tai Seng Drive which was completed on 27 June 2018.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

1(d)(i) Statement of Movements in Unitholders' Funds (MIT Group)

	1QFY18/19 (S\$'000)	1QFY17/18 (S\$'000)
OPERATIONS		
Balance at beginning of the period	941,088	852,646
Total return for the period	56,587	52,625
Distributions	(55,614)	(51,902)
Balance at end of the period	942,061	853,369
UNITHOLDERS' CONTRIBUTION		
Balance at beginning of the period	1,839,263	1,684,051
Manager's management fees paid in units	788	501
Balance at end of the period	1,840,051	1,684,552
HEDGING RESERVE		
Balance at beginning of the period	393	(3,908)
Fair value gain/(loss)	1,187	(3,989)
Cash flow hedges recognised as borrowing costs	706	1,117
Share of hedging reserve of joint venture	2,191	-
Balance at end of the period	4,477	(6,780)
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance at beginning of the period	(672)	-
Currency translation differences arising from share of profit of joint venture	233	-
Balance at end of the period	(439)	-
Total Unitholders' funds at end of the period	2,786,150	2,531,141

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1(d)(i) Statement of Movements in Unitholders' Funds (MIT)

	1QFY18/19 (S\$'000)	1QFY17/18 (S\$'000)
OPERATIONS		
Balance at beginning of the period	915,043	835,344
Total return for the period	53,674	52,645
Distributions	(55,614)	(51,902)
Balance at end of the period	913,103	836,087
UNITHOLDERS' CONTRIBUTION		
Balance at beginning of the period	1,839,263	1,684,051
Manager's management fees paid in units	788	501
Balance at end of the period	1,840,051	1,684,552
HEDGING RESERVE		
Balance at beginning of the period	(133)	(3,908)
Fair value gain/(loss)	1,187	(3,989)
Cash flow hedges recognised as borrowing costs	706	1,117
Balance at end of the period	1,760	(6,780)
Total Unitholders' funds at end of the period	2,754,914	2,513,859

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

1(d)(ii) Details of Any Change in Units

	1QFY18/19	1QFY17/18
Balance as at beginning of the period	1,885,217,601	1,802,160,168
Manager's management fees paid in units ¹	390,916	287,267
Total issued units at end of the period²	1,885,608,517	1,802,447,435

Footnotes:

- ¹ The Manager has elected, in accordance with the Trust Deed, for new units to be issued as part payment of base fee to the Manager.
- ² There were no convertibles, treasury units and units held by subsidiaries as at 30 June 2018 and 30 June 2017.

2. Whether the figures have been audited, or reviewed and in accordance with which standard, (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

Except as disclosed in paragraph 5, the accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with those used in the audited financial statements for the financial year ended 31 March 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

The Accounting Standards Council (Singapore) has introduced a new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)"), that is identical to the International Financial Reporting Standards issued by the International Accounting Standards Board, for the financial year beginning on or after 1 January 2018. The Monetary Authority of Singapore has granted MIT Group a waiver from compliance with the requirement under Paragraph 4.3 of Appendix 6 to the Code on Collective Investment Schemes to prepare its financial statements in accordance with the Singapore Financial Reporting Standards.

The Group has adopted SFRS(I) on 1 April 2018 and as a result, MIT Group's financial statements for the financial year ending 31 March 2019 will be prepared in accordance with SFRS(I).

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

The adoption of SFRS(I) has no material effect on the amounts reported for the current and prior financial periods. Certain comparative figures have been reclassified to conform to the current period presentation.

6. Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")

	1QFY18/19	1QFY17/18
Weighted average number of units ¹	1,885,449,573	1,802,343,261
Earnings per unit ("EPU") – Basic and Diluted² Based on the weighted average number of units in issue (cents)	3.00	2.92
No. of units in issue at end of period	1,885,608,517	1,802,447,435
DPU Based on number of units in issue at end of period (cents)	3.00	2.92

Footnotes:

- ¹ Weighted average number of units has been adjusted to take into effect the new units issued as part payment of base fee to the Manager.
- ² Diluted earnings per unit were the same as the basic earnings per unit as there were no dilutive instruments in issue. The EPU were calculated using the total return and the weighted average number of units in issue during the respective periods.

7. Net Asset Value ("NAV") and Net Tangible Asset ("NTA") Per Unit

	MIT Group		MIT	
	30 June 2018	31 March 2018	30 June 2018	31 March 2018
NAV and NTA per unit (S\$) ¹	1.48	1.47	1.46	1.46

Footnote:

- ¹ Net tangible asset per unit was the same as net asset value per unit as there were no intangible assets as at the statement of position dates.

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8. Review of the Performance

Statement of Total Returns (MIT Group)

1QFY18/19 vs 1QFY17/18

	1QFY18/19 (S\$'000)	1QFY17/18 (S\$'000)	Increase/ (Decrease) %
Gross revenue	91,487	88,812	3.0
Property operating expenses	(22,028)	(20,620)	6.8
Net property income	69,459	68,192	1.9
Interest income	60	(57)	205.3
Borrowing costs	(9,358)	(7,874)	18.8
Manager's management fees			
- Base fees	(4,966)	(4,730)	5.0
- Performance fees	(2,500)	(2,455)	1.8
Trustee's fees	(142)	(132)	7.6
Other trust expenses	(303)	(319)	(5.0)
Net foreign exchange gain	3	-	**
Share of profit of joint venture (net of taxes)	4,334	-	**
Net income / total return for the period before income tax	56,587	52,625	7.5
Income tax credit	*	-	**
Total return for the period after income tax	56,587	52,625	7.5
Net non-tax deductible items	(2,916)	280	(1,141.4)
Distribution declared by joint venture	3,237	-	**
Amount available for distribution	56,908	52,905	7.6
Distribution per Unit (cents)	3.00	2.92	2.7

* Amount less than S\$1,000

** Not meaningful

**MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION
ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018**

Gross revenue for 1QFY18/19 was S\$91.5 million, 3.0% (or S\$2.7 million) higher than the corresponding quarter last year. This was due to revenue contribution from Phase Two of the build-to-suit ("BTS") project for HP Singapore (Private) Limited ("HP Phase Two") and pre-termination compensation sum received from HGST Singapore Pte Ltd, partially offset by lower occupancies across all the property segments except for Hi-Tech Buildings and Light Industrial Buildings.

Property operating expenses were S\$22.0 million, 6.8% (or S\$1.4 million) higher than the corresponding quarter last year. This was mainly attributed to higher property maintenance expenses and property taxes, partially offset by lower marketing commission and utilities.

As a result, the net property income in 1QFY18/19 increased by 1.9% (or S\$1.3 million) to S\$69.5 million.

Net income was S\$56.6 million, 7.5% (or S\$4.0 million) higher than the corresponding quarter last year. This was largely due to the higher net property income and share of profit of joint venture, partially offset by higher borrowing costs and manager's management fees. The higher borrowing costs were due to interest expense from debt borrowed to fund investment in joint venture and interest incurred in relation to HP Phase Two which were being expensed (instead of being capitalised) upon obtaining Temporary Occupation Permit ("TOP"). The weighted average interest rate for 1QFY18/19 was 3.0% as compared to 2.8% in 1QFY17/18. Higher manager's management fees were due to better portfolio performance and increased value of assets under management.

The amount available for distribution in 1QFY18/19 was S\$56.9 million, 7.6% (or S\$4.0 million) higher than the corresponding quarter last year mainly due to distribution declared by joint venture of S\$3.2 million. Distribution per unit for 1QFY18/19 was higher at 3.00 cents per unit compared to 2.92 cents in 1QFY17/18.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

Statement of Total Returns (MIT Group)

1QFY18/19 vs 4QFY17/18

	1QFY18/19	4QFY17/18	Increase/ (Decrease)
	(S\$'000)	(S\$'000)	(%)
Gross revenue	91,487	90,391	1.2
Property operating expenses	(22,028)	(22,512)	(2.1)
Net property income	69,459	67,879	2.3
Interest income	60	969	(93.8)
Borrowing costs	(9,358)	(9,269)	1.0
Manager's management fees			
- Base fees	(4,966)	(4,827)	2.9
- Performance fees	(2,500)	(2,444)	2.3
Trustee's fees	(142)	(141)	0.7
Other trust expenses	(303)	(311)	(2.6)
Net foreign exchange gain	3	18	(83.3)
Share of joint venture	4,334	21,048	(79.4)
<i>Comprising:</i>			
- <i>Net profit after tax</i>	4,334	3,172	36.6
- <i>Net fair value gain on investment properties</i>	-	17,876	**
Net income before net fair value gain on investment properties and investment properties under development	56,587	72,922	(22.4)
Net fair value gain on investment properties and investment properties under development	-	65,470	**
Net income / total return for the period before income tax	56,587	138,392	(59.1)
Income tax credit/(expense)	*	(32)	**
Total return for the period after income tax	56,587	138,360	(59.1)
Net non-tax deductible items	(2,916)	(86,112)	(96.6)
Distribution declared by joint venture	3,237	3,234	0.1
Amount available for distribution	56,908	55,482	2.6
Distribution per Unit (cents)	3.00	2.95	1.7

* Amount less than S\$1,000

** Not meaningful

On a quarter-on-quarter basis, gross revenue for 1QFY18/19 increased by 1.2% (or S\$1.1 million) to S\$91.5 million. The increase was mainly attributed to pre-termination compensation sum received from HGST Singapore Pte Ltd, partially offset by lower portfolio occupancy.

Property operating expenses amounted to S\$22.0 million, 2.1% (or S\$0.5 million) lower than the preceding quarter. This was mainly due to lower property maintenance expenses and marketing commission, partially offset by higher property taxes and utilities expenses.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

As a result, net property income in 1QFY18/19 increased by 2.3% (or S\$1.6 million) to S\$69.5 million.

Interest income was higher in 4QFY17/18 mainly due to interest earned on loan to the joint venture.

The amount available for distribution for 1QFY18/19 was S\$56.9 million, 2.6% (or S\$1.4 million) higher than 4QFY17/18. The distribution per unit for 1QFY18/19 was higher at 3.00 cents compared to 2.95 cents in 4QFY17/18.

Statement of Financial Position

30 June 2018 vs 31 March 2018

Total assets increased mainly due to the acquisition of 7 Tai Seng Drive and additional progressive development costs incurred.

The Group and MIT reported a net current liabilities position as at 30 June 2018 mainly due to the reclassification of long-term borrowings which are maturing in second half of FY18/19 as well as recording of accrued development costs. The Group has sufficient banking facilities available to refinance the remaining current borrowings and meet its current obligations as and when they fall due.

9. Variance from Previous Forecast / Prospect Statement

The current results are broadly in line with the commentary made in 4QFY17/18 Financial Results Announcement under Paragraph 10 page 25. The Trust has not disclosed any financial forecast to the market.

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 month

According to advance estimates from the Ministry of Trade and Industry on 13 July 2018, the Singapore economy grew by 3.8% on a year-on-year basis (“y-o-y”) in the second quarter of 2018 (“2Q2018”), moderating from the 4.3% growth in the previous quarter. The manufacturing sector grew by 8.6% on a y-o-y basis in 2Q2018, slower than the 9.7% growth in the previous quarter. All clusters within the sector expanded during the quarter, with the electronics and biomedical manufacturing clusters contributing the most to the sector’s growth.

The median rental rate for multi-user factory space island-wide in 2Q2018 increased to S\$1.79 per square foot per month (“psf/mth”), from S\$1.76 psf/mth in the preceding quarter¹. For business park space, the island-wide median rental rate dropped to S\$4.10 psf/mth from S\$4.30 psf/mth in the preceding quarter.

The wider economy and business sentiments of the small and medium enterprises in Singapore remain robust. However, looming uncertainties stemming from heightened global political and trade tensions continue to threaten the projected growth momentum. Furthermore, the continuing supply of competing industrial space is exerting pressure on both occupancy and rental rates. The Manager will continue to focus on tenant retention to maintain a stable portfolio occupancy.

Several key drivers such as the movement to cloud and outsourcing as well as the need for data to be stored close to its end users and for geographical diversity are expected to contribute to the growing demand in the United States for leased data centre space. Between 2017 and 2022F, the demand for leased data centre space (by net utilised square feet) in the United States is expected to grow at a compound annual growth rate (“CAGR”) of 8.7%, faster than the CAGR of 6.8% for the supply of leased data centre space (by net operational square feet)².

¹ Source: URA/JTC Realis as at 23 July 2018.

² Source: 451 Research, LLC., 2Q 2018.

**MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION
ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018**

11. Distributions

(a) Current financial period

Any distributions declared for the current financial period? Yes

Name of distribution: 31st distribution for the period from 1 April 2018 to 30 June 2018

Distribution types: Income

Distribution rate: Period from 1 April 2018 to 30 June 2018
Taxable Income: 2.90 cents per unit
Tax-Exempt Income Distribution: 0.10 cent per unit

Par value of units: Not meaningful

Tax rate: Taxable Income
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-Exempt Income Distribution
Tax-Exempt Income Distribution is exempt from tax in the hands of all Unitholders.

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes

Name of distribution: 27th distribution for the period from 1 April 2017 to 30 June 2017

Distribution types: Income

Distribution rate: Period from 1 April 2017 to 30 June 2017
Taxable Income: 2.92 cents per unit

Par value of units: Not meaningful

Tax rate: Taxable Income
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

(c) Date payable: By 30 August 2018

(d) Book closure date: 1 August 2018

12. If no distribution has been declared/(recommended), a statement to that effect.

Not applicable.

13. Segment Information (MIT Group)

	1QFY18/19		1QFY17/18	
	S\$'000	%	S\$'000	%
<u>Gross Revenue</u>				
Flatted Factories	40,308	44.1	40,308	45.4
Hi-Tech Buildings	27,313	29.8	21,824	20.5
Business Park Buildings	11,338	12.4	13,459	15.2
Stack-up/Ramp-up Buildings	10,778	11.8	11,264	12.7
Light Industrial Buildings	1,750	1.9	1,957	2.2
	91,487	100.0	88,812	100.0
<u>Net Property Income</u>				
Flatted Factories	31,012	44.6	31,207	45.8
Hi-Tech Buildings	21,226	30.6	16,754	21.1
Business Park Buildings	7,192	10.4	9,538	14.0
Stack-up/Ramp-up Buildings	8,771	12.6	9,243	13.5
Light Industrial Buildings	1,258	1.8	1,450	2.1
	69,459	100.0	68,192	100.0

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Flatted Factories remained as the largest contributor to MIT Group's gross revenue and net property income in 1QFY18/19. The contribution from the Hi-Tech Buildings increased in 1QFY18/19 mainly due to the new revenue contribution from HP Phase Two.

15. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of each transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

MIT Group has not obtained a general mandate from Unitholders for any Interested Person Transactions.

MAPLETREE INDUSTRIAL TRUST UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 APRIL 2018 TO 30 JUNE 2018

16. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its directors and executive officers, in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

17. Confirmation by the Board

The Board of Directors of the Manager has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material respect.

This release may contain forward-looking statements that involve risks and uncertainties. Future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/ distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employees wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management of future events.

By Order of the Board
Wan Kwong Weng
Joint Company Secretary
Mapletree Industrial Trust Management Ltd.
(Company Registration No. 201015667D)
As Manager of Mapletree Industrial Trust