

## PRESS RELEASE

### Mapletree Industrial Trust's 1QFY18/19 Distribution per Unit Increases 2.7% Year-on-Year to 3.00 Cents

- 1QFY18/19 distributable income rose 7.6% year-on-year to S\$56.9 million
- Successfully completed its third build-to-suit ("BTS") data centre development

24 July 2018 – Mapletree Industrial Trust Management Ltd., as manager (the "Manager") of Mapletree Industrial Trust ("MIT"), is pleased to announce that MIT's distributable income for the First Quarter Financial Year 2018/2019 from 1 April 2018 to 30 June 2018 ("1QFY18/19") rose 7.6% year-on-year to S\$56.9 million. Distribution per Unit ("DPU") for 1QFY18/19 was 3.00 cents, a 2.7% year-on-year increase from 2.92 cents in 1QFY17/18.

#### Financial Results of MIT for 1QFY18/19

	1QFY18/19	4QFY17/18	↑/(↓)%	1QFY17/18	↑/(↓)%
Gross revenue (S\$'000)	91,487	90,391	1.2	88,812	3.0
Property expenses (S\$'000)	(22,028)	(22,512)	(2.1)	(20,620)	6.8
Net property income (S\$'000)	69,459	67,879	2.3	68,192	1.9
Distributable income (S\$'000)	56,908 <sup>1</sup>	55,482 <sup>1</sup>	2.6	52,905	7.6
No. of units in issue ('000)	1,885,609	1,885,218	*	1,802,447	4.6
DPU (cents)	3.00	2.95	1.7	2.92	2.7

\* Increase less than 0.1%

<sup>1</sup> 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 Management Ltd.

10 Pasir Panjang Road #13-01 Mapletree Business City, Singapore 117438  
 tel (65) 6377 6111 fax (65) 6273 8607 www.mapletreeindustrialtrust.com  
 Co. Reg. No. 201015667D

The year-on-year improvements in distributable income and DPU for 1QFY18/19 were driven by the income contribution from Phase Two of the BTS project for HP Singapore (Private) Limited and MIT's 40% interest in the portfolio of 14 data centres in the United States of America (the "United States") as well as compensation from early termination of leases, partially offset by lower occupancies across most property segments.

### **Investment Update**

The acquisition of 7 Tai Seng Drive, a seven-storey industrial property, was completed on 27 June 2018. Upon the completion of upgrading works in the second half of 2019, the property will be converted into a Hi-Tech Building at an estimated total project cost of S\$95 million<sup>2</sup>. It will be fully leased to an established information and communication technology company for an initial term of 25 years with annual rental escalations<sup>3</sup>.

The S\$76 million BTS data centre development, Mapletree Sunview 1 has obtained its Temporary Occupation Permit on 13 July 2018. The six-storey purpose-built data centre with a gross floor area of about 242,000 square feet will be fully leased to an established data centre operator for an initial lease term of more than 10 years with staggered rental escalations as well as renewal options.

Mr Tham Kuo Wei, Chief Executive Officer of the Manager, said, "The acquisition and upgrading of 7 Tai Seng Drive and the completion of the BTS data centre development, Mapletree Sunview 1, demonstrate our ability to deliver customised industrial real estate solutions to our clients."

### **Portfolio Update**

Average portfolio occupancy fell to 88.3% in 1QFY18/19 from 90.0% in the preceding quarter. The Singapore portfolio occupancy decreased to 87.8% in 1QFY18/19 from 89.6% in 4QFY17/18. The large supply of industrial space and uneven recovery in the manufacturing sector affected occupancies across segments. In addition, the increase in leasable area upon completion of the asset enhancement initiative at 30A Kallang Place resulted in a drop in

---

<sup>2</sup> This includes the purchase consideration of 7 Tai Seng Drive at S\$68.0 million.

<sup>3</sup> Subject to MIT exercising the option to extend the land lease for the additional 30 years.

occupancy for the Hi-Tech Buildings segment. The US portfolio occupancy rate remained unchanged at 97.4%.

## **Outlook**

The wider economy and business sentiments of 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)<sup>4</sup>.

## **Distribution to Unitholders**

Unitholders can expect to receive their quarterly DPU for the period 1 April to 30 June 2018 on 30 August 2018. The closure of MIT’s transfer books and register of Unitholders will be at 5.00pm on 1 August 2018.

For further information, please contact:

### **Mapletree Industrial Trust Management Ltd.**

Melissa TAN  
Vice President, Investor Relations  
Tel: +65 6377 6113  
Email: melissa.tanhl@mapletree.com.sg

CHENG Mui Lian  
Manager, Investor Relations  
Tel: +65 6377 4536  
Email: cheng.muilian@mapletree.com.sg

Website: [www.mapletreeindustrialtrust.com](http://www.mapletreeindustrialtrust.com)

---

<sup>4</sup> Source: 451 Research, LLC., 2Q 2018.

## **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.

MIT’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). 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 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**

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

MIPL currently manages four Singapore-listed REIT and six private equity real estate funds, which hold a diverse portfolio of assets in Asia Pacific, the United Kingdom and the United States.

As at 31 March 2018, MIPL owns and manages S\$46.3 billion of office, retail, logistics, industrial, residential, corporate housing / serviced apartment, and student accommodation properties.

MIPL’s assets are located across 12 economies globally, namely Singapore, Australia, China, Germany, 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.