

maple<sup>tree</sup>  
logistics

## Financial Results for the Quarter Ended 30 June 2011

21 July 2011



# Disclaimer

*This Presentation is focused on comparing results for the three months ended 30 June 2011 versus results achieved in the three months ended 31 June 2010 and versus results achieved in the previous quarter ended 31 March 2011. This shall be read in conjunction with Mapletree Logistics Trust's financial results for the three months ended 30 June 2011 in the SGXNET announcement.*

This release may contain forward-looking statements that involve risks and uncertainties. Actual 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and 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 on future events.

# Agenda

- Key Highlights
- Financial Review
- Capital Management
- Resilient Portfolio
- Outlook
- Summary



Ijuk Centre,  
South Korea



KPPC Pyeongtaek Centre,  
South Korea



# Key Highlights

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## ■ Positive 2Q 2011 results

- Net Property Income rose by nearly 25% to S\$57.0 million
- Amount distributable for the quarter grew by about 26% to S\$38.8 million
- Distribution per unit increased by about 7% to 1.60 cents

## ■ Strong organic growth of 5%

- Occupancy rate achieved close to 99%
- Positive rental reversions across countries during 2Q 2011 with the greatest contribution coming from Hong Kong
- Conversion of 2 Serangoon North Ave 5 from SUA\* to MTB\* contributed to higher yield
- Distribution of net gain from divestments of 9 and 39 Tampines Street 92
  - To be distributed to Unitholders over the next three quarters starting from 3Q 2011

## ■ Sustained acquisition growth

- Acquisition of Iljuk Centre & KPPC Pyeongtaek Centre, South Korea in 2Q 2011
- Accretive at initial NPI yields of 8.5% - 9.5%

\* SUA: single-user asset; MTB: multi-tenanted asset



# Key Highlights (cont'd)

- **Prudent Capital Management**

- MapletreeLog's corporate family rating upgraded to Baa1 with a stable outlook
- Comfortable gearing ratio of 40.6% as at 30 Jun 2011

- **Yield + Growth strategy**

- Continued focus on yield optimisation and proactive portfolio management
- Sustained acquisition growth

- **Strong Sponsor's pipeline**

- Greenfield pipeline from Sponsor → approximately S\$300 million completed or near completion with right of first refusal to MapletreeLog
- Signed MOU to develop 2 distribution centres in Zhengzhou with total GFA of 144,000 sqm (please refer to press release dated 15 Jul 2011 issued by Sponsor )
  - To meet growing demand for high quality modern logistics facilities

The image features a 3D-rendered perspective of a hallway with orange walls and a white floor. The hallway is composed of several rectangular sections that create a sense of depth and movement. The walls are a uniform orange color, and the floor is a light, neutral tone. The lighting is soft and even, highlighting the geometric shapes of the hallway. In the center of the right-hand wall, the words "Financial Review" are written in a clean, white, sans-serif font.

# Financial Review

# Statement of Total Return – 2Q 2010 vs 2Q 2011

In S\$ thousands	2Q 2010	2Q 2011	Variance (%)
Gross Revenue	51,979	65,825	27 ↑
Property Expenses	(6,176)	(8,777)	42 ↑
Net Property Income (“NPI”)	45,803	57,048	25 ↑
Amount Distributable	30,860	38,843	26 ↑
Available DPU	<b>1.50</b>	<b>1.60</b>	7 ↑
Property Expenses to Gross Revenue Ratio	11.9%	13.3%	1 ↑
NPI to Gross Revenue Ratio	88.1%	86.7%	(1) ↓
Amount Distributable to Gross Revenue Ratio	59.3%	59.0%	(0) ↔

# Statement of Total Return – 1Q 2011 vs 2Q 2011

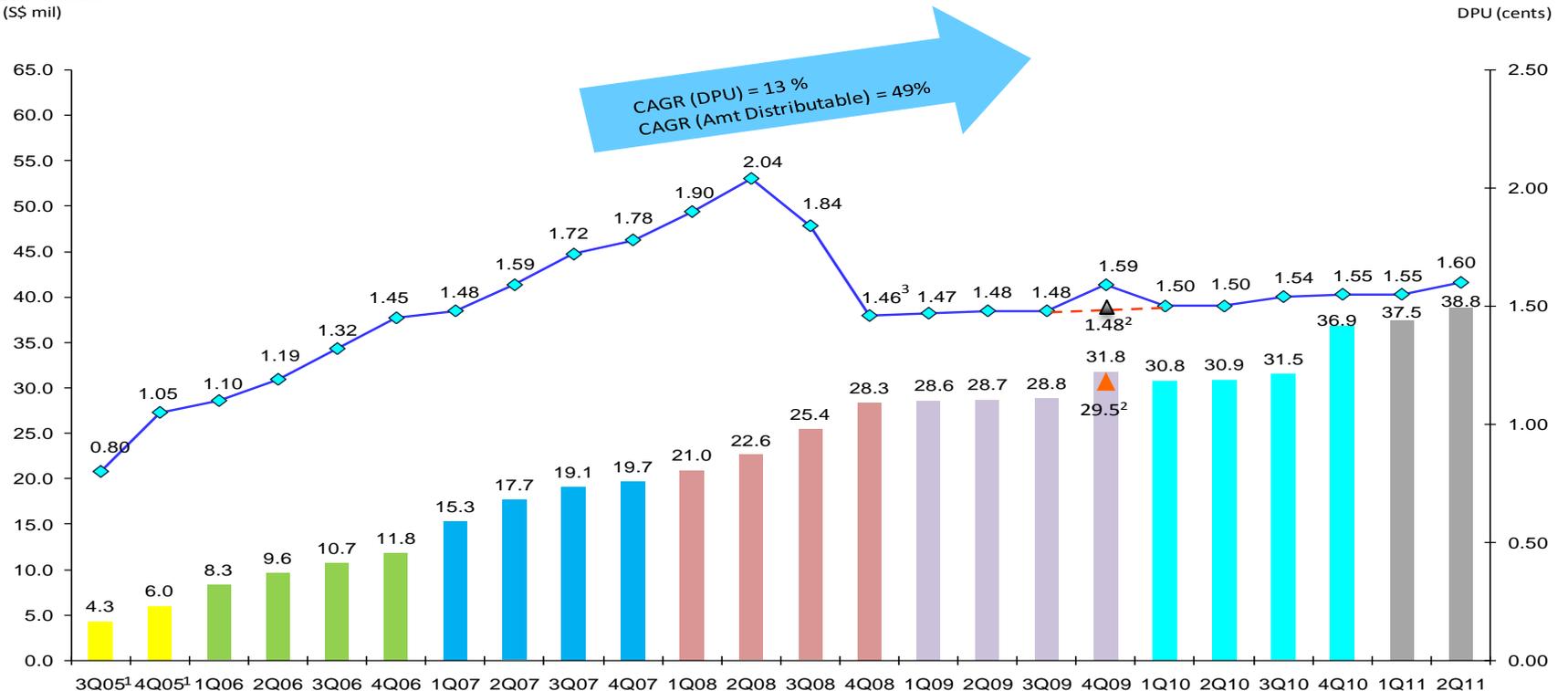
In S\$ thousands	1Q 2011	2Q 2011	Variance (%)	
Gross Revenue	62,244	65,825	6	↑
Property Expenses	(7,571)	(8,777)	16	↑
Net Property Income (“NPI”)	54,673	57,048	4	↑
Amount Distributable	37,536	38,843	4	↑
Available DPU	<b>1.55</b>	<b>1.60</b>	<b>3</b>	↑
Property Expenses to Gross Revenue Ratio	12.2%	13.3%	1	↑
NPI to Gross Revenue Ratio	87.8%	86.7%	(1)	↓
Amount Distributable to Gross Revenue Ratio	60.3%	59.0%	(1)	↓

# Scorecard Since IPO

	Jul- Dec 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	YTD 2011
Amt distributable (S\$m)	10.3	40.4	71.8	97.4	115.5	130.1	76.4
DPU (cents)	1.85	5.06	6.57	7.24	5.91	6.09	3.15
Lettable area (mil sqm)	0.8	1.4	1.8	2.1	2.2	2.5	2.6
Asset Value (S\$)	462 mil	1.4 bil	2.4 bil	2.9 bil	2.9 bil	3.5 bil	3.6 bil

Amt Distributable (S\$ mil)

DPU (cents)



No. of Properties	15	18	24	28	36	41	49	58	61	70	72	76	79	81	81	81	81	82	84	86	91	96	98	99
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Footnotes:

- 1) Period for 3Q 2005 is from 28 July 2005 (Listing Date) to 30 September 2005
- 2) Excludes the one-time consideration from Prima Limited to extend the leases and licenses with them at 201 Keppel Road by 8 years. For details, please see SGXNET announcement dated 31 December 2009. Including this, the amount distributable is S\$31.8 million for 4Q 2009 and S\$117.9 million for FY 2009 while DPU is 1.59 cents for 4Q 2009 and 6.02 cents for FY 2009
- 3) Drop in DPU in 4Q 2008 is due to increase in number of units following the 3 for 4 rights issue in August 2008



# Balance Sheet

	31-Mar-11	30-Jun-11	
Investment Properties	3,575,553 <sup>1</sup>	3,626,908 <sup>2</sup>	↑
Total Assets	3,708,621	3,802,520	↑
Total Liabilities	1,631,585 <sup>3</sup>	1,739,035 <sup>4</sup>	↑
Net Assets Attributable to Unitholders	2,073,164	2,059,835	↓
NAV Per Unit	S\$0.85 <sup>5</sup>	S\$0.85 <sup>6</sup>	↔

## Footnotes:

1. Includes S\$12.0 million investment property held-for-sale (9 Tampines St 92) classified under current assets.
2. Includes S\$14.3 million investment property held-for sale (39 Tampines St 92) classified under current assets.
3. Includes derivative financial instruments, at fair value, liability of S\$35.5 million.
4. Includes derivative financial instruments, at fair value, liability of S\$34.0 million.
5. Includes net derivative financial instruments, at fair value, liability of S\$24.3 million. Excluding this, the NAV would be S\$ 0.86.
6. Includes net derivative financial instruments, at fair value, liability of S\$25.4 million. Excluding this, the NAV would be S\$ 0.86.

The image features a 3D-rendered perspective of a hallway with orange walls and a white floor. The hallway is composed of several rectangular sections that meet at a corner. The walls are a solid, vibrant orange color, and the floor is a clean, bright white. The lighting is soft and even, creating a clean and professional atmosphere. In the center of the right-hand wall, the words "Capital Management" are written in a bold, white, sans-serif font. The text is clearly legible and stands out against the orange background.

# Capital Management

# Capital Management

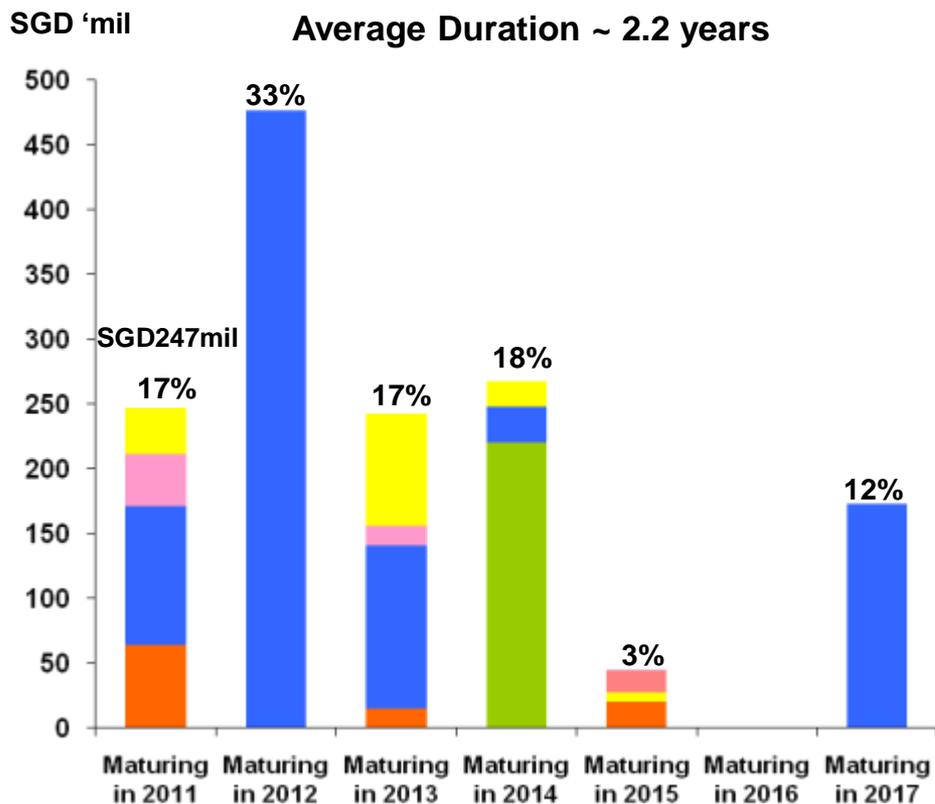
	31 Mar 2011	30 June 2011	
Aggregate Leverage Ratio	39.4%	40.6%	↑
Total Debt	S\$1,452 million	S\$1,535 million	↑
Weighted Average Annualised Interest Rate <sup>1</sup>	2.2%	2.2%	↔
Average Duration	2.2 years	2.6 years	↑
Interest Service Ratio <sup>2</sup>	6.7 times	6.5 times	↓

*Footnotes:*

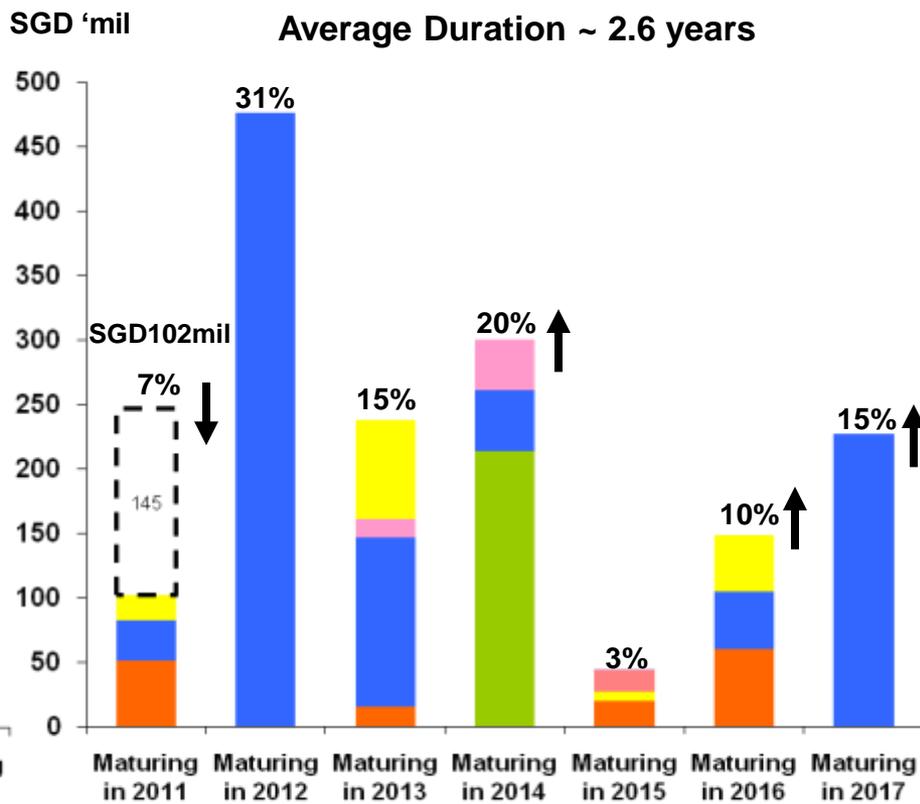
1. For the quarter ended.
2. Ratio of EBITDA over interest expense for financial period up to balance sheet date.

# Debt Profile by Currency

## Debts as at 31 Mar 11



## Debts as at 30 Jun 11



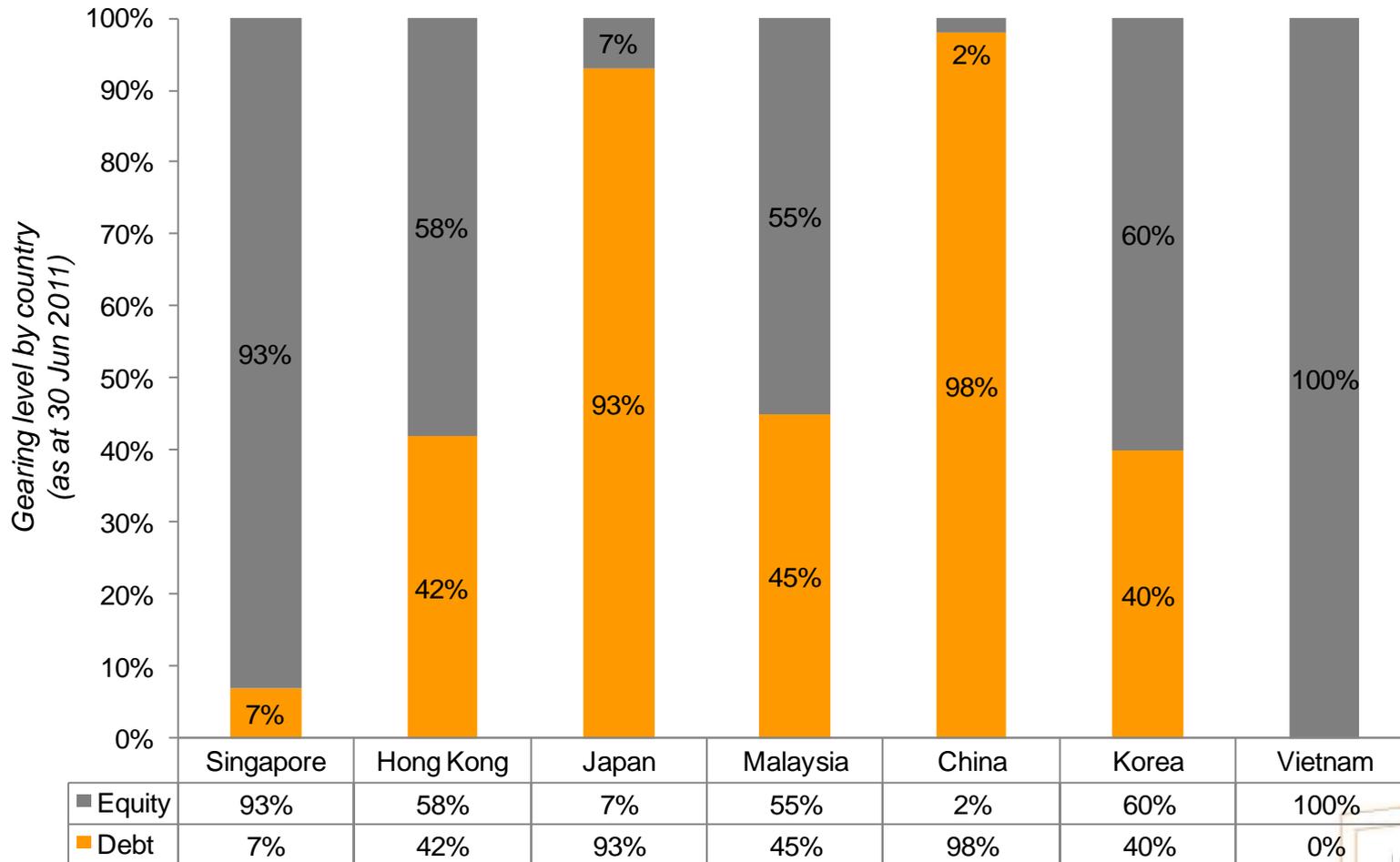
Debt Amount

S\$1,452 mil

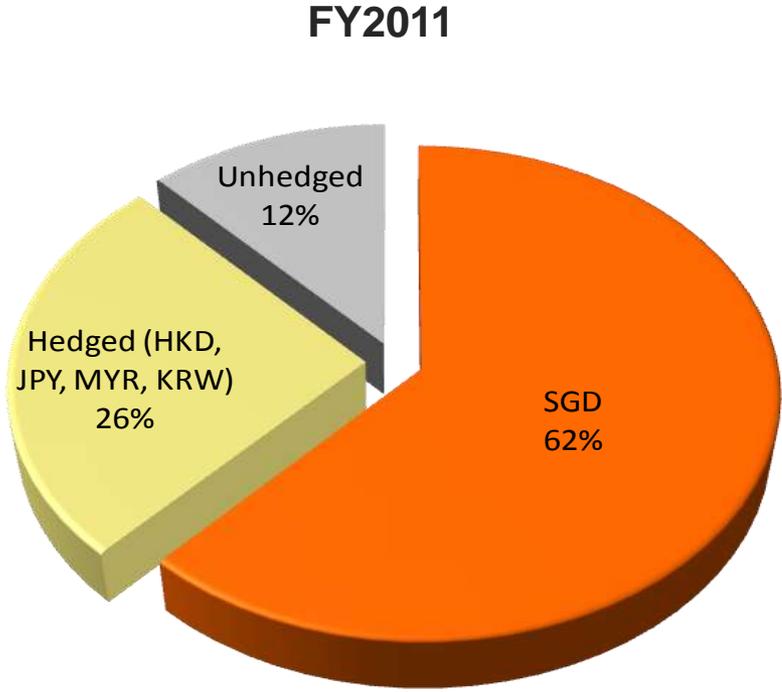
S\$1,535 mil

# Natural Hedge- Our Preferred Hedging Strategy

- Local currency loans set up natural hedge against currency fluctuations
- Gearing outside of Singapore provides tax shelter



# 88% of Amount Distributable in Singapore Dollar



# Prudent Capital Management

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- Sufficient debt resources to meet 2011 debt obligations
- Gearing ratio of 40.6% in Jun 2011 is well within our medium-term target range of 40%-50%
- Hedged / Fixed rate borrowings at approximately 65%
- All loans are unsecured with minimal financial covenants; no CMBS
- Credit rating upgraded to Baa1 with stable outlook by Moody's in Jun 2011

A 3D-rendered scene of a hallway with orange walls and a white floor. The hallway is empty, with a perspective view looking down the length of the corridor. The walls are a solid, bright orange color, and the floor is a clean, white surface. The lighting is soft and even, creating a clean and professional atmosphere. The text 'Business Review' is centered on the right wall in a white, bold, sans-serif font.

# Business Review

# Resilient Portfolio

- **Occupancy rate was 98.9% in 2Q 2011 versus 98.3% in 1Q 2011**
  - Occupancy rate for Singapore increased from 98.1% to 99.1%
  - Japan, South Korea and Vietnam are 100% occupied while Hong Kong, Malaysia and China occupancy remained above 96%
- **Diversification in terms of geography, customers and end-users**
  - Exposure to wide variety of stable end-users
- **Stability from long leases**
  - Weighted average lease term to expiry (“WALE”) maintained at about 6 years<sup>1</sup>
- **Ample cushion from security deposits**
  - Equivalent to about 64% of FY 2011 annualised gross revenue, or average of 7.7 months coverage (Singapore only: 10.3 months)
- **Low arrears ratio**
  - Typically less than 1% of annualised gross revenue

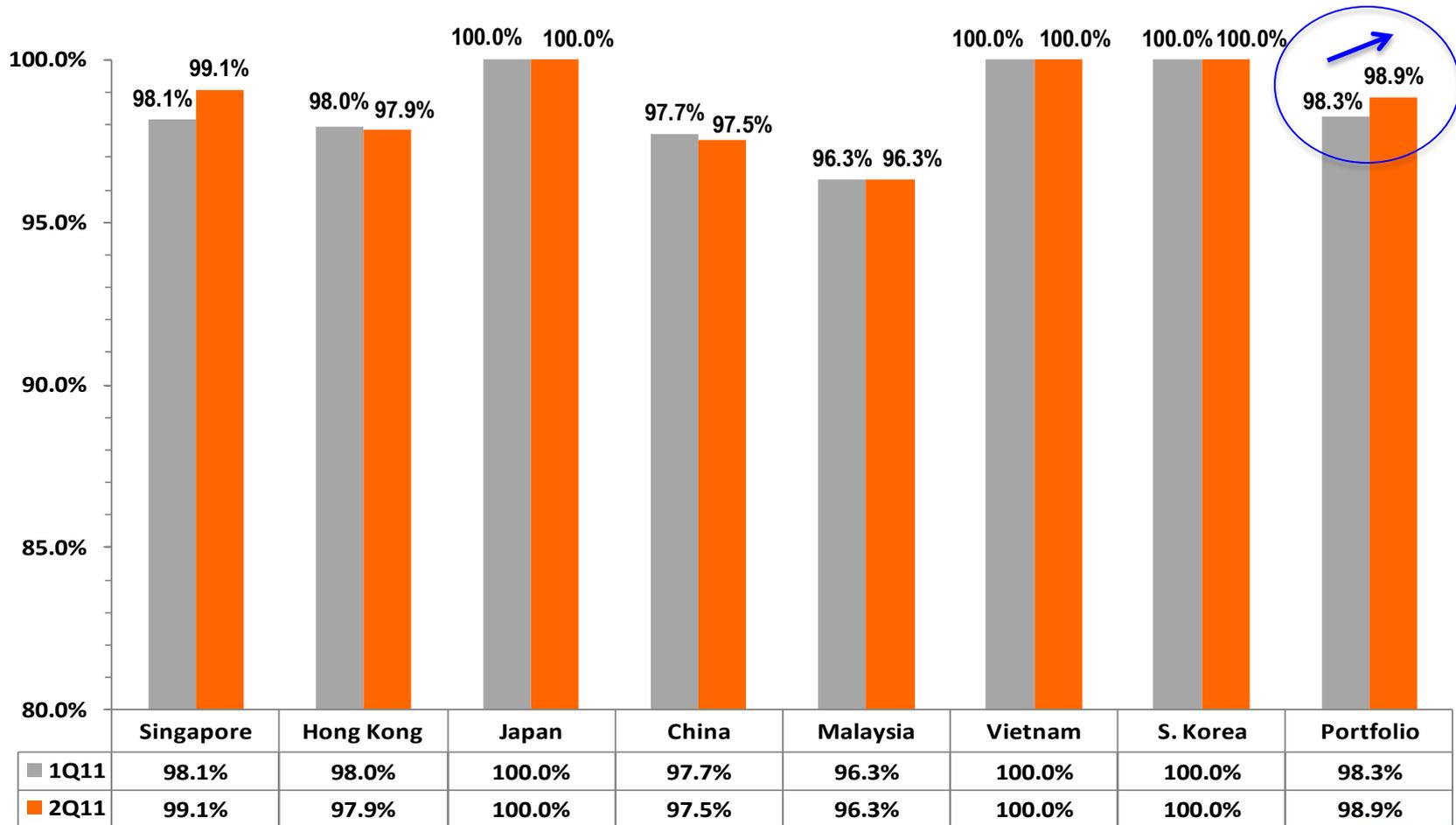
Footnote:

1) Based on net lettable area as at 30 June 2011



# High Occupancy Rates Sustained

Portfolio occupancy by country - comparison with previous quarter



# Successful Lease Renewals in FY 2011

- 13.6% of leases (by NLA) are up for renewal in Singapore, Hong Kong, China and Malaysia in FY 2011
- Successfully renewed/replaced 97% of NLA due in 2Q 2011
- Leases renewed at higher average rentals

## NLA renewed/replaced in FY 2011 (in '000 sqm)

FY2011	Total renewable	Spaces renewed/replaced to date	Balance spaces renewable
Singapore	164	54	110
Hong Kong	81	61	20
China	36	24	12
Malaysia	49	22	27
<b>Total area<sup>1</sup></b>	<b>330 (13.6% of total portfolio)</b>	<b>161 (6.6% of total portfolio)</b>	<b>169 (6.9% of total portfolio)</b>

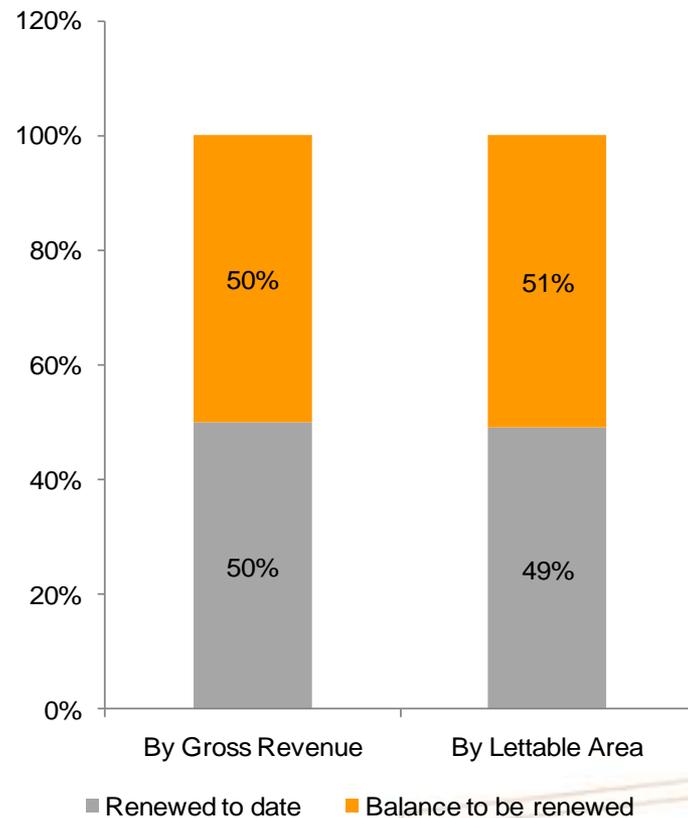
Footnote:

1) Excludes about 22,300 sqm of short-term leases signed in 2011 that are due before the end of the year.

Note:

Numbers may not add up due to rounding effect

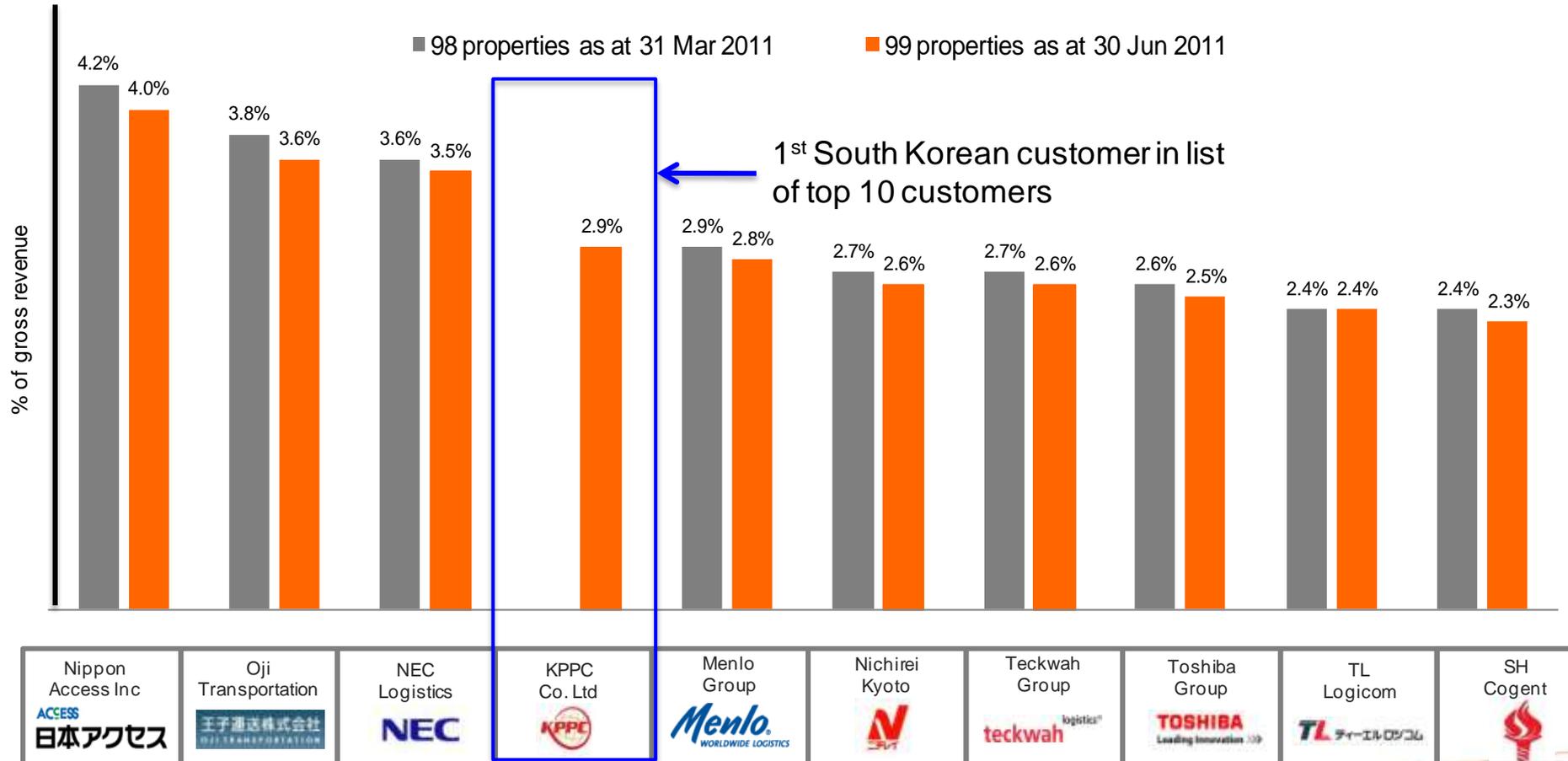
% of leases due in 2011



# Diversified Customer Mix for Portfolio Stability

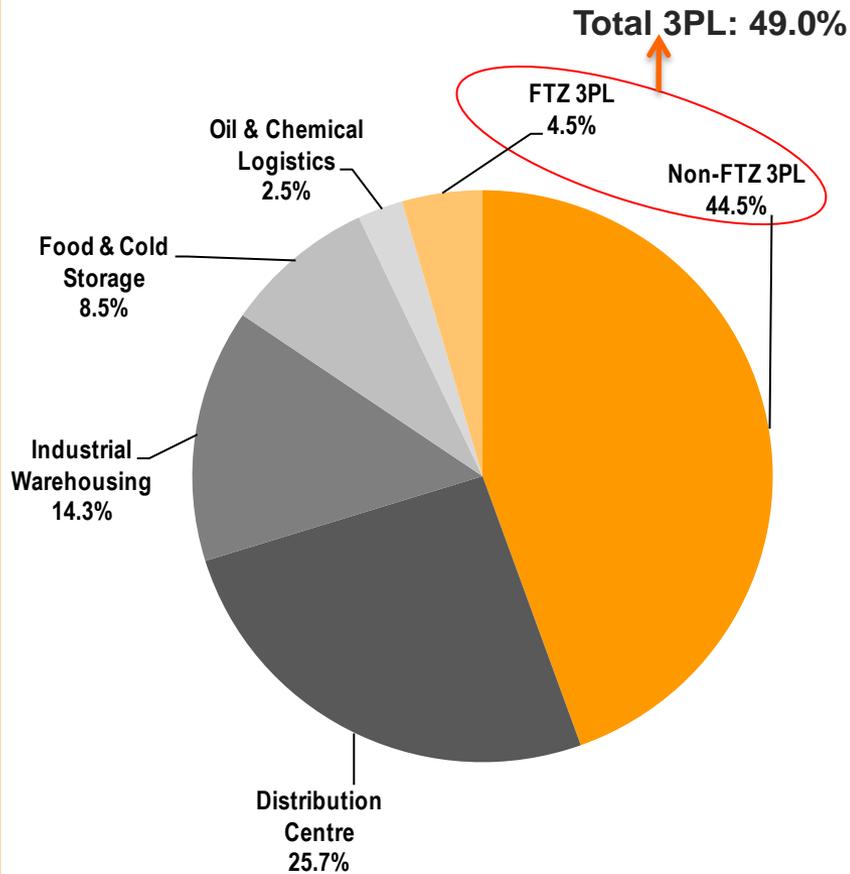
319 customers; none accounts for >5% of total revenue

Top 10 customers ~ 30% of total gross revenue

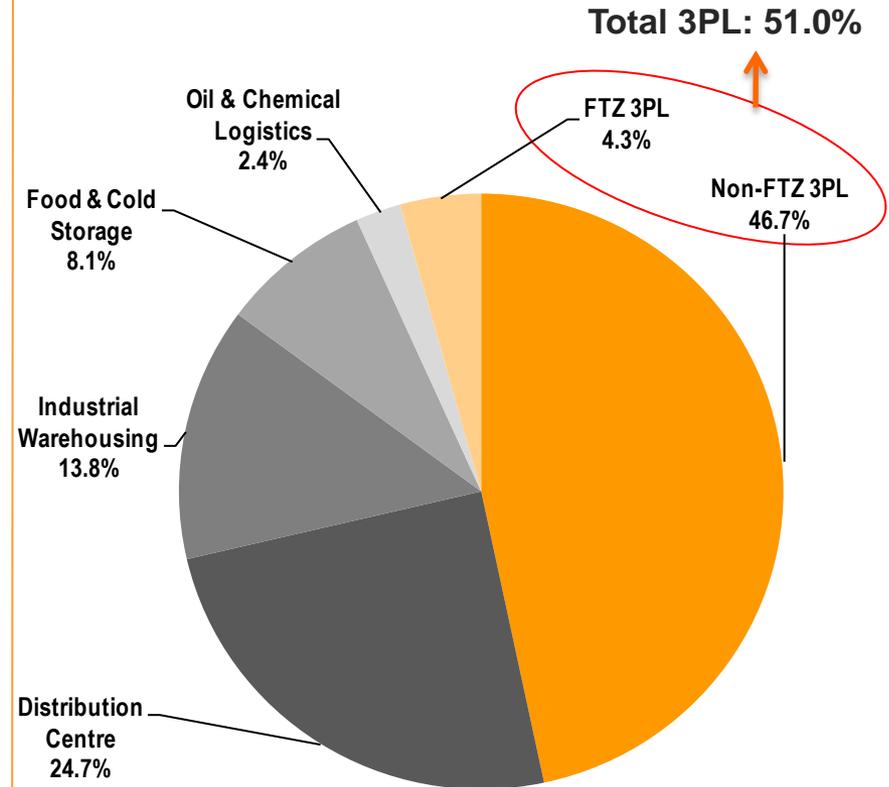


# Professional 3PLs Face Leasing Stickiness

Gross revenue contribution by trade sector  
(98 properties as at 31 Mar 11)

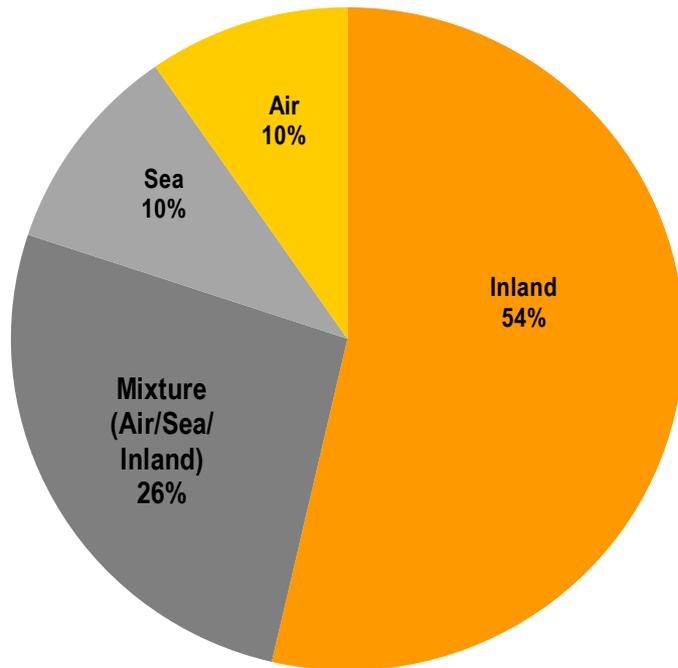


Gross revenue contribution by trade sector  
(99 properties as at 30 Jun 11)

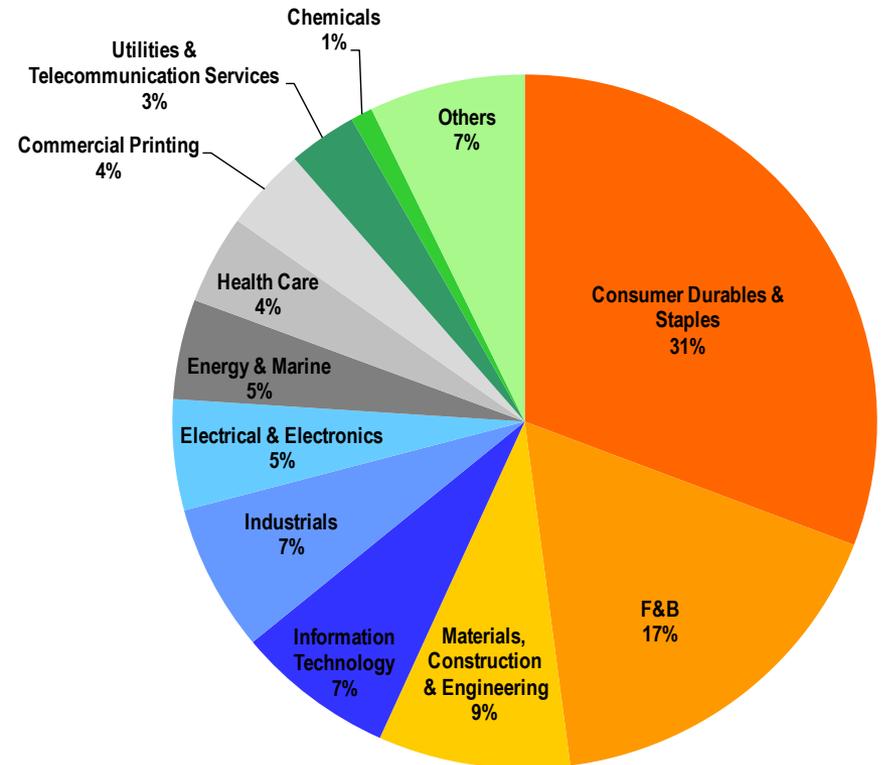


# Exposure to Stable End Users

Gross revenue contribution by customer distribution channel (as at 30 Jun 11)



Stable gross revenue contribution by end-user industry (as at 30 Jun 11)



Footnote:

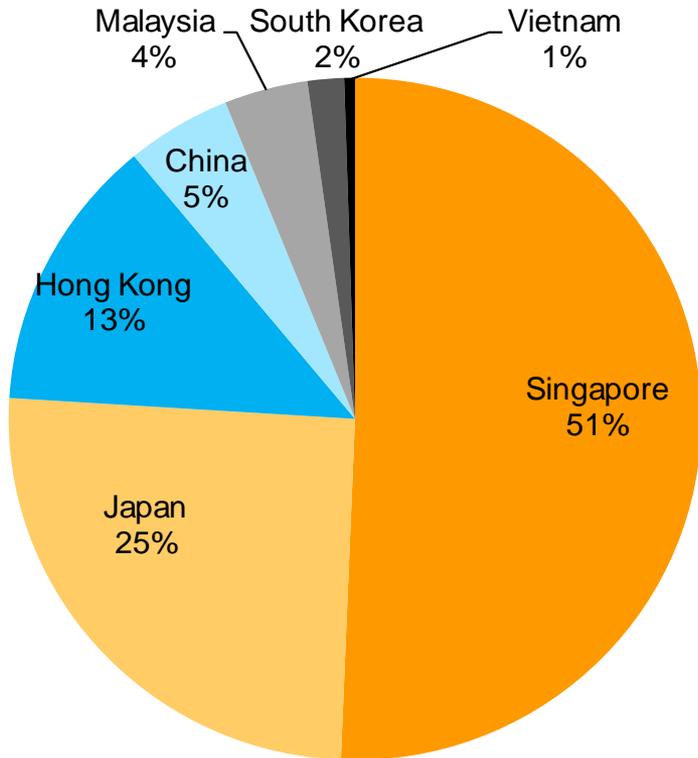
1) Analysis is for customers who are 3PLs and distributors

23 - 2Q 2011

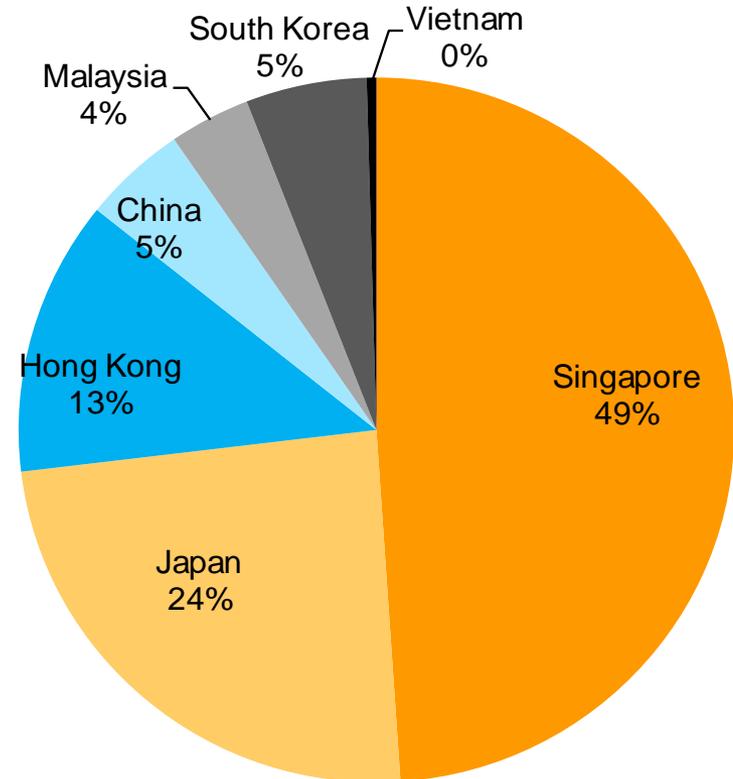


# Geographical Diversification

Gross revenue contribution by country  
(98 properties as at 31 Mar 11)<sup>1</sup>



Gross revenue contribution by country  
(99 properties as at 30 Jun 11)<sup>2</sup>

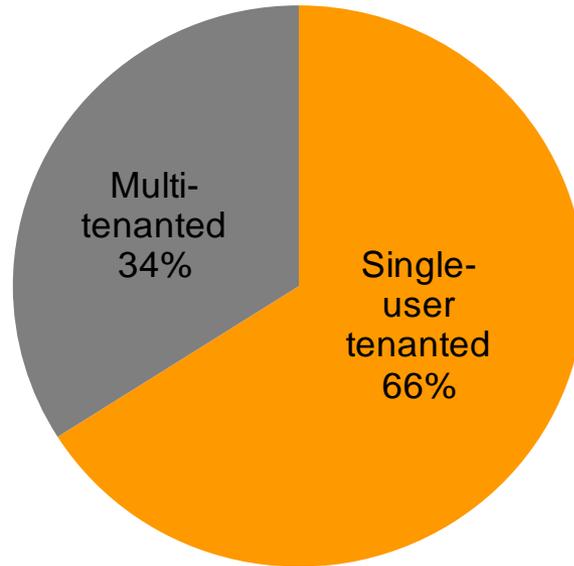
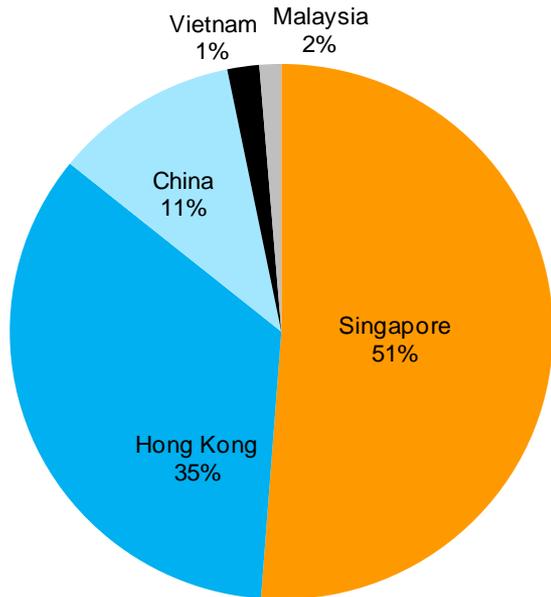


Footnotes :

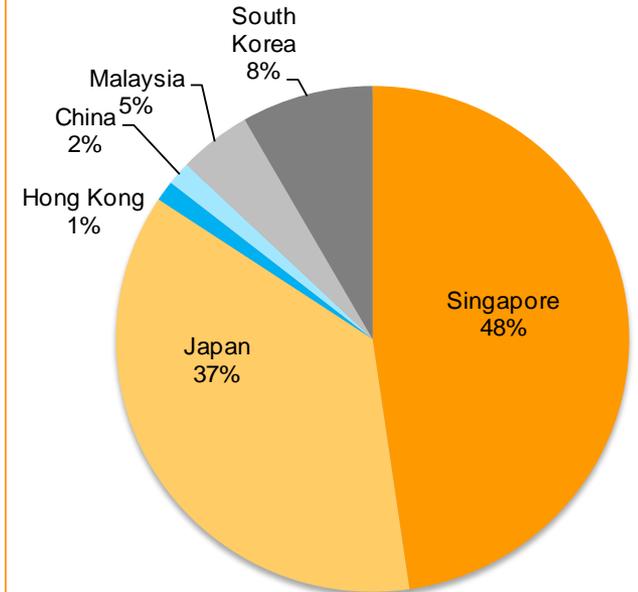
- 1) 1Q 2011 started with 96 properties and ended with 98 properties.
- 2) 2Q 2011 started with 98 properties and ended with 99 properties.

# Multi-tenanted vs Single-User Tenanted Assets

Country Split MTB  
(Gross Revenue  
as at 30 Jun 2011)

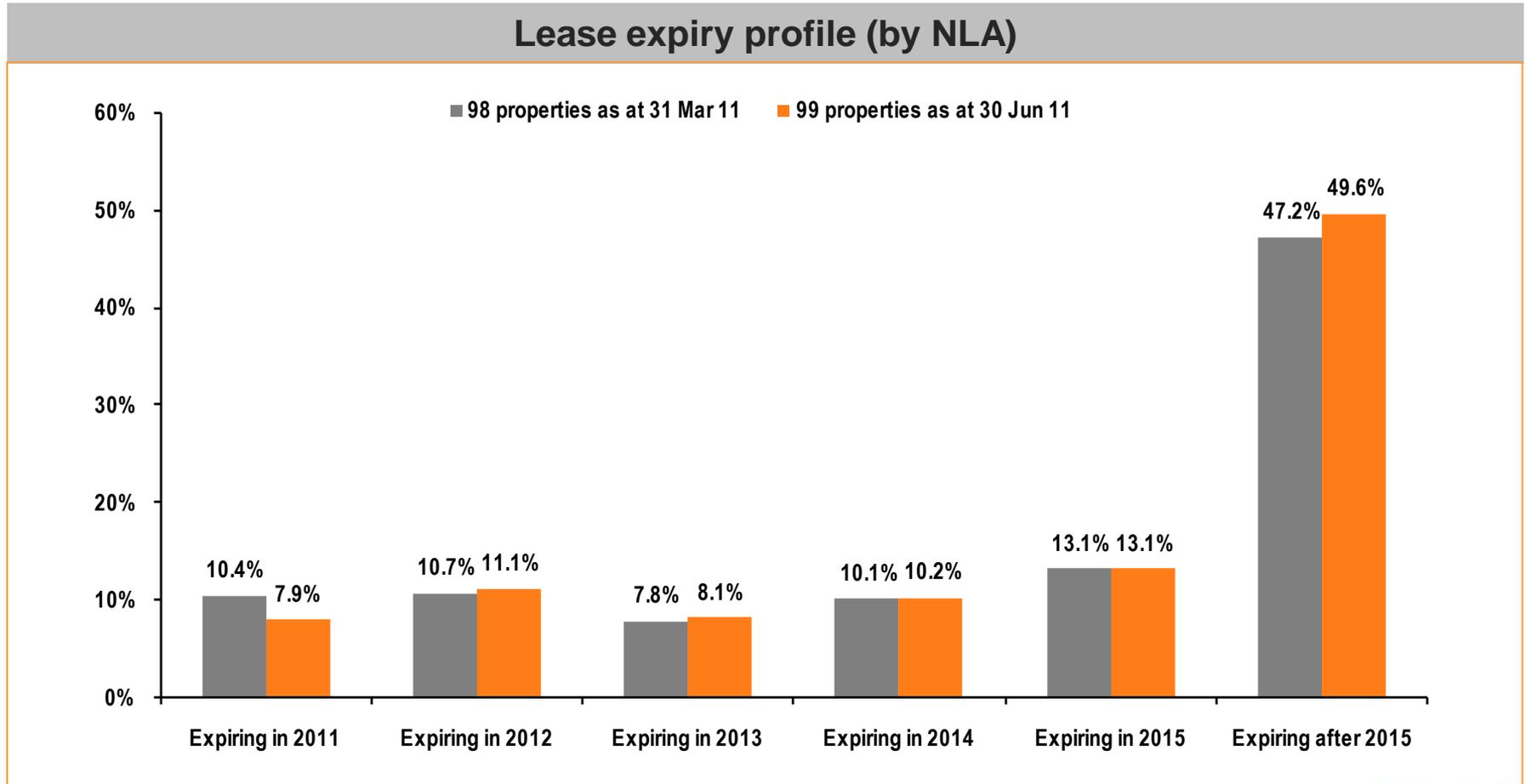


Country Split SUA  
(Gross Revenue  
as at 30 Jun 2011)



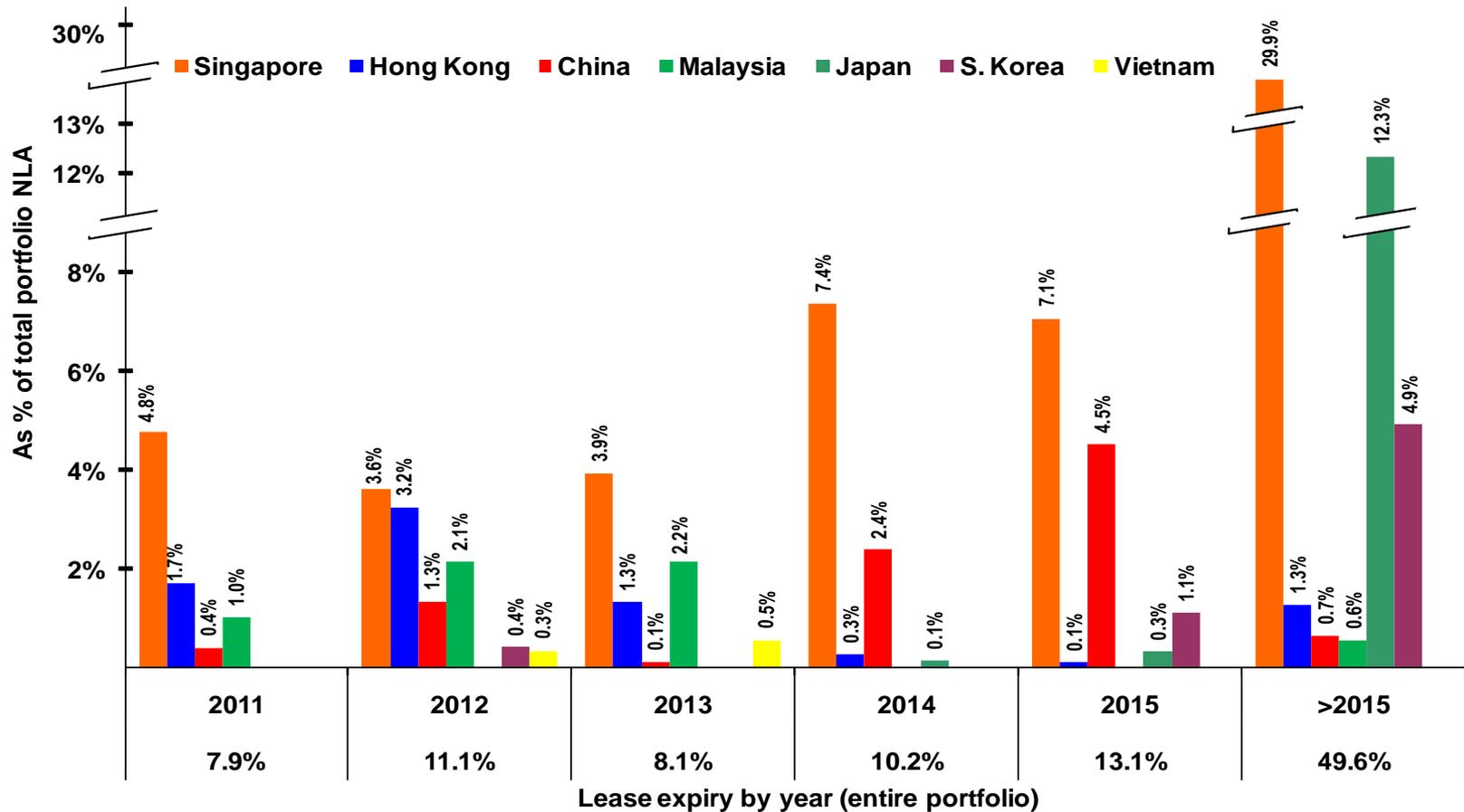
# Long Leases Provide Portfolio Stability

- Weighted average lease term to expiry: 6 years



# Long Leases Provide Portfolio Stability

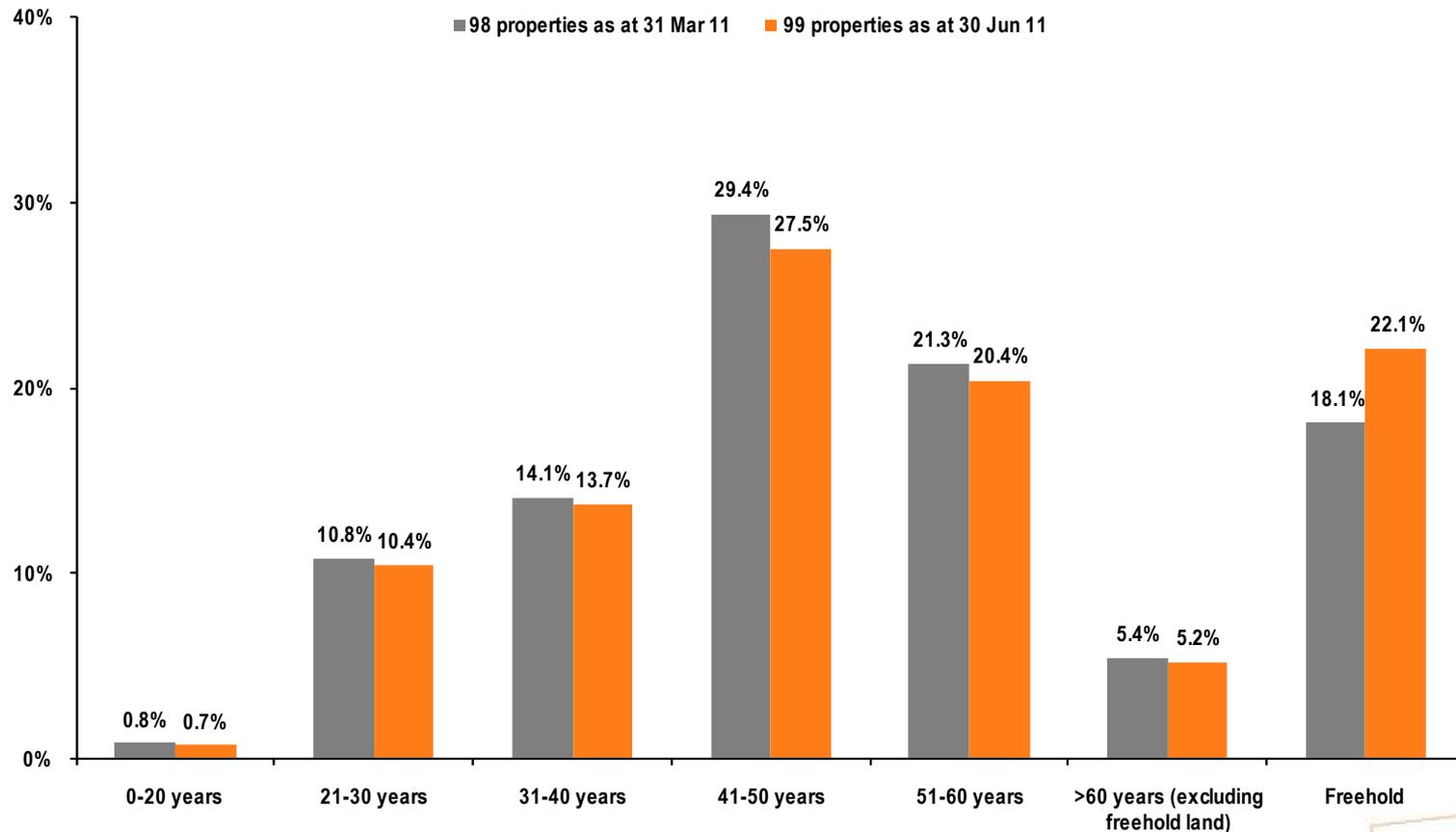
Country breakdown of lease expiry profile (by NLA)



# Long Land Leases Provide Portfolio Stability

- Weighted average lease term to expiry of underlying leasehold land (excluding freehold land): 48 years

Remaining years to expiry of underlying land lease (by NLA)



# Asset Rejuvenation

- Proactive portfolio management to unlock values in existing assets
- Asset rejuvenation initiatives to better meet customers' needs
  - **Retrofitting and/or enhancement** → add value through maximising land use and/or structural efficiency
  - **Redevelopment efforts** → unlock value through improving prospects of properties with new, modern building specifications or maximising plot ratio
  - **Disposal** → recycle capital to optimise yield and provide organic growth through replacing less-performing assets for better yielding properties



# Outlook

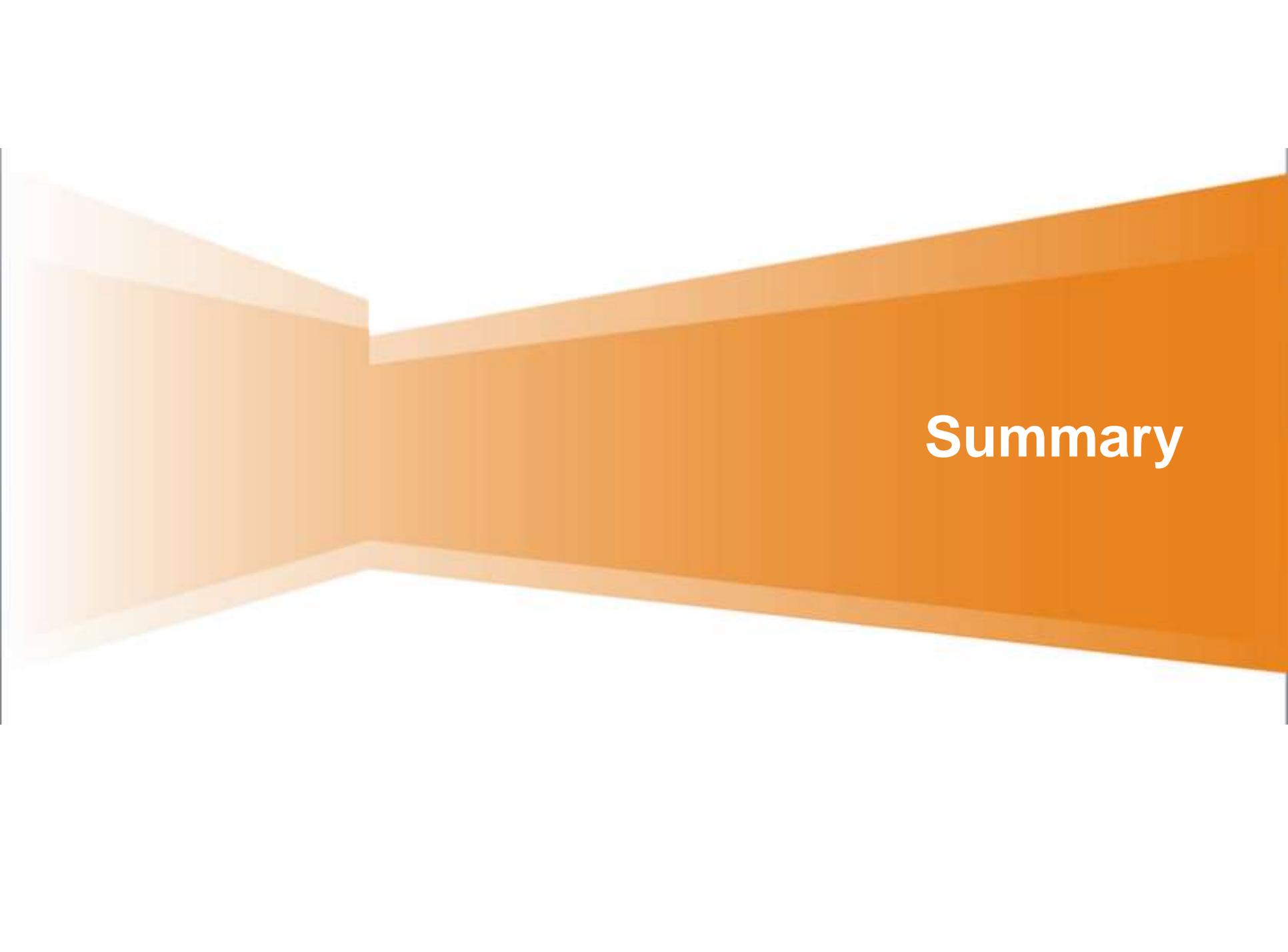
# Outlook & Strategy for 2011

- Global economic condition continue to be uncertain
- Asian economies have stayed resilient; concerns over slowing growth rate in the region remain

## Competitive Total Return

Yield optimisation on existing portfolio	Growth via acquisitions and development	Proactive capital management strategy
<ul style="list-style-type: none"><li>• Active leasing &amp; marketing efforts - focus on higher quality tenancies</li><li>• Manage expenses</li><li>• Proactive asset management to enhance asset value with <i>asset enhancement and redevelopment initiatives</i></li></ul>	<ul style="list-style-type: none"><li>• Actively pursue quality assets via third-party acquisitions</li><li>• Value proposition to customers: Strategic customer relationships; <i>"Follow-the-Client"</i></li><li>• Sponsor continues to develop pipelines →</li></ul>	<ul style="list-style-type: none"><li>• Sustainable long term gearing levels</li><li>• Manage refinancing risks through spreading out debt maturities</li><li>• Active hedging to manage interest rate and foreign exchange fluctuations</li><li>• Optimal capital structure</li></ul>

## "Yield + Growth" Strategy



# Summary

# In Summary

- ✓ Amount distributable of approximately S\$39 million in 2Q 2011; 26% higher than in 2Q 2010
- ✓ DPU for 2Q 2011 increased to 1.60 cents from 1.50 cents in 2Q 2010
- ✓ Existing portfolio continues to provide stability and organic growth
  - Organic growth of 5% (highest for the past 2 years) due to stronger occupancy rate, conversion of SUA to MTB & positive rental reversions
- ✓ Continue to focus on yield optimisation, managing occupancy and rental rates
- ✓ Continue to seek out accretive acquisitions → “Follow-the-Client” strategy
  - Experienced team with proven track record
  - Maintain rigorous asset selection criteria
  - Maintain financial discipline: acquisition accretion is tested against WACC of debt and equity for fair pricing
- ✓ Proactive capital management to support growth plans

# Distribution Details

Counter Name	Distribution Period	Distribution per unit (SGD)	Payment Date
MapletreeLog	1 Apr 2011 – 30 Jun 2011	1.60 cents	29 August 2011

## Distribution Time Table

Last day of trading on “cum” basis

26 July 2011, 5:00pm

**Ex-date**

27 July 2011, 9:00am

Books closure date

29 July 2011, 5:00pm

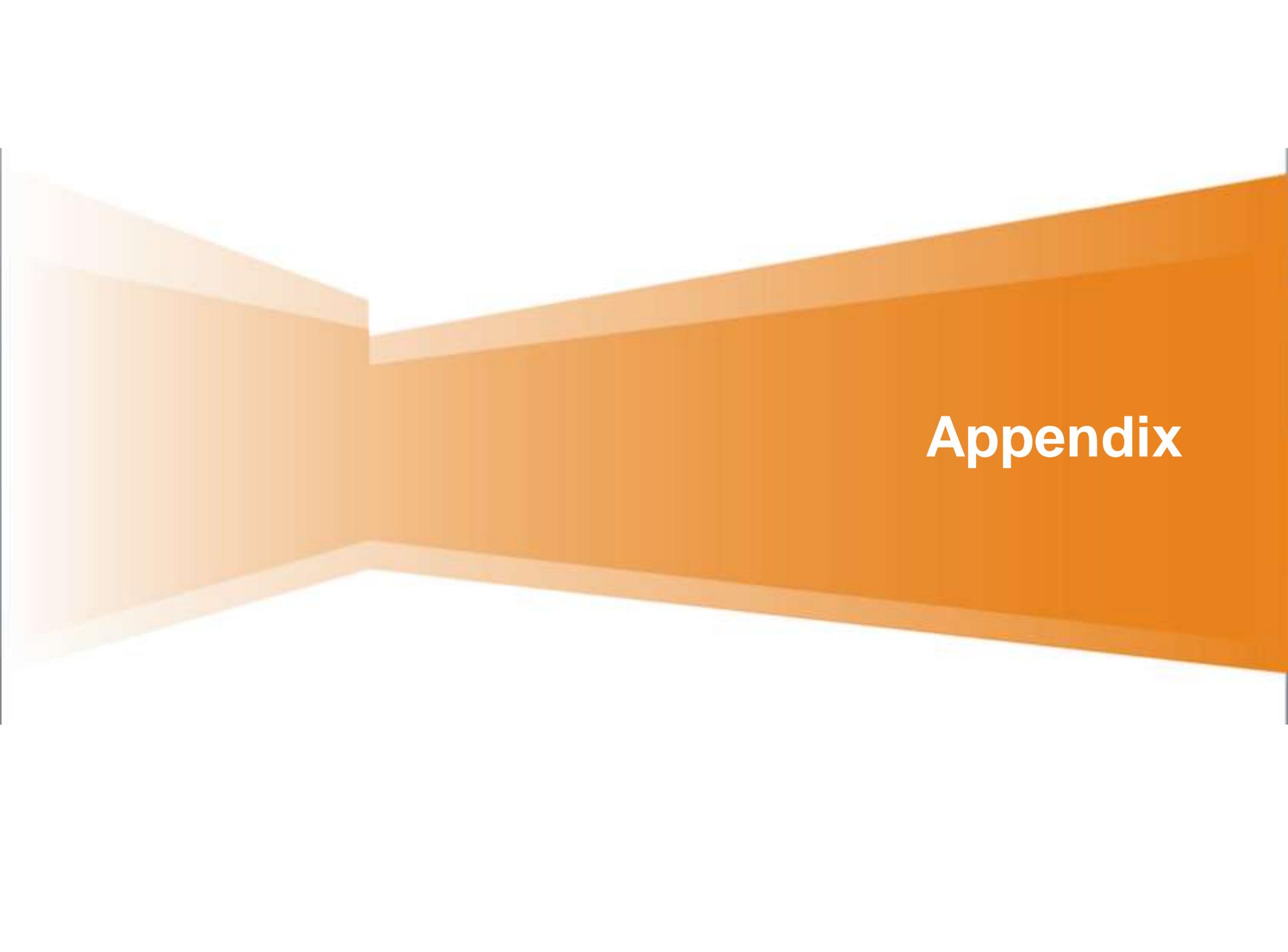
**Distribution payment date**

29 August, 2011





# Q&A Session

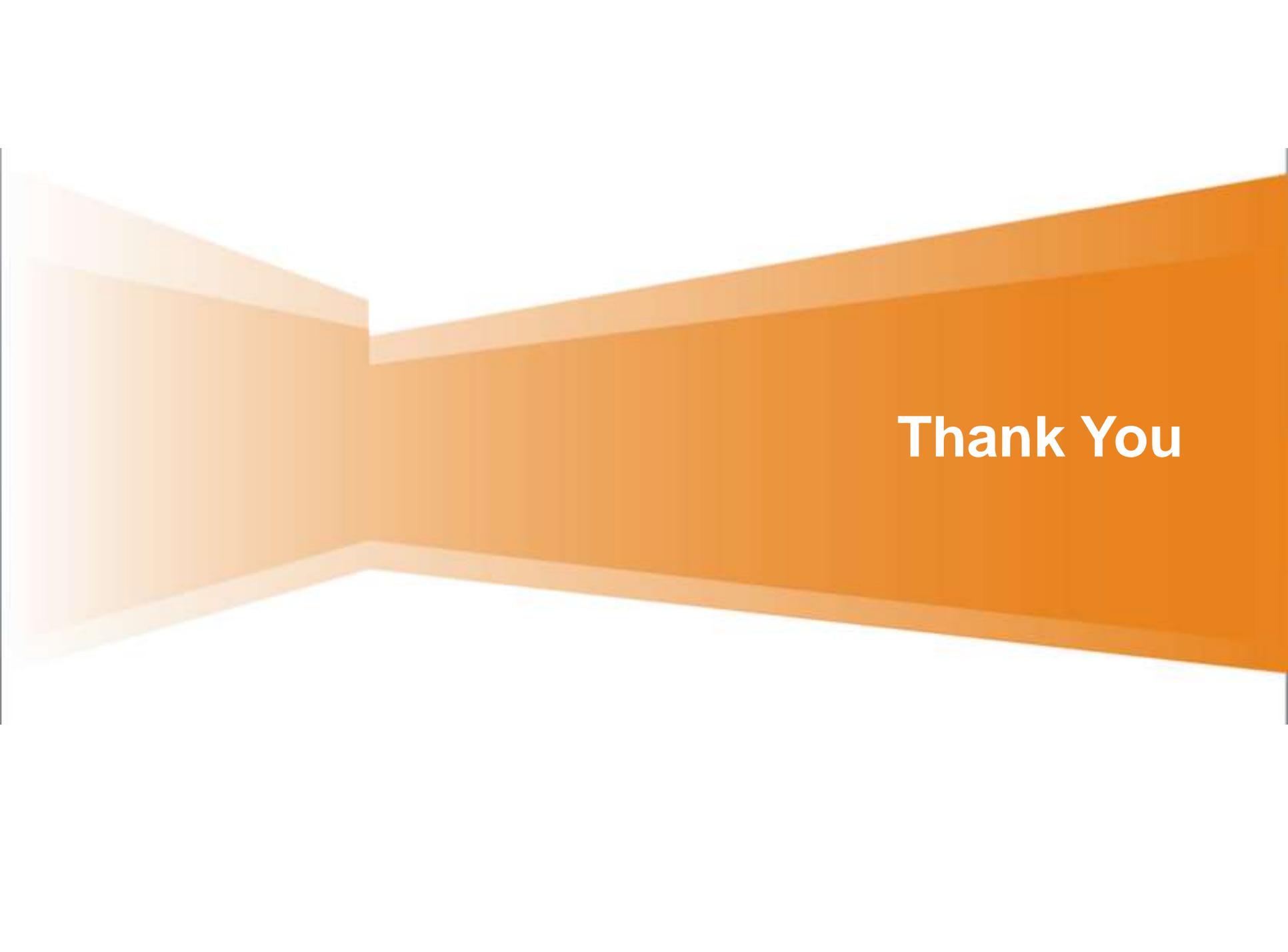
A 3D perspective illustration of a corner formed by two orange walls and a floor. The walls are rendered with a slight gradient and shadow, giving them a three-dimensional appearance. The floor is a plain white surface. The word "Appendix" is written in white, bold, sans-serif font on the right wall.

# Appendix

# MIPL's Commitment in Development Projects

No	Country	Project name	GFA (sqm)	Status
1	China	Mapletree Yangshan Bonded Logistics Park (Shanghai)	46,000	Completed/Leased: 12% of NLA occupied
2	China	Mapletree Wuxi Logistics Park (Wuxi)	45,000	Completed/Leased: 99% of NLA occupied; Warehouse fully taken up
3	China	Mapletree Beijing EPZ Airport Logistics Park (Beijing)	41,000	In progress to construct PH 1 (13,840 sqm)
4	China	Mapletree Tianjin Airport Logistics Park (Tianjin)	64,000	Completed/Leased: 36.4% of NLA occupied, with interest expressed for a further 33%
5	China	Mapletree Tianjin Port HaiFeng Bonded Logistics Park (Tianjin)	178,000	Completed/Leased: 15% of NLA occupied
6	China	Distribution Centre in Nissan Park in Zhengzhou Economic Development Zone (Zhengzhou)	48,000	Signed MOU with Zhengzhou government in Jul 2011
7	China	Distribution Centre in Zhengzhou-Singapore International Logistics Park	96,000	Signed MOU with Zhengzhou government in Jul 2011
8	China	Logistics Park (Tianjin)	~ 60,000	Signed MOU with WuMart in July 2011
<b>China subtotal</b>			<b>578,000</b>	
9	Malaysia	Mapletree Shah Alam Logistics Park (Shah Alam)	60,000	Completed/Leased: 98.8% of NLA
<b>Malaysia subtotal</b>			<b>60,000</b>	
10	Vietnam	Mapletree Logistics Park (Binh Duong)	440,000	Phase 1 completed, Phase 2 near completion. Leasing underway.
11	Vietnam	Mapletree Bac Ninh Logistics Park (Bac Ninh)	310,000	First block (18,250 sqm) completed in May 11. Construction of remaining 2 blocks (36,500 sqm) began in Apr 11; completion expected in Feb 12.
<b>Vietnam subtotal</b>			<b>750,000</b>	
12	Japan	Mapletree Warehouse Development in Odawara, Kanagawa	137,000	Development to commence in Dec 11
13	Japan	Mapletree 2-storey Warehouse Development in Joso, Ibaraki	27,000	Land acquisition completed. Development is expected to commence in Aug 11
<b>Japan subtotal</b>			<b>164,000</b>	
<b>Total</b>			<b>1,552,000</b>	

Note: 2Q11 refers to MIPL's FY (1 Jul 11 to 30 Sep 11)  
MIPL – Mapletree Investments Pte Ltd

A 3D graphic of an orange wall corner, with the right wall being a darker shade of orange than the left wall. The walls meet at a corner in the center-left of the frame. The background is white.

**Thank You**