

maple<sup>tree</sup>  
logistics

# Financial Results for the Quarter Ended 31 Dec 2011

19 January 2012



# Disclaimer

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

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



# Key Highlights

# Key Highlights

## ■ Stable and Sustained Results

- Performance underpinned by quality assets and a diversified portfolio
- Net Property Income (“NPI”) grew by more than 14% y-o-y to S\$61.6 million due to:
  - Acquisitions
  - Organic growth from the existing portfolio
  - Partial distribution of the net gain from the divestments of 9 & 39 Tampines St 92
- Amount distributable increased by more than 12% y-o-y to S\$41.3 million
- Distribution Per Unit (“DPU”) gained close to 10% y-o-y to 1.70 cents

## ■ Healthy Organic Growth

- Portfolio achieved y-o-y organic growth of about 6%
- Positive rental reversion of 16%
- Sustained high occupancy level at about 99%

## ■ Prudent and Proactive Capital Management

- Refinanced JPY9 billion loans with issuance of 10-year JPY fixed rate notes in Dec 2011
- Debt maturity extended to 4.4 years
- No refinancing risk in 2012
- Comfortable gearing ratio of about 41% as at 31 Dec 2011



# Key Highlights (cont'd)

- **Yield + Growth Strategy**

- Continued focus on yield optimisation and proactive asset management
- Actively working on identifying assets suitable for repositioning, enhancing and/or redeveloping
- Disciplined approach in acquiring assets that offer sustainable, competitive total returns and strategic value-add

- **Strong Sponsor's Pipeline**

- Greenfield pipeline from Sponsor: Approximately S\$300 million completed with right of first refusal to Mapletree Logistics Trust ("MLT")

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 "Financial Review" are written in a bold, white, sans-serif font. The text is clearly legible and stands out against the orange background.

# Financial Review

# Statement of Total Return – 4Q FY11/12<sup>1</sup> vs 4Q FY10

In S\$ thousands	4Q FY11/12	4Q FY10	Variance
Gross Revenue	71,882	61,006	17.8% ↑
Property Expenses	(10,312)	(7,164)	43.9% ↑
NPI	61,570	53,842	14.4% ↑
Amount Distributable	41,324	36,844	12.2% ↑
Available DPU	<b>1.70<sup>2</sup></b>	<b>1.55</b>	9.7% ↑
Property Expenses to Gross Revenue Ratio	14.3%	11.7%	2.6 ppt ↑
NPI to Gross Revenue Ratio	85.7%	88.3%	-2.6 ppt ↓
Amount Distributable to Gross Revenue Ratio	57.5%	60.4%	-2.9 ppt ↓

Footnotes:

- 1) MLT's financial year-end has been changed to 31 Mar as per announcement dated 21 Jun 2011. Consequently, FY11/12 will comprise five quarters ending 31 Mar 2012.
- 2) Includes partial distribution for the quarter of the gain arising from the divestments of 9 Tampines St 92 and 39 Tampines St 92 amounting to 0.03 cents.



# Statement of Total Return – 4Q FY11/12 vs 3Q FY11/12

In S\$ thousands	4Q FY11/12	3Q FY11/12	Variance
Gross Revenue	71,882	68,349	5.2% ↑
Property Expenses	(10,312)	(9,445)	9.2% ↑
NPI	61,570	58,904	4.5% ↑
Amount Distributable	41,324	40,888	1.1% ↑
Available DPU	<b>1.70</b> <sup>1</sup>	<b>1.69</b> <sup>1</sup>	0.6% ↑
Property Expenses to Gross Revenue Ratio	14.3%	13.8%	0.5 ppt ↑
NPI to Gross Revenue Ratio	85.7%	86.2%	-0.5 ppt ↓
Amount Distributable to Gross Revenue Ratio	57.5%	59.8%	-2.3 ppt ↓

Footnote:

- 1) Includes partial distribution for the quarter of the gain arising from the divestments of 9 Tampines St 92 and 39 Tampines St 92 amounting to 0.03 cents



# Statement of Total Return – YTD FY11/12 vs YTD FY10

In S\$ thousands	YTD FY11/12 (4 quarters)	YTD FY10 (4 quarters)	Variance
Gross Revenue	268,300	218,895	22.6% ↑
Property Expenses	(36,105)	(25,849)	39.7% ↑
NPI	232,195	193,046	20.3% ↑
Amount Distributable	158,591	130,068	21.9% ↑
Available DPU	<b>6.54</b> <sup>1</sup>	<b>6.09</b>	<b>7.4%</b> ↑
Property Expenses to Gross Revenue Ratio	13.5%	11.8%	1.7 ppt ↑
NPI to Gross Revenue Ratio	86.5%	88.2%	-1.7 ppt ↓
Amount Distributable to Gross Revenue Ratio	59.1%	59.4%	- 0.3 ppt ↓

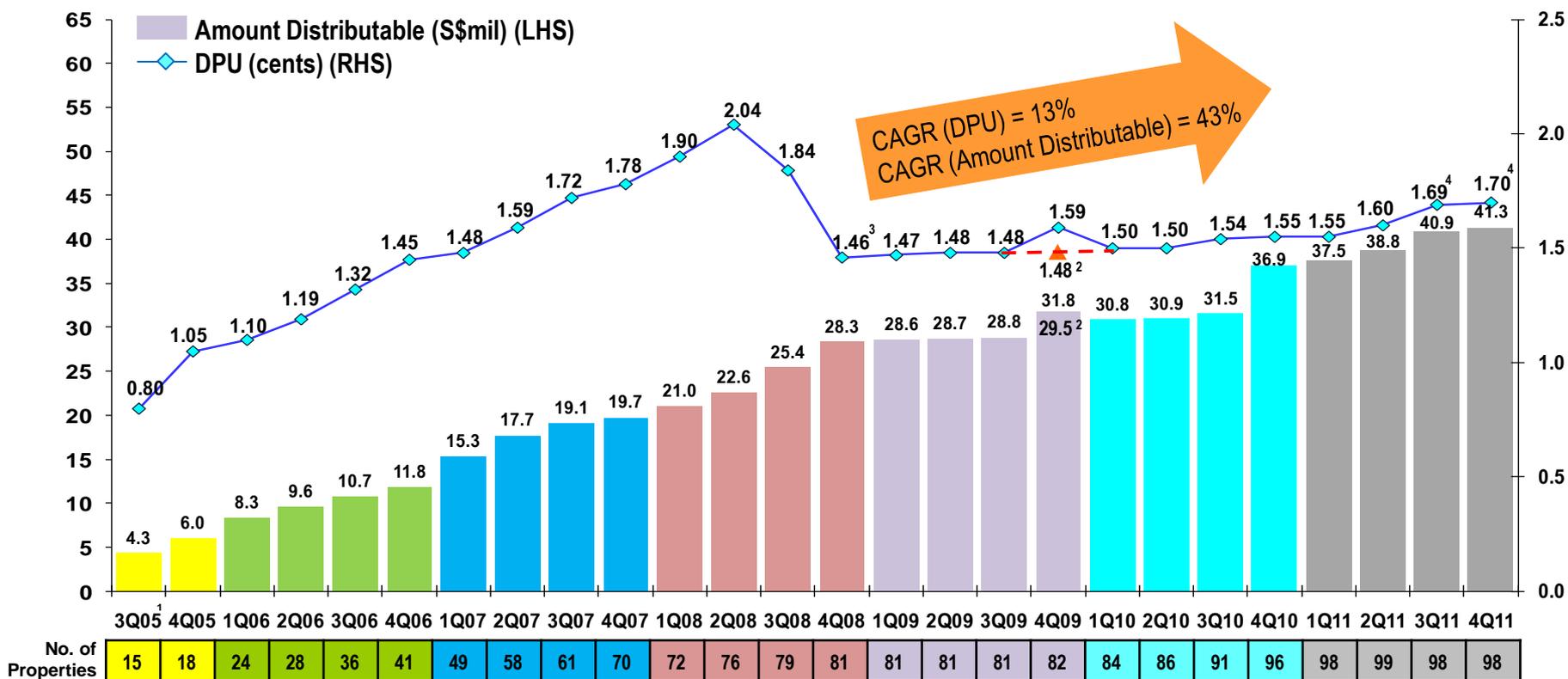
Footnote:

- 1) Includes partial distribution in 3Q and 4Q FY11/12 of the gain arising from the divestments of 9 Tampines St 92 and 39 Tampines St 92 amounting to 0.06 cents



# Scorecard Since IPO

	Jul- Dec 05	FY06	FY07	FY08	FY09	FY10	YTD FY11/12 <sup>5</sup>
Amt distributable (S\$mil)	10.3	40.4	71.8	97.4	115.5	130.1	158.6
DPU (cents)	1.85	5.06	6.57	7.24	5.91	6.09	6.54
Lettable area (mil sqm)	0.8	1.4	1.8	2.1	2.2	2.5	2.6
Total Asset (S\$)	485 mil	1.5 bil	2.4 bil	3.0 bil	3.0 bil	3.6 bil	3.9 bil



## Footnotes:

- 1) Period for 3Q 2005 is from 28 Jul 2005 (Listing Date) to 30 Sep 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 Dec 2009. Including this, the amount distributable is S\$31.8 million for 4Q FY09 and S\$117.9 million for FY09 while DPU is 1.59 cents for 4Q FY09 and 6.02 cents for FY09
- 3) Drop in DPU in 4Q FY08 is due to increase in number of units following the 3 for 4 rights issue in Aug 2008
- 4) Includes partial distribution for the quarter of the gain arising from the divestments of 9 Tampines St 92 and 39 Tampines St 92
- 5) MLT's financial year-end has been changed to 31 Mar as per announcement dated 21 Jun 2011. Consequently, FY11/12 will comprise five quarters ending 31 Mar 2012.

# Balance Sheet

In S\$ thousands	31 Dec 2011	30 Sep 2011	31 Dec 2010
Investment Properties	3,748,945	3,702,506	3,471,182
Total Assets	3,916,962	3,893,421	3,614,277
Total Liabilities	1,831,958	1,820,172	1,539,121
Net Assets Attributable to Unitholders	2,080,955	2,069,472	2,072,775
NAV Per Unit	\$0.86 <sup>1</sup>	\$0.85 <sup>2</sup>	\$0.85 <sup>3</sup>

Footnotes:

- 1) Includes net derivative financial instruments, at fair value, liability of S\$35.8 million. Excluding this, the NAV per unit would be S\$0.87.
- 2) Includes net derivative financial instruments, at fair value, liability of S\$38.0 million. Excluding this, the NAV per unit would be S\$0.87.
- 3) Includes net derivative financial instruments, at fair value, liability of S\$35.8 million. Excluding this, the NAV per unit would be S\$0.87.

A 3D-rendered scene of an orange hallway. The walls and floor are a uniform orange color. The perspective is from a low angle, looking down a long, empty hallway that curves slightly to the right. The lighting is soft and even. The text "Capital Management" is centered on the right wall in a white, bold, sans-serif font.

# Capital Management

# Capital Management

	31 Dec 2011	30 Sep 2011	31 Dec 2010
Aggregate Leverage Ratio	41.4%	41.3%	37.7%
Total Debt	S\$1,616 million	S\$1,603 million	S\$1,354 million
Weighted Average Annualised Interest Rate <sup>1</sup>	2.3%	2.2%	2.2%
Average Duration	4.4 years	2.7 years	2.2 years
Interest Cover Ratio <sup>2</sup>	6.1 times	6.3 times	6.0 times

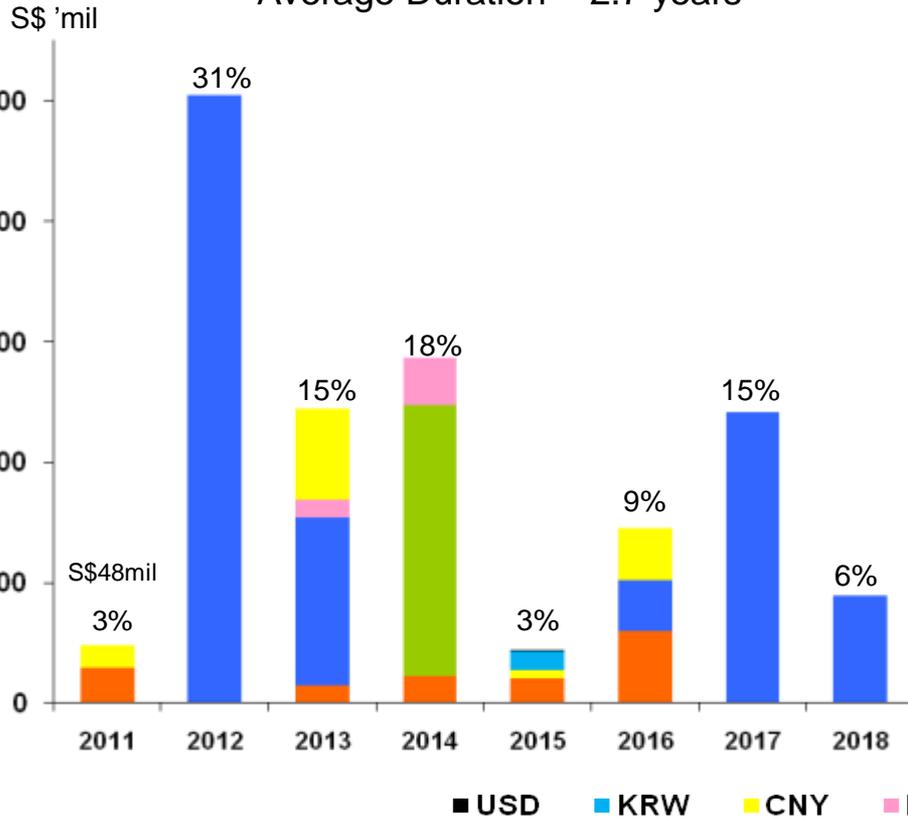
Footnotes:

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

# Debt Profile by Currency

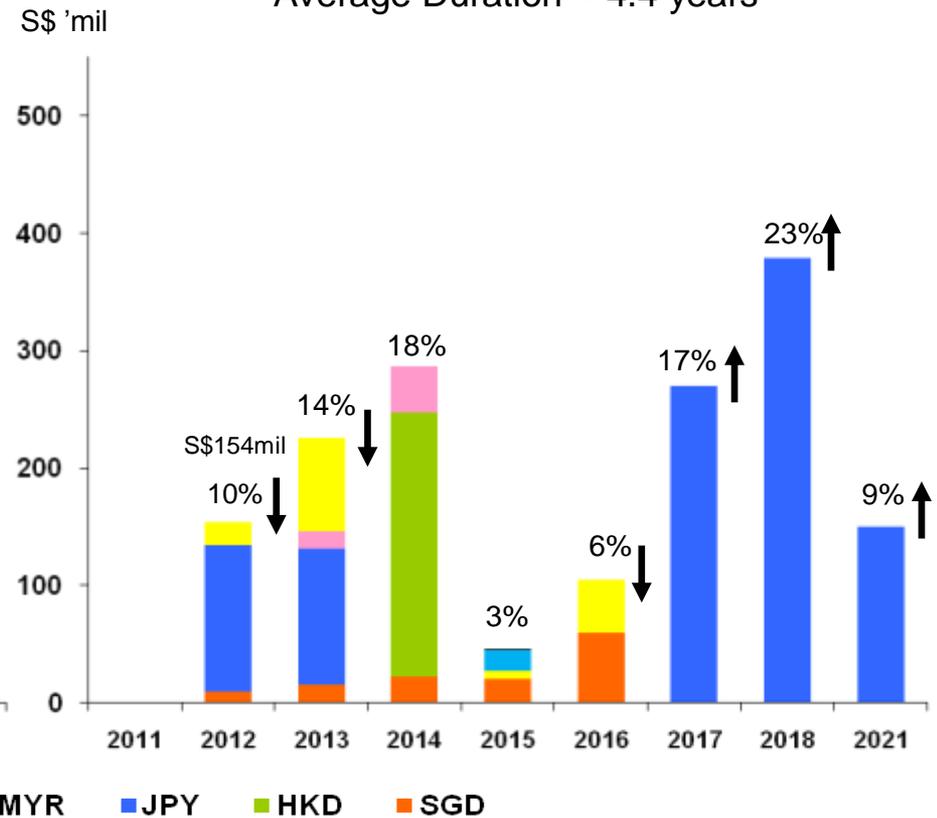
## Debts as at 30 Sep 2011

Average Duration ~ 2.7 years



## Debts as at 31 Dec 2011

Average Duration ~ 4.4 years



Debt Amount

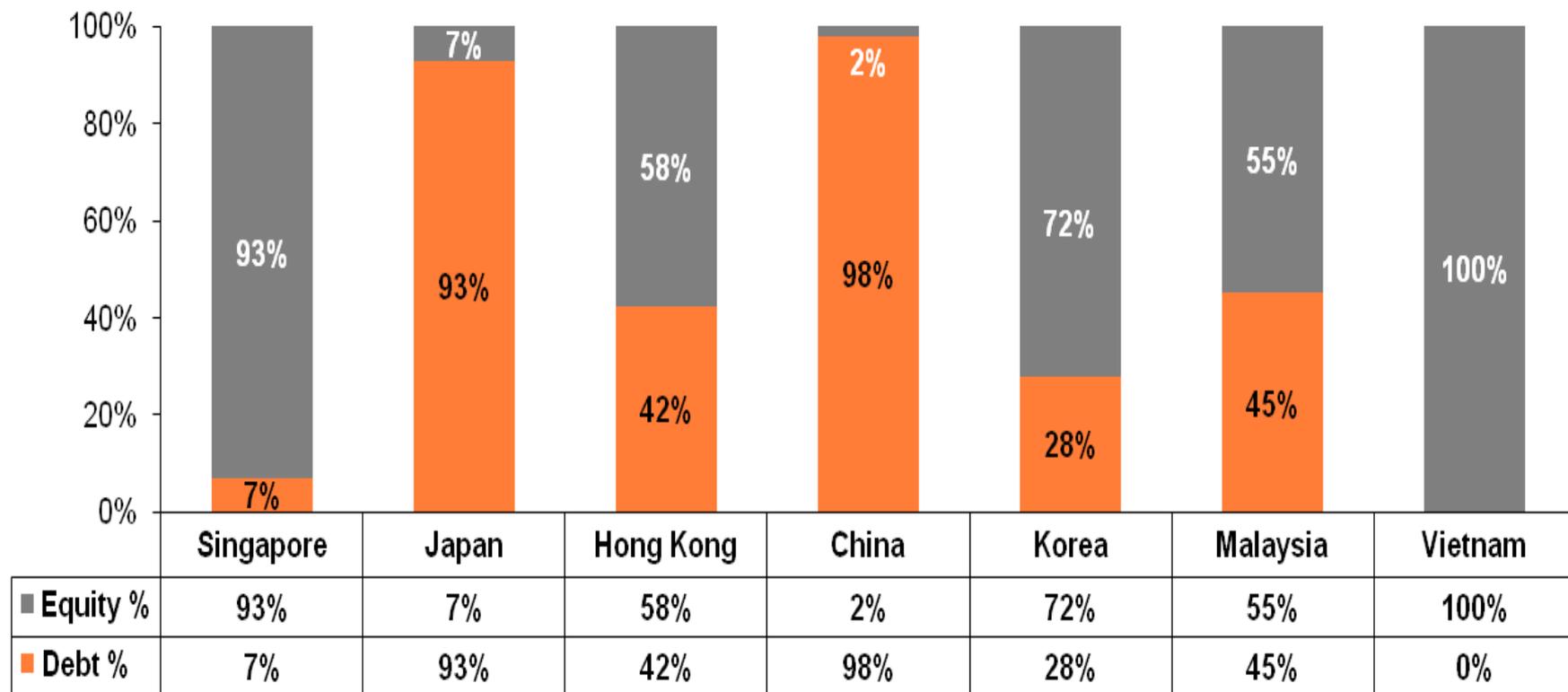
S\$1,603 million

S\$1,616 million

# Natural Hedge – Our Preferred Hedging Strategy

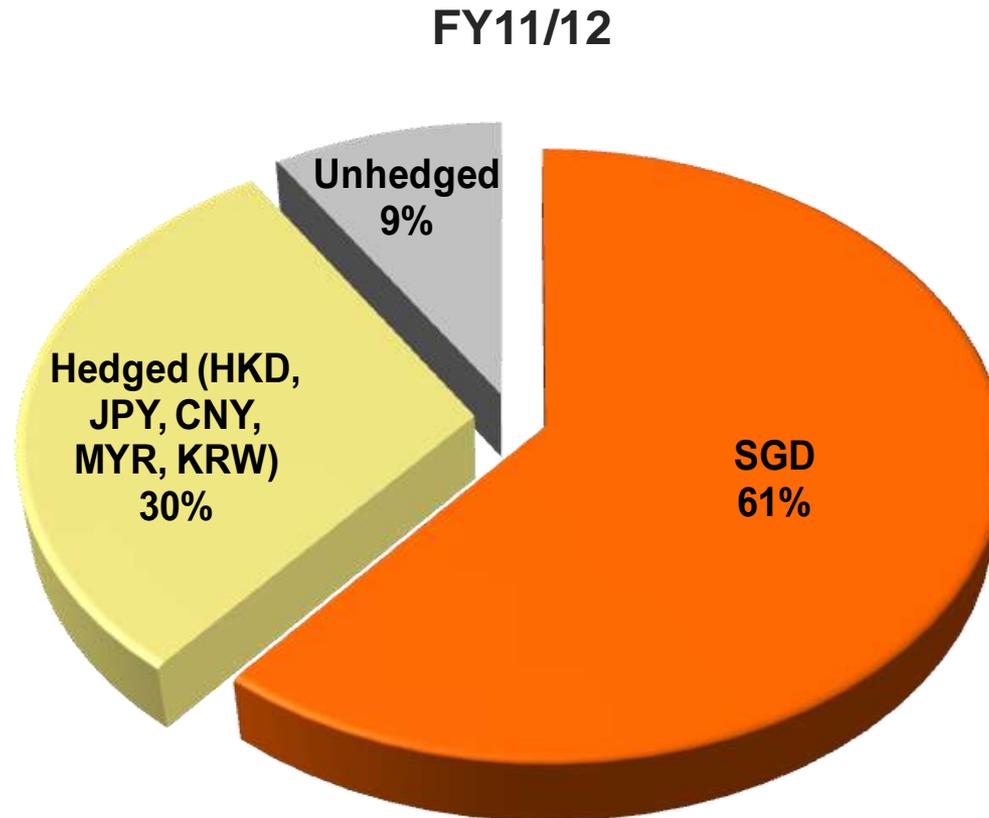
- Local currency loans set up natural hedge against currency fluctuations
- Gearing outside of Singapore provides tax shelter

Country breakdown of gearing level (as at 31 Dec 2011)



# Forex Risk Management

- About 91% of amount distributable in FY11/12 is hedged / derived in SGD



# Prudent Capital Management

- Refinanced JPY9 billion loans with issuance of 10-year JPY fixed rate notes in Dec 2011
  - Improved debt profile with refinancing of 2012 debt
  - Debt maturity extended to 4.4 years
  - No refinancing risk in 2012
  - Weighted average interest rate to increase slightly
- Gearing ratio of about 41% as at 31 Dec 2011 is well within our medium-term target range of 40-50%
- Healthy interest cover ratio of 6.1 times
- Hedged / Fixed rate borrowings close to 70%
- About 91% of amount distributable in FY11/12 is hedged/derived in SGD
- All loans are unsecured with minimal financial covenants; no CMBS
- Credit rating of Baa1 by Moody's

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 "Business Review" are written in a bold, white, sans-serif font. The text is centered both horizontally and vertically on that wall section.

# Business Review

# Business Review - Updates

- **Organic growth of about 6% y-o-y**
  - Positive overall rental reversions of 16% for leases renewed/replaced in 4Q FY11/12
  - 1 property converted from SUA to MTB<sup>1</sup> in 4Q FY11/12 – 7 Tai Seng Drive
  - Excluding the conversion, the underlying portfolio achieved positive rental reversion of 9%
  - Portfolio occupancy remained strong at about 99% with full or near-full occupancy in Singapore, Japan, Vietnam and South Korea
- **Stability from long leases**
  - Weighted average lease to expiry (“WALE”) (by net lettable area) at about 6 years
- **Ample cushion from security deposits**
  - Equivalent to about 7 months coverage of gross revenue
- **Low arrears ratio**
  - Typically less than 1% of annualised gross revenue

Footnote:

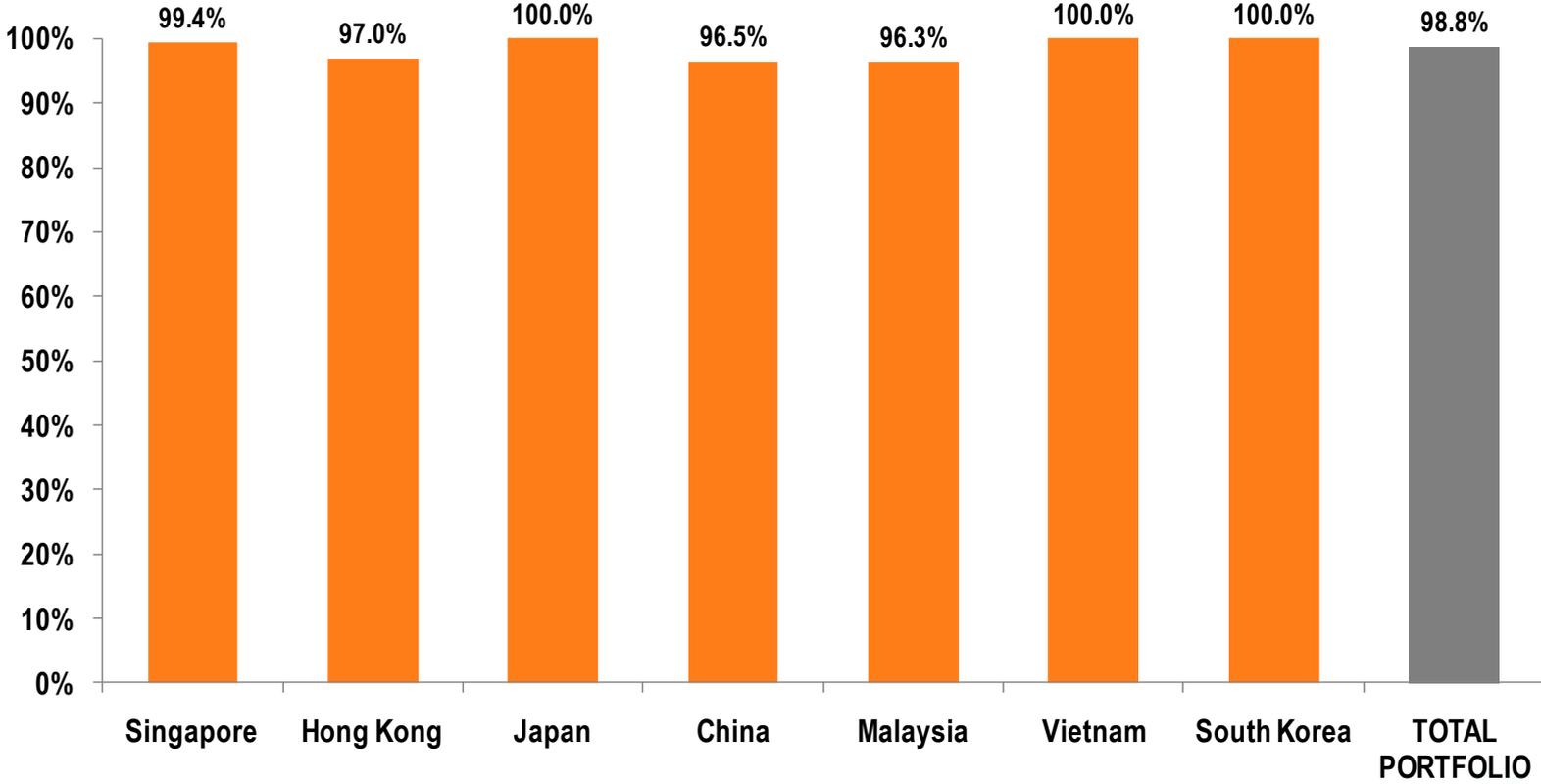
1) SUA: single-user asset; MTB: multi-tenanted building



# High Occupancy Levels Sustained

Country breakdown of occupancy levels (as at 31 Dec 2011)

	30 Sep 2011	31 Dec 2011
Weighted Average Occupancy Rate	99.0%	98.8%



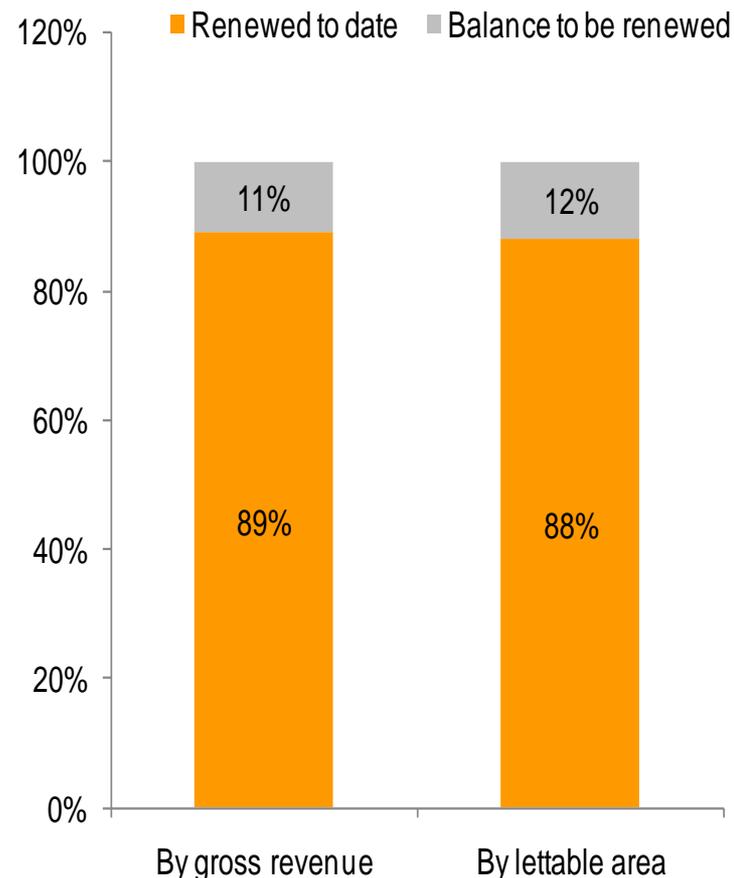
# Successful Lease Renewals Year-to-Date

- 13.7% of leases (by NLA) are up for renewal in FY11/12 <sup>1</sup>
- Of which, 88% has been successfully renewed/replaced to date
- Leases renewed at higher average rentals

## NLA renewed/replaced in FY11/12 (in '000 sqm)

FY11/12	Total renewable	Spaces renewed/replaced to date	Balance spaces renewable
Singapore	154 <sup>2</sup>	136	18
Hong Kong	84	79	5
China	36	32	4
Malaysia	49	49	-
South Korea	11	-	11
<b>Total area</b>	<b>334</b>	<b>296</b>	<b>38</b>

Total renewable in FY11/12 (%)



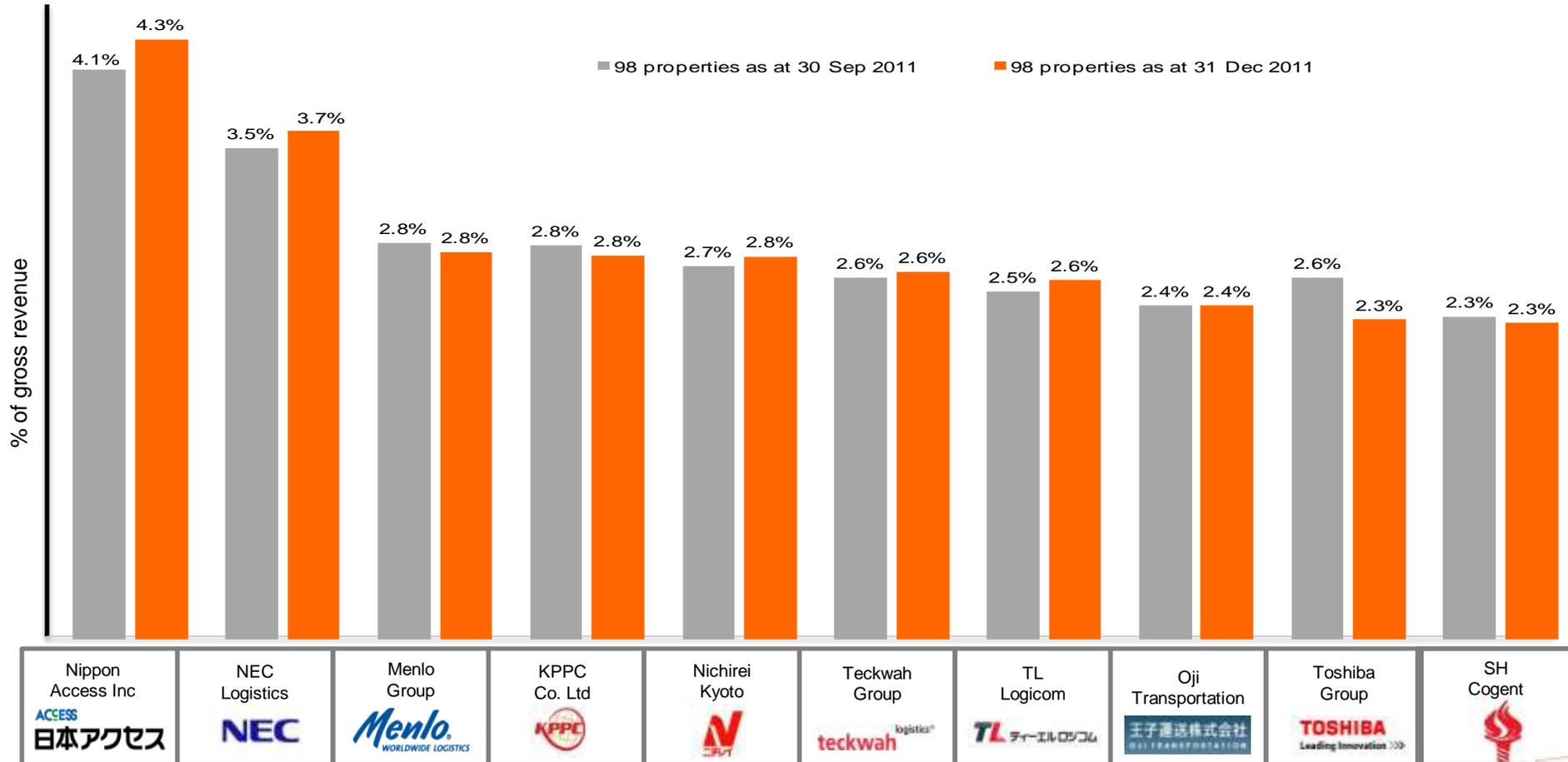
### Footnotes:

- MLT's financial year-end has been changed to 31 Mar as per announcement dated 21 Jun 2011. Consequently, FY11/12 will comprise five quarters ending 31 Mar 2012.
- Excludes 9,524 sqm of divested asset (39 Tampines St 92) and NLA loss of 10,200 sqm due to conversion from SUAs to MTBs (2 Serangoon North, 138 Joo Seng, 8 Changi South, 85 Defu Lane & 7 Tai Seng Drive)



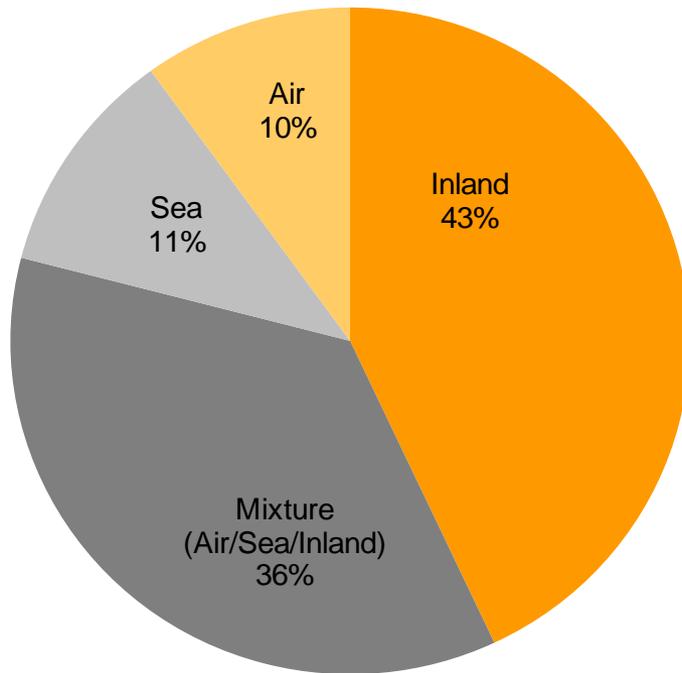
# Top 10 Customer Profile

- 335 customers; none accounts for >5% of total revenue
- Top 10 customers ~ 29% of total gross revenue

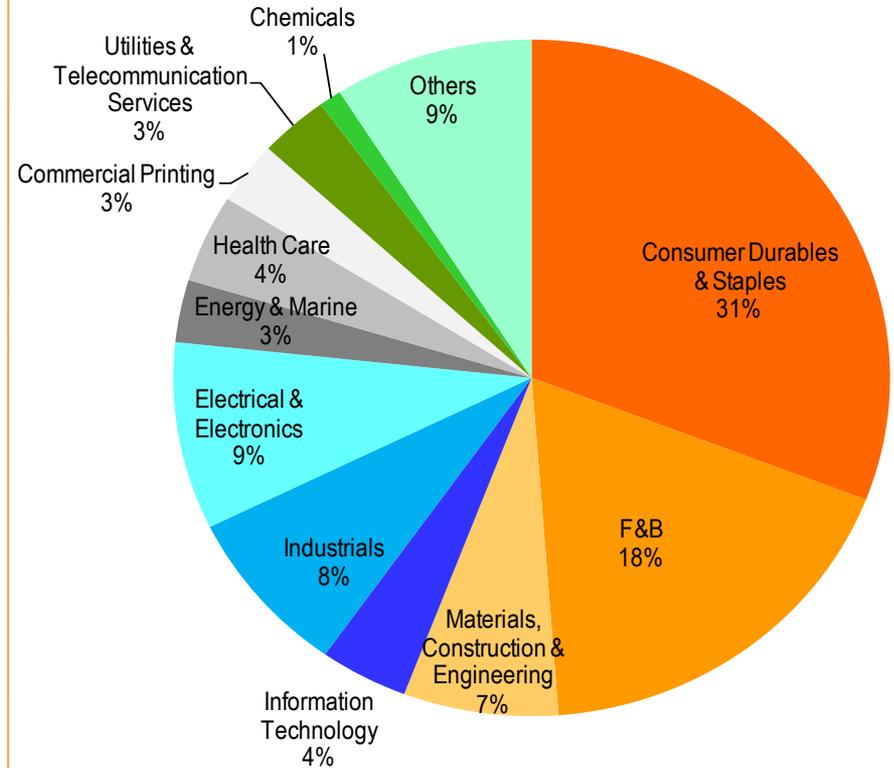


# Diversified Customer Mix Provides Portfolio Stability

4Q FY11/12 revenue contribution from 3PLs and distributors by distribution channels

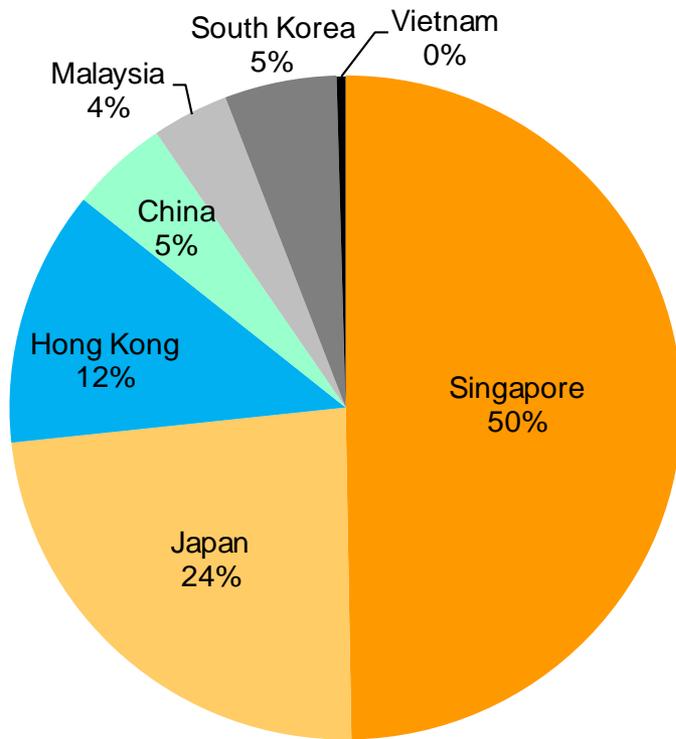


4Q FY11/12 revenue contribution by industry

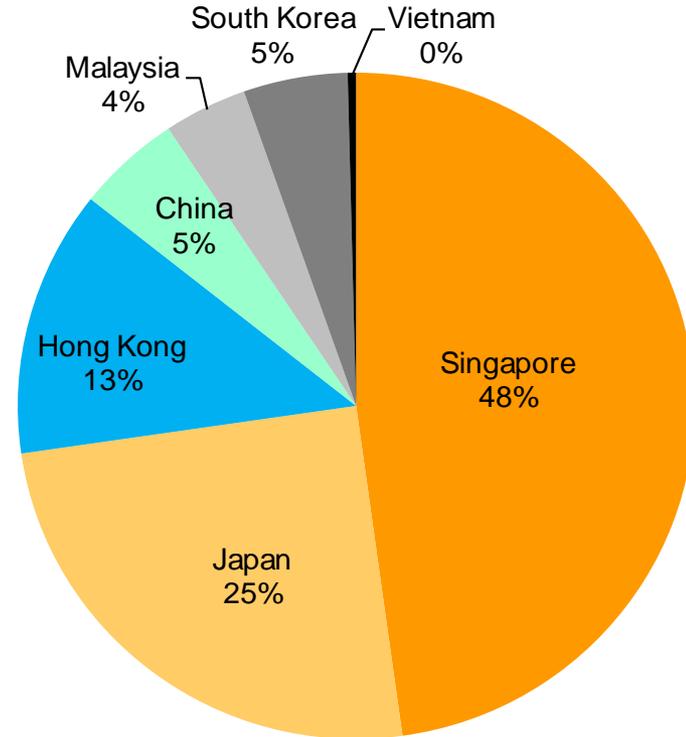


# Geographical Diversification

3Q FY11/12 revenue contribution by country  
(98 properties as at 30 Sep 2011)<sup>1</sup>



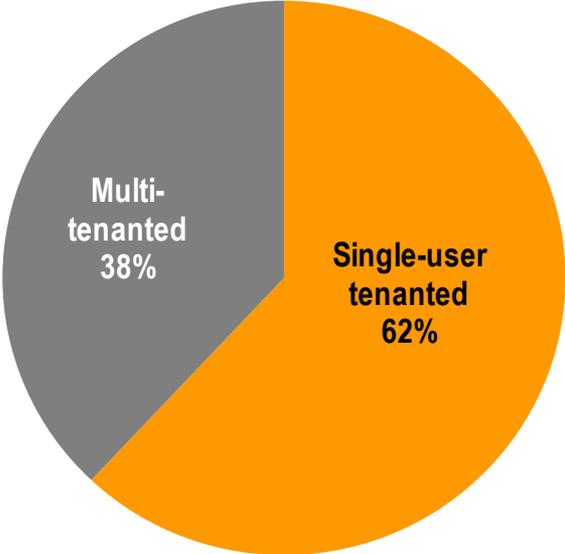
4Q FY11/12 revenue contribution by country  
(98 properties as at 31 Dec 2011)<sup>2</sup>



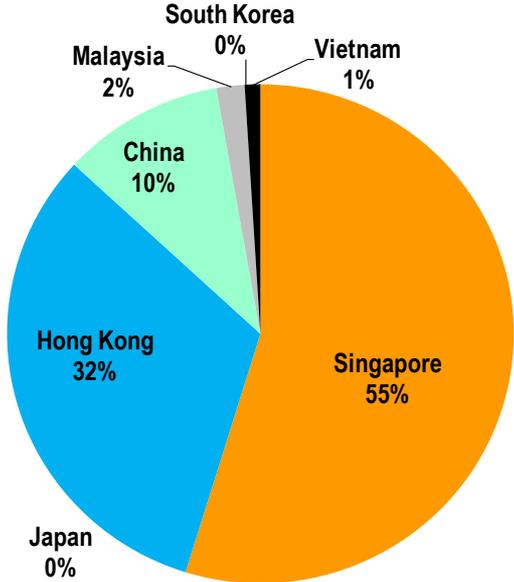
Footnotes :

- 1) 3Q FY11/12 started with 99 properties and ended with 98 properties.
- 2) 4Q FY11/12 started and ended with 98 properties.

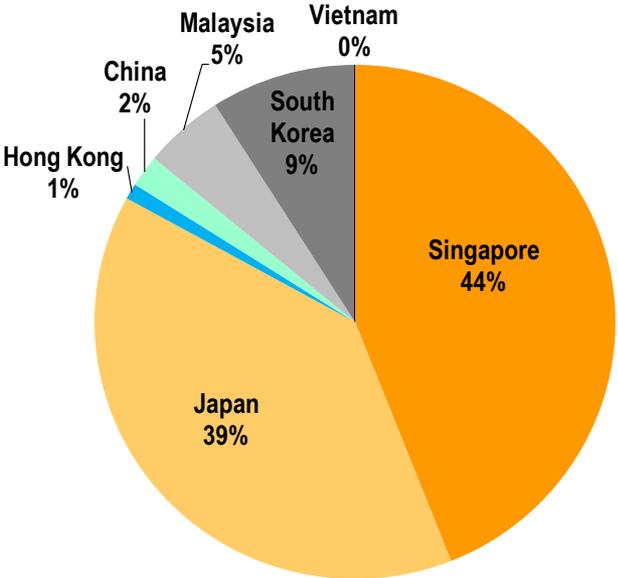
# Multi-tenanted vs Single-User Assets



**MTB Revenue by Country  
4Q FY11/12**

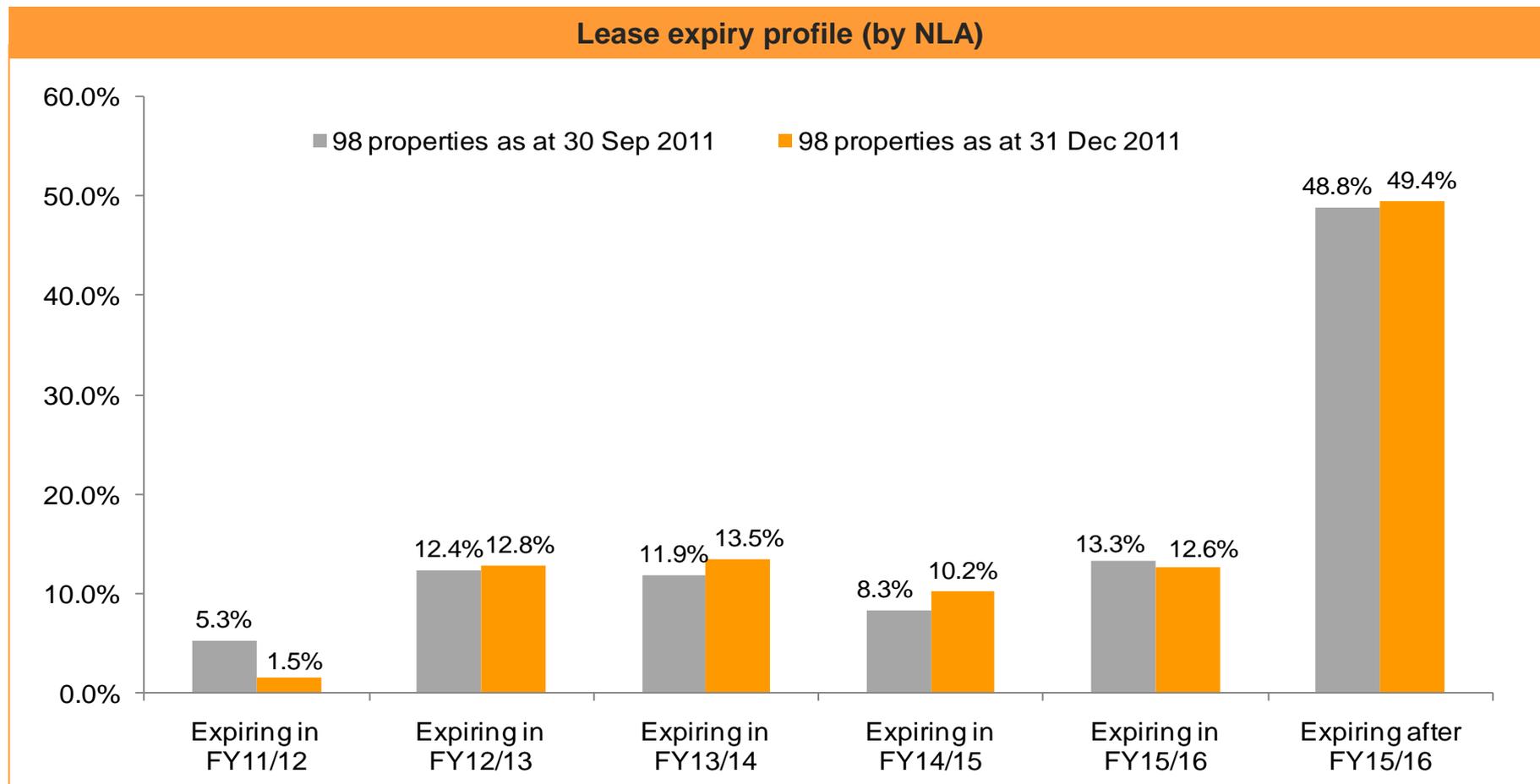


**SUA Revenue by Country  
4Q FY11/12**



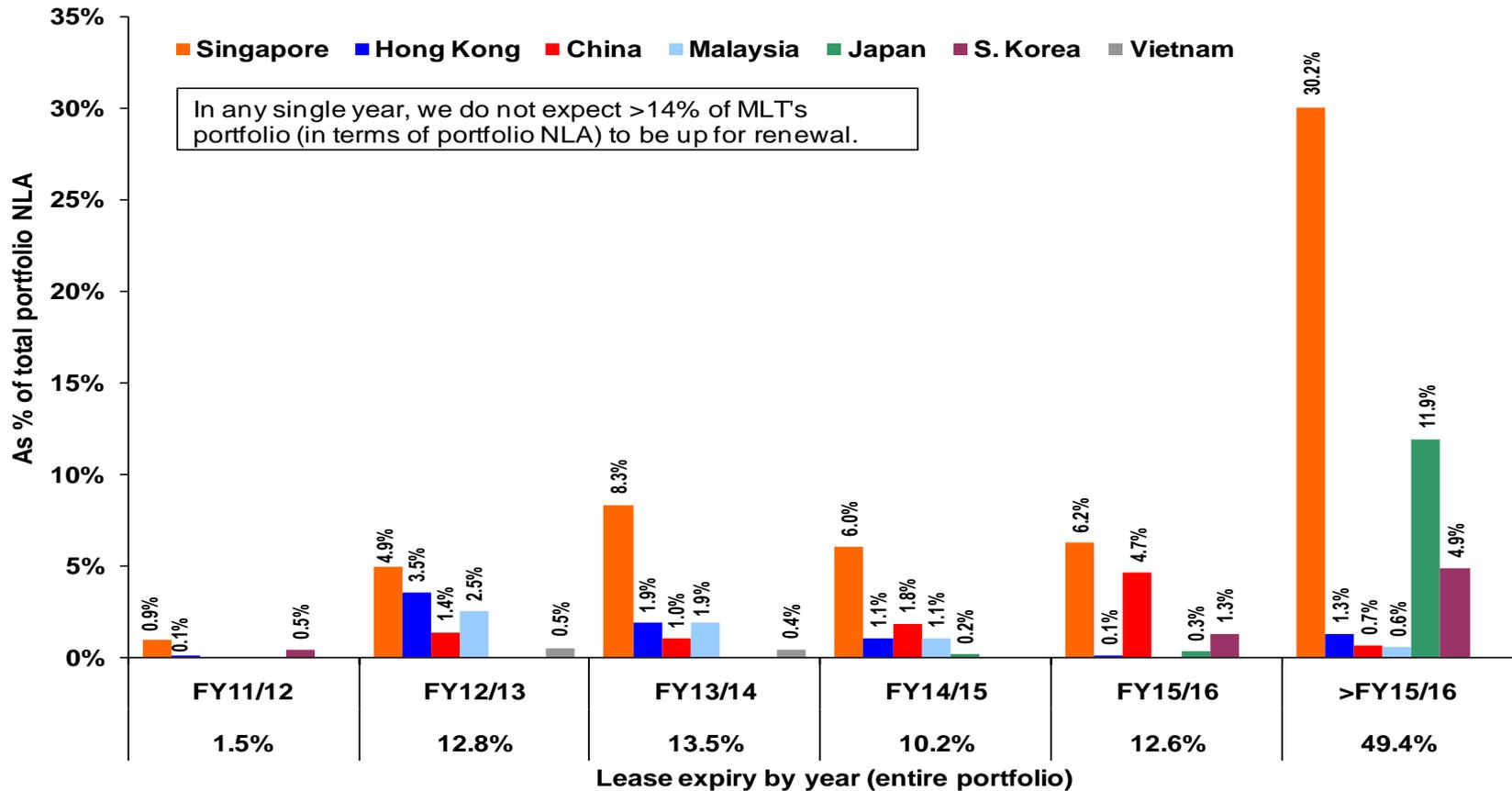
# Long Leases Provide Portfolio Stability

- Weighted average lease term to expiry: 6 years



# Long Leases Provide Portfolio Stability

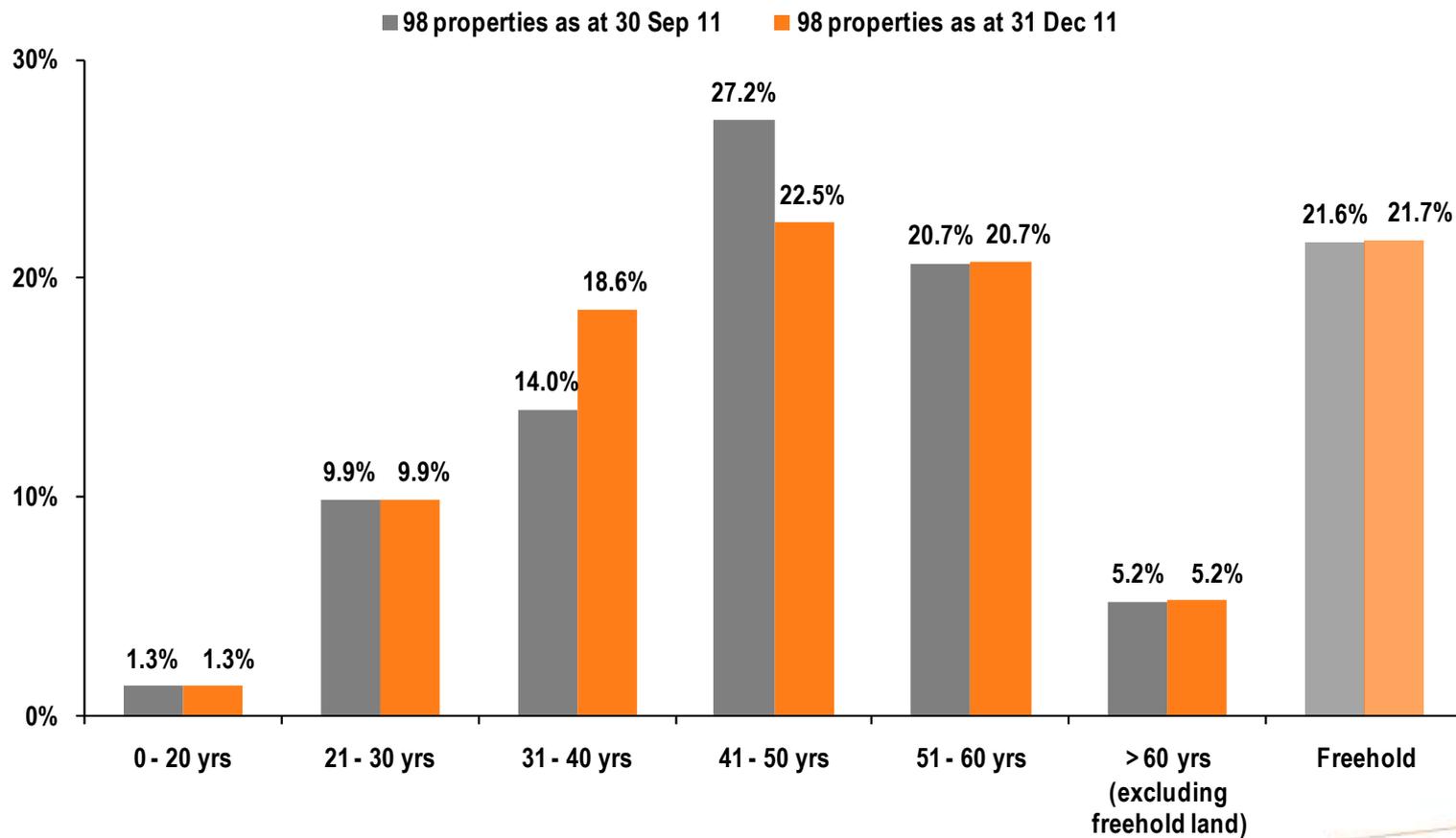
Country breakdown of lease expiry profile (by NLA)



# Long Land Leases Provide Portfolio Stability

- Weighted average lease term to expiry of underlying leasehold land (excluding freehold land): 46 years

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





# Outlook

# Outlook

- **The global economic outlook remains uncertain**
  - Protracted, unresolved euro zone debt crisis
  - Moderating economic growth in Asia
  - Slow US economic recovery
- **Stable and resilient portfolio to provide consistent distributions**
  - Quality assets
  - Diversified geographic reach and customer mix
  - Organic growth may slow as portfolio is operating at full capacity and weak economic climate in near term
  - Continued focus on yield optimisation by proactive asset and lease management
  - Capital management initiatives have effectively mitigated any near-term refinancing risks
- **Disciplined acquisition approach**
  - Seeing more opportunities in the market
  - Focus on investments that offer sustainable, competitive total returns and strategic value add
  - Continue to be “Relevant-to-Client”

# Yield + Growth Strategy

## Competitive Total Return

### Yield optimisation on existing portfolio

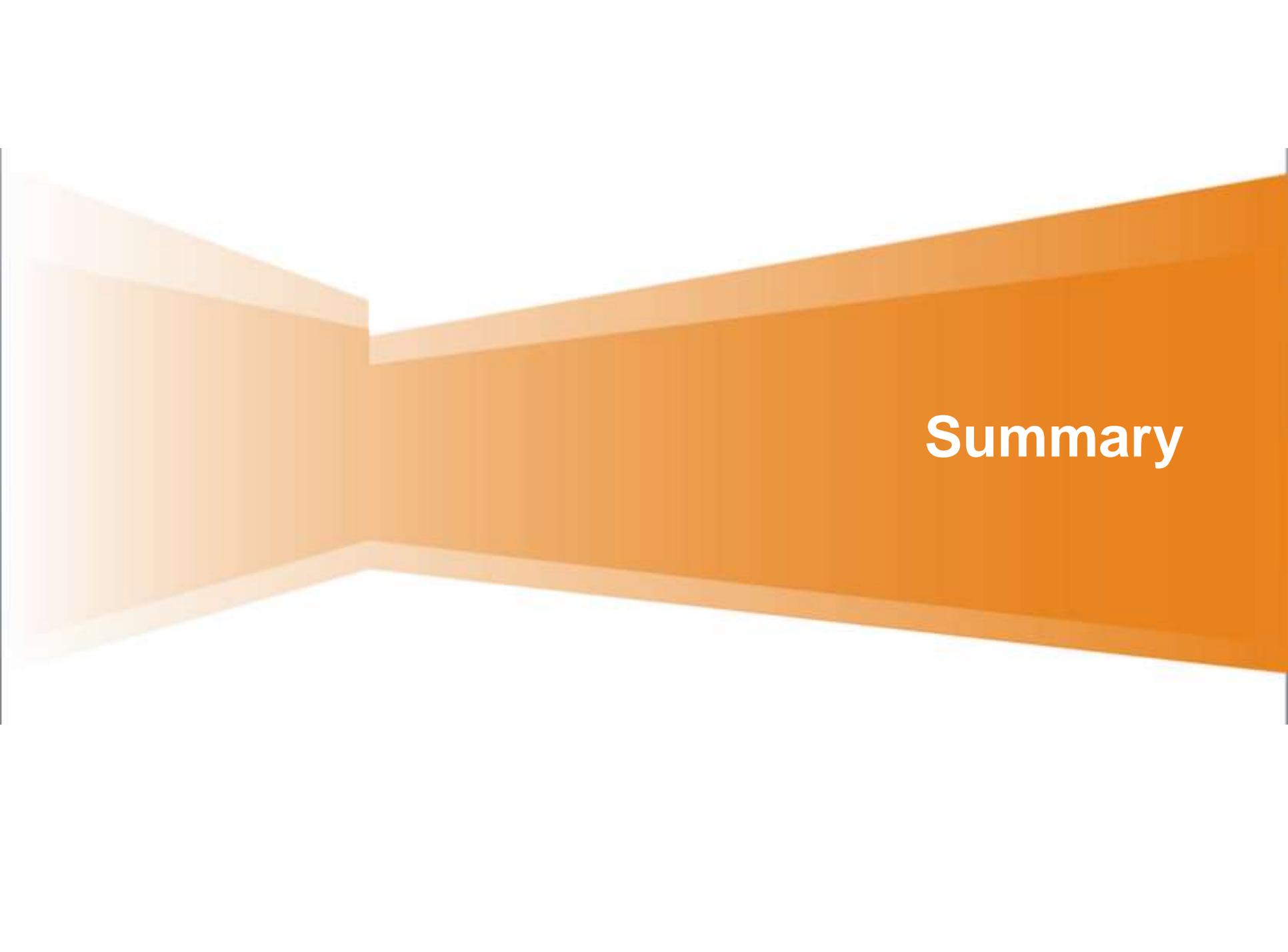
- Active leasing & marketing efforts
- Prudent expense management
- Proactive portfolio management
- Asset rejuvenation initiatives
  - Retrofitting and/or enhancement
  - Redevelopment efforts
  - Disposal

### Growth via acquisitions and development

- Discipline approach
- Strategic acquisitions that add value
- Value proposition to customers:  
“Follow-the-Client” & “Relevant-to-Client”
- Sponsor develop pipelines

### Proactive capital management strategy

- Sustainable long term gearing levels
- Manage refinancing risks
- Active hedging
- Optimal capital structure



# Summary

# In Summary

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- Amount Distributable increased by more than 12% y-o-y to S\$41.3 million in 4Q FY11/12; while DPU increased by close to 10% y-o-y to 1.70 cents
- Existing portfolio continues to provide stability and organic growth
  - Organic growth of about 6% in 4Q FY11/12 due to high occupancy and positive rental reversions
- Continue to focus on yield optimisation, managing occupancy and rental rates
- Proactive capital management to ensure balance sheet strength and flexibility

# Distribution Details

Counter Name	Distribution Period	Distribution per unit (SGD)	Payment Date
MapletreeLog	1 Oct 2011 – 31 Dec 2011	1.70 cents	29 Feb 2012

## Distribution Time Table

Last day of trading on “cum” basis

26 Jan 2012, 5:00 pm

**Ex-date**

**27 Jan 2012, 9:00 am**

Books closure date

31 Jan 2012, 5:00pm

**Distribution payment date**

**29 Feb 2012**

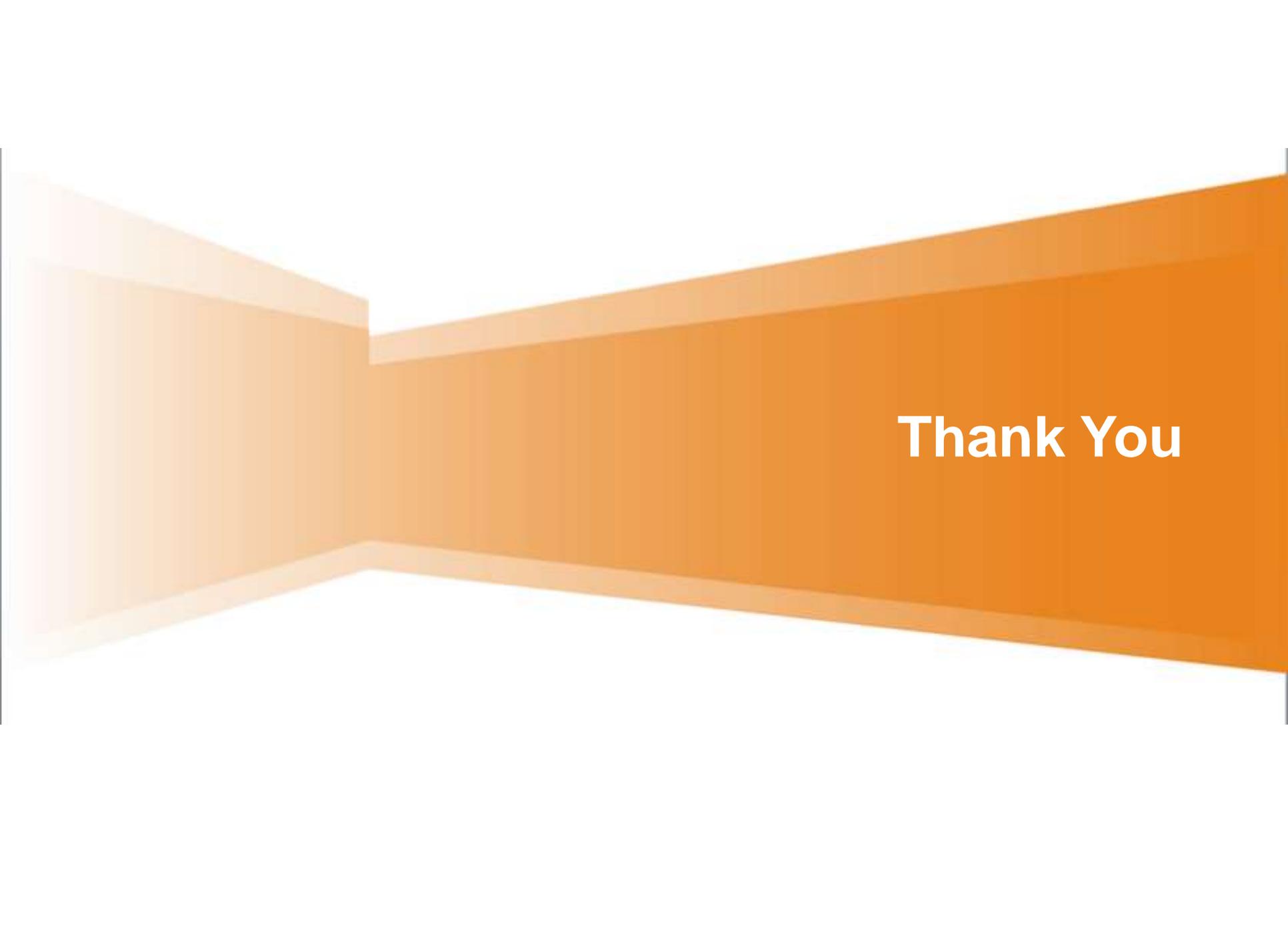


# Important Notice

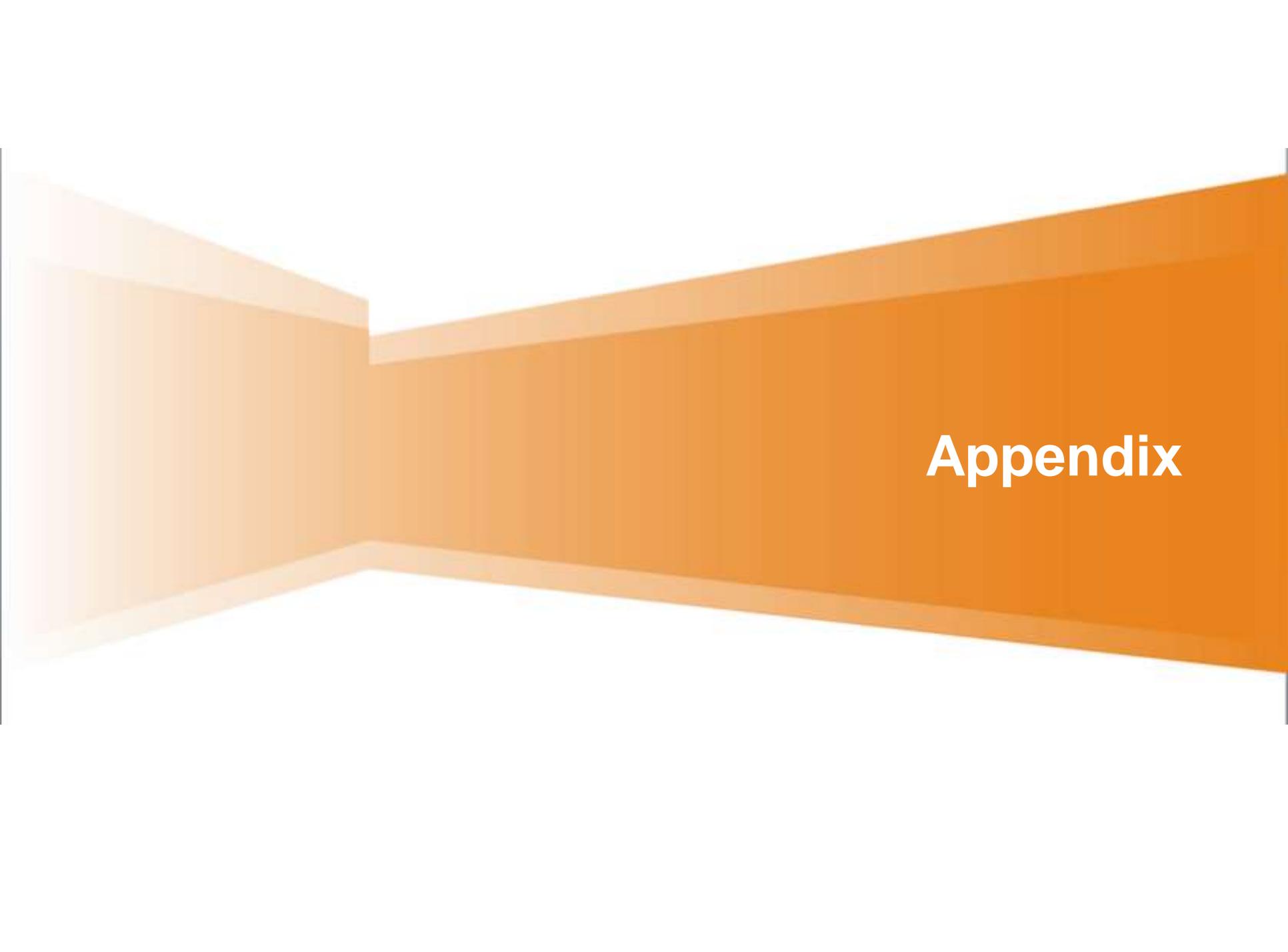
The information contained in this presentation is for information purposes only and does not constitute an offer to sell or any solicitation of an offer or invitation to purchase or subscribe for units in Mapletree Logistics Trust (“MLT”, and units in MLT, “Units”) in Singapore or any other jurisdiction, nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever.

The past performance of the Units and Mapletree Logistics Trust Management Ltd. (the “Manager”) is not indicative of the future performance of MLT and the Manager. Predictions, projections or forecasts of the economy or economic trends of the markets which are targeted by MLT are not necessarily indicative of the future or likely performance of MLT.

The value of Units and the income from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of MLT is not necessarily indicative of its future performance.

A 3D rendering of a corner in a room. The walls are a vibrant orange color, and the floor is white. The perspective is from a low angle, looking into the corner. The lighting is soft, creating subtle shadows and highlights on the surfaces.

**Thank You**

A 3D architectural rendering of a hallway corner. The walls and ceiling are a solid, vibrant orange color. The perspective is from a low angle, looking into the corner where two walls meet. The lighting is soft and even, creating a clean, modern aesthetic. The floor is a light, neutral color, possibly white or light grey, which contrasts with the orange walls.

# Appendix

# MIPL's Development Project Pipeline

No	Country	Project name	GFA (sqm)	Status
1	China	Mapletree Yangshan Bonded Logistics Park (Shanghai)	45,900	Completed/Leased: 25% of NLA
2	China	Mapletree Wuxi Logistics Park (Wuxi)	45,400	Completed/Leased: 99% of NLA; Warehouse fully taken up.
3	China	Mapletree Beijing EPZ Airport Logistics Park (Beijing)	41,100	In progress to construct phase 1
4	China	Mapletree Tianjin Airport Logistics Park (Tianjin)	66,500	Completed/Leased:93% of NLA
5	China	Mapletree Tianjin Port HaiFeng Bonded Logistics Park (Tianjin)	190,700	Completed/Leased: 36% of NLA + 49% of temporary leases
6	China	Distribution Centre in Zhengzhou Economic Development Zone (Zhengzhou)	30,000	Signed MOU with Zhengzhou government
7	China	Distribution Centre in Zhengzhou-Singapore International Logistics Park (Zhengzhou)	80,700	Signed MOU with Zhengzhou government
8	China	Integrated Logistics Park in Hunnan New District (Shenyang)	60,600	Signed MOU with Shenyang government in Sep 2011
9	China	Distribution Centre in Jinnan Balitai Industrial Park (Tianjin)	97,000	Signed MOU with Tianjin government in Aug 2011
<b>China subtotal</b>			<b>657,900</b>	
10	Malaysia	Mapletree Shah Alam Logistics Park (Shah Alam)	60,000	Completed/Leased: About 100% of NLA
<b>Malaysia subtotal</b>			<b>60,000</b>	
11	Vietnam	Mapletree Logistics Park (Binh Duong)	440,000	Phases1 & 2 completed; Leasing underway.
12	Vietnam	Mapletree Bac Ninh Logistics Park (Bac Ninh)	310,000	First block completed in 2Q FY11/12. Construction of remaining 2 blocks is expected to complete in 5Q FY11/12
<b>Vietnam subtotal</b>			<b>750,000</b>	
13	Japan	Mapletree Warehouse Development in Odawara, Kanagawa	136,600	Plans to start development in 5Q FY11/12
14	Japan	Mapletree Warehouse Development in Joso, Ibaraki	27,300	Acquired the land and existing building. Development is expected to complete in 5Q FY11/12
<b>Japan subtotal</b>			<b>163,900</b>	
<b>Total</b>			<b>1,631,800</b>	

Footnote:

1) As at 31 Dec 2011