

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

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MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

Summary of Mapletree Logistics Trust Group Results

	GROUP	
	3 mths ended 30 Jun 2019 ¹	3 mths ended 30 Jun 2018 ¹
Gross Revenue (S\$'000)	119,811	105,441
Net Property Income (S\$'000)	106,128	89,798
Amount Distributable (S\$'000)	77,845 ²	65,161 ³
- to Perpetual Securities holders	4,243	4,243
- to Unitholders of MLT	73,602	60,918
Available Distribution per Unit ("DPU") (cents)	2.025	1.957

Footnotes:

1. Quarter ended 30 June 2019 started with 141 properties and ended with 137 properties. Quarter ended 30 June 2018 started with 124 properties and ended with 134 properties.
2. This includes partial distribution of written back provision of capital gain tax for 134 Joo Seng Road and 20 Tampines Street 92 of S\$513,000 per quarter (for 4 quarters from 1Q FY19/20) and the gains from the divestments of Gyoda Centre, Iwatsuki B Centre, Atsugi Centre, Iruma Centre and Mokurenji Centre (collectively known as "5 divested properties in Japan") of S\$990,000 per quarter (for 8 quarters from 1Q FY19/20), 531 Bukit Batok Street 23 of S\$379,000 per quarter (for 4 quarters from 3Q FY18/19), 7 Tai Seng Drive of S\$1,924,000 per quarter (for 12 quarters from 1Q FY18/19) and 4 Toh Tuck Link of S\$322,000 per quarter (for 8 quarters from 2Q FY17/18) respectively.
3. This includes partial distribution of the gains from the divestments of 7 Tai Seng Drive of S\$1,924,000 per quarter (for 12 quarters from 1Q FY18/19), 4 Toh Tuck Link of S\$322,000 per quarter (for 8 quarters from 2Q FY17/18) and Zama Centre and Shiroishi Centre of S\$466,000 per quarter (for 6 quarters from 2Q FY17/18) respectively.

INTRODUCTION

Mapletree Logistics Trust's ("MLT") focus is to invest in a diversified portfolio of quality income-producing logistics real estate and real estate-related assets in Asia that would provide its Unitholders with a stable distribution stream.

MLT's initial IPO portfolio comprised 15 Singapore-based properties with a total book value of S\$422 million as at 28 July 2005. As at 30 June 2019, this had grown to a portfolio of 137 properties, comprising 52 properties in Singapore, 9 in Hong Kong, 16 in Japan, 10 in Australia, 12 in South Korea, 20 in China (including 50% interest in 11 joint venture properties), 14 in Malaysia and 4 in Vietnam. The total value of assets under management is S\$7.9 billion.

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

1(a)(i) Consolidated Statement of Profit or Loss and Distribution Statement

	GROUP		
	3 mths ended 30 Jun 2019¹ (S\$'000)	3 mths ended 30 Jun 2018¹ (S\$'000)	Increase/ (Decrease) %
Gross revenue	119,811 ²	105,441	13.6
Property expenses	(13,683) ²	(15,643)	(12.5)
Net property income	106,128	89,798	18.2
Interest income	2,192	848	>100
Manager's management fees (Note A)	(13,364)	(11,489)	16.3
Trustee's fee	(269)	(233)	15.5
Other trust expenses, net (Note B)	(10,659)	(3,411)	>100
Borrowing costs (Note C)	(21,629) ²	(15,564)	39.0
Net investment income	62,399	59,949	4.1
Net change in fair value of financial derivatives ³	(1,524)	3,107	NM
Net income	60,875	63,056	(3.5)
Gain on divestment of investment properties	34,421 ⁴	34,285 ⁵	0.4
Share of results of joint ventures ⁶	(424)	(239)	77.4
Profit before income tax	94,872	97,102	(2.3)
Income tax	(11,814)	(10,587)	11.6
Profit for the period	83,058	86,515	(4.0)
Attributable to:			
Unitholders of MLT	78,237	82,101	(4.7)
Perpetual securities holders	4,243	4,243	-
Non-controlling interests	578	171	>100
Profit for the period	83,058	86,515	(4.0)
Profit attributable to Unitholders of MLT	78,237	82,101	(4.7)
Adjustment for net effect of non-tax chargeable items and other adjustments ⁷	(4,635)	(21,183)	(78.1)
Total amount distributable to Unitholders (Note D)	73,602	60,918	20.8

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1(a)(i) Consolidated Statement of Profit or Loss and Distribution Statement

	GROUP		
	3 mths ended 30 Jun 2019 ¹ (S\$'000)	3 mths ended 30 Jun 2018 ¹ (S\$'000)	Increase/ (Decrease) %
Note A			
Management fees comprise:			
- base fees	(9,712) ⁸	(8,351)	16.3
- performance fees	(3,652) ⁸	(3,138)	16.4
Note B			
Other trust expenses, net include:			
Net foreign exchange loss	(9,448) ⁹	(2,159) ⁹	>100
Note C			
Borrowing costs include:			
- Interest on borrowings	(19,259)	(14,970)	28.7
- Interest expense on lease liabilities	(1,463) ²	-	NM
Note D			
Distribution comprises:			
- from operations	49,035 ¹⁰	53,559 ¹¹	(8.4)
- from other gains	3,138 ¹²	2,246 ¹³	39.7
- from capital returns	21,429	5,113	>100

NM: Not meaningful

Footnotes:

- Quarter ended 30 June 2019 started with 141 properties and ended with 137 properties. Quarter ended 30 June 2018 started with 124 properties and ended with 134 properties.
- Includes the impact of the adoption of Singapore Financial Reporting Standards (International) 16 Leases ("SFRS(I) 16") with effect from 1 April 2019.
- Comprises mainly net change in fair value of interest-rate swaps, cross currency swaps and currency forwards which were enter into to hedge its interest rate and foreign currency risks. This has no impact on Total amount distributable to Unitholders.
- Net gain from the divestment of 5 divested properties in Japan.
- Net gain from the divestment of 7 Tai Seng Drive.
- Share of results of joint ventures relate to MLT's 50% interest in 11 joint venture properties which were acquired in June 2018. The results for the joint ventures were equity accounted for at the Group level. Included in interest income of the Group was S\$2,032,000 interest from shareholders' loans extended to 11 joint venture properties. The Group has also recognised rent free reimbursement amounting to S\$232,000 in other trust expenses, net for the quarter ended 30 June 2019.
- Non-tax chargeable items include fees paid to Trustee, financing fees incurred on bank facilities, unrealised foreign exchange difference, foreign exchange difference on capital items, gain on divestment of investment properties, net change in the fair value of financial derivatives and share of results of joint ventures.
- The Manager has excluded the impact of SFRS(I) 16 changes on the computation of management fees paid and payable.
- This arose mainly from the revaluation of USD denominated borrowings and CNH denominated receivables.
- This includes partial distribution of the gains from the divestments of 5 divested properties in Japan.
- This includes partial distribution of the gains from the divestments of Zama Centre and Shiroishi Centre.
- This relates to the partial distribution of the written back provision of capital gain tax for 134 Joo Seng Road and 20 Tampines Street 92 and gains from the divestments of 531 Bukit Batok Street 23, 7 Tai Seng Drive and 4 Toh Tuck Link.
- This relates to the partial distribution of the gains from the divestments of 7 Tai Seng Drive and 4 Toh Tuck Link.

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2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

1(a)(ii) Consolidated Statement of Comprehensive Income

	GROUP		
	3 mths ended 30 Jun 2019 (S\$'000)	3 mths ended 30 Jun 2018 (S\$'000)	Increase/ (Decrease) %
Profit for the period	83,058	86,515	(4.0)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Cash flow hedges			
- Fair value (loss)/gain	(6,091)	1,484	NM
- Reclassification to profit or loss	(4,220)	1,530	NM
Net currency translation differences relating to financial statements of foreign subsidiaries	416	10,699	(96.1)
Share of currency translation differences of equity-accounted joint ventures	(597)	(174)	>100
Net currency translation differences on quasi equity loans	822	(2,834)	NM
Net currency translation differences on borrowings designated as net investment hedge of foreign operations	(2,815)	6,938	NM
Other comprehensive income for the period	(12,485)	17,643	NM
Total comprehensive income for the period	70,573	104,158	(32.2)
Total comprehensive income attributable to:			
Unitholders of MLT	66,076	99,744	(33.8)
Perpetual securities holders	4,243	4,243	-
Non-controlling interests	254	171	48.5
	70,573	104,158	(32.2)

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1(b)(i) Statements of Financial Position

	GROUP	
	30 Jun 2019 (S\$'000)	31 Mar 2019 (S\$'000)
Current assets		
Cash and cash equivalents	119,669	104,299
Trade and other receivables	46,992	45,639
Other current assets	15,329	15,914
Derivative financial instruments ¹	4,335	4,863
	186,325	170,715
Non-current assets		
Investment properties ²	7,614,749	7,693,712
Investment in joint ventures	24,773	25,794
Loans to joint ventures	170,699	174,773
Derivative financial instruments ¹	15,194	13,342
	7,825,415	7,907,621
Total assets	8,011,740	8,078,336
Current liabilities ³		
Trade and other payables	176,578	208,171
Lease liabilities ⁴	6,258	-
Borrowings	83,616	31,609
Current income tax liabilities	12,750	11,138
Derivative financial instruments ¹	940	884
	280,142	251,802
Non-current liabilities		
Trade and other payables	2,135	2,341
Lease liabilities ⁴	67,993	-
Borrowings	2,784,554	2,962,063
Deferred taxation	165,607	170,238
Derivative financial instruments ¹	35,055	24,704
	3,055,344	3,159,346
Total liabilities	3,335,486	3,411,148
Net assets	4,676,254	4,667,188
Represented by:		
Unitholders' funds	4,242,021	4,231,731
Perpetual securities	428,992	429,931
Non-controlling interest	5,241	5,526
	4,676,254	4,667,188
NAV / NTA per Unit (S\$) ⁵	1.17	1.17

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

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

	GROUP	
	30 Jun 2019 (S\$'000)	31 Mar 2019 (S\$'000)
Unsecured borrowings		
Amount repayable in one year or less, or on demand	83,616	31,609
Amount repayable after one year	2,784,554	2,962,063
	2,868,170	2,993,672

Footnotes:

1. Derivative financial instruments reflect the fair value of the interest rate and foreign currency derivatives entered into for the Group to hedge its interest rate and foreign currency risks.
2. Including the right-of-use ("ROU") assets for leases previously recognised as operating leases with the adoption of SFRS(I) 16.
3. The Group is in a net current liabilities position mainly due to refundable deposits placed by tenants and a portion of long-term borrowings taken to fund investment properties (long-term assets) that are maturing within the next 12 months. The Group has sufficient banking facilities available to refinance the portion of borrowings due payable within the next 12 months.
4. This refers to lease liabilities recognised with the adoption of SFRS(I) 16.
5. Please refer to Paragraph 7 on net asset value ("NAV") and net tangible asset ("NTA") backing per unit based on issued units at the end of the period.

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2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

1(b)(i) Statements of Financial Position

	MLT	
	30 Jun 2019 (S\$'000)	31 Mar 2019 (S\$'000)
Current assets		
Cash and cash equivalents	19,178	15,910
Trade and other receivables	93,162	90,129
Other current assets	6,298	5,840
Derivative financial instruments	2,306	3,302
	120,944	115,181
Non-current assets		
Investment properties ¹	2,581,890	2,504,100
Investment in subsidiaries	948,944	948,943
Investment in joint ventures	28,392	28,392
Loans to subsidiaries	1,199,801	1,207,984
Loans to joint ventures	170,699	174,773
Derivative financial instruments	1,598	3,665
	4,931,324	4,867,857
Total assets	5,052,268	4,983,038
Current liabilities		
Trade and other payables	98,885	126,260
Financial guarantee contracts	815	913
Lease liabilities ²	6,258	-
Current income tax liabilities	7,319	7,469
Derivative financial instruments	697	429
	113,974	135,071
Non-current liabilities		
Trade and other payables	2,135	2,341
Loans from a subsidiary	1,450,768	1,457,931
Lease liabilities ²	67,993	-
Derivative financial instruments	1,111	175
	1,522,007	1,460,447
Total liabilities	1,635,981	1,595,518
Net assets	3,416,287	3,387,520
Represented by:		
Unitholders' funds	2,987,295	2,957,589
Perpetual securities	428,992	429,931
	3,416,287	3,387,520
NAV / NTA per Unit (S\$) ³	0.82	0.82

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

	MLT	
	30 Jun 2019 (S\$'000)	31 Mar 2019 (S\$'000)
Unsecured borrowings		
Amount repayable after one year	1,450,768	1,457,931
	1,450,768	1,457,931

Footnotes:

1. Including the ROU assets for leases previously recognised as operating leases with the adoption of SFRS(I) 16.
2. This refers to lease liabilities recognised with the adoption of SFRS(I) 16.
3. Please refer to Paragraph 7 on net asset value ("NAV") and net tangible asset ("NTA") backing per unit based on issued units at the end of the period.

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1(c) Consolidated Statement of Cash Flow

	GROUP	
	3 mths ended 30 Jun 2019 (S\$'000)	3 mths ended 30 Jun 2018 (S\$'000)
Operating activities		
Profit for the period	83,058	86,515
Adjustments for:		
Income tax	11,814	10,587
Interest income	(2,192)	(848)
Interest expense	19,259	14,970
Interest expense on lease liabilities	1,463	-
Manager's management fee paid/payable in units	3,813	1,847
Amortisation	597	482
Unrealised translation loss	9,991	2,576
Gain on divestment of investment properties	(34,421)	(34,285)
Net change in fair value of financial derivatives	1,524	(3,107)
Share of results of joint ventures	424	239
Operating income before working capital changes	95,330	78,976
Changes in working capital:		
Trade and other receivables	554	(6,419)
Trade and other payables	(30,769)	(2,273)
Cash generated from operations	65,115	70,284
Tax paid	(14,898)	(1,829)
Cash flows generated from operating activities	50,217	68,455
Investing activities		
Interest received	215	213
Net cash outflow on purchase of and additions to investment properties including payment of deferred considerations	(5,151)	(7,016)
Refund of excess consideration paid for purchase of investment property through purchase of subsidiary	25	-
Acquisition of joint ventures	-	(29,194)
Loans to joint ventures	-	(181,194)
Proceeds from divestment of investment properties	208,638	67,887
Change in restricted cash ¹	262	(1,772)
Cash flows generated from/(used in) investing activities	203,989	(151,076)
Financing activities		
Proceeds from issuance of new units	-	219,999 ²
Payments of transaction costs related to the issue of units	-	(3,830)
Proceeds from borrowings	101,284	78,060
Repayment of borrowings	(251,879)	(139,797)
Payments of lease liabilities ³	(3,352)	-
Distribution to Unitholders (net of distribution in units)	(59,599)	(59,237)
Distribution to perpetual securities holders	(5,182)	(5,182)
Distribution to non-controlling interests	(539)	(409)
Interest paid	(19,276)	(13,706)
Cash flows (used in)/generated from financing activities	(238,543)	75,898
Net increase/(decrease) in cash and cash equivalents	15,663	(6,723)
Cash and cash equivalents at beginning of the period	103,314	101,217
Effect of exchange rate changes on balances held in foreign currencies	(31)	(208)
Cash and cash equivalents at end of the period	118,946	94,286

Footnotes:

1. Cash and cash equivalents as at 30 June 2019 and 30 June 2018 includes restricted cash of S\$723,000 and S\$1,772,000 respectively in relation to rent-free reimbursement of 11 joint venture properties.
2. MLT issued 183,792,000 new units at the issue price of S\$1.197 per unit on 5 June 2018 in relation to private placement exercise. The use of the proceeds from these issuances were in accordance to such use as set out in the launch announcement dated 6 June 2018.
3. Lease payments made for land rent were included in payments of lease liabilities with the adoption of SFRS(I) 16.

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1(d)(i) Statements of Movements in Unitholders' Funds

	GROUP	
	3 mths ended 30 Jun 2019 (S\$'000)	3 mths ended 30 Jun 2018 (S\$'000)
OPERATIONS		
Balance as at beginning of the period	1,313,054	1,113,925
Profit attributable to Unitholders of MLT	78,237	82,101
Distributions	(61,254)	(56,087)
Balance at end of the period	1,330,037	1,139,939
UNITHOLDERS' CONTRIBUTION		
Balance as at beginning of the period	2,985,244	2,328,248
Creation of new units arising from :		
-Distribution Reinvestment Plan	13,826	-
-Settlement of management fees	3,813 ¹	1,847 ²
-Private placement	-	219,999 ³
Issue expenses	(109)	(3,830)
Distributions	(12,062)	(3,150)
Balance at end of the period	2,990,712	2,543,114
HEDGING RESERVE		
Balance as at beginning of the period	(11,545)	2,821
Fair value (loss)/gain	(6,091)	1,484
Reclassification to profit or loss	(4,220)	1,530
Balance at end of the period	(21,856)	5,835
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance as at beginning of the period	(55,022)	(68,847)
Net currency translation differences relating to financial statements of foreign subsidiaries	740	10,699
Share of currency translation differences of equity-accounted joint ventures	(597)	(174)
Net currency translation differences on quasi-equity loans	822	(2,834)
Net currency translation differences on borrowings designated as net investment hedge of foreign operations	(2,815)	6,938
Balance at end of the period	(56,872)	(54,218)
Total Unitholders' funds at end of the period	4,242,021	3,634,670
PERPETUAL SECURITIES		
Balance as at beginning of the period	429,931	429,931
Profit attributable to perpetual securities holders	4,243	4,243
Distributions	(5,182)	(5,182)
Balance at end of the period	428,992	428,992
NON-CONTROLLING INTERESTS		
Balance as at beginning of the period	5,526	5,703
Profit attributable to non-controlling interests	578	171
Distribution to non-controlling interests (including capital returns)	(539)	(409)
Currency translation movement	(324)	-
Balance at end of the period	5,241	5,465
Total	4,676,254	4,069,127

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1(d)(i) Statements of Movements in Unitholders' Funds

	MLT	
	3 mths ended 30 Jun 2019 (S\$'000)	3 mths ended 30 Jun 2018 (S\$'000)
OPERATIONS		
Balance as at beginning of the period	(27,655)	(25,954)
Profit attributable to Unitholders of MLT	85,492	79,005
Distributions	(61,254)	(56,087)
Balance at end of the period	(3,417)	(3,036)
UNITHOLDERS' CONTRIBUTION		
Balance as at beginning of the period	2,985,244	2,328,248
Creation of new units arising from :		
-Distribution Reinvestment Plan	13,826	-
-Settlement of management fees	3,813 ¹	1,847 ²
-Private placement	-	219,999 ³
Issue expenses	(109)	(3,830)
Distributions	(12,062)	(3,150)
Balance at end of the period	2,990,712	2,543,114
Total Unitholders' funds at end of the period	2,987,295	2,540,078
PERPETUAL SECURITIES		
Balance as at beginning of the period	429,931	429,931
Profit attributable to perpetual securities holders	4,243	4,243
Distributions	(5,182)	(5,182)
Balance at end of the period	428,992	428,992
Total	3,416,287	2,969,070

Footnotes:

1. MLT issued 2,649,345 new units as full payment of base fees, property management fees and lease management fees as stated in the announcement dated 17 May 2019.
2. MLT issued 1,524,908 new units as full payment of base fees, property management fees and lease management fees as stated in the announcement dated 16 May 2018.
3. MLT issued 183,792,000 new units on 5 June 2018 in relation to a private placement exercise.

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

	3 mths ended 30 Jun 2019 (Units)	3 mths ended 30 Jun 2018 (Units)
Issued units as at beginning of the period	3,622,335,445	3,058,168,591
<u>New units issued</u>		
Distribution Reinvestment Plan	9,616,727	-
Settlement of management fees	2,649,345	1,524,908
Private placement	-	183,792,000
Total issued units as at end of the period ¹	3,634,601,517	3,243,485,499

Footnote:

1. There were no convertibles and treasury units held by MLT and its subsidiaries as at 30 June 2019 and 30 June 2018.

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

The figures have not been audited nor reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditor's 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 year ended 31 March 2019.

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 Group has adopted new Singapore Financial Reporting Standards (International) ("SFRS(I)") and interpretations that are mandatory for application for the financial period beginning 1 April 2019 as follow.

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- 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 - *continued***

SFRS(I) 16

The Group applied SFRS(I) 16 on 1 April 2019 using the simplified transition approach. Under this approach, the Group did not restate its comparative figures but recognises the cumulative effect of adopting SFRS(I) 16 as an adjustment to equity at the beginning of the current period.

On the adoption of SFRS(I) 16, the Group recognised leases on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. Leases with lease term of 12 months or less and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss in accordance with the principles of SFRS(I) 16. The accounting for lessors has not changed significantly.

Right-of-use assets are measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses). The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment to reflect market rentals and changes in local price index or lease modifications.

There is no impact on the total amount distributable to the Unitholders on the adoption SFRS(I) 16.

- 6 **Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU") for the financial period (Group)**

In computing the EPU, the weighted average number of units as at the end of each period is used for the computation. The diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the period.

	3 mths ended 30 Jun 2019	3 mths ended 30 Jun 2018
Weighted average number of units in issue	3,625,518,657	3,109,414,975
Earnings per unit ("EPU") (including net exchange (gain)/loss) (cents)	2.16	2.74
EPU (excluding net exchange (gain)/loss) (cents)	2.42	2.81

	3 mths ended 30 Jun 2019	3 mths ended 30 Jun 2018
No. of units in issue at end of the period	3,634,601,517	3,243,485,499
Distribution per unit ("DPU") (cents)	2.025	1.957

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7 Net Asset Value (“NAV”) and Net Tangible Asset (“NTA”) Per Unit

	GROUP		MLT	
	30 Jun 2019	31 Mar 2019	30 Jun 2019	31 Mar 2019
NAV / NTA per unit (S\$) ¹	1.17 ²	1.17 ³	0.82	0.82
Adjusted NAV / NTA per unit (excluding the amount distributable) (S\$)	1.15	1.15	0.80	0.80

Footnotes:

1. NTA per unit was the same as NAV per unit as there were no intangible assets as at the statements of financial position dates.
2. Includes net derivative financial instruments, at fair value, liability of S\$16.5 million. Excluding this, the NAV per unit remains unchanged at S\$1.17.
3. Includes net derivative financial instruments, at fair value, liability of S\$7.4 million. Excluding this, the NAV per unit remains unchanged at S\$1.17.

8 Review of performance

Consolidated Statement of Profit or Loss

	GROUP		
	3 mths ended 30 Jun 2019 (S\$'000)	3 mths ended 30 Jun 2018 (S\$'000)	Increase/ (Decrease) %
Gross revenue	119,811 ¹	105,441	13.6
Property expenses	(13,683) ¹	(15,643)	(12.5)
Net property income	106,128	89,798	18.2
Interest income	2,192	848	>100
Manager's management fees	(13,364)	(11,489)	16.3
Trustee's fee	(269)	(233)	15.5
Other trust expenses, net	(10,659)	(3,411)	>100
Borrowing costs	(21,629) ¹	(15,564)	39.0
Net investment income	62,399	59,949	4.1
Amount distributable	77,845²	65,161³	19.5
- To Perpetual securities holders	4,243	4,243	-
- To Unitholders of MLT	73,602	60,918	20.8
Available distribution per unit (cents)	2.025	1.957	3.5

Footnotes:

1. Includes SFRS(I) 16 impact.
2. This includes partial distribution of written back provision of capital gain tax for 134 Joo Seng Road and 20 Tampines Street 92 and the gains from the divestments of 5 divested properties in Japan, 531 Bukit Batok Street 23, 7 Tai Seng Drive and 4 Toh Tuck Link.
3. This includes partial distribution of the gains from the divestments of 7 Tai Seng Drive and 4 Toh Tuck Link and Zama Centre and Shiroishi Centre.

1Q FY19/20 vs 1Q FY18/19

Gross revenue of S\$119.8 million for 1Q FY19/20 was S\$14.4 million or 13.6% higher year-on-year (“y-o-y”). The revenue growth was mainly contributed from the completed redevelopment of Mapletree Ouluo Logistics Park Phase 1 in 2Q FY18/19 and acquisitions in Singapore, Australia, South Korea and Vietnam completed in FY18/19. The growth in revenue was partly offset by absence of revenue from five divestments completed in 1Q FY19/20 and two divestments completed in FY18/19, as well as the impact of a weaker Australian Dollar, Chinese Renminbi and Korean Won. As the income streams are substantially hedged, the impact of currency movement to the distribution is mitigated.

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

8 Review of performance – *continued*

Property expenses decreased by S\$2.0 million mainly due to lower land rent by S\$2.8 million with the adoption of SFRS(l) 16.

As a result, net property income for 1Q FY19/20 increased by 18.2% y-o-y.

Borrowing costs increased by S\$6.1 million. This was mainly due to incremental borrowings to fund FY18/19 acquisitions and recognition of interest expense on lease liabilities of S\$1.5 million with the adoption of SFRS(l) 16. The increase is partly offset by lower costs from Japanese Yen loans due to repayment of Japanese Yen loans from the divestment proceeds in FY19/20.

After accounting for management fees, income tax, distribution of written back provision of capital gain tax and divestment gains from 5 divested properties in Japan, 531 Bukit Batok Street 23, 7 Tai Seng Drive and 4 Toh Tuck Link, other trust expenses, distribution to perpetual securities holders, and the enlarged issued unit base due mainly to the Equity Fund Raising exercise (“EFR”), the amount distributable to Unitholders was S\$73.6 million, translating to a DPU of 2.025 cents, which is 3.5% or 0.068 cents higher than 1Q FY18/19.

<u>Consolidated Statement of Profit or Loss</u>	GROUP		
	3 mths ended 30 Jun 2019 (S\$'000)	3 mths ended 31 Mar 2019 (S\$'000)	Increase/ (Decrease) %
Gross revenue	119,811 ¹	121,385	(1.3)
Property expenses	(13,683) ¹	(16,394)	(16.5)
Net property income	106,128	104,991	1.1
Interest income	2,192	2,329	(5.9)
Manager's management fees	(13,364)	(13,221)	1.1
Trustee's fee	(269)	(266)	1.1
Other trust (expenses)/income, net	(10,659)	9,283	NM
Borrowing costs	(21,629) ¹	(20,326)	6.4
Net investment income	62,399	82,790	(24.6)
Amount distributable	77,845 ²	77,513 ³	0.4
- To Perpetual securities holders	4,243	4,196	1.1
- To Unitholders of MLT	73,602	73,317	0.4
Available distribution per unit (cents)	2.025	2.024	0.0

Footnotes:

1. Includes SFRS(l) 16 impact.
2. This includes partial distribution of written back provision of capital gain tax for 134 Joo Seng Road and 20 Tampines Street 92 and the gains from the divestments of 5 divested properties in Japan, 531 Bukit Batok street 23, 7 Tai Seng Drive and 4 Toh Tuck Link.
3. This includes partial distribution of the gains from the divestments of 531 Bukit Batok Street 23, 7 Tai Seng Drive and 4 Toh Tuck Link.

1Q FY19/20 vs 4Q FY18/19

Gross revenue of S\$119.8 million decreased by 1.3% from the preceding quarter. This was mainly due to absence of revenue from five divestments completed during the period. The decrease was partly mitigated by absence of rent incentive given for repositioning of certain properties in Singapore.

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

8 **Review of performance – *continued***

Property expenses decreased by S\$2.7 million mainly due to lower land rent by S\$2.8 million due to the adoption of SFRS(I) 16.

As a result, net property income increased by 1.1% or S\$1.1 million.

Borrowing costs increased by S\$1.3 million. This was mainly due to recognition of interest expense on lease liabilities of S\$1.5 million with the adoption of SFRS(I) 16. The increase was partly offset by lower costs from Japanese Yen loans due to repayment of Japanese Yen loans from the divestment proceeds in 1Q FY19/20.

After accounting for management fees, income tax, distribution of written back provision of capital gain tax and divestment gains from 5 divested properties in Japan, 531 Bukit Batok Street 23, 7 Tai Seng Drive and 4 Toh Tuck Link, other trust (expenses)/income and distribution to perpetual securities holders, the amount distributable to Unitholders was S\$73.6 million, translating to a DPU of 2.025 cents, which is 0.001 cents higher than 4Q FY18/19.

9 **Variance from Previous Forecast / Prospect Statement**

MLT has not disclosed any 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 period and the next 12 months**

Global economic growth softened further in the first half of the year as trade and manufacturing decelerated. In MLT's markets, overall leasing demand for warehouse space has been relatively resilient to-date. However, customers have become more cautious on renewals and capacity expansion.

The Manager remains watchful of the evolving environment and keeps its focus on proactive lease management to maintain stable occupancies. Where appropriate, the Manager will pursue acquisitions and asset enhancements to enhance portfolio competitiveness and resilience. On the capital management front, about 83% of MLT's total debt has been hedged into fixed rates, while approximately 83% of income stream for FY19/20 has been hedged.

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period? Yes

Name of distribution: 57th distribution for the period from 1 April 2019 to 30 June 2019

Distribution type: Income / Capital

Distribution rate: Taxable Income – 0.771 cents per unit
Tax-Exempt Income – 0.578 cents per unit
Other Gains – 0.086 cents per unit
Capital – 0.590 cents per unit

Par value of units: Not meaningful

Tax rate: Taxable Income Distribution
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 and qualifying non-resident funds 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.

Other Gains Distribution
Distribution of Other Gains is not a taxable distribution to the Unitholders.

Capital Distribution
Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MLT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MLT Units for Singapore income tax purposes.

Date payable: 6 September 2019

Books closure date: 30 July 2019

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

11 Distributions - *continued*

(b) Corresponding period of the preceding financial period

Any distributions declared for the current financial period? Yes

Name of distribution: 52nd distribution for the period from 1 April 2018 to 4 June 2018

Distribution type: Income / Capital

Distribution rate: Taxable Income – 0.418 cents per unit
Tax-Exempt Income – 0.805 cents per unit
Other Gains – 0.053 cents per unit
Capital – 0.122 cents per unit

Par value of units: Not meaningful

Tax rate: Taxable Income Distribution
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.

Other Gains Distribution
Distribution of Other Gains is not a taxable distribution to the Unitholders.

Capital Distribution
Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MLT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MLT Units for Singapore income tax purposes.

Date payable: 31 August 2018

Books closure date: 4 June 2018

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

11 Distributions - *continued*

(b) Corresponding period of the preceding financial period

Any distributions declared for the current financial period? Yes

Name of distribution: 53rd distribution for the period from 5 June 2018 to 30 June 2018

Distribution type: Income / Capital

Distribution rate: Taxable Income – 0.168 cents per unit
Tax-Exempt Income – 0.330 cents per unit
Other Gains – 0.019 cents per unit
Capital – 0.042 cents per unit

Par value of units: Not meaningful

Tax rate: Taxable Income Distribution
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.

Other Gains Distribution
Distribution of Other Gains is not a taxable distribution to the Unitholders.

Capital Distribution
Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MLT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MLT Units for Singapore income tax purposes.

Date payable: 3 September 2018

Books closure date: 31 July 2018

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

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

NA

13 General mandate from Unitholders for Interested Person Transactions

No general mandate had been obtained from the Unitholders for interested person transactions.

PART II – ADDITIONAL INFORMATION FOR FIRST QUARTER ANNOUNCEMENT

14 Segmented revenue and results for geographical segments

	GROUP			
	3 mths ended 30 Jun 2019		3 mths ended 30 Jun 2018	
	S\$'000	%	S\$'000	%
<u>Total Gross Revenue</u>				
Singapore	46,815	39.1	34,880	33.1
Hong Kong	28,465	23.8	26,974	25.6
Japan	12,776	10.6	15,397	14.6
Australia	9,935	8.3	8,839	8.4
South Korea	7,743	6.5	7,003	6.6
China	6,960	5.8	6,254	5.9
Malaysia	4,310	3.6	4,418	4.2
Vietnam	2,807	2.3	1,676	1.6
	119,811	100.0	105,441	100.0

	GROUP			
	3 mths ended 30 Jun 2019		3 mths ended 30 Jun 2018	
	S\$'000	%	S\$'000	%
<u>Net Property Income</u>				
Singapore	40,347	38.0	25,638	28.6
Hong Kong	26,401	24.9	25,854	28.8
Japan	11,156	10.5	13,474	15.0
Australia	9,503	9.0	8,380	9.3
South Korea	6,748	6.4	6,122	6.8
China	5,654	5.3	5,024	5.6
Malaysia	3,852	3.6	3,898	4.3
Vietnam	2,467	2.3	1,408	1.6
	106,128	100.0	89,798	100.0

MAPLETREE LOGISTICS TRUST

2019/20 FIRST QUARTER FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

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

Please refer to Paragraph 8 for review of actual performance.

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 form as 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 aspect.

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 employee 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 the current view of management on future events.

By Order of the Board
Wan Kwong Weng
Joint Company Secretary
Mapletree Logistics Trust Management Ltd.
(Company Registration No. 200500947N)
As Manager of Mapletree Logistics Trust

22 July 2019