



Mapletree Logistics Trust

2Q FY20/21 Financial Results

19 October 2020

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Agenda

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

Key Highlights

- **2Q FY20/21 Amount Distributable to Unitholders of S\$78.3m (+6.2% y-o-y) and DPU of 2.055 cents (+1.5% y-o-y)**
 - Gross revenue rose 8.3% to S\$131.9m and NPI grew 8.9% to S\$118.9m
 - Higher revenue from existing properties, contributions from accretive acquisitions in FY19/20 and initial contribution from the recently completed Ouluo Phase 2 redevelopment in China
 - 1H FY20/21 DPU rose 1.2% y-o-y to 4.100 cents
- **Resilient Portfolio**
 - Stable portfolio occupancy of 97.5%
 - Positive rental reversion of 1.5% mainly due to Hong Kong SAR, Japan, China and Vietnam
 - Well-staggered lease expiry profile with WALE (by NLA) of 4.2 years
- **Healthy Balance Sheet**
 - Well-staggered debt maturity profile with an average debt duration of 3.8 years and a weighted average borrowing cost of 2.2% per annum
 - Aggregate leverage of 39.5% as at 30 Sep 2020
 - Approximately 80% of total debt is hedged into fixed rates and about 75% of income stream for next 12 months has been hedged
 - Sufficient liquidity to meet maturing debt obligations in the coming 12 months
- **Completed the acquisition of a modern logistics facility in Melbourne, Australia for AUD18.4m (S\$18.4m)**

Financial Review

2Q FY20/21 vs. 2Q FY19/20 (Year-on-Year)

S\$'000	2Q FY20/21 ¹ 3 mths ended 30 Sep 2020	2Q FY19/20 ² 3 mths ended 30 Sep 2019	Y-o-Y change (%)
Gross Revenue	131,858	121,750	8.3
Property Expenses	(13,002)	(12,624)	3.0
Net Property Income ("NPI")	118,856	109,126	8.9
Borrowing Costs	(20,545)	(21,196)	(3.1)
Contribution from Joint Ventures	2,459 ³	2,270 ⁴	8.3
Amount Distributable	82,606 ⁵	78,007 ⁶	5.9
- To Perp Securities holders	4,290	4,290	-
- To Unitholders	78,316	73,717	6.2
Available DPU (cents)	2.055	2.025	1.5
Total issued units at end of period (million)	3,811	3,640	4.7

- Revenue growth mainly due to:
 - higher contributions from existing properties
 - accretive acquisitions in FY19/20
 - contribution from completed redevelopment of Mapletree Ouluo Logistics Park Phase 2 ("Ouluo Phase 2") in Shanghai
 - partly offset by rental rebates granted to eligible tenants impacted by COVID-19 and the divestment of one property in China in FY19/20
- Property expenses increased mainly due to acquisitions in FY19/20
- Borrowing costs decreased due to:
 - lower interest costs arising from lower average interest rate
 - repayment of loans with divestments proceeds

Notes:

1. 2Q FY20/21 started with 145 properties and ended with 146 properties.
2. 2Q FY19/20 started and ended with 137 properties.
3. Relates to MLT's 50% interest in 15 joint venture properties which were acquired in November 2019 and 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\$2,352,000 interest from shareholders' loans extended to 15 joint venture properties.
4. Relates 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\$1,978,000 interest from shareholders' loans extended to 11 joint venture properties. The Group has also recognised rent free reimbursement amounting to S\$191,000 in other trust expenses, net for the quarter ended 30 September 2019.
5. This includes partial distribution of the gains from the divestments of MapletreeLog Integrated (Shanghai) (HKSAR) Limited and its wholly-owned subsidiary, MapletreeLog Integrated (Shanghai) Co., Ltd., which owns Mapletree Waigaoqiao Logistics Park ("Mapletree Integrated"), Gyoda Centre, Iwatsuki B Centre, Atsugi Centre, Iruma Centre and Mokurenji Centre (collectively known as "5 divested properties in Japan") and 7 Tai Seng Drive.
6. This includes full distribution of written back provision of capital gain tax for 20 Old Toh Tuck Road, 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 and 7 Tai Seng Drive.

1H FY20/21 vs. 1H FY19/20 (Year-on-Year)

S\$'000	1H FY20/21 ¹ 6 mths ended 30 Sep 2020	1H FY19/20 ² 6 mths ended 30 Sep 2019	Y-o-Y Change (%)
Gross Revenue	264,229	241,561	9.4
Property Expenses	(26,535)	(26,307)	0.9
Net Property Income ("NPI")	237,694	215,254	10.4
Borrowing Costs	(42,192)	(42,825)	(1.5)
Contribution from Joint Ventures	4,858 ³	4,110 ⁴	18.2
Amount Distributable	164,653 ⁵	155,852 ⁶	5.6
- To Perp Securities holders	8,533	8,533	-
- To Unitholders	156,120	147,319	6.0
Available DPU (cents)	4.100	4.050	1.2
Total issued units at end of period (million)	3,811	3,640	4.7

- Revenue growth mainly due to:
 - higher contribution from existing properties
 - contribution from completed redevelopment of Ouluo Phase 2 in Shanghai
 - accretive acquisitions in F19/20
 - partly offset by rental rebates granted to eligible tenants impacted by COVID-19 and the divestment of six properties in FY19/20
- Property expenses increased mainly due to acquisitions in FY19/20
- Borrowing costs decreased due to:
 - lower interest costs due to lower average interest rate
 - repayment of loans with divestments proceeds

Notes:

1. 1H FY20/21 started with 145 properties and ended with 146 properties.
2. 1H FY19/20 started with 141 properties and ended with 137 properties.
3. Relates to MLT's 50% interest in 15 joint venture properties which were acquired in November 2019 and 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\$4,727,000 interest from shareholders' loans extended to 15 joint venture properties. The Group has also recognised rent free reimbursement amounting to S\$127,000 in other trust expenses.
4. Relates 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\$4,010,000 interest from shareholders' loans extended to 11 joint venture properties. The Group has also recognised rent free reimbursement amounting to S\$423,000 in other trust expenses, net for the period ended 30 September 2019.
5. This includes partial distribution of the gains from the divestments of Mapletree Integrated, 5 divested properties in Japan and 7 Tai Seng Drive.
6. This includes full distribution of written back provision of capital gain tax for 20 Old Toh Tuck Road, 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.

2Q FY20/21 vs. 1Q FY20/21 (Quarter-on-Quarter)

S\$'000	2Q FY20/21 ¹ 3 mths ended 30 Sep 020	1Q FY20/21 ² 3 mths ended 30 Jun 2020	Q-o-Q change (%)
Gross Revenue	131,858	132,371	(0.4)
Property Expenses	(13,002)	(13,533)	(3.9)
Net Property Income ("NPI")	118,856	118,838	-
Borrowing Costs	(20,545)	(21,647)	(5.1)
Contribution from Joint Ventures ³	2,459 ⁴	2,400 ⁵	2.5
Amount Distributable	82,606 ⁶	82,047 ⁶	0.7
- To Perp Securities holders	4,290	4,243	1.1
- To Unitholders	78,316	77,804	0.7
Available DPU (cents)	2.055	2.045	0.5
Total issued units at end of period (million)	3,811	3,804	0.2

- Revenue decline marginally mainly due to weaker HKD, partly offset by contribution from the completed redevelopment of Ouluo Phase 2
- Property expenses decreased mainly due to lower utilities cost and maintenance expenses
- Borrowing costs decreased due to lower average interest rate from SGD loans

Notes:

1. 2Q FY20/21 started with 145 properties and ended with 146 properties.
2. 1Q FY20/21 started and ended with 145 properties.
3. Relates to MLT's 50% interest in 15 joint venture properties which were acquired in November 2019 and June 2018. The results for the joint ventures were equity accounted for at the Group level.
4. Included in interest income of the Group was S\$2,352,000 interest from shareholders' loans extended to 15 joint venture properties.
5. Included in interest income of the Group was S\$2,376,000 interest from shareholders' loans extended to 15 joint venture properties. The Group has also recognised rent free reimbursement amounting to S\$127,000 in other trust expenses.
6. This includes partial distribution of the gains from the divestments of Mapletree Integrated, 5 divested properties in Japan and 7 Tai Seng Drive.

Healthy Balance Sheet

S\$'000	As at 30 Sep 2020	As at 30 Jun 2020
Investment Properties	8,556,769	8,541,439
Total Assets	9,091,507	9,127,441
Total Liabilities	4,080,201	4,106,490
Net Assets Attributable to Unitholders	4,575,442	4,586,147
NAV / NTA Per Unit	\$1.20 ¹	\$1.21 ²

Notes:

1. Includes net derivative financial instruments, at fair value, liability of S\$78.8 million. Excluding this, the NAV per unit would be at S\$1.22.
2. Includes net derivative financial instruments, at fair value, liability of S\$67.2 million. Excluding this, the NAV per unit would be at S\$1.22.

Capital Management

Prudent Capital Management

	As at 30 Sep 2020	As at 30 Jun 2020
Total Debt (S\$ million) ¹	3,586	3,612
Aggregate Leverage Ratio ^{2,3}	39.5%	39.6%
Weighted Average Annualised Interest Rate ⁴	2.2%	2.3%
Average Debt Duration (years) ⁴	3.8	4.0
Interest Cover Ratio (times) ⁵	4.9	4.8
MLT Credit Rating by Moody's	Baa2 with stable outlook	Baa2 with stable outlook

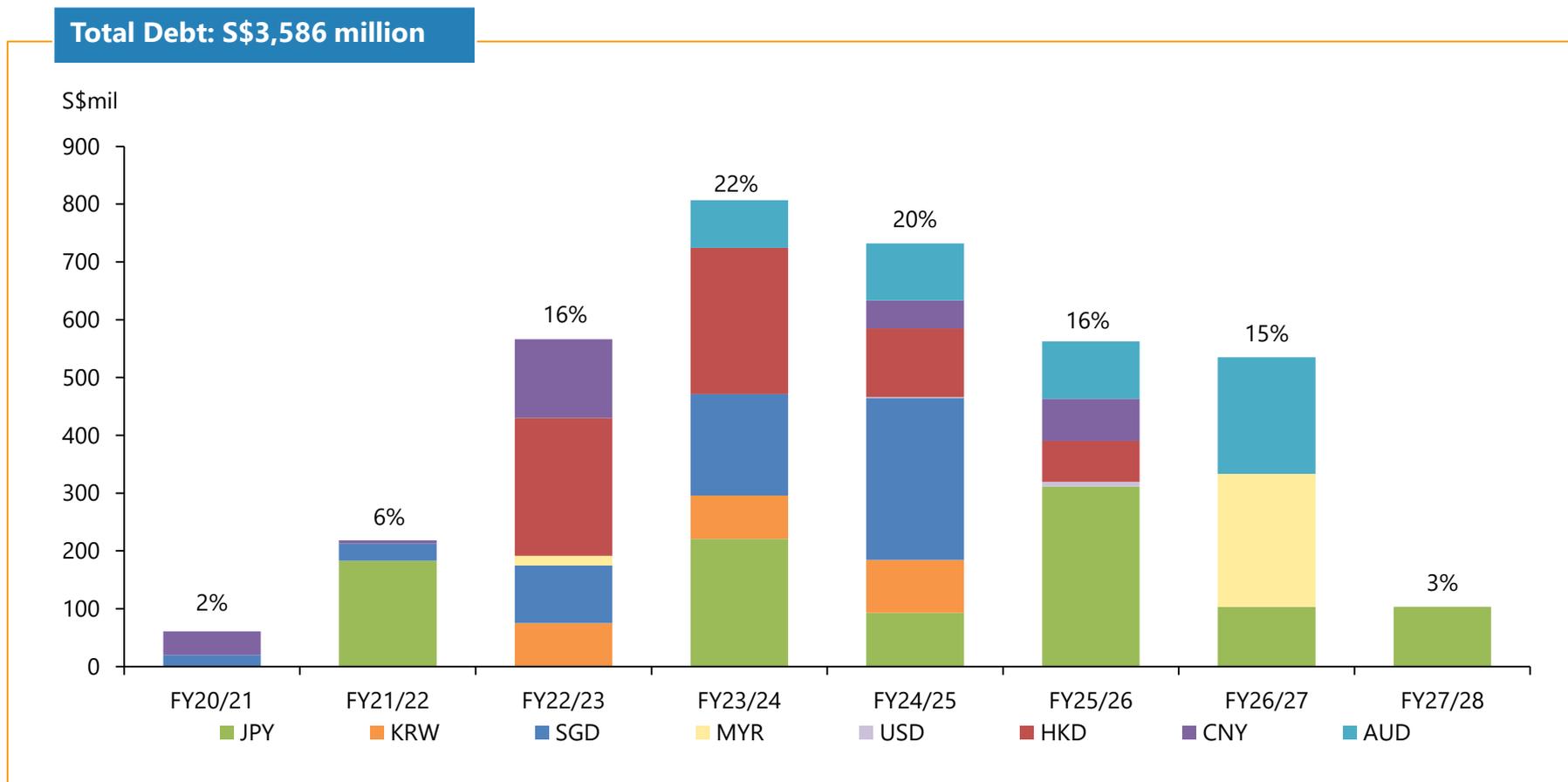
- Total debt outstanding decreased by S\$26m, largely due to repayment of loans during the quarter.
- Gearing ratio decreased to 39.5% as at 30 Sep 2020, with slightly lower weighted average borrowing cost of 2.2% per annum.

Notes:

1. Total debt is inclusive of proportionate share of borrowings of joint ventures.
2. As per Property Funds Guidelines, the aggregate leverage includes proportionate share of borrowings and deposited property values of joint ventures as well as lease liabilities that are entered into in the ordinary course of MLT's business on or after 1 April 2019 in accordance to the Monetary Authority of Singapore guidance.
3. Total debt (including perpetual securities) to net asset value ratio and total debt (including perpetual securities) less cash and cash equivalent to net asset value ratio as at 30 Sep 2020 were 77.8% and 77.3% respectively.
4. Weighted average annualised interest rate and average debt duration are inclusive of proportionate share of borrowings of joint ventures.
5. The interest cover ratio includes proportionate share of joint ventures and is based on a trailing 12 months financial results, in accordance with the guidelines provided by the Monetary Authority of Singapore with effect from 16 April 2020. The comparative is computed on the same basis.

Well-Staggered Debt Maturity Profile

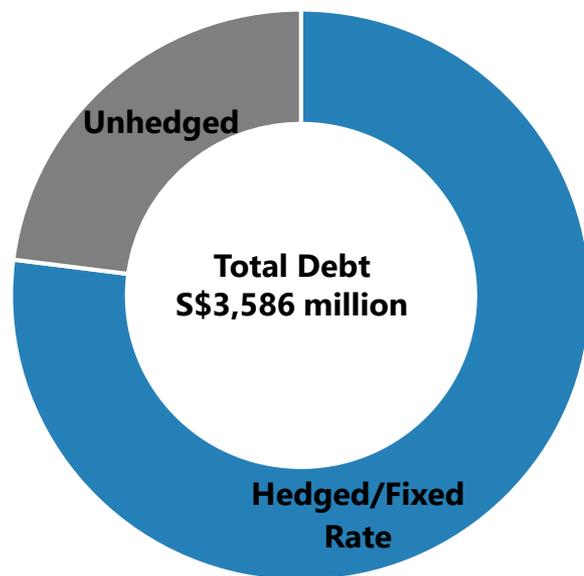
- Sufficient available committed credit facilities of S\$582m to refinance S\$61m (or 2% of total debt) and S\$219m (6% of total debt) debt due in the current and next financial year respectively
- Debt maturity profile remains well-staggered with an average debt duration of 3.8 years



Proactive Interest Rate and Forex Risk Management

Interest Rate Risk Management

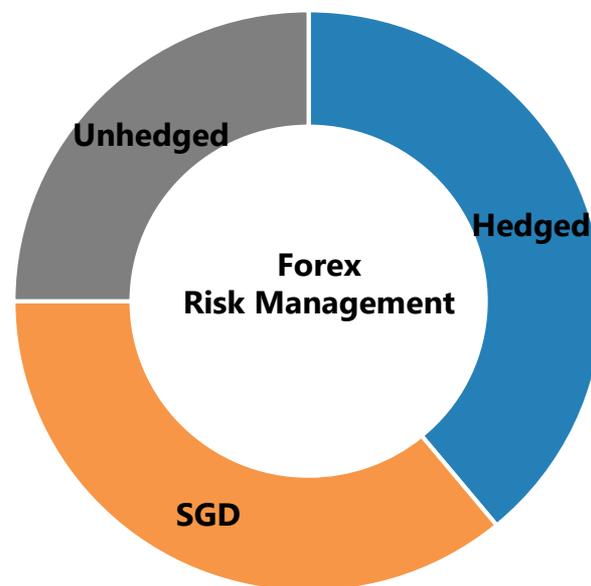
- 80% of total debt is hedged or drawn in fixed rates
- Every potential 25 bps increase in base rates¹ may result in ~S\$0.44m decrease in distributable income or 0.01 cents in DPU² per quarter



● Hedged/Fixed Rate	80%
● Unhedged	20%
▪ JPY	9%
▪ SGD	6%
▪ CNH	4%
▪ MYR	1%

Forex Risk Management

- About 75% of amount distributable in the next 12 months is hedged into / derived in SGD



● Hedged (JPY, HKD, KRW, CNY, AUD, MYR)	36%
● SGD	39%
● Unhedged	25%

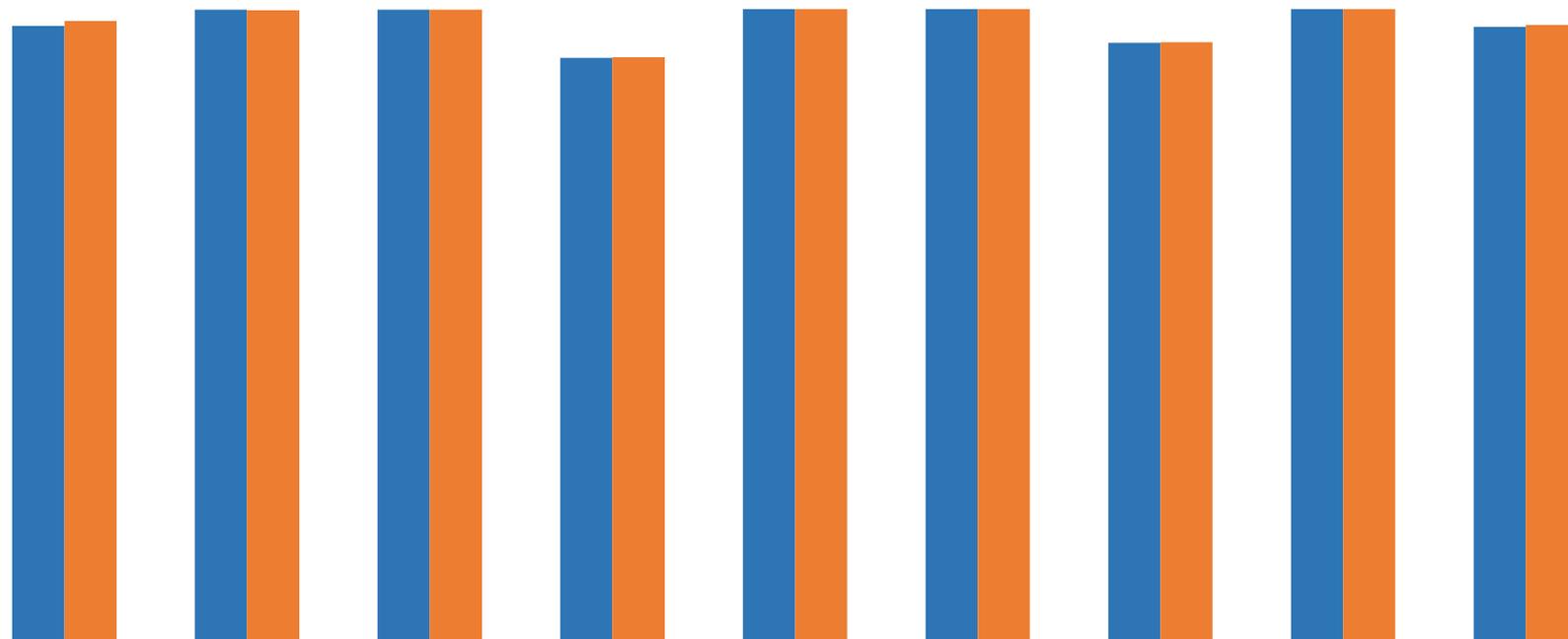
Notes:

- Base rate denotes SOR, JPY LIBOR/DTIBOR, CNH HIBOR and KLIBOR.
- Based on 3,811 million units as at 30 September 2020.

Portfolio Review

Geographic Breakdown of Occupancy Levels

As at 30 Sep 2020

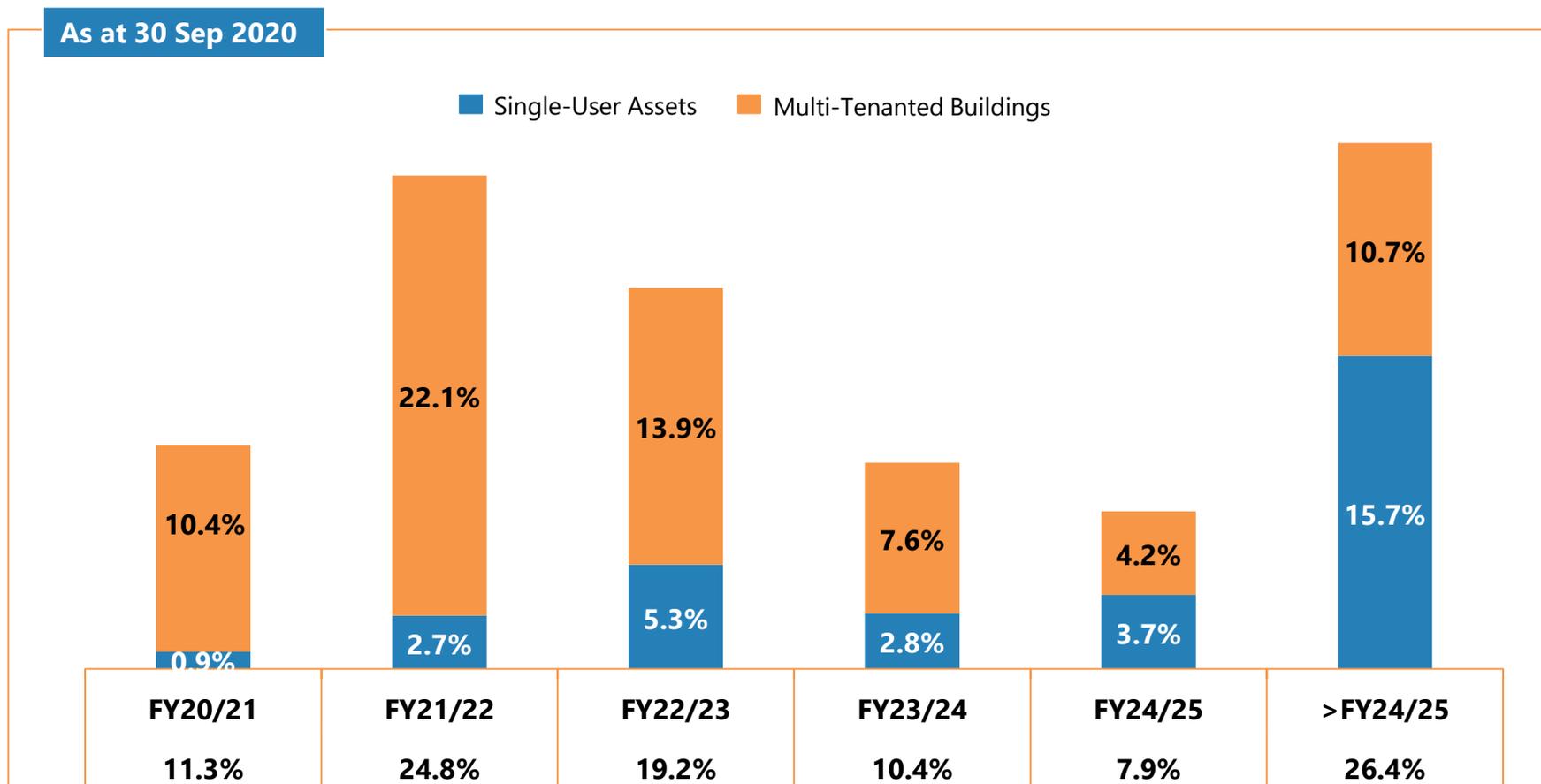


	Singapore	Hong Kong SAR	Japan	China	Australia	Malaysia	South Korea	Vietnam	Portfolio
■ Jun-20	97.4%	99.9%	99.9%	92.3%	100.0%	100.0%	94.7%	100.0%	97.2%
■ Sep-20	98.1%	99.8%	99.9%	92.4%	100.0%	100.0%	94.8%	100.0%	97.5%

- Portfolio occupancy stood at 97.5%, reflecting higher occupancy rates in Singapore, South Korea and China, partially offset by a slightly lower occupancy rate in Hong Kong SAR.
- Occupancy remained at 100% in Australia, Malaysia and Vietnam

Lease Expiry Profile (by NLA)

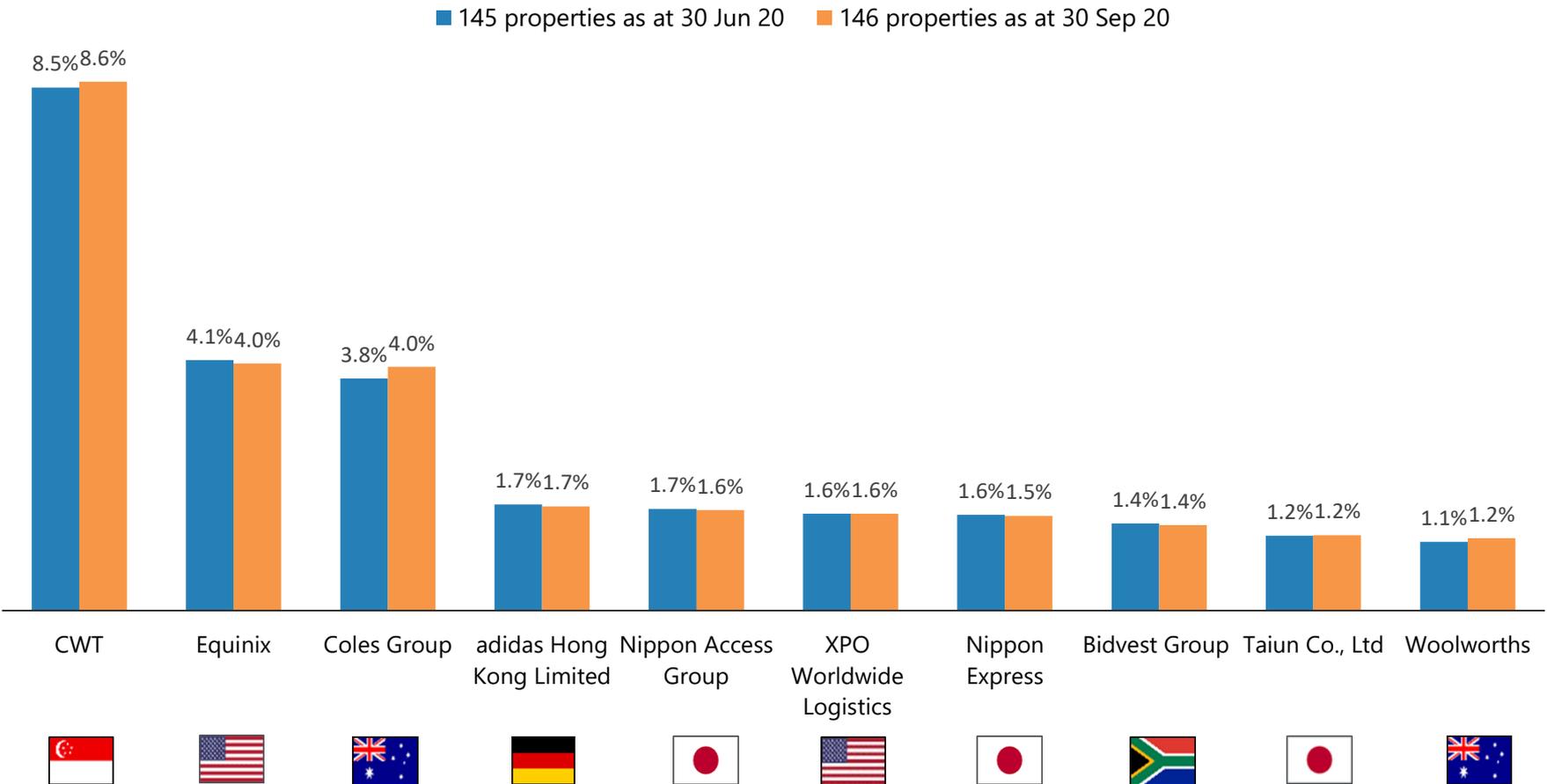
- Well-staggered lease expiry profile with weighted average lease expiry (by NLA) at 4.2 years



Top 10 Tenants by Gross Revenue

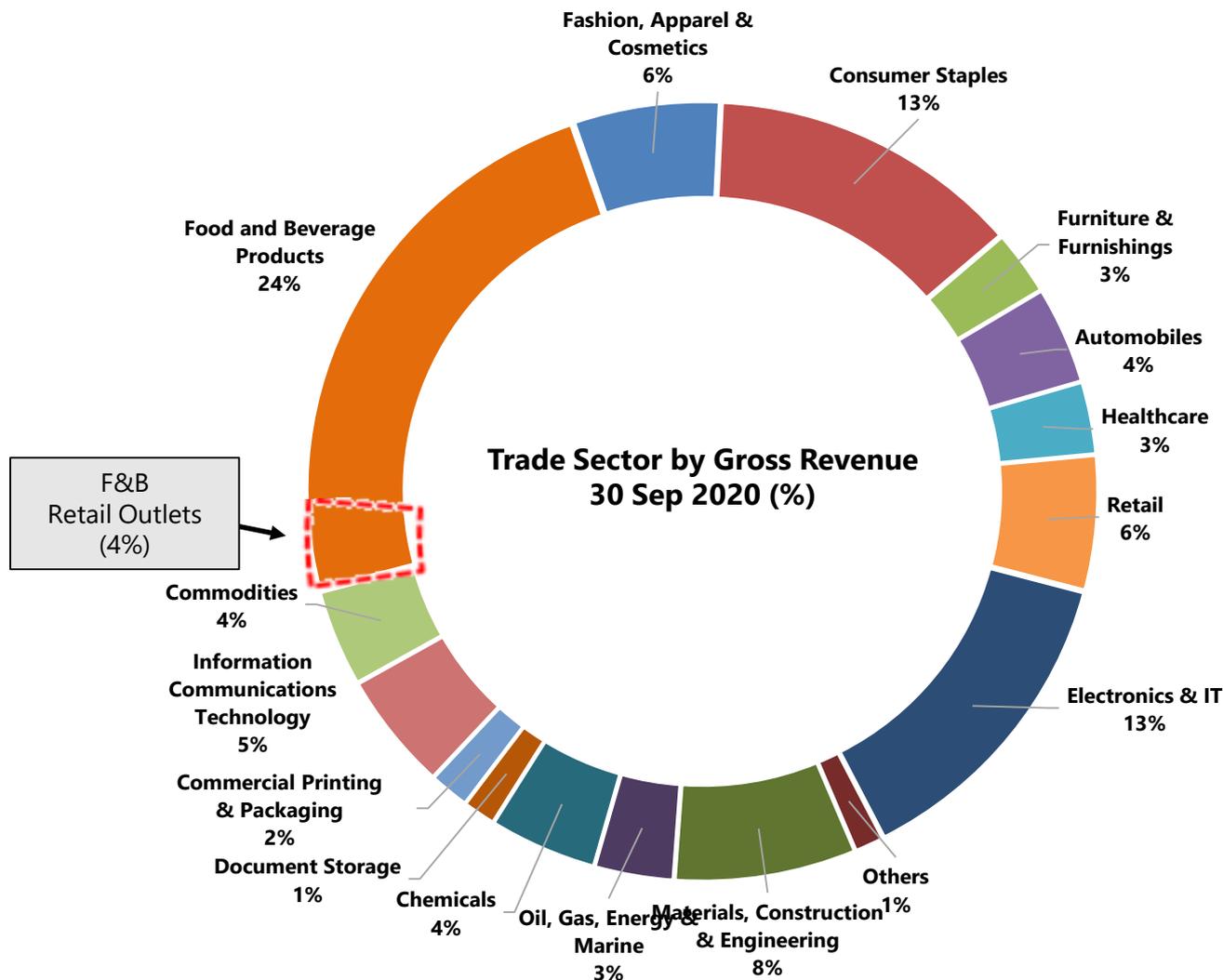
- Top 10 customers account for ~27% of total gross revenue

As at 30 Jun 2020



Diversified Tenant Trade Sectors

- Diversified tenant base of 696 customers
- Approximately three-quarters of portfolio is serving consumer-related sectors



Note: Inclusive of MLT's 50.0% interest in 15 properties in China.

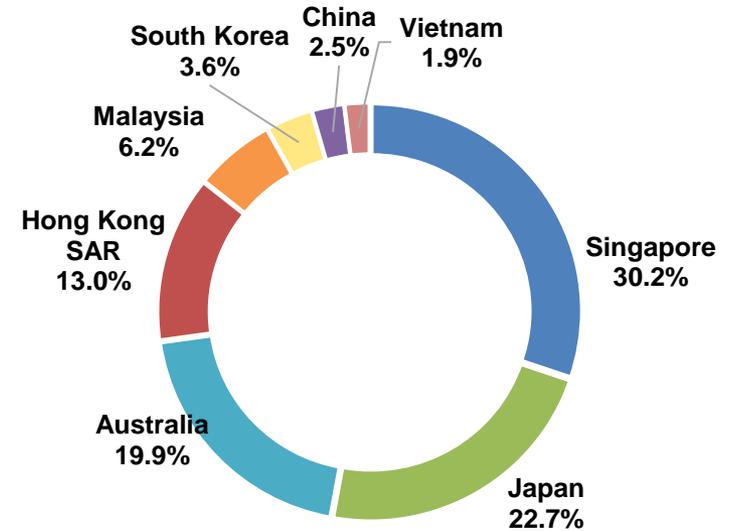
Single-User Assets vs. Multi-Tenanted Buildings

**Gross Revenue (%)
As at 30 Sep 2020**

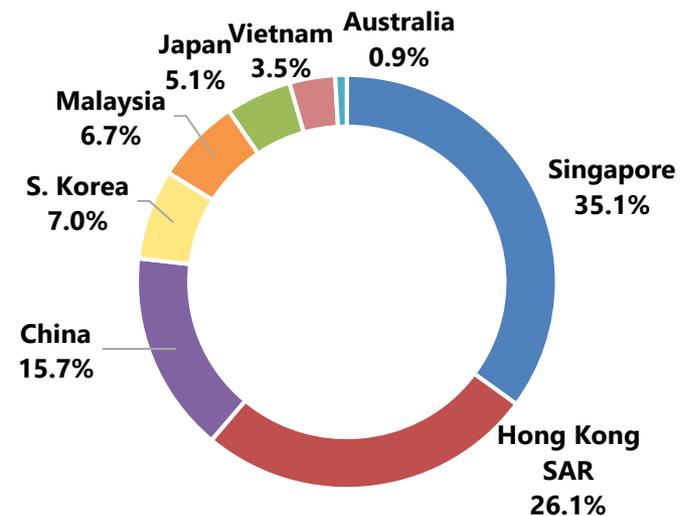
**Single-User Assets
34.8%**

**Multi-Tenanted
buildings
65.2%**

SUA Revenue Contribution by Geography



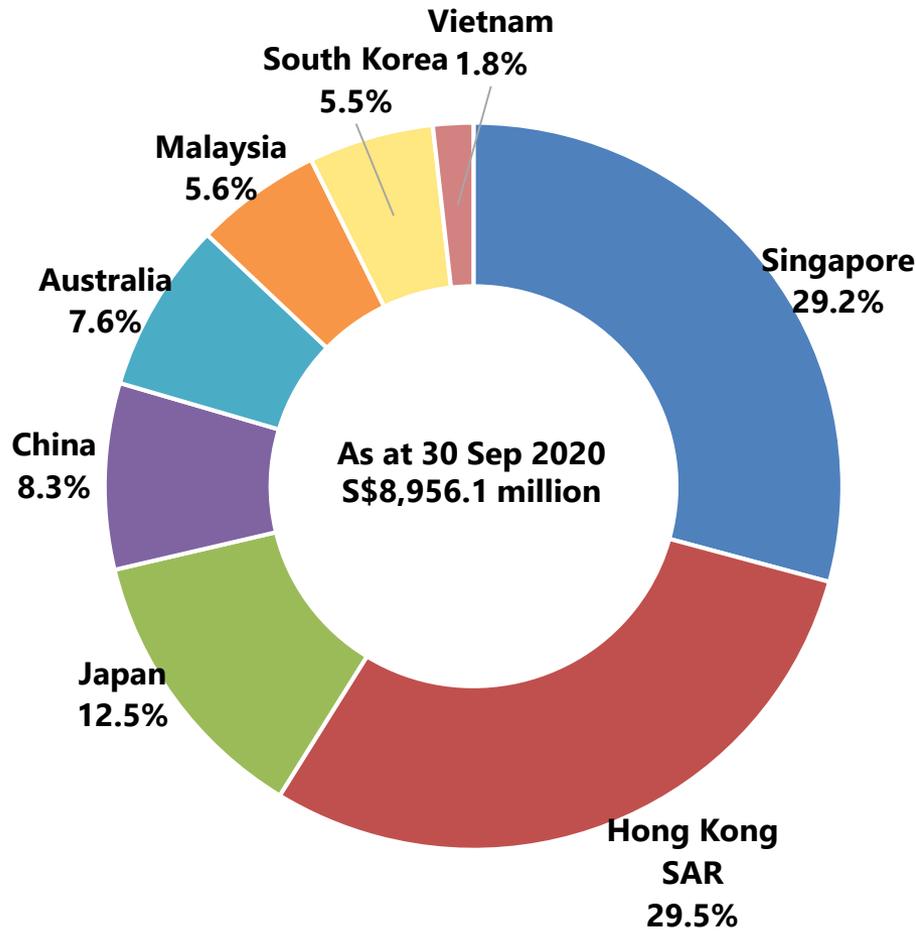
MTB Revenue Contribution by Geography



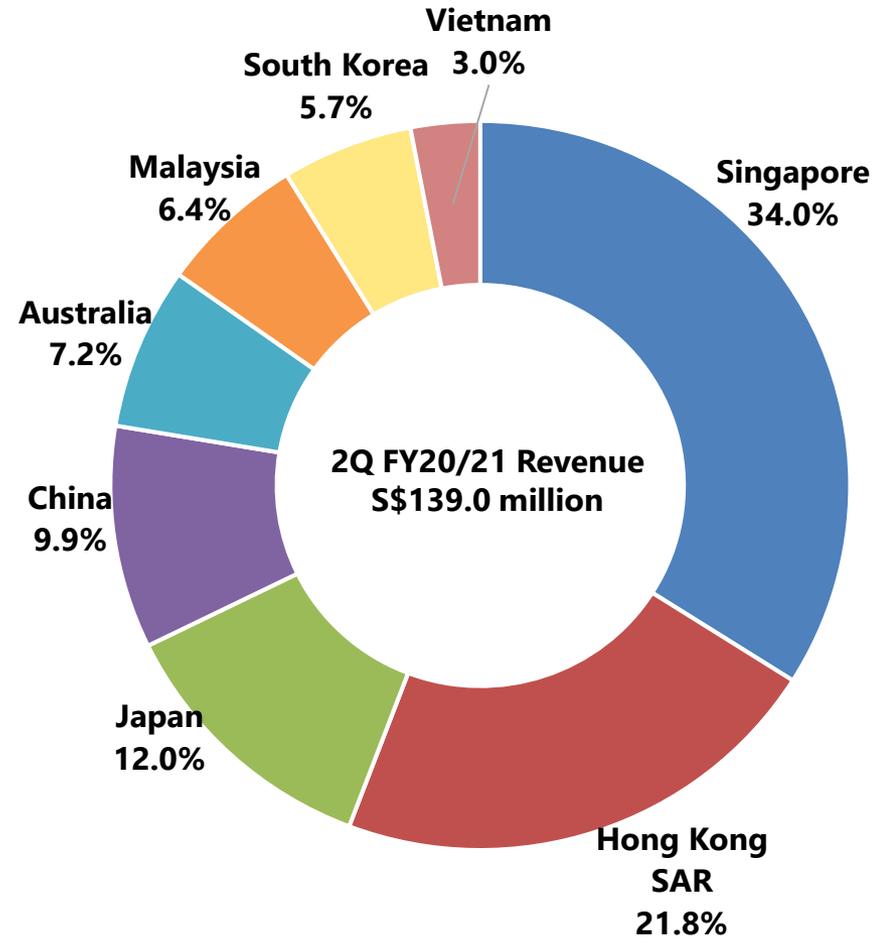
Note: Inclusive of MLT's 50.0% interest in 15 properties in China.

Geographical Diversification

ASSETS UNDER MANAGEMENT



GROSS REVENUE



Investment Review

Active Portfolio Rejuvenation

Acquisition Modern Logistics Property in Truganina, Melbourne, Australia

Description	Newly built warehouse strategically located in Truganina, one of the fastest growing industrial precincts in Australia
GFA	15,100 sqm
Occupancy	100%
Completion	21 September 2020
Purchase Price¹	AUD18.4 million (S\$18.4 million)



15 Boterro Place, Truganina, Melbourne, Australia

Redevelopment Mapletree Ouluo Logistics Park Shanghai, China

Description	Redevelopment into 4 blocks of 2-storey modern ramp-up logistics facility in 2 phases
GFA	Increase 2.4x to 80,700 sqm
Status	<ul style="list-style-type: none"> Phase 1 completed in Sep 2018 Phase 2 completed in May 2020
Estimated Cost	~S\$70 million



Mapletree Ouluo Logistics Park, China

Note:

1. Based on exchange rate of S\$1=A\$1.0002.

MLT's Portfolio at a Glance

	As at 30 Sep 2020 ¹	As at 30 Jun 2020 ¹
Assets Under Management (S\$ million)	8,956	8,932
WALE (by NLA) (years)	4.2	4.3
Net Lettable Area (million sqm)	5.1	5.0
Occupancy Rate (%)	97.5	97.2
No. of Tenants	696	696
No. of Properties	146	145
No. of Properties – By Country		
Singapore	52	52
Hong Kong SAR	9	9
Japan	17	17
China	23	23
Australia	11	10
Malaysia	15	15
South Korea	13	13
Vietnam	6	6

Notes:

1. Inclusive of MLT's 50.0% interest in 15 properties in China.



Outlook

COVID-19 Market Update

- Tenants remain cautious on expansion and are slower to commit in view of economic uncertainties
- All tenants have resumed operations except for a few in Singapore representing 0.3% of MLT's revenue base
- Occupancy and rental rates remained stable
- A prolonged COVID-19 situation and economic downturn may adversely affect demand for warehouse space

Looking Ahead

- MLT's diversified geographic presence and tenant trade sector mix provide portfolio resilience
- Continue to be vigilant and remain focused on proactive asset management and strategic acquisition opportunities with a view to provide stable long-term returns for Unitholders
- Remain prudent on cash flow management while maintaining a strong balance sheet

Appendix

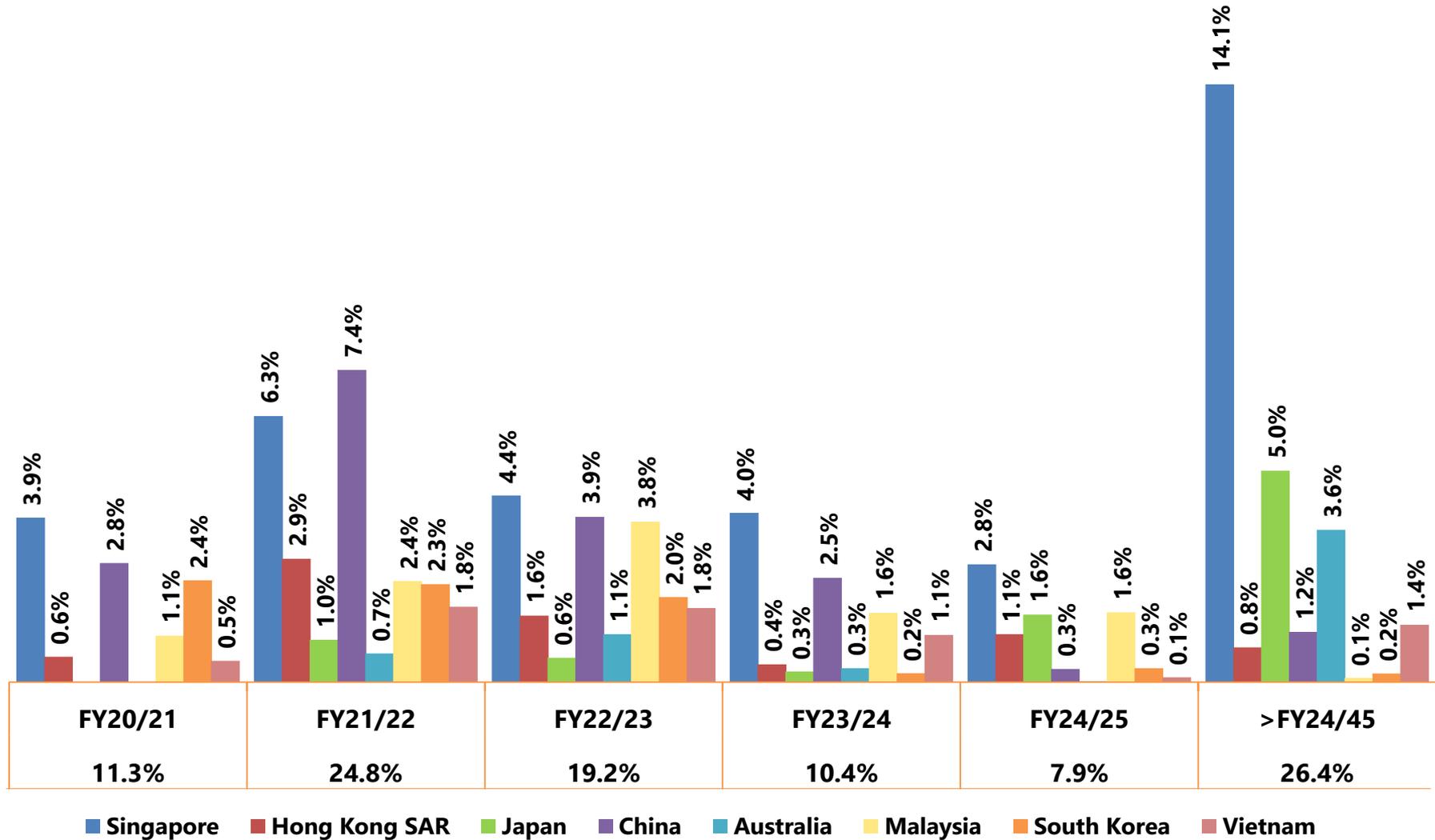
MIPL's Logistics Development Projects in Asia Pacific

Completed Projects			
No	Country	Location	GFA (sqm)
China			
1	China	Jiangsu - 4 projects	243,060
2	China	Zhejiang - 3 projects	245,024
3	China	Fujian - 1 project	105,332
4	China	Chongqing -5 projects	393,017
5	China	Hubei- 1 project	75,867
6	China	Shannxi - 1 project	72,047
7	China	Tianjin -1 projects	194,072
8	China	Liaoning - 2 projects	130,052
9	China	Heilongjiang - 1 project	60,595
10	China	Jilin- 1 project	60,295
Vietnam			
11	Vietnam	Binh Duong - 2 projects	123,646
Total			1,703,007

MIPL's Logistics Development Projects in Asia Pacific

Projects Underway			
No	Country	Location	GFA (sqm)
China			
1	China	Jiangsu - 5 projects	463,114
2	China	Zhejiang - 5 projects	469,938
3	China	Guangdong - 1 project	24,265
4	China	Fujian - 1 project	81,226
5	China	Henan - 1 project	95,951
6	China	Shandong - 2 projects	104,474
7	China	Ningxia - 1 project	75,635
8	China	Yunnan- 1 project	66,501
9	China	Hubei- 1 project	75,504
10	China	Anhui - 1 project	101,593
11	China	Liaoning- 1 project	36,542
12	China	Tianjin - 1 project	34,779
Malaysia			
13	Malaysia	Shah Alam - 2 projects	473,805
Vietnam			
14	Vietnam	Binh Duong - 3 projects	124,044
15	Vietnam	Bac Ninh - 2 projects	137,244
16	Vietnam	Hung Yen - 3 projects	175,370
17	Vietnam	Thuan Thanh - 2 phases	247,026
Australia			
18	Australia	Crestmead, Brisbane - 1 project	191,890
Total			2,978,902

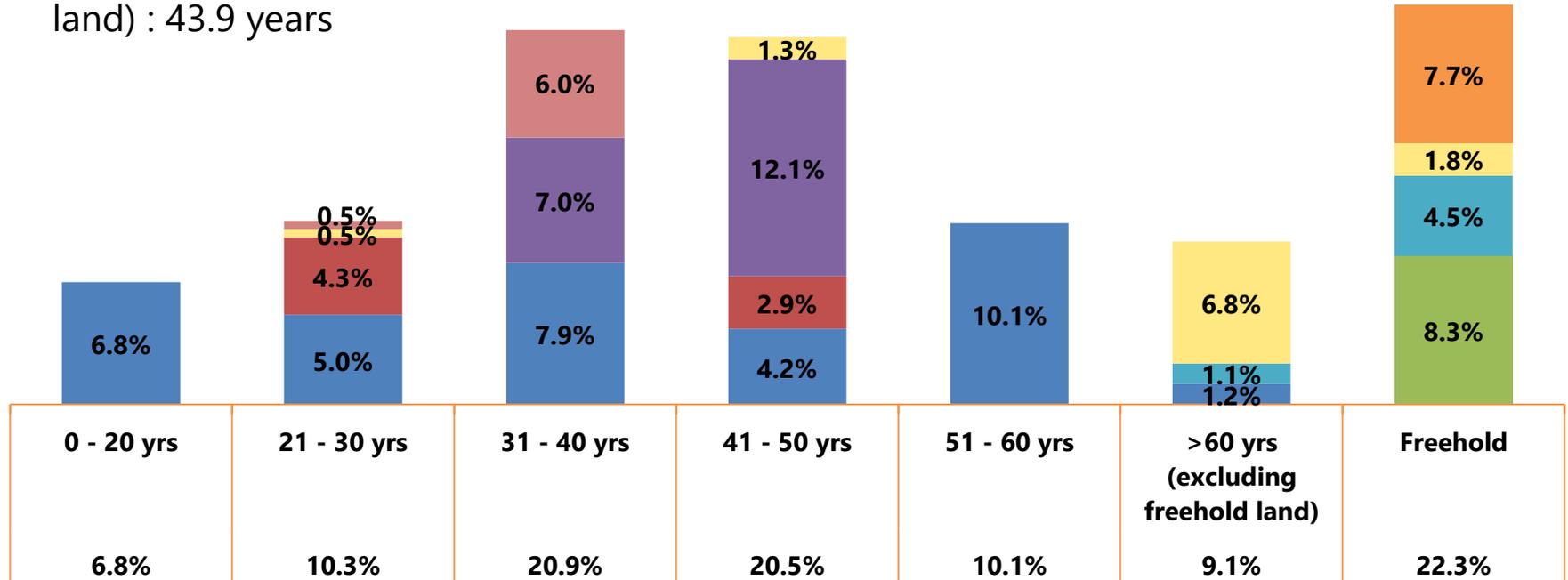
Lease Expiry Profile (by NLA) by Geography



Note: Inclusive of MLT's 50.0% interest in 15 properties in China.

Remaining Years to Expiry of Underlying Land Lease (by NLA)

- Weighted average lease term to expiry of underlying leasehold land (excluding freehold land) : 43.9 years



■ Singapore ■ Hong Kong SAR ■ Japan ■ China ■ Australia ■ Malaysia ■ South Korea ■ Vietnam

Remaining Land Lease	≤30 years	31-60 years	>60 years	Freehold
% of Portfolio (by NLA)	17.1% (34 assets)	51.5% (57 assets)	9.1% (10 assets)	22.3% (45 assets)