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4Q & Full Year 2014/15 Financial Results

20 April 2015

Disclaimer

This Presentation is focused on comparing results for the three months ended 31 Mar 2015 versus results achieved in the three months ended 31 Mar 2014 and versus results achieved in the previous quarter ended 31 Dec 2014. This shall be read in conjunction with Mapletree Logistics Trust's financial results for the three months ended 31 Mar 2015 in the SGXNET announcement.

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Agenda

- **Key Highlights**
- **Financial Review**
- **Capital Management**
- **Business Review**
- **Outlook**

Key Highlights

Key Highlights

- **FY14/15 DPU rose 2% y-o-y to 7.50 cents**
  - FY14/15 gross revenue increased 6% y-o-y to S$330.1m and NPI grew 4% to S$277.4m
  - FY14/15 amount distributable to Unitholders up 3% y-o-y to S$184.9m
  - Growth was driven by an enlarged portfolio, full year contribution from MBLH and higher revenue from existing assets
  - Performance was partially impacted by lower occupancy in several single-user assets (“SUAs”) in Singapore that were converted to multi-tenanted buildings (“MTBs”) during the year

- **FY14/15 investment highlights**
  - 6 accretive acquisitions (~S$210m) in China, Malaysia, Singapore and South Korea to scale up presence in target growth markets
  - Commenced redevelopment of 5B Toh Guan Road East to increase GFA by 2.7x to 63,500 sqm
  - Completed Phase 2 solar panel installation at 5 Japan properties
  - Announced AEI at Moriya Centre, Japan to increase GFA by 9,000 sqm
  - Announced divestment of 134 Joo Seng Road as part of capital recycling strategy

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Key Highlights

- **Portfolio update**
  - Stable portfolio occupancy of 96.7%
  - Weighted average lease term to expiry (by NLA) of 4.3 years
- **Revaluation gain of S$84.0m**
- **NAV per unit increased 6% y-o-y to S$1.03**
- **Prudent capital management**
  - Aggregate leverage ratio of 34.3%
  - Weighted average debt maturity of 3.6 years
  - Total debt due in FY15/16 reduced to approximately S$57m (~3% of total debt)
  - About 80% of MLT's total debt has been hedged into fixed rates
  - About 80% of income stream for FY15/16 has been hedged into/derived in SGD

Financial Review

FY14/15 vs. FY13/14 (Year-on-Year)

S$'000	12M ended 31 Mar 2015[1]	12M ended 31 Mar 2014[2]	y-o-y change
Gross Revenue	330,114	310,709	6% ↑
Property Expenses	(52,669)	(43,074)	22% ↑
Net Property Income ("NPI")	277,445	267,635	4% ↑
Borrowing Costs	(33,167)	(29,354)	13% ↑
Amount Distributable To Unitholders[3]	184,909	179,732	3% ↑
Available DPU (cents)	7.50	7.35	2% ↑

1) 12M ended 31 Mar 2015 started with 111 properties and ended with 117 properties.
2) 12M ended 31 Mar 2014 started and ended with 111 properties.
3) Both FY14/15 and FY13/14 included partial distribution of the gain from the divestment of 30 Woodlands Loop amounting to S$2,480,000 in the respective years.

- Increase in gross revenue mainly due to:
  - 6 acquisitions in China, Singapore, Malaysia and Korea
  - MBLH full year contribution
  - higher revenue from existing assets (Singapore, Hong Kong and Malaysia)
- Revenue growth was partly offset by:
  - lower occupancy at several newly converted MTBs in Singapore
  - absence of revenue from 5B Toh Guan (undergoing redevelopment)
  - impact of weaker JPY
- Substantially hedged Japan income streams mitigated impact of weaker JPY on distributable income
- Higher property expenses mainly due to enlarged portfolio and conversions of SUAs to MTBs
- Borrowing costs increased due to incremental borrowings to fund enlarged portfolio and capex

4Q FY14/15 vs. 4Q FY13/14 (Year-on-Year)

S$'000	4Q FY14/15[1] (3 mths ended 31 Mar 2015)	4Q FY13/14[2] (3 mths ended 31 Mar 2014)	y-o-y change
Gross Revenue	84,684	80,148	6% ↑
Property Expenses	(14,344)	(11,821)	21% ↑
Net Property Income ("NPI")	70,340	68,327	3% ↑
Borrowing Costs	(9,073)	(7,399)	23% ↑
Amount Distributable To Unitholders[3]	45,861	46,307	(1%) ↓
Available DPU (cents)	1.85	1.89	(2%) ↓

1) 4Q FY14/15 started and ended with 117 properties.
2) 4Q FY13/14 started and ended with 111 properties.
3) This included partial distribution of the gain from the divestment of 30 Woodlands Loop amounting to S$620,000 per quarter (for 8 quarters from 1Q FY13/14).

- Increase in gross revenue mainly due to:
  - 6 acquisitions in China, Singapore, Malaysia & Korea
  - MBLH contribution
  - higher revenue from existing assets (Singapore, Hong Kong and Malaysia)
- Revenue growth was partly offset by:
  - lower occupancy at several newly converted MTBs in Singapore
  - absence of revenue from 5B Toh Guan (undergoing redevelopment)
  - impact of weaker JPY
- Substantially hedged Japan income streams mitigated impact of weaker JPY on distributable income
- Higher property expenses mainly due to enlarged portfolio and conversions of SUAs to MTBs
- Borrowing costs increased mainly due to incremental borrowings to fund acquisitions and capex
- Amount distributable and DPU decreased by 1% and 2% y-o-y respectively after accounting for higher management fees, other trust expenses and enlarged issued units base

4Q FY14/15 vs. 3Q FY14/15 (Quarter-on-Quarter)

S$'000	4Q FY14/15[1] (3 mths ended 31 Mar 2015)	3Q FY14/15[2] (3 mths ended 31 Dec 2014)	q-o-q change
Gross Revenue	84,684	82,919	2% ↑
Property Expenses	(14,344)	(13,442)	7% ↑
Net Property Income ("NPI")	70,340	69,477	1% ↑
Borrowing Costs	(9,073)	(8,350)	9% ↑
Amount Distributable To Unitholders[3]	45,861	46,185	(1%) ↓
Available DPU (cents)	1.85	1.87	(1%) ↓

1) 4Q FY14/15 started and ended with 117 properties.
2) 3Q FY14/15 started with 113 properties and ended with 117 properties.
3) This included partial distribution of the gain from the divestment of 30 Woodlands Loop amounting to S$620,000 per quarter (for 8 quarters from 1Q FY13/14).

- Increase in gross revenue mainly due to:
  - full quarter contribution of 4 acquisitions completed in 3Q
  - higher revenue from existing assets (Hong Kong, Singapore and Japan)
- Higher property expenses mainly due to enlarged portfolio and higher land rent and property tax in Singapore
- Borrowing costs increased mainly due to full quarter impact of borrowing costs taken to fund acquisitions in 3Q
- Amount distributable to Unitholders and DPU both decreased by 1% after taking into account higher management fees and other trust expenses

Healthy Balance Sheet

S$'000	As at 31 Mar 2015	As at 31 Mar 2014
Investment Properties	4,631,216	4,235,119
Total Assets	4,787,701	4,396,985
Total Liabilities	1,899,376	1,664,802
Net Assets Attributable to Unitholders	2,538,273	2,381,864
NAV Per Unit	S$1.03[1]	S$0.97[2]

1) Includes net derivative financial instruments, at fair value, liability of S$2.0 million. Excluding this, NAV per unit remains unchanged at S$1.03.
2) Includes net derivative financial instruments, at fair value, asset of S$12.0 million. Excluding this, NAV per unit would be S$0.97.

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4Q FY14/15 Distribution

Distribution Details	
SGX Stock Code	M44U
Distribution Period	1 Jan 2015 - 31 Mar 2015
Distribution Amount	1.85 cents per unit

Distribution Timetable	
Last day of trading on "cum" basis	23 Apr 2015, 5:00 pm
Ex-Date	24 Apr 2015, 9:00 am
Books Closure Date	28 Apr 2015, 5:00 pm
Distribution Payment Date	29 May 2015
Credit of new Units to Unitholders' securities accounts	29 May 2015

Capital Management

Prudent Capital Management

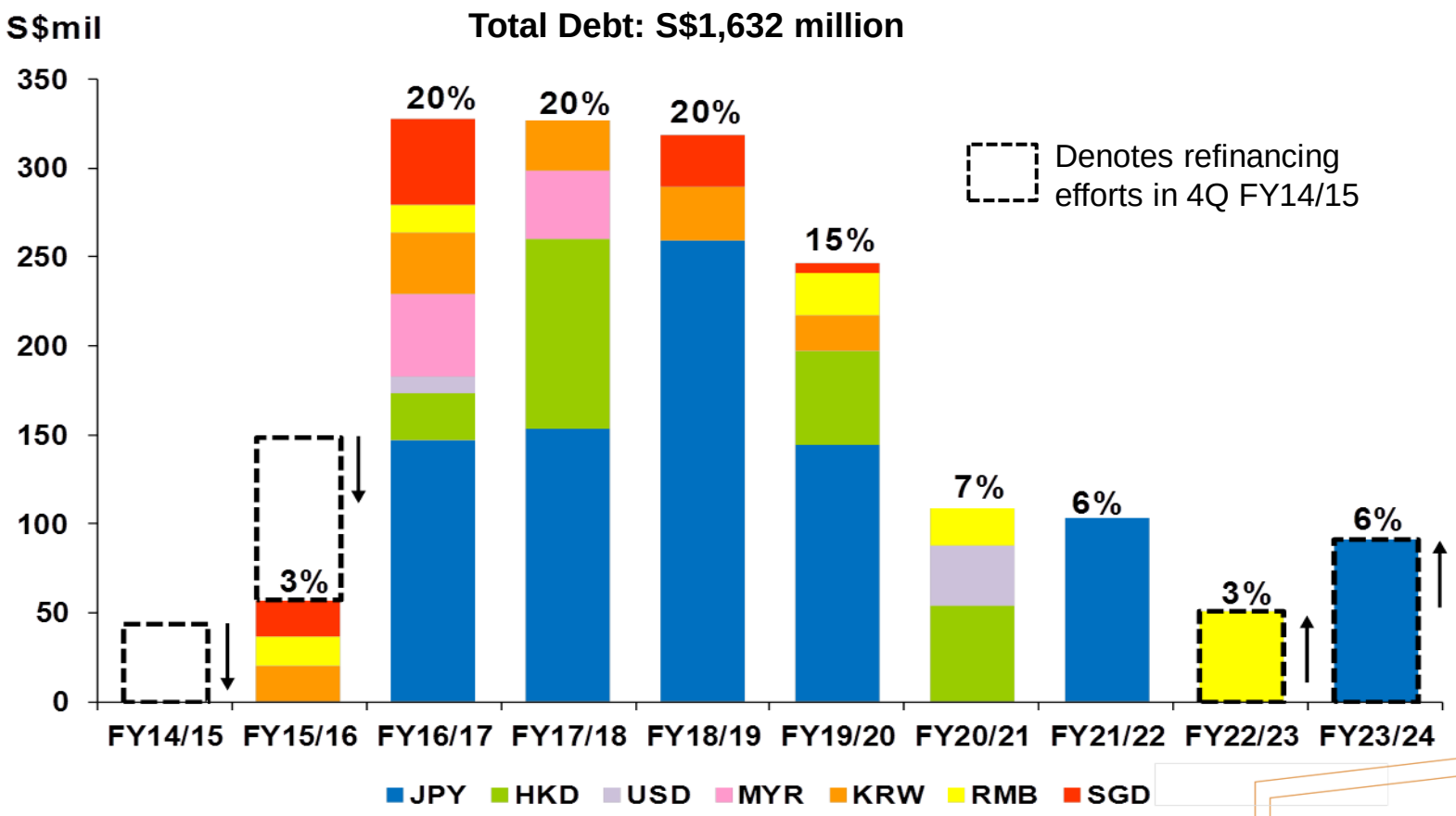
	As at 31 Mar 2015	As at 31 Mar 2014
Total Debt (S$ million)	1,632	1,455
Aggregate Leverage Ratio	34.3%	33.3%
Weighted Average Annualised Interest Rate (%)	2.1	1.9
Average Debt Duration (years)	3.6	3.6
Interest Cover Ratio (times)[1]	7.5	8.7
MLT Credit Rating by Moody's	Baa1 with stable outlook	Baa1 with stable outlook

1) Ratio of EBITDA over interest expense for period up to balance sheet date.

- Total debt increased by S$177m despite additional investments of S$271m in acquisition and capital expenditure, mainly due to:
  - lower translated JPY debt, offset against higher translated HKD debt (~S$46m)
  - partial funding provided by Distribution Reinvestment Plan proceeds and working capital
- Consequently, aggregate leverage ratio and FY14/15 weighted average borrowing cost increased to 34.3% and 2.1% per annum, respectively

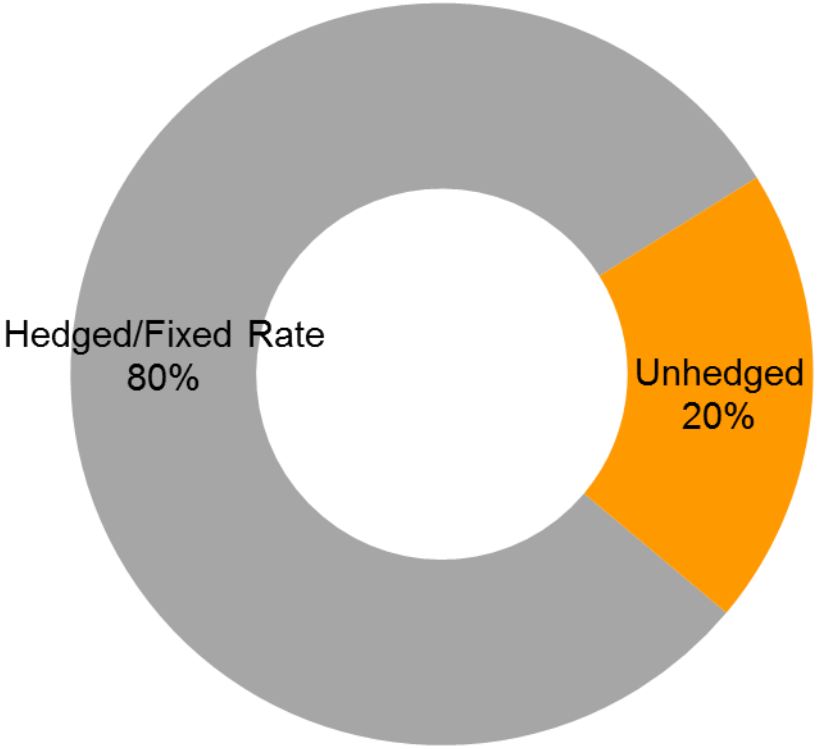
Debt Maturity Profile (By Currency) as at 31 Mar 2015

- Issued an 8-year MTN (~S$52m) to refinance near term loans
- Refinanced JPY8b loans ahead of maturity → Reduced debt due in FY15/16 to 3% of total debt
- Maintained healthy balance sheet with a staggered debt maturity profile



Interest Rate Risk Management

- Approximately 80% of total debt is hedged or drawn in fixed rates
- Every potential 25bps increase in base rates[1] may result in a ~S$0.21m decrease in distributable income or 0.01 cents in DPU[2] per quarter (~0.5% of FY14/15 DPU)

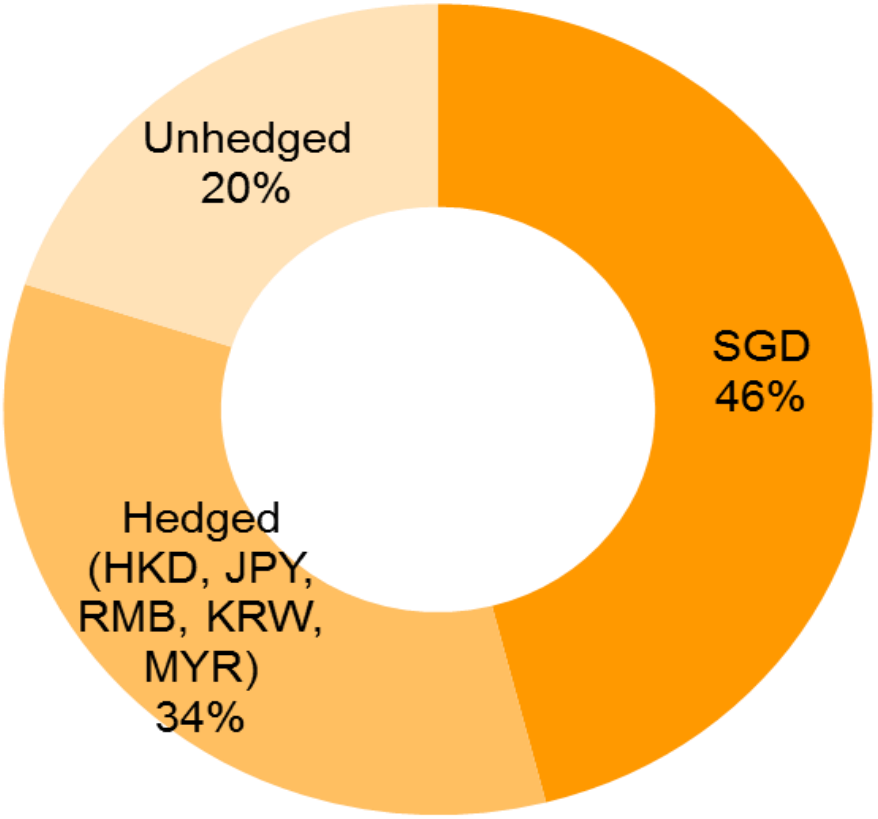


JPY	13%
USD	2%
MYR	2%
SGD	2%
RMB	1%

1) Base rate denotes SGD SOR, USD LIBOR, JPY LIBOR/D-TIBOR, KLIBOR & CNH HIBOR
2) Based on 2,474,101,984 units as at 31 Mar 2015

Forex Risk Management

- About 80% of amount distributable in FY15/16 is hedged into / derived in SGD
- 93% of income stream from Japan for FY15/16 has been hedged



Business Review

Investment Highlights in FY14/15

- Completed 6 accretive acquisitions valued at approx. S$210m
- Projected NPI yields ranging from 6.5% to 8.4%

Flex Hub, Iskandar Malaysia

Daehwa Logistics Centre, South Korea

Mapletree Zhengzhou Logistics Park, China

Mapletree Yangshan Bonded Logistics Park, China

190A Pandan Loop, Singapore

Smart Logistics Centre, South Korea

Investment Highlights in FY14/15 (cont'd)

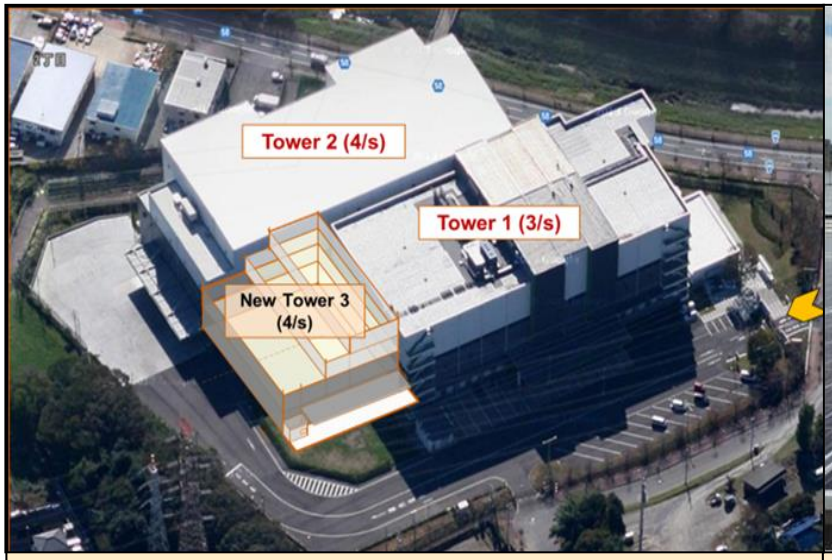
Redevelopment: 5B Toh Guan Road East, Singapore

Divestment: 134 Joo Seng Road, Singapore

- MLT's 2nd redevelopment project
- Redevelopment from a 3-storey warehouse with cargo lift to a modern 6-storey ramp-up logistics facility
- Increase GFA 2.7x to 63,500 sqm
- Construction is currently underway
- Target completion: 1Q FY16/17
- Estimated cost: S$107m

- Announced divestment for S$13.5m to recycle capital into higher yielding assets
- Building with older specifications
- Maximised allowable plot ratio
- Limited scope for future redevelopment
- Currently pending regulatory approval

Investment Highlights in FY14/15 (cont'd)



AEI: Moriya Centre, Japan

- AEI to construct a new 4-storey dry warehouse for existing tenant Nippon Express
- Increase GFA by 9,000 sqm or 26%, to a total of 43,700 sqm
- Construction is currently underway
- Target completion: Mar 2016
- Estimated cost: JPY1,409m (~S$16.2m)

AEI: Solar Panel Installation, Japan

- Completed Phase 2 solar panel installation at 5 Japan properties in Nov 2014
- Cost: JPY1.1b (~S$13m)
- Projected additional revenue: JPY134m per annum (~S$1.5m per annum)

Redevelopment of 76 Pioneer Road, Singapore

- MLT's 3rd redevelopment project
- Redevelopment into a modern 5-storey ramp-up logistics facility
- Increase GFA 1.8x to 72,000 sqm
- Scheduled to commence in FY15/16
- Estimated cost: S$117m

Portfolio Highlights

- **Portfolio value increased by S$396m or 9% y-o-y to S$4.6b**
  - Includes S$84m net fair value gain in investment properties, attributable mainly to Hong Kong
  - Approximately S$271m in acquisitions and capital expenditure

- **Active asset and lease management**
  - Renewed/replaced approximately 444,600 sqm of space in FY14/15
  - Positive average rental reversions of 8% in FY14/15 mainly from Hong Kong and Singapore

- **Stability from long leases**
  - Weighted average lease term to expiry (by NLA) is about 4.3 years
  - Approximately 44% of MLT's leases (by NLA) are expiring in FY18/19 and beyond

- **Stable portfolio occupancy of 96.7%**
  - Singapore's occupancy temporarily impacted by downtime due to conversions of SUAs to MTBs
  - Similar or higher occupancies registered in all other countries

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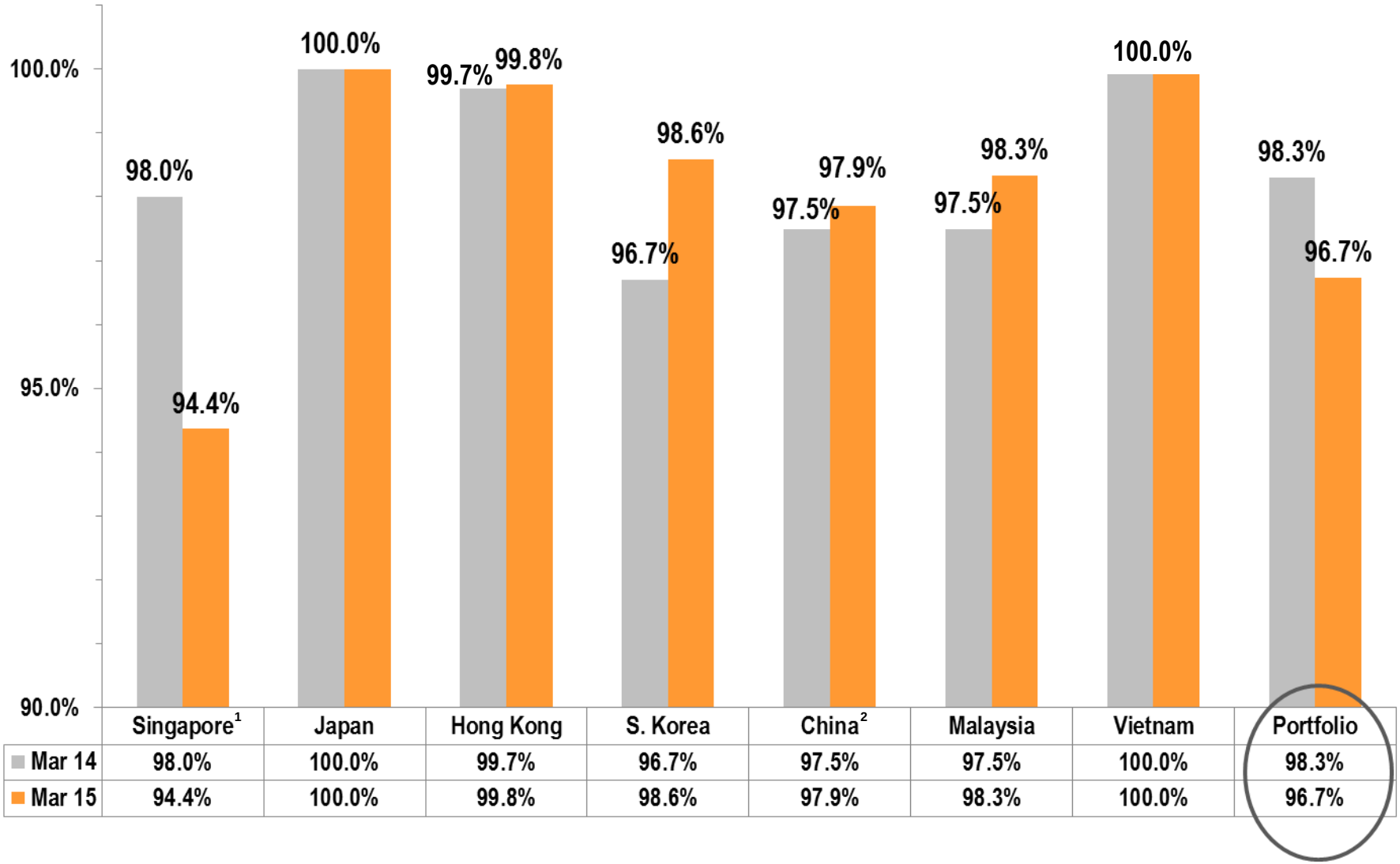
Country Breakdown of Occupancy Levels



	Singapore[1]	Japan	Hong Kong	S. Korea	China[2]	Malaysia	Vietnam	Portfolio
Mar 14	98.0%	100.0%	99.7%	96.7%	97.5%	97.5%	100.0%	98.3%
Mar 15	94.4%	100.0%	99.8%	98.6%	97.9%	98.3%	100.0%	96.7%

1) Excludes 5B Toh Guan which is currently undergoing redevelopment.
2) Excluded Xi'an Distribution Centre which was temporarily non-operational due to a fire incident in Feb 2014.

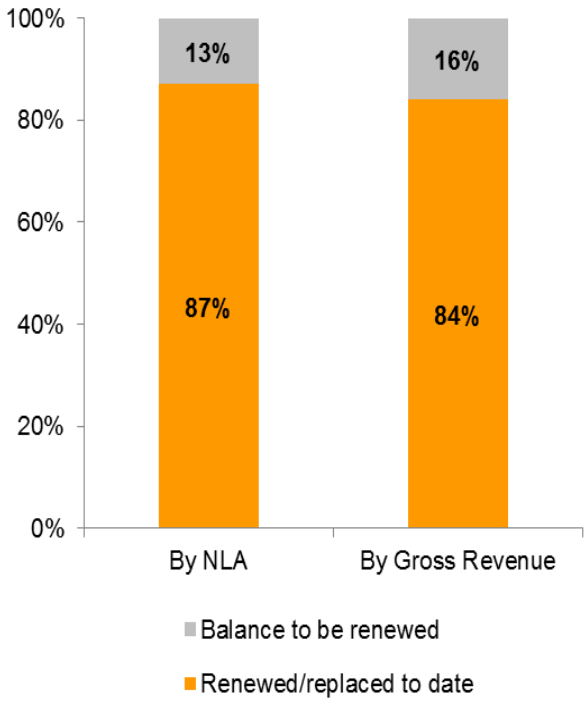
Successful Lease Renewals in FY14/15

- 18% of MLT's leases (by NLA) were due for expiry in FY14/15 (at the start of the year)
- Approximately 87% of these have been successfully renewed/replaced

NLA renewed / replaced in FY14/15 ('000 sqm)	Total renewable[1]	Space renewed / replaced YTD	% of space renewed / replaced YTD	Balance space renewable
Singapore	198	143	72%	55
Malaysia	98	92	94%	6
Hong Kong	64	63	98%	1
China	93	85	91%	8
South Korea	37	37	100%	0
Japan	15	15	100%	0
Vietnam	10	10	100%	0
Total Area	**515**	**445**	**87%**	**70**

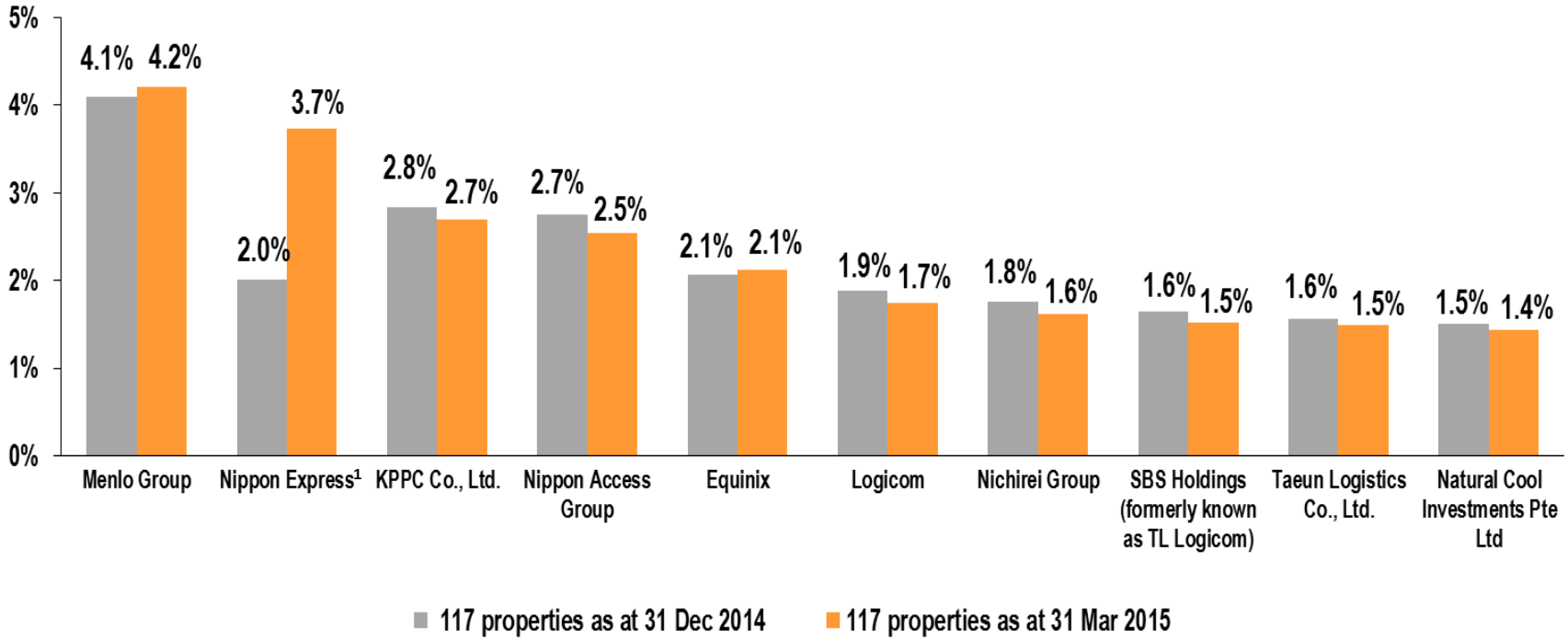
1) Excluding NLA loss of 13,223 sqm due to SUA/MTB conversions in Singapore.

Total Renewable in FY14/15 (%)



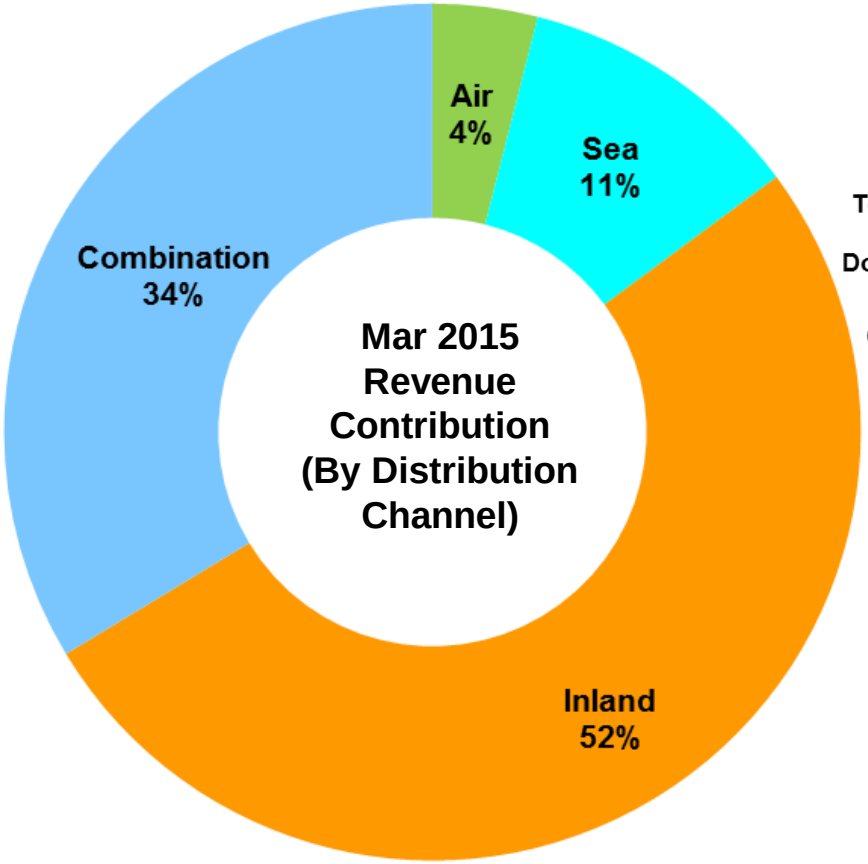
Top 10 Customer Profile (by Gross Revenue)

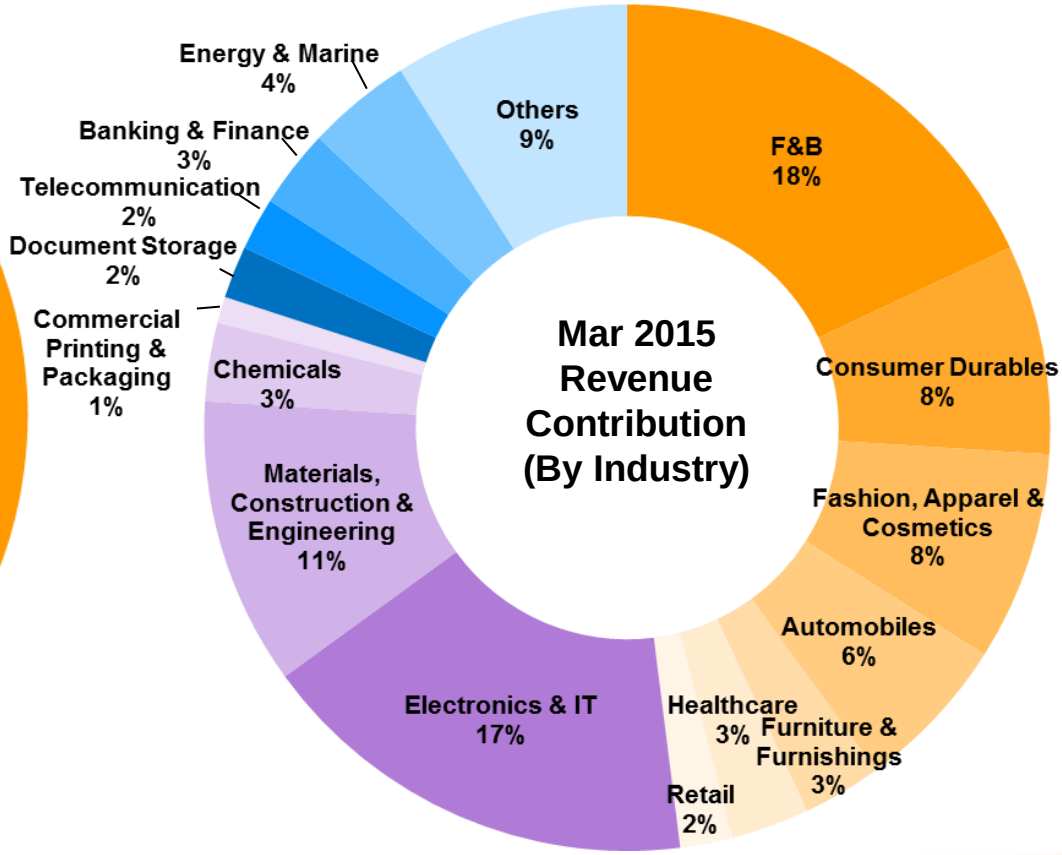
- 410 customers; none accounts for >5% of total gross revenue
- Top 10 customers account for ~23% of total gross revenue



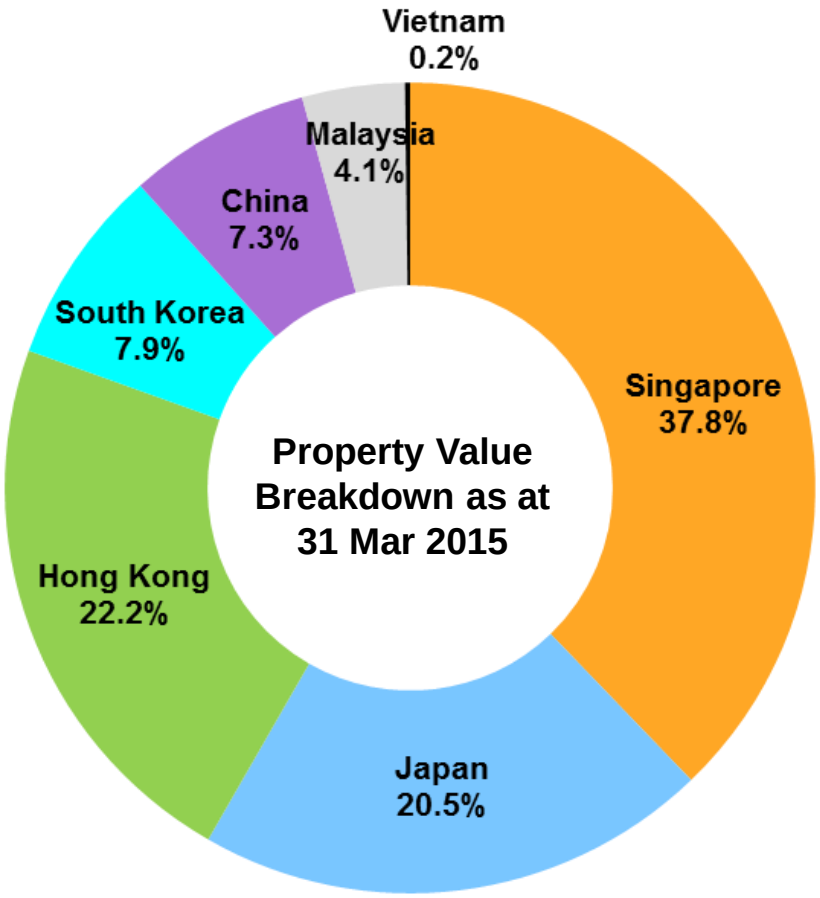
1) The increase was due to Nippon Express acquiring a majority interest in Nittsu NEC Logistics – also a tenant of MLT in Japan.

Diversified Customer Mix Provides Portfolio Stability

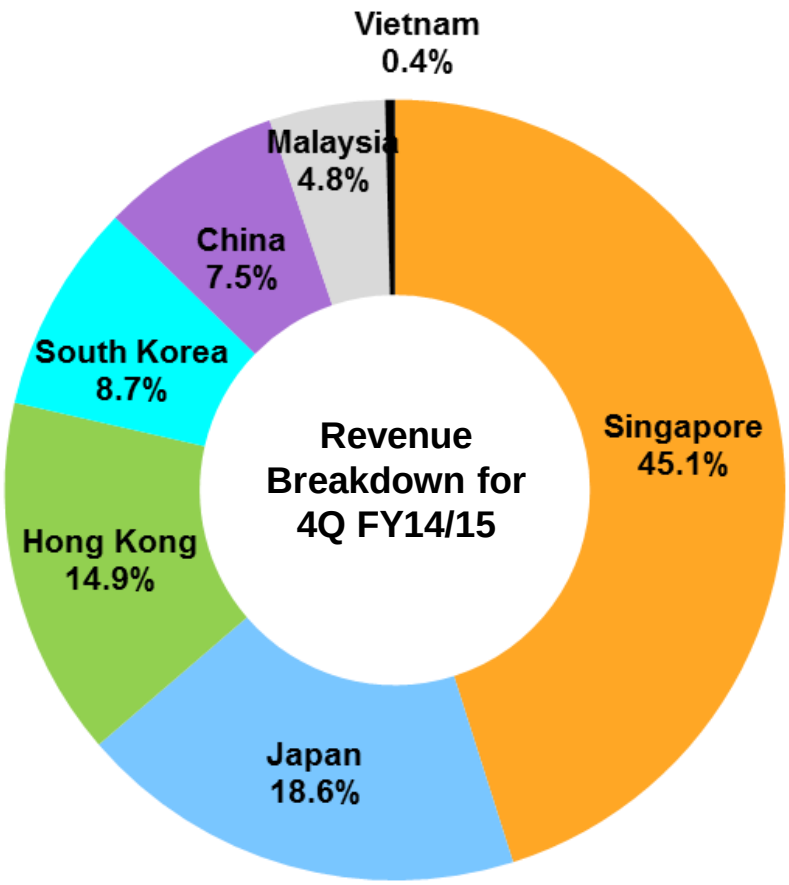




Geographical Diversification

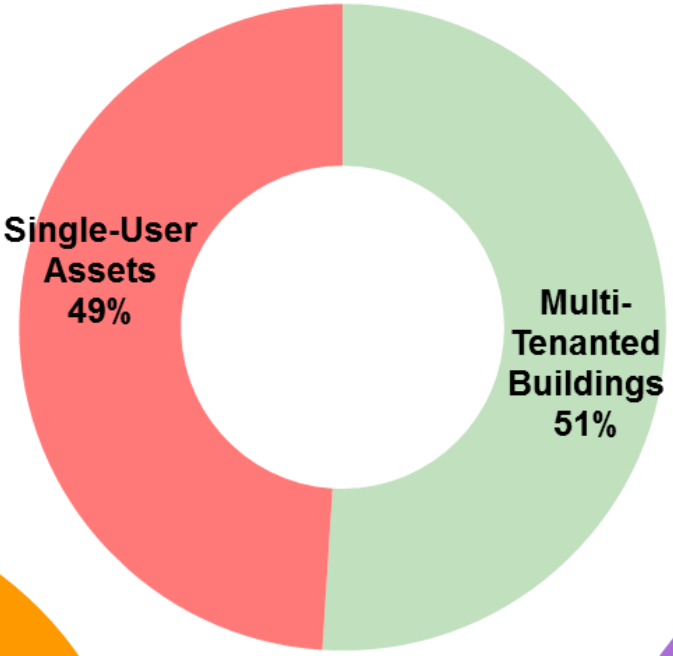


Property Value: S$4,631 million

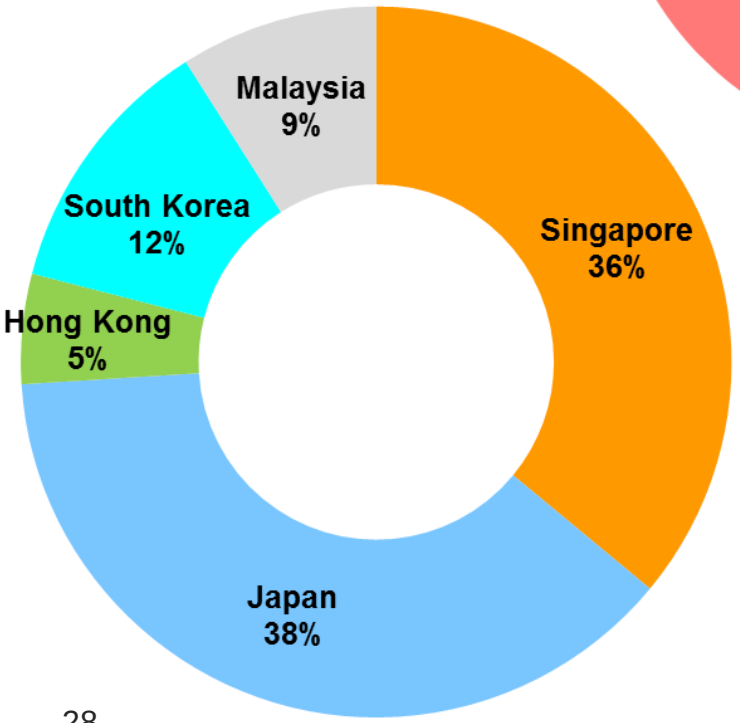


Revenue: S$84.7 million

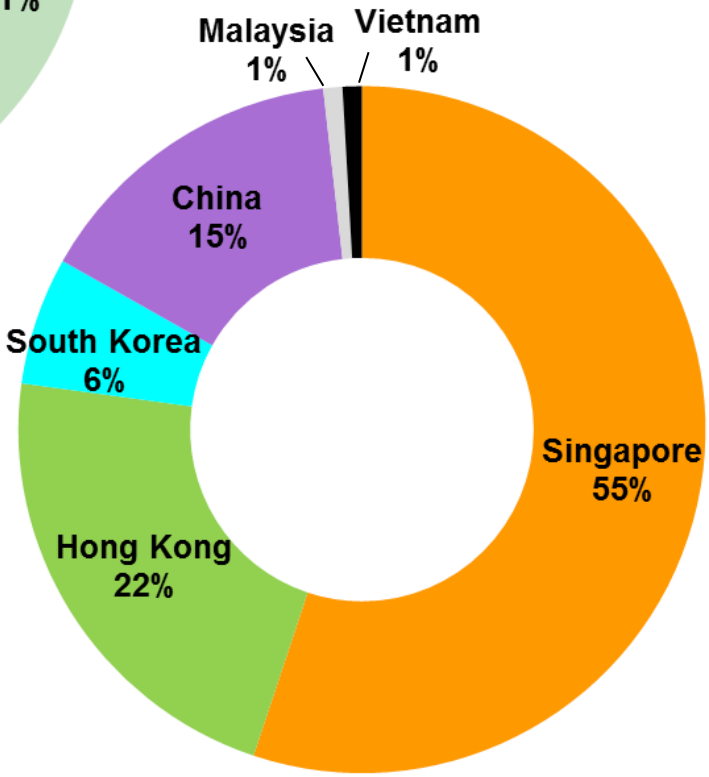
Multi-Tenanted Buildings vs. Single-User Assets



Mar 2015 SUA Revenue Contribution by Country

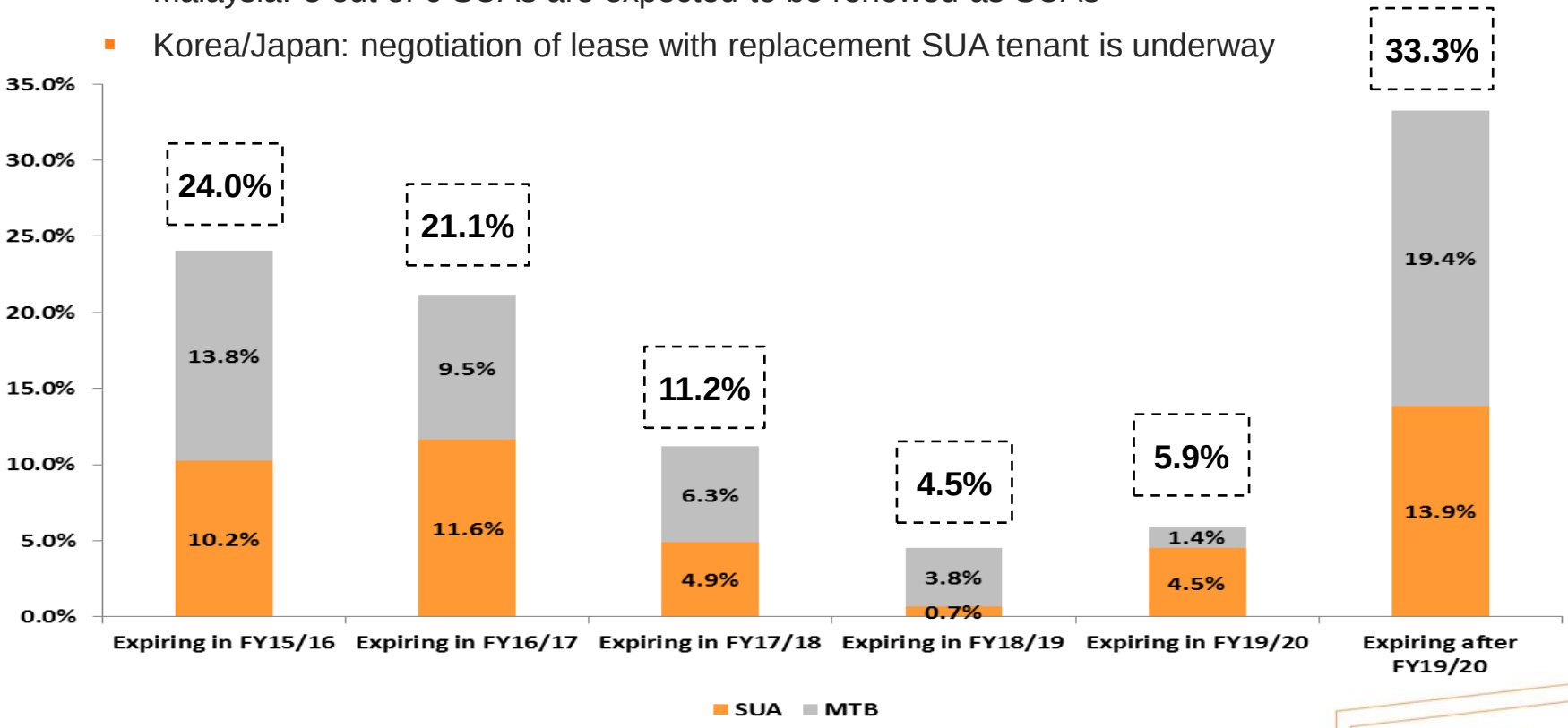


Mar 2015 MTB Revenue Contribution by Country

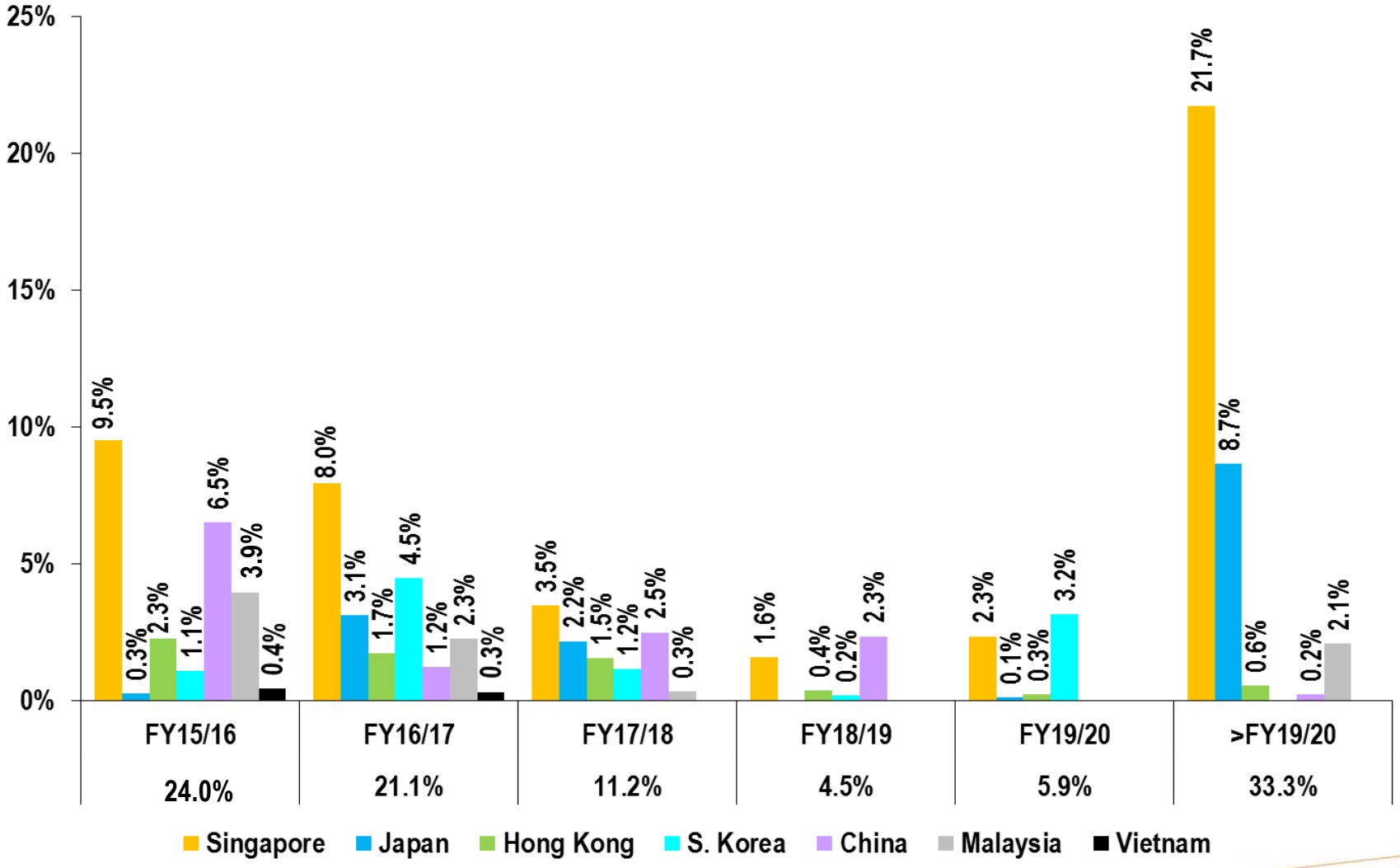


Lease Expiry Profile as at 31 Mar 2015 (by NLA)

- Weighted average lease term to expiry (by NLA) is about 4.3 years
- Out of 17 SUA expiries in FY14/15, 10 were renewed as SUAs and 7 were converted to MTBs
- In FY15/16, 17 SUAs will be expiring – 9 in Singapore, 6 in Malaysia, 1 in Korea and 1 in Japan
  - Singapore: 2 out of 9 SUAs will be renewed, 1 is slated for redevelopment
  - Malaysia: 5 out of 6 SUAs are expected to be renewed as SUAs
  - Korea/Japan: negotiation of lease with replacement SUA tenant is underway

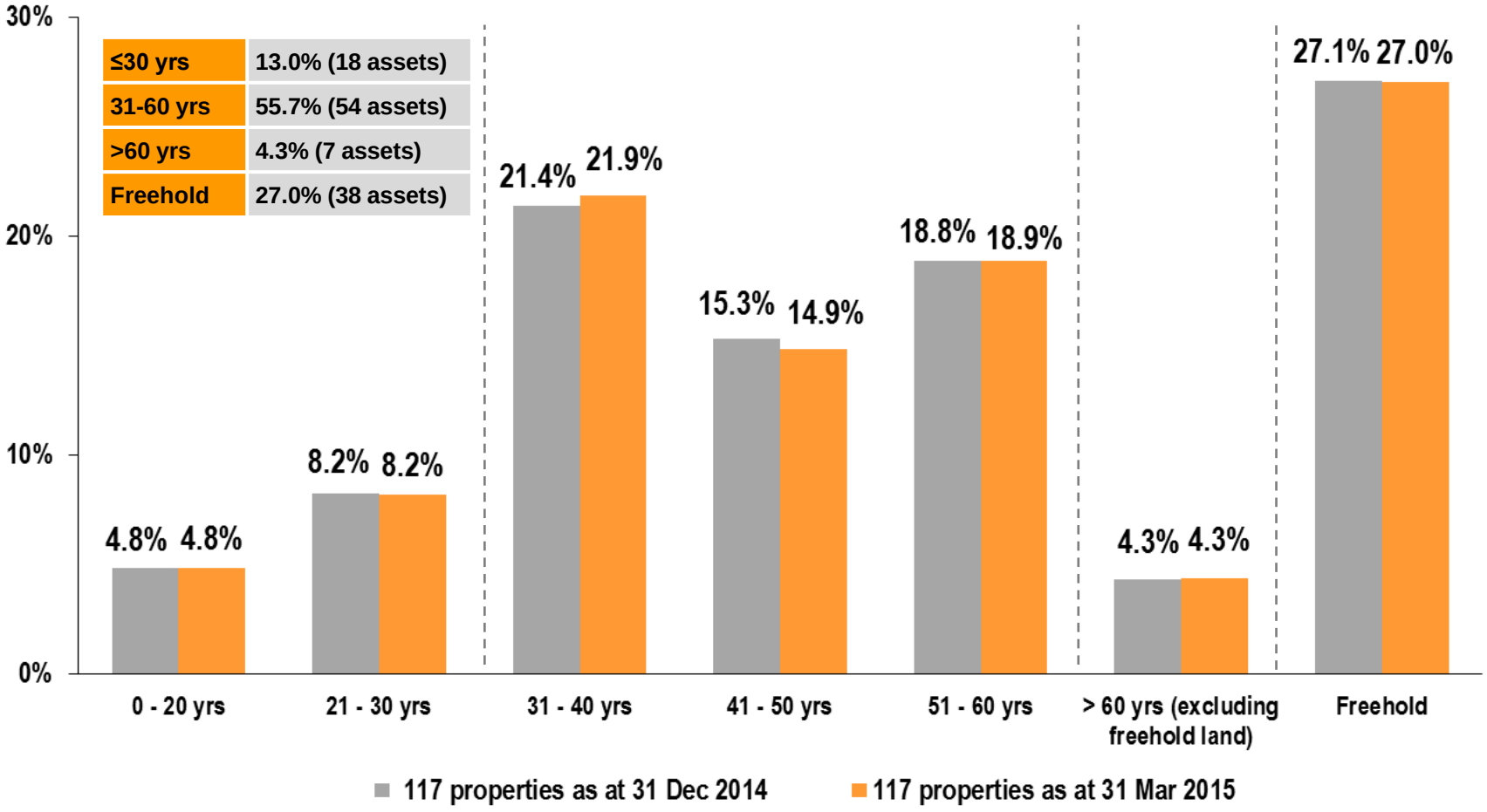


Country Breakdown of Lease Expiry Profile as at 31 Mar 2015 (by NLA)



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

- Weighted average lease term to expiry of underlying leasehold land (excluding freehold land): 43 years



Portfolio Valuation

- Slight cap rate compression in Hong Kong, stable cap rates in other countries

Country	No. of properties	Valuation as at 31 Mar 2015		
		Local Currency	S$ mil [1]	Cap rates
Singapore	53	SGD 1,751 mil	1,750.6	6% - 7.5%
Japan	22	JPY 83,120 mil	950.1	5.4% - 6.4%
Hong Kong	8	HKD 5,770 mil	1,026.1	5% - 5.25%
China	9	CNY 1,507 mil	337.5	7% - 8.5%[2]
South Korea	10	KRW 297,431 mil	365.9	NA[3]
Malaysia	14	MYR 503 mil	191.8	7% - 7.75%
Vietnam	1	USD 6.7 mil	9.2	11.5%
Total	**117**	**-**	**4,631.2**	**-**

1) Based on prevailing exchange rates for the financial year ended 31 March 2015.
2) Capitalisation rate is applied on a gross rental basis.
3) Discounted cash flow valuation technique was used at discount rates of 8% - 9.1%.

Portfolio at a Glance

	As at 31 Mar 2014	As at 31 Mar 2015
Investment Properties (S$ million)	4,235	4,631
WALE (by NLA) (years)	4.8	4.3
Net Lettable Area (million sqm)	2.9	3.1
Occupancy Rate (%)	98.3	96.7
No. of Tenants	390	410
No. of Properties	**111**	**117**

No. of Properties – By Country		
Singapore	52	53
Japan	22	22
Hong Kong	8	8
China	7	9
Malaysia	13	14
South Korea	8	10
Vietnam	1	1

Outlook

Outlook

- **Demand for logistics space in Asia expected to remain stable, but rental growth may be subdued**

- **Proactive marketing & lease management**
  - Manage transition of SUA conversions to MTBs
  - Short term pressure on portfolio occupancy due to downtime from SUA/MTB conversions
  - Property expenses also expected to remain on an uptrend due to the conversions

- **Long-term value creation for Unitholders**
  - Pursue yield-accretive acquisitions and AEIs in conjunction with proactive capital recycling
  - Maintain prudent capital management approach
  - Redevelopment of 5B Toh Guan Road East scheduled for completion in early FY16/17
  - Commencing redevelopment project at 76 Pioneer Road in FY15/16

Thank You

Appendix

MIPL's Logistics Development Projects in Asia

No.	Project	GFA (sqm)	Status
1	Mapletree Tianjin Airport Logistics Park	66,500	Completed with leasing underway
2	Mapletree Tianjin Port HaiFeng Bonded Logistics Park	194,100	Completed with leasing underway
3	Mapletree Wuxi New District Logistics Park	124,200	Construction underway
4	Mapletree Chongqing Jiangjin Industrial Park	47,600	Construction underway
5	Mapletree Tianjin Wuqing Logistics Park	30,000	Construction underway
6	Mapletree Fengdong (Xi'an) Logistics Park Phase 2	75,300	Construction underway
7	Mapletree Ningbo Cidong Logistics Park	140,500	Construction underway
8	Mapletree Fengdong (Xi'an) Logistics Park Phase 1	44,300	Awarded land tender
9	Mapletree Hangzhou Xiaoshan Logistics Park	110,000	Awarded land tender
10	Mapletree Changsha Hi-Tech Logistics Park	77,400	Awarded land tender
11	Mapletree Nantong NCEDZ Logistics Park	84,500	Awarded land tender
12	Mapletree Jinan International Logistics Park	81,100	Awarded land tender
13	Mapletree Chongqing Liangjiang Logistics Park	100,300	Awarded land tender
14	Mapletree Yuyao Simeng Logistics Park	49,500	Awarded land tender
15	Mapletree Changsha Hi-Tech II Logistics Park	98,900	Awarded land tender
	China Subtotal	**1,307,200**	
16	Mapletree Logistics Hub Tsing Yi	85,000	Construction underway
	Hong Kong Subtotal	**85,000**	
17	Odawara Centre (Kanagawa)	205,500	Completed and handed over to BTS customer
18	Joso Centre (Ibaraki)	27,200	Completed and handed over to BTS customer
	Japan Subtotal	**232,700**	
19	Mapletree Shah Alam Logistics Park	60,200	Completed with active renewal of leases
20	Mapletree Logistics Hub – Tanjung Pelepas, Iskandar	129,300	Awarded land tender
21	Mapletree Logistics Hub – Jubli Perak, Shah Alam	239,700	Awarded land tender
	Malaysia Subtotal	**429,200**	
22	Mapletree Logistics Park (Binh Duong)	440,000	Phases 1 & 2 completed with leasing underway
23	Mapletree Bac Ninh Logistics Park	310,000	Phase 1 completed with leasing underway
	Vietnam Subtotal	**750,000**	
	Total	**2,804,100**	

Table is updated as at 31 Mar 2015.

MIPL's Logistics Development Projects in China