



# 1QFY21/22

## Financial Results

27 July 2021



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# ***KEY HIGHLIGHTS*** ***1 APR 2021 TO 30 JUN 2021***



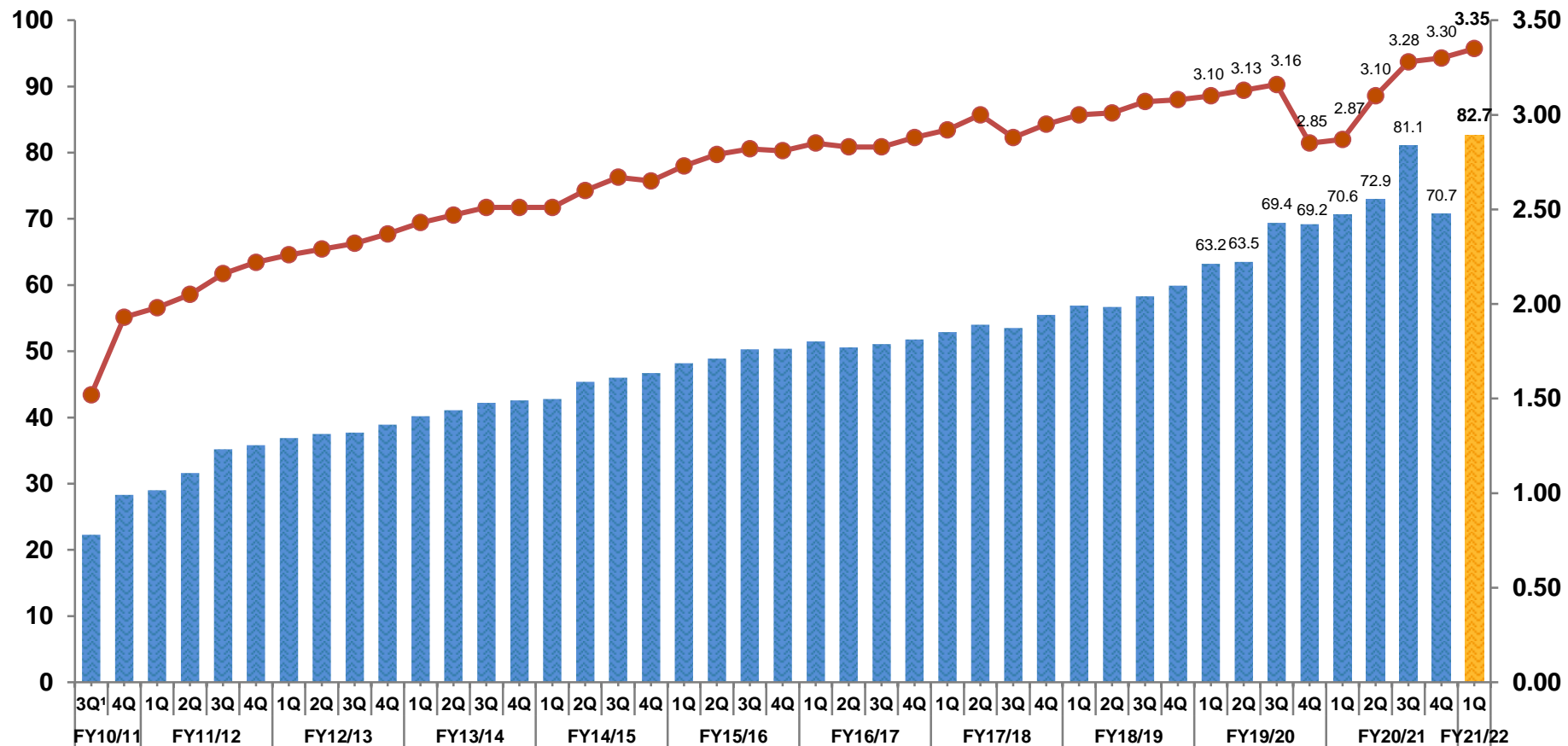
*Hi-Tech Building, 18 Tai Seng*

- ✦ **Growth driven mainly by contributions from North American data centres and absence of rental reliefs in 1QFY21/22**
  - 1QFY21/22 Distributable Income: S\$82.7 million (▲ 17.2% y-o-y)
  - 1QFY21/22 DPU: 3.35 cents (▲ 16.7% y-o-y)
  
- ✦ **Announced US\$1.32 billion acquisition of 29 data centres in the United States of America (the “United States”) on 20 May 2021, which was completed on 22 Jul 2021 (the “US Portfolio Acquisition”)**
  
- ✦ **Portfolio Update**
  - Average Overall Portfolio occupancy increased q-o-q from 93.7% to 94.3% in 1QFY21/22
  - Average rental rate of Singapore Portfolio increased q-o-q from S\$2.05 psf/mth to S\$2.13 psf/mth in 1QFY21/22
  
- ✦ **Capital management update**
  - Issued inaugural S\$300.0 million perpetual securities at 3.15% in May 2021
  - Successfully completed an S\$823.3 million equity fund raising exercise in Jun 2021

# Sustainable and Growing Returns

Distributable Income  
(S\$ million)

DPU  
(cents)



<sup>1</sup> MIT was listed on 21 Oct 2010.



# **1QFY21/22 FINANCIAL PERFORMANCE**

*Hi-Tech Buildings, build-to-suit project for HP*

# Statement of Profit or Loss (Year-on-Year)

	1QFY21/22 (S\$'000)	1QFY20/21 (S\$'000)	↑ / (↓)
Gross revenue	128,059	99,106	29.2%
Property operating expenses	(23,340)	(20,454)	14.1%
<b>Net property income</b>	<b>104,719</b>	<b>78,652</b>	<b>33.1%</b>
Borrowing costs	(15,238)	(10,568)	44.2%
Trust expenses	(12,436)	(9,337)	33.2%
Share of joint ventures' results <sup>1</sup>	8,980	13,748	(34.7%)
<b>Profit before income tax</b>	<b>86,025</b>	<b>72,495</b>	<b>18.7%</b>
Income tax expense	(1,414)	-	*
<b>Profit for the period</b>	<b>84,611</b>	<b>72,495</b>	<b>16.7%</b>
Profit attributable to perpetual securities holders	1,295	-	*
<b>Profit attributable to Unitholders</b>	<b>83,316</b>	<b>72,495</b>	<b>14.9%</b>
Net non-tax deductible items	(7,248)	(11,384)	(36.3%)
Distributions declared by joint ventures	6,628	9,447	(29.8%)
<b>Amount available for distribution to Unitholders</b>	<b>82,696</b>	<b>70,558</b>	<b>17.2%</b>
<b>Distribution per Unit (cents)</b>	<b>3.35</b>	<b>2.87<sup>2</sup></b>	<b>16.7%</b>

\* Not meaningful

<sup>1</sup> Share of joint ventures' results relates to MIT's equity interest in the joint ventures with Mapletree Investments Pte Ltd ("MIPL"). The results of the joint ventures were equity accounted at the Group level. With effect from 1 Sep 2020, upon completion of the acquisition of the remaining 60% interest, financial results of the 14 data centres in the United States of America previously held under Mapletree Redwood Data Centre Trust had been consolidated.

<sup>2</sup> Excludes tax-exempt income withheld amounting to S\$7.1 million.



# Statement of Profit or Loss (Qtr-on-Qtr)

	1QFY21/22 (S\$'000)	4QFY20/21 (S\$'000)	↑ / (↓)
Gross revenue	128,059	121,062	5.8%
Property operating expenses	(23,340)	(29,254)	(20.2%)
<b>Net property income</b>	<b>104,719</b>	<b>91,808</b>	<b>14.1%</b>
Borrowing costs	(15,238)	(14,797)	3.0%
Trust expenses	(12,436)	(12,237)	1.6%
Net fair value loss on investment properties and investment property under development	-	(87,083)	*
Share of joint venture's results <sup>1</sup>	8,980	9,204	(2.4%)
<b>Profit /(loss) before income tax</b>	<b>86,025</b>	<b>(13,105)</b>	*
Income tax expense	(1,414)	(32,697)	(95.7%)
<b>Profit /(loss) for the period</b>	<b>84,611</b>	<b>(45,802)</b>	*
Profit attributable to perpetual securities holders	1,295	-	*
<b>Profit/(loss) attributable to Unitholders</b>	<b>83,316</b>	<b>(45,802)</b>	*
Net non-tax deductible items	(7,248)	110,426	*
Distribution declared by joint venture	6,628	6,124	8.2%
<b>Amount available for distribution to Unitholders</b>	<b>82,696</b>	<b>70,748</b>	<b>16.9%</b>
<b>Distribution per Unit (cents)</b>	<b>3.35</b>	<b>3.30<sup>2</sup></b>	<b>1.5%</b>

\* Not meaningful

<sup>1</sup> Share of joint venture's results relates to MIT's equity interest in the joint venture with MIPL. The results of the joint venture was equity accounted at the Group level.

<sup>2</sup> Includes tax-exempt income amounting to S\$7.1 million, which was previously withheld in 1QFY20/21 and subsequently distributed in 4QFY20/21.

# Statement of Financial Position

	30 Jun 2021	31 Mar 2021	↑ / (↓)
Total assets (S\$'000)	6,990,532	6,391,619	9.4%
Total liabilities (S\$'000)	2,040,045	2,496,619	(18.3%)
<b>Net assets attributable to Unitholders (S\$'000)</b>	<b>4,651,040</b>	<b>3,895,000</b>	<b>19.4%</b>
<b>Net asset value per Unit (S\$)<sup>1</sup></b>	<b>1.75</b>	<b>1.66</b>	<b>5.4%</b>

<sup>1</sup> Net tangible asset per Unit was the same as net asset value per Unit as there were no intangible assets as at reporting dates.

# Strong Balance Sheet

	30 Jun 2021	31 Mar 2021
Total debt (MIT Group)	<b>S\$1,787.2 million</b>	S\$2,245.2 million
Weighted average tenor of debt	<b>2.8 years</b>	3.6 years
Aggregate leverage ratio <sup>1</sup>	<b>31.0%</b>	40.3%

## Strong balance sheet to pursue growth opportunities

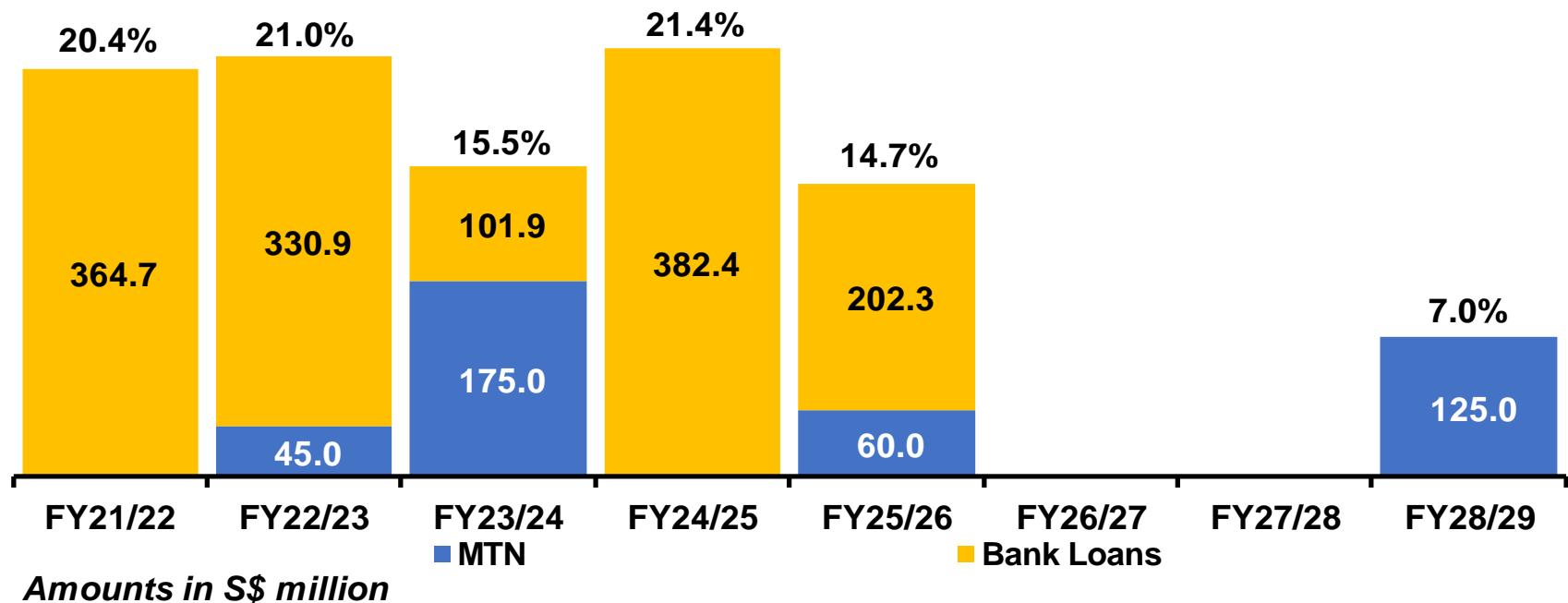
- ✦ 'BBB+' rating with Stable Outlook by Fitch Ratings
- ✦ 100% of loans unsecured with minimal covenants
- ✦ Raised S\$300 million from issuance of perpetual securities and about S\$823.3 million from equity fund raising exercise
- ✦ US Portfolio Acquisition funded by debt and proceeds from equity fund raising exercise in Jun 2021

<sup>1</sup> In accordance with Property Funds Guidelines, the aggregate leverage ratio includes proportionate share of aggregate leverage as well as deposited property values of joint venture. As at 30 Jun 2021, aggregate leverage including MIT's proportionate share of joint venture is S\$2,334.0 million.

# Well Diversified Debt Maturity Profile

## DEBT MATURITY PROFILE

As at 30 June 2021



Weighted Average Tenor of Debt = 2.8 years

	30 Jun 2021	31 Mar 2021
Fixed as a % of total debt	<b>95.8%</b>	76.8%
Weighted average hedge tenor	<b>2.8 years</b>	3.0 years
Weighted average all-in funding cost for the quarter	<b>2.7%</b>	2.8%
Interest coverage ratio (“ICR”) for the quarter	<b>6.8 times</b>	6.0 times
ICR for the trailing 12 months <sup>1</sup>	<b>6.3 times</b>	6.4 times
Adjusted ICR for the trailing 12 months <sup>1</sup>	<b>6.1 times</b>	6.4 times

- ✦ High ratio of fixed rate debt to total debt due to repayment of unhedged debt

<sup>1</sup> Calculated in accordance with Property Funds Guidelines dated 16 Apr 2020

# ***PORTFOLIO UPDATE***



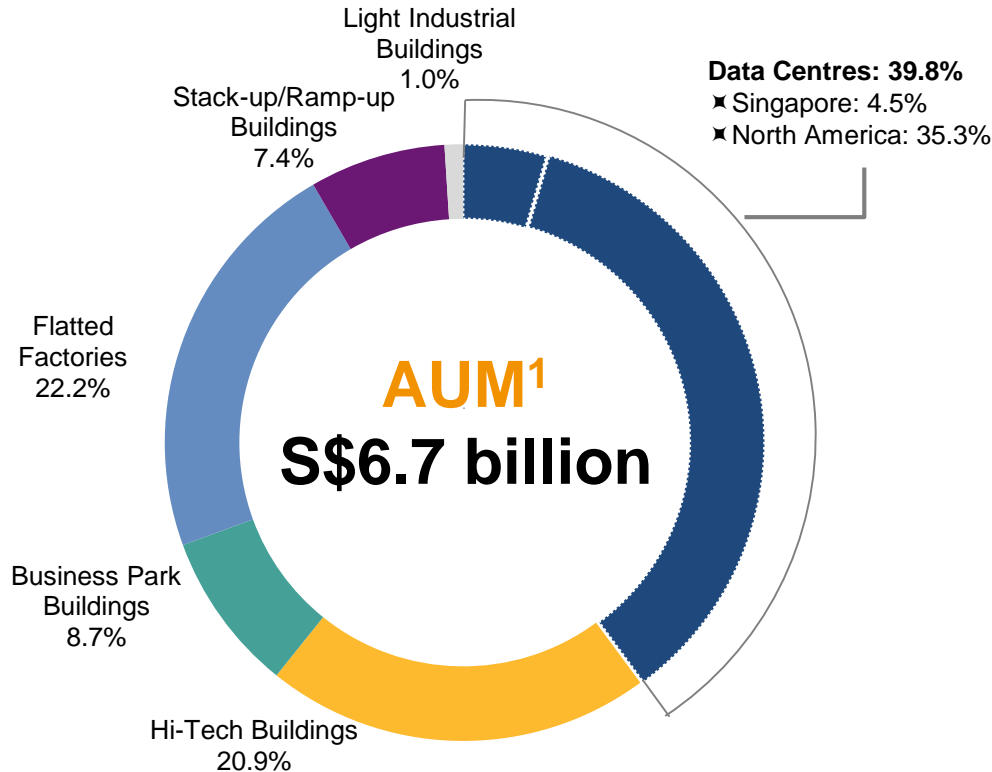
*Business Park Buildings, The Strategy and The Synergy*

# 114 Properties Across 6 Property Segments

**\$6.7 billion<sup>1</sup>**  
AUM

**20.9 million<sup>2</sup>**  
NLA (sq ft)

**>2,000 tenants**  
Tenant Base



## AUM by geography

Singapore	64.7%
North America	35.3%

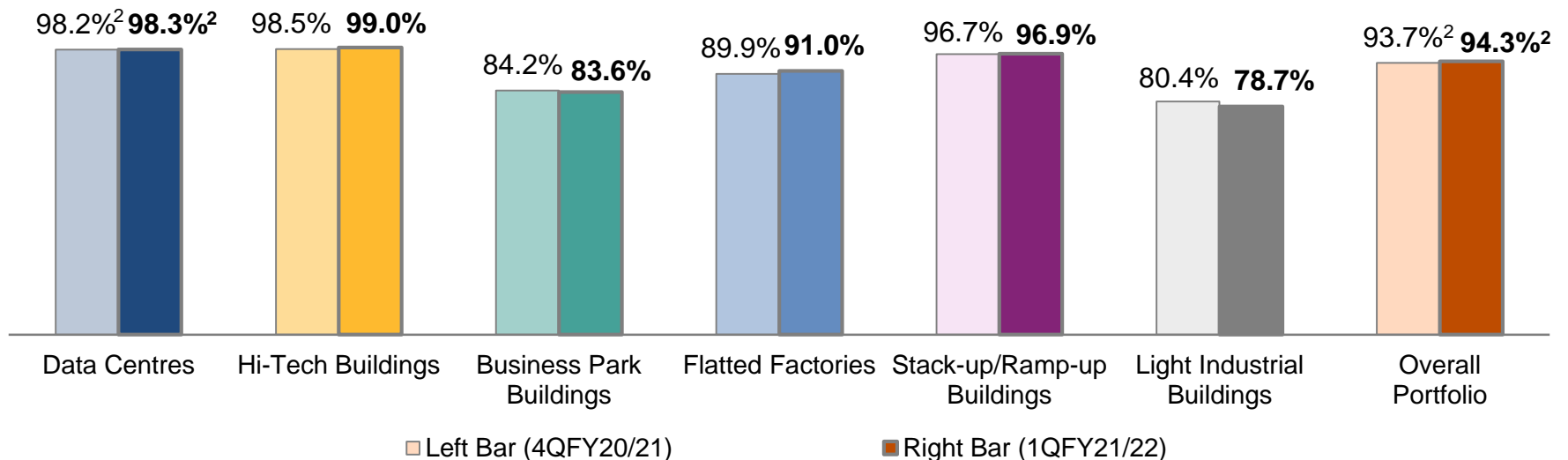
<sup>1</sup> Based on MIT's book value of investment properties as well as MIT's interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America and included MIT's right-of-use assets as at 30 Jun 2021.

<sup>2</sup> Excludes the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree.

# Portfolio Overview

	Singapore Portfolio	North American Portfolio	Overall Portfolio
Number of properties	86	28	114
NLA (million sq ft)	15.9	5.0 <sup>1</sup>	20.9 <sup>1</sup>
Occupancy (%)			
<b>1QFY21/22</b>	<b>93.4</b>	<b>97.8</b>	<b>94.3<sup>2</sup></b>
<i>4QFY20/21</i>	<i>92.9</i>	<i>97.6</i>	<i>93.7<sup>2</sup></i>

## SEGMENTAL OCCUPANCY RATES<sup>1</sup>



<sup>1</sup> Excludes the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree.

<sup>2</sup> Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through Mapletree Rosewood Data Centre Trust ("MRODCT").



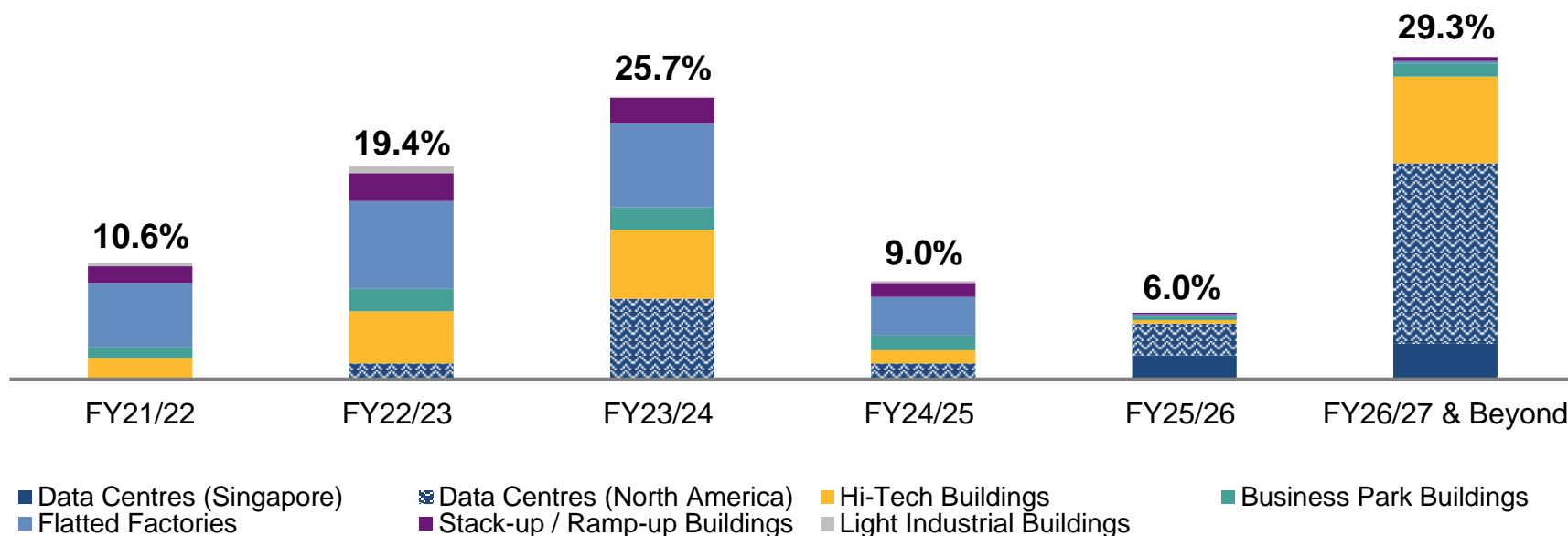
# Lease Expiry Profile

## EXPIRING LEASES BY GROSS RENTAL INCOME<sup>1</sup>

As at 30 June 2021

### WALE based on date of commencement of leases (years)<sup>2</sup>

Singapore Portfolio	2.8
North American Portfolio	6.0
<b>Overall Portfolio<sup>1</sup></b>	<b>3.7</b>



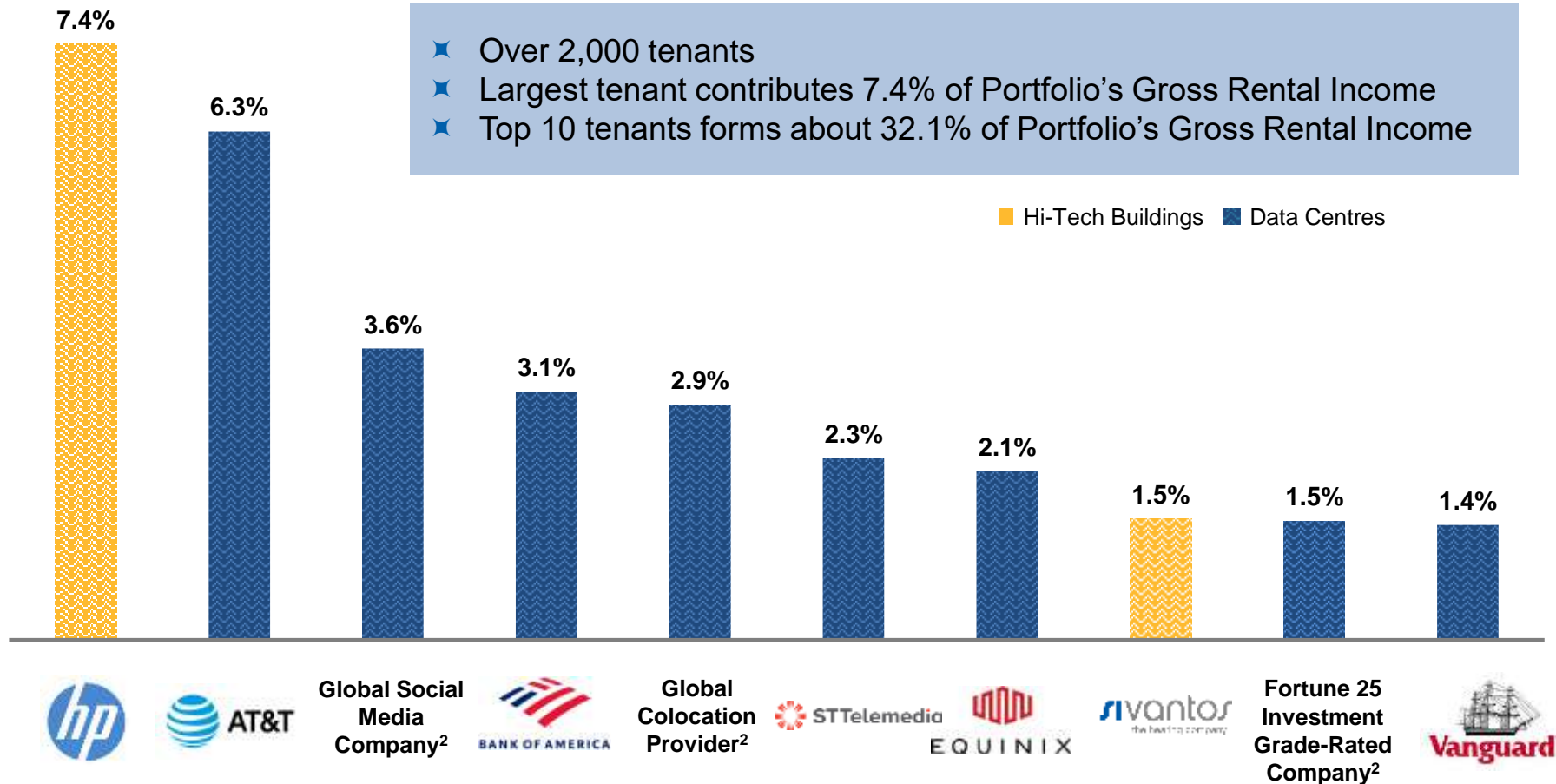
<sup>1</sup> Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through MRODCT.

<sup>2</sup> Refers to leases which commenced prior to and on 30 Jun 2021.

# Large and Diversified Tenant Base

## TOP 10 TENANTS BY GROSS RENTAL INCOME<sup>1</sup>

As at 30 June 2021

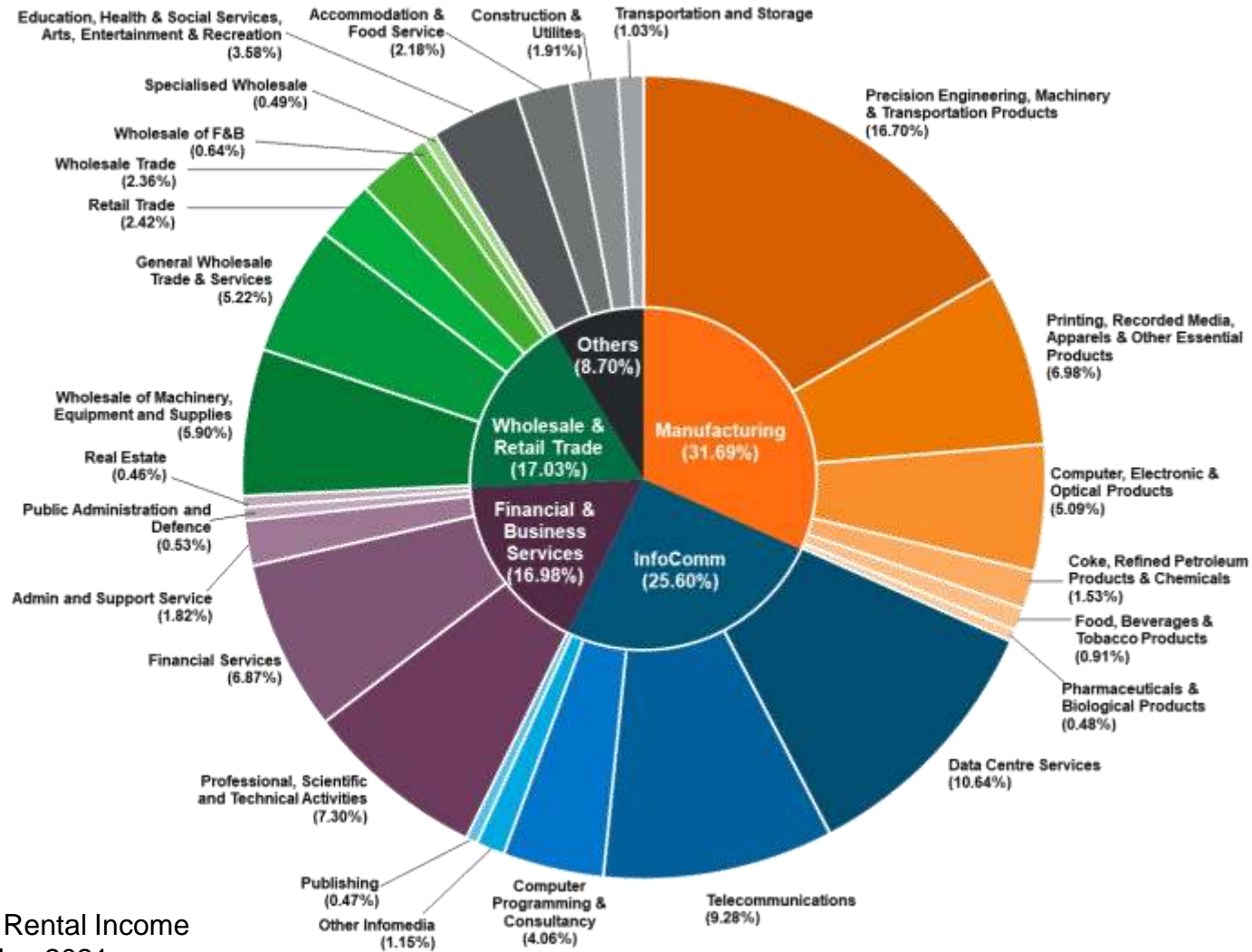


<sup>1</sup> Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through MRODCT.

<sup>2</sup> The identities of the tenants cannot be disclosed due to the strict confidentiality obligations under the lease agreements.

# Tenant Diversification Across Trade Sectors<sup>1</sup>

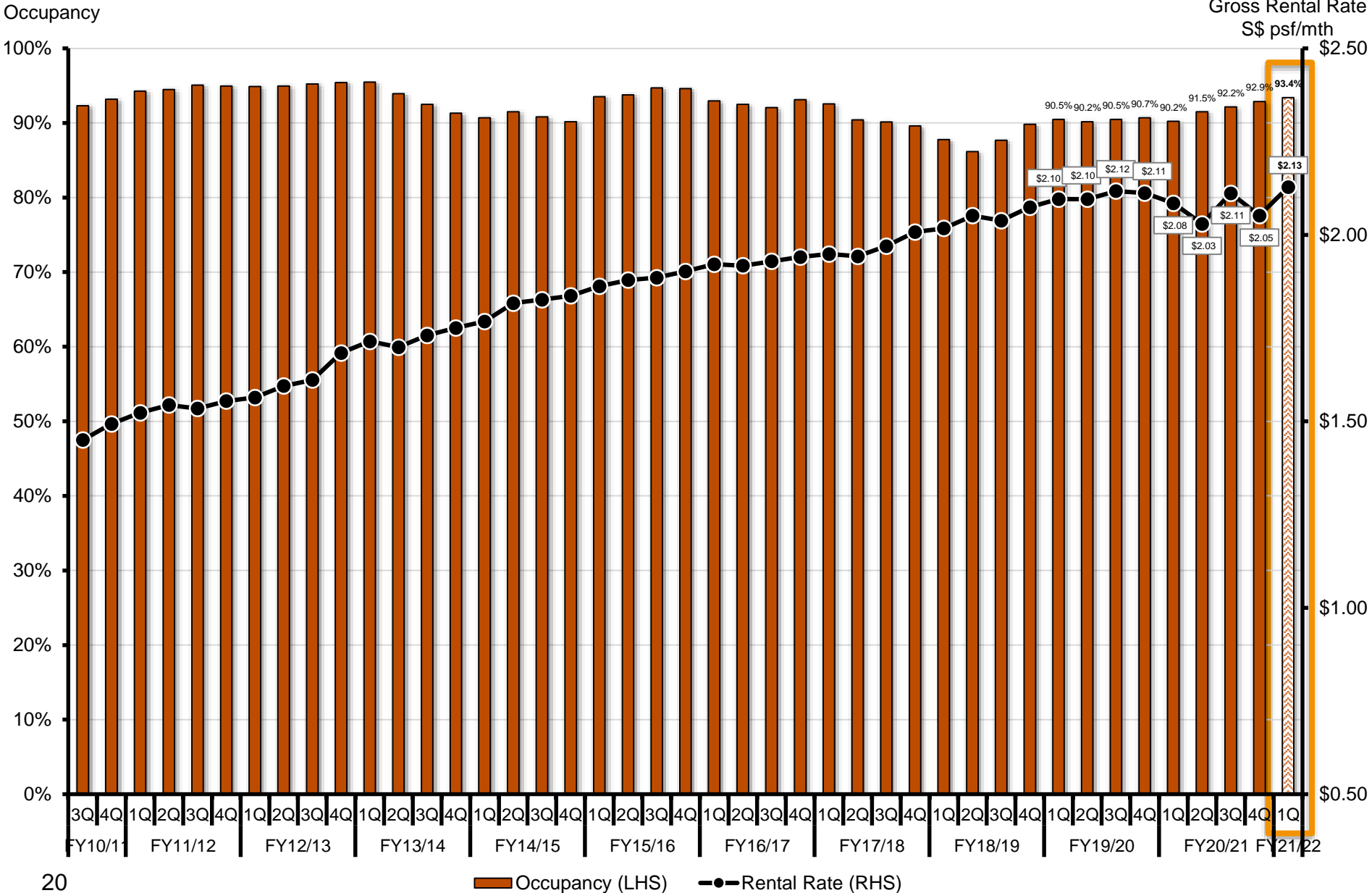
No single trade sector accounted >17% of Portfolio's Gross Rental Income



By Gross Rental Income  
As at 30 Jun 2021

<sup>1</sup> Based on MIT's 50% interest of the joint venture with MIPL in three fully fitted hyperscale data centres and 10 powered shell data centres in North America through MRODCT.

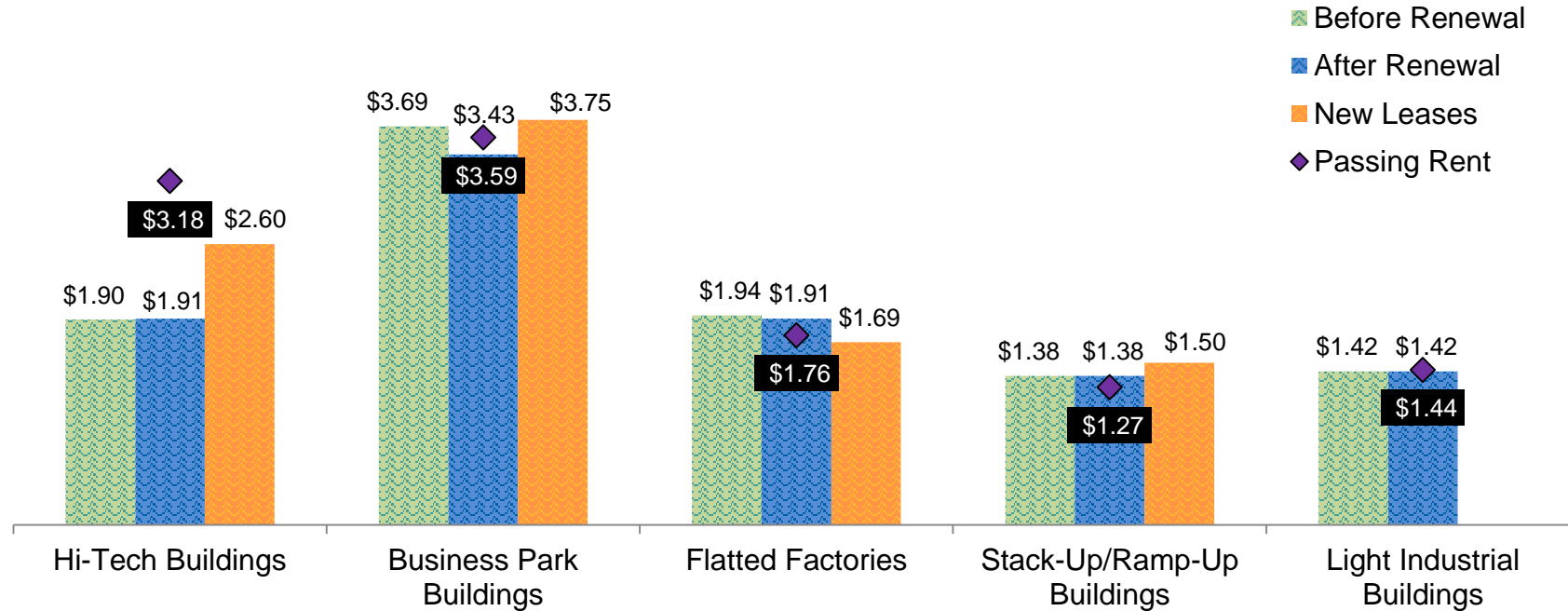
# Singapore Portfolio Performance



# Rental Revisions (Singapore)

## GROSS RENTAL RATE (\$ PSF/MTH)<sup>1</sup>

For Period 1QFY21/22



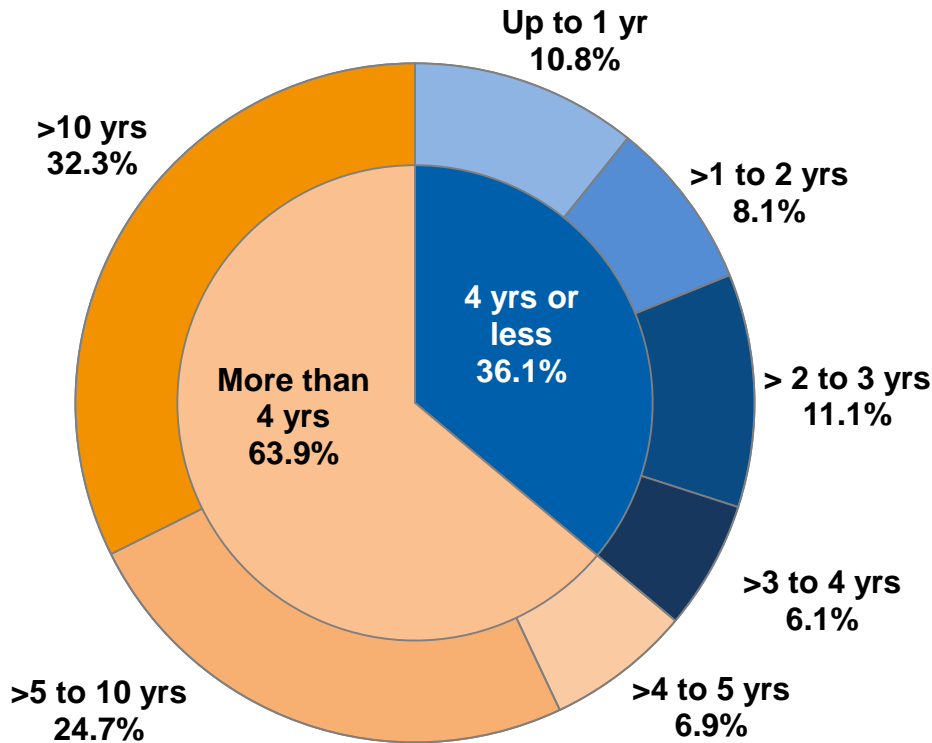
<b>Renewal Leases</b>	6 Leases (13,627 sq ft)	16 Leases (62,062 sq ft)	75 Leases (181,455 sq ft)	5 Leases (49,342 sq ft)	2 Leases (9,715 sq ft)
<b>New Leases</b>	7 Leases (18,762 sq ft)	4 Leases (9,641 sq ft)	68 Leases (147,312 sq ft)	2 Leases (12,120 sq ft)	N.A. <sup>2</sup>

<sup>1</sup> Gross Rental Rate figures exclude short term leases; except Passing Rent figures which include all leases.

<sup>2</sup> Not applicable as there were no new leases secured in the quarter.

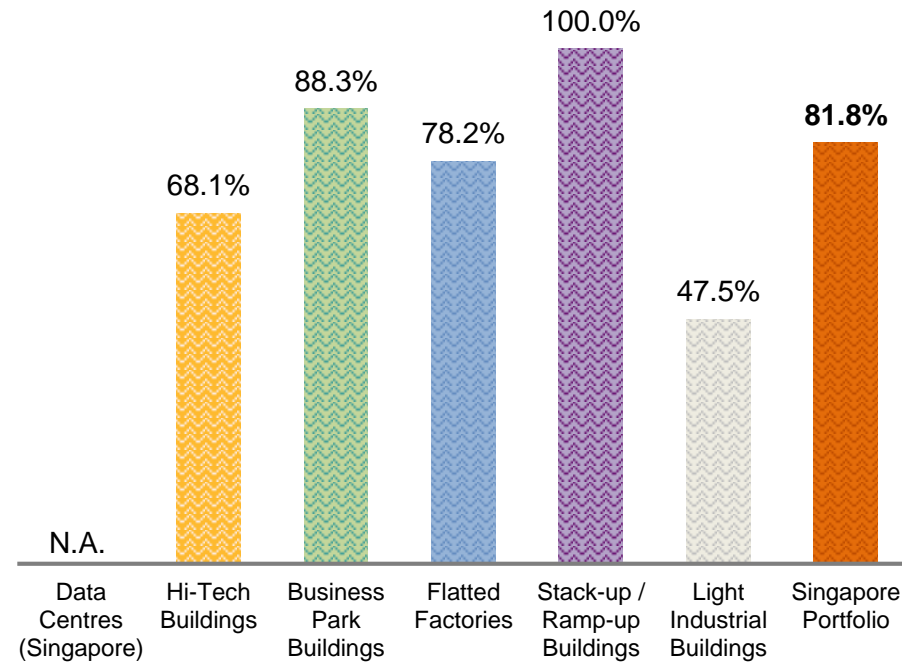
# Healthy Tenant Retention (Singapore)

## LONG STAYING TENANTS



As at 30 Jun 2021  
By number of tenants.

## RETENTION RATE FOR 1QFY21/22



Based on NLA.  
Not applicable for Data Centres (Singapore) as there were no leases due for renewal.

- ✦ 63.9% of the tenants have leased the properties for more than 4 years
- ✦ Tenant retention rate of 81.8% in 1QFY21/22

# ***INVESTMENT UPDATE***

*Data Centres, 44490 Chillum Place (ACC2), Northern Virginia*

# Acquisition – 29 Data Centres in the United States



400 Minuteman Road, Andover



250 Williams Street NW, Atlanta



2601 West Broadway Road, Tempe

<b>Acquisition</b>	Announced acquisition of a portfolio of 29 data centres in the United States (the “New Portfolio”) on 20 May 2021
<b>Vendors</b>	Subsidiaries of Sila Realty Trust, Inc.
<b>Valuation</b>	US\$1,335.0 million <sup>1</sup> (S\$1,802.3 million) <sup>2</sup>
<b>Purchase Consideration</b>	Purchase Consideration: US\$1,320.0 million (S\$1,795.2 million) Total Acquisition Outlay: US\$1,342.3 million (S\$1,825.5 million)
<b>Land Area</b>	8.4 million sq ft
<b>Net Lettable Area</b>	3.3 million sq ft
<b>Completed</b>	22 Jul 2021 (Eastern Standard Time)

<sup>1</sup> Independent valuation by Newmark Knight Frank Valuation & Advisory, LLC as at 30 Apr 2021.

<sup>2</sup> Unless otherwise stated, an illustrative exchange rate of US\$1.00 to S\$1.36 is used in this presentation.



# Overview of the New Portfolio

One of the largest owners of data centres among REITs listed in APAC<sup>1</sup>

29

Data Centres

7.9 years

WALE

87.8%

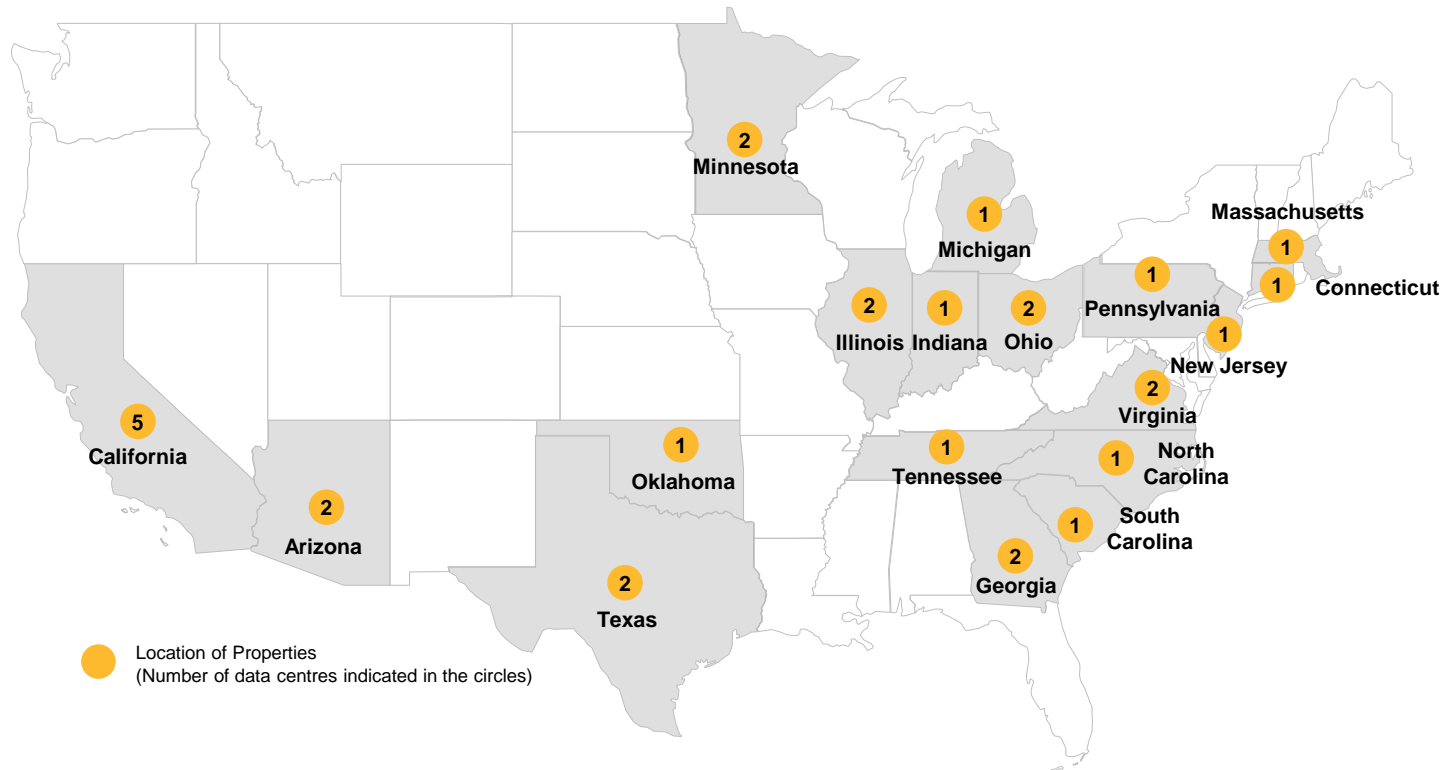
Occupancy<sup>2</sup>

94.1%

Freehold<sup>3</sup>

1.5-3.0%

Rental escalation p.a.  
(for 89.4% of leases)




<sup>1</sup> By AUM.

<sup>2</sup> Includes 250 Williams Street NW, Atlanta with an occupancy of 63.5% as at 1 Jun 2021. Excluding 250 Williams Street NW, Atlanta, New Portfolio occupancy was at 98.4% as at 1 Jun 2021.

<sup>3</sup> All Properties are sited on freehold land, except for 2005 East Technology Circle, Tempe and part of 250 Williams Street NW, Atlanta, which had remaining land tenures of 61.6 years and 46.7 years respectively as at 1 Jun 2021.

# Acquisition - 8011 Villa Park Drive

<b>Acquisition</b>	Acquisition of a data centre located in Virginia, the United States (the "Property")
<b>Address</b>	 8011 Villa Park Drive, Richmond, Virginia
<b>Tenant</b>	The Bank of America Corporation
<b>Land Area</b>	About 2.0 million sq ft
<b>Net Lettable Area</b>	701,321 sq ft
<b>Lease Term</b>	<ul style="list-style-type: none"><li>▪ Fully leased on a triple net basis with balance lease term of more than five years</li><li>▪ Initial lease term expiring on 10 Jun 2022 with three 5-year renewal options<sup>1</sup></li><li>▪ Zero base rent from 13 Mar 2021 to 10 Jun 2022</li><li>▪ Rent to commence after 10 Jun 2022</li></ul>
<b>Finalisation of Purchase Consideration<sup>2</sup></b>	US\$220.9 million (approximately S\$300.4 million <sup>3</sup> )
<b>Completed</b>	12 Mar 2021 (Eastern Standard Time)

<sup>1</sup> The Bank of America Corporation has renewed the first of three additional terms of five years.

<sup>2</sup> Refer to purchase consideration after the extension term base rent to be paid by the tenant was finalised on 19 Jul 2021.

<sup>3</sup> Unless otherwise stated, an illustrative exchange rate of US\$1.00 to S\$1.36 is used in this presentation.

# Divestment – 26A Ayer Rajah Crescent

Sale Price	GFA	Completed
S\$125.0 million	384,802 sq ft	25 Jun 2021



26A Ayer Rajah Crescent

- ✦ Exercise of option to purchase 26A Ayer Rajah Crescent by Equinix Singapore<sup>1</sup>
- ✦ Seven-storey data centre developed by MIT for Equinix in Jan 2015
- ✦ 30-year land lease commenced on 22 May 2013
- ✦ Contributed about 2.0% to MIT's portfolio gross revenue in FY20/21
- ✦ Sale Price is in line with valuation of S\$125.0 million<sup>2</sup>
- ✦ Net divestment gains of S\$15.7 million will be distributed over eight quarters from 2QFY21/22

<sup>1</sup> Refers to the exercise of option to purchase 26A Ayer Rajah Crescent within the Lease Agreement between MIT and Equinix dated 1 Mar 2015. 26A Ayer Rajah Crescent is the only property in MIT's portfolio with such option to purchase being granted to the tenant.

<sup>2</sup> Based on the annual valuation as at 31 Mar 2020 being the FY19/20 year-end valuation prior to the sale and purchase agreement entered into on 14 Aug 2020.

# Redevelopment – Kolam Ayer 2<sup>1</sup>

161, 163 & 165 Kallang Way <sup>1</sup>		GFA	Plot Ratio
Kolam Ayer 2 Cluster	Two Flatted Factories and an amenity centre	506,720 sq ft	1.5
After Redevelopment	New Hi-Tech Buildings, including a seven-storey BTS Facility for Anchor Tenant	865,600 sq ft	2.5



Artist's impression of MIT's new high-tech industrial precinct with BTS Facility on the left



Completed piling for Block 1 and 2. Substructure works in progress

- ✦ Redevelopment of Flatted Factories into a new high-tech industrial precinct at total project cost of S\$300 million<sup>2</sup>
- ✦ Secured pre-commitment from a global medical device company headquartered in Germany (the “Anchor Tenant”) for about 24.4% of enlarged GFA (~211,000 sq ft)
- ✦ BTS Facility is 100% committed by Anchor Tenant for lease term of 15 + 5 + 5 years<sup>3</sup> with annual rental escalations
- ✦ Commenced construction for two industrial buildings in late Nov 2020; Construction contract of third industrial building was awarded in May 2021
- ✦ Expected completions of 161 & 163 Kallang Way in 2H2022 and 165 Kallang Way in 1H2023

<sup>1</sup> Upon commencement of the redevelopment works in Jul 2020, the cluster was renamed after its new address (161, 163 & 165 Kallang Way).

<sup>2</sup> Includes the book value of the Kolam Ayer 2 Cluster at S\$70.2 million as at 31 Mar 2019 prior to the commencement of the redevelopment.

<sup>3</sup> Includes a rent-free period of 6 months distributed over the first six years. Anchor Tenant is responsible for all operating expense and property tax of the BTS Facility.



# **OUTLOOK AND STRATEGY**

*Data Centres, 7337 Trade Street,  
San Diego*

## Singapore

### ✦ **Challenging operating environment in view of uncertainty over trajectory of economic recovery from COVID-19 pandemic**

- Singapore economy grew by 14.3% y-o-y in the quarter ended 30 Jun 2021, extending the 1.3% growth in the preceding quarter<sup>1</sup>
- While business sentiments have remained expansionary for the second consecutive quarter in 3Q2021, the changes were limited to the financial services, manufacturing and services sectors<sup>2</sup>

### ✦ **Impact on Singapore Portfolio**

- As at 30 Jun 2021, rental arrears of more than one month was about 1.1% of previous 12 months' gross revenue. This was an improvement from 1.2% as at 31 Mar 2021

<sup>1</sup> Source: Ministry of Trade and Industry (Advance Estimates), 14 Jul 2021.

<sup>2</sup> Source: Singapore Commercial Credit Bureau, 3Q2021.

## North America

### ✦ **Resilient asset class with growth opportunities**

- According to 451 Research<sup>3</sup>, North America is the world's second largest data centre region, which accounted for about 30.5% of the global insourced and outsourced data centre space (by net operational sq ft)
- Leased data centre supply (by net operational sq ft) and demand (by net utilised sq ft) are expected to grow at a compound annual growth rate of 7% and 8% respectively between 2019 and 2025F
- The pandemic has boosted data centre demand in the short and, potentially, long term. 451 Research also expected more demand for edge infrastructure and sustainable data centres as environmental concerns become more important to local governments and end users

<sup>3</sup> Source: North American Data Centre Market Overview , 451 Research/S&P Global Market Intelligence, 2021.

## Stable and Resilient Portfolio

- ✦ Anchored by large and diversified tenant base with low dependence on any single tenant or trade sector
- ✦ Focus on tenant retention to maintain a stable portfolio occupancy

## Enhanced Financial Flexibility

- ✦ More than S\$900 million of committed facilities available
- ✦ Healthy interest coverage ratio of 6.1 times<sup>1</sup>

## Growth by Acquisitions and Developments

- ✦ Completed US\$1.32 billion acquisition of 29 data centres located in the United States
- ✦ Redevelopment at 161, 163 & 165 Kallang Way to be slated for full completion in 1H2023

<sup>1</sup> Refers to adjusted interest coverage ratio for the trailing 12 months.





# End of Presentation

For enquiries, please contact Ms Melissa Tan, Director, Investor Relations,  
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