



maple^{tree}
industrial

ANNUAL REPORT
2017/2018

FOCUS
SUSTAINABILITY
GROWTH



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|---|--|----|--|
| 1 | 2 Christie Heights, New Jersey, US | 8 | 5150 McCrimmon Parkway, North Carolina, US |
| 2 | 1805 Center Park Drive, North Carolina, US | 9 | 30A Kallang Place, Singapore |
| 3 | 26A Ayer Rajah Crescent, Singapore | 10 | 1221 Coit Road, Texas, US |
| 4 | 1 & 1A Depot Close, Singapore | 11 | 7337 Trade Street, California, US |
| 5 | 180 Peachtree, Georgia, US | 12 | 5000 Bowen, Texas, US |
| 6 | K&S Corporate Headquarters, Singapore | 13 | Kallang Basin 4, Singapore |
| 7 | N15W24250 Riverwood Drive, Wisconsin, US | 14 | 19675 W Ten Mile Road, Michigan, US |

Vision

To be the preferred industrial real estate solutions provider

Mission

To deliver sustainable and growing returns to Unitholders by providing quality industrial real estate solutions to clients

Corporate Profile

Mapletree Industrial Trust ("MIT") is a real estate investment trust ("REIT") listed on the Main Board of Singapore Exchange. Its principal investment strategy is to invest in a diversified portfolio of income-producing real estate used primarily for industrial purposes in Singapore and income-producing real estate used primarily as data centres worldwide beyond Singapore, as well as real estate-related assets.

MIT's property portfolio comprises 85 industrial properties in Singapore and 14 data centres in the United States of America (40% interest through the joint venture with Mapletree Investments Pte Ltd). The properties in Singapore include Hi-Tech Buildings, Flatted Factories, Business Park Buildings, Stack-up/Ramp-up Buildings and Light Industrial Buildings. As at 31 March 2018, MIT's total assets under management was S\$4.3 billion.

MIT is managed by Mapletree Industrial Trust Management Ltd. (the "Manager"), a wholly-owned subsidiary of Mapletree Investments Pte Ltd (the "Sponsor"). The Sponsor is a leading real estate development, investment and capital management company headquartered in Singapore.

FOCUS

Targeting the Growth Potential
of Data Centres

14 data centres

in the United States
of America

First overseas acquisition

We broadened our geographical footprint in financial year 2017/2018 with the expansion of MIT's investment strategy to include data centres worldwide beyond Singapore. Our first overseas acquisition of 14 data centres in the United States of America at a purchase consideration of US\$750 million via a 40:60 joint venture with the Sponsor, Mapletree Investments Pte Ltd, is a measured approach for MIT to establish a sizeable presence in the world's largest data centre market. Leveraging on the Sponsor's strong network and capabilities, the expanded investment strategy will position MIT to seize opportunities in the fast-growing global data centre sector.



SUSTAIN ABILITY

Delivering Sustainable Returns




199.7% | Total return
since listing

Underpinned by a large diversified portfolio and a strong balance sheet, we build on our strengths to pursue growth opportunities in Singapore and overseas. Through investments in the Hi-Tech Buildings segment, we continue to strengthen our portfolio to cater to the changing needs of tenants and attract users from new growth segments. These will enable us to deliver growing and sustainable returns to Unitholders.

GROWTH

Expanding the
Hi-Tech Buildings Segment



Hi-Tech Buildings

37.7%

**Largest property
segment by
portfolio valuation**

Through our focused strategy and disciplined execution, we continue to reshape and build a portfolio of assets for higher value uses. With the progressive completion of development projects in Singapore and the contribution from the overseas acquisition in the United States of America, our investments in high specification industrial facilities and data centres will enhance the portfolio resilience and provide further growth momentum.

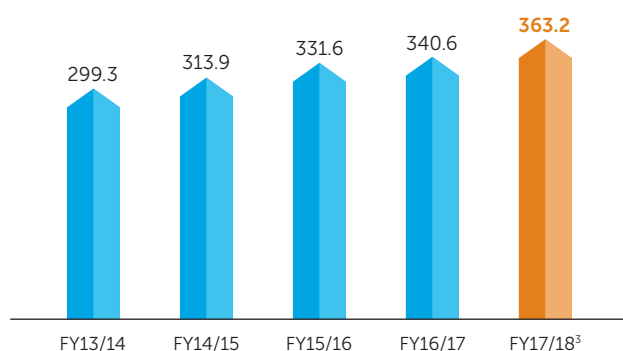
Key Highlights

GROSS REVENUE

S\$ Million

6.7%
Year-on-year¹

5.0%
CAGR²

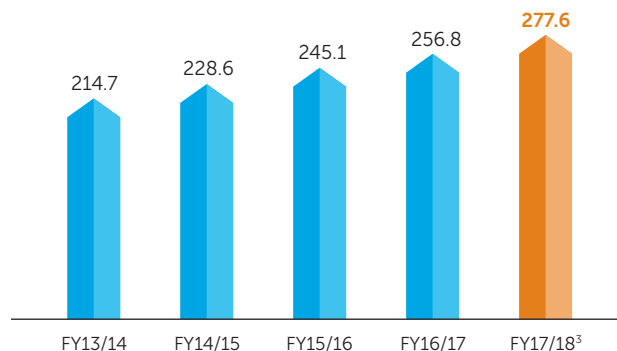


NET PROPERTY INCOME

S\$ Million

8.1%
Year-on-year¹

6.6%
CAGR²

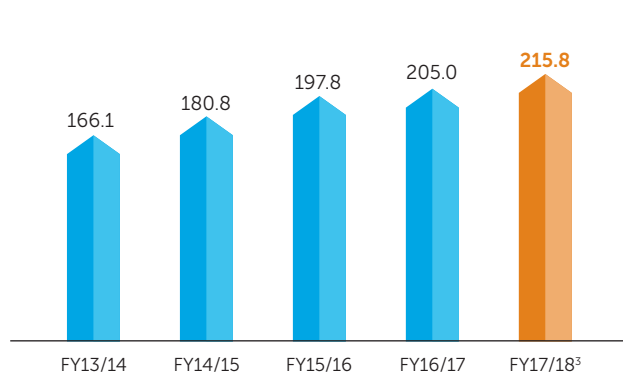


DISTRIBUTABLE INCOME

S\$ Million

5.3%
Year-on-year¹

6.8%
CAGR²

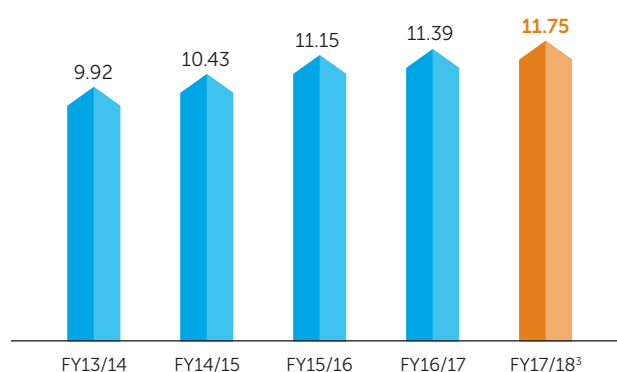


DISTRIBUTION PER UNIT

Singapore Cents

3.2%
Year-on-year¹

4.3%
CAGR²

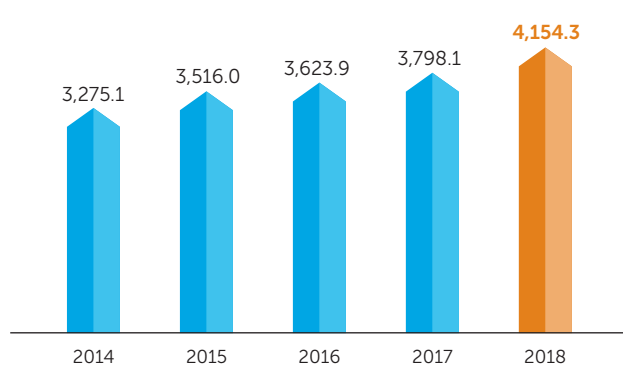


TOTAL ASSETS

(As at 31 March)
S\$ Million

9.4%
Year-on-year⁴

6.1%
CAGR²

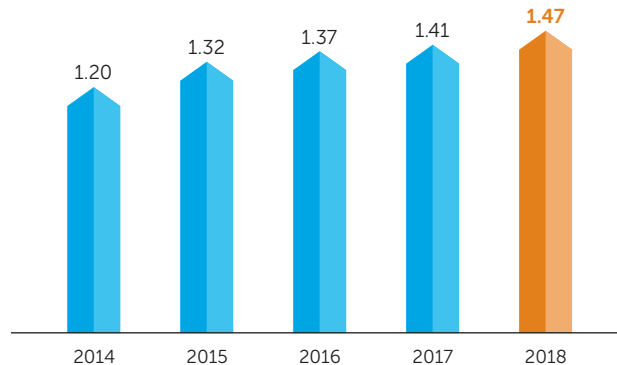


NET ASSET VALUE PER UNIT

(As at 31 March)
S\$

4.3%
Year-on-year⁴

5.2%
CAGR²



¹ Refers to year-on-year comparison for FY16/17 and FY17/18.

² Refers to 5-year compound annual growth rate ("CAGR").

³ FY17/18 denotes financial year 2017/2018 ended 31 March 2018.

⁴ Refers to year-on-year comparison between 31 March 2017 and 31 March 2018.

KEY INFORMATION

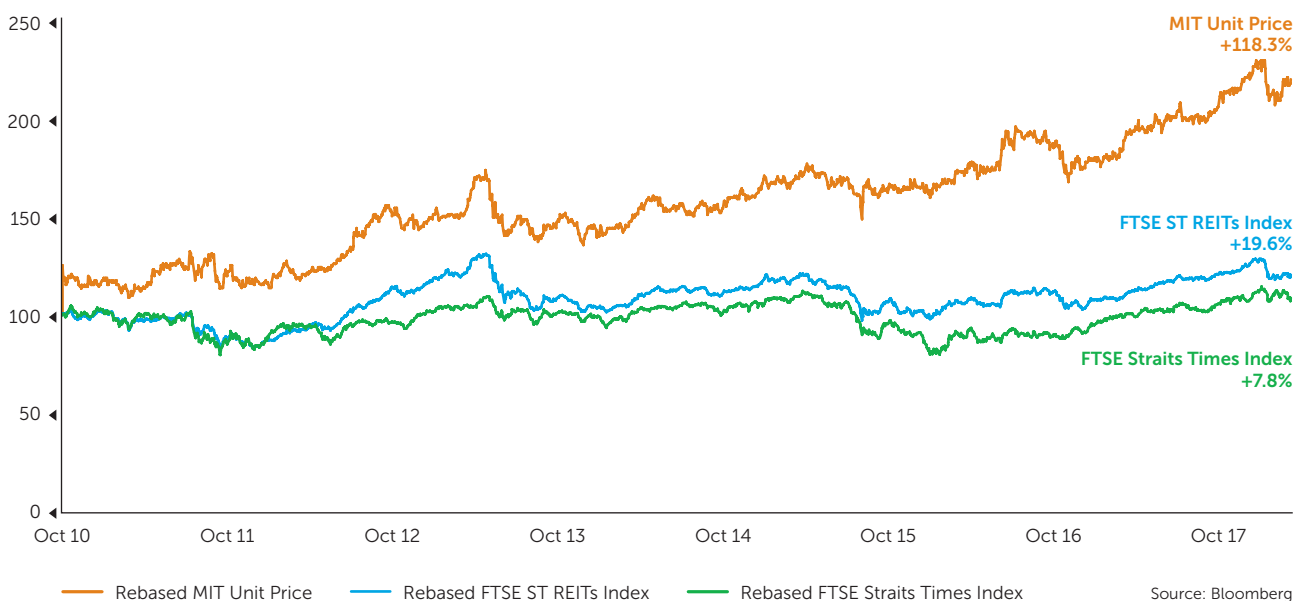
S\$ Million

As at 31 March	2014	2015	2016	2017	2018
Total assets	3,275.1	3,516.0	3,623.9	3,798.1	4,154.3
Total debt	1,129.7	1,076.6	1,022.4	1,107.9	1,219.8
Unitholders' funds	2,028.7	2,312.2	2,465.2	2,532.8	2,780.1
Property valuation (including interest in joint venture)	3,169.6	3,424.2	3,557.9	3,748.7	4,321.4
Market capitalisation	2,307.4	2,760.3	2,872.5	3,207.8	3,827.0

KEY FINANCIAL RATIOS

As at 31 March	2014	2015	2016	2017	2018
Aggregate leverage ⁵ (%)	34.4	30.6	28.2	29.2	33.1
Average borrowing cost for financial year (%)	2.2	2.1	2.4	2.6	2.9
Weighted average tenor of debt (years)	2.6	3.7	4.0	3.5	3.3
Interest cover ratio for financial year (times)	7.1	8.1	8.2	7.9	7.1

COMPARATIVE TRADING PERFORMANCE SINCE LISTING⁶



⁵ In accordance with Property Funds Guidelines, the aggregate leverage ratio includes MIT's proportionate share of borrowings and deposited property of joint venture. As at 31 March 2018, the total debt including MIT's proportionate share of joint venture debt was S\$1,457.1 million.

⁶ Rebased MIT's unit issue price of S\$0.93 and opening unit prices of FTSE ST REITs Index and FTSE Straits Times Index on 21 October 2010 to 100.

Significant Events

2017

2018

JUN

Completed Phase Two of the build-to-suit ("BTS") project for HP Singapore Private Limited ("HP")



JUL

Completed the divestment of 65 Tech Park Crescent for S\$17.688 million

Distribution per Unit ("DPU") for 1QFY17/18 was 2.92 Singapore cents, a year-on-year increase of 2.5%

AUG

Fitch Ratings affirmed MIT's Issuer Default Rating at 'BBB+' with a Stable Outlook



SEP

Announced the expansion of investment strategy to include real estate and real estate-related assets used primarily as data centres worldwide beyond Singapore

OCT

Achieved DPU of 3.00 Singapore cents for 2QFY17/18, a year-on-year increase of 6.0%

Secured MIT's first overseas acquisition of 14 data centres in the United States of America (the "United States") at a purchase consideration of about US\$750 million via a 40:60 joint venture with the Sponsor

Successfully raised gross proceeds of S\$155.7 million through a private placement to part finance the acquisition in the United States

NOV

The asset enhancement initiative ("AEI") at 30A Kallang Place was awarded the Green Mark Gold Award by the Building and Construction Authority ("BCA")

JAN

Delivered DPU of 2.88 Singapore cents for 3QFY17/18, a year-on-year increase of 1.8%



FEB

Completed the AEI at 30A Kallang Place

The Strategy, Business Park Building was awarded the BCA Green Mark Gold^{Plus} Award



APR

DPU of 2.95 Singapore cents for 4QFY17/18 registered a year-on-year increase of 2.4%

DPU of 11.75 Singapore cents for FY17/18 was 3.2% higher than the same period last year

Announced the S\$95 million acquisition and upgrading of 7 Tai Seng Drive into a Hi-Tech Building

Strategic Direction

The Manager's three-pronged strategy is underpinned by the commitment to provide quality industrial real estate solutions to its clients through understanding their requirements and delivering innovative real estate solutions that meet their evolving business needs.

On 26 September 2017, the Manager announced the expansion of MIT's investment strategy to include data centres worldwide beyond Singapore. The completion of MIT's first overseas acquisition of 14 data centres in the United States on 20 December 2017 was in line with the expansion of the investment strategy and broadened its presence in

the fast-growing global data centre sector. Together with the progressive completion of development projects, these underscore the Manager's efforts in reshaping and building a portfolio of assets for higher value uses. As at 31 March 2018, the Hi-Tech Buildings segment accounted for 37.7% of the portfolio by valuation, up from 14.8% when the segment was introduced in 2013. By leveraging on the Sponsor's local market experience and resources, the Manager will continue to pursue growth opportunities in Singapore and overseas, with a focus on high specification industrial facilities and data centres.



VISION

To be the preferred industrial real estate solutions provider



MISSION

To deliver sustainable and growing returns to Unitholders by providing quality industrial real estate solutions to clients



INVESTMENT STRATEGY

To invest in a diversified portfolio of income-producing real estate used primarily for industrial purposes in Singapore and income-producing real estate used primarily as data centres worldwide beyond Singapore, as well as real estate-related assets



PROACTIVE ASSET MANAGEMENT

Improve competitiveness of properties

- Implement proactive marketing and leasing initiatives
- Deliver quality service and customised solutions
- Improve cost effectiveness to mitigate rising operating costs
- Unlock value through AEI



VALUE-CREATING INVESTMENT MANAGEMENT

Secure investments to deliver growth and diversification

- Pursue DPU-accretive acquisitions and development projects
- Secure BTS projects with pre-commitments from high quality tenants
- Consider opportunistic divestments



PRUDENT CAPITAL MANAGEMENT

Optimise capital structure to provide financial flexibility

- Maintain a strong balance sheet
- Diversify sources of funding
- Employ appropriate interest rate and foreign exchange rate risk management strategies

Letter to Unitholders



"We expect the contribution from the US portfolio and the progressive completion of development projects in Singapore to enhance the portfolio resilience and provide further growth momentum."

Left
WONG MENG MENG
Chairman

Right
THAM KUO WEI
Chief Executive Officer

Dear Unitholders,

FOCUS • SUSTAINABILITY • GROWTH

In FY13/14, we set out our strategic focus on growing the Hi-Tech Buildings segment through acquisitions, BTS projects and AEI. Our efforts in reshaping and building a portfolio of assets for higher value uses will cater to changing needs of tenants and attract users from new growth segments. We broadened our geographical footprint in FY17/18 with the expansion of MIT's investment strategy to include data centres beyond Singapore. The improved portfolio quality and diversification will help to underpin the sustainability of our business and to position us to deliver growing returns to Unitholders.

We have made significant progress in driving our strategy to grow the Hi-Tech Buildings segment during the financial year. In October 2017, we achieved another milestone with our first overseas acquisition in the United States with the purchase of 14 data centres together with the Sponsor, Mapletree Investments Pte Ltd for US\$750 million (the "US Acquisition"). The 40:60 joint venture with the Sponsor is a measured approach, which enables us to leverage on its experience and resources in the United States to ensure a smooth continuation of operations for the US Acquisition. The properties are primarily core-and-shell data centres on triple net leases with minimal leasing and operating risks, which will ease our entry into the world's largest data centre market. With long leases on freehold land, the US Acquisition has enhanced the portfolio quality and stability of returns

to Unitholders. Since MIT's listing on 21 October 2010, the value of assets under management has more than doubled to S\$4,321.4 million as at 31 March 2018. This includes our 40% share of assets in United States, which accounts for 9.6% of the enlarged portfolio. We envisage overseas data centres to comprise up to 20% of MIT's aggregate value of assets under management over time.

During the financial year, we also completed our largest BTS project, developed for HP at 1 & 1A Depot Close in June 2017. The contribution from the BTS project at 1 & 1A Depot Close was the main growth driver in FY17/18. In February 2018, we also marked the completion of the AEI at 30A Kallang Place. Adding approximately 336,000 square feet ("sq ft") of gross floor area ("GFA") to the portfolio, the leasing interest for the new 14-storey Hi-Tech Building, 30A Kallang Place has been positive, with commitment secured for 40.2% of the total net lettable area ("NLA"). With the long-term lease commitment from HP and strong take-up from growing trade sectors at 30A Kallang Place, these developments will position MIT for longer term growth.

The BTS data centre development, Mapletree Sunview 1 is on track for completion in the second half of 2018. This development together with the proposed acquisition and upgrading of 7 Tai Seng Drive into a Hi-Tech Building are consistent with our strategic focus to grow the Hi-Tech Buildings segment. As at 31 March 2018, the Hi-Tech Buildings segment represented the largest property segment at 37.7% of the portfolio by valuation, up from 14.8% five years ago.



7337 Trade Street, San Diego is among the portfolio of 14 data centres acquired in the United States via a 40:60 joint venture with the Sponsor.



The contribution from the BTS project at 1 & 1A Depot Close was the main growth driver in FY17/18.

Letter to Unitholders

Distributable Income

+5.3%

S\$215.8 Million

Distribution Per Unit

+3.2%

11.75 Singapore Cents

Total Assets Under Management

+15.3%

S\$4,321.4 Million

ACHIEVING SUSTAINABLE RETURNS

MIT delivered another set of healthy financial results in FY17/18. Distributable income for FY17/18 increased by 5.3% to S\$215.8 million. DPU of 11.75 Singapore cents for FY17/18 was 3.2% higher than the DPU of 11.39 Singapore cents for FY16/17. Unitholders would have received a total return of about 20.6%¹ in FY17/18, comprising capital appreciation of 14.0% and distribution yield of 6.6%. The growths in distributable income and DPU were driven by the income contribution from the BTS project at 1 & 1A Depot Close, one-time compensation for the early termination of lease from Johnson & Johnson Pte. Ltd., as well as a short period of contribution from MIT's 40% interest in the US Acquisition since its completion on 20 December 2017.

MIT's total assets under management grew from S\$3,748.7 million as at 31 March 2017 to S\$4,321.4 million² as at 31 March 2018. This was due mainly to the US Acquisition and an increase of S\$159.7 million in portfolio value for Singapore portfolio. Over the same period, the net asset value per unit increased from S\$1.41 to S\$1.47.

OPTIMISING PORTFOLIO PERFORMANCE

While the expansion in the manufacturing sector continued to provide support to Singapore's economic growth, broad-based improvements in the Singapore industrial property market have yet to be seen. Coupled with the impending large supply of industrial space, the average portfolio occupancy rate decreased from 92.4% in FY16/17 to 89.6% in FY17/18. The Singapore portfolio also registered a lower occupancy rate of 89.1% in FY17/18. This was partly attributed to the short time gap between the completion of the Phase Two of the BTS project at 1 & 1A Depot Close and the lease commencement with HP, as well as the increase in leasable area upon the completion of the AEI at 30A Kallang Place. The US portfolio occupancy rate was stable at 97.4% in FY17/18.

We remain focused on retaining tenants to maintain a sustainable portfolio occupancy. Through the proactive engagement with our tenants ahead of their lease expiries, the lease expirations in FY18/19 were reduced to 18.0% (by gross rental income) from 28.2% in the preceding year. This also resulted in a healthy retention rate of 77.2% for the Singapore portfolio. With the addition of the US portfolio and the lease commencement for Phase Two of the BTS project at 1 & 1A Depot Close, the portfolio's weighted average lease to expiry ("WALE") (by gross rental income) increased to 3.8 years as at 31 March 2018 from 3.1 years as at 31 March 2017.

In line with our strategy of proactively managing assets to add value to the portfolio, we divested 65 Tech Park Crescent, which was part of the initial public offering portfolio, for S\$17.688 million in July 2017. The sale price represented a 34% premium over the acquisition price of S\$13.2 million.

ENHANCING FINANCIAL FLEXIBILITY

In October 2017, we successfully raised gross proceeds of S\$155.7 million from a private placement to partially fund the US Acquisition. The private placement garnered strong support from a diverse base of investors and was more than three times covered.

MIT's balance sheet remained robust with a healthy interest coverage ratio of 7.1 times and a weighted average all-in funding cost of 2.9% in FY17/18. About 85.1% of MIT's total debt had been hedged through interest rate swaps and fixed rate borrowings as at 31 March 2018. To mitigate the impact of US dollar interest rate volatility, 99.3% of the interest rate exposure on the US dollar-denominated loans for the joint venture had been hedged. MIT's aggregate leverage ratio of 33.1% as at 31 March 2018 provides sufficient headroom for investment opportunities.

We continue to adopt appropriate hedging strategies to protect the portfolio against interest rate and exchange rate fluctuations.

¹ Sum of distributions and capital appreciation for the period over the closing unit price of S\$2.030 on 31 March 2018.

² Includes MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States.

SUSTAINABILITY REPORTING

We remain steadfast in integrating environmental and social considerations in our strategy and practices while upholding high standards of corporate governance. We are pleased to present the practices, performance and targets in relation to the material environmental, social and governance aspects of MIT's business in our second sustainability report.

FROM STRENGTH TO STRENGTH

Even though the global economic upswing and positive outlook for Singapore economy should improve business sentiments, downside risks such as global policy uncertainty and geopolitical tensions may derail global growth.

The data centre sector in the United States remains robust, driven by the growth of data and content, as well as adoption of cloud services by businesses and consumers. This will enhance the stability of revenue contribution from the US portfolio.

We expect the contribution from the US portfolio and the progressive completion of development projects in Singapore to enhance the portfolio resilience and provide further growth momentum. The right of first refusal from the Sponsor for the acquisition of the remaining 60% interest in the US portfolio and 18 Tai Seng in Singapore will provide growth opportunities in the future. In addition, MIT's expanded investment strategy to acquire data centres worldwide will offer attractive investment opportunities to diversify our portfolio and extend our foothold in the fast growing sector. With the Sponsor's extensive network and capabilities, we remain disciplined in pursuing investment opportunities in Singapore and overseas.

ACKNOWLEDGEMENTS

On behalf of the Board, we welcome Mr Guy Daniel Harvey-Samuel who was appointed Independent Non-Executive Director on 14 July 2017. With his vast experience in the financial sector, we look forward to Mr Harvey-Samuel's counsel and contributions.

We wish to express our heartfelt appreciation to our directors and staff for their commitment and contributions. We would like to thank our Unitholders, tenants and business partners for their continued support.



WONG MENG MENG

Chairman



THAM KUO WEI

Chief Executive Officer

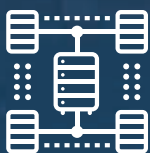
4 JUNE 2018

Expansion into the Global Data Centre Sector

DRIVERS FOR GLOBAL DATA CENTRE GROWTH



Growing data creation and storage
Driven by increased take-up of digital technologies among businesses and consumers



Proliferation of Internet of Things
Growth of connected devices will generate large quantities of data to be processed and analysed in real time, which will increase the workloads of data centres



Adoption of cloud services by businesses and consumers
Driven by need for cost effective, reliable and secure data centre solutions



Increasing compliance and regulatory requirements on data security
Stringent regulations over data collection and protection are prompting corporations to store their data locally

CONVERSATION WITH MR THAM KUO WEI, CEO

What were the factors that contributed to the decision to expand overseas in the data centre sector?

We accumulated our knowledge of the data centre sector through the development of three BTS data centres in Singapore and active sourcing of prospective deals. Meeting the stringent requirements of data centre operators has deepened our understanding of the sector while allowing us to calibrate our strategy.

We began exploring overseas opportunities in the data centre sector in 2015. Established data centre markets such as the United States offer attractive property attributes including longer land tenures and long leases with rental escalations from high-quality tenants. Tenant turnover is lower due to the high capital expenditure invested in the properties.

The worldwide data centre space sector is expected to grow at a CAGR of 5.2% (by net operational sq ft) from 2017 to 2022F¹, led by the outsourced data centre segment which is expected to grow at a CAGR of 12.3% (by net operational sq ft) from 2017 to 2022F¹. MIT offers space solutions to both insourced and outsourced data centre users.

Growth is driven by the increase in the transmission of content by new technologies such as internet-connected devices and increased adoption of digital technologies by businesses. In the longer term, growth is also expected to be supported by enterprises which require data to be backed up more frequently and for extended periods of time to meet regulatory requirements. Storage growth has been and is expected to continue to be a driver of data centre demand.

¹ Source: 451 Research, LLC.

² Subject to periodic review by the Manager.

Why did you decide to pursue the portfolio of 14 data centres in the United States?

The portfolio acquisition of 14 data centres in the United States via a 40:60 joint venture with the Sponsor in October 2017 was a strategic opportunity for us to enter the world's largest data centre market. The United States accounts for 28% of the global insourced and outsourced data centre space (by net operational sq ft)¹. Sited on freehold land, 90.6% of the properties are leased on core-and-shell basis with all tenants on triple net leases structures whereby all outgoings are borne by tenants. The minimal capital expenditure commitment as well as the leasing and operating risks would ease our entry into a new market.

The portfolio comprises properties located in both established and secondary data centre cities, which enables MIT to establish a sizeable presence in the United States and positions it to tap on future growth opportunities.

The 40:60 joint venture with the Sponsor was a measured approach to enter this new market as we were able to leverage on the Sponsor's presence in the United States. The Sponsor has also granted MIT the right of first refusal to acquire the remaining 60% interest in the joint venture, which MIT could consider as an investment opportunity in future.

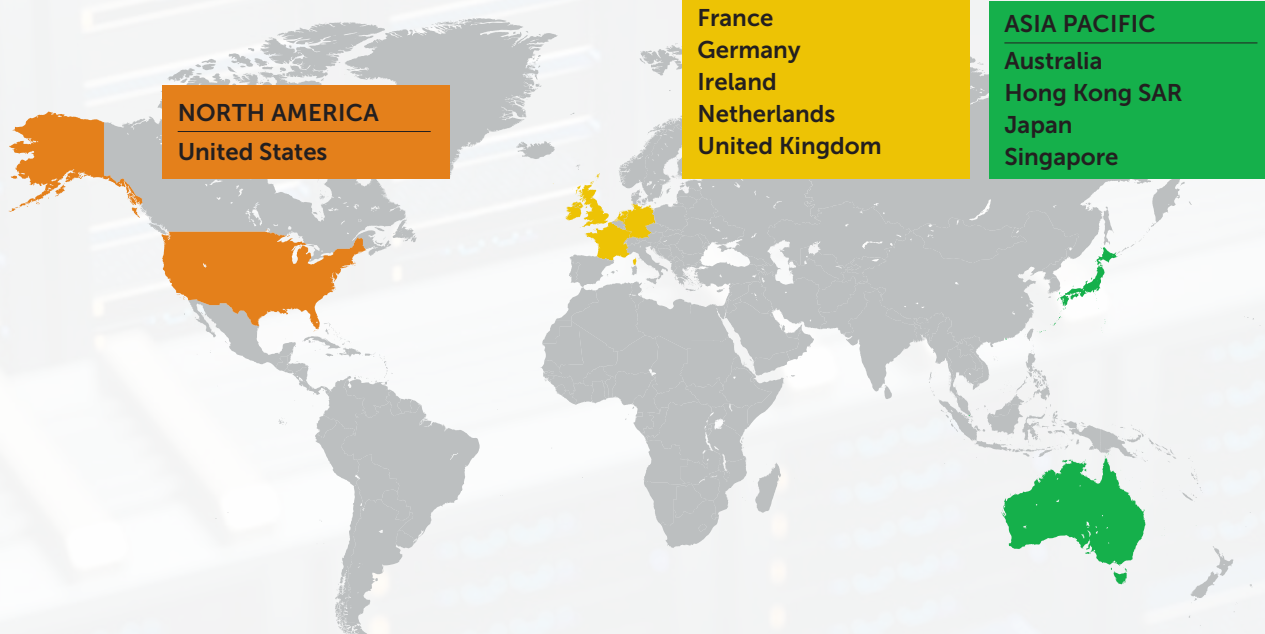
Which other markets are you evaluating?

We expect the demand for data centre space to continue to be strong in established data centre markets. We continue to add to our track record of data centre development in Singapore with the expected completion of the BTS data centre located at Sunview Drive in the second half of 2018.

In addition to Singapore and the United States, we are interested in investment opportunities in established data centre markets in Asia Pacific and Europe. These would include strategically located markets (near submarine communications cables) in countries with highly developed infrastructure (high speed global connectivity and reliable power sources).

Our investment focus remains to be in Singapore while we rely on the Sponsor's extensive network and capabilities to evaluate suitable investment opportunities in the worldwide data centre sector beyond Singapore. We envisage overseas data centres to comprise up to 20% of MIT's aggregate value of assets under management².

EXPLORING ESTABLISHED DATA CENTRE MARKETS



Unit Performance

The Singapore equity market rallied during the financial year amid expectations of a synchronised global growth. This was followed by a price correction of Singapore REITs in February 2018, which was triggered by the sharp rise in 10-year bond yield and concerns over inflation. The Singapore equity market recovered by mid-March 2018 due to positive United States employment data as well as easing of investor fears of inflation, faster interest rate hikes and tariff war. MIT's unit price increased by 14.0% in FY17/18 to close the period at S\$2.030, with an average closing unit price of S\$1.913. During FY17/18, MIT reached the highest closing

unit price since listing of S\$2.120. A total of 877.9 million units were traded, with an average daily trading volume of 3.53 million units.

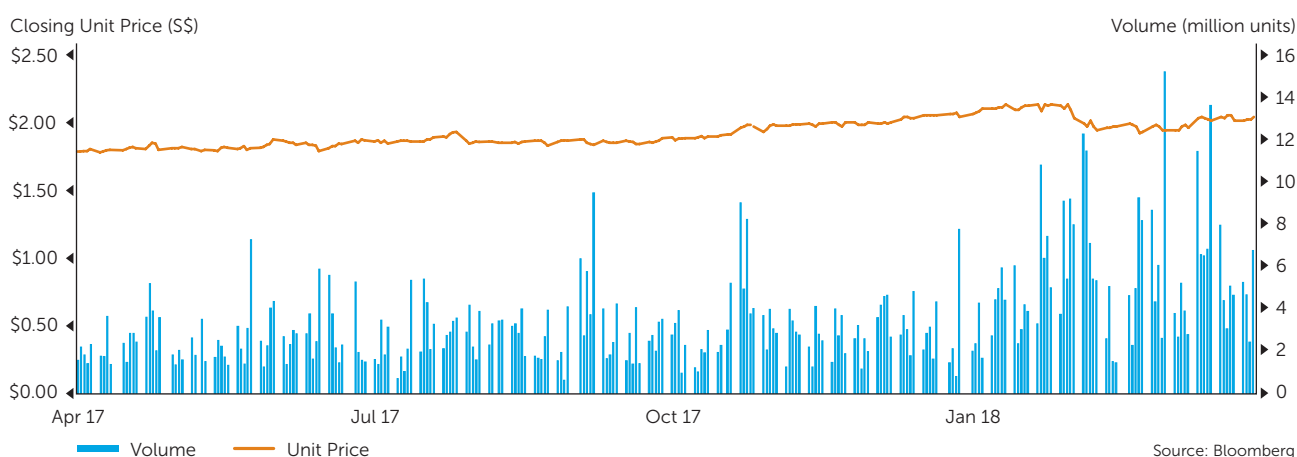
Correspondingly, the FTSE ST REITs Index and FTSE Straits Times Index increased by 8.3% and 8.0% respectively.

MIT's unit price increased by 118.3% with a total return to Unitholders of 199.7% since its listing on 21 October 2010. Over the years, its market capitalisation has also increased from S\$1.36 billion to S\$3.83 billion as at 31 March 2018.

UNIT PRICE AND TRADING VOLUME

	FY17/18	FY16/17
Closing unit price on the last trading day prior to the commencement of the period (S\$)	1.780	1.595
Highest closing unit price (S\$)	2.120	1.810
Lowest closing unit price (S\$)	1.770	1.550
Average closing unit price (S\$)	1.913	1.679
Closing unit price for the period (S\$)	2.030	1.780
Average daily trading volume (million units)	3.53	2.49

TRADING PERFORMANCE IN FY17/18

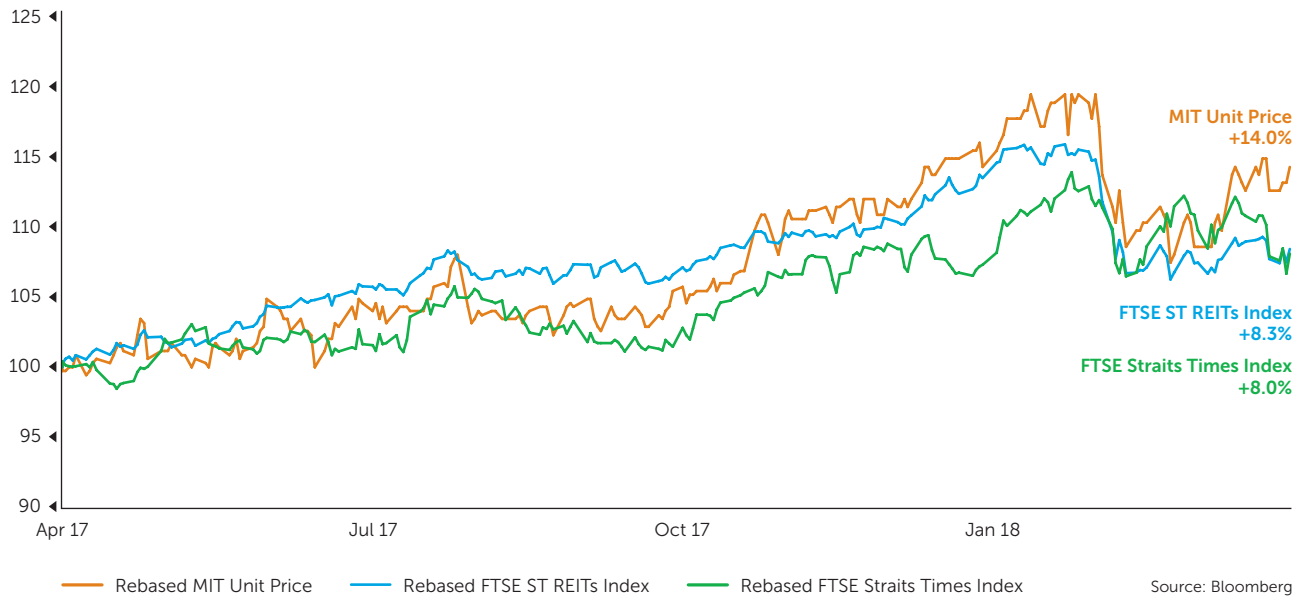


RETURN ON INVESTMENT

	1-Year From 1 April 2017	3-Year From 1 April 2015	5-Year From 1 April 2013	Since Listing From 21 October 2010
Total return (%) as at 31 March 2018	20.6 ¹	50.2 ¹	83.4 ¹	199.7 ²
Capital appreciation (%)	14.0	28.5	44.5	118.3
Distribution yield (%)	6.6	21.7	38.9	81.4
Closing unit price on the last trading day prior to the commencement of the period / unit issue price at listing (S\$)	1.780	1.580	1.405	0.930

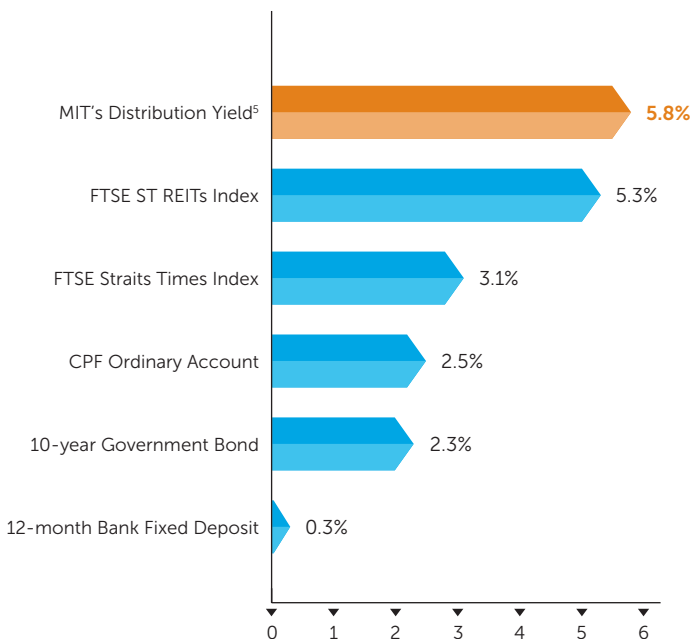
¹ Sum of distributions and capital appreciation for the period over the closing unit price on the last trading day prior to the commencement of the period.
² Sum of distributions and capital appreciation for the period over the unit issue price at listing.

COMPARATIVE TRADING PERFORMANCE IN FY17/18³



COMPARATIVE YIELDS⁴

As at 31 March 2018



CONSTITUENTS OF KEY INDICES⁶

Bloomberg Asia Pacific Financial Index
 Bloomberg Asia REIT Index
 Bloomberg World Financial Index
 Bloomberg World REIT Index
 Dow Jones Global Select REIT Index
 FTSE EPRA/NAREIT Global REITs Index
 FTSE EPRA/NAREIT Global REITs TR Index
 FTSE ST Real Estate Index
 FTSE ST REITs Index
 GPR/APREA Investable 100 Index
 MSCI Singapore Small Cap Index (USD)
 S&P Global BMI (USD)
 S&P Global Property Index (USD)
 S&P Global REIT Index (USD)
 S&P Global Small Cap Index
 SGX APAC ex Japan Dividend Leaders REIT Index
 SGX Real Estate Index
 SGX S-REIT Index
 STOXX Asia 1200 Price Index
 WisdomTree Global ex-US Real Estate Index

³ Rebased closing unit price on 31 March 2017 to 100.

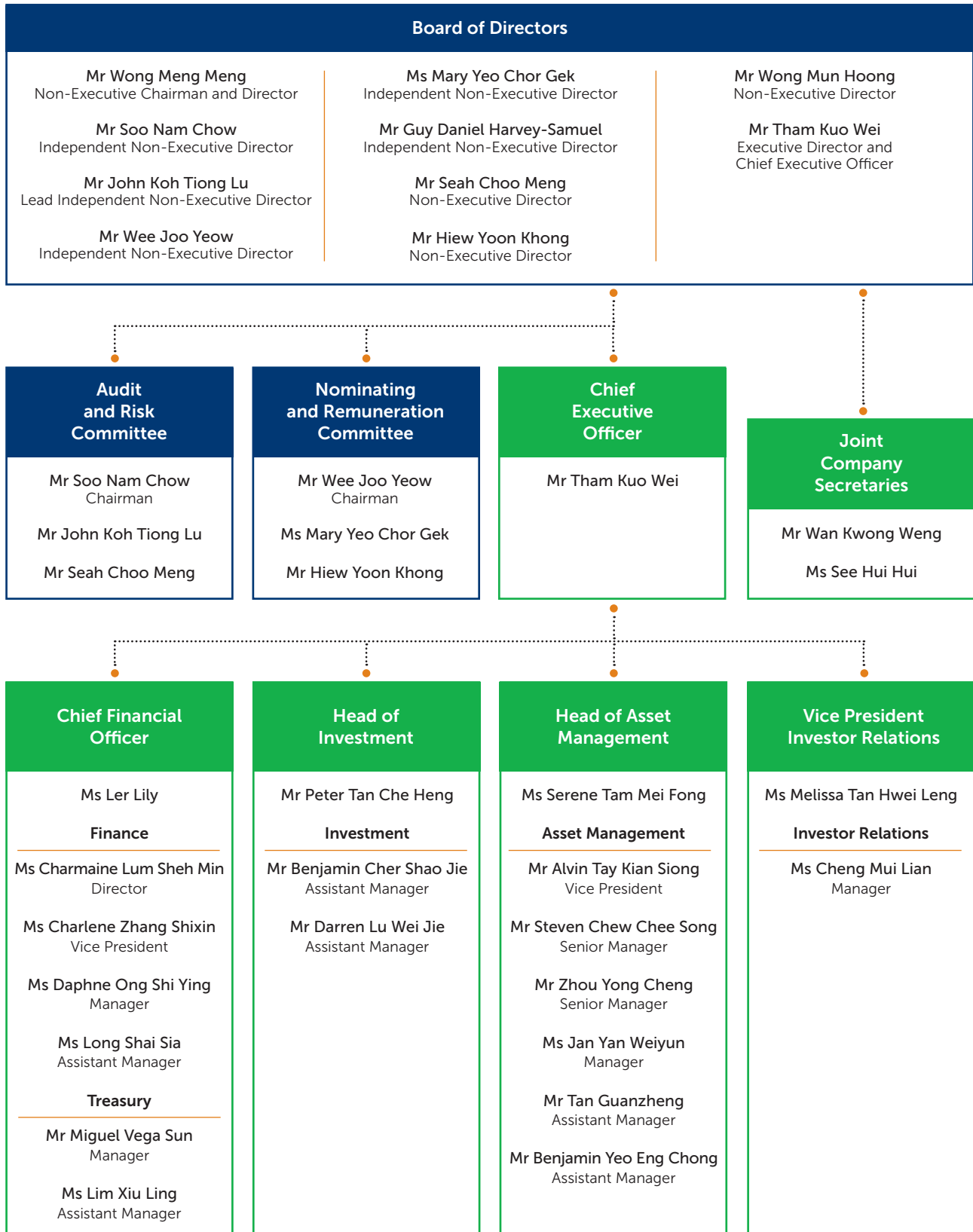
⁴ Sources: Bloomberg, Monetary Authority of Singapore (for the 10-year Government Bond's yield) and Central Provident Fund ("CPF") Board (for the CPF Ordinary Account's yield).

⁵ MIT's distribution yield is based on FY17/18 DPU of 11.75 Singapore cents over closing unit price of S\$2.030 on 31 March 2018.

⁶ The list of key indices is not exhaustive.

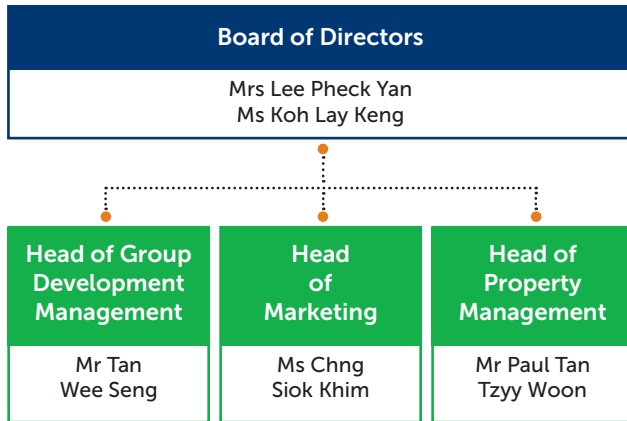
Organisation Structure

MAPLETREE INDUSTRIAL TRUST MANAGEMENT LTD.

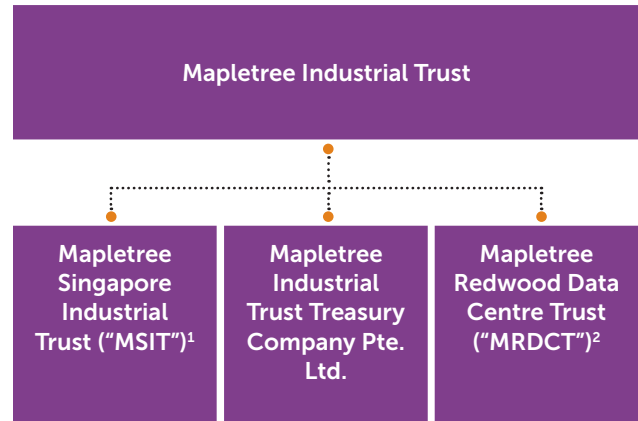


Organisation, Corporate and Trust Structures

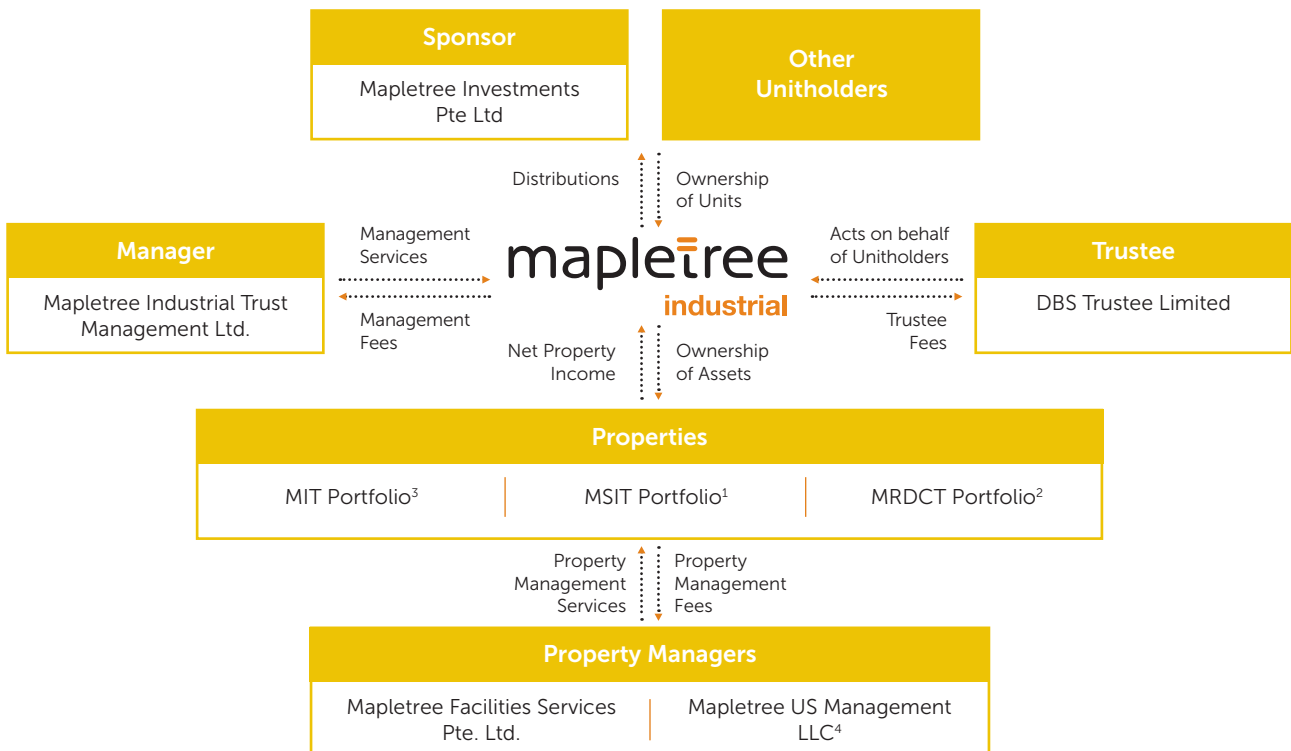
MAPLETREE FACILITIES SERVICES PTE. LTD.



CORPORATE STRUCTURE



TRUST STRUCTURE



¹ MSIT was constituted as a private trust on 27 March 2006. The MSIT portfolio comprises two Hi-Tech Buildings and three Light Industrial Buildings in Singapore. MIT acquired MSIT on Listing Date, 21 October 2010.

² Relates to MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through MRDCT.

³ Refers to properties held directly under MIT.

⁴ A wholly-owned US subsidiary of Mapletree Investments Pte Ltd, which provides property management, lease management, project management and marketing services in relation to the 14 data centres in the United States.

Board of Directors



- | | |
|-------------------------|--------------------------------|
| 1. MR WONG MENG MENG | 6. MR GUY DANIEL HARVEY-SAMUEL |
| 2. MR SOO NAM CHOW | 7. MR SEAH CHOO MENG |
| 3. MR JOHN KOH TIONG LU | 8. MR HIEW YOON KHONG |
| 4. MR WEE JOO YEOW | 9. MR WONG MUN HOONG |
| 5. MS MARY YEO CHOR GEK | 10. MR THAM KUO WEI |

1 MR WONG MENG MENG

Non-Executive Chairman and Director

Mr Wong Meng Meng, Senior Counsel, is the Non-Executive Chairman and Director of the Manager.

Mr Wong is also a Non-Executive Director of the Sponsor, a member of its Audit and Risk Committee and a member of its Transaction Review Committee. In addition, Mr Wong is a Director of NIE International Private Limited and the Chairman of Energy Market Company Pte Ltd.

Mr Wong is the Founder-Consultant of WongPartnership LLP, a leading law firm in Singapore. He is a Member of the Competition Appeal Board, Singapore, a member of the Advisory Committee of the Faculty of Law, National University of Singapore as well as a member of the Advisory Committee of the School of Humanities & Social Sciences, Temasek Polytechnic. Mr Wong was formerly the President of the Law Society of Singapore from 2010 to 2012.

2 MR SOO NAM CHOW

Independent Non-Executive Director

Mr Soo Nam Chow is an Independent Non-Executive Director and the Chairman of the Audit and Risk Committee of the Manager.

Mr Soo has worked in the auditing and accounting industry in Singapore for over 35 years and has extensive auditing and advisory experience in various industries in both the private and public sector. His leadership roles covered risk management, accounting and audit practice, Japanese practice and financial management. He was a Partner with KPMG and later KPMG LLP from 1988 to 2009.

Mr Soo obtained his professional qualification as a Certified Accountant from the Association of Chartered Certified Accountants in 1983. He is also a member of the Institute of Singapore Chartered Accountants.

3 MR JOHN KOH TIONG LU

Lead Independent Non-Executive Director

Mr John Koh Tiong Lu is the Lead Independent Non-Executive Director and a member of the Audit and Risk Committee of the Manager.

Mr Koh was a Managing Director and a Senior Advisor of the Goldman Sachs Group until 2006. Mr Koh is also an Independent Director and Chairman of the Investment Committee of Mapletree Industrial Fund Ltd., a private real estate fund managed by the Sponsor.

Mr Koh has over 25 years of experience in investment banking and law. Prior to joining the Goldman Sachs Group in 1999, Mr Koh spent 18 years as a lawyer at various firms, including J. Koh & Co (a Singapore firm founded by Mr Koh) as well as serving in the Singapore Attorney-General's Chambers.

Mr Koh sits on various boards of directors, including NSL Ltd. and KrisEnergy Limited, and serves as the Chairman of the Audit Committee of both companies. He is also a Director of the National Library Board and the National Museum of Singapore.

Mr Koh holds a Bachelor of Arts degree and a Master of Arts degree from the University of Cambridge and is a graduate of Harvard Law School.

4 MR WEE JOO YEOW

Independent Non-Executive Director

Mr Wee Joo Yeow is an Independent Non-Executive Director and the Chairman of the Nominating and Remuneration Committee of the Manager.

Mr Wee was the Managing Director and Head of Corporate Banking in Singapore with United Overseas Bank Limited ("UOB") until his retirement in 2013. Mr Wee has more than 30 years of corporate banking experience. He joined UOB in 2002. Prior to that, Mr Wee was with Overseas Union Bank from 1981 to 2001 and held senior appointments before its merger into UOB.

Mr Wee sits on the boards of directors of Frasers Centrepoint Limited, Oversea-Chinese Banking Corporation Limited, Great Eastern Holdings Limited, PACC Offshore Services Holdings Ltd. and a number of private companies.

He holds a Bachelor of Business Administration (Honours) degree from the University of Singapore and a Master of Business Administration from New York University.

Board of Directors

5 MS MARY YEO CHOR GEK Independent Non-Executive Director

Ms Mary Yeo Chor Gek is an Independent Non-Executive Director and a member of the Nominating and Remuneration Committee of the Manager.

Ms Yeo is the Vice President, South Asia Pacific Supply Chain Operations of UPS Asia Group, the world's largest package delivery company and a leading global provider of specialised transportation and logistics services. She joined UPS Asia Group in 1988 and has been with UPS Asia Group for more than 28 years. She has more than 30 years of experience in the transportation and logistics industry.

Ms Yeo is also a Board Member of the Civil Aviation Authority of Singapore and a member of its Audit Committee as well as a council member of the Singapore Air cargo Agents Association@Singapore. She was formerly a Board Member of Infocomm Development Authority of Singapore (now IMDA) and the Central Provident Fund Board.

Ms Yeo was conferred the Public Service Medal (P.B.M) in 2014 for her contributions to IMDA. She holds a Master of Business Administration degree from the Northumbria University.

6 MR GUY DANIEL HARVEY-SAMUEL Independent Non-Executive Director

Mr Guy Daniel Harvey-Samuel is an Independent Non-Executive Director of the Manager.

Mr Harvey-Samuel is currently the Non-Executive Chairman of HSBC Bank (Singapore) Limited, and is a Board member of Surbana Jurong Private Limited, JTC Corporation, and Wing Tai Holdings Limited. Mr Harvey-Samuel also serves as a member of the Advisory Board of the National Youth Achievement Award Council, the National Parks Board, the National Arts Council, and the Community Chest Committee.

Mr Harvey-Samuel started his career with the HSBC Group in 1978 and has since held various senior management roles within the HSBC Group in the United Kingdom, Australia, Malaysia, Hong Kong and Singapore. Prior to his retirement from executive responsibilities in March 2017, Mr Harvey-Samuel was the Chief Executive Officer of HSBC Singapore as well as a member of HSBC Asia's Executive Committee and had direct responsibilities for all of HSBC operations based in Singapore. Mr Harvey-Samuel also previously held the position as HSBC's Group General Manager and Head of International, Asia Pacific based in Hong Kong, who was responsible for HSBC businesses across 12 countries in the Asia Pacific Region.

7 MR SEAH CHOO MENG Non-Executive Director

Mr Seah Choo Meng is a Non-Executive Director and a member of the Audit and Risk Committee of the Manager.

Mr Seah joined Langdon & Seah Singapore Pte. Ltd. (as it was then known) in 1968 and was its Past Chairman. Langdon & Seah was an independent firm of construction cost consultants and project managers providing professional consultancy services to the developer, architectural and engineering sectors of the construction industry. Mr Seah had left Langdon & Seah as at 31 December 2016 and joined Surbana Jurong Private Limited on 1 January 2017.

Mr Seah is currently a Senior Advisor, GCEO's Office of Surbana Jurong Private Limited and Chairman of Threesixty Cost Management Pte. Ltd. and Threesixty Contract Advisory Pte. Ltd..

Mr Seah is a Board Director of the Ren Ci Hospital and Chairman of its Building Committee. He is a Trustee of SGBC Pte. Ltd.. Mr Seah is a Member of the Construction Adjudicator Accreditation Committee, Singapore Mediation Centre. He is also a Principal Mediator, Senior Adjudicator and a Member of the Professional Conduct Panel of the Singapore Mediation Centre.

Mr Seah is a Fellow of the Royal Institution of Chartered Surveyors as well as a Fellow of the Singapore Institute of Surveyors and Valuers. He is also a Fellow of the Royal Institution of Surveyors Malaysia. He is also an Accredited Mediator, Neutral Evaluator and Adjudicator with the Singapore Mediation Centre. He was previously the Council Chairman of the Singapore Institute of Surveyors and Valuers and a Past President of the Society of Project Managers.

8 MR HIEW YOON KHONG

Non-Executive Director

Mr Hiew Yoon Khong is a Non-Executive Director and a member of the Nominating and Remuneration Committee of the Manager.

Mr Hiew is currently the Executive Director and Group Chief Executive Officer of the Sponsor. He is also a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust), Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust) and Mapletree North Asia Commercial Trust Management Ltd.¹ (the manager of Mapletree North Asia Commercial Trust²).

Mr Hiew joined Mapletree in 2003 as Group Chief Executive Officer. He has since led the Group from a Singapore-centric real estate company worth S\$2.3 billion to a global company with total assets of more than S\$46 billion.

From 2003 to 2011, Mr Hiew was concurrently Senior Managing Director (Special Projects) of Temasek Holdings. His past directorships include serving as a member on the Board of Trustees of the National University of Singapore.

Mr Hiew holds a Master of Arts degree in Economics from the University of Warwick, and a Bachelor of Arts degree in Economics from the University of Portsmouth.

¹ Formerly known as Mapletree Greater China Commercial Trust Management Ltd.

² Formerly known as Mapletree Greater China Commercial Trust

9 MR WONG MUN HOONG

Non-Executive Director

Mr Wong Mun Hoong is a Non-Executive Director of the Manager.

Mr Wong is currently the Group Chief Financial Officer of the Sponsor. He oversees the Finance, Tax, Treasury, Private Funds Management, Risk Management, and Information Systems & Technology functions of the Sponsor. In addition, he is a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust) and Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust) and CapitaLand Township Development Fund Pte. Ltd..

Prior to joining the Sponsor in 2006, Mr Wong had over 14 years of investment banking experience in Asia, of which the last 10 years were with Merrill Lynch & Co..

Mr Wong graduated with a Bachelor of Accountancy (Honours) degree from the National University of Singapore in 1990 and holds the professional designation of Chartered Financial Analyst from the CFA Institute of the United States. He attended the Advanced Management Programme at INSEAD Business School.

10 MR THAM KUO WEI

Executive Director and Chief Executive Officer

Mr Tham Kuo Wei is both an Executive Director and the Chief Executive Officer of the Manager.

Prior to joining the Manager, he was the Deputy Chief Executive Officer (from August 2009) and Chief Investment Officer (from April 2008 to August 2009) of the Sponsor's Industrial Business Unit where he was responsible for structuring, setting up and managing real estate investment platforms in Singapore and the region.

Prior to this, Mr Tham was the Chief Investment Officer of CIMB-Mapletree Management Sdn. Bhd. in Malaysia from July 2005, and he was responsible for setting up and managing the private equity real estate fund. He was instrumental in securing investments from institutional investors in Malaysia and overseas. He was also responsible for sourcing and acquiring completed assets as well as managing development projects across the office, retail, industrial and residential sectors.

Before Mr Tham's secondment to CIMB-Mapletree Management Sdn. Bhd., he was the Senior Vice President of Asset Management in the Sponsor and was responsible for the Sponsor's portfolio of Singapore commercial, industrial and residential assets. He joined the Sponsor in June 2002 as Project Director for its new Business and Financial Centre project at the New Downtown in Singapore. Prior to joining the Sponsor, Mr Tham held various positions in engineering and logistics management in PSA Corporation from 1993 to 2002.

Mr Tham holds a Bachelor of Engineering (Honours) degree from the National University of Singapore.

Management Team



MR THAM KUO WEI

Executive Director and Chief Executive Officer

Mr Tham Kuo Wei is the Executive Director and the Chief Executive Officer of the Manager. Please refer to his profile under the Board of Directors section of this Annual Report (see page 25).



MS LER LILY

Chief Financial Officer

Ms Ler Lily is the Chief Financial Officer of the Manager. Ms Ler is responsible for financial reporting, budgeting, treasury and taxation matters.

Prior to joining the Manager, Ms Ler was the Head of Treasury and Investor Relations at Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust) where she led the treasury team in treasury risk management, debt and capital management and oversaw the investor relations function since September 2009. She has served in different roles within the Sponsor since she joined in September 2001. Her last held position with the Sponsor was Vice President (Treasury).

Prior to joining the Sponsor, Ms Ler worked in Asia Food & Properties Limited for about four years and also spent three years as an external auditor with Deloitte & Touche LLP in Singapore.

Ms Ler holds a Bachelor of Accountancy (Honours) degree from the Nanyang Technological University, Singapore. She is a CFA charterholder and also a Chartered Accountant of Singapore.



MR PETER TAN CHE HENG

Head of Investment

Mr Peter Tan Che Heng is the Head of Investment of the Manager. Mr Tan is responsible for formulating and executing investment strategies to enhance MIT's portfolio returns.

Mr Tan has more than 17 years of experience in real estate investment, development management, asset management and business development. Since joining the Sponsor and the Manager, Mr Tan was responsible for more than S\$2.5 billion worth of investments.

Prior to joining the Manager, Mr Tan was Head of Investment, Industrial of the Sponsor where he was responsible for the acquisition and development of the Sponsor's industrial assets in Singapore and the region. He was a key member of the investment team for the pan-Asia Mapletree Industrial Fund, which closed its investment period in 2009 with investments in Singapore, Malaysia, Japan and China.

Before joining the Sponsor in 2006, Mr Tan held various positions at Ascendas Services Pte Ltd and Boustead Projects Pte Ltd, where he was responsible for business development, development management and asset management of industrial facilities in Singapore and the region for approximately six years.

Mr Tan holds a Bachelor of Science (Building) (Honours) degree from the National University of Singapore.



MS SERENE TAM MEI FONG

Head of Asset Management

Ms Serene Tam Mei Fong is the Head of Asset Management of the Manager. Ms Tam is responsible for formulating and executing strategies to maximise income from the assets.

Ms Tam has been with the Manager since MIT was listed in 2010. Her last appointment was Vice President of the Asset Management team, where she was responsible for the operational performance of properties under her charge. Before joining the Manager, Ms Tam was a Senior Asset Manager of the Sponsor, where she was responsible for managing the industrial properties in the MIT Private Trust portfolio. She was part of the team responsible for the acquisition of MIT Private Trust portfolio of 64 properties from JTC Corporation in 2008.

Prior to joining the Sponsor in 2007, Ms Tam had worked at Jones Lang LaSalle Property Consultants Pte Ltd and JTC Corporation in the areas of marketing, development and portfolio management of offices and logistics facilities in Singapore and the region for about seven years.

Ms Tam holds a Bachelor of Business (Financial Analysis) (Honours) degree from the Nanyang Technological University, Singapore.

Corporate Services and Property Management Teams



MR WAN KWONG WENG

Joint Company Secretary

Mr Wan Kwong Weng is the Joint Company Secretary of the Manager. He is concurrently Head, Group Corporate Services and Group General Counsel of the Sponsor, where he is responsible for all of administration, corporate communications, human resource as well as legal, compliance and corporate secretarial matters across all business units.

Prior to joining the Sponsor in 2009, Mr Wan was Group General Counsel – Asia at Infineon Technologies for seven years, where he was a key member of its Asia Pacific management team. He started his career as a litigation lawyer with one of the oldest law firms in Singapore, Wee Swee Teow & Co., and was subsequently with the Corporate & Commercial/Private Equity practice group of Baker & McKenzie in Singapore and Sydney.

Mr Wan has an LL.B. (Honours) (Newcastle upon Tyne), where he was conferred the Wise Speke Prize, as well as an LL.M. (Merit) (London). He also attended the London Business School Senior Executive Programme. He is called to the Singapore Bar, where he was awarded the Justice FA Chua Memorial Prize, and is also on the Rolls of Solicitors (England & Wales). Mr Wan was conferred the Public Service Medal (P.B.M.) in 2012 and Public Service Star (B.B.M.) in 2017 for his contributions to Central Singapore CDC.



MS SEE HUI HUI

Joint Company Secretary

Ms See Hui Hui is the Joint Company Secretary of the Manager as well as Director, Legal of the Sponsor.

Prior to joining the Sponsor in 2010, Ms See was in the Corporate/Mergers & Acquisitions practice group of WongPartnership LLP, one of the leading law firms in Singapore. She started her career as a litigation lawyer with Tan Kok Quan Partnership.

Ms See holds an LL.B (Honours) from the National University of Singapore, and is admitted to the Singapore Bar.



MR TAN WEE SENG

Head of Group Development Management

Mr Tan Wee Seng is the Head of Group Development Management of the Sponsor. Mr Tan oversees the execution of all development projects, including asset enhancement initiatives undertaken within the Sponsor across all business units and countries.

Prior to joining the Sponsor in 2012, Mr Tan spent 18 years with Lendlease Group in various senior positions. Mr Tan had over 25 years of design, project/construction management experience in the industrial, logistics, pharmaceutical, telecommunications, institutional, retail and commercial sectors across different geographies.

Mr Tan holds a Bachelor of Science (Building) degree from the National University of Singapore.



MS CHNG SIOK KHIM

Head of Marketing

Ms Chng Siok Khim is the Head of Marketing of the Property Manager. Ms Chng is responsible for developing and executing marketing strategies as well as overseeing the lease management for MIT's properties in Singapore. She contributes to the product repositioning of the asset enhancement initiatives for MIT's properties in Singapore.

Ms Chng has over 25 years of marketing experience in the industrial, office, retail and logistics sectors. Prior to her current appointment, Ms Chng was overseeing the marketing of the Sponsor's office, retail and logistics properties. She was primarily responsible for the successful pre-leasing of Bank of America Merrill Lynch HarbourFront in 2007.

Before joining the Sponsor in 2004, Ms Chng was the Associate Director, Business Space with DTZ Debenham Tie Leung for nine years. She was responsible for managing all aspects of the department's marketing functions, which included leasing and sales activities, accounts servicing and sole agency project marketing.

Ms Chng holds a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore.



MR PAUL TAN TZYY WOON

Head of Property Management

Mr Paul Tan Tzyy Woon is the Head of Property Management of the Property Manager. Mr Tan oversees the property management functions for MIT's properties in Singapore, ensuring that all the properties are safe, reliable and conducive for tenants to work in.

Prior to his current appointment, Mr Tan was a Senior Asset Manager of the Manager, where he was responsible for optimising the performance of MIT's properties under his charge. Before joining the Manager, Mr Tan was the Senior Manager (Corporate Marketing / Development Management) of the Sponsor where he was responsible for the marketing of an overseas project and asset management of the Singapore properties under the pan-Asia Mapletree Industrial Fund.

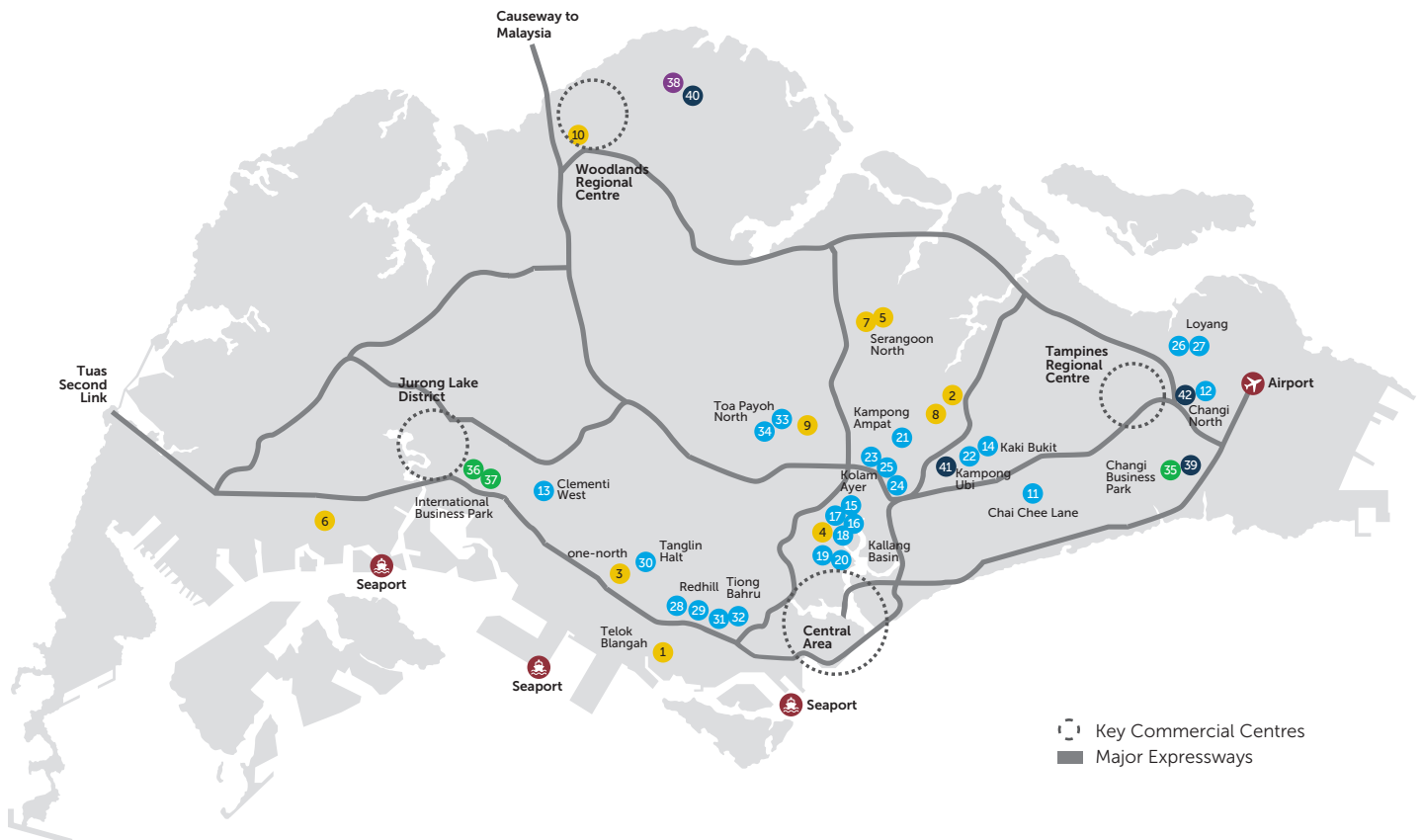
Prior to joining the Sponsor in 2008, Mr Tan had worked at JTC Corporation and Urban Redevelopment Authority where he was involved in the planning, marketing, sale and development of lands in Singapore.

Mr Tan holds a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore. He passed Level III of the Chartered Financial Analyst Programme in 2009.

Strategic Locations across Singapore and the United States

Mapletree Industrial Trust's diverse property portfolio comprises 85 industrial properties in Singapore across 42 clusters and 14 data centres in the United States (40% interest through the joint venture with Mapletree Investments Pte Ltd).

SINGAPORE



Property Clusters¹

HI-TECH BUILDINGS

- 1 1 & 1A Depot Close
- 2 19 Tai Seng Drive
- 3 26A Ayer Rajah Crescent
- 4 30A Kallang Place
- 5 K&S Corporate Headquarters
- 6 Mapletree Sunview 1²
- 7 Serangoon North
- 8 STT Tai Seng 1³
- 9 Toa Payoh North 1
- 10 Woodlands Central

FLATTED FACTORIES

- 11 Chai Chee Lane
- 12 Changi North
- 13 Clementi West
- 14 Kaki Bukit
- 15 Kallang Basin 1
- 16 Kallang Basin 2
- 17 Kallang Basin 3
- 18 Kallang Basin 4
- 19 Kallang Basin 5
- 20 Kallang Basin 6
- 21 Kampong Ampat
- 22 Kampong Ubi
- 23 Kolam Ayer 1
- 24 Kolam Ayer 2
- 25 Kolam Ayer 5
- 26 Loyang 1
- 27 Loyang 2
- 28 Redhill 1
- 29 Redhill 2
- 30 Tanglin Halt
- 31 Tiong Bahru 1
- 32 Tiong Bahru 2
- 33 Toa Payoh North 2
- 34 Toa Payoh North 3

BUSINESS PARK BUILDINGS

- 35 The Signature
- 36 The Strategy
- 37 The Synergy

STACK-UP/RAMP-UP BUILDINGS

- 38 Woodlands Spectrum 1 & 2

LIGHT INDUSTRIAL BUILDINGS

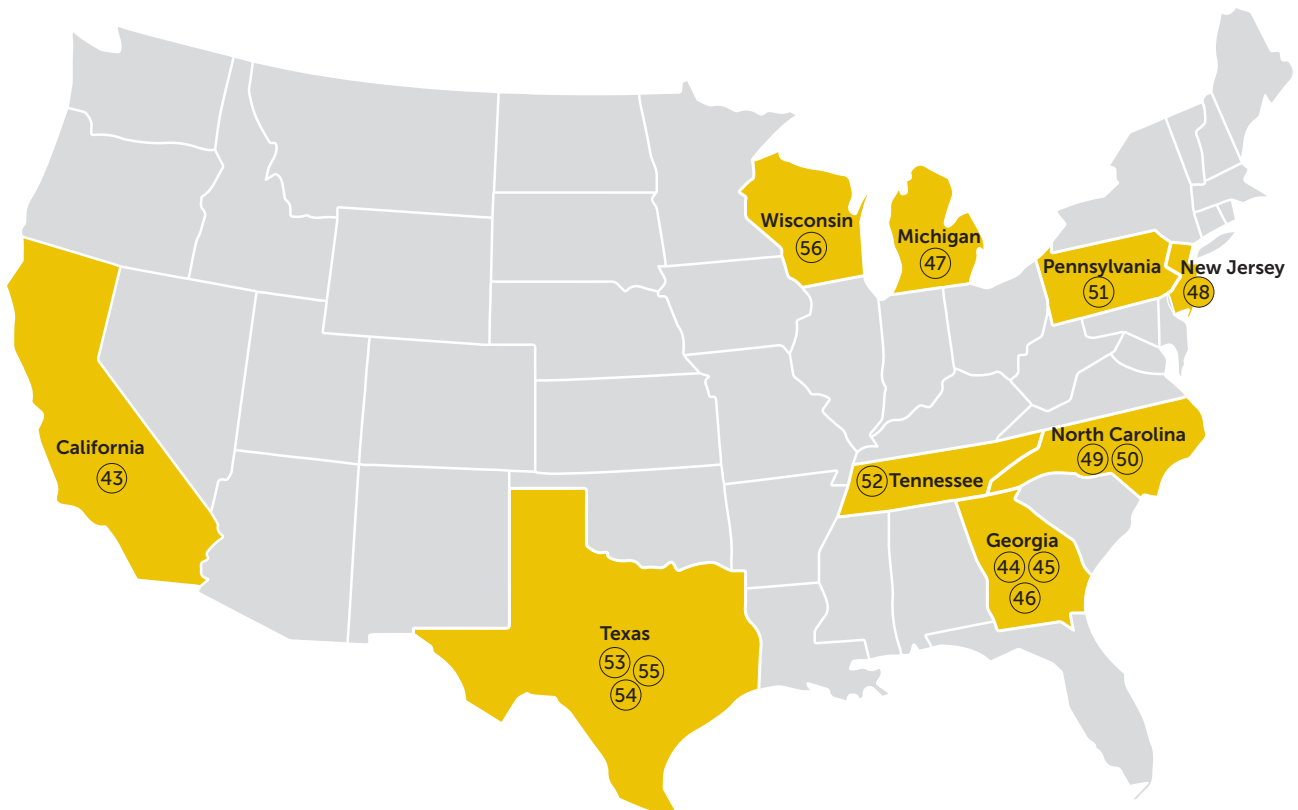
- 39 19 Changi South Street 1
- 40 26 Woodlands Loop
- 41 45 Ubi Road 1
- 42 2A Changi North Street 2

¹ A property "cluster" consists of one or more individual buildings situated on the same land lot or adjoining land lots.

² It was previously known as Mukim 06 Lot 00869CPT, which is under development as a six-storey BTS data centre.

³ It was previously known as Tata Communications Exchange and renamed as STT Tai Seng 1 following the novation of lease from Tata Communications International Pte. Ltd. to STT Tai Seng Pte. Ltd..

UNITED STATES



HI-TECH BUILDINGS⁴

CALIFORNIA

43 7337 Trade Street, San Diego

GEORGIA

44 180 Peachtree, Atlanta

45 1001 Windward Concourse,
Alpharetta

46 2775 Northwoods Parkway, Atlanta

MICHIGAN

47 19675 W Ten Mile Road, Southfield

NEW JERSEY

48 2 Christie Heights, Leonia

NORTH CAROLINA

49 1805 Center Park Drive, Charlotte

50 5150 McCrimmon Parkway,
Morrisville

PENNSYLVANIA

51 2000 Kubach Road, Philadelphia

TENNESSEE

52 402 Franklin Road, Brentwood

TEXAS

53 1221 Coit Road, Plano

54 3300 Essex Drive, Richardson

55 5000 Bowen, Arlington

WISCONSIN

56 N15W24250 Riverwood Drive,
Pewaukee

⁴ Relates to MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through MRDCT.

Operations Review

GAINING MOMENTUM IN GROWING THE HI-TECH BUILDINGS SEGMENT

In October 2017, the Manager marked a milestone in its strategy to grow the Hi-Tech Buildings segment with the first overseas portfolio acquisition of 14 data centres in the United States via a 40:60 joint venture with the Sponsor. Strategically located in established data centre markets across the United States, the properties are sited on freehold land with a total NLA of 2.3 million sq ft. The properties are primarily core-and-shell data centres on triple net leases, which are leased to high-quality tenants from diverse industries. The US Acquisition is in line with the expansion of MIT's investment strategy to acquire data centres worldwide beyond Singapore.

Through an unlisted single purpose trust, MRDCT, MIT and the Sponsor acquired the portfolio of 14 data centres (the "US Portfolio") for a purchase consideration of US\$750 million from Carter Validus Mission Critical REIT, Inc., through its controlled subsidiaries and affiliates. This was 3.4% lower than the independent valuation of US\$776.4 million¹ provided by Cushman & Wakefield Western, Inc..

MIT completed its largest BTS project for HP at 1 & 1A Depot Close in June 2017. HP is committed to lease the entire purpose-built facility for a minimum lease term of 10.5 years, with annual rental escalations and an option to renew for two additional five-year terms. With a GFA of over 824,500 sq ft, the two Hi-Tech Buildings comprise facilities for manufacturing, product and software development as well as an office.

The AEI at 30A Kallang Place was completed in February 2018. Adding approximately 336,000 sq ft of GFA to the portfolio, the leasing interest for the new 14-storey Hi-Tech Building, 30A Kallang Place has been positive, with commitment secured for 40.2% of the total NLA.

The BTS data centre development, Mapletree Sunview 1 is on track for completion in the second half of 2018. The six-storey purpose-built data centre with a GFA of about 242,000 sq ft will be fully leased to an established data centre operator for an initial lease term of more than 10 years with staggered rental escalations and renewal options.

In April 2018, MIT announced the execution of a novation agreement in respect of an option to purchase for an industrial property located at 7 Tai Seng Drive with the Sponsor and



180 Peachtree, Atlanta is among the portfolio of 14 data centres acquired in the United States via a 40:60 joint venture with the Sponsor.

¹ The US Portfolio was valued at US\$776.4 million based on valuations of the 14 data centres conducted in August and September 2017, using the income capitalisation and sales comparison methods.



New 14-storey Hi-Tech Building, 30A Kallang Place.

the vendor, Mapletree Logistics Trust. MIT will be upgrading the seven-storey property into a Hi-Tech Building. Subject to the approval of JTC Corporation and relevant authorities and upon the completion of the upgrading works in the second half of 2019, the Hi-Tech Building will be fully leased to an established information and communication technology company for an initial lease term of 25 years with annual rental escalations. The total cost of the proposed acquisition and upgrading works is estimated to be S\$95 million².

These concerted efforts are consistent with our strategic focus to grow the Hi-Tech Buildings segment. As at 31 March 2018, the Hi-Tech Buildings segment represented the largest property segment at 37.7% of the portfolio by valuation, up from 14.8% five years ago.

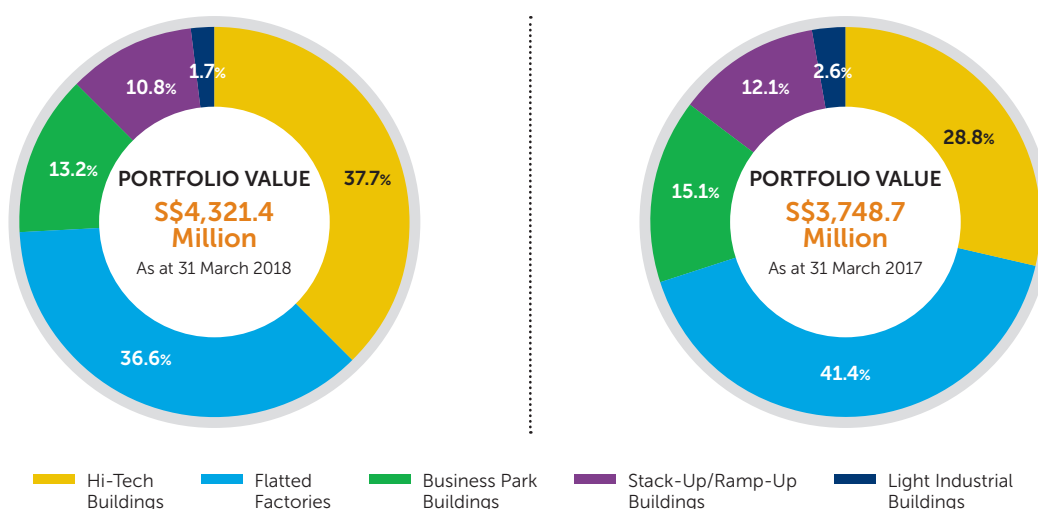
PORTFOLIO OVERVIEW

PROPERTY PORTFOLIO STATISTICS

	As at 31 March 2018	As at 31 March 2017
Number of properties	99 Properties 85 in Singapore, 14 in United States	86 Properties 86 in Singapore
NLA (million sq ft)	18.0 ³	15.2
Portfolio valuation (S\$ million)	4,321.4 ⁴	3,748.7
Average portfolio occupancy for FY17/18 (%)	89.6 ⁴	92.4

MIT's diverse portfolio comprises 85 properties in Singapore and 14 data centres in the United States, which accounted for 90.4% and 9.6% of the portfolio valuation respectively as at 31 March 2018.

PORTFOLIO VALUE (BY SEGMENT)



² Includes the purchase consideration of S\$68.0 million.

³ Excludes the parking decks (150 Carnegie Way and 171 Carnegie Way) at 180 Peachtree, Atlanta.

⁴ Based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through MRDCT.

Operations Review

MIT's portfolio of 85 properties in Singapore (the "Singapore Portfolio") are strategically located in established industrial estates and business parks, which are well-served by public transportation networks and offer convenient access to amenities. The Singapore Portfolio was valued at S\$3,908.3 million as at 31 March 2018 by Knight Frank Pte Ltd. This represented an overall increase of S\$159.7 million over the previous valuation of S\$3,748.7 million as at 31 March 2017. Excluding the divestment of 65 Tech Park Crescent⁵ on 20 July 2017, the increase in portfolio value comprised a portfolio revaluation gain of S\$65.5 million and capitalised cost of S\$111.8 million from development and improvement works.

As at 31 March 2018, the US Portfolio held through MRDCT was valued at US\$783.4 million (approximately S\$1,032.8 million⁶) by Newmark Knight Frank Valuation & Advisory, using the income capitalisation and sales comparison methods. MIT's 40% interest in the US Portfolio was US\$313.4 million (approximately S\$413.1 million) as at 31 March 2018.

MIT's total assets under management grew 15.3% from S\$3,748.7 million as at 31 March 2017 to S\$4,321.4 million⁴ as at 31 March 2018. This was due mainly to the US Acquisition and an increase of S\$159.7 million in portfolio value for the Singapore Portfolio. Over the same period, the net asset value per unit increased from S\$1.41 to S\$1.47.

WELL SPREAD LEASE EXPIRY PROFILE

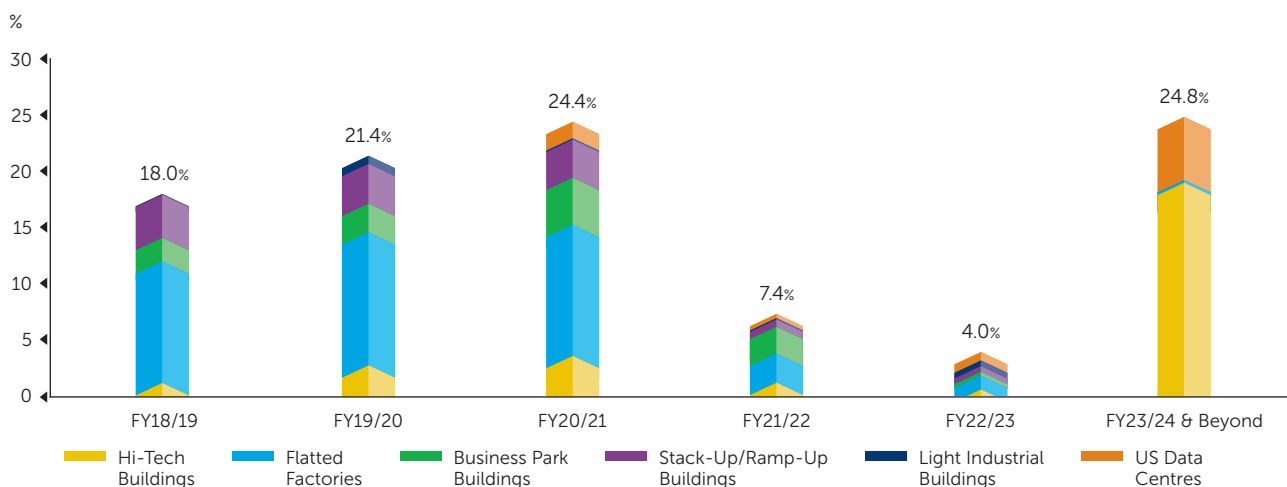
The portfolio's WALE (by gross rental income) increased from 3.1 years as at 31 March 2017 to 3.8 years⁴ as at 31 March 2018. This was attributed to the commencement of the 10.5-year lease with HP for Phase Two of the BTS project at 1 & 1A Depot Close in September 2017 and the addition of the US Portfolio, which had a long WALE of 6.0 years.

WALE (BY GROSS RENTAL INCOME)

WALE (in years)	As at 31 March 2018	As at 31 March 2017
Singapore Portfolio	3.6	3.1
US Portfolio	6.0	–
Overall ⁴	3.8	3.1

LEASE EXPIRY PROFILE (BY GROSS RENTAL INCOME)⁴

As at 31 March 2018



⁵ 65 Tech Park Crescent was valued at S\$17.6 million as at 31 March 2017.

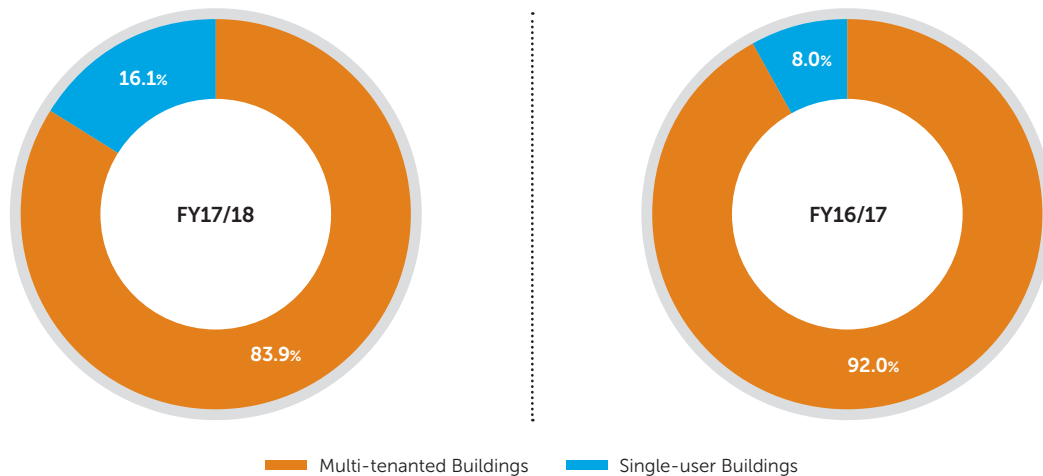
⁶ Based on the exchange rate of US\$1 to S\$1.31839.

The portfolio lease expiry profile is well-staggered with no more than 25% of the leases (by gross rental income) due for expiry in any year. About 18.0% of the leases will be expiring in FY18/19, with no concentration risk of lease expiry in any property segment or property. The Manager adopts a proactive leasing strategy by engaging tenants for renewal negotiations as early as six months ahead of the lease expirations.

As at 31 March 2018, the WALE for new and renewal leases that commenced in FY17/18, including the 10.5-year lease with HP for Phase Two of the BTS project at 1& 1A Depot Close, was 3.9 years. This accounted for 33.3% of the portfolio's gross rental income.

The gross revenue contributions from 81 multi-tenanted buildings and 18 single-user buildings for FY17/18⁷ were 83.9% and 16.1% respectively. Multi-tenanted buildings provide organic rental revenue growth potential due to the shorter lease durations while single-user buildings offer portfolio stability with their longer lease periods and built-in rent escalations.

PROFILE OF MULTI-TENANTED BUILDINGS AND SINGLE-USER BUILDINGS (BY GROSS REVENUE)



LARGE AND WELL-DIVERSIFIED TENANT BASE

MIT's large and well-diversified tenant base continues to underpin the stability of its portfolio. As at 31 March 2018, there were 2,131⁸ tenants with 2,991 leases in MIT's portfolio.

The top 10 tenants accounted for 26.1% of the portfolio's monthly gross rental income as at 31 March 2018. AT&T Inc. was the latest entrant to the list of top 10 tenants following the completion of the US Acquisition on 20 December 2017.

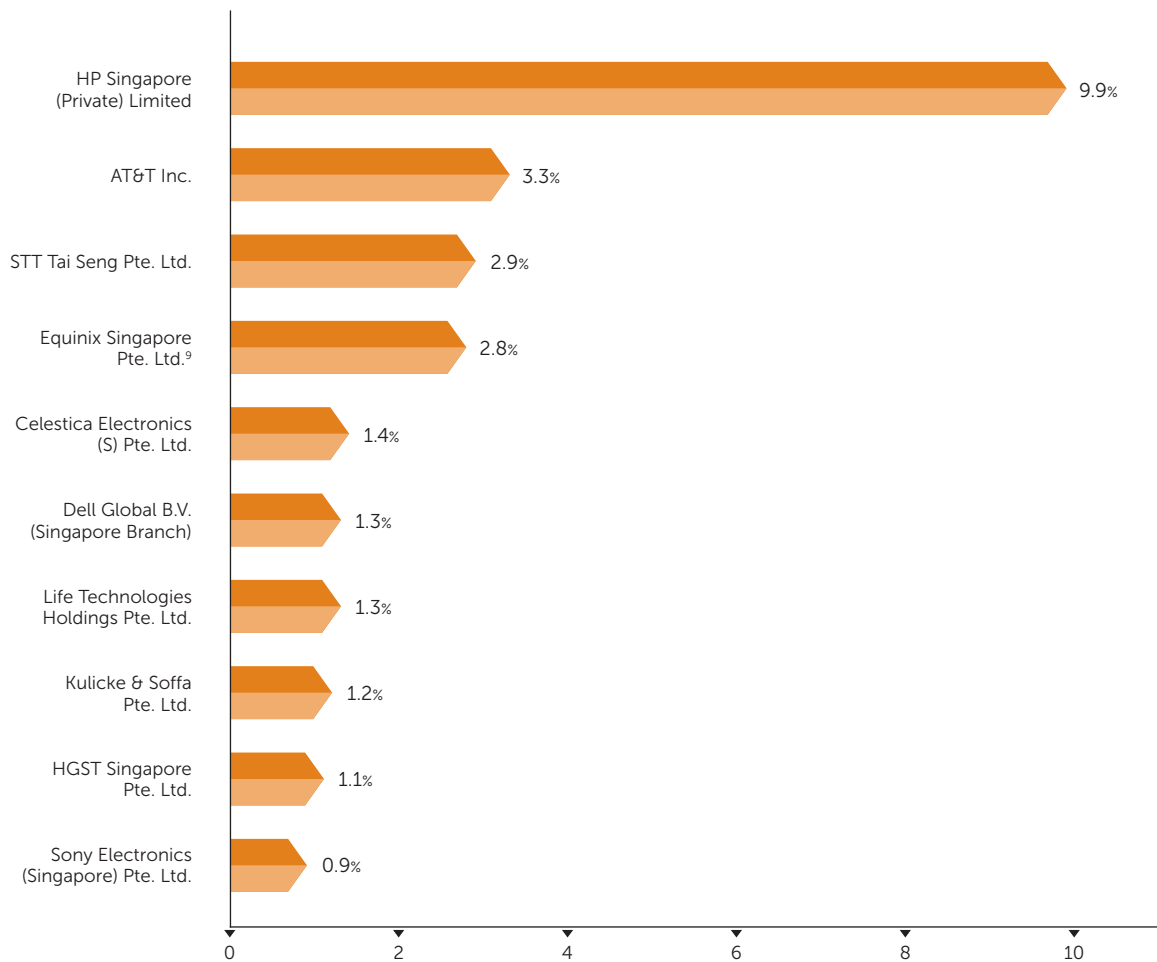
⁷ It excluded Mapletree Sunview 1 that is under development and included MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through MRDCT and 65 Tech Park Crescent, which was divested on 20 July 2017.

⁸ The total number of tenants in the portfolio is lower than the aggregate number of tenants in all five property segments as there are some tenants who have leases in more than one property segment or geographical location.

Operations Review

TOP 10 TENANTS (BY GROSS RENTAL INCOME)⁴

As at 31 March 2018

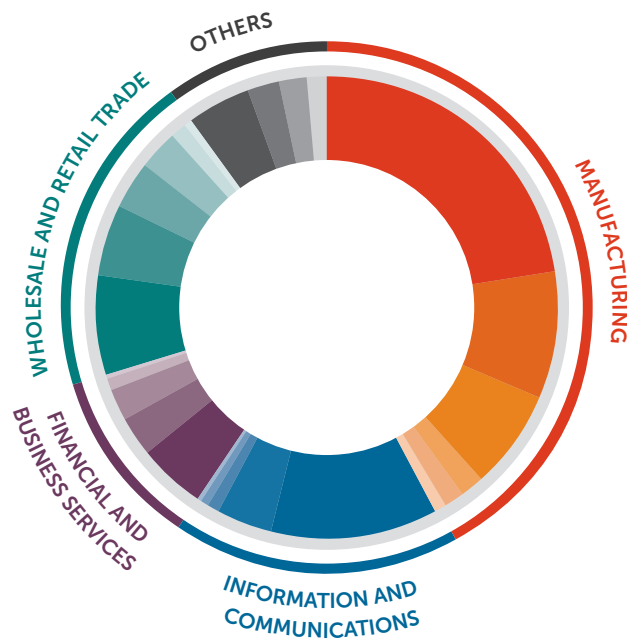


No single tenant and trade sector accounted for more than 10% and 23% of the portfolio's monthly gross rental income respectively. The tenant diversification across trade sectors and low dependence on any particular tenant enabled MIT to mitigate its concentration risk and enhance its portfolio resilience.

⁹ Included the contribution from Equinix Inc. at 180 Peachtree, Atlanta.

TENANT DIVERSIFICATION ACROSS TRADE SECTORS (BY GROSS RENTAL INCOME)⁴

As at 31 March 2018



MANUFACTURING 42.34%

Precision Engineering, Electrical, Machinery and Transportation Products	22.66%
Printing, Recorded Media and Essential Products	8.84%
Computer, Electronic and Optical Products	6.96%
Refined Petroleum and Chemicals	1.69%
Food and Beverage	1.49%
Pharmaceutical and Biological	0.70%

INFORMATION AND COMMUNICATIONS 17.16%

Telecommunications	11.61%
Computer Programming and Consultancy	4.02%
Publishing	0.90%
Other Infomedia	0.52%
Radio and TV Broadcasting	0.11%

FINANCIAL AND BUSINESS SERVICES 10.87%

Professional, Scientific and Technical Activities	4.83%
Financial Services	2.87%
Admin and Support Services	2.21%
Real Estate	0.83%
Public Administration and Defence	0.13%

WHOLESALE AND RETAIL TRADE 19.77%

General Wholesale Trade and Services	7.12%
Wholesale of Machinery, Equipment and Supplies	4.97%
Wholesale Trade	3.24%
Retail Trade	2.86%
Specialised Wholesale	0.93%
Wholesale of Food and Beverage	0.65%

OTHERS 9.86%

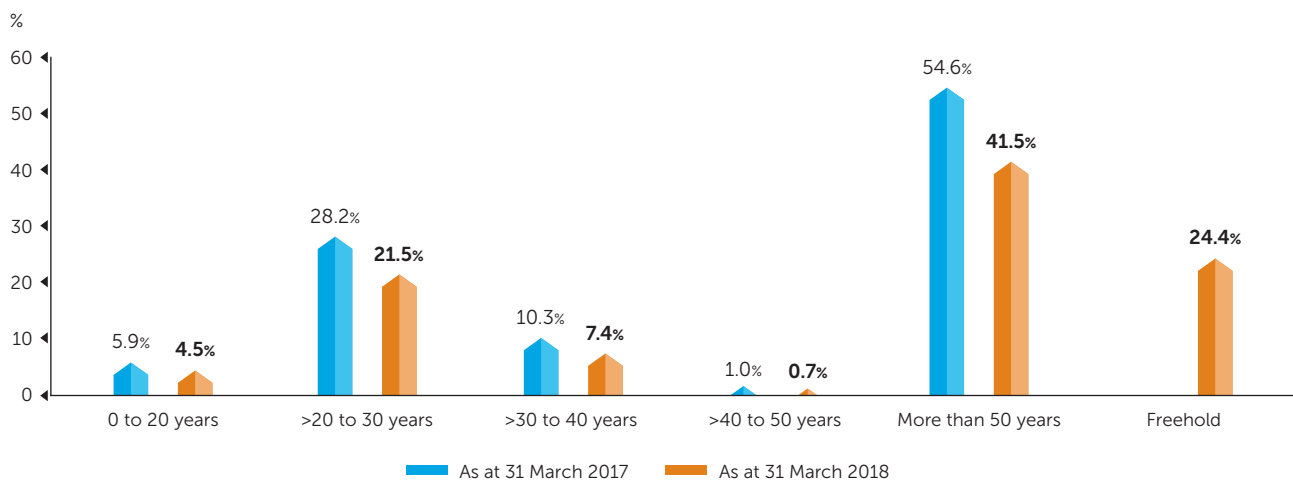
Education, Health and Social Services, Arts, Entertainment and Recreation	4.41%
Food Services	2.22%
Construction and Utilities	2.06%
Transportation and Storage	1.17%

Operations Review

STABILITY FROM EXTENDED LEASES

The weighted average unexpired lease term for underlying leasehold land for the properties was 38.4 years as at 31 March 2018. All properties in the US Portfolio are sited on freehold land, except for the parking deck (150 Carnegie Way) at 180 Peachtree, Atlanta. As at 31 March 2018, the parking deck has a remaining land lease tenure of approximately 37.7 years, with an option to renew for an additional 40 years. Following the completion of the US Acquisition, 24.4% of MIT's enlarged portfolio (by land area) consists of freehold land.

REMAINING YEARS TO EXPIRY ON UNDERLYING LAND LEASES¹⁰ (BY LAND AREA)



2000 Kubach Road, Philadelphia is among the portfolio of 14 data centres acquired in the United States.

¹⁰ Exclude the options to renew and based on MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through MRDCT.

RESILIENT PORTFOLIO

MIT's average portfolio occupancy fell from 92.4% in FY16/17 to 89.6% in FY17/18 due to the lower average occupancy for the Singapore Portfolio amid the impending large supply of industrial space and uneven recovery in the manufacturing sector. The average occupancy for the Singapore Portfolio decreased from 92.4% in FY16/17 to 89.1% in FY17/18. This was partly attributed to the short time gap between the completion of the Phase Two of the BTS project at 1 & 1A Depot Close and the lease commencement with HP, as well as the increase in leasable area upon the completion of the AEI at 30A Kallang Place. The average passing rental rate for the Singapore Portfolio increased 2.6% to S\$1.96 per square foot per month ("psf/mth").

The average occupancy for the US Portfolio remained healthy at 97.4% in FY17/18 with an average passing rental rate of US\$2.01 psf/mth.

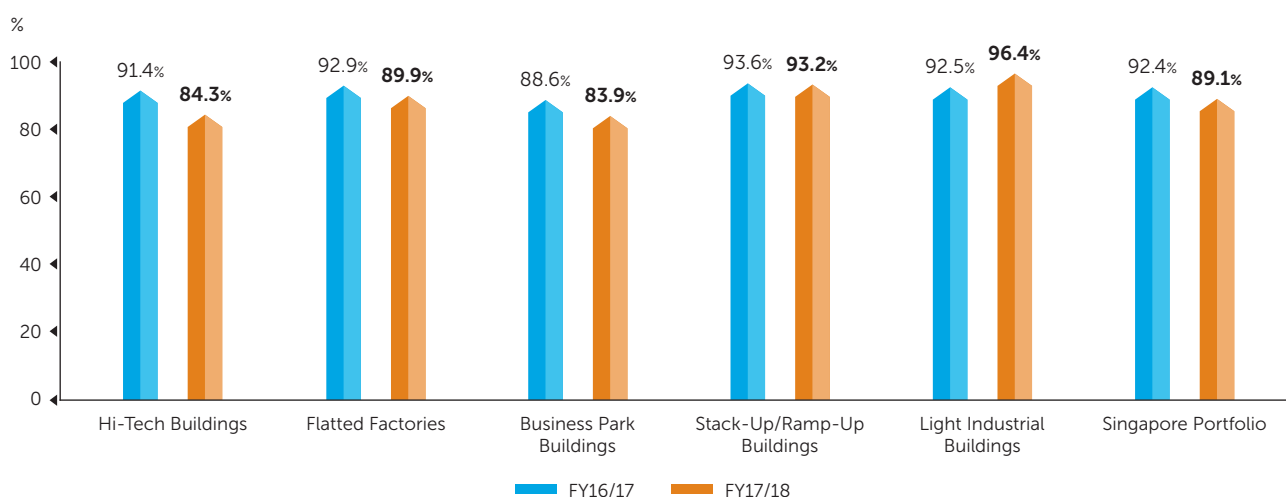
SINGAPORE PORTFOLIO

	FY17/18	FY16/17
Average portfolio occupancy (%)	89.1	92.4
Average passing rental rate (S\$ psf/mth)	1.96	1.91

US PORTFOLIO

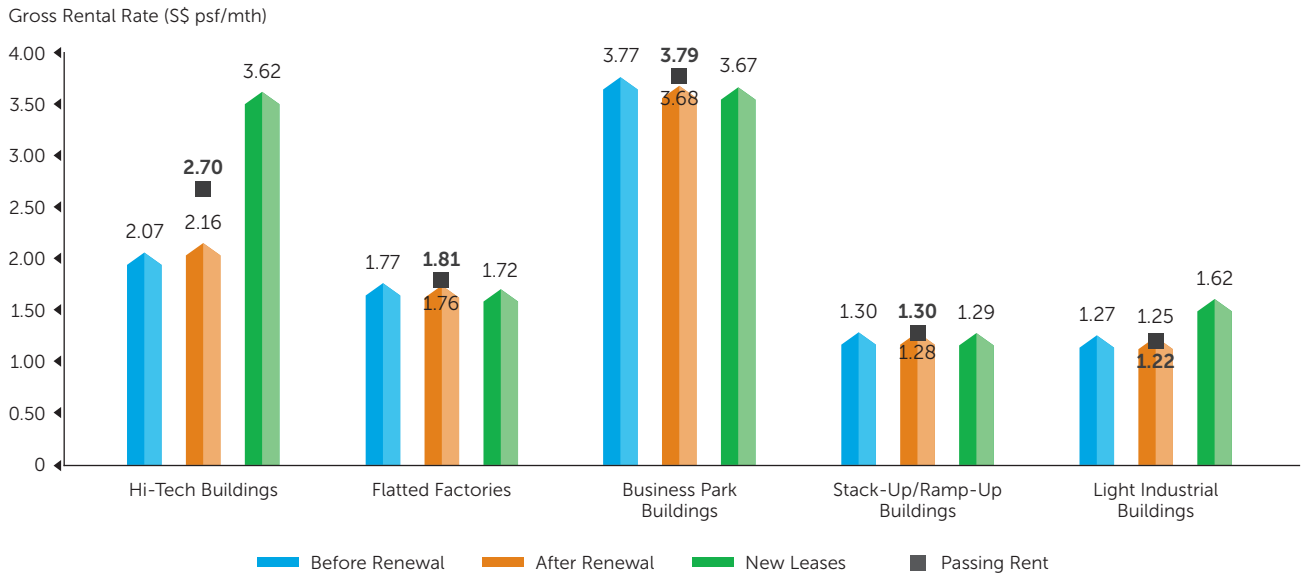
	FY17/18	FY16/17
Average portfolio occupancy (%)	97.4	–
Average passing rental rate (US\$ psf/mth)	2.01	–

SEGMENTAL OCCUPANCY RATES (SINGAPORE)



Operations Review

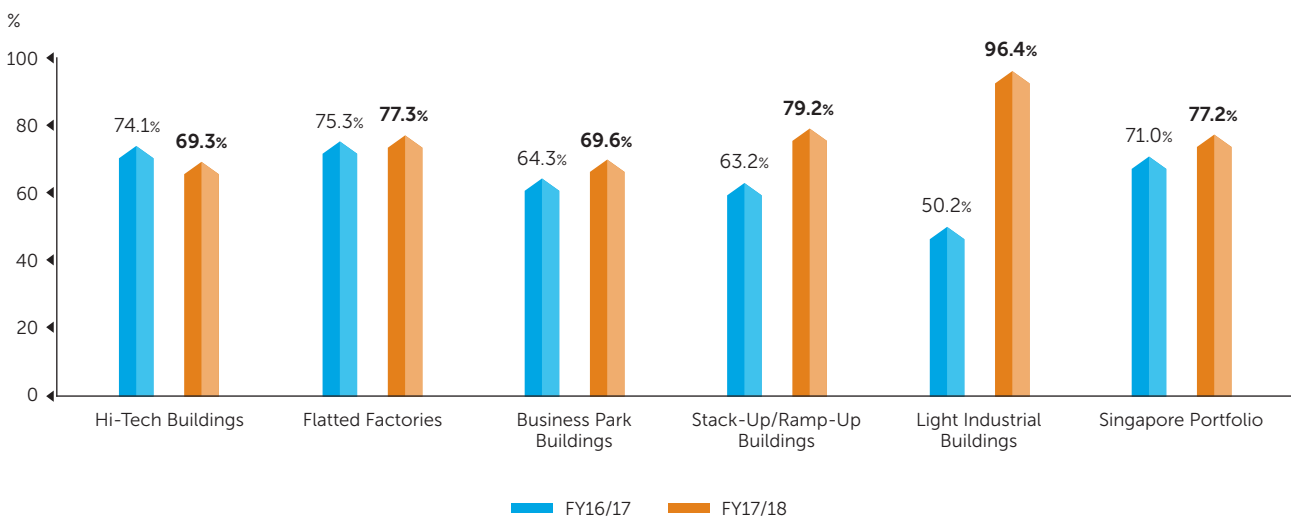
RENTAL REVISIONS¹¹ FOR FY17/18 (SINGAPORE)



FOCUS ON TENANT RETENTION

To address the leasing challenge from an impending large supply of industrial space, the Manager continues to focus on tenant retention to maintain a stable portfolio occupancy. Furthermore, the Manager has been intensifying its efforts to engage tenants ahead of their lease expirations. These resulted in an improvement in the Singapore Portfolio's retention rate from 71.0% in FY16/17 to 77.2% in FY17/18.

RETENTION RATE¹² (SINGAPORE)

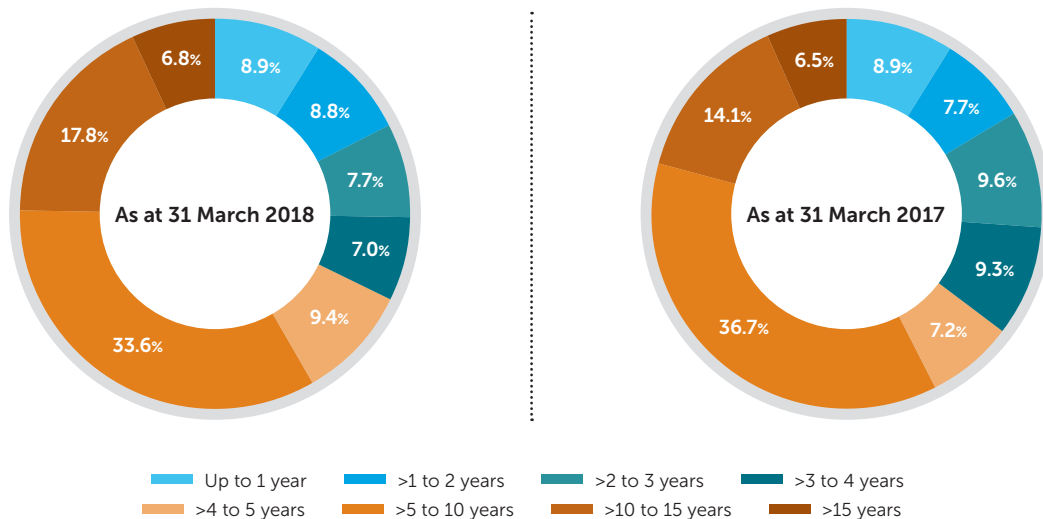


¹¹ Gross Rental Rate figures exclude short-term leases of less than three years; except Passing Rent figures which include all leases.

¹² Based on NLA.

MIT's tenants continued to demonstrate a high degree of stickiness to the portfolio. As at 31 March 2018, 24.6% of the tenants have remained in the portfolio for more than 10 years and 67.6% have been leasing space in the portfolio for more than four years. This represented a corresponding increase from 20.6% and 64.5% a year ago.

LONG STAYING TENANTS (SINGAPORE)



DIVESTMENT OF 65 TECH PARK CRESCENT

On 20 July 2017, the Manager completed the divestment of 65 Tech Park Crescent at S\$17.688 million to Concrete Innovators Co. Pte. Ltd. The Light Industrial Building was valued at S\$17.6 million¹³ as at 31 March 2017. It was acquired by MIT on 21 October 2010 as part of the initial public offering portfolio for S\$13.2 million. The proposed sale price represented a 34% premium over MIT's acquisition price. The divestment is in line with the Manager's strategy of proactively managing assets to add value to the portfolio.

TENANT CREDIT RISK MANAGEMENT

To minimise tenant credit risk, the Manager's Credit Control Committee, which comprises representatives from Asset Management, Property Management, Finance, Legal, Marketing and Lease Management Departments, meets fortnightly to review payment trends of tenants. This enables the Manager to adopt a disciplined approach in anticipating and initiating necessary actions to address potential arrears cases. The total arrears outstanding as at 31 March 2018 remained low at approximately 0.2% of gross revenue for FY17/18.

¹³ The independent valuation of 65 Tech Park Crescent of S\$17.6 million as at 31 March 2017 was undertaken by Savills Valuation & Professional Services (S) Pte Ltd, using the income capitalisation and discounted cash flow methods.

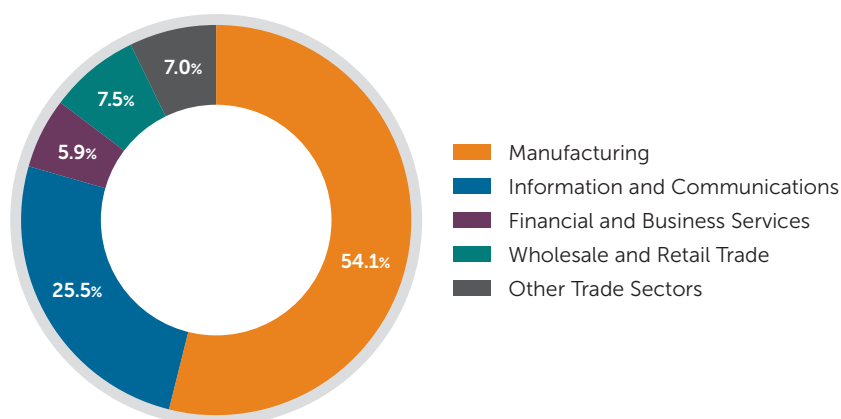
Property Portfolio Overview

HI-TECH BUILDINGS - SINGAPORE

Hi-Tech Buildings are high specification industrial buildings with higher office content for tenants in technology and knowledge-intensive sectors. They are usually fitted with air-conditioned lift lobbies and common areas. Most of MIT's Hi-Tech Buildings are occupied by anchor tenants who are involved in light industrial activities such as precision engineering and data centre operations. The tenants include multinational corporations and Singapore-listed companies who are committed to long-term leases with built-in rent escalations.

TENANT BUSINESS SECTOR

(by Gross Rental Income)



TOP FIVE TENANTS IN HI-TECH BUILDINGS – SINGAPORE

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2018)
1	HP Singapore (Private) Limited	1 & 1A Depot Close	Precision Engineering, Electrical, Machinery and Transportation Products	9.9%
2	STT Tai Seng Pte. Ltd.	STT Tai Seng 1	Telecommunications	2.9%
3	Equinix Singapore Pte. Ltd.	26A Ayer Rajah Crescent	Telecommunications	2.4%
4	Celestica Electronics (S) Pte Ltd	K&S Corporate Headquarters, Serangoon North and Woodlands Central	Computer, Electronic and Optical Products	1.4%
5	Life Technologies Holdings Pte. Ltd.	Woodlands Central	Education, Health and Social Services, Arts, Entertainment and Recreation	1.3%

KEY STATISTICS

(As at 31 March 2018)

Number of Properties

15

(Grouped into 10 clusters)

Gross Floor Area

4,196,684

Sq ft

Net Lettable Area

3,397,707

Sq ft

Number of Tenants

194

Gross Revenue (for FY17/18)

\$S\$99.8

Million

Occupancy (for FY17/18)

84.3

%

Valuation

\$S\$1,215.6

Million

% of Portfolio (By Valuation)

28.1

%



Hi-Tech Building, 30A Kallang Place



Hi-Tech Building, 26A Ayer Rajah Crescent

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease ^{1,2}	Remaining Term of Lease ^{1,2}	Location	GFA (sq ft)	NLA (sq ft)	Purchase Price S\$'000	Valuation as at 31/03/2017 S\$'000	Valuation as at 31/03/2018 S\$'000	Gross Revenue for FY17/18 S\$'000	Average Occupancy Rate for FY17/18 %
1 & 1A Depot Close ³	01/07/2008	60 years	50 years	1 & 1A Depot Close Singapore	824,576	725,007	44,000 ⁴	371,700	384,000	29,640	77.7
19 Tai Seng Drive	21/10/2010	30+30 years	33 years	19 Tai Seng Drive Singapore	92,641	92,641	13,700	20,100	21,200	2,026	100.0
26A Ayer Rajah Crescent	27/01/2015 ⁵	30 years	25 years	26A Ayer Rajah Crescent Singapore	384,802	384,802	–	121,800	122,000	8,556	100.0
30A Kallang Place ⁶	01/07/2008	33 years	23 years	30A Kallang Place Singapore	336,437	279,057	–	30,900	93,000	32	–
K&S Corporate Headquarters	04/10/2013 ⁵	30+28.5 years	53 years	23A Serangoon North Avenue 5 Singapore	332,224	285,913	–	60,500	61,000	7,628	97.5
Mapletree Sunview 1 ⁷	–	30 years	29 years	12 Sunview Drive Singapore	–	–	–	900	51,700	–	–
Serangoon North	01/07/2008	60 years	50 years	6 Serangoon North Avenue 5 Singapore	784,534	586,147	129,900 ⁴	165,900	169,000	16,649	87.7
STT Tai Seng 1 ⁸	21/10/2010	30+30 years	51 years	35 Tai Seng Street Singapore	172,945	144,305	95,000	95,650	95,700	11,233	100.0
Toa Payoh North 1	01/07/2008	30 years	20 years	970, 978, 988 & 998 Toa Payoh North Singapore	666,851	477,025	43,400 ⁴	110,500	111,000	13,656	93.7
Woodlands Central	01/07/2008	60 years	50 years	33 & 35 Marsiling Industrial Estate Road 3 Singapore	601,674	422,810	39,400 ⁴	99,300	107,000	10,351	91.8
Subtotal Hi-Tech Buildings - Singapore					4,196,684	3,397,707	365,400	1,077,250	1,215,600	99,771	84.3⁹

¹ Refers to the tenure of underlying land.

² Remaining term of lease includes option to renew the land leases.

³ Telok Blangah Cluster was redeveloped as a BTS facility for HP, which has been renamed after its address as 1 & 1A Depot Close. 1 & 1A Depot Close had obtained the Temporary Occupation Permit ("TOP") on 21 October 2016 and 22 June 2017 respectively.

⁴ Excludes stamp duties and other acquisition related costs.

⁵ Refers to the TOP date.

⁶ 30A Kallang Place obtained the TOP on 13 February 2018.

⁷ It was previously known as Mukim 06 Lot 00869CPT, which is under development as a six-storey BTS data centre.

⁸ It was previously known as Tata Communications Exchange and renamed as STT Tai Seng 1 following the novation of lease from Tata Communications International Pte. Ltd. to STT Tai Seng Pte. Ltd..

⁹ Refers to the aggregate occupancy for the property segment.

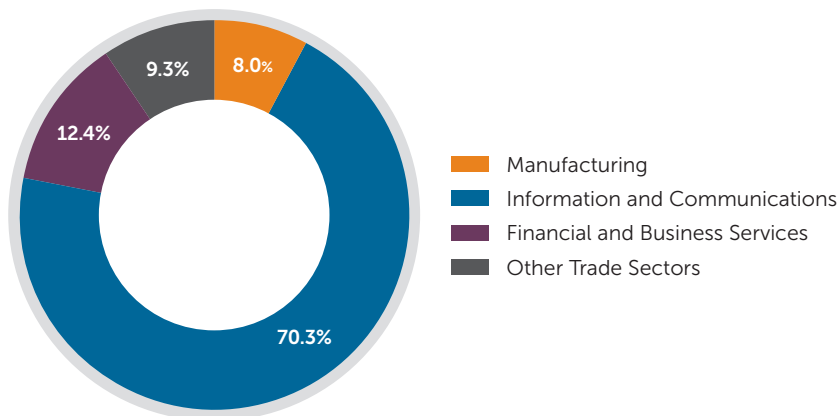
Property Portfolio Overview

HI-TECH BUILDINGS - UNITED STATES

MIT's Hi-Tech Buildings in the United States comprise data centres, which are primarily leased to tenants on a core-and-shell basis with triple net leases. They are occupied by high quality and established tenants, including Fortune Global 500 corporations and companies listed on the New York Stock Exchange and the NASDAQ Stock Market. These tenants are committed to long-term leases with built-in rent escalations.

TENANT BUSINESS SECTOR

(by Gross Rental Income)



TOP FIVE TENANTS IN HI-TECH BUILDINGS - UNITED STATES

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2018)
1	AT&T Inc.	7337 Trade Street, San Diego, 402 Franklin Road, Brentwood and N15W24250 Riverwood Drive, Pewaukee	Telecommunications	3.3%
2	The Vanguard Group	2000 Kubach Road, Philadelphia	Financial Services	0.8%
3	General Electric Company	1001 Windward Concourse, Alpharetta	Precision Engineering, Electrical, Machinery and Transportation Products	0.6%
4	Level 3 Communications Inc.	180 Peachtree, Atlanta and 19675 W Ten Mile Road, Southfield	Telecommunications	0.5%
5	Equinix, Inc.	180 Peachtree, Atlanta	Telecommunications	0.4%

KEY STATISTICS

(As at 31 March 2018)

Number of Properties

14

Net Lettable Area

2,252,765

Sq ft

Number of Tenants

16

Gross Revenue
(for FY17/18)

\$S\$10.5¹

Million

Occupancy
(for FY17/18)

97.4

%

Valuation

US\$783.4

Million

% of Portfolio
(By Valuation)

9.6¹

%



Hi-Tech Building, 3300 Essex Drive, Richardson

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease ²	Location	NLA (sq ft)	Purchase Price ³ US\$'000	Valuation as at 31/03/2018 US\$'000	Gross Revenue for FY17/18 ¹ S\$'000	Average Occupancy Rate for FY17/18 %
California								
7337 Trade Street, San Diego	20/12/2017	Freehold	7337 Trade Street, San Diego	499,402	169,200	176,000	1,852	100.0%
Georgia								
180 Peachtree, Atlanta	20/12/2017	Freehold ⁴	180 Peachtree, Atlanta	357,411	138,000	140,000	2,312	93.1%
1001 Windward Concourse, Alpharetta	20/12/2017	Freehold	1001 Windward Concourse, Alpharetta	184,553	52,000	54,000	793	100.0%
2775 Northwoods Parkway, Atlanta	20/12/2017	Freehold	2775 Northwoods Parkway, Atlanta	32,740	7,200	7,700	99	100.0%
Michigan								
19675 W Ten Mile Road, Southfield	20/12/2017	Freehold	19675 W Ten Mile Road, Southfield	52,940	6,100	6,400	242	74.3%
New Jersey								
2 Christie Heights, Leonia	20/12/2017	Freehold	2 Christie Heights, Leonia	67,000	10,500	11,400	263	100.0%
North Carolina								
1805 Center Park Drive, Charlotte	20/12/2017	Freehold	1805 Center Park Drive, Charlotte	60,850	26,000	28,000	394	66.7%
5150 McCrimmon Parkway, Morrisville	20/12/2017	Freehold	5150 McCrimmon Parkway, Morrisville	143,770	24,000	25,600	414	100.0%
Pennsylvania								
2000 Kubach Road, Philadelphia	20/12/2017	Freehold	2000 Kubach Road, Philadelphia	124,190	70,000	75,000	864	100.0%
Tennessee								
402 Franklin Road, Brentwood	20/12/2017	Freehold	402 Franklin Road, Brentwood	347,515	110,000	115,000	1,337	100.0%
Texas								
1221 Coit Road, Plano	20/12/2017	Freehold	1221 Coit Road, Plano	128,753	23,200	24,300	407	100.0%
3300 Essex Drive, Richardson	20/12/2017	Freehold	3300 Essex Drive, Richardson	20,000	38,000	40,000	522	100.0%
5000 Bowen, Arlington	20/12/2017	Freehold	5000 Bowen, Arlington	90,689	26,000	27,000	423	100.0%
Wisconsin								
N15W24250 Riverwood Drive, Pewaukee	20/12/2017	Freehold	N15W24250 Riverwood Drive, Pewaukee	142,952	49,800	53,000	595	100.0%
Subtotal Hi-Tech Buildings - United States				2,252,765	750,000	783,400	10,517	97.4⁵

¹ Refers to MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States.

² Refers to the tenure of underlying land.

³ Excludes stamp duties and other acquisition related costs.

⁴ Except for the parking deck (150 Carnegie Way). As at 31 March 2018, the parking deck has a remaining land lease tenure of about 37.7 years, with an option to renew for an additional 40 years.

⁵ Refers to the aggregate occupancy for the property segment.

Property Portfolio Overview

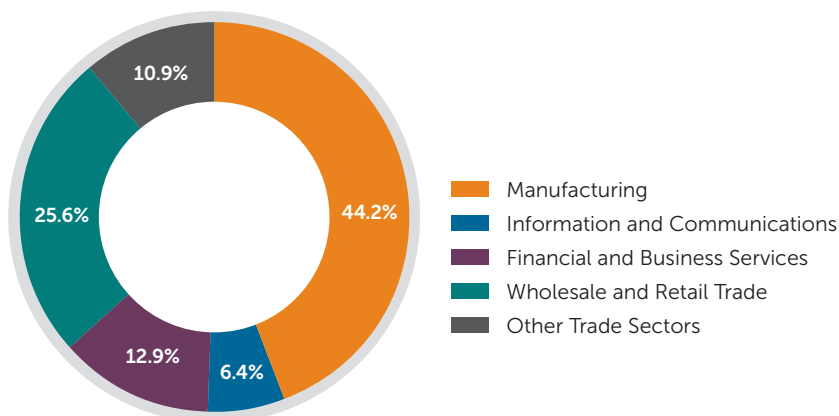
FLATTED FACTORIES

Flatted Factories comprise high-rise multi-tenanted buildings. Standard units range from 1,000 sq ft to 10,000 sq ft, sharing naturally ventilated corridors and lift lobbies. Other common facilities include car parks, loading and unloading areas and cargo lifts. Selected Flatted Factories enjoy amenity centres located within the cluster.

Many of MIT's Flatted Factories are located near public housing estates, providing tenants access to a ready labour pool and the convenience of shops and services. Most of the Flatted Factories are also well-connected to major roads, expressways and Mass Rapid Transit system, offering convenient access for tenants.

TENANT BUSINESS SECTOR

(by Gross Rental Income)



TOP FIVE TENANTS IN FLATTED FACTORIES

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2018)
1	HGST Singapore Pte. Ltd.	Kaki Bukit	Computer, Electronic and Optical Products	1.1%
2	Semiconductor Technologies & Instruments Pte Ltd	Kallang Basin 6	Precision Engineering, Electrical, Machinery and Transportation Products	0.4%
3	Blackmagic Design Manufacturing Pte. Ltd.	Kolam Ayer 5	Computer, Electronic and Optical Products	0.4%
4	Insign Pte Ltd	Kallang Basin 3 and Kallang Basin 4	Printing, Recorded Media and Essential Products	0.4%
5	Speedy Industrial Supplies Pte Ltd	Kolam Ayer 5	Precision Engineering, Electrical, Machinery and Transportation Products	0.3%

KEY STATISTICS

(As at 31 March 2018)

Number of Properties

56

(Grouped into 24 clusters)

Gross Floor Area

10,732,293

Sq ft

Net Lettable Area

7,681,996

Sq ft

Number of Tenants

1,649

Gross Revenue (for FY17/18)

\$S\$159.1

Million

Occupancy (for FY17/18)

89.9

%

Valuation

\$S\$1,580.2

Million

% of Portfolio (By Valuation)

36.6

%



Flatted Factory, Tiong Bahru 2



Flatted Factory, Kampong Ubi

Property Portfolio Overview

FLATTED FACTORIES

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease ¹	Remaining Term of Lease ¹	Location
Chai Chee Lane	26/08/2011	60 years	53 years	510, 512 & 514 Chai Chee Lane Singapore
Changi North	01/07/2008	60 years	50 years	11 Changi North Street 1 Singapore
Clementi West	01/07/2008	30 years	20 years	1 Clementi Loop Singapore
Kaki Bukit	01/07/2008	60 years	50 years	2, 4, 6, 8 & 10 Kaki Bukit Avenue 1 Singapore
Kallang Basin 1	26/08/2011	20 years	13 years	5 & 7 Kallang Place Singapore
Kallang Basin 2	26/08/2011	20 years	13 years	9 & 11 Kallang Place Singapore
Kallang Basin 3	26/08/2011	30 years	23 years	16 Kallang Place Singapore
Kallang Basin 4	01/07/2008	33 years	23 years	26, 26A, 28 & 30 Kallang Place Singapore
Kallang Basin 5	01/07/2008	33 years	23 years	19, 21 & 23 Kallang Avenue Singapore
Kallang Basin 6	01/07/2008	33 years	23 years	25 Kallang Avenue Singapore
Kampong Ampat	01/07/2008	60 years	50 years	171 Kampong Ampat Singapore
Kampong Ubi	26/08/2011	60 years	53 years	3014A, 3014B & 3015A Ubi Road 1 Singapore
Kolam Ayer 1	01/07/2008	43 years	33 years	8, 10 & 12 Lorong Bakar Batu Singapore
Kolam Ayer 2	01/07/2008	43 years	33 years	155, 155A & 161 Kallang Way Singapore
Kolam Ayer 5	01/07/2008	43 years	33 years	1, 3 & 5 Kallang Sector Singapore
Loyang 1	01/07/2008	60 years	50 years	30 Loyang Way Singapore
Loyang 2	01/07/2008	60 years	50 years	2, 4 & 4A Loyang Lane Singapore
Redhill 1	01/07/2008	30 years	20 years	1001, 1001A & 1002 Jalan Bukit Merah Singapore
Redhill 2	01/07/2008	30 years	20 years	1003 & 3752 Bukit Merah Central Singapore
Tanglin Halt	01/07/2008	56 years	46 years	115A & 115B Commonwealth Drive Singapore
Tiong Bahru 1	01/07/2008	30 years	20 years	1090 Lower Delta Road Singapore
Tiong Bahru 2	01/07/2008	30 years	20 years	1080, 1091, 1091A, 1092 & 1093 Lower Delta Road Singapore
Toa Payoh North 2	01/07/2008	30 years	20 years	1004 Toa Payoh North Singapore
Toa Payoh North 3	01/07/2008	30 years	20 years	1008 & 1008A Toa Payoh North Singapore
Subtotal Flatted Factories				

- ¹ Refers to the tenure of underlying land.
² NLA excludes long strata leases at Kampong Ubi, Loyang 1 and Loyang 2.
³ Excludes stamp duties and other acquisition related costs.
⁴ Refers to the aggregate occupancy for the property segment.

GFA (sq ft)	NLA ² (sq ft)	Purchase Price ³ S\$'000	Valuation as at 31/03/2017 S\$'000	Valuation as at 31/03/2018 S\$'000	Gross Revenue for FY17/18 S\$'000	Average Occupancy Rate for FY17/18 %
973,647	787,827	133,300	148,500	151,000	12,275	85.9
121,278	73,206	18,200	19,100	19,700	1,692	85.1
251,038	211,615	22,200	36,700	37,200	4,693	93.4
1,341,959	960,644	147,600	201,500	202,000	19,017	93.6
190,663	133,343	23,200	19,400	18,000	2,880	90.8
366,234	251,417	44,500	36,000	33,000	5,096	89.0
509,081	407,034	74,000	77,000	78,000	7,642	84.3
582,718	383,118	50,000	74,400	76,000	8,155	89.6
442,422	280,440	44,300	55,400	56,400	6,247	95.1
312,694	208,240	30,900	41,000	41,300	4,490	87.7
456,708	294,776	60,300	102,700	109,000	11,145	99.9
723,427	535,901	125,300	122,900	125,000	10,639	93.5
478,901	339,706	49,300	73,100	75,000	7,477	95.8
506,726	349,610	46,100	68,000	70,000	7,177	88.5
670,586	447,312	71,900	85,000	87,000	8,809	89.8
524,842	378,624	29,000	62,900	65,700	6,079	81.3
324,253	236,248	16,800	37,700	38,800	3,635	80.1
420,184	312,539	41,500	62,900	63,400	6,699	90.6
307,657	220,476	37,500	53,000	53,800	5,635	87.1
242,384	171,688	28,900	45,700	47,000	4,282	94.0
159,831	110,574	14,500	19,000	19,500	2,111	81.3
465,554	341,671	45,800	65,100	66,700	7,394	88.9
167,186	108,867	13,700	20,500	20,500	2,621	95.3
192,320	137,120	16,400	26,000	26,200	3,175	94.5
10,732,293	7,681,996	1,185,200	1,553,500	1,580,200	159,065	89.9⁴

Property Portfolio Overview

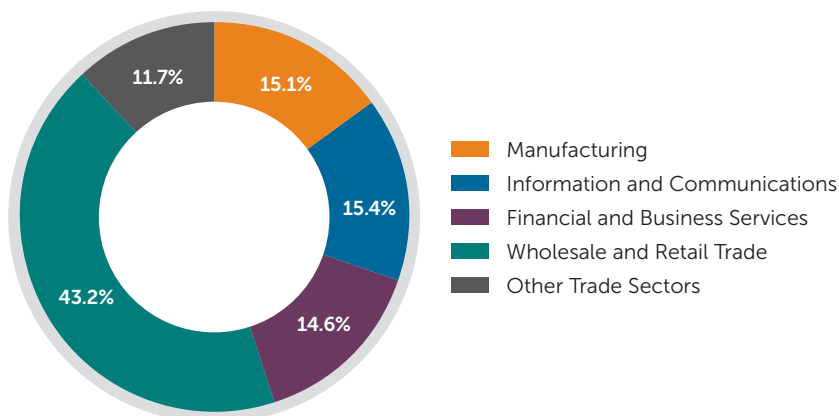
BUSINESS PARK BUILDINGS

Business Park Buildings are high-rise multi-tenanted buildings within a landscaped environment. Fitted with air-conditioned lift lobbies and common areas, each unit can be customised to meet tenants' requirements. They serve as regional headquarters for multinational companies and spaces for research and development and knowledge-intensive enterprises.

Business Park Buildings are located within government identified "Business Parks" zones, which accommodate various amenities such as food and beverage outlets, fitness centres, convenience outlets and childcare centres. They are served by good public transportation network and are well-connected to major roads and expressways.

TENANT BUSINESS SECTOR

(by Gross Rental Income)



TOP 5 TENANTS IN BUSINESS PARK BUILDINGS

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2018)
1	Dell Global B.V. (Singapore Branch)	The Strategy	Wholesale of Machinery, Equipment and Supplies	1.3%
2	Sony Electronics (Singapore) Pte. Ltd.	The Strategy	Wholesale Trade	0.9%
3	Covance (Asia) Pte Ltd	The Synergy	General Wholesale Trade and Services	0.8%
4	Tata Consultancy Services Asia Pacific Pte. Ltd.	The Signature	Computer Programming and Consultancy	0.5%
5	Huawei International Pte. Ltd.	The Signature and The Strategy	General Wholesale Trade and Services	0.5%

KEY STATISTICS

(As at 31 March 2018)

Number of Properties

3

Gross Floor Area

1,680,726

Sq ft

Net Lettable Area

1,191,410

Sq ft

Number of Tenants

137

Gross Revenue (for FY17/18)

\$52.4

Million

Occupancy (for FY17/18)

83.9

%

Valuation

\$570.0

Million

% of Portfolio (By Valuation)

13.2

%



Business Park Building, The Signature

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease ¹	Remaining Term of Lease ¹	Location	GFA (sq ft)	NLA (sq ft)	Purchase Price ² S\$'000	Valuation as at 31/03/2017 S\$'000	Valuation as at 31/03/2018 S\$'000	Gross Revenue for FY17/18 S\$'000	Average Occupancy Rate for FY17/18 %
The Signature	01/07/2008	60 years	50 years	51 Changi Business Park Central 2 Singapore	510,324	343,434	98,500	148,000	149,000	13,634	88.2
The Strategy	01/07/2008	60 years	50 years	2 International Business Park Singapore	725,171	565,364	213,900	291,700	293,000	26,995	82.1
The Synergy	01/07/2008	60 years	50 years	1 International Business Park Singapore	445,231	282,612	91,000	127,100	128,000	11,782	82.4
Subtotal Business Park Buildings					1,680,726	1,191,410	403,400	566,800	570,000	52,411	83.9³

¹ Refers to the tenure of underlying land.

² Excludes stamp duties and other acquisition related costs.

³ Refers to the aggregate occupancy for the property segment.

Property Portfolio Overview

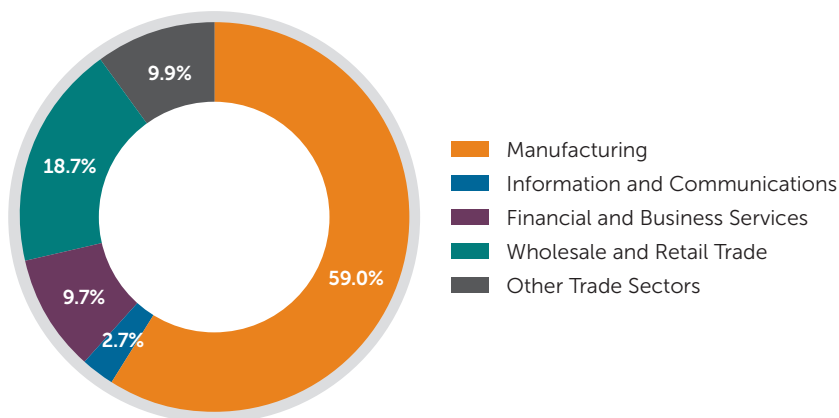
STACK-UP/RAMP-UP BUILDINGS

Stack-up/Ramp-up Buildings are multi-storey developments that serve a wide range of industrial activities. Principal activities included precision engineering, semiconductor assembly and manufacturing of products like dies, moulds, tools and commodities.

Each unit within the six-storey stack-up buildings is a standalone factory with its own loading area and parking lots. Each level of the eight-storey ramp-up building resembles a typical Flatted Factory's ground floor. Units located on each floor of the ramp-up building share common loading and unloading area.

TENANT BUSINESS SECTOR

(by Gross Rental Income)



TOP FIVE TENANTS IN STACK-UP/RAMP-UP BUILDINGS

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2018)
1	Ultra Clean Asia Pacific Pte. Ltd.	Woodlands Spectrum	Precision Engineering, Electrical, Machinery and Transportation Products	0.7%
2	Univac Precision Engineering Pte Ltd	Woodlands Spectrum	Precision Engineering, Electrical, Machinery and Transportation Products	0.7%
3	Leica Geosystems Technologies Pte. Ltd.	Woodlands Spectrum	Computer, Electronic and Optical Products	0.3%
4	NIP Asia Pte Ltd	Woodlands Spectrum	Printing, Recorded Media and Essential Products	0.3%
5	Sys-Mac Automation Engineering Pte Ltd	Woodlands Spectrum	Precision Engineering, Electrical, Machinery and Transportation Products	0.2%

KEY STATISTICS

(As at 31 March 2018)

Number of Properties

7

(Grouped into 1 cluster)

Gross Floor Area

3,714,473

Sq ft

Net Lettable Area

3,034,589

Sq ft

Number of Tenants

128

Gross Revenue (for FY17/18)

S\$44.7

Million

Occupancy (for FY17/18)

93.2

%

Valuation

S\$467.0

Million

% of Portfolio (By Valuation)

10.8

%



Stack-up/Ramp-up Buildings, Woodlands Spectrum

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease ¹	Remaining Term of Lease ¹	Location	GFA (sq ft)	NLA ² (sq ft)	Purchase Price ³ S\$'000	Valuation as at 31/03/2017 S\$'000	Valuation as at 31/03/2018 S\$'000	Gross Revenue for FY17/18 S\$'000	Average Occupancy Rate for FY17/18 %
Woodlands Spectrum 1 & 2	01/07/2008	60 years	50 years	2 Woodlands Sector 1, 201, 203, 205, 207, 209 & 211 Woodlands Avenue 9 Singapore	3,714,473	3,034,589	265,000	454,900	467,000	44,697	93.2
Subtotal Stack-up/Ramp-up Buildings					3,714,473	3,034,589	265,000	454,900	467,000	44,697	93.2³

¹ Refers to the tenure of underlying land.

² NLA excludes long strata leases at Woodlands Spectrum 1 & 2.

³ Excludes stamp duties and other acquisition related costs.

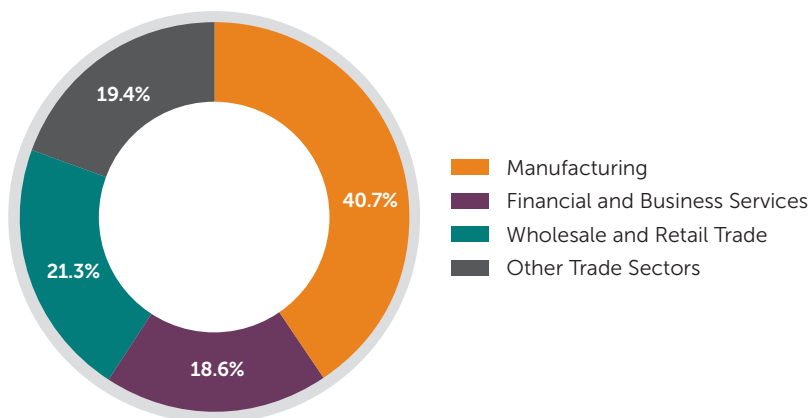
Property Portfolio Overview

LIGHT INDUSTRIAL BUILDINGS

Light Industrial Buildings consist of medium to high rise properties suitable for industrial activities, including manufacturing and warehousing. They are strategically located in established industrial estates which are served by major expressways. Light Industrial Buildings can be single-tenanted or multi-tenanted with a small number of tenants in each building.

TENANT BUSINESS SECTOR

(by Gross Rental Income)



TOP FIVE TENANTS IN LIGHT INDUSTRIAL BUILDINGS

No	Tenant	Property / Cluster Name	Tenant Trade Sector	% of Portfolio Gross Monthly Rental Income (As at 31 March 2018)
1	Heptagon Micro Optics Pte. Ltd.	26 Woodlands Loop	Computer, Electronic and Optical Products	0.5%
2	Aureumaex Industries (S) Pte. Ltd	2A Changi North Street 2	Education, Health and Social Services, Arts, Entertainment and Recreation	0.3%
3	LSW Pte. Ltd.	19 Changi South Street 1	Printing, Recorded Media and Essential Products	0.3%
4	Skechers Singapore Pte. Ltd.	45 Ubi Road 1	General Wholesale Trade and Services	0.2%
5	Centurion Corporation Limited	45 Ubi Road 1	Financial Services	0.1%

KEY STATISTICS

(As at 31 March 2018)

Number of Properties

4¹

Gross Floor Area

449,173¹

Sq ft

Net Lettable Area

410,840¹

Sq ft

Number of Tenants

14¹

Gross Revenue
(for FY17/18)

\$S\$7.3

Million

Occupancy
(for FY17/18)

96.4

%

Valuation

\$S\$75.5¹

Million

% of Portfolio
(By valuation)

1.7¹

%



Light Industrial Building, 26 Woodlands Loop

DETAILED PROPERTY INFORMATION

Description of Property	Acquisition Date	Term of Lease ^{2,3}	Remaining Term of Lease ^{2,3}	Location	GFA (sq ft)	NLA (sq ft)	Purchase Price S\$'000	Valuation as at 31/03/2017 S\$'000	Valuation as at 31/03/2018 S\$'000	Gross Revenue for FY17/18 S\$'000	Average Occupancy Rate for FY17/18 %
19 Changi South Street 1	21/10/2010	30+30 years	39 years	19 Changi South Street 1 Singapore	74,900	71,075	12,400	14,000	13,000	1,223	82.2
26 Woodlands Loop	21/10/2010	30+30 years	37 years	26 Woodlands Loop Singapore	155,818	149,095	21,900	25,500	25,500	2,219	100.0
45 Ubi Road 1	21/10/2010	30+30 years	35 years	45 Ubi Road 1 Singapore	150,610	122,825	23,500	25,000	22,500	2,362	95.3
65 Tech Park Crescent	21/10/2010	60 years	35 years	65 Tech Park Crescent Singapore	107,373	107,373	13,200	17,600	–	341	100.0
2A Changi North Street 2	28/05/2014	30+30 years	43 years	2A Changi North Street 2 Singapore	67,845	67,845	12,000 ⁴	14,100	14,500	1,141	100.0
Subtotal Light Industrial Buildings					449,173¹	410,840¹	83,000	96,200	75,500	7,286	96.4⁵

¹ Excludes 65 Tech Park Crescent, which was divested on 20 July 2017.

² Refers to the tenure of underlying land.

³ Remaining term of lease includes option to renew the land leases.

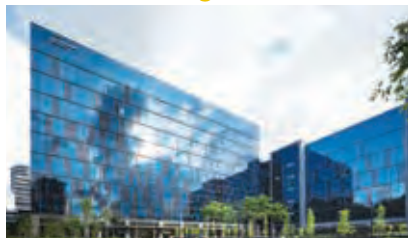
⁴ Excludes stamp duties and other acquisition related costs.

⁵ Refers to the aggregate occupancy for the property segment.

Property Portfolio at a Glance

SINGAPORE

Hi-Tech Buildings



1 1 & 1A Depot Close



2 19 Tai Seng Drive



3 26A Ayer Rajah Crescent



4 30A Kallang Place



5 K&S Corporate Headquarters



6 Mapletree Sunview 1¹



7 Serangoon North



8 STT Tai Seng 1²



9 Toa Payoh North 1

Flatted Factories



10 Woodlands Central



11 Chai Chee Lane



12 Changi North



13 Clementi West



14 Kaki Bukit



15 Kallang Basin 1

¹ It was previously known as Mukim 06 Lot 00869CPT, which is under development as a six-storey BTS data centre.

² It was previously known as Tata Communications Exchange and renamed as STT Tai Seng 1 following the novation of lease from Tata Communications International Pte. Ltd. to STT Tai Seng Pte. Ltd..



16 Kallang Basin 2



17 Kallang Basin 3



18 Kallang Basin 4



19 Kallang Basin 5



20 Kallang Basin 6



21 Kampong Ampat



22 Kampong Ubi



23 Kolam Ayer 1



24 Kolam Ayer 2



25 Kolam Ayer 5



26 Loyang 1



27 Loyang 2



28 Redhill 1



29 Redhill 2



30 Tanglin Halt

Property Portfolio at a Glance

SINGAPORE

Flatted Factories



31 Tiong Bahru 1



32 Tiong Bahru 2



33 Toa Payoh North 2

Business Park Buildings



34 Toa Payoh North 3



35 The Signature



36 The Strategy

Stack-up/Ramp-up Buildings



37 The Synergy



38 Woodlands Spectrum 1 & 2

Light Industrial Buildings



39 19 Changi South Street 1



40 26 Woodlands Loop



41 45 Ubi Road 1



42 2A Changi North Street 2

UNITED STATES

Hi-Tech Buildings³



43 7337 Trade Street
San Diego, California



44 180 Peachtree
Atlanta, Georgia



45 1001 Windward Concourse
Alpharetta, Georgia



46 2775 Northwoods Parkway
Atlanta, Georgia



47 19675 W Ten Mile Road
Southfield, Michigan



48 2 Christie Heights
Leonia, New Jersey



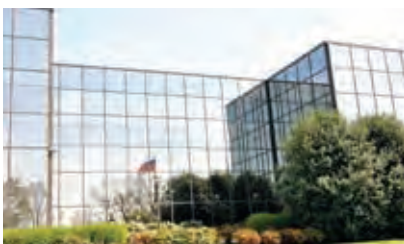
49 1805 Center Park Drive
Charlotte, North Carolina



50 5150 McCrimmon Parkway
Morrisville, North Carolina



51 2000 Kubach Road
Philadelphia, Pennsylvania



52 402 Franklin Road
Brentwood, Tennessee



53 1221 Coit Road
Plano, Texas



54 3300 Essex Drive
Richardson, Texas



55 5000 Bowen
Arlington, Texas



56 N15W24250 Riverwood Drive
Pewaukee, Wisconsin

³ Relates to MIT's 40% interest of the joint venture with Mapletree Investments Pte Ltd in a portfolio of 14 data centres in the United States through MRDCT.

Singapore Industrial Property Market Overview

Knight Frank Pte Ltd Consultancy & Research

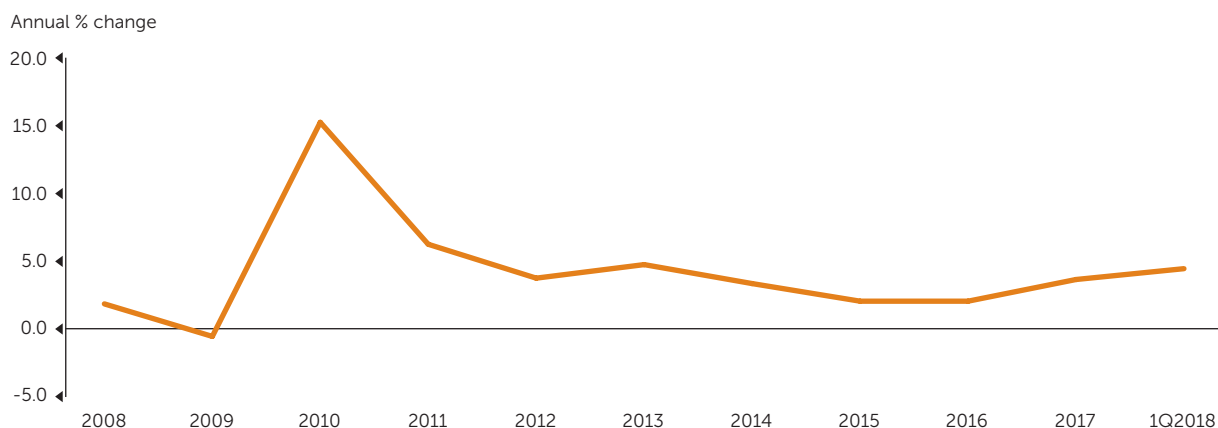
1 OVERVIEW OF THE SINGAPORE ECONOMY

1.1 Singapore Economic Performance

Singapore's economy grew by 4.4% on a year-on-year ("y-o-y") basis in the first quarter of 2018, faster than the 3.6% growth in the previous quarter. All major sectors experienced growth, with the exception of the construction sector which contracted by 5.0% y-o-y. The manufacturing sector expanded by 9.8% y-o-y, accelerating from the 4.8% growth in 4Q 2017. Growth in the sector was largely broad-based, with all manufacturing clusters, excluding the biomedical manufacturing cluster, registering output expansions.

Aside from manufacturing, the finance & insurance sector grew at a robust pace of 9.1% y-o-y and collectively with the manufacturing sector, accounted for 68% of the overall Gross Domestic Product ("GDP") growth in 1Q 2018.

EXHIBIT 1-1: SINGAPORE GDP GROWTH RATE, 2008 TO 1Q 2018*



Source: MTI, SingStat, Knight Frank Consultancy & Research

* Based on MTI Economic Survey of Singapore 1Q 2018 as at 24 May 2018

Singapore received about S\$6.2 billion in total manufacturing fixed asset investment ("FAI") for 2017, 5.5% higher than the S\$5.9 billion for 2016. The increase in FAI was mainly attributed to the significant growth of general manufacturing industries and precision engineering clusters, which increased 387.7% and 50.0% y-o-y to reach S\$1.1 billion and S\$0.6 billion of FAI. The biomedical manufacturing and chemicals clusters also increased by 9.1% and 4.6% to register S\$0.6 billion and S\$1.3 billion of FAI respectively. The electronics cluster contributed the largest share of FAI at S\$2.1 billion or 34.1% of total FAI. Conversely, the transport engineering and electronics clusters experienced a decline of 65.4% and 5.2% over the same period.

1.2 Singapore Economic Outlook for 2018

The improved economic performance in 2017 has been chiefly bolstered by the manufacturing sector, with the electronics and precision engineering clusters contributing the most to the sector's growth. It is anticipated that the growth trajectory in these clusters is set to continue on the back of robust global demand for electronic products, albeit potentially at a more moderated pace from the second half of 2018.

While growth of the services sector lagged that of the manufacturing sector in 2017, its contribution to the overall economic growth is likely to improve this year. Services industries that are mainly supported by external demand and inbound investment such as finance and insurance, wholesale trade and real estate are expected to experience more favourable business conditions in 2018.

Global growth is expected to improve moderately in 2018. Robust economic prospects in the United States are likely to meet with potential slowdown in China, ASEAN-5 and the Eurozone, which make up some of Singapore's key external demand markets. An upside surprise in inflation may lead to the possibility of a faster-than-expected normalisation of monetary policy in the United States. This tightening on liquidity could hurt business and consumer confidence on a global level. In addition, political uncertainties such as concerns over protectionist sentiments, are expected to weigh on global and regional economic sentiments.

Notwithstanding external factors, the potential sustained growth in the global economy in 2018 is set to benefit Singapore's export-oriented services industries such as finance and insurance, wholesale trade as well as transport and storage. On the domestic front, fuelled by government policies such as Smart Nation initiatives and the expansion of healthcare facilities, sectors such as information & communications, education, health & social services should remain resilient. However, the construction sector is likely to remain soft in the short term before it improves along with a projected increase from public and private sector construction activities. In addition, a modest growth outlook is expected for the marine and offshore engineering segment on the back of a volatile oil price environment coupled with elevated capacity in the offshore rig market.

In light of these factors, the Singapore economy is projected to expand between 2.5% to 3.5% in 2018, according to the Ministry of Trade and Industry ("MTI"). The manufacturing surge witnessed in 2017, propelled mainly by trade-related industries as a result of resurgent global demand, is likely to taper off due in part to high GDP base effects in 2017. Over the next few years, the manufacturing sector will continue to be supported by emerging technology trends such as the advancement of 'Internet of Things'. Construction, which has underperformed last year, should get a boost from the S\$1.4 billion worth of public sector contracts brought forward as well as a stream of progress payments from earlier rail-related contracts awarded in preceding years.

In addition, the prospect of continuing external demand in 2018 is also likely to fuel the growth of the services industries. With the services sector ratcheting up and construction industry decline bottoming out along with a likely growth moderation in manufacturing, the engines of economic growth should be well balanced in 2018.

2 INDUSTRIAL PROPERTY MARKET OVERVIEW

2.1 Consolidation of Housing Development Board ("HDB") Industrial Land and Properties under JTC Corporation ("JTC")

With effect from 1 January 2018, JTC officially assumed full ownership over all public sector's industrial land and properties in Singapore, including 10,700 industrial units and 540 industrial leases that were previously under the HDB's ownership. The consolidation of all public sector industrial land and properties under a single government agency will enable the Government to better support industrialists, in particular the small and medium enterprises ("SME"), in their business growth. According to JTC, the contracted terms and conditions of all HDB tenancies and leases will remain unchanged for the duration of the tenancy or lease contracts. With the consolidation, some 16,300 industrial units and 3,640 land leases with a total land area of 8,100 hectares ("ha") will be under JTC's purview¹.

¹ Source: The Business Times: 'All HDB Industrial Space to be under JTC by Q1 2018', 20 October 2016

Singapore Industrial Property Market Overview

2.2 Waiver of Minimum Building Specification Requirements for Small Industrial Government Land Sales ("IGLS") Plots

With effect from 1 July 2017, minimum building specification requirements such as the provision of a minimum number of goods lifts and loading bays, are waived for smaller IGLS plots (i.e. plots with less than 1 ha land size). With the waiver, end-users will have more flexibility to customise their developments to suit their operations. To ensure that smaller IGLS plots are to be used primarily for end-users' own operations, successful tenderers (or subsequent owners) will not be allowed to strata subdivide developments for sale throughout the full tenure of the sites. These regulations are seen as part of the Government's strategies to cater more to the business needs of real occupiers and end-users as well as to regulate and stabilise the market, while clamping down on speculative and investment purchase of industrial land. The minimum building specification requirements will continue to apply to the larger IGLS plots, which are meant for developers building multiple-user factories.

2.3 IGLS Programme for 1H 2018

The IGLS Programme listed a total of 13 industrial sites in 1H 2018 with a combined site area of 12.59 ha, which is relatively lower than the 13.90 ha of industrial site area listed for 2H 2017. Of the listed sites under IGLS 1H 2018, six sites are placed under the Confirmed List while the remaining seven sites are on the Reserve List, totaling about 0.8 million sq ft and 2.0 million sq ft of potential industrial space respectively. All the sites on the Confirmed List are zoned 'Business 2' for heavier industrial use, with half of them (totaling 1.68 ha site area) located in Tuas South. Sites with shorter land lease tenures of between 20 to 30 years are launched through the IGLS as the Government continues to keep business cost competitive and affordable for industrialists.

EXHIBIT 2-1: IGLS PROGRAMME FOR 1H 2018

Location	Site Area (ha)	Zoning	Gross Plot Ratio	Tenure (years)	Estimated Launch Month
Confirmed List of Industrial Sites					
Plot 18, Tuas South Link 3	0.43	B2	1.4	20	January 2018
Plot 21, Tuas South Link 3	0.78		1.4		February 2018
Woodlands Industrial Park E7/E8	0.88		2.5		March 2018
Plot 26, Tuas South Link 3	0.47		1.4		April 2018
Plot 10, Tampines Industrial Drive	0.47		1.4		May 2018
Plot 2, Tanjong Penjuru	0.88		2.5		June 2018
Total	3.91				
Reserve List of Industrial Sites					
Plot 13, Tuas South Link 1	2.41	B2	2.0	30	Available
Braddell Road	1.00	B1	2.5	30	Available
Plot 19, Tuas South Link 3	0.45	B2	1.4	20	March 2018
Plot 20, Tuas South Link 3	0.44	B2	1.4	20	April 2018
Yung Ho	1.28	B2	2.5	30	May 2018
Gul Circle	1.00	B2	1.4	20	June 2018
Woodlands Avenue 12	2.10	B2	2.5	30	June 2018
Total	8.68				

Source: MTI, Knight Frank Consultancy & Research, as at 31 May 2018

2.4 Industrial Prices and Investment Market

The total investment sales value of private factories (including business parks) totalled S\$2.0 billion² in 2017, with 1H 2017 and 2H 2017 achieving a total investment sales value of S\$418.0 million and S\$1.6 billion³ respectively.

EXHIBIT 2-2: SELECTED MAJOR PRIVATE FACTORY INVESTMENT SALES IN 2017

Key Private Factory Investment Sales in 2017					
Property	Location	Tenure	Purchaser	GFA (sq ft)	Price (S\$)
1Q 2017					
1 Buroh Lane	1 Buroh Lane	N.A.	PGIM Real Estate	N.A.	193,800,000
5 Tuas View Lane	5 Tuas View Lane	30+30 years from 1 July 2008	N.A.	N.A.	54,200,000
3Q 2017					
Citimac Industrial Complex	605 Macpherson Rd	N.A.	Zhao Family	N.A.	430,100,000
Fabrasteel Factory	9 Tuas Avenue 10	N.A.	N.A.	N.A.	86,000,000
Datapulse Industrial Building	15A Tai Seng Drive	30+30 years from 16/08/1993	N.A.	N.A.	53,500,000
4Q 2017					
Seagate Technology International	7000 Ang Mo Kio Ave 5	Balance 39 years	ESR-REIT	1,073,233	240,000,000
8 Tuas South Lane	8 Tuas South Lane	Leasehold	ESR-REIT	N.A.	95,000,000
1 Serangoon North Avenue 6	1 Serangoon North Avenue 6	30+30 years from 23/06/2007	N.A.	N.A.	80,500,000
Pei-Fu Industrial Building	23 New Industrial Road	Freehold	Oxley Kynite	N.A.	76,250,000
61/71 Tuas Bay Drive	61/71 Tuas Bay Drive	60 years from 19/07/2006	N.A.	N.A.	55,000,000

Source: JTC, REALIS, Knight Frank Consultancy & Research

3 REVIEW OF MULTIPLE-USER FACTORY MARKET SEGMENT

3.1 Existing and Potential Supply

As at 1Q 2018, the total existing stock for multiple-user factory is approximately 120.4 million sq ft NLA, which forms 23.5% of the total island-wide industrial stock. The multiple-user factory stock increased by 5.2 million sq ft NLA as compared to the preceding year.

As at 1Q 2018, an estimated 13.4 million sq ft of new multiple-user factory space is slated for completion between 2018 and 2022. By the end of 2018, about 2.2 million sq ft NLA of new multiple-user factory space (or 16.2% of the total upcoming supply) is expected to be completed. This is 51.4% lower than the five-year annual average net new supply of 4.4 million sq ft between 2013 and 2017.

² Estimates accurate as at 31 May 2018.

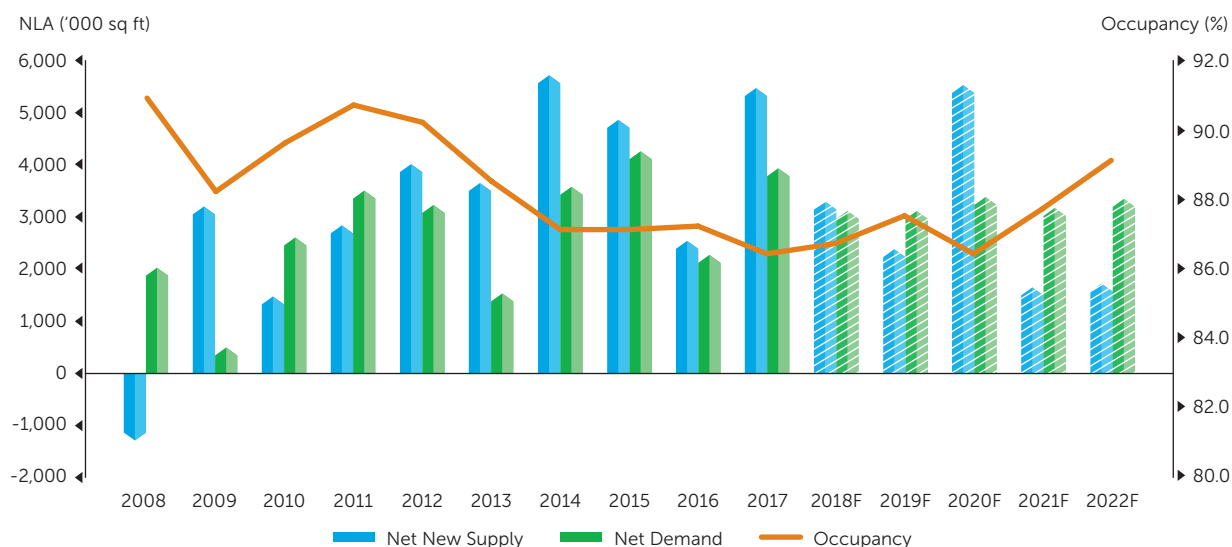
To be considered as private investment sales under Knight Frank Research definition, it must fulfil either one of the following pre-requisites:

- Investment transactions should comprise an entire building or property with a total worth of S\$10 million and above; or
- Any bulk sales within a development which amounts to S\$10 million or more.

³ This excluded the transaction for Jurong Aromatics Complex of total investment value of S\$1.97 billion in 3Q 2017. The nature of the Jurong Aromatics Complex transaction is more asset-based than property-based investment sales.

Singapore Industrial Property Market Overview

EXHIBIT 3-1: NET NEW SUPPLY, NET DEMAND AND OCCUPANCY OF MULTIPLE-USER FACTORY SPACE⁴



3.2 Demand and Occupancy

Net demand of multiple-user factory space increased by 72.7% y-o-y to 3.9 million sq ft NLA in 2017, compared to 2.3 million sq ft NLA in 2016. In 1Q 2018, about 915,000 sq ft NLA of multiple-user factory space was absorbed by the market, and this is 7.6% higher than the net demand registered in 1Q 2017 (850,000 sq ft NLA).

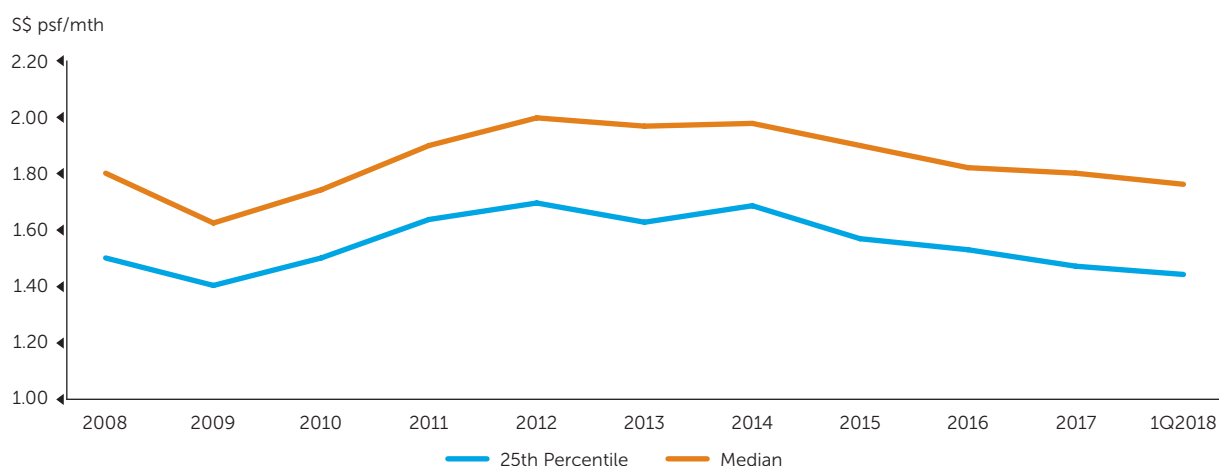
As a result of net new supply having exceeded the net demand for multiple-user factory space, occupancy for multiple-user factory space declined by 0.7 percentage point to 86.5% in 2017 from 87.3% in 2016. Over the past five years (2013 – 2017), occupancy for multiple-user factory space was reasonably stable, which were within the range of 86.5% to 88.6%.

3.3 Rents

Based on data from JTC, multiple-user factory rents at the median level declined by 1.1% annually to S\$1.80 psf/mth in 2017 from S\$1.82 psf/mth in 2016. Similar rental trend was observed at the 25th percentile levels where the multiple-user factory rents slipped by 3.9% annually to reach S\$1.47 psf/mth in the same period.

With the injection of large supply of new multiple-user factory space in the market between 2014 and 2017, landlords have kept their rents at competitive levels to maintain occupancy.

⁴ Gross potential supply is adjusted to net floor area based on Knight Frank's assumption of 85% space efficiency factor for multiple-user factory space.

EXHIBIT 3-2: RENTS OF MULTIPLE-USER FACTORY SPACE

Source: REALIS, Knight Frank Consultancy & Research

3.4 Outlook

With the broad-based recovery and near-term favourable growth prospects of the manufacturing sector in 2018, the demand for multiple-user factory space is projected to be fairly optimistic, particularly from the manufacturing-related SME in Singapore. However, multiple-user factory buildings with sizeable floorplates and better specifications stand to see higher demand from larger manufacturing players compared to smaller scale multiple-user factory buildings.

Landlords of private multiple-user factory space will continue to face competition from the large supply within the public sector multiple-user factory segment in attracting and retaining tenants, as JTC sets up high quality specialised industrial hubs such as JTC Chemicals Hub @ Tuas South, JTC nanoSpace @ Tampines, and JTC Food Hub @ Senoko. Such specialised industrial hubs could help drive and foster synergy among players from similar trades.

Taking into consideration the cost sensitivity among the SME and an upcoming injection of 2.2 million sq ft NLA of new multiple-user factory space in 2018, the average rental movement for multiple-user factory space is likely to range between -2.0% and 1.0% y-o-y by 4Q 2018, barring unforeseen macroeconomic circumstances and policy changes.

4 REVIEW OF HIGH-SPECIFICATION⁵ INDUSTRIAL SPACE

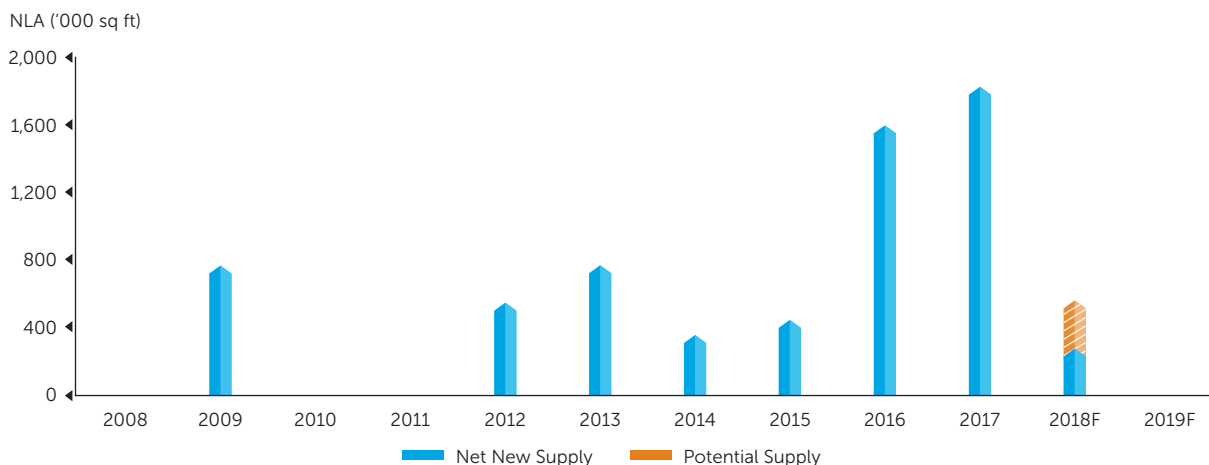
4.1 Existing and Potential Supply

There are no official statistics tracking high-specification industrial space in Singapore. Based on Knight Frank's classification, there is approximately 16.2 million sq ft of high-specification industrial space as at 1Q 2018. Notable projects that were completed in 2017 include JTC nanoSpace @ Tampines and 1 & 1A Depot Close. In 1Q 2018, an estimated total of 276,000 sq ft of high-specification industrial space was completed. Another potential 288,000 sq ft of high-specification industrial space is due to complete by end-2018.

⁵ Knight Frank defines high-specification industrial space with higher office content for tenants in technology and knowledge-intensive sectors, and may include activities such as precision engineering and data centre operations. Such developments typically house multinational companies and large Singapore firms that are anchor tenants, which incorporate their headquarters with manufacturing, research and development and engineering activities.

Singapore Industrial Property Market Overview

EXHIBIT 4-1: NET NEW SUPPLY AND POTENTIAL SUPPLY OF HIGH-SPECIFICATION INDUSTRIAL SPACE⁶



Source: JTC, Knight Frank Consultancy & Research

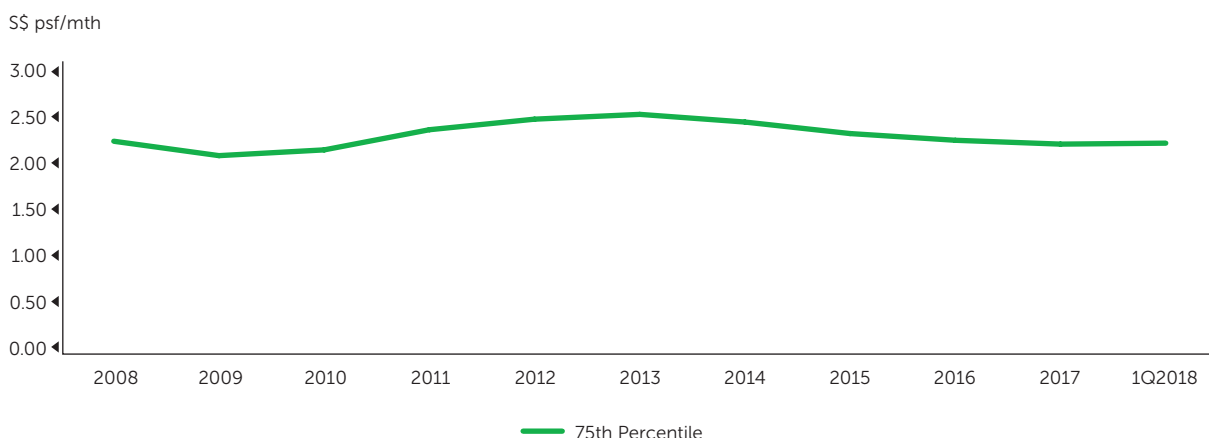
4.2 Demand and Occupancy

Based on Knight Frank's classification, occupancy for high-specification industrial space declined from 86.1% in 2016 to 81.4% in 2017. Though the demand for high-specification industrial space is expected to grow with the restructuring of the manufacturing sector, time is required to gradually absorb the large influx of new high-specification industrial space released over 2016 and 2017.

4.3 Rents

Rents for high-specification industrial space ranged between S\$2.20 psf/mth and S\$5.11 psf/mth in 1Q 2018. The wide spectrum of rents is largely due to the nature of the high-specification industrial space, which could range from spaces catering to general industries and customised spaces for high value-add industries. Rents for high-specification industrial space are seen to have stabilised, albeit with modest rental declines, between 2015 to 2017, compared to 2014.

EXHIBIT 4-2: RENTS OF HIGH-SPECIFICATIONS INDUSTRIAL SPACE⁷



Source: REALIS, Knight Frank Consultancy & Research

⁶ Gross potential supply is adjusted to net floor area based on Knight Frank's assumption of 85% space efficiency factor for high-specification industrial space.

⁷ Knight Frank assumes 75th percentile rents for multiple-user factory to be estimated rents for high-specification multiple-user factory developments.

4.4 Outlook

The Government's continuing push to transform Singapore's manufacturing sector towards higher value-add manufacturing activities and integrated operations will see the demand for high-specification industrial space increase in the near term. The large influx of high-specification industrial space completed in 2017 will see the market adjusting to the new supply and occupancy is expected to grow in 2018 albeit at a moderate pace as industrialists steadily take up these newly completed spaces. Demand for BTS high-specification spaces from larger industrialists is also envisaged to pick up as more multi-national companies and established home-grown companies explore to consolidate their operations in industrial spaces with better and relevant specifications.

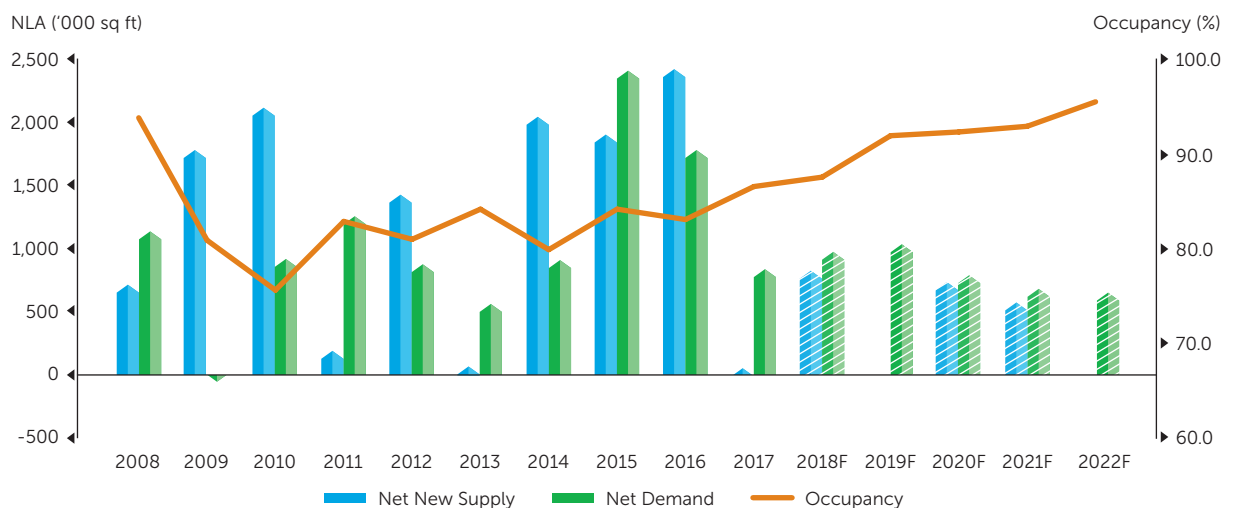
5 REVIEW OF BUSINESS PARK SPACE

5.1 Existing and Potential Supply

As at 1Q 2018, the total existing stock for business park space stood at 23.0 million sq ft NLA, and this remained unchanged compared to the preceding year.

Between 2018 and 2022, an estimated 2.1 million sq ft NLA of business park space is slated for completion. For 2018 alone, about 823,000 sq ft NLA of new business park space (or 38.6% of the total upcoming supply) is expected to be completed, and this is 35.7% lower than the five-year annual average net new supply of 1.3 million sq ft between 2013 and 2017.

EXHIBIT 5-1: NET NEW SUPPLY, NET DEMAND AND OCCUPANCY OF BUSINESS PARK SPACE⁸



Source: JTC, Knight Frank Consultancy & Research

5.2 Demand and Occupancy

Notwithstanding that the net demand for business park space fell by 53.0% to 834,000 sq ft NLA in 2017 from 1.8 million sq ft NLA in 2016, overall occupancy improved from 83.0% to 86.5% over the same period. This was due to the substantially lower injection of net new supply of business park space (11,000 sq ft NLA) in 2017, which was more than offset by the net demand in the same year.

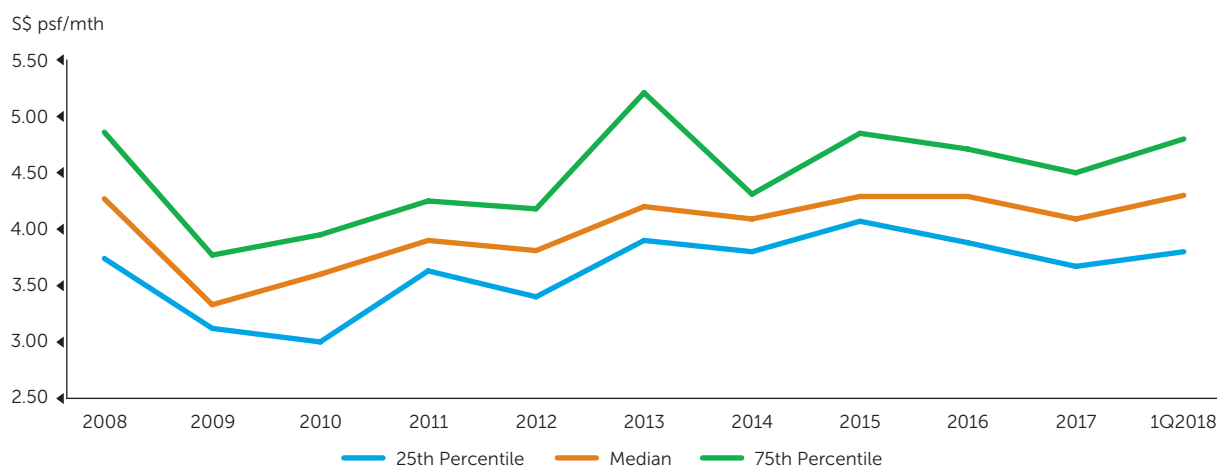
⁸ Gross potential supply is adjusted to net floor area based on Knight Frank's assumption of 85% space efficiency factor for business park developments.

Singapore Industrial Property Market Overview

5.3 Rent

Based on the data provided by JTC, business park rents at the 25th percentile, median and 75th percentile levels declined by 5.4%, 4.7% and 4.5% annually in 2017 to reach S\$3.67 psf/mth, S\$4.09 psf/mth and S\$4.50 psf/mth respectively. As at 1Q 2018, the median rent of business park space was S\$4.30 psf/mth.

EXHIBIT 5-2: RENTS OF BUSINESS PARK SPACE



Source: REALIS, Knight Frank Consultancy & Research

5.4 Outlook

With robust growth anticipated for the manufacturing sector in 2018, along with the Government's constant push towards establishing high value-added manufacturing niches such as media and telecommunications, medical technology and e-commerce, these upside factors are likely to support the overall take-up for business park space in 2018. Coupled with the lower upcoming supply of business park space in 2018 compared with previous years between 2014 and 2016, occupancy is envisaged to remain healthy and could be within the range of 87% to 90%. Rental performance is projected to improve marginally with between 0.5% and 2.0% y-o-y increase by 4Q 2018 as new business park space, which is likely to garner higher rents, is introduced into the market by the end of 2018.

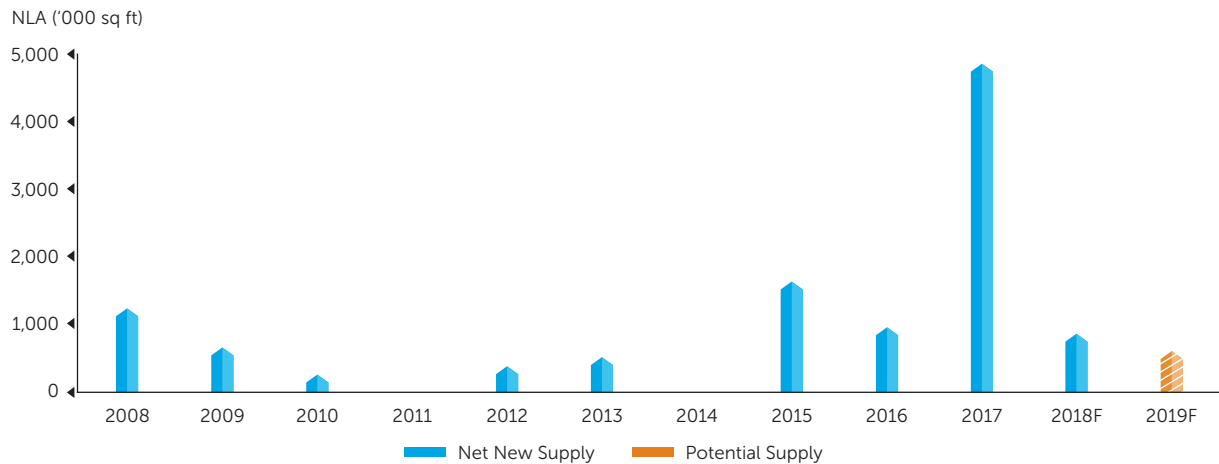
With the rising competition from new business park buildings (e.g. Mapletree Business City II) and developments that underwent asset enhancements (e.g. Viva Business Park and The Gemini @ The Science Park) in recent years, more landlords are likely to embark on upgrading works to improve and enhance their existing assets. This is to ensure their efficiency and competitiveness in the leasing market, which may translate to higher rental rates and healthy occupancies for the business park segment.

6 REVIEW OF STACK-UP⁹ FACTORY SPACE

6.1 Existing and Potential Supply

There are no official statistics tracking stack-up factory space in Singapore. Based on Knight Frank's classification, there is approximately 11.1 million sq ft of stack-up factory space as at 1Q 2018. Notable completed projects in 2017 include Carros Centre, JTC Space @ Tuas, and JTC Food Hub @ Senoko. While the upcoming supply of stack-up factory space to be completed in the rest of 2018 stands at 0.9 million sq ft, an additional 0.6 million sq ft of stack-up factory space is projected to be ready in 2019.

⁹ Knight Frank defines stack-up factory space as large floor plate multiple-user factory developments of above 150,000 sq ft NLA, and has ramp up access to upper floors.

EXHIBIT 6-1: NET NEW SUPPLY AND POTENTIAL SUPPLY OF STACK-UP FACTORY SPACE¹⁰

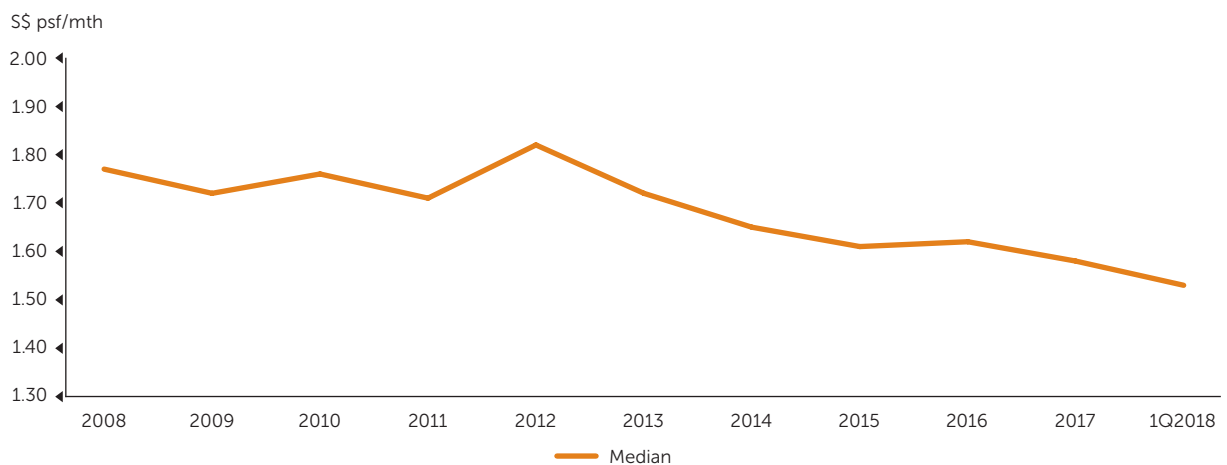
Source: JTC, Knight Frank Consultancy & Research

6.2 Demand and Occupancy

Based on Knight Frank's assumption, overall occupancy of stack-up factory was approximately 82.9% in 1Q 2018. With the various new industrial spaces that were completed in 2017, coupled with the robust manufacturing performance which continued into 1Q 2018, the take-up rate of stack-up factory space is envisaged to remain at a steady level for the remaining quarters in 2018.

6.3 Rents

Based on Knight Frank's assumptions, the median rents for stack up factory space rose by 8.5% y-o-y to \$1.53 psf/mth in 1Q 2018. Demand for higher quality stack-up factory developments in mainly city fringe locations from industrialists is observed to be higher.

EXHIBIT 6-2: RENTS OF STACK-UP FACTORY SPACE

Source: JTC, Knight Frank Consultancy & Research

¹⁰ Gross potential supply is adjusted to net floor area based on Knight Frank's assumption of 85% space efficiency factor for stack-up factory developments.

Singapore Industrial Property Market Overview

6.4 Outlook

With an improvement in global economic performance in 2017 and a continued recovery in global trade, general manufacturing activities could expand in the remaining quarters of 2018. Domestic consumption demand for goods is expected to rise as market sentiment improves along with robust economic growth. These trends are likely to benefit SME in the manufacturing sector, which are looking to expand their business operations. Furthermore, with the upcoming supply of 1.5 million sq ft of new stack-up factory space until 2019, rents and occupancy are envisaged to recover at a moderate pace in the medium term.

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United States Data Centre Market Overview

451 Research, LLC.

GLOBAL DATA CENTRE INDUSTRY

The global leased data centre industry has seen robust growth over the past decade and remained healthy in 2017. Leased data centres refer to facilities owned by an investor or data centre operator, which are leased to single or multiple tenants. These exclude facilities owned and operated by enterprises as in-house data centre space. The demand for global leased data centre space is expected to remain strong for the foreseeable future. The global leased data centre industry is expected to grow at a 8.6% CAGR from 2017 to 2022F. This can be attributed to the trend of enterprises moving towards digitisation and outsourcing, as well as the exponential growth of data and content.

Enterprise use of cloud and outsourcing is growing rapidly, transforming the hosting and leased data centre industries. The change has created strong demand for data centre space from cloud and service providers, as well as from enterprises. The global market for cloud computing 'as a service' is expected to grow at a 16.5% CAGR from 2017 to 2022F. The global market for outsourced data centre services is expected to grow at a 12.3% CAGR during the same period. Top cloud and information technology ("IT") service providers, such as Amazon Web Services, Microsoft, Google and Facebook in the United States as well as Baidu, Alibaba and Tencent in Asia have leased extensive data centre space around the world and will continue to do so to support their rapid growth.

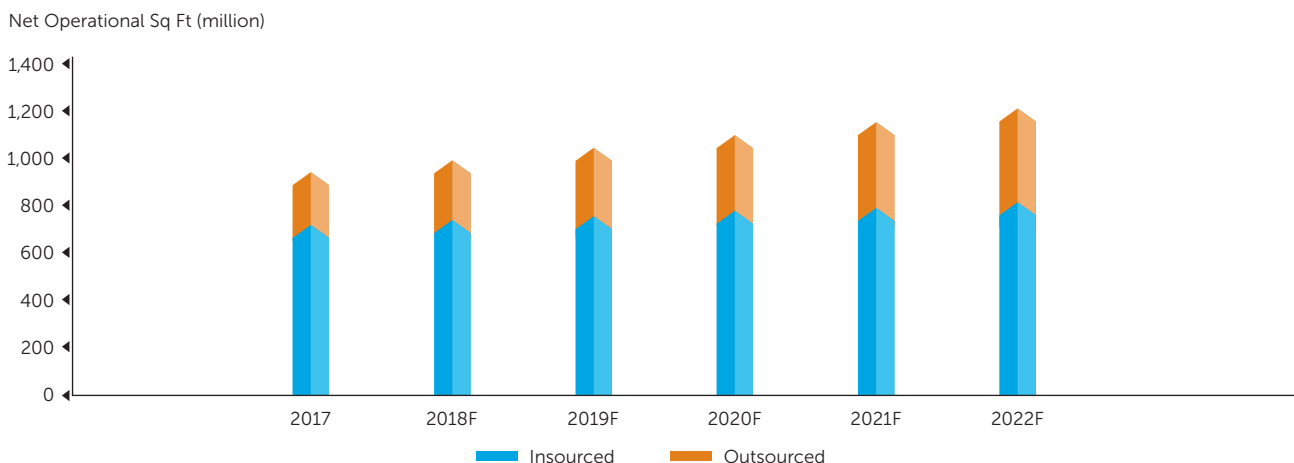
The exponential growth in data created from new technologies such as Internet-connected devices and 5G wireless networks will drive demand for global leased data centre space from enterprises as well as cloud and IT companies. Such trends are also expected to drive the need for colocation in fast-growing economic areas and smaller cities that currently have relatively little leased data centre space constructed.

Many countries have passed data sovereignty regulations requiring that data be stored in-country, which means multinational firms may require data centre space in multiple locations. This has in turn boosted demand for leased space in many markets that were previously served by centralised data centres elsewhere.

The demand for data centre space will continue to be strong in top data centre markets, which are generally capital cities or telecommunications hubs near submarine cable landings. This is because of the networking and interconnection requirements of cloud, network, IT and software service providers as well as the need to process and store data close to end users for minimal latency.

The bulk of IT equipment worldwide continues to be stored in enterprise-owned facilities. However, the growth of such space has moderated, with the difference made up by growth in leased data centre space and cloud provider-owned space.

FIGURE 1: WORLDWIDE INSOURCED (ENTERPRISE-OWNED) AND OUTSOURCED (LEASED AND CLOUD PROVIDER-OWNED) DATA CENTRE SPACE



Source: 451 Research, LLC., 2Q 2018

Insourced and outsourced data centre markets are expected to grow at a CAGR of 2.5% and 12.3% respectively (by net operational sq ft) from 2017 to 2022F.

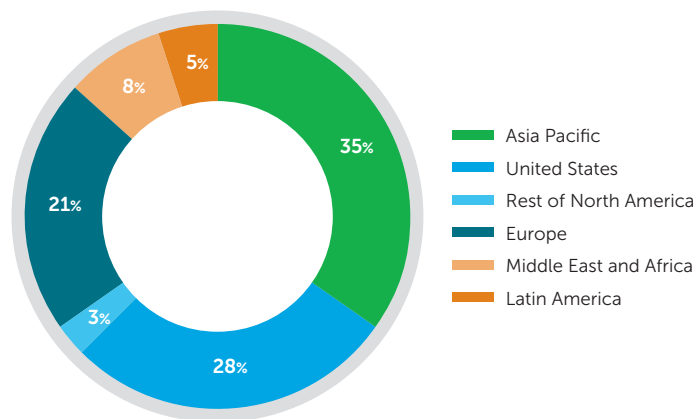
United States Data Centre Market Overview

US DATA CENTRE GROWTH AND DEMAND DRIVERS

The United States is the largest and most established data centre market in the world. It represents 28% of the global insourced and outsourced data centre market (by net operational sq ft).

FIGURE 2: BREAKDOWN OF INSOURCED AND OUTSOURCED DATA CENTRE SPACE BY REGION

(By Net Operational Sq Ft)

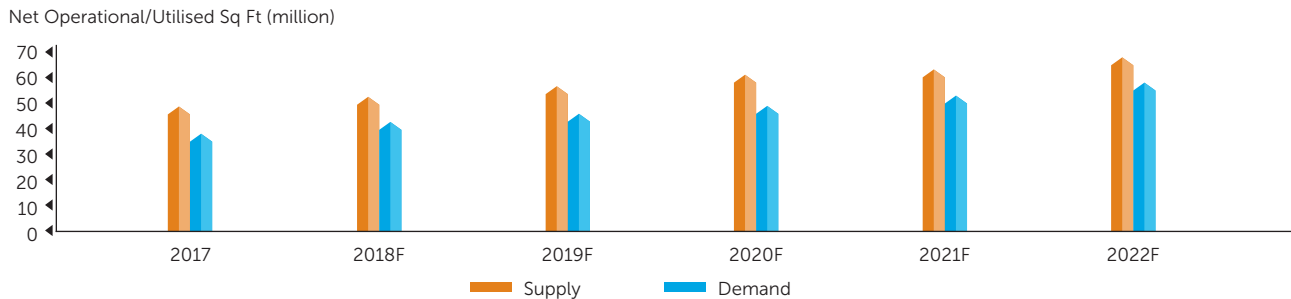


Source: 451 Research, LLC., 2Q 2018

There are several key trends that impact the data centre industry in the United States, including the growth of data and content, the growth in mobile services, and the adoption of cloud services. The drivers of demand for leased data centre space are expected to remain strong for the next several years. These include:

- 1. The movement to cloud and outsourcing.** The biggest demand for leased data centre space in the past two years has come from cloud service providers, because they need access to a large number of diverse network providers, connectivity to customers and partners, and large amounts of data centre space rapidly which leased data centres can provide. Though several of the largest cloud service providers (Amazon Web Services, Google and Microsoft) have built their own data centres, they continue to lease space from data centre operators in selected markets for connectivity reasons and for speed-to-market. Smaller cloud and hosting providers prefer to lease almost all of their data centre space from leased data centre providers.
- 2. The need for data to be stored close to its end users.** The rise of the mobile workforce and the demand for data and applications to be available on mobile devices have led to a requirement that data and services be available at any time, with relatively low latency, in multiple locations. This means firms will need to store data close to end users in key population centres; and therefore, they will require data centre space in multiple locations.
- 3. The need for geographic diversity.** To minimise risks from natural disasters and terrorist attacks, firms are faced with a need for backup data centres where data can be duplicated and stored in case a primary data centre is affected by such risks.
- 4. The potential impact of the Internet of Things.** Internet of Things deployments will generate large quantities of data to be processed and stored in Internet connected devices. This will in turn increase the workloads of data centres, which will drive the demand for data centre space.

The US leased data centre market was worth an estimated US\$13.2 billion in 2017. The fundamental drivers for growth of leased data centres in the United States are expected to remain strong, which will continue to underpin the demand for data centre space.

FIGURE 3: LEASED DATA CENTRE SUPPLY AND DEMAND IN THE UNITED STATES

Source: 451 Research, LLC., 2Q 2018

Leased data centre supply (by net operational sq ft) and demand (by net utilised sq ft) are expected to grow at a CAGR of 6.8% and 8.7% respectively from 2017 to 2022F.

KEY DATA CENTRE MARKETS IN THE UNITED STATES

The amount of total data centre space (including enterprise facilities) in any city is related to factors such as how many businesses are located there, their propensity to use leased data centre or cloud services, and how IT-intensive those businesses are, as well as how underlying telecommunications fibre networks are configured.

The established data centre markets in the United States are namely Northern Virginia, New York /New Jersey, Dallas, Silicon Valley, Chicago, Los Angeles and Atlanta. These data centre markets have the strongest demand from local businesses and government agencies, as well as media and content firms that want to store data near the maximum number of end users. These cities are often connectivity hubs as well, so network service providers and cloud/hosting firms will also want to have their IT equipment in these locations. These markets together account for an estimated 53% of the net operational sq ft of leased data centre space in the United States.

The established data centre markets are likely to continue to see demand on a much larger scale than smaller markets. For example, the amount of new space leased each year in Dallas is roughly equal to the entire data centre markets in Minneapolis, Charlotte and San Diego. They also tend to be top markets when it comes to in-house data centre space, due to the large concentrations of enterprises in these cities.

FIGURE 4: ESTABLISHED DATA CENTRE MARKETS IN THE UNITED STATES (BY NET OPERATIONAL SQ FT)

Established data centre markets	Secondary data centre markets
Northern Virginia	Phoenix
New York/New Jersey	Las Vegas
Dallas	Denver
Silicon Valley	Boston
Chicago	Miami
Los Angeles	Seattle
Atlanta	Houston

Source: 451 Research, LLC., 2Q 2018

However, there has been increasing interest in many markets outside of the established data centre markets as enterprise demand rises due to the demand for content delivery, mobility, the Internet of Things. Both large and regional/local service providers are looking at expanding their coverage and capabilities with more remote and cost-effective data centres.

Although demand for space in established data centre markets continues to be strong, limited supply and difficulty in obtaining power have also created an increased demand for data centre space in nearby secondary markets. In addition, some states are proactively developing legislation that provides tax breaks specifically for mid-sized or large-scale data centres. This, along with the cost and source of power as well as fibre capacity can make certain states more appealing than others for large data centre deployments and boost demand for data centres in markets outside of the established markets or outside of large population centres.

Financial Review

STATEMENT OF NET INCOME AND DISTRIBUTION

	FY17/18 S\$'000	FY16/17 S\$'000	CHANGE %
Gross revenue	363,230	340,565	6.7
Property operating expenses	(85,627)	(83,735)	2.3
Net property income	277,603	256,830	8.1
Interest income	1,027	390	163.3
Borrowing costs	(34,055)	(27,325)	24.6
Manager's management fees			
- Base fees	(19,215)	(18,453)	4.1
- Performance fees	(9,994)	(9,246)	8.1
Trustee's fees	(546)	(521)	4.8
Other trust expenses	(1,322)	(1,340)	(1.3)
Net foreign exchange gain	18	—	*
Net income	213,516	200,335	6.6
Distribution declared by joint venture	3,234	—	*
Amount available for distribution	215,848	204,960	5.3
Distribution per Unit (Singapore cents)	11.75	11.39	3.2
Total operating expenses¹	116,704	113,295	3.0
Total operating expenses to net asset value	4.20%	4.47%	(6.0)

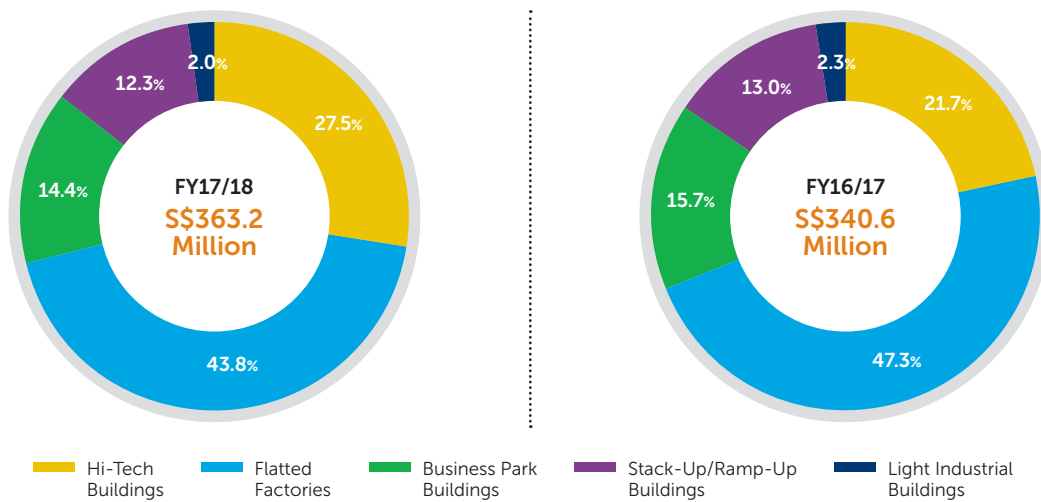
* Not meaningful

¹ Total operating expenses (including all fees and charges paid to the Manager and interested parties) comprise property operating expenses, Manager's management fees, trustee's fees and other trust expenses.

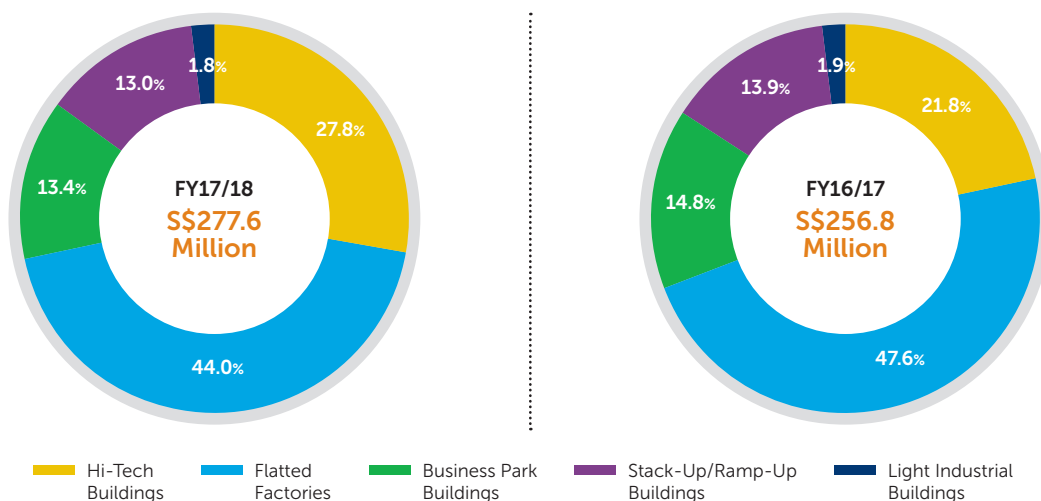
GROSS REVENUE

Gross revenue for FY17/18 was S\$363.2 million, an increase of S\$22.7 million or 6.7% as compared to FY16/17. The improvements were driven mainly by revenue contribution from the BTS project for HP and pre-termination sum received from Johnson & Johnson Pte. Ltd., partially offset by the lower portfolio occupancy.

GROSS REVENUE (BY SEGMENT)



NET PROPERTY INCOME (BY SEGMENT)



Financial Review

NET PROPERTY INCOME

Net property income for FY17/18 was S\$277.6 million, which was S\$20.8 million or 8.1% higher than the previous year due to higher gross revenue which was offset partly by higher property operating expenses. Property operating expenses for FY17/18 was S\$85.6 million, S\$1.9 million or 2.3% higher than FY16/17. The increase in property expenses was mainly due to higher property taxes and marketing commission, partially offset by lower utilities expenses.

The relative contributions from the various property segments to the gross revenue and net property income for FY17/18 changed marginally from the profile in FY16/17. Flatted Factories segment remained the largest contributor at 43.8% and 44.0% of the gross revenue and net property income respectively. The contribution from the Hi-Tech Buildings segment increased in FY17/18 due to the completion of the BTS project for HP.

NET INCOME AND DISTRIBUTION

Net income for FY17/18 increased by S\$13.2 million or 6.6% to S\$213.5 million, largely due to higher net property income but partially offset by higher borrowing costs and manager's management fees. The higher borrowing costs were due to higher hedged rates in FY17/18 as expired hedges were replaced with hedges carrying higher rates, interest expense from debt borrowed to fund the investment in joint venture and higher swap offer rates. The interest incurred for the Phase Two of the BTS project for HP which were being expensed (instead of being capitalised) upon obtaining TOP on 22 June 2017 also contributed to the higher borrowing costs. Higher manager's management fees were due to better portfolio performance and increased value of assets under management. The amount available for distribution for FY17/18 was S\$215.8 million, S\$10.9 million or 5.3% higher than FY16/17 mainly due to higher net income and distribution declared by joint venture of S\$3.2 million. DPU for FY17/18 was higher at 11.75 Singapore cents as compared to 11.39 Singapore cents in FY16/17.

NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

(As at 31 March)

	2018 S\$'000	2017 S\$'000	CHANGE %
Total assets	4,154,320	3,798,061	9.4
Total liabilities	1,374,248	1,265,272	8.6
Net assets attributable to Unitholders	2,780,072	2,532,789	9.8
Net asset value per Unit (S\$)	1.47	1.41	4.3

Total assets increased by 9.4% from S\$3,798.1 million as at 31 March 2017 to S\$4,154.3 million as at 31 March 2018, primarily attributed to the investment in joint venture and increase in portfolio value. Excluding the divestment of 65 Tech Park Crescent on 20 July 2017, the increase in portfolio value comprised a portfolio revaluation gain of S\$65.5 million and capitalised cost of S\$111.8 million from development and improvement works. Net assets attributable to Unitholders increased by 9.8% to S\$2,780.1 million over the previous year, reflecting a higher net asset value per Unit of S\$1.47 as at 31 March 2018 mainly due to net fair value gain recognised on the Group's portfolio and new units issued pursuant to the private placement to fund the investment in joint venture.

Corporate Liquidity and Capital Resources

KEY FUNDING STATISTICS

(As at 31 March)

	2018	2017
Total outstanding debt (S\$ million)	1,219.8	1,107.9
Bank facilities (S\$ million)		
Bank loans outstanding	814.8	702.9
Unutilised bank facilities	532.1	686.0
Debt securities issued and capacity (S\$ million)		
Debt securities outstanding	405.0	405.0
Debt securities capacity	595.0	595.0
Ratios		
Aggregate leverage		
- Based on deposited property	33.1%¹	29.2%
- Based on net assets	49.3%¹	43.7%
Weighted average tenor of debt	3.3 years	3.5 years
Average borrowing cost for the financial year	2.9%	2.6%
Interest cover ratio for the financial year	7.1 times	7.9 times

¹ The aggregate leverage ratio includes MIT's proportionate share of borrowings and assets of the joint venture. As at 31 March 2018, total debt including MIT's proportionate share of joint venture debt was S\$1,457.1 million. (Exchange rate applied: US\$1 to S\$1.31839)

The Manager's proactive approach to capital management aims at maintaining a strong balance sheet as well as achieving efficiency with respect to capital resources. Total outstanding debt increased by about S\$111.9 million to S\$1,219.8 million as at 31 March 2018 from S\$1,107.9 million one year ago. Including MIT's 40% share of the borrowings and deposited property values of the joint venture, the aggregate leverage ratio as at 31 March 2018, computed based on total assets, increased to 33.1% from 29.2% as at 31 March 2017.

The development capital expenditure incurred during the year and the equity investment into the joint venture for the US Acquisition were funded partly by debt and equity. As at 31 March 2018, about 13.1% of its total debt outstanding were denominated in US\$.

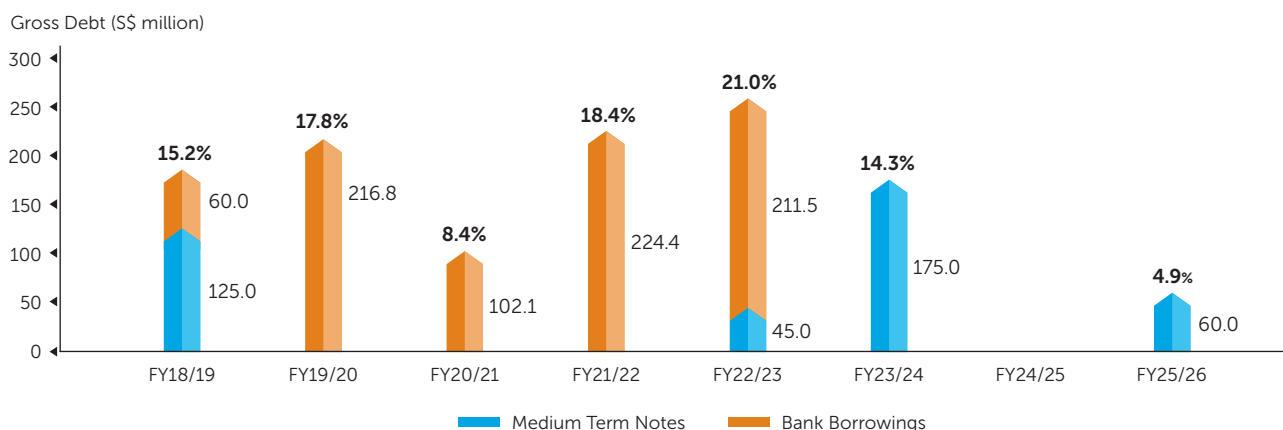
The Manager successfully raised a total of S\$155.7 million in October 2017 through a private placement with 81,968,000 new units issued at the issue price of S\$1.90. The exercise was well supported by the investors at approximately 3.3 times covered at the top end of the issue price range of S\$1.90 per new unit, and the upside option was exercised in full. The issue price represented a discount of approximately 1.2% to the adjusted volume weighted average price. The use of the gross proceeds of S\$155.7 million from the private placement was in accordance with the stated use and percentage allocated as set out in the announcement dated 25 October 2017 in relation to the close of the private placement. As at 31 March 2018, the gross proceeds had been fully disbursed.

All borrowings remain unsecured with minimal financial covenants. The Issuer Default Rating of MIT by Fitch Ratings remains unchanged at 'BBB+' with a Stable Outlook.

As at 31 March 2018, bank facilities of about S\$532.1 million were available to address refinancing needs and support potential investment opportunities. MIT's funding sources were also augmented with its S\$1 billion Multicurrency Medium Term Note Programme. Medium term notes of S\$405.0 million, forming about 33.2% of total outstanding debt as at 31 March 2018, were issued to debt capital market investors.

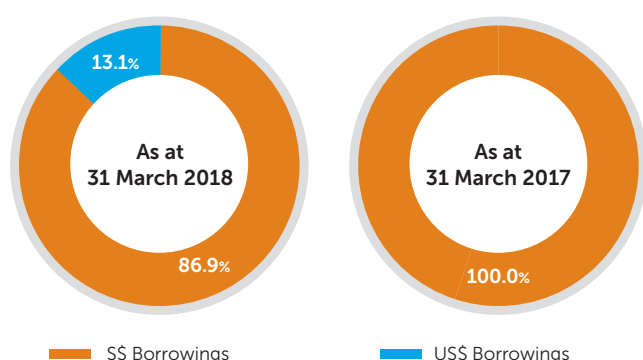
Corporate Liquidity and Capital Resources

DEBT MATURITY PROFILE



Through a combination of bank borrowings and Medium Term Notes with varying debt tenors, the debt maturity profile is well-diversified and well-spread. As at 31 March 2018, the highest debt concentration is in FY22/23, with about 21% of the total outstanding debt.

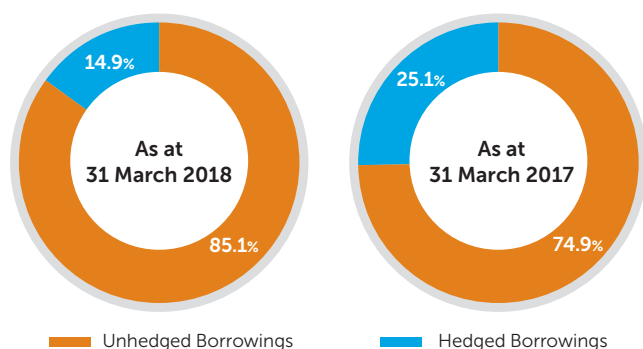
DEBT CURRENCY BREAKDOWN PROFILE



INTEREST RATE HEDGING

The Manager has procured interest rate swaps as well as fixed rate debt to hedge fluctuations in interest rates. As at 31 March 2018, about 85.1% of total debt was either borrowed on fixed rate basis or hedged with interest rate swaps (31 March 2017: 74.9%), and the weighted average tenor of such interest rate hedges was about 2.9 years (31 March 2017: 4.0 years). In view of the US\$ interest rate hikes effected to date and expected hikes to come, the Manager had hedged the interest rate exposure of about 99.3% of the US\$ debt. About S\$225.0 million of S\$ interest rate hedges will expire in the second half of FY18/19; the Manager will proactively seek to replace expiring interest rate hedges and/or take on additional hedges to protect against future interest rate volatility.

INTEREST RATE HEDGING PROFILE



FOREIGN EXCHANGE RATE HEDGING

MIT's investment in the joint venture was funded by US\$ debt, which provided a natural hedge on the foreign exchange rate fluctuation that may arise on the Balance Sheet. Arising from its US Portfolio, a part of MIT's income stream will be received in US\$. To hedge against the foreign exchange rate volatility, the Manager uses currency forwards to hedge expected US\$ income; considering the currency forwards executed to date, 100% of the FY17/18 net income stream were derived in and/or had been hedged into S\$.

Corporate Governance

The Manager of MIT is responsible for the strategic direction and management of the assets and liabilities of MIT as well as its subsidiaries (collectively, the "Group"). As a REIT manager, the Manager is licensed by the Monetary Authority of Singapore (the "MAS") and holds a Capital Markets Services Licence for REIT management ("CMS Licence").

The Manager discharges its responsibility for the benefit of MIT and its unitholders ("Unitholders"), in accordance with the applicable laws and regulations as well as the trust deed constituting MIT (as amended) (the "Trust Deed"). To this end, the Manager sets the strategic direction of the Group and gives recommendations to DBS Trustee Limited, in its capacity as trustee of MIT (the "Trustee"), on the acquisition, divestment and enhancement of assets of the Group.

The Manager's roles and responsibilities include:

- carrying out the Group's business to generate returns in a sustainable manner and conducting all transactions on normal commercial terms and on an arm's length basis;
- preparing annual budget proposal with forecast on gross revenue, property expenditure, capital expenditure and providing explanations on major variances against prior year's actual results and written commentaries on key issues and any other relevant assumptions. The purpose of such proposals and analyses is to chart the Group's business for the year ahead and to explain the performance of MIT's properties compared to the prior year; and
- ensuring compliance with applicable laws and regulations, including the Securities and Futures Act (Chapter 289 of Singapore), the Listing Manual of Singapore Exchange Securities Trading Limited (the "SGX-ST"), the Code on Collective Investment Schemes ("CIS Code") issued by the MAS (including Appendix 6 of the CIS Code, the "Property Funds Appendix"), the Singapore Code on Takeovers and Mergers, the Trust Deed, written directions, notices, codes and other guidelines that the MAS may issue from time to time and any tax rulings.

The Manager is committed to complying with the substance and spirit of the Code of Corporate Governance 2012 (the "Code"). The following describes the main corporate governance policies and practices of the Manager with reference to the Code and, where there are deviations from the principles and guidelines of the Code, explanations for such deviations.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Effective Board

Our Policy and Practices

The Manager adopts the principle that an effective Board of Directors (the "Board") for the Manager is one which is constituted with the right core competencies and diversity of experience, so that the collective wisdom of the Board can give guidance and provide insights as well as strategic thinking to the management team of the Manager ("Management").

The key roles of the Board are to:

- guide the corporate strategy and direction of the Manager;
- ensure that the Management discharges business leadership and demonstrates the highest quality of management with integrity and enterprise; and
- oversee the proper conduct of the Manager.

In discharging their roles and responsibilities, all Directors of the Board are expected to and have acted in the best interests of MIT.

The positions of Chairman and Chief Executive Officer ("CEO") are held by two separate persons in order to maintain effective oversight. The Board has also established the Audit and Risk Committee (the "AC") and the Nominating and Remuneration Committee (the "NRC"), each of which operates under delegated authority from the Board, to assist the Board in discharging its oversight function.

The Board comprises ten Directors, of whom nine are Non-Executive Directors and five are Independent Directors.

The following sets out the composition of the Board:

- Mr Wong Meng Meng, Non-Executive Chairman and Director
- Mr Soo Nam Chow, Independent Non-Executive Director and Chairman of the AC
- Mr John Koh Tiong Lu, Lead Independent Non-Executive Director and Member of the AC
- Mr Wee Joo Yeow, Independent Non-Executive Director and Chairman of the NRC
- Ms Mary Yeo Chor Gek, Independent Non-Executive Director and Member of the NRC
- Mr Guy Daniel Harvey-Samuel, Independent Non-Executive Director
- Mr Seah Choo Meng, Non-Executive Director and Member of the AC

Corporate Governance

- Mr Hiew Yoon Khong, Non-Executive Director and Member of the NRC
- Mr Wong Mun Hoong, Non-Executive Director
- Mr Tham Kuo Wei, Executive Director and CEO

The Board comprises business leaders and distinguished professionals with banking, legal, real estate, strategic planning, management and accounting experience.

The diverse professional backgrounds of the Directors enable Management to benefit from their external, varied and objective perspectives on issues brought before the Board for discussion and deliberation. Each Director is appointed on the strength of his or her calibre, experience, stature and potential to give proper guidance to Management for

the business of the Group. In addition, the Board considers additional factors such as the age, gender and educational background of its members. The profiles of the Directors are set out in pages 22 to 25 of this Annual Report. The Board is of the view that the present principal directorships included in their individual profiles are sufficient in informing Unitholders of their principal commitments. The Board meets regularly, at least once every quarter, to review the business performance and outlook of the Group and deliberate on business strategy, including any significant acquisitions, disposals, fund-raising and development projects undertaken by the Group. When exigencies prevent a Director from attending a Board or Board committee meeting in person, such Director can participate by audio or video conference.

The meeting attendance of the Board, the AC, the NRC and at the AGM held in FY17/18 is as follows:

		Board	AC	NRC	AGM ⁽³⁾
Number of meetings held in FY17/18		5	5	2	1
Board Members	Membership				
Mr Wong Meng Meng (Appointed on 7 September 2010) (Last reappointment on 29 September 2017)	Non-Executive Chairman and Director	5	N.A. ⁽¹⁾	N.A. ⁽¹⁾	1
Mr Soo Nam Chow (Appointed on 7 September 2010) (Last reappointment on 29 September 2017)	Independent Non-Executive Director and Chairman of the AC	5	5	N.A. ⁽¹⁾	1
Mr John Koh Tiong Lu (Appointed on 7 September 2010) (Last reappointment on 29 September 2017)	Lead Independent Non-Executive Director and Member of the AC	5	5	N.A. ⁽¹⁾	1
Mr Wee Joo Yeow (Appointed on 7 September 2010) (Last reappointment on 29 September 2015)	Independent Non-Executive Director and Chairman of the NRC	5	N.A. ⁽¹⁾	2	1
Ms Mary Yeo Chor Gek (Appointed on 15 March 2013) (Last reappointment on 30 September 2016)	Independent Non-Executive Director and Member of the NRC	4	N.A. ⁽¹⁾	1	1
Mr Guy Daniel Harvey-Samuel (Appointed on 14 July 2017 and reappointment on 29 September 2017)	Independent Non-Executive Director	4	N.A. ⁽¹⁾	N.A. ⁽¹⁾	1
Mr Seah Choo Meng (Appointed on 7 September 2010) (Last reappointment on 29 September 2015)	Non-Executive Director and Member of the AC	5	5	N.A. ⁽¹⁾	1
Mr Hiew Yoon Khong (Appointed on 7 September 2010) (Last reappointment on 30 September 2016)	Non-Executive Director and Member of the NRC	5	N.A. ⁽¹⁾	2	1
Mr Wong Mun Hoong (Appointed on 7 September 2010) (Last reappointment on 29 September 2015)	Non-Executive Director	5	5 ⁽²⁾	N.A. ⁽¹⁾	1
Mr Tham Kuo Wei (Appointed on 23 July 2010) (Last reappointment on 30 September 2016)	Executive Director and CEO	5	5 ⁽²⁾	1 ⁽²⁾	1

Notes:

⁽¹⁾ N.A. means not applicable.

⁽²⁾ Attendance was by invitation.

⁽³⁾ Held on 18 July 2017.

The Board has also approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities to be undertaken by the Group. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

The Board's approval is required for material transactions to be undertaken by the Group, including the following:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and *ad hoc* development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

Each Director is given a formal letter of appointment setting out his or her duties and obligations under the relevant laws and regulations governing the Manager and the Group. The Manager also has in place an orientation programme to brief new Directors on the Group's business, strategic directions, risk management policies, the regulatory environment in which the Group operates and the governance practices of the Group and the Manager, including in areas such as accounting, legal and industry-specific knowledge as appropriate. The Board is updated on any material change to relevant laws, regulations and accounting standards by way of briefings from professionals or updates issued by Management.

Board Composition and Guidance

Principle 2: Strong and independent element on the Board

Our Policy and Practices

The Board reviews from time to time the size and composition of the Board with a view to ensuring that the size of the Board is appropriate in facilitating effective decision making.

The Manager adopts the principle that a board composition with a strong and independent element will allow the Directors to engage in robust deliberations with Management and provide external, diverse and objective insights on issues brought before the Board for discussion and deliberation. In particular, the Non-Executive Directors will also conduct periodic review of the investment mandate as well as the

strategic focus of MIT with Management. Further, such a board composition, and the separation of the roles of the Chairman and the CEO, provides oversight to ensure that Management discharges its roles and responsibilities effectively and with integrity.

The Board assesses the independence of each Director in accordance with the requirements of the Code and the enhanced independence requirements for REIT managers as implemented by the MAS pursuant to its Response to Feedback on Consultation on Enhancements to the Regulatory Regime Governing REITs and REIT Managers (the "Enhanced Independence Requirements"). A Director is considered to be independent if he or she has no relationship with the Manager, its related corporations and its shareholders who hold 10% or more of the voting shares of the Manager, or Unitholders who hold 10% or more of the Units in issue, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement; and is independent from any management and business relationship with the Manager and MIT, the substantial shareholder of the Manager and the substantial unitholder of MIT and has not served on the Board for a continuous period of nine years or longer.

For FY17/18, each of the Independent Directors had carried out an assessment on whether there were any relationships or circumstances which may impact his or her independent status. Accordingly, each of the Independent Directors had either made a negative declaration or disclosed such relationships or circumstances as applicable. The declarations or disclosures made by each Independent Director had been reviewed by the NRC.

The Board had considered the Independent Director status of Mr Guy Daniel Harvey-Samuel (who is a non-executive director and chairman of HSBC Bank (Singapore) Limited) for FY17/18. Notwithstanding that the total amount of fees paid to HSBC, Singapore Branch in connection with the provision of a credit facility had exceeded S\$200,000 in FY17/18, the Board takes the view that Mr Harvey-Samuel's Independent Director status is not affected as (a) the fees were paid pursuant to the terms of the credit facility which were agreed on an arm's length basis and on normal commercial terms and (b) he is appointed as an independent director and chairman of HSBC Bank (Singapore) Limited and is not involved in the management of its business or of HSBC, Singapore Branch.

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The Board had also considered the Independent Director status of Mr Wee Joo Yeow (who is a non-executive director of Oversea-Chinese Banking Corporation Limited ("OCBC")) for FY17/18. Notwithstanding that the total amount of fees paid to OCBC in connection with the committed club loan facilities (which OCBC is one of the participating banks) exceeded S\$200,000 in FY17/18, the Board takes the view that Mr Wee's Independent Director status is not affected as (a) he is appointed as an independent non-executive director of OCBC and is not involved in the management of OCBC's business and (b) the fees were paid pursuant to the terms of the club loan facilities which were agreed on an arm's length basis and on normal commercial terms and (c) the club loan facilities were entered into by the offshore subsidiaries of Mapletree Redwood Data Centre Trust which MIT has a 40% interest in.

Further, the Board had considered the Independent Director status of Mr John Koh Tiong Lu who is also appointed as an independent director and chairman of the Investment Committee of Mapletree Industrial Fund Ltd., a private real estate fund managed by the Sponsor. The Board takes the view that Mr Koh's Independent Director status is not affected as he is appointed as an independent director of Mapletree Industrial Fund Ltd. and is not involved in the management of its business.

Based on a review of the relationships between the Directors and the Group in accordance with the requirements of the Code and the Enhanced Independence Requirements and declarations of independence by the Independent Directors, the Board considers the following Directors to be independent:

- Mr Soo Nam Chow;
- Mr John Koh Tiong Lu;
- Mr Wee Joo Yeow;
- Ms Mary Yeo Chor Gek; and
- Mr Guy Daniel Harvey-Samuel.

In view of the above, at least half of the Board comprises Independent Directors.

The Manager has established a policy that its Directors should recuse themselves from discussions and abstain from voting on resolutions regarding a transaction or proposed transaction in which the Director has an interest or is conflicted. The Directors have complied with this policy and recused himself or herself from discussions and abstained from voting on resolutions regarding any proposed transaction which might potentially give rise to a conflict of interest.

Chairman and CEO

Principle 3: Clear division of responsibilities

Our Policy and Practices

The Manager adopts the principle of clear separation of the roles and responsibilities between the Chairman of the Board and the CEO of the Manager. The Chairman guides the Board in constructive debates on the Group's strategic direction, management of its assets and governance matters. The Chairman is a Non-Executive Director.

The Chairman and the CEO are not related to each other. The CEO is responsible for the running of the Manager's business operations. He has full executive responsibilities over the business and operational decisions of the Group. The CEO is also responsible for ensuring the Group's compliance with the applicable laws and regulations in its day-to-day operations.

As the Chairman is not an independent director, in accordance with Guideline 3.3 of the Code, Mr John Koh Tiong Lu has been appointed as the Lead Independent Director of the Manager. The principal responsibilities of the Lead Independent Director are to act as Chairman of the Board when matters concerning the Chairman are to be considered, and to be available to the Board and Unitholders for communication of Unitholders' concerns when other channels of communication through the Chairman or CEO are inappropriate, as well as for leading all deliberations on feedback regarding performance of the CEO and any interested party transactions.

Board Membership

Principle 4: Formal and transparent process for appointments

Our Policy and Practices

The Manager adopts the principle that Board renewal is an ongoing process to ensure good governance and to remain relevant to the changing needs of the Manager and the Group's business.

The Board established the NRC in January 2016 and it comprises three Directors, being Mr Wee Joo Yeow, Ms Mary Yeo Chor Gek and Mr Hiew Yoon Khong, all of whom are non-executive and the majority of whom (including the Chairman of the NRC) are independent. Mr Wee Joo Yeow is the Chairman of the NRC.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating committee, which include assisting the Board in matters relating to:

- the appointment and re-appointment of Board and committee members;
- the appointment of the Executive Director and CEO and the framework for the appointment of senior management executives of the Manager, as well as the succession plan and framework for the Executive Director and CEO and senior management executives of the Manager;
- training and professional development programmes for the Board;
- the process for evaluating Board performance; and
- the determination, on an annual basis and as and when circumstances require, of the independent status of a Director, bearing in mind the relevant guidelines of the Code and the Enhanced Independence Requirements, as well as any other applicable regulations and guidelines and salient factors.

The composition of the Board is determined using the following principles:

- the Chairman of the Board should be a non-executive director of the Manager;
- the Board should comprise directors with a broad range of commercial experience including expertise in funds management, law, finance, audit, accounting and real estate; and
- at least one-third of the Board should comprise independent directors if the Chairman is an independent director and at least half of the Board should comprise independent directors if the Chairman is not an independent director.

As at least half of the Board comprises Independent Directors, the Manager will not be voluntarily subjecting any appointment or reappointment of directors to voting by Unitholders. The Board intends to continue to keep to the principle that at least half of the Board shall comprise independent directors.

The Manager does not, as a matter of policy, limit the maximum number of listed company board representations its Board members may hold as long as each of the Board members is able to commit his or her time and attention to the affairs of the Group, including attending Board and

Board committee meetings and contributing constructively to the management of the Manager and the Group. The Manager believes that each Director is best placed to decide whether he or she has sufficient capacity to discharge his or her duties and responsibilities as Director in the best interests of the Manager and Unitholders. Taking into account the meeting attendance records of the Directors in FY17/18 as well as the contribution and performance of each individual Director at such meetings, the Board is satisfied that all the Directors have been able to carry out their duties as Director notwithstanding their principal commitments.

In keeping with the principle that a Director must be able to commit his or her time and attention to the affairs of the Group, the Board will generally not approve the appointment of alternate directors. There were no alternate directors appointed in FY17/18.

The NRC reviews and makes recommendations of nominations and/or re-nominations of directors on the Board and Board Committees to the Board for approval. As a principle of good corporate governance, all Board members are required to submit themselves for re-nomination and re-election at regular intervals during the annual general meeting of the Manager.

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board

Our Policy and Practices

The Manager adopts the principle that the Board's performance is ultimately reflected in the performance of the Manager and the Group.

To assess the performance of the Board and the Board committees, the Manager conducts confidential board effectiveness surveys once every two years. Board effectiveness surveys are carried out once every two years so as to provide more time for the Directors to observe, review and assess the effectiveness and performance of the Board and the Board committees. The last survey of the Board and the AC was undertaken in October 2016, with the findings evaluated by the Board in February 2017 and the Board was of the view that it had met its performance objectives. The next survey will be carried out in FY18/19 and the NRC will assist the Board in (amongst other things) the assessment of the effectiveness of the Board, by reviewing the performance evaluation process and making recommendations to the Board.

Corporate Governance

Access to Information

Principle 6: Complete, adequate and timely access to information

Our Policy and Practices

The Manager adopts the principle that the Board shall be provided with timely and complete information prior to Board meetings as well as when the need arises.

Management is required to provide adequate and timely information to the Board, which includes matters requiring the Board's decision as well as ongoing reports relating to the operational and financial performance of the Group. Management is also required to furnish any additional information requested by the Board in a timely manner in order for the Board to make informed decisions.

The Directors have separate and independent access to Management and the Company Secretary.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

The Company Secretary attends to the administration of corporate secretarial matters and advises the Board on governance matters. The Company Secretary also attends all Board and Board committee meetings and provides assistance to the Chairman in ensuring adherence to Board procedures.

The Board takes independent professional advice as and when necessary, at the Manager's expense, to enable it and/or the Independent Directors to discharge their responsibilities effectively. The AC meets the external and internal auditors separately at least once a year, without the presence of Management.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: Formal and transparent procedure for fixing the remuneration of Directors

Level and Mix of Remuneration

Principle 8: Appropriate level of remuneration

Disclosure on Remuneration

Principle 9: Clear disclosure of remuneration matters

Our Policy and Practices

The Manager adopts the principle that remuneration matters should be sufficiently structured and benchmarked with good market practices to attract qualified talent to grow and manage its business.

The Manager adopts the principle that remuneration for the Board and senior management should be viewed in totality. The remuneration structure supports the continuous development of the management bench strength to ensure robust talent management and succession planning.

Pursuant to the *Guidelines to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management (Guideline No: SFA04-G07)*, the Manager has disclosed in this report information on its NRC as set out below.

Additional information on remuneration matters are disclosed in accordance with the Alternative Investment Fund Managers Directive (the "AIFMD") in compliance with the requirements of the AIFMD.

Nominating and Remuneration Committee

The Manager has established the NRC which consists of a minimum of three members and is constituted in a way that enables it to exercise its judgment and demonstrate its ability to make decisions which are consistent with the current and future financial status of the business.

The current members are: Mr Wee Joo Yeow, Independent Non-Executive Director and Chairman of NRC, Ms Mary Yeo Chor Gek, Independent Non-Executive Director and Mr Hiew Yoon Khong, Non-Executive Director. The NRC met two times during FY17/18 and was guided by its own independent remuneration consultants, Mercer (Singapore) Pte Ltd and Willis Towers Watson, who have no relationship with the Manager, the controlling shareholders of the Manager or its related entities and the Board of Directors that would interfere with their ability to provide independent advice to the NRC.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating and remuneration committee, which include assisting the Board in matters relating to:

- reviewing and recommending to the Board all nominations for the appointment and re-appointment of Directors and of members to the various Board Committees;
- reviewing and recommending to the Board the succession plan for the Executive Director and CEO of the Manager;
- the remuneration framework for the Directors, the Executive Director and CEO and senior management of the Manager, including all option plans, stock plans and the like as well as the performance hurdles of such plans;
- the specific remuneration package for the Executive Director and CEO of the Manager; and
- the termination payment, gratuities, severance payment and other similar payments to the Executive Director and CEO of the Manager.

Decision-making Process for Determining the Remuneration Policy

The NRC is responsible for the annual review of remuneration policy, its implementation and ensuring compliance with relevant legislation and regulation. The NRC makes remuneration decisions for employees annually in May following the end of the performance year. This timing allows the full-year financial results to be considered along with the other non-financial goals and objectives. The NRC developed the Manager's remuneration policy with a number of principles in mind. The overarching principle is to promote sustainable long-term success of MIT. The remuneration policy should be:

- **Aligned with Unitholders:** A proportion of variable remuneration is deferred and delivered in the form of deferred awards over MIT phantom units, thereby aligning the interests of employees and Unitholders;
- **Aligned with performance:** Total variable compensation is managed taking into consideration financial performance and achievement of non-financial goals;
- **Encourage retention:** Deferred variable compensation does not give rise to any immediate entitlement. Awards normally require the participant to be employed continuously by the Manager until at least the third anniversary of the grant in order to vest in full; and
- **Competitive:** Employees receive competitive compensation and benefits packages, which are reviewed annually and benchmarked by an independent remuneration consultant to the external market.

In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives, financial performance of MIT and the individual performance and contributions to MIT during the financial year. Particularly for senior management and key management staff, a portion of their variable compensation is deferred and subjected to downside risks to prevent excessive risk taking.

The key objectives and features of the Manager's policy on the remuneration of its Directors are as follows:

- the level of directors' fees should be appropriate (but not excessive) to attract and motivate the Directors to provide good stewardship of the Manager and the Group;
- directors' fees are reviewed annually and subject to the approval of the Manager's shareholder;
- to ensure that each Directors' fees are commensurate with his or her responsibilities and time spent, each Director is paid a basic retainer and Directors who perform additional services through the Board committees are paid additional fees for such services;
- Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors, and the CEO also does not receive any director's fees in his capacity as a Director; and
- no Director is involved in deciding his or her own remuneration.

Directors' fees are paid entirely in cash.

The key objectives and features of the Manager's policy on the remuneration of its executives are as follows:

- the level and structure of executive remuneration should be competitive (but not excessive) to attract, motivate and retain a pool of talented executives for the present and future growth of the Manager; and
- executive remuneration should be performance-related with a view to promoting the long-term success and sustainability of the Manager.

The CEO is not present during the discussions relating to his own compensation and terms and conditions of service, and the review of his performance. However, the Board, with the assistance of the NRC, reviews the CEO's performance and the NRC Chairman, or his designate, will share with the CEO their views of his performance. In accordance with the directions and guidelines from the MAS on the remuneration of key executive officers of REIT managers, the Board, with the assistance of the NRC, reviews the CEO's specific remuneration package to ensure its compliance with the substance and spirit of such directions and guidelines from the MAS.

Corporate Governance

The remuneration of the Board and the employees of the Manager is paid by the Manager, and not paid by MIT. The Manager has set out in the table below information on the fees paid to the Directors for FY17/18:

Board Members	Membership	Fees Paid for FY17/18
Mr Wong Meng Meng	Non-Executive Chairman and Director	S\$115,000.00
Mr Soo Nam Chow	Independent Non-Executive Director and Chairman of the AC	S\$95,000.00
Mr John Koh Tiong Lu	Lead Independent Non-Executive Director and Member of the AC	S\$92,500.00
Mr Wee Joo Yeow	Independent Non-Executive Director and Chairman of the NRC	S\$85,000.00
Ms Mary Yeo Chor Gek	Independent Non-Executive Director and Member of the NRC	S\$72,500.00
Mr Guy Daniel Harvey-Samuel	Independent Non-Executive Director	S\$39,416.00 ⁽¹⁾
Mr Seah Choo Meng	Non-Executive Director and Member of the AC	S\$82,500.00
Mr Hiew Yoon Khong	Non-Executive Director and Member of the NRC	Nil ⁽²⁾
Mr Wong Mun Hoong	Non-Executive Director	Nil ⁽²⁾
Mr Tham Kuo Wei	Executive Director and Chief Executive Officer	Nil ⁽³⁾

Notes:

⁽¹⁾ The Director's fees paid to Mr Guy Daniel Harvey-Samuel were prorated for the period of appointment from 14 July 2017 to 31 March 2018.

⁽²⁾ Non-Executive Directors who are employees of the Sponsor do not receive any fees in their capacity as Directors and NRC member.

⁽³⁾ The CEO does not receive any director's fees in his capacity as a Director.

Link between pay and performance

Employee remuneration at the Manager comprises fixed pay, variable incentive, allowances and benefits. Fixed pay comprises a salary and an annual wage supplement. All employees receive a salary that reflects their responsibilities and the level of experience and expertise needed to undertake their roles. Allowances and benefits include statutory provident contributions and benefits-in-kind to enable employees to undertake their role by ensuring their wellbeing.

Variable incentive is a material component of total remuneration and comprises of Performance Target Bonus ("PTB"), Variable Bonus ("VB") and Long-term Incentive ("LTI") award. The PTB amount is determined based on the achievement of non-financial Key Performance Indicators ("KPIs") which are critical to improving the organisational effectiveness and operational efficiency of the Manager, e.g. successful implementation of e-Procurement system, participation in Corporate Social Responsibility ("CSR") events, investors and tenants engagement. The VB amount is assessed based on the achievement of financial KPIs such as net property income, DPU and WALE which measure the financial metrics essential to the unitholders. KPIs and their weightages may change from year to year. The LTI award is a form of unit-linked incentive plan and represents conditional rights to receive a cash sum based on the achievement of MIT's Total Shareholder Return ("TSR") targets and value of a notional investment in MIT.

To this end, the NRC has reviewed the performance of the Manager for FY17/18 and is satisfied that all KPIs have largely been achieved.

For senior management, a significant proportion of their variable incentive is deferred under the Manager's VB banking mechanism and vesting schedule of LTI award. Deferral of these two components is a key mechanism to building sustainable business performance. Under the VB banking mechanism, only a portion of a VB award declared in the financial year will be paid out while the rest of the VB award will be deferred and paid out in the subsequent years. The deferred VB award will be subjected to downside risks depending on future performance. This ensures alignment between remuneration and sustaining business performance in the longer-term. For the LTI award, it is subject to 3 to 5 years vesting schedule. The settlement value of the LTI award is linked to the value of MIT units at the time of vesting.

Employees of the Manager are eligible to be considered for variable pay each year. Variable pay for all employees takes into account MIT's, the Manager's and the individual's performance against agreed financial and non-financial objectives similar to that of the senior management. However, in execution, the PTB and VB are combined to form consolidated variable pay for the employees.

All fixed pay, variable incentives and allowances are paid wholly in cash.

To assess the individual performance, a 5-point rating scale is used by the supervisors to provide an overall assessment of an employee's performance, and employees are required to perform a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. The Manager has ensured that this has been adhered to.

details are commercially sensitive due to the confidential nature of remuneration matters and with keen competition for management staff in the REIT industry, such disclosure may result in talent retention issues.

Total Remuneration Bands of CEO and Key Management Personnel for FY17/18					
	Salary, Allowances and Statutory Contributions	Bonus ¹	Long-term Incentives ²	Benefits	Total
Above S\$1,500,000 to S\$1,750,000					
Mr Tham Kuo Wei	23%	49%	28%	N.M. ³	100%
Other Key Management Personnel					
Ms Ler Lily	34%	43%	23%	N.M. ³	100%
Mr Peter Tan Che Heng	38%	39%	23%	N.M. ³	100%
Ms Serene Tam Mei Fong	44%	42%	14%	N.M. ³	100%

Notes:

¹ The amounts disclosed include bonuses declared for FY17/18.

² The amounts disclosed include the grant value of the LTI awards. The LTI award is a form of unit-linked incentive plan and represent conditional rights to receive a cash sum based on the achievement of the TSR targets and fulfilment of vesting period of up to five years.

³ Not meaningful.

The remuneration for the CEO in bands of S\$250,000 and a breakdown of the remuneration of the CEO and all of the key management personnel of the Manager in percentage terms, are provided in the remuneration table above. At present, there are only 4 key management personnel of the Manager (including the CEO)

The total remuneration for CEO and Key Management Personnel in FY17/18 was S\$3.51 million.

The Manager is cognisant of the requirements in Code and the "Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management" to disclose: (a) the remuneration of its CEO and each individual Director on a named basis; (b) the remuneration of at least its top five executive officers (who are neither Directors nor the CEO), on a named basis, in bands of S\$250,000; and (c) in aggregate the total remuneration paid to its top five key management personnel (who are not Directors or the CEO) and in the event of non-disclosure, the Manager is required to provide reasons for such non-disclosure. The Board had assessed and decided not to disclose (i) the remuneration of the CEO in exact quantum; (ii) the remuneration of at least its top five key management personnel (who are neither Directors nor the CEO), on a named basis, in bands of S\$250,000; and (iii) the aggregate remuneration paid to its top five key management personnel (who are not Directors or the CEO) as the Manager is of the view that remuneration

Since the remuneration of the CEO and key management personnel of the Manager are not separately billed but paid by the Manager, the Manager is also of the view that the interest of the Unitholders would not be prejudiced as the indicative range of the CEO's remuneration, as well as the total remuneration for the CEO and key management personnel of the Manager, have been provided. Further, there are sufficient information provided on the Manager's remuneration framework to enable the Unitholders to understand the link between the performance of MIT and the remuneration paid to the CEO and key management personnel of the Manager.

There were no employees of the Manager who were immediate family members of a Director or the CEO of the Manager and whose remuneration exceeded S\$50,000 during FY17/18.

Quantitative Remuneration Disclosure under AIFMD

The Manager is required under the AIFMD to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of MIT.

All individuals included in the aggregated figures disclosed are rewarded in line with the Manager's remuneration policies.

Corporate Governance

The aggregate amount of remuneration awarded by the Manager to its staff in respect of the Manager's financial year ended 31 March 2018 was S\$7.97 million. This figure comprised fixed pay of S\$3.68 million, variable pay of S\$4.04 million and Allowances/Benefits-in-kind of S\$0.25 million. There were a total of 39 beneficiaries of the remuneration described above.

In respect of the Manager's financial year ended 31 March 2018, the aggregate amount of remuneration awarded by the Manager to its senior management (who are also members of staff whose actions have a material impact on the risk profile of MIT) was S\$4.54 million, comprising 7 individuals identified having considered, among others, their roles and decision making powers.

(C) ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: Balanced and understandable assessment of the company's performance, position and prospects

Our Policy and Practices

The Board is responsible for providing a balanced and understandable assessment of MIT's performance, position and prospects, including interim and other price sensitive public reports, and reports to regulators, if required.

The Manager adopts the principle that to build confidence among stakeholders, there is a need to deliver sustainable value.

The Manager complies with statutory and regulatory requirements and adopts best practices in the Group's business processes. The Manager also updates the Board on the Group's performance and its business and market outlook on a regular basis, so as to enable the Board to make a balanced and informed assessment of the Group's performance, financial position and prospects.

Risk Management and Internal Controls

Principle 11: Sound system of risk management and internal controls

Our Policy and Practices

The Manager adopts the principle that a sound system of internal controls and risk management is necessary for the Group's business.

The Manager, working with the Sponsor, has established internal control and risk management systems that address key operational, financial, compliance and information

technology risks relevant to the Group's business and operating environment. These systems provide reasonable but not absolute assurance on the achievement of their intended internal control and risk management objectives.

The key elements of the Group's internal control and risk management systems are as follows:

Operating Structure

The Manager has a well-defined operating structure with clear lines of responsibility and delegated authority, as well as reporting mechanisms to senior management and the Board. This structure includes certain functions, such as Human Resource, Information Systems & Technology, Internal Audit, Legal and Risk Management, which are outsourced to the Sponsor. The Manager also conducts an annual review of such outsourced functions to ensure required performance standards are met.

Policies, Procedures and Practices

Controls are detailed in formal procedures and manuals. For example, the Board has approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

The Board's approval is required for material transactions, including the following:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and *ad hoc* development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

The Group's procedures and practices are regularly reviewed and revised where necessary to enhance controls and efficiency. The Group has implemented a Control Self-Assessment programme to reinforce risk awareness and compliance with internal controls within the Group, by fostering accountability, control and risk ownership.

The internal audit function, which is outsourced to the Sponsor, reviews the Group's compliance with the control procedures and policies established within the internal control and risk management systems. The internal audit function is also involved in the validation of the results from the Control Self-Assessment programme.

Whistle-blowing Policy

To reinforce a culture of good business ethics and governance, the Manager has a Whistle-blowing Policy to encourage the reporting, in good faith, of any suspected improper conduct, including possible financial irregularities, while protecting the whistle-blowers from reprisals. Any reporting concerning the Group or the Manager is notified to the AC Chairman of the Sponsor as well as the AC Chairman of the Manager for investigation and to the AC of the Manager on the findings.

For queries or to make a report, please write to reporting@mapletree.com.sg.

Risk Management

Risk management is an integral part of the Manager's business strategy. In order to safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process into the Manager's planning and decision-making process.

The risk management function which is outsourced to the Sponsor's Risk Management Department oversees the Enterprise Risk Management ("ERM") framework. The Risk Management Department reports key risk exposures, portfolio risk profile and activities in respect of significant risk matters to the AC and the Board independently on a quarterly basis.

The risk management system established by the Manager, which encompasses the ERM framework and the risk management process, is dynamic and evolves with the business. The Manager has identified key risks, assessed their likelihood and impact on MIT's business, and established corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The Risk Management Department works closely with the Manager to review and enhance the risk management system, with the guidance and direction of the AC and the Board.

The Manager's policies and procedures relating to risk management can be found on pages 95 to 97 of this Annual Report.

Information Technology Controls

As part of the Group's risk management process, information technology controls and cybersecurity measures have been put in place and are periodically reviewed to ensure that information technology risks are identified and mitigated. In addition, as part of the Manager's business continuity plan, information technology disaster recovery planning and tests are conducted to ensure that critical information technology systems remain functional in a crisis situation.

Financial Reporting

The Board is updated on a quarterly basis on the Group's financial performance. The Manager reports on significant variances in financial performance, in comparison with budgets and financial performance of corresponding periods in the preceding year and provides an updated full year forecast. In addition, the Board is provided with quarterly updates on key operational activities of the Group.

A management representation letter is provided by the Manager in connection with the preparation of the Group's financial statements to the AC and Board quarterly. The representation letter is supported by declarations made individually by the various Heads of Department. Compliance checklists on announcement of financial statements, which are required for submission to the SGX-ST, are reviewed and confirmed by the Chief Financial Officer ("CFO") of the Manager.

The Group's financial results are prepared in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trust" and are reported to Unitholders quarterly in accordance with the requirements of the SGX-ST. These results announcements provide analyses of significant variances in financial performance and commentary on the industry's competitive conditions in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next twelve months.

Detailed disclosure and analysis of the full year financial performance of the Group can be found on pages 125 to 197 of this Annual Report.

Corporate Governance

Financial Management

Management reviews the performance of the MIT portfolio properties on a monthly basis in order to maintain the financial and operational discipline of the Group.

The key financial risks which the Group is exposed to include interest rate risk, foreign exchange rate risk, liquidity risk, and credit risk. Where appropriate, the Manager procures hedging transactions to be entered into so as to protect the Group against interest rate and foreign exchange rate fluctuations. In addition, the Manager proactively manages liquidity risk by ensuring that sufficient working capital lines and loan facilities are maintained for the Group. The Manager's capital management strategy can be found on pages 77 to 78 of this Annual Report. The Manager also has in place credit control procedures for managing tenant credit risk and monitoring of arrears collection.

Internal Audit

The internal audit function, which is outsourced to the Sponsor's Internal Audit Department, prepares a risk-based audit plan annually to review the adequacy and effectiveness of the Group's system of internal controls and this audit plan is approved by the AC before execution. The Sponsor's Internal Audit Department is also involved during the year in conducting *ad hoc* audits and reviews that may be requested by the AC or Management on specific areas of concern, including validating the responses under the Manager's Control Self-Assessment programme. In doing so, the Sponsor's Internal Audit Department is able to obtain assurance that business objectives for the internal control processes under review are being achieved and key control mechanisms are in place.

Upon completion of each review, a formal report detailing the audit findings and the appropriate recommendations is issued to the AC. The Sponsor's Internal Audit Department monitors and reports on the timely implementation of the action plans to Management and the AC on a quarterly basis.

The external auditors also provide an independent perspective on certain aspects of the internal financial controls system arising from their work and report their findings to the AC on an annual basis. The external auditors are also updated on the findings of the Manager's Control Self-Assessment programme.

Interested Person Transactions

All interested person transactions are undertaken on normal commercial terms and the AC regularly reviews all interested person transactions to ensure compliance with the internal control system as well as with relevant provisions of the Listing Manual and the Property Funds Appendix. In addition, the Trustee has the right to review such transactions to ascertain that the Property Funds Appendix has been complied with.

The following procedures are also undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding S\$100,000 in value but below 3.0% of the value of the Group's net tangible assets will be subject to review by the AC at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of the Group's net tangible assets will be subject to the review and prior approval of the AC and the Board. Such approval shall only be given if the transactions are on normal commercial terms and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 5.0% of the value of the Group's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the AC and the Board (which may, as they deem fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers). Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of the Unitholders.

The interested person transactions undertaken by the Group in FY17/18 are set out on pages 200 to 201 of this Annual Report. For the purpose of the disclosures, the full contract sum is taken as the value of the transaction where the interested person transaction has a fixed term and contract value, while the annual amount incurred and/or accrued is taken as the value of the transaction where an interested person transaction has an indefinite term or where the contract sum is not specified.

Dealing in MIT units

The Manager adopts the best practices on dealings in securities set out in the Listing Manual. All Directors are required to disclose their interests in MIT and are also provided with disclosures of interests by other Directors as well as reminders on trading restrictions.

On trading in MIT units, the Directors and employees of the Manager are reminded not to deal in MIT units on short term considerations and are prohibited from dealing in MIT units:

- in the period commencing one month before the public announcement of the Group's annual results;
- in the period commencing two weeks before the public announcement of the Group's quarterly and semi-annual results; and
- at any time whilst in possession of price-sensitive information.

Each Director is required to notify the Manager of his or her acquisition of MIT units or of changes in the number of MIT units which he or she holds or in which he or she has an interest, within two business days of such acquisition or change of interest. In addition, employees of the Manager and the Sponsor are to give pre-trading notifications before any dealing in MIT units.

Role of the Board and AC

The Board recognises the importance of maintaining a sound internal controls and risk management system to safeguard the assets of the Group and Unitholders' interests, through a framework that enables risks to be assessed and managed.

The AC provides oversight of the financial reporting, accounting policies and the adequacy and effectiveness of the Group's internal control and risk management systems as well as its compliance processes.

The Board and the AC also take into account the results from the Control Self-Assessment programme, which requires the various departments to review and report on compliance with key control processes.

It should be recognised that all internal control and risk management systems contain inherent limitations and, accordingly, the internal control and risk management systems can only provide reasonable but not absolute assurance.

The Board has received assurance from the CEO and the CFO that: (a) the Group's financial records have been properly maintained and the Group's financial statements give a true and fair view of the Group's operations and finances; and (b) the Group's internal control and risk management systems are effective.

Opinion on Internal Controls

Based on the internal control and risk management systems established and maintained by the Manager and the Sponsor, work performed by the Sponsor's Internal Audit and Risk Management Departments as well as by the external auditors, reviews performed by Management and the abovementioned assurance from the CEO and the CFO, the Board, with the concurrence of the AC, is of the opinion that the Group's internal control and risk management systems, addressing key financial, operational, compliance, information technology and risk management objectives and which the Group considers relevant and material to its operations, were adequate and effective to meet the needs of the Group in its business as at 31 March 2018.

Audit and Risk Committee

Principle 12: The Board should establish an AC with written terms of reference which clearly set out its authority and duties.

Our Policy and Practices

The Board is supported by the AC which provides additional oversight of financial, risks and audit matters, so as to maximise the effectiveness of the Board and foster active participation and contribution.

The Manager adopts the principle that the AC shall have at least three members, all of whom must be non-executive and the majority of whom, including the AC Chairman, must be independent.

The AC consists of three members, majority of whom including the AC Chairman are independent and are appropriately qualified to discharge their responsibilities. They are:

- Mr Soo Nam Chow, Chairman;
- Mr John Koh Tiong Lu, Member; and
- Mr Seah Choo Meng, Member.

None of the AC members are a partner or director of the incumbent external auditors, PricewaterhouseCoopers LLP ("PwC"), within the previous 12 months, nor does any of the AC members have any financial interest in PwC.

Corporate Governance

The AC has written terms of reference setting out its scope and authority, which include:

- examination of interested person transactions;
- review of audit findings of internal and external auditors as well as management responses to them;
- evaluation of the nature and extent of non-audit services performed by external auditors. In this regard, for the financial year ended 31 March 2018, MIT paid S\$132,791 to the external auditors PwC for audit services. During the financial year, there were no non-audit services performed for the Group;
- review of the quality and reliability of information prepared for inclusion in financial reports;
- authority to investigate any matters within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;
- recommendation of the appointment and re-appointment of external auditors; and
- approval of the remuneration and terms of engagement of external auditors.

In addition, the AC also:

- meets with the external and internal auditors, without the presence of Management, at least once a year to review and discuss the financial reporting process, system of internal controls (including financial, operational, compliance and information technology controls), significant comments and recommendations;
- reviews and, if required, investigates the matters reported via the whistle-blowing mechanism, by which employees may, in confidence, raise concerns about suspected improprieties including financial irregularities. The objective of the whistle-blowing mechanism is to ensure that arrangements are in place for independent investigations of any reported matters and reviews of such investigations, to ensure appropriate follow-up actions are taken; and
- discusses during the AC meetings, any changes to accounting standards and issues which have a direct impact on the financial statements.

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The following significant matter impacting the financial statements was discussed with the Management and the external auditor and reviewed by the AC:

Key Audit Matter	How This Issue was Addressed by the AC
Valuation of investment properties	<p>The AC considered the approach and techniques applied by MIT's valuer, Knight Frank Pte Ltd, in determining the valuation of the investment properties. The AC discussed the details of the valuation with the valuer and management and also considered the results of the work performed by the external auditor.</p> <p>The AC was satisfied with the valuation approach, the techniques used and the valuation for investment properties as adopted and disclosed in the financial statements.</p> <p>The valuation of investment properties was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for the financial year ended 31 March 2018. Refer to page 129 of this Annual Report.</p>

A total of five AC meetings were held in FY17/18.

The Manager, on behalf of the Group, confirms that the Group has complied with Rules 712 and 715 of the Listing Manual in relation to the Group's auditing firm.

Internal Audit

Principle 13: Independent internal audit function

Our Policy and Practices

The Manager adopts the principle that a robust system of internal audits is required to safeguard Unitholders' interests, the Group's assets, and to manage risks. Apart from the AC, other Board committees may be set up from time to time to address specific issues or risks.

The internal audit function of the Group is outsourced to the Sponsor's Internal Audit Department and the Head of Internal Audit reports directly to the AC Chairman of both the Manager and the Sponsor.

The AC is consulted and provides feedback to the AC of the Sponsor on the hiring, removal, and evaluation of the Head of Internal Audit. The Sponsor's Internal Audit Department and the Head of Internal Audit have unfettered access to all of the Group's documents, records, properties and personnel, including access to the AC.

The role of the Sponsor's Internal Audit Department is to conduct internal audit work in consultation with, but independently of, Management. Its annual audit plan and audit findings are submitted to the AC. The AC also meets with the Head of Internal Audit at least once a year without the presence of Management.

The Sponsor's Internal Audit Department is a member of the Singapore branch of the Institute of Internal Auditors Inc. (the "IIA"), which has its headquarters in the United States. The Sponsor's Internal Audit Department subscribes to, and is in conformance with, the International Standards for the Professional Practice of Internal Auditing developed by the IIA (the "IIA Standards") and has incorporated these standards into its audit practices.

The IIA Standards cover requirements on:

- independence and objectivity;
- proficiency and due professional care;
- managing the internal audit activity;
- engagement planning;
- performing engagement;
- communicating results; and
- monitoring progress

The Sponsor's Internal Audit Department employees involved in information technology audits are Certified Information System Auditors and members of the Information System Audit and Control Association (the "ISACA") in the United States. The ISACA Information System Auditing Standards provide guidance on the standards and procedures to be applied in information technology audits.

To ensure that the internal audits are performed by competent professionals, the Sponsor's Internal Audit Department recruits and employs qualified employees. In order that their technical knowledge remains current and relevant, the Sponsor's Internal Audit Department identifies and provides training and development opportunities to the employees.

In compliance with the IIA Standards, an external quality assessment review ("QAR") of the Sponsor's Internal Audit Department is conducted at least once every five years by a qualified, independent reviewer. The last external QAR was completed in 2013 and the QAR concluded that the Sponsor's Internal Audit Department was in conformance with the IIA Standards. The next external QAR will be conducted in FY18/19.

(D) UNITHOLDER RIGHTS AND RESPONSIBILITIES

Unitholder Rights

Principle 14: Fair and equitable treatment of all Unitholders

Communication with Unitholders

Principle 15: Regular, effective and fair communication with Unitholders

Conduct of Unitholder Meetings

Principle 16: Greater Unitholder participation at annual general meetings

Our Policy and Practices

The Manager adopts the principle that all Unitholders should be treated fairly and equitably and their ownership rights arising from their unitholdings should be recognised.

To this end, the Manager issues via SGXNET announcements and press releases on the Group's latest corporate developments on an immediate basis where required by the Listing Manual. Where immediate disclosure is not practicable, the relevant announcement will be made as soon as possible to ensure that all stakeholders and the public have equal access to the information.

The public can access the electronic copy of the Annual Report via SGXNET as well as MIT's website. All Unitholders will receive a booklet containing key highlights of MIT, instructions on accessing the Annual Report online with the option of receiving a printed version of the Annual Report, a notice of annual general meeting and a proxy form with instructions on the appointment of proxies. The notice of annual general meeting for each annual general meeting is also published via SGXNET and MIT's website as well as in the newspaper. An annual general meeting

Corporate Governance

is held once a year to provide a platform for Unitholders to interact with the Board and Management, in particular the Chairman of the Board, the Chairman of the AC, the CEO and the CFO. The external auditors are also present to address Unitholders' queries about the audit and the financial statements of the Group. A record of the Directors' attendance at the annual general meeting can be found in the record of their attendance of meetings set out at page 80 of this Annual Report.

Similarly, where a general meeting is convened, all Unitholders are entitled to receive a circular enclosing a proxy form with instructions on the appointment of proxies. Prior to voting at an annual general meeting or any other general meeting, the voting procedures will be made known to the Unitholders to facilitate them in exercising their votes.

To safeguard Unitholders' interests and rights, a separate resolution is proposed for each substantially separate issue at an annual general meeting. Each resolution proposed at an annual general meeting and any other general meeting will be voted on by way of electronic polling. An independent scrutineer is also appointed to validate the vote tabulation and procedures. The Manager will announce the results of the votes cast for and against each resolution and the respective percentages and prepare minutes of such meetings.

The Manager has an Investor Relations Department which works with the Legal and Corporate Secretariat Department of the Sponsor to ensure the Group's compliance with the legal and regulatory requirements applicable to listed REITs, as well as to incorporate best practices in its investor relations programme. To keep the Board abreast of market perception and concerns, the Investor Relations Department provides regular updates on analyst consensus estimates and views.

Minutes of the annual general meeting recording the substantive and relevant comments made and questions raised by Unitholders are available to Unitholders for their inspection upon request. Minutes of the annual general meeting are also available on MIT's website at www.mapletreeindustrialtrust.com.

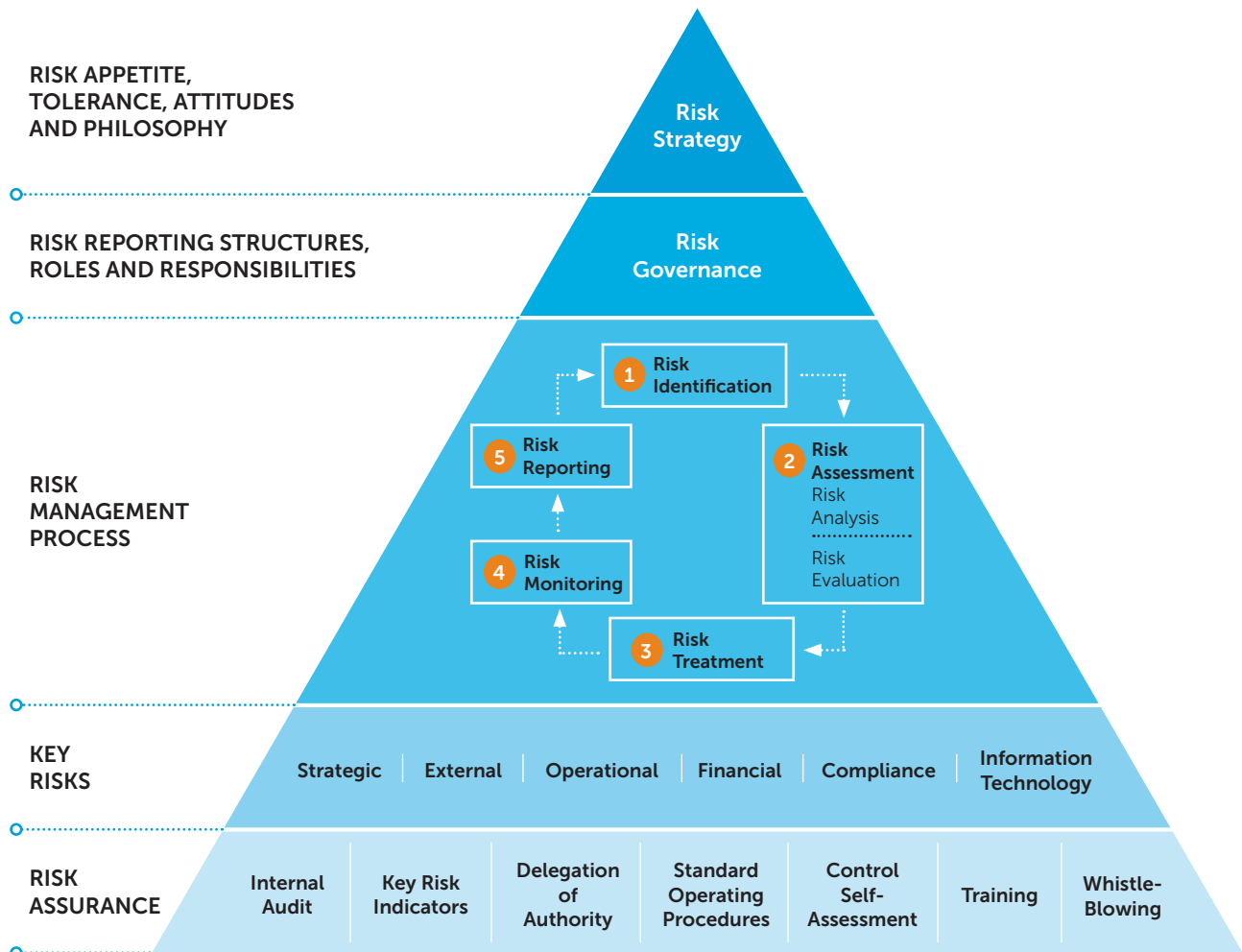
The Manager regularly communicates major developments in the Group's businesses and operations to Unitholders, analysts and the media through the issuance of announcements and press releases. In addition, all announcements and press releases are first made on SGXNET and subsequently on MIT's website.

Investors can subscribe to email alerts of all announcements and press releases issued by MIT through its website. "Live" webcast of analyst briefings are conducted, where practicable.

The Manager also communicates with MIT's investors on a regular basis through group/individual meetings with investors, investor conferences and non-deal roadshows. The Manager's CEO and CFO are present at briefings and communication sessions to answer questions from investors.

MIT's distribution policy is to distribute at least 90% of its distributable income and such distributions are typically paid on a quarterly basis. For FY17/18, MIT made four distributions to Unitholders.

Risk Management



Risk Management continues to be an integral part of the Manager's business strategy of delivering sustainable and growing returns. To safeguard capital while creating value for Unitholders, the Manager proactively manages risks and embeds the risk management process as part of the planning and decision making process.

STRONG OVERSIGHT AND GOVERNANCE

The Board is responsible for determining the overall risk strategy and risk governance, and ensuring that the Manager implements sound risk management and internal control practices. The Board also approves the risk appetite and tolerance statements, which set out the nature and

extent of risks involved to achieve the Manager's business objectives. The Board is assisted by the AC, which comprises independent directors whose collective experience and knowledge serve to guide Management and provide strategic insights. The AC has direct access to the Sponsor's Risk Management Department, which it engages with quarterly as part of its review of MIT's portfolio risks.

At the Manager, the risk management culture involves both top-down oversight and bottom-up engagement from all employees. Risk management practices are included in the roles and responsibilities of employees and system processes. This ensures a risk approach that is aligned with its business objectives and strategies, and is integrated with operational processes for effectiveness and accountability.

Risk Management

The Manager's ERM framework is dynamic and evolves with the business. It provides the Group with a holistic and consistent process for the identification, assessment, monitoring and reporting of risks. The Sponsor's Risk Management Department works closely with the Manager to review and enhance the risk management system, with the guidance and direction of the AC and the Board. A Control Self-Assessment framework further reinforces risk awareness by fostering accountability, control and risk ownership, and provides additional assurance to the Board and Management that operational risks are being effectively and adequately managed and controlled.

ROBUST MEASUREMENT AND ANALYSIS

The Manager's risk measurement framework is based on Value-at-Risk ("VaR"), a methodology which measures the volatilities of market and property risk drivers such as rental rates, occupancy rates, capital values, interest rates and foreign exchange rates. It takes into consideration changes in market environment and asset cash flows as they occur. To complement the VaR methodology, other risks such as refinancing, tenant-related and development risks are also assessed, monitored and measured as part of the framework where feasible.

With the VaR methodology, risks are measured consistently across the portfolio, enabling the Manager to quantify the benefits that arise from diversification across the portfolio and to assess risk by asset class, risk type and country. Recognising the limitations of any statistically-based system that relies on historical data, MIT's portfolio is subject to stress tests and scenario analysis to ensure that the business remains resilient in the event of unexpected market shocks.

RISK IDENTIFICATION AND ASSESSMENT

The Manager identifies key risks, assesses their likelihood and impact on the business, and establishes corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The key risks identified include but are not limited to:

Strategic Risks

MIT's portfolio is subject to real estate market risks such as rental rate and occupancy volatilities in the countries where it operates and specific factors including competition, supply, demand and local regulations. Such risks are quantified, aggregated and monitored for existing assets and prospective acquisitions. Significant risk profile changes or emerging trends are reported for assessment and/or action.

The risks arising from investment activities are managed through a rigorous and disciplined investment approach, particularly in the area of asset evaluation and pricing. All acquisitions are aligned with MIT's investment strategy to achieve key objectives such as enhancing returns to Unitholders, improving income or capital growth. Sensitivity analysis is performed for each acquisition on all key project variables to test the robustness of the assumptions used. For material acquisitions, independent risk assessments are conducted by the Sponsor's Risk Management Department and included in the investment proposal submitted to the Manager's Board for approval. All investment proposals are subject to rigorous scrutiny by the Board (or delegated to the Management Committee).

On receiving the Board's or Management Committee's approval, the investment proposals are then submitted to the Trustee, who is the final approving authority for all investment decisions.

The Trustee also monitors the compliance of the Manager's executed investment transactions with the restrictions and requirements of the Listing Manual of the SGX-ST, MAS's Property Funds Appendix and the provisions in the Trust Deed.

New development projects usually take a few years to complete, depending on the project size and complexity. To mitigate the risk of development delays, cost overruns and lower than expected quality, the Manager has put in place stringent pre-qualifications of consultants and contractors, and continually reviews the project's progress.

External Risks

To manage country risks such as economic uncertainties or political turbulence in countries where it operates, the Manager conducts rigorous country and real estate market research and monitors economic and political developments closely.

Operational Risks

Comprehensive operating, reporting and monitoring guidelines enable the Manager to manage day-to-day activities and mitigate operational risks. To ensure relevance, the Manager regularly reviews its standard operating procedures and benchmarks them against industry practices where appropriate. Compliance with standard operating procedures is assessed under the Control Self-Assessment framework and reinforced through training of employees and regular reviews by the Sponsor's Internal Audit Department.

Loss of key management personnel and identified talents can cause disruptions to the Manager's business operations and hinder the achievement of its business objectives. The Manager has put in place succession planning, talent management and competitive compensation and benefits plans to reward and retain performing personnel.

The Manager has a business continuity plan and crisis communication plan that should enable it to resume operations with minimal disruption and loss in the event of unforeseen catastrophic events such as terrorism and natural disasters. MIT's properties are insured in accordance with industry norms in their respective jurisdictions and benchmarked against those in Singapore.

Credit risks are mitigated from the outset by conducting thorough tenant credit assessment as part of the investment due diligence process prior to an acquisition. For new and sizeable leases, credit assessments of prospective tenants are undertaken prior to signing of lease agreements. On an ongoing basis, tenant credit is closely monitored by the Manager's Asset Management Department and arrears are managed by the Manager's Credit Control Committee, which meets regularly to review debtor balances. To further mitigate risks, security deposits in the form of cash or banker's guarantees are collected from prospective tenants prior to commencement of leases, where applicable.

Financial Risks

Financial market risks and capital structure are closely monitored and actively managed by the Manager. The Board is kept abreast through quarterly reports. At the portfolio level, the risk impact of interest rate and currency volatilities on value is quantified, monitored and reported quarterly using the VaR methodology. Refinancing risk is also quantified, taking into account the concentration of the loan maturity profile and credit spread volatility.

MIT hedges its portfolio exposure to interest rate volatility arising from its borrowings by way of interest rate swaps and fixed rate borrowings.

Where feasible, after taking into account cost, tax and other relevant considerations, the Manager will borrow in the same currency as the underlying assets to provide some natural hedge. To mitigate foreign exchange rate risks and to provide investors with a degree of income stability, a large proportion of rental income received from overseas assets is hedged using forward contracts and secured in Singapore Dollar terms.

The Manager also actively monitors MIT's cash flow position and funding requirements to ensure significant liquid reserves to fund operations and meet short-term obligations (see Corporate Liquidity and Capital Resources section on pages 77 to 78). The Manager also maintains sufficient financial flexibility and adequate debt headroom for MIT to fund future acquisitions. In addition, the Manager monitors and mitigates bank concentration risks by having a well-diversified funding base. The limit on MIT's aggregate leverage ratio is observed and monitored to ensure compliance with MAS's Property Funds Appendix.

Compliance Risks

MIT is committed to comply with applicable laws and regulations of the various jurisdictions in which it operates. Non-compliance may result in litigation, penalties, fines or revocation of business licenses. The Manager identifies applicable laws and regulatory obligations and embeds compliance with these laws and regulations in day-to-day business processes.

Information Technology Risks

The threat of cyber security attacks continues to be a concern as such attacks become increasingly sophisticated. The Manager has in place comprehensive policies and procedures governing information availability, control and governance, and data security. An information technology disaster recovery plan is in place and tested annually to ensure business recovery objectives are met. In addition, network vulnerability assessment and penetration testing are also conducted regularly to check for potential security gaps.

RIGOROUS MONITORING AND CONTROL

The Manager has developed internal key risk indicators that serve as an early-warning system by highlighting risks that have escalated beyond established tolerance levels. The Manager has also established required actions to be taken when risk thresholds are breached.

Every quarter, the Sponsor's Risk Management Department presents to the Board and AC a comprehensive report highlighting key risk exposures, portfolio risk profile, results of stress testing scenarios and status of key risk indicators. The Board and AC are also kept abreast of any material changes to MIT's risk profiles and activities.

Investor Relations

The Manager proactively maintains timely, balanced and effective communications with its stakeholders.

PROACTIVE STAKEHOLDER OUTREACH

The Manager engages the investment community through various communication channels. In FY17/18, the Manager met over 180 institutional investors in Singapore and globally through meetings, conference calls as well as investor conferences and roadshows. The Manager also organised property visits for investors to understand more about MIT's portfolio.

Retail investors constitute another aspect of the Manager's outreach efforts. The Manager participated in the REITs Symposium, which was jointly organised by ShareInvestor and REIT Association of Singapore ("REITAS"). The one-day event featured booth displays of participating REITs and a series of educational talks. In addition, the Manager participated in the SGX-REITAS Webinar Series and presented an overview of MIT's portfolio and strategy via a webcast. A total of 99 attendees participated in the webinar, which was jointly organised by SGX and REITAS. These events helped to promote the REIT industry among retail investors.

MIT convened its seventh Annual General Meeting on 18 July 2017, which was well-attended by 308 Unitholders and their proxies. The Annual General Meeting offers an important platform for the Board and Management to present MIT's performance and address Unitholders' queries.

Analyst teleconferences and briefings on MIT's financial results are held quarterly. The "live" audio webcasts of MIT's half-year and full-year financial results allow Management to address online queries from the investment community, with the recordings made available for download on MIT's website.

Aside from the analyst teleconferences and briefings, the Mapletree Year-End Analyst Event is another avenue for management from all Mapletree REITs to engage analysts in an informal setting.

ENGAGING INVESTORS AND BROADENING INVESTOR BASE

For key developments during the financial year, such as the expansion of MIT's investment strategy and first overseas acquisition in the United States, the Manager proactively engaged the investment community through an analyst teleconference and briefing as well as investor roadshows in Singapore, London, United States and Tokyo.

The private placement for MIT's first overseas acquisition in the United States was approximately 3.3 times covered at the top end of the issue price range of S\$1.90 per new unit, underscoring investors' strong support for the acquisition. This also broadened MIT's equity investor base with participation of more than 40 new and existing investors, raising gross proceeds of S\$155.7 million.

TIMELY AND TRANSPARENT DISCLOSURES

All announcements and press releases are promptly issued through SGXNET and MIT's websites. Pertinent information including annual reports, investor presentations and portfolio information is updated regularly on MIT's website. Stakeholders can contact the Investor Relations Department via a dedicated email address and receive updates on MIT through the email alert service. A dedicated email address is available for Substantial Unitholders to promptly report any change in their unitholdings in MIT.

VIEWING OF ANNUAL REPORT 2017/2018

The Manager had received feedback that Unitholders prefer downloading the Annual Report from MIT's website instead of receiving a compact disc containing the electronic version of the report. On 24 May 2018, the Trust Deed was amended to allow the Manager to discontinue with the practice of mailing compact discs and to send an Annual Report booklet to Unitholders. The Annual Report booklet includes a hyperlink address to MIT's website where the Annual Report can be downloaded and provides an option to request for a printed copy of MIT's Annual Report.

RESEARCH COVERAGE

17 equity research houses provide research coverage on MIT as at 31 March 2018.

1. Bank of America Merrill Lynch
2. CGS-CIMB Research
3. Citigroup Research
4. CLSA
5. Credit Suisse
6. Daiwa Capital Markets
7. DBS Bank
8. Deutsche Bank
9. Goldman Sachs Global Investment Research
10. J.P. Morgan Securities
11. Jefferies
12. Macquarie Capital Securities
13. Maybank Kim Eng Research
14. OCBC Investment Research
15. Phillip Securities Research
16. UBS Securities
17. UOB Kay Hian Research

INVESTOR RELATIONS CALENDAR

2017	
25 Apr	Analyst Briefing and "Live" Audio Webcast for 4Q and FY16/17 Results
25 Apr	Post 4Q and FY16/17 Results Investor Luncheon Hosted by Macquarie, Singapore
15 May	dbAccess Asia Conference, Singapore
27 May	REITs Symposium, Singapore
18 Jul	Annual General Meeting 2016/2017, Singapore
26 Jul	Analyst Teleconference for 1QFY17/18 Results
24 Aug	C-Suite Singapore REITS & Sponsors Corporate Day, Singapore
12 to 13 Sep	CLSA Investors' Forum, Hong Kong
27 Sep	Analyst Teleconference on MIT's Expansion of Investment Strategy
25 Oct	Analyst Briefing and "Live" Audio Webcast for 2Q and 1HFY17/18 Results
25 to 26 Oct	Post 2Q and 1HFY17/18 Results Investor Luncheon and Investor Roadshow Hosted by DBS, Singapore
29 Oct to 3 Nov	Investor Roadshow Organised by DBS, London and United States
30 Nov	Mapletree Year-End Analyst Event, Singapore
7 to 8 Dec	Investor Roadshow Organised by Mizuho, Tokyo
2018	
24 Jan	Analyst Teleconference for 3QFY17/18 Results
24 Jan	Post 3QFY17/18 Results Investor Luncheon Hosted by Daiwa, Singapore
9 Feb	SGX-REITAS Webinar: Mapletree Industrial Trust's Investor Presentation
24 Apr	Analyst Briefing and "Live" Audio Webcast for 4Q and FY17/18 Results
26 Apr	Post 4Q and FY17/18 Results Investor Luncheon Hosted by J.P. Morgan, Singapore

FINANCIAL CALENDAR

	FY17/18	FY18/19 ¹
Announcement of First Quarter Financial Results	25 Jul 2017	Jul 2018
Payment of First Quarter Distribution to Unitholders	29 Aug 2017	Aug 2018
Announcement of Second Quarter Financial Results	24 Oct 2017	Oct 2018
Payment of Second Quarter Distribution to Unitholders	28 Nov 2017	Nov 2018
Announcement of Third Quarter Financial Results	23 Jan 2018	Jan 2019
Payment of Third Quarter Distribution to Unitholders	28 Feb 2018 ²	Feb 2019
Announcement of Full Year Financial Results	23 Apr 2018	Apr 2019
Payment of Final Distribution to Unitholders	30 May 2018	May 2019

¹ Subject to changes

² An advanced distribution of 0.99 Singapore cent per unit for the period from 1 October 2017 to 1 November 2017 was paid on 28 November 2017.

Investor Relations



The Annual General Meeting offers an important platform for the Board and Management to present MIT's performance and address Unitholders' queries.

To subscribe to the latest news on MIT, please visit www.mapletreeindustrialtrust.com.

For enquiries, please contact:

Investor Relations

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Substantial Unitholders Notification

E : _MIT_disclosure@mapletree.com.sg

Unit Registrar

Boardroom Corporate & Advisory
Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623
T : (65) 6536 5355
F : (65) 6438 8710

Unitholder Depository

For depository-related matters
such as change of details
pertaining to Unitholders'
investment records,
please contact:

The Central Depository
(Pte) Limited
9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588
T : (65) 6535 7511
F : (65) 6535 0775
E : asksgx@sgx.com
W: www.sgx.com/cdp

Sustainability Report



BOARD STATEMENT

Dear Stakeholders,

The Board is pleased to present MIT's second annual sustainability report for FY17/18.

Global investors have started to recognise the importance of corporate sustainability and are increasingly integrating environmental, social and governance ("ESG") factors into their investment strategies. Accordingly, we are committed to managing relevant ESG risks and opportunities across our diversified portfolio to ensure the long-term resilience of our business, while contributing positively to the environment and society.

MIT's sustainability approach is aligned with its Sponsor, Mapletree Investments Pte Ltd (the "Mapletree Group"). The Board considers sustainability in its long-term strategy formulation and oversees the sustainability management strategies of the Manager. We are supported by the Sustainability Steering Committee ("SSC"), comprising the CEO of the Manager and representatives from the Sponsor's senior management team. The Board validated the material ESG factors according to stakeholders' concerns and their significance to the business, which were identified and prioritised by key representatives of the Manager and the Property Manager. In addition, we have set forth on how we manage our impact and measure our performance, as well as targets in these areas for the forthcoming financial year.

This report is aligned with the SGX-ST Listing Rules 711A and 711B and has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards (2016): Core option.

We are pleased to report that we have made progress in advancing our sustainable practices in FY17/18. Over the last two years, we implemented numerous initiatives at The Strategy Business Park Building to reduce its environmental footprint. The chiller plant system was upgraded, which resulted in energy savings of about 27% (or approximately three million kWh) for the building. In February 2018, The Strategy was awarded the BCA Green Mark Gold^{Plus} Award by BCA. In addition, overall portfolio average building electricity intensity reduced by 5.7% from 98.3 kWh/m² in FY16/17 to 92.7 kWh/m² in FY17/18, partly due to the energy-saving initiatives at The Strategy. The new 14-storey Hi-Tech Building, 30A Kallang Place was also conferred the BCA Green Mark Gold Award.

Our people are our greatest asset. For the year under review, we conducted the Mapletree Group Employee Engagement Survey with a response rate of 99%. This is part of the Mapletree Group-wide efforts to improve engagement by reviewing long-term people strategies and programmes.

We believe that it is our corporate responsibility to contribute towards the well-being of the communities in which we operate in. In FY17/18, 137 staff participated in Mapletree Group-led activities and supported beneficiaries in Singapore.

We will continue to refine our sustainability strategy through engagement with key stakeholders and implementation of new initiatives to achieve long-term resilience of our business and greater value for our stakeholders.

Board of Mapletree Industrial Trust Management Ltd.

Sustainability Report



ABOUT THIS REPORT

This report covers the sustainability performance of MIT and its properties located in Singapore for FY17/18 from 1 April 2017 to 31 March 2018, which the Manager has operational control¹. It excludes data from the portfolio of 14 data centres in the United States acquired through a 40:60 joint venture with Mapletree Investments Pte Ltd on 20 December 2017. The majority of the data centres are on master leases, which limits the Manager's control over the energy and water usage within them. The report also includes the historical performance data for FY16/17 for comparison. There has not been any restatement of figures for data disclosed in previous years.

MIT publishes its sustainability report on an annual basis. This report has been prepared in accordance with the GRI Standards (2016): Core option and SGX-ST Listing Rules 711A and 711B. The GRI Standards are the most widely adopted global standards for reporting on a range of economic, environmental, social and governance factors.

The GRI Reporting Principles were used to define the report's content. This report is intended to:

- Communicate MIT's performance in relation to its impact on the environment and societies within which it operates. Details of the efforts and progress towards achieving MIT's sustainability goals have been included in the report;
- Promote accountability and strengthen MIT's relationships with key stakeholders. Pages 104 to 105 of the report outline MIT's engagement and communication with stakeholders;
- Identify ESG factors that are material to MIT's business. Pages 103 to 105 of the report outline MIT's materiality assessment process and its relevance to its stakeholders;
- Determine the boundaries of material ESG factors in order for its stakeholders to assess MIT's sustainability performance for the reporting period; and
- Present accurate, coherent and consistent information on the sustainability approach and initiatives to MIT's stakeholders in a timely manner.

The Manager welcomes any feedback on MIT's sustainability report, approach and performance. Please send your comments and suggestions to ir_industrial@mapletree.com.sg.

¹ The Manager is responsible for the environmental performance of the on-site premises and common areas of MIT's 75 properties. This excludes seven properties as well as 1 & 1A Depot Close, 30A Kallang Place and Mapletree Sunview 1, which are under development at the beginning of FY17/18, as well as the portfolio of 14 data centres in the United States.



SUSTAINABILITY GOVERNANCE

The Manager's sustainability management comes under the purview of the SSC. The SSC is co-led by the Sponsor's Deputy Group CEO and the Head of Group Corporate Services & Group General Counsel. The SSC comprises the CEOs of the managers of all the four Mapletree Group sponsored REITs and other members of the Sponsor's senior management team. Mr Tham Kuo Wei, Executive Director and CEO, represented the Manager in the committee for FY17/18. The SSC develops Mapletree Group's sustainability management strategies and manages its performance.

The SSC is supported by the Sustainability Working Committee ("SWC"). The SWC comprises representatives across business units and functions, which implements, executes and monitors policies and procedures within the sustainability framework across the organisation.

MIT's sustainability performance is benchmarked against Mapletree Group's objectives and industry peers in order to identify areas for improvement. The SSC regularly reviews its management approach to determine if existing policies and measures are adequate to improve its future performance, and undertake necessary remedial actions to address any gaps.



MATERIALITY ASSESSMENT

A formal group-wide materiality assessment exercise was conducted in FY16/17, which was facilitated by an independent consultant. Through a three-step process to identify, prioritise and validate material factors, key representatives from the Manager and the Property Manager evaluated a list of material factors against MIT's stakeholders' concerns and their significance to the business. The materiality assessment exercise was based on GRI's principles and considered factors such as global and local emerging sustainability trends, material topics identified by industry peers and sustainability reporting frameworks.

A second workshop was held in FY17/18 to review the material ESG factors, which were subsequently presented and revalidated by the SSC and the Board. The material ESG factors in FY17/18 remained the same as those identified in FY16/17, with disclosure relating to marketing communications subsumed under the "Compliance with Laws and Regulations" section.

Sustainability Focus Areas	Material ESG Factors
Economic 	1 Economic performance
Environmental 	2 Energy 3 Water
Social 	4 Health and safety 5 Talent retention 6 Local communities
Compliance 	7 Anti-corruption 8 Compliance with laws and regulations

Sustainability Report



STAKEHOLDER ENGAGEMENT

The Manager has identified six key stakeholder groups that are critical to MIT's business and have significant impact on MIT's long-term business strategy. The Manager strives to engage the key stakeholder groups through various platforms, and their feedback is carefully considered in developing effective responses and informed commercial decisions. The table below summarises the approach towards stakeholder engagement.

Key Stakeholder	Forms of Engagement	Key Topics and Concerns	Relevant Material Factors
Tenants	<ul style="list-style-type: none"> Marketing and Property Management hotlines Tenant Handbook and circulars On-site property managers for multi-tenanted buildings Meetings with key existing and new tenants Tenant engagement initiatives 	<ul style="list-style-type: none"> Well-managed industrial facilities Safe working environment Prompt response to feedback Environmentally sustainable buildings Responsible marketing communications 	<ul style="list-style-type: none"> Health and safety Local communities Energy Water Compliance with laws and regulations
Investors (including analysts and media)	<ul style="list-style-type: none"> Announcements via SGXNET Email alerts to subscribers on MIT's announcements and updates Investor meetings, events and teleconferences Bi-annual analyst results briefings with "live" audio webcasts Annual general meetings Annual report MIT's website 	<ul style="list-style-type: none"> Stable and sustainable distributions Viable long-term business strategy and outlook Timely and transparent reporting Good corporate governance 	<ul style="list-style-type: none"> Economic performance Anti-corruption Compliance with laws and regulations
Employees	<ul style="list-style-type: none"> Bi-annual communication sessions by senior management Mapletree Group Employee Engagement Survey Training programmes and education sponsorships Recreation Club activities and staff volunteering activities Employee Handbook 	<ul style="list-style-type: none"> Equitable reward and recognition Good communication of business strategies and corporate objectives Training and development Safe and healthy working environment 	<ul style="list-style-type: none"> Economic performance Talent retention Health and safety

Key Stakeholder	Forms of Engagement	Key Topics and Concerns	Relevant Material Factors
Regulators and trustee	<ul style="list-style-type: none"> Meetings, briefings and regular reporting Responses to public consultations 	<ul style="list-style-type: none"> Compliance with rules and regulations Good corporate governance 	<ul style="list-style-type: none"> Anti-corruption Compliance with laws and regulations
Third-party service providers	<ul style="list-style-type: none"> Regular meetings with key service providers Communicate standard operating procedures 	<ul style="list-style-type: none"> Safe working environment Fair and reasonable business practices 	<ul style="list-style-type: none"> Health and safety
Community	<ul style="list-style-type: none"> Collaborate with non-profit organisations Support tenants' CSR initiatives where possible Provide feedback channels for ongoing development projects 	<ul style="list-style-type: none"> Corporate philanthropy and engagement Stronger landlord-tenant relationships Manage impact of development projects on surrounding neighbourhoods 	<ul style="list-style-type: none"> Local communities



ECONOMIC

The long-term economic viability of MIT's business is of significant importance to its stakeholders. The Manager strives to deliver sustainable and growing returns to Unitholders through a three-pronged strategy of proactive asset management, value-creating investment management and prudent capital management. Details of MIT's financial and operational performances for FY17/18 are disclosed in the following sections of this Annual Report: Operations Review (pages 32 to 41), Financial Review (pages 74 to 76) and Financial Statements (pages 125 to 197).



Sustainability Report



ENVIRONMENT

The Manager and the Property Manager strive to reduce the environmental footprint of MIT's operations by incorporating various eco-efficient initiatives into its business and encouraging stakeholders to play a part. This is vital to MIT's operations as the effective use of environmental resources such as energy and water improves operational efficiency and provides a conducive work environment for tenants and staff.

The Manager and the Property Manager continue to participate in the Sponsor's "Mapletree Goes Green" initiative. Employees are encouraged to adopt environmentally friendly measures in their work practices, such as using refillable

water bottles and printing on both sides of paper. Recycling bins for paper and plastic are installed to reduce waste and encourage recycling.

The Manager and the Property Manager also supported Earth Day to raise awareness on climate change and demonstrate support for environmental protection. On 22 April 2017, MIT's three Business Park Buildings and its corporate office marked the annual event by switching off all façade lightings and increasing the air-conditioning temperature for common areas by one degree Celsius. Tenants were also encouraged to participate in this movement.



SUSTAINABLE BUILDINGS

Monthly Group Property Management engineering forums are organised to discuss ongoing applications or renewals of green building certifications for MIT's properties. Properties with centralised air-conditioning systems are prioritised to achieve Green Mark certifications as energy consumed by air-conditioning systems comprise a high proportion of the total energy consumption in a building. All tenants of Green Mark

buildings are provided with Green Building Guides, which outline the action plans for waste recycling, energy and water conservation.

The Manager and the Property Manager strive to achieve BCA Green Mark certifications for MIT's new developments. The new 14-storey Hi-Tech Building, 30A Kallang Place, incorporated environmental considerations in its design, construction and operations. It was awarded the BCA Green Mark Gold Award for New Non-Residential Buildings in recognition of its environmentally friendly features:

- Permanent measuring instruments for monitoring of the water efficiency of water-cooled chillers
- Carbon dioxide sensors to regulate outdoor air flow rate. This will control the amount of fresh air supplied and reduce the energy consumption without compromising the indoor air quality.
- Mechanically ventilated common areas and car park to improve indoor environment
- Lifts with Variable Voltage Variable Frequency inverter and sleep mode control features



30A Kallang Place achieved the BCA Green Mark Gold Award.

Such efforts are in line with BCA's third Green Building Masterplan to accelerate the 'greening' of existing buildings.

Environmental Awards in FY17/18

Property	Property Segment	Award
30A Kallang Place	Hi-Tech Building	BCA Green Mark Gold
The Strategy	Business Park Building	BCA Green Mark Gold ^{Plus}

ENERGY

**Target**

Reduce average building electricity intensity by 1% for the existing portfolio² year-on-year, from the base year of FY17/18

Energy use and its associated greenhouse gas ("GHG") emissions pose a significant threat to the environment, given the role of GHG emissions in global warming. Singapore has put in place measures to reduce its GHG emissions in line with its commitment to reduce its emissions intensity by 36% from 2005's levels by 2030.

Industrial properties consume energy from the use of electricity for lightings, air-conditioning systems and lifts. Therefore, the Manager and the Property Manager aim to reduce GHG emissions by improving the energy performance and efficiency of MIT's properties.

The Property Manager monitors utility consumption on a monthly basis to determine consumption patterns and identify energy saving opportunities. It submits the electricity

consumption data and other building-related information of selected properties to BCA annually, which forms the basis for energy consumption monitoring and national benchmarking for buildings in Singapore.

Numerous initiatives have been undertaken to incorporate environmentally sustainable practices into property management operations. These included the installation of energy efficient lighting, motion sensors as well as alternate light circuits and timers for lighting control to reduce energy consumption. Tenants' fit-out designs are reviewed by the Property Manager to ensure they comply with the properties' power density limit.

MIT's properties' electricity usage is supplied by two utility service providers – Tuas Power Supply Pte. Ltd. and SP Group.

	Unit of Measure	FY17/18	FY16/17
Reporting MIT properties	Number of clusters	33	33
	Number of properties	75	75
Common area ³	Square metres ("m ² ")	451,560	450,560
Total building electricity consumption	Million kilowatt hours ("kWh")	41.9	44.3
Average building electricity intensity	kWh/m ²	92.7	98.3
Total building GHG emissions	Tonnes carbon dioxide equivalent ("CO ₂ e")	17,761⁴	19,094
Average building GHG emissions intensity	Tonnes CO ₂ e/m ²	0.0393	0.0424

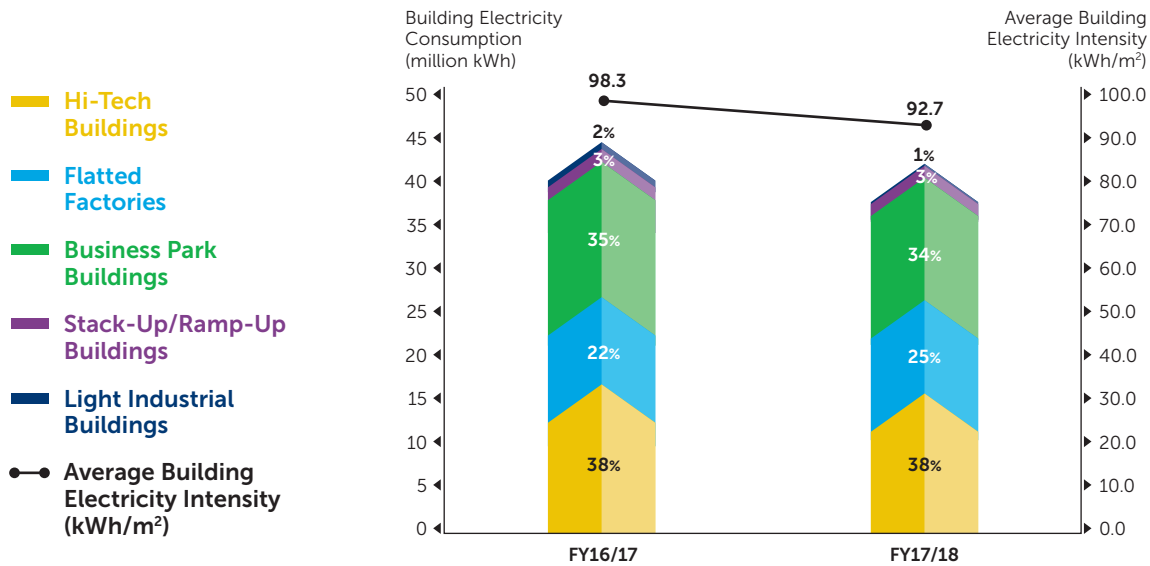
² Based on completed properties with operational control at the beginning of FY17/18, which excludes 1 & 1A Depot Close, 30A Kallang Place and the portfolio of 14 data centres in the United States.

³ Computation is based on the difference between GFA and NLA.

⁴ Total building GHG emissions was calculated using a conversion factor of 0.4244 kg CO₂/kWh – Singapore's average Operating Margin Grid Emission Factor in 2016. Source: Energy Market Authority.

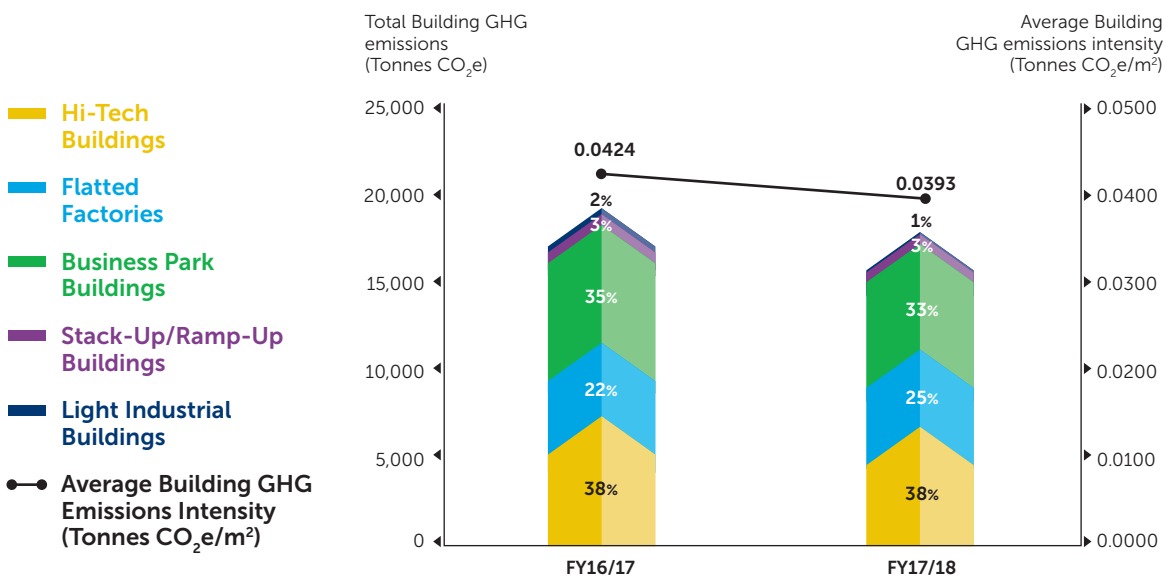
Sustainability Report

TOTAL BUILDING ELECTRICITY CONSUMPTION AND AVERAGE BUILDING ELECTRICITY INTENSITY



The total building electricity consumption of MIT's properties in FY17/18 was 41.9 million kWh, a decrease of 5.4% compared to the total of 44.3 million kWh in FY16/17. Correspondingly, the average building electricity intensity reduced by 5.7% from 98.3 kWh/m² in FY16/17 to 92.7 kWh/m² in FY17/18. These were due to the upgrading of the chiller plant system at The Strategy, as well as energy savings from ongoing energy efficiency initiatives.

TOTAL BUILDING GHG EMISSIONS AND AVERAGE BUILDING GHG EMISSIONS INTENSITY



The total building GHG emissions of MIT's properties in FY17/18 were 17,761 tonnes CO₂e, a decrease of 7.0% compared to the total of 19,094 tonnes CO₂e in FY16/17. The average building GHG emissions intensity reduced by 7.3% from 0.0424 tonnes CO₂e/m² in FY16/17 to 0.0393 tonnes CO₂e/m² in FY17/18.

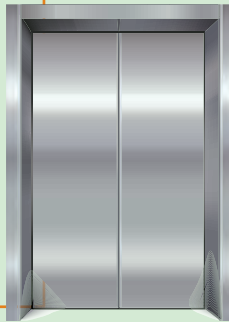


THE STRATEGY – BCA GREEN MARK GOLD^{PLUS}

Over the last two years, numerous initiatives were introduced at The Strategy to reduce its environmental footprint. In February 2018, The Strategy received the BCA Green Mark Gold^{PLUS} Award for Existing Non-Residential Buildings.

Energy Saving Initiatives

- Upgrading of the Building Management System
- Upgrading of the chiller plant system, which resulted in an improvement in average performance of 0.62 kilowatt per refrigeration ton. This reduced energy consumption by 27% (or approximately three million kWh)
- Equipping lifts with Variable Voltage Variable Frequency inverter and sleep mode control features
- Installing carbon monoxide sensors in enclosed car park to control the ventilation fans



Water Conservation Initiatives

- Achieved Water Efficient Building ("WEB") certification by Public Utilities Board ("PUB")



Sustainable Operation and Management

- Placing recycling bins at easily accessible locations around the building to encourage tenants to recycle
- Designated parking lots for hybrid and electric vehicles as well as bicycles



The Strategy received the BCA Green Mark Gold^{PLUS} Award for Existing Non-Residential Buildings.

Sustainability Report

WATER



Target

Complete WEB certifications for remaining property clusters, which the Manager has operational control (1 & 1A Depot Close, 30A Kallang Place and 45 Ubi Road 1)

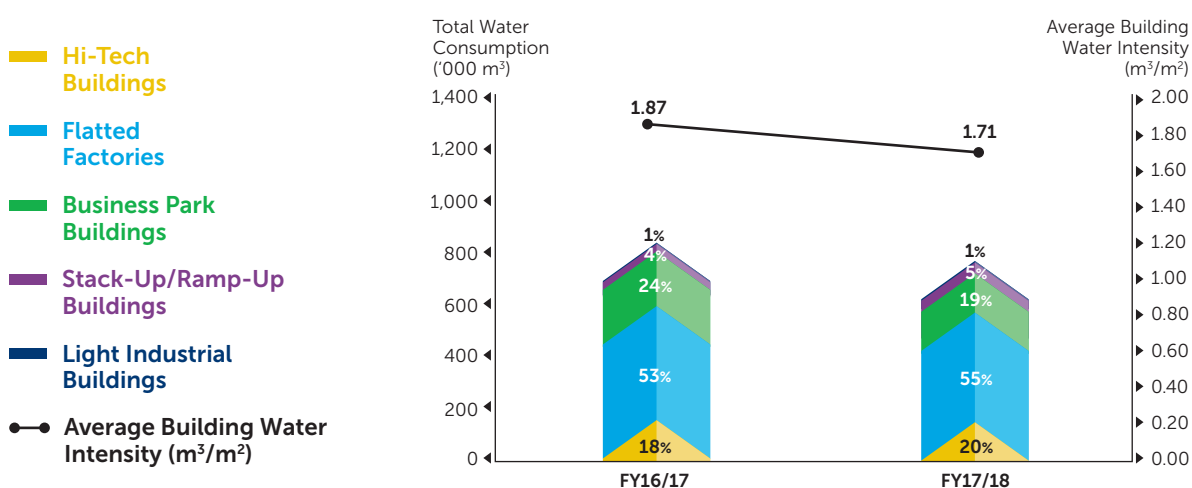
Water is a scarce and precious resource in Singapore. The Manager is committed to the sustainable use of water and continuous improvement in water management.

The Manager and the Property Manager strive to reduce the total water consumption and average building water intensity across MIT's properties. They have implemented several water-saving initiatives, such as using low flush water systems and water efficient taps, installing motion sensor water faucets and adopting recommended water flow rates across MIT's properties. Through these initiatives, Woodlands Central and 19 Changi South Street 1 Clusters received the WEB certifications issued by PUB in FY17/18. To date, 33 clusters within MIT's portfolio had been awarded the WEB certifications. MIT had also received the Friends of Water certification award from PUB, in recognition of its efforts towards water conservation.

The Property Manager tracks and monitors the water consumption for common areas of all properties on a regular basis. It also conducts periodic checks on water supply facilities as well as executes timely repairs and regular maintenance to resolve water leakage issues. In previous years, additional water meters have also been installed to improve monitoring of water consumption and minimising water wastage within the premises.

As part of its continuing efforts towards responsible water stewardship, the Manager strives to attain WEB certifications for the remaining property clusters, which the Manager has operational control - 1 & 1A Depot Close, 30A Kallang Place and 45 Ubi Road 1. Initiatives to enhance staff awareness and tenant involvement will also be rolled out to promote sustainable water use.

TOTAL WATER CONSUMPTION AND AVERAGE BUILDING WATER INTENSITY



The total water consumption of MIT's properties in FY17/18 was 770,091m³, a decrease of 8.4% compared to the total of 841,091m³ in FY16/17. The average building water intensity was 1.71m³/m² in FY17/18, compared to 1.87m³/m² in FY16/17. In April 2017, toilets for 13 property clusters were upgraded, which included the installation of sanitary fittings that comply with the Singapore Standard CP48: Code of Practice for Water Services and Mandatory Water Efficiency Labelling.

Water used in MIT's properties was drawn mainly from PUB. High-grade reclaimed water, also known as NEWater was used for the cooling tower at K&S Corporate Headquarters Hi-Tech Building. The usage of recycled water represented about 17% of the water supply from the Hi-Tech Buildings segment in FY17/18.



SOCIAL

The following sections outline the efforts in ensuring the health and safety of users within MIT's properties, enhancing the development and personal well-being of the employees and supporting local communities.

HEALTH AND SAFETY





Target

Achieve zero incidents resulting in employee⁵ permanent disability or fatality



The Manager and the Property Manager are committed to providing a safe and healthy environment for all employees, tenants, third-party service providers and visitors at all times.

OVERVIEW OF HEALTH AND SAFETY POLICIES AND PROCEDURES

Stakeholder	Policies and Procedures
Employees 	Health-related programmes are organised at the premises to promote employee health, wellness and safety. Health and safety policies for employees are outlined in the Employee Handbook.
Tenants 	<p>Instructional manuals are provided to tenants to ensure that they adopt and comply with health and safety standards. They include a Fit-out Manual, which details clauses on safety rules for additions and alterations works, a Fire Safety Manual and Evacuation Plan as well as a Tenant Handbook, which contains clauses on safety rules.</p> <p>Fire and evacuation drills are conducted bi-annually to ensure that all tenants are familiar with the emergency response plan. Regular communications in the form of circulars are issued to tenants as and when heightened security and health risk arises such as during terrorist threats and haze situations. Fire safety advisories are sent to tenants to minimise potential hazards during the period of the Hungry Ghost Festival.</p> <p>Site walkabouts are carried out by employees of the Property Manager every working day to ensure that there are no potential safety and health hazards.</p> <p>Tenants are encouraged to adopt environmentally friendly practices and limit the use of items that will negatively affect the indoor air quality.</p> <p>Standard operating procedures for hot works are in place to ensure that cutting and welding operations are managed and proper actions are taken to prevent loss and damages due to fire caused by hot works.</p>

⁵ Relates to employees from the Manager and the Property Manager.

Sustainability Report

Stakeholder	Policies and Procedures
Third-Party Service Providers 	Requirements on health and safety standards are embedded within the screening and selection criteria for the engagement of third-party service providers. Appointed service providers are required to abide by the specific health and safety policies set within the terms and conditions of their service contracts.
Visitors 	<p>Site walkabouts are carried out by employees of the Property Manager every working day to ensure that there are no potential safety and health hazards.</p> <p>Properties have sufficient directional signages, emergency exits and emergency lightings for the safety of visitors. Annual checks of lifts and fire alarm systems are conducted to ensure compliance with building regulations.</p>

The Manager and the Property Manager have put in place standard operating procedures for effective response from emergency situations in the workplace. They have also established a reporting protocol in the event of serious construction accidents occurring at any of the development sites, in adherence to the Ministry of Manpower ("MOM")'s reporting requirements on workplace incidents.

Bi-annual fire and evacuation drills are conducted at all MIT's properties. The Property Manager conducts fire safety audits of MIT's properties and ensures that safety

equipment and tools, such as sprinkler systems, hose reels, emergency lighting, alarms, pumps and smoke vents are regularly inspected and maintained. Annual risk assessments and regular inspections and maintenance of lifts, escalators and stairwells at all MIT's properties are carried out to ensure the safety of tenants and visitors. The Property Manager will continue to monitor the health and safety performance of third-party service providers through regular spot checks to ensure their adherence to occupational health and safety laws and regulations.



MINIMISING RISK AND SECURING SAFETY

In February 2018, MIT has embarked on a lift upgrading programme to progressively replace lifts for 27 property clusters. To ensure safety and reliability of use for tenants and visitors at MIT's properties, the programme will include total replacement and comprehensive maintenance of lifts, as well as the use of technologies for predictive maintenance. The lift upgrading programme is part of MIT's ongoing building improvement works to ensure that the properties remain safe and accessible for tenants and visitors. To-date, the building improvement works comprise the upgrading of toilets and lift lobbies, as well as the conversion of common area to breakout spaces.



Newly renovated lift lobby and breakout spaces at Serangoon North Cluster.

Employees of the Property Manager are encouraged to participate in relevant health and safety courses, which include topics relating to occupational first aid, fire safety manager and Work at Height safety. They are also trained to carry out risk assessments for the various works to be performed by contractors and ensure safety measures are in place before the commencement of works.

In November 2017, the Mapletree Group introduced the Mental Health First Aid programme as part of the Care Buddy Scheme initiative. Employees are encouraged to participate and volunteer as mental health First Aiders in

order to build their mental health resilience. Staff volunteers also receive training in providing emotional support to colleagues in crisis.

As at 31 March 2018, there were no incidents that required recording or reporting to MOM. Health and safety performance data by region and gender and information on types of injury, occupational disease rate and absentee rate were not applicable to the organisation as they were not deemed to be significant. There were no reported work-related fatalities and permanent disability as well as no incidents of non-compliance with health and safety regulations in FY17/18.

TALENT RETENTION



Targets

Continue to commit to fair employment practices by ensuring our hiring process remains stringent and offering equal opportunity to all potential candidates

Maintain a wide range of relevant learning and professional development programmes

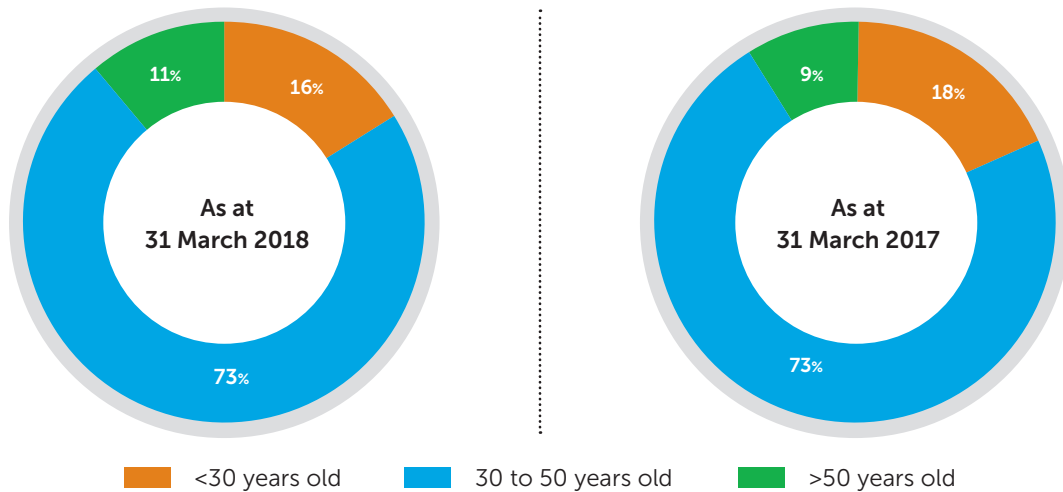
As wholly-owned subsidiaries of the Sponsor, the Manager and the Property Manager share a common objective of creating an inclusive workplace that provides equal opportunities, talent development, competitive compensation and employee wellness. The Sponsor has in place an integrated human capital strategy to attract, develop and retain employees, which is vital to the success of the Mapletree Group. Its employment practices adhere strictly to local labour laws while its human resource policies are underpinned by stringent principles of fair employment and equal opportunities. All employees have

access to the Employee Handbook, which contains all human resource policies such as hiring, equal opportunity and learning and development.

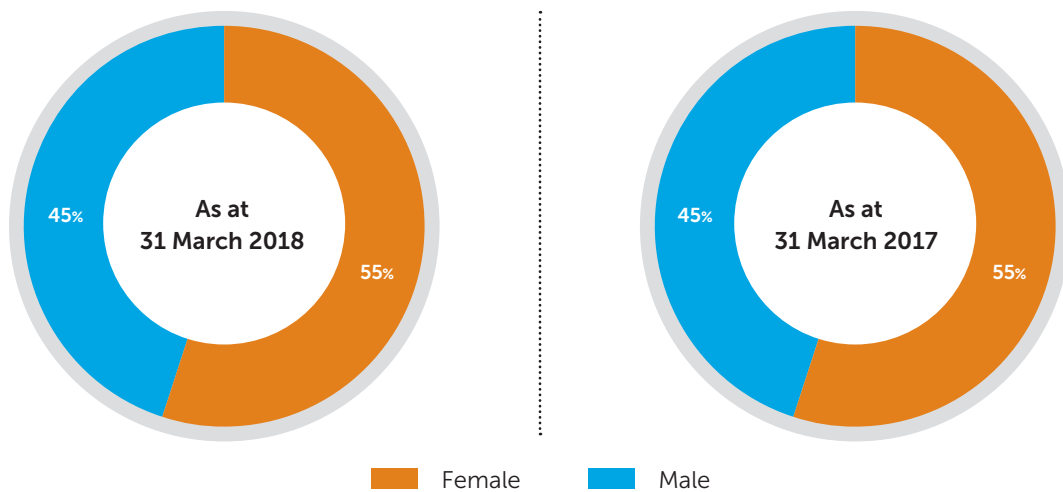
The Sponsor strives to attract potential talents through various platforms such as the Mapletree Associate Programme, Mapletree Executive Programme and Mapletree Internship Programme. These platforms seek to recruit motivated individuals at different points in their careers, ranging from undergraduates, graduates and mid-career professionals who are interested to enter the real estate industry.

Sustainability Report

EMPLOYEE DIVERSITY BY AGE



EMPLOYEE DIVERSITY BY GENDER



The Sponsor collates and monitors the human resources data annually. As at 31 March 2018, the Manager and the Property Manager had 170 employees who were based in Singapore. This was comparable to 168 employees in the preceding financial year. The average monthly turnover rate was 1.3% while the average monthly new hire rate was 1.3% in FY17/18.

The majority of the employees were within the age group of 30 to 50 years old. Female and male employees accounted for 55% and 45% of the workforce respectively. The profiles of employee diversity by age and gender remained stable as compared to the preceding financial year.

People Development

The Sponsor promotes an active approach to learning and invests in learning and development initiatives to equip employees with the competencies and skills to excel in their roles. There are various training programmes aimed at different levels of organisation such as the Mapletree Leadership Programme and Mapletree Performance Management workshops. Employees are encouraged to participate in various functional and technical training programmes in areas ranging from market updates, leadership, performance management and customer service training. Educational sponsorships are also available to encourage eligible employees to further certified learning on a part-time basis through the co-payment of course fees and learning materials. Quarterly immersion programmes are organised for new hires to understand more about the organisation and business.

The Manager and the Property Manager actively engage employees through the Industrial Communications Forum, which is a bi-annual town hall event that provides

opportunities for employees to interact with the senior management team.

In FY17/18, the Mapletree Group Employee Engagement Survey was conducted to gain valuable feedback and identify areas of improvement from employees, with a response rate of 99%. The Manager and the Property Manager organised a town hall meeting to share the survey results. Moving forward, the Manager and the Property Manager will be developing and implementing action plans to address the areas of improvements identified in the survey.

To ensure continuous development and ensure fair appraisal, the Sponsor has a robust performance appraisal system in place. This enables employees to communicate their development goals and help them to recognise gaps in performance and areas of improvement. The e-Performance Appraisal system aligns evaluation practices across the Mapletree Group as well as tracks key performance indicators and employees' personal development.

Employee Well-being

The Sponsor promotes a positive and engaging work environment. The Recreation Club organises activities to promote employee interaction and family cohesiveness. Activities held in FY17/18 included movie screenings, Eat with Your Family Day, Durian Fest, Mapletree Universal Studios Singapore Day Out 2017 as well as Chinese New Year Cookies Giveaway. Corporate passes to selected Singapore attractions are made available for reservations to employees.

The Sponsor organises monthly futsal sessions and partners with the Health Promotion Board to run a series of workplace

health promotion programmes for all employees. The Workplace Health Promotion series was also extended to tenants at Mapletree Business City, which included an annual health screening session, a blood donation drive, lunch talks on lifestyle topics and monthly fitness programmes.

The Sponsor's Mapletree Education Award ("EduAward") recognises the academic achievements of the children of Singapore-based employees. The EduAward, comprising cash awards ranging from S\$150 to S\$500, is given out twice a year, with 66 awards distributed in FY17/18.



The Sponsor's Mapletree EduAward recognises the academic achievements of the children of Singapore-based employees.

Sustainability Report

LOCAL COMMUNITIES



Target

Encourage employee participation in Mapletree-led CSR events

The Manager strives to deliver positive socio-economic benefits to the local communities by supporting programmes that are aligned with the Sponsor's CSR programme.

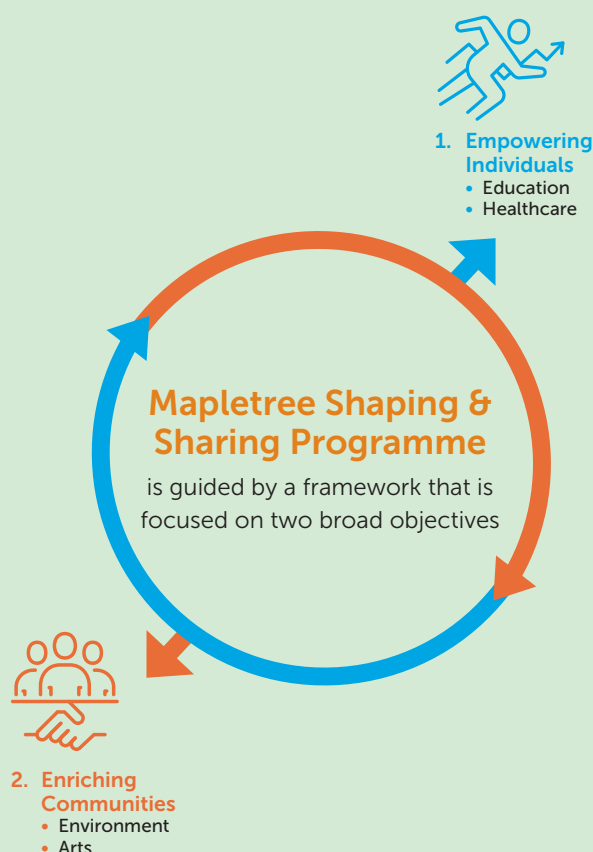


MAPLETREE SHAPING & SHARING PROGRAMME

The Mapletree Shaping & Sharing Programme is a group-wide framework directed at achieving greater impact through a focused CSR approach and encompasses four pillars of support – education, the arts, healthcare and the environment. It is guided by two broad objectives of empowering individuals through supporting educational and healthcare initiatives, as well as enriching communities with the arts and functional design, and building environmentally sustainable real estate developments. A five-member CSR Board Committee, comprising Mapletree Group's chairman, two Board representatives from the four REITs (rotated on a two-year basis), and senior management, provides strategic oversight of the Programme. Ms Mary Yeo, Independent Non-Executive Director, represented the Manager in the committee for FY17/18.

All proposed community involvement initiatives are assessed against the Mapletree CSR framework. Activities with definable social outcomes and longer term engagement, as well as staff volunteerism opportunities are prioritised.

The Sponsor aligns business performance with its CSR efforts by setting aside S\$1 million annually to fund CSR commitments and programmes. This will increase to S\$2 million when the Mapletree Group's profit after tax and minority interests for the year exceeds S\$300 million.



Encouraging Staff Volunteerism

The Manager and the Property Manager strongly believe that corporate giving should extend beyond philanthropy and advocate staff to support meaningful projects and causes. In FY17/18, 137 employees from the Manager and the Property Manager participated in Mapletree-led CSR events.



MAKE A WISH COME TRUE

In December 2017, the Manager and the Property Manager jointly organised the “Make a Wish Come True” initiative for the third consecutive year. The initiative garnered strong support from tenants at eight property clusters and staff volunteers who fulfilled 309 wishes for families and children from the Beyond Social Services and Pertapis Children’s Home. Staff volunteers also participated in the delivery of items to the beneficiaries.



Staff volunteers delivered presents to Pertapis Children’s Home.



FOOD DRIVE 2018

As part of the community outreach, the Manager and the Property Manager organised a food drive to deliver food items to beneficiaries from Thye Hua Kuan Family Service Centre @ Tanjong Pagar. About S\$8,000 was raised for the food drive, benefiting 200 families and individuals in need.



Staff volunteers participated in the Food Drive 2018.

Serving the Community

The Manager and the Property Manager organised numerous initiatives to raise awareness and stakeholder involvement. In partnership with SME Centre @ Singapore Manufacturing Federation (SME Centre @ SMF), seminars on “Fast Innovation & Digital Transformation” and “Rise to New Business Heights” were held for SME to drive customer satisfaction through the use of digital technology and to drive productivity through innovation.



MIT and SME Centre @ SMF held seminars for SME to drive customer satisfaction through the use of digital technology and to drive productivity through innovation.

Sustainability Report

For the second consecutive year, the Healthy Workplace Ecosystem was launched to promote healthy and active lifestyle among the working population within the Kallang Basin and Serangoon North Clusters. In FY17/18, the programme was extended to three additional property clusters – The Strategy, The Synergy and Woodlands Spectrum Cluster. In collaboration with the Health Promotion Board, a series of free health screenings, one-to-one health coaching, physical activities and lunchtime workshops were held. Special roadshows such as the Health Promotion Board's National Steps Challenge were organised whereby free step trackers were distributed to encourage the adoption of an active lifestyle. Canteen operators also supported the programme by reviewing their menus to provide healthier food and drink options.



The Healthy Workplace Ecosystem was launched to promote healthy and active lifestyle among the working population at several MIT property clusters.

Community Feedback

The Manager and the Property Manager strive to develop a structured feedback platform to gather inputs from the local communities on improving the social and environmental impacts of its business activities. Presently, tenants can contact on-site representatives of the Property Manager and members of the public are welcome to provide feedback via the corporate website email. For clusters undergoing development or building improvement works, tenants are informed about the progress through the display of circulars on project details and construction schedules at the common areas.

Memberships

The Manager and the Property Manager hold memberships in several industry organisations and collaborate with them to strengthen relationships among tenants and prospective clients. These include the Association of Small and Medium Enterprises, Singapore Chinese Chamber of Commerce and Singapore International Chamber of Commerce. As a member of REITAS, the Manager participated in several investor outreach events such as the REITs Symposium and the SGX-REITAS Webinar: MIT's Investor Presentation. Such events helped to promote the growth of the REIT industry in Singapore.



Participation at the REITs Symposium 2017.



GOVERNANCE

The Manager conducts MIT's business responsibly and in compliance with all applicable laws and regulations, which is integral for the long-term sustainability of its business. The Sponsor is firmly opposed to bribery and corruption, and has zero tolerance against such activities in MIT's operations.

COMPLIANCE WITH LAWS AND REGULATIONS



Target

Achieve no material incidences of non-compliance with relevant laws and regulations

The Manager upholds a high standard of corporate governance and transparency in MIT's business. Details of the corporate governance framework and practices can be found on pages 79 to 94 of this Annual Report.

The Manager adheres to information security policies and procedures implemented by the Sponsor. It has taken measures to ensure that sensitive personal data is handled

appropriately, including incorporating confidentiality clauses into all tenancy agreements.

Directors and employees of the Manager are constantly kept up to date with the developments in laws and regulations that are relevant to MIT's business through regular trainings.

There were no material incidences of non-compliance with relevant laws and regulations.

ANTI-CORRUPTION



Target

Maintain zero incidences of non-compliance with anti-corruption laws and regulations

Employees are subject to and required to comply with Mapletree Group's policies and procedures at all times, which include policies on ethics and code of conduct, attendance, safe work practices and professional conduct. The Manager will take appropriate disciplinary action including termination against any employee, who is found guilty of fraud, dishonesty or criminal conduct in relation to his/her employment.

This zero-tolerance approach is set out in the code of conduct and is reflected in Mapletree Group's policies. The Employee Handbook contains specific guidance on anti-corruption practices – such as the prohibition of bribery, acceptance or offer of lavish gifts and entertainment. A whistle-blowing policy has been established to allow employees and stakeholders to raise any serious concerns about a danger, risk, malpractice or wrongdoing in the

workplace. Reports can be made via a dedicated email address (reporting@mapletree.com.sg). Any reporting concerning the Mapletree Group or the Manager is notified to the AC's Chairman of the Sponsor as well as the AC's Chairman of the Manager for investigation. The findings are subsequently reported to the AC of the Manager.

The Mapletree Group has established procedures to monitor and manage the risk of non-compliance with laws and regulations, including the anti-money laundering policy. Cases of threatened or pending litigation are brought to the immediate attention of the CEO of the relevant business unit as well as the Head of Group Corporate Services and Group General Counsel for timely resolution. To ensure compliance, directors and employees are notified before the start of any trading ban period when dealing in MIT units.

Sustainability Report

Marketing Communications

The Manager is committed to complying with laws and regulations relating to the dissemination of marketing collaterals and Unitholder's communications. All of MIT's marketing collaterals and communications are reviewed for adherence to laws and standards, such as the Singapore Code of Advertising Practice and the Personal Data Protection Act. A clause is included in all tenancy agreements to ensure that tenants adhere to the relevant laws and regulations on marketing communications and advertisement placements within MIT's properties.

The Manager strives for transparency, accuracy and timeliness in its communications with Unitholders. All information and documents relating to Unitholder's communications, including SGX's announcements, press releases, website updates and annual reports are reviewed for compliance with SGX's and MAS' regulations before issuance. The Manager also engages MIT's investors regularly through annual general meetings, non-deal roadshows, conferences, meetings and conference calls.

There were no incidents of non-compliance with marketing communications and anti-corruption laws during this reporting period.



Engagement with Unitholders at MIT's seventh Annual General Meeting.



GRI CONTENT INDEX

GRI Standards (2016)		Notes/Page number(s)
General Disclosures		
Organisational Profile		
102-1	Name of the organisation	Mapletree Industrial Trust; Corporate Profile, Page 1
102-2	Activities, brands, products, and services	Corporate Profile, Page 1
102-3	Location of headquarters	Corporate Directory, Page 209
102-4	Location of operations	Corporate Profile, Page 1
102-5	Ownership and legal form	Corporate Profile, Page 1; Organisation, Corporate and Trust Structures, Page 21
102-6	Markets served	Corporate Profile, Page 1
102-7	Scale of the organisation	Corporate Profile, Page 1; Talent Retention, Pages 113 – 115; Financial Statements, Pages 125 – 197
102-8	Information on employees and other workers	Talent Retention, Pages 113 – 115 Data was compiled from the Human Resource database, and excluded full-time and part-time employees on less than one-year contract. As the number of part-time employees is not significant to the operations as a whole, employee data was presented in totality, instead by the breakdown by employment type. MIT does not have a significant portion of its activities being carried out by workers who are not employees. Certain property management functions were outsourced to third party service providers. MIT did not have any significant variation in employment numbers.
102-9	Supply chain	Supply chain activities are minimal and insignificant to report on.
102-10	Significant changes to organisation and its supply chain	Significant Events, Page 10
102-11	Precautionary principle or approach	MIT and Mapletree Group do not specifically address the principles of the precautionary approach.
102-12	External initiatives	MIT does not subscribe to or endorse to any external initiatives.
102-13	Membership of associations	Memberships, Page 118
Strategy		
102-14	Statement from senior decision-maker	Board Statement, Page 101

Sustainability Report

GRI Standards (2016)		Notes/Page number(s)
General Disclosures		
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Strategic Direction, Page 11
Governance		
102-18	Governance structure	Corporate Governance, Pages 79 – 94; Sustainability Governance, Page 103
Stakeholder Engagement		
102-40	List of stakeholder groups	Stakeholder Engagement, Pages 104 – 105
102-41	Collective bargaining agreements	No collective bargaining agreements are in place.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement, Pages 104 – 105
102-43	Approach to stakeholder engagement	Stakeholder Engagement, Pages 104 – 105
102-44	Key topics and concerns raised	Stakeholder Engagement, Pages 104 – 105
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Financial Statements, Pages 125 – 197
102-46	Defining report content and topic Boundaries	About This Report, Page 102; Materiality Assessment, Page 103
102-47	List of material topics	Materiality Assessment, Page 103
102-48	Restatements of information	About This Report, Page 102
102-49	Changes in reporting	Materiality Assessment, Page 103
102-50	Reporting period	About This Report, Page 102
102-51	Date of most recent report	The Annual Report/Sustainability Report 2016/2017 was published on 29 June 2017.
102-52	Reporting cycle	About This Report, Page 102
102-53	Contact point for questions regarding the report	About This Report, Page 102
102-54	Claims of reporting in accordance with GRI Standards	About This Report, Page 102
102-55	GRI content index	GRI Content Index, Pages 121 – 124
102-56	External assurance	MIT has not sought external assurance on this report but may do so in the future.

GRI Standards (2016)		Notes/Page number(s)
Management Approach		
103-1	Explanation of the material topic and its Boundary	Sustainability Governance, Page 103; Materiality Assessment, Page 103; Stakeholder Engagement, Pages 104 – 105; Energy, Pages 107 – 109; Water, Page 110; Health and Safety, Pages 111 – 113; Talent Retention, Pages 113 – 115; People Development, Page 115; Local Communities, Pages 116 – 118; Governance, Pages 119 – 120; Marketing Communications, Page 120; Financial Statements, Pages 125 – 197
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
Material Topics		
Economic Performance		
201-1	Direct economic value generated and distributed	Financial Statements, Pages 125 – 197
Anti-corruption		
205-3	Confirmed incidents of corruption and actions taken	Governance, Pages 119 – 120
Energy		
302-1	Energy consumption within the organisation	Energy, Pages 107 – 108
302-3	Energy intensity	Energy, Pages 107 – 108
Water		
303-1	Water withdrawal by source	Water, Page 110
Employment		
401-1	New employee hires and employee turnover	Talent Retention, Pages 113 – 115
Occupational Health & Safety		
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Health and Safety, Pages 111 – 113
Training and Education		
404-2	Programmes for upgrading employee skills and transition assistance programmes	People Development, Page 115

Sustainability Report

GRI Standards (2016)		Notes/Page number(s)
Material Topics		
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement, Pages 104 – 105; Local Communities, Pages 116 – 118
Customer Health and Safety		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety, Pages 111 – 113
Marketing and Labelling		
417-3	Incidents of non-compliance concerning marketing communications	Marketing Communications, Page 120
Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	Governance, Pages 119 – 120

FINANCIAL STATEMENTS

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Statement by the Manager – **127**

Independent Auditor's Report – **128**

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Statements of Financial Position – **133**

Distribution Statements – **134**

Consolidated Statement of Cash Flows – **136**

Statements of Movements in Unitholders' Funds – **137**

Portfolio Statement – **138**

Notes to the Financial Statements – **148**

Report of the Trustee

For the financial year ended 31 March 2018

DBS Trustee Limited (the "Trustee") is under a duty to take into custody and hold the assets of Mapletree Industrial Trust ("MIT") and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in MIT. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of Mapletree Industrial Trust Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 29 January 2008 (as amended) (the "Trust Deed") between the Trustee and the Manager in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed MIT and the Group during the financial year covered by these financial statements, set out on pages 128 to 197, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
DBS Trustee Limited

Jane Lim
Director

Singapore, 23 April 2018

Statement by the Manager

For the financial year ended 31 March 2018

In the opinion of the directors of Mapletree Industrial Trust Management Ltd., the accompanying financial statements of Mapletree Industrial Trust ("MIT") and its subsidiaries (the "Group"), as set out on pages 128 to 197, comprising the Statements of Financial Position and Portfolio Statement for MIT and the Group as at 31 March 2018, the Statements of Total Return, Distribution Statements and Statements of Movements in Unitholders' Funds for MIT and the Group, the Consolidated Statement of Cash Flows for the Group and Notes to the Financial Statements for the year then ended are drawn up so as to present fairly, in all material respects, the financial position of MIT and of the Group as at 31 March 2018 and the total return, amount distributable and movements in Unitholders' funds of MIT and the Group and consolidated cash flows of the Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that MIT and the Group will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
Mapletree Industrial Trust Management Ltd.

Tham Kuo Wei
Director

Singapore, 23 April 2018

Independent Auditor's Report

To The Unitholders of Mapletree Industrial Trust
(Constituted under a Trust Deed in the Republic of Singapore)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying consolidated financial statements of Mapletree Industrial Trust ("MIT") and its subsidiaries (the "Group") and the Statement of Total Return, Statement of Financial Position, Distribution Statements, Statement of Movement in Unitholders' Funds and Portfolio Statement of MIT are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants ("RAP 7"), so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of MIT and the consolidated portfolio holdings of the Group and portfolio holdings of MIT as at 31 March 2018 and the consolidated financial performance of the Group and the financial performance of MIT, the consolidated amount distributable of the Group and the amount distributable of MIT, the consolidated movements of unitholders' funds of the Group and movements in unitholders' funds of MIT and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of MIT and the Group comprise:

- the statements of total return of the Group and MIT for the financial year ended 31 March 2018;
- the statements of financial position of the Group and MIT as at 31 March 2018;
- the distribution statements of the Group and MIT for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended;
- the statements of movements of unitholders' funds for the Group and MIT for the financial year then ended;
- the portfolio statement for the Group and MIT for the financial year as at 31 March 2018; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there are evidence of bias that represented a risk of material misstatement due to fraud.

Independent Auditor's Report

To The Unitholders of Mapletree Industrial Trust
(Constituted under a Trust Deed in the Republic of Singapore)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2018. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of investment properties</p> <p><i>Refer to Note 14 (Investment Properties and Investment Properties under Development).</i></p> <p>As at 31 March 2018, the carrying value of the Group's investment properties of \$3.9 billion accounted for 94.1% of the Group's total assets.</p> <p>The valuation of the investment properties was a key audit matter due to the significant judgement in the key inputs used in the valuation techniques. These key inputs include capitalisation rates and discount rates and are dependent on the nature of each investment property and the prevailing market conditions.</p> <p>The key inputs are disclosed in Note 14 to the accompanying financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> assessed the competence, capabilities and objectivity of the external valuer engaged by the Group; obtained an understanding of the techniques used by the external valuer in determining the valuations of individual investment properties; discussed the critical assumptions made by the external valuer for the key inputs used in the valuation techniques; tested the integrity of information, including underlying lease and financial information provided to the external valuer; and assessed the reasonableness of the adjusted capitalisation rates and discount rates by benchmarking these against those of comparable properties and prior year inputs. <p>We have also assessed the adequacy of the disclosures relating to the assumptions, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.</p> <p>We found the external valuer to be a member of recognised bodies for professional valuers. We also found that the valuation techniques used were appropriate in the context of the Group's investment properties and the critical assumptions used for the key inputs were within the range of market data.</p>

Independent Auditor's Report

To The Unitholders of Mapletree Industrial Trust
(Constituted under a Trust Deed in the Republic of Singapore)

Other information

The Manager is responsible for the other information. The other information comprises the information included in the Report of the Trustee, and Statement by the Manager (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and other sections of MIT's Annual Report 2017/2018 ("Other Sections"), which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and take appropriate actions in accordance with SSAs.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease the Group's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report

To The Unitholders of Mapletree Industrial Trust
(Constituted under a Trust Deed in the Republic of Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yeow Chee Keong.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 23 April 2018

Statements of Total Return

For the financial year ended 31 March 2018

	Note	Group		MIT	
		FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Gross revenue	3	363,230	340,565	343,826	321,380
Property operating expenses	4	(85,627)	(83,735)	(79,858)	(77,944)
Net property income		277,603	256,830	263,968	243,436
Interest income	5	1,027	390	994	359
Investment income	6	–	–	19,332	11,765
Borrowing costs	7	(34,055)	(27,325)	(34,055)	(27,325)
Manager's management fees					
– Base fees		(19,215)	(18,453)	(18,248)	(17,443)
– Performance fees		(9,994)	(9,246)	(9,503)	(8,764)
Trustee's fees		(546)	(521)	(546)	(521)
Other trust expenses	8	(1,322)	(1,340)	(1,295)	(1,313)
Net foreign exchange gain		18	–	3,415	–
Net income		213,516	200,335	224,062	200,194
Net fair value gain on investment properties and investment properties under development	14(a)	65,470	70,236	67,757	66,236
Share of joint venture	18				
– Net profit after tax		3,900	–	–	–
– Net fair value gain on investment properties		17,876	–	–	–
		21,776	–	–	–
Loss on divestment of investment property		(200)	–	–	–
Total return for the financial year before income tax		300,562	270,571	291,819	266,430
Income tax expense	9(a)	(32)	(*)	(32)	–
Total return for the financial year after income tax before distribution		300,530	270,571	291,787	266,430
Earnings per unit					
– Basic and diluted (cents)	10	16.36	15.02		

* Amount less than \$1,000

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

As at 31 March 2018

		Group		MIT	
	Note	31 March 2018 \$'000	31 March 2017 \$'000	31 March 2018 \$'000	31 March 2017 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	11	37,419	37,985	30,810	31,136
Trade and other receivables	12	24,398	10,221	27,244	12,297
Other current assets	13	1,572	1,202	911	463
Derivative financial instruments	21	14	–	14	–
		63,403	49,408	58,979	43,896
Non-current assets					
Investment properties	14(a)	3,856,600	3,530,850	3,678,700	3,333,000
Investment properties under development	14(a)	51,700	217,800	51,700	217,800
Plant and equipment	15	84	3	84	3
Investments in:					
– subsidiaries	16	–	–	*	*
– joint venture	18	181,158	–	166,158	–
Loan to a subsidiary	17	–	–	166,594	179,794
Derivative financial instruments	21	1,375	–	1,375	–
		4,090,917	3,748,653	4,064,611	3,730,597
Total assets		4,154,320	3,798,061	4,123,590	3,774,493
LIABILITIES					
Current liabilities					
Trade and other payables	19	103,108	108,745	98,915	102,899
Borrowings	20	184,927	114,986	59,985	114,986
Loans from a subsidiary	20	–	–	124,942	–
Derivative financial instruments	21	242	–	242	–
Current income tax liabilities	9(b)	32	*	32	–
		288,309	223,731	284,116	217,885
Non-current liabilities					
Other payables	19	51,403	46,143	50,765	45,723
Borrowings	20	1,033,190	991,425	753,763	587,203
Loans from a subsidiary	20	–	–	279,427	404,222
Derivative financial instruments	21	1,346	3,973	1,346	3,973
		1,085,939	1,041,541	1,085,301	1,041,121
Total liabilities		1,374,248	1,265,272	1,369,417	1,259,006
Net assets attributable to Unitholders		2,780,072	2,532,789	2,754,173	2,515,487
Represented by:					
Unitholders' funds		2,780,072	2,532,789	2,754,173	2,515,487
UNITS IN ISSUE ('000)	22	1,885,218	1,802,160	1,885,218	1,802,160
NET ASSET VALUE PER UNIT (\$)		1.47	1.41	1.46	1.40

* Amount less than \$1,000

The accompanying notes form an integral part of these financial statements.

Distribution Statements

For the financial year ended 31 March 2018

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Amount available for distribution to Unitholders at beginning of the year	52,403	51,361	52,403	51,361
Total return for the year	300,530	270,571	291,787	266,430
Adjustment for net effect of non-tax chargeable items and other adjustments (Note A)	(87,916)	(65,611)	(75,939)	(61,470)
Distribution declared by joint venture	3,234	–	–	–
Amount available for distribution	215,848	204,960	215,848	204,960
Distribution to Unitholders:				
Distribution of 2.81 cents per unit for the period from 01 January 2016 to 31 March 2016	–	(50,606)	–	(50,606)
Distribution of 2.85 cents per unit for the period from 01 April 2016 to 30 June 2016	–	(51,336)	–	(51,336)
Distribution of 2.83 cents per unit for the period from 01 July 2016 to 30 September 2016	–	(50,984)	–	(50,984)
Distribution of 2.83 cents per unit for the period from 01 October 2016 to 31 December 2016	–	(50,992)	–	(50,992)
Distribution of 2.88 cents per unit for the period from 01 January 2017 to 31 March 2017	(51,902)	–	(51,902)	–
Distribution of 2.92 cents per unit for the period from 01 April 2017 to 30 June 2017	(52,631)	–	(52,631)	–
Distribution of 3.00 cents per unit for the period from 01 July 2017 to 30 September 2017	(54,082)	–	(54,082)	–
Distribution of 0.99 cent per unit for the period from 01 October 2017 to 01 November 2017	(17,847)	–	(17,847)	–
Distribution of 1.89 cents per unit for the period from 02 November 2017 to 31 December 2017	(35,626)	–	(35,626)	–
Total Unitholders' distribution (including capital distribution) (Note B)	(212,088)	(203,918)	(212,088)	(203,918)
Amount available for distribution to Unitholders at end of the year	56,163	52,403	56,163	52,403

The accompanying notes form an integral part of these financial statements.

Distribution Statements

For the financial year ended 31 March 2018

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Note A:				
Adjustment for net effect of non-tax deductible/(chargeable) items and other adjustments comprise:				
– Trustee's fees	546	521	546	521
– Financing related costs	1,537	1,252	1,537	1,252
– Net fair value gain on investment properties and investment properties under development	(65,470)	(70,236)	(67,757)	(66,236)
– Management fees paid/payable in units	2,309	2,031	2,309	2,031
– Expense capital items	917	1,674	805	1,254
– Adjustments from rental incentives	(7,613)	(998)	(7,646)	(707)
– Fund raising cost	32	–	32	–
– Loss on divestment of investment property	200	–	–	–
– Share of joint venture	(21,776)	–	–	–
– Realised revaluation gain from divestment of investment property	–	–	(3,427)	–
– Net foreign exchange gain	(18)	–	(3,415)	–
– Other non-tax deductible items and adjustments	1,420	145	1,077	415
	(87,916)	(65,611)	(75,939)	(61,470)

Note B:

Total Unitholders' distribution

– Taxable income distribution	(210,097)	(203,018)	(210,097)	(203,018)
– Capital distribution	(1,991)	(900)	(1,991)	(900)
	(212,088)	(203,918)	(212,088)	(203,918)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2018

		Group	
	Note	FY17/18 \$'000	FY16/17 \$'000
Cash flows from operating activities			
Total return for the financial year after income tax before distribution		300,530	270,571
Adjustments for:			
– Income tax expense	9(a)	32	*
– Writeback of trade receivables	24(b)	*	(12)
– Net fair value gain on investment properties and investment properties under development	14(a)	(65,470)	(70,236)
– Interest income		(1,027)	(390)
– Borrowing costs	7	34,055	27,325
– Manager's management fees paid/payable in units		2,309	2,031
– Rental incentives		(7,613)	(998)
– Depreciation	15	10	1
– Loss on divestment of investment property		200	–
– Share of joint venture		(21,776)	–
– Unrealised translation gain		(16)	–
Operating cash flows before working capital changes		241,234	228,292
Change in operating assets and liabilities			
– Trade and other receivables		(3,472)	23
– Trade and other payables		6,730	5,127
– Other current assets		(106)	211
Cash generated from operations		244,386	233,653
Interest received		1,165	393
Income tax paid	9(b)	(*)	(*)
Net cash provided by operating activities		245,551	234,046
Cash flows from investing activities			
Additions to investment properties		(20,998)	(23,255)
Additions to investment properties under development		(97,513)	(80,599)
Additions to plant and equipment		(91)	(2)
Proceeds from the divestment of investment property		17,400	–
Investment in a joint venture		(166,158)	–
Loan to a joint venture		(242,392)	–
Repayment of loan from a joint venture		235,571	–
Net cash used in investing activities		(274,181)	(103,856)
Cash flows from financing activities			
Repayment of bank loans		(867,663)	(172,362)
Payment of financing fees		(1,942)	(270)
Gross proceeds from bank loans		989,858	157,880
Net proceeds from issuance of new units		153,189	–
Gross proceeds from issuance of medium term notes		–	100,000
Distribution to Unitholders		(212,088)	(203,918)
Interest paid		(33,290)	(27,875)
Net cash generated from/(used in) financing activities		28,064	(146,545)
Net decrease in cash and cash equivalents		(566)	(16,355)
Cash and cash equivalents at beginning of financial year		37,985	54,340
Cash and cash equivalents at end of financial year	11	37,419	37,985

* Amount less than \$1,000

Reconciliation of liabilities arising from financing activities

		Principal and interest payments	Non cash movements		
	1 April 2017 \$'000	\$'000	Borrowing cost \$'000	Foreign exchange movement \$'000	31 March 2018 \$'000
Borrowings, interest payable and prepaid financing fees	1,111,199	86,963	35,337	(10,238)	1,223,261

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

For the financial year ended 31 March 2018

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
OPERATIONS				
Balance at beginning of year	852,646	785,993	835,344	772,832
Total return for the year	300,530	270,571	291,787	266,430
Distributions	(212,088)	(203,918)	(212,088)	(203,918)
Balance at end of year	941,088	852,646	915,043	835,344
UNITHOLDERS' CONTRIBUTION				
Balance at beginning of year	1,684,051	1,682,012	1,684,051	1,682,012
Issue of new units pursuant to the private placement	155,740	–	155,740	–
Manager's management fees paid in units	2,023	2,039	2,023	2,039
Issue expenses	(2,551)	–	(2,551)	–
Balance at end of year	1,839,263	1,684,051	1,839,263	1,684,051
HEDGING RESERVE				
Balance at beginning of year	(3,908)	(2,781)	(3,908)	(2,781)
Fair value losses	(718)	(3,674)	(718)	(3,674)
Cash flow hedges recognised as borrowing cost (Note 7)	4,493	2,547	4,493	2,547
Share of hedging reserve of joint venture	526	–	–	–
Balance at end of year	393	(3,908)	(133)	(3,908)
FOREIGN CURRENCY TRANSLATION RESERVE				
Balance at beginning of year	–	–	–	–
Currency translation differences arising from share of joint venture	(672)	–	–	–
Balance at end of year	(672)	–	–	–
Total Unitholders' funds at the end of the year	2,780,072	2,532,789	2,754,173	2,515,487

Hedging reserve is non-distributable.

The accompanying notes form an integral part of these financial statements.

Portfolio Statement

As at 31 March 2018

Description of property/cluster ¹	Acquisition date	Term of lease *	Remaining term of lease *	Location
<u>Investment properties held under MIT</u>				
<u>Flatted Factories</u>				
Chai Chee Lane	26/08/2011	60 years	53 years	510, 512 & 514 Chai Chee Lane Singapore
Changi North	01/07/2008	60 years	50 years	11 Changi North Street 1 Singapore
Clementi West	01/07/2008	30 years	20 years	1 Clementi Loop Singapore
Kaki Bukit	01/07/2008	60 years	50 years	2, 4, 6, 8 & 10 Kaki Bukit Avenue 1 Singapore
Kallang Basin 1	26/08/2011	20 years	13 years	5 & 7 Kallang Place Singapore
Kallang Basin 2	26/08/2011	20 years	13 years	9 & 11 Kallang Place Singapore
Kallang Basin 3	26/08/2011	30 years	23 years	16 Kallang Place Singapore
Kallang Basin 4 ²	01/07/2008	33 years	23 years	26, 26A, 28 & 30 Kallang Place Singapore
Kallang Basin 5	01/07/2008	33 years	23 years	19, 21 & 23 Kallang Avenue Singapore
Kallang Basin 6	01/07/2008	33 years	23 years	25 Kallang Avenue Singapore
Kampong Ampat	01/07/2008	60 years	50 years	171 Kampong Ampat Singapore
Kampong Ubi	26/08/2011	60 years	53 years	3014A, 3014B & 3015A Ubi Road 1 Singapore
Kolam Ayer 1	01/07/2008	43 years	33 years	8, 10 & 12 Lorong Bakar Batu Singapore
Kolam Ayer 2	01/07/2008	43 years	33 years	155, 155A & 161 Kallang Way Singapore

The accompanying notes form an integral part of these financial statements.

Gross revenue		Average occupancy rate		Latest valuation date	Valuation as at		Percentage of total net assets attributable to Unitholders as at	
FY17/18	FY16/17	FY17/18	FY16/17		31/03/2018	31/03/2017	31/03/2018	31/03/2017
\$'000	\$'000	%	%		\$'000	\$'000	%	%
12,275	12,563	85.9	89.5	31/03/2018	151,000	148,500	5.4	5.9
1,692	1,683	85.1	74.4	31/03/2018	19,700	19,100	0.7	0.8
4,693	4,809	93.4	98.0	31/03/2018	37,200	36,700	1.3	1.4
19,017	18,605	93.6	93.7	31/03/2018	202,000	201,500	7.3	8.0
2,880	2,989	90.8	96.9	31/03/2018	18,000	19,400	0.7	0.8
5,096	5,277	89.0	94.2	31/03/2018	33,000	36,000	1.2	1.4
7,642	8,114	84.3	89.9	31/03/2018	78,000	77,000	2.8	3.0
8,155	8,395	89.6	93.8	31/03/2018	76,000	74,400	2.7	2.9
6,247	6,304	95.1	96.7	31/03/2018	56,400	55,400	2.0	2.2
4,490	4,744	87.7	96.9	31/03/2018	41,300	41,000	1.5	1.6
11,145	10,702	99.9	99.6	31/03/2018	109,000	102,700	3.9	4.0
10,639	10,354	93.5	90.3	31/03/2018	125,000	122,900	4.5	4.8
7,477	7,503	95.8	97.9	31/03/2018	75,000	73,100	2.7	2.9
7,177	7,200	88.5	90.9	31/03/2018	70,000	68,000	2.5	2.7

Portfolio Statement

As at 31 March 2018

Description of property/cluster ¹	Acquisition date	Term of lease *	Remaining term of lease *	Location
Investment properties held under MIT (continued)				
Flatted Factories (continued)				
Kolam Ayer 5	01/07/2008	43 years	33 years	1, 3 & 5 Kallang Sector Singapore
Loyang 1	01/07/2008	60 years	50 years	30 Loyang Way Singapore
Loyang 2	01/07/2008	60 years	50 years	2, 4 & 4A Loyang Lane Singapore
Redhill 1	01/07/2008	30 years	20 years	1001, 1001A & 1002 Jalan Bukit Merah Singapore
Redhill 2	01/07/2008	30 years	20 years	1003 & 3752 Bukit Merah Central Singapore
Tanglin Halt	01/07/2008	56 years	46 years	115A & 115B Commonwealth Drive Singapore
Tiong Bahru 1	01/07/2008	30 years	20 years	1090 Lower Delta Road Singapore
Tiong Bahru 2	01/07/2008	30 years	20 years	1080, 1091, 1091A, 1092 & 1093 Lower Delta Road Singapore
Toa Payoh North 2	01/07/2008	30 years	20 years	1004 Toa Payoh North Singapore
Toa Payoh North 3	01/07/2008	30 years	20 years	1008 & 1008A Toa Payoh North Singapore

The accompanying notes form an integral part of these financial statements.

Gross revenue		Average occupancy rate		Latest valuation date	Valuation as at		Percentage of total net assets attributable to Unitholders as at	
FY17/18	FY16/17	FY17/18	FY16/17		31/03/2018	31/03/2017	31/03/2018	31/03/2017
\$'000	\$'000	%	%		\$'000	\$'000	%	%
8,809	8,914	89.8	94.0	31/03/2018	87,000	85,000	3.1	3.4
6,079	6,284	81.3	87.3	31/03/2018	65,700	62,900	2.4	2.5
3,635	3,734	80.1	84.3	31/03/2018	38,800	37,700	1.4	1.5
6,699	6,736	90.6	92.1	31/03/2018	63,400	62,900	2.3	2.5
5,635	5,923	87.1	89.8	31/03/2018	53,800	53,000	1.9	2.1
4,282	4,397	94.0	97.8	31/03/2018	47,000	45,700	1.7	1.8
2,111	2,274	81.3	91.3	31/03/2018	19,500	19,000	0.7	0.7
7,394	7,797	88.9	97.1	31/03/2018	66,700	65,100	2.4	2.6
2,621	2,620	95.3	98.3	31/03/2018	20,500	20,500	0.7	0.8
3,175	3,274	94.5	99.3	31/03/2018	26,200	26,000	0.9	1.0

Portfolio Statement

As at 31 March 2018

Description of property/cluster ¹	Acquisition date	Term of lease *	Remaining term of lease *	Location
Investment properties held under MIT (continued)				
Hi-Tech Buildings				
1 and 1A Depot Close ³	01/07/2008	60 years	50 years	1 and 1A Depot Close Singapore
26A Ayer Rajah Crescent	27/01/2015 ⁴	30 years	25 years	26A Ayer Rajah Crescent Singapore
30A Kallang Place ²	01/07/2008	33 years	23 years	30A Kallang Place Singapore
K&S Corporate Headquarters	04/10/2013 ⁴	30 + 28.5 years	53 years	23A Serangoon North Avenue 5 Singapore
Serangoon North	01/07/2008	60 years	50 years	6 Serangoon North Avenue 5 Singapore
Toa Payoh North 1	01/07/2008	30 years	20 years	970, 978, 988 & 998 Toa Payoh North Singapore
Woodlands Central	01/07/2008	60 years	50 years	33 & 35 Marsiling Industrial Estate Road 3 Singapore
Business Park Buildings				
The Signature	01/07/2008	60 years	50 years	51 Changi Business Park Central 2 Singapore
The Strategy	01/07/2008	60 years	50 years	2 International Business Park Singapore
The Synergy	01/07/2008	60 years	50 years	1 International Business Park Singapore

The accompanying notes form an integral part of these financial statements.

Gross revenue		Average occupancy rate		Latest valuation date	Valuation as at		Percentage of total net assets attributable to Unitholders as at	
FY17/18	FY16/17	FY17/18	FY16/17		31/03/2018	31/03/2017	31/03/2018	31/03/2017
\$'000	\$'000	%	%		\$'000	\$'000	%	%
29,640	5,101	77.7	68.1	31/03/2018	384,000	185,700	13.8	7.3
8,556	8,388	100.0	100.0	31/03/2018	122,000	121,800	4.4	4.8
32²	–	–	–	31/03/2018	93,000	–	3.4	–
7,628	7,462	97.5	94.5	31/03/2018	61,000	60,500	2.2	2.4
16,649	17,077	87.7	91.6	31/03/2018	169,000	165,900	6.1	6.6
13,656	13,451	93.7	97.4	31/03/2018	111,000	110,500	4.0	4.4
10,351	9,712	91.8	87.2	31/03/2018	107,000	99,300	3.9	3.9
13,634	13,366	88.2	77.2	31/03/2018	149,000	148,000	5.4	5.8
26,995	28,086	82.1	97.9	31/03/2018	293,000	291,700	10.5	11.5
11,782	12,033	82.4	83.5	31/03/2018	128,000	127,100	4.6	5.0

Portfolio Statement

As at 31 March 2018

Description of property/cluster ¹	Acquisition date	Term of lease *	Remaining term of lease *	Location
<u>Stack-up/Ramp-up Buildings</u>				
Woodlands Spectrum 1 and 2	01/07/2008	60 years	50 years	2 Woodlands Sector 1, 201, 203, 205, 207, 209 and 211 Woodlands Avenue 9 Singapore
<u>Light Industrial Building</u>				
2A Changi North Street 2	28/05/2014	30 + 30 years	43 years	2A Changi North Street 2 Singapore
Subtotal – Investment properties held under MIT				
<u>Investment properties under development held under MIT</u>				
<u>Hi-Tech Buildings</u>				
1A Depot Close ³	01/07/2008	60 years	50 years	1A Depot Close Singapore
30A Kallang Place ²	01/07/2008	33 years	23 years	30A Kallang Place Singapore
12 Sunview Drive ⁵	–	30 years	29 years	12 Sunview Drive Singapore
Subtotal – Investment properties under development held under MIT				
Subtotal – MIT				
<u>Investment properties held under Mapletree Singapore Industrial Trust ("MSIT")</u>				
<u>Hi-Tech Buildings</u>				
19 Tai Seng Drive	21/10/2010	30 + 30 years	33 years	19 Tai Seng Drive Singapore
STT Tai Seng 1 ⁶	21/10/2010	30 + 30 years	51 years	35 Tai Seng Street Singapore

The accompanying notes form an integral part of these financial statements.

Gross revenue		Average occupancy rate		Latest valuation date	Valuation as at		Percentage of total net assets attributable to Unitholders as at	
FY17/18	FY16/17	FY17/18	FY16/17		31/03/2018	31/03/2017	31/03/2018	31/03/2017
\$'000	\$'000	%	%		\$'000	\$'000	%	%
44,697	44,389	93.2	93.6	31/03/2018	467,000	454,900	16.8	18.0
1,141	1,120	100.0	100.0	31/03/2018	14,500	14,100	0.5	0.6
343,826	321,380				3,678,700	3,333,000		
–	–	–	–	31/03/2018	–	186,000	–	7.3
–	–	–	–	31/03/2018	–	30,900	–	1.2
–	–	–	–	31/03/2018	51,700	900	1.9	**
–	–				51,700	217,800		
343,826	321,380				3,730,400	3,550,800		
2,026	1,702	100.0	100.0	31/03/2018	21,200	20,100	0.8	0.8
11,233	10,797	100.0	100.0	31/03/2018	95,700	95,650	3.4	3.8

Portfolio Statement

As at 31 March 2018

Description of property/cluster ¹	Acquisition date	Term of lease *	Remaining term of lease *	Location
Light Industrial Buildings				
19 Changi South Street 1	21/10/2010	30 + 30 years	39 years	19 Changi South Street 1 Singapore
26 Woodlands Loop	21/10/2010	30 + 30 years	37 years	26 Woodlands Loop Singapore
45 Ubi Road 1	21/10/2010	30 + 30 years	35 years	45 Ubi Road 1 Singapore
65 Tech Park Crescent ⁷	21/10/2010	60 years	35 years	65 Tech Park Crescent Singapore
Subtotal – MSIT				

Gross revenue/investment properties and investment properties under development – Group⁸
Investment in a joint venture (Note 18)
Other assets and liabilities (net) – Group
Net assets attributable to Unitholders – Group

* Refers to the tenure of underlying land. Remaining term of lease includes option to renew the land leases.

** Amount less than 0.1%

¹ A cluster consists of one or more individual buildings situated on the same land lot or adjoining land lots.

² The development of a new 14-storey high specification building at 30A Kallang Place had obtained the Temporary Occupation Permit ("TOP") on 13 February 2018 and had been reclassified as an investment property. Gross revenue includes adjustments from rental incentives.

³ Telok Blangah Cluster was redeveloped as a build-to-suit ("BTS") facility for HP Singapore ("HP"), which has been renamed after its address as 1 and 1A Depot Close. 1 and 1A Depot Close had obtained the TOP on 21 October 2016 and 22 June 2017 respectively and had been reclassified as investment properties.

⁴ Refers to the TOP date.

⁵ It was previously known as Mukim 06 Lot 00869 CPT, which is under development as a six-storey BTS data centre in the West Region of Singapore.

⁶ It was previously known as Tata Communications Exchange and renamed as STT Tai Seng 1 following the novation of lease from Tata Communications International Pte. Ltd. to STT Tai Seng Pte. Ltd..

⁷ The property was divested on 20 July 2017.

⁸ Investment properties comprise a portfolio of industrial buildings that are leased to external customers.

The carrying amounts of the Singapore investment properties were based on independent valuations as at 31 March 2018. The valuations were undertaken by Knight Frank Pte Ltd ("Knight Frank"), an independent valuer. Knight Frank has appropriate professional qualifications and experience in the location and category of the properties being valued. The valuations of the investment properties were based on the Income Capitalisation method, Discounted Cash Flow method, Residual Land Value method, and where applicable, the Direct Sale Comparison method as described in Note 14(d). It is the intention of the Group and MIT to hold the investment properties for the long term.

The accompanying notes form an integral part of these financial statements.

Gross revenue		Average occupancy rate		Latest valuation date	Valuation as at		Percentage of total net assets attributable to Unitholders as at	
FY17/18	FY16/17	FY17/18	FY16/17		31/03/2018	31/03/2017	31/03/2018	31/03/2017
\$'000	\$'000	%	%		\$'000	\$'000	%	%
1,223	1,024	82.2	52.8	31/03/2018	13,000	14,000	0.5	0.6
2,219	2,164	100.0	100.0	31/03/2018	25,500	25,500	0.9	1.0
2,362	2,391	95.3	95.8	31/03/2018	22,500	25,000	0.8	1.0
341	1,107	100.0	100.0	31/03/2017	–	17,600	–	0.7
19,404	19,185				177,900	197,850		
363,230	340,565				3,908,300	3,748,650	140.6	148.0
					181,158	–	6.5	–
					(1,309,386)	(1,215,861)	(47.1)	(48.0)
					2,780,072	2,532,789	100.0	100.0

Notes to the Financial Statements

For the financial year ended 31 March 2018

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Mapletree Industrial Trust ("MIT") is a Singapore-domiciled Real Estate Investment Trust constituted pursuant to the Trust Deed dated 29 January 2008 (as amended) between Mapletree Industrial Fund Management Pte. Ltd. and Mapletree Trustee Pte. Ltd.. The Trust Deed is governed by the laws of the Republic of Singapore. Mapletree Industrial Trust Management Ltd. (the "Manager") replaced Mapletree Industrial Fund Management Pte. Ltd. as Manager of MIT on 27 September 2010 and DBS Trustee Limited (the "Trustee") replaced Mapletree Trustee Pte. Ltd. as Trustee of MIT on 27 September 2010.

MIT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 21 October 2010 ("Listing Date") and was included under the Central Provident Fund ("CPF") Investment Scheme on 6 September 2010.

The principal activity of MIT and its subsidiaries (the "Group") is to invest in a diverse portfolio of industrial properties with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth.

MIT has entered into several service agreements in relation to the management of MIT and its property operations. The fee structures for these services are as follows:

(A) Trustee's fees

The Trustee's fees shall not exceed 0.1% per annum of the value of all the assets of MIT ("Deposited Property") (subject to a minimum of \$12,000 per month) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Trustee's fees are payable monthly in arrears out of the Deposited Property of the Group. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current arrangement between the Manager and the Trustee, the Trustee's fees are charged on a scaled basis of up to 0.02% per annum of the value of the Deposited Property (subject to a minimum of \$12,000 per month).

(B) Manager's Management fees

The Manager is entitled under the Trust Deed to receive the following remuneration:

- (i) A base fee of 0.5% per annum of the value of MIT's Deposited Property or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and
- (ii) A performance fee of 3.6% per annum of the net property income of MIT or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders.

The management fees payable to the Manager will be paid in the form of cash and/or Units. The base fees are paid in cash and/or Units are paid quarterly, in arrears.

With effect from 1 April 2016, the performance fee shall be paid annually, in compliance with the Collective Investment Scheme issued by the Monetary Authority of Singapore.

Notes to the Financial Statements

For the financial year ended 31 March 2018

1. GENERAL INFORMATION (CONTINUED)

(C) Acquisition, Divestment and Development Management fees

The Manager is entitled to receive the following fees (if not prohibited by the Property Funds Appendix or if otherwise permitted):

- (i) an acquisition fee not exceeding 1.0% of the acquisition price of real estate or real estate-related assets acquired directly or indirectly, through one or more Special Purpose Vehicles ("SPV"), pro-rated if applicable to the proportion of MIT's interest. For the purposes of this acquisition fee, real estate-related assets include all classes and types of securities relating to real estate; and
- (ii) a divestment fee not exceeding 0.5% of the sale price of real estate-related assets disposed, pro-rated if applicable to the proportion of MIT's interest. For the purposes of this divestment fee, real estate-related assets include all classes and types of securities relating to real estate; and
- (iii) a development management fee not exceeding 3.0% of the total project costs incurred in a development project undertaken by the Manager on behalf of MIT.

The acquisition and divestment fees will be paid in the form of cash and/or Units and are payable as soon as practicable after completion of the acquisition and disposal respectively.

The development management fees will be paid in the form of cash and is payable in equal monthly instalments over the construction period based on the Manager's best estimate of the total project costs and construction period and, if necessary, a final payment of the balance amount when the total project costs are finalised.

(D) Property Manager's Management fees

(i) Property management services

The Trustee will pay Mapletree Facilities Services Pte. Ltd. (the "Property Manager"), for each fiscal year (as defined in the Property Management Agreement), a fee of up to 2.0% per annum of the gross revenue of each property.

(ii) Lease management services

The Trustee will pay the Property Manager, for each fiscal year, a fee of up to 1.0% per annum of the gross revenue of each property.

(iii) Marketing services

The Trustee will pay the Property Manager, the following commissions:

- Up to 1 month's gross rent inclusive of service charge, for securing a tenancy of 3 years or less;
- Up to 2 months' gross rent inclusive of service charge, for securing a tenancy of more than 3 years;
- Up to 0.5 month's gross rent inclusive of service charge, for securing a renewal of tenancy of 3 years or less; or
- Up to 1 month's gross rent inclusive of service charge, for securing a renewal of tenancy of more than 3 years.

Notes to the Financial Statements

For the financial year ended 31 March 2018

1. GENERAL INFORMATION (CONTINUED)

(D) Property Manager's Management fees (continued)

(iii) Marketing services (continued)

If a third party agent secures a tenancy, the Property Manager will be responsible for all marketing services commission payable to such third party agent, and the Property Manager will be entitled to a marketing services commission of;

- Up to 1.2 months' gross rent inclusive of service charge, for securing a tenancy of 3 years or less; or
- Up to 2.4 months' gross rent inclusive of service charge, for securing a tenancy of more than 3 years.

(iv) Project management services

The Trustee will pay the Property Manager, for each development or redevelopment, the refurbishment, retrofitting and renovation work of a property located in Singapore, the following fees:

- Where the construction costs are \$2.0 million or less, a fee of 3.0% of the construction costs;
- Where the construction costs exceed \$2.0 million but do not exceed \$20.0 million, a fee of 2.0% of the construction costs or \$60,000, whichever is the higher;
- Where the construction costs exceed \$20.0 million but do not exceed \$50.0 million, a fee of 1.5% of the construction costs or \$400,000, whichever is the higher; and
- Where the construction costs exceed \$50.0 million, a fee to be mutually agreed by the Manager, the Trustee and the Property Manager.

The Property Manager's fees will be paid in the form of cash and is payable monthly, in arrears.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with the recommendations of the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" ("RAP 7") issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes ("CIS") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards ("FRS").

These financial statements, which are expressed in Singapore Dollars and rounded to the nearest thousand, have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with RAP 7 requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The area involving a higher degree of judgment, where assumptions and estimates are significant to the financial statements, is disclosed in Note 14 – Investment properties and investment properties under development. The assumptions and estimates were used by the independent valuer in arriving at their valuations.

Interpretations and amendments to published standards effective in 2017

On 1 April 2017, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and MIT and had no material effect on the amounts reported for the current or prior financial years except for the following:

FRS 7 Statement of cash flows

The amendments to FRS 7 Statement of Cash Flows (Disclosure Initiative) sets out required disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has included the additional required disclosures in the Consolidated Statement of Cash Flows.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the Group's activities. Revenue is presented net of goods and services tax ("GST"), rebates and discounts.

Revenue is recognised as follows:

(a) Rental income and service charges from operating leases

Rental income and service charges (net of any incentives given to the lessees) from operating leases on the investment properties are recognised on a straight-line basis over the lease term.

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.3 Government grants

Grants from government are recognised as receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.4 Expenses

(a) Property operating expenses

Property operating expenses are recognised on an accrual basis. Included in property expenses are Property Manager's fees which are based on the applicable formula stipulated in Note 1(D).

(b) Manager's management fees

Manager's management fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(B).

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Income tax

Taxation on the return for the year comprises current and deferred income tax. Income tax is recognised in the Statements of Total Return.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising from investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the statement of financial position date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in Statements of Total Return, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of MIT for the income earned and expenditure incurred after its listing on the SGX-ST. Subject to meeting the terms and conditions of the tax ruling which include a distribution of at least 90% of the taxable income of MIT, the Trustee will not be taxed on the portion of taxable income of MIT that is distributed to Unitholders. Any portion of the taxable income that is not distributed to Unitholders will be taxed on the Trustee. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of MIT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with the IRAS.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Income tax (continued)

Although MIT is not taxed on its taxable income distributed, the Trustee and the Manager are required to deduct income tax at the applicable corporate tax rate from the distributions of such taxable income of MIT (i.e. which has not been taxed in the hands of the Trustee) to certain Unitholders. The Trustee and the Manager will not deduct tax from the distributions made out of MIT's taxable income to the extent that the beneficial Unitholder is:

- An individual (excluding partnerships);
- A tax resident Singapore-incorporated company;
- A body of persons registered or constituted in Singapore (e.g. town council, statutory board, registered charity, registered co-operative society, registered trade union, management corporation, club and trade and industry association);
- A Singapore branch of a foreign company; and
- An international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains, if they are considered as trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the gains without tax being deducted at source.

2.6 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisition of businesses

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) Disposals

When a change in MIT's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised.

Any retained interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in the Statements of Total Return.

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in Note 2.7.

(b) Transactions with non-controlling interests

Changes in MIT's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Group. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised within equity attributable to the Unitholders of MIT.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Group accounting (continued)

(c) Joint ventures

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint venture over the Group's share of the fair value of the identifiable net assets of the joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of the joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in joint ventures are derecognised when the Group loses joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in the Statements of Total Return.

Please refer to the paragraph "Investments in subsidiaries and joint ventures" for the accounting policy on investments in joint ventures in the separate financial statements of the Trust.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses (Note 2.13) in MIT's Statement of Financial Position. On disposal of investments in subsidiaries and joint ventures, the difference between the disposal proceeds and the carrying amounts of the investments are recognised in the Statement of Total Return.

2.8 Financial assets

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the statement of financial position date which are presented as non-current assets. Loans and receivables include "cash and cash equivalents" (Note 11), "trade and other receivables" (Note 12) and "other current assets" except for "prepayments" (Note 13) in the Statements of Financial Position.

These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently carried at amortised cost using the effective interest method.

The Group assesses at each statement of financial position date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the Statements of Total Return.

The impairment allowance is reduced through the Statements of Total Return in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.9 Borrowing costs

Borrowing costs are recognised in the Statements of Total Return using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the properties under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Investment properties and properties under development

Investment properties are properties that are held for long-term rental yields and/or for capital appreciation. Investment properties under development includes property that is being constructed or developed for future use as an investment property.

Investment properties are accounted for as non-current assets and are initially recognised at cost including transaction costs and borrowing costs and subsequently carried at fair value. Fair values are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuer at least once a year, on the highest-and best-use basis in accordance with the CIS. Changes in fair values are recognised in the Statements of Total Return.

Investment properties are subject to renovations or improvements at regular intervals. The costs of major renovations, improvements and initial direct costs incurred in negotiating and arranging operating leases are capitalised and the carrying amounts of the replaced components are written off to the Statements of Total Return. The costs of maintenance, repairs and minor improvements are charged to the Statements of Total Return when incurred.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is taken to the Statements of Total Return.

2.11 Cash and cash equivalents

For the purposes of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.12 Plant and equipment

(a) Measurement

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful life
Plant and equipment	3 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in the Statements of Total Return when the changes arise.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Plant and equipment (continued)

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense in the Statements of Total Return when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the Statements of Total Return.

2.13 Impairment of non-financial assets

Plant and equipment

Investments in subsidiaries and joint ventures

Plant and equipment and investments in subsidiaries and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the Statements of Total Return.

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount or if there is a change in the events that had given rise to the impairment since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in the Statements of Total Return, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in the Statements of Total Return.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial guarantees classified as insurance contracts

Corporate guarantees issued by MIT to banks for borrowings of its subsidiary and joint venture are financial guarantees as they require MIT to reimburse the banks if the subsidiary or joint venture fails to make principal or interest payment overdue in accordance with the terms of the borrowings. These financial guarantees are accounted for as insurance contracts. Provision is recognised based on MIT's estimate of the ultimate cost of settling all claims incurred but unpaid at the end of the reporting period. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract. Intra-group transactions are eliminated on consolidation.

2.15 Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statements of Total Return over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within twelve months after the statement of financial position date are presented as current borrowings in the Statement of Financial Position even though the original term was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the statement of financial position date and before the financial statements are authorised for issue. Other borrowings due to be settled more than twelve months after the statement of financial position date are presented as non-current borrowings in the Statement of Financial Position.

2.16 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

2.17 Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either (a) fair value hedge; or (b) cash flow hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in the Statements of Total Return when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in cash flows of the hedged items.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Derivative financial instruments and hedging activities (continued)

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged instrument is more than 12 months and as a current asset or liability if the remaining expected life of the hedged instrument is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

(a) Fair value hedge

The Group has entered into fixed to floating interest rate swaps that are fair value hedges for the fair value exposures to interest rate movements of its borrowings ("hedged item"). The fair value changes on the hedged item resulting from the fair value risk are recognised in Statements of Total Return. The fair value changes on the effective portion of interest rate swaps designated as fair value hedges are recognised in Statements of Total Return within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of interest rate swaps are recognised separately in Statements of Total Return.

(b) Cash flow hedge

(i) Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in the hedging reserve and transferred to the Statements of Total Return when the hedged interest expense on the borrowings is recognised in the Statements of Total Return. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in the Statements of Total Return.

(ii) Currency forwards

The Group has entered into currency forwards that qualify as cash flow hedges and are used to hedge the highly probable forecasted foreign currency dividend income receivable from the investment in joint venture. The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in the hedging reserve and transferred to the Statements of Total Return upon receipt of the dividend income.

The fair value changes on the ineffective portion of currency forwards are recognised immediately in the Statements of Total Return. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in hedging reserve are reclassified to Statements of Total Return immediately.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Derivative financial instruments and hedging activities (continued)

(c) Net investment hedge

The Group has foreign currency borrowings that qualify as net investment hedges of foreign operations. These hedging instruments are accounted for similarly to cash flow hedges. The currency translation differences on the borrowings relating to the effective portion of the hedge are accumulated in the foreign currency translation reserve and reclassified to the Statements of Total Return as part of the gain or loss on disposal of the foreign operation. The currency translation differences relating to the ineffective portion of the hedge are recognised immediately in the Statements of Total Return.

2.18 Fair value estimation of financial assets and liabilities

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each statement of financial position date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of currency forwards are based on valuations provided by the Group's banker. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.20 Leases

(a) When the Group is a lessee:

Leases of assets where substantially all risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in the Statements of Total Return on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(b) When the Group is a lessor:

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in the Statements of Total Return on a straight-line basis over the lease term.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of MIT.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognised in the Statements of Total Return, except for currency translation differences on the net investment hedges for foreign operations, borrowing in foreign currencies and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the foreign currency translation reserve within the Statement of Movements in Unitholders' Funds of the Group.

(c) Translation of Group entities' financial statements

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing rates at the date of the Statements of Financial Position;
- (ii) Income and expenses are translated at average exchange rates (unless the average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting exchange differences are taken to the foreign currency translation reserve within the Statements of Movements in Unitholders' Funds of the Group.

(d) Consolidation adjustments

On consolidation, currency translation differences arising from the net investment in foreign operations, borrowings in foreign currencies and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve. When a foreign operation is sold, such currency translation differences recorded in the foreign currency translation reserve are recognised in the Statements of Total Return as part of the gain or loss on sale.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Units and unit issuance expenses

Proceeds from the issuance of Units in MIT are recognised as Unitholders' funds. Incremental costs directly attributable to the issuance of new Units are deducted directly from the net assets attributable to the Unitholders.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Manager who is responsible for allocating resources and assessing performance of the operating segments.

2.24 Distribution policy

MIT's distribution policy is to distribute at least 90% of its adjusted taxable income, comprising substantially its income from the letting of its properties and related property services income after deduction of allowable expenses and allowances, as well as interest income from the placement of periodic cash surpluses in bank deposits. Distributions, when paid, will be in Singapore Dollars.

3. GROSS REVENUE

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Rental income	290,901	276,612	272,976	258,362
Service charges	46,895	45,484	46,058	44,723
Other operating income	25,434	18,469	24,792	18,295
	363,230	340,565	343,826	321,380

Gross revenue is generated by the Group's and MIT's investment properties.

Notes to the Financial Statements

For the financial year ended 31 March 2018

4. PROPERTY OPERATING EXPENSES

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Operation and maintenance	38,156	41,327	36,764	38,945
Property tax	26,932	23,972	25,915	23,097
Property and lease management fees	10,897	10,217	10,315	9,642
Marketing and legal expenses	7,189	5,748	5,659	5,067
Land rental expenses on operating leases	2,006	2,057	781	802
Other operating expenses	447	414	424	391
	85,627	83,735	79,858	77,944

All of the Group's and MIT's investment properties generate rental income and the above expenses are direct operating expenses arising from its investment properties.

5. INTEREST INCOME

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Interest income from:				
– loan to joint venture	919	–	919	–
– fixed deposits	14	29	5	21
– third parties	94	361	70	338
	1,027	390	994	359

6. INVESTMENT INCOME

	MIT	
	FY17/18 \$'000	FY16/17 \$'000
Distribution income from:		
– subsidiary	16,098	11,765
– joint venture	3,234	–
	19,332	11,765

Notes to the Financial Statements

For the financial year ended 31 March 2018

7. BORROWING COSTS

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Interest expense				
– Bank borrowings	16,034	14,850	16,034	14,850
– Medium term notes	14,029	10,904	–	–
– Loans from a subsidiary	–	–	14,029	10,904
	30,063	25,754	30,063	25,754
Financing fees	1,575	1,090	1,575	1,090
Cash flow hedges reclassified from hedging reserves	4,493	2,547	4,493	2,547
Finance income on interest rate swap treated as fair value hedge	(794)	(690)	(794)	(690)
Fair value losses on derivative financial instrument (Note 21)	65	65	65	65
Fair value adjustment on hedged item (Note 20)	(65)	(65)	(65)	(65)
	–	–	–	–
Less: Borrowing costs capitalised in investment properties under development [Note 14 (a)]	(1,282)	(1,376)	(1,282)	(1,376)
Borrowing costs recognised in Statement of Total Return	34,055	27,325	34,055	27,325

8. OTHER TRUST EXPENSES

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Listing expenses	813	802	813	802
Valuation fee	124	125	116	115
Audit fee	133	128	122	117
Other consultancy fees	252	285	244	279
	1,322	1,340	1,295	1,313

Notes to the Financial Statements

For the financial year ended 31 March 2018

9. INCOME TAX

(a) Income tax expense

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Tax expense attributable to profit is made up of:				
– Current income tax	32	*	32	–
Under provision in prior financial year				
– Current income tax	–	*	–	–
	32	*	32	–

* Amount less than \$1,000

The tax on total return before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Total return before tax	300,562	270,571	291,819	266,430
Share of joint venture	(21,776)	–	–	–
Total return before tax excluding share of joint venture	278,786	270,571	291,819	266,430
Tax calculated at a tax rate of 17% (FY16/17: 17%)	47,394	45,997	49,609	45,293
Effects of:				
– Expenses not deductible for tax purposes	1,178	1,019	1,067	950
– Income not subjected to tax due to tax transparency ruling (Note 2.5)	(37,410)	(35,076)	(39,125)	(34,983)
– Net fair value gain on investment properties and investment properties under development	(11,130)	(11,940)	(11,519)	(11,260)
– Under provision in prior financial year	–	*	–	–
	32	*	32	–

* Amount less than \$1,000

Notes to the Financial Statements

For the financial year ended 31 March 2018

9. INCOME TAX (CONTINUED)

(b) Current income tax liabilities

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Beginning of financial year	*	*	—	—
Tax expense	32	*	32	—
Under provision in prior financial year	—	*	—	—
Income tax paid	(*)	(*)	—	—
End of financial year	32	*	32	—

* Amount less than \$1,000

The income tax liabilities relate to taxable income of Mapletree Industrial Trust and Mapletree Industrial Trust Treasury Company Pte. Ltd..

10. EARNINGS PER UNIT

	Group	
	FY17/18	FY16/17
Total return attributable to Unitholders of the Group (\$'000)	300,530	270,571
Weighted average number of units outstanding during the year ('000)	1,836,442	1,801,588
Basic and diluted earnings per unit (cents per unit)	16.36	15.02

Diluted earnings per unit is the same as the basic earnings per unit as there were no dilutive instruments in issue during the financial year.

Notes to the Financial Statements

For the financial year ended 31 March 2018

11. CASH AND CASH EQUIVALENTS

	Group		MIT	
	31 March 2018 \$'000	31 March 2017 \$'000	31 March 2018 \$'000	31 March 2017 \$'000
Cash at bank	37,419	15,685	30,810	13,236
Short-term bank deposits	–	22,300	–	17,900
	37,419	37,985	30,810	31,136

There is no short-term bank deposit as at 31 March 2018. Short-term bank deposits as at 31 March 2017 have a weighted average maturity of approximately 1 month. The interest rates as at 31 March 2017 ranged from 0.40% to 0.64% per annum.

12. TRADE AND OTHER RECEIVABLES

	Group		MIT	
	31 March 2018 \$'000	31 March 2017 \$'000	31 March 2018 \$'000	31 March 2017 \$'000
Trade receivables				
– third parties	3,541	1,271	3,504	875
– subsidiary	–	–	7	–
Less: Allowance for impairment of receivables	–	–	–	–
Trade receivables – net	3,541	1,271	3,511	875
Interest receivable	–	2	–	*
Distribution receivable from:				
– a subsidiary	–	–	3,194	2,829
– joint venture	3,234	–	3,234	–
Other receivables				
– third parties	1,299	109	1,286	79
– related party	–	154	–	150
Accrued revenue				
– rental incentives	15,640	8,027	15,358	7,713
– others	684	658	661	651
	24,398	10,221	27,244	12,297

The other receivables due from a related party (non-trade) is unsecured, interest free and repayable on demand.

Notes to the Financial Statements

For the financial year ended 31 March 2018

13. OTHER CURRENT ASSETS

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Prepayments	1,552	1,145	893	410
Deposits	20	57	18	53
	1,572	1,202	911	463

14. INVESTMENT PROPERTIES AND INVESTMENT PROPERTIES UNDER DEVELOPMENT

(a) Investment properties and investment properties under development

	Group		MIT	
	Investment properties \$'000	Investment properties under development \$'000	Investment properties \$'000	Investment properties under development \$'000
31 March 2018				
Beginning of financial year	3,530,850	217,800	3,333,000	217,800
Additions during the year	17,524	94,256	17,587	94,256
Divestment during the year	(17,600)	—	—	—
Net transfers during the year	260,821	(260,821)	260,821	(260,821)
Net fair value gain	65,005	465	67,292	465
End of financial year	3,856,600	51,700	3,678,700	51,700
31 March 2017				
Beginning of financial year	3,338,350	219,500	3,144,500	219,500
Additions during the year	22,399	98,165	22,399	98,165
Net transfers during the year	134,742	(134,742)	134,742	(134,742)
Net fair value gain	35,359	34,877	31,359	34,877
End of financial year	3,530,850	217,800	3,333,000	217,800

Details of the properties are shown in the Portfolio Statement.

Investment properties are leased to both related and non-related parties under operating leases [Note 23(c)].

During the year, borrowing costs amounting to \$1,282,000 (FY16/17: \$1,376,000) have been capitalised in the investment properties under development (Note 7).

Notes to the Financial Statements

For the financial year ended 31 March 2018

14. INVESTMENT PROPERTIES AND INVESTMENT PROPERTIES UNDER DEVELOPMENT (CONTINUED)

(a) Investment properties and investment properties under development (continued)

Valuation processes of the Group

The Manager engaged an external, independent and qualified valuer to determine the fair value of the Group's properties at the end of every financial year based on the properties' highest and best use.

- At every financial year end, the Manager:
- verifies all major inputs to the independent valuation reports,
- assesses property valuation movements when compared to the prior year valuation reports; and
- holds discussion with the independent valuer.

(b) Fair value hierarchy

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

All properties within MIT and the Group's portfolio are classified within Level 3 of the fair value hierarchy.

(c) Reconciliation of Level 3 fair value measurements

The reconciliation between the balances at the beginning of the financial year is disclosed within the investment properties and investment properties under development movement table presented in Note 14(a).

Notes to the Financial Statements

For the financial year ended 31 March 2018

14. INVESTMENT PROPERTIES AND INVESTMENT PROPERTIES UNDER DEVELOPMENT (CONTINUED)

(d) Valuation techniques and key unobservable inputs

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties and investment properties under development categorised under Level 3 of the fair value hierarchy:

Property segment	Valuation technique(s)	Key unobservable inputs ^(#)	Range of unobservable inputs
Flatted Factories	Income capitalisation	Capitalisation rate	From 6.50% to 7.75% (31 March 2017: From 6.50% to 7.25%)
	Discounted cash flow	Discount rate	From 7.75% to 9.00% (31 March 2017: 8.00%)
Hi-Tech Buildings	Income capitalisation	Capitalisation rate	From 6.25% to 7.00% (31 March 2017: From 6.50% to 7.00%)
	Discounted cash flow	Discount rate	7.75% (31 March 2017: 8.00%)
	Residual land value	Gross development value	The same capitalisation rate and discount rate as disclosed for this property segment have been applied in determining the gross development value.
Business Park Buildings	Income capitalisation	Capitalisation rate	6.00% (31 March 2017: 6.00%)
	Discounted cash flow	Discount rate	7.50% (31 March 2017: 8.00%)
Stack-up/ Ramp-up Buildings	Income capitalisation	Capitalisation rate	6.50% (31 March 2017: 7.00%)
	Discounted cash flow	Discount rate	7.75% (31 March 2017: 8.00%)
Light Industrial Buildings	Income capitalisation	Capitalisation rate	6.50% to 7.00% (31 March 2017: From 6.50% to 6.75%)
	Discounted cash flow	Discount rate	7.75% (31 March 2017: 8.00%)

^(#) There were no significant inter-relationships between unobservable inputs.

Notes to the Financial Statements

For the financial year ended 31 March 2018

14. INVESTMENT PROPERTIES AND INVESTMENT PROPERTIES UNDER DEVELOPMENT (CONTINUED)

(d) Valuation techniques and key unobservable inputs (continued)

The fair values are generally derived using the following methods:

- Income capitalisation – Properties are valued by capitalising the net property income at an appropriate rate of return to arrive at the market value. The net property income is the estimated annual net rental income of the building at current rate after deducting all necessary outgoings and expenses. The adopted yield reflects the nature, location, tenure, tenancy profile of the property together with the prevailing property market condition.
- Discounted cash flow – Properties are valued by discounting the future net income stream over a period to arrive at a present value.
- Residual land value – Investment properties under development is valued, as a starting point using the Income Capitalisation method and Discounted Cash Flow method to derive the fair value of the property as if the development was already completed at statement of financial position date. Deductions from that fair value, such as estimated construction cost and other costs to completion and estimated profit margin required to hold and develop property to completion are made to reflect the current condition of the properties under development.

Equal weightage was applied to the Income Capitalisation method and Discounted Cash Flow method to derive at the valuation of investment properties. Where applicable, Direct Sale Comparison method was used as a check.

Significant reductions in the capitalisation rate and/or discount rate in isolation would result in a significantly higher fair value of the investment properties and investment properties under development.

The significant unobservable inputs correspond to:

- Discount rate, based on the risk-free rate for 10-year bonds issued by the government in Singapore, adjusted for a risk premium to reflect the increased risk of investing in the asset class.
- Capitalisation rate corresponds to a rate of return on investment properties based on the expected income that the property will generate.

The Manager is of the view that the valuation methods and estimates are reflective of the current market condition.

Notes to the Financial Statements

For the financial year ended 31 March 2018

15. PLANT AND EQUIPMENT

	Group and MIT	
	31 March 2018	31 March 2017
	\$'000	\$'000
Cost		
Beginning of financial year	32	30
Additions	91	2
End of financial year	123	32
Accumulated depreciation		
Beginning of financial year	29	28
Depreciation charge	10	1
End of financial year	39	29
Net book value		
End of financial year	84	3

16. INVESTMENTS IN SUBSIDIARIES

	MIT	
	31 March 2018	31 March 2017
	\$'000	\$'000
<i>Equity investments at cost</i>		
Beginning and end of financial year	*	*

* Amount less than \$1,000

Details of the subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of business/ incorporation	Equity interest held by MIT	
			31 March 2018	31 March 2017
			%	%
Mapletree Singapore Industrial Trust**	Property investment	Singapore	100	100
Mapletree Industrial Trust Treasury Company Pte. Ltd**	Provision of treasury services	Singapore	100	100

** Audited by PricewaterhouseCoopers LLP, Singapore

There are no significant restrictions on any of the Group's subsidiaries.

Notes to the Financial Statements

For the financial year ended 31 March 2018

17. LOAN TO A SUBSIDIARY

MIT has extended an interest-free loan to one of its subsidiaries, MSIT, amounting to \$166,594,000 (31 March 2017: \$179,794,000). This loan has no fixed terms of repayment and is intended to be a long-term source of additional funding for the subsidiary. Settlement of this loan is neither planned nor likely to occur in the foreseeable future.

As a result, the Manager considers this loan to be in substance part of the MIT's net investment in MSIT and has accounted for this loan in accordance with Note 2.7.

18. INVESTMENT IN A JOINT VENTURE

	MIT	
	31 March 2018 \$'000	31 March 2017 \$'000
Investment in a joint venture, at cost	166,158	–

On 24 October 2017, MIT formed a joint venture with Mapletree Investments Pte Ltd ("MIPL") to acquire 14 data centres in the United States of America through an unlisted single purpose trust, Mapletree Redwood Data Centre Trust ("MRDCT") for a purchase consideration of approximately US\$750.0 million (S\$1,020.0 million). The acquisition was completed on 20 December 2017. Under the joint venture agreement, MIPL holds 60.0% interest in MRDCT while MIT holds the remaining interest. The investment is deemed to be a joint venture of the Group as the relevant activities of the investment are decided by unanimous consent resulting in joint control over the investment.

There are no contingent liabilities relating to the Group's interest in the joint venture. During the financial year, MIT issued corporate guarantees to the banks for borrowings of MRDCT (Note 24 (b)).

Details of the joint venture are as follows:

Name of joint venture	Principal activity	Country of business/ incorporation	Equity interest held by MIT and the Group	
			31 March 2018 %	31 March 2017 %
Mapletree Redwood Data Centre Trust	Property investment	Singapore	40	–

Notes to the Financial Statements

For the financial year ended 31 March 2018

18. INVESTMENT IN A JOINT VENTURE (CONTINUED)

Summarised financial information for joint venture

Set out below is the summarised financial information for MRDCT.

Summarised balance sheet

	MRDCT 31 March 2018 \$'000
Assets and liabilities	
Non-current assets	
Investment properties	1,032,827
Other non-current assets	1,315
Current assets	
Cash and cash equivalents	18,830
Other current assets	4,086
Total assets	1,057,058
Current liabilities	22,723
Non-current liabilities	
Borrowings	591,167
Other non-current liabilities	606
Total liabilities	614,496
Net assets	442,562

Summarised statement of comprehensive income

	Period from 20 December 2017 to 31 March 2018 \$'000
Gross revenue	26,292
Property operating expenses	(7,538)
Interest expense	(5,286)
Net fair value gain of investment properties	44,689
Total return for the year before income tax	58,157
Income tax expense	(3,716)
Total return for the year after income tax	54,441
Other comprehensive income	(8,857)
Total comprehensive income	45,584
Dividends receivable from joint venture	3,234

Notes to the Financial Statements

For the financial year ended 31 March 2018

18. INVESTMENT IN A JOINT VENTURE (CONTINUED)

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint venture.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint venture, is as follows:-

	MRDCT 31 March 2018 \$'000
Net assets	
Beginning of financial year	–
Equity investment at cost	405,063
Total return excluding the net change in investment properties	9,752
Net change in fair value of investment properties held by joint venture	44,689
Hedging reserve	1,315
Dividend payable	(8,085)
Foreign exchange differences	(10,172)
End of financial year	442,562
	Group 31 March 2018 \$'000
Interest in joint venture (40%)	177,025
Acquisition cost	4,133
Carrying value	181,158

Notes to the Financial Statements

For the financial year ended 31 March 2018

19. TRADE AND OTHER PAYABLES

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Current				
Trade payables				
– third parties	6,818	2,125	6,816	2,124
– related parties	3,751	1,992	3,517	1,862
Accrued operating expenses	28,979	28,526	27,490	26,358
Accrued retention sum	11,293	10,521	11,293	10,521
Accrued development cost	16,243	25,026	16,243	24,963
Tenancy related deposits	22,966	30,534	22,543	29,230
Rental received/billed in advance	4,563	2,226	2,754	468
Net GST payable	2,070	1,964	1,838	1,719
Interest payable	5,512	4,892	3,995	3,375
Interest payable to a subsidiary	–	–	1,517	1,517
Other payables	913	939	909	762
	103,108	108,745	98,915	102,899
Non-current				
Tenancy related deposits	51,403	46,143	50,765	45,723
	154,511	154,888	149,680	148,622

20. BORROWINGS AND LOANS FROM A SUBSIDIARY

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Current				
<i>Borrowings</i>				
Bank loans	60,000	115,000	60,000	115,000
Transaction cost to be amortised	(15)	(14)	(15)	(14)
	59,985	114,986	59,985	114,986
Medium term note	125,000	–	–	–
Transaction cost to be amortised	(58)	–	–	–
	124,942	–	–	–
	184,927	114,986	59,985	114,986
<i>Loan from a subsidiary</i>				
Loan from a subsidiary	–	–	125,000	–
Transaction cost to be amortised	–	–	(58)	–
	–	–	124,942	–
	184,927	114,986	184,927	114,986

Notes to the Financial Statements

For the financial year ended 31 March 2018

20. BORROWINGS AND LOANS FROM A SUBSIDIARY (CONTINUED)

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Non-current				
<i>Borrowings</i>				
Bank loans	754,838	587,880	754,838	587,880
Transaction cost to be amortised	(1,075)	(677)	(1,075)	(677)
	753,763	587,203	753,763	587,203
Medium term note	280,000	405,000	–	–
Change in fair value of hedged item (Note 7)	(65)	(65)	–	–
Transaction cost to be amortised	(508)	(713)	–	–
	279,427	404,222	–	–
	1,033,190	991,425	753,763	587,203
<i>Loans from a subsidiary</i>				
Loans from a subsidiary	–	–	280,000	405,000
Change in fair value of hedged item (Note 7)	–	–	(65)	(65)
Transaction cost to be amortised	–	–	(508)	(713)
	–	–	279,427	404,222
	–	–	1,033,190	991,425
	1,218,117	1,106,411	1,218,117	1,106,411

The above loans and notes are unsecured and, except for loans from a subsidiary, are subject to negative pledge on certain investment properties.

(a) Maturity of borrowings

The current bank loans mature in 6 months (31 March 2017: 1 to 6 months) from the end of the financial year. The current medium term note and loan from a subsidiary mature in 2019 (31 March 2017: nil).

The non-current bank loans, medium term notes and loans from a subsidiary mature between 2019 and 2026 (31 March 2017: between 2018 and 2026).

Notes to the Financial Statements

For the financial year ended 31 March 2018

20. BORROWINGS AND LOANS FROM A SUBSIDIARY (CONTINUED)

(b) Weighted average interest rates

The weighted average all-in interest rates of total borrowings, including interest rate swaps as at the statement of financial position date were as follows:

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Bank loans (current)	3.01%	2.07%	3.01%	2.07%
Bank loans (non-current)	2.85%	2.74%	2.85%	2.74%
Medium term notes (current)	3.75%	–	–	–
Medium term notes (non-current)	3.08%	3.26%	–	–
Loans from a subsidiary (current)	–	–	3.75%	–
Loans from a subsidiary (non-current)	–	–	3.08%	3.26%

(c) Medium term notes

In March 2012, the Group established a \$1,000,000,000 Multicurrency Medium Term Note Programme ("MTN Programme"), via a subsidiary, MITTC. Under the MTN Programme, MITTC may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in series in Singapore Dollars or any other currency ("MTN").

Each series of notes may be issued in various amounts and tenors, and may bear fixed, floating or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the MTN Programme.

The MTN shall constitute direct, unconditional, unsecured and unsubordinated obligations of MITTC ranking *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future unsecured obligations of MITTC. All sums payable in respect of the notes will be unconditionally and irrevocably guaranteed by DBS Trustee Limited, in its capacity as Trustee of MIT.

Total notes outstanding as at 31 March 2018 under the MTN Programme is \$405.0 million (31 March 2017: \$405.0 million), consisting of:

- (i) \$125.0 million (31 March 2017: \$125.0 million) Fixed Rate Notes due 2019. The MTN will mature on 8 March 2019 and bears an interest of 3.75% per annum payable semi-annually in arrears;
- (ii) \$45.0 million (31 March 2017: \$45.0 million) Fixed Rate Notes due 2022. The MTN will mature on 7 September 2022 and bears an interest of 3.65% per annum payable semi-annually in arrears;
- (iii) \$75.0 million (31 March 2017: \$75.0 million) Fixed Rate Notes due 2023. The MTN will mature on 11 May 2023 and bears an interest of 3.02% per annum payable semi-annually in arrears;
- (iv) \$60.0 million (31 March 2017: \$60.0 million) Fixed Rate Notes due 2026. The MTN will mature on 2 March 2026 and bears an interest of 3.79% per annum payable semi-annually in arrears; and
- (v) \$100.0 million (31 March 2017: \$100.0 million) Fixed Rate Notes due 2024. The MTN will mature on 28 March 2024 and bears an interest of 3.16% per annum payable semi-annually in arrears.

Notes to the Financial Statements

For the financial year ended 31 March 2018

20. BORROWINGS AND LOANS FROM A SUBSIDIARY (CONTINUED)

(d) Loans from a subsidiary

MITTC has on-lent the proceeds from the issuance of the above MTN to MIT, who has in turn used these proceeds to refinance its borrowings.

These loans are unsecured and repayable in full; consisting of:

- (i) \$125.0 million (31 March 2017: \$125.0 million) maturing on 8 March 2019 and bears an interest of 3.75% per annum payable semi-annually in arrears;
- (ii) \$45.0 million (31 March 2017: \$45.0 million) maturing on 7 September 2022 and bears an interest of 3.65% per annum payable semi-annually in arrears;
- (iii) \$75.0 million (31 March 2017: \$75.0 million) maturing on 11 May 2023 and bears an interest of 3.02% per annum payable semi-annually in arrears;
- (iv) \$60.0 million (31 March 2017: \$60.0 million) maturing on 2 March 2026 and bears an interest of 3.79% per annum payable semi-annually in arrears; and
- (v) \$100.0 million (31 March 2017: \$100.0 million) maturing on 28 March 2024 and bears an interest of 3.16% per annum payable semi-annually in arrears.

(e) Carrying amount and fair value

The carrying amounts of the borrowings approximate their fair values, except for the following fixed-rate non-current borrowings:

	Carrying amounts		Fair values	
	31 March 2018 \$'000	31 March 2017 \$'000	31 March 2018 \$'000	31 March 2017 \$'000
Group				
Bank loans (non-current)	100,000	100,000	98,381	100,054
Medium term notes (non-current)	280,000	405,000	283,285	414,481
MIT				
Bank loans (non-current)	100,000	100,000	98,381	100,054
Loans from a subsidiary (non-current)	280,000	405,000	283,285	414,481

The fair values above are determined from the cash flow analysis, discounted at the following market borrowing rates of an equivalent instrument at the statement of financial position date at which the Manager expects to be available to the Group:

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Bank loans (non-current)	3.2%	3.2%	3.2%	3.2%
Medium term notes (non-current)	3.1%	2.7%	–	–
Loans from a subsidiary (non-current)	–	–	3.1%	2.7%

The fair values are within Level 2 of the fair value hierarchy.

Notes to the Financial Statements

For the financial year ended 31 March 2018

20. BORROWINGS AND LOANS FROM A SUBSIDIARY (CONTINUED)

(f) Interest rate risks

The exposure of the borrowings of the Group and MIT to interest rate changes and the contractual repricing dates at the statement of financial position dates after taking into account interest rate swaps as follows:

	Group and MIT	
	31 March 2018 \$'000	31 March 2017 \$'000
6 months or less	181,631	277,880

21. DERIVATIVE FINANCIAL INSTRUMENTS

		Group and MIT		
	Maturity	Contract notional amount \$'000	Fair value assets \$'000	Fair value liabilities \$'000
31 March 2018				
<i>Fair value hedges</i>				
– Interest rate swaps	2023	75,000	–	65
<i>Cash flow hedges</i>				
– Interest rate swaps	2018 – 2021	608,207	1,375	1,523
– Currency forwards	2018 – 2019	2,618	14	–
Total		685,825	1,389	1,588
Less: Current portion			(14)	(242)
Non-current portion			1,375	1,346
31 March 2017				
<i>Fair value hedges</i>				
– Interest rate swaps	2023	75,000	–	65
<i>Cash flow hedges</i>				
– Interest rate swaps	2018 – 2021	400,000	–	3,908
Total		475,000	–	3,973
Less: Current portion			–	–
Non-current portion			–	3,973

Period when the cash flows on cash flow hedges are expected to occur or affect the Statements of Total Return

The Group has entered into interest rate swap transactions to hedge interest payments on the Group's floating rate borrowings. Fair value gains and losses on these interest rate swaps recognised in the hedging reserve are transferred to the Statements of Total Return as part of interest expense over the period of the borrowings.

MIT has entered into currency forwards to hedge quarterly dividend income receivable in foreign currency back into Singapore Dollars. The fair value changes on the currency forwards are recognised in the hedging reserve and transferred to the Statement of Total Return upon receipt of the dividend income.

Notes to the Financial Statements

For the financial year ended 31 March 2018

22. UNITS IN ISSUE

	Group and MIT	
	31 March 2018	31 March 2017
	'000	'000
Units at beginning of financial year	1,802,160	1,800,932
Units issued as settlement of manager's management fees [Note 22(a)]	1,090	1,228
Units issued due to private placement [Note 22(b)]	81,968	–
Units at end of the financial year	1,885,218	1,802,160

During the financial year, MIT issued the following units:

- (a) 1,089,433 (FY16/17: 1,228,669) new Units at the issue prices ranging from \$1.7406 to \$2.0365 (FY16/17: \$1.5938 to \$1.7472) per unit, as part payment of the base management fees to the Manager in units. The issue prices were determined based on the volume weighted average traded price for a unit for all trades done on SGX-ST in the ordinary course of trading for the last 10 business days of the relevant period in which the management fees accrues.
- (b) 81,968,000 new Units at \$1.90 each pursuant to the private placement exercise (FY16/17: nil).

Each unit in MIT represents an undivided interest in MIT. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of MIT by receiving a share of all net cash proceeds derived from the realisation of the assets of MIT less any liabilities, in accordance with their proportionate interests in MIT. However, a Unitholder does not have the right to require that any assets (or part thereof) of MIT be transferred to him; and
- Attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or Unitholders representing not less than 10.0% of the issued units of MIT) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of MIT in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in MIT. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of MIT exceed its assets.

Notes to the Financial Statements

For the financial year ended 31 March 2018

23. COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the statement of financial position date but not recognised in the financial statements are as follows:

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Capital expenditure contracted on investment properties and investment properties under development	63,284	113,422	62,108	113,156

(b) Operating lease commitments – where the Group is a lessee

The Group leases land from non-related parties under non-cancellable operating lease agreements. The future minimum lease payables under such non-cancellable operating leases contracted for at the statement of financial position date but not recognised as liabilities, are as follows:

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Not later than one year	2,447	2,512	1,025	1,036
Between two and five years	9,675	9,570	4,003	4,071
Later than five years	37,981	34,433	24,268	25,557
	50,103	46,515	29,296	30,664

The operating leases are subjected to revision of land rents at periodic intervals. For the purpose of the above disclosure, the prevailing land rent rates are used.

(c) Operating lease commitments – where the Group is a lessor

The Group and MIT lease out investment properties to related and non-related parties under non-cancellable operating leases. The future minimum lease receivables under such non-cancellable operating leases contracted for at the statement of financial position date but not recognised as receivables, are analysed as follows:

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Not later than one year	325,486	308,264	308,622	292,356
Between two and five years	642,268	572,176	574,756	520,673
Later than five years	442,879	457,082	391,031	418,062
	1,410,633	1,337,522	1,274,409	1,231,091

Notes to the Financial Statements

For the financial year ended 31 March 2018

24. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk in the normal course of its business.

Risk management is carried out under policies approved by the Manager. The Manager provides written principles for overall risk management as well as written policies covering specific areas, such as currency risk, interest rate risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

(a) Market risk

(i) Currency risk

The Manager's investment strategy includes investing in real-estate related assets used primarily as data centres worldwide beyond Singapore. In order to manage the currency risk involved in investing in assets outside Singapore, the Manager adopts currency risk management strategies that may include:

- The use of foreign currency denominated borrowings to match the currency of the asset management as a natural currency hedge. Borrowings designated and qualified as hedges of net investments in the Group's joint venture have a carrying amount of \$158,628,685 as at 31 March 2018. The fair values of the borrowings approximate their carrying values except for the fixed-rate non-current borrowings disclosed in Note 20 (e).
- Entering into currency forwards to hedge the foreign currency income to be received from the offshore assets, back into Singapore Dollars.

The Group's main currency exposure based on the information provided to key management is as follows (SGD equivalent):

Group and MIT

	USD \$'000
31 March 2018	
Financial assets	
Cash and cash equivalents	9
Dividend receivable from joint venture	3,234
	<u>3,243</u>
Financial liabilities	
Borrowings	(159,393)
Interest payable	(332)
	<u>(159,725)</u>
Net financial liabilities	(156,482)
Add: Non-financial assets	
Investment in a joint venture	177,025
Net assets	20,543
Less: Notional amount of currency forwards	(2,618)
Currency profile including non-financial assets and liabilities	<u>17,925</u>
Currency exposure of net financial assets less borrowings designated as net investment hedge	<u>2,147</u>

Notes to the Financial Statements

For the financial year ended 31 March 2018

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group was not exposed to currency risk as at 31 March 2017 as the financial assets and liabilities were denominated in SGD.

Sensitivity analysis

The Group and MIT's main foreign currency exposure is in USD. As at 31 March 2018, if the USD increase/decrease by 5% against SGD, with all other variables including tax being constant, the Group and MIT's total return would have been lower/higher by \$107,350 and the Group's other comprehensive income would have been lower/higher by \$7,300.

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group is exposed to interest rate risk on borrowings. The Group manages the risk by maintaining an appropriate mix of fixed and floating rate interest-bearing liabilities. This is achieved using fixed rate borrowings and interest rate swaps.

Sensitivity analysis

The Group and MIT's borrowings at variable rates on which effective hedges have not been entered into are denominated in SGD. As at 31 March 2018, if the SGD interest rates increase/decrease by 0.5% (31 March 2017: 0.5%) with all other variables including tax rate being held constant, the Group's total return would have been lower/higher by \$908,000 (31 March 2017: \$1,389,000) and the hedging reserve attributable to Unitholders would have been higher/lower by \$5,017,000 (31 March 2017: \$5,307,000).

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and MIT are cash and bank deposits and trade receivables. Cash and short-term bank deposits are placed with financial institutions which are regulated. For trade receivables, the Group adopts the policy of dealing with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing with counterparties of acceptable credit quality.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the Statements of Financial Position, except as follows:

	Group and MIT	
	31 March 2018	31 March 2017
	\$'000	\$'000
Corporate guarantees provided for borrowings of joint venture	238,445	–

Notes to the Financial Statements

For the financial year ended 31 March 2018

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group. Bank deposits that are neither past due nor impaired are mainly deposits with banks with acceptable credit-ratings assigned by international credit rating agencies.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group		MIT	
	31 March 2018 \$'000	31 March 2017 \$'000	31 March 2018 \$'000	31 March 2017 \$'000
Past due < 3 months	1,276	1,226	1,247	843
Past due 3 to 6 months	71	24	71	20
Past due over 6 months	14	21	13	12
	1,361	1,271	1,331	875

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group and MIT	
	31 March 2018 \$'000	31 March 2017 \$'000
Gross amount	–	–
Less: Allowance for impairment	–	–
	–	–
Beginning of financial year	–	(14)
Allowance reversed	–	12
Allowance utilised	–	2
End of financial year	–	–

The Manager believes that no additional allowance is necessary in respect of the remaining trade receivables as these receivables are mainly from tenants with good records with sufficient security in the form of bankers' guarantees, insurance bonds, or cash security deposits as collaterals.

Notes to the Financial Statements

For the financial year ended 31 March 2018

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

The Group and MIT adopt prudent liquidity risk management by maintaining sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

The table below analyses the maturity profile of the non-derivative financial liabilities of the Group and MIT based on contractual undiscounted cash flows prospectively for the next 5 years. Where it relates to a variable amount payable, the amount is determined by taking reference to the last contracted rate.

Group

	Less than 1 year \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000
At 31 March 2018			
Trade and other payables	90,963	50,502	901
Borrowings	185,000	799,838	235,000
Accrued interest and interest payable	37,174	71,125	10,066
	313,137	921,465	245,967
At 31 March 2017			
Trade and other payables	101,627	45,604	539
Borrowings	115,000	712,880	280,000
Accrued interest and interest payable	31,469	67,442	18,489
	248,096	825,926	299,028

MIT

At 31 March 2018			
Trade and other payables	88,812	49,863	901
Borrowings	60,000	754,838	–
Loans from a subsidiary	125,000	45,000	235,000
Accrued interest and interest payable	37,174	71,125	10,066
	310,986	920,826	245,967
At 31 March 2017			
Trade and other payables	97,539	45,322	401
Borrowings	115,000	587,880	–
Loans from a subsidiary	–	125,000	280,000
Accrued interest and interest payable	31,469	67,442	18,489
	244,008	825,644	298,890

Notes to the Financial Statements

For the financial year ended 31 March 2018

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

The table below analyses the Group's and MIT's derivative financial instruments for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying balances as the impact of discounting is not significant.

	Group and MIT		
	Less than 1 year \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000
At 31 March 2018			
Net-settled interest rate swaps – fair value and cash flow hedges			
– Net payments	(3,697)	(1,793)	84
Gross-settled currency forwards			
– Receipts	2,358	260	–
– Payments	(2,373)	(264)	–
	<u>(3,712)</u>	<u>(1,797)</u>	<u>84</u>
At 31 March 2017			
Net-settled interest rate swaps – fair value and cash flow hedges			
– Net payments	(3,776)	(4,481)	943

(d) Capital risk

The Manager's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the CIS to fund future acquisitions and asset enhancement works. To maintain or achieve an optimal capital structure, the Manager may issue new units or source additional borrowing from both financial institutions and capital markets.

The Group is subject to the aggregate leverage limit as defined in Appendix 6 of the CIS ("Property Funds Appendix"). The Property Funds Appendix stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 45% of its Deposited Property.

The Group has an aggregate leverage ratio of 33.1% (31 March 2017: 29.2%) at the statement of financial position date.

In accordance with Property Funds Appendix, the aggregate leverage ratio includes MIT's proportionate share of its joint venture's borrowings and deposited property values.

The Group and MIT are in compliance with the borrowing limit requirements imposed by the CIS and all externally imposed capital requirements for the financial years ended 31 March 2018 and 31 March 2017.

Notes to the Financial Statements

For the financial year ended 31 March 2018

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements

FRS 107 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The fair values of currency forwards are based on valuations provided by the Group's banker. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair value of the derivative financial instruments are presented below:

	Group and MIT	
	31 March 2018	31 March 2017
	\$'000	\$'000
Level 2		
Assets		
Derivative financial instruments		
– Interest rate swaps	1,375	–
– Currency forwards	14	–
	1,389	–
Liabilities		
Derivative financial instruments		
– Interest rate swaps	1,588	3,973

The carrying amount of trade and other receivables, other current assets and trade and other payables approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The carrying value of borrowings approximate its fair value except for fixed rate non-current borrowings as disclosed in Note 20(e).

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the Statements of Financial Position and in Note 21 except for the following:

	Group		MIT	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	\$'000	\$'000	\$'000	\$'000
Loans and receivables	61,837	48,263	58,072	43,486
Financial liabilities at amortised cost	1,365,995	1,259,073	1,363,205	1,254,565

Notes to the Financial Statements

For the financial year ended 31 March 2018

25. IMMEDIATE, INTERMEDIATE AND ULTIMATE HOLDING COMPANIES

For financial reporting purposes under FRS 110 Consolidated Financial Statements (effective for annual periods beginning on or after 1 January 2014), the Group is regarded as a subsidiary of Mapletree Investments Pte Ltd. The immediate, intermediate and ultimate holding companies are Mapletree Dextra Pte Ltd, Mapletree Investments Pte Ltd and Temasek Holdings (Private) Limited respectively. The immediate, intermediate and ultimate holding companies are incorporated in Singapore.

26. RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group when the Group has the ability, directly or indirectly to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals and entities. The Manager and the Property Manager are indirect wholly-owned subsidiaries of the intermediate holding company.

During the financial year, in addition to the information disclosed elsewhere in the financial statements, the following related party transactions took place at terms agreed between the parties as follows:

	Group		MIT	
	FY17/18 \$'000	FY16/17 \$'000	FY17/18 \$'000	FY16/17 \$'000
Acquisition fees paid/payable to the Manager	4,040	–	4,040	–
Divestment fees paid/payable to the Manager	88	–	–	–
Property and lease management fees paid/ payable (including reimbursable expenses) to the Property Manager	15,736	14,379	14,902	13,522
Marketing commission paid/payable to the Property Manager	5,821	4,901	5,278	4,741
Development management fees paid/payable to the Manager	2,935	2,310	2,935	2,310
Project management fees paid/payable to the Property Manager	1,643	705	1,643	705
Interest expense and financing fees paid/ payable to a related party	5,735	6,627	5,735	6,627
Other products and service fees paid/payable to related parties	8,037	7,412	7,974	7,345
Rental and other related income received/ receivable from related parties	15,336	5,930	2,797	2,890
Interest income received/receivable from a related party	–	1	–	1
Subscription of MIT's units by a related party	9,500	–	9,500	–

Notes to the Financial Statements

For the financial year ended 31 March 2018

27. FINANCIAL RATIOS

	Group	
	FY17/18	FY16/17
Ratio of expenses to weighted average net assets ¹		
– including performance component of asset management fee	1.19%	1.19%
– excluding performance component of asset management fee	0.81%	0.82%
Portfolio Turnover Ratio ²	–	–

¹ The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore dated 25 May 2005. The expenses used in the computation relate to expenses of the Group, excluding property expenses, borrowing costs and income tax expense.

² In accordance with the formulae stated in the CIS, the ratio reflects the number of times per year that a dollar of assets is reinvested. The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

28. SEGMENT INFORMATION

The operating segments have been determined based on the reports reviewed by the Chief Executive Officer, Chief Financial Officer and Head of Asset Management in making strategic decisions.

The Manager considers the business from a business segment perspective; managing and monitoring the business based on property types.

The Manager assesses the performance of the operating segments based on a measure of Net Property Income ("NPI"). Interest income and borrowing costs are not allocated to segments, as the treasury activities are centrally managed by the Group. In addition, the Manager monitors the non-financial assets as well as financial assets directly attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment.

Notes to the Financial Statements

For the financial year ended 31 March 2018

28. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Manager for the reportable segments for year ended 31 March 2018 is as follows:

	Flatted Factories \$'000	Hi-Tech Buildings \$'000	Business Park Buildings \$'000	Stack-up/ Ramp-up Buildings \$'000	Light Industrial Buildings \$'000	Total \$'000
Gross revenue	159,065	99,771	52,411	44,697	7,286	363,230
Net property income	122,232	77,247	37,101	35,975	5,048	277,603
Interest income						1,027
Borrowing costs						(34,055)
Manager's management fees						(29,209)
Trustee's fees						(546)
Other trust expenses						(1,322)
Net foreign exchange gain						18
Net income						213,516
Net fair value gain/(loss) on investment properties and investment properties under development	17,407	35,964	2,943	12,256	(3,100)	65,470
Share of joint venture	–	21,776	–	–	–	21,776
Loss on divestment of investment property	–	–	–	–	(200)	(200)
Total return for the year before income tax						300,562
Income tax expense						(32)
Total return for the year after income tax before distribution						300,530
Segment assets						
– Investment properties	1,580,200	1,163,900	570,000	467,000	75,500	3,856,600*
– Investment properties under development	–	51,700	–	–	–	51,700*
– Investment in a joint venture	–	181,158	–	–	–	181,158
– Trade receivables	2,921	49	27	310	234	3,541
						4,092,999
Unallocated assets						
– Cash and cash equivalents						37,419
– Other receivables						20,857
– Other current assets						1,572
– Derivative financial instruments						1,389
– Plant and equipment						84
Consolidated total assets						4,154,320
Segment liabilities	42,214	13,421	10,527	11,073	1,709	78,944
Unallocated liabilities						
– Trade and other payables						75,567
– Borrowings						1,218,117
– Derivative financial instruments						1,588
– Current income tax liabilities						32
Consolidated total liabilities						1,374,248

* Include net fair value gain on properties of \$65.5 million and additions of \$111.8 million during the year.

Notes to the Financial Statements

For the financial year ended 31 March 2018

28. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Manager for the reportable segments for year ended 31 March 2017 is as follows:

	Flatted Factories \$'000	Hi-Tech Buildings \$'000	Business Park Buildings \$'000	Stack-up/ Ramp-up Buildings \$'000	Light Industrial Buildings \$'000	Total \$'000
Gross revenue	161,195	73,690	53,485	44,389	7,806	340,565
Net property income	122,439	55,878	37,955	35,704	4,854	256,830
Interest income						390
Borrowing costs						(27,325)
Manager's management fees						(27,699)
Trustee's fees						(521)
Other trust expenses						(1,340)
Net income						200,335
Net fair value (loss)/gain on investment properties and investment properties under development	(5,551)	71,487	1,304	2,996	–	70,236
Total return for the year before income tax						270,571
Income tax expense						(*)
Total return for the year after income tax before distribution						270,571
Segment assets						
– Investment properties	1,553,500	859,450	566,800	454,900	96,200	3,530,850**
– Investment properties under development	–	217,800	–	–	–	217,800**
– Trade receivables	517	329	13	91	321	1,271
						3,749,921
Unallocated assets						
– Cash and cash equivalents						37,985
– Other receivables						8,950
– Other current assets						1,202
– Plant and equipment						3
Consolidated total assets						3,798,061
Segment liabilities	41,958	12,413	10,900	11,312	2,320	78,903
Unallocated liabilities						
– Trade and other payables						75,985
– Borrowings						1,106,411
– Derivative financial instruments						3,973
– Current income tax liabilities						*
Consolidated total liabilities						1,265,272

* Amount less than \$1,000

** Include net fair value gain on properties of \$70.2 million and additions of \$120.6 million for the financial year ended 31 March 2017.

Notes to the Financial Statements

For the financial year ended 31 March 2018

29. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2018 or later periods and which the Group had not early adopted:

- **FRS 109 *Financial Instruments*** (effective for annual periods beginning on or after 1 January 2018)

FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI (FVOCI). Gains and losses realised on the sale of financial assets at FVOCI are not transferred to profit or loss on sale but reclassified from FVOCI reserve to retained profits.

Under FRS 109, there are no changes to the classification and measurement requirements for financial liabilities except for recognition of fair value changes arising from changes in own credit risk. For liabilities designated at fair value through profit or loss, such changes are recognized in OCI.

FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management uses for risk management purposes.

There is also now a new expected credit losses impairment model that replaces the incurred loss impairment model used in FRS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through OCI, contract assets under FRS 115 *Revenue from Contracts with Customers*, lease receivables, loan commitments and certain financial guarantee contracts.

The new standard also introduces expanded disclosure requirements and changes in presentation.

The Group plans to adopt the new FRS retrospectively from 1 April 2018 in line with the transition provisions permitted under the standard. Comparatives for the financial year ended 31 March 2018 will not be restated and the Group will recognise any difference between the carrying amounts as at 31 March 2018 and 1 April 2018 in the Statements of Movements in Unitholders' Funds.

The following financial assets will be subject to the expected credit losses impairment under FRS 109:

- Trade receivables;
- Other receivables and amounts due from related parties

The Group does not expect a material impact on the provision for impairment of the above financial assets.

Notes to the Financial Statements

For the financial year ended 31 March 2018

29. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

- **FRS 115 Revenue from contracts with customers** (effective for annual periods beginning on or after 1 January 2018)

FRS 115 replaces FRS11 *Construction Contracts*, FRS 18 *Revenue* and related interpretations.

Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group does not anticipate that the adoption of this new FRS would have a material impact on the Group's financial statements.

- **FRS 116 Leases** (effective for annual periods beginning on or after 1 January 2019)

FRS 116 will result in almost all leases being recognised 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. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

The new standard also introduces expanded disclosure requirements and changes in presentation.

The Group plans to adopt the new standard retrospectively on 1 April 2019 and in line with the transition provisions permitted under the standard, the cumulative effect of initial application will be recognized as an adjustment to the opening unitholders' funds as at 1 April 2019.

The Group is in the process of determining the extent to which its commitments as at the reporting date will result in the recognition of an asset and a liability for future payments and how this will affect the Group's total return and classification of cash flows.

Notes to the Financial Statements

For the financial year ended 31 March 2018

30. EVENTS OCCURRING AFTER STATEMENT OF FINANCIAL POSITION DATE

Subsequent to the statement of financial position date, the Manager announced a distribution of 2.95 cents per unit for the period from 1 January 2018 to 31 March 2018.

31. AUTHORISATION OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Manager and the Trustee on 23 April 2018.

Statistics of Unitholdings

As at 31 May 2018

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	511	1.92	23,178	0.00
100 – 1,000	6,733	25.35	6,377,206	0.34
1,001 – 10,000	15,734	59.23	60,089,011	3.19
10,001 – 1,000,000	3,557	13.39	148,315,283	7.86
1,000,001 and above	28	0.11	1,670,803,839	88.61
Total	26,563	100.00	1,885,608,517	100.00

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	26,036	98.02	1,872,205,387	99.29
Malaysia	361	1.36	9,692,705	0.51
Others	166	0.62	3,710,425	0.20
Total	26,563	100.00	1,885,608,517	100.00

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1.	Mapletree Dextra Pte. Ltd.	608,398,214	32.26
2.	Citibank Nominees Singapore Pte Ltd	327,548,935	17.37
3.	DBS Nominees (Private) Limited	253,211,471	13.43
4.	HSBC (Singapore) Nominees Pte Ltd	196,760,192	10.43
5.	DBSN Services Pte. Ltd.	108,292,886	5.74
6.	Raffles Nominees (Pte.) Limited	86,182,377	4.57
7.	United Overseas Bank Nominees (Private) Limited	19,416,292	1.03
8.	DB Nominees (Singapore) Pte Ltd	13,500,267	0.72
9.	Mapletree Industrial Trust Management Ltd.	10,217,940	0.54
10.	DBS Vickers Securities (Singapore) Pte Ltd	8,271,847	0.44
11.	BNP Paribas Nominees Singapore Pte Ltd	4,566,982	0.24
12.	ABN AMRO Clearing Bank N.V.	3,380,741	0.18
13.	OCBC Nominees Singapore Private Limited	3,124,805	0.17
14.	Citigroup Global Markets Singapore Securities Pte. Ltd.	3,039,512	0.16
15.	UOB Kay Hian Private Limited	3,033,529	0.16
16.	OCBC Securities Private Limited	2,573,219	0.14
17.	Societe Generale, Singapore Branch	2,473,213	0.13
18.	Lau Sam Siong	2,173,000	0.12
19.	BPSS Nominees Singapore (Pte.) Ltd.	2,061,893	0.11
20.	Phillip Securities Pte Ltd	1,833,303	0.10
	Total	1,660,060,618	88.04

Statistics of Unitholdings

As at 31 May 2018

SUBSTANTIAL UNITHOLDERS AS AT 31 MAY 2018

No.	Name of Company	Direct Interest	Deemed Interest	% of Total Issued Capital
1.	Temasek Holdings (Private) Limited ⁽¹⁾	–	633,192,628	33.58
2.	Fullerton Management Pte Ltd ⁽¹⁾	–	618,616,154	32.80
3.	Mapletree Investments Pte Ltd ⁽¹⁾	–	618,616,154	32.80
4.	Mapletree Dextra Pte. Ltd.	608,398,214	–	32.26
5.	Schroders plc ⁽²⁾	–	127,682,661	6.77

Notes

⁽¹⁾ Each of Temasek Holdings (Private) Limited ("Temasek") and Fullerton Management Pte Ltd ("Fullerton") is deemed to be interested in the 608,398,214 units held by Mapletree Dextra Pte. Ltd. ("MDPL") and 10,217,940 units held by Mapletree Industrial Trust Management Ltd. ("MITM") in which Mapletree Investments Pte Ltd ("MIPL") has a deemed interest. In addition, Temasek is deemed to be interested in 14,576,474 units in which an associated company of Temasek has a direct and/or deemed interest. MDPL and MITM are wholly-owned subsidiaries of MIPL which in turn is a wholly-owned subsidiary of Fullerton. Fullerton is a wholly-owned subsidiary of Temasek. Each of MIPL and the associated company referred to above is an independently-managed Temasek portfolio company. Temasek and Fullerton are not involved in their business or operating decisions, including those regarding their unitholdings.

⁽²⁾ Schroders plc is deemed to be interested in the 127,682,661 units held on behalf of clients as Investment Managers.

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER AS AT 21 APRIL 2018

No.	Name	Direct Interest	Deemed Interest	% of Total Issued Capital
1.	Wong Meng Meng	268,000	–	0.014
2.	Soo Nam Chow	–	432,000	0.023
3.	John Koh Tiong Lu	–	600,720	0.032
4.	Wee Joo Yeow	540,000	–	0.029
5.	Mary Yeo Chor Gek	–	–	–
6.	Guy Daniel Harvey-Samuel	–	–	–
7.	Seah Choo Meng	272,205	25,192	0.016
8.	Hiew Yoon Khong	729,000	2,710,000	0.182
9.	Wong Mun Hoong	–	–	–
10.	Tham Kuo Wei	544,418	–	0.029

FREE FLOAT

Based on the information made available to the Manager as at 31 May 2018, approximately 59.32% of the units in MIT were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

ISSUED AND FULLY PAID UNITS

1,885,608,517 units (voting rights: one vote per unit)

Market Capitalisation: S\$3,714,648,778.49 (based on closing price of S\$1.97 per unit on 31 May 2018)

Interested Person Transactions

For the financial year ended 31 March 2018

The transactions entered into with interested persons (IPs) during the financial year, which fall under the Listing Manual of the SGX-ST and the Property Funds Appendix (excluding transactions of less than S\$100,000 each) are as follows:

Name of Interested Persons	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under the general mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000
Mapletree Investments Pte Ltd and its subsidiaries		
(i) Exceptions under Rule 916 of the Listing Manual¹		
– Unitholder's loan	242,392 ¹	–
– Corporate guarantees provided for borrowings of joint venture	238,445 ¹	–
– Equity investment	162,025	–
– Unitholder's loan interest	919	–
– Manager's management fees	320	–
(ii) Exempted under Rule 905 and 906 of the Listing Manual		
– Manager's management fees	29,209	–
– Property and lease management fees	10,897	–
– Marketing commission	5,821	–
– Acquisition fees	4,040	–
– Development management fees	2,935	–
– Project management fees	1,643	–
Temasek Holdings (Private) Limited and its related companies		
– Lease related income	2,767	–
– Development related works	342	–
– Operating expenses	236	–
Starhub Ltd and subsidiaries		
– Lease related income	39,621	–
– Operating expenses	430	–
Singapore Technologies Engineering Ltd and subsidiaries		
– Lease related income	1,488	–

Interested Person Transactions

For the financial year ended 31 March 2018

Name of Interested Persons	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under the general mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000
DBS Group Holdings Ltd and its subsidiaries – Subscription of new units pursuant to the private placement	9,500	–

Footnote:

¹ The joint venture is considered an IPT under Rule 906 of the Listing Manual as well as Paragraph 5 of the Property Funds Appendix and will require Unitholders' approval. However, the entry into the joint venture agreement fall within the exception under Rule 916 of the Listing Manual and accordingly, the approval of Unitholders for the joint venture is not required. Loan to Mapletree Redwood Data Centre Trust ("MRDCT") was repaid on 31 January 2018 after onshore debt financing was finalised. Disclosure is based on MIT's proportionate interest in the joint venture.

As set out in MIT's Prospectus dated 12 October 2010, fees and charges payable by MIT to the Manager under the Trust Deed and to the Property Manager under the Property Management Agreement are not subject to Rule 905 and Rule 906 of the Listing Manual. The Property Management Agreement includes an extension of term and the Property Management Agreement will not be subject to Rule 905 and Rule 906 of the Listing Manual during the extension term.

For the purpose of the disclosure, the full contract sum was used where an interested person transaction had a fixed term and contract value, while the annual amount incurred and/or accrued was used where an interested person transaction had an indefinite term or where the contract sum was not specified.

Save as disclosed above, there were no additional interested person transactions (excluding transactions of less than S\$100,000 each) entered into by MIT Group that involved the interests of the CEO or Director of the Manager, or any controlling Unitholder of the Trust, during the financial year under review.

MIT Group has not obtained a general mandate from Unitholders pursuant to Rule 920 for any interested person transactions.

Please also see Significant Related Party Transactions in Note 26 to the Financial Statements.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 8th Annual General Meeting of the holders of units of Mapletree Industrial Trust ("**MIT**", and the holders of units of MIT, "**Unitholders**") will be held on 17 July 2018 (Tuesday) at 2.30 p.m. at 10 Pasir Panjang Road, Mapletree Business City, Town Hall - Auditorium, Singapore 117438 to transact the following businesses:

(A) AS ORDINARY BUSINESS

1. To receive and adopt the Report of DBS Trustee Limited, as trustee of MIT (the "**Trustee**"), the Statement by Mapletree Industrial Trust Management Ltd., as manager of MIT (the "**Manager**"), and the Audited Financial Statements of MIT for the financial year ended 31 March 2018 and the Auditor's Report thereon.
(Ordinary Resolution 1)
2. To re-appoint PricewaterhouseCoopers LLP as the Auditor of MIT to hold office until the conclusion of the next Annual General Meeting of MIT, and to authorise the Manager to fix their remuneration.
(Ordinary Resolution 2)

(B) AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

3. That approval be and is hereby given to the Manager, to
 - (a)
 - (i) issue units in MIT ("**Units**") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and
 - (b) issue Units in pursuance of any Instruments made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:
 - (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent. (20%) of the total number of issued Units (as calculated in accordance with sub-paragraph (2) below);

Notice of Annual General Meeting

- (2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units shall be based on the total number of issued Units at the time this Resolution is passed, after adjusting for:
 - (a) any new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed constituting MIT (as amended) (the “**Trust Deed**”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) (unless revoked or varied by Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meeting of MIT or (ii) the date by which the next Annual General Meeting of MIT is required by applicable regulations to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of MIT to give effect to the authority conferred by this Resolution.

(Please see *Explanatory Note*) (**Ordinary Resolution 3**)

BY ORDER OF THE BOARD
Mapletree Industrial Trust Management Ltd.
 (Company Registration No. 201015667D)
 As Manager of Mapletree Industrial Trust

Wan Kwong Weng
 Joint Company Secretary

Singapore
 29 June 2018

Notice of Annual General Meeting

Notes:

1. A Unitholder who is not a Relevant Intermediary (as defined herein) entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Annual General Meeting is entitled to appoint more than one proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form (defined below).

"Relevant Intermediary" means:

- (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
 - (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the office of MIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 2.30 p.m. on 14 July 2018 being 72 hours before the time fixed for the Annual General Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing, administration and analysis by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

Notice of Annual General Meeting

Explanatory Note:

Ordinary Resolution 3

The Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this Annual General Meeting until (i) the conclusion of the next Annual General Meeting of MIT, (ii) the date by which the next Annual General Meeting of MIT is required by the applicable regulations to be held, or (iii) the date on which such authority is revoked or varied by the Unitholders in a general meeting, whichever is the earliest (the “**Mandated Period**”), to issue Units, to make or grant Instruments and to issue Units pursuant to such Instruments, up to a number not exceeding fifty per cent. (50%) of the total number of issued Units of which up to twenty per cent. (20%) of the total number of issued Units may be issued other than on a pro rata basis to Unitholders.

The Ordinary Resolution 3 above, if passed, will also empower the Manager to issue Units during the Mandated Period, as either full or partial payment of fees which the Manager is entitled to receive for its own account pursuant to the Trust Deed.

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the total number of issued Units at the time the Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time the Ordinary Resolution 3 is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations, in such instances, the Manager will then obtain the approval of Unitholders accordingly.

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Mapletree Industrial Trust

(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 29 January 2008 (as amended))

Proxy Form 8th Annual General Meeting

IMPORTANT

1. A Relevant Intermediary may appoint more than one proxy to attend and vote at the Annual General Meeting (please see Note 2 for the definition of "Relevant Intermediary").
2. For CPF/SRS investors who have used their CPF monies to buy Units of Mapletree Industrial Trust, this Report is forwarded to them at the request of their CPF Agent Banks/SRS Operators and is sent solely FOR INFORMATION only.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
4. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), a Unitholder of Mapletree Industrial Trust accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 29 June 2018.

I/We _____
_____ (Name(s) and NRIC/Passport/Company Registration Number(s))
of _____ (Address)
being a Unitholder/Unitholders of Mapletree Industrial Trust ("MIT"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			No. of Units	%

or, both of whom failing, the Chairman of the 8th Annual General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the 8th Annual General Meeting of MIT to be held on 17 July 2018 (Tuesday) at 2.30 p.m. at 10 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117438 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the 8th Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the 8th Annual General Meeting.

No.	Ordinary Resolutions	For *	Against *
	ORDINARY BUSINESS		
1.	To receive and adopt the Trustee's Report, the Manager's Statement, the Audited Financial Statements of MIT for the financial year ended 31 March 2018 and the Auditor's Report thereon.		
2.	To re-appoint PricewaterhouseCoopers LLP as the Auditor of MIT and to authorise the Manager to fix the Auditor's remuneration.		
	SPECIAL BUSINESS		
3.	To authorise the Manager to issue Units and to make or grant instruments convertible into Units.		

* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2018.

Signature(s) of Unitholder(s) or Common Seal of
Corporate Unitholder

Total number of Units held

--

Glue all sides firmly.

Glue all sides firmly.

Postage will
be paid
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Singapore only.

**BUSINESS REPLY SERVICE
PERMIT NO. 08675**



The Company Secretary
MAPLETREE INDUSTRIAL TRUST MANAGEMENT LTD.
(As Manager of Mapletree Industrial Trust)
c/o BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

2nd fold

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A unitholder of MIT ("**Unitholder**") who is not a Relevant Intermediary (as defined herein) entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Annual General Meeting is entitled to appoint more than one proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, it should annex to the Proxy Form (defined below) the proxy, or the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of unitholding (number of units and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS investors as its proxies shall comply with this Note. The appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form (defined below).

"**Relevant Intermediary**" means:

- (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
 - (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A Unitholder should insert the total number of Units held in the Proxy Form (defined below). If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of MIT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, the proxy form will be deemed to relate to all the Units held by the Unitholder.
 4. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the office of MIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 2.30 p.m. on 14 July 2018, being 72 hours before the time set for the Annual General Meeting.
 5. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the Annual General Meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the Annual General Meeting.
 6. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
 7. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a duly certified copy of such power of attorney must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
 8. The Manager shall be entitled to reject any Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form (including any related attachment). In addition, in the case of Unitholders whose Units are entered against their names in the Depository Register, the Manager may reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by CDP to the Manager.
 9. All Unitholders will be bound by the outcome of the Annual General Meeting regardless of whether they have attended or voted at the Annual General Meeting.
 10. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. There shall be no division of votes between a Unitholder who is present in person and voting at the Annual General Meeting and his/her proxy(ies). A person entitled to more than one vote need not use all his/her votes or cast them the same way.

Corporate Directory

MANAGER

**Mapletree Industrial Trust
Management Ltd.**

REGISTERED OFFICE

10 Pasir Panjang Road #13-01
Mapletree Business City
Singapore 117438
T : (65) 6377 6111
F : (65) 6273 8607
W : www.mapletreeindustrialtrust.com
E : ir_industrial@mapletree.com.sg

BOARD OF DIRECTORS

Mr Wong Meng Meng
Non-Executive Chairman and Director

Mr Soo Nam Chow
Independent Non-Executive Director

Mr John Koh Tiong Lu
Lead Independent Non-Executive
Director

Mr Wee Joo Yeow
Independent Non-Executive Director

Ms Mary Yeo Chor Gek
Independent Non-Executive Director

Mr Guy Daniel Harvey-Samuel
Independent Non-Executive Director

Mr Seah Choo Meng
Non-Executive Director

Mr Hiew Yoon Khong
Non-Executive Director

Mr Wong Mun Hoong
Non-Executive Director

Mr Tham Kuo Wei
Executive Director and
Chief Executive Officer

AUDIT AND RISK COMMITTEE

Mr Soo Nam Chow
Chairman

Mr John Koh Tiong Lu

Mr Seah Choo Meng

NOMINATING AND REMUNERATION COMMITTEE

Mr Wee Joo Yeow
Chairman

Ms Mary Yeo Chor Gek

Mr Hiew Yoon Khong

MANAGEMENT

Mr Tham Kuo Wei
Chief Executive Officer

Ms Ler Lily
Chief Financial Officer

Mr Peter Tan Che Heng
Head of Investment

Ms Serene Tam Mei Fong
Head of Asset Management

CORPORATE SERVICES

Mr Wan Kwong Weng
Joint Company Secretary

Ms See Hui Hui
Joint Company Secretary

PROPERTY MANAGEMENT

Mr Tan Wee Seng
Head of Group Development
Management

Ms Chng Siok Khim
Head of Marketing

Mr Paul Tan Tzyy Woon
Head of Property Management

UNIT REGISTRAR

**Boardroom Corporate & Advisory
Services Pte. Ltd.**

50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623
T : (65) 6536 5355
F : (65) 6438 8710

TRUSTEE

DBS Trustee Limited
12 Marina Boulevard Level 44
DBS Asia Central @ Marina Bay
Financial Centre Tower 3
Singapore 018982
T : (65) 6878 8888
F : (65) 6878 3977

AUDITOR

PricewaterhouseCoopers LLP
7 Straits View, Marina One
East Tower, Level 12
Singapore 018936
T : (65) 6236 3388





Mr Yeow Chee Keong

Partner
(With effect from financial year
ended 31 March 2015)

MAPLETREE INDUSTRIAL TRUST MANAGEMENT LTD.

As Manager of Mapletree Industrial Trust
(Company Registration Number: 201015667D)

10 Pasir Panjang Road #13-01
Mapletree Business City
Singapore 117438

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