

Portfolio Analysis and Review

Completed

2 Acquisitions
in Hong Kong



+ Read more under Geographically Diversified Portfolio, p32-33

Completed

1 Redevelopment
Project in Singapore



+ Read more under Active Portfolio Rejuvenation, p35

Renewed/Replaced

524,701 sqm
of leases with 70% tenant retention rate

+ Read more under Proactive Lease Management, p34

Number of
Properties

124

Investment
Properties

s\$6.5b

Portfolio Occupancy

96.6%

Total Gross Floor Area

3,747,657 sqm

Total Net Lettable Area

3,738,002 sqm

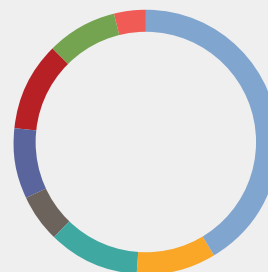
As at 31 March 2018, MLT's portfolio comprised 124 logistics properties across eight geographical markets in Asia Pacific – Singapore, Hong Kong, Japan, South Korea, China, Malaysia, Australia and Vietnam. Strategically located in established logistics clusters of the respective markets, these properties are easily accessible by major highways and the majority are in close proximity to seaports and/or airports. In FY17/18, MLT's portfolio remained stable and resilient, underpinned by its geographic and tenant diversity, a well-staggered lease expiry profile and a good mix of multi-tenanted buildings ("MTBs") and single-user assets ("SUAs").

Geographically Diversified Portfolio

During the year, MLT enhanced its presence in Hong Kong with the acquisition of Mapletree Logistics Hub Tsing Yi and the remaining 38% in strata share value of Shatin No. 3. Consequently, the contribution from Hong Kong to MLT's portfolio net lettable area ("NLA") increased to 9.8% from 5.7% a year ago.

Geographic Breakdown (by NLA)

(As at 31 March 2018)



● Singapore	41.4%
● Hong Kong	9.8%
● Japan	11.2%
● Australia	5.7%
● South Korea	8.8%
● China	10.8%
● Malaysia	8.5%
● Vietnam	3.8%

Completed Acquisitions in FY17/18

Property	Country	Purchase Price (million)	Completion Date
Mapletree Logistics Hub Tsing Yi	Hong Kong	HKD4,800.0 (S\$834.8)	October 2017
38% of Shatin No.3	Hong Kong	HKD610.0 (S\$103.7)	January 2018

Mapletree Logistics Hub Tsing Yi

> Mapletree Logistics Hub Tsing Yi ("MLHTY"), which was acquired from our Sponsor, is a 11-storey ramp-up warehouse with a NLA of 148,065 sqm. The property is well-connected to the city centre, the Hong Kong International Airport and the mainland China border via major expressways. MLHTY has quality modern specifications and is designed for operating at a high level of throughput on a 24/7 basis. The property is also accredited with the LEED Gold Award, underscoring its excellence in environmental performance.

Shatin No.3

> Shatin No. 3, which has been in the MLT's portfolio since 2006, is a strata-titled building comprising an 18-storey warehouse with cargo lift access. With a NLA of approximately 39,125 sqm, Shatin No.3 enjoys good connectivity to key transportation infrastructure and the population centres of Hong Kong. The property is served by a comprehensive highway system linking it to the city centre, the Hong Kong International Airport, the container terminals and the mainland China boundary, making it a popular location for the distribution of goods and freight forwarding.

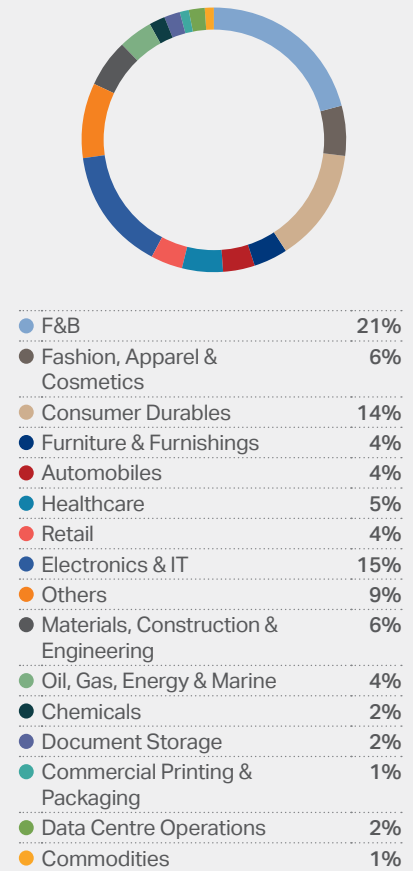
A Growing & Diversified Customer Base

Apart from geographic diversity, MLT's portfolio continues to be well-diversified across a broad range of industries, from food and beverage, to materials, construction and engineering. The acquisition of MLHTY has added 12 high quality and reputable tenants to MLT's tenant base, most of which are new to MLT. Of these, Ever Gain, adidas and Bidvest are also MLT's top 10

customers. Collectively, MLT's top 10 customers contributed to approximately 23% of gross revenue, while none of its 556 customers individually accounted for more than 4% of gross revenue. A majority of the top 10 customers are end-users, which tend to sign longer leases, as compared to third-party logistics providers from a year ago. The diversity in trade sectors and tenant base reduces reliance on a single industry or tenant and contributes to revenue stability.

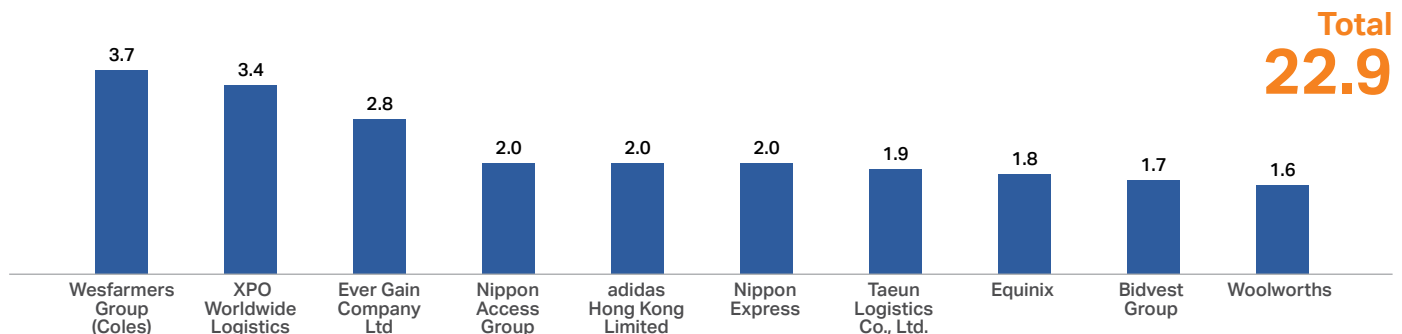
Major End-User Industry (by Gross Revenue)

(As at 31 March 2018)



Top 10 Customers (by Gross Revenue)

(As at 31 March 2018)



Portfolio Analysis and Review

continued

Good Mix of SUAs and MTBs

The Manager strives to achieve a good mix of MTBs and SUAs in the portfolio through active asset and lease management. SUAs provide portfolio stability and organic growth with their longer lease periods and built-in rental escalations while MTBs enable MLT to achieve tenant diversification. In addition, the Manager also strives to reduce the concentration of SUA lease expiries in any one year, so as to manage the impact of leasing downtime from future conversions of SUA leases to MTB leases and the associated transitional impact it may have on MLT's distributions.

In FY17/18, 12 SUA leases were due for expiry. Of these, eight SUAs were successfully renewed, two SUAs in Singapore were converted to MTBs, while one SUA in Japan was divested. For the remaining SUA leases, the Manager is in advanced negotiations with a prospective tenant. As at 31 March 2018, MTBs contributed approximately 66% of MLT's revenue base, while SUAs contributed the balance 34%.

Proactive Lease Management

In line with a proactive leasing and marketing strategy, the Manager has been engaging tenants for negotiations well ahead of lease expiries to mitigate leasing risk and achieve a well-staggered lease expiry profile. The leasing teams also adopt a flexible and customised approach in providing leasing solutions that address tenants' business requirements and future plans. Coupled

with the Manager's proactive asset management approach, MLT achieved a high tenant retention rate of 70%.

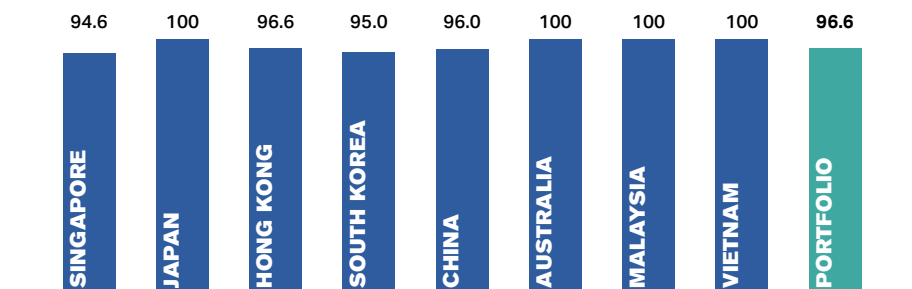
Additionally, the Manager secured 170 new and renewal leases (excluding forward renewals) representing 524,701sqm of NLA during the year. These leases have a weighted average lease expiry ("WALE") of 2.4 years (by revenue) and accounted for 12.9% of gross revenue for the month of March 2018.

Portfolio occupancy stood at 96.6% as at 31 March 2018, an increase from 96.3% a year ago. The portfolios in China, Singapore, Vietnam and Malaysia saw an increase in occupancy rates, with the latter two achieving 100% portfolio occupancy. The Japan and Australia portfolios continued to be 100% leased. Hong Kong saw a slight decline after taking into account the additional 38% interest in Shatin No.3 which is undergoing asset enhancement works whereas the decline in South Korea was a result of downtime due to the conversion of one SUA to MTB.

During the year, the Manager concluded negotiations to lease roof-top space which was previously un-utilised at two properties in Singapore. Rooftop spaces representing NLA of 2,004 sqm and 13,190 sqm will be leased to an urban farming enterprise and a solar energy provider, respectively. These innovative leasing solutions provide new revenue sources and complement our environmental sustainability efforts.

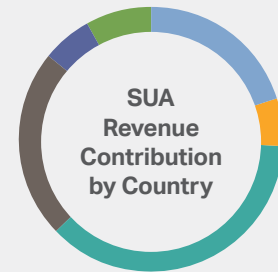
Portfolio Occupancy

(As at 31 March 2018)

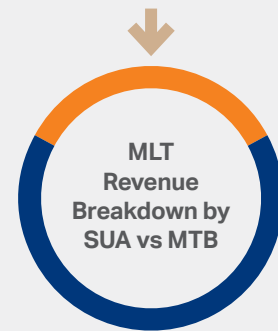


SUA vs MTB Breakdown (by Gross Revenue)

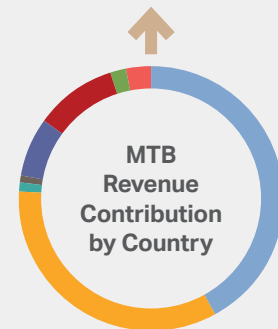
(As at 31 March 2018)



● Singapore	20%
● Hong Kong	6%
● Japan	37%
● Australia	23%
● South Korea	6%
● Malaysia	8%



● Single-user assets	34%
● Multi-tenanted buildings	66%



● Singapore	42%
● Hong Kong	34%
● Japan	1%
● Australia	1%
● South Korea	7%
● China	10%
● Malaysia	2%
● Vietnam	3%

Active Portfolio Rejuvenation

As part of its portfolio rejuvenation efforts, the Manager continually reviews the relevance and positioning of each property. Properties that are no longer relevant to customer’s requirements are considered for redevelopment or divestment as a last resort. During the year, the Manager completed its third redevelopment project in Singapore, Mapletree Pioneer Logistics Hub, and embarked on one new redevelopment in China. The Manager also completed four divestments in FY17/18.

Redevelopment Projects in FY17/18

Property	Country	Cost (\$ million)	Status	Completion/Target Completion Date
Mapletree Pioneer Logistics Hub	Singapore	90	Completed	January 2018
Ouluo Logistics Centre	China	70	<ul style="list-style-type: none"> Phase 1 commenced in May 2017 Phase 2 commencing in October 2018 	<ul style="list-style-type: none"> Phase 1: September 2018 Phase 2: March 2020

Completed

Mapletree Pioneer Logistics Hub

> Mapletree Pioneer Logistics Hub is a modern high-specification warehouse located at the heart of a mature industrial area with excellent connectivity to major expressways, public transport infrastructure as well as the Iskandar region in Johor and the upcoming Tuas Port. The 5-storey ramp-up logistics facility spans a gross floor area of 72,000 sqm, representing a 1.8 times increase from before.

On-going

Ouluo Logistics Centre

> Located close to the Pudong International Airport in one of the most sought-after locations in Shanghai with limited new supply of warehouse space, Ouluo Logistics Centre will be rebuilt into a modern, two-storey ramp-up logistics facility. Upon completion, the redevelopment will offer approximately 80,700 sqm of prime logistics space, an increase of 2.4 times from before.

Divestments in FY17/18

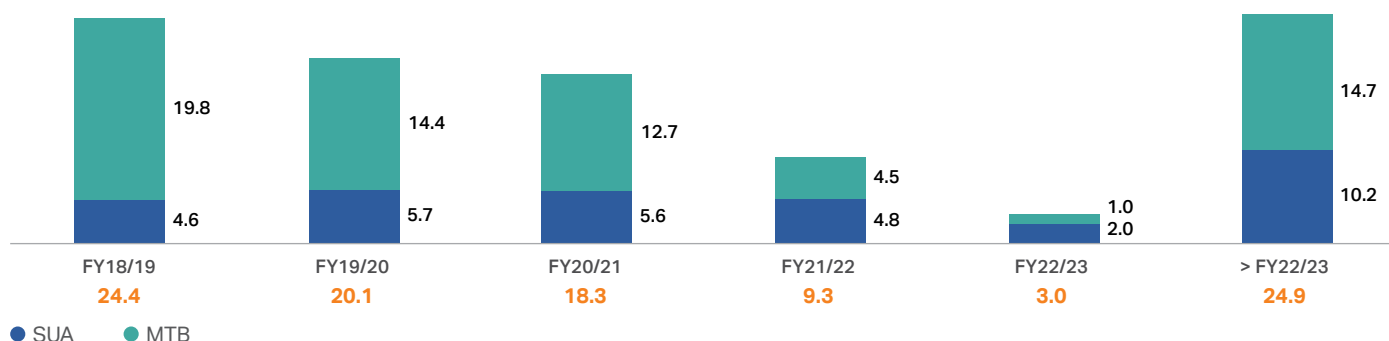
Property	Country	Sale Price (\$ million)	Completion Date
Zama Centre and Shiroshi Centre	Japan	165.4	July 2017
4 Toh Tuck Link	Singapore	14.5	September 2017
Senai-UPS	Malaysia	9.2	January 2018
Total		189.1	

Well-Staggered Lease Expiry Profile

MLT continues to maintain a well-staggered lease expiry profile. The portfolio has a WALE (by NLA) of about 3.5 years as at year-end, with 37.2% of total leases not due for renewal till FY21/22 and beyond. The portfolio WALE (by revenue) was approximately 3.3 years.

Lease Expiry Profile – SUA vs MTB Breakdown (By NLA)

(As at 31 March 2018)

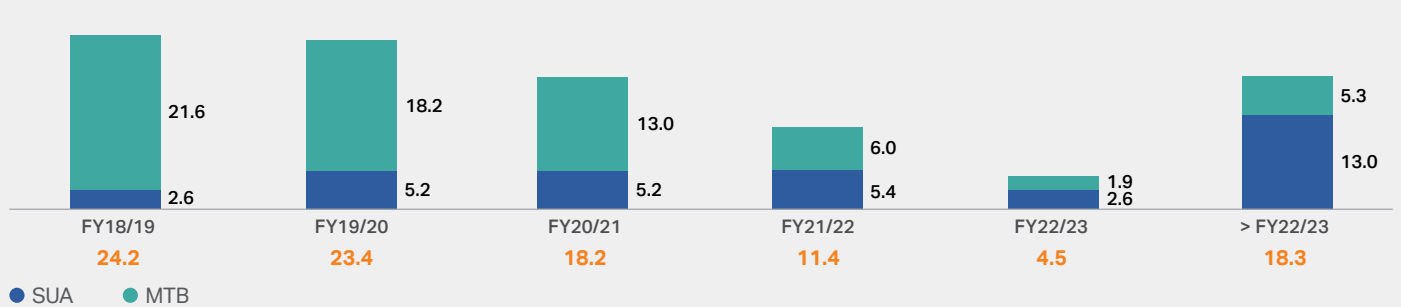


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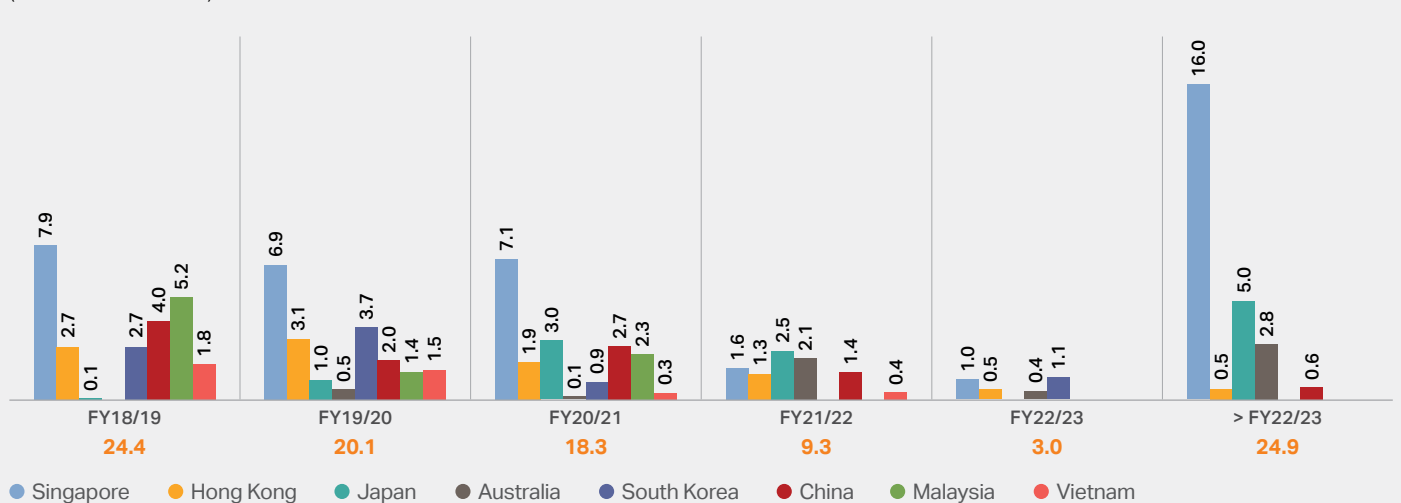
Lease Expiry Profile – SUA vs MTB Breakdown (By Gross Revenue)

(As at 31 March 2018)



Lease Expiry Profile – Geographical Breakdown (By NLA)

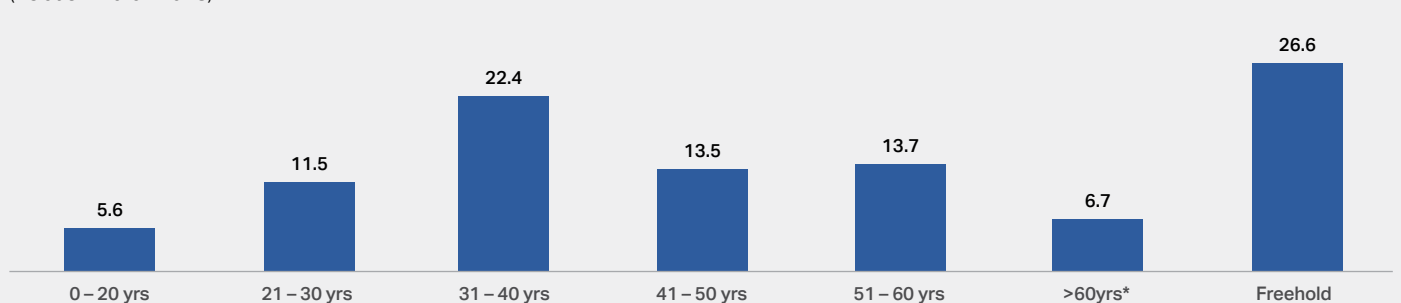
(As at 31 March 2018)



Freehold land accounted for approximately 26.6% of the portfolio, with the remaining 73.4% on leasehold terms. Excluding freehold land, the WALE of the underlying leasehold land (by NLA) was approximately 46.0 years.

Land Lease Expiry Profile (By NLA)

(As at 31 March 2018)



* Excluding freehold land