

For Immediate Release

## MAPLETREE LOGISTICS TRUST'S 1Q FY18/19 DISTRIBUTION PER UNIT RISES 3.7% YEAR-ON-YEAR TO 1.957 CENTS

### Highlights:

- 1Q FY18/19 amount distributable to Unitholders grew 29.1% year-on-year to S\$60.9 million
- Steady growth underpinned by healthy occupancy of 95.7% and positive rental reversions

(S\$ '000)	1Q FY18/19 <sup>1</sup>	1Q FY17/18 <sup>1</sup>	Y-o-Y % change
Gross Revenue	105,441	95,801	10.1
Property Expenses	(15,643)	(14,965)	4.5
Net Property Income	89,798	80,836	11.1
<b>Amount Distributable To Unitholders</b>	<b>60,918<sup>2</sup></b>	<b>47,195<sup>3</sup></b>	<b>29.1</b>
<b>Available DPU (cents)</b>	<b>1.957</b>	<b>1.887</b>	<b>3.7</b>
- Advanced distribution for the period 1 Apr 2018 to 4 Jun 2018	1.398		
- Balance distribution for the period 5 Jun 2018 to 30 Jun 2018	0.559		
<b>Total issued units as at end of the period (million)</b>	<b>3,243</b>	<b>2,501</b>	<b>29.7</b>

### Footnotes:

1. 1Q FY18/19 started with 124 properties and ended with 134 properties (including 50% interest in 11 properties). 1Q FY17/18 started and ended with 127 properties.
2. This includes partial distribution of the gains from the divestments of 7 Tai Seng Drive of S\$1,924,000 per quarter (for 12 quarters from 1Q FY18/19), 4 Toh Tuck Link of S\$322,000 per quarter (for 8 quarters from 2Q FY17/18) and Zama Centre and Shiroishi Centre of S\$466,000 per quarter (for 6 quarters from 2Q FY17/18) respectively.
3. This includes partial distribution of the gains from the divestments of 20 Old Toh Tuck Road of S\$472,000 per quarter (for 4 quarters from 1Q FY17/18) and 20 Tampines Street 92 of S\$1,000,000 per quarter (for 8 quarters from 3Q FY15/16) respectively.

**Singapore, 23 July 2018** – The Board of Directors of Mapletree Logistics Trust Management Ltd. (“MLTM”), manager (“Manager”) of Mapletree Logistics Trust (“MLT”), is pleased to announce that for the financial quarter ended 30 June 2018 (“1Q FY18/19”), MLT’s amount distributable to Unitholders rose 29.1% year-on-year to S\$60.9 million while distribution per Unit (“DPU”) grew 3.7% to 1.957 cents on an enlarged unit base.

Revenue for 1Q FY18/19 increased 10.1% year-on-year to S\$105.4 million. Correspondingly, net property income saw an 11.1% rise to S\$89.8 million. These results reflect improved performance

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from MLT's existing portfolio as well as contributions from the recent two acquisitions in Hong Kong. Overall growth was partially offset by the absence of revenue from four divestments completed in FY17/18 and one divestment during the quarter.

Ms Ng Kiat, Chief Executive Officer of MLTM, said, "This has been an exciting period of growth for MLT as we forged ahead with our expansion plans. In China, we strengthened MLT's presence with the acquisition of a 50% interest in 11 new Grade-A logistics properties. In Singapore, we divested a warehouse with older specifications and recently announced the proposed acquisition of five modern ramp-up warehouses. These initiatives are in line with our strategy to build a high quality and resilient portfolio to deliver sustainable returns for our Unitholders."

### **Portfolio Update**

Following the completion of the acquisition of 11 properties (50% interest) in China and the divestment of one property in Singapore, MLT's portfolio comprises 134 properties. The total value of assets under management as at 30 June 2018 was S\$6.8 billion.

During the quarter, leases for approximately 173,682 square metres ("sqm") out of 199,280 sqm due for expiry in 1Q FY18/19 were successfully renewed or replaced, representing a success rate of 87%. The portfolio achieved a positive average rental reversion rate of around 2% for the quarter, attributable mainly to China, Malaysia and Hong Kong. The weighted average lease expiry (by net lettable area) of the portfolio is about 3.3 years.

Portfolio occupancy rate stood at 95.7% as at 30 June 2018 compared to 96.6% in the previous quarter. The decline was mainly due to a lower occupancy rate in China of 91.0%, which took into account the recent acquisition of 11 properties (50% interest). Some of these properties are newly completed for which several committed leases have yet to commence. Including the committed leases, the occupancy rate would be 97.8% for China and 97.1% for the MLT portfolio.

### **Capital Management Update**

In June 2018, MLT raised S\$220 million equity via private placement to partially fund the acquisition of 11 properties (50% interest) in China. The successful equity fund raising exercise

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saw strong participation from new and existing investors, with the transaction 5.2 times covered and final price fixed at the top end of the price range at S\$1.197 per unit.

With a proactive approach to capital management, MLT does not have any refinancing requirements for the current financial year. MLT's aggregate leverage stood at 36.4%<sup>1</sup> as at 30 June 2018 with an average debt duration of about 4.3 years<sup>2</sup>. The weighted average borrowing cost for 1Q FY18/19 was 2.5% per annum<sup>2</sup>.

### Outlook

While the global economy continues on a steady expansionary path, downside risks have increased as the escalating trade tensions between major economies and rising interest rates may undermine global growth. About 82% of MLT's total debt has been hedged into fixed rates while about 73% of income stream for FY18/19 has been hedged into or is derived in Singapore dollar. In the markets where MLT operates, demand for prime logistics space has remained stable, underpinned by domestic consumption and the growth of e-commerce.

On 5 July 2018, MLT announced the proposed acquisition of five modern, ramp-up logistics properties in Singapore for approximately S\$778.3 million. The acquisition is in line with MLT's portfolio rejuvenation strategy and will strengthen MLT's portfolio and competitive positioning in Singapore. It is also expected to be accretive to MLT's distribution.

### Distribution to Unitholders

On 5 June 2018, MLT announced an advanced distribution of 1.398 cents per unit for the period from 1 April 2018 to 4 June 2018 (the "Advanced Distribution"). Unitholders on MLT's Unitholders register as at 4 June 2018, which was the date immediately prior to the issuance of new units pursuant to the private placement, were entitled to the Advanced Distribution. The Advanced Distribution will be paid on 31 August 2018.

<sup>1</sup> In accordance with Property Funds Guidelines, the aggregate leverage ratio includes proportionate share of borrowings of joint ventures and deposited property values.

<sup>2</sup> Average debt duration and weighted average borrowing cost for 1Q FY18/19 are inclusive of proportionate share of borrowings of joint ventures.

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MLT will pay a distribution of 0.559 cents per unit for the period from 5 June 2018 to 30 June 2018 (the “Balance of 1Q FY18/19 Distribution”). The books closure date is on **31 July 2018** and the distribution will be paid on 3 September 2018.

### **Distribution Reinvestment Plan (“DRP”)**

The Manager has today announced the re-commencement of the DRP which will be applied to the Balance of 1Q FY18/19 Distribution. The DRP will provide Unitholders with a cost-effective method of increasing their holding in MLT without having to incur transaction costs. The issue of units in lieu of cash under the DRP will also help enlarge MLT’s capital base, strengthen its working capital reserves and improve the liquidity of units.

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### **About Mapletree Logistics Trust (MLT)**

MLT, the first Asia-focused logistics REIT in Singapore, was listed on the SGX-ST main board on 28 July 2005. MLT’s principal strategy is to invest in a diversified portfolio of income-producing logistics real estate and real estate-related assets. As at 30 June 2018, it has a portfolio of 134 properties, comprising 48 properties in Singapore, 9 in Hong Kong, 20 in Japan, 9 in Australia, 11 in South Korea, 20 in China (50% interest in 11 properties), 14 in Malaysia and 3 in Vietnam. The total value of assets under management is S\$6.8 billion. MLT is managed by Mapletree Logistics Trust Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd. For more information, please visit [www.mapletreelogisticstrust.com](http://www.mapletreelogisticstrust.com).

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### **Important Notice**

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in MLT (“Units”). The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of MLT may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited

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("SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of MLT is not necessarily indicative of its future performance. This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events. The information in this Announcement must not be published outside the Republic of Singapore and in particular, but without limitation, must not be published in any United States edition of any publication.

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