

CORPORATE LIQUIDITY AND CAPITAL RESOURCES

KEY FUNDING STATISTICS		
AS AT 31 MARCH		
	2015	2014
Total outstanding debt (S\$ million)	1,076.6	1,129.7
Bank facilities (S\$ million)		
Bank loans outstanding	906.6	959.7
Unutilised bank facilities	497.1	449.7
Debt securities issued and capacity (S\$ million)		
Debt securities outstanding	170.0	170.0
Debt securities capacity	830.0	830.0
Ratios		
Aggregate leverage	30.6%	34.4%
Weighted average tenor of debt	3.7 years	2.6 years
Average borrowing cost for the financial year	2.1%	2.2%
Interest cover ratio for the financial year ¹	8.1 times	7.1 times

¹ Includes capitalised interest costs.

The Manager actively manages the capital resources of MIT to advance its growth strategy. With additional bank facilities procured in FY14/15, MIT has in place readily available facilities totalling S\$497.1 million to support development projects, refinancing requirements and any potential growth opportunities that arise.

Of the total outstanding debt of S\$1,076.6 million, about 16% were securities issued in the debt capital market and 84% were loans from its broad base of banks. The Manager aims to diversify sources of funding and will continue tapping the debt capital market as well as strengthening relationships with an expanding network of banks.

During the financial year, MIT's sources of funding were further augmented with its DRP. A total of 55,174,308 new units were issued in respect of distributions for 4QFY13/14 and 1QFY14/15 to 3QFY14/15, representing an average take-up rate of about 45.2% for each quarter. The unit price for these new units ranged from S\$1.3876 to S\$1.5155; total proceeds raised amounted to about S\$78.6 million. The proceeds were largely deployed to fund MIT's project requirements. In April 2015, MIT announced the application of the DRP for the 4QFY14/15 distribution at an issue price of S\$1.5761 per unit.

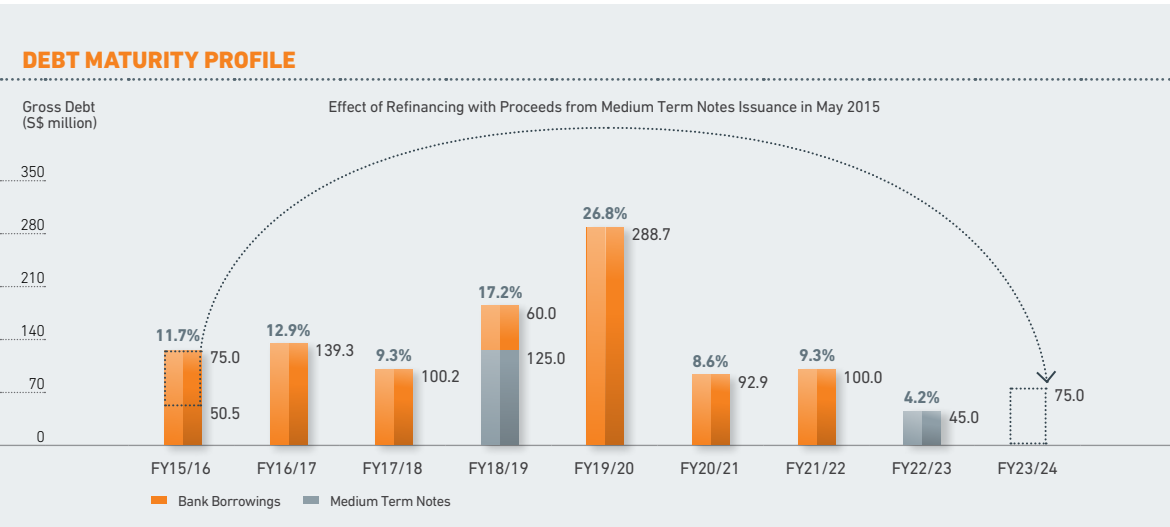
Aggregate leverage ratio as at 31 March 2015 decreased to 30.6% from 34.4% as at 31 March 2014 largely due to the revaluation gain recorded on investment properties as well as lower outstanding debt. With the lower aggregate leverage ratio, MIT will have greater financial capacity to support its growth.

All borrowings continue to be unsecured and bear minimal financial covenants. The financial position of the MIT Group remained robust with interest cover ratio having increased to 8.1 times as at 31 March 2015 from 7.1 times as at 31 March 2014. The Issuer Default Rating of MIT by Fitch Ratings remains 'BBB+' with a Stable Outlook.

During the financial year, MIT refinanced its maturing debt with a combination of cash and bank borrowings for tenors ranging from 5 to 7 years. The weighted average tenor of debt as at 31 March 2015 was 3.7 years.

In May 2015, MIT issued a tranche of 8-year medium term notes of S\$75 million bearing a coupon rate of 3.02%. The notes were the third series issued under the S\$1 billion Multicurrency Medium Term Note Programme. Proceeds were used to refinance part of the existing debt maturing in FY15/16 which carried a higher cost as compared to the notes. Following the issuance, the weighted average tenor of debt increased to 4.2 years as at 11 May 2015 and the maturity profile extended further to FY23/24.

The unutilised bank facilities are sufficient to fund the requirements for committed development projects as at 31 March 2015 and to refinance all remaining debt due in FY15/16 and FY16/17. The Manager continues to engage banks for new facilities and monitor the debt capital market for potential opportunities to address the refinancing requirements.



MIT hedged against interest rate fluctuations through interest rate swaps and fixed rate borrowings. Following the drawdown of a 7-year fixed rate loan in October 2014, about 86.8% of the borrowings were hedged through interest rate swaps or were drawn on fixed rate basis as at 31 March 2015. The Manager closely monitors the money market to extend these hedges, capitalising on windows of opportunity that may arise amid market uncertainties. The Manager will continue to actively manage the hedging profile of MIT to ensure the stability of distributions to its Unitholders.

