FINANCIAL REVIEW

5-YEAR FINANCIAL SUMMARY

	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21
(A) INCOME STATEMENT For the financial year ended 31 March (S$ million)					
Revenue[1]	2,328.7	3,182.4	3,821.2	3,877.0	**2,735.9**
Recurring PATMI[1]	640.7	618.1	713.2	752.0	**633.3**
PATMI	1,413.7	1,958.6	2,161.1	1,778.5	**1,849.9**
PATMI attributable to Equity Holder of the Company	1,349.6	1,873.6	2,088.3	1,705.5	**1,777.1**
(B) BALANCE SHEET As at 31 March (S$ million)					
Investment properties	30,686.4	37,422.3	46,975.6	46,371.1	**42,957.4**
Properties under development	1,663.0	409.8	805.0	1,129.7	**1,606.3**
Investments in associated companies and joint ventures	1,279.0	1,509.4	1,056.3	3,528.7	**4,448.5**
Cash and cash equivalents	1,179.8	1,267.6	1,896.3	2,440.1	**2,021.3**
Others	1,451.0	1,965.9	4,255.6	2,141.8	**2,566.0**
Total Assets	36,259.2	42,575.0	54,988.8	55,611.4	**53,599.5**
Total borrowings/medium-term notes	13,095.5	16,623.4	23,410.2	21,565.8	**20,183.0**
Non-controlling interest and other liabilities	11,979.6	13,165.7	16,986.1	17,960.8	**15,756.4**
Shareholder's funds	11,184.1	12,785.9	14,592.5	16,084.8	**17,660.1**
Total Equity and Liabilities	36,259.2	42,575.0	54,988.8	55,611.4	**53,599.5**
(C) FINANCIAL RATIOS As at 31 March					
ROE	12.8%	15.7%	15.3%	11.2%	**10.6%**
ROIE	18.7%	8.7%	10.4%	21.6%	**8.6%**
ROTA	7.1%	8.8%	8.2%	6.1%	**4.6%**
Net Debt/Total Equity Ratio	55.4%	63.5%	78.0%	62.5%	**60.5%**
Interest Cover	4.7x	4.6x	3.4x	3.4x	**4.0x**

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KEY HIGHLIGHTS – FY20/21

- Mapletree recorded a revenue of S$2,735.9 million in Financial Year 2020/2021 (FY20/21), a decrease of 29.4% year-on-year (y-o-y) due in part to the deconsolidation of Mapletree Industrial Trust (MIT) in July 2020 and the syndication of private fund, Mapletree US & EU Logistics Private Trust (MUSEL). Excluding the impact from the deconsolidation as well as fund syndications, the Group's revenue was approximately 14% lower than the previous financial year, primarily due to Covid-19 impact of rental rebates provided to tenants and lower occupancies. The Covid-19 impact was partly cushioned by Group-wide cost containment measures.

- In FY20/21, the Group recorded a PATMI of S$1,849.9 million. This represented a 4.0% increase from the S$1,778.5 million achieved in the previous financial year. The uplift was primarily driven by a S$830.0 million accounting gain arising from the deconsolidation of MIT, which more than offset the operational impact from the Covid-19 outbreak, lower contributions from assets syndicated to private funds and weaker property revaluation gains compared to a year ago.

- Recurring PATMI was at S$633.3 million, a 15.8% decline y-o-y largely due to operational headwinds as a result of Covid-19. The pandemic mainly affected operational performance at the Group's retail and lodging assets, as well as the Singapore Cruise Centre, where daily passenger throughput has fallen drastically amid travel restrictions.

- As at 31 March 2021, the Group's total assets stood at S$53.6 billion, a 3.6% decrease from the S$55.6 billion as at end FY19/20. The decline was largely driven by the deconsolidation of MIT and the Group's divestment of seven Europe office properties into a new private fund, Mapletree Europe Income Trust (MERIT), which has initial assets under management (AUM) of approximately S$1.9 billion. Meanwhile, total shareholder's funds increased by 9.8% to S$17,660.1 million.

- The Group ended the financial year with a S$1,382.8 million reduction in total borrowings from a year ago, largely attributable to the deconsolidation of MIT and syndication of European office portfolio. Net gearing ratio as at 31 March 2021 was two percentage points lower at 60.5% (31 March 2020: 62.5%).

- With the Covid-19 vaccination rollout raising prospects of a greater shift towards normalcy, the operating outlook for FY21/22 appears slightly more optimistic. To weather any unforeseen downturn or capitalise on opportunities which may arise, the Group continues to maintain ample financial flexibility. As at 31 March 2021, the Group has access to cash and undrawn facilities amounting to S$12.5 billion.

- In FY20/21, the Group reported ROE of 10.6% which is marginally lower than the 11.2% recorded in the prior financial year. ROIE, which measures cash-based returns against original invested cost, fell to 8.6% (FY20/21) from 21.6% (FY19/20), partly due to the softer set of recurring results and relatively smaller gains on divestments.

The following were the Group's strategic acquisitions and developments during the year:

- Despite the challenging environment, the Group continued to proactively explore investment opportunities across asset classes in international markets. This resulted in an increase of total AUM by 9.7% in FY20/21.

- The Group expanded its office portfolio with the acquisition of several properties in South Korea, the Netherlands and the United States (US), at a total transaction value of approximately S$1.8 billion. On the back of the acquisitions, the Group's exposure to the asset class increased from 22% of AUM in FY19/20 to 24% in FY20/21.

- In terms of development projects, the Group added 12 new sites to its logistics portfolio in China during the financial year, taking the Group's logistics footprint in China to 8 million square metres (sqm) of gross floor area as at 31 March 2021, a 12% increase year-on-year. During the year, the Group also acquired a plot of land in Fukuoka prefecture, Japan, for the development of a four-storey Grade A logistics property. Logistics as an asset class remains the largest contributor to the Group's AUM, comprising 31% or S$20.9 billion of total AUM.

- Aside from logistics developments, the Group also acquired several land plots in FY20/21 for other non-logistics developments. In January 2021, the Group acquired two land sites in Wuxi and Guangzhou, China, for residential developments. In February 2021, the Group won a land tender in Fanling, Sheung Shui Town in New Territories, Hong Kong SAR to develop its maiden data centre project in this market. When completed in 2023, the data centre will be capable of delivering up to 50 megavolt-amperes of building power.

Strategic divestments

- In September 2020, Mapletree completed the divestment of Mapletree Business City @ Binh Duong, an industrial park in Vietnam, for approximately S$140.8 million.

Capital management

- As a capital manager in real estate investment trusts (REITs) and private funds, the Group executed a number of strategic transactions:

  – Mapletree Logistics Trust (MLT) announced the acquisition of a S$1.1 billion portfolio in October 2020. The portfolio comprises wholly owned stakes in nine properties in China, Malaysia and Vietnam, as well as the remaining 50% interest in 15 China facilities that MLT had already partially owned. With a net lettable area of 1.2 million sqm, the acquisition enhances MLT's competitive positioning in Asia Pacific. Aside from properties developed by the Group, MLT also extended its geographical footprint in FY20/21 through third party acquisitions in both South Korea and India.

  – In September 2020, MIT acquired the remaining 60.0% stake in Mapletree Redwood Data Centre Trust from Mapletree. The agreed property value of the 14 US data centres on the 60.0% basis was approximately S$662.0 million. The portfolio was jointly acquired by both parties in October 2017. Separately, MIT also acquired a data centre in Virginia, the US from a third party for approximately S$278.5 million in March 2021.

  – A joint acquisition was made by Mapletree North Asia Commercial Trust (MNACT) alongside the Group for an office building in Seoul's Gangnam business district for S$535.1 million. The property, which is 50% owned by MNACT, is the REIT's first investment in South Korea.

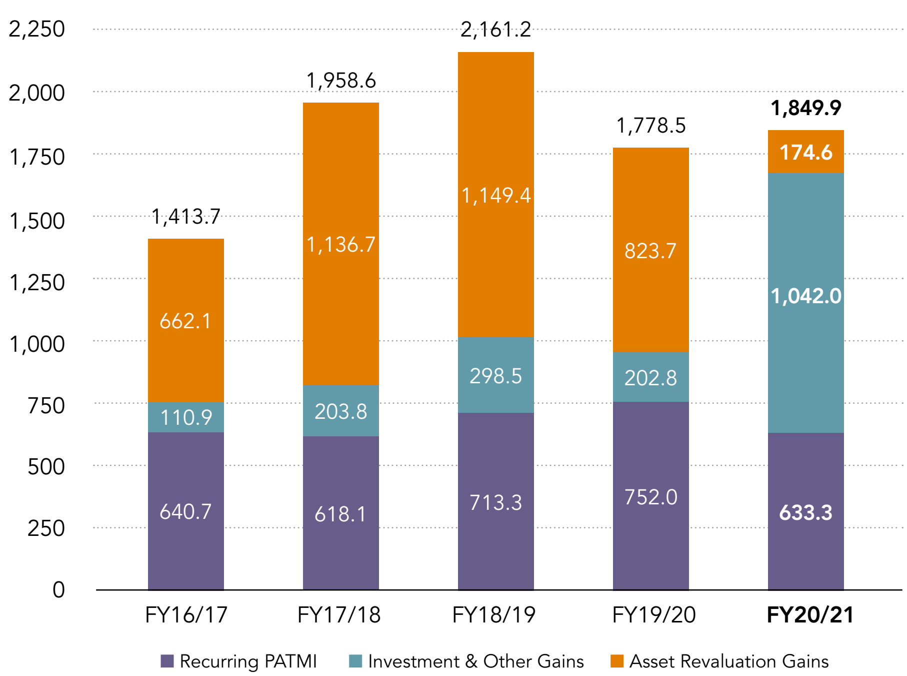
  – In March 2021, the Group launched a new private fund, MERIT. The fund, which is the 11th syndicated by the Group in its operating history, has an AUM of approximately S$1.9 billion, and a target internal rate of return[2] of 12%. The third party fund raising was approximately 1.5 times covered.

- During FY20/21, MLT and MIT raised gross proceeds of S$1.1 billion from the capital market through equity fund raising. The fund raising largely financed various acquisitions over the course of the year.

PATMI

The breakdown of the Group's PATMI is shown below:

(S$ million)



- The Group achieved a Recurring PATMI of S$633.3 million, a decrease of 15.8% y-o-y driven by the adverse market conditions resulting from the Covid-19 pandemic which particularly impacted the Group's retail and lodging operations.

- Overall, the Group's PATMI increased by 4.0% to S$1,849.9 million in FY20/21, due to the accounting gain resulting from the deconsolidation of MIT. Despite the challenging environment, the Group recorded a revaluation gain of S$174.6 million[3].

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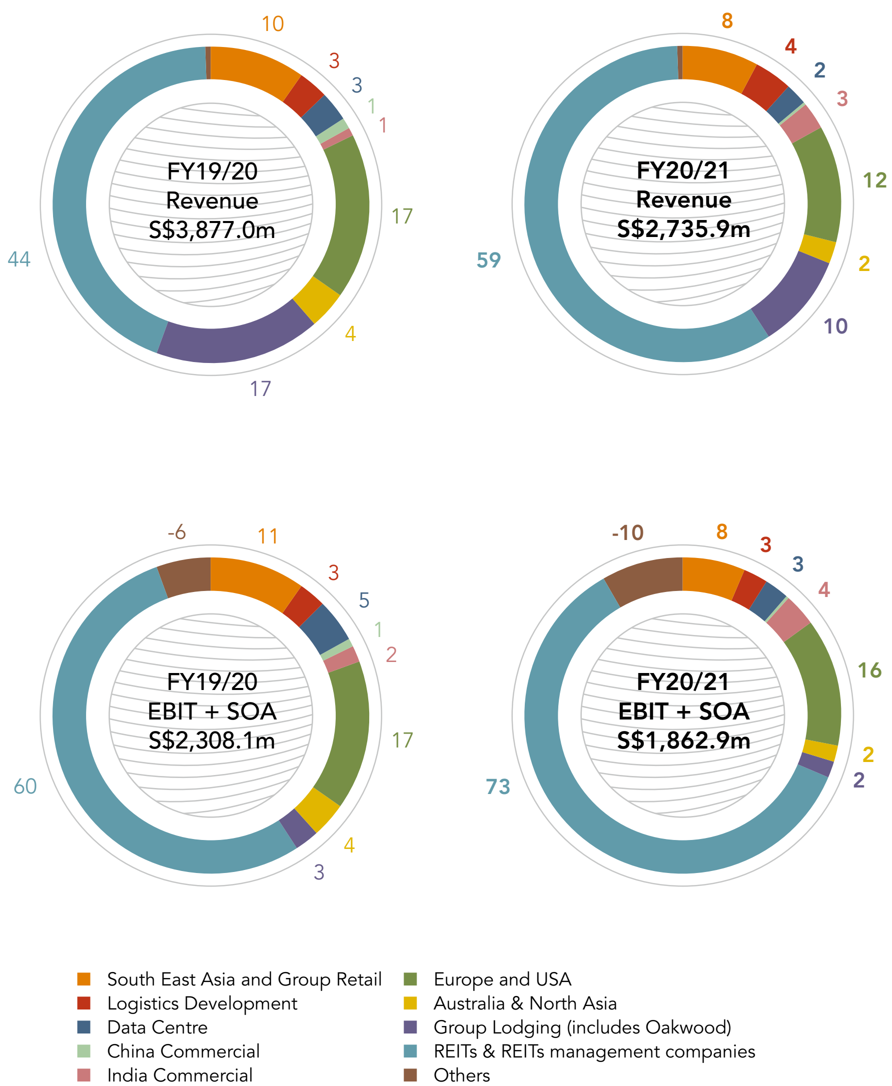
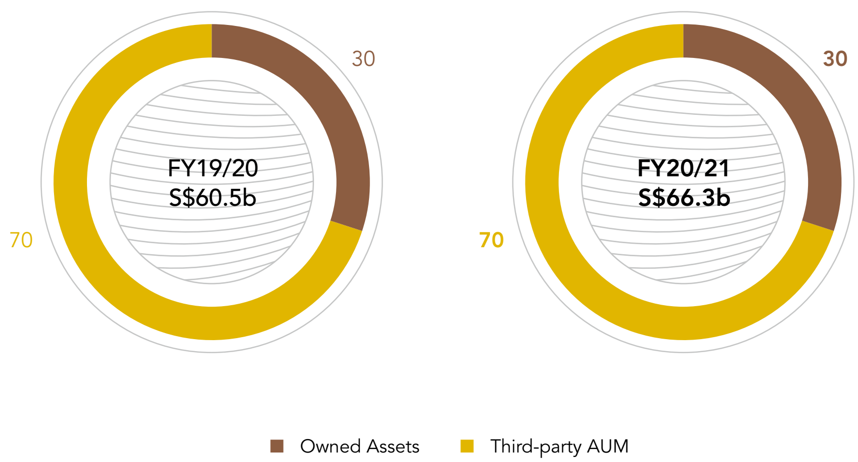
REVENUE AND EBIT + SOA HIGHLIGHTS BY STRATEGIC BUSINESS UNITS (%)



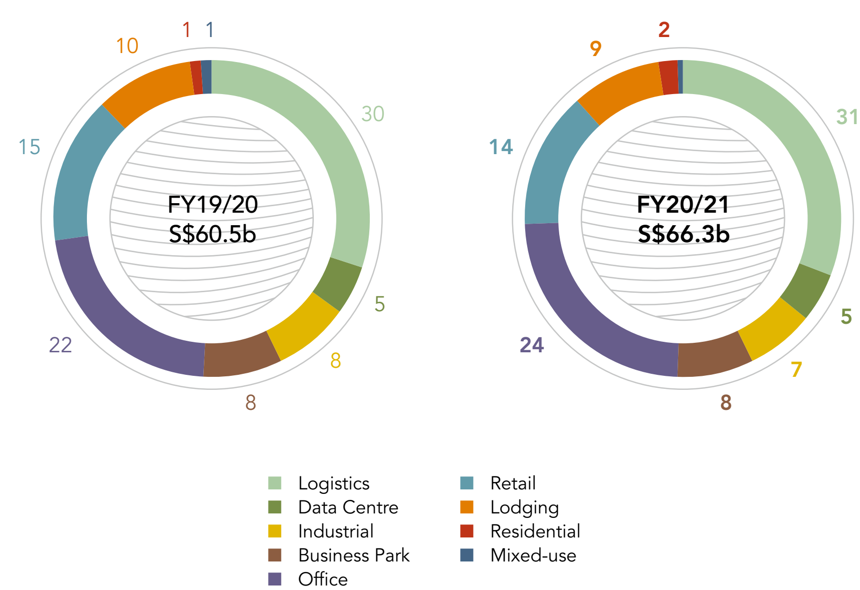
- In FY20/21, the Group's revenue declined 29.4% y-o-y to S$2,735.9 million. This was partly due to the deconsolidation of MUSEL and MIT.
- The Group's EBIT + SOA decreased by 19.3% from a year ago to S$1,862.9 million. REITs and their respective management companies continued to account for the lion's share of Mapletree's EBIT + SOA. Apart from REITs, Europe and USA accounted for 16% of the Group's EBIT + SOA, a decrease from 17% in the last financial year, following the Group's reduced stake in MUSEL. South East Asia and Group Retail's business unit remained the third largest contributor at 8%.

TOTAL REAL ESTATE ASSET BASE (%)



The Group continued to achieve growth in its real estate AUM, which increased 9.7% y-o-y to S$66.3 billion. The managed AUM remained at 70% with the launch of MERIT, and the acquisition of assets by the REITs during the year.

TOTAL OWNED AND MANAGED REAL ESTATE ASSETS BY ASSET CLASS (%)



Logistics remains as the Group's largest asset class at 31% of overall AUM. The acquisition of more residential land sites in China has lifted the Group's residential portfolio to comprise 2% of AUM, an increase of 1% from the previous financial year.

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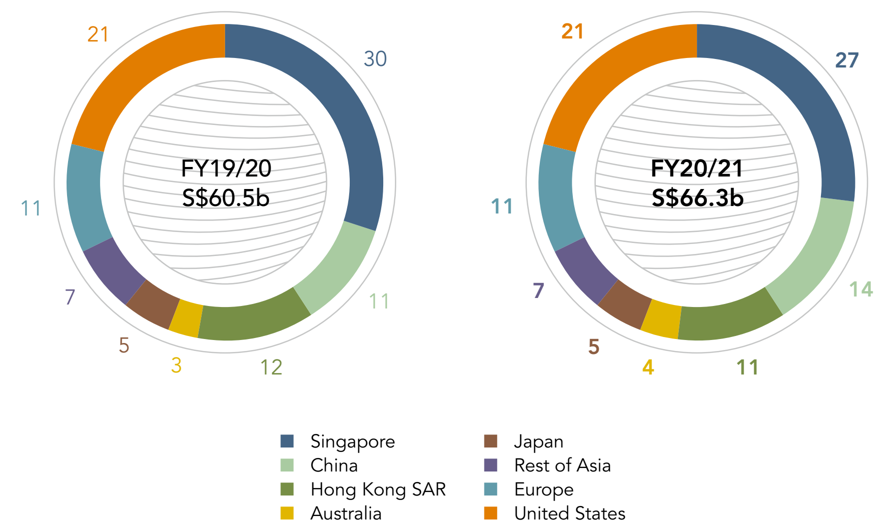
TOTAL OWNED AND MANAGED REAL ESTATE ASSETS BY COUNTRY (%)



To date, the Group owns and manages real estate assets across 13 markets.

China accounted for 14% of Mapletree's total owned and managed real estate assets. This was an increase of 3% from the previous financial year, mainly attributable to the new acquisitions of logistics assets and residential land sites in China. While Singapore remains predominant, with the largest proportion of assets at 27%, the decrease of 3% from the previous financial year was due to lower valuation for VivoCity.

GLOSSARY

EBIT + SOA	Earnings before interest and tax (EBIT) plus share of operating profit or loss of associated companies and joint ventures (SOA), excluding residential profits, incentive fee from private funds' divestment, revaluation gains or losses, divestment gains or losses, foreign exchange and derivatives gains or losses.
Interest Cover	EBIT + SOA over net finance costs.
Net Debt/ Total Equity Ratio	Borrowings (excludes loans from non-controlling interests) less cash and cash equivalents over the Total Equity.
PATMI	PATMI denotes net profit after tax and non-controlling interests attributable to Perpetual Securities Holders and Equity Holder of the Company.
ROE	ROE denotes return on equity and is computed based on PATMI attributable to Equity Holder of the Company over shareholder's funds.
ROIE	ROIE is computed based on adjusted* PATMI over the Group's equity held at original invested cost (OIC). * Adjusted to exclude non-cash and non-operating items such as unrealised revaluation gains or losses, mark-to-market fair value adjustments, gain and losses on foreign exchange, negative goodwill and dilution gain and loss and include OIC gains from any gains or losses on disposal and corporate restructuring surplus or deficit.
ROTA	Return on total assets (ROTA) is computed based on Profit for the year less finance cost/(income), net of tax over the average total assets.

1 Numbers are restated as incentive fee and residential profits are excluded from "Recurring PATMI". They are not deemed to be the core business activities for the Group.
2 After expenses, taxes and base management fee but before carried interest.
3 Net of tax and non-controlling interests but including share of associated companies' and joint ventures' revaluation gains or losses.