mapletree industrialtrust

(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 29 January 2008 (as amended))

MAPLETREE INDUSTRIAL TRUST FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT FOR THE FINANCIAL PERIOD FROM 1 JULY 2012 TO 30 SEPTEMBER 2012 AND FIRST HALF FROM 1 APRIL 2012 TO 30 SEPTEMBER 2012

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Summary Results of Mapletree Industrial Trust Group[1] ("MIT Group")

	2QFY12/13	1QFY12/13	Inc/(Dec) %	2QFY11/12	Inc/(Dec) %
Gross revenue (S$'000)	68,218	66,864	2.0	59,419	14.8
Net property income (S$'000)	48,414	48,344	0.1	41,532	16.6
Distributable income (S$'000)	37,470	36,897	1.6	31,647	18.4
No. of units in issue ('000)	1,629,684	1,629,274	*	1,628,177	0.1
Distribution per unit (cents)	2.29	2.26	1.3	2.05	11.7

Footnotes:

1 MIT Group comprises MIT and its wholly owned subsidiaries, Mapletree Singapore Industrial Trust ("MSIT") and Mapletree Industrial Trust Treasury Company Pte. Ltd. ("MITTC").

* Percentage increase is less than 0.1%.

Introduction

Mapletree Industrial Trust's ("MIT") principal investment strategy is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate primarily used for industrial purposes, whether wholly or partially, in Singapore, as well as real estate-related assets.

MIT Group's initial portfolio comprised 70 properties ("IPO Portfolio") as at 21 October 2010 ("Listing Date"). The portfolio of MIT Group comprises properties strategically located across Singapore and across the following sub-sectors:

(a) Flatted Factories;
(b) Business Park Buildings;
(c) Stack-up/Ramp-up Buildings;
(d) Light Industrial Buildings; and
(e) Warehouse.

As at 31 March 2012, the portfolio of MIT Group has grown to 81 properties in Singapore valued at S$2.7 billion following the acquisition of 8 Flatted Factories and 3 Amenity Centres ("Acquisition Portfolio") from JTC Corporation on 26 August 2011.

On 7 September 2012, MIT, through its wholly-owned subsidiary, Mapletree Industrial Trust Treasury Company Pte. Ltd. ("MITTC"), issued S$45 million in principal amount of 3.65% Fixed Rate Notes due 2022 (the "Notes") under its S$1 billion Multi-Currency Medium Term Notes Programme (the "MTN Programme"). The proceeds arising from the issue of the Notes had been deployed to refinance the existing borrowings of MIT Group.

MIT's distribution policy is to distribute at least 90.0% of its Adjusted Taxable Income[1], comprising substantially its income from the letting of its properties and related property services income after deduction of allowable expenses, as well as interest income from the periodic placement of cash surpluses in bank deposits.

Footnote:

1 Adjusted Taxable Income refers to the amount of MIT's taxable income before adjustments for industrial building and capital allowances claimed by MIT and MSIT.

1(a) Statement of Total Return (MIT Group) (2QFY12/13 vs 2QFY11/12)

	2QFY12/13 (S$'000)	2QFY11/12 (S$'000)	Increase/ (Decrease) %
Gross revenue	68,218	59,419	14.8
Property operating expenses (Note A)	(19,804)	(17,887)	10.7
Net property income	**48,414**	**41,532**	**16.6**
Interest income	103	42	145.2
Borrowing costs (Note B)	(6,776)	(5,626)	20.4
Manager's management fees	(5,314)	(4,592)	15.7
Trustee's fee	(109)	(101)	7.9
Other trust expenses	(414)	(876)	(52.7)
Total trust income and expenses	**(12,510)**	**(11,153)**	**12.2**
Net income before tax and distribution	**35,904**	**30,379**	**18.2**
Net non-tax deductible items[1]	1,566	1,268	23.5
Adjusted Taxable Income available for distribution to Unitholders[2]	**37,470**	**31,647**	**18.4**

NOTES	**2QFY12/13 (S$'000)**	**2QFY11/12 (S$'000)**	**Increase/ (Decrease) %**
Note A			
Property operating expenses include:			
Doubtful debts (provision)/ reversal	(2)	4	(150.0)
Depreciation and amortisation	(1)	(1)	-
Note B			
Borrowing costs include:			
Interest on borrowings[3]	(6,616)	(5,605)	18.0

Footnotes:

1 Non-tax deductible items include mainly Manager's management fees paid in units, fees paid to Trustee, certain capital expenditures, financing fees incurred on the bank facilities and expenses incurred in relation to the issuance of the Notes in September 2012 and Equity Fund Raising ("EFR") exercise in August 2011.

2 Adjusted Taxable Income refers to the amount of MIT's taxable income before adjustments for industrial building and capital allowances claimed by MIT and MSIT.

3 Interest on borrowings includes cash flow hedges recognised as borrowing costs.

1(a) Statement of Total Return (MIT Group) (1HFY12/13 vs 1HFY11/12)

	1HFY12/13 (S$'000)	1HFY11/12 (S$'000)	Increase/ (Decrease) %
Gross revenue	135,082	114,419	18.1
Property operating expenses (Note A)	(38,324)	(34,647)	10.6
Net property income	**96,758**	**79,772**	**21.3**
Interest income	197	101	95.0
Borrowing costs (Note B)	(13,770)	(10,590)	30.0
Manager's management fees	(10,572)	(8,868)	19.2
Trustee's fee	(215)	(196)	9.7
Other trust expenses	(701)	(1,217)	(42.4)
Total trust income and expenses	**(25,061)**	**(20,770)**	**20.7**
Net income before tax and distribution	**71,697**	**59,002**	**21.5**
Net non-tax deductible items[1]	2,670	1,676	59.3
Adjusted Taxable Income available for distribution to Unitholders[2]	**74,367**	**60,678**	**22.6**

NOTES	1HFY12/13 (S$'000)	1HFY11/12 (S$'000)	Increase/ (Decrease) %
Note A			
Property operating expenses include:			
Doubtful debts reversal	34	81	(58.0)
Depreciation and amortisation	(2)	(2)	-
Note B			
Borrowing costs include:			
Interest on borrowings[3]	(13,550)	(10,550)	28.4

Footnotes:

1 Non-tax deductible items include mainly Manager's management fees paid in units, fees paid to Trustee, certain capital expenditures and financing fees incurred on the bank facilities and expenses incurred in relation to the issuance of the Notes in September 2012 and EFR exercise in August 2011.

2 Adjusted Taxable Income refers to the amount of MIT's taxable income before adjustments for industrial building and capital allowances claimed by MIT and MSIT.

3 Interest on borrowings includes cash flow hedges recognised as borrowing costs.

1(b)(i) Balance Sheet (MIT Group)

	30 September 2012 (S$'000)	31 March 2012 (S$'000)
Current assets		
Cash and cash equivalents	96,002	122,177
Trade and other receivables	1,843	1,510
Other current assets	2,059	1,902
Total current assets	**99,904**	**125,589**
Non-current assets		
Investment properties	2,702,020	2,695,982
Investment property under development	4,467	627
Plant and equipment	13	7
Total non-current assets	**2,706,500**	**2,696,616**
Total Assets	**2,806,404**	**2,822,205**
Current liabilities		
Trade and other payables	99,237	90,046
Current income tax liabilities[1]	464	4,950
Interest-bearing borrowing	205,788	84,180
Total current liabilities	**305,489**	**179,176**
Non-current liabilities		
Interest-bearing borrowing	839,409	981,224
Derivative financial instruments	6,482	7,269
Total non-current liabilities	**845,891**	**988,493**
Total Liabilities	**1,151,380**	**1,167,669**
Net assets attributable to Unitholders	**1,655,024**	**1,654,536**
Represented by:		
Unitholders' funds	**1,655,024**	**1,654,536**
NAV per unit (S$)	**1.02**	**1.02**

Footnote:

1 Current income tax liabilities refer to income tax provision based on taxable income made when MIT and MSIT were held as taxable private trusts.

1(b)(ii) Aggregate Amount of Borrowings and Debt Securities (MIT Group)

	30 September 2012 (S$'000)	31 March 2012 (S$'000)
Current		
Bank loan (unsecured)	206,100	84,250
Less: Transaction costs to be amortised[1]	(312)	(70)
	205,788	84,180
Non-current		
Bank loan (unsecured)	672,350	859,950
Less: Transaction costs to be amortised[1]	(2,405)	(3,293)
	669,945	856,657
Medium term notes	170,000	125,000
Less: Transaction costs to be amortised[1]	(536)	(433)
	169,464	124,567
	1,045,197	**1,065,404**

Footnote:

1 Related transaction costs are amortised over the bank loan facility period and the tenor of the Notes respectively.

1(b)(i) Balance Sheet (MIT)

	30 September 2012 (S$'000)	31 March 2012 (S$'000)
Current assets		
Cash and cash equivalents	88,827	114,140
Trade and other receivables	4,862	4,587
Other current assets	888	709
Total current assets	**94,577**	**119,436**
Non-current assets		
Investment properties	2,516,590	2,510,552
Investment property under development	4,467	627
Plant and equipment	13	7
Investment in subsidiaries[1]	15,500	*
Loans to subsidiary[2]	179,794	179,794
Total non-current assets	**2,716,364**	**2,690,980**
Total Assets	**2,810,941**	**2,810,416**
Current liabilities		
Trade and other payables	93,911	84,509
Current income tax liabilities[3]	494	4,412
Interest-bearing borrowing	205,788	84,180
Total current liabilities	**300,193**	**173,101**
Non-current liabilities		
Interest- bearing borrowing	669,945	856,657
Loan from subsidiary	169,464	124,567
Financial guarantee contracts	14,726	-
Derivative financial instruments	6,482	7,269
Total non-current liabilities	**860,617**	**988,493**
Total Liabilities	**1,160,810**	**1,161,594**
Net assets attributable to Unitholders	**1,650,131**	**1,648,822**
Represented by:		
Unitholders' funds	**1,650,131**	**1,648,822**
NAV per unit (S$)	**1.01**	**1.01**

* less than S$1,000

Footnotes:

[1] Investment in subsidiaries includes fair value of the financial guarantees of S$15.5 million undertaken by MIT for the borrowings of MITTC.

[2] Reflects MIT's quasi equity investment in MSIT.

[3] Current income tax liabilities refer to income tax provision based on taxable income made when MIT was held as taxable private trust.

1(c) Cash Flow Statement (MIT Group)

	2QFY12/13 (S$'000)	2QFY11/12 (S$'000)
Cash flows from operating activities		
Total return for the period	35,904	30,379
Adjustments for:		
- Doubtful debts provision/ (reversal)	2	(4)
- Interest income	(103)	(42)
- Borrowing costs	5,403	3,345
- Cash flow hedges recognised as borrowing costs	1,373	2,281
- Depreciation	1	1
- Manager's management fees paid in units	492	-
Operating cash flow before working capital changes	**43,072**	**35,960**
Change in operating assets and liabilities		
Trade and other receivables	(48)	(1,209)
Trade and other payables	3,376	21,303
Other current assets	(456)	(296)
Interest received	114	42
Income tax paid	(417)	(9,751)
Net cash generated from operating activities	**45,641**	**46,049**
Cash flows from investing activities		
Additions to properties under development	(3,604)	-
Additions to investment properties	(1,617)	(404,649)
Purchase of plant and equipment	(8)	-
Net cash used in investing activities	**(5,229)**	**(404,649)**
Cash flows from financing activities		
Distributions to Unitholders	(36,822)	(45,635)
Net proceeds from borrowings	63,341	230,791
Net proceeds from issuance of Notes	44,865	-
Repayment of borrowings	(129,250)	-
Net proceeds from issuance of new units	-	174,545
Interest paid	(8,230)	(4,635)
Net cash (used in)/ generated from financing activities	**(66,096)**	**355,066**
Net decrease in cash and cash equivalents held	**(25,684)**	**(3,534)**
Cash and cash equivalents at beginning of period	121,686	113,960
Cash and cash equivalents at end of the period	**96,002**	**110,426**

1(c) Cash Flow Statement (MIT Group)

	1HFY12/13 (S$'000)	1HFY11/12 (S$'000)
Cash flows from operating activities		
Total return for the period	71,697	59,002
Adjustments for:		
- Doubtful debts reversal	(34)	(81)
- Interest income	(197)	(101)
- Borrowing costs	10,503	6,415
- Cash flow hedges recognised as borrowing costs	3,267	4,175
- Depreciation	2	2
- Manager's management fees paid in units	979	-
Operating cash flow before working capital changes	**86,217**	**69,412**
Change in operating assets and liabilities		
Trade and other receivables	(301)	(337)
Trade and other payables	7,849	27,163
Other current assets	(224)	(166)
Interest received	199	104
Income tax paid	(4,486)	(9,751)
Net cash generated from operating activities	**89,254**	**86,425**
Cash flows from investing activities		
Additions to properties under development	(3,909)	-
Additions to investment properties	(4,131)	(404,649)
Purchase of plant and equipment	(8)	-
Net cash used in investing activities	**(8,048)**	**(404,649)**
Cash flows from financing activities		
Distributions to Unitholders	(72,982)	(73,864)
Net proceeds from borrowings	63,341	230,791
Net proceeds from issuance of Notes	44,865	-
Repayment of borrowings	(129,250)	-
Net proceeds from issuance of new units	-	174,545
Interest paid	(13,355)	(10,038)
Net cash (used in)/ generated from financing activities	**(107,381)**	**321,434**
Net (decrease)/ increase in cash and cash equivalents	**(26,175)**	**3,210**
Cash and cash equivalents at beginning of period	122,177	107,216
Cash and cash equivalents at end of the period	**96,002**	**110,426**

1(d)(i) Statement of Changes in Unitholders' Funds (MIT Group)

	2QFY12/13 (S$'000)	2QFY11/12 (S$'000)
OPERATIONS		
Balance at beginning of the period	**225,777**	**129,961**
Total return for the period	35,904	30,379
Distributions paid[1]	(36,822)	(45,635)
Balance at end of the period	**224,859**	**114,705**
UNITHOLDERS' CONTRIBUTION		
Balance at beginning of the period	**1,436,160**	**1,260,406**
Issue of additional units pursuant to the EFR	-	176,899
Issue expenses	-	(2,354)
Manager's management fees paid in units	487	-
Balance at end of the period	**1,436,647**	**1,434,951**
HEDGING RESERVE		
Balance at beginning of the period	**(7,291)**	**(8,523)**
Changes in the fair value	809	(1,674)
Balance at end of the period	**(6,482)**	**(10,197)**
Total Unitholders' funds at end of the period	**1,655,024**	**1,539,459**

Footnote:

[1] The distribution paid for 2QFY11/12 of S$45.6 million includes an advance distribution of S$16.7 million or 1.14 cents per unit paid to eligible Unitholders on 31 August 2011. This advance distribution represents distribution from 1 July 2011 to 22 August 2011 to Unitholders existing as at 4 August 2011 and prior to the issuance of the new units pursuant to the EFR in August 2011.

1(d)(i) Statement of Changes in Unitholders' Funds (MIT Group)

	1HFY12/13 (S$'000)	1HFY11/12 (S$'000)
OPERATIONS		
Balance at beginning of the period	**226,144**	**129,567**
Total return for the period	71,697	59,002
Distributions paid[1]	(72,982)	(73,864)
Balance at end of the period	**224,859**	**114,705**
UNITHOLDERS' CONTRIBUTION		
Balance at beginning of the period	**1,435,661**	**1,260,406**
Issue of additional units pursuant to the EFR	-	176,899
Issue expenses	-	(2,354)
Manager's management fees paid in units	986	-
Balance at end of the period	**1,436,647**	**1,434,951**
HEDGING RESERVE		
Balance at beginning of the period	**(7,269)**	**(6,143)**
Changes in the fair value	787	(4,054)
Balance at end of the period	**(6,482)**	**(10,197)**
Total Unitholders' funds at end of the period	**1,655,024**	**1,539,459**

Footnote:

1 The distribution paid for 2QFY11/12 of S$45.6 million includes an advance distribution of S$16.7 million or 1.14 cents per unit paid to eligible Unitholders on 31 August 2011. This advance distribution represents distribution from 1 July 2011 to 22 August 2011 to Unitholders existing as at 4 August 2011 and prior to the issuance of the new units pursuant to the EFR in August 2011.

1(d)(i) Statement of Changes in Unitholders' Funds (MIT)

	2QFY12/13 (S$'000)	2QFY11/12 (S$'000)
OPERATIONS		
Balance at beginning of the period	**220,592**	**125,064**
Total return for the period	36,196	30,389
Distributions paid[1]	(36,822)	(45,635)
Balance at end of the period	**219,966**	**109,818**
UNITHOLDERS' CONTRIBUTION		
Balance at beginning of the period	**1,436,160**	**1,260,406**
Issue of additional units pursuant to the EFR	-	176,899
Issue expenses	-	(2,354)
Manager's management fees paid in units	487	-
Balance at end of the period	**1,436,647**	**1,434,951**
HEDGING RESERVE		
Balance at beginning of the period	**(7,291)**	**(8,523)**
Changes in the fair value	809	(1,674)
Balance at end of the period	**(6,482)**	**(10,197)**
Total Unitholders' funds at end of the period	**1,650,131**	**1,534,572**

Footnote:

1 The distribution paid for 2QFY11/12 of S$45.6 million includes an advance distribution of S$16.7 million or 1.14 cents per unit paid to eligible Unitholders on 31 August 2011. This advance distribution represents distribution from 1 July 2011 to 22 August 2011 to Unitholders existing as at 4 August 2011 and prior to the issuance of the new units pursuant to the EFR in August 2011.

1(d)(i) Statement of Changes in Unitholders' Funds (MIT)

	1HFY12/13 (S$'000)	1HFY11/12 (S$'000)
OPERATIONS		
Balance at beginning of the period	**220,430**	**124,670**
Total return for the period	72,518	59,012
Distributions paid[1]	(72,982)	(73,864)
Balance at end of the period	**219,966**	**109,818**
UNITHOLDERS' CONTRIBUTION		
Balance at beginning of the period	**1,435,661**	**1,260,406**
Issue of additional units pursuant to the EFR	-	176,899
Issue expenses	-	(2,354)
Manager's management fees paid in units	986	-
Balance at end of the period	**1,436,647**	**1,434,951**
HEDGING RESERVE		
Balance at beginning of the period	**(7,269)**	**(6,143)**
Changes in the fair value	787	(4,054)
Balance at end of the period	**(6,482)**	**(10,197)**
Total Unitholders' funds at end of the period	**1,650,131**	**1,534,572**

Footnote:

1 The distribution paid for 2QFY11/12 of S$45.6 million includes an advance distribution of S$16.7 million or 1.14 cents per unit paid to eligible Unitholders on 31 August 2011. This advance distribution represents distribution from 1 July 2011 to 22 August 2011 to Unitholders existing as at 4 August 2011 and prior to the issuance of the new units pursuant to the EFR in August 2011.

1(d)(ii) Details of Any Change in Units

	2QFY12/13	2QFY11/12	1HFY12/13	1HFY11/12
Balance as at beginning of the period	**1,629,274,248**	**1,462,664,000**	**1,628,822,170**	**1,462,664,000**
Issue of additional units pursuant to the EFR[1]	-	165,513,120	-	165,513,120
Manager's management fees paid in units[2]	409,544	-	861,622	-
Total issued units at end of the period	**1,629,683,792**	**1,628,177,120**	**1,629,683,792**	**1,628,177,120**

Footnotes:

1 The EFR was completed on 24 August 2011.

2 The Manager has elected, in accordance with the Trust Deed, for new units to be issued as payment of base fee to the Manager in respect of the Acquisition Portfolio.

2. Whether the figures have been audited, or reviewed and in accordance with which standard, (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with those used in the audited financial statements for the year ended 31 March 2012, except for new and amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from 1 April 2012.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

MIT Group adopted the new and amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from 1 April 2012. The adoption of these new or amended FRS and INT FRS do not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial period.

6. Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")

	2QFY12/13	2QFY11/12	1HFY12/13	1HFY11/12
Weighted average number of units	1,629,536,890[1]	1,532,827,170[2]	1,629,309,942[1]	1,497,937,288[2]
Earnings per unit (“EPU”) – Basic and Diluted Based on the weighted average number of units in issue (cents)	2.20	1.98	4.40	3.94
DPU Based on the weighted average number of units in issue (cents)	2.29	2.05	4.55	4.03

Footnotes:

1 Weighted average number of units for 2QFY12/13 and 1HYFY12/13 has been adjusted to take into effect the additional units as payment of base fee to the Manager for the period from 1 January 2012 to 30 June 2012 (both dates inclusive), in respect of the Acquisition Portfolio.

2 Weighted average number of units for 2QFY11/12 and 1HFY11/12 has been adjusted to take info effect the additional units raised pursuant to the EFR.

7. Net Asset Value ("NAV") Per Unit

	MIT Group		MIT	
	30 Sep 2012	**31 Mar 2012**	**30 Sep 2012**	**31 Mar 2012**
NAV per unit (S$)	1.02	1.02	1.01	1.01

8. Review of the Performance

Statement of Total Returns (MIT Group)

	2QFY12/13 (S$'000)	2QFY11/12 (S$'000)	Increase/ (Decrease) (%)
Gross revenue	68,218	59,419	14.8
Less: Property operating expenses	(19,804)	(17,887)	10.7
Net property income	**48,414**	**41,532**	**16.6**
Interest income	103	42	145.2
Borrowing costs	(6,776)	(5,626)	20.4
Manager's management fees	(5,314)	(4,592)	15.7
Trustee's fee	(109)	(101)	7.9
Other trust expenses	(414)	(876)	(52.7)
Total trust income and expense	**(12,510)**	**(11,153)**	**12.2**
Net income before tax and distribution	**35,904**	**30,379**	**18.2**
Net non-tax deductible items	1,566	1,268	23.5
Adjusted Taxable Income available for distribution to Unitholders	**37,470**	**31,647**	**18.4**
Distribution per Unit (cents)	**2.29**	**2.05**	**11.7**

2QFY12/13 vs 2QFY11/12

Gross revenue for 2QFY12/13 was S$68.2 million, S$8.8 million (or 14.8%) higher than the gross revenue achieved for the corresponding period last year. The higher gross revenue was due largely to the full quarter contribution from the Acquisition Portfolio which was acquired on 26 August 2011. This accounted for an increase of S$4.8 million. Excluding the Acquisition Portfolio, gross revenue increased by S$4.0 million (or 7.0%). This was due mainly to higher rental rates secured from the IPO Portfolio.

Property operating expenses was S$19.8 million, S$1.9 million (or 10.7%) higher than the corresponding period last year. This was due largely to the full quarter operating expenses for the Acquisition Portfolio.

Correspondingly, net property income for 2QFY12/13 was S$48.4 million, S$6.9 million (or 16.6%) higher.

Trust expenses were higher by S$1.4 million (or 12.2%), largely because of higher borrowing costs and manager's management fees. The higher borrowing costs arose from additional borrowing taken to finance the acquisition of the Acquisition Portfolio and the Notes issued on 8 March 2012 and 7 September 2012 to refinance part of the existing borrowings. Actual weighted average interest rate achieved for 2QFY12/13 was 2.3% as compared to 2.2% in 2QFY11/12.

On the back of a higher net property income offset by higher trust expenses, net income before tax and distribution in 2QFY12/13 increased by S$5.5 million (or 18.2%) to S$35.9 million. As a result, the distribution per unit for 2QFY12/13 is 2.29 cents which is higher compared to 2.05 cents in 2QFY11/12.

Statement of Total Returns (MIT Group)

	1HFY12/13 (S$'000)	1HFY11/12 (S$'000)	Increase/ (Decrease) (%)
Gross revenue	135,082	114,419	18.1
Less: Property operating expenses	(38,324)	(34,647)	10.6
Net property income	**96,758**	**79,772**	**21.3**
Interest income	197	101	95.0
Borrowing costs	(13,770)	(10,590)	30.0
Manager's management fees	(10,572)	(8,868)	19.2
Trustee's fee	(215)	(196)	9.7
Other trust expenses	(701)	(1,217)	(42.4)
Total trust income and expense	**(25,061)**	**(20,770)**	**20.7**
Net income before tax and distribution	**71,697**	**59,002**	**21.5**
Net non-tax deductible items	2,670	1,676	59.3
Adjusted Taxable Income available for distribution to Unitholders	**74,367**	**60,678**	**22.6**
Distribution per Unit (cents)	**4.55**	**4.03**	**12.9**

1HFY12/13 vs 1HFY11/12

Gross revenue for 1HFY12/13 was S$135.1 million, S$20.7 million (or 18.1%) higher than the corresponding period last year. This was due largely to the contribution from the Acquisition Portfolio which was acquired on 26 August 2011 as well as higher rental rates secured for the renewal and new leases from the IPO Portfolio.

Property operating expenses was S$38.3 million, S$3.7 million (or 10.6%) higher. This was largely due to the new property operating expenses for the acquired properties as well as higher utilities expenses and property taxes.

Accordingly, net property income was correspondingly higher by S$17.0 million (or 21.3%) at S$96.8 million in 1HFY12/13 compared to 1HFY11/12. Net income before tax and distribution was higher by 21.5% at S$71.7 million.

Trust expenses were higher by S$4.3 million (or 20.7%), largely because of higher borrowing costs and manager's management fees. The higher borrowing costs arose from additional borrowing taken to finance the acquisition of the Acquisition Portfolio and the Notes issued on 8 March 2012 and 7 September 2012 to refinance part of the existing borrowings. Actual weighted average interest rate achieved for 1HFY12/13 was 2.4% as compared to 2.2% in 1HFY11/12.

The amount available for distribution for 1HFY12/13 is S$74.4 million (or 22.6%) higher than 1HFY11/12. As a result, the distribution per unit for 1HFY12/13 is 4.55 cents which is higher compared to 4.03 cents in 1HFY11/12.

Statement of Total Returns (MIT Group)

	2QFY12/13 (S$'000)	1QFY12/13 (S$'000)	Increase/ (Decrease) (%)
Gross revenue	68,218	66,864	2.0
Less: Property operating expenses	(19,804)	(18,520)	6.9
Net property income	**48,414**	**48,344**	**0.1**
Interest income	103	94	9.6
Borrowing costs	(6,776)	(6,994)	(3.1)
Manager's management fees	(5,314)	(5,258)	1.1
Trustee's fee	(109)	(106)	2.8
Other trust expenses	(414)	(287)	44.3
Total trust income and expense	**(12,510)**	**(12,551)**	**(0.3)**
Net income before tax and distribution	**35,904**	**35,793**	**0.3**
Net non-tax deductible items	1,566	1,104	41.8
Adjusted Taxable Income available for distribution to Unitholders	**37,470**	**36,897**	**1.6**
Distribution per Unit (cents)	**2.29**	**2.26**	**1.3**

2QFY12/13 vs 1QFY12/13

On a quarter-on-quarter basis, gross revenue for 2QFY12/13 rose by S$1.4 million (or 2.0%) to S$68.2 million. The increase was largely due to higher rental rates secured for both renewal and new leases.

Property operating expenses amounted to S$19.8 million, S$1.3 million (or 6.9%) higher than in the preceding quarter. The higher expenses were due to higher marketing commissions, operating capital expenses and cleaning costs incurred during the quarter, offset by lower other property maintenance expenses.

Correspondingly, net property income in 2QFY12/13 rose by S$0.1 million (or 0.1%) and net income before tax and distribution was S$35.9 million (or 0.3%) higher than the preceding quarter.

The amount available for distribution for 2QFY12/13 is S$0.6 million (or 1.6%) higher than 1QFY12/13. As a result, the distribution per unit for 2QFY12/13 is 2.29 cents which is 1.3% higher compared to 2.26 cents in 1QFY12/13.

Balance Sheet

30 September 2012 vs 31 March 2012

Total assets increased mainly due to capitalisation of development costs incurred for Woodlands Central, Toa Payoh North 1 clusters and the build to suit project at Serangoon North.

Both the Group and Trust reported a net current liabilities position due to long-term borrowings which are maturing within the next 12 months. As at the date of this announcement, the Group has sufficient banking facilities available to refinance these borrowings.

9. Variance from Previous Forecast / Prospect Statement

MIT has not disclosed any forecast to the market.

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 month

According to the Ministry of Trade and Industry's ("MTI") advanced estimates, Singapore's economy contracted by 1.5% on a quarter-on-quarter seasonally-adjusted annualised basis in the third quarter of 2012 ("3Q2012"), a reversal from the expansion of 0.2% in the preceding quarter. The weakened growth momentum in 3Q2012 was mainly due to the decline in construction and manufacturing sectors. The manufacturing sector declined by 3.9%, after contracting 0.1% in the previous quarter. This largely reflected the decline in output of the electronics cluster. Nonetheless, on a year-on-year basis, the economy grew by 1.3% in 3Q2012. MTI announced that the Singapore economy remains on track to grow by to 1.5% to 2.5% in 2012.

The Purchasing Managers' Index ("PMI"), a leading indicator of the manufacturing sector, contracted for a third consecutive month in September 2012 as new orders fell further. The PMI dropped to 48.7 points in September 2012, after recording 49.1 points and 49.8 points in August 2012 and July 2012 respectively. The dip in PMI was attributed to further decline in new orders as well as first time contraction in new export orders after seven months of growth. In the electronic sub-sector, the PMI slid from 50.7 points in August 2012 to 50 points in September 2012.

Given the increasingly challenging environment, the Manager has actively signed advanced renewals for a significant portion of the expiring leases. As at 30 September 2012, only 9.1% of the portfolio's leases (by Gross Rental Revenue) that are due to expire in FY12/13, are still in the process of being renewed or replaced.

Reports from Colliers showed that the leasing activities in 3Q2012 held relatively firm with lease renewals continuing to dominate. The average monthly gross rent for Business Park Buildings registered a slight 0.3% increase to S$3.91 per sq ft per month ("psf/mth") in 3Q2012, after staying flat in the previous quarter. Rents for generic industrial space continued to rise at a marginal pace. In 3Q2012, prime factory space commanded an average monthly gross rent of S$2.45 psf/mth for ground floor space (previous quarter: S$2.40 psf/mth) and S$2.15 psf/mth for upper floor space (previous quarter: S$2.10 psf/mth).

The Government has introduced further measures over the past few months to curb rising industrial land prices and speculative activities. These include changes to the Industrial Government Land Sales ("GLS") programme, increasing the land supply, shortening the land tenures, as well as imposition of stricter development conditions for new industrial sites. However, given most of MIT's portfolio are in established industrial estates, and that there is a long gestation period for those new spaces to be constructed and be ready, the immediate effects of these measures to the Manager's leasing activities are expected to be muted.

The global economic conditions are expected to remain weak for the rest of the year. The ongoing weakness from the Eurozone debt crisis, a flagging recovery in the US and the resultant slowdowns in China and India, pose significant headwinds to near-term global economic growth. Nevertheless, the resilient domestic demand in ASEAN could provide some support. As such, barring any shocks to the Singapore economy, rents for generic industrial space are expected to continue to be relatively flat in the near term. In the longer term, the large pipeline of supply for the industrial sector will put downward pressures on rents. Specifically for the business parks segment, the negative spill-over effect from the office sector is expected to persist and continue to exert downward pressures on rents in the near term.

However, the Manager is cautiously optimistic that MIT, with a diversified and robust portfolio, will continue to perform well for the rest of the financial year.

11. Distributions

(a) Current financial period
Any distributions declared for the current financial period? Yes

Name of distribution:	8th distribution for the period from 1 July 2012 to 30 September 2012
Distribution types:	Income / Capital
Distribution rate:	Period from 1 July 2012 to 30 September 2012 Taxable Income: 2.11 cents per unit Capital Distribution: 0.18 cents per unit
Par value of units:	Not meaningful
Tax rate:	<u>Taxable Income</u> Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%. All other investors will receive their distributions after deduction of tax at the rate of 17%. <u>Capital Distribution</u> Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MIT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MIT Units for Singapore income tax purposes.

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes

Name of distribution:	Distribution in the corresponding period consisted of: (i) an advance distribution of 1.14 cents per unit paid for the period from 1 July 2011 to 22 August 2011 to Unitholders existing as at 4 August 2011 and prior to the issuance of the new units pursuant to the EFR in August 2011; and (ii) the 4th distribution for the period from 23 August 2011 to 30 September 2011.
Distribution types:	Income / Capital

Distribution rate: Period from 1 July 2011 to 22 August 2011
Taxable Income: 1.01 cents per unit
Capital Distribution: 0.13 cents per unit

Period from 23 August 2011 to 30 September 2011
Taxable Income: 0.83 cents per unit
Capital Distribution: 0.08 cents per unit

Par value of units: Not meaningful

Tax rate: Taxable Income
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Capital Distribution
Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MIT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MIT Units for Singapore income tax purposes.

(c) Date payable: By 29 November 2012

(d) Book closure date: 1 November 2012

12. If no distribution has been declared/(recommended), a statement to that effect.

Not applicable

13. Segment Information (MIT Group)

	2QFY12/13		2QFY11/12	
	S$'000	**%**	**S$'000**	**%**
Gross Revenue				
Flatted Factories	41,388	60.7	33,528	56.4
Business Park Buildings	12,478	18.3	12,303	20.7
Stack-up/Ramp-up Buildings	9,383	13.8	8,693	14.6
Light Industrial Buildings	4,307	6.3	4,207	7.1
Warehouse	662	0.9	688	1.2
	68,218	**100.0**	**59,419**	**100.0**
Net Property Income				
Flatted Factories	29,740	61.4	23,748	57.2
Business Park Buildings	7,524	15.5	6,980	16.8
Stack-up/Ramp-up Buildings	7,430	15.3	6,717	16.2
Light Industrial Buildings	3,416	7.1	3,607	8.7
Warehouse	304	0.7	480	1.1
	48,414	**100.0**	**41,532**	**100.0**

	1HFY12/13		1HFY11/12	
	S$'000	**%**	**S$'000**	**%**
Gross Revenue				
Flatted Factories	81,964	60.7	63,192	55.2
Business Park Buildings	24,506	18.1	24,313	21.2
Stack-up/Ramp-up Buildings	18,530	13.7	17,163	15.0
Light Industrial Buildings	8,579	6.4	8,383	7.3
Warehouse	1,503	1.1	1,368	1.3
	135,082	**100.0**	**114,419**	**100.0**
Net Property Income				
Flatted Factories	59,556	61.6	44,417	55.7
Business Park Buildings	14,893	15.4	14,142	17.7
Stack-up/Ramp-up Buildings	14,462	14.9	13,376	16.8
Light Industrial Buildings	6,940	7.2	6,924	8.7
Warehouse	907	0.9	913	1.1
	96,758	**100.0**	**79,772**	**100.0**

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Flatted Factories segment remains the largest contributor to MIT Group's gross revenue and net property income. The contribution from Flatted Factories segment increased due to the Acquisition Portfolio acquired on 26 August 2011.

15. Breakdown of Revenue (MIT Group) for the financial period

	1HFY12/13 (S$'000)	1HFY11/12 (S$'000)	Increase/ (Decrease) (%)
Gross revenue reported for period 1 April to 30 June	66,864	55,000	21.6
Net income before tax and distribution for period 1 April to 30 June	35,793	28,623	25.0
Gross revenue reported for period 1 July to 30 September	68,218	59,419	14.8
Net income before tax and distribution for period 1 July to 30 September	35,904	30,379	18.2

16. Breakdown of Total Distribution (MIT Group) for the financial period

	1HFY12/13	
	(S$'000)	Distribution Per Unit (cents)
1 April to 30 June 2012	36,822	2.26
1 July to 30 September 2012	37,320	2.29
Total distribution to Unitholders	**74,142**	**4.55**

17. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of each transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

MIT Group has not obtained a general mandate from Unitholders for any Interested Person Transactions.

18. Confirmation by the Board

The Board of Directors of the Manager has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material respect.

By Order of the Board
Wan Kwong Weng
Joint Company Secretary
Mapletree Industrial Trust Management Ltd.
(Company Registration No. 201015667D)
As Manager of Mapletree Industrial Trust