

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

ANNOUNCEMENT

RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS FOR THE ANNUAL GENERAL MEETING ON 15 JULY 2020

15 July 2020 - Mapletree Industrial Trust Management Ltd., as manager (the "Manager") of Mapletree Industrial Trust ("MIT"), wishes to thank all unitholders of MIT (the "Unitholders") who have submitted their questions in advance of the 10th Annual General Meeting of MIT, which will be conducted virtually on 15 July 2020, 2.30 p.m. (Singapore Time) via the live audio-visual webcast or live audio-only stream.

The questions are grouped into the following key topics:

- A. Impact of COVID-19
- B. Investments
- C. Financials and Capital Management
- D. Strategy and Outlook

Please refer to Annex A for the list of substantial and relevant questions, and the Manager's responses to these questions.

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

Important Notice

The value of the 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 the 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 MIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of MIT is not necessarily indicative of the future performance of MIT.

ANNEX A: RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS

A. Impact of COVID-19	
1.	How is MIT affected by the COVID-19 pandemic?
	<p><u>Singapore</u></p> <ul style="list-style-type: none"> ▪ Tenants providing non-essential services within MIT's properties in Singapore were required to suspend their business operations during the circuit breaker period from 7 April 2020 to 1 June 2020. MIT's properties in Singapore had remained open during the circuit breaker period to support tenants who provide essential services. During the circuit breaker period, more than 70% of MIT's tenants (by gross rental revenue) in the Singapore Portfolio provide essential services or are in key economic sectors. To date, about 90% of MIT's tenants (by gross rental revenue) have continued or resumed their business operations. ▪ In April 2020, MIT has rolled out its COVID-19 Assistance and Relief Programme of up to S\$13.7 million to support its tenants, with priority given to small and medium-sized enterprises ("SME"), who have been affected by supply chain disruptions and fall in business volume as a result of the pandemic. <p><u>North America</u></p> <ul style="list-style-type: none"> ▪ The U.S. Department of Homeland Security and Government of Canada had identified data centre operators as essential infrastructures vital to the United States of America (the "United States") and Canada. All MIT's 27 data centres in North America continued operations during this period. <p><i>A detailed assessment of the impact of the COVID-19 pandemic on MIT is outlined in this section 'A. Impact of COVID-19'.</i></p>
2.	What is the proportion of tenants who have requested for rent deferment?
	<ul style="list-style-type: none"> ▪ The Manager has received 105 requests for rent deferment and lease restructuring as at 30 June 2020. The impact arising from rent deferment and lease restructuring accounted for about 4.5% of the Singapore Portfolio (by monthly net property income). The Manager is working closely with these tenants to navigate through this challenging period.

<p>3.</p>	<p>(i) What is the proportion of MIT's tenants who are financially vulnerable as a result of the COVID-19 pandemic?</p> <p>(ii) How has the rental collection been during the period?</p> <p>(iii) What is the proportion of MIT's tenants who have pre-terminated their leases due to the COVID-19 pandemic in the last few months?</p>
	<ul style="list-style-type: none"> ▪ The global economic outlook remains uncertain as there is no visibility over the severity and duration of the pandemic as well as the eventual economic recovery. Most businesses will be affected by the drastic and sudden fall in business volume, with attendant cash flow constraint, perhaps more so for SME. As at 31 March 2020, about 55% of MIT's Singapore Portfolio (or 45% of the Overall Portfolio) (by gross rental income) are SME tenants. ▪ As at 30 June 2020, the total arrears outstanding stood at 1.7% of previous 12 months' gross revenue. While this was an increase from the rental arrears ratio of 0.2% as at 31 March 2020, the Manager is proactively managing the situation by working with these tenants on rental restructuring plans. ▪ To date, there has not been a significant increase in the number of pre-termination of leases due to the COVID-19 pandemic.
<p>4.</p>	<p>How is the performance of the Flatted Factories during the COVID-19 pandemic?</p>
	<ul style="list-style-type: none"> ▪ The occupancy rate for Flatted Factories had improved from 86.8% in FY18/19 to 87.4% in FY19/20. However, the negative business sentiments stemming from the COVID-19 pandemic and the large impending supply of industrial space are expected to weigh on the occupancy and rental rates. To address such leasing challenges, the Manager remains focused on tenant retention and forward lease renewals to maintain a stable portfolio occupancy.
<p>5.</p>	<p>(i) Does MIT plan to retain any distributions to assist tenants affected by the COVID-19 pandemic?</p> <p>(ii) How will the distribution for FY20/21¹ be affected by the COVID-19 pandemic?</p> <p>(iii) Will the retained distribution be returned to Unitholders, given that the business activities had resumed?</p>
	<ul style="list-style-type: none"> ▪ In view of the uncertainty of the COVID-19 pandemic situation, the Manager has adopted a prudent approach to withhold the tax-exempt income distribution of

¹ FY20/21 denotes Financial Year 2020/2021 from 1 April 2020 to 31 March 2021.

	<p>S\$6.6 million in 4QFY19/20 to provide MIT greater flexibility in FY20/21. The Manager will also be withholding the tax-exempt income distribution in 1QFY20/21.</p> <ul style="list-style-type: none"> ▪ The Manager estimates that the rental reliefs provided/to be provided to tenants would amount to about S\$20 million. This includes MIT's COVID-19 Assistance and Relief Programme of up to S\$13.7 million as well as the rental reliefs under the COVID-19 (Temporary Measures) (Amendment) Act 2020. Under the Act, eligible SME tenants can receive a total of two months' waiver of base rental for industrial properties, which will be co-shared by the Government and MIT. Details of the rental reliefs under the COVID-19 (Temporary Measures) (Amendment) Act 2020 will be released in end July 2020. This will affect MIT's distributable income for FY20/21. The Manager expects the income withheld will help to mitigate the impact of rental reliefs to distributions. ▪ MIT's distribution policy is to distribute at least 90.0% of its taxable income. Since its listing on 21 October 2010, MIT has been distributing 100% of its taxable income. While the Manager has withheld tax-exempt income distribution in 4QFY19/20 and 1QFY20/21 for greater flexibility in cash management, it is committed to maintain the distribution policy during this period.
6.	<p>(i) How will the COVID-19 pandemic affect MIT's operations in the future?</p> <p>(ii) What measures will the Manager adopt to mitigate the impact on MIT Portfolio arising from the COVID-19 pandemic?</p>
	<ul style="list-style-type: none"> ▪ In view of the deterioration in the external demand outlook and the expected economic impact of the circuit breaker measures, the GDP growth forecast for Singapore for 2020 has been downgraded from “-4.0% to -1.0%” on 26 March 2020 to “-7.0% to -4.0%” on 26 May 2020. These will weigh on leasing activity of selected segments of the industrial market in Singapore as companies become more cautious about expansion or relocation. The Manager remains focused on tenant retention in order to maintain a stable portfolio occupancy rate. ▪ In April 2020, the Manager rolled out a COVID-19 Assistance and Relief Programme of up to S\$13.7 million to support tenants in Singapore in a targeted manner. ▪ MIT's large and diversified tenant base with low dependence on any single tenant or trade sector will continue to underpin its portfolio resilience. The long leases in MIT's data centres in Singapore and North America as well as build-to-suit projects, which accounted for about 39.9% of the portfolio (by assets under management), will further strengthen the portfolio's resilience. ▪ The proposed acquisition of the remaining 60% interest in the 14 data centres in the United States as well as the completion of the redevelopment of the Kolam Ayer 2 Cluster in the second half of 2022 will enhance MIT's growth profile.

B. Investments	
7.	Will the Manager consider merging MIT with the other logistics or commercial real estate investment trusts (“REITs”) sponsored by Mapletree Investments Pte Ltd (“MIPL” or the “Sponsor”)?
	<ul style="list-style-type: none"> ▪ The Manager believes that there is sufficient differentiation between MIT and other REITs sponsored by MIPL in terms of asset types, tenant profiles and types of uses of properties. Each of the REIT sponsored by MIPL is of significant scale; and hence, there is no compelling reason to merge.
8.	Is the acquisition of the remaining 60% interest in 14 data centres in the United States from MIPL distribution per Unit (“DPU”) accretive? What is the estimated accretion to DPU?
	<ul style="list-style-type: none"> ▪ Please refer to the announcement dated 23 June 2020 titled “The Proposed Acquisition of the Remaining 60.0% Interest in 14 Data Centres Located in the United States of America”. Based on the proposed method of financing and the <i>pro forma</i> financial effects of the proposed acquisition on DPU and net asset value (“NAV”) per Unit for MIT for FY19/20, the proposed acquisition is expected to be DPU and NAV accretive to Unitholders. ▪ The <i>pro forma</i> DPU accretion is estimated to be about 3.4%². The <i>pro forma</i> NAV per unit is assumed to increase to S\$1.68 after the proposed acquisition from S\$1.62 as at 31 March 2020.
9.	The United States seems to be increasing as part of portfolio growth. Has the Manager considered acquisitions in other regions such as Europe and Asia to expand MIT’s geographical spread?
	<ul style="list-style-type: none"> ▪ The United States is a natural consideration as it is the world’s largest and most established data centre market. The Manager is also interested in investment opportunities in established data centre markets in Europe (Frankfurt, London, Amsterdam, Paris and Dublin) and Asia Pacific (Singapore, Hong Kong, Japan and Australia). These are strategically located markets (near submarine communications cables) in countries with highly developed infrastructure. ▪ The Manager’s investment focus will be in established data centre markets while relying on the Sponsor’s extensive network and capabilities to evaluate suitable

² Assuming an equity fund raising to raise gross proceeds of S\$350.0 million (approximately US\$246.5 million) (for illustrative purposes only). Represents the *pro forma* financial effects of the proposed acquisition on MIT’s DPU for the financial year ended 31 March 2020, as if the proposed acquisition was completed on 1 April 2019, and MIT held and operated the 14 data centres through to 31 March 2020.

	investment opportunities. The Manager continues to anchor its presence in Singapore through suitable development and acquisition opportunities.
10.	Is MIT going to become more of a data centre REIT than an industrial REIT?
	<ul style="list-style-type: none"> ▪ The Manager continues to expand MIT's exposure to high specifications industrial space. This is underscored by the ongoing redevelopment of the Kolam Ayer 2 Flatted Factory Cluster into a high-tech industrial precinct, which is slated for completion in the second half of 2022. ▪ As at 31 March 2020, data centres comprised about 31.6%³ of the portfolio (by assets under management). The long leases with established tenants in MIT's data centres in Singapore and North America will enhance its income stability. Following the acquisition of the remaining 60% interest in the 14 data centres in the United States, MIT's exposure to data centres will increase from 31.6%³ to 39.0%⁴.
11.	How is the collaboration with Equinix?
	<ul style="list-style-type: none"> ▪ In July 2019, MIT completed the upgrading of 7 Tai Seng Drive as a data centre with a gross floor area of about 256,600 square feet. The seven-storey data centre has been fully leased to Equinix for an initial term of 25 years with annual rental escalations. This builds on Equinix's presence at MIT's properties, 26A Ayer Rajah Crescent (a purpose-built facility for data centre use for Equinix), and 180 Peachtree, Altanta, the United States.
12.	How has COVID-19 pandemic affected your capital recycling plans?
	<ul style="list-style-type: none"> ▪ The Manager continuously reviews the competitiveness and assesses the potential of repositioning each property for higher value use. An example will be the redevelopment of the Kolam Ayer 2 Flatted Factory Cluster into a high-tech industrial precinct. The redevelopment remains on track to commence construction works in the second half of 2020. ▪ Properties with lower long-term relevance to the portfolio may be considered for divestment. However, this remains opportunistic with the current pandemic posing a challenge for conducting due diligence and making investment decisions worldwide.

³ Based on MIT's book value of investment properties as well as MIT's interests in the joint ventures with MIPL in a portfolio of 14 data centres in the United States, three fully fitted hyperscale data centres and 10 powered shell data centres in North America and includes MIT's right-of-use assets of S\$25.2 million as at 31 March 2020.

⁴ Based on MIT's portfolio as at 31 March 2020 and the total acquisition outlay of approximately US\$218.0 million (approximately S\$309.6 million).

13.	<p>(i) Please provide an update of the redevelopment of the Kolam Ayer 2 Cluster. (ii) Will the COVID-19 pandemic affect pre-leasing activities for the redevelopment? (iii) Will the redevelopment of the Kolam Ayer 2 Cluster be put on hold in view of the COVID-19 pandemic?</p>
	<ul style="list-style-type: none"> ▪ All 108 tenants had vacated the Kolam Ayer 2 Cluster. Of which, 74 of them have committed to new leases at alternative MIT clusters. The redevelopment remains on track to commence construction works in the second half of 2020. ▪ The redevelopment will include a build-to-suit facility for a global medical device company headquartered in Germany. The build-to-suit facility will account for about 24.4% of the enlarged gross floor area upon completion of the redevelopment and will be leased to the global medical device company for an initial lease term of 15 years. The Manager continues to engage prospects for the remaining new space and strives to secure similar build-to-suit opportunities. It is positive about the location at the city-fringe and high building specifications of the new high-tech industrial precinct, which will be attractive high value-add and knowledge-based businesses.
14.	Does MIT has any right of first refusal (“ROFR”) from the Sponsor?
	<ul style="list-style-type: none"> ▪ The Sponsor has granted MIT the ROFR to acquire the Sponsor’s 60% interest in Mapletree Redwood Data Centre Trust (“MRDCT”) as well as its 50% interest in Mapletree Rosewood Data Centre Trust. On 23 June 2020, the Manager had announced the proposed acquisition of the remaining 60% interest in 14 data centres located in the United States from the Sponsor, which are currently held by MRDCT. As this proposed acquisition constitutes as an “interested person transaction” under Chapter 9 of the Listing Manual and an “interested party transaction” under the Property Funds Appendix, the proposed acquisition will be subject to specific approval of Unitholders at an extraordinary general meeting (“EGM”). Details of the EGM will be announced in due course.
C. Financials and Capital Management	
15.	Will MIT maintain its distribution payout on a quarterly basis?
	<ul style="list-style-type: none"> ▪ MIT expects to continue with quarterly reporting and distributions in FY20/21.

16.	The latest acquisition of the remaining 60% interest in 14 data centres in the United States from MIPL is fully funded by equity. Why did the aggregate leverage ratio increased?
	<ul style="list-style-type: none"> The acquisition of the remaining 60% interest in 14 data centres will be fully funded by gross proceeds raised from a private placement and acquisition fee in units. The increase in <i>pro forma</i> aggregate leverage ratio from 37.6% as at 31 March 2020 to 38.7% would be due to MIT taking on the existing MRDCT group debt of US\$450 million following the completion of the acquisition and the private placement. The 14 data centres are currently held by MRDCT, a 40:60 joint venture between MIT and MIPL.
17.	For the proposed acquisition of the remaining 60% interest in the 14 data centres in the United States, why did MIT undertake a private placement instead of rights offering to existing unitholders? Will there be a dilution of interest for the existing unitholders?
	<ul style="list-style-type: none"> As this was one of the earliest equity fund raisings in the Singapore equity market amid the COVID-19 pandemic, the Manager had undertaken an overnight private placement to minimise any market volatility or uncertainty. While existing unitholders are not able to participate in the private placement, and may suffer a dilution in their interest, the Manager believes the accretion from the proposed transaction is still positive to existing unitholders in respect of DPU and NAV per unit after taking into account the diluted interest arising from the private placement.
18.	Does MIT have a target aggregate leverage ratio even though the aggregate leverage limit for REITs listed on the Singapore Exchange has been raised from 45% to 50%?
	<ul style="list-style-type: none"> MIT's aggregate leverage ratio of 37.6% as at 31 March 2020 is well within the aggregate leverage limit of 50% imposed by the Monetary Authority of Singapore. The Manager is comfortable with an aggregate leverage of around 40% level. At the current aggregate leverage ratio, the debt headroom to an aggregate leverage ratio of 40% was about S\$238.7 million, which will help to support both ongoing development project as well as potential investment growth opportunities.
19.	Given the low interest rate environment globally, how is MIT going to capitalise on this?
	<ul style="list-style-type: none"> As at 31 March 2020, MIT's total borrowings outstanding had been 73.4% hedged through interest rate swaps and fixed rate debt. While interest rates are generally

	expected to remain low, the Manager is vigilant to safeguard against the uncertainties in the market. The Manager will continue to monitor the market and make the necessary adjustments to maintain a balance between managing the stability of DPU and the cost of hedging.
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D. Strategy and Outlook

20.	Other than financial performance, some investors like to see companies practice sustainability and adopt good corporate values such as (racial and gender) diversity and inclusion. What specifically are you doing on the topic of diversity and inclusion?
	<ul style="list-style-type: none"> ▪ As an equal opportunity employer, the Manager is committed to providing a fair, diverse and inclusive working environment. It hires and develops its employees based on their individual capability and competency that fit MIT's business needs. It does not have a quota for gender, age group, ethnic group or nationality. Please refer to page 120 of MIT's Annual Report 2019/2020 for the 'Profile of the Workforce'.
21.	Can the DPU grow consistently in the next two to three years in view of the current COVID-19 pandemic and the trade tensions between the United States and China?
	<ul style="list-style-type: none"> ▪ The global economic outlook remains uncertain, as there is no visibility over the severity and duration of the pandemic as well as the eventual economic recovery. It is difficult to provide a guidance in this environment. Nevertheless, the Manager remains committed to deliver sustainable returns to Unitholders in the long-term through its proactive portfolio rebalancing initiatives and asset management, which is supported by its prudent capital management efforts.
22.	What is the growth strategy of MIT going forward?
	<ul style="list-style-type: none"> ▪ MIT will continue to reshape and build a portfolio of assets for higher value uses to cater to the evolving needs of industrialists and attract users from growth segments. In addition to Singapore and the United States, MIT will proactively pursue investment opportunities in established data centre markets in Asia Pacific and Europe. Through acquisition, build-to-suit projects and asset enhancement initiatives, its portfolio rebalancing efforts have and will continue to strengthen the portfolio and deliver sustainable growth to Unitholders. ▪ MIT remains prudent in its approach towards capital management to support its growth initiatives. Its aggregate leverage ratio remained healthy at 37.6% as at 31

	March 2020 with no loans maturing in the next Financial Year 2020/2021. With committed facilities of about S\$380 million available for drawdown and sufficient debt headroom, these will support both ongoing development project and potential investment opportunities.
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