

For Immediate Release

MNACT's DPU for 2Q FY18/19 was 3.1% higher than 2Q FY17/18

Highlights

- 1H FY18/19 Distribution per Unit ("DPU") was 2.5% higher than 1H FY17/18
- Growth underpinned by addition of Japan Properties and organic growth from existing properties
- 81% of expiring/expired leases¹ in FY18/19 at portfolio level have been renewed or re-let

26 October 2018 – Mapletree North Asia Commercial Trust Management Ltd. ("MNACTM" or the "Manager"), the Manager of Mapletree North Asia Commercial Trust ("MNACT"), announced today a DPU of 1.926 cents for the period from 1 July 2018 to 30 September 2018 ("2Q FY18/19"), up 3.1% year-on-year. This brings the DPU for the period from 1 April 2018 to 30 September 2018 ("1H FY18/19") to 3.807 cents, 2.5% higher compared to the period from 1 April 2017 to 30 September 2017 ("1H FY17/18").

Summary of MNACT's Results

Financial Highlights	1H FY18/19	1H FY17/18	Variance %	2Q FY18/19	2Q FY17/18	Variance %
Gross Revenue ² (S\$'000)	199,022	177,016	12.4	104,604	88,113	18.7
Net Property Income (S\$'000)	160,434	142,882	12.3	83,641	70,904	18.0
Distributable Income (S\$'000)	117,589	104,445	12.6	60,846	52,534	15.8
DPU (cents)	3.807	3.714	2.5	1.926	1.868	3.1
Annualised Distribution Yield ³	6.6%	6.4%	3.1	6.7%	6.4%	4.7
Closing Unit Price for period	S\$1.140	S\$1.155	(1.3)	S\$1.140	S\$1.155	(1.3)

¹ By lettable area as of 30 September 2018.

² Revenue is presented net of value added tax applicable to Gateway Plaza and Sandhill Plaza in China. Revenue is presented net of consumption tax applicable to the Japan Properties.

³ Defined as annualised distributable income over number of units in issue at the end of the respective period, and divided by the closing unit price for the period.

The DPU for 1H FY18/19 of 3.807 cents comprised:

Period		DPU (cents)	No of Units
1Q FY18/19 ¹	Advanced Distribution for the period from 1 April 2018 to 7 May 2018	0.764	2,826,267,943
	Distribution for the period from 8 May 2018 to 30 June 2018	1.117	3,146,007,149
2Q FY18/19 (for the period from 1 July 2018 to 30 September 2018)		1.926	3,158,922,006 ²

MNACT's 1H FY18/19 NPI of S\$160.4 million was 12.3% higher than 1H FY17/18 NPI mainly due to the contribution from the Japan Properties and revenue growth from Festival Walk, Gateway Plaza and Sandhill Plaza as a result of higher rental rates, partially offset by the lower average rate of HKD. Underpinned by the higher NPI, distributable income for 1H FY18/19 rose 12.6% to S\$117.6 million. Taking into account an enlarged unit base, DPU for 1H FY18/19 gained 2.5% to 3.807 cents.

Ms. Cindy Chow, Chief Executive Officer of the Manager, said, "We are pleased to report a steady DPU growth of 3.1% for 2Q FY18/19, amid challenges and increasing uncertainties in the global market. This is mainly driven by our strategy to diversify MNACT's income streams through the acquisition of the Japan Properties and to drive organic growth from our existing assets through positive year-to-date reversions³. On the capital management front, we will continue to hedge the rental income from the properties on a four-quarter rolling basis as well as fix a high proportion of MNACT's interest costs. We also remain focused on sourcing for accretive acquisitions in China, Hong Kong SAR and Japan."

Portfolio Update

Portfolio Update by Asset	Festival Walk	Gateway Plaza	Sandhill Plaza	Japan Properties ⁴
Average rental reversion ³ for leases that expired (and were renewed or re-let) by 30 September 2018	40% ⁵ - Retail 15% - Office	8%	15%	6% ⁶
Occupancy level as of 30 September 2018	Portfolio level: 99.6%			
	100%	98.7%	100.0%	100.0%
Percentage of leases (by lettable area) with expiries in FY18/19 that were renewed or re-let as of 30 September 2018	Portfolio level: 81%			
	92%	66%	80%	100%

¹ The Advanced Distribution and enlarged number of units arise from the acquisition of the Japan Properties completed on 25 May 2018. Please refer to MNACT's SGX-ST Announcement dated 30 July 2018 titled "MNACT's DPU for 1Q FY18/19 was 1.6% higher compared to 1Q FY17/18".

² The number of units in issue as at the end of 2Q does not include the payment of Manager's base fee and the property manager's management fees (collectively known as "Fees") in units of 7,540,036 for 2Q FY18/19. The units for payment of Fees for 2Q, to be issued in November 2018, will be included in the computation of the DPU payable for the third quarter of the financial year.

³ Rental reversion for each asset is computed based on the weighted average effective base rental rate of leases that were renewed or re-let vs. the weighted average effective base rental rate for expired leases over the lease term. The computation of rental reversion excludes turnover rent and renewed/re-let leases with lease periods less than or equal to one year.

⁴ The operational performance of the Japan Properties is reported on a portfolio basis.

⁵ The higher-than-average reversion was mainly contributed by the lease renewal of one of the anchor tenants at Festival Walk.

⁶ For the Japan Properties, there was no lease expiry in 2Q FY18/19. There were 2 leases that expired in 1Q FY18/19.

Festival Walk showed strong performance for the first six months of FY18/19 with full occupancy and robust average rental reversion for retail leases. Riding on a broad-based retail market recovery and improved sentiments in Hong Kong, retail sales and footfall at Festival Walk rose 8.9% and 2.7% respectively for 1H FY18/19 compared to the same period last year. The higher rental rates and full occupancy were partially offset by the lower average rate of HKD, resulting in gross revenue and NPI increasing 1.4% and 1.6% over the same period last year.

A popular one-stop shopping, dining and lifestyle destination, Festival Walk added new brands such as Tokyo Milk Cheese Factory, Nakamura Tokichi, and Gucci Timepieces and Jewelry during the quarter. Events such as '*Festival Walk Summer Shopping Rewards*' and product roadshows graced by celebrities also attracted shoppers to the mall.

As a preferred office location within Lufthansa Area in Beijing, Gateway Plaza continued to contribute positively to the portfolio. Gross revenue and net property income for 1H FY18/19 grew 5.1% and 6.0% year-on-year respectively on the back of an increased average rental rate and higher average rate of RMB. As of 30 September 2018, Gateway Plaza closed the quarter with an occupancy rate of 98.7% and recorded an average rental reversion of 8% for leases that expired within the first six months of the financial year.

Decentralised office spaces in Shanghai remained in demand, resulting in full occupancy for Sandhill Plaza as of 30 September 2018. The business park property also registered a healthy average rental reversion of 15% for leases that expired within the first six months of FY18/19. Gross revenue and NPI for 1H FY18/19 grew 5.4% and 4.7% respectively as compared to 1H FY17/18 mainly due to a higher average rental rate, an improved average occupancy rate and a higher average rate of RMB.

The acquisition of the Japan Properties continued to augment and diversify the earnings of MNACT's portfolio, adding S\$17.5 million and S\$13.4 million to gross revenue and NPI respectively for the period from 25 May 2018 (upon completion of acquisition) to 30 September 2018. As of 30 September 2018, the Japan Properties remained fully occupied.

Capital Management

The Manager has early refinanced about S\$260 million of MNACT's debt due in FY18/19 and FY20/21 through four loan facility transactions announced between August and September 2018.

Following the acquisition of the Japan Properties, the average term to maturity for debt was extended to 3.96 years (31 March 2018: 3.43 years) while the gearing ratio was raised to 39.0% as of 30 September 2018 (from 36.2% as of 31 March 2018). The interest cover ratio remained stable at 4.1

times, the same compared to 1Q FY18/19. The annualised effective interest rate increased marginally to 2.48% p.a. (1Q FY18/19: 2.44% p.a.).

Distribution to Unitholders

MNACT's distribution policy is to distribute at least 90.0% of its Distributable Income. With effect from 1 April 2018, MNACT has changed¹ its distribution policy to make distributions on a quarterly basis, instead of on a semi-annual basis. Unitholders can receive a distribution of 1.926 cents per unit on Monday, 26 November 2018 for the period from 1 July 2018 to 30 September 2018. The closure of MNACT's Transfer Books and Register of Unitholders is on Monday, 5 November 2018 at 5.00pm.

Outlook

According to the International Monetary Fund's latest outlook, global economic growth is expected to ease to 3.7%² in 2018 from an earlier forecast of 3.9%, on the back of global trade tensions and rising interest rates. The increasing global uncertainties and market volatilities could impact the economic forecast going forward. For FY18/19, MNACT's assets are expected to remain resilient and offer sustainable and stable returns.

To mitigate the impact of interest rate hikes and foreign exchange volatility, the Manager has hedged interest costs for approximately 78% of MNACT's debt, and about 80% of MNACT's expected FY18/19 distributable income has been hedged into SGD as of 30 September 2018.

For further information, please contact:

Mapletree North Asia Commercial Trust Management Ltd.

Elizabeth Loo Suet Quan

Vice President, Investor Relations

Tel: +65 6377 6705

Email: elizabeth.loo@mapletree.com.sg

Website: www.mapletreenorthasiacommercialtrust.com

¹ Please refer to MNACT's SGX-ST announcement dated 25 April 2018 titled "Change from semi-annual distribution to quarterly distribution".

² International Monetary Fund, World Economic Outlook Update (October 2018).

About Mapletree North Asia Commercial Trust

Listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 7 March 2013, Mapletree North Asia Commercial Trust ("MNACT") (formerly known as Mapletree Greater China Commercial Trust) is the first real estate investment trust ("REIT") that offers investors the opportunity to invest in best-in-class commercial properties situated in prime locations in China, Hong Kong SAR and Japan¹.

MNACT consists of nine properties in China, Hong Kong SAR and Japan:

- Hong Kong: Festival Walk, a landmark territorial retail mall with an office component;
- Beijing, China: Gateway Plaza, a premier Grade-A office building with a podium area;
- Shanghai, China: Sandhill Plaza, a premium quality business park development situated in Zhangjiang Hi-tech Park, Pudong; and
- Japan: three office buildings in Tokyo (IXINAL Monzen-nakacho Building, Higashi-nihonbashi 1-chome Building and TS Ikebukuro Building); an office building in Yokohama (ABAS Shin-Yokohama Building); and two office buildings in Chiba (SII Makuhari Building and Fujitsu Makuhari Building) (collectively known as the "Japan Properties").

The nine properties cover a lettable area of approximately 4.2 million square feet, with a total book value of S\$7.2 billion as of 30 September 2018.

MNACT is managed by Mapletree North Asia Commercial Trust Management Ltd., a wholly owned subsidiary of Mapletree Investments Pte Ltd. For more information, please visit www.mapletreenorthasiacommercialtrust.com.

IMPORTANT NOTICE

The value of units in MNACT ("**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 MNACT may only deal in their Units through trading on SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. The past performance of MNACT is not necessarily indicative of the future performance of MNACT.

This announcement 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 costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and the management, as well as financial statements. There will be no public offering of the securities referred to herein in the United States.

¹ The investment mandate was expanded to include Japan from 15 February 2018. Please refer to SGX-ST Announcement dated 16 January 2018 titled "Expansion of Investment Mandate".