



## Mapletree North Asia Commercial Trust

Financial Results for the Period from  
1 April 2019 to 30 June 2019

29 July 2019

# Disclaimer

This presentation shall be read in conjunction with Mapletree North Asia Commercial Trust's ("MNACT") financial results for the period from 1 April 2019 to 30 June 2019 in the SGXNET announcement dated 29 July 2019.

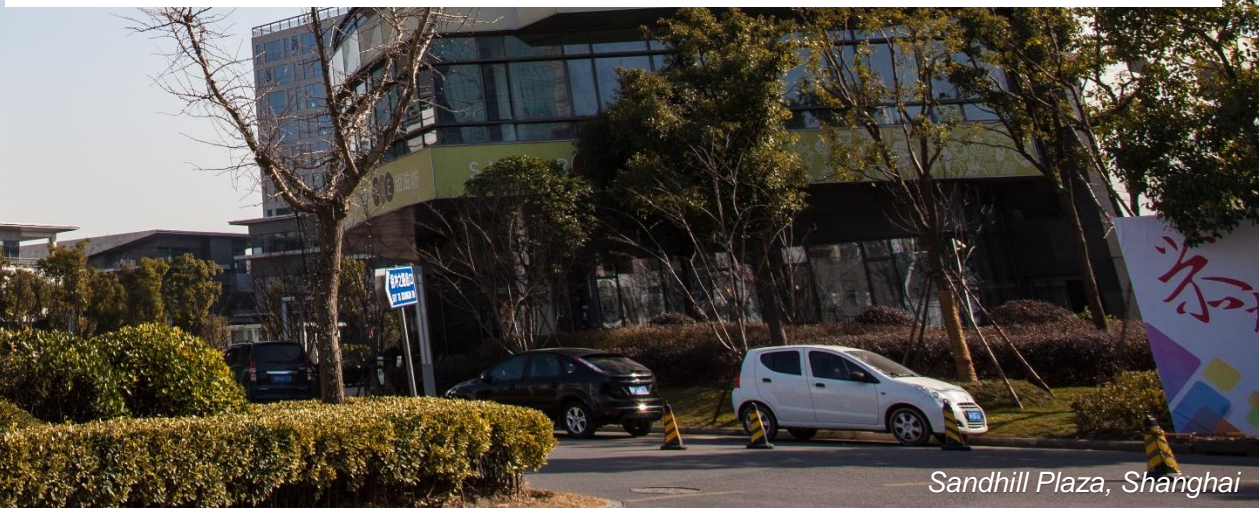
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# Agenda

- **1Q FY19/20 Financial Highlights**
- **1Q FY19/20 Portfolio Highlights**
- **Outlook**
- **Additional Information**



# 1Q FY19/20 Financial Highlights



# 1Q FY19/20 Financial Highlights



**Underpinned by organic growth and full quarter contribution from the Japan Properties<sup>1</sup>**

**Gross Revenue**

**S\$104.9 million**

↑11.1% year-on-year

**Net Property Income (“NPI”)**

**S\$85.0 million**

↑10.7% year-on-year

**Distributable Income (“DI”)**

**S\$62.0 million**

↑9.3% year-on-year

**Distribution Per Unit (“DPU”)**

**1.950 cents**

↑3.7% year-on-year



## Capital Management Update *(as of 30/06/19)*

**Aggregate Leverage Ratio**

**36.9%**

compared to 36.6% as of 31/03/19

**Average Term to Maturity for Debt**

**3.46 years**

compared to 3.70 years as of 31/03/19

**Annualised Effective Interest Rate for 1Q FY19/20**

**2.43% per annum**

compared to 2.46% per annum for 4Q FY18/19

**% of Debt with Fixed Interest Cost**

**~87%**

compared to ~86% as of 31/03/19

- The Japan Properties comprise three office buildings in Tokyo (IXINAL Monzen-nakacho Building, Higashi-nihonbashi 1-chome Building, 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 the “Japan Properties”). While MNACT holds a 98.47% effective interest in the Japan Properties, all property and financial-related figures (e.g. gross rental income, net property income, weighted average lease expiry, occupancy, trade sector breakdown, valuation, gross floor area and net lettable area) stated in this presentation for the Japan Properties and the Enlarged Portfolio (which includes the Japan Properties, Festival Walk, Gateway Plaza and Sandhill Plaza) are based on 100.0% effective interest in the Japan Properties (which includes the 1.53% effective interest in the Japan Properties held by Mapletree Investments Japan Kabushiki Kaisha (“MIJ”)).

# 1Q FY19/20 Financial Highlights

|                                       | 1Q FY19/20  | Change vs<br>1Q FY18/19<br>(%) |
|---------------------------------------|-------------|--------------------------------|
| <b>Gross Revenue<sup>1</sup></b>      | S\$104.9m   | ↑11.1                          |
| <b>NPI</b>                            | S\$85.0m    | ↑10.7                          |
| <b>NPI Margin</b>                     | 81.1%       | ↓0.2ppts                       |
| <b>DI</b>                             | S\$62.0m    | ↑9.3                           |
| <b>DPU<sup>2</sup></b>                | 1.950 cents | ↑3.7                           |
| <b>Distribution Yield<sup>3</sup></b> | 5.4%        | ↓1.4ppts                       |
| <b>Closing Unit Price</b>             | S\$1.460    | ↑28.1                          |

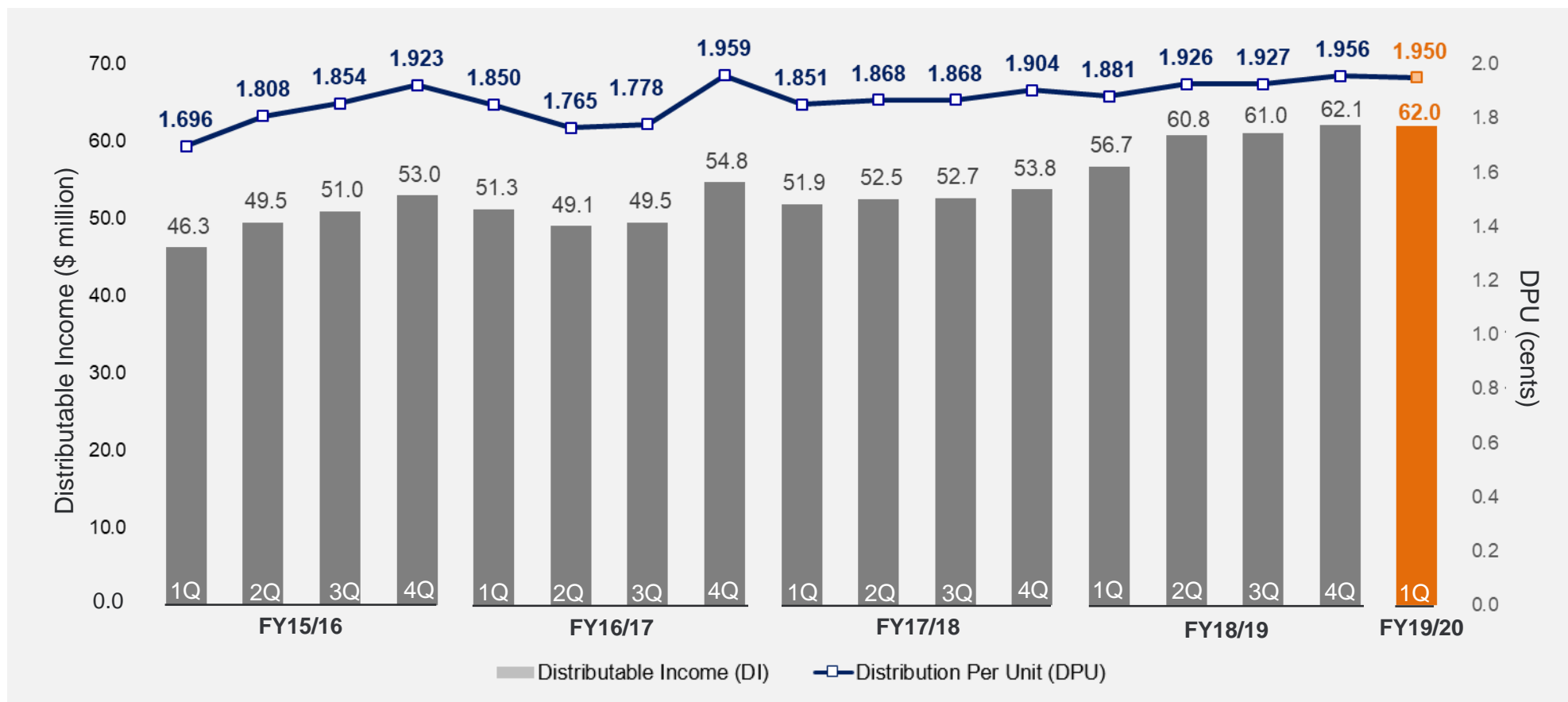
## Increase in DI and DPU due to:

- + Full quarter contribution from **JP**;
- + Higher rental income from **FW, GW, SP**;
- + Higher average rate of HKD;
- Partially offset by lower average rate of RMB

1. Revenue for Gateway Plaza and Sandhill Plaza in China is presented net of value added tax. Revenue for the Japan Properties is presented net of consumption tax.
2. DPU for 1Q FY19/20 is calculated based on the income available for distribution for 1Q over the number of units in issue as at the end of the period of 3,181,696,884 units. The number of units in issue as at the end of 1Q does not include the payment of Manager's base fee and the property manager's management fees (collectively known as "Fees") in units of 6,166,165 for 1Q FY19/20. The units for payment of Fees for 1Q, to be issued in August 2019, will be included in the computation of the DPU payable for the second quarter of the financial year.
3. Defined as annualised distributable income over number of units in issue at the end of the respective quarter, and divided by the closing unit price for the quarter.

*FW: Festival Walk; GW: Gateway Plaza; SP: Sandhill Plaza; JP: Japan Properties*

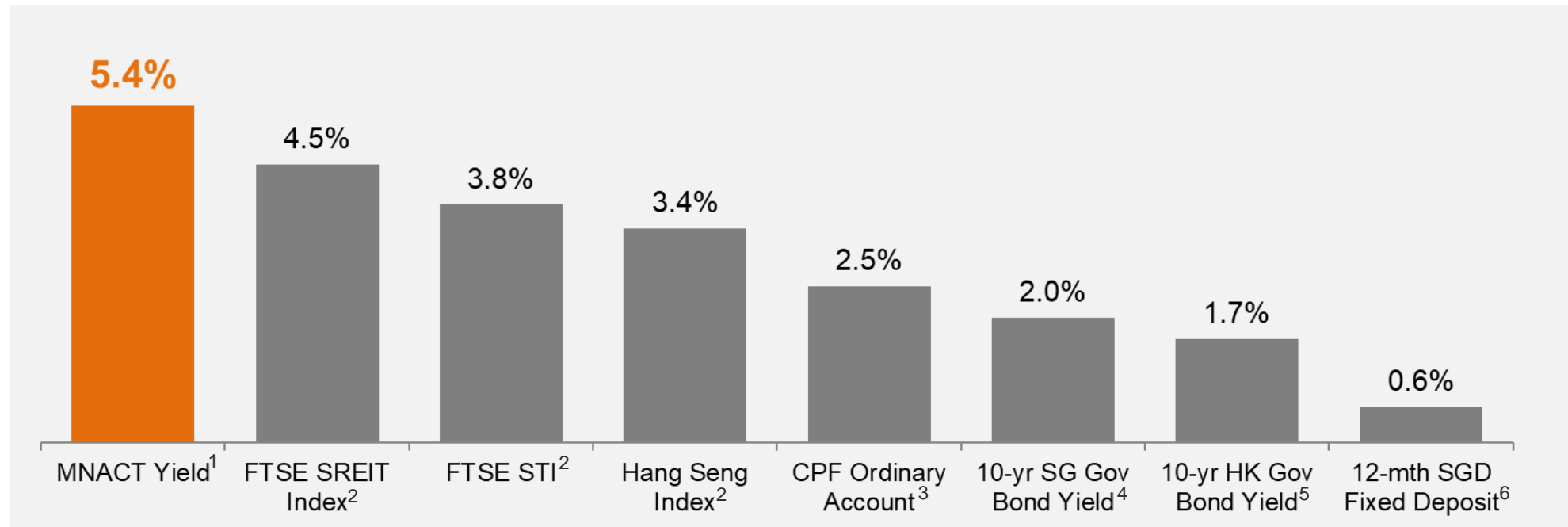
# Quarterly DI and DPU<sup>1</sup>



1. DPU per quarter is calculated based on DI for the quarter over the number of issued units as at the end of the quarter. The reported number of units in issue as at the end of each quarter does not include the payment of the Manager’s base fee and property management fees to Mapletree North Asia Property Management Limited (the “Property Manager”) (collectively referred to as “Fees”) in units for the quarter. The payment of Fees in units are issued in the months of August, November, February and May for the first, second, third and fourth quarter respectively, and these units issued are included in the computation of the DPU payable (on a quarterly basis) for the following quarter. In addition, the payment of the Manager’s performance fee in units is on an annual basis and issued in the month of May. These units issued are included in the computation of the DPU payable in the first quarter of the following financial year.

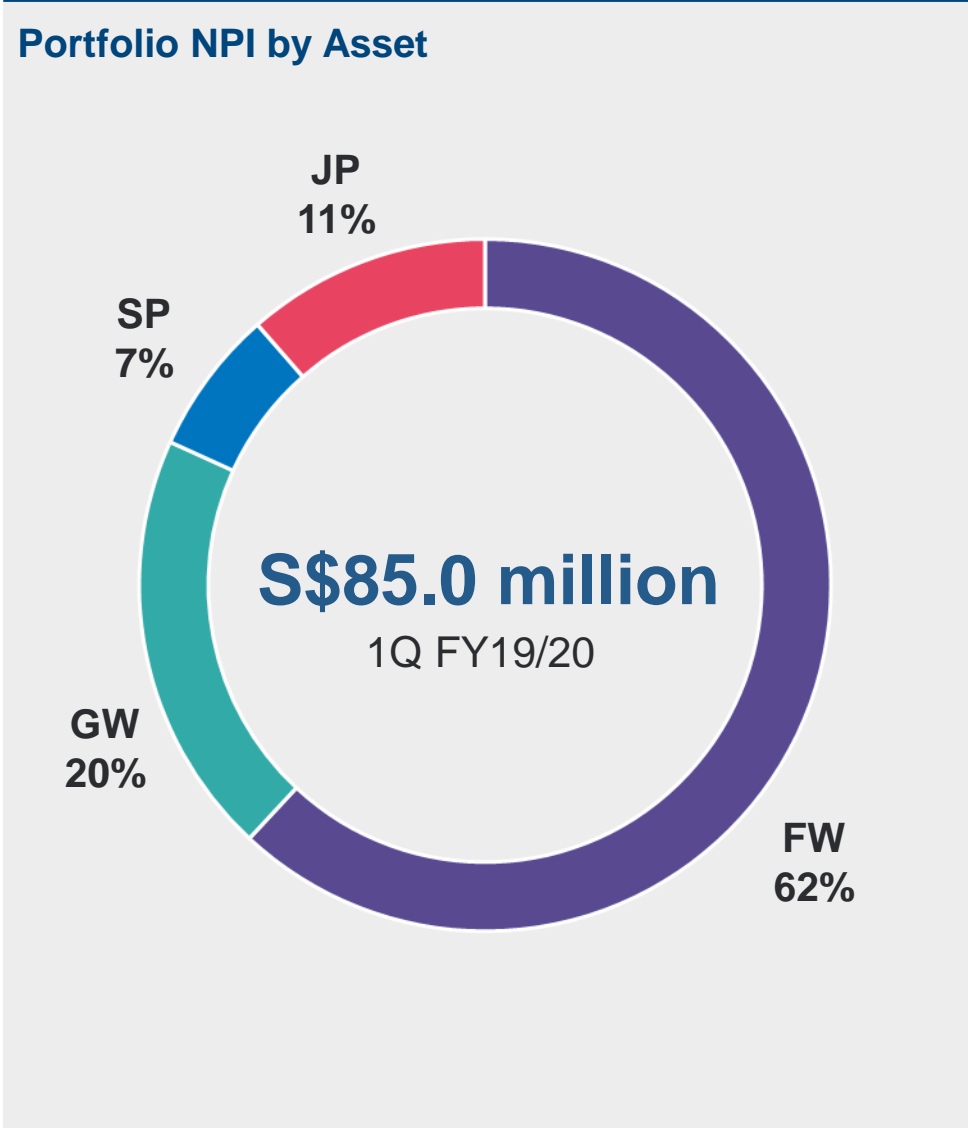
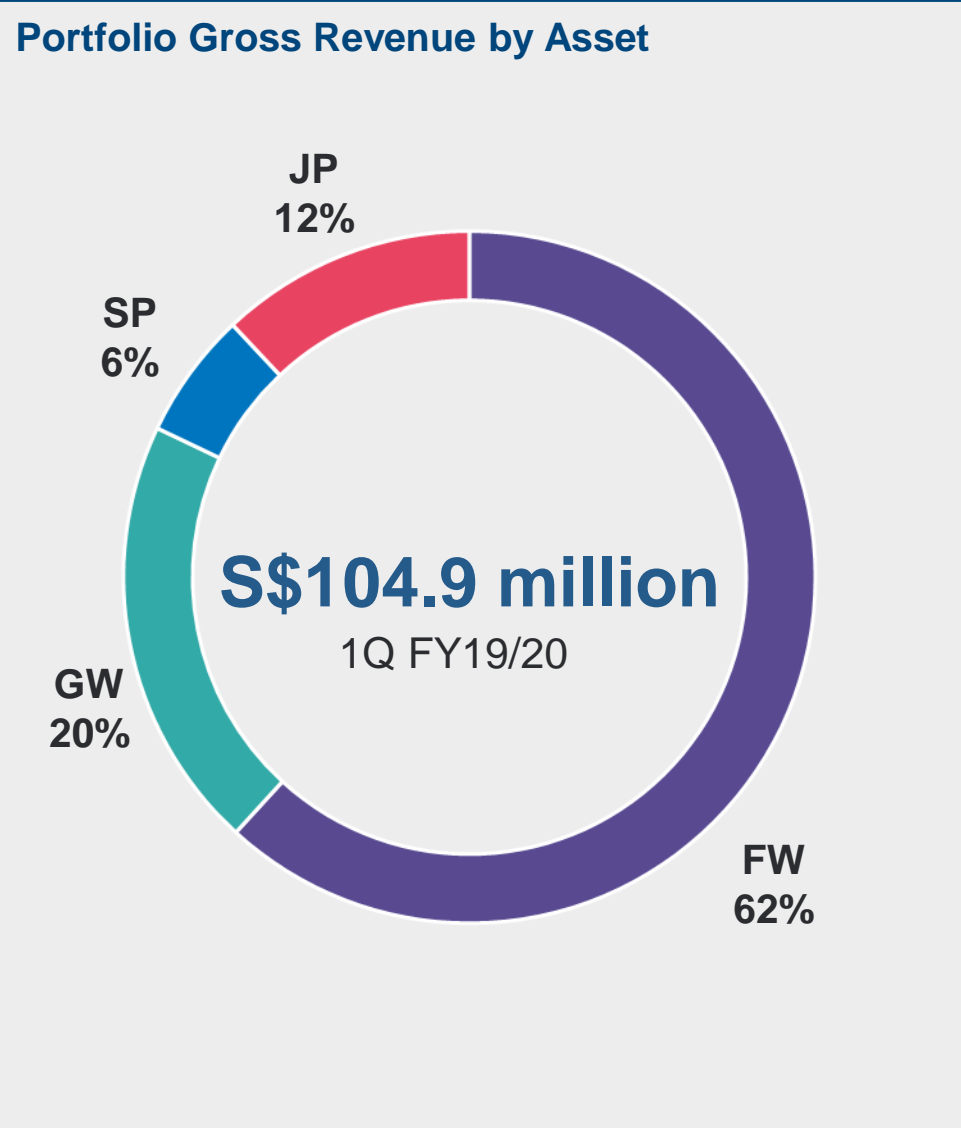
# Higher Returns versus Comparable Instruments

As of 30 June 2019



1. Annualised distribution yield is based on annualised distributable income over number of units in issue at the end of 1Q FY19/20 and divided by the closing unit price of S\$1.46 as of 28 June 2019.
2. Trailing 12-month gross dividend yield of FTSE SREIT Index, FTSE STI and Hang Seng Index as of 28 June 2019, Bloomberg.
3. Prevailing interest rate on Central Provident Fund (“CPF”) Ordinary Account Savings from CPF Board, April to June 2019.
4. Singapore Government Bond Yield from Monetary Authority of Singapore as of 30 June 2019.
5. Hong Kong Government Bond Yield from Hong Kong Government Bond Programme website as of 30 June 2019.
6. 12-month SGD fixed deposit savings rate from Monetary Authority of Singapore as of 30 June 2019.

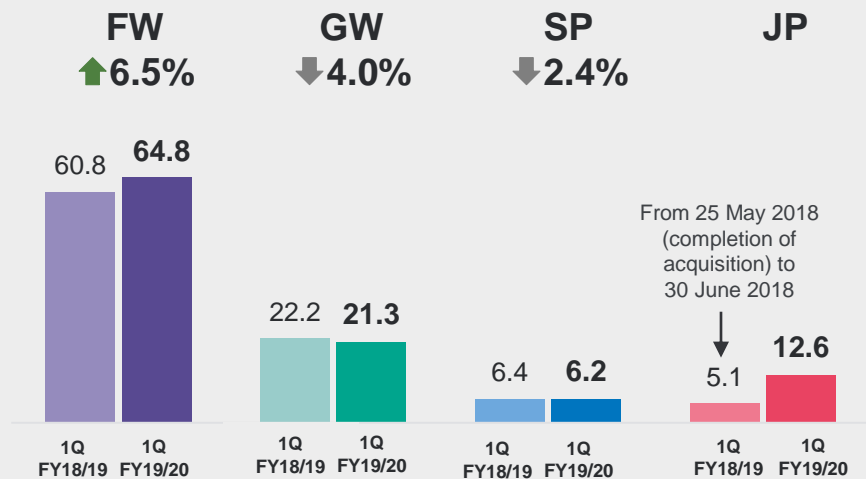
# 1Q FY19/20 Portfolio Composition



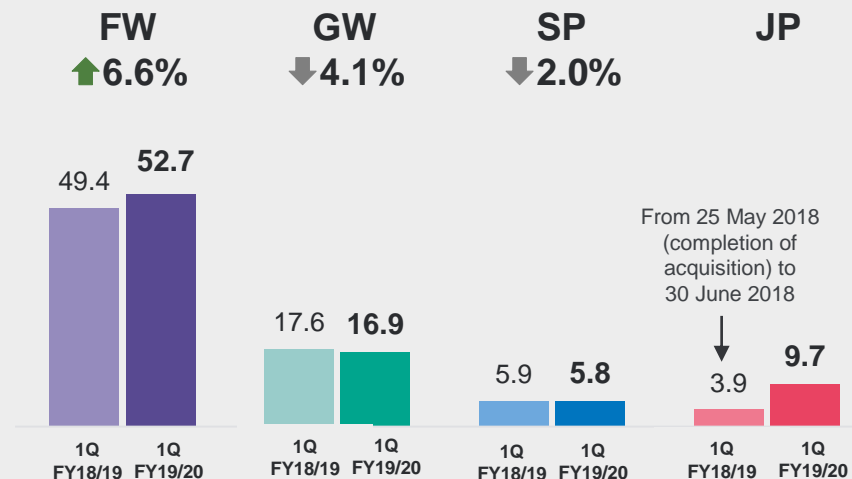
# 1Q FY19/20 Portfolio

## Gross Revenue and NPI by Asset

Gross Revenue by Asset (S\$ million)



NPI by Asset (S\$ million)



- Higher NPI for **FW** mainly due to higher average rental rate and higher average rate of HKD.
- NPI for **GW** was lower mainly due to a lower average rate of RMB against SGD, partially mitigated by a higher average occupancy during 1Q FY19/20 compared to 1Q FY18/19.
- While the average rental rate during 1Q FY19/20 increased year-on-year, the lower average occupancy and the weaker average rate of RMB against SGD resulted in lower NPI for **SP** in 1Q FY19/20 compared to 1Q FY18/19.
- Full quarter contribution from **JP** for 1Q FY19/20.

# Healthy Balance Sheet

| (S\$'million)                                 | As of<br>30 Jun 2019 | As of<br>31 Mar 2019 | Variance %  |
|---|----------------------|----------------------|-------------|
| <b>Investment Properties</b>                  | <b>7,647.1</b>       | <b>7,609.5</b>       | <b>↑0.5</b> |
| <b>Total Assets</b>                           | <b>7,851.6</b>       | <b>7,820.4</b>       | <b>↑0.4</b> |
| <b>Borrowings</b>                             | <b>2,903.3</b>       | <b>2,867.9</b>       | <b>↑1.2</b> |
| <b>Total Liabilities</b>                      | <b>3,272.5</b>       | <b>3,230.2</b>       | <b>↑1.3</b> |
| <b>Net Assets Attributable to Unitholders</b> | <b>4,574.3</b>       | <b>4,585.5</b>       | <b>↓0.2</b> |
| <b>Net Asset Value per Unit (S\$) (“NAV”)</b> | <b>1.438</b>         | <b>1.445</b>         | <b>↓0.5</b> |

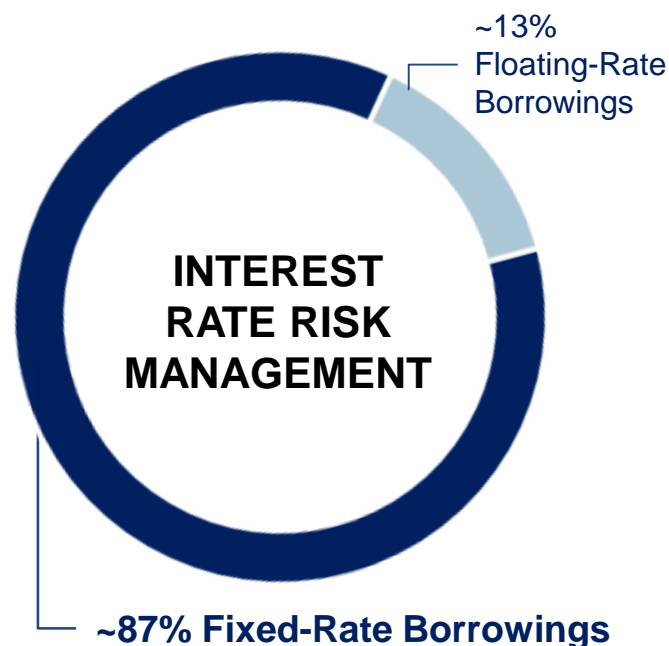
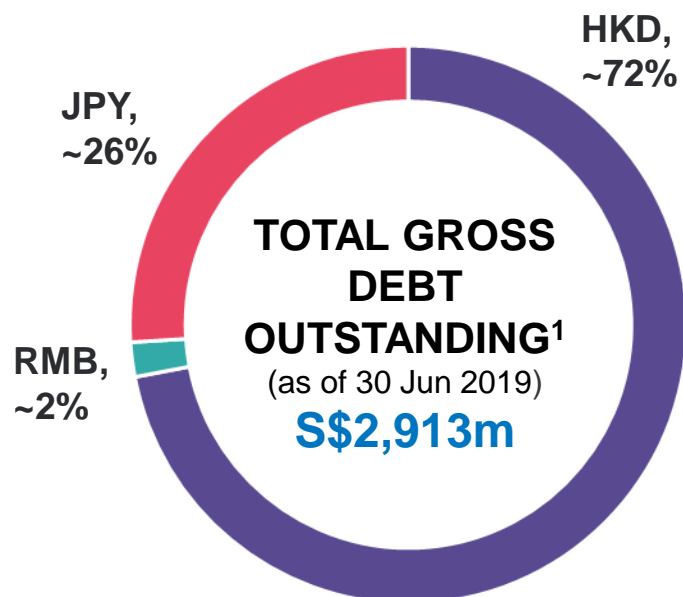
- Increase in total assets was mainly due to the increase in investment properties arising from translation gain from the stronger HKD and JPY, offset by the weaker RMB.
- Higher total liabilities was mainly due to increase in borrowings arising from the translation loss from the stronger HKD and JPY, offset by the weaker RMB.
- NAV per Unit was lower mainly due to net translation loss for the period.

# Prudent Capital Management

|   | As of<br>30 Jun 2019 | As of<br>31 Mar 2019 |
|---|----------------------|----------------------|
| Aggregate Leverage Ratio (%) <sup>1,2</sup>                 | <b>36.9</b>          | 36.6                 |
| Average Term to Maturity for Debt (years)                   | <b>3.46</b>          | 3.70                 |
| Unencumbered Assets as % of Total Assets <sup>3</sup> (%)   | <b>89</b>            | 90                   |
| Interest Cover Ratio <sup>4</sup> for the Quarter (times)   | <b>4.4</b>           | 4.3                  |
| Annualised Effective Interest Rate for the Quarter (% p.a.) | <b>2.43</b>          | 2.46                 |
| MNACT's Corporate Rating by Moody's <sup>5</sup>            | <b>Baa1 Stable</b>   | Baa1 Stable          |

1. MNACT holds a 98.47% effective interest in **JP**. In accordance with Property Funds Guidelines, the leverage ratio is aggregated on a proportionate basis based on MNACT's share of both Japanese Yen ("JPY") onshore borrowings and total assets attributed to **JP**.
2. As of 30 June 2019, total debt to net asset value ratio and total debt less cash and cash equivalents held in MNACT's functional currency (SGD) to net asset value ratio were 63.3% and 62.0% respectively.
3. JPY onshore borrowings are secured against **JP**.
4. Interest cover ratio is calculated based on profit before income tax not taking into account net finance costs, foreign exchange differences, depreciation and changes in fair value of derivatives and investment properties, and over net finance costs.
5. Moody's Investors' Service ("Moody's") reaffirmed MNACT's Baa1 issuer rating with a Stable outlook on 12 April 2019.

# Interest Rate & Forex Risk Management



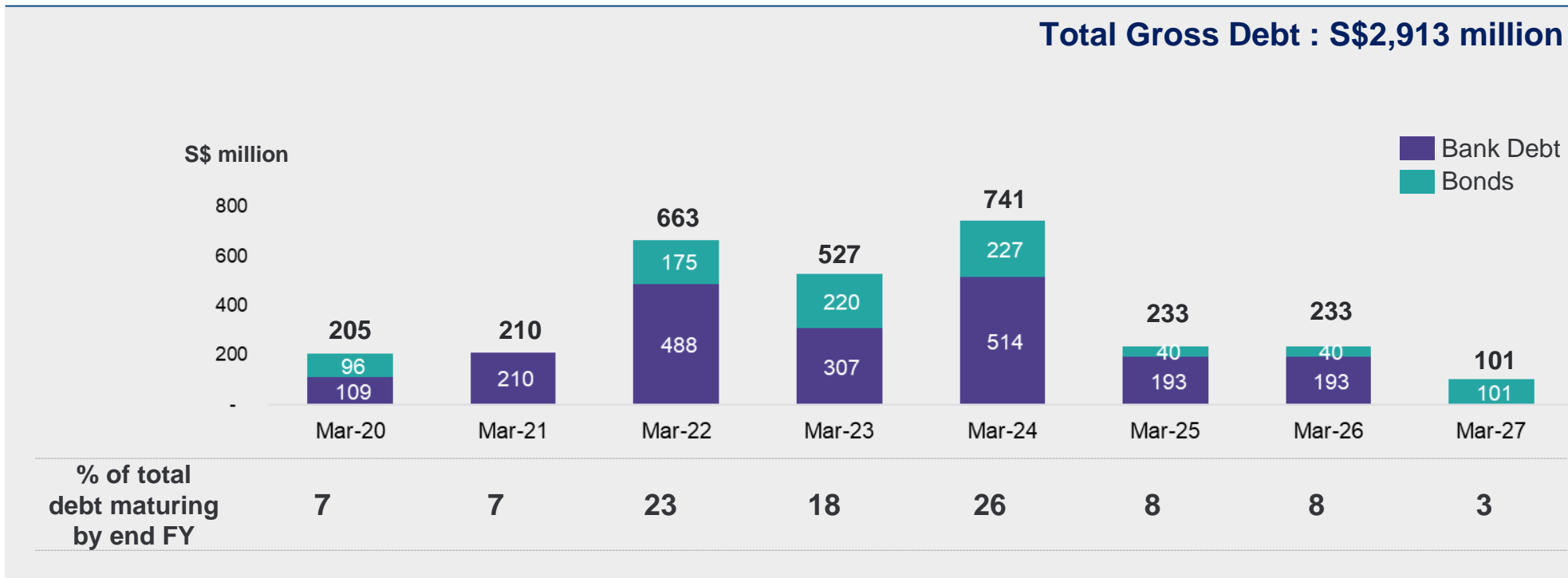
For FY19/20, an increase in interest rate by 50 basis points is estimated to result in a reduction in DPU by about 0.050 cents.



1. As of 30 June 2019, cross currency interest rate swaps entered into to swap SGD and HKD denominated medium-term notes to HKD and JPY, and USD and SGD denominated bank loans to HKD and JPY. RMB debt relates to onshore debt from acquisition of Sandhill Plaza in June 2015. JPY debt relates to debt from acquisition of Japan Properties in May 2018 and the HK\$580 million Fixed Rate Notes issued in March 2019 with the swap transaction entered into to swap the HKD fixed interest rate into JPY fixed interest rate.

Based on exchange rates of S\$1: HK\$5.728, S\$1: RMB5.066, and S\$1: JPY79.33 as of 30 June 2019.

# Well-Staggered Debt Maturity Profile



- Average term to maturity for debt decreased from 3.70 years as of 31 March 2019 to **3.46 years** as of 30 June 2019.
- No more than **26%** of debt due in any year.

# MNACT 1Q FY19/20 Distribution Details

| Sun | Mon                      | Tue                                | Wed | Thu | Fri | Sat |
|-----|--------------------------|------------------------------------|-----|-----|-----|-----|
|     |                          |                                    |     | 1   | 2   | 3   |
| 4   | <b>5 Aug<br/>Ex-Date</b> | <b>6 Aug<br/>Books<br/>Closure</b> | 7   | 8   | 9   | 10  |
| 11  | 12                       | 13                                 | 14  | 15  | 16  | 17  |
| 18  | 19                       | 20                                 | 21  | 22  | 23  | 24  |
| 25  | 26                       | <b>27 Aug<br/>Payment<br/>Date</b> | 28  | 29  | 30  | 31  |

**Distribution Timetable**

**Distribution  
Period**

1 April 2019 – 30 June 2019

**Distribution  
Amount**

**1.950 cents per unit**

**Notice of  
Books Closure**

Monday, 29 July 2019

**Ex-Date**

Monday, 5 August 2019

**Books Closure  
Date**

Tuesday, 6 August 2019

**Cash  
Distribution  
Payment Date**

Tuesday, 27 August 2019

# 1Q FY19/20 Portfolio Highlights



# Portfolio Occupancy

High occupancy rate of 99.1% at portfolio level

| Occupancy as of End Quarter (%) | As of 30 Jun 19 | As of 31 Mar 19 | As of 31 Dec 18 | As of 30 Sep 18 | As of 30 Jun 18 |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Festival Walk</b>            | <b>100.0</b>    | 100.0           | 100.0           | 100.0           | 100.0           |
| <b>Gateway Plaza</b>            | <b>97.2</b>     | 99.0            | 99.3            | 98.7            | 99.6            |
| <b>Sandhill Plaza</b>           | <b>99.3</b>     | 99.3            | 99.3            | 100.0           | 98.1            |
| <b>Japan Properties</b>         | <b>100.0</b>    | 100.0           | 100.0           | 100.0           | 100.0           |
| <b>Portfolio</b>                | <b>99.1</b>     | 99.6            | 99.7            | 99.6            | 99.6            |

# Average Rental Reversion

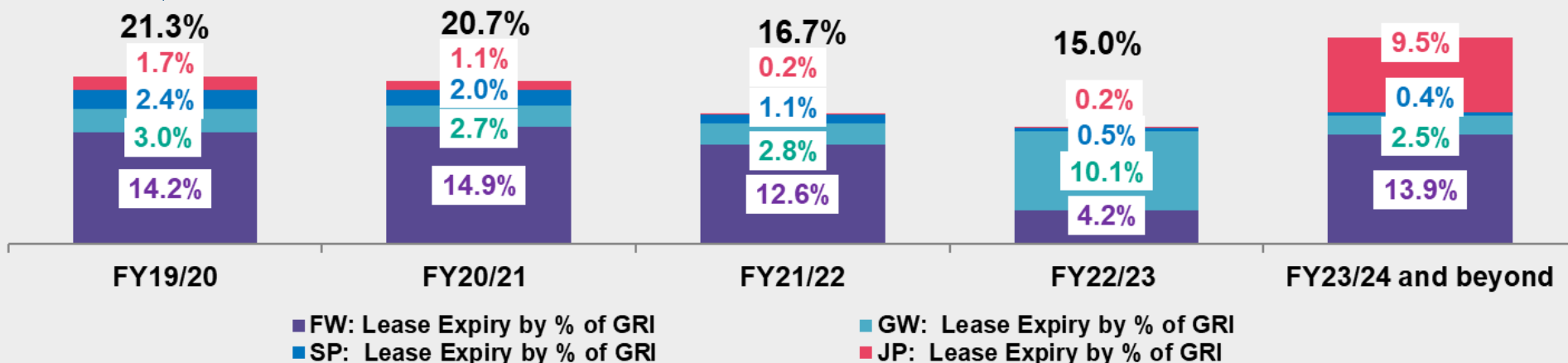
| YTD Reversion (%) <sup>1</sup>      | As of<br>30 Jun 19 | As of<br>31 Mar 19 | As of<br>31 Dec 18 | As of<br>30 Sep 18 | As of<br>30 Jun 18 |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Festival Walk</b>                |                    |                    |                    |                    |                    |
| - Retail                            | 12                 | 28                 | 32                 | 40 <sup>2</sup>    | 14                 |
| - Office                            | 5                  | 15                 | 15                 | 15                 | n.a.               |
| <b>Gateway Plaza</b>                | (5) <sup>3</sup>   | 2                  | 8                  | 8                  | 11                 |
| <b>Sandhill Plaza</b>               | 33 <sup>4</sup>    | 15                 | 14                 | 15                 | 18                 |
| <b>Japan Properties<sup>5</sup></b> | 6 <sup>6</sup>     | 6                  | 6                  | 6                  | 6                  |

1. Average rental reversion is calculated based on the change in the effective rental rates of the new leases compared to the previous leases. It takes into account rent-free periods and step-up rental rates over the lease term (if any).
2. The higher-than-average reversion was mainly contributed by the lease renewal of one of the anchor tenants at **FW** in 2Q FY18/19.
3. The rental reversion for **GW** relates to six leases that expired in 1Q FY19/20. Assuming a full quarter contribution, these leases would have constituted approximately 1% of MNACT portfolio's gross rental income for 1Q FY19/20.
4. The average rental reversion for **SP** was contributed by two leases that expired in 1Q FY19/20.
5. The operational performance of **JP** is reported on a portfolio basis.
6. The average rental reversion for **JP** was contributed by three leases that expired in 1Q FY19/20.

# Well-Staggered Lease Expiry Profile

## Portfolio Lease Expiry by Percentage of Monthly GRI (as of 30 June 2019)

~7.5% already renewed or re-let



Note:

- Lease Expiry Profile: shows the remaining leases to be renewed or re-let as of quarter end.
- WALE is based on the expiry dates of committed leases.

| Years (as of 30 Jun 2019)                          | FW  | GW  | SP  | JP  | Portfolio              |
|--|-----|-----|-----|-----|------------------------|
| <b>Weighted Average Lease Expiry (WALE) by GRI</b> | 2.5 | 2.9 | 1.5 | 4.5 | <b>2.8<sup>1</sup></b> |

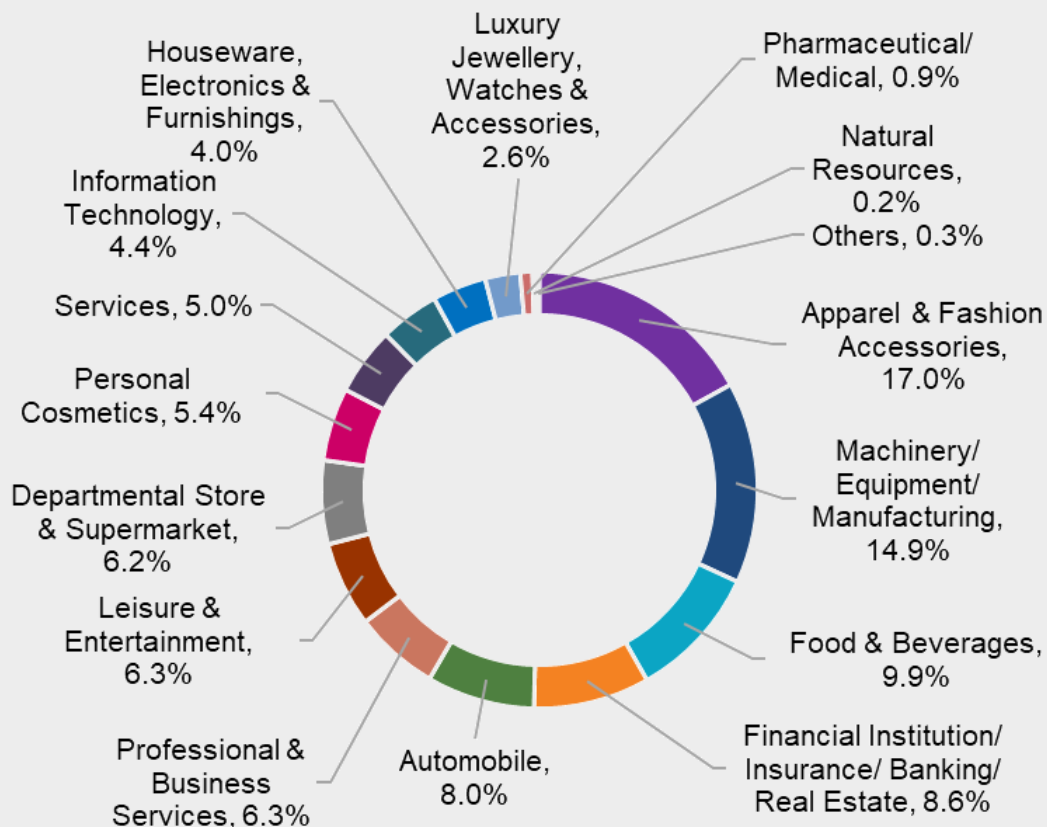
1. The portfolio WALE of 2.8 years as of 30 June 2019 was based on committed leases (leases which have been renewed or re-let as of 30 June 2019), with lease commencement dates before and after 30 June 2019. Excluding committed leases commencing after 30 June 2019, the portfolio WALE would have been 2.6 years as of 30 June 2019.

# Portfolio Tenant Mix & Top 10 Tenants

(As of 30 June 2019)

## Trade Sector by Gross Rental Income (“GRI”)

- No single trade sector comprises more than 17.0% of GRI

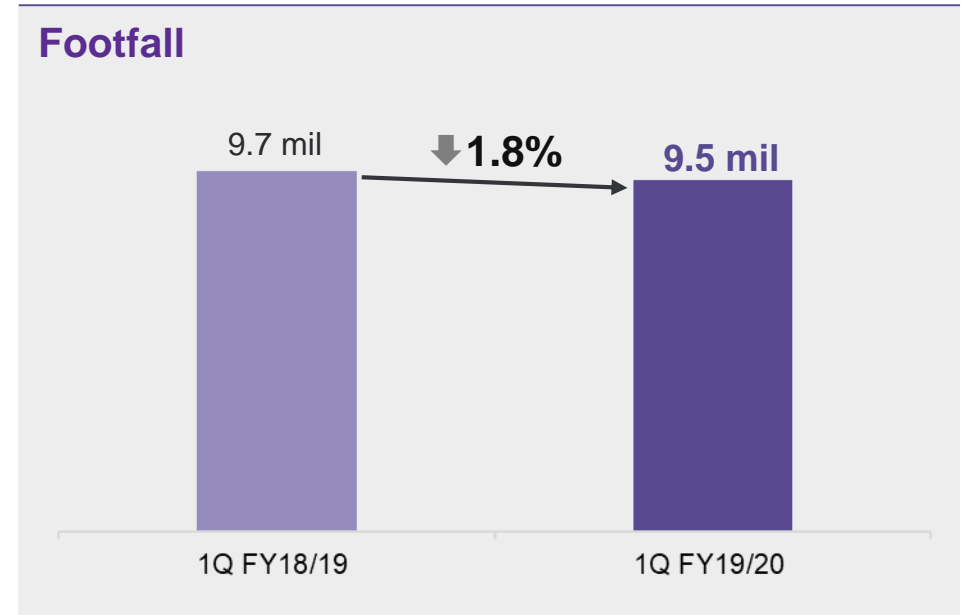
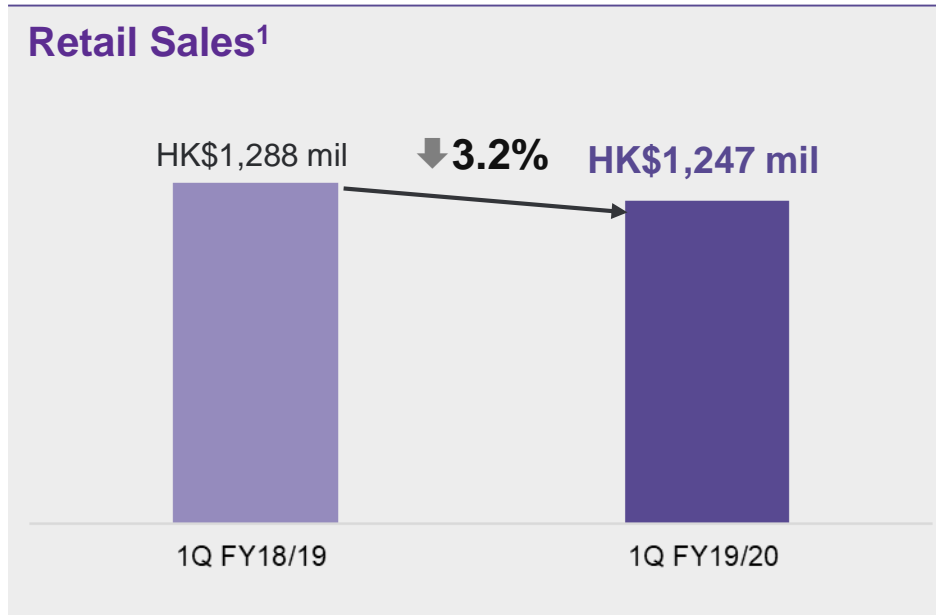


## Top 10 Tenants by Gross Rental Income

- Accounts for 34.4% of GRI

|     |                                      |    |
|-----|--------------------------------------|----|
| 1.  | BMW                                  | GW |
| 2.  | Seiko Instruments Inc                | JP |
| 3.  | Arup                                 | FW |
| 4.  | TaSTe                                | FW |
| 5.  | Fujitsu                              | JP |
| 6.  | CFLD                                 | GW |
| 7.  | Festival Grand                       | FW |
| 8.  | Apple                                | FW |
| 9.  | I.T                                  | FW |
| 10. | Japan Information Processing Service | JP |

# Festival Walk – Retail Sales & Footfall for 1Q FY19/20



- For Festival Walk, retail sales and footfall decreased by **3.2%** and **1.8%** respectively year-on-year in 1Q FY19/20, in line with the softening retail market in Hong Kong SAR.
- Hong Kong SAR's retail sales<sup>2</sup> from January to May 2019 declined by 1.8% year-on-year due to the subdued domestic demand stemming from the trade tensions.

1. Festival Walk's retail sales do not include figures from the Apple Store.

2. Source: Hong Kong Census and Statistics Department

Note: Hong Kong SAR's retail sales for June 2019 has not been published as of 29 July 2019 (date of announcement of MNACT's 1Q FY19/20 results).

# Festival Walk – New Shops in 1Q FY19/20

Apparel & Fashion Accessories



F&B



Kiosks



# Festival Walk – Exciting Events

## Events and Roadshows in 1Q FY19/20



# Festival Walk – Exciting Events

## Events and Roadshows in 1Q FY19/20



Illuma Product Launch Press Event



Carshows from BMW (in picture), Hyundai, Jaguar, Lexus, Maserati, Mercedes-Benz, Mini, Volvo

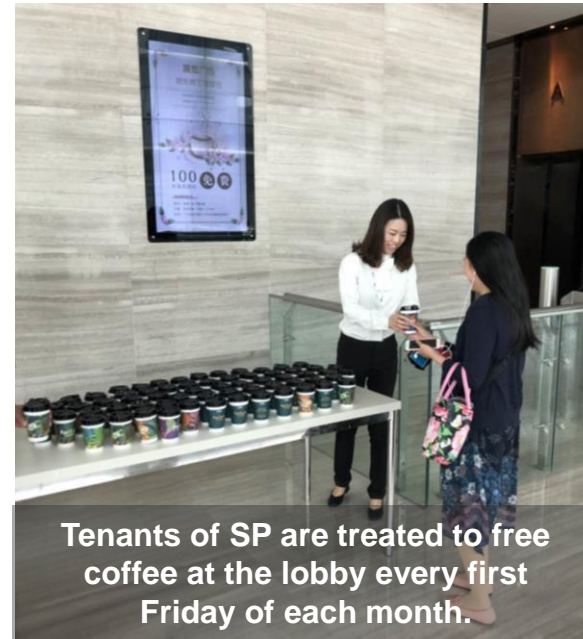


Wai Yin Association 37th Anniversary Charity Ball 2019 Press Conference




2019 ISI Glacier Open & Basic Challenge

# Proactive Tenant Engagement at GW and SP



**Sandhill Plaza**  
Happy Friday Coffee

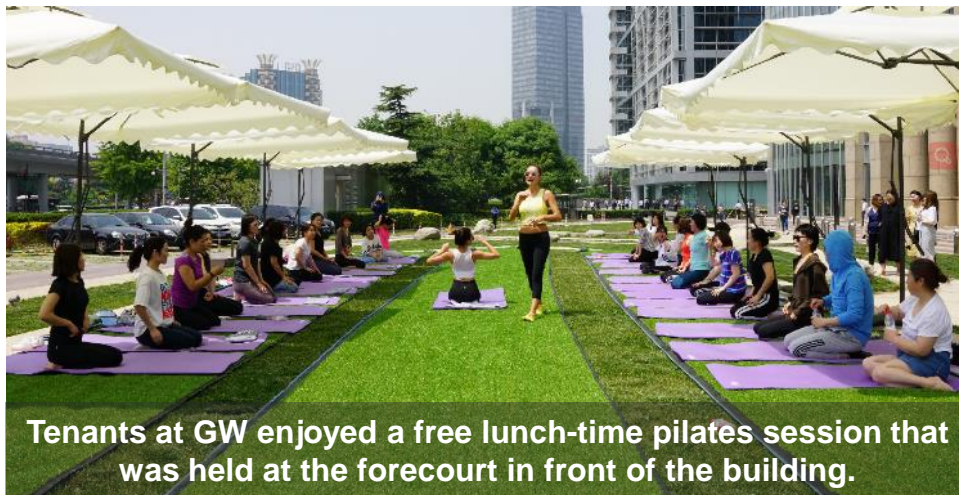
Warmest Greetings from Sandhill Plaza,  
hope all of you will have a good Friday!



**100** Cups of Americano  
**FOR FREE**

Details as follow:  
Venue: Sandhill Plaza – Main Lobby of Block 1  
Date: The First Working Friday of Each Month  
Time: Start from 9:30 till completion of 100 cups delivery

Tenants of SP are treated to free coffee at the lobby every first Friday of each month.



Tenants at GW enjoyed a free lunch-time pilates session that was held at the forecourt in front of the building.



Japanese Food Festival at the staff canteen of SP.

# Outlook

# Outlook

- Global economic growth is expected to soften to 3.2%<sup>1</sup> in 2019 from 3.6% in 2018, in light of the ongoing trade tensions and macro uncertainties.
- However, the increased stimulus by the Chinese government and imminent interest rate cut by the US Federal Reserve are expected to mitigate downside risks.

## Hong Kong SAR

- While economic headwinds are likely to remain in the near term, and **FW** has recorded a slight decline in footfall in 1Q FY19/20, the retail market fundamentals remain sound. **FW** is expected to stay resilient.
- It is noted that the protests, which started in the middle of June 2019, have continued into the second month and we are closely monitoring the situation.

## Shanghai

- The government's multiple stimulus policies to support the private sector and the significant rental savings compared to the central business areas are expected to support demand for business park space<sup>3</sup>.
- **SP** is expected to deliver a steady performance.

## Beijing

- Amid macro market uncertainties, tenants remained cautious towards lease renewals and expansion plans.
- In Beijing<sup>2</sup>, the weak demand for office space, coupled with a higher level of new office supply expected to enter the market, continue to pose challenges to both rental and occupancy levels at **GW**.

## Japan

- Demand for office space in Tokyo remained steady despite a more cautious business outlook<sup>4</sup>.
- The **JPs**, underpinned by long average lease expiry periods and high average occupancy rates, are expected to provide a stable income stream.

Source:

1. International Monetary Fund, "World Economic Outlook Update" (July 2019)
2. Colliers International, Beijing Office 1Q 2019 (April 2019).
3. Savills, Shanghai Business Park 1H 2019 (June 2019).
4. Colliers International, Tokyo Office Market Update (April 2019).

# Creating Sustainable Value

## Vision

To be a leading commercial REIT, by portfolio value and returns, comprising quality assets in North Asia.

## Mission

- To deliver regular and stable returns to Unitholders and to achieve long-term sustainable growth in DPU.
- To be the landlord of choice for our tenants and be committed to the delivery of quality products and services.
- To acquire high-quality assets that are yield accretive.

## Strategy

**Active Asset Management**



**Active Asset Enhancement**



**Value-Creating Acquisition Growth**



**Proactive & Prudent Capital and Risk Management**





# Thank You

For enquiries, please contact:

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佳程广场  
Gateway

放眼世界 美不胜收  
ASIANA AIRLINES  
韩国航空

AVOCADO TREE  
THE AVOCADO TREE  
SHEHANG STORE

# Additional Information

# Overview of Mapletree North Asia Commercial Trust (“MNACT”)

Singapore’s first commercial REIT with properties in China, in Hong Kong SAR and in Japan (listed since 7 March 2013)

## Investment Mandate

- To invest in the Greater China region and Japan in a diversified portfolio of income-producing real estate used primarily for commercial purposes
- Key markets include Hong Kong SAR, Tier-1 cities (Beijing, Shanghai, Guangzhou and Shenzhen) and key Tier-2 cities in China, in Hong Kong SAR and in Japan

**\$S7.6 bil**

Portfolio Value<sup>1</sup>

**\$S4.6 bil**

Market Capitalisation<sup>2</sup>

**~4.2 mil sq ft**

Lettable area

**5.4%**

Annualised Distribution Yield<sup>3</sup>

**9 Properties**

in Beijing, Hong Kong SAR, Japan and Shanghai

**33%**

Unitholdings held by Sponsor

- Based on exchange rates S\$1= HK\$ 5.728, S\$1 = RMB 5.066 and S\$1 = JPY 79.33 as of 30 Jun 2019.
- Based on unit closing price of S\$1.46 on 28 Jun 2019 (last trading day).
- Defined as annualised distributable income over number of units in issue at the end of the quarter, and divided by the closing unit price of S\$1.46 on 28 Jun 2019 (last trading day).

## MNACT PORTFOLIO



Festival Walk, Hong Kong SAR

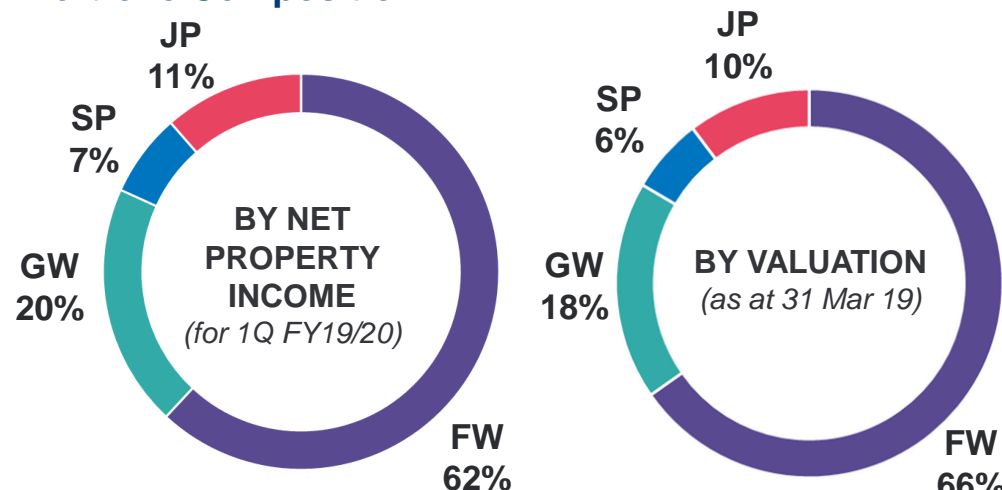
Gateway Plaza, Beijing

Sandhill Plaza, Shanghai



From left to right: IXINAL Monzen-nakacho Building, Higashi-nihonbashi 1-chome Building, TS Ikebukuro Building, ABAS Shin-Yokohama Building, SII Makuhari Building, Fujitsu Makuhari Building

## Portfolio Composition

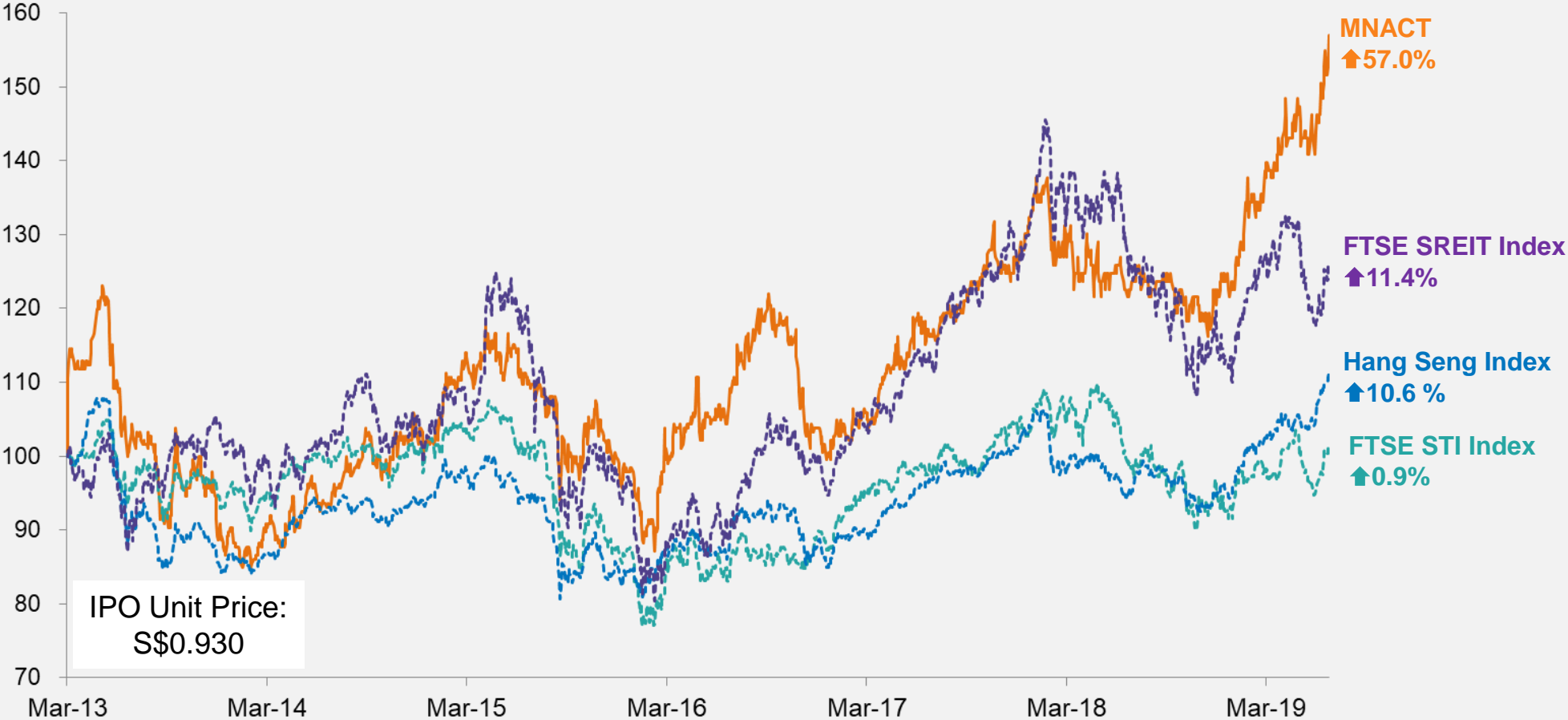


# MNACT's Unit Price Performance since IPO

## Trading Performance since IPO (7 March 2013 to 28 June 2019)

Unit Price on 28 June 2019  
(last trading day):  
**S\$1.460**

(Rebased opening prices  
on 7 March 2013 to 100)



# Delivered Healthy Returns to Unitholders

(As of 31 March 2019)

|   |   |   |   |                                     |
|---|---|---|---|-------------------------------------|
| Unit Price<br>Appreciation <sup>1</sup> | + | Total<br>Distribution<br>Yield <sup>2</sup> | = | <b>Total<br/>Return<sup>3</sup></b> |
|---|---|---|---|-------------------------------------|

## 1-YEAR

From 1 April 2018

**14.8%**

+

**6.7%**

=

**21.5%**

## SINCE LISTING

From 7 March 2013

**41.9%**

+










**45.5%**

=

**87.4%**

1. Unit price appreciation is based on the opening unit price and the closing unit price during the period.
2. Total distribution yield is based on DPU for the period over the opening unit price. The distribution yield since listing on 7 March 2013 excludes the stub period from 7 to 31 March 2013.
3. Sum of unit price appreciation and total distribution yield for the period.

# MNACT Portfolio Overview

| Asset   | City            | Gross Floor Area (GFA)                          | Net Lettable Area (NLA) | Building Completion | Land Use Right Expiry | Valuation (As of 31/3/19) <sup>1</sup> |
|---|-----------------|---|-------------------------|---------------------|-----------------------|--|
|  <b>Festival Walk</b>                             | Hong Kong SAR   | 1,208,754 sq ft                                 | 798,372 sq ft           | November 1998       | 30 June 2047          | HK\$ 28,750m (S\$ 4,967m)              |
|   |                 | <i>Retail (73%), Office (27%)<sup>2</sup></i>   |                         |                     |                       |  |
|  <b>Gateway Plaza</b>                             | Beijing, China  | 106,456 sq m                                    |                         | August 2005         | 25 February 2053      | RMB6,851m (S\$1,385m)                  |
|   |                 | <i>Office (89%), Podium (11%)</i>               |                         |                     |                       |  |
|  <b>Sandhill Plaza</b>                            | Shanghai, China | 83,801 sq m                                     | 63,284 sq m             | December 2012       | 3 February 2060       | RMB2,352m (S\$475m)                    |
|   |                 | <i>Office (97%), Amenities (3%)<sup>2</sup></i> |                         |                     |                       |  |
|  <b>IXINAL Monzen-nakacho Building (MON)</b>      | Tokyo, Japan    | 8,303 sq m                                      | 6,852 sq m              | September 2009      | Freehold              | JPY8,730m (S\$106m)                    |
|  <b>Higashi-nihonbashi 1-chome Building (HNB)</b> | Tokyo, Japan    | 3,240 sq m                                      | 2,601 sq m              | August 2009         |                       | JPY2,170m (S\$26m)                     |
|  <b>TS Ikebukuro Building (TSI)</b>               | Tokyo, Japan    | 4,898 sq m                                      | 4,002 sq m              | January 2005        |                       | JPY5,280m (S\$64m)                     |
|  <b>ABAS Shin-Yokohama Building (ASY)</b>        | Yokohama, Japan | 4,638 sq m                                      | 3,170 sq m              | August 2009         |                       | JPY2,730m (S\$33m)                     |
|  <b>SII Makuhari Building (SMB)</b>             | Chiba, Japan    | 70,744 sq m                                     | 70,744 sq m             | May 1993            |                       | JPY26,700m (S\$325m)                   |
|  <b>Fujitsu Makuhari Building (FJM)</b>         | Chiba, Japan    | 61,088 sq m                                     | 61,088 sq m             | June 1992           |                       | JPY18,700m (S\$228m)                   |

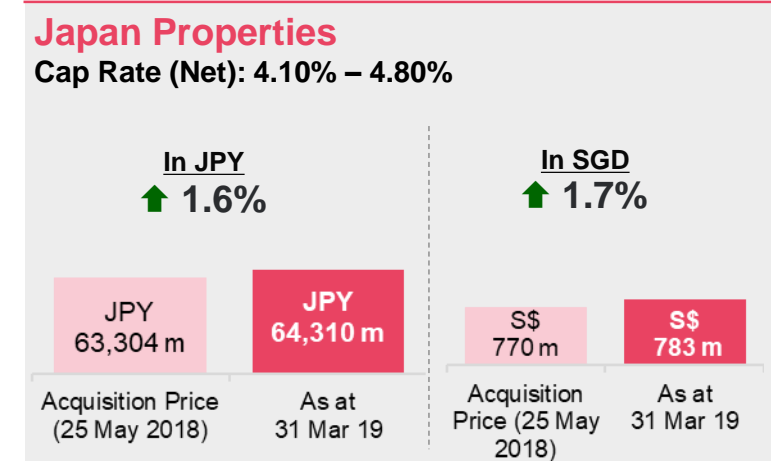
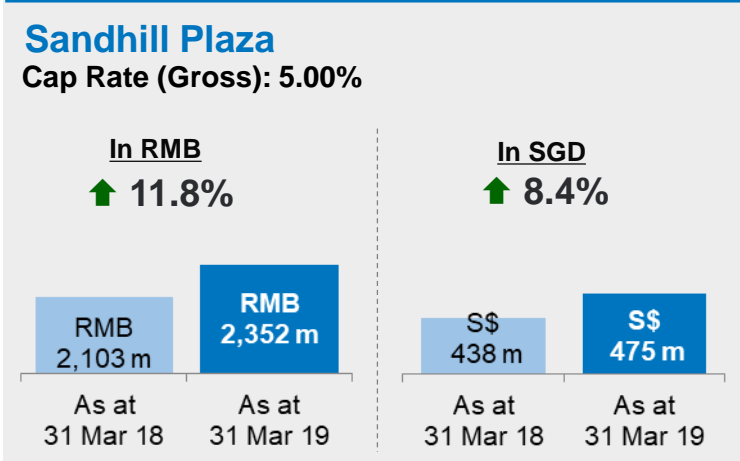
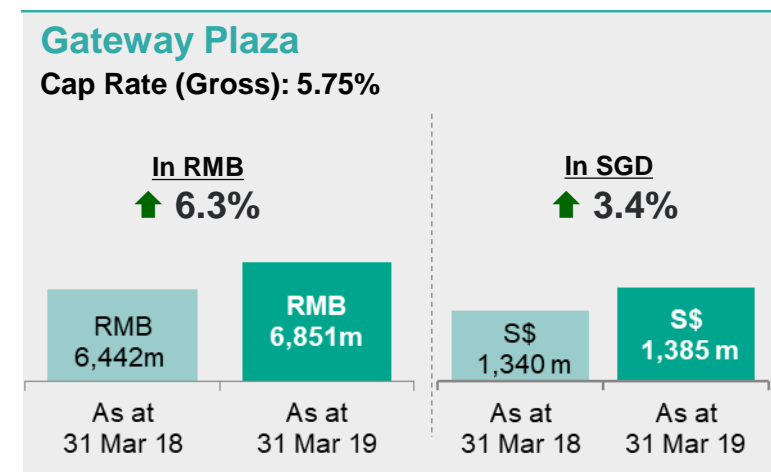
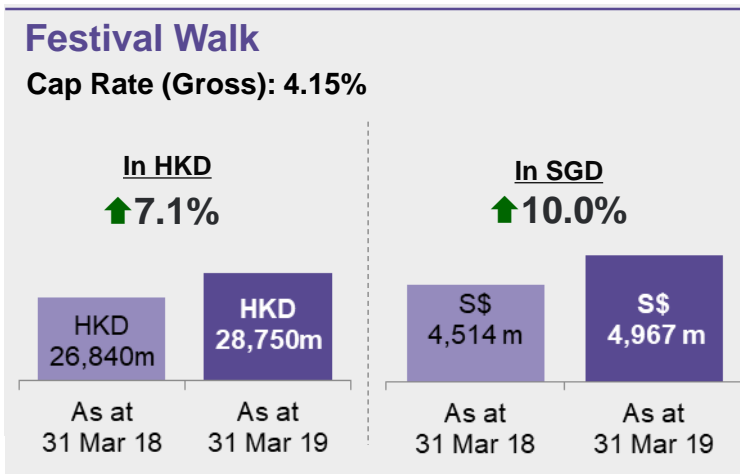
1. The valuations on MNACT's properties are carried out on an annual basis. The valuation as of 31 March 2019 was based on exchange rates: S\$1= HK\$ 5.7884, S\$1 = RMB 4.9483 and S\$1 = JPY 82.1477.

34 2. By net lettable area ("NLA").

# Portfolio Valuation *(as of 31 Mar 2019)*

**↑ 20.9%**  
year-on-year

- Mainly due to the acquisition of the Japan Properties
- Fair valuation gains for all the properties
- Net translation gains (against SGD) from the stronger HKD and JPY, partially offset by the weaker RMB



Portfolio Valuation  
*(as of 31 Mar 2018)*  
**S\$6,292.0 m**

Portfolio Valuation  
*(as of 31 Mar 2019)*  
**S\$7,609.5 m**

The valuations on MNACT's properties are carried out on an annual basis. For more information on valuation methodologies and exchange rates used, please refer to page 21 of MNACT's FY18/19 Annual Report.

# Portfolio Growth Since IPO

## FY13/14



### 7 March IPO

- Mapletree Greater China Commercial Trust (MGCCT) was listed on SGX-ST with two assets **Festival Walk and Gateway Plaza**
- Investment mandate: to invest in a diversified portfolio of income-producing real estate in Greater China, used primarily for commercial purposes

**Portfolio Value (IPO)**  
**As at 7 Mar 2013**  
**S\$4.3 billion**

## FY15/16

### Acquisition of Sandhill Plaza in Shanghai

- Completed on 17 June 2015



**Portfolio Value**  
**As at end Mar 2016**  
**S\$5.9 billion**

## FY17/18

- Announced expansion of investment mandate to include Japan

**Portfolio value**  
**As at end Mar 2018**  
**S\$6.3 billion**

## FY18/19



### Acquisition of 6 freehold office properties located in Greater Tokyo

- Completed on 25 May 2018

**With effect from 25 May 2018, MGCCT was renamed**  
**Mapletree North Asia Commercial Trust.**

As at 31 March 2019,

### NO. OF ASSETS

**9** (Hong Kong, Beijing, Shanghai, Greater Tokyo)

### TOTAL NLA

**~4.2 million sq ft**

### PORTFOLIO VALUE

**S\$7.6 billion**

## FY14/15

**Portfolio Value**  
**As at end Mar 2015**  
**S\$5.3 billion**

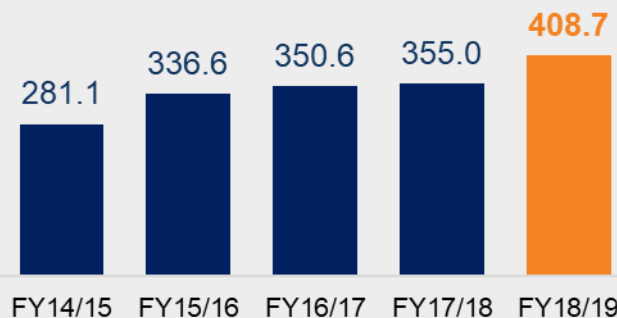
## FY16/17

**Portfolio Value**  
**As at end Mar 2017**  
**S\$6.2 billion**

# Five-Year Financial Summary

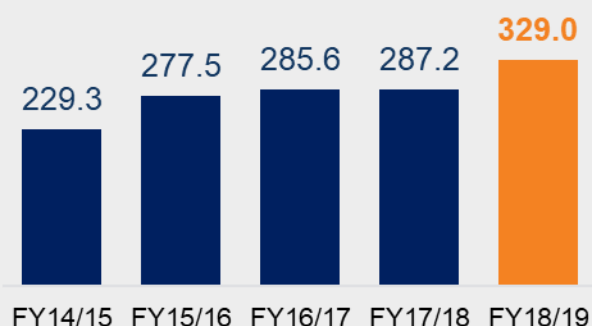
## Gross Revenue (S\$ million)

5YR CAGR: ↑9.8%



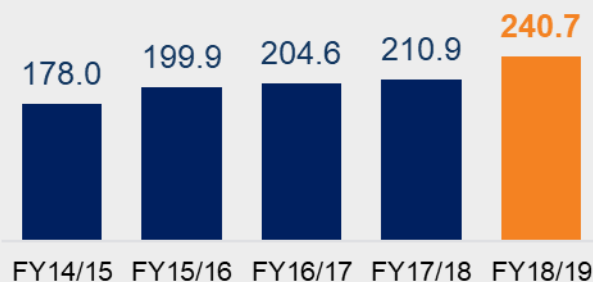
## Net Property Income (“NPI”) (S\$ million)

5YR CAGR: ↑9.4%



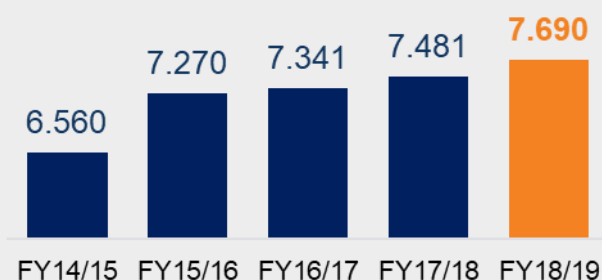
## Distributable Income (S\$ million)

5YR CAGR: ↑7.8%



## Distribution per Unit (“DPU”)<sup>1</sup> (cents)

5YR CAGR: ↑4.1%



- For FY18/19, full-year DPU is the sum of the 1Q, 2Q, 3Q and 4Q available DPU based on the number of issued units as at the end of the respective quarters. Prior to FY18/19, MNACT’s distribution policy was on a semi-annual basis. From FY14/15 to FY17/18, full-year DPU is the sum of the first-half and second-half available DPU for the Unitholders for the financial year based on the number of issued units as at the end of the respective half-year periods ending 30 September and 31 March. Full-year DPU, as shown in the full-year results announcements from FY14/15 to FY16/17 (FY14/15: 6.543 cents, FY15/16: 7.248 cents, FY16/17: 7.320 cents), was calculated based on the income available for distribution for the year over the number of issued units as at the end of the year.

# FESTIVAL WALK (又一城)

Kowloon Tong, Hong Kong SAR

Comprises a four-storey office tower atop a seven-storey territorial retail mall and three underground car park levels



RENTAL REVERSION  
(for 1Q FY19/20)  
**+12%**  
(retail)

OCCUPANCY  
**100%**  
Since 2000

**>40mil**  
Footfall a year

✓ Over 200 brands and more than 50 F&B Outlets



✓ Wide catchment area with excellent connectivity



Near two universities



Above MTR Station

✓ Wide range of amenities including a large multiplex cinema & one of the largest ice rinks in Hong Kong SAR



Cinema

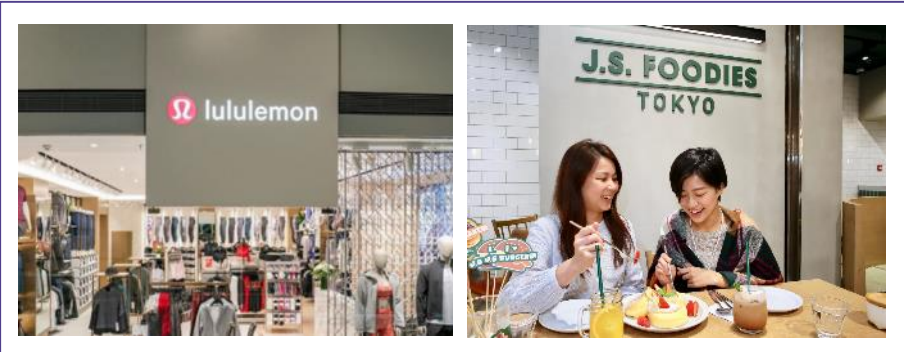


Ice Rink

# FESTIVAL WALK

A one-stop shopping, dining and lifestyle destination

## Strategies



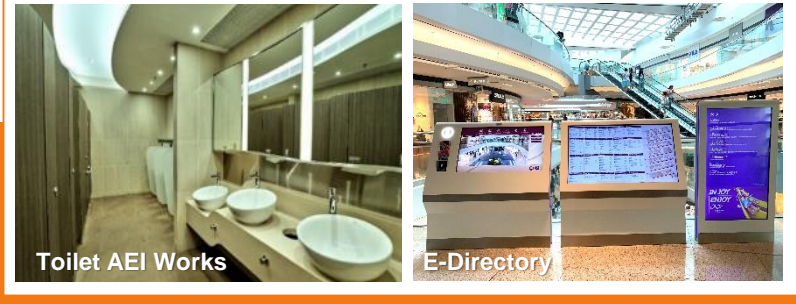
✓ Continuously refresh trade mix to keep up with market trends



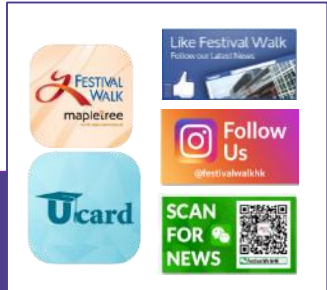
✓ Organise themed marketing and experiential events



✓ Optimise space and sales efficiency



✓ Upkeep mall's competitiveness



✓ Actively engage shoppers

# GATEWAY PLAZA (佳程广场)

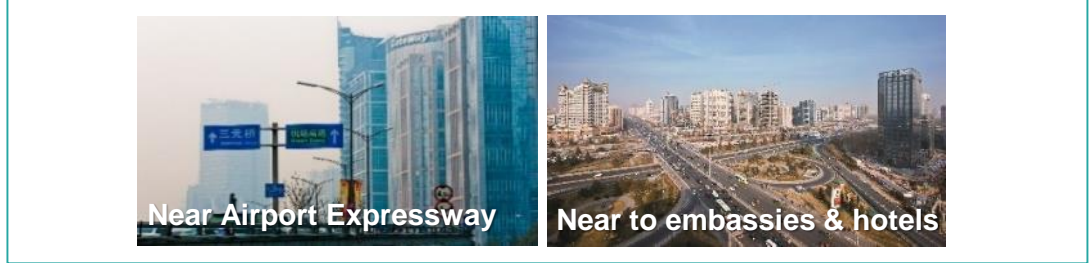
## Lufthansa Area (Third Embassy Area), Beijing

A premier Grade-A office building, consisting of two 25-storey towers connected by a three-storey podium area and three underground floors

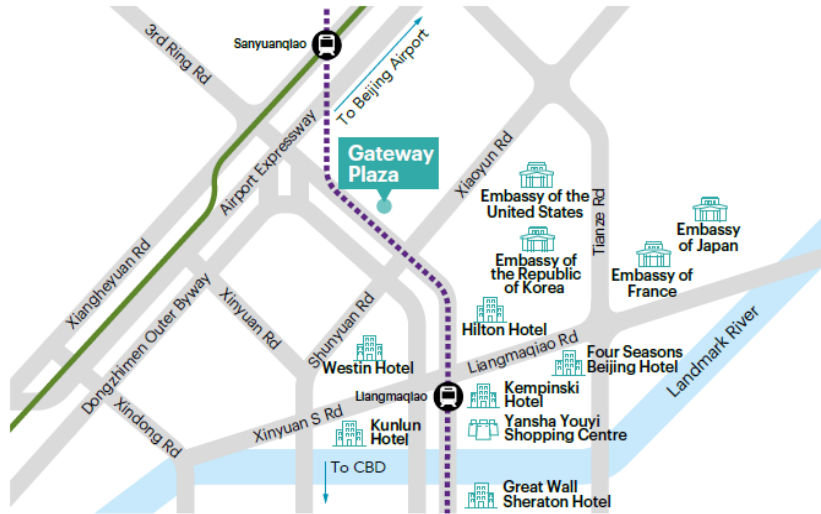


|  |   |
|--|---|
| <p>RENTAL REVERSION<br/>(for 1Q FY19/20)</p> <p><b>-5%</b></p> | <p>OCCUPANCY</p> <p><b>97.2%</b></p> <p>as of 30 Jun 2019</p> |
|--|---|

✓ Strategic location with excellent connectivity between the CBD and airport



✓ Upgraded podium area with retail amenities



## Key Tenants



# SANDHILL PLAZA (展想广场)

Zhangjiang Hi-tech Park, Pudong New Area

A premium business park development comprising one 20-storey tower, seven blocks of 3-storey buildings<sup>1</sup> and two basement levels of car park



RENTAL REVERSION  
(for 1Q FY19/20)  
**+33%<sup>2</sup>**

OCCUPANCY  
**99.3%**  
as of 30 Jun 2019

✓ Premium Grade A Building Specifications

✓ Located in Shanghai's Zhangjiang Hi-tech Park, a Free Trade Zone



Close to Metro Station



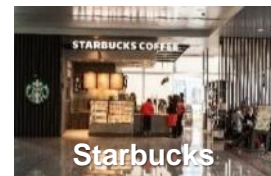
Within 30 mins' drive to Shanghai Pudong International Airport

✓ Established tenants including leading global companies  
✓ Largely from IT, High Tech sectors

Key Tenants:



✓ Range of amenities



Starbucks



FamilyMart



Mobile Gym

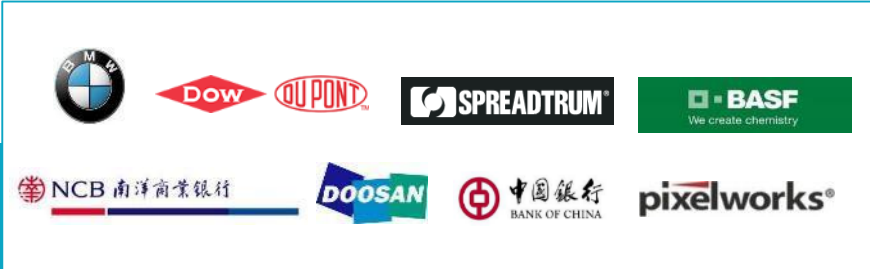


1. There are eight blocks of low-rise (three-storey) buildings within the subject premises, of which one block is separately owned by a third party and does not form part of the acquisition.
2. The rental reversion for Sandhill Plaza was contributed by two leases that expired in 1Q FY19/20.

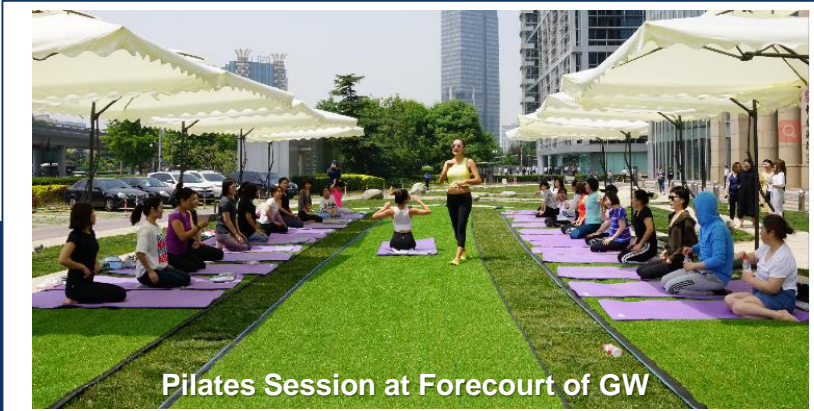
# Proactive Asset Management

## At Gateway Plaza and Sandhill Plaza

### Strategies

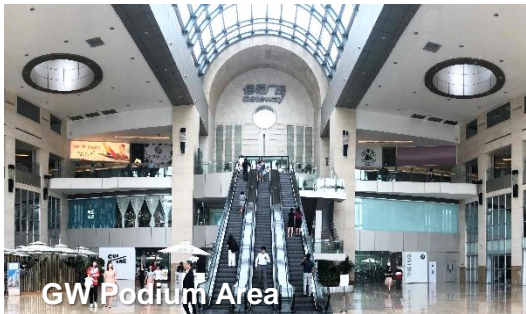


✓ Proactive leasing at both properties to achieve high occupancy levels



Pilates Session at Forecourt of GW

✓ Active tenant engagement activities throughout the year



GW Podium Area



Café at GW



SP



Mobile Gym

✓ Retain competitiveness of Grade-A building status through upgrading of amenities and providing quality property management services

# JAPAN PROPERTIES

## Six Freehold Office Properties in Tokyo, Chiba & Yokohama



Top: IXINAL Monzen-nakacho Building, Higashi-nihonbashi 1-chome Building, TS Ikebukuro Building  
Bottom: ABAS Shin-Yokohama Building, SII Makuhari Building, Fujitsu Makuhari Building

|   |  |
|---|--|
| <p>RENTAL REVERSION<br/>(for 1Q FY19/20)<br/><b>+6%</b></p> | <p>OCCUPANCY<br/><b>100%</b><br/>as of 30 Jun 2019</p> |
|---|--|

**Key Tenants: Seiko Instruments, Fujitsu, PERSOL**

Total Acquisition Cost  
**\$777.5 million<sup>1</sup>**

NPI Yield  
**~4.8%**  
(based on acquisition price)

Vendor  
**Mapletree Japan Office Fund**

**All Freehold Assets**

**Japan provides attractive commercial real estate acquisition opportunities with largely freehold land tenure and at relatively higher yield spread against local cost of funds.**

- ✓ Strategic locations with excellent connectivity
- ✓ **Freehold portfolio with good specifications**
- ✓ Offers high yield spreads, not available in HK/China
- ✓ **Stable and quality cashflows**
- ✓ DPU accretive
- ✓ **Enhances Geographical and Income Diversification**
- ✓ **Experienced and Dedicated Management Team in Japan**



1. The total acquisition cost comprises the Acquisition Price of JPY63,304.0 million (\$770.0 million), the acquisition fee paid to the Manager of \$5.7 million as well as acquisition-related transaction costs.

# 1Q FY19/20 Financials

| (S\$'000)                                      | 1Q FY19/20 | 1Q FY18/19 | Variance % |
|--|------------|------------|------------|
| <b>Gross Revenue<sup>1</sup></b>               | 104,891    | 94,418     | ↑11.1      |
| <b>Property Operating Expenses</b>             | (19,845)   | (17,625)   | ↑12.6      |
| <b>Net Property Income</b>                     | 85,046     | 76,793     | ↑10.7      |
| <b><i>NPI Margin (%)</i></b>                   | 81.1       | 81.3       | ↓0.2ppts   |
| <b>Manager's Management Fees<sup>2</sup></b>   | (6,532)    | (5,723)    | ↑14.1      |
| <b>Net Foreign Exchange Gain</b>               | 415        | 2,996      | ↓86.1      |
| <b>Finance Costs (Net)</b>                     | (17,871)   | (17,047)   | ↑4.8       |
| <b>Distributable Income</b>                    | 62,045     | 56,743     | ↑9.3       |
| <b>DPU (cents)<sup>3</sup></b>                 | 1.950      | 1.881      | ↑3.7       |
| <b>Annualised Distribution Yield (%)</b>       | 5.4        | 6.8        | ↓1.4ppts   |
| <b>Closing Unit Price for the period (S\$)</b> | 1.460      | 1.140      | ↑28.1      |

1. Refer to footnote 1 on slide 6.
2. Refer to slide 45 for more details.
3. Refer to footnote 2 on slide 6.

# Strong Alignment with Unitholders

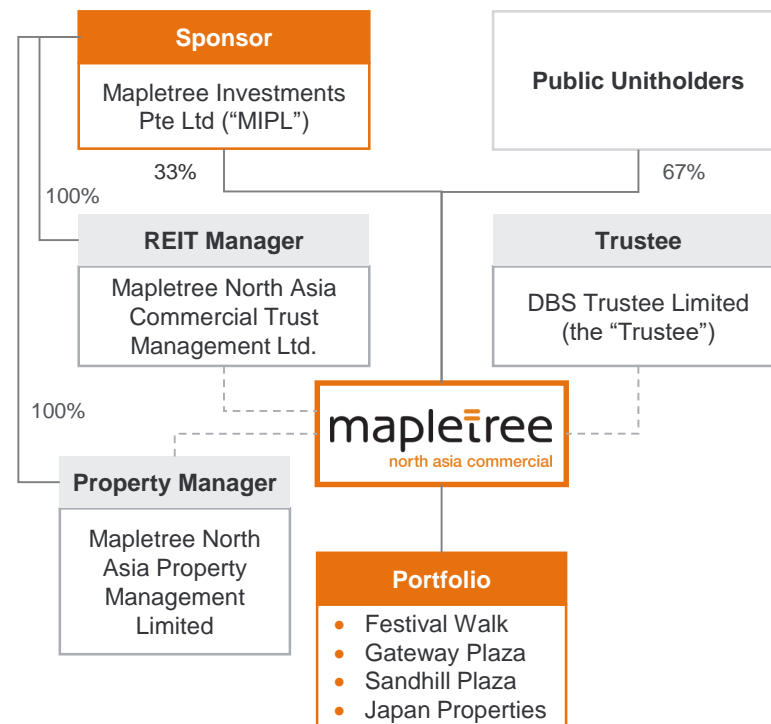
## Management is incentivised to deliver sustainable and quality DPU growth

- First S-REIT with no AUM-based fee structure
- Performance-based feature incentivises the Manager to grow DPU

## Management Fee Structure and Distribution Payout

|                                |   |
|--------------------------------|---|
| <b>REIT Management Fee</b>     | <ul style="list-style-type: none"> <li>• <b>Base:</b> 10.0% of Distributable Income<sup>1</sup></li> <li>• <b>Performance:</b> 25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year<sup>2</sup> multiplied by the weighted average number of Units in issue for such financial year</li> <li>• 100% paid in units since listing</li> </ul> |
| <b>Property Management Fee</b> | <ul style="list-style-type: none"> <li>• 2.0% of Gross Revenue</li> <li>• 2.0% of Net Property Income</li> <li>• PM fees relating to Festival Walk and Gateway Plaza: 100% paid in units since listing</li> <li>• PM fees relating to Sandhill Plaza and Japan Properties: 100% paid in cash from date of acquisition<sup>3</sup></li> </ul>  |
| <b>Acquisition Fee</b>         | <ul style="list-style-type: none"> <li>• 0.75% for acquisitions from Related Parties</li> <li>• 1.0% for all other acquisitions</li> </ul>  |
| <b>Distribution Payout</b>     | <ul style="list-style-type: none"> <li>• 100% of distributable income since listing</li> <li>• Distribution frequency changed from semi-annual to quarterly basis with effect from 1 April 2018</li> </ul>  |

## Trust Structure



1. In relation to the Japan Properties, the asset management services are provided by the Japan Asset Manager. In view of the fees payable in cash to the Japan Asset Manager for the Japan Properties, the Manager has elected to waive the Base Fee (which it is otherwise entitled to under the Trust Deed) for as long as the Manager and the Japan Asset Manager are wholly-owned by Mapletree Investments Pte Ltd and the Japan Asset Manager continues to receive the Japan Asset Management Fee in respect of the Japan Properties.
2. Calculated before accounting for the performance fee in each year.
3. For Sandhill Plaza, the Manager has elected to pay the Property Manager the Property Management Fee in cash from the date of acquisition on 17 June 2015. For the Japan Properties, the Property Management Fee is payable in cash to the Japan Property Manager from the date of acquisition on 25 May 2018.