mapletree
greater china commercial

press release

For Immediate Release

Proposed Acquisition of a Portfolio of Six Freehold Office Properties in Greater Tokyo, Japan

- Strategic acquisition opportunity in Japan provides higher yield spread and freehold land tenure, presently not available in MGCCT's existing markets
- Addition of six quality freehold assets enhances MGCCT's geographical and income diversification
- Japan Portfolio is expected to contribute a Net Property Income ("NPI") yield of 4.8%[1,2] and be Distribution per Unit ("DPU") Accretive
- Scalable and active investment market in Japan widens pool of future acquisition opportunities

28 March 2018 – Mapletree Greater China Commercial Trust Management Ltd. ("MGCCTM" or the "Manager"), the manager of Mapletree Greater China Commercial Trust ("MGCCT"), is pleased to announce that various conditional agreements have been entered into for DBS Trustee Limited (the "Trustee"), in its capacity as trustee of MGCCT, to acquire an effective interest of 98.47% in a portfolio of six freehold commercial real estate assets located in Tokyo, Yokohama and Chiba (the "Japan Portfolio") from MJOF Pte. Ltd.[3] ("MJOF" or the "Vendor"), subject to certain conditions precedent being met, for an aggregate purchase consideration of JPY60,926.0[4,5] million or approximately S$753.4 million (the "Proposed Acquisition").

Ms. Cindy Chow, Chief Executive Officer of the Manager, said, "Following our announcement on the expansion of mandate to Japan, we are pleased to announce the proposed acquisition of a portfolio of six freehold office properties in Greater Tokyo. The market provides attractive commercial real estate

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1 Property-related calculations (e.g. gross rental income, NPI, weighted average lease expiry ("WALE"), occupancy, valuation, net lettable area, independent valuations, and appraised value) include a 1.53% effective interest in the Japan Portfolio which will be held by Mapletree Investments Japan Kabushiki Kaisha ("MIJ") upon completion of the proposed acquisition. MGCCT is expected to hold a 98.47% effective interest in the Japan Portfolio

2 Based on the Japan Portfolio's pro forma FY16/17 NPI assuming MGCCT held and operated the Japan Portfolio from 1 April 2016 to 31 March 2017 and divided by the Agreed Portfolio Value (as disclosed on page 3)

3 MJOF is a private real estate closed-end fund which is managed by MIJ, an indirect wholly-owned subsidiary of Mapletree Investments Pte. Ltd. ("MIPL" or the "Sponsor"). The Sponsor holds an approximate 36.0% stake in MJOF

4 Based on the exchange rate of JPY80.87 = S$1.00. Unless otherwise stated, all conversions of JPY amounts into SGD in this announcement shall be based on this exchange rate

5 Aggregate purchase consideration is based on 98.47% of the value equivalent to the Agreed Portfolio Value (as set out on page 3) less estimated net working capital adjustments of JPY1,431.3 million (approximately S$17.7 million). The net working capital adjustments will be subject to final audit, post completion of the Proposed Acquisition

Mapletree Greater China Commercial Trust Management Ltd.
10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438
Tel 65 6377 6111 **Fax** 65 6273 2753 www.mapletreegreaterchinacommercialtrust.com
Co. Reg No. 201229323R

acquisition opportunities, with largely freehold land tenure and at relatively higher yield spread against the local cost of funds, attributes which are not presently available in MGCCT's existing markets. With an active and scalable investment grade real estate market, we believe that the entry into Japan will provide a wider pool of acquisition opportunities. The proposed acquisition of the Japan Portfolio, strategically located near to transportation hubs and with high occupancy of close to 100%, will enhance MGCCT's geographical, tenant and sector diversification, and increase the total number of assets from three to nine. The Proposed Acquisition is expected to contribute a NPI yield of 4.8% and be DPU accretive."

Summary of the Japan Portfolio [1]

Description of Japan Portfolio	Tokyo – 3 properties • IXINAL Monzen-nakacho Building • Higashi-nihonbashi 1-chome Building • TS Ikebukuro Building Yokohama – 1 property • ABAS Shin-Yokohama Building Chiba – 2 properties • SII Makuhari Building • Fujitsu Makuhari Building
Land Tenure	Freehold (for all assets)
Total Gross Floor Area ("GFA")	1.65 million square feet
Total Net Lettable Area ("NLA")	1.60 million square feet
Weighted Average Lease Expiry ("WALE") as at 31 Dec 2017[2]	5.8 years
Occupancy Rate as at 31 Dec 2017[3]	99.9%
Number of tenants as at 31 Dec 2017	21

Expansion into the Attractive Greater Tokyo Office Market[4]

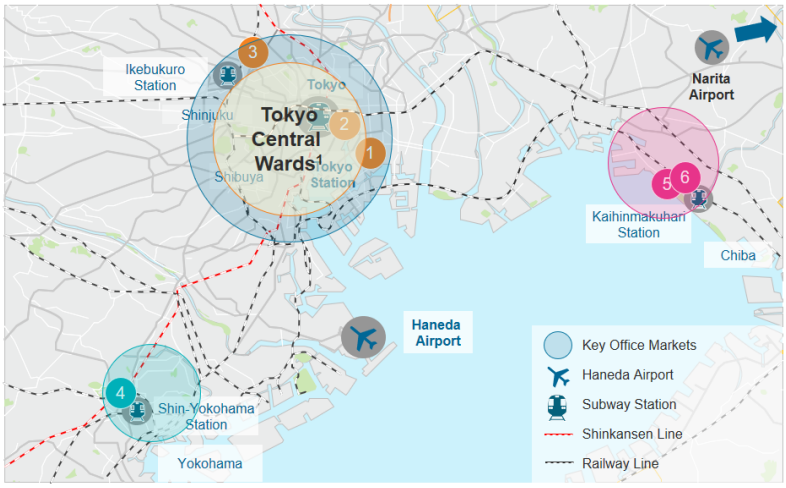
Japan is the third largest economy in the world in 2017[5] and is supported by stable macroeconomic fundamentals, with improving quarter-on-quarter GDP growth since Q1 2016. Unemployment rate is at a historical low while business sentiment among corporates has reached a record high level. Compared to the other Asia Pacific cities, Tokyo ranked the top in terms of office transaction volume, recording approximately US$14.25 billion[6] in 2017, underscoring its status as one of the world's largest metropolitan area economies.

[1] The information in the table relates to the Japan Portfolio
[2] For the purpose of this document, WALE is based on monthly gross rental income and by committed leases
[3] For the purpose of this document, occupancy is based on NLA and by committed leases
[4] Source: Cushman and Wakefield K.K. (Japan)
[5] Source: International Monetary Fund
[6] Source: Real Capital Analytics

Strategic Addition of a High Quality Portfolio of Office Assets

The Japan Portfolio comprises six freehold office buildings with good specifications, namely three in Tokyo (IXINAL Monzen-nakacho Building, Higashi-nihonbashi 1-chome Building and TS Ikebukuro Building), ABAS Shin-Yokohama Building in Yokohama and two in Chiba (SII Makuhari Building and Fujitsu Makuhari Building). The office locations where the buildings are situated are well-established hubs with attractive micro-location characteristics. Situated close to busy train stations, public transportation nodes and major arterial roads, the properties provide good connectivity and are cost efficient office locations for our tenants.

Location Map of the Japan Portfolio in Greater Tokyo



No.	The Japan Portfolio
1	IXINAL Monzen-nakacho Building ("MON")
2	Higashi-nihonbashi 1-chome Building ("HNB")
3	TS Ikebukuro Building ("TSI")
4	ABAS Shin-Yokohama ("ASY")
5	SII Makuhari Building ("SMB")
6	Fujitsu Makuhari Building ("FJM")

[1] Tokyo Central 5 Wards includes Chiyoda, Chuo, Minato, Shinjuku and Shibuya

Stable and Quality Cashflows

At a high occupancy rate of 99.9%, the Japan Portfolio is underpinned by leases with a long WALE of 5.8 years and a tenant base of 21 tenants. Well-established corporations such as Seiko Instruments Inc, Fujitsu, Japan Information Processing Service and PERSOL are the four largest tenants of the Japan Portfolio. Each of these tenants provides income stability as the sole occupant of each respective property since the building's completion. Some of the leases in the multi-tenanted buildings expiring in FY18/19 and FY19/20 are currently under-rented and may offer upside potential with positive rental reversion.

Attractive Yield Spread and at a Discount to Independent Valuations

The Agreed Portfolio Value of JPY63,304.0 million (approximately S$782.8 million) for the Japan Portfolio was arrived at on a willing-buyer and willing-seller basis after taking into account the two sets of independent valuations of the portfolio. The Agreed Portfolio Value implies a NPI yield of 4.8%, which offers MGCCT the opportunity to capture the relatively high spread between the yield of the Japan Portfolio and the local cost of funds. Further, the Agreed Portfolio Value represents a discount of approximately 1.0% and 1.1% to the independent valuations conducted as of 1 March 2018 by Morii Appraisal & Investment Consulting, Inc. (a wholly-owned subsidiary of JLL K.K., commissioned by the Trustee) and CBRE K.K.,

Valuation & Advisory Services and Savills Japan Co., Ltd (both commissioned by the Manager) respectively. Including acquisition-related expenses, the total acquisition cost is expected to be approximately JPY62,307.7 million (S$770.5 million) (the "Total Acquisition Cost")[1].

Enhances MGCCT's geographical and income diversification[2]

The Proposed Acquisition is expected to result in income diversification with contribution from a new geographical location and a wider pool of tenant base, which will reduce the reliance of income contribution from any single property. MGCCT's asset size will increase from S$6.2 billion[3] to S$7.0 billion[4], while the Japan Portfolio will contribute to 11% and 12%[5] of the Enlarged Portfolio's valuation and NPI respectively.

Funding of the Acquisition

The Manager intends to finance the Total Acquisition Cost through a combination of debt and the proceeds from an equity fund raising (the "Equity Fund Raising").

The final decision regarding the proportion of the debt and equity to be employed to fund the Proposed Acquisition will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall DPU accretion to Unitholders while maintaining an optimum level of aggregate leverage. The details and timing of the Equity Fund Raising have not been determined. Further details of the Equity Fund Raising will be announced by the Manager at the appropriate time.

The Proposed Acquisition constitutes an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix, in respect of which the approval of Unitholders is required. In this respect, a Unitholders' circular (the "Circular") will be issued and an extraordinary general meeting of MGCCT will be held in due course.

Subject to and upon completion of the Proposed Acquisition, it is intended that MGCCT be renamed "Mapletree North Asia Commercial Trust".

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[1] Total Acquisition Cost comprises a) the Aggregate Purchase Consideration; b) the acquisition fee of S$5.8 million (payable in units), which represents 0.75% of 98.47% of the Agreed Portfolio Value; and c) the estimated professional and other fees and expenses of S$11.3 million incurred or to be incurred by MGCCT in connection with the Proposed Acquisition, the Equity Fund Raising and the loans to be obtained in relation to the Proposed Acquisition

[2] Enlarged Portfolio comprises the Japan Portfolio, Festival Walk, Gateway Plaza and Sandhill Plaza

[3] Based on the valuation of the Existing Portfolio comprising Festival Walk, Gateway Plaza and Sandhill Plaza, as at 31 March 2017

[4] Based on the valuation of the Existing Portfolio as at 31 March 2017 and the Agreed Portfolio Value

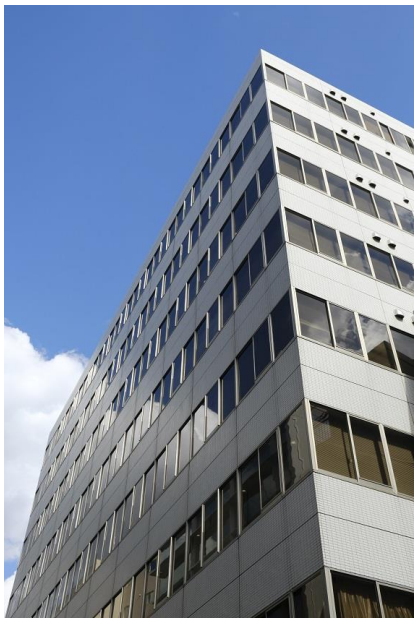
[5] Based on MGCCT's audited financial statements for the period from 1 April 2016 to 31 March 2017 and the pro-forma FY16/17 NPI of the Japan Portfolio, assuming that MGCCT held and operated the Japan Portfolio from 1 April 2016 to 31 March 2017

Appendix – Details of Japan Portfolio



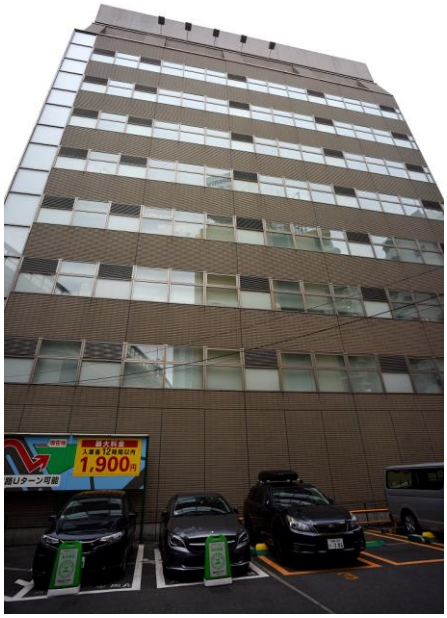
IXINAL Monzen-nakacho Building ("MON")

Address	5-4 Fukuzumi 2-chome, Koto-ku, Tokyo
Description	5-storey office building with 28 car park lots
Train Station	Monzen-nakacho station (8 minutes by foot)
GFA	8,303 sqm
NLA	6,852 sqm
WALE	1.8 years
Occupancy	100.0%
Key Tenant	Japan Information Processing Service



Higashi-nihonbashi 1-chome Building ("HNB")

Address	4-6 Higashi-nihonbashi 1-chome, Chuo-ku, Tokyo
Description	8-storey office building with 8 car park lots
Train Station	Higashi-nihonbashi station (3 minutes by foot)
GFA	3,240 sqm
NLA	2,601 sqm
WALE	3.6 years
Occupancy	100.0%
Key Tenants	Shigematsu, Tender Loving Care Services (Nursery)



TS Ikebukuro Building ("TSI")

Address	63-4 Higashi-Ikebukro 2-chome, Toshima-ku, Tokyo
Description	9-storey office building with 15 car park lots
Train Station	Ikebukuro station (9 minutes by foot)
GFA	4,898 sqm
NLA	4,002 sqm
WALE	0.2 years[1]
Occupancy	100.0%
Key Tenant	PERSOL



ABAS Shin-Yokohama Building ("ASY")

Address	6-1, Shin-yokohama 2-chome, Kohoku-ku, Yokohama City, Kanagawa
Description	9-storey office building with two basement levels and 24 car park lots
Train Station	Shin-Yokohama station (6 minutes by foot)
GFA	4,638 sqm
NLA	3,170 sqm
WALE	1.9 years
Occupancy	95.4%
Key Tenants	Japan Create, Lawson, Rentas, Sandvik

[1] As of 1 March 2018, PERSOL has committed to a new lease and the WALE of TSI will be 3.0 years.



SII Makuhari Building ("SMB")

Address	8, Nakase 1-chome, Mihama-ku, Chiba-city, Chiba
Description	26-storey office building, with a basement level and 298 car park lots
Train Station	Kaihin-makuhari station (11 mins by foot)
GFA	70,744 sqm
NLA	70,744 sqm
WALE	6.5 years
Occupancy	100.0%
Key Tenant	Seiko Instruments Inc



Fujitsu Makuhari Building ("FJM")

Address	9-3, Nakase 1-chome, Mihama-ku Chiba-city, Chiba
Description	21-storey office building with 251 car park lots
Train Station	Kaihin-makuhari station (8 mins by foot)
GFA	61,088 sqm
NLA	61,088 sqm
WALE	8.3 years
Occupancy	100.0%
Key Tenant	Fujitsu

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For further information, please contact:

Mapletree Greater China Commercial Trust Management Ltd.
Elizabeth Loo Suet Quan
Vice President, Investor Relations
Tel: +65 6377 6705
Email: elizabeth.loo@mapletree.com.sg
Website: www.mapletreegreaterchinacommercialtrust.com

About Mapletree Greater China Commercial Trust

MGCCT is a Singapore real estate investment trust ("REIT") established with the investment mandate of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate in the Greater China region, which is used primarily for commercial purposes (including real estate used predominantly for retail and/or offices), as well as real estate-related assets. MGCCT is the first commercial REIT with properties in both China and Hong Kong, and its portfolio comprises Festival Walk, a landmark territorial retail mall with an office component located in Hong Kong, Gateway Plaza, a premier Grade-A office building with a podium area in Beijing, and Sandhill Plaza, a premium quality business park development situated in Shanghai. The three properties cover a lettable area of approximately 2.6 million square feet, with a total book value of S$6.0 billion as of 31 December 2017. MGCCT's investment mandate includes markets in Hong Kong, first tier cities (Beijing, Shanghai, Guangzhou and Shenzhen) and key second tier cities in China (Chengdu, Chongqing, Foshan, Hangzhou, Nanjing, Suzhou, Tianjin, Wuhan and Xi'an), and Japan. MGCCT is managed by Mapletree Greater China Commercial Trust Management Ltd., a wholly owned subsidiary of Mapletree Investments Pte Ltd.

For more information, please visit www.mapletreegreaterchinacommercialtrust.com.

About the Sponsor – Mapletree Investments Pte Ltd

Mapletree Investments is a leading real estate development, investment and capital management company headquartered in Singapore. Its strategic focus is to invest in markets and real estate sectors with good growth potential. By combining its key strengths, the Group has established a track record of award-winning projects, and delivers consistent and high returns across real estate asset classes.

MIPL currently manages four Singapore-listed REITs and six private equity real estate funds, which hold a diverse portfolio of assets in Asia Pacific, the United Kingdom ("UK") and the United States ("US").

As at 31 March 2017, MIPL owns and manages S$39.5 billion of office, retail, logistics, industrial, residential, corporate housing / serviced apartment, and student accommodation properties.

The Group's assets are located across 12 economies globally, namely Singapore, Australia, China, Germany, Hong Kong SAR, India, Japan, Malaysia, South Korea, the UK, the US and Vietnam. To support its global operations, MIPL has established an extensive network of offices in these countries.

For more information, please visit www.mapletree.com.sg.

IMPORTANT NOTICE

The value of units in MGCCT ("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 MGCCT may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of

the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of MGCCT is not necessarily indicative of its future performance.

This release 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, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

Nothing in this release should be construed as financial, investment, business, legal or tax advice and you should consult your own independent professional advisors. This release shall be read in conjunction with MGCCT's announcement in the SGX-NET "The Proposed Acquisition of the Japan Portfolio" dated 28 March 2018.