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For Immediate Release

MNACT's 3Q FY19/20 DPU Declines 13.3% Year-on-year

17 January 2020 – Mapletree North Asia Commercial Trust Management Ltd. ("**MNACTM**" or the "**Manager**"), the Manager of Mapletree North Asia Commercial Trust ("**MNACT**"), announced today MNACT's financial results for the period from 1 October 2019 to 31 December 2019 ("**3Q FY19/20**"), compared to the same quarter last year ("**3Q FY18/19**").

Financial Highlights	YTD FY19/20	YTD FY18/19	Variance %	3Q FY19/20	3Q FY18/19	Variance %
Gross Revenue[1] (S$'000)	277,671	304,648	(8.9)	67,277	105,626	(36.3)
Net Property Income (S$'000)	220,570	245,026	(10.0)	50,776	84,592	(40.0)
Distributable Income (S$'000)	177,167	178,595	(0.8)	53,379	61,006	(12.5)
DPU[2] (cents)	5.558	5.734	(3.1)	1.671	1.927	(13.3)
Annualised Distribution Yield[3]	6.3%	6.6%	(4.5)	5.7%	6.7%	(14.9)
Closing Unit Price for period	$1.16	S$1.14	1.8	$1.16	S$1.14	1.8

3Q FY19/20

Gross revenue for 3Q FY19/20 decreased by 36.3% to S$67.3 million, compared to 3Q FY18/19, while net property income ("**NPI**") declined by 40.0% to S$50.8 million. This was primarily due to lower revenue from Festival Walk as a result of rent relief granted and the closure[4] of the mall since 13 November 2019, lower revenue from one of the Japan Properties due to expiry of the single tenancy for the building and conversion into multi-tenancies, and lower revenue from Gateway Plaza due to lower average occupancy. There was also lower average rate of HKD and RMB, partially offset by higher average rate of JPY.

[1] 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.

[2] DPU for 3Q is calculated based on the income available for distribution for 3Q over the number of units in issue as at the end of the period of 3,194,343,154 (3Q FY18/19: 3,166,462,042) units. The number of units in issue as at the end of 3Q does not include the payment of Manager's base fee, and the property manager's management fees (collectively known as "Fees") in units of 5,473,962 for 3Q FY19/20 (3Q FY18/19: 7,429,923).The units for payment of Fees for 3Q FY19/20, to be issued in March 2020, will be included in the computation of the DPU payable for 4Q FY19/20. DPU for 3Q FY19/20 has been affected by the closure of Festival Walk Mall. Please refer to page 3 for details.

[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.

[4] Please refer to MNACT's SGX-ST Announcement dated 4 December 2019 titled "Update on Festival Walk and Impact on MNACT".

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Finance costs in 3Q FY19/20 decreased by S$0.4 million compared to 3Q FY18/19 due to interest savings from the refinancing of borrowings and partially offset by the higher interest rate on floating debt.

As announced on 4 December 2019[1], due to the extensive damage sustained at Festival Walk, the mall has been closed since 13 November 2019. With the mall closure, rental from the retail tenants is not collectable over the period that the mall remains closed. The mall has since re-opened, and rental collection resumed, on 16 January 2020[2]. The re-opening date is earlier than previously envisaged; the duration of the mall closure was for a total period of 64 days (from 13 November 2019 to 15 January 2020).

As for the office tower, it was closed from 13 to 25 November 2019. Rental was not collected from the office tenants during this period. Rental collection for the office tower resumed upon re-opening on 26 November 2019.

To mitigate the impact on the distributable income payable to unitholders when the mall and office tower were closed and there was no rental collection, the Manager has implemented distribution top-ups ("**Distribution Top-Ups**") as announced on 4 December 2019.

The Distribution Top-Ups are funded from capital, and will be paid as capital income distribution to the unitholders. When the insurance claims proceeds are received, any amount which exceeds the Distribution Top-Ups will be paid as distributable income from operations to the unitholders.

Previously, in the announcement on 4 December 2019 (please refer to footnote 4 on page 1), it was mentioned the Manager would implement a distribution top-up which was on the basis that it was uncertain, at that point in time, how long Festival Walk would remain closed for repair works during 4Q FY19/20 and the consequential impact on the distributable income. Accordingly, the Distribution Top-Ups were envisaged to be implemented over three quarters, ie. in 3Q FY19/20, 4Q FY19/20 and from 1 April to 30 June 2020 ("**1Q FY20/21**"), based on approximately 40% of the projected Festival Walk retail revenue for each quarter.

As the mall has now re-opened on 16 January 2020, earlier than previously envisaged, there will be no further Distribution Top-Ups in 1Q FY20/21.

[1] Please refer to footnote 4 on page 1.
[2] Please refer to MNACT's SGX-ST Announcement dated 10 January 2020 titled "Update on Festival Walk".

Accordingly, 3Q FY19/20 DPU was 1.671 cents, 13.3% lower compared to the same quarter last year, after taking into account the distribution adjustments including the Festival Walk Top-Up[1].

YTD FY19/20

For the nine-month period from 1 April 2019 to 31 December 2019 ("**YTD FY19/20**"), gross revenue and NPI were 8.9% and 10.0% lower compared to the same period last year ("**YTD FY18/19**"). This was mainly due to lower revenue from Festival Walk as a result of rent relief granted and the closure[2] of the mall since 13 November 2019. The full nine-month contribution from the Japan Properties, following the completion of acquisition on 25 May 2018, partially offset the decline in revenue and NPI for YTD FY19/20. There was also higher average rate of HKD and JPY, partially offset by lower average rate of RMB.

Finance costs in YTD FY19/20 increased by S$0.3 million compared to YTD FY18/19. While there were interest savings from the refinancing of borrowings and partially offset by the higher interest rate on floating debt, there was also a full nine months of finance costs on the borrowings to fund the acquisition of Japan Properties (which was completed in May 2018) for YTD FY19/20. DPU for YTD FY19/20 was 5.558 cents, 3.1% lower compared to YTD FY18/19, after taking into account the distribution adjustments including the Festival Walk Top-Up[3].

Ms. Cindy Chow, Chief Executive Officer of the Manager, said, "We are heartened that the mall has re-opened since 16 January 2020[4]. More than just a retail mall, Festival Walk has over the past 21 years served the lifestyle, shopping and dining needs of the neighbourhood community at Kowloon Tong, and we look forward to having the mall continuing to do so. Another key development during the quarter is the announcement of the proposed acquisitions of two office properties in Greater Tokyo, Japan[5]. Pending approval from unitholders of MNACT ("**Unitholders**"), the proposed acquisitions are expected to be DPU accretive, and to contribute to MNACT's asset and income diversification."

[1] Festival Walk Top-Up represents the distribution top-up which comprises the proportionate share of (i) the estimated loss of Festival Walk retail revenue for the period from 13 November 2019 to 31 December 2019 and (ii) the estimated loss of Festival Walk office revenue for the period from 13 November 2019 to 25 November 2019. Festival Walk Top-Up is to mitigate the impact on the distributable income as rental from the tenants is not collectable over these periods that the mall and office were closed until such time the loss of revenue is recovered through the insurance claims

[2] Please refer to footnote 4 on page 1.

[3] Please refer to footnote 1 on page 3.

[4] Please refer to footnote 2 on page 2.

[5] Please refer to SGX Announcement dated 4 December 2019 titled "The Proposed Acquisitions of Two Office Properties in Greater Tokyo" and SGX Announcement dated 3 January 2020 titled "Circular - The Proposed Acquisitions of Two Office Properties in Greater Tokyo".

Portfolio Update

Portfolio Update by Asset	Festival Walk	Gateway Plaza	Sandhill Plaza	Japan Properties[a]
Average rental reversion[b] for leases that expired (and were renewed or re-let) by 31 December 2019	12% - Retail 6% - Office	- 3%[c]	9%	- 2%[d]
Committed occupancy level as of 31 December 2019	*Portfolio level: 96.3%*			
	100%	91.6%	98.3%	97.1%
Percentage of leases (by lettable area) with expiries in FY19/20 that were renewed or re-let as of 31 December 2019	*Portfolio level: 73%*			
	90%	64%	77%	50%

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

[b] 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).

[c] The rental reversion for Gateway Plaza relates to 18 leases that expired in YTD FY19/20. Assuming a full year-to-date contribution, these leases would have constituted approximately 1% of MNACT portfolio's gross rental income for YTD FY19/20.

[d] The rental reversion for the Japan Properties was contributed by six leases that expired in YTD FY19/20. The lower occupancy level resulted from one of the Japan Properties due to expiry of the single tenancy for the building and conversion into multi-tenancies.

Festival Walk

As a result of rent relief granted and the closure of the mall from 13 November 2019[1], gross revenue and NPI for YTD FY19/20 decreased by 16.2% and 18.4% respectively as compared with the previous corresponding period.

For Festival Walk, tenants' sales and shopper traffic registered a decrease of 8.7% and 5.1% respectively from 1 April 2019 to 31 October 2019 over the same period last year. As the mall was closed from 13 November to 31 December 2019, the decrease of tenants' retail sales and shopper traffic is expected to be much higher than a year ago.

Office Properties in Beijing, Shanghai and Greater Tokyo

In Beijing, the slower economic growth and trade tensions continued to cause a drag on leasing activities. There was also greater competition among the landlords as some of them offered more discounts and incentives to retain tenants. For Gateway Plaza, gross revenue and NPI for YTD FY19/20 were 5.0% and 4.2% lower respectively as compared to YTD FY18/19 mainly due to the lower average occupancy rate and the lower average rate of RMB.

For Sandhill Plaza, there was a slight decrease in gross revenue by 0.4% for YTD FY19/20 compared to YTD FY18/19. This was mainly due to the lower average occupancy rate amid slightly weaker leasing sentiments and the lower average rate of RMB, partially offset by the higher average rental rate. NPI for YTD FY19/20, however, increased slightly by 0.3%.

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[1] Please refer to footnote 1 on page 1.

The Japan Properties added S$37.1 million and S$28.7 million to YTD FY19/20 gross revenue and NPI respectively, compared to S$29.9 million and S$23.0 million for YTD FY18/19 gross revenue and NPI respectively, diversifying MNACT's asset and income concentration. The growth in gross revenue and NPI was underpinned by the full nine-month contribution from the Japan Properties, and the higher average rate of JPY. This was partially offset by lower revenue from one of the Japan Properties due to expiry of the single tenancy for the building and conversion into multi-tenancies.

Capital Management

The Manager continues its prudent capital management strategy to mitigate the impact of foreign exchange and interest rate exposures, and maintains a well-staggered debt maturity profile. During the quarter, MNACT announced that it has entered into its second sustainability-linked loan of approximately S$174 million. Designed in reference to MNACT's sustainability performance, the facility reflects the Manager's commitment to sustainability efforts at the properties.

As of 31 December 2019, approximately 88% of MNACT's interest cost has been hedged into fixed rates, while about 80% of MNACT's expected distributable income for FY19/20 has been hedged into SGD.

Aggregate leverage ratio as of 31 December 2019 was maintained at 37.1% compared to 30 September 2019, while the interest cover ratio for 3Q FY19/20 was lower at 2.5 times, compared to 4.2 times for 2Q FY19/20. MNACT's average term to maturity was 3.13 years as of 31 December 2019 (30 September 2019: 3.21 years). The annualised effective interest rate for 3Q FY19/20 was slightly lower at 2.46% per annum (2Q FY19/20: 2.49% per annum).

Distribution to Unitholders

Unitholders will receive a distribution of 1.671 cents per unit (being 100% of MNACT's distributable income for the period) on Tuesday, 10 March 2020 for 3Q FY19/20. The closure of MNACT's Transfer Books and Register of Unitholders is on Tuesday, 28 January 2020 at 5.00pm.

Distribution Reinvestment Plan ("DRP")

As part of the Manager's proactive capital management efforts to maintain an optimal overall aggregate leverage for MNACT, the Manager will be applying for the DRP for MNACT's distribution for 3Q FY19/20[1]. The issue of units in lieu of cash distributions under the DRP will strengthen MNACT's balance sheet and lower the gearing level progressively.

[1] Please refer to footnote 4 on page 1.

Outlook

Based on The World Bank's "*January 2020 Global Economic Prospects*", while the world economy is poised for a modest rebound in 2020, the outlook remains fragile due to uncertainties over trade and geopolitical tensions.

For Hong Kong SAR, this is a challenging period for the retail market in view of the protests and market uncertainties. Retail sales for the month of November 2019 dropped 24%, the steepest year-on-year decline by value for a single month on record, even lower than in September 1998 during the Asian financial crisis. For the near-term, retail consumption sentiments are expected to remain weak amid persistent protests in the city since June 2019[1]. Post the re-opening of Festival Walk on 16 January 2020, repair works will continue to be carried out progressively within the mall. Tenants' retail sales are expected to pick up gradually, and as a result, Festival Walk's performance for the next quarter and going into FY20/21 is expected to be lower than a year ago. Festival Walk will continue to actively engage and support its tenants during this period, by running promotion and marketing events as well as considering selective rental concessions.

The loss of retail and office revenue as well as property damage sustained at Festival Walk are covered under the insurance policies. The assessment of the quantum of revenue loss and property damage recoverable from insurance claims is currently underway and the timing of receiving the claims has yet to be determined.

In Beijing[2], macroeconomic uncertainties, availability of new office supply and softening demand are expected to lead to an increase in vacancy rates and decline in rents. Amid the challenging leasing environment, the Manager will continue its marketing and leasing efforts to stabilise rental and occupancy levels at Gateway Plaza. For Shanghai[3], increased new supply and slower leasing momentum for the business park market are expected to lead to slightly higher vacancy rates. Sandhill Plaza's performance is expected to remain resilient.

The Tokyo office market[4] is expected to remain steady, underpinned by economic and political stability, and low vacancy rates, despite a short-term increase in supply. The average occupancy rate of the Japan Properties is expected to improve.

As announced on 4 December 2019[5], as a result of the closure of Festival Walk, MNACT's DPU for the six-month period from 1 October 2019 to 31 March 2020 ("**2H FY19/20**") is expected to be

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[1] Hong Kong Census and Statistics Department's "*Report on Monthly Survey of Retail Sales for November 2019"*. Hong Kong SAR's retail sales figures for December 2019 have not been published as of 17 January 2020.

[2] Savills Research, Beijing Office (October 2019).

[3] Savills Research, Shanghai Office (October 2019).

[4] Savills Research, Tokyo 2019 Review and 2020 Prospects.

[5] Please refer to footnote 4 on page 1.

significantly lower compared to the same period last year ("**2H FY18/19**") and the six-month period from 1 April 2019 to 30 September 2019 ("**1H FY19/20**"). DPU will also be affected during the period before Festival Walk returns to full operation.

To mitigate the impact on the distributable income, the Manager has implemented Distribution Top-Ups for the revenue loss during the period that the mall and office tower are closed. When the insurance claims proceeds are received, any amount which exceeds the Distribution Top-Ups, which are funded from capital, will be paid as distributable income from operations to the Unitholders.

The Manager announced[1] on 4 December 2019 the proposed acquisitions of two office properties in Greater Tokyo. The two properties are expected to contribute to the diversification of MNACT and at the same time, reduce the income and asset concentration of Festival Walk. The transaction is pending approval by Unitholders at the Extraordinary General Meeting[2] to be held on Monday, 20 January 2020.

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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") 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, in Hong Kong SAR and in Japan.

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

- Beijing, China: Gateway Plaza, a premier Grade-A office building with a podium area;
- Hong Kong SAR: Festival Walk, a landmark territorial retail mall with an office component;
- 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$7.6 billion as of 31 December 2019.

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.

[1] Please refer to SGX Announcement dated 4 December 2019 titled "The Proposed Acquisitions of Two Office Properties in Greater Tokyo".
[2] Please refer to SGX Announcement dated 3 January 2020 titled "Notice of Extraordinary General Meeting".

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.