

For Immediate Release

Newly acquired Mapletree Business City II adds resilience to Mapletree Commercial Trust's performance

- 4Q FY19/20 gross revenue and net property income ("NPI") up 12.8% and 12.6% respectively from 4Q FY18/19 driven mostly by Mapletree Business City ("MBC") II and in spite of COVID-19 rental rebates
- 4Q FY19/20 DPU of 0.91 Singapore cents in anticipation of uncertainties arising from COVID-19 pandemic
- Acquisition of MBC II provided timely diversification and resilience, driving 8.8% and 8.7% year-on-year growth in FY19/20 portfolio gross revenue and NPI
- Valuation of investment properties held steady at S\$8.9 billion
- Fixed rent for April 2020 waived for eligible retail tenants to provide additional assistance¹
- Financial flexibility from S\$321.0 million of cash and undrawn committed facilities

Singapore, 22 April 2020 – Mapletree Commercial Trust Management Ltd. ("MCTM"), as manager of Mapletree Commercial Trust ("MCT" and as manager of MCT, the "Manager"), reported that the NPI for 4Q FY19/20 was S\$98.6 million, up 12.6% year-on-year. This was driven mostly by MBC II which was acquired on 1 November 2019, and in spite of rental rebates granted to retail tenants affected by COVID-19. DPU for the quarter amounted to 0.91 Singapore cents.

Ms Sharon Lim, Chief Executive Officer of the Manager, said, "The outbreak of COVID-19 has brought forth a host of health, social and economic challenges globally. Furthermore, increasingly tighter health measures have been implemented to combat the outbreak. These have inevitably impacted retail footfall and sales across the country and coupled with the rental assistance rolled out to support our retail tenants, have weighed down on VivoCity's 4Q FY19/20 performance. Notwithstanding, the acquisition of MBC II during the year has

¹ This rental waiver replaces the deferment of payment for the fixed rent of April 2020 that was announced on 26 March 2020

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added a timely diversification and resilience to MCT, driving continued growth in portfolio gross revenue and NPI.”

“As the COVID-19 situation is still evolving rapidly, there remains a significant degree of uncertainty over its duration and severity, and when normalcy can resume. While we remain well-capitalised with ample financial flexibility, we must continue to exercise prudence. We have thus elected to retain S\$43.7 million of distribution by way of capital allowance claims and capital distribution retention in 4Q FY19/20² to better position ourselves for the challenges ahead.”

Ms Lim elaborated, “In unprecedented times like these, we stand in solidarity with our stakeholders. This is why we will be waiving the April fixed rent for eligible retail tenants. We hope that this, as well as the S\$29 million of assistance implemented for our retail tenants previously, can give them some helpful relief.”

Summary of MCT’s Results

	4Q FY19/20	4Q FY18/19	Variance %
Gross revenue (S\$’000)	127,320	112,899	12.8
Property operating expenses (S\$’000)	(28,749)	(25,339)	(13.5) ³
Net property income (S\$’000)	98,571	87,560	12.6
Distributable amount before capital allowance claims and capital distribution retention	73,851	66,861	10.5
Amount available for distribution (S\$’000)	30,098 ²	66,861	(55.0)
Distribution per unit (cents)	0.91	2.31	(60.6)

² S\$43.7 million of distribution was retained by way of capital allowance claims and capital distribution retention in 4Q FY19/20

³ Mainly due to property operating expenses of MBC II, lower property maintenance expenses, property taxes and property management fees offset by higher marketing and promotion expenses incurred by existing properties

	FY19/20	FY18/19	Variance %
Gross revenue (S\$'000)	482,825	443,893	8.8
Property operating expenses (S\$'000)	(104,885)	(96,266)	(9.0) ⁴
Net property income (S\$'000)	377,940	347,627	8.7
Distributable amount before capital allowance claims and capital distribution retention	287,587	264,027	8.9
Amount available for distribution (S\$'000)	243,218 ⁵	264,027	(7.9)
Distribution per unit (cents)	8.00	9.14	(12.5)

OPERATIONAL PERFORMANCE

Portfolio NPI for 4Q FY19/20 grew 12.8% year-on-year, with a 77.4% NPI margin. This was anchored by MBC II, as well as higher year-on-year contribution from MBC I and Bank of America Merrill Lynch HarbourFront (“MLFH”). As at 31 March 2020, the committed occupancy of the portfolio remained high at 98.7%.

Performance of VivoCity

Full year shopper traffic and tenant sales dipped by 6.8% and 3.4% respectively, largely due to the impact of COVID-19 in 4Q FY19/20.

4Q FY19/20 gross revenue and NPI contracted 16.9% and 20.5% respectively from 4Q FY18/19 mainly due to rental rebates granted to eligible retail tenants impacted by COVID-19. Consequently, FY19/20 revenue and NPI contracted 1.2% and 2.2% respectively from FY18/19.

As at 31 March 2020, VivoCity was 99.7% committed.

⁴ Mainly due to property operating expenses of MBC II, higher staff costs, utilities expenses, property taxes and marketing and promotion expenses offset by lower property maintenance expenses incurred by existing properties

⁵ S\$43.7 million of distribution was retained by way of capital allowance claims and capital distribution retention in 4Q FY19/20

Added Resilience from MBC II

4Q FY19/20 gross revenue and NPI from the office/business park assets were 39.9% and 41.2% higher respectively as compared to 4Q FY18/19. This was largely contributed by MBC II which was acquired on 1 November 2019.

For FY19/20, gross revenue and NPI from the office/business park assets grew by 17.9% and 18.3% respectively. This was driven largely by MBC II. Higher revenue was also recorded for MBC I mainly due to higher rental income from new/renewed leases and the effects of step-up rents in existing leases, and MLHF mainly due to the effects of step-up rents in existing leases.

As at 31 March 2020, the committed occupancy for MCT's office/business park assets remained high, ranging from 92.7% at PSA Building to full commitment at MBC II and Mapletree Anson. MLHF maintained full actual occupancy.

CAPITAL MANAGEMENT

In navigating the volatile interest rate environment, our capital management approach continued to be proactive and prudent. All term loans due in FY20/21 have been refinanced in advance, leaving a balance of S\$160.0 million of Medium Term Notes due in the same financial year. MCT continued to maintain a well-distributed debt maturity profile with no more than 17% of debt due in any financial year. As at 31 March 2020, approximately S\$321.0 million of cash and undrawn committed facilities were available, providing ample financial flexibility to MCT.

MCT's total investment properties were valued at \$8.9 billion as at 31 March 2020. This was 26.7% higher than a year ago due to the acquisition of MBC II during the year. Consequently, net asset value per Unit was up 9.4% to S\$1.75. Total debt was S\$3,003.2 million as at the end of FY19/20.

As at 31 March 2020, the average term to maturity was 4.2 years and the aggregate leverage was 33.3%. Approximately 78.9% of the total debt was fixed by way of fixed rate debt or interest rate swaps, providing sufficient certainty on interest expense. As at 31 March 2020, the weighted average all-in cost of debt was 2.94% per annum and the interest coverage ratio was kept at approximately 4.3 times.

DISTRIBUTION TO UNITHOLDERS

DPU for 4Q FY19/20 is 0.91 Singapore cents. Unitholders can expect to receive the distribution on Friday, 29 May 2020. The Transfer Books and Register of Unitholders of MCT will be closed at 5.00pm on Thursday, 30 April 2020 for purposes of determining each Unitholder's entitlement to the distribution.

Following the amendments to Rule 705 of the Listing Manual of the Singapore Exchange Securities Trading Limited on the quarterly reporting framework which has taken effect from 7 February 2020, MCT will adopt the new half-yearly reporting framework and announce its first half financial statements with effect from the financial year ending 31 March 2021 ("FY20/21"). Consequently, any distributions to Unitholders will be on a half-yearly basis with effect from FY20/21.

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About Mapletree Commercial Trust

Mapletree Commercial Trust is a Singapore-focused real estate investment trust ("REIT") that invests on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate used primarily for office and/or retail purposes, whether wholly or partially, in Singapore, as well as real estate related assets. MCT's portfolio comprises VivoCity, Mapletree Business City, PSA Building, Mapletree Anson and MLHF. These five assets have a total NLA of 5.0 million square feet with a total value of S\$8.9 billion. For more information, please visit www.mapletreecommercialtrust.com.

About the Manager – Mapletree Commercial Trust Management Ltd.

MCT is managed by Mapletree Commercial Trust Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd.. The Manager's main responsibility is to manage MCT's assets and liabilities for the benefit of Unitholders. The Manager is also responsible for setting the strategic direction of MCT on the acquisition, divestment and/or enhancement of assets of MCT in accordance with its stated investment strategy. The Manager's key objectives are to provide Unitholders of MCT with an attractive rate of return on their investment through regular and relatively stable distributions and to achieve long-term growth in DPU and net asset value per Unit, with an appropriate capital structure for MCT.

About the Sponsor – Mapletree Investments Pte Ltd

Mapletree Investments Pte Ltd ("Mapletree") is a leading real estate development, investment, capital and property 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.

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

As at 31 March 2019, Mapletree owns and manages S\$55.7 billion of office, retail, logistics, industrial, residential and lodging properties.

The Group's assets are located across 12 markets globally, namely Singapore, Australia, China, Europe, Hong Kong SAR, India, Japan, Malaysia, South Korea, the UK, the US and Vietnam. To support its global operations, Mapletree has established an extensive network of offices in these countries. For more information, please visit www.mapletree.com.sg.

IMPORTANT NOTICE

This release is for information only and does not constitute an offer or solicitation of an offer to sell or invitation to subscribe for or acquire any units in Mapletree Commercial Trust ("MCT", and the units in MCT, the "Units").

The past performance of MCT and Mapletree Commercial Trust Management Ltd., in its capacity as manager of MCT (the "Manager"), is not indicative of the future performance of MCT and the Manager. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in 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 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.

This release may also contain forward-looking statements involve assumptions, 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 risks, uncertainties and assumptions 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), 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 the Manager's current view of 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. Neither the Manager nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation. This release shall be read in conjunction with MCT's financial results for Fourth Quarter and Financial Period from 1 April 2019 to 31 March 2020 in the SGXNET announcement dated 22 April 2020.

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