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**MANULIFE US REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**For the Third Quarter Ended 30 September 2017**

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DBS Bank Ltd. was the Sole Financial Adviser and Issue Manager for the initial public offering of Manulife US Real Estate Investment Trust (“**Offering**”). DBS Bank Ltd., China International Capital Corporation (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited and Deutsche Bank AG, Singapore Branch were the Joint Bookrunners and Underwriters for the Offering.

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**Introduction**

Manulife US Real Estate Investment Trust ("**Manulife US REIT**" or the "**Group**") is a Singapore real estate investment trust constituted by the Trust Deed dated 27 March 2015 (as amended and restated) between Manulife US Real Estate Management Pte. Ltd. as the Manager of Manulife US REIT (the "**Manager**") and DBS Trustee Limited as the Trustee of Manulife US REIT (the "**Trustee**").

**Manulife US REIT** was listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 20 May 2016 (the "**Listing Date**"). Manulife US REIT's strategy is to invest, directly or indirectly, in a portfolio of income-producing office real estate in key markets in the United States of America ("**U.S.**" or "**United States**"), as well as real estate-related assets. Manulife US REIT's key objectives are to provide unitholders of Manulife US REIT ("**Unitholders**") with regular and stable distributions and to achieve long-term growth in distribution per unit ("**DPU**") and net asset value ("**NAV**") per unit, while maintaining an appropriate capital structure for Manulife US REIT.

Manulife US REIT was dormant from 27 March 2015 (being the date of its constitution) to the Listing Date.

The Manulife US REIT portfolio comprises of the following four office properties (the "**Properties**") in the United States, with an aggregate net lettable area of 2,252,087 square feet ("**sq ft**"), as follows:

- Figueroa is a 35-storey Class A office building with 701,977 sq ft of net lettable area, located in the South Park district of Downtown Los Angeles, two blocks away from a variety of entertainment venues;
- Michelson is a 19-storey, Trophy office building with 532,663 sq ft of net lettable area, located in Irvine, Orange County, within the Greater Los Angeles market; and
- Peachtree is a 27-storey Class A office building with 555,922 sq ft of net lettable area, located in the heart of Midtown, Atlanta.
- Plaza is a 11-storey Class A office building with 461,525 sq ft of net lettable area, located in Secaucus, New Jersey.

Manulife US REIT is presenting its financial results for the third quarter ended 30 September 2017 ("**3Q 2017**") and for the financial period from 1 January 2017 to 30 September 2017 ("**YTD 2017**") in respect of the Properties only.

On 1 November 2017, Manulife US REIT announced it had completed the acquisition of 10 Exchange Place in New Jersey ("Exchange") for final purchase price of US\$315.1 million comprising a base purchase price of US\$313.2 million and final purchase price adjustments of US\$1.9 million. Exchange is a 30-storey Class A office building with 730,598 sq ft of net lettable area, located in Jersey City, Hudson County, New Jersey. Exchange has significantly increased Manulife US REIT's NLA by approximately 32.4% to 2,982,685 sq ft. This acquisition was financed by a rights issue of 299,288,423 new units at the issue price of US\$0.695 per rights unit in Manulife US REIT raising gross proceeds of approximately US\$208.0 million plus debt financing.

**Distribution Policy**

Manulife US REIT intends to make distributions to the Unitholders on a semi-annual basis. Manulife US REIT's distribution policy is to distribute 100% of distributable income for the financial year from 1 January 2017 to 31 December 2017. Thereafter, Manulife US REIT will distribute at least 90% of its annual distributable income for each subsequent financial year. The actual level of distribution will be determined at the discretion of the Board of Directors of the Manager.

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**SUMMARY OF MANULIFE US REIT GROUP RESULTS**

	3Q 2017			YTD 2017		
	1 July 2017 to 30 September 2017			1 January 2017 to 30 September 2017		
	Actual	Projection <sup>(1)</sup>	Change	Actual	Projection <sup>(1)</sup>	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Gross Revenue <sup>(2)</sup>	23,037	19,727	16.8	62,776	59,787	5.0
Net Property Income <sup>(3)</sup>	14,381	11,896	20.9	39,933	36,664	8.9
Net Income for the period <sup>(4)</sup>	9,271	7,375	25.7	39,021	22,566	72.9
Income available for distribution to Unitholders	11,675	9,281	25.8	32,075	28,330	13.2
<b>Distribution per Unit ("DPU") (cents)<sup>(5)</sup></b>						
- <b>For the period</b>	1.60	1.46	9.6	4.83	4.45	8.5
- <b>Annualised</b>	6.40	5.84	9.6	6.44	5.93	8.5

**Footnotes:**

- (1) Projected results for 3Q 2017 and YTD 2017 were derived by pro-rating the projected figures for the year from 1 January 2017 to 31 December 2017 as disclosed in the Prospectus.
- (2) Gross revenue of US\$23.0 million for 3Q 2017 and US\$62.8 million for YTD 2017 was ahead of projection by 16.8% and 5.0% respectively, largely due to the revenue contribution from the acquisition of Plaza, and higher rental and other income from Michelson, Peachtree and Figueroa ("IPO portfolio"). See Section 9 for further details.
- (3) Net property income of US\$14.4 million for 3Q 2017 and US\$39.9 million for YTD 2017 was ahead of projection by 20.9% and 8.9%, respectively, largely due to net property income contribution from Plaza, and higher net property income from IPO portfolio.
- (4) Net income for 3Q 2017 was ahead of projection mainly due to higher net property income. Net income for YTD 2017 was ahead of projection due to higher net property income, lower finance expenses as well as property fair value gain, net of tax.
- (5) No distribution has been declared for the quarter ended 30 September 2017. Manulife US REIT intends to declare distributions on a semi-annual basis. The next distribution for Manulife US REIT will be for the period from 29 June 2017 to 31 December 2017.

**MANULIFE US REAL ESTATE INVESTMENT TRUST**  
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**1 (a)(i) Consolidated Statement of Comprehensive Income and Distribution Statement**

	Note	Group		
		3Q 2017 US\$'000	20 May 2016 to 30 September 2016 <sup>(1)</sup> US\$'000	Change <sup>(2)</sup> %
<b><u>Consolidated Statement of Comprehensive Income</u></b>				
Gross revenue		23,037	28,196	(18.3)
Property operating expenses		(8,656)	(10,593)	(18.3)
<b>Net property income</b>		<b>14,381</b>	<b>17,603</b>	<b>(18.3)</b>
Manager's base fee	a	(1,168)	(1,259)	(7.2)
Trustee's fee		(43)	(52)	(17.3)
Other trust expenses	b	(276)	(414)	(33.3)
Finance expenses	c	(2,354)	(3,065)	(23.2)
<b>Net income before tax and fair value change in investment properties</b>		<b>10,540</b>	<b>12,813</b>	<b>(17.7)</b>
Fair value change in investment properties	d	(1,165)	32,871	N.M.
<b>Net income for the period before tax</b>		<b>9,375</b>	<b>45,684</b>	<b>(79.5)</b>
Tax expense	e	(104)	(11,964)	(99.1)
<b>Net income for the period</b>		<b>9,271</b>	<b>33,720</b>	<b>(72.5)</b>
<b><u>Distribution Statement</u></b>				
Net income for the period		9,271	33,720	(72.5)
Distribution adjustments	f	2,404	(21,126)	N.M.
<b>Income available for distribution to Unitholders</b>		<b>11,675</b>	<b>12,594</b>	<b>(7.3)</b>

N.M.: Not meaningful

**Footnotes:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) The actual results of 3Q 2016 is for the reporting period 20 May 2016 (Listing Date) to 30 September 2016 (134 days). However, 3Q 2017 reporting period is from 1 July 2017 to 30 September 2017 (92 days). Accordingly, since the 3Q 2016 reporting period is 42 days longer than 3Q 2017 reporting period, the reporting periods are not comparable. In addition, there was an acquisition of Plaza in 3Q 2017 which was not included last year. Therefore, it is not meaningful to perform year over year analysis of 3Q 2017 vs. 3Q 2016. As a result, we have not provided variance explanations between 3Q 2017 and 3Q 2016. Please refer to Section 9 for a comparison of the actual results for 3Q 2017 and YTD 2017 against its projection results derived from the Projection Year 2017 as disclosed in the Prospectus.

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**Notes to Consolidated Statement of Comprehensive Income and Distribution Statement**

**a. Manager's base fees**

The Manager has elected to receive its base fees in the form of units for the period from Listing Date to the end of 2017.

**b. Other trust expenses**

Other trust expenses consist of audit, tax compliance and other expenses.

**c. Finance expenses**

Finance expenses comprise of the following:

	<b>3Q 2017 US\$'000</b>	<b>20 May 2016 to 30 September 2016<sup>(1)</sup> US\$'000</b>	<b>Change %</b>
Interest expense on loans and borrowings	2,182	2,878	(24.2)
Amortisation of upfront debt-related transaction costs <sup>(2)</sup>	143	162	(11.7)
Dividends on preferred units	16	14	14.3
Commitment fees	13	11	18.2
<b>Finance expenses</b>	<b>2,354</b>	<b>3,065</b>	<b>(23.2)</b>

**d. Fair value change in investment properties**

The fair value loss of US\$1.2 million largely relates to straight line rent accounting adjustments.

**e. Tax expense**

Tax expense consists of current tax and deferred tax expenses. Current tax expense comprises mainly withholding tax on ordinary dividends paid by Hancock S-REIT Parent Corp. to Manulife US REIT Alpha (Singapore) Pte. Ltd.

Deferred tax is recognised in respect of temporary differences between the carrying amounts used, mainly derived for financial reporting purposes, and the amounts used for taxation purposes. Tax expense is mainly related to deferred tax expenses arising from property fair value gains and tax depreciation.

**Footnotes:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) Upfront debt-related transaction costs are amortised over the life of the loans and borrowings.

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**f. Distribution adjustments**

	<b>3Q 2017 US\$'000</b>	<b>20 May 2016 to 30 September 2016<sup>(1)</sup> US\$'000</b>	<b>Change %</b>
Property related non-cash items <sup>(2)</sup>	(1,165)	(2,344)	(50.3)
Amortisation of upfront debt-related transaction costs <sup>(3)</sup>	143	162	(11.7)
Manager's base fee paid/payable in Units	1,168	1,259	(7.2)
Property Manager's management fee paid/payable in Units	548	652	(16.0)
Trustee's fee	43	52	(17.3)
Fair value change in investment properties	1,165	(32,871)	N.M.
Deferred tax expense	100	11,964	(99.2)
Other items <sup>(4)</sup>	402	-	100
<b>Distribution adjustments</b>	<b>2,404</b>	<b>(21,126)</b>	<b>N.M.</b>

N.M.: Not meaningful

**Footnotes:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) This includes amortisation of tenant improvement allowance, leasing commissions and free rent incentives, and straight line rent adjustments.
- (3) Upfront debt-related transaction costs are amortised over the life of the loans and borrowings.
- (4) This includes non-tax deductible items and adjustments as well as rent free reimbursement. The rent free reimbursement is in relation to the vendor of Plaza that had granted rent free periods to certain tenants under the existing lease arrangement. As part of the terms of the acquisition, the vendor reimbursed Manulife US REIT the free rent under existing lease arrangements and the rent free reimbursement is applied towards the distributable income.

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**1 (a)(i) Consolidated Statement of Comprehensive Income and Distribution Statement**

	Note	Group		
		YTD 2017 US\$'000	20 May 2016 to 30 September 2016 <sup>(1)</sup> US\$'000	Change <sup>(2)</sup> %
<b><u>Consolidated Statement of Comprehensive Income</u></b>				
Gross revenue		62,776	28,196	>100
Property operating expenses		(22,843)	(10,593)	>100
<b>Net property income</b>		<b>39,933</b>	<b>17,603</b>	<b>&gt;100</b>
Interest income		7	-	100
Manager's base fee	a	(3,208)	(1,259)	>100
Trustee's fee		(119)	(52)	>100
Other trust expenses	b	(989)	(414)	>100
Finance expenses	c	(6,291)	(3,065)	>100
<b>Net income before tax and fair value change in investment properties</b>		<b>29,333</b>	<b>12,813</b>	<b>&gt;100</b>
Fair value change in investment properties	d	18,411	32,871	(44.0)
<b>Net income for the period before tax</b>		<b>47,744</b>	<b>45,684</b>	<b>4.5</b>
Tax expense	e	(8,723)	(11,964)	(27.1)
<b>Net income for the period</b>		<b>39,021</b>	<b>33,720</b>	<b>15.7</b>
<b><u>Distribution Statement</u></b>				
Net income for the period		39,021	33,720	15.7
Distribution adjustments	f	(6,946)	(21,126)	(67.1)
<b>Income available for distribution to Unitholders</b>		<b>32,075</b>	<b>12,594</b>	<b>&gt;100</b>

**Footnotes:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) The actual results of YTD 2016 is for the reporting period 20 May 2016 (Listing Date) to 30 September 2016 (YTD 2016 - 134 days). However, YTD 2017 reporting period is from 1 January 2017 to 30 September 2017 (273 days). Accordingly, since the YTD 2017 reporting period is 139 days longer than YTD 2016, the reporting periods are not comparable. In addition, there was an acquisition of Plaza in 2017 which was not included last year. Therefore it is not meaningful to perform year over year analysis of YTD 2017 vs. YTD 2016. Please refer to Section 9 for a comparison of the actual results for 3Q 2017 and YTD 2017 against its projection results derived from the Projection Year 2017 as disclosed in the Prospectus.

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**Notes to Consolidated Statement of Comprehensive Income and Distribution Statement**

**a. Manager's base fees**

The Manager has elected to receive its base fees in the form of units for the period from Listing Date to the end of 2017.

**b. Other trust expenses**

Other trust expenses consist of audit, tax compliance and other expenses.

**c. Finance expenses**

Finance expenses comprise of the following:

	<b>YTD 2017 US\$'000</b>	<b>20 May 2016 to 30 September 2016<sup>(1)</sup> US\$'000</b>	<b>Change %</b>
Interest expense on loans and borrowings	5,842	2,878	>100
Amortisation of upfront debt-related transaction costs <sup>(2)</sup>	364	162	>100
Dividends on preferred units	47	14	>100
Commitment fees	38	11	>100
<b>Finance expenses</b>	<b>6,291</b>	<b>3,065</b>	<b>&gt;100</b>

**d. Fair value change in investment properties**

Manulife US REIT obtains independent appraisals on a semi-annual basis and recognise change in fair value from previous appraised fair value as gains or losses in income. The fair value gain largely relates to increase in appraised fair value of investment properties in 2Q 2017 and 3Q 2016.

**e. Tax expense**

Tax expense consists of current tax and deferred tax expenses. Current tax expense comprises mainly withholding tax on ordinary dividends paid by Hancock S-REIT Parent Corp. to Manulife US REIT Alpha (Singapore) Pte. Ltd.

Deferred tax is recognised in respect of temporary differences between the carrying amounts used, mainly derived for financial reporting purposes, and the amounts used for taxation purposes. Tax expense is mainly related to deferred tax expenses arising from property fair value gains and tax depreciation.

**Footnotes:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) Upfront debt-related transaction costs are amortised over the life of the loans and borrowings.



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**f. Distribution adjustments**

	<b>YTD 2017 US\$'000</b>	<b>20 May 2016 to 30 September 2016<sup>(1)</sup> US\$'000</b>	<b>Change %</b>
Property related non-cash items <sup>(2)</sup>	(2,403)	(2,344)	2.5
Amortisation of upfront debt-related transaction costs <sup>(3)</sup>	364	162	>100
Manager's base fee paid/payable in Units	3,208	1,259	>100
Property Manager's management fee paid/payable in Units	1,465	652	>100
Trustee's fee	119	52	>100
Fair value change in investment properties	(18,411)	(32,871)	(44.0)
Deferred tax expense	8,123	11,964	(32.1)
Other items <sup>(4)</sup>	589	-	100
<b>Distribution adjustments</b>	<b>(6,946)</b>	<b>(21,126)</b>	<b>(67.1)</b>

**Footnotes:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) This includes amortisation of tenant improvement allowance, leasing commissions and free rent incentives, and straight line rent adjustments.
- (3) Upfront debt-related transaction costs are amortised over the life of the loans and borrowings.
- (4) This includes non-tax deductible items and adjustments as well as rent free reimbursement. The rent free reimbursement is in relation to the vendor of Plaza that had granted rent free periods to certain tenants under the existing lease arrangement. As part of the terms of the acquisition, the vendor reimbursed Manulife US REIT the free rent under existing lease arrangements and the rent free reimbursement is applied towards the distributable income.

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**1 (b)(i) Consolidated Statements of Financial Position**

	Note	Group		Trust	
		As at 30 Sep 2017 US\$'000	As at 31 Dec 2016 US\$'000	As at 30 Sep 2017 US\$'000	As at 31 Dec 2016 US\$'000
<b>Current assets</b>					
Cash and cash equivalents		35,198	38,433	4,826	4,085
Prepaid expenses		945	683	44	8
Trade and other receivables		3,015	2,307	902	13,056
		39,158	41,423	5,772	17,149
<b>Non-current assets</b>					
Investment properties	a	975,640	833,800	-	-
Investment in subsidiaries		-	-	547,870	488,086
		975,640	833,800	547,870	488,086
<b>Total assets</b>		<b>1,014,798</b>	<b>875,223</b>	<b>553,642</b>	<b>505,235</b>
<b>Current liabilities</b>					
Trade and other payables		20,620	9,824	971	301
Security deposits		94	136	-	-
Rent received in advance		1,036	66	-	-
		21,750	10,026	971	301
<b>Non-current liabilities</b>					
Loans and borrowings		333,990	294,186	-	-
Security deposits		1,349	1,208	-	-
Preferred units		407	407	-	-
Deferred tax liabilities		30,515	22,391	-	-
		366,261	318,192	-	-
<b>Total liabilities</b>		<b>388,011</b>	<b>328,218</b>	<b>971</b>	<b>301</b>
<b>Net assets attributable to Unitholders</b>		<b>626,787</b>	<b>547,005</b>	<b>552,671</b>	<b>504,934</b>
<b>Represented by:</b>					
Unitholders' funds		626,787	547,005	552,671	504,934
<b>Net assets attributable to Unitholders</b>		<b>626,787</b>	<b>547,005</b>	<b>552,671</b>	<b>504,934</b>

**Notes to Consolidated Statements of Financial Position**

**a. Investment properties**

Investment properties (except Plaza) are stated at fair value as at 30 September 2017 based on 30 June 2017 appraisals conducted by CBRE, Inc. ("CBRE") and after capitalisation of capital expenditures, tenant improvement allowances and leasing costs. Plaza was acquired on 20 July 2017 and is stated based on purchase price and after capitalisation of acquisition fee, acquisition costs, capital expenditures, tenant improvement allowances, leasing costs and net of rent free reimbursement.

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**1 (b)(ii) Aggregate amount of loans and borrowings, and debt securities for Manulife US REIT Group**

	<b>Group</b>	
	<b>As at 30 Sep 2017 US\$'000</b>	<b>As at 31 Dec 2016 US\$'000</b>
<b><u>Secured loans and borrowings</u></b>		
Amount repayable after one year	336,000	296,000
Less: Unamortised upfront debt-related transaction costs <sup>(1)</sup>	(2,010)	(1,814)
<b>Total secured loans and borrowings</b>	<b>333,990</b>	<b>294,186</b>

**Footnote:**

(1) Upfront debt-related transaction costs are amortised over the life of the loans and borrowings.

**Details of loans and borrowings, and collaterals**

**1. Property Financing**

As of 30 September 2017, Manulife US REIT has loan facilities of US\$379.4 million consisting of an initial funding of US\$336.0 million as well as good news facilities of up to US\$43.4 million ("Mortgage Facilities").

The Mortgage Facilities are secured by, among other collateral: (i) a first mortgage on each Figueroa, Michelson, Peachtree and Plaza, respectively (the "**Property**"); (ii) an assignment each of the Sub-U.S. REIT's rights, title and interest in present and future leases, subleases, licenses and all other agreements relating to the management, leasing and operation of the respective Property; and (iii) an assignment of each of the Sub-U.S. REIT's right to all goods, building and other materials, supplies, inventory, equipment, machinery, fixtures, furniture and other personal property, together with all payments and other rents and security deposits in respect of the relevant Properties.

**2. Revolving Credit Facility**

Manulife US REIT has a 3-year US\$10.0 million revolving credit facility with DBS Bank Ltd ("US\$10 million Revolving Credit Facility"). On 19 June 2017, Manulife US REIT secured a separate 1-year uncommitted US\$120.0 million revolving credit facility with DBS Bank Ltd. ("US\$120 million Revolving Credit Facility", together with the US\$10 million Revolving Credit Facility, the "Revolving Credit Facilities").

Both the Revolving Credit Facilities are secured by: (i) the shares of Manulife US REIT's wholly owned subsidiaries, Manulife US REIT Alpha (Singapore) Pte. Ltd. ("Alpha") and Manulife US REIT Beta (Singapore) Pte. Ltd. ("Beta"); (ii) an assignment of all inter-company loans from the Trustee to any other subsidiaries of Manulife US REIT; and (iii) an assignment of certain bank accounts by the Trustee.

In addition:

- (i) the US\$10 million Revolving Credit Facility is secured by an assignment of all inter-company loans from Beta to any other subsidiaries of Manulife US REIT; and
- (ii) the US\$120 million Revolving Credit Facility is secured by the shares of Manulife US REIT's wholly owned subsidiary, Manulife US REIT Beta 2 (Singapore) Pte. Ltd. ("Beta 2") and all other direct subsidiaries wholly owned by Manulife US REIT from time to time ("Future Beta Subsidiaries"), and an assignment of all inter-company loans from Beta 2 and any Future Beta Subsidiary to any other subsidiaries of Manulife US REIT.

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**1 (c) Consolidated Statement of Cash Flows**

Note	Group	
	3Q 2017 US\$'000	20 May 2016 to 30 September 2016 <sup>(1)</sup> US\$'000
<b>Cash flows from operating activities</b>		
Net income for the period before tax	9,375	45,684
Adjustments for:		
Amortisation	(1,165)	(2,344)
Finance expenses	2,354	3,065
Manager's base fee paid/payable in Units	1,168	1,259
Property Manager's management fee paid/payable in Units	548	652
Fair value change in investment properties	1,165	(32,871)
Unrealised transaction gain effect or foreign exchange	(34)	-
<b>Operating income before working capital changes</b>	<b>13,411</b>	<b>15,445</b>
<b>Changes in working capital:</b>		
Trade and other receivables	1,693	(3,485)
Prepaid expenses	(809)	(350)
Trade and other payables	2,327	(3,724)
Security deposits	34	15
Rent received in advance	344	2,222
<b>Cash from operating activities</b>	<b>17,000</b>	<b>10,123</b>
Tax paid	(4)	-
Interest paid	(2,074)	(2,271)
<b>Net cash from operating activities</b>	<b>14,922</b>	<b>7,852</b>
<b>Cash flows from investing activities</b>		
Acquisition of investment properties and related assets and liabilities	(108,545)	(758,360)
Payment for capital expenditure and other costs related to investment properties	(2,088)	(363)
<b>Net cash used in investing activities</b>	<b>(110,633)</b>	<b>(758,723)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of Units	-	519,201
Payment of transaction costs relating to issuance of Units	(683)	(27,237)
Proceeds from issuance of preferred units	-	409
Proceeds from loans and borrowings	80,000	592,000
Repayment of loans and borrowings	(40,000)	(296,000)
Payment of transaction costs relating to loans and borrowings	(562)	(2,060)
Distributions to Unitholders	(20,204)	-
<b>Net cash from financing activities</b>	<b>18,551</b>	<b>786,313</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(77,160)</b>	<b>35,442</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>112,326</b>	<b>8</b>
Effect of exchange rate fluctuations on cash held in foreign currency	32	-
<b>Cash and cash equivalents at the end of the period</b>	<b>35,198</b>	<b>35,450</b>

**Footnote:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.

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**1 (c) Consolidated Statement of Cash Flows**

	Group	
	YTD 2017 US\$'000	20 May 2016 to 30 September 2016 <sup>(1)</sup> US\$'000
<b>Cash flows from operating activities</b>		
Net income for the period before tax	47,744	45,684
Adjustments for:		
Amortisation	(2,403)	(2,344)
Interest income	(7)	-
Finance expenses	6,291	3,065
Manager's base fee paid/payable in Units	3,208	1,259
Property Manager's management fee paid/payable in Units	1,465	652
Fair value change in investment properties	(18,411)	(32,871)
Unrealised transaction gain effect or foreign exchange	(104)	-
<b>Operating income before working capital changes</b>	<b>37,783</b>	<b>15,445</b>
<b>Changes in working capital:</b>		
Trade and other receivables	(708)	(3,485)
Prepaid expenses	(262)	(350)
Trade and other payables	2,551	(3,724)
Security deposits	97	15
Rent received in advance	970	2,222
<b>Cash from operating activities</b>	<b>40,431</b>	<b>10,123</b>
Tax paid	(600)	-
Interest paid	(5,184)	(2,271)
<b>Net cash from operating activities</b>	<b>34,647</b>	<b>7,852</b>
<b>Cash flows from investing activities</b>		
Acquisition of investment properties and related assets and liabilities	(108,545)	(758,360)
Payment for capital expenditure and other costs related to investment properties	(4,974)	(363)
Interest received	7	-
<b>Net cash used in investing activities</b>	<b>(113,512)</b>	<b>(758,723)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of Units	80,512	519,201
Payment of transaction costs relating to issuance of Units	(1,931)	(27,237)
Proceeds from issuance of preferred units	-	409
Proceeds from loans and borrowings	80,000	592,000
Repayment of loans and borrowings	(40,000)	(296,000)
Payment of transaction costs relating to loans and borrowings	(562)	(2,060)
Distributions to Unitholders	(42,493)	-
<b>Net cash from financing activities</b>	<b>75,526</b>	<b>786,313</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(3,339)</b>	<b>35,442</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>38,433</b>	<b>8</b>
Effect of exchange rate fluctuations on cash held in foreign currency	104	-
<b>Cash and cash equivalents at the end of the period</b>	<b>35,198</b>	<b>35,450</b>

**Footnote:**

(1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.

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**1 (c) Consolidated Statement of Cash Flows (Cont'd)**

**Notes to Consolidated Statement of Cash Flows**

- a. An aggregate of 97,003,000 units issued at US\$0.83 per unit and amounting to US\$80.5 million were issued on 29 June 2017 from private placement ("Private Placement").
- b. The use of proceeds raised from the initial public offering and from the private placement is in accordance with the stated uses as disclosed in the Prospectus, and is set out below:
- (i) Gross proceeds of US\$519.2 million from initial public offering
- The proceeds have been materially disbursed for the purchase consideration of investment properties and the transaction costs. The monies used for general working capital purposes were for property operating expenses, finance expenses and trust expenses.
- (ii) Gross proceeds of US\$80.5 million from Private Placement on 29 June 2017<sup>(1)</sup>

	<b>Intended use of proceeds stated in Placement Announcement US\$ million</b>	<b>Actual use of proceeds US\$ million</b>	<b>Balance of proceeds US\$ million</b>
To partly fund the acquisition of Plaza	75.0	75.5	(0.5)
To pay the fees and expenses in connection with the acquisition of Plaza and the Private Placement	5.4	5.0	0.4
General corporate and/or working capital	0.1	-	0.1
<b>Total</b>	<b>80.5</b>	<b>80.5</b>	<b>-</b>

**Footnote:**

- (1) Please refer to the announcement made on 20 July 2017 on completion of acquisition of Plaza and Private Placement use of proceeds.

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**1 (d)(i) Consolidated Statements of Changes in Unitholders' Funds**

Group	3Q 2017			27 March 2015 to 30 September 2016 <sup>(1)</sup>		
	Units in issue and to be issued	Retained earnings	Total	Units in issue and to be issued	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>At beginning of the period/ Date of Constitution</b>	<b>557,070</b>	<b>58,888</b>	<b>615,958</b>	-	-	-
<b>Operations</b>						
Net income for the period	-	9,271	9,271	-	33,720	33,720
<b>Net increase in net assets resulting from operations</b>	<b>-</b>	<b>9,271</b>	<b>9,271</b>	<b>-</b>	<b>33,720</b>	<b>33,720</b>
<b>Unitholders' transactions</b>						
New Units issued	-	-	-	519,201	-	519,201
Issuance costs <sup>(2)</sup>	(158)	-	(158)	(27,237)	-	(27,237)
Manager's base fee paid/payable in Units	1,168	-	1,168	-	-	-
Property Manager's management fees paid/payable in Units	548	-	548	-	-	-
<b>Net increase in net assets resulting from Unitholders' transactions</b>	<b>1,558</b>	<b>-</b>	<b>1,558</b>	<b>491,964</b>	<b>-</b>	<b>491,964</b>
<b>At end of the period</b>	<b>558,628</b>	<b>68,159</b>	<b>626,787</b>	<b>491,964</b>	<b>33,720</b>	<b>525,684</b>

Trust	3Q 2017			27 March 2015 to 30 September 2016 <sup>(1)</sup>		
	Units in issue and to be issued	Accumulated losses	Total	Units in issue and to be issued	Accumulated losses	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>At beginning of the period/ Date of Constitution</b>	<b>557,070</b>	<b>(4,527)</b>	<b>552,543</b>	-	-	-
<b>Operations</b>						
Net loss for the period	-	(1,430)	(1,430)	-	(1,546)	(1,546)
<b>Net increase in net assets resulting from operations</b>	<b>-</b>	<b>(1,430)</b>	<b>(1,430)</b>	<b>-</b>	<b>(1,546)</b>	<b>(1,546)</b>
<b>Unitholders' transactions</b>						
New Units issued	-	-	-	519,201	-	519,201
Issuance costs <sup>(2)</sup>	(158)	-	(158)	(27,237)	-	(27,237)
Manager's base fee paid/payable in Units	1,168	-	1,168	-	-	-
Property Manager's management fees paid/payable in Units	548	-	548	-	-	-
<b>Net increase in net assets resulting from Unitholders' transactions</b>	<b>1,558</b>	<b>-</b>	<b>1,558</b>	<b>491,964</b>	<b>-</b>	<b>491,964</b>
<b>At end of the period</b>	<b>558,628</b>	<b>(5,957)</b>	<b>552,671</b>	<b>491,964</b>	<b>(1,546)</b>	<b>490,418</b>

**Footnotes:**

- (1) The comparative figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) The issuance costs for 3Q 2017 were for the underwriting fees and professional fees incurred as a result of Private Placement exercise which was completed on 29 June 2017.

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**1 (d)(i) Consolidated Statements of Changes in Unitholders' Funds**

Group	YTD 2017			27 March 2015 to 30 September 2016 <sup>(1)</sup>		
	Units in issue and to be issued US\$'000	Retained earnings US\$'000	Total US\$'000	Units in issue and to be issued US\$'000	Retained earnings US\$'000	Total US\$'000
<b>At beginning of the period/ Date of Constitution</b>	<b>495,331</b>	<b>51,674</b>	<b>547,005</b>	-	-	-
<b>Operations</b>						
Net income for the period	-	39,021	39,021	-	33,720	33,720
<b>Net increase in net assets resulting from operations</b>	<b>-</b>	<b>39,021</b>	<b>39,021</b>	<b>-</b>	<b>33,720</b>	<b>33,720</b>
<b>Unitholders' transactions</b>						
New Units issued <sup>(2)</sup>	80,512	-	80,512	519,201	-	519,201
Issuance costs <sup>(3)</sup>	(1,931)	-	(1,931)	(27,237)	-	(27,237)
Manager's base fee paid/payable in Units	3,208	-	3,208	-	-	-
Property Manager's management fees paid/payable in Units	1,465	-	1,465	-	-	-
Distributions <sup>(4)</sup>	(19,957)	(22,536)	(42,493)	-	-	-
<b>Net increase in net assets resulting from Unitholders' transactions</b>	<b>63,297</b>	<b>(22,536)</b>	<b>40,761</b>	<b>491,964</b>	<b>-</b>	<b>491,964</b>
<b>At end of the period</b>	<b>558,628</b>	<b>68,159</b>	<b>626,787</b>	<b>491,964</b>	<b>33,720</b>	<b>525,684</b>

Trust	YTD 2017			27 March 2015 to 30 September 2016 <sup>(1)</sup>		
	Units in issue and to be issued US\$'000	Accumulated losses US\$'000	Total US\$'000	Units in issue and to be issued US\$'000	Accumulated losses US\$'000	Total US\$'000
<b>At beginning of the period/ Date of Constitution</b>	<b>495,331</b>	<b>9,603</b>	<b>504,934</b>	-	-	-
<b>Operations</b>						
Net income for the period	-	6,976	6,976	-	(1,546)	(1,546)
<b>Net increase in net assets resulting from operations</b>	<b>-</b>	<b>6,976</b>	<b>6,976</b>	<b>-</b>	<b>(1,546)</b>	<b>(1,546)</b>
<b>Unitholders' transactions</b>						
New Units issued <sup>(2)</sup>	80,512	-	80,512	519,201	-	519,201
Issuance costs <sup>(3)</sup>	(1,931)	-	(1,931)	(27,237)	-	(27,237)
Manager's base fee paid/payable in Units	3,208	-	3,208	-	-	-
Property Manager's management fees paid/payable in Units	1,465	-	1,465	-	-	-
Distributions <sup>(4)</sup>	(19,957)	(22,536)	(42,493)	-	-	-
<b>Net increase in net assets resulting from Unitholders' transactions</b>	<b>63,297</b>	<b>(22,536)</b>	<b>40,761</b>	<b>491,964</b>	<b>-</b>	<b>491,964</b>
<b>At end of the period</b>	<b>558,628</b>	<b>(5,957)</b>	<b>552,671</b>	<b>491,964</b>	<b>(1,546)</b>	<b>490,418</b>

**Footnotes:**

- (1) The comparative figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) 97,003,000 units were issued on 28 June 2017 from Private Placement.
- (3) The issuance costs for YTD 2017 were for the underwriting fees and professional fees incurred as a result of Private Placement exercise which was completed on 29 June 2017.
- (4) Comprises of income available for distribution to Unitholders of US\$20,181,000 from the period of 1 January 2017 to 28 June 2017, and remaining distributable income from previous distribution.



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**1 (d)(ii) Details of any changes in the Units**

	<b>3Q 2017 Units</b>	<b>27 March 2015 to 30 September 2016<sup>(1)</sup> Units</b>
<b>Units in issue:</b>		
At beginning of the period/Date of Constitution	728,368,359	-
New units issued at Initial public offering	-	625,539,600
Manager's base fee paid in Units	1,106,774	-
Property Manager's management fees paid in Units	496,632	-
Total issued Units as at end of the period	729,971,765	625,539,600
<b>Units to be issued:</b>		
Manager's base fee payable in Units <sup>(2)</sup>	1,260,880	1,532,552
Property Manager's management fees payable in Units <sup>(2)</sup>	591,384	793,575
Total issuable Units as at end of the period	1,852,264	2,326,127
<b>Total Units issued and to be issued as at end of period</b>	<b>731,824,029</b>	<b>627,865,727</b>

	<b>YTD 2017 Units</b>	<b>27 March 2015 to 30 September 2016<sup>(1)</sup> Units</b>
<b>Units in issue:</b>		
At beginning of the period/Date of Constitution	627,862,659	-
New units issued at Initial public offering	-	625,539,600
Manager's base fee paid in Units	3,520,862	-
Property Manager's management fees paid in Units	1,585,244	-
Private Placement Units <sup>(3)</sup>	97,003,000	-
Total issued Units as at end of the period	729,971,765	625,539,600
<b>Units to be issued:</b>		
Manager's base fee payable in Units <sup>(2)</sup>	1,260,880	1,532,552
Property Manager's management fees payable in Units <sup>(2)</sup>	591,384	793,575
Total issuable Units as at end of the period	1,852,264	2,326,127
<b>Total Units issued and to be issued as at end of period</b>	<b>731,824,029</b>	<b>627,865,727</b>

**Footnotes:**

(1) The comparative figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.

(2) There are 1,852,264 units to be issued in satisfaction of the Manager's management fee and Property Manager's management fee for the 3Q 2017 based on the volume weighted average price for the last 10 Business Days immediately preceding 30 September 2017 of US\$0.926. Actual units from payment of property management fees may be different as it will be based on the higher of (i) volume weighted average price for last 10 Business Days immediately preceding 30 September 2017 or (ii) the closing price on the day of issuance of units in payment of property management fees.

(3) Relates to Private Placement Units issued on 29 June 2017.

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**1 (d)(iii) To show the total number of issued units excluding treasury units at the end of the current financial period, and as at the end of the immediately preceding year**

Manulife US REIT did not hold any treasury units as at 30 September 2017 and 31 December 2016. The total number of issued units in Manulife US REIT as at 30 September 2017 and 31 December 2016 were 729,971,765 and 627,862,659 respectively.

**1 (d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury units as at the end of the current financial period reported on**

Not applicable.

**1 (d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on**

Not applicable.

**2. Whether the figures have been audited or reviewed, and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", or an equivalent standard)**

The figures have not been audited or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied**

The Group has applied the same accounting policies and methods of computation consistent with those used in the audited financial statements for the financial period ended 31 December 2016 in the preparation of the consolidated financial statements for the current reporting period except for the adoption of revised International Financial Reporting Standards ("IFRS") (including its consequential amendments) and interpretations effective for the financial period beginning 1 January 2017.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group adopted the revised IFRS and interpretations that are effective for application from 1 January 2017. The adoption of these revised IFRS and interpretations did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial period.

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**6. Earnings per Unit (“EPU”) and Distribution per Unit (“DPU”)**

	<b>3Q 2017</b>	<b>20 May 2016 to 30 September 2016<sup>(1)</sup></b>
<b>EPU<sup>(2)</sup></b>		
Weighted average number of Units in issue and issuable	729,033,340	625,556,959
Basic and diluted EPU <sup>(2)(3)</sup> (cents)	1.27	5.39
<b>DPU<sup>(4)</sup></b>		
Number of Units in issue at end of period	729,971,765	627,865,727
DPU <sup>(4)</sup> (cents)	1.60	2.01

  

	<b>YTD 2017</b>	<b>20 May 2016 to 30 September 2016<sup>(1)</sup></b>
<b>EPU<sup>(2)</sup></b>		
Weighted average number of Units in issue and issuable	663,667,139	625,556,959
Basic and diluted EPU <sup>(2)(3)</sup> (cents)	5.88	5.39
<b>DPU<sup>(4)</sup></b>		
Number of Units in issue at end of period	729,971,765	627,865,727
DPU <sup>(4)</sup> (cents)	4.83	2.01

**Footnotes:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT’s inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) The computation of basic EPU is based on the weighted number of units for the respective reporting period. This comprises of:
  - (i) The weighted average number of units in issue for the respective reporting period; and
  - (ii) The estimated weighted average number of units issuable as payment of Manager’s base fees and Property manager’s management fees for the respective reporting period.
- (3) The diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue at the end of the respective reporting period.
- (4) The computation of DPU is based on number of units in issue as at end of the period.

**7. Net Asset Value (“NAV”) per Unit and Net Tangible Asset (“NTA”) per Unit**

	<b>Group</b>		<b>Trust</b>	
	<b>As at 30 Sep 2017</b>	<b>As at 31 Dec 2016</b>	<b>As at 30 Sep 2017</b>	<b>As at 31 Dec 2016</b>
Number of Units in issue and to be issued at end of period	731,824,029	629,619,003	731,824,029	629,619,003
NAV and NTA per Unit <sup>(1)</sup> (US\$)	0.86	0.87	0.76	0.80
Adjusted NAV and NTA per Unit (excluding Distributable Income) (US\$)	0.84	0.83	0.74	0.77

**Footnote:**

- (1) NAV and NTA is the same as there is no intangible asset as at 30 September 2017 and 31 December 2016.

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**8. Review of the performance**

**Consolidated Statement of Comprehensive Income and Distribution Statement**

<u>Consolidated Statement of Comprehensive Income</u>	3Q 2017	20 May 2016 to 30 September 2016 <sup>(1)</sup>	Change <sup>(2)</sup>	YTD 2017	20 May 2016 to 30 September 2016 <sup>(1)</sup>	Change <sup>(2)</sup>
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Gross revenue	23,037	28,196	(18.3)	62,776	28,196	>100
Property operating expenses	(8,656)	(10,593)	(18.3)	(22,843)	(10,593)	>100
<b>Net property income</b>	<b>14,381</b>	<b>17,603</b>	<b>(18.3)</b>	<b>39,933</b>	<b>17,603</b>	<b>&gt;100</b>
Interest income	-	-	-	7	-	100
Manager's base fee	(1,168)	(1,259)	(7.2)	(3,208)	(1,259)	>100
Trustee's fee	(43)	(52)	(17.3)	(119)	(52)	>100
Other trust expenses	(276)	(414)	(33.3)	(989)	(414)	>100
Finance expenses	(2,354)	(3,065)	(23.2)	(6,291)	(3,065)	>100
<b>Net income before tax and fair value change in investment properties</b>	<b>10,540</b>	<b>12,813</b>	<b>(17.7)</b>	<b>29,333</b>	<b>12,813</b>	<b>&gt;100</b>
Fair value change in investment properties	(1,165)	32,871	N.M.	18,411	32,871	(44.0)
<b>Net income for the period before tax</b>	<b>9,375</b>	<b>45,684</b>	<b>(79.5)</b>	<b>47,744</b>	<b>45,684</b>	<b>4.5</b>
Tax expense	(104)	(11,964)	(99.1)	(8,723)	(11,964)	(27.1)
<b>Net income for the period</b>	<b>9,271</b>	<b>33,720</b>	<b>(72.5)</b>	<b>39,021</b>	<b>33,720</b>	<b>15.7</b>
<b><u>Distribution Statement</u></b>						
Net income for the period	9,271	33,720	(72.5)	39,021	33,720	15.7
Distribution adjustments	2,404	(21,126)	N.M.	(6,946)	(21,126)	(67.1)
<b>Income available for distribution to Unitholders</b>	<b>11,675</b>	<b>12,594</b>	<b>(7.3)</b>	<b>32,075</b>	<b>12,594</b>	<b>&gt;100</b>

N.M.: Not meaningful

**Footnotes:**

- (1) The comparative figures were for the period from 20 May 2016 to 30 September 2016. These figures were extracted from Manulife US REIT's inaugural results announcement for the period from 20 May 2016 to 30 September 2016. Manulife US REIT was dormant from its date of constitution (27 May 2015) to the Listing Date.
- (2) The actual results of 3Q 2016 is for the reporting period 20 May 2016 (Listing Date) to 30 September 2016 (134 days). However, 3Q 2017 reporting period is from 1 July 2017 to 30 September 2017 (92 days). Accordingly, since the 3Q 2016 reporting period is 42 days longer than 3Q 2017 reporting period, the reporting periods are not comparable. In addition, there was an acquisition of Plaza in 3Q 2017 which was not included last year. Therefore, it is not meaningful to perform year over year analysis of 3Q 2017 vs. 3Q 2016. As a result, we have not provided variance explanations between 3Q 2017 and 3Q 2016. The actual results of YTD 2016 is for the reporting period 20 May 2016 (Listing Date) to 30 September 2016 (YTD 2016 - 134 days). However, YTD 2017 reporting period is from 1 January 2017 to 30 September 2017 (273 days). Accordingly, since the YTD 2017 reporting period is 139 days longer than YTD 2016, the reporting periods are not comparable. In addition, there was an acquisition of Plaza in 2017 which was not included last year. Therefore it is not meaningful to perform year over year analysis of YTD 2017 vs. YTD 2016. Please refer to Section 9 for a comparison of the actual results for 3Q 2017 and YTD 2017 against its projection results derived from the Projection Year 2017 as disclosed in the Prospectus.

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**9. Variance between Actual and Projection**

**Consolidated Statement of Comprehensive Income and Distribution Statement**

<b><u>Consolidated Statement of Comprehensive Income</u></b>	<b>3Q 2017</b>			<b>YTD 2017</b>		
	<b>Actual</b>	<b>Projection<sup>(1)</sup></b>	<b>Change</b>	<b>Actual</b>	<b>Projection<sup>(1)</sup></b>	<b>Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>
Gross revenue	23,037	19,727	16.8	62,776	59,787	5.0
Property operating expenses	(8,656)	(7,831)	10.5	(22,843)	(23,123)	(1.2)
<b>Net property income</b>	<b>14,381</b>	<b>11,896</b>	<b>20.9</b>	<b>39,933</b>	<b>36,664</b>	<b>8.9</b>
Interest income	-	-	-	7	-	100
Manager's base fee	(1,168)	(928)	25.9	(3,208)	(2,833)	13.2
Trustee's fee	(43)	(41)	4.9	(119)	(123)	(3.3)
Other trust expenses	(276)	(365)	(24.4)	(989)	(1,094)	(9.6)
Finance expenses	(2,354)	(2,348)	0.3	(6,291)	(6,976)	(9.8)
<b>Net income before tax and fair value change in investment properties</b>	<b>10,540</b>	<b>8,214</b>	<b>28.3</b>	<b>29,333</b>	<b>25,638</b>	<b>14.4</b>
Fair value change in investment properties	(1,165)	(507)	>100	18,411	(2,079)	N.M.
<b>Net income for the period before tax</b>	<b>9,375</b>	<b>7,707</b>	<b>21.6</b>	<b>47,744</b>	<b>23,559</b>	<b>&gt;100</b>
Tax expense	(104)	(332)	(68.7)	(8,723)	(993)	>100
<b>Net income for the period</b>	<b>9,271</b>	<b>7,375</b>	<b>25.7</b>	<b>39,021</b>	<b>22,566</b>	<b>72.9</b>
<b><u>Distribution Statement</u></b>						
Net income for the period	9,271	7,375	25.7	39,021	22,566	72.9
Distribution adjustments	2,404	1,906	26.1	(6,946)	5,764	N.M.
<b>Income available for distribution to Unitholders</b>	<b>11,675</b>	<b>9,281</b>	<b>25.8</b>	<b>32,075</b>	<b>28,330</b>	<b>13.2</b>

N.M.: Not meaningful

**Footnote:**

- (1) Projected results for 3Q 2017 and YTD 2017 were derived by pro-rating the projected figures for the year from 1 January 2017 to 31 December 2017 as disclosed in the Prospectus.

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**9. Variance between Actual and Projection (cont'd)**

**3Q 2017**

Gross revenue of US\$23.0 million was 16.8% above the projection due to gross revenue contributions from the acquisition of Plaza, and higher rental and other income, partly offset by lower recoveries income on the IPO portfolio. Excluding recoveries income, gross revenue was 23.5% ahead of projection. The higher rental and other income on the IPO portfolio were largely due to rental escalations and higher car park income. Recoveries income from tenants is recognised when applicable recoverable property operating expenses are incurred. Since recoverable property operating expenses were lower than projection, recoveries income was also accordingly lower than projection.

Property operating expenses of US\$8.7 million was 10.5% above the projection largely due to Plaza property expenses not included in the projection, partly offset by lower property taxes, utilities expenses and other property expenses on IPO portfolio.

Net property income of US\$14.4 million was 20.9% higher than the projection due to the contribution from Plaza, and higher net property income from the IPO portfolio driven by higher rental and other income, and lower property expenses.

Finance expense of US\$2.4 million was slightly higher than the projection by 0.3% largely due to Plaza mortgage financing costs which was not included in the projection, and partially offset by lower IPO portfolio financing costs.

Fair value loss in investment properties of US\$1.2 million largely arose from straight line rent accounting adjustment.

Net income of US\$9.3 million and distributable income of US\$11.7 million was ahead of the projection largely due to higher net property income.

**YTD 2017**

Gross revenue of US\$62.8 million was 5.0% above the projection due to gross revenue contribution from the acquisition of Plaza, and higher rental and other income partially offset by lower recoveries income on the IPO portfolio. Excluding recoveries income, gross revenue was 8.7% ahead of projection. The higher rental and other income on the IPO portfolio were largely due to rental escalations and higher car park income. Recoveries income from tenants is recognised when applicable recoverable property operating expenses are incurred. Since recoverable property operating expenses were lower than projection, recoveries income was also accordingly lower than projection.

Property operating expenses of US\$22.8 million was 1.2% below the projection largely due to lower property taxes, utilities expenses and other property expenses on IPO portfolio, partially offset by Plaza property expenses not included in the projection.

Net property income of US\$39.9 million was 8.9% higher than the projection due to the contribution from Plaza, and higher rental and other income and lower property expenses on IPO portfolio.

Finance expense of US\$6.3 million was lower than the projection by 9.8% largely due to lower interest costs on refinanced loan facilities and lower amortisation of financing costs on IPO portfolio, partially offset by Plaza mortgage financing costs not included in IPO projection.

Fair value gain (net of accounting adjustments to cost of investment property) of US\$18.4 million was recognised into income.

Net income of US\$39.0 million was ahead of the projection largely due to fair value gains (net of deferred taxes), and higher net property income, lower finance expenses.

Distributable income of US\$32.1 million was ahead of the projection by 13.2% largely due to higher net property income and lower interest costs.

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**10. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The U.S. reported an annualised real GDP growth rate of 3.0% for the third quarter of 2017. This follows the revised 3.1% quarterly GDP rate reported for the second quarter of 2017 and represents the first time the U.S. has reported two consecutive quarters of GDP growth at and above 3% since Q3 2014. The Q2 and Q3 2017 GDP growth rates are significantly higher than the 1.2% rate reported for the first quarter and the 1.6% rate for calendar year 2016.

Since January, the unemployment rate has declined by 60 basis points ("bps") to 4.2% in September 2017. The U.S. economy lost 33,000 non-farm jobs in September, mainly due to hurricanes affecting the Southeastern states. This comes after creating 307,000 jobs over the past 2 months and averaging 172,000 new jobs a month over the past 12 months. Despite the September report, the current trend of employment growth is supportive of continued healthy absorption in the office market.

The Federal Reserve has increased interest rates by 25 bps three times in the last 12 months: in December 2016 and in March and June 2017. The REIT's current borrowings have not been impacted by the increases as all borrowings are at fixed interest rates with no refinancing required until 2019.

U.S. office absorption has been relatively strong during the current business cycle, but the amount of new office construction has been increasing. According to JLL's third quarter 2017 Office Outlook report: development activity is near its cyclical high, with 46.5 million square feet of space delivered so far in 2017; third quarter leasing activity reached its highest level since 2015, increasing by 11.1% to 62.4 million square feet; and the national vacancy rate increased by 20 basis points this quarter to 15.0%. Rent growth has decelerated recently but was still robust, with JLL reporting 2.7% rent growth over the last 12 months as of 3Q 2017.

Market conditions continue to be generally favourable in the four markets that Manulife US REIT has invested in, with minimal new supply and rising market rents.

With a portfolio occupancy of 95.7% based on committed leases, a weighted average lease expiry of 5.9 years as at 30 September 2017 and a limited percentage of leases expiring in 2017 and 2018, the Manager expects the portfolio to deliver a stable performance. Going forward, the Manager will continue to be focused on asset, lease and capital management and will be actively seeking investment opportunities that deliver long term value to Unitholders.

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**11. Distribution**

**(a) Current financial period**

Any distribution declared for the current period? No

**(b) Corresponding period of the immediately preceding financial period**

Any distribution declared for the corresponding period of the immediately preceding financial year? Not Applicable

**(c) Date payable:** Not applicable

**(d) Books Closure Date:** Not applicable

**12. If no distribution has been declared/(recommended), a statement to that effect**

No distribution for the current financial period was declared.

**13. If the Group has obtained general mandate from unit holders for Interested Person Transactions (“IPT”), the aggregate value of such transactions are required under Rule 920(1)(a)(ii) If no IPT mandate has been obtained, a statement to that effect**

The Group has not obtained a general mandate from Unitholders for interested person transactions.

**14. Confirmation pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors of Manulife US Real Estate Management Pte. Ltd. (as manager of Manulife US Real Estate Investment Trust) (the “Manager”) hereby confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render the unaudited financial results of Manulife US REIT for third quarter ended 30 September 2017, to be false or misleading, in any material aspect.

**15. Confirmation pursuant to Rule 720(1) of the Listing Manual**

The Manager confirms that it has procured undertakings from all its Directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

On behalf of the Board  
MANULIFE US REAL ESTATE MANAGEMENT PTE. LTD.  
AS MANAGER OF MANULIFE US REIT  
(Company registration no. 201503253R)

Hsieh Tsun Yan  
Director

Ho Chew Thim  
Director



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*This announcement may contain forward-looking statements that 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 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 office rental revenue, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.*

*Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.*

*The value of units in Manulife US REIT ("Units") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited (as trustee of Manulife US REIT) or any of their respective affiliates.*

*An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units ("Unitholders") have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.*

*The past performance of Manulife US REIT is not necessarily indicative of the future performance of Manulife US REIT.*

By Order of the Board

Victor Lai Kuan Loong  
Company Secretary  
MANULIFE US REAL ESTATE MANAGEMENT PTE. LTD.  
AS MANAGER OF MANULIFE US REIT  
(Company registration no. 201503253R)  
3 November 2017