



CAPITALAND COMMERCIAL TRUST
2015 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

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SUMMARY OF CCT GROUP RESULTS

	2H 2015	4Q 2015	4Q 2014	Change %	FY 2015	FY 2014	Change %
Gross Revenue (S\$'000)	135,944	67,599	66,361	1.9	273,219	262,608	4.0
Net Property Income (S\$'000)	104,925	52,254	50,646	3.2	212,752	205,249	3.7
Distributable Income (S\$'000)	127,277	64,127	63,605	0.8	254,455	249,213	2.1
- Taxable (S\$'000)	126,981	63,831	61,920	3.1	254,159	245,178	3.7
- Tax-exempt (S\$'000)	296	296	1,685	(82.4)	296	4,035	(92.7)
Distribution Per Unit ("DPU") (cents)	4.31⁽¹⁾	2.17⁽¹⁾	2.15	0.9	8.62⁽¹⁾	8.46	1.9
- Taxable (cents)	4.30	2.16	2.10	2.9	8.61	8.33	3.4
- Tax-exempt (cents)	0.01	0.01	0.05	(80.0)	0.01	0.13	(92.3)

INTRODUCTION

CapitaLand Commercial Trust ("CCT") was established pursuant to a trust deed dated 6 February 2004 (as amended) executed between CapitaLand Commercial Trust Management Limited as manager of CCT (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited as trustee of CCT (the "CCT Trustee").

As of 31 December 2015, CCT Group's portfolio consists of Capital Tower, Six Battery Road, One George Street, Raffles City Singapore (through CCT's 60% interest in RCS Trust), CapitaGreen (through CCT's 40% interest in MSO Trust), HSBC Building, Bugis Village, Golden Shoe Car Park, Wilkie Edge and Twenty Anson. Twenty Anson was transferred from FirstOffice Pte. Ltd. (wholly-owned subsidiary of CCT) to CCT with effect from 1 July 2015. CCT owns a 17.7% stake in MRCB-Quill REIT ("MQREIT"), a commercial REIT listed in Malaysia.

DISTRIBUTION & BOOKS CLOSURE DATE

Distribution	From 1 July 2015 to 31 December 2015
Distribution Type	i) Taxable income ii) Tax-exempt income
Estimated Distribution Rates ⁽¹⁾	i) Taxable income distribution 4.30 cents per unit ii) Tax-exempt income distribution 0.01 cents per unit
Books Closure Date	Thursday, 28 January 2016
Payment Date	Friday, 26 February 2016

Note:

- (1) The estimated DPU for 4Q 2015, 2H 2015 and FY 2015 were computed on the basis that none of the convertible bonds due 2017 ("CB 2017") is converted into CCT units ("Units"). Accordingly, the actual quantum of DPU may differ if any of the CB 2017 is converted into Units on or before books closure date.

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1(a)(i) Statement of Total Return & Distribution Statement (4Q 2015 vs 4Q 2014)

<u>Statement of Total Return</u>	Note	Group			Trust		
		4Q 2015	4Q 2014	Change	4Q 2015	4Q 2014	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross rental income		61,716	59,557	3.6	61,715	54,648	12.9
Car park income		2,848	2,988	(4.7)	2,847	2,938	(3.1)
Other income	1	3,035	3,816	(20.5)	3,095	3,189	(2.9)
Gross revenue		67,599	66,361	1.9	67,657	60,775	11.3
Property management fees		(1,472)	(1,422)	3.5	(1,473)	(1,288)	14.4
Property tax	2	(5,526)	(5,385)	2.6	(5,526)	(4,948)	11.7
Other property operating expenses		(8,347)	(8,908)	(6.3)	(8,350)	(8,228)	1.5
Property operating expenses		(15,345)	(15,715)	(2.4)	(15,349)	(14,464)	6.1
Net property income	3	52,254	50,646	3.2	52,308	46,311	12.9
Interest income	4	1,051	952	10.4	1,040	4,041	(74.3)
Investment income	5	-	-	-	22,013	21,912	0.5
Amortisation of intangible asset	6	(271)	(452)	(40.0)	(271)	(452)	(40.0)
Asset management fees:							
- Base fees		(1,325)	(1,254)	5.7	(1,325)	(1,254)	5.7
- Performance fees		(2,237)	(2,106)	6.2	(2,237)	(2,106)	6.2
Trust expenses	7	(870)	(1,007)	(13.6)	(878)	(992)	(11.5)
Finance costs	8	(9,593)	(8,805)	8.9	(9,593)	(8,806)	8.9
Net income before share of profit of associate and joint ventures		39,009	37,974	2.7	61,057	58,654	4.10
Share of profit (net of tax) of:							
- Associate	9	-	1,739	NM	-	-	-
- Joint ventures	10	29,040	117,533	(75.3)	-	-	-
Net income		68,049	157,246	(56.7)	61,057	58,654	4.10
Net gain in fair value of investment properties	11	29,059	27,877	4.2	29,059	29,442	(1.3)
Total return for the period before tax		97,108	185,123	(47.5)	90,116	88,096	2.3
Tax expense		(58)	(1)	NM	(57)	-	NM
Total return for the period after tax		97,050	185,122	(47.6)	90,059	88,096	2.2
<u>Distribution Statement</u>							
Net income before share of profit of associate and joint ventures		39,009	37,974	2.7	61,057	58,654	4.10
Net tax and other adjustments	12	2,809	2,044	37.4	2,774	3,266	(15.1)
Tax-exempt income distribution	13	296	1,685	(82.4)	296	1,685	(82.4)
Distribution from joint venture	14	22,013	21,902	0.5	-	-	-
Distributable income to unitholders		64,127	63,605	0.8	64,127	63,605	0.8

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Notes:

(1) Other income includes the following:

(a) Yield stabilization income of S\$0.3 million accrued in 4Q 2015 for Twenty Anson (4Q 2014: S\$0.5 million). The amount was accrued pursuant to a Deed of Yield Stabilization ('YS Deed') dated 22 March 2012 in relation to the acquisition of 100% equity interest in FirstOffice Pte. Ltd. ("FOPL"), whereby a yield stabilization sum of S\$17.1 million was provided to achieve a stabilized yield of up to 5.5% per annum of the property purchase value of S\$430.0 million for a period of 3.5 years. The YS Deed was assigned to CCT upon the transfer of Twenty Anson to CCT on 1 July 2015 and expired on 21 September 2015. CCT will continue to utilize the yield stabilization sum to top up any shortfall or deficiency in the property income of Twenty Anson until the sum is fully utilized. As at 31 December 2015, the balance yield stabilization sum was S\$3.4 million; and

(b) Recovery from tenants and licence income. Recovery from tenants was lower in 4Q 2015 compared with 4Q 2014.

(2) The increase in property tax in 4Q 2015 from 4Q 2014 was primarily due to higher annual values.

(3) The following items have been included in arriving at net property income:

	Group			Trust		
	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %
Depreciation & amortisation of lease incentives	387	412	(6.1)	387	367	5.4

(4) Interest income includes the following:

	Group			Trust		
	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %
Interest income from cash balance	86	60	43.3	75	43	74.4
Interest income from shareholder's loan to MSO Trust	965	892	8.2	965	892	8.2
Interest income from shareholder's loan to FOPL ^(4a)	-	-	-	-	3,106	NM
Total	1,051	952	10.4	1,040	4,041	(74.3)

(4a) FOPL repaid the shareholder's loan from CCT on 1 July 2015.

(5) Investment income for the Trust relates to distributions from RCS Trust (owns Raffles City) for 4Q 2015, while that for 4Q 2014 relates to distributions from RCS Trust and MSO Trust (owns CapitaGreen).

(6) This relates to the amortisation of yield stabilization sum in relation to FOPL. The amount was computed based on a net property yield of 4.0% per annum for Twenty Anson.

(7) Trust expenses were lower in 4Q 2015 as compared with 4Q 2014 due mainly to lower unitholders expenses and lower professional fees incurred.

(8) Finance costs include the following:

	Group			Trust		
	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %
Interest cost ^(8a)	8,711	7,617	14.4	8,711	7,617	14.4
Amortisation and transaction costs ^(8b)	882	1,188	(25.8)	882	1,189	(25.8)
Total	9,593	8,805	8.9	9,593	8,806	8.9

(8a) Increase in interest cost for 4Q 2015 from 4Q 2014 was due mainly to higher borrowings.

(8b) Lower amortisation and transaction costs in 4Q 2015 versus 4Q 2014 was primarily due to the cancellation of CB 2015 in 4Q 2014.

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- (9) Share of profit of associate in 4Q 2014 relates to CCT's then 30% share of MQREIT's results. Investment by CCT in MQREIT, having been reduced to 17.7%, was reclassified to an available-for-sale investment in 1Q 2015. Therefore, there is no share of profit of associate in 4Q 2015.
- (10) Share of profit of joint ventures relates to CCT's 60% interest of RCS Trust and 40% interest of MSO Trust, which are derived as follows:

	Group		
	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %
Gross revenue ^(10a)	46,543	35,431	31.4
Property operating expenses ^(10b)	(10,834)	(9,887)	9.6
Net property income	35,709	25,544	39.8
Finance costs ^(10b)	(9,245)	(5,594)	65.3
Net change in fair value of investment properties ^(10c)	5,095	100,049	(94.9)
Trust and other expenses ^(10d)	(2,519)	(2,466)	2.1
Profit of joint ventures (net of tax)	29,040	117,533	(75.3)

- (10a) The increase was largely due to CapitaGreen which had commenced operations in 2015. In 4Q 2015, revenue of CapitaGreen includes non recurring adjustment of rent amortization for fit-out periods.
- (10b) The increase was mainly attributed to CapitaGreen whereby its finance costs and most of the property operating expenses were capitalized before CapitaGreen obtained its temporary occupation permit on 18 December 2014.
- (10c) The net change in fair value of investment properties in 4Q 2015 comprises S\$3.1 million gain for Raffles City (CCT's 60% interest) and S\$2.0 million gain for CapitaGreen (CCT's 40% interest) (4Q 2014: S\$15.0 million gain for Raffles City and S\$85.0 million gain for CapitaGreen). CapitaGreen was valued on residual land basis prior to CapitaGreen obtaining its temporary occupation permit ("TOP"). Upon TOP, CapitaGreen was valued as an operating asset, which resulted in the significant increase in valuation in 2014.
- (10d) Includes asset management fees.
- (11) This relates to the net increase in property values as at 31 December 2015 based on independent valuations over its carrying values.
- (12) Included in net tax and other adjustments are the following:

	Group			Trust		
	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %	4Q 2015 S\$'000	4Q 2014 S\$'000	Change %
Asset management fee payable in Units	967	926	4.4	967	926	4.4
Trustee's fees	166	159	4.4	166	159	4.4
Amortisation and transaction costs	882	1,188	(25.8)	882	1,189	(25.8)
Net loss / (profits) from subsidiaries ^(12a)	36	(1,233)	NM	-	-	-
Temporary differences and other adjustments	758	1,004	(24.5)	759	992	(23.5)
Total	2,809	2,044	37.4	2,774	3,266	(15.1)

- (12a) Included in net loss / (profits) from subsidiaries in 4Q 2014 were mainly profits from FOPL of S\$1.2 million. The marginal net loss in 4Q 2015 was attributed to CCT MTN Pte. Ltd., as profit at FOPL was negligible due to the transfer of Twenty Anson to CCT.
- (13) This relates to the distribution of CCT's tax-exempt income.
- (14) This relates mainly to CCT's 60% share of RCS Trust's distribution.

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1(a)(ii) Statement of Total Return & Distribution Statement (FY 2015 vs FY 2014)

<u>Statement of Total Return</u>	Note	Group			Trust		
		FY 2015 S\$'000	FY 2014 S\$'000	Change %	FY 2015 S\$'000	FY 2014 S\$'000	Change %
Gross rental income		248,753	234,042	6.3	238,884	216,208	10.5
Car park income		11,510	11,711	(1.7)	11,406	11,510	(0.9)
Other income	1	12,956	16,855	(23.1)	12,118	12,571	(3.6)
Gross revenue		273,219	262,608	4.0	262,408	240,289	9.2
Property management fees		(6,002)	(5,770)	4.0	(5,738)	(5,238)	9.5
Property tax	2	(23,023)	(19,615)	17.4	(22,148)	(17,952)	23.4
Other property operating expenses		(31,442)	(31,974)	(1.7)	(30,300)	(29,050)	4.3
Property operating expenses		(60,467)	(57,359)	5.4	(58,186)	(52,240)	11.4
Net property income	3	212,752	205,249	3.7	204,222	188,049	8.6
Interest income	4	3,979	3,732	6.6	10,023	16,002	(37.4)
Investment income	5	871	-	NM	88,424	87,087	1.5
Amortisation of intangible asset	6	(1,406)	(3,512)	(60.0)	(1,406)	(3,512)	(60.0)
Asset management fees:							
- Base fees		(5,131)	(4,892)	4.9	(5,131)	(4,892)	4.9
- Performance fees		(9,307)	(8,681)	7.2	(9,307)	(8,681)	7.2
Trust expenses	7	(3,176)	(2,666)	19.1	(3,138)	(2,608)	20.3
Finance costs	8	(36,032)	(36,434)	(1.1)	(36,018)	(36,422)	(1.1)
Net income before share of profit of associate and joint ventures		162,550	152,796	6.4	247,669	235,023	5.4
Share of profit (net of tax) of:							
- Associate	9	1,820	4,745	(61.6)	-	-	-
- Joint ventures	10	95,510	212,612	(55.1)	-	-	-
Net income		259,880	370,153	(29.8)	247,669	235,023	5.4
Gain on disposal of available-for-sale unquoted investment	11	-	226	NM	-	226	NM
Dilution (loss) / gain on investment in associate	12	(18,903)	-	NM	2,629	-	NM
Premium on repurchase of convertible bonds	13	-	(2,713)	NM	-	(2,713)	NM
Net gain in fair value of investment properties	14	66,452	81,219	(18.2)	66,949	83,222	(19.6)
Total return for the period before tax		307,429	448,885	(31.5)	317,247	315,758	0.5
Income tax	15	(149)	(3)	NM	(60)	-	NM
Total return for the period after tax		307,280	448,882	(31.5)	317,187	315,758	0.5
Distribution Statement							
Net income before share of profit of associate and joint ventures		162,550	152,796	6.4	247,669	235,023	5.4
Net tax and other adjustments	16	6,774	9,139	(25.9)	6,490	10,155	(36.1)
Tax-exempt income distribution	17	296	4,035	(92.7)	296	4,035	(92.7)
Distribution from joint venture	18	84,835	83,243	1.9	-	-	-
Distributable income to unitholders		254,455	249,213	2.1	254,455	249,213	2.1

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Notes:

- (1) Other income includes the following:
- (a) Yield stabilization income of S\$1.4 million accrued in FY 2015 for Twenty Anson (FY 2014: S\$3.5 million). The amount was accrued pursuant to YS Deed dated 22 March 2012 in relation to the acquisition of 100% equity interest in FOPL, whereby a yield stabilization sum of S\$17.1 million was provided to achieve a stabilized yield of up to 5.5% per annum of the property purchase value of S\$430.0 million for a period of 3.5 years. The YS Deed was assigned to CCT upon the transfer of Twenty Anson to CCT on 1 July 2015 and expired on 21 September 2015. CCT will continue to utilize the yield stabilization sum to top up any shortfall in net property income of Twenty Anson until it is fully utilized. As at 31 December 2015, the balance yield stabilization sum was S\$3.4 million; and
- (b) Recovery from tenants and licence income. Recovery from tenants was lower in FY 2015 compared with that in FY 2014.
- (2) The increase in property tax in FY 2015 as compared with FY 2014 was primarily due to higher annual values.
- (3) The following items have been included in arriving at net property income:

	Group			Trust		
	FY 2015 S\$'000	FY 2014 S\$'000	Change %	FY 2015 S\$'000	FY 2014 S\$'000	Change %
Depreciation and amortisation of lease incentives	1,541	-	NM	1,450	(183)	NM

- (4) Interest income includes the following:

	Group			Trust		
	FY 2015 S\$'000	FY 2014 S\$'000	Change %	FY 2015 S\$'000	FY 2014 S\$'000	Change %
Interest income from cash balance	313	215	45.6	246	161	52.8
Interest income from shareholder's loan to MSO Trust	3,666	3,517	4.2	3,666	3,517	4.2
Interest income from shareholder's loan to FOPL ^(4a)	-	-	-	6,111	12,324	(50)
Total	3,979	3,732	6.6	10,023	16,002	(37.4)

- (4a) FOPL repaid the shareholder's loan from CCT on 1 July 2015, resulting in lower interest income for FY 2015 versus FY 2014.
- (5) Investment income of the Trust relates to distributions from RCS Trust and MQREIT. In FY 2015 for the Group, it relates to distribution from MQREIT, after the reclassification of investment in MQREIT from investment in associate to available-for-sale investment.
- (6) This relates to the amortisation of yield stabilization sum in relation to FOPL. The amount was computed based on net property yield of 4.0% per annum for Twenty Anson.
- (7) Trust expenses were higher in FY 2015 compared to FY 2014 due mainly to higher unitholders expenses and higher professional fees incurred.
- (8) Finance costs include the following:

	Group			Trust		
	FY 2015 S\$'000	FY 2014 S\$'000	Change %	FY 2015 S\$'000	FY 2014 S\$'000	Change %
Interest cost ^(8a)	32,422	29,410	10.2	32,422	29,410	10.2
Amortisation and transaction costs ^(8b)	3,610	7,024	(48.6)	3,596	7,012	(48.7)
Total	36,032	36,434	(1.1)	36,018	36,422	(1.1)

- (8a) The increase in interest cost was due mainly to higher borrowings.
- (8b) Lower amortisation and transaction costs in FY 2015 versus FY 2014 was primarily due to the cancellation of CB 2015 in 4Q 2014.
- (9) The share of profit of associate for FY 2015 was lower as compared with FY 2014 as there was no share of profit of associate resulting from the reclassification of MQREIT to an available-for-sale investment in 1Q 2015.

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- (10) Share of profit of joint ventures relates to CCT's 60% interest of RCS Trust and CCT's 40% interest of MSO Trust, which are derived as follows:

	Group		
	FY 2015 S\$'000	FY 2014 S\$'000	Change %
Gross revenue ^(10a)	155,931	139,496	11.8
Property operating expenses ^(10b)	(43,615)	(37,608)	16.0
Net property income	112,316	101,888	10.2
Finance costs ^(10b)	(32,652)	(21,047)	55.1
Net change in fair value of investment properties ^(10c)	25,820	129,371	(80.0)
Net change in fair value of investment property under construction ^(10d)	-	12,160	NM
Trust and other expenses ^(10e)	(9,974)	(9,760)	2.2
Net profit of joint ventures (after tax)	95,510	212,612	(55.1)

- (10a) The increase was largely due to CapitaGreen which commenced operations in 2015.
- (10b) The increase was mainly attributed to CapitaGreen whereby its finance costs and most of the property operating expenses were capitalized prior to the issuance of temporary occupation permit to CapitaGreen on 18 December 2014.
- (10c) The net change in fair value of investment properties in FY 2015 comprises S\$7.9 million gain for Raffles City (CCT's 60% interest) and S\$17.9 million gain for CapitaGreen (CCT's 40% interest) (FY 2014: S\$44.4 million gain for Raffles City and S\$85.0 million gain for CapitaGreen). CapitaGreen was valued on residual land basis prior to CapitaGreen obtaining its TOP. Upon TOP, CapitaGreen was valued as an operating asset, which resulted in the significant increase in valuation in 2014.
- (10d) This relates to the net change in fair value when CapitaGreen was still under construction.
- (10e) Includes asset management fees.
- (11) Gain on disposal of available-for-sale unquoted investment in FY 2014 relates to the gain realised in relation to the return of surplus assets of CCT's 7.4% interest in Malaysia Commercial Development Fund which was liquidated in 2014.
- (12) Dilution (loss) / gain on investment in associate relates to the marked-to-market (loss) / gain on the investment of MQREIT which was reclassified from an associate to an available-for-sale investment in 1Q 2015. This (loss)/gain does not affect distributable income.
- (13) This relates to the premium for the repurchase of CB 2015 with a principal amount of S\$120.8 million in FY 2014.
- (14) This relates to the net increase in property values as at 31 December 2015 based on independent valuations over its carrying values.
- (15) This relates mainly to tax expenses of FOPL.
- (16) Included in net tax and other adjustments are the following:

	Group			Trust		
	FY 2015 S\$'000	FY 2014 S\$'000	Change %	FY 2015 S\$'000	FY 2014 S\$'000	Change %
Asset management fee paid and payable in Units	3,841	3,701	3.8	3,841	3,701	3.8
Trustee's fees	644	620	3.9	644	620	3.9
Amortisation and transaction costs	3,610	7,024	(48.6)	3,596	7,012	(48.7)
Net profits from subsidiaries ^(16a)	(2,436)	(4,356)	(44.1)	-	-	-
Tax-exempt income retained ^(16b)	(763)	-	NM	(3,187)	(3,422)	(6.9)
Other items	1,878	2,150	(12.6)	1,596	2,244	(28.9)
Total	6,774	9,139	(25.9)	6,490	10,155	(36.1)

- (16a) Included in net profits from subsidiaries were mainly profits from FOPL of S\$2.4 million (FY 2014: S\$4.3 million). Lower profits in FY 2015 was due mainly to the transfer of Twenty Anson to CCT wef 1 July 2015.
- (16b) This relates to net tax-exempt income from MQREIT retained. The amount has been retained for anticipated capital expenditure and/or distribution to unitholders. The amount for the Group of S\$0.8 million for FY 2015 relates to the net tax-exempt distribution when MQREIT has been classified as an available-for-sale investment. The amount for the Trust of S\$3.2 million for FY 2015 relates to MQREIT's net tax-exempt distribution when it was classified both as an investment in associate and available-for-sale investment.
- (17) This relates to the distribution of CCT's tax-exempt income.
- (18) This relates mainly to CCT's 60% share of RCS Trust's taxable income.

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1(b)(i) Statement of Financial Position as at 31 December 2015 vs 31 December 2014

	Note	Group			Trust		
		31 Dec 2015 S\$'000	31 Dec 2014 S\$'000	Change %	31 Dec 2015 S\$'000	31 Dec 2014 S\$'000	Change %
Non-current assets							
Plant and equipment		1,272	1,453	(12.5)	1,272	1,440	(11.7)
Investment properties	1	4,961,700	4,882,400	1.6	4,961,700	4,451,400	11.5
Subsidiaries	2	-	-	-	167,657	435,576	(61.5)
Associate	3	-	63,899	NM	-	51,479	NM
Available-for-sale investment	3	41,621	-	NM	41,621	-	NM
Joint ventures	4	1,452,447	1,427,895	1.7	997,780	984,933	1.3
Intangible asset	5	3,416	4,822	(29.2)	3,416	4,822	(29.2)
Financial derivatives	6	5,611	1,160	NM	5,611	1,160	NM
Total non-current assets		6,466,067	6,381,629	1.3	6,179,057	5,930,810	4.2
Current assets							
Trade and other receivables		43,540	38,345	13.5	43,451	37,576	15.6
Cash and cash equivalents		81,212	101,085	(19.7)	67,151	76,719	(12.5)
Financial derivatives	7	1,726	-	NM	1,726	-	NM
Total current assets		126,478	139,430	(9.3)	112,328	114,295	(1.7)
Total assets	8	6,592,545	6,521,059	1.1	6,291,385	6,045,105	4.1
Current liabilities							
Trade and other payables	9	37,263	47,355	(21.3)	199,900	39,415	NM
Current portion of security deposits		8,611	11,437	(24.7)	8,611	10,876	(20.8)
Interest-bearing liabilities	10	-	270,000	NM	-	270,000	NM
Current tax payable		64	3	NM	60	-	NM
Total current liabilities		45,938	328,795	(86.0)	208,571	320,291	(34.9)
Non-current liabilities							
Non-current portion of security deposits		31,848	28,300	12.5	31,848	23,510	35.5
Interest-bearing liabilities	11	1,083,623	800,972	35.3	1,083,623	800,972	35.3
Convertible bonds	12	171,281	169,206	1.2	171,281	169,206	1.2
Financial derivatives	13	25,719	40,298	(36.2)	25,719	40,298	(36.2)
Total non-current liabilities		1,312,471	1,038,776	26.3	1,312,471	1,033,986	26.9
Total liabilities		1,358,409	1,367,571	(0.7)	1,521,042	1,354,277	12.3
Net assets		5,234,136	5,153,488	1.6	4,770,343	4,690,828	1.7
Unitholders' funds		5,234,136	5,153,488	1.6	4,770,343	4,690,828	1.7

NM – Not Meaningful

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Notes:

- (1) The increase in the value of the Group's investment properties was mainly due to the increase in property values arising from valuations done as at 31 December 2015. For the Trust, the transfer of Twenty Anson to CCT from FOPL on 1 July 2015 has additionally contributed to the increase.
- (2) This relates to the investments in wholly-owned subsidiaries, CCT MTN Pte. Ltd. of S\$1 and FOPL of S\$167.7 million as at 31 December 2015 (31 December 2014: CCT MTN Pte. Ltd. of S\$1 and FOPL of S\$435.6 million). The decrease in investments in FOPL as at 31 December 2015 as compared with 31 December 2014 was due to the repayment of shareholder's loan of S\$267.9 million by FOPL on 1 July 2015.
- (3) The investment in MQREIT is reclassified from an investment in associate as at 31 December 2014 to available-for-sale investment in 1Q 2015. The decline in value of the available-for-sale investment as compared to investment in associate was due to the decline in unit price of MQREIT as well as the weakening of the Malaysian Ringgit against Singapore Dollar.
- (4) This relates to 60% interest in RCS Trust and 40% interest in MSO Trust (including the unitholders' loans to MSO Trust).
- (5) This relates primarily to the unamortised yield stabilization sum receivable by the Group in relation to Twenty Anson.
- (6) This relates to the fair values of cross currency swaps.
- (7) This relates to the fair values of interest rate swaps.
- (8) Total assets were S\$6,592.5 million as at 31 December 2015 (31 December 2014: S\$6,521.1 million). Total deposited property value, including CCT's 60% interest in RCS Trust and 40% interest in MSO Trust as at 31 December 2015 was S\$7,721.5 million (31 December 2014: S\$7,633.6 million).
- (9) The increase in Trade and other payables of the Trust as at 31 December 2015 as compared to 31 December 2014 was due mainly to balance purchase consideration payable by the Trust to its subsidiary, FOPL, in respect of the transfer of Twenty Anson on 1 July 2015. The amount is expected to be settled upon the liquidation of FOPL.
- (10) As at 31 December 2014, this relates to the S\$70.0 million and S\$200.0 million fixed rate notes which were refinanced.
- (11) Interest-bearing liabilities under non-current liabilities as at 31 December 2015 comprised:
 - a) Unsecured fixed rate notes totaling S\$150.0 million and JPY24.9 billion (hedged via cross currency swaps to S\$323.3 million); and
 - b) Unsecured bank borrowings of S\$650.0 million.
- (12) This relates to the liability component of CB 2017 of principal amount S\$175.0 million which was measured at amortised cost.
- (13) This relates to the fair values of cross currency swaps.

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1(b)(ii) Aggregate amount of borrowings and debt securities

Unsecured borrowings

Amount repayable after one year	1,258,918	975,769	29.0
Less: Unamortised portion of transactions costs	(4,014)	(5,591)	(28.2)
Net repayable after one year	1,254,904	970,178	29.3
Amount repayable within one year	-	270,000	NM
Total unsecured borrowings	1,254,904	1,240,178	1.2

Group and Trust		
31 Dec 2015 S\$'000	31 Dec 2014 S\$'000	Change %
1,258,918	975,769	29.0
(4,014)	(5,591)	(28.2)
1,254,904	970,178	29.3
-	270,000	NM
1,254,904	1,240,178	1.2

For information only ⁽¹⁾

CCT's 60% share of RCS Trust's and CCT's 40% share of MSO Trust's aggregate amount of borrowings are as follows:

Secured borrowings

Amount repayable after one year	356,000 ⁽²⁾	946,000	(62.4)
Less: Unamortised portion of transactions costs	(1,764)	(3,477)	(49.3)
Net repayable after one year	354,236	942,523	(62.4)
Amount repayable within one year	626,400 ⁽³⁾	-	NM
Less: Unamortised portion of transactions costs	(742)	-	NM
Net repayable within one year	625,658	-	NM
Total secured borrowings	979,894	942,523	4.0

For information only		
31 Dec 2015 S\$'000	31 Dec 2014 S\$'000	Change %
356,000 ⁽²⁾	946,000	(62.4)
(1,764)	(3,477)	(49.3)
354,236	942,523	(62.4)
626,400 ⁽³⁾	-	NM
(742)	-	NM
625,658	-	NM
979,894	942,523	4.0

Notes:

- (1) CCT's share in the aggregate borrowings of RCS Trust and MSO Trust are not included under total borrowings in the statement of financial position.
- (2) This relates to MSO Trust's borrowings of S\$356.0 million (CCT's 40.0% share) due in 2020.
- (3) This relates to RCS Trust's borrowings of S\$624.6 million (CCT's 60.0% share) due in June 2016.

NM – Not Meaningful

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1(c)(i) Statement of Cash Flow (4Q 2015 vs 4Q 2014)

	Group	
	4Q 2015	4Q 2014
Note	S\$'000	S\$'000
Operating activities		
Total return for the period before tax	97,108	185,123
Adjustments for :		
Share of profit of associate and joint ventures	(29,040)	(119,272)
Amortisation of lease incentives	308	322
Amortisation of intangible asset	271	452
Depreciation of plant and equipment	79	90
Finance costs	9,593	8,805
Interest income	(1,051)	(952)
Asset management fees paid and payable in Units	967	926
Net increase in fair value of investment properties	(29,059)	(27,877)
Operating income before working capital changes	49,176	47,617
Changes in working capital		
Trade and other receivables	(471)	(302)
Trade and other payables	(3,465)	(2,298)
Security deposits	409	1,381
Cash generated from operating activities	45,649	46,398
Income tax paid	-	-
Net cash from operating activities	45,649	46,398
Investing activities		
Capital expenditure on investment properties	(6,565)	(6,181)
Purchase of plant and equipment	(47)	(156)
Distributions received from associate and joint venture	20,724	20,465
Interest income received	249	46
Loan to joint venture	-	(4,800)
Net cash from investing activities	14,361	9,374
Financing activities		
Interest paid	(9,580)	(8,232)
Distribution to unitholders	(6,370)	(6,292)
Redemption of convertible bonds	-	(250)
Proceeds from interest-bearing liabilities	176,000	80,000
Repayment of interest-bearing liabilities	(200,000)	(75,000)
Net cash used in financing activities	(39,950)	(9,774)
Net increase in cash and cash equivalents	20,060	45,998
Cash and cash equivalents at beginning of period	61,152	55,087
Cash and cash equivalents at end of period	81,212	101,085

Notes:

- (1) This relates to the proceeds from bank borrowings.
(2) This relates to the repayment of S\$200.0 million fixed rate notes.

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1(c)(ii) Statement of Cash Flow (FY 2015 vs FY 2014)

	Note	Group	
		FY 2015 S\$'000	FY 2014 S\$'000
Operating activities			
Total return for the year before tax		307,429	448,885
Adjustments for :			
Share of profit of associate and joint ventures		(97,330)	(217,357)
Amortisation of lease incentives		1,238	(330)
Amortisation of intangible asset		1,406	3,512
Depreciation of plant and equipment		303	330
Finance costs		36,032	36,434
Interest income		(3,979)	(3,732)
Premium on repurchase of convertible bonds		-	2,713
Asset management fees paid and payable in Units		3,841	3,701
Net gain in fair value of investment properties		(66,452)	(81,219)
Dilution loss on investment in associate		18,903	-
Gain on disposal of available-for-sale unquoted investment		-	(226)
Foreign exchange loss		353	375
Distribution from available-for-sale investment		(871)	-
Operating income before working capital changes		200,873	193,086
Changes in working capital			
Trade and other receivables		(2,360)	(201)
Trade and other payables		(2,329)	(5,815)
Security deposits		723	1,439
Cash generated from operations		196,907	188,509
Income tax paid		(88)	(4)
Net cash generated from operating activities		196,819	188,505
Investing activities			
Capital expenditure on investment properties		(21,131)	(29,817)
Purchase of plant and equipment		(173)	(259)
Capital redemption and return of cash from available-for-sale unquoted investment		-	232
Distribution received from available-for-sale investment		786	-
Distributions received from associate & joint venture		87,167	86,146
Interest income received		1,020	200
Loan to joint venture		(4,000)	(4,800)
Net cash from investing activities		63,669	51,702
Financing activities			
Interest paid		(33,418)	(30,673)
Borrowing transaction costs paid		-	(12)
Distribution to unitholders		(251,943)	(242,766)
Repurchase of convertible bonds		-	(169,735)
Proceeds from interest-bearing liabilities	1	490,000	295,000
Repayment of interest-bearing liabilities	2	(485,000)	(75,000)
Net cash used in financing activities		(280,361)	(223,186)
Net (decrease) / increase in cash and cash equivalents		(19,873)	17,021
Cash and cash equivalents at beginning of the year		101,085	84,064
Cash and cash equivalents at end of the year		81,212	101,085

Notes:

- (1) This relates to proceeds from S\$290.0 million of bank borrowings, issuance of S\$100.0 million fixed rate notes and JPY8.6 billion floating rate notes due 2023. The JPY8.6 billion proceeds have been hedged via cross currency interest rate swap to notional principal amount of S\$100.0 million at fixed interest rate of 3.05% per annum.
- (2) This relates to the repayment of CCT's S\$270.0 million fixed rate notes and S\$215.0 million bank borrowings.

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1(d)(i) Statement of movement in unitholders' funds (4Q 2015 vs 4Q 2014)

	Note	Group		Trust	
		4Q 2015 S\$'000	4Q 2014 S\$'000	4Q 2015 S\$'000	4Q 2014 S\$'000
Net assets at beginning of period		5,136,999	4,958,165	4,680,881	4,589,897
Operations					
Total return for the period		97,050	185,122	90,059	88,096
Unitholders' transactions					
Creation of units:					
- Units issued in respect of RCS Trust's asset management fees		2,211	2,186	2,211	2,186
- Asset management fee paid in Units		956	934	956	934
- Conversion of convertible bonds		-	5,412	-	5,412
Repurchase and redemption of convertible bonds		-	(37,111)	-	(37,120)
Net increase / (decrease) in net assets resulting from unitholders' transactions		3,167	(28,579)	3,167	(28,588)
Movement in reserves					
- Available-for-sale reserve	1	(2,746)	-	(2,746)	-
- Capital reserves	2	-	36,650	-	36,650
- Foreign currency translation reserves	3	-	(3,340)	-	-
- Hedging reserves	4	(334)	5,470	(1,018)	4,773
Net (decrease) / increase in net assets resulting from movement in reserves		(3,080)	38,780	(3,764)	41,423
Net increase in net assets		97,137	195,323	89,462	100,931
Net assets at end of period		5,234,136	5,153,488	4,770,343	4,690,828

Notes:

- (1) This relates to marked to market movement of MQREIT which has been classified as an available-for-sale investment.
- (2) The movement in capital reserves for the Trust and the Group in 4Q 2014 relates to the option value of principal amount of S\$5.0 million CB 2015 that were converted into Units and the transfer to revenue reserve of the option value of CB 2015.
- (3) The movement in foreign currency translation reserves in 4Q 2014 relates to movement in translating CCT's 30% interest in MQREIT when it was classified as an investment in associate.
- (4) The movement in hedging reserves for the Trust relates to the fair value changes of the cross currency and interest rate swaps and the revaluation of JPY notes. Included in movement for the Group was the Group's 40% share of MSO Trust's movement in hedging reserves.

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1(d)(ii) Statement of movement in unitholders' funds (FY 2015 vs FY 2014)

	Note	Group		Trust	
		FY 2015 S\$'000	FY 2014 S\$'000	FY 2015 S\$'000	FY 2014 S\$'000
Net assets as at beginning of the year		5,153,488	4,912,713	4,690,828	4,582,357
Operations					
Net increase in net assets resulting from operations		307,280	448,882	317,187	315,758
Unitholders' transactions					
Creation of new units:					
- Units issued in respect of RCS Trust's asset management fees		8,846	8,662	8,846	8,662
- Asset management fee paid in Units		3,800	3,650	3,800	3,650
- Conversion of convertible bonds		-	74,304	-	74,304
Repurchase and redemption of convertible bonds		-	(37,111)	-	(37,120)
Distributions to unitholders		(251,943)	(242,766)	(251,943)	(242,766)
Net decrease in net assets resulting from unitholders' transactions		(239,297)	(193,261)	(239,297)	(193,270)
Movement in reserves					
- Available-for-sale reserve	1	(12,486)	-	(12,486)	-
- Capital reserves	2	-	(17,869)	-	(17,869)
- Foreign currency translation reserves	3	10,010	(2,013)	-	-
- Hedging reserves	4	15,141	5,036	14,111	3,852
Net increase / (decrease) in net assets resulting from movement in reserves		12,665	(14,846)	1,625	(14,017)
Net increase in net assets		80,648	240,775	79,515	108,471
Net assets as at end of the year		5,234,136	5,153,488	4,770,343	4,690,828

Notes:

- (1) This relates to marked to market movement of MQREIT's unit trading price.
- (2) The movement in capital reserves for the Trust and the Group in FY 2014 relates transfer of the option value of CB 2015 and include the option value of principal amount of S\$69.3 million CB 2015 that were converted Units and the principal amount of S\$120.8 million CB 2015 that were repurchased.
- (3) For FY 2015, the movement in foreign currency translation reserves was in relation to MQREIT being reclassified from an investment as an associate to an available-for-sale investment.
- (4) The movement in hedging reserves for the Trust relates to the fair value changes of the cross currency and interest rate swaps and the revaluation of JPY notes. Included in movement for the Group was the Group's 40% share of MSO Trust's movement in hedging reserves.

Convertible Bonds

CCT has the following Convertible Bonds outstanding as at 31 December 2015:

Principal Amount Outstanding	Maturity Date	Conversion Price per Unit as at 31 December 2015
CB 2017 S\$175.0 million 2.5 per cent.	12 September 2017	1.5409

Assuming all the CB 2017 were fully converted based on the conversion price, the number of new units to be issued would be 113,569,991, representing 3.8% of the total number of CCT units in issue as at 31 December 2015 (2,952,931,319 Units). In comparison, this was against 110,305,704 Units at the conversion price of S\$1.5865 as at 31 December 2014, representing 3.7% of the total number of CCT units in issue as at 31 December 2014 (2,944,849,310 Units).

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1(e)(i) Details of any change in the units (4Q 2015 vs 4Q 2014)

Units in issue as at beginning of period

Issue of new Units:

- in settlement of the asset management fee in relation to RCS Trust
- in settlement of the asset management fees in relation to Wilkie Edge and One George Street
- conversion of convertible bonds

Units in issue as at end of period

Group and Trust	
4Q 2015 Units	4Q 2014 Units
2,950,563,218	2,938,710,888
1,653,441	1,363,626
714,660	582,276
-	4,192,520
2,952,931,319	2,944,849,310

1(e)(ii) Details of any change in the units (FY 2015 vs FY 2014)

Units in issue as at beginning of year

Issue of new Units:

- in settlement of the asset management fee in relation to CCT's 60% interest in Raffles City Singapore through RCS Trust
- in settlement of the asset management fees in relation to Wilkie Edge and One George Street
- conversion of convertible bonds

Units in issue as at end of year

Group and Trust	
FY 2015 Units	FY 2014 Units
2,944,849,310	2,878,774,346
5,652,478	5,636,310
2,429,531	2,372,249
-	58,066,405
2,952,931,319	2,944,849,310

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed by our 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 recent audited annual financial statements have been applied

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with the audited financial statements for the year ended 31 December 2014.

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

Nil

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6 Earnings per unit ("EPU") and distribution per unit ("DPU") for the financial period

EPU (4Q 2015 vs 4Q 2014)

Note	Group		Trust	
	4Q 2015	4Q 2014	4Q 2015	4Q 2014
<u>Basic EPU</u>				
Weighted average number of Units in issue	2,952,107,632	2,942,452,473	2,952,107,632	2,942,452,473
Based on weighted average number of Units in issue	3.29¢	6.29¢	3.05¢	2.99¢
<u>Diluted EPU</u>				
Weighted average number of Units in issue (diluted)	3,065,677,623	3,052,758,177	3,065,677,623	3,052,758,177
Based on weighted average number of Units in issue (diluted)	3.22¢	6.12¢	2.99¢	2.94¢

EPU (FY 2015 vs FY 2014)

Note	Group		Trust	
	FY 2015	FY 2014	FY 2015	FY 2014
<u>Basic EPU</u>				
Weighted average number of Units in issue	2,948,985,161	2,913,575,904	2,948,985,161	2,913,575,904
Based on weighted average number of Units in issue	10.42¢	15.41¢	10.76¢	10.84¢
<u>Diluted EPU</u>				
Weighted average number of Units in issue (diluted)	3,062,555,152	3,023,881,608	3,062,555,152	3,023,881,608
Based on weighted average number of Units in issue (diluted)	10.24¢	15.06¢	10.57¢	10.65¢

Notes:

- (1) In computing the basic EPU, total return for the period after tax and the weighted average number of Units outstanding during the period were used.
- (2) In computing the diluted EPU, the total return for the period after tax and the weighted average number of Units outstanding during the period were adjusted for the effects of all dilutive potential Units arising from the assumed conversion of the outstanding convertible bonds to Units.

Distribution per unit ("DPU")

In computing 4Q 2015 and FY 2015 DPU, the number of Units as at 31 December 2015 was used for the computation.

	4Q 2015	4Q 2014	FY 2015	FY 2014
Number of Units in issue	2,952,931,319	2,944,849,310	2,952,931,319	2,944,849,310
DPU for period	2.17¢ ¹	2.15¢	8.62¢ ¹	8.46¢

Note:

- (1) The estimated DPU for 4Q 2015 and FY 2015 were computed on the basis that none of the CB 2017 is converted into Units. Accordingly, the actual quantum of DPU may differ if the CB 2017 is converted into Units on or before books closure date.

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7 Net asset value (“NAV”) per Unit based on Units in issue at the end of the year

Note	Group		Trust	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Number of Units in issue at end of the year	2,952,931,319	2,944,849,310	2,952,931,319	2,944,849,310
NAV (S\$'000)	5,234,136	5,153,488	4,770,343	4,690,828
NAV per Unit	\$1.77	\$1.75	\$1.62	\$1.59
Adjusted NAV per Unit (excluding the distributable income to unitholders)	\$1.73	\$1.71	\$1.57	\$1.55

Note:

(1) NAV per Unit was computed based on net asset value over the number of Units in issue as at end of the period.

8 Review of the performance

Statement of Total Return

	Group					
	4Q 2015	4Q 2014	Change	FY 2015	FY 2014	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	67,599	66,361	1.9	273,219	262,608	4.0
Property operating expenses	(15,345)	(15,715)	(2.4)	(60,467)	(57,359)	5.4
Net property income	52,254	50,646	3.2	212,752	205,249	3.7
Interest income	1,051	952	10.4	3,979	3,732	6.6
Investment income	-	-	-	871	-	NM
Amortisation of intangible asset	(271)	(452)	(40.0)	(1,406)	(3,512)	(60.0)
Asset management fees:						
- Base fees	(1,325)	(1,254)	5.7	(5,131)	(4,892)	4.9
- Performance fees	(2,237)	(2,106)	6.2	(9,307)	(8,681)	7.2
Trust expenses	(870)	(1,007)	(13.6)	(3,176)	(2,666)	19.1
Finance costs	(9,593)	(8,805)	8.9	(36,032)	(36,434)	(1.1)
Net income before share of profit of associate and joint ventures	39,009	37,974	2.7	162,550	152,796	6.4
Share of profit (net of tax) of:						
- Associate	-	1,739	NM	1,820	4,745	(61.6)
- Joint ventures	29,040	117,533	(75.3)	95,510	212,612	(55.1)
Net income	68,049	157,246	(56.7)	259,880	370,153	(29.8)
Gain on disposal of available-for-sale unquoted investment	-	-	-	-	226	NM
Dilution loss on investment in associate	-	-	-	(18,903)	-	NM
Premium on repurchase of convertible bonds	-	-	-	-	(2,713)	NM
Net gain in fair value of investment properties	29,059	27,877	4.2	66,452	81,219	(18.2)
Total return for the period before tax	97,108	185,123	(47.5)	307,429	448,885	(31.5)
Tax expense	(58)	(1)	NM	(149)	(3)	NM
Total return for the period after tax	97,050	185,122	(47.6)	307,280	448,882	(31.5)

NM – Not Meaningful

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<u>Distribution Statement</u>	Group					
	4Q 2015	4Q 2014	Change	FY 2015	FY 2014	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Net income before share of profit of associate and joint ventures	39,009	37,974	2.7	162,550	152,796	6.4
Net tax and other adjustments	2,809	2,044	37.4	6,774	9,139	(25.9)
Tax-exempt income distribution	296	1,685	(82.4)	296	4,035	(92.7)
Distribution from joint venture	22,013	21,902	0.5	84,835	83,243	1.9
Distributable income to unitholders	64,127	63,605	0.8	254,455	249,213	2.1
DPU for the period	2.17¢	2.15¢	0.9	8.62¢	8.46¢	1.9
Annualised	8.61¢	8.53¢	0.9	8.62¢	8.46¢	1.9

Review of CCT Group's performance 4Q 2015 vs 4Q 2014

- a) Gross revenue of S\$67.6 million in 4Q 2015 was higher than 4Q 2014 by S\$1.2 million or 1.9%. The increase in revenue was due to positive rent reversions for all buildings except for a marginal decrease at Golden Shoe Car Park. The marginal decrease in gross revenue for Golden Shoe Car Park was due to a decrease in average occupancy and lower car park revenue.
- b) Property operating expenses for 4Q 2015 of S\$15.3 million was lower than 4Q 2014 by S\$0.4 million or 2.4%. The decrease was due mainly to lower utilities.
- c) Amortisation expense relates to the amortisation of intangible asset. The amount for 4Q 2015 of S\$0.3 million was lower than 4Q 2014 of S\$0.5 million due mainly to lower yield stabilization sum required. Amortisation expense does not affect distributable income.
- d) Trust expenses in 4Q 2015 of S\$0.9 million were lower than 4Q 2014 by S\$0.1 million or 13.6% due mainly to lower unitholders expenses.
- e) Finance costs of S\$9.6 million for 4Q 2015 were S\$0.8 million or 8.9% higher compared with 4Q 2014, due mainly to higher interest costs.
- f) Share of profit of joint ventures relates to CCT's 60% interest of RCS Trust and 40% interest of MSO Trust. The sharp drop in the share of profit of joint ventures in 4Q 2015 from 4Q 2014 was mainly due to lower valuation gain in the property values of Raffles City and CapitaGreen as well as higher finance costs of MSO Trust.
- g) The distributable income to unitholders in 4Q 2015 of S\$64.1 million was 0.8% higher than 4Q 2014 of S\$63.6 million mainly due to higher net property income from CCT and more distributable income from RCS Trust.

Review of CCT Group's performance FY 2015 vs FY 2014

- h) Gross revenue of S\$273.2 million in FY 2015 was higher than that in FY 2014 by S\$10.6 million or 4.0%. The increase in revenue was due to positive rent reversions and/or higher occupancies for most of the CCT properties except for Twenty Anson and Golden Shoe Car Park. The decrease at Twenty Anson was due to lower yield stabilization income required as a result of higher gross rent income achieved. For Golden Shoe Car Park, it was due to a decrease in average occupancy and lower car park revenue.
- i) Property operating expenses for FY 2015 of S\$60.5 million were S\$3.1 million or 5.4% higher than FY 2014 due mainly to higher property tax and ad-hoc maintenance expenses, albeit offset partially by the drop in utility expenses.
- j) Amortisation expense relates to the amortisation of intangible asset. The amount for FY 2015 of S\$1.4 million was lower than that of FY 2014 due to lower yield stabilization required. Amortisation expense does not affect distributable income.
- k) Trust expenses in FY 2015 of S\$3.2 million were higher than FY 2014 by S\$0.5 million or 19.1% due mainly to higher professional fees incurred.

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- l) Finance costs of S\$36.0 million for FY 2015 were S\$0.4 million or 1.1% lower than FY 2014 due mainly to lower amortization and transaction costs, arising from the cancellation of CB 2015 in 2014.
- m) Share of profit of joint ventures relates to CCT's 60% interest of RCS Trust and 40% interest of MSO Trust. The sharp drop in the share of profit of joint ventures was mainly due to lower valuation gain in the property values of Raffles City and CapitaGreen and higher finance costs of MSO Trust.
- n) Dilution loss on investment in associate of S\$18.9 million relates to the reclassification of CCT Group's investment in MQREIT from investment in associate to an available-for-sale investment. This loss does not have any impact on CCT Group's distributable income.
- o) Net gain in fair value of investment properties relates to the increase in property values as at 31 December 2015 based on independent valuations over its carrying values.
- p) The distributable income to unitholders in FY 2015 of S\$254.5 million was 2.1% higher than that of FY 2014 of S\$249.2 million mainly due to higher net property income from CCT and more distributable income from RCS Trust.

9 Variance from Previous Forecast / Prospect Statement

CCT has not disclosed any forecast to the market.

10 Commentary on the 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

Based on advance estimates, the Singapore economy grew by 2.0 per cent on a year-on-year basis in the fourth quarter of 2015, slightly faster than the 1.8 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded at a faster pace of 5.7 per cent compared to the 1.7 per cent growth in the preceding quarter. For the whole of 2015, the economy grew by 2.1 per cent.

Gross rental revenue of CCT Group for FY 2015 grew 4.0% year-on-year notwithstanding challenging market conditions, demonstrating the resilience of the properties. Net property income also performed better in FY 2015, a gain of 3.7% compared to that a year ago. In addition, more distribution received from CCT's 60% interest in RCS Trust had also contributed to the increase in CCT Group's FY 2015 distributable income of S\$254.5 million.

Singapore's Core CBD occupancy rate was 95.1% in 4Q 2015, marginally lower than 3Q 2015 of 95.8%. Average monthly Grade A office market rent reported a similar easing trend in 4Q 2015 to S\$10.40 per square foot from S\$10.90 per square foot in 3Q 2015.

CCT's portfolio occupancy of 97.1% as at 31 December 2015 was above the CBD Core market occupancy. The Manager's focus on tenant retention paid off by achieving a rate of 83% in FY 2015. The Trust's monthly average office portfolio gross rent grew 3.4% over the quarter from S\$8.89 per square foot as at end September 2015 to S\$8.90 per square foot as at end December 2015. CCT celebrated CapitaGreen's official opening in September 2015, a momentous milestone as this was CCT's first development project. The occupancy of CapitaGreen as at 31 December 2015 was 91.3%, a respectable performance given the challenging market condition. As a result, CapitaGreen delivered positive net property income for FY 2015. However, the positive net property income of CapitaGreen was not sufficient to offset the financing and other non-operating expenses and hence CapitaGreen did not contribute to the distributable income of CCT in FY 2015.

With effect from 1 July 2015, Twenty Anson is owned directly by CCT, following the completion of the transfer of Twenty Anson to CCT from its wholly-owned subsidiary, FOPL. When CCT acquired FOPL in March 2012, a yield stabilization sum ("YSS") of S\$17.1 million was provided to achieve a stabilized net property yield of up to 5.5% per annum for Twenty Anson. So far, the YSS has been supporting a stabilized net property yield of 4.0% per annum for Twenty Anson. Notwithstanding that the Deed of Yield Stabilization expired on 21 September 2015, there is a remaining balance of YSS of S\$3.4 million and CCT will continue to utilize the YSS to stabilize the net property yield of Twenty Anson until the YSS is fully utilized.

CCT received S\$3.2 million of tax-exempt income from MQREIT in FY 2015 which was not distributed. The cumulative amount of retained tax-exempt income of MQREIT as at 31 December 2015 was S\$13.7 million. The Manager will evaluate various options for the utilization of this amount, including future distributions to unitholders.

Bank borrowings of CapitaGreen were refinanced and the new maturity date of the bank borrowings is in 2020. We have commenced exploring the options for the refinancing of RCS Trust and expect to complete the refinancing before the maturity of the existing borrowings.

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Outlook for 2016

Given the subdued global economic outlook, Singapore grade A average office market rental rate eased 7.1% in 2015. The Singapore office market will face an above-normal volume of new supply between the second half of 2016 and first half of 2017 which is expected to cause further downward pressure on market rents. In anticipation of the new office supply, we have proactively implemented a well-spread portfolio lease expiry profile with major leases expiring in 2019 and beyond to avoid the period of large supply. Retention of strategic tenants and attracting new tenants to our portfolio of properties remain our priority.

11(a) Current financial period

Any distributions declared for the current financial period? Yes.

Name of distribution Distribution for the period from 1 July 2015 to 31 December 2015

Distribution type Taxable income

Estimated Distribution rate ⁽¹⁾ i) Taxable income distribution :- 4.30 cents per unit
i) Tax-exempt income distribution :- 0.01 cents per unit

Par value of units Not meaningful

Tax rate Taxable income distribution
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution
Tax-exempt income distribution is exempt from tax in the hands of all unitholders.

Books closure date: 28 January 2016

Date payable 26 February 2016

Note:

(1) The above estimated DPU for were computed on the basis that none of the outstanding CB 2017 is converted into Units. Accordingly, the actual quantum of DPU may differ if any of the outstanding CB 2017 is converted into Units on or before books closure date.

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11(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the preceding financial period? Yes

Name of distribution Distribution for the period from 1 July 2014 to 31 December 2014

Distribution type ii) Taxable income
iii) Tax-exempt income

Distribution rate ii) Taxable income distribution :- 4.19 cents per unit
iv) Tax-exempt income distribution :- 0.05 cents per unit

Par value of units Not meaningful

Tax rate Taxable income distribution
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution
Tax-exempt income distribution is exempt from tax in the hands of all unitholders.

Books closure date: 29 January 2015

Date payable 25 February 2015

12 If no distribution has been declared/recommended, a statement to that effect
NA

13 General mandate relating to interested party transactions
CCT has not obtained a general mandate from unitholders for Interested Person Transactions.

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14 Segmental Results

Total Gross Revenue by business segments	Note	FY 2015	FY 2014	Change %	Percentage of Total Gross Revenue	
		S\$'000	S\$'000		FY 2015	FY 2014
					%	%
Office buildings						
Capital Tower	1	70,469	66,615	5.8	25.8	25.4
Six Battery Road	1	68,709	64,959	5.8	25.2	24.7
One George Street	1	52,024	50,230	3.6	19.0	19.1
Other Office buildings		42,586	42,767	(0.4)	15.6	16.3
Total Office buildings		233,788	224,571	4.1	85.6	85.5
Car park and Other Mixed-use buildings		39,431	38,037	3.7	14.4	14.5
Total gross revenue		273,219	262,608	4.0	100.0	100.0

Net Property Income by business segments	Note	FY 2015	FY 2014	Change %	Percentage of Total Net Property Income	
		S\$'000	S\$'000		FY 2015	FY 2014
					%	%
Office buildings						
Capital Tower	1	52,108	48,748	6.9	24.5	23.8
Six Battery Road	1	53,666	51,376	4.5	25.2	25.0
One George Street	1	40,636	39,581	2.7	19.1	19.3
Other Office buildings		37,543	37,535	-	17.7	18.3
Total Office buildings		183,953	177,240	3.8	86.5	86.4
Car park and Other Mixed-use buildings		28,799	28,009	2.8	13.5	13.6
Total net property income		212,752	205,249	3.7	100.0	100.0

Note:

(1) Higher gross revenue and net property income for Capital Tower, Six Battery Road and One George Street were mainly due to higher gross rental as a result of higher occupancy and/or positive rent reversions.

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Refer to the review of actual performance on pages 18 – 20 (paragraph 8).

16 Breakdown of gross revenue and net income

	FY 2015 S\$'000	FY 2014 S\$'000	Change %
Gross revenue reported for first half year	137,275	129,827	5.7
Net income for first half year	135,109	154,503	(12.6)
Gross revenue reported for second half year	135,944	132,781	2.4
Net income for second half year	124,771	215,650	(42.1)

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- 17 **A breakdown of the total annual distribution for the current full year and its previous full year is as follows:-**

In respect of the period:

1 July 2015 to 31 December 2015 ⁽¹⁾

1 January 2015 to 30 June 2015

1 July 2014 to 31 December 2014

1 January 2014 to 30 June 2014

1 July 2013 to 31 December 2013

	FY 2015 S\$'000	FY 2014 S\$'000
	-	-
	127,178	-
	125,184	-
	-	124,029
	-	118,975

Note:

(1) Please refer to distributions on page 21 (paragraph 11(a))

- 18 **Confirmation pursuant to Rule 704(13) of the Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying a managerial position in the Manager or in any of CCT's principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Manager or substantial unitholder of CCT.

On behalf of the Board of Manager,
CapitaLand Commercial Trust Management Limited

Lynette Leong Chin Yee
Chief Executive Officer / Executive Director

Wen Khai Meng
Non-Executive Director

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

By Order of the Board
CapitaLand Commercial Trust Management Limited
(Registration Number: 200309059W)
As Manager of CapitaLand Commercial Trust

Honey Vaswani
Assistant Company Secretary
20 January 2016