



**CAPITALAND COMMERCIAL TRUST**  
**2016 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT**

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**SUMMARY OF CCT GROUP RESULTS**

	2H 2016	4Q 2016	4Q 2015	Change %	FY 2016	FY 2015	Change %
Gross Revenue (\$\$'000)	164,148	89,726	67,599	32.7	298,577	273,219	9.3
Net Property Income (\$\$'000)	127,798	70,770	52,254	35.4	231,277	212,752	8.7
Distributable Income (\$\$'000)	139,104	70,808	64,127	10.4	269,037	254,455	5.7
Distribution Per Unit ("DPU") (cents)	4.69 <sup>(1)</sup>	2.39 <sup>(1)</sup>	2.17	10.1	9.08 <sup>(1)</sup>	8.62	5.3
- Taxable (cents)	4.69	2.39	2.16	10.6	9.08	8.61	5.5
- Tax-exempt (cents)	-	-	0.01	NM	-	0.01	NM

**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 2016, CCT's portfolio consists of Capital Tower, Six Battery Road, One George Street, HSBC Building, Bugis Village, Golden Shoe Car Park, Wilkie Edge, Twenty Anson, CapitaGreen held through MSO Trust and 60% interest in Raffles City Singapore held through RCS Trust.

CCT owns 11.0% of MRCB-Quill REIT ("MQREIT"), a commercial REIT listed in Malaysia. On 22 December 2016, MQREIT announced the completion of the acquisition of a property known as Menara Shell and the placement of new units to fund the acquisition to which CCT did not subscribe. Consequently, CCT's interest in MQREIT was reduced from 17.7% to 11.0%. CCT's investment in MQREIT constitutes only about 0.6% of CCT Group's total assets.

**DISTRIBUTION AND BOOKS CLOSURE DATE**

<b>Distribution</b>	For 1 July 2016 to 31 December 2016
<b>Distribution Type</b>	Taxable income
<b>Estimated Distribution Rate <sup>(1)</sup></b>	Taxable income distribution 4.69 cents per Unit
<b>Books Closure Date</b>	Thursday, 26 January 2017
<b>Payment Date</b>	Monday, 27 February 2017

Note:

(1) The estimated DPU for 4Q 2016, 2H 2016 and FY 2016 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 2016 vs 4Q 2015)

<u>Statement of Total Return</u>	Note	Group			Trust		
		4Q 2016	4Q 2015	Change	4Q 2016	4Q 2015	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross rental income	1	82,892	61,716	34.3	61,836	61,715	0.2
Car park income	2	2,992	2,848	5.1	2,767	2,847	(2.8)
Other income	3	3,842	3,035	26.6	3,488	3,095	12.7
<b>Gross revenue</b>		<b>89,726</b>	<b>67,599</b>	<b>32.7</b>	<b>68,091</b>	<b>67,657</b>	<b>0.6</b>
Property management fees	4	(2,049)	(1,472)	39.2	(1,489)	(1,473)	1.1
Property tax	4	(7,115)	(5,526)	28.8	(5,271)	(5,526)	(4.6)
Other property operating expenses	5	(9,792)	(8,347)	17.3	(8,562)	(8,350)	2.5
<b>Property operating expenses</b>		<b>(18,956)</b>	<b>(15,345)</b>	<b>23.5</b>	<b>(15,322)</b>	<b>(15,349)</b>	<b>(0.2)</b>
<b>Net property income</b>	6	<b>70,770</b>	<b>52,254</b>	<b>35.4</b>	<b>52,769</b>	<b>52,308</b>	<b>0.9</b>
Interest income	7	235	1,051	(77.6)	3,686	1,040	NM
Investment income	8	1,551	-	NM	32,205	22,013	46.3
Amortisation of intangible asset	9	(561)	(271)	NM	(561)	(271)	NM
Costs associated with acquisition of subsidiary	10	234	-	NM	234	-	NM
Asset management fees:							
- Base fees	11	(1,762)	(1,325)	33.0	(1,352)	(1,325)	2.0
- Performance fees	11	(2,883)	(2,237)	28.9	(2,423)	(2,237)	8.3
Trust expenses		(602)	(870)	(30.8)	(503)	(878)	(42.7)
Finance costs	12	(18,579)	(9,593)	93.7	(11,024)	(9,593)	14.9
<b>Net income before share of profit of joint ventures</b>		<b>48,403</b>	<b>39,009</b>	<b>24.1</b>	<b>73,031</b>	<b>61,057</b>	<b>19.6</b>
Share of profit (net of tax) of:							
- Joint ventures	13	7,403	29,040	(74.5)	-	-	-
<b>Net income</b>		<b>55,806</b>	<b>68,049</b>	<b>(18.0)</b>	<b>73,031</b>	<b>61,057</b>	<b>19.6</b>
Gain on acquisition of subsidiary - net	14	116	-	NM	-	-	-
Net gain in fair value of investment properties	15	18,412	29,059	(36.6)	15,509	29,059	(46.6)
<b>Total return for the period before tax</b>		<b>74,334</b>	<b>97,108</b>	<b>(23.5)</b>	<b>88,540</b>	<b>90,116</b>	<b>(1.7)</b>
Tax expense	16	(832)	(58)	NM	(248)	(57)	NM
<b>Total return for the period after tax</b>		<b>73,502</b>	<b>97,050</b>	<b>(24.3)</b>	<b>88,292</b>	<b>90,059</b>	<b>(2.0)</b>
<u>Distribution Statement</u>							
Net income before share of profit of joint ventures		48,403	39,009	24.1	73,031	61,057	19.6
Net tax and other adjustments	17	(547)	2,809	NM	(2,223)	2,774	NM
Tax-exempt income distribution	18	-	296	NM	-	296	NM
Distribution from joint venture	19	22,952	22,013	4.3	-	-	-
<b>Distributable income to unitholders</b>		<b>70,808</b>	<b>64,127</b>	<b>10.4</b>	<b>70,808</b>	<b>64,127</b>	<b>10.4</b>

NM – Not Meaningful

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Notes:

- (1) Gross rental revenue for 4Q 2016 was S\$82.9 million, an increase of S\$21.2 million or 34.3% from 4Q 2015. The increase was mainly due to contribution from CapitaGreen which was acquired on 31 August 2016, as well as higher gross rental revenue from Capital Tower.
- (2) Car park income was lower for the Trust due to lower car park income from Golden Shoe Car Park. Car park income for the Group was higher due to contribution from CapitaGreen.
- (3) Other income includes the following:
  - (a) Yield stabilization income of S\$0.6 million was accrued in 4Q 2016 for Twenty Anson (4Q 2015: S\$0.3 million). The amount was accrued pursuant to a Deed of Yield Stabilization ('YS Deed') dated 22 March 2012 whereby a yield stabilization sum of S\$17.1 million was provided to achieve a stabilized yield of up to 5.5% per annum for Twenty Anson's purchase value of S\$430.0 million. The yield stabilization income was computed based on 4.0% per annum of net property income yield for 4Q 2016 and 4Q 2015. As at 31 December 2016, the balance yield stabilization sum was S\$2.1 million (31 December 2015: S\$3.4 million); and
  - (b) Recovery from tenants and licence. The amount was higher in 4Q 2016 vis-à-vis 4Q 2015 due to higher tenant recoveries as well as contribution from CapitaGreen for the Group.
- (4) For the Trust, lower property tax in 4Q 2016 was mainly due to lower annual value assessed by Inland Revenue of Singapore for Capital Tower. Consolidation of CapitaGreen had resulted in higher property tax and property management fees in 4Q 2016 compared with 4Q 2015.
- (5) Other property operating expenses in 4Q 2016 were higher from 4Q 2015 mainly due to an increase in property reimbursement expenses. For the Group, consolidation of expenses of CapitaGreen had also contributed to the increase.
- (6) The following items have been included in arriving at net property income:

	Group			Trust		
	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %
Depreciation & amortisation of lease incentives	663	387	71.3	349	387	(9.8)

- (7) Interest income includes the following:

	Group			Trust		
	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %
Interest income from cash balance	235	86	NM	192	75	NM
Interest income from unitholder's loan to MSO Trust <sup>(7a)</sup>	-	965	NM	3,494	965	NM
Total	235	1,051	(77.6)	3,686	1,040	NM

- (7a) At the Trust level, the increase in interest income in 4Q 2016 from 4Q 2015 was due to more unitholder's loans extended to MSO Trust (owns CapitaGreen) as well as higher interest rate for the loan. At the Group level, interest income from MSO Trust was eliminated since it is now wholly owned by CCT, resulting in nil interest income for 4Q 2016.
- (8) At the Trust level, investment income in 4Q 2016 relates to distributions from RCS Trust, MSO Trust and MQREIT, while that for 4Q 2015 relates to distributions from RCS Trust and MQREIT. At the Group level, investment income relates to a special distribution declared by MQREIT for the period from 1 July 2016 to 16 December 2016 (4Q 2015: nil).
- (9) This relates to the amortisation of yield stabilization sum in relation to Twenty Anson. The amount was computed based on a net property yield of 4.0% per annum for Twenty Anson.
- (10) This relates to the adjustment of cost incurred in the acquisition of 60% units in MSO Trust. The amount does not affect distributable income.
- (11) The increase in fees for the Group for 4Q 2016 as compared with 4Q 2015 was due to consolidation of MSO Trust's performance fees (both base fees and performance fees component).

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(12) Finance costs include the following:

	Group			Trust		
	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %
Interest cost <sup>(12a)</sup>	17,394	8,711	99.7	10,116	8,711	16.1
Amortisation and transaction costs	1,185	882	34.4	908	882	2.9
Total	18,579	9,593	93.7	11,024	9,593	14.9

(12a) At the Trust level, higher interest cost for 4Q 2016 from 4Q 2015 was due to increase in borrowings arising from the acquisition of the remaining 60% interest in MSO Trust. At the Group level, the consolidation of MSO Trust's interest cost for 4Q 2016 had also resulted in higher interest cost year-on-year.

(13) In 4Q 2016, the share of profit of joint ventures relates to CCT's 60% interest in RCS Trust only while in 4Q 2015, it relates to CCT's 60% interest in RCS Trust as well as 40% interest in MSO Trust, resulting in the significant drop in profit of joint venture in 4Q 2016 from a year ago. Details as follows:

	Group		
	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %
Gross revenue	35,074	46,543	(24.6)
Property operating expenses	(9,494)	(10,834)	(12.4)
Net property income	25,580	35,709	(28.4)
Finance costs	(3,724)	(9,245)	(59.7)
Net change in fair value of investment properties <sup>(13a)</sup>	(12,140)	5,095	NM
Trust and other expenses <sup>(13b)</sup>	(2,313)	(2,519)	(8.2)
Profit of joint ventures (net of tax)	7,403	29,040	(74.5)

(13a) In 4Q 2016, the net change in fair value of investment property in 4Q 2016 of S\$12.1 million loss relates to CCT's 60% interest in Raffles City (4Q 2015: S\$3.1 million gain for CCT's 60% interest in Raffles City and S\$2.0 million gain for CCT's 40% interest in CapitaGreen).

(13b) Includes asset management fees.

(14) This relates to the adjustment of the net loss on acquisition of subsidiary following finalisation of MSO Trust's net assets by the auditors as at 31 August 2016.

(15) This relates to the net increase in property values as at 31 December 2016 based on independent valuations over its carrying values.

(16) This relates to the tax on the distribution from MQREIT and the yield stabilization income for Twenty Anson as well as MSO Trust income tax.

NM - Not meaningful

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(17) Included in net tax and other adjustments are the following:

	Group			Trust		
	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %
Asset management fee payable in Units	934	967	(3.4)	934	967	(3.4)
Trustee's fees	199	166	19.9	178	166	7.2
Amortisation and transaction costs	1,185	882	34.4	908	882	2.9
Costs associated with acquisition of subsidiary	(234)	-	NM	(234)	-	NM
Net profits from subsidiaries <sup>(17a)</sup>	(27)	36	NM	-	-	-
Tax-exempt income retained <sup>(17b)</sup>	(3,075)	-	NM	(3,075)	-	NM
Other items	471	758	(37.9)	(934)	759	NM
Total	(547)	2,809	NM	(2,223)	2,774	NM

(17a) This relates mainly to profits from FirstOffice Pte. Ltd. ("FOPL"), a special-purpose vehicle that holds Twenty Anson before the property was transferred to CCT in July 2015.

(17b) This relates to Twenty Anson's yield stabilisation sum of S\$0.5 million (net of tax) and MSO Trust's tax-exempt income of S\$2.6 million retained for the Group and the Trust. The retained amount may be used for anticipated capital expenditure and/or distribution to unitholders.

(18) This relates to the distribution of CCT's tax-exempt income in 4Q 2015.

(19) This relates mainly to CCT's 60% interest in RCS Trust's distribution in 4Q 2016 and 4Q 2015.

*NM – Not Meaningful*

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1(a)(ii) Statement of Total Return & Distribution Statement (FY 2016 vs FY 2015)

<u>Statement of Total Return</u>	Note	Group			Trust		
		FY 2016 S\$'000	FY 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %
Gross rental income	1	273,837	248,753	10.1	246,116	238,884	3.0
Car park income	2	11,618	11,510	0.9	11,282	11,406	(1.1)
Other income	3	13,122	12,956	1.3	12,551	12,118	3.6
<b>Gross revenue</b>		<b>298,577</b>	<b>273,219</b>	<b>9.3</b>	<b>269,949</b>	<b>262,408</b>	<b>2.9</b>
Property management fees		(6,580)	(6,002)	9.6	(5,854)	(5,738)	2.0
Property tax	4	(25,143)	(23,023)	9.2	(22,651)	(22,148)	2.3
Other property operating expenses	5	(35,577)	(31,442)	13.2	(33,517)	(30,300)	10.6
<b>Property operating expenses</b>		<b>(67,300)</b>	<b>(60,467)</b>	<b>11.3</b>	<b>(62,022)</b>	<b>(58,186)</b>	<b>6.6</b>
<b>Net property income</b>	6	<b>231,277</b>	<b>212,752</b>	<b>8.7</b>	<b>207,927</b>	<b>204,222</b>	<b>1.8</b>
Interest income	7	3,911	3,979	(1.7)	8,416	10,023	(16.0)
Investment income	8	4,920	871	NM	107,980	88,424	22.1
Amortisation of intangible asset	9	(1,330)	(1,406)	(5.4)	(1,330)	(1,406)	(5.4)
Costs associated with acquisition of subsidiary	10	(10,701)	-	NM	(10,701)	-	NM
Asset management fees:							
- Base fees		(5,854)	(5,131)	14.1	(5,310)	(5,131)	3.5
- Performance fees		(9,288)	(9,307)	(0.2)	(8,754)	(9,307)	(5.9)
Trust expenses	11	(2,431)	(3,176)	(23.5)	(2,302)	(3,138)	(26.6)
Finance costs	12	(50,064)	(36,032)	38.9	(40,198)	(36,018)	11.6
<b>Net income before share of profit of associate and joint ventures</b>		<b>160,440</b>	<b>162,550</b>	<b>(1.3)</b>	<b>255,728</b>	<b>247,669</b>	<b>3.3</b>
Share of profit (net of tax) of:							
- Associate	13	-	1,820	NM	-	-	-
- Joint ventures	14	85,713	95,510	(10.3)	-	-	-
<b>Net income</b>		<b>246,153</b>	<b>259,880</b>	<b>(5.3)</b>	<b>255,728</b>	<b>247,669</b>	<b>3.3</b>
Dilution (loss) / gain on investment in associate	15	-	(18,903)	NM	-	2,629	NM
Impairment of available-for-sale investment	16	(8,916)	-	NM	(8,916)	-	NM
Loss on acquisition of subsidiary - net	17	(2,446)	-	NM	-	-	-
Net gain in fair value of investment properties	18	27,055	66,452	(59.3)	24,152	66,949	(63.9)
<b>Total return for the period before tax</b>		<b>261,846</b>	<b>307,429</b>	<b>(14.8)</b>	<b>270,964</b>	<b>317,247</b>	<b>(14.6)</b>
Tax expense	19	(1,223)	(149)	NM	(709)	(60)	NM
<b>Total return for the period after tax</b>		<b>260,623</b>	<b>307,280</b>	<b>(15.2)</b>	<b>270,255</b>	<b>317,187</b>	<b>(14.8)</b>
<b>Distribution Statement</b>							
Net income before share of profit of associate and joint ventures		160,440	162,550	(1.3)	255,728	247,669	3.3
Net tax and other adjustments	20	15,142	6,774	NM	13,309	6,490	NM
Tax-exempt income distribution	21	-	296	NM	-	296	NM
Distribution from joint ventures	22	93,455	84,835	10.2	-	-	-
<b>Distributable income to unitholders</b>		<b>269,037</b>	<b>254,455</b>	<b>5.7</b>	<b>269,037</b>	<b>254,455</b>	<b>5.7</b>

NM – Not Meaningful

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Notes:

- (1) Gross rental revenue for CCT Group for FY 2016 was S\$273.8 million, an increase of S\$25.1 million or 10.1% from FY 2015. The increase was contributed by CapitaGreen's gross rental revenue of S\$27.7 million which was acquired on 31 August 2016, but the gain was offset by lower gross rental revenue from the other properties in CCT portfolio.
- (2) Car park income was lower for the Trust due to lower car park income from Golden Shoe Car Park. Car park income for the Group was higher due to contribution from CapitaGreen.
- (3) Other income includes the following:
- (a) Yield stabilization income of S\$1.3 million was accrued in FY 2016 for Twenty Anson (FY 2015: S\$1.4 million). Please refer to note (3)(a) of page 4 for additional information; and
- (b) Recovery from tenants, licence and other income which was lower in FY 2016 versus FY 2015 due mainly to lower tenant recoveries. The decrease was mitigated by contribution from CapitaGreen's tenant recoveries.
- (4) At the Group level, the higher property tax for FY 2016 from last year was primarily due to consolidation of MSO Trust's property tax after the acquisition on 31 August 2016. At the Trust level, the higher property tax for FY 2016 was from Twenty Anson when the property was transferred from FirstOffice Pte. Ltd. (a special purpose vehicle) to CCT in July 2015.
- (5) At the Group level, the increase in other property operating expenses for FY 2016 vis-a-vis FY 2015 was due to the consolidation of MSO Trust's property operating expenses. In addition, higher leasing commission, property reimbursement expenses and ad-hoc maintenance and repairs also resulted in the increase.
- (6) The following items have been included in arriving at net property income:

	Group			Trust		
	FY 2016 S\$'000	FY 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %
Depreciation and amortisation of lease incentives	1,891	1,541	22.7	1,475	1,450	1.7

- (7) Interest income includes the following:

	Group			Trust		
	FY 2016 S\$'000	FY 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %
Interest income from cash balance	632	313	NM	504	246	NM
Interest income from unitholder's loan to MSO Trust <sup>(7a)</sup>	3,279	3,666	(10.6)	7,912	3,666	NM
Interest income from shareholder's loan to FOPL <sup>(7b)</sup>	-	-	-	-	6,111	NM
Total	3,911	3,979	(1.7)	8,416	10,023	(16.0)

- (7a) At the Trust level, the increase in interest income in FY 2016 from FY 2015 was due to more unitholder's loans extended to MSO Trust (owns CapitaGreen) as well as higher interest rate for the loan. At the Group level, interest income from unitholder's loans to MSO Trust was only accounted for the periods from January to August 2016, prior to MSO Trust being a wholly owned subsidiary of CCT.
- (7b) FOPL repaid the shareholder's loan from CCT on 1 July 2015, resulting in nil interest income for FY 2016 as compared with S\$6.1 million for FY 2015.
- (8) At the Trust level, investment income for FY 2016 relates to distributions from RCS Trust, MSO Trust and MQREIT, while FY 2015 relates to distributions from RCS Trust and MQREIT. At the Group level, investment income for FY 2016 relates to distribution from MQREIT.
- (9) 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.

NM – Not Meaningful



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- (10) This relates to cost incurred in the acquisition of 60% units in MSO Trust, which comprises mainly acquisition fees. The amount does not affect distributable income.
- (11) Trust expenses were lower for FY 2016 as compared with FY 2015 due mainly to lower unitholders expenses incurred.
- (12) Finance costs include the following:

	Group			Trust		
	FY 2016 S\$'000	FY 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %
Interest cost <sup>(12a)</sup>	45,070	32,422	39.0	35,571	32,422	9.7
Amortisation and transaction costs <sup>(12b)</sup>	4,994	3,610	38.3	4,627	3,596	28.7
Total	50,064	36,032	38.9	40,198	36,018	11.6

- (12a) The increase in interest cost for FY 2016 for the Trust was due to CCT's acquisition of 60% units of MSO Trust funded by borrowings. For the Group, consolidation of MSO Trust's interest cost from bank borrowings also contributed to the increase.
- (12b) For the Trust, higher amortisation and transaction costs in FY 2016 versus FY 2015 were primarily due to amortisation of upfront fees incurred on new bank borrowings. For the Group, consolidation of MSO Trust's amortization and transaction also contributed to the increase.
- (13) Share of profit of associate in FY 2015 relates to CCT's then 30% share of MQREIT's results. Investment by CCT in MQREIT was reduced to 17.7% in 1Q 2015 and reclassified to an available-for-sale investment. Therefore, there was no share of profit of associate in FY 2016.
- (14) For FY 2016, share of profit of joint ventures relates to CCT's 60% interest of RCS Trust for FY 2016 and CCT's 40% interest of MSO Trust up to 31 August 2016. For FY 2015, share of profit of joint ventures relates to CCT's 60% interest of RCS Trust and CCT's 40% interest of MSO Trust. The details are as follows:

	Group		
	FY 2016 S\$'000	FY 2015 S\$'000	Change %
Gross revenue <sup>(14a)</sup>	160,686	155,931	3.0
Property operating expenses <sup>(14b)</sup>	(39,900)	(43,615)	(8.5)
Net property income <sup>(14a)</sup>	120,786	112,316	7.5
Finance costs <sup>(14c)</sup>	(28,350)	(32,652)	(13.2)
Net change in fair value of investment properties <sup>(14d)</sup>	3,333	25,820	(87.1)
Trust and other expenses <sup>(14e)</sup>	(10,056)	(9,974)	0.8
Net profit of joint ventures (after tax)	85,713	95,510	(10.3)

- (14a) The increase in gross revenue and net property income was largely due to contributions from progressive commencement of leases at CapitaGreen. CCT's 40% interest in gross revenue of MSO Trust was S\$19.9 million for the periods from January 2016 to August 2016 compared with FY 2015 of S\$15.3 million. CCT's 40% interest in MSO Trust's net property income was S\$15.7 million for the periods January 2016 to August 2016 in contrast to S\$8.4 million for FY 2015.
- (14b) Lower property operating expenses in FY 2016 from FY 2015 were due to operating expenses of CapitaGreen being accounted only for the periods from January to August 2016 as well as a one-off reversal of property tax of S\$1.0 million (CCT's 40% interest) in August 2016 arising from successful appeal for lower annual values for property tax assessment. In addition, lower utilities, marketing and consultancy expenses also contributed to the decline in property operating expense.
- (14c) FY 2016 finance cost of S\$28.4 million was S\$4.3 million or 13.2% lower than that of FY 2015 due largely to MSO Trust's finance costs being accounted only for the periods from January to August 2016. In addition, RCS Trust's finance cost also declined S\$3.6 million year-on-year as a result of lower cost of borrowings and amortization and transaction costs.
- (14d) The net change in fair value of investment properties in FY 2016 comprises S\$11.2 million loss for Raffles City Singapore (CCT's 60% interest) and S\$14.6 million gain for CapitaGreen (CCT's 40% interest) (FY 2015: S\$7.9 million gain for Raffles City Singapore and S\$17.9 million gain for CapitaGreen).
- (14e) Includes asset management fees.

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- (15) Dilution (loss) / gain on investment in associate for FY 2015 relates to the marked-to-market (loss) / gain on the investment of MQREIT when it was reclassified from an investment in associate to an available-for-sale investment in 1Q 2015.
- (16) The impairment loss of available-for-sale investment was due to prolonged adverse movement of MYR/S\$ exchange rate and a drop in quoted price of MQREIT units which was recognized in 2Q 2016. This amount does not have an impact on CCT's distributable income.
- (17) On 31 August 2016, the Group completed the acquisition of 60% interest in MSO Trust and MSO Trust is now a wholly owned subsidiary of CCT. The net loss on acquisition of subsidiary of S\$2.4 million was derived from the loss of S\$8.5 million recognized mainly due to the realisation of its initial 40% share of MSO Trust's hedging reserve, prior to the acquisition of the 60% interest in MSO Trust, which was offset by the gain of S\$6.1 million from the acquisition. This amount does not affect distributable income.
- (18) This relates to the net increase in property values over its carrying values, arising from the independent valuations carried out half yearly.
- (19) This relates to the tax on the distribution received from MQREIT and the yield stabilization sum for Twenty Anson as well as MSO Trust's income tax.
- (20) Included in net tax and other adjustments are the following:

	Group			Trust		
	FY 2016 S\$'000	FY 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %
Asset management fee paid and payable in Units	3,713	3,841	(3.3)	3,713	3,841	(3.3)
Trustee's fees	708	644	9.9	687	644	6.7
Amortisation and transaction costs	4,994	3,610	38.3	4,627	3,596	28.7
Costs associated with acquisition of subsidiary	10,701	-	NM	10,701	-	NM
Net profits from subsidiaries <sup>(20a)</sup>	(89)	(2,436)	(96.3)	-	-	-
Tax-exempt income retained <sup>(20b)</sup>	(6,749)	(763)	NM	(6,749)	(3,187)	NM
Other items	1,864	1,878	(0.8)	330	1,596	(79.3)
Total	15,142	6,774	NM	13,309	6,490	NM

- (20a) Included in net profits from subsidiaries in FY 2015 were mainly profits from FOPL of S\$2.4 million. The profits of FOPL was negligible in FY 2016 after the transfer of Twenty Anson to CCT in 2015.
- (20b) In FY 2016, tax-exempt income retained for the Group and the Trust relates to Twenty Anson's yield stabilisation sum of S\$1.1 million (net of tax), MSO Trust's tax-exempt income of S\$2.6 million and MQREIT's tax-exempt income of \$3.0 million (FY 2015: tax-exempt income from MQREIT for the Group and the Trust). The retained amount may be used for anticipated capital expenditure and/or distribution to unitholders.
- (21) This relates to the distribution of CCT's tax-exempt income in FY 2015.
- (22) This relates to CCT's 60% interest in RCS Trust's and 40% interest in MSO Trust's distribution (when MSO Trust was classified as a joint venture) in FY 2016. For FY 2015, it relates only to CCT's 60% interest in RCS Trust's distribution.

*NM – Not Meaningful*

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1(b)(i) Statement of Financial Position as at 31 December 2016 vs 31 December 2015

	Note	Group			Trust		
		31 Dec 2016 S\$'000	31 Dec 2015 S\$'000	Change %	31 Dec 2016 S\$'000	31 Dec 2015 S\$'000	Change %
<b>Non-current assets</b>							
Plant and equipment		1,439	1,272	13.1	1,384	1,272	8.8
Investment properties	1	6,590,500	4,961,700	32.8	4,987,500	4,961,700	0.5
Subsidiaries	2	-	-	-	718,043	167,657	NM
Available-for-sale investment	3	44,834	41,621	7.7	44,834	41,621	7.7
Joint ventures	4	1,189,793	1,452,447	(18.1)	864,393	997,780	(13.4)
Intangible asset	5	2,086	3,416	(38.9)	2,086	3,416	(38.9)
Financial derivatives	6	20,624	5,611	NM	17,405	5,611	NM
<b>Total non-current assets</b>		<b>7,849,276</b>	<b>6,466,067</b>	<b>21.4</b>	<b>6,635,645</b>	<b>6,179,057</b>	<b>7.4</b>
<b>Current assets</b>							
Trade and other receivables		41,636	43,540	(4.4)	48,574	43,451	11.8
Cash and cash equivalents		159,962	81,212	97.0	131,537	67,151	95.9
Financial derivatives	6	257	1,726	(85.1)	257	1,726	(85.1)
<b>Total current assets</b>		<b>201,855</b>	<b>126,478</b>	<b>59.6</b>	<b>180,368</b>	<b>112,328</b>	<b>60.6</b>
<b>Total assets</b>	7	<b>8,051,131</b>	<b>6,592,545</b>	<b>22.1</b>	<b>6,816,013</b>	<b>6,291,385</b>	<b>8.3</b>
<b>Current liabilities</b>							
Trade and other payables	8	52,786	37,263	41.7	202,800	199,900	1.5
Current portion of security deposits		8,413	8,611	(2.3)	8,413	8,611	(2.3)
Convertible bonds	9	173,450	-	NM	173,450	-	NM
Current tax payable		1,506	64	NM	226	60	NM
<b>Total current liabilities</b>		<b>236,155</b>	<b>45,938</b>	<b>NM</b>	<b>384,889</b>	<b>208,571</b>	<b>84.5</b>
<b>Non-current liabilities</b>							
Non-current portion of security deposits		52,397	31,848	64.5	32,627	31,848	2.4
Interest-bearing liabilities	10	2,457,182	1,083,623	NM	1,570,692	1,083,623	44.9
Convertible bonds	9	-	171,281	NM	-	171,281	NM
Financial derivatives	6	26,855	25,719	4.4	21,262	25,719	(17.3)
<b>Total non-current liabilities</b>		<b>2,536,434</b>	<b>1,312,471</b>	<b>93.3</b>	<b>1,624,581</b>	<b>1,312,471</b>	<b>23.8</b>
<b>Total liabilities</b>		<b>2,772,589</b>	<b>1,358,409</b>	<b>NM</b>	<b>2,009,470</b>	<b>1,521,042</b>	<b>32.1</b>
<b>Net assets</b>		<b>5,278,542</b>	<b>5,234,136</b>	<b>0.8</b>	<b>4,806,543</b>	<b>4,770,343</b>	<b>0.8</b>
<b>Unitholders' funds</b>		<b>5,278,542</b>	<b>5,234,136</b>	<b>0.8</b>	<b>4,806,543</b>	<b>4,770,343</b>	<b>0.8</b>

NM – Not Meaningful

## CAPITALAND COMMERCIAL TRUST

### 2016 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

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#### Notes:

- (1) At the Group level, the value of the investment properties as at 31 December 2016 was S\$6.6 billion, a significant increase of S\$1.6 billion or 32.8% over the values as at 31 December 2015. This was due to the consolidation of CapitaGreen of S\$1.6 billion, following the completion of the acquisition of 60% interest in MSO Trust as well as increase in property values of CCT's investment properties arising from valuations done as at 31 December 2016.
- (2) At the Trust level, this relates to the investments in wholly owned subsidiaries, CCT MTN Pte. Ltd., FOPL and MSO Trust (consisting of S\$220.4 million of equity investment costs and S\$330.0 million of unitholder's loan to MSO Trust) as at 31 December 2016 (31 December 2015: CCT MTN. Pte. Ltd and FOPL). MSO Trust was reclassified as subsidiary from joint venture following CCT's acquisition of remaining 60% units of MSO Trust on 31 August 2016.
- (3) This relates to CCT's 11.0% stake in MQREIT as at 31 December 2016 (31 December 2015: 17.7% stake).
- (4) This relates to 60% interest in RCS Trust as at 31 December 2016 (31 December 2015: 60% interest in RCS Trust and 40% interest in MSO Trust which also include CCT's unitholder's loan to MSO Trust). The reclassification of MSO Trust from a joint venture to subsidiary resulted in the decrease in joint venture as at 31 December 2016 compared with that as at 31 December 2015.
- (5) This relates primarily to the unamortised yield stabilization sum in relation to Twenty Anson.
- (6) This relates to the fair values of cross currency swaps or interest rate swaps.
- (7) Total assets were S\$8,051.1 million as at 31 December 2016 (31 December 2015: S\$6,592.5 million). Total deposited property value, including CCT's 60% interest in RCS Trust as at 31 December 2016 was S\$8,766.4 million (31 December 2015: S\$7,721.5 million). The increase in total assets and deposited property value was primarily due to CCT's acquisition of 60% interest in MSO Trust that holds CapitaGreen.
- (8) At the Trust level, included in Trade and other payables is the balance purchase consideration of S\$163.1 million payable by the Trust to its subsidiary, FOPL, in respect of the transfer of Twenty Anson on 1 July 2015. At the Group level, trade and other payables as at 31 December 2016 was S\$52.8 million, an increase of S\$15.5 million due mainly to the consolidation of MSO Trust's Trade and other payables of S\$13.0 million.
- (9) This relates to the liability component of CB 2017 of principal amount S\$175.0 million which was measured at amortised cost. The amount has been reclassified from non-current liability to current liability as the maturity date is on 12 September 2017. There are sufficient bank facilities to refinance the liability.
- (10) Interest-bearing liabilities as at 31 December 2016 were S\$2.5 billion, an increase of S\$1.4 billion from 31 December 2015. The increase was largely due to an increase in bank borrowings for the financing of the acquisition of 60% interest in MSO Trust that holds CapitaGreen as well as consolidation of MSO Trust's borrowings.

The interest-bearing liabilities as at 31 December 2016 comprised:

- a) Unsecured fixed rate notes totaling S\$225.0 million; JPY24.9 billion and HKD585.0 million (hedged via cross currency swaps to S\$425.8 million);
- b) Unsecured bank borrowings of S\$936.2 million; and
- c) Secured MSO Trust's bank borrowings of S\$890.0 million.

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.

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

	Group			Trust		
	31 Dec 2016 S\$'000	31 Dec 2015 S\$'000	Change %	31 Dec 2016 S\$'000	31 Dec 2015 S\$'000	Change %
<b>Secured borrowings</b>						
Amount repayable after one year <sup>(1)</sup>	890,000	-	NM	-	-	-
Less: Unamortised portion of transactions costs <sup>(1)</sup>	(3,510)	-	NM	-	-	-
<b>Net secured borrowings after one year</b>	<b>886,490</b>	<b>-</b>	<b>NM</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unsecured borrowings</b>						
Amount repayable after one year	1,572,655	1,258,918	24.9	1,572,655	1,258,918	24.9
Less: Unamortised portion of transactions costs	(1,963)	(4,014)	(51.1)	(1,963)	(4,014)	(51.1)
<b>Net unsecured borrowings after one year</b>	<b>1,570,692</b>	<b>1,254,904</b>	<b>25.2</b>	<b>1,570,692</b>	<b>1,254,904</b>	<b>25.2</b>
Amount repayable within one year	173,886	-	NM	-	-	-
Less: Unamortised portion of transactions costs	(436)	-	NM	-	-	-
<b>Net unsecured borrowings within one year</b>	<b>173,450</b>	<b>-</b>	<b>NM</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total unsecured borrowings</b>	<b>1,744,142</b>	<b>1,254,904</b>	<b>39.0</b>	<b>1,570,692</b>	<b>1,254,904</b>	<b>25.2</b>
<b>Total secured and unsecured borrowings</b>	<b>2,630,632</b>	<b>1,254,904</b>	<b>NM</b>	<b>1,570,692</b>	<b>1,254,904</b>	<b>25.2</b>

Note :

(1) This relates to MSO Trust's borrowings and transactions costs as at 31 December 2016.

**For information only** <sup>(a)</sup>

	For information only		
	31 Dec 2016 S\$'000	31 Dec 2015 S\$'000	Change %
<i>Unsecured borrowings</i>			
<i>Amount repayable after one year</i>	660,000 <sup>(b)</sup>	-	NM
<i>Less: Unamortised portion of transactions costs</i>	(1,489)	-	NM
<i>Net repayable after one year</i>	<b>658,511</b>	<b>-</b>	<b>NM</b>
<i>Total unsecured borrowings</i>	<b>658,511</b>	<b>-</b>	<b>NM</b>
<i>Secured borrowings</i>			
<i>Amount repayable after one year</i>	-	356,000 <sup>(c)</sup>	NM
<i>Less: Unamortised portion of transactions costs</i>	-	(1,764)	NM
<i>Net repayable after one year</i>	-	<b>354,236</b>	<b>NM</b>
<i>Amount repayable within one year</i>	-	626,400 <sup>(b)</sup>	NM
<i>Less: Unamortised portion of transactions costs</i>	-	(742)	NM
<i>Net repayable within one year</i>	-	<b>625,658</b>	<b>NM</b>
<i>Total secured borrowings</i>	-	<b>979,894</b>	<b>NM</b>

Notes:

(a) As at 31 December 2016, this relates to CCT's interest in the aggregate borrowings of RCS Trust which are not included under total borrowings in the statement of financial position of the Group (31 December 2015: relates to CCT's interest in the aggregate borrowings of both RCS Trust and MSO Trust).

(b) This relates to CCT's 60% interest of RCS Trust's borrowings.

(c) This relates to CCT's 40% interest of MSO Trust's borrowings.

NM – Not Meaningful

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**1(c)(i) Statement of Cash Flow (4Q 2016 vs 4Q 2015)**

	Group	
	4Q 2016	4Q 2015
Note	S\$'000	S\$'000
<b>Operating activities</b>		
Total return for the period before tax	74,334	97,108
<b>Adjustments for :</b>		
Share of profit of joint ventures	(7,403)	(29,040)
Amortisation of lease incentives	569	308
Amortisation of intangible asset	561	271
Depreciation of plant and equipment	94	79
Finance costs	18,579	9,593
Interest income	(235)	(1,051)
Loss on disposal of plant and equipment	1	-
Asset management fees paid and payable in Units	934	967
Net increase in fair value of investment properties	(18,412)	(29,059)
Distributions from available-for-sale investment	(1,551)	-
Gain on acquisition of subsidiary - net	(116)	-
Costs associated with acquisition of subsidiary	(234)	-
<b>Operating income before working capital changes</b>	<b>67,121</b>	<b>49,176</b>
<b>Changes in working capital</b>		
Trade and other receivables	(4,740)	(471)
Trade and other payables	27,321	(3,465)
Security deposits	1,653	409
<b>Cash generated from operating activities</b>	<b>91,355</b>	<b>45,649</b>
Tax expenses paid	-	-
<b>Net cash from operating activities</b>	<b>91,355</b>	<b>45,649</b>
<b>Investing activities</b>		
Capital expenditure on investment properties	(14,874)	(6,565)
Purchase of plant and equipment	(2)	(47)
Distribution received from available-for-sale investment	1,551	-
Distributions received from joint ventures	22,809	20,724
Interest income received	116	249
Acquisition of subsidiary	(14,626)	-
<b>Net cash (used in) / from investing activities</b>	<b>(5,026)</b>	<b>14,361</b>
<b>Financing activities</b>		
Interest paid	(43,870)	(9,580)
Distribution to unitholders	(6,425)	(6,370)
Proceeds from interest-bearing liabilities	14,600	176,000
Repayment of interest-bearing liabilities	-	(200,000)
<b>Net cash used in financing activities</b>	<b>(35,695)</b>	<b>(39,950)</b>
<b>Net increase in cash and cash equivalents</b>	<b>50,634</b>	<b>20,060</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>109,328</b>	<b>61,152</b>
<b>Cash and cash equivalents at end of period</b>	<b>159,962</b>	<b>81,212</b>

Notes:

(1) This relates to the proceeds from bank borrowings in 4Q 2016.

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**1(c)(ii) Statement of Cash Flow (FY 2016 vs FY 2015)**

Note	Group	
	FY 2016 S\$'000	FY 2015 S\$'000
<b>Operating activities</b>		
Total return for the year before tax	261,846	307,429
<b>Adjustments for :</b>		
Share of profit of associate and joint ventures	(85,713)	(97,330)
Amortisation of lease incentives	1,552	1,238
Amortisation of intangible asset	1,330	1,406
Depreciation of plant and equipment	339	303
Finance costs	50,064	36,032
Loss on disposal of plant and equipment	1	-
Interest income	(3,911)	(3,979)
Impairment on available-for-sale investment	8,916	-
Asset management fees paid and payable in Units	3,713	3,841
Net gain in fair value of investment properties	(27,055)	(66,452)
Dilution loss on investment in associate	-	18,903
Distribution from available-for-sale investment	(4,920)	(871)
Loss on acquisition of subsidiary - net	2,446	-
Costs associated with acquisition of subsidiary	10,701	-
Foreign exchange loss	-	353
<b>Operating income before working capital changes</b>	<b>219,309</b>	<b>200,873</b>
<b>Changes in working capital</b>		
Trade and other receivables	(6,219)	(2,360)
Trade and other payables	(11,817)	(2,329)
Security deposits	2,111	723
<b>Cash generated from operations</b>	<b>203,384</b>	<b>196,907</b>
Tax expenses paid	(308)	(88)
<b>Net cash generated from operating activities</b>	<b>203,076</b>	<b>196,819</b>
<b>Investing activities</b>		
Capital expenditure on investment properties	(17,108)	(21,131)
Purchase of plant and equipment	(199)	(173)
Distribution received from available-for-sale investment	4,920	786
Distributions received from associate & joint ventures	90,729	87,167
Interest income received	19,156	1,020
Acquisition of subsidiary	(356,884)	-
Loan to joint venture	-	(4,000)
<b>Net cash (used in) / from investing activities</b>	<b>(259,386)</b>	<b>63,669</b>
<b>Financing activities</b>		
Interest paid	(71,536)	(33,418)
Distribution to unitholders	(257,054)	(251,943)
Proceeds from interest-bearing liabilities	738,650	490,000
Repayment of interest-bearing liabilities	(275,000)	(485,000)
<b>Net cash from / (used in) financing activities</b>	<b>135,060</b>	<b>(280,361)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>78,750</b>	<b>(19,873)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>81,212</b>	<b>101,085</b>
<b>Cash and cash equivalents at end of the year</b>	<b>159,962</b>	<b>81,212</b>

Notes:

- (1) The amount comprised of purchase consideration as well as the assumptions of unitholders' loan.
- (2) This relates to the proceeds from bank borrowings of S\$561.2 million and issuance of S\$75.0 million and HKD585.0 million fixed rate notes. The HKD585.0 million fixed rate notes have been hedged via cross currency interest rate swaps to notional principal amount of S\$102.5 million at an interest rate of 2.7% per annum.
- (3) This relates to the repayment of bank borrowings.

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1(d)(i) Statement of movement in unitholders' funds (4Q 2016 vs 4Q 2015)

	Note	Group		Trust	
		4Q 2016 S\$'000	4Q 2015 S\$'000	4Q 2016 S\$'000	4Q 2015 S\$'000
<b>Net assets as at beginning of period</b>		<b>5,176,634</b>	<b>5,136,999</b>	<b>4,711,322</b>	<b>4,680,881</b>
<b>Operations</b>					
Total return for the period		73,502	97,050	88,292	90,059
<b>Unitholders' transactions</b>					
Creation of units:					
- Units issued in respect of RCS Trust's asset management fees		1,205	2,211	1,205	2,211
- Asset management fee paid and payable in Units		1,240	956	1,240	956
<b>Net increase in net assets resulting from unitholders' transactions</b>		<b>2,445</b>	<b>3,167</b>	<b>2,445</b>	<b>3,167</b>
<b>Movement in reserves</b>					
- Available-for-sale reserve	1	(4,253)	(2,746)	(4,253)	(2,746)
- Hedging reserves	2	30,214	(334)	8,737	(1,018)
<b>Net increase / (decrease) in net assets resulting from movement in</b>		<b>25,961</b>	<b>(3,080)</b>	<b>4,484</b>	<b>(3,764)</b>
<b>Net increase in net assets</b>		<b>101,908</b>	<b>97,137</b>	<b>95,221</b>	<b>89,462</b>
<b>Net assets as at end of the period</b>		<b>5,278,542</b>	<b>5,234,136</b>	<b>4,806,543</b>	<b>4,770,343</b>

Notes:

- (1) This relates to marked to market movement of MQREIT.
- (2) 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 and HKD notes. Included in movement for the Group was the subsidiary's (MSO Trust) and the Group's share of movement in hedging reserves of the joint ventures.

1(d)(ii) Statement of movement in unitholders' funds (FY 2016 vs FY 2015)

	Note	Group		Trust	
		FY 2016 S\$'000	FY 2015 S\$'000	FY 2016 S\$'000	FY 2015 S\$'000
<b>Net assets as at beginning of the year</b>		<b>5,234,136</b>	<b>5,153,488</b>	<b>4,770,343</b>	<b>4,690,828</b>
<b>Operations</b>					
Total return for the period		260,623	307,280	270,255	317,187
<b>Unitholders' transactions</b>					
Creation of new units:					
- Units issued in respect of RCS Trust's asset management fees		5,813	8,846	5,813	8,846
- Asset management fee paid and payable in Units		4,680	3,800	4,680	3,800
- Acquisition fees paid in Units		8,003	-	8,003	-
Distributions to unitholders		(257,054)	(251,943)	(257,054)	(251,943)
<b>Net decrease in net assets resulting from unitholders' transactions</b>		<b>(238,558)</b>	<b>(239,297)</b>	<b>(238,558)</b>	<b>(239,297)</b>
<b>Movement in reserves</b>					
- Available-for-sale reserve	1	12,129	(12,486)	12,129	(12,486)
- Foreign currency translation reserves	2	-	10,010	-	-
- Hedging reserves	3	10,212	15,141	(7,626)	14,111
<b>Net increase in net assets resulting from movement in reserves</b>		<b>22,341</b>	<b>12,665</b>	<b>4,503</b>	<b>1,625</b>
<b>Net increase in net assets</b>		<b>44,406</b>	<b>80,648</b>	<b>36,200</b>	<b>79,515</b>
<b>Net assets as at end of the year</b>		<b>5,278,542</b>	<b>5,234,136</b>	<b>4,806,543</b>	<b>4,770,343</b>



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Notes:

- 1) This relates to marked to market movement of MQREIT. Included in the movement in FY 2016 was the reclassification of S\$8.9 million to the income statement due to the assessment on impairment of this available-for-sale investment during the year.
- 2) The movement in foreign currency translation reserves in FY 2015 relates to movement in translating CCT's 30% interest in MQREIT, which was denominated in Malaysian Ringgit, when it was classified as an investment in associate.
- 3) 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 and HKD notes. Included in movement for the Group was the subsidiary's (MSO Trust) and the Group's share of movement in hedging reserves of the joint ventures.

**Convertible Bonds**

<b>Principal Amount Outstanding</b>	<b>Maturity Date</b>	<b>Conversion Price per Unit as at 31 Dec 2016</b>
<b><u>CB 2017</u></b>		
S\$175.0 million 2.5 per cent.	12 September 2017	1.4816

Assuming all the CB 2017 were fully converted based on the conversion price, the number of new units to be issued would be 118,115,550, representing 4.0% of the total number of CCT units in issue as at 31 December 2016 (2,963,491,301 Units). In comparison, this was against 113,569,991 Units at the conversion price of S\$1.5409 as at 31 December 2015, representing 3.8% of the total number of CCT units in issue as at 31 December 2015 (2,952,931,319 Units).

**1(e)(i) Details of any change in the units (4Q 2016 vs 4Q 2015)**

	<b>Group and Trust</b>	
	<b>4Q 2016 Units</b>	<b>4Q 2015 Units</b>
<b>Units in issue as at beginning of period</b>	<b>2,962,543,658</b>	<b>2,950,563,218</b>
New Units issued:		
- As payment of asset management fee in relation to RCS Trust (CCT's 60% interest) <sup>(1)</sup>	755,895	1,653,441
- As payment of asset management fees in relation to Wilkie Edge and One George Street <sup>(1)</sup>	191,748	714,660
<b>Total issued units as at end of period</b>	<b>2,963,491,301</b>	<b>2,952,931,319</b>
Estimated new Units to be issued in 1Q 2017:		
- for settlement of the asset management fees in relation to Wilkie Edge and One George Street <sup>(2)</sup>	1,892,225	-
<b>Total Units issued and estimated new Units to be issued</b>	<b>2,965,383,526</b>	<b>2,952,931,319</b>

Notes:

- (1) For 4Q 2016, it relates to payment of base component of asset management fees for 3Q 2016. For 4Q 2015, it relates to payment of both base and performance components of asset management fees for 3Q 2015.
- (2) Estimated new Units to be issued in 1Q 2017 for payment of performance component of the asset management fees for FY 2016 and base fees component for 4Q 2016.

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**1(e)(ii) Details of any change in the units (FY 2016 vs FY 2015)**

	<b>Group and Trust</b>	
	<b>FY 2016 Units</b>	<b>FY 2015 Units</b>
<b>Units in issue as at beginning of year</b>	<b>2,952,931,319</b>	<b>2,944,849,310</b>
New Units issued:		
- As payment of asset management fee in relation to RCS Trust (CCT's 60% interest) <sup>(1)</sup>	4,062,434	5,652,478
- As payment of asset management fees in relation to Wilkie Edge and One George Street <sup>(1)</sup>	1,331,312	2,429,531
- Acquisition fees paid in Units <sup>(2)</sup>	5,166,236	-
<b>Units in issue as at end of year</b>	<b>2,963,491,301</b>	<b>2,952,931,319</b>
Estimated new Units to be issued in 1Q 2017:		
- in settlement of the asset management fees in relation to Wilkie Edge and One George Street <sup>(3)</sup>	1,892,225	-
<b>Total Units issued and estimated new Units to be issued:</b>	<b>2,965,383,526</b>	<b>2,952,931,319</b>

Notes:

- (1) For FY 2016, it relates to payment of asset management fees for 4Q 2015 (base and performance components) as well as payment of base component of asset management fees from January to September 2016. For FY 2015, it relates to payment of both base and performance components of asset management fees for 4Q 2014 and for the periods from January to September 2015.
- (2) This relates to the acquisition fees for 60% units in MSO Trust.
- (3) Estimated new Units to be issued in 1Q 2017 for payment of performance fees component of the asset management fees for FY 2016 and base fee component for 4Q 2016.

**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 2015.

**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 2016 vs 4Q 2015)**

	Note	Group		Trust	
		4Q 2016	4Q 2015	4Q 2016	4Q 2015
<b><u>Basic EPU</u></b>					
Weighted average number of Units in issue		2,963,183,148	2,952,107,632	2,963,183,148	2,952,107,632
Based on weighted average number of Units in issue	1	2.48¢	3.29¢	2.98¢	3.05¢
<b><u>Diluted EPU</u></b>					
Weighted average number of Units in issue (diluted)		3,086,836,138	3,065,677,623	3,086,824,976	3,065,677,623
Based on weighted average number of Units in issue (diluted)	2	2.43¢	3.22¢	2.91¢	2.99¢

**EPU (FY 2016 vs FY 2015)**

	Note	Group		Trust	
		FY 2016	FY 2015	FY 2016	FY 2015
<b><u>Basic EPU</u></b>					
Weighted average number of Units in issue		2,957,951,214	2,948,985,161	2,957,951,214	2,948,985,161
Based on weighted average number of Units in issue	1	8.81¢	10.42¢	9.14¢	10.76¢
<b><u>Diluted EPU</u></b>					
Weighted average number of Units in issue (diluted)		3,081,612,560	3,062,555,152	3,081,609,747	3,062,555,152
Based on weighted average number of Units in issue (diluted)	2	8.67¢	10.24¢	8.98¢	10.57¢

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 and assumed issuance of Units for the payment of unpaid asset management fees.

**Distribution per unit ("DPU")**

In computing 4Q 2016 and FY 2016 DPU, the number of Units as at 31 December 2016 was used for the computation.

	Note	4Q 2016	4Q 2015	FY 2016	FY 2015
Number of Units in issue		2,963,491,301	2,952,931,319	2,963,491,301	2,952,931,319
<b>DPU for period</b>	1	2.39¢ <sup>1</sup>	2.17¢	9.08¢ <sup>1</sup>	8.62¢

Note:

- (1) The estimated DPU for 4Q 2016 and FY 2016 were computed on the basis that none of the CB 2017 is converted into 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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7 Net asset value ("NAV") / Net tangible asset ("NTA") per Unit based on Units in issue at the end of the period.

Note	Group		Trust		
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015	
Number of Units in issue at end of the period	2,963,491,301	2,952,931,319	2,963,491,301	2,952,931,319	
NAV (S\$'000)	5,278,542	5,234,136	4,806,543	4,770,343	
NTA (S\$'000)	5,276,456	5,230,720	4,804,457	4,766,927	
<b>NAV per Unit</b>	1	\$1.78	\$1.77	\$1.62	\$1.62
<b>NTA per Unit</b>	1	\$1.78	\$1.77	\$1.62	\$1.61
<b>Adjusted NAV / NTA per Unit (excluding the distributable income to unitholders)</b>		\$1.73	\$1.73	\$1.57	\$1.57

Note:

(1) NAV and NTA per Unit was computed based on NAV and NTA over the number of Units in issue as at end of the period respectively.

8 Review of the performance

**Statement of Total Return**

	Group					
	4Q 2016	4Q 2015	Change	FY 2016	FY 2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	89,726	67,599	32.7	298,577	273,219	9.3
Property operating expenses	(18,956)	(15,345)	23.5	(67,300)	(60,467)	11.3
<b>Net property income</b>	<b>70,770</b>	<b>52,254</b>	<b>35.4</b>	<b>231,277</b>	<b>212,752</b>	<b>8.7</b>
Interest income	235	1,051	(77.6)	3,911	3,979	(1.7)
Investment income	1,551	-	NM	4,920	871	NM
Amortisation of intangible asset	(561)	(271)	NM	(1,330)	(1,406)	(5.4)
Costs associated with acquisition of subsidiary	234	-	-	(10,701)	-	NM
Asset management fees:						
- Base fees	(1,762)	(1,325)	33.0	(5,854)	(5,131)	14.1
- Performance fees	(2,883)	(2,237)	28.9	(9,288)	(9,307)	(0.2)
Trust expenses	(602)	(870)	(30.8)	(2,431)	(3,176)	(23.5)
Finance costs	(18,579)	(9,593)	93.7	(50,064)	(36,032)	38.9
<b>Net income before share of profit of associate and joint ventures</b>	<b>48,403</b>	<b>39,009</b>	<b>24.1</b>	<b>160,440</b>	<b>162,550</b>	<b>(1.3)</b>
Share of profit (net of tax) of:						
- Associate	-	-	-	-	1,820	NM
- Joint ventures	7,403	29,040	(74.5)	85,713	95,510	(10.3)
<b>Net income</b>	<b>55,806</b>	<b>68,049</b>	<b>(18.0)</b>	<b>246,153</b>	<b>259,880</b>	<b>(5.3)</b>
Dilution loss on investment in associate	-	-	-	-	(18,903)	NM
Impairment on available-for-sale investment	-	-	-	(8,916)	-	NM
Gain / (Loss) on acquisition of subsidiary - net	116	-	NM	(2,446)	-	NM
Net gain in fair value of investment properties	18,412	29,059	-	27,055	66,452	(59.3)
<b>Total return for the period before tax</b>	<b>74,334</b>	<b>97,108</b>	<b>(23.5)</b>	<b>261,846</b>	<b>307,429</b>	<b>(14.8)</b>
Tax expense	(832)	(58)	NM	(1,223)	(149)	NM
<b>Total return for the period after tax</b>	<b>73,502</b>	<b>97,050</b>	<b>(24.3)</b>	<b>260,623</b>	<b>307,280</b>	<b>(15.2)</b>

NM – Not Meaningful

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	Group					
	4Q 2016	4Q 2015	Change	FY 2016	FY 2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b><u>Distribution Statement</u></b>						
Net income before share of profit of associate and joint ventures	48,403	39,009	24.1	160,440	162,550	(1.3)
Net tax and other adjustments	(547)	2,809	NM	15,142	6,774	NM
Tax-exempt income distribution	-	296	NM	-	296	NM
Distribution from joint ventures	22,952	22,013	4.3	93,455	84,835	10.2
<b>Distributable income to unitholders</b>	<b>70,808</b>	<b>64,127</b>	<b>10.4</b>	<b>269,037</b>	<b>254,455</b>	<b>5.7</b>
<b>DPU for the period</b>	<b>2.39¢</b>	<b>2.17¢</b>	<b>10.1</b>	<b>9.08¢</b>	<b>8.62¢</b>	<b>5.3</b>
<b>Annualised</b>	<b>9.51¢</b>	<b>8.61¢</b>	<b>10.5</b>	<b>9.08¢</b>	<b>8.62¢</b>	<b>5.3</b>

NM – Not Meaningful

**Review of CCT Group's performance 4Q 2016 vs 4Q 2015**

- a) Gross revenue for 4Q 2016 was S\$89.7 million, an increase of S\$22.1 million or 32.7% over 4Q 2015. The increase was mainly due to contribution from CapitaGreen which was acquired on 31 August 2016 as well as higher revenue from Capital Tower. However, the increase was offset by lower revenue from most of the other properties in CCT portfolio.
- b) Property operating expenses for 4Q 2016 were S\$19.0 million, an increase of S\$3.6 million or 23.5% from 4Q 2015. The increase was mainly due to the consolidation of property expenses of CapitaGreen.
- c) Amortisation expense of S\$0.6 million for 4Q 2016 relates to the amortisation of intangible asset, which was S\$0.3 million or 107.0% higher than 4Q 2015 due to more yield stabilization sum required for Twenty Anson. Amortisation expense does not affect distributable income.
- d) Trust expenses in 4Q 2016 of S\$0.6 million were lower than 4Q 2015 by S\$0.3 million or 30.8% mainly due to lower professional fees and unitholders expenses.
- e) Finance costs of S\$18.6 million for 4Q 2016 were S\$9.0 million or 93.7% higher than the same quarter last year. Consolidation of MSO Trust's finance costs of S\$7.5 million accounted for the bulk of the increase while increased borrowings for the acquisition of 60% interest in MSO Trust (holds CapitaGreen) also resulted in higher finance costs.
- f) Share of profit of joint ventures for 4Q 2016 relates to CCT's 60% interest in RCS Trust.
- g) The distributable income to unitholders of S\$70.8 million for 4Q 2016 was S\$6.7 million or 10.4% higher than that of 4Q 2015. The bulk of the increase was contributed by MSO Trust (holds CapitaGreen).

**Review of CCT Group's performance FY 2016 vs FY 2015**

- h) Gross revenue for FY 2016 was S\$298.6 million, an increase of S\$25.4 million or 9.3% from FY 2015. The increase was mainly due to contribution of S\$28.6 million from CapitaGreen and higher revenue from Six Battery Road, Twenty Anson and Bugis Village. The increase was offset by lower revenue from the other properties in CCT portfolio.
- i) Property operating expenses for FY 2016 of S\$67.3 million were higher than FY 2015 by S\$6.8 million or 11.3%. The increase was mainly due to consolidation of property expenses of CapitaGreen of S\$5.3 million following completion of remaining 60% interest in MSO Trust on 31 August 2016 as well as higher leasing commission, property reimbursement expenses, maintenance and repairs.
- j) Amortisation expense relates to the amortisation of intangible asset. The amount for FY 2016 of S\$1.3 million was lower than FY 2015 of S\$1.4 million due to less yield stabilization sum required for Twenty Anson. Amortisation expense does not affect distributable income.

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- k) Costs associated with acquisition of subsidiary relates mainly to acquisition fees incurred in respect of the acquisition of 60% units in MSO Trust, professional fees and other cost relating to the acquisition.
- l) Trust expenses in FY 2016 of S\$2.4 million were lower than FY 2015 by S\$0.7 million or 23.5% mainly due to lower professional fees and unitholders expenses.
- m) Finance costs for FY 2016 were S\$50.1 million, an increase of S\$14.0 million or 38.9% higher from FY 2015. The increase in finance costs was due to higher borrowings incurred for the acquisition of 60% units in MSO Trust (holds CapitaGreen) as well as the consolidation of MSO Trust's finance costs of S\$9.9 million.
- n) Share of profit of joint ventures for FY 2016 relates to CCT's 60% interest in RCS Trust and 40% interest in MSO Trust (MSO Trust's share of profit was for the periods from January to August 2016).
- o) The distributable income to unitholders in FY 2016 of S\$269.0 million was S\$14.6 million or 5.7% higher than FY 2015 of S\$254.5 million. The bulk of the increase was contributed by MSO Trust (holds CapitaGreen).

**9 Variance from Previous Forecast / Prospect Statement**

**Statement of Total Return and distribution statement**

Gross revenue			
Property operating expenses			
<b>Net property income</b>			
Interest income			
Investment income			
Amortisation of intangible asset			
Costs associated with acquisition of subsidiary			
Asset management fees:			
- Base fees			
- Performance fees			
Trust expenses			
Finance costs			
<b>Net income before share of profit of associate and joint ventures</b>			
Share of profit (net of tax) of:			
- Joint venture			
<b>Net income</b>			
Gain on acquisition of subsidiary - net			
Net gain in fair value of investment properties			
<b>Total return for the period before tax</b>			
Tax expense			
<b>Total return for the period after tax</b>			
<b><u>Distribution Statement</u></b>			
Net income before share of profit of associate and joint ventures			
Net tax and other adjustments			
Distribution from joint ventures			
<b>Distributable income to unitholders</b>			
<b>DPU for the period</b>			
<b>Annualised</b>			

Note	Group		
	Actual 4Q 2016 S\$'000	Forecast 4Q 2016 S\$'000	Change %
1	89,726	90,007	(0.3)
2	(18,956)	(22,028)	(13.9)
	<b>70,770</b>	<b>67,979</b>	<b>4.1</b>
	235	88	NM
	1,551	-	NM
	(561)	(517)	8.5
3	234	(11,103)	NM
	(1,762)	(1,792)	(1.7)
	(2,883)	(2,412)	19.5
	(602)	(242)	NM
	(18,579)	(20,966)	(11.4)
	<b>48,403</b>	<b>31,035</b>	<b>56.0</b>
4	7,403	17,265	(57.1)
	<b>55,806</b>	<b>48,300</b>	<b>15.5</b>
	116	-	NM
5	18,412	-	-
	<b>74,334</b>	<b>48,300</b>	<b>53.9</b>
	(832)	(88)	NM
	<b>73,502</b>	<b>48,212</b>	<b>52.5</b>
	48,403	31,035	56.0
	(547)	14,528	NM
	22,952	20,943	9.6
6	<b>70,808</b>	<b>66,506</b>	<b>6.5</b>
6	<b>2.39¢</b>	<b>2.24¢</b>	<b>6.7</b>
	<b>9.51¢</b>	<b>8.91¢</b>	<b>6.7</b>

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## 2016 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

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### Notes:

- (1) The forecast was based on CCT's circular dated 21 June 2016 in relation to the proposed acquisition of 50% and 10% interests in MSO Trust from CapitaLand Limited and Mitsubishi Estate Asia respectively.
- (2) Property operating expenses in 4Q 2016 were lower than forecast due to lower property tax, utilities and a one-off reversal of marketing commission at CapitaGreen of S\$1.8 million.
- (3) The cost associated with acquisition of subsidiary was recognized in 3Q 2016 and the excess provision was reversed in 4Q 2016.
- (4) The lower share of profit of joint venture in 4Q 2016 was due to S\$12.1 million net loss in fair value of investment property of joint venture.
- (5) Net gain in fair value of investment properties were not included in the forecast.
- (6) Higher distributable income to unitholders was mainly due to higher distributions from MSO Trust and RCS Trust.

### 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**

CCT's distributable income for 4Q 2016 of S\$70.8 million increased by 10.4% from that of 4Q 2015. The increase arose from better performance of gross revenue of S\$89.7 million and net property income of S\$70.8 million which grew by 32.7% and 35.4% respectively from 4Q 2015. The strong growth in revenue and net property income was attributed mainly to CapitaGreen's contribution to CCT Group's revenue and net property income following the completion of the acquisition of the remaining 60% interest on 31 August 2016. Higher distributions from RCS Trust that holds Raffles City Singapore also added to the sterling performance.

The completion of CapitaGreen's acquisition has given CCT's DPU a boost this quarter and will continue to contribute to CCT Group's performance. It has also significantly contributed to the enlargement of the Trust's deposited property value, which increased by 13.5% to S\$8.8 billion as at 31 December 2016. The redevelopment of CapitaGreen is a testament to CCT's successful execution of portfolio reconstitution strategy which has resulted in sustainable value creation for the Trust.

The Manager has announced the intention to redevelop Golden Shoe Car Park into a Grade A commercial development with gross floor area of approximately one million square feet that is expected to generate long-term value to unitholders. The redevelopment is subject to authorities' approval for the conversion of the current zoning of "transport" to "commercial", the differential premium payable and financial feasibility. The operation of GSCP car park and commercial space is expected to cease by 31 July 2017.

The Manager has appointed Cushman & Wakefield to conduct an Expression of Interest ("EOI") exercise for the proposed sale of Wilkie Edge. There is no certainty that the sale will materialize. The non-binding EOI closes on 19 January 2017 and the Manager will then evaluate all options, which may or may not result in the sale of Wilkie Edge.

Despite market headwinds, CCT's portfolio has remained resilient with 97.1% occupancy rate which is higher than core central business district ("Core CBD") market occupancy rate of 95.8% in 4Q 2016. With proactive leasing efforts, only about 6% of leases by occupied office net lettable area are due for renewal in 2017. We will continue with our proactive efforts to attract and retain tenants to mitigate leasing risk.

CCT has S\$175.0 million of convertible bonds that will mature on 12 September 2017. The current conversion price is S\$1.4816 per unit. The conversion price will be revised lower after the payment of 2H 2016 distributable income. The indicative adjusted conversion price will be S\$1.4265 per unit. The adjustment to the conversion price will take effect on 27 February 2017, being the date on which the distribution will be paid to CCT unitholders. On a pro-forma basis, assuming the conversion took place before the books closure date and assuming no interest savings, the 2H 2016 DPU would be reduced by 0.18 cents, representing about 4% decline in DPU. On the other hand, the aggregate leverage would improve from 37.8% to 35.8%. The Manager will continue to monitor and evaluate various options in relation to the convertible bonds nearer the maturity date.

CCT has a cumulative amount of retained net tax-exempt income of S\$20.4 million, largely from MQREIT's preceding distributions. This amount translates to S\$0.68 cents per unit as at 31 December 2016. The Manager will evaluate various options for the utilization of total amount of tax-exempt income retained, including for capital expenditure or future distributions to unitholders.

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### Outlook for 2017

Average monthly Grade A office market rent eased by 2.2% quarter-on-quarter to S\$9.10 per square foot, on the back of uncertain economic microenvironment and stiff competition among office landlords for tenants. However, Singapore's Core CBD occupancy rate remained stable at 95.8% in 4Q 2016 despite the completion of a new, sizable office development in the quarter. Pre-commitment levels at new office buildings that are under construction have also been increasing, which demonstrates on-going leasing interests. Despite the challenging near-term market conditions, Singapore will remain an attractive office location especially for multinational corporations for the long term.

Average monthly Grade A office market rent declined by about 20% since 1Q 2015. With CCT's Grade A office buildings' expiring rents being above market rental rates, it is expected to have downward pressure on CCT's Grade A office rental revenue although the continued strong contribution of CapitaGreen will mitigate the impact. The Manager will also continue its proactive leasing efforts to minimize the impact of negative rent reversions.

### 11 Distributions

Any distributions declared for the current financial period? Yes.

Name of distribution Distribution for the period from 1 July 2016 to 31 December 2016

Distribution type Taxable income

Estimated Distribution rate <sup>(1)</sup> Taxable income distribution: 4.69 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%.

Books closure date: 26 January 2017

Date payable 27 February 2017

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 2015 to 31 December 2015

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

Distribution rate i) Taxable income distribution: 4.30 cents per unit  
iii) 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

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

Not applicable.

**13 General mandate relating to interested party transactions**

CCT has not obtained a general mandate from unitholders for Interested Person Transactions.

**14 Confirmation that issuer has procured undertakings from all of its Directors and Executive Officers (in the format set out in Appendix 7.7) under Rule 720(1)**

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

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**15 Segmental Results**

	Note	FY 2016 S\$'000	FY 2015 S\$'000	Change %	Percentage of Total Gross Revenue	
					FY 2016 %	FY 2015 %
<b>Total Gross Revenue by business segments</b>						
<b>Office buildings</b>						
Capital Tower		69,847	70,469	(0.9)	23.4	25.8
Six Battery Road		69,543	68,709	1.2	23.3	25.2
One George Street	1	50,145	52,024	(3.6)	16.8	19.0
CapitaGreen	2	28,628	-	NM	9.6	-
Other Office buildings		42,715	42,586	0.3	14.3	15.6
<b>Total Office buildings</b>		<b>260,878</b>	<b>233,788</b>	<b>11.6</b>	<b>87.4</b>	<b>85.6</b>
<b>Car park and Other Mixed-use buildings</b>		<b>37,699</b>	<b>39,431</b>	<b>(4.4)</b>	<b>12.6</b>	<b>14.4</b>
<b>Total gross revenue</b>		<b>298,577</b>	<b>273,219</b>	<b>9.3</b>	<b>100.0</b>	<b>100.0</b>

	Note	FY 2016 S\$'000	FY 2015 S\$'000	Change %	Percentage of Total Net Property Income	
					FY 2016 %	FY 2015 %
<b>Net Property Income by business segments</b>						
<b>Office buildings</b>						
Capital Tower		51,799	52,108	(0.6)	22.4	24.5
Six Battery Road		53,131	53,666	(1.0)	23.0	25.2
One George Street	1	38,025	40,636	(6.4)	16.4	19.1
CapitaGreen	2	23,347	-	NM	10.1	-
Other Office buildings		37,506	37,543	-	16.2	17.7
<b>Total Office buildings</b>		<b>203,808</b>	<b>183,953</b>	<b>10.8</b>	<b>88.1</b>	<b>86.5</b>
<b>Car park and Other Mixed-use buildings</b>		<b>27,469</b>	<b>28,799</b>	<b>(4.6)</b>	<b>11.9</b>	<b>13.5</b>
<b>Total net property income</b>		<b>231,277</b>	<b>212,752</b>	<b>8.7</b>	<b>100.0</b>	<b>100.0</b>

Note:

- (1) One George Street's financial results were negatively affected arising from lower occupancy as a major tenant vacated their premises since March 2016 and the space was only progressively leased during the year.
- (2) CapitaGreen's gross revenue and net property income were for the periods from September to December 2016.

**16 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 20 - 22 (paragraph 8).

**17 Breakdown of gross revenue and net income**

	FY 2016 S\$'000	FY 2015 S\$'000	Change %
Gross revenue reported for first half year	134,429	137,275	(2.1)
Net income for first half year	136,189	135,109	0.8
Gross revenue reported for second half year	164,148	135,944	20.7
Net income for second half year	109,964	124,771	(11.9)

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- 18 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 2016 to 31 December 2016 <sup>(1)</sup>  
1 January 2016 to 30 June 2016  
1 July 2015 to 31 December 2015  
1 January 2015 to 30 June 2015  
1 July 2014 to 31 December 2014

	FY 2016 S\$'000	FY 2015 S\$'000
	-	-
	129,933	-
	127,277	-
	-	127,178
	-	125,184

Note:

(1) Please refer to distributions on page 24 (paragraph 11(a)).

19 **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,  
CapitalLand Commercial Trust Management Limited

Wen Khai Meng  
Director

Lynette Leong Chin Yee  
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.

By Order of the Board  
CapitalLand Commercial Trust Management Limited  
(Company registration no. 200309059W)  
As Manager of CapitalLand Commercial Trust

Toh Su Jin Jason  
Company Secretary  
18 January 2017