






Mapletree Commercial Trust

2Q & 1H FY17/18 Financial Results

25 October 2017

Important Notice

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

The past performance of the Units and MCT is not indicative of the future performance of MCT or Mapletree Commercial Trust Management Ltd. ("Manager"). The value of Units and the income from them may rise or fall. Units are not obligations of, deposits in or guaranteed by the Manger or any of its affiliates, An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units

This presentation may also 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 risks, uncertainties and assumptions. Representative examples of these factors include general industry and economic conditions, interest rate trends, cost of capital, occupancy rate, construction and development risks, changes in operating expenses (including employees wages, benefits and training costs), governmental and public policy changes and the continued availability of financing. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

Nothing in this presentation should be construed as financial, investment, business, legal or tax advice and you should consult your own independent professional advisors. This presentation shall be read in conjunction with MCT's financial results for Second Quarter and Financial Period from 1 April 2017 to 30 September 2017 in the SGXNET announcement dated 25 October 2017.

Agenda

- Key Highlights
- Financial Performance
- Portfolio Updates
- Outlook



Key Highlights



Key Highlights

Financial Performance

- Gross revenue and net property income ("NPI") for 2Q FY17/18 grew 21.7% and 23.4% respectively from 2Q FY16/17
- Distribution per unit ("DPU") for 2Q FY17/18 grew 9.3% to 2.24 Singapore cents, driven by the full quarter contribution from Mapletree Business City I ("MBC I") as well as higher contribution from VivoCity

Portfolio Performance

- VivoCity recorded stable shopper traffic and 1.1% growth in tenant sales for 1H FY17/18
- With the addition of a public library on Level 3 of VivoCity, bonus GFA granted under the Community/Sports Facility Scheme ("CSFS") will be used to extend Basement 1 by over 24,000 square feet
- A major lease of approximately 104,000 square feet of pre-terminated space at MBC I was replaced positively

Key Highlights

Capital Management

- Refinanced existing borrowings through issuance of S$100 mil 3.045% p.a. Fixed Rate Notes due 2027, rated Baa1 by Moody's Investors Service ("Moody's")
- Maintained healthy balance sheet with 36.4% aggregate leverage while extending average term to maturity of debt to 3.9 years. Weighted average cost of financing at 2.70% p.a.
- Well-distributed debt maturity profile, with no more than 20% of debt due for refinancing in any financial year. No refinancing due in FY17/18

Financial Performance



Bank of America Merrill Lynch HarbourFront

2Q FY17/18 Financial Scorecard

2Q FY17/18 DPU up 9.3% to 2.24 Singapore cents
Driven by the full quarter effect of MBC I and higher contribution from VivoCity

S$'000 unless otherwise stated	2Q FY17/18	2Q FY16/17	Variance
Gross Revenue	**107,210**	**88,082**	▲ **21.7%**
Property Operating Expenses	**(22,786)**	**(19,668)**	▲ **15.9%**
Net Property Income	**84,424**	**68,414**	▲ **23.4%**
Net Finance Costs	**(15,920)**	**(12,032)**	▲ **32.3%**
Income Available for Distribution	**64,691**	**53,654**	▲ **20.6%**
Distribution per Unit (cents)	**2.24**	**2.05**	▲ **9.3%**

1H FY17/18 Financial Scorecard

1H FY17/18 gross revenue and NPI up 33.1% and 35.2% respectively
Income available for distribution up 32.9%

S$'000 unless otherwise stated	1H FY17/18	1H FY16/17	Variance
Gross Revenue	**214,976**	**161,459**	▲ **33.1%**
Property Operating Expenses	**(46,371)**	**(36,761)**	▲ **26.1%**
Net Property Income	**168,605**	**124,698**	▲ **35.2%**
Net Finance Costs	**(31,380)**	**(22,662)**	▲ **38.5%**
Income Available for Distribution	**129,066**	**97,100**	▲ **32.9%**
Distribution per Unit (cents)	**4.47**	**4.08**	▲ **9.6%**

Balance Sheet

mapletree commercial

Active capital management to maintain robust balance sheet

S$'000 unless otherwise stated	As at 30 September 2017	As at 31 March 2017
Investment Properties	**6,344,447**	**6,337,000**
Other Assets	**54,519**	**68,653**
Total Assets	**6,398,966**	**6,405,653**
Net Borrowings	**2,326,559**	**2,329,754**
Other Liabilities	**116,231**	**118,446**
Net Assets	**3,956,176**	**3,957,453**
Units in Issue ('000)	**2,877,587**	**2,871,143**
Net Asset Value per Unit (S$)	**1.37**[1]	**1.38**

1. Lower net asset value per unit as compared to 31 March 2017 mainly due to mark-to-market changes of the derivative financial instruments

Key Financial Indicators

mapletree commercial

Maintained healthy financial indicators

	As at 31 March 2017	As at 30 June 2017	As at 30 September 2017
Total Debt Outstanding	**S$2,327.6 mil**	**S$2,327.6 mil**	**S$2,327.6 mil**
% Fixed Debt	**81.2%**	**73.7%**	**78.0%**
Gearing Ratio	**36.3%**	**36.4%**	**36.4%[1]**
Interest Coverage Ratio (YTD)	**4.9 times**	**4.9 times**	**4.8 times**
Average Term to Maturity of Debt	**4.0 years**	**3.8 years**	**3.9 years**
Weighted Average All-In Cost of Debt (p.a.)	**2.66%[2]**	**2.67%[3]**	**2.70%[4]**
Unencumbered Assets as % of Total Assets	**100%**	**100%**	**100%**
MCT Corporate Rating (by Moody's)	**Baa1**	**Baa1**	**Baa1**

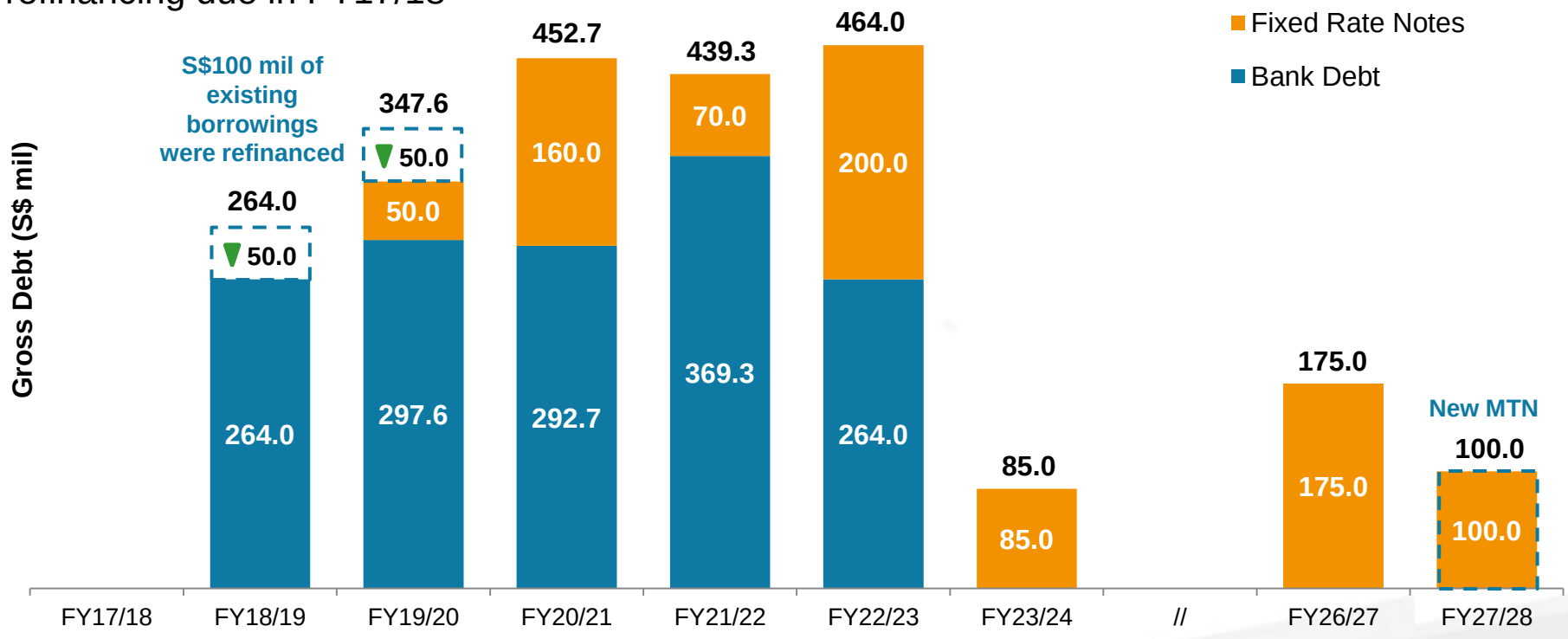
1. Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings to total net assets is 58.8%
2. For the year ended 31 March 2017
3. Annualised based on the quarter ended 30 June 2017
4. Annualised based on 1H ended 30 September 2017

Debt Maturity Profile (as at 30 September 2017)

Well-distributed with less than 20% of debt due for refinancing in any financial year

Total gross debt: S$2,327.6 mil

- Refinanced existing borrowings through issuance of S$100 mil 3.045% p.a. Fixed Rate Notes due 2027, rated Baa1 by Moody's
- No refinancing due in FY17/18



% of Total Debt	-	11%	15%	19%	19%	20%	4%	-	8%	4%

Distribution Details

2Q FY17/18 DPU of 2.24 Singapore cents

Distribution Period	1 July 2017 – 30 September 2017
Distribution Amount	2.24 Singapore cents per unit

Distribution Timetable	
Notice of Books Closure Date	Wednesday, 25 October 2017
Last Day of Trading on “cum” Basis	Monday, 30 October 2017
Ex-Date	Tuesday, 31 October 2017
Books Closure Date	5:00 pm, Thursday, 2 November 2017
Distribution Payment Date	Wednesday, 29 November 2017

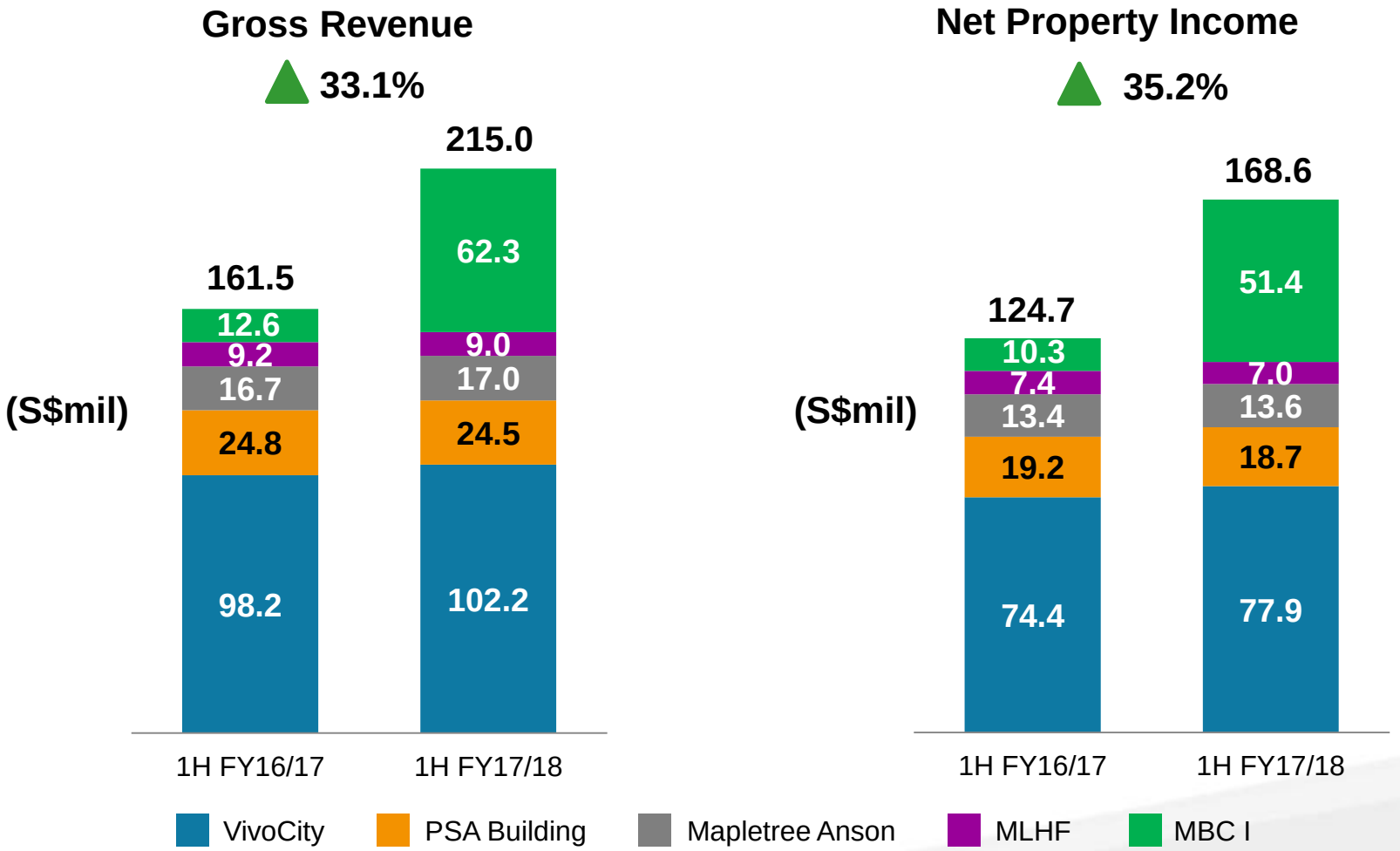


Portfolio Updates

Mapletree Business City I

Portfolio Revenue and Net Property Income

Strong growth in gross revenue and NPI
Driven by full quarter contribution from MBC I and higher contribution from VivoCity



Portfolio Occupancy

Overall portfolio committed occupancy at 98.7%

	As at 31 March 2017	As at 30 June 2017	As at 30 September 2017
VivoCity	99.0%	98.9%	99.7%[1]
MBC I	99.0%	99.1%	99.1%[2]
PSA Building	98.3%	95.5%	94.4%[3]
Mapletree Anson	100%	99.2%	92.9%
MLHF	79.2%	91.6%	91.6%[4]
MCT Portfolio	**97.9%**	**98.1%**	**97.6%**

1. Committed occupancy for VivoCity is 99.9%
2. Committed occupancy for MBC I is 99.4%
3. Committed occupancy for PSA Building is 97.4%
4. Committed occupancy for MLHF is 100%

1H FY17/18 Leasing Update

A major lease of ~104,000 square feet of pre-terminated space[1] at MBC I was replaced positively
Portfolio rental reversion at 1.2% including this replacement lease

	Number of Leases Committed	Retention Rate (by NLA)	% Change in Fixed Rents[2]
Retail	82	78.6%	2.0%[3]
Office/Business Park	14	82.3%	-9.2%[4]
▪ Including replacement tenant for pre-terminated lease[1]	-	-	0.1%
MCT Portfolio	**96**	**80.8%**	**-2.2%**
▪ Including replacement tenant for pre-terminated lease[1]	-	-	1.2%

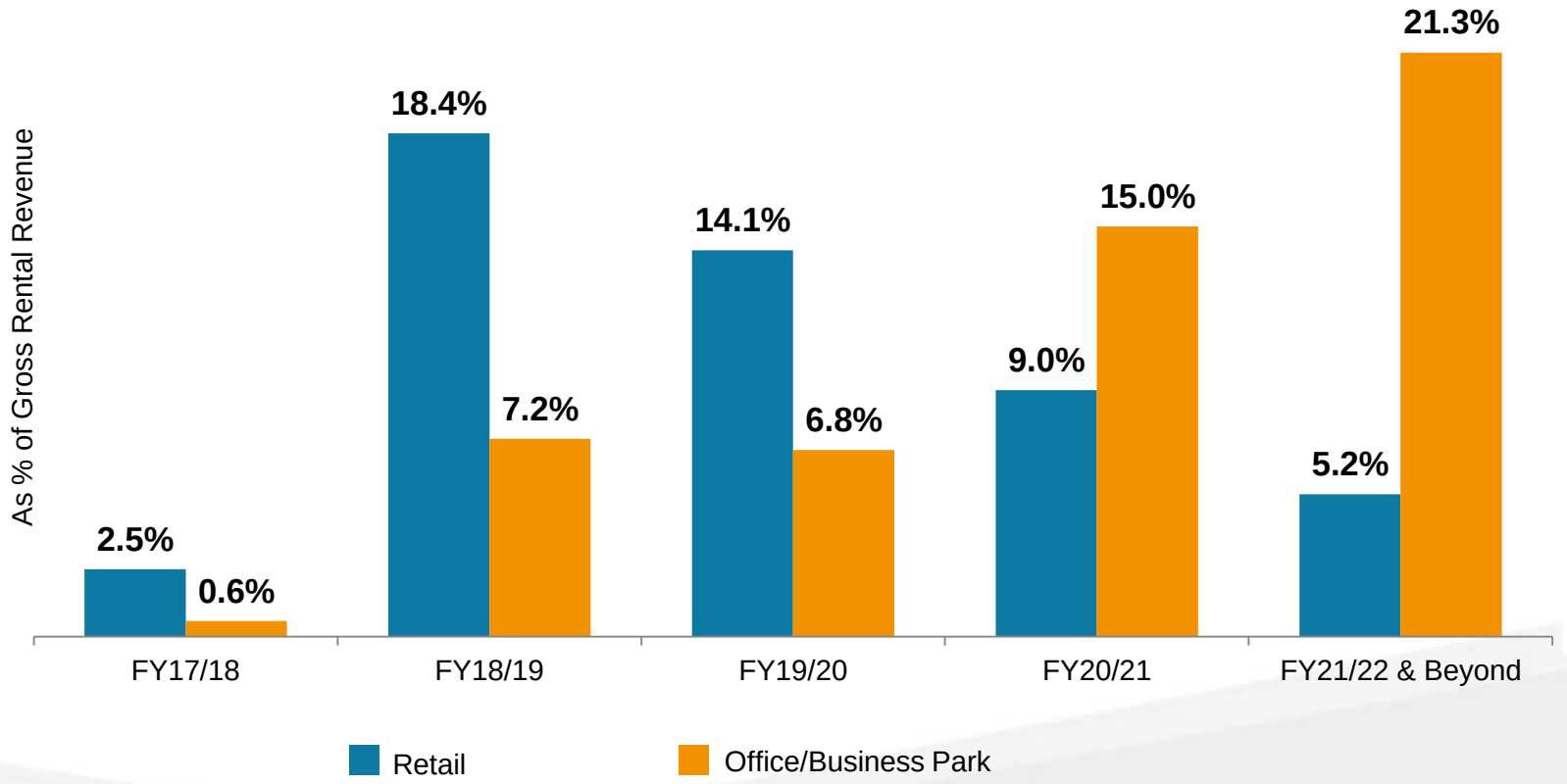
1. Refers to the SP Variation Letter as disclosed in the Circular dated 5 July 2016. The average fixed rent of the replacement lease is more than 20% higher than the expiring fixed rent of the pre-terminated lease
2. Based on average of the fixed rents over the lease period of the new leases divided by the preceding fixed rents of the expiring leases. Replacement of pre-terminated tenants are not included in the calculation of rental reversions
3. Includes the effect from trade mix changes and units subdivided and/or amalgamated
4. Excluding MBC I, office portfolio rental reversion is -4.4%. MBC I 's rent reversion is -11.1% and would be 1.3% if the effect of change in tenant for the pre-terminated space were included

Lease Expiry Profile (as at 30 September 2017)

mapletree commercial

Portfolio resilience supported by manageable lease expiries

Portfolio WALE	2.7 years
Retail	2.0 years
Office/Business Park	3.5 years

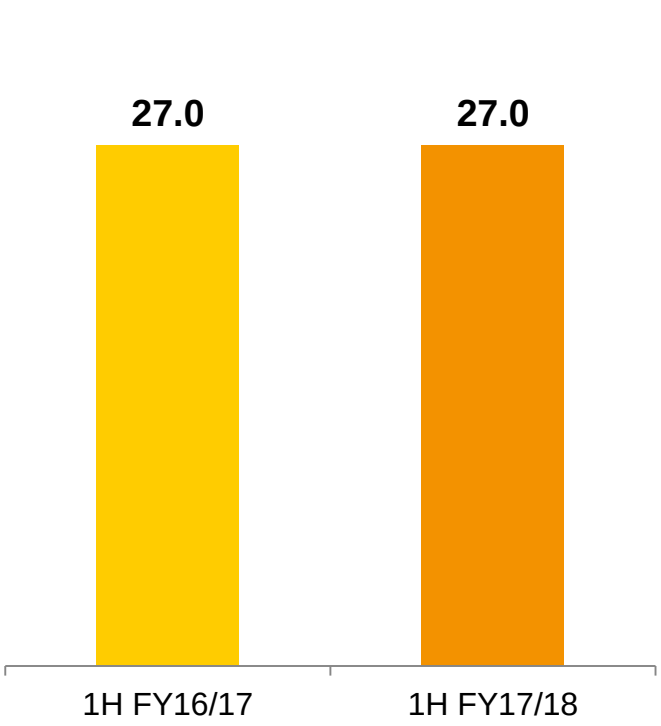


VivoCity – Shopper Traffic and Tenant Sales

Stable shopper traffic and 1.1% growth in tenant sales for 1H FY17/18
Resilient performance against a strong 1H FY16/17

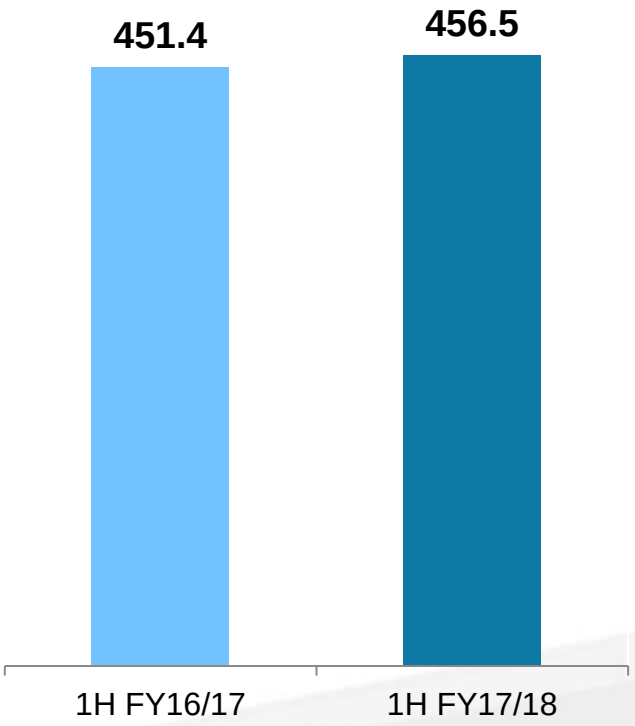
Shopper Traffic (mil)

▲▼ - %



Tenant Sales (S$ mil)[1]

▲ 1.1%



1. Includes estimates of tenant sales for a small portion of tenants

VivoCity – Asset Enhancement Initiatives

mapletree commercial

Adding a Public Library on Level 3 to strengthen VivoCity's offerings

- Convert part of Level 3 to a 3,000 square metre public library, with bonus GFA granted under the CSFS
- Further enhances VivoCity's positioning as a family-centric destination mall





Photographs of library users are for reference only, courtesy of the National Library Board

VivoCity – Asset Enhancement Initiatives (cont'd)

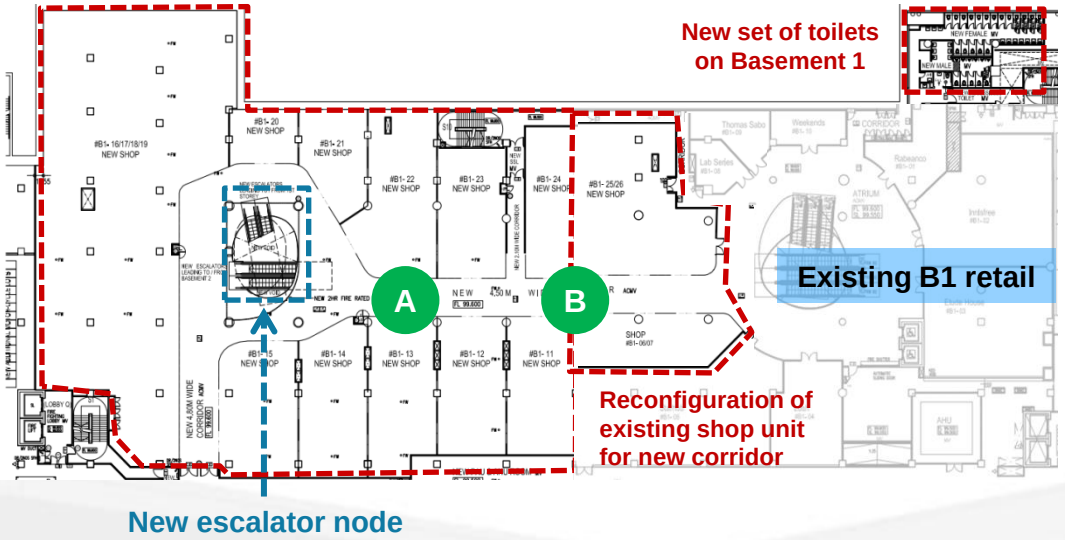
Convert part of Level 3 to add a Public Library
Extend Basement 1 with bonus GFA granted under the CSFS

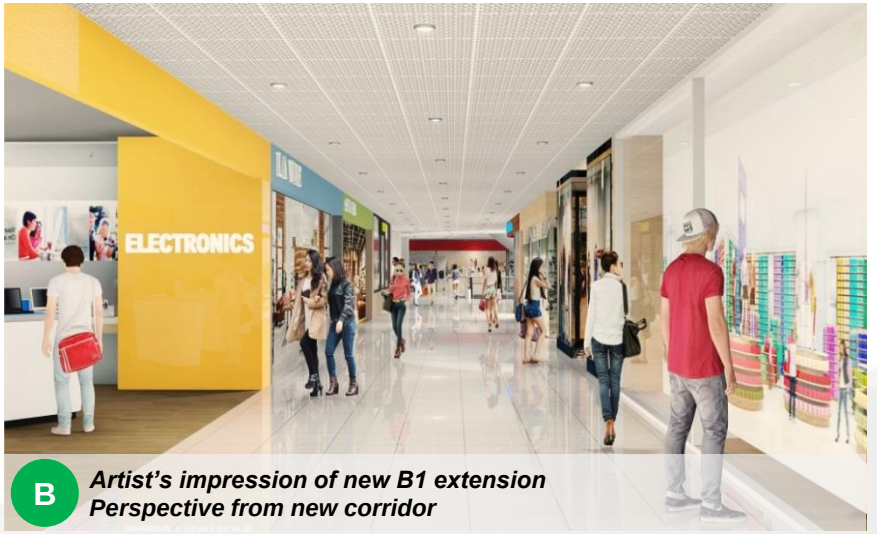
- Initial AEI works include extending Basement 1 by adding over 24,000 square feet of contiguous retail space
- To augment existing Lifestyle and Athleisure retail offerings
- Enhance connectivity with additional escalator node
- AEI targeted to commence in 3Q FY17/18 and complete in phases by 3Q FY18/19



A *Artist's impression of new B1 extension*
Perspective from new corridor

Floorplan for New Basement 1 Extension





B *Artist's impression of new B1 extension*
Perspective from new corridor

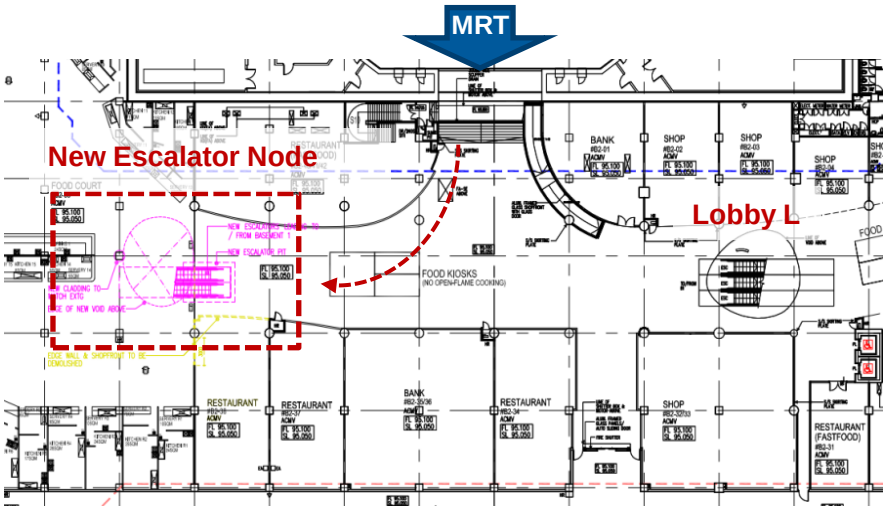
VivoCity – Asset Enhancement Initiatives (cont'd)

mapletree commercial

Enhance connectivity with additional escalator node

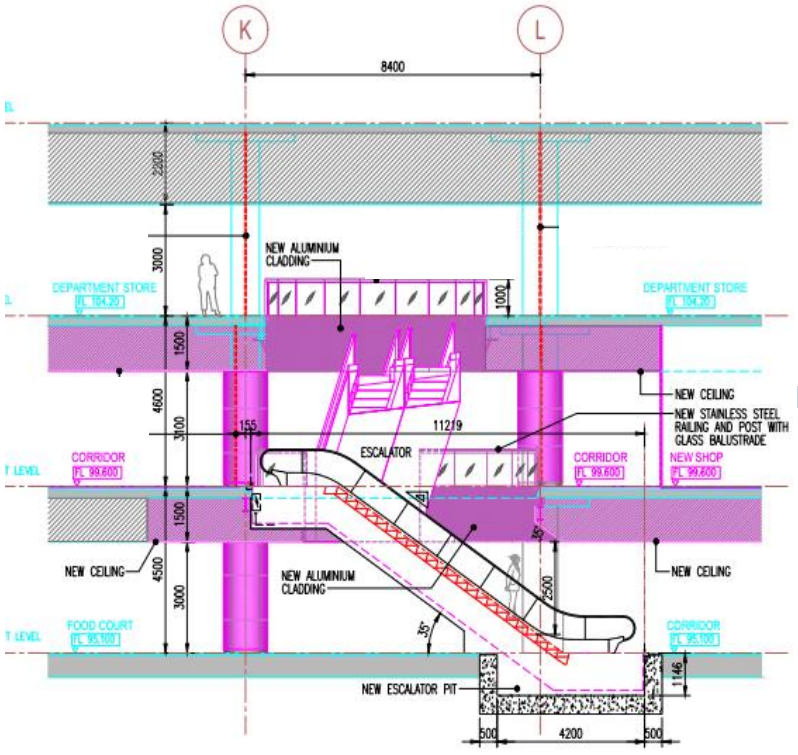
- New escalator node will connect new Basement 1 retail space to Basement 2 MRT and Level 1
- Channel shopper traffic from MRT station to department store and ease traffic from Lobby L

Floorplan for Basement 2





Current B2 – Location of new escalator node



Side Elevation of New Escalator from Basement 2 to Level 1

Outlook



VivoCity

Outlook

mapletree commercial

Singapore Economy

- The Singapore economy grew 4.6% in the third quarter of 2017, higher than the 2.9% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded 6.3%, an improvement from the 2.4% growth in the second quarter.

Retail

- According to CBRE, retail sales performance grew stronger driven by improving consumer sentiment and tourism arrivals. However, the threat of e-commerce still looms. While average rents of prime units remained stable, there is still weakness in the rents of non-prime units.
- With continual supply pressure in 2018, rental growth expectations are likely to be modest. However, improvements in retail sales, tourism arrivals and receipts, if they endure, could help to spark some optimism in the retail market over the mid-term.

Office

- Grade A Core CBD rents rose by 1.7% q-o-q in Q3 2017, the first increase in 10 quarters. The main beneficiaries of leasing transactions were the new developments that continued to be attractive due to their higher quality value proposition.

Sources: The Singapore Ministry of Trade and Industry Press Release, 13 October 2017 and CBRE MarketView Singapore Q3 2017

Outlook

Office (cont'd)

- Whilst modest rental growth is expected over the near term, the underlying strength of occupier demand remains patchy and uncertain. Effects of tight labour policies on long-term expansionary plans of firms may merit careful monitoring.

Business Park

- The business park market remained relatively quiet in Q3 2017 on the back of a muted demand environment and the absence of new supply. A strengthening office rental market should also lead to a widening rental gap between office and business parks, leading to more occupiers turning to business parks space as a viable alternative.
- Business parks in the City Fringe are likely to be the biggest beneficiaries as they are the de-facto choice for most tenants due to their higher quality and location.

Overall

- Notwithstanding market headwinds, MCT's portfolio has remained relatively resilient. We will continue our proactive leasing efforts and focus on tenant retention to maintain overall portfolio stability.







Thank You

For enquiries, please contact:

Teng Li Yeng
Investor Relations
Tel: +65 6377 6836
Email: teng.liyeng@mapletree.com.sg