



# Investor Presentation: Proposed Acquisition of Mapletree Business City (Phase 1)

7 July 2016

maplētree  
commercial



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*Note: For defined terms not defined herein, please refer to the Circular dated 5 July 2016*



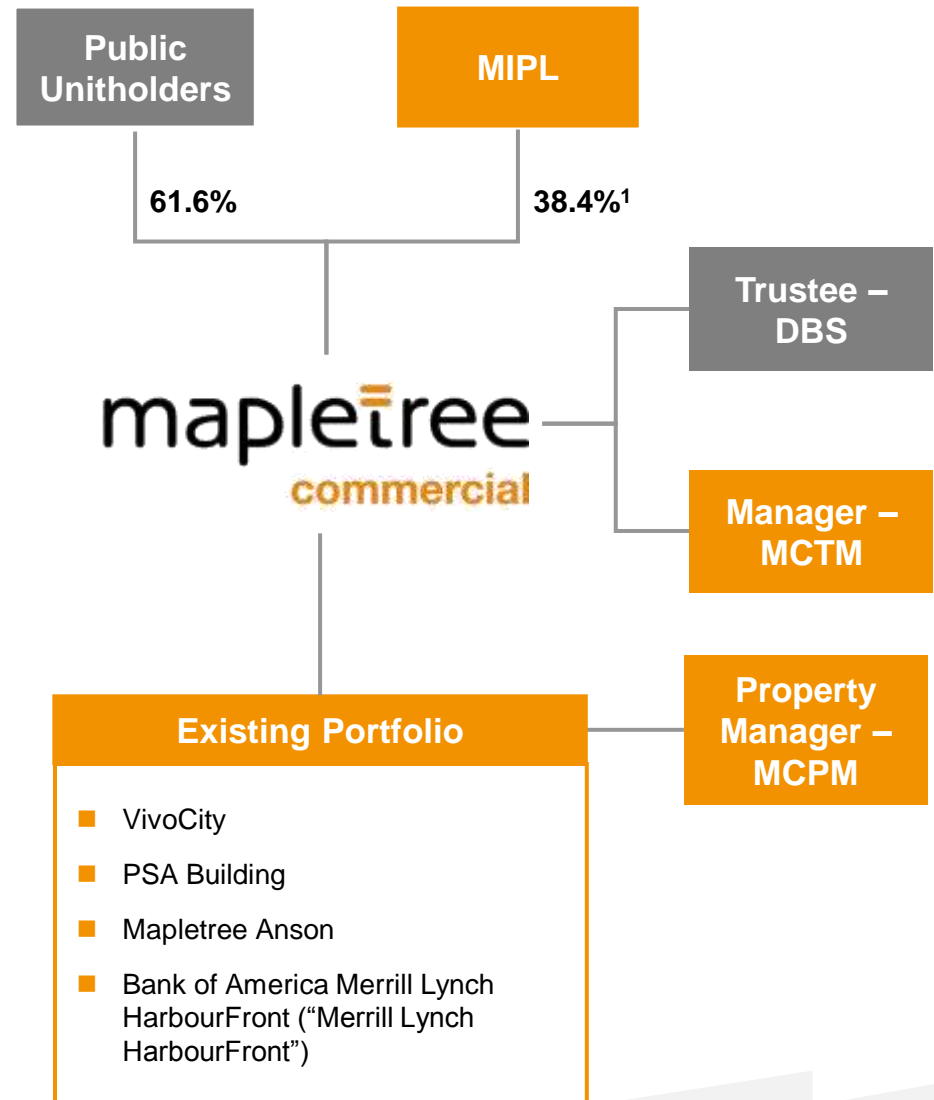


## I. Overview of Mapletree Commercial Trust



# Overview of Mapletree Commercial Trust (“MCT”)

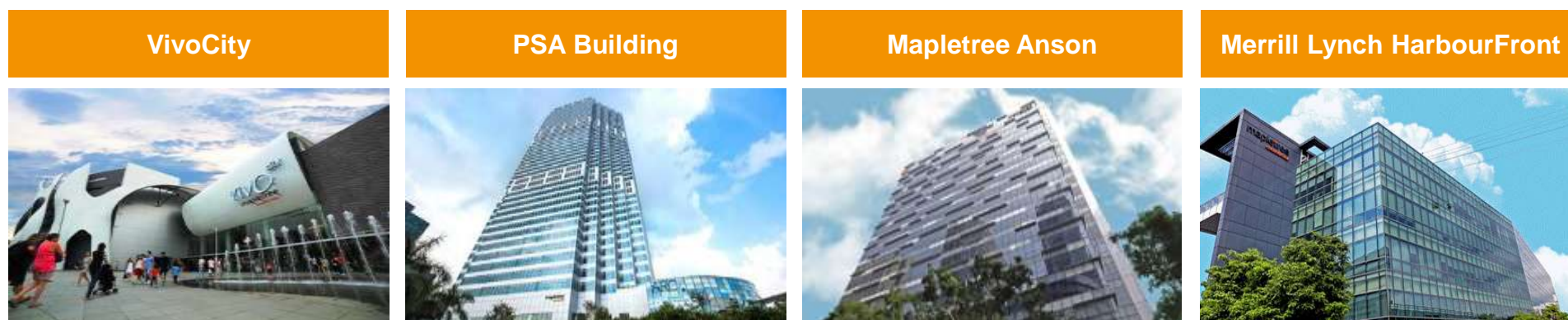
Mapletree Commercial Trust	
<b>Sponsor</b>	<ul style="list-style-type: none"> <li>Mapletree Investments Pte Ltd (“MIPL” or the “Sponsor”)</li> </ul>
<b>Manager</b>	<ul style="list-style-type: none"> <li>Mapletree Commercial Trust Management Ltd. (“MCTM” or the “Manager”)                             <ul style="list-style-type: none"> <li>Wholly-owned subsidiary of the Sponsor</li> </ul> </li> </ul>
<b>Sponsor Stake</b>	<ul style="list-style-type: none"> <li>38.4%<sup>1</sup></li> </ul>
<b>Investment Mandate</b>	<ul style="list-style-type: none"> <li>Primarily retail and / or office assets in Singapore</li> </ul>
<b>Existing Portfolio</b>	<ul style="list-style-type: none"> <li>4 properties valued at S\$4,341.8 million<sup>2</sup></li> <li>Approximately 2.1 million sq ft NLA</li> </ul>
<b>Property Manager</b>	<ul style="list-style-type: none"> <li>Mapletree Commercial Property Management Pte. Ltd. (“MCPM”)                             <ul style="list-style-type: none"> <li>Wholly-owned subsidiary of the Sponsor</li> </ul> </li> </ul>
<b>Trustee</b>	<ul style="list-style-type: none"> <li>DBS Trustee Limited (the “Trustee”)</li> </ul>
<b>Credit Rating</b>	<ul style="list-style-type: none"> <li>Moody’s – Baa1 (stable)</li> </ul>



<sup>1</sup> As at 17 June 2016, being the Latest Practicable Date of the Circular dated 5 July 2016

<sup>2</sup> Based on the appraised valuations by CBRE for PSA Building, Mapletree Anson, and Merrill Lynch HarbourFront as at 31 March 2016, and Knight Frank for VivoCity as at 31 March 2016

# Snapshot of MCT



Key Indicators	At IPO		As at 31 March 2016
NLA ('000 sq ft)	1,668 <sup>1</sup>	↑ 26.8%	2,115
Investment Property Value (S\$ million)	2,822	↑ 53.9%	4,342
Net Asset Value Per Unit (S\$)	0.91	↑ 42.9%	1.30 <sup>2</sup>
Market Capitalisation (S\$ million)	1,638 <sup>3</sup>	↑ 83.3%	3,003 <sup>4</sup>
Free Float (S\$ million)	949 <sup>5</sup>	↑ 94.9%	1,850 <sup>6</sup>
Total returns from IPO to end of FY2015/16 (%)	-		100.3 <sup>7</sup>

<sup>1</sup> Excluding PSAB asset enhancement which was deemed to have an expected NLA of 102,505 sq ft at the time of IPO

<sup>2</sup> Net Asset Value Per Unit is S\$1.28 post adjustment for the cash distribution paid on 3 June 2016 in relation to the distributable income for the period from 1 January 2016 to 31 March 2016

<sup>3</sup> Based on IPO Price of S\$0.88 per unit and 1,861 million units in issue

<sup>4</sup> Based on Unit price of S\$1.41 as at 31 March 2016

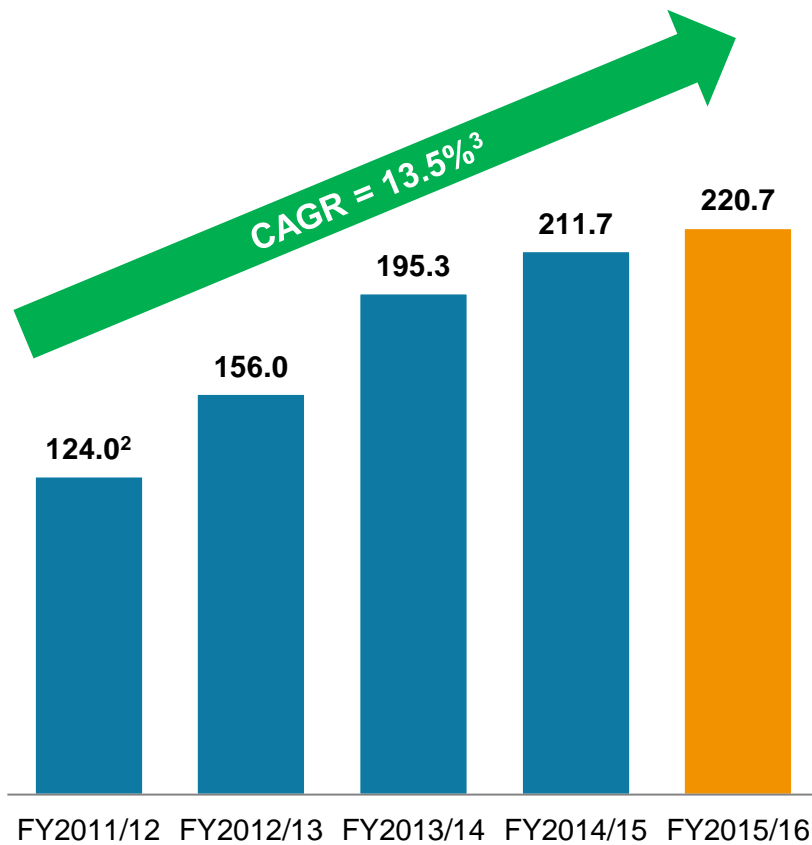
<sup>5</sup> Market capitalisation at IPO less the proportion deemed to be held by the Sponsor

<sup>6</sup> Market capitalisation on 31 March 2016 less the proportion deemed to be held by the Sponsor

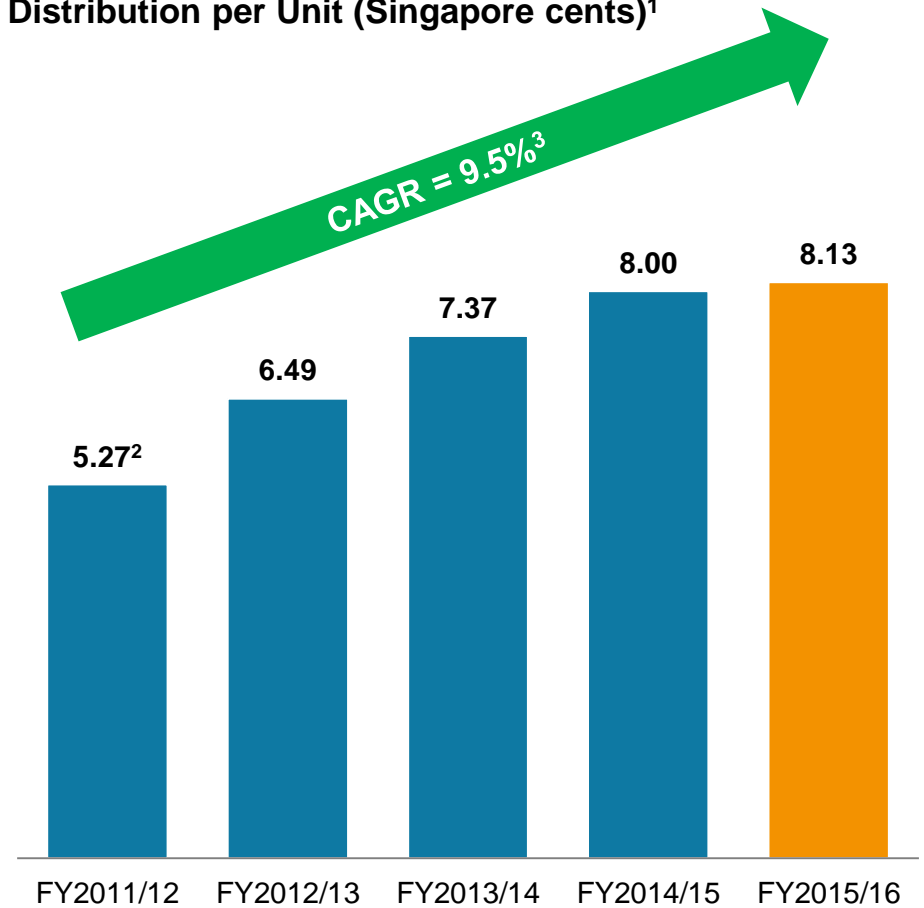
<sup>7</sup> Comprises 60.2% in capital appreciation gains based on IPO Price of S\$0.88 and Unit Price of S\$1.41 at close of trading on 31 March 2016, and 40.1% in distribution gains based on total distributions paid out of 35.26 Singapore cents, including DPU paid for 4Q FY2015/16

## Track Record of Growing Distributions

Net Property Income (S\$ million)<sup>1</sup>



Distribution per Unit (Singapore cents)<sup>1</sup>



Source: MCT Filings

<sup>1</sup> For the period from 1 April to 31 March for FY2012/13 to FY2015/16

<sup>2</sup> For the period from Listing Date of 27 April 2011 to 31 March 2012

<sup>3</sup> Compounded annual growth rate from FY2011/12 (restated) to FY2015/16. FY2011/12 (restated) figures are restated from the period from Listing Date to 31 March 2012 to the full period from 1 April 2011 to 31 March 2012, for a comparable basis in terms of CAGR calculation





## II. Acquisition Overview



# MCT's Second Acquisition Since IPO

## Office and Business Park Components of Mapletree Business City (Phase 1) (the "Property")

- ✓ Premier office and business park space
- ✓ Close proximity to the CBD
- ✓ Grade-A building specifications
- ✓ Strong and diverse tenant base
- ✓ High occupancy rates
- ✓ Favourable and defensive lease profile



### Overview of the Property

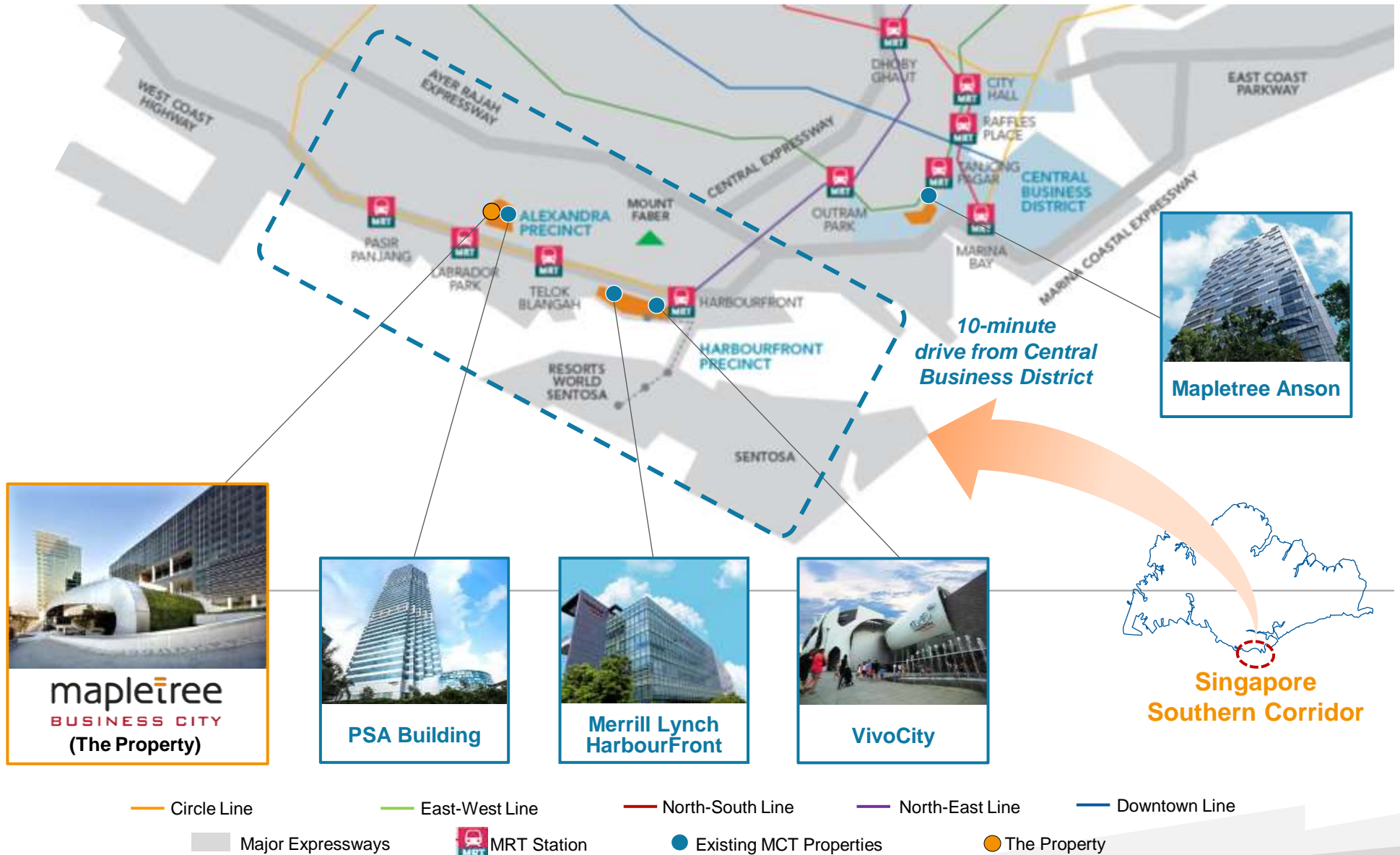
<b>The Property</b>	<ul style="list-style-type: none"> <li>■ Strata Lease over level two to the rooftop of four blocks of office and business park space of Mapletree Business City (Phase 1), namely:               <ul style="list-style-type: none"> <li>— Office tower (MBC 10)</li> <li>— Three business park blocks (MBC 20W, MBC 20E and MBC 30)</li> </ul> </li> </ul>
<b>Building Completion</b>	<ul style="list-style-type: none"> <li>■ April 2010</li> </ul>
<b>Purchase Consideration</b>	<ul style="list-style-type: none"> <li>■ S\$1,780.0 million (~S\$1,042 psf of NLA)               <ul style="list-style-type: none"> <li>— Office: S\$571.9 million<sup>1</sup> (S\$1,359.9 psf of NLA)</li> <li>— Business Park: S\$1,208.1 million<sup>1</sup> (S\$938.2 psf of NLA)</li> </ul> </li> </ul>
<b>Tenure of Strata Lease</b>	<ul style="list-style-type: none"> <li>■ Leasehold for a term commencing from Completion Date up to and including 29 September 2096</li> </ul>
<b>NLA<sup>2</sup></b>	<ul style="list-style-type: none"> <li>■ 1,708,218 sq ft               <ul style="list-style-type: none"> <li>— Office: 420,544 sq ft</li> <li>— Business Park: 1,287,674 sq ft</li> </ul> </li> </ul>
<b>Average Passing Rent<sup>1</sup></b>	<ul style="list-style-type: none"> <li>■ S\$5.94 psf per month               <ul style="list-style-type: none"> <li>— Office: S\$6.14 psf per month</li> <li>— Business Park: S\$5.88 psf per month</li> </ul> </li> </ul>
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>■ 97.8%<sup>3</sup></li> </ul>
<b>WALE<sup>2</sup></b>	<ul style="list-style-type: none"> <li>■ Approximately 3.5 years</li> </ul>

<sup>1</sup>Derived by applying the same percentage value contribution of the office component and the business park component of the average of the independent valuations by DTZ and Knight Frank as at 31 May 2016

<sup>2</sup>As at 30 April 2016

<sup>3</sup>Actual occupancy as at 30 April 2016. As at 17 June 2016, being the Latest Practicable Date of the Circular, the committed occupancy for the Property is 99.0%

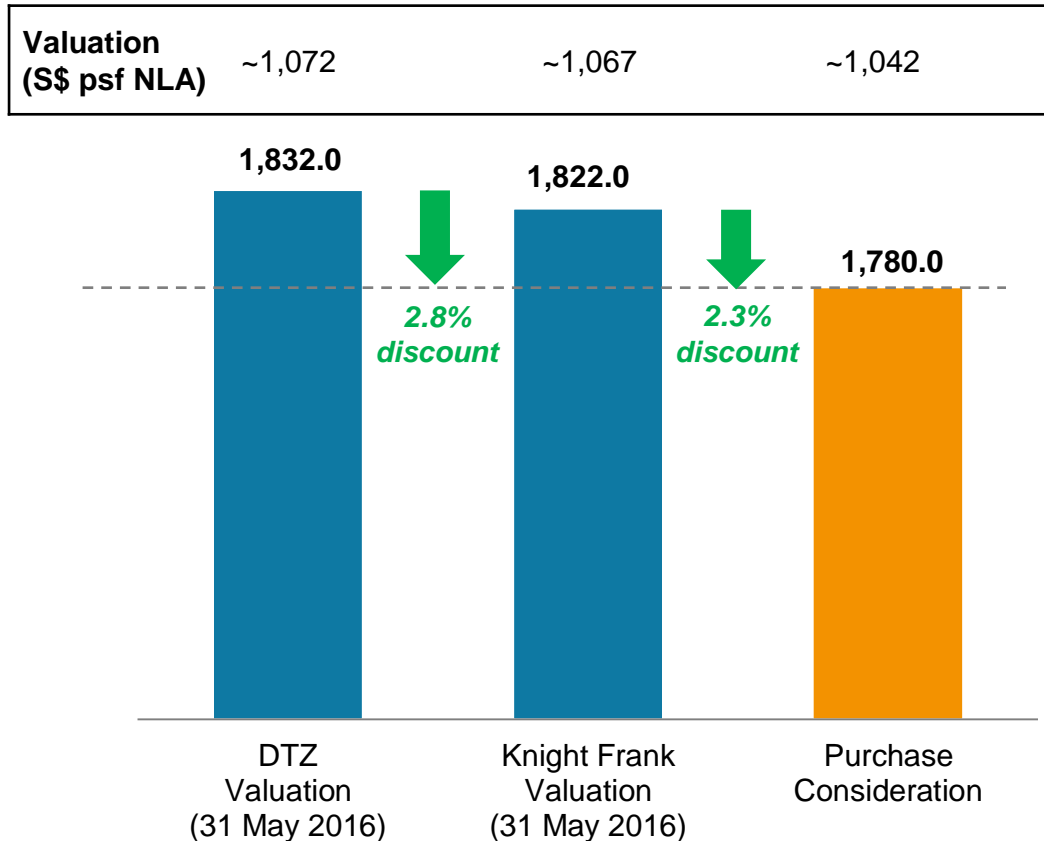
# MCT's Portfolio Location



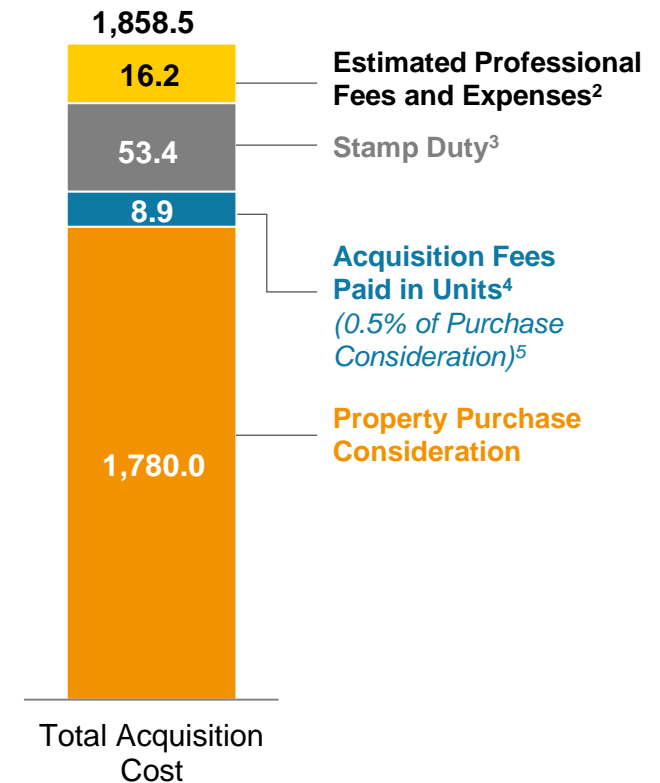


# Purchase Price at Discount to Valuation

## Purchase Consideration Relative to Independent Valuations<sup>1</sup> (S\$ million)



## Total Acquisition Cost (S\$ million)



<sup>1</sup>The Manager has commissioned DTZ and the Trustee has commissioned Knight Frank to value the Property as at 31 May 2016

<sup>2</sup> Professional and other fees and expenses incurred or to be incurred by MCT in connection with the Acquisition (inclusive of the equity funding-related expenses and debt funding-related expenses)


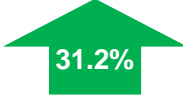

<sup>3</sup> Based on 3.0% of the Purchase Consideration

<sup>4</sup> As the Acquisition will constitute an "interested party transaction" under the Property Funds Appendix, the Acquisition Fee will be payable in the form of Units, which shall not be sold within one year of the date of issuance, in accordance with Paragraph 5.7 of the Property Funds Appendix

<sup>5</sup> Under the Trust Deed, the Manager is entitled to be paid an Acquisition Fee at the rate of 1.0% of the Purchase Consideration

# Enlarged Portfolio and Net Property Income (“NPI”)

## Increase in NPI and NPI Yield Post-Acquisition

	Existing Portfolio	The Property	Enlarged Portfolio	Growth
<b>Key Financials for the Forecast Period (S\$ million)</b> <i>(6-month period from 1 October 2016 to 31 March 2017)</i>				
Gross Revenue	153.9	61.6	215.5	 40.0%
Property Operating Expenses	(37.5)	(11.7)	(49.2)	 31.2%
Net Property Income	116.5	49.7	166.2	 42.7%
<b>Historical FY2015/16</b>				
NPI Yield	5.1% <sup>1</sup>	5.6% <sup>2</sup>	5.2% <sup>3</sup>	

<sup>1</sup> Based on FY2015/16 NPI over the valuation of the Existing Portfolio as at 31 March 2016

<sup>2</sup> Based on FY2015/16 NPI for the Property over the Purchase Consideration of S\$1,780 million. NPI based on the Vendor's unaudited financial information on the Property for the period from 1 April 2015 to 31 March 2016 after deducting the property management fees, as if the Property was held and operated by MCT throughout the period

<sup>3</sup> Based on FY2015/16 NPI of the Enlarged Portfolio over the valuation of the Existing Portfolio as at 31 March 2016 and Purchase Consideration of the Property of S\$1,780.0 million

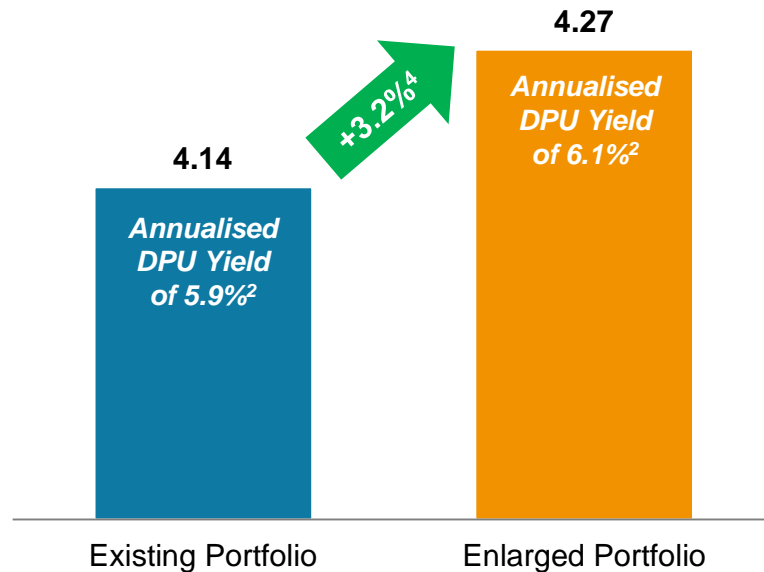


# Positive Accretion Without Income Support

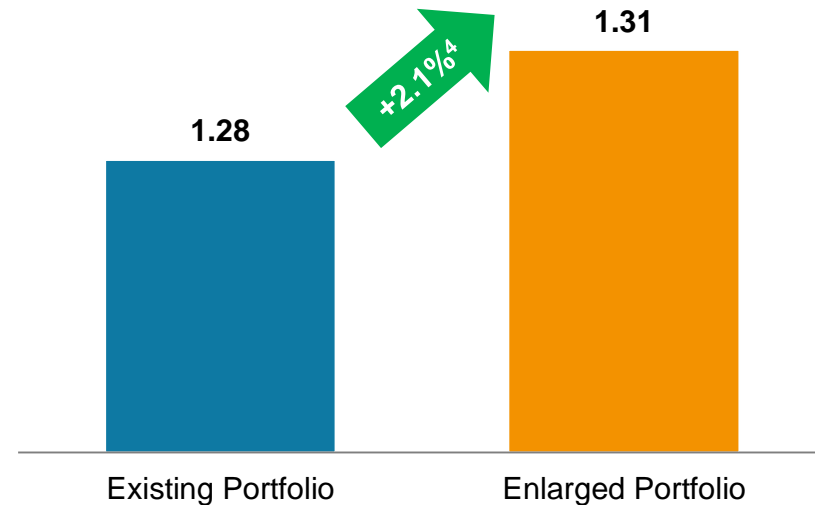
## DPU and NAV Accretive

### DPU for the Forecast Period (Singapore cents)<sup>1</sup>

(6-month period from 1 October 2016 to 31 March 2017)



### NAV per Unit (S\$)<sup>3</sup>



<sup>1</sup> Assuming a drawdown of S\$860.0 million from the Loan Facilities, gross proceeds of S\$989.6 million raised from the Equity Fund Raising, the issuance of the New Units and Acquisition Fee Units at the Illustrative Issue Price of S\$1.40, the issue date of the New Units and Acquisition Fee Units is 1 October 2016, and completion of the Acquisition on 1 October 2016

<sup>2</sup> Based on the Illustrative Issue Price of S\$1.40. The annualised DPU for the Forecast Period may not reflect actual performance over a one-year period

<sup>3</sup> As at 31 March 2016 assuming the Acquisition was completed on 31 March 2016. NAV has been adjusted for the cash distribution paid on 3 June 2016 in relation to the distributable income for the period from 1 January 2016 to 31 March 2016

<sup>4</sup> Accretion based on actual numbers and does not take into account the impact from rounding

# Key Acquisition Rationale

**1**

***Strategic Addition of a Property in a Large-Scale, Integrated Business Hub***

**2**

***Increased Exposure to a Resilient Office Micro-Market***

**3**

***Exposure to the Stable and Growing Business Park Segment***

**4**

***Stable and Quality Cash Flows***

**5**

***Attractive Valuation Characteristics***

**6**

***Positive Impact on the Enlarged Portfolio***



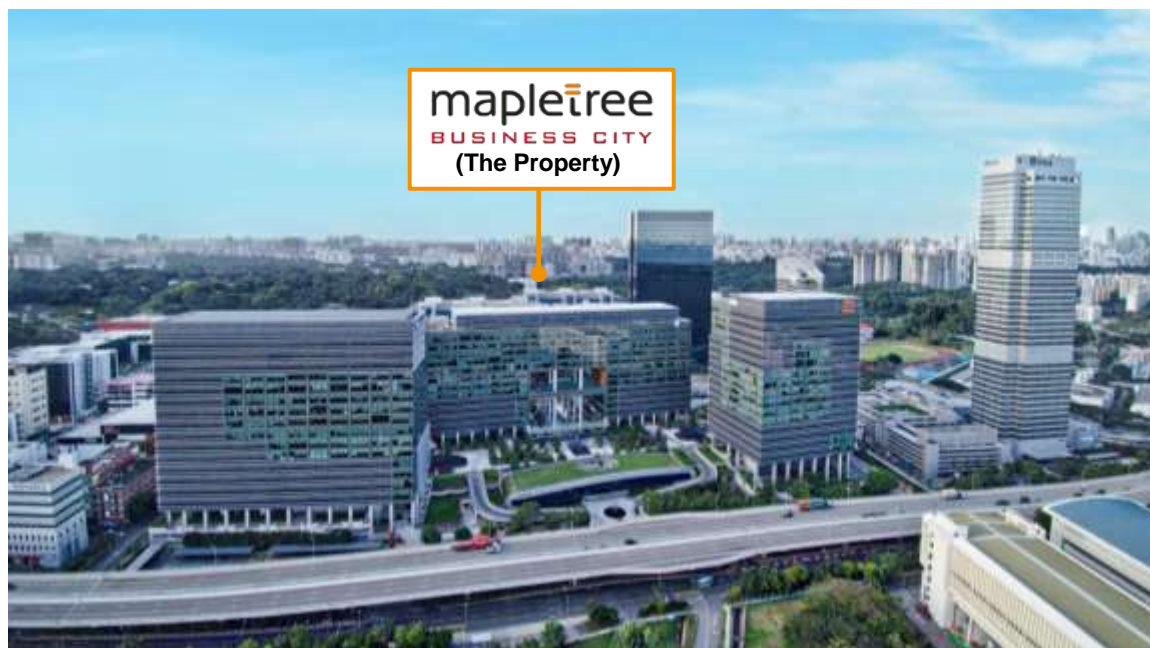


### III. Key Acquisition Rationale



# 1 Strategic Addition of a Property in a Large-Scale, Integrated Business Hub

One of the Largest Integrated Office and Business Park Complexes in Singapore with Excellent Connectivity



- Prominent frontage along Pasir Panjang Road with excellent transport connectivity
- Strategic location in close proximity to the CBD
- Directly linked via covered walkways to the Labrador Park MRT Station and other transportation nodes
- **Attracts tenants who do not require a CBD location for their operations, but would still like to enjoy proximity to the CBD**

## BY CAR

- ~10 minute drive from the CBD
- Connected via major expressways (Ayer Rajah Expressway, Marina Coastal Expressway, West Coast Highway)

## BY BUS

- Accessible by bus services on Pasir Panjang Road and Alexandra Road
- Extensive direct bus services to the Property

## BY TRAIN

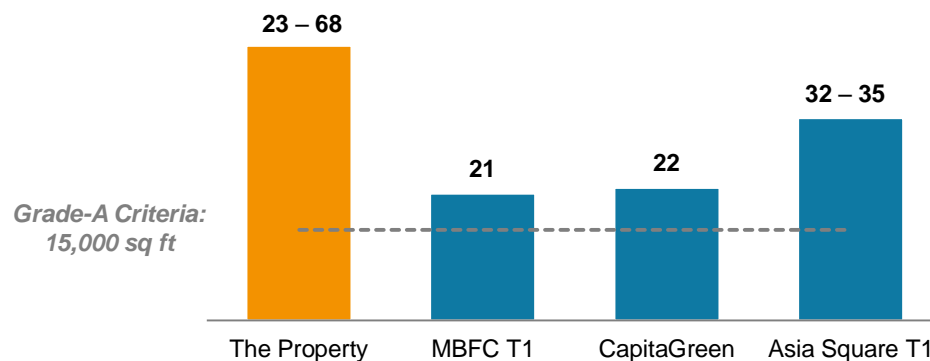
- 4 MRT stops away from the CBD<sup>1</sup>
- Labrador Park MRT Station is connected via covered walkways

<sup>1</sup> Four stops to Tanjong Pagar MRT Station

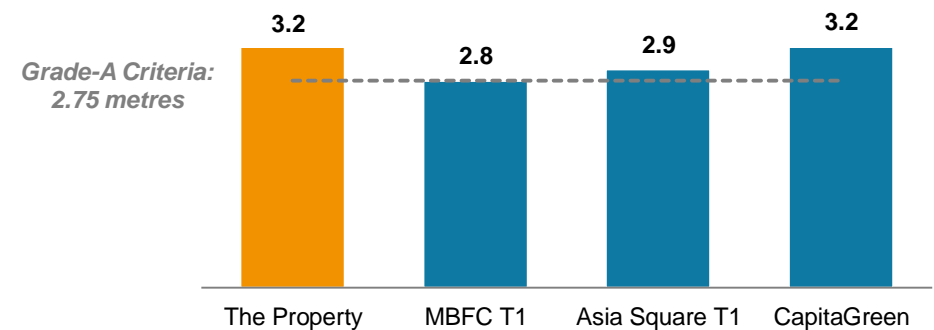
# 1 Strategic Addition of a Property in a Large-Scale, Integrated Business Hub

## Quality Grade-A Building Specifications

### Floor Plate Size ('000 sq ft)



### Floor-to-Ceiling Height (metres)



	The Property	MBFC T1	Asia Square T1	CapitaGreen
<b>Year of Completion</b>	2010	2010	2011	2014
<b>NLA (sq ft)</b>	1,708,218	620,000	1,250,000	703,000
<b>No. of Floors</b>	14 – 18	33	43	40
<b>Typical Floor Plate ('000 sq ft)</b>	23 – 68	21	32 – 35	22
<b>Floor to Ceiling Height (metres)</b>	3.2	2.8	2.9	3.2
<b>No. of Carpark Lots</b>	1,040	438	313	180
<b>BCA Green Mark</b>	Platinum	Gold	Platinum	Platinum

Source: CBRE



# 1 Strategic Addition of a Property in a Large-Scale, Integrated Business Hub

## One of the Newest Developments with Green Mark Platinum Certification

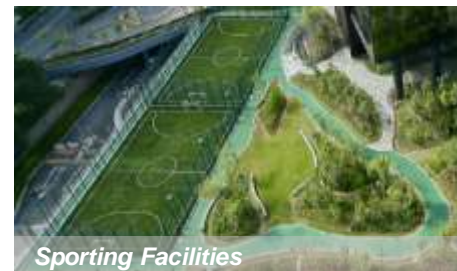
- Large, highly efficient and column-free floor plates
- High quality finishes for common areas
- Modern building management systems
- Higher carpark lot ratio than most CBD offices
- BCA Green Mark Platinum certified
  - Eco-friendly and energy saving features highly sought after by quality tenants and MNCs
- Numerous local and international awards, including:
  - FIABCI Prix d'Excellence Awards (Sustainable Development Category)
  - MIPIM Asia Awards – Top 3 Green Buildings



# 1 Strategic Addition of a Property in a Large-Scale, Integrated Business Hub

## Full Suite of “Work and Play” Amenities

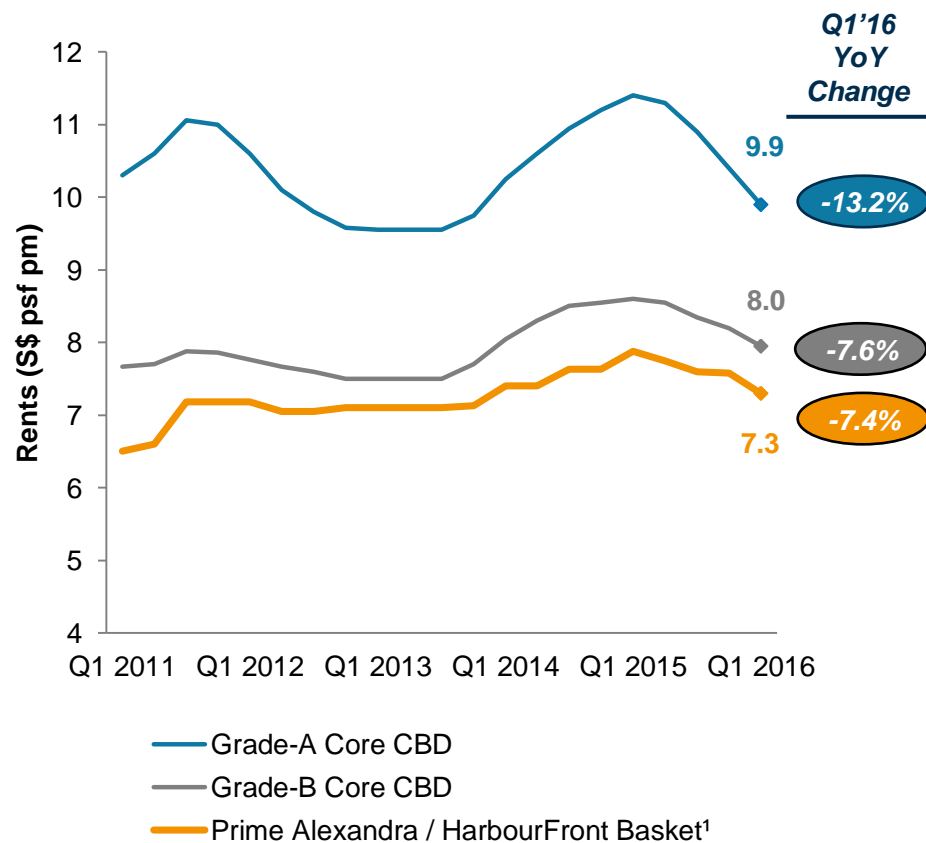
- Modern conference facilities
- 294-seat auditorium
- On-site gym with a 44 metre-long heated pool
- Complementary range of F&B establishments
- 1,040 sheltered carpark lots
- Sporting facilities such as an outdoor running track, futsal and basketball courts
- Garden amphitheatre for arts events and performances
- Directly linked via a covered walkway to ARC which has a wide range of F&B establishments, retail outlets, service trades as well as a supermarket



## 2 Increased Exposure to a Resilient Office Micro-Market

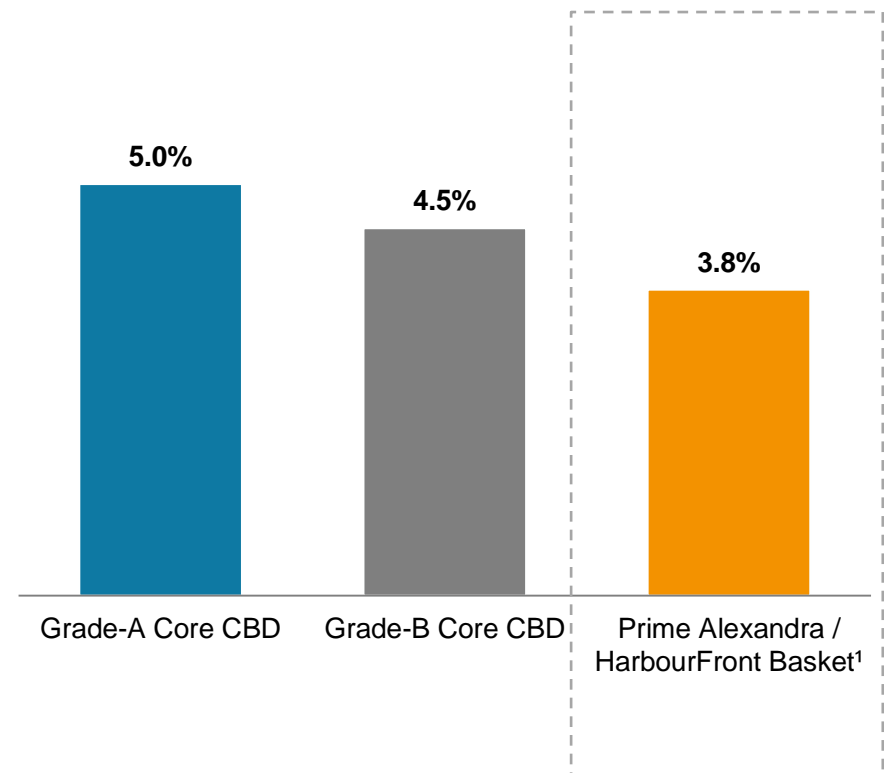
### Historical Resilience in Rents

#### Singapore Office Rents



### Absence of New Supply to Support Demand

#### Singapore Office Vacancy Rates<sup>2</sup>



Source: CBRE

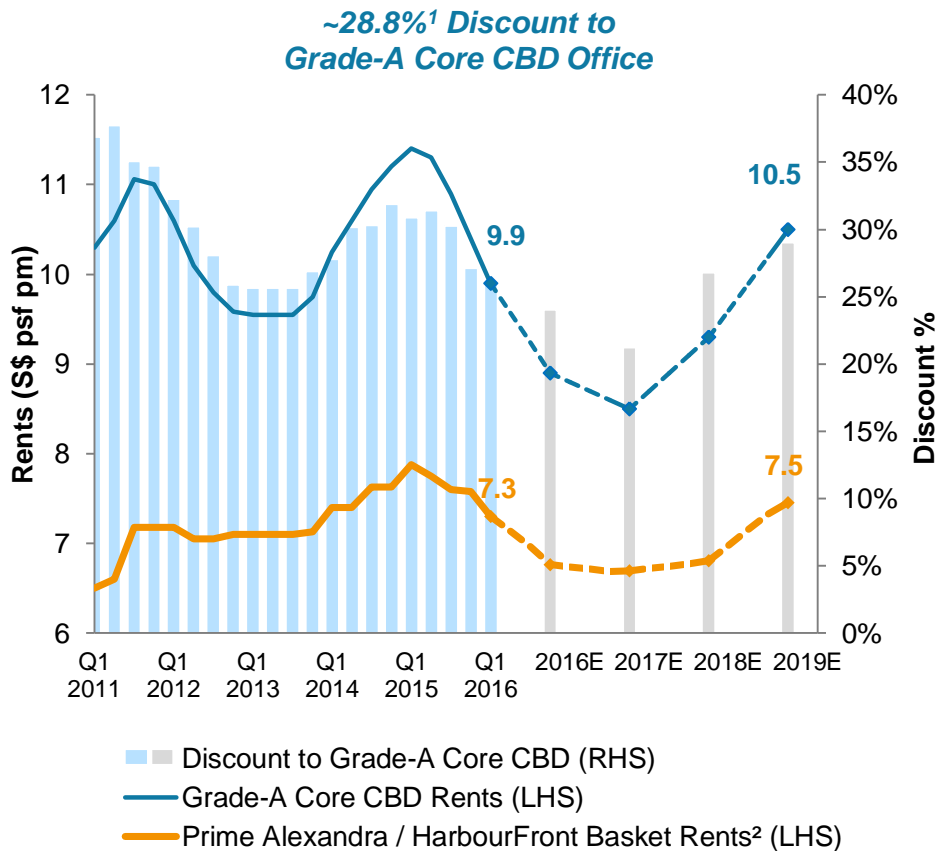
<sup>1</sup> Refer to Independent Market Research Report by CBRE for more details

<sup>2</sup> As at 31 March 2016

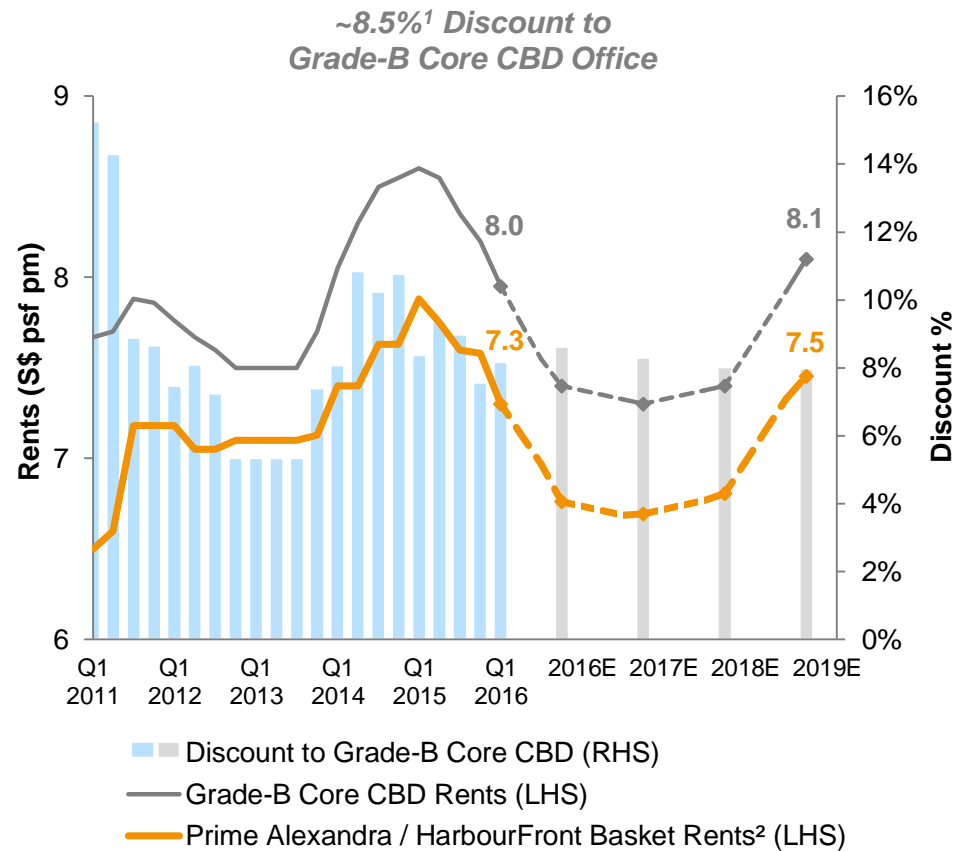


## Cost-efficient Alternative to Core CBD Office

## Grade-A Core CBD Office Rent Comparison



## Grade-B Core CBD Office Rent Comparison



Source: CBRE

<sup>1</sup> Based on average discount of rents of Prime Alexandra / HarbourFront Basket to rents of Grade-A Core CBD offices and Grade-B Core CBD offices in the four quarters ended 31 March 2016<sup>2</sup> Refer to Independent Market Research Report by CBRE for more details

# 3 Exposure to the Stable and Growing Business Park Segment

## Demand Support from Growing Trend of CBD Tenant Relocations

- Relocation trends tend to be driven by:
  - Cost savings
  - Consolidation from multiple locations
  - Flight to quality relocation from older developments

**Approximately 78.0%<sup>1</sup>  
of the Property's current  
tenant base relocated from the  
"Central Area"<sup>2</sup>**

### Examples of Tenant Relocations to Mapletree Business City

Company	Industry	Relocated From
American Express	Banking and Finance	The Concourse and Chevron House
BrightOil	Oil and Gas	Suntec City
BW Offshore / Maritime	Oil and Gas	AXA Tower
Covidien <sup>3</sup>	Healthcare Services	Vision Crest (Dhoby Ghaut)
Google <sup>3</sup>	IT Services	Asia Square Tower
HSBC	Banking and Finance	Multiple Locations
Infocomm Development Authority of Singapore (IDA)	Government Related	Suntec City & Eightrium
Nike	Apparels	Suntec City & Eightrium
Novartis	Healthcare Services	Keppel Tower
SAP IT Company	IT Services	Multiple Locations
Samsung	Electronics	Samsung Hub
Unilever	Consumer Products	UE Square and Vision Crest

Source: CBRE

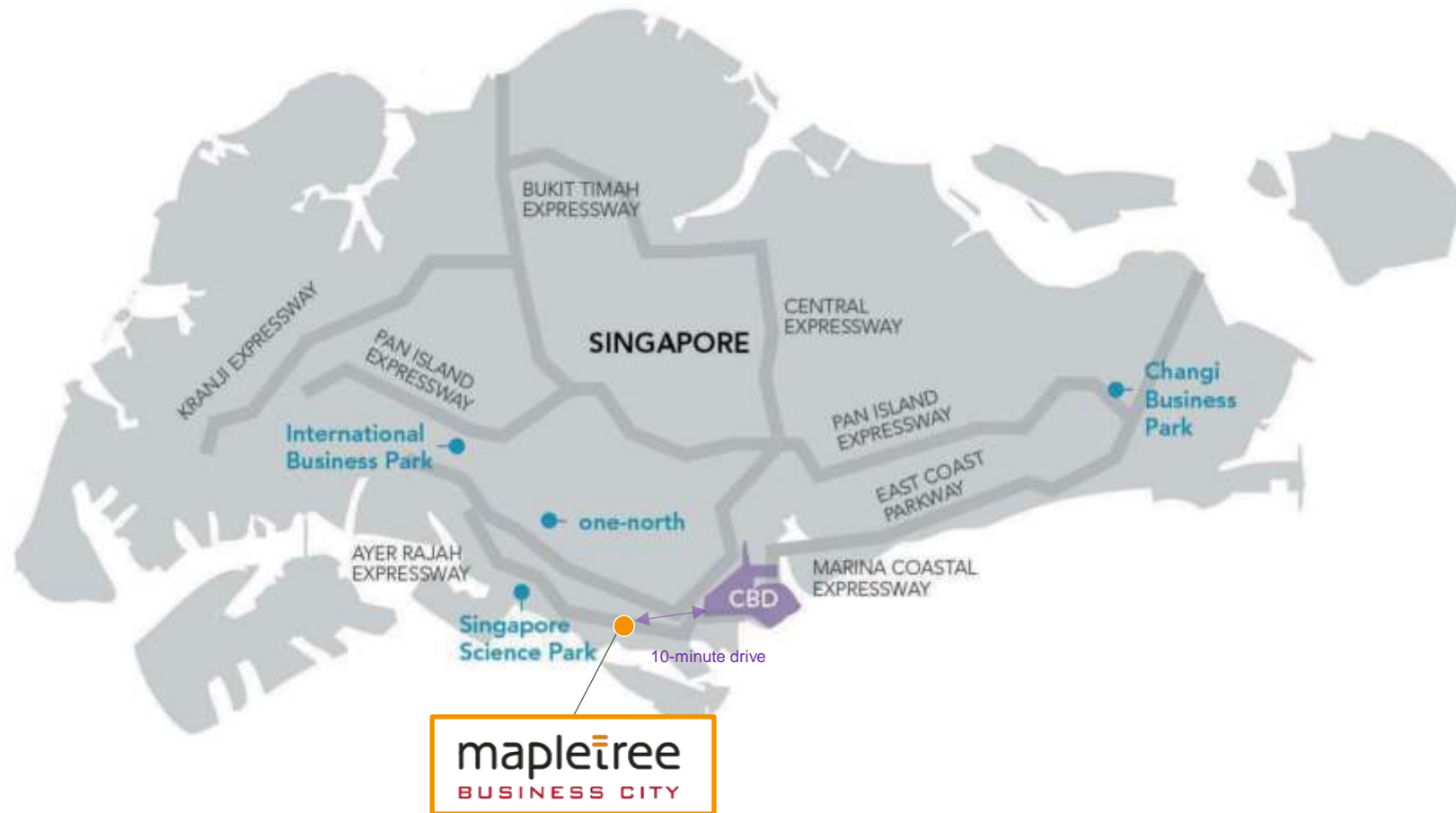
<sup>1</sup> By NLA

<sup>2</sup> As defined by the Urban Redevelopment Authority

<sup>3</sup> Tenant movements to Mapletree Business City (Phase 2), which is not part of the Property

### 3 Exposure to the Stable and Growing Business Park Segment

The Business Park Closest to Singapore's CBD



Major Expressways

CBD

Business Parks

The Property

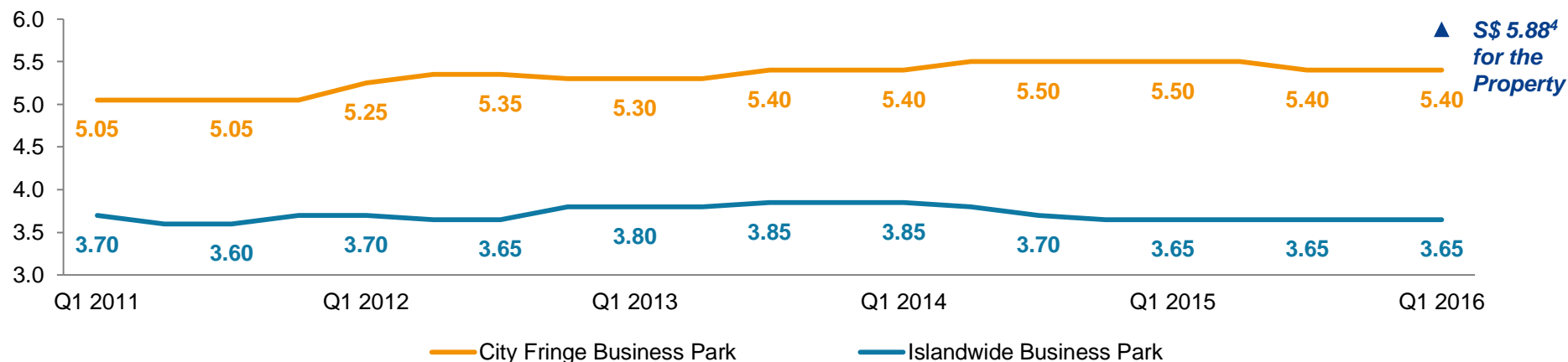


### 3 Exposure to the Stable and Growing Business Park Segment

#### Stable Rents and Limited Competing New Supply Island-wide

- Business park rents historically more stable (S\$5.25 – 5.50 psf pm since 2012<sup>1</sup>) compared to traditional office assets
- City fringe business parks command average rental premiums of approximately 44%<sup>2</sup> over rest of island-wide
  - Higher rents may be attributed to the profile of tenants who are attracted by the Grade-A building specifications and proximity to the CBD
- No visible new supply beyond 2016 and expected until 2020 to provide demand support<sup>3</sup>

#### Singapore Business Park Rents (S\$ psf pm)



Source: CBRE

<sup>1</sup> Range for City Fringe Business Parks only

<sup>2</sup> Average since 2011

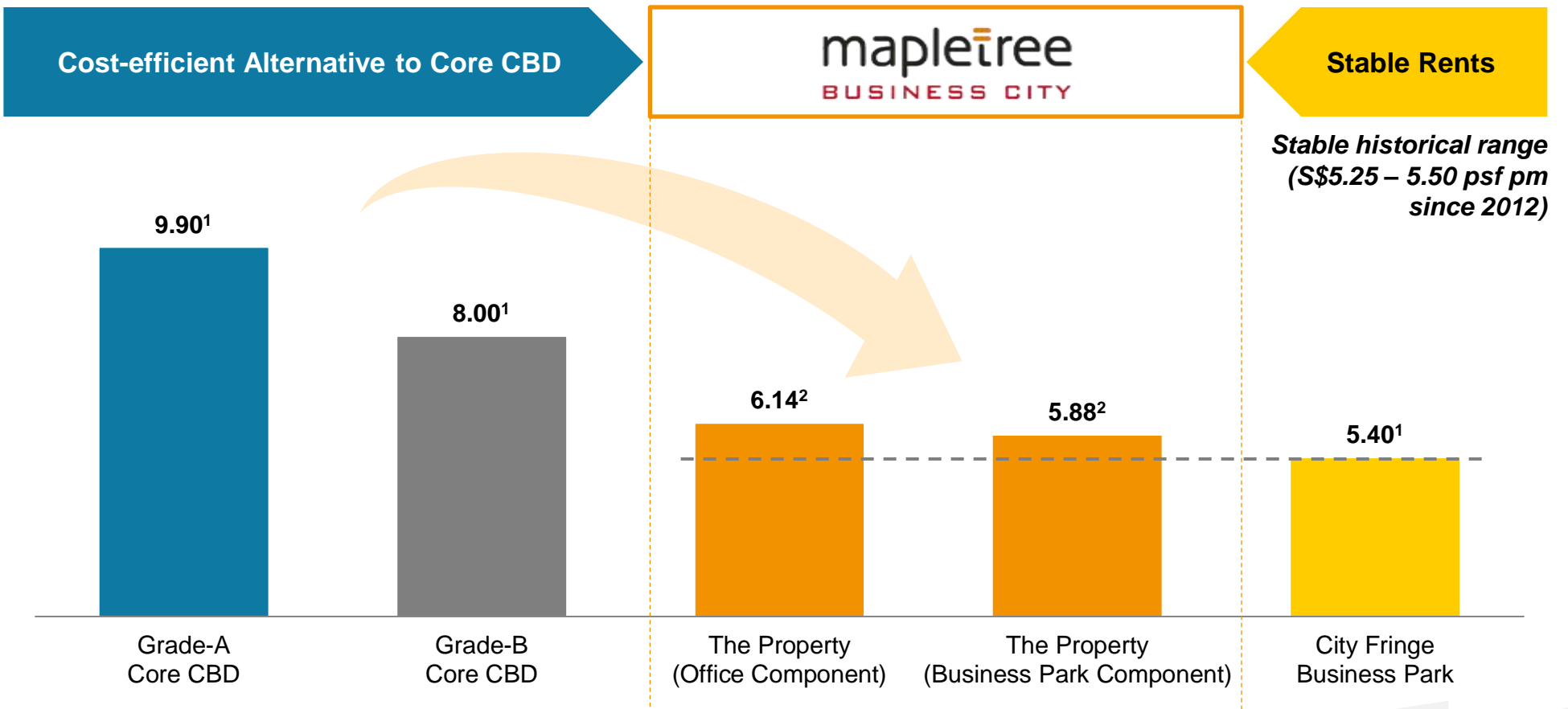
<sup>3</sup> New business parks require an average of three to four years for development. All planned future business park supply is due for completion in 2016, of which approximately 60.2% will be from Mapletree Business City (Phase 2)

<sup>4</sup> Average passing rent as at 30 April 2016 for the business park component of the Property

# 4 Stable and Quality Cash Flows

Beneficiary of Decentralisation and Flight to Quality Trends

Rents (S\$ psf per month)



Source: CBRE

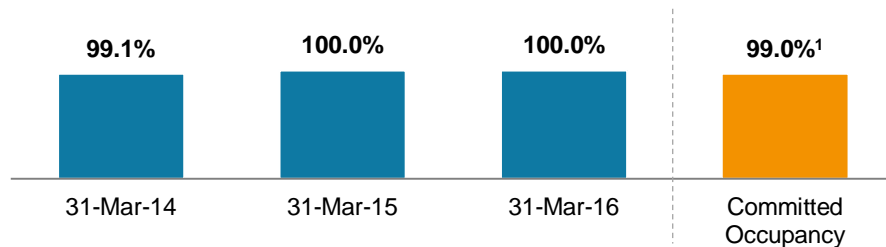
<sup>1</sup> As at 31 March 2016

<sup>2</sup> Average passing rent as at 30 April 2016

## 4 Stable and Quality Cash Flows

### High Occupancy Backed By Strong “Office-like” Tenants

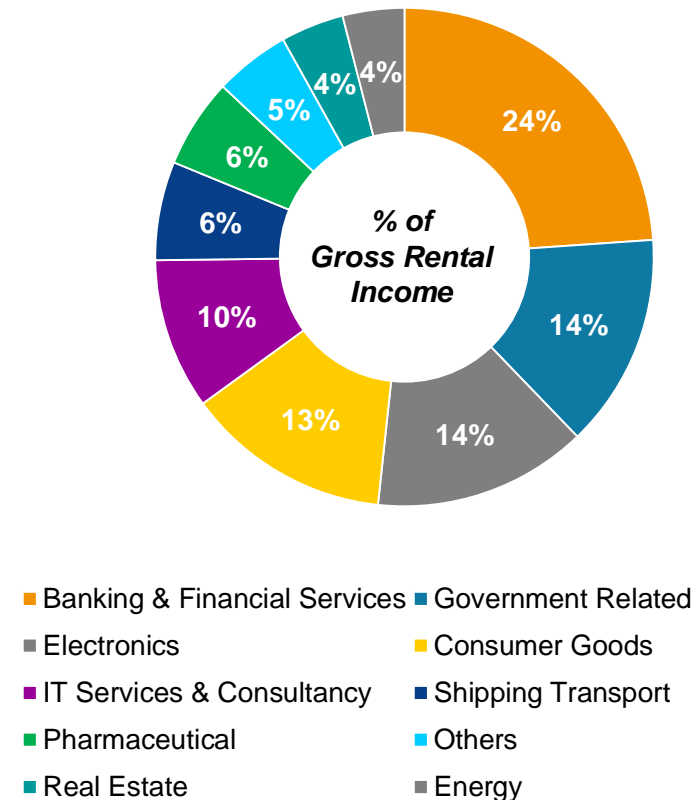
#### Historical Occupancy (%)



#### 29 High Quality Tenants in Total

Top 10 Tenant Names	% of Gross Rental Income <sup>2</sup>
The Hongkong and Shanghai Banking Corporation Limited	11.6%
Info-Communications Development Authority of Singapore	8.4%
Samsung Asia Pte. Ltd. / Samsung Electronics Asia Holding Pte. Ltd.	8.0%
Unilever Asia Pte Ltd	7.7%
SAP Asia Pte Ltd	7.7%
BW Maritime Pte Ltd / BW Offshore Singapore Pte. Ltd.	6.4%
Nike Trading Company B.V. Singapore Branch	5.6%
Singapore Power Limited <sup>3</sup>	5.5%
Deutsche Bank Aktiengesellschaft	4.6%
Mapletree Investments Pte Ltd	4.1%
<b>Total</b>	<b>69.6%</b>

#### Tenant Breakdown by Trade Sector<sup>2</sup>



<sup>1</sup> As at 17 June 2016, being the Latest Practicable Date of the Circular. Actual occupancy is 97.8% as at 30 April 2016

<sup>2</sup> As at 30 April 2016

<sup>3</sup> On 3 June 2016, Singapore Power Limited and Mapletree Business City Pte. Ltd. entered into a letter of agreement in relation to the SP Tenancy Agreement. See Circular for further details

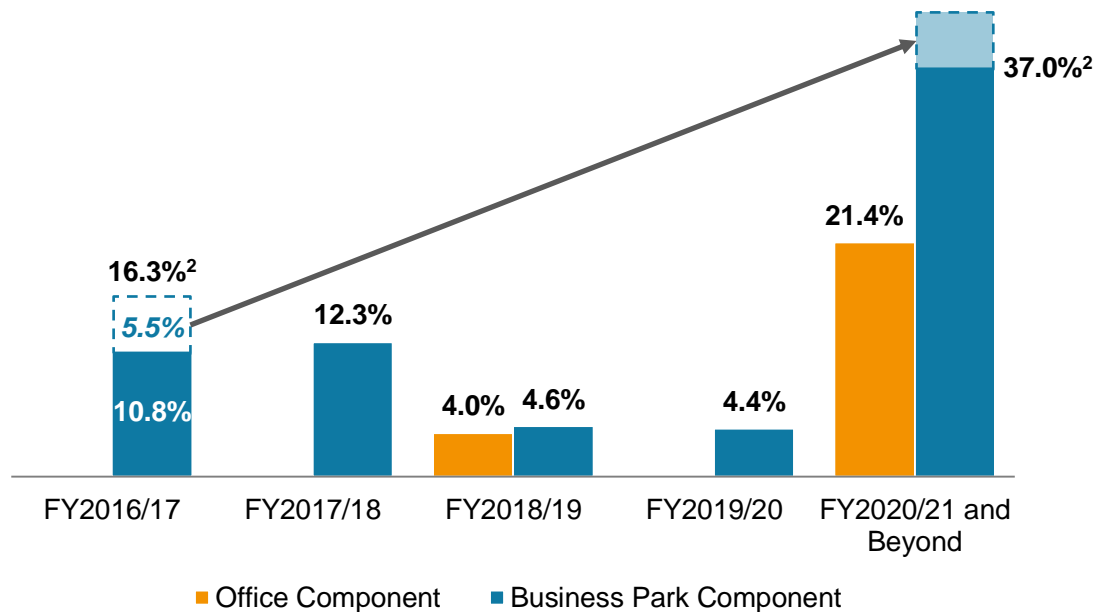


# 4 Stable and Quality Cash Flows

**Favourable and Defensive Lease Profile Further Enhances Income Stability and Organic Growth**

## Lease Expiry Profile<sup>1</sup>

*Property WALE of approximately 3.5 years<sup>1</sup>*



- **Beneficial lease expiry profile**
  - No significant office expiries over next 3 years
  - Lack of new supply of business parks between 2017 and 2020
  
- High tenant retention rate
  - 85.6%<sup>3</sup> for leases expiring in FY2015/16
  - Substantial capital expenditure made by existing tenants
  
- Long-tenured leases – 88.0%<sup>1</sup> with original tenures of 5 to 10 years
  
- 97.5%<sup>1</sup> of leases have average built-in annual rental step-ups of ~3%

<sup>1</sup> By Gross Rental Income as at 30 April 2016

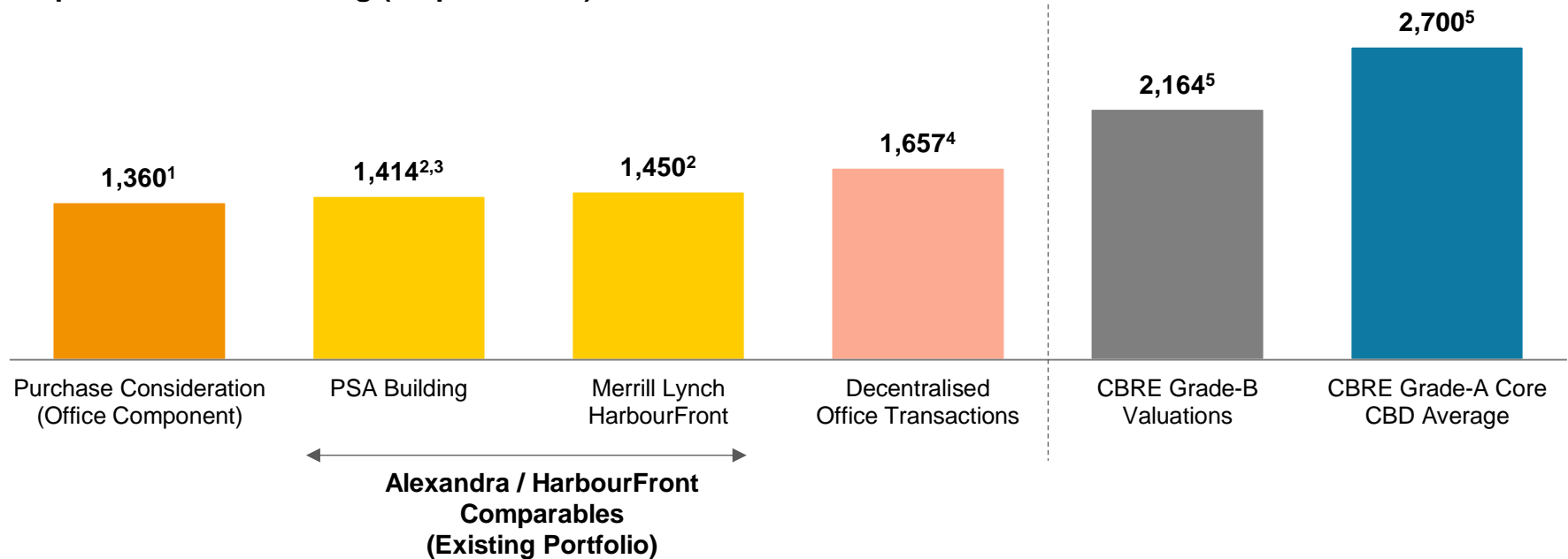
<sup>2</sup> As at the Latest Practicable Date, an additional lease was renewed, lowering the FY2016/17 lease expiry as a % of Gross Rental Income from 16.3% to 10.8%. The renewed lease expires in FY2020/21 and beyond

<sup>3</sup> Based on NLA for leases expiring in the year ended 31 March 2016

# 5 Attractive Valuation Characteristics (Office Component)

Valuation Compares Favourably to CBD and Decentralised Offices

## Office Comparable Benchmarking (S\$ psf of NLA)



Source: CBRE

<sup>1</sup> Based on the average of the independent valuations for the office component of the Property, which is S\$587.0 million for DTZ and S\$587.0 million for Knight Frank, as at 31 May 2016. Derived by applying the same percentage value contribution of the office component of the average of the independent valuations by DTZ and Knight Frank as at 31 May 2016

<sup>2</sup> Based on the appraised valuation by CBRE as at 31 March 2016

<sup>3</sup> Includes retail component

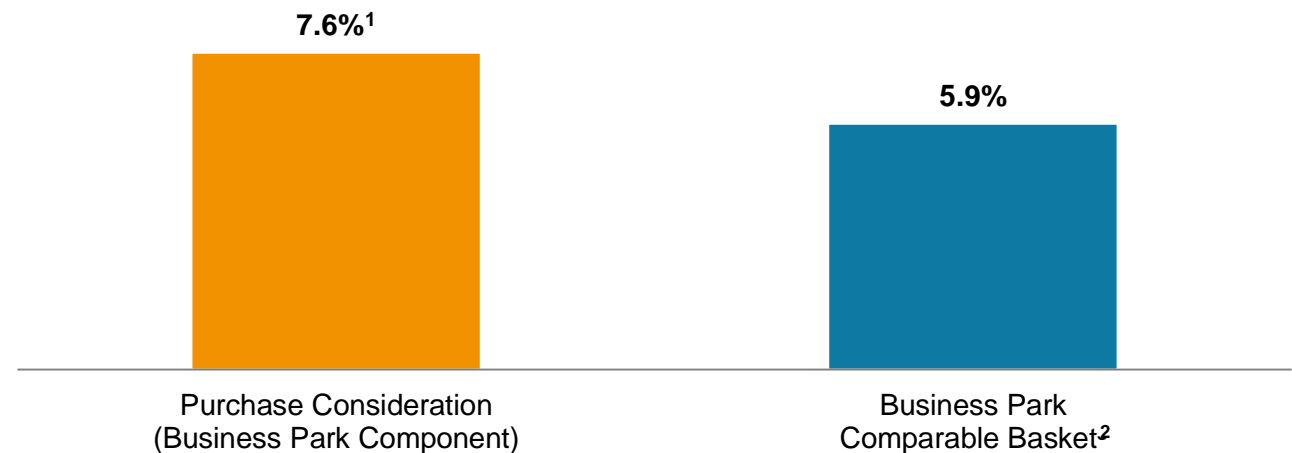
<sup>4</sup> Based on average valuation psf of NLA for decentralised office transactions. Refer to Independent Market Research Report by CBRE for more details

<sup>5</sup> Refer to Independent Market Research Report by CBRE for more details

## 5 Attractive Valuation Characteristics (Business Park Component)

### Attractive Valuation Metrics Compared to Other Business Park Assets

#### Gross Yield (%)



<b>Valuation psf of NLA (S\$)</b>	938	775
<b>Average Remaining Land Tenure (years)</b>	80	52

Source: CBRE

<sup>1</sup> Based on the annualised Gross Revenue of the business park component of the Property for the Forecast Period from 1 October 2016 to 31 March 2017, and the Purchase Consideration for the business park component of the Property, which is derived by applying the same percentage value contribution of the business park component of the average of the independent valuations by DTZ and Knight Frank as at 31 May 2016. Gross yield is 7.4% if based on the average of the independent valuations

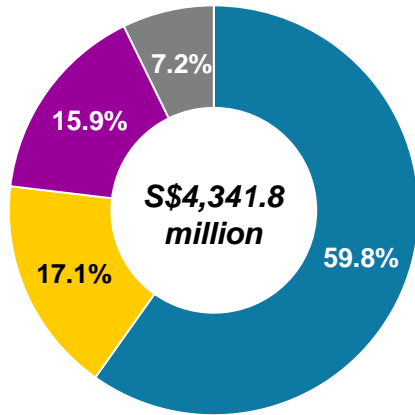
<sup>2</sup> Refer to Independent Market Research Report by CBRE for more details



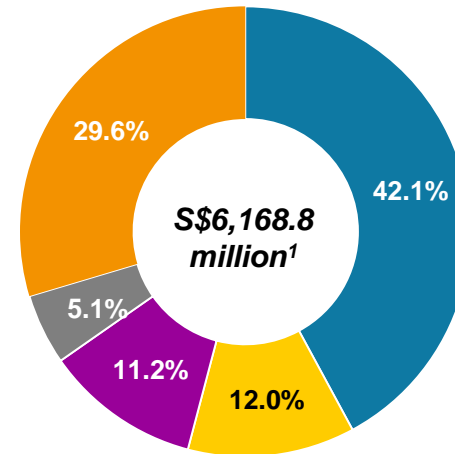
## Reduction of Concentration Risk by Property and Asset Class

Valuation

Pre-Acquisition

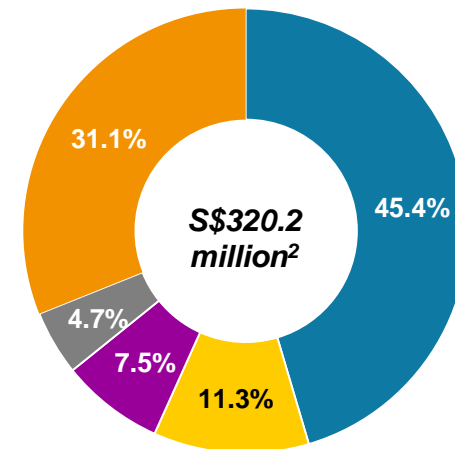
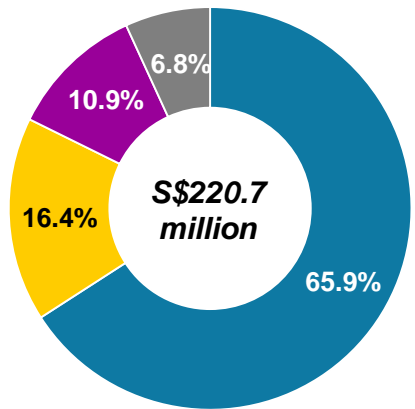


Post-Acquisition



- VivoCity
- PSA Building
- Mapletree Anson
- Merrill Lynch HarbourFront
- The Property

NPI



- VivoCity
- PSA Building
- Mapletree Anson
- Merrill Lynch HarbourFront
- The Property

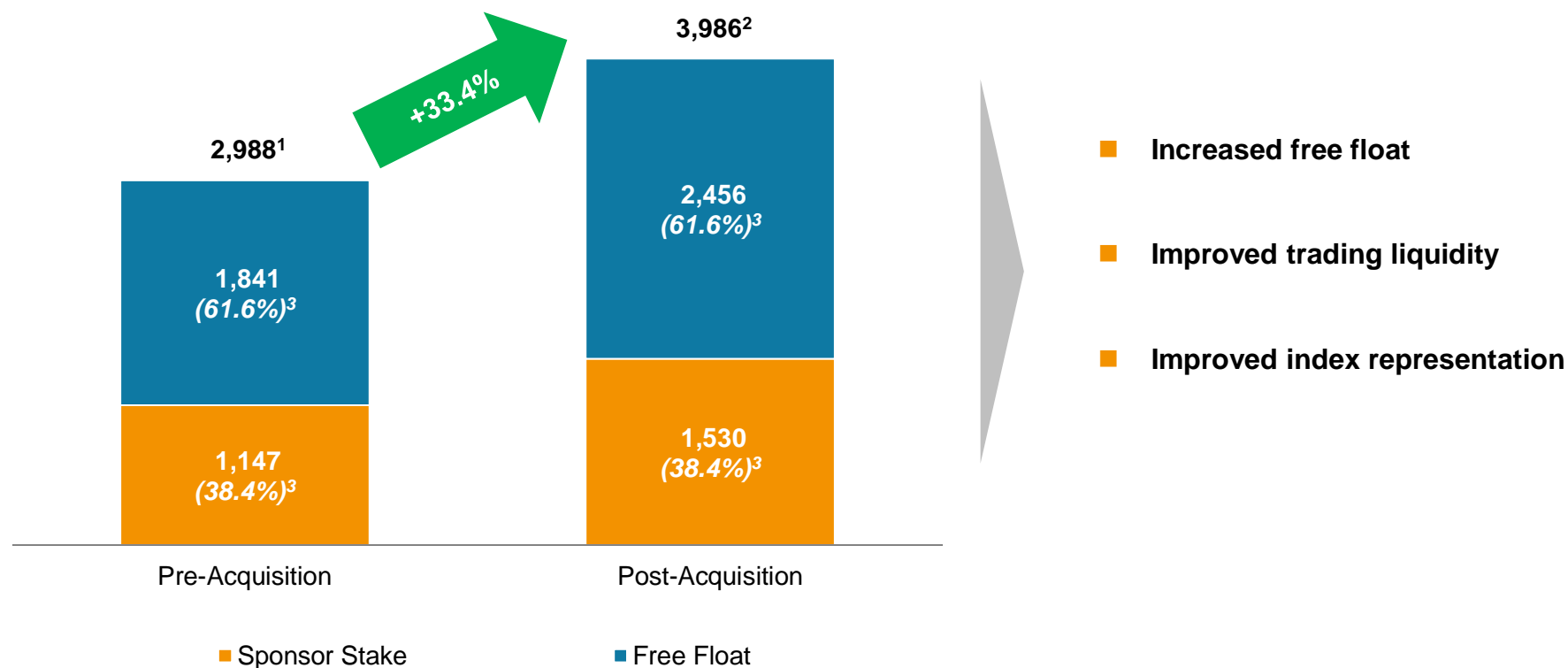
<sup>1</sup> Based on the valuation of the Existing Portfolio as at 31 March 2016 and the average of the independent valuations by DTZ and Knight Frank for the Property as at 31 May 2016

<sup>2</sup> FY2015/16 pro forma

## 6 Positive Impact on the Enlarged Portfolio

### Increase in Free Float and Liquidity

#### Market Capitalisation and Free Float (S\$ million)



<sup>1</sup> Based on 2,134.3 million Units in issue as at the Latest Practicable Date and the Illustrative Issue Price of S\$1.40 per Unit

<sup>2</sup> Based on 2,134.3 million Units in issue as at the Latest Practicable Date and the issue of 713.2 million new Units and Acquisition Fee Units

<sup>3</sup> Assuming, for illustrative purposes, the Sponsor's ownership percentage in MCT remained constant before and after the Acquisition



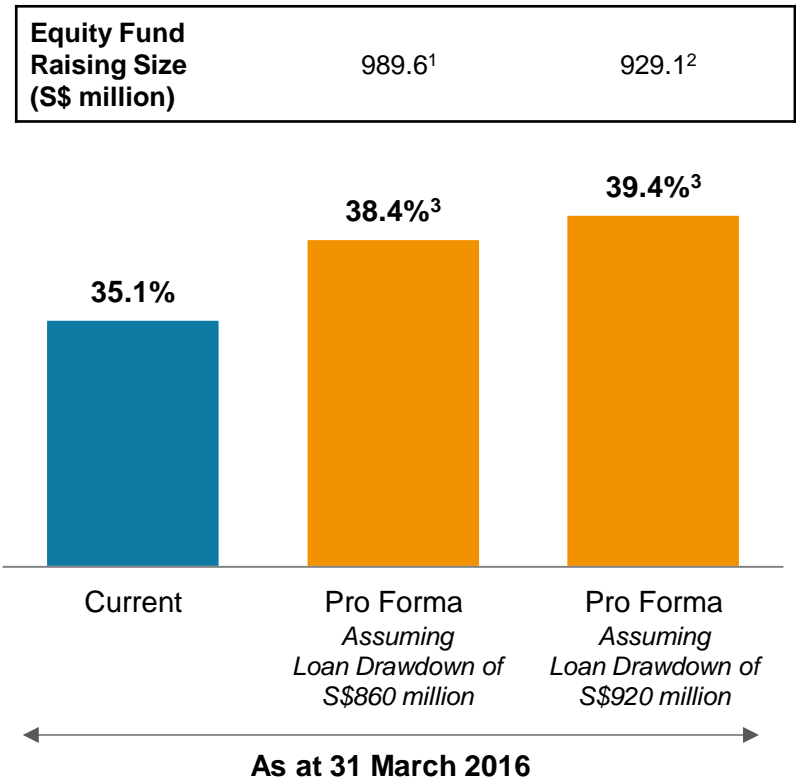


# Acquisition Financing

## Acquisition to be Funded by Combination of Debt and Equity

<b>Total Acquisition Cost</b>	<ul style="list-style-type: none"> <li>■ S\$1,858.5 million inclusive of transaction costs and Acquisition Fee paid in Units</li> </ul>
<b>Equity Fund Raising</b>	<ul style="list-style-type: none"> <li>■ Proposed issue of up to 795.0 million New Units</li> <li>■ The Equity Fund Raising may comprise:                             <ul style="list-style-type: none"> <li>— A private placement of New Units to institutional and other investors; and / or</li> <li>— A non-renounceable preferential offering of New Units to the existing Unitholders on a <i>pro rata</i> basis</li> </ul> </li> </ul>
<b>Debt Financing</b>	<ul style="list-style-type: none"> <li>■ MCT has been granted Loan Facilities of up to S\$920.0 million</li> <li>■ 2 / 4 / 6-year term loan facilities</li> <li>■ Assumed interest cost of 3.25% per annum</li> </ul>

### Aggregate Leverage (%)



<sup>1</sup> At the Illustrative Issue Price of S\$1.40 per Unit, approximately 713.2 million new Units will be issued in connection with the Acquisition (comprising approximately 706.8 million New Units to be issued in relation to the Equity Fund Raising and approximately 6.4 million Acquisition Fee Units). Final amount of equity to be raised and issue price to be decided closer to the Equity Fund Raising, having regard to the then prevailing market conditions and other factors

<sup>2</sup> At the Illustrative Issue Price of S\$1.40 per Unit, approximately 670.0 million new Units will be issued in connection with the Acquisition (comprising approximately 663.6 million New Units to be issued in relation to the Equity Fund Raising and approximately 6.4 million Acquisition Fee Units)

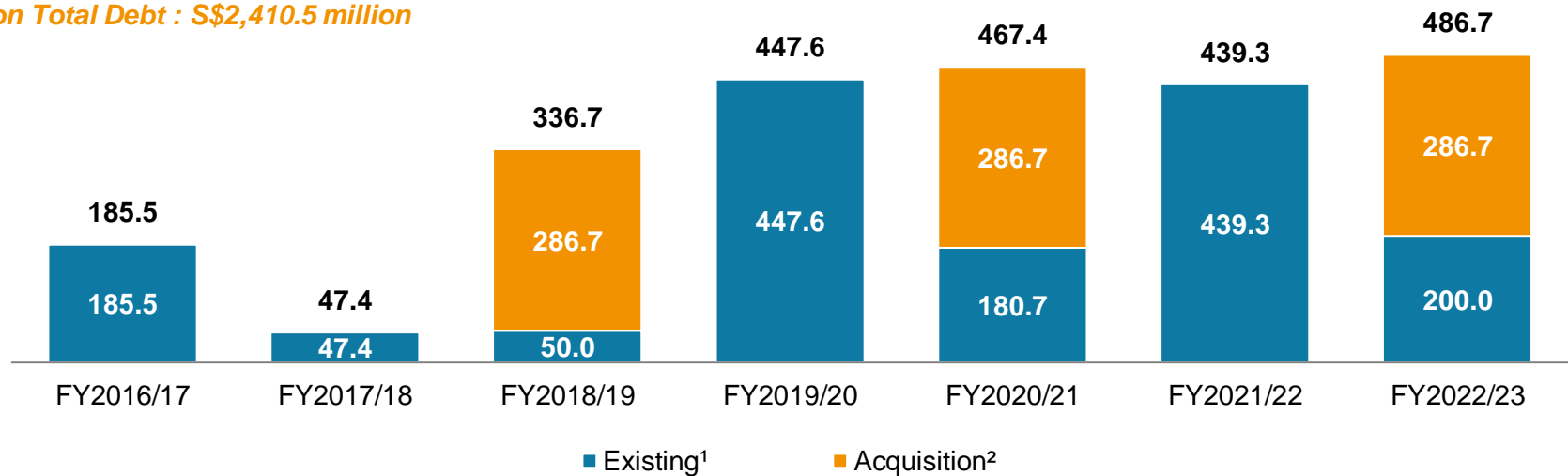
<sup>3</sup> Based on MCT's aggregate leverage as at 31 March 2016 adjusted for the drawdown of the Loan Facilities and the increase in Deposited Property post completion of the Acquisition

# Pro Forma Debt Maturity Profile (Post-Acquisition)

No More than 21% of Total Debt Expiring in Any One Year

## Debt Maturity Schedule (S\$ million)

Pre-Acquisition Total Debt : S\$1,550.5 million  
 Post-Acquisition Total Debt : S\$2,410.5 million



## % of Debt Maturing

<b>Pre-Acquisition</b>	12.0%	3.1%	3.2%	28.9%	11.6%	28.3%	12.9%
<b>Post-Acquisition</b>	7.7%	2.0%	13.9%	18.6%	19.4%	18.2%	20.2%

<sup>1</sup> As at 26 April 2016, based on last reported debt breakdown as disclosed in MCT filings

<sup>2</sup> Assuming that the Acquisition is completed on 26 April 2016 and a drawdown of S\$860.0 million from the two-year, four-year, and six-year term loan facilities in almost equal proportion

# Approval Sought

## Proposed Acquisition of Mapletree Business City (Phase 1) (Ordinary Resolution)

### Key Benefits to Unitholders

**1** *Attractive Valuation*

**2** *Stable and Quality Cash Flows*

**3** *Increase in NPI and NPI Yield Post-Acquisition*

**4** *DPU and NAV Accretive to Unitholders Without Income Support*

**5** *Reduction of Concentration Risk by Property Class and Asset Class*

**6** *Increase in Free Float and Liquidity*



# MCT After the Acquisition

Enlarged Asset Size of S\$6.1 billion<sup>1</sup>



**VivoCity**  
S\$2,597.0 million<sup>2</sup>



**PSA Building**  
S\$740.8 million<sup>3</sup>



**Mapletree Anson**  
S\$690.0 million<sup>3</sup>



**Merrill Lynch HarbourFront**  
S\$314.0 million<sup>3</sup>



**The Property: S\$1,780.0 million<sup>4</sup>**

<sup>1</sup> Based on the valuation of the Existing Portfolio as at 31 March 2016 and Purchase Consideration of the Property of S\$1780.0 million

<sup>2</sup> Valuation by Knight Frank as at 31 March 2016

<sup>3</sup> Valuation by CBRE as at 31 March 2016

<sup>4</sup> Based on Purchase Consideration of the Property

# The Proposed Whitewash Resolution

## The SIC has Granted the Whitewash Waiver

	Pre-Acquisition	Post-Acquisition <sup>3</sup>	
<ul style="list-style-type: none"> <li>■ Purpose of the Whitewash Resolution is to permit the Sponsor to be diluted in a potential Private Placement, and then subsequently subscribe for units under a Preferential Offering<sup>1</sup></li> </ul>	<b>Issued Units</b>	2,134,250,876	2,847,432,124
<ul style="list-style-type: none"> <li>■ Without a Whitewash Resolution, the Sponsor could technically violate the “creep rules” given the time gap between the completion of a Private Placement and a Preferential Offering<sup>2</sup> <ul style="list-style-type: none"> <li>— Sponsor’s percentage unitholding immediately after the Equity Fund Raising (excluding the Acquisition Fee Units to be issued) will be equal to or lower than its percentage unitholding immediately prior to the Equity Fund Raising</li> </ul> </li> </ul>	<b>No. of Units held by the Concert Party Group<sup>4</sup></b>	831,540,375	1,111,666,119
	<b>No. of Units held by Unitholders, other than the Concert Party Group<sup>5</sup></b>	1,302,710,501	1,735,766,005
	<b>% of issued Units held by the Concert Party Group<sup>4</sup></b>	38.96%	39.04%
<ul style="list-style-type: none"> <li>■ The SIC has on 30 June 2016 granted a waiver of the requirement by the Sponsor to make a Mandatory Offer           <ul style="list-style-type: none"> <li>— Waiver granted is subject to Unitholder approval of the Whitewash Resolution</li> </ul> </li> </ul>	<b>% of Units held by Unitholders, other than the Concert Party Group<sup>5</sup></b>	61.04%	60.96%

<sup>1</sup> The Whitewash Resolution is to enable the Sponsor to (i) accept, or procure the acceptance, in full of the provisional allocation of New Units under the Preferential Offering based on its entitlement; and (ii) (subject to approval of the Whitewash Resolution by Independent Unitholders) apply for the Sponsor Excess Units, so that if it is fully allotted the Sponsor Excess Units, it would maintain its percentage unitholding at the level immediately prior to the Equity Fund Raising

<sup>2</sup> Pursuant to Rule 14.1(b) of the Code, except with the consent from the SIC, where any person who, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six months additional Units carrying more than 1.0% of the voting rights, such person must extend offers immediately, on the basis set out in Rule 14 of the Code, to the holders of Units

<sup>3</sup> Assuming gross proceeds of S\$989.6 million raised from the Equity Fund Raising and the issuance of the New Units and Acquisition Fee Units at the Illustrative Issue Price of S\$1.40. Assumes Concert Party Group subscribes to its pro rata entitlement under the Preferential Offering and Sponsor is allotted in full its application for the Sponsor Excess Units

<sup>4</sup> Concert Party Group refers to the Sponsor, the Manager and the parties acting in concert with them

<sup>5</sup> Unitholders other than the Concert Party Group and parties not independent of them

# Summary of Approvals Required and Timetable

**IFA is of the Opinion that the Acquisition is Based on Normal Commercial Terms and Not Prejudicial to the Interests of MCT and the Minority Unitholders**

<b>Approvals Sought</b>	<ul style="list-style-type: none"><li>■ <b>Resolution 1:</b> The Proposed Acquisition of the Property as an Interested Person Transaction</li><li>■ <b>Resolution 2:</b> The Proposed Issue of up to 795.0 million New Units under the Equity Fund Raising</li><li>■ <b>Resolution 3:</b> The Whitewash Resolution for the Right of Independent Unitholders to Receive a Mandatory Offer from the Concert Party Group for all the Remaining Units not already Owned or Controlled by the Concert Party Group</li><li>■ <i>All three resolutions are inter-conditional</i></li></ul>
<b>Last Date and Time for Lodgement of Proxy Forms</b>	<ul style="list-style-type: none"><li>■ <b>22 July 2016 (Friday) at 3:00 pm</b></li></ul>
<b>Date, Time and Place of EGM</b>	<ul style="list-style-type: none"><li>■ <b>25 July 2016 (Monday) at 3:00 pm</b> or immediately following the conclusion or adjournment of the AGM to be held at 2:30 pm on the same day</li><li>■ 10 Pasir Panjang Road, Mapletree Business City, Town Hall (<i>formerly known as Multipurpose Hall</i>) – Auditorium, Singapore 117438</li></ul>