





Mapletree Greater China Commercial Trust

Financial Results for the Period
from 1 April 2015 to 31 March 2016

mapletree
greater china commercial





Disclaimer

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in MGCCT ("Units"). The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager 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 of MGCCT may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of MGCCT is not necessarily indicative of its future performance.

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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and 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.

This presentation shall be read in conjunction with Mapletree Greater China Commercial Trust's financial results for the period from 1 April 2015 to 31 March 2016 in the SGXNET announcement dated 27 April 2016.

FY15/16 – Delivering Steady Organic & Acquisition Growth

- **FY15/16 Available DPU of 7.248 cents[1] grew 10.8% yoy**
  - Accretive acquisition of Sandhill Plaza
  - Steady contribution from Festival Walk & Gateway Plaza

- **Proactive Asset Management of Quality Assets**
  - **94%** of expired leases[2] in FY15/16 renewed/re-let
  - Rental uplifts of **37%** from Festival Walk and **25%** from Gateway Plaza

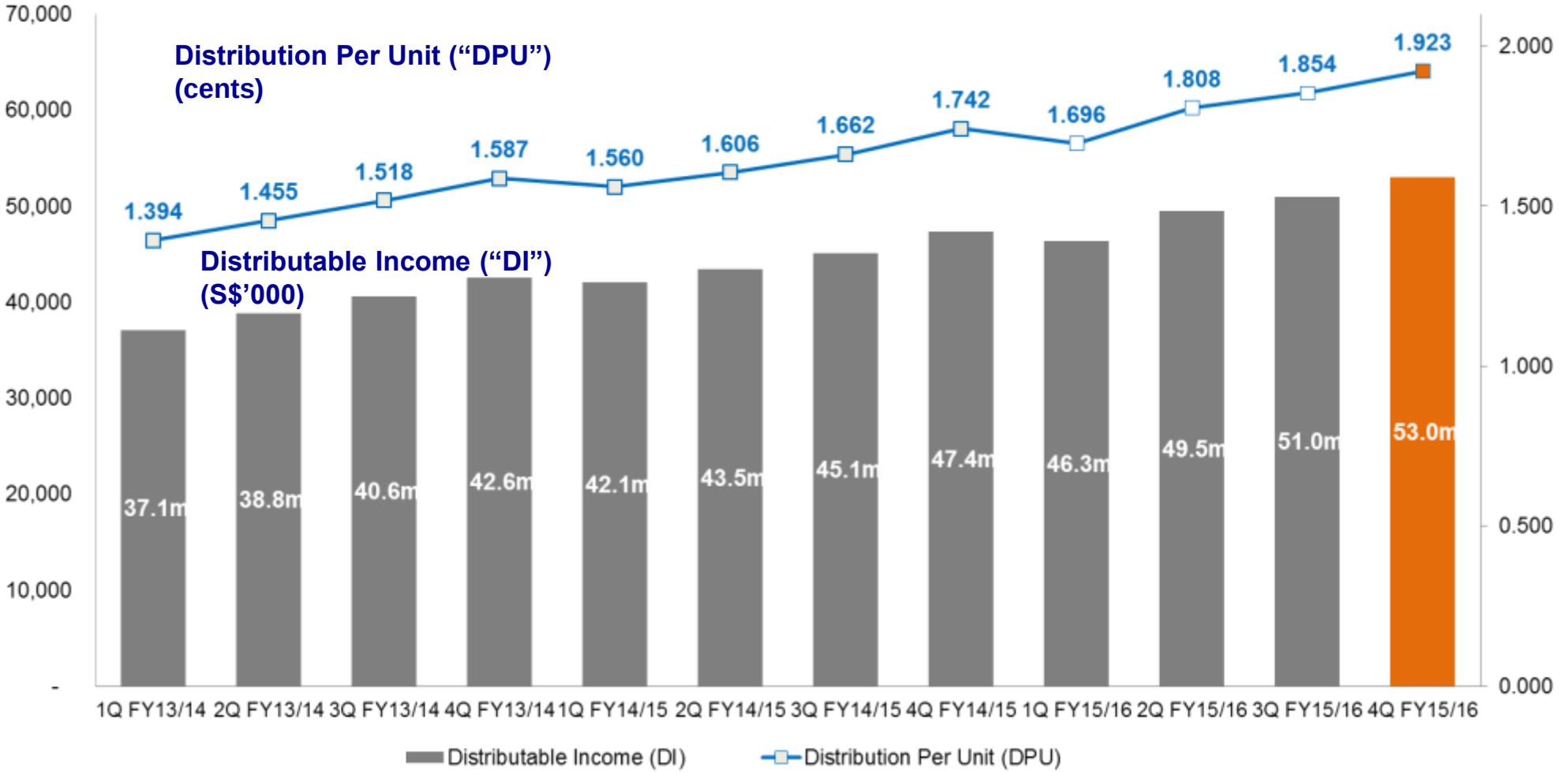
- **Asset Enhancement Update at Gateway Plaza**
  - Completed upgrading works at podium area, with addition of F&B units and improved accessibility

- **FX volatility mitigated as more than 70% of expected distributable income in 1H FY16/17 hedged**

1. Available DPU for the financial year is calculated based on the income available for distribution for the year over the number of issued units as at the end of the year
2. By lettable area

mapletree
greater china commercial

Consistent Growth in DI and DPU Since IPO



- Variances in DPU and DI in 1Q FY15/16 and 1Q FY14/15 compared with the respective previous quarter was largely due to seasonality in retail sales
- 1Q FY13/14 excludes stub period 7 to 31 March 2013. Including stub period, 1Q FY13/14 DI = S$46.1m and DPU = 1.7337 cents.
- DPU per quarter is calculated based on the income available for distribution for the quarter over the number of issued units as at end of quarter.

mapletree
greater china commercial

Financial Highlights



FY15/16 DPU Increased 10.8% Year-on-year

(S$'000)	FY 15/16	FY 14/15	Variance %
Gross Revenue	**336,638**	**281,144**	**19.7**
Property Expenses	(59,172)	(51,834)	(14.2)
Net Property Income	**277,466**	**229,310**	**21.0**
NPI Margin (%)	*82.4*	*81.6*	
Management Fees	(24,871)	(22,012)	(13.0)
Finance Costs (Net)	(64,451)	(40,366)	(59.7)
Distributable Income	**199,874**	**178,039**	**12.3**
Available DPU (cents)	**7.248**	**6.543**	**10.8**
Annualised Distribution Yield (%)	**7.6**	**6.3**	
Closing Unit Price on 31 Mar	S$0.955	S$1.040	

↑ **Strong rental uplifts, addition of SP, and appreciation of HKD and RMB against SGD**

↑ **Addition of SP, higher maintenance costs at FW, higher property & lease management fees in line with revenue growth, and appreciation of HKD and RMB against SGD**

NPI Margin improved to 82.4%

↑ **Higher interest cost of:**

- **S$9.7m from borrowings for SP acquisition**
- **S$5.9m due to interest rate swaps undertaken to increase fixed to floating debt ratio**
- **S$5.0m arising from issued bonds & longer term debt**
- **S$3.1m due to appreciation of HKD against SGD**

FW refers to Festival Walk; GW refers to Gateway Plaza and SP refers to Sandhill Plaza

4Q FY15/16 DPU Increased 10.4% vs. 4Q FY14/15

(S$'000)	4Q15/16	4Q14/15	Variance %
Gross Revenue	**87,834**	**76,232**	**15.2**
Property Expenses	(14,818)	(13,970)	(6.1)
Net Property Income	**73,016**	**62,262**	**17.3**
NPI Margin (%)	*83.1*	*81.7*	
Management Fees	(7,234)	(6,470)	(11.8)
Finance Costs (Net)	(17,270)	(10,865)	(59.0)
Distributable Income	**53,028**	**47,399**	**11.9**
Available DPU (cents)	**1.923**	**1.742**	**10.4**
Annualised Distribution Yield (%)	**8.1**	**6.7**	
Closing Unit Price on 31 Mar	S$0.955	S$1.040	

↑ **Strong rental uplifts, addition of SP, and appreciation of HKD against SGD**

↑ **Addition of SP, higher property & lease management fees in line with revenue growth, and appreciation of HKD against SGD**

NPI Margin improved to 83.1%

↑ **Higher interest cost of:**

- **S$3.1m from borrowings for SP acquisition**
- **S$1.4m due to interest rate swaps undertaken to increase fixed to floating debt ratio**
- **S$1.4m arising from issued bonds & longer term debt**
- **S$0.4m due to appreciation of HKD against SGD**

FW refers to Festival Walk; GW refers to Gateway Plaza and SP refers to Sandhill Plaza

Healthy Balance Sheet

S$'000	As at 31 Mar 2016	As at 31 Mar 2015	Variance %
Investment Properties (IP)	5,922,457	5,349,298	10.7
Other Assets	231,047[1]	138,763	66.5
Total Assets	**6,153,504**	**5,488,061**	**12.1**
Borrowings	2,422,261	1,983,963	(22.1)
Other Liabilities	315,056[1]	243,914	(29.2)
Total Liabilities	**2,737,317**	**2,227,877**	(22.9)
Net Assets	**3,416,187**	**3,260,184**	**4.8**
Net Asset Value per Unit (S$)	**1.239**	**1.198**	**3.4**

↑ **Acquisition of Sandhill Plaza which cost S$407.4m and fair value gain for properties of S$239.9m, offset by translation loss of S$86.9m**

↑ **Mainly due to additional borrowings of S$417.6m to fund acquisition of SP**

[1] There was a cash receipt of RMB213.4 million (S$45.2 million), which was released from the PRC courts to a subsidiary company HK Gateway Plaza Company Limited ("HKGW") relating to the resolution of the Litigation Action in the PRC courts between Beijing Bestride Real Estate Development Co. Ltd. ("Bestride") and HKGW in favour of HKGW, as announced on 4 August 2015. This cash amount is due to be repaid to a related party, Mapletree India China Fund Ltd. There is a balance of RMB51.5 million (S$10.9 million) which continues to be held by the PRC courts pending a damages claim against Bestride arising from the resolution of the Litigation Action. Details of the Litigation Action can be found in MGCCT's Prospectus dated 27 February 2013.

Appreciation in Portfolio Valuation as at 31 March 2016

$ million	Purchase price as at 7 Mar 13 (IPO)	Valuation as at 7 Mar 13[1] (Local Currency/ S$)	Valuation as at 31 Mar 14[2] (Local Currency / S$)	Valuation as at 31 Mar 15[3] (Local Currency / S$)	Valuation as at 31 Mar 16[4] (Local Currency / S$)	Valuation Cap Rate (Gross) as at 31 Mar 16
Festival Walk	S$ 3,296	HK$ 20,700 / S$ 3,296	HK$ 22,100 / S$ 3,609	HK$ 22,930 / S$ 4,078	HK$ 23,930 / S$ 4,253	4.5% (no change)
Gateway Plaza	S$ 1,013	RMB 5,165 / S$ 1,016	RMB 5,371 / S$ 1,113	RMB 5,675 / S$ 1,271	RMB 5,930 / S$ 1,256	6.5% (no change)
Sandhill Plaza	-	-	-	As at Acquisition (17 Jun 2015)[5] RMB 1,862 / S$ 407	RMB 1,950 / S$ 413	5.75%
Portfolio	S$ 4,309	S$ 4,312	S$ 4,722	S$ 5,349 (excludes SP)	S$ 5,922	-
Growth		*0.1%*	*9.5%*	*13.3%*	*Excl. SP: 3.0%* *Enlarged: 10.7%*	

Portfolio valuation increased mainly due to acquisition of SP and fair value gain (S$172.6m for FW, S$48.2m for GW and S$19.1m for SP), offset by translation loss from investment properties of S$86.9m

[1] Based on exchange rates: S$1 = HK$6.28 and S$1 = RMB5.08
[2] Based on exchange rates S$1= HK$6.12 and S$1 = RMB4.83
[3] Based on exchange rates S$1 = HK$5.62 and S$1= RMB4.46
[4] Valuation methodologies used as of 31 March 2016 by independent valuer include: Term & Reversion Analysis and Discounted Cash Flow Analysis. Based on exchange rates S$1 = HK$5.627 and S$1= RMB4.720
[5] Based on exchange rate: S$1 = RMB4.57

mapletree
greater china commercial

Capital Management



Festival Walk Celebrates CNY

Proactive Capital Management

	As at 31 Mar 2016	As at 31 Mar 2015
Total Debt Outstanding	**HK$13,733 m**	**HK$11,286 m**
% Fixed Debt	**77.0%**	**87.0%**
Gearing Ratio	**39.5%**	**36.2%**
Interest Cover Ratio	**3.9 x**	**5.0 x**
Average Term to Maturity for Debt	**3.01 yrs**	**2.75 yrs**
Average All-In Cost of Debt	**2.83%**	**2.55%**
MGCCT Corporate Rating by Moody's	**Baa1 Stable**	**Baa1 Stable**

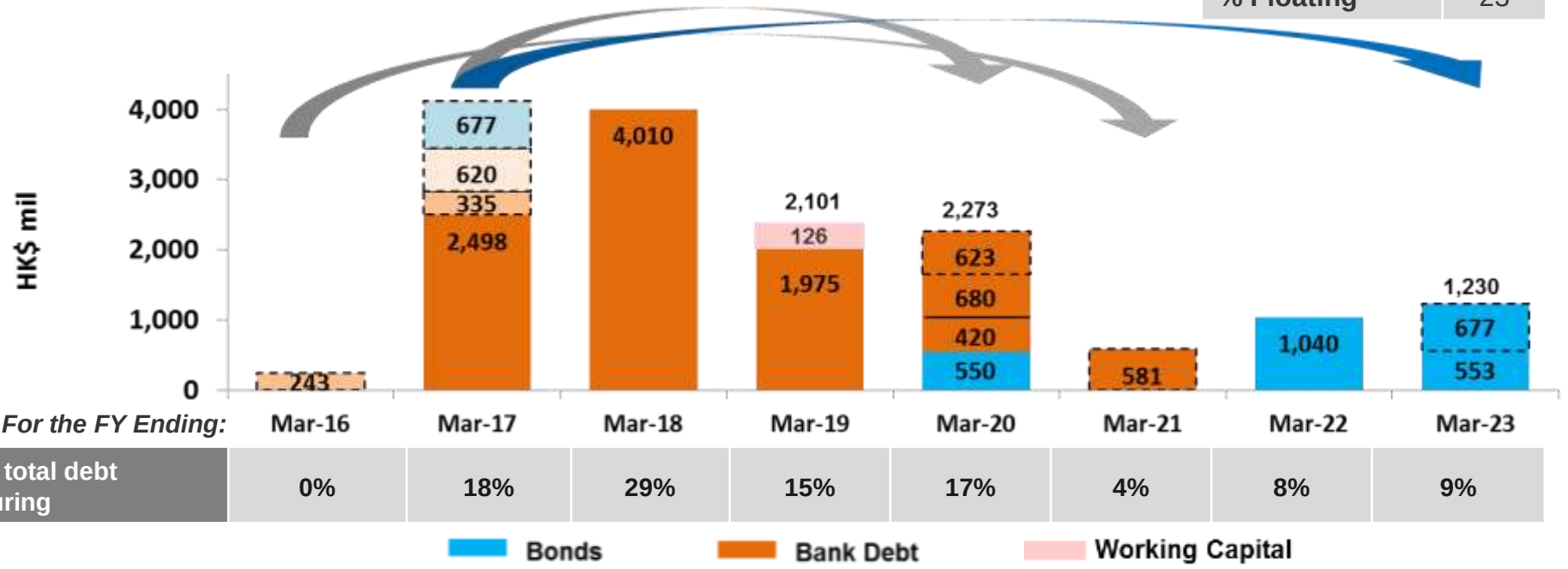
- **Gearing increased to 39.5% mainly due to additional borrowings of HK$2,395m (comprising debt of HK$1,981m & RMB347m[1]) to fund acquisition of Sandhill Plaza**

[1] Based on exchange rate of S$1: RMB4.720 as of 31 March 2016

Well Staggered Debt Maturity Profile

Total Gross Debt : HK$13,733 million[1]

% Fixed	77
% Floating	23



For the FY Ending:	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23
% of total debt maturing	0%	18%	29%	15%	17%	4%	8%	9%

Bonds Bank Debt Working Capital

- During 4Q FY15/16, HK$1,875m was refinanced: HK$1,198m with 4 yr and 5 yr bank debts and HK$677m withS$120m 7-yr bond issued on 22 Mar 16
- For FY16/17, a 50 bps increase in interest rate will reduce DPU by 0.083 cents
- Post 31 March 2016, a further HK$600m 7-yr bond was issued on 12 April 2016 to refinance part of the existing debt expiring in March 2017

[1] Five bond issuances since listing: S$75m 7-yr Fixed Rate Notes at 3.2% due 2021, HK$550m 5-yr Notes at 2.8% due 2020, S$100m 7-yr Notes at 3.43% due 2022, S$100m 7-yr Notes at 3.96% due 2022 and S$120m 7-yr Notes at 3.5% due 2023

mapletree
greater china commercial

70% of 1H FY16/17 Distributable Income locked-in

Portfolio Level (as of 31 Mar 2016)	1H FY16/17
% of Distributable Income that has been hedged	**~ 70%**

- **More than 70% of expected distributable income for 1H FY16/17 (comprising both HKD and RMB) has been hedged into SGD**
- **The Manager will continue to monitor the markets and enter into income hedges when appropriate to ensure stability of distributions to Unitholders**

mapletree
greater china commercial

MGCCT 2H FY15/16 Distribution Details

Distribution Details	
Distribution Period	1 October 2015 – 31 March 2016
Distribution Amount	**3.771**[1] cents per unit

Distribution Timetable	
Notice of Books Closure Date	Wednesday, 27 April 2016
Ex-Date	Wednesday, 4 May 2016
Books Closure Date	Friday, 6 May 2016, 5:00pm
Cash Distribution Payment Date	Friday, 27 May 2016

[1] Second distribution for FY15/16 of 3.771 cents is calculated based on the total distributable income for the period from 1 October 2015 to 31 March 2016 over 2,757,579,017 units representing issued units as at 31 March 2016

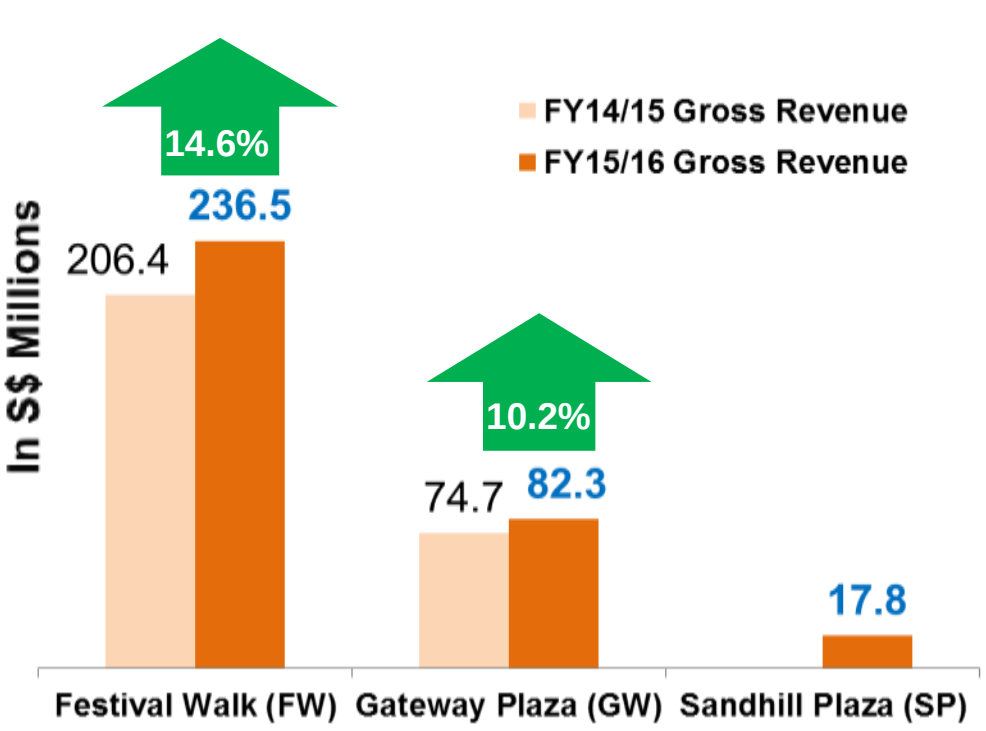
mapletree
greater china commercial

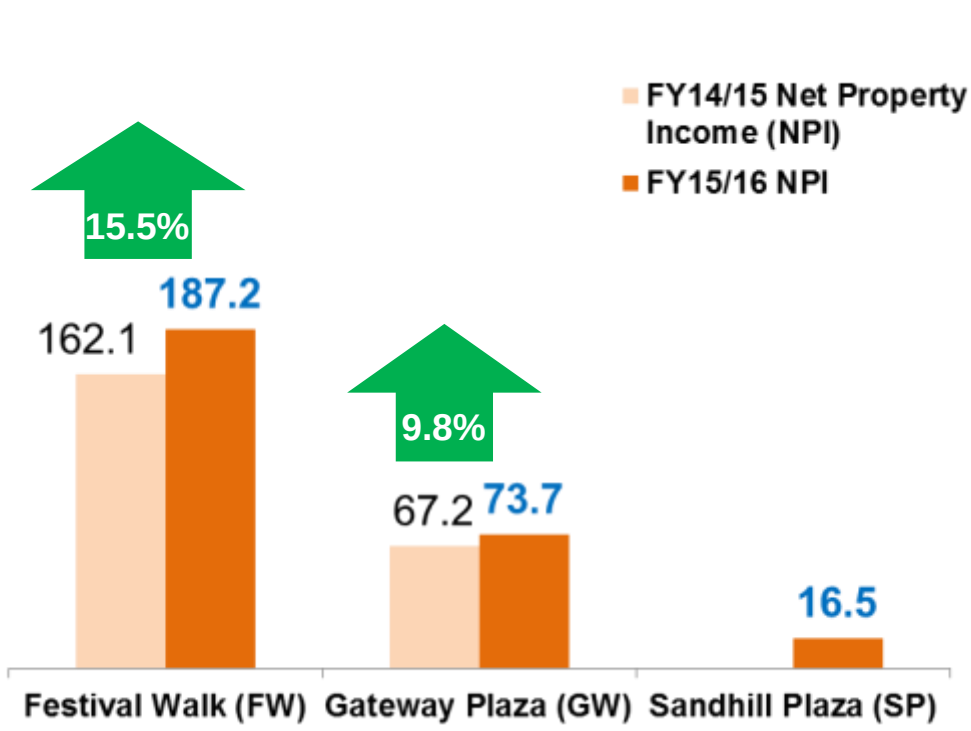
Portfolio Highlights



Sandhill Plaza

Contribution by Assets to Portfolio Gross Revenue & NPI





- **Increase in Gross Revenue and NPI from all 3 assets**
- **FW, GW & SP[1] contributed to 70%, 25% and 5% of Gross Revenue respectively**
- **FW, GW & SP contributed to 67%, 27% and 6% of NPI respectively**

[1] Acquired on 17 Jun 2015

mapletree
greater china commercial

High Portfolio Occupancy of 98.6% as at 31 Mar 2016

Occupancy Rate By Qtr	As at 31 Mar 2015	As at 30 Jun 2015	As at 30 Sep 2015	As at 31 Dec 2015	As at 31 Mar 2016
Festival Walk 	100.0%	100.0%	100.0%	100.0%	**100.0%**
Gateway Plaza 	98.0%	98.6%	96.3%	97.0%	**96.8%**
Sandhill Plaza 	-	98.5%[1]	100.0%	100.0%	**100.0%**
Portfolio	98.8%	99.0%	98.4%	98.7%	**98.6%**

[1] Sandhill Plaza's committed occupancy rate of 96.2% as at 31 Mar 2015 was disclosed in the Acquisition announcement on 15 Jun 2015.

37% Uplift at Festival Walk & 25% Uplift at Gateway Plaza

YTD Rental Uplift By Qtr[1]	As at 31 Mar 2015	As at 30 Jun 2015	As at 30 Sep 2015	As at 31 Dec 2015	As at 31 Mar 2016
Festival Walk					
- Retail	22%	16%	20%	42%	**37%**
- Office	12%	n.a.[2]	n.a.	n.a.	n.a.
Gateway Plaza					
- Office	30%	29%	25%	29%	**25%**

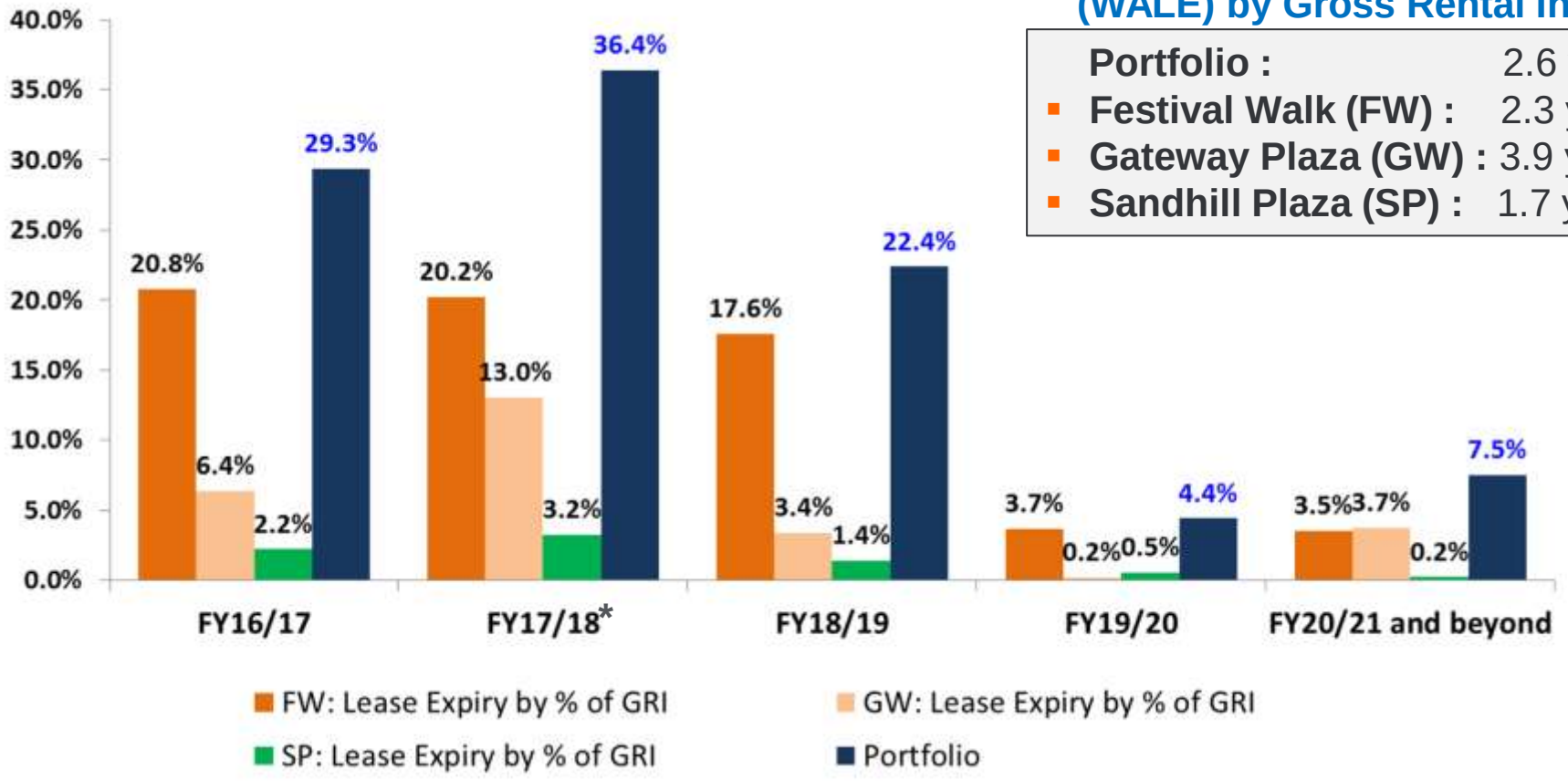
- **94%**[3] of expired leases at portfolio level in FY15/16 have been renewed/re-let

[1] Rental uplift is computed based on effective rental rate of expired leases vs. effective rental rate of the contracted leases that were renewed or re-let over the lease term.
[2] There is no office lease expiry at FW in FY15/16
[3] By lettable area

Portfolio Lease Expiry Profile as of 31 Mar 2016

Weighted Average Lease Expiry (WALE) by Gross Rental Income

Portfolio :	2.6 years
▪ **Festival Walk (FW) :**	2.3 years
▪ **Gateway Plaza (GW) :**	3.9 years
▪ **Sandhill Plaza (SP) :**	1.7 years



* The portfolio WALE is 2.6 years as of 31 March 2016. During the quarter, one of the largest tenants of the portfolio (by gross rental income) has committed a further five-year term, which extended its lease from FY17/18 to FY21/22

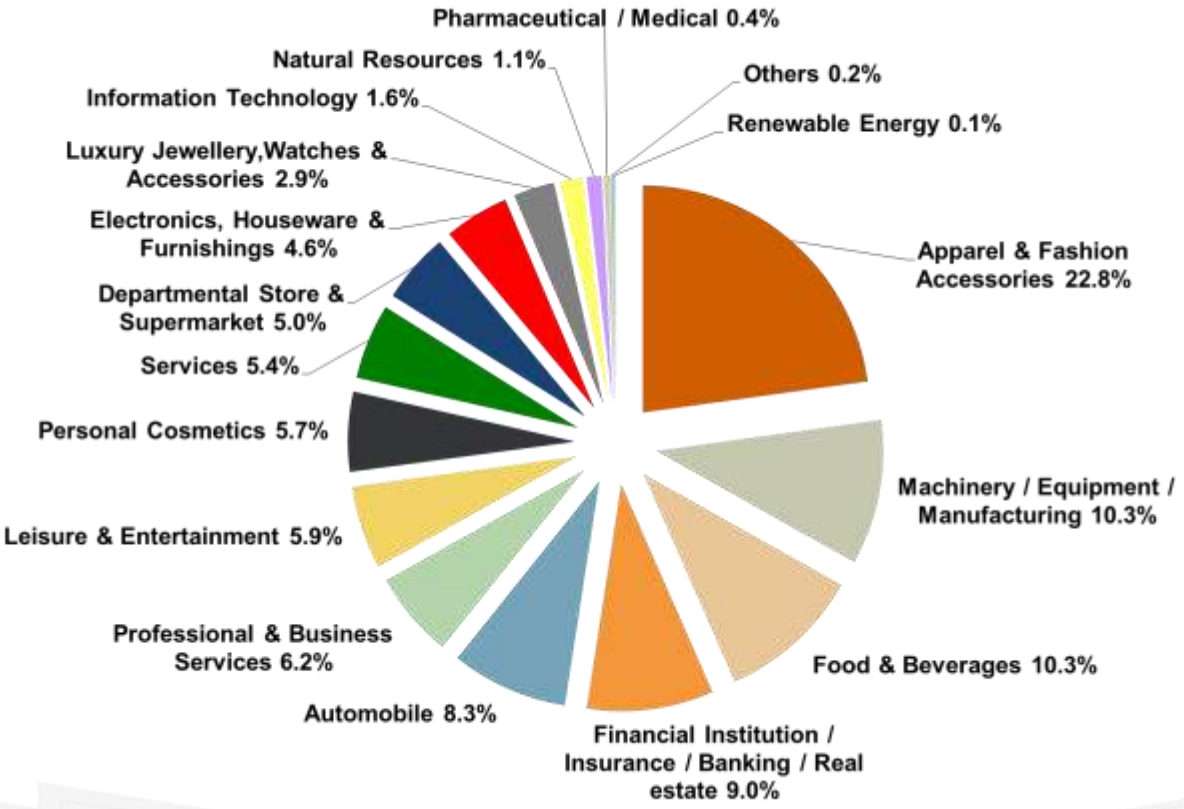
Note: Lease Expiry Profile is based on existing leases due for renewal as of quarter end (excludes leases that have been committed for renewal). WALE is based on existing leases due for renewal as of quarter end and includes expiring leases that have been committed for renewal/re-let. Both Lease Expiry Profile and WALE are weighted by GRI of existing leases

Diversified Portfolio Tenant Mix

(As of 31 Mar 2016)

Trade Sector by Gross Rental Income

No single trade sector comprises more than 22.8% of GRI



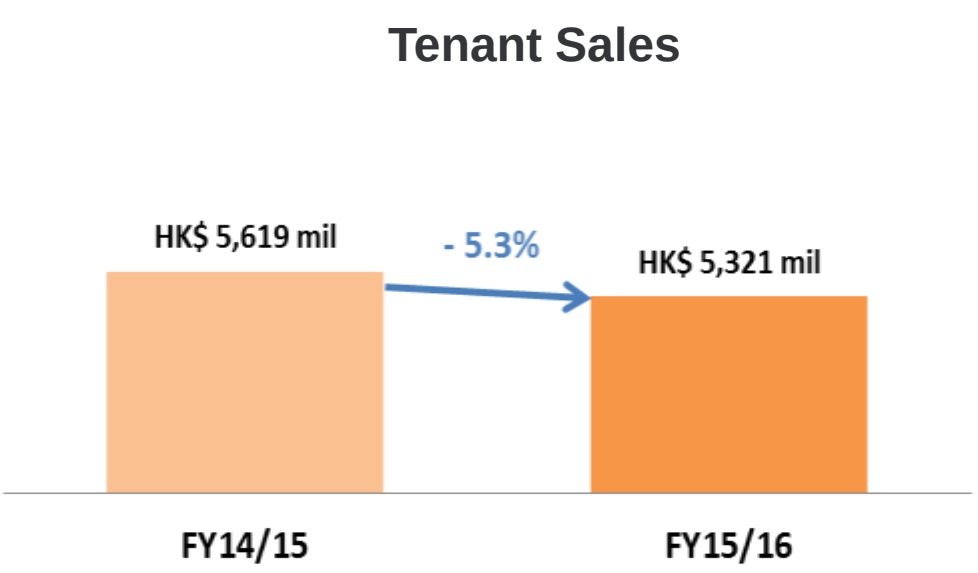
Top 10 Tenants by Gross Rental Income

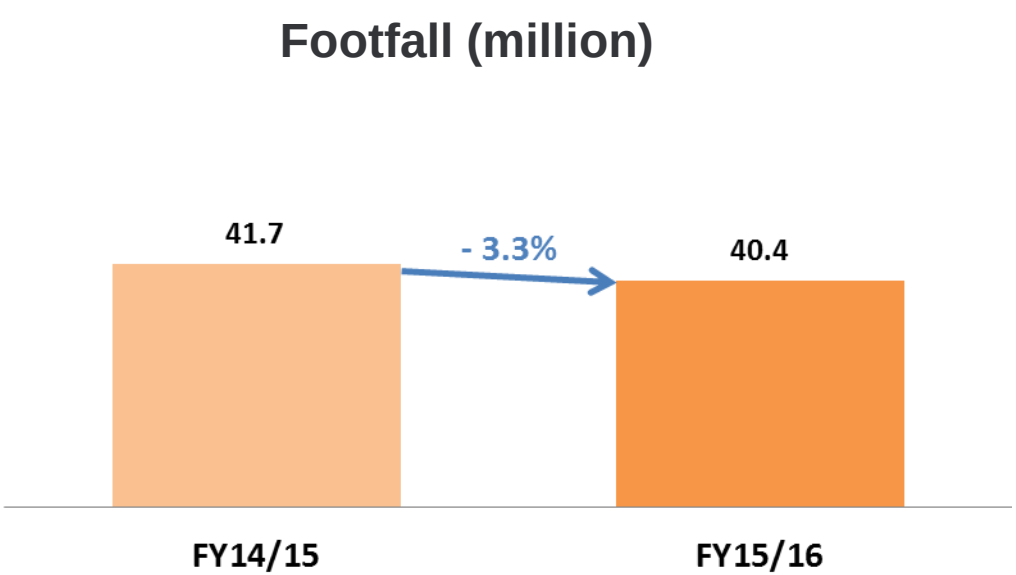
Top 10 tenants comprise 27.3% of GRI

1.	BMW	GW
2.	ARUP	FW
3.	TASTE	FW
4.	CFLD	GW
5.	APPLE	FW
6.	I.T.	FW
7.	Bank of China	GW
8.	CUMMINS	GW
9.	SPREADTRUM	SP
10.	H&M	FW

FW - Festival Walk; GW - Gateway Plaza; SP – Sandhill Plaza

Festival Walk – FY15/16 Retail Sales & Footfall





- **Retail sales in Hong Kong[1] retail market in the first 2 months of 2016 declined by 13.6% in value over the same period a year ago**
- **Moderate decline in tenant sales and footfall at Festival Walk largely due to on-going renovation by new cinema operator (targeted to start operations in June 2016) and continued headwinds affecting HK retail sector**
- **The strategic location of Festival Walk with a strong local catchment at Kowloon Tong and the mall's focus on mid-tier & mass-market brands are expected to continue to underpin its resilience**

[1] Source: Hong Kong Census and Statistics Department's "*Report on Monthly Survey of Retail Sales*" (March 2016). "Hong Kong" refers to the "Hong Kong SAR (Special Administrative Region)"

Asset Enhancement Initiative (AEI) at Gateway Plaza



Gateway Plaza Lobby – Post AEI

Converted Under-utilised Podium Space to ~800sqm F&B Area



Front Podium Levels 1 & 2

Advertisement Panels & Palm Trees



Front Podium Levels 1 & 2

❶ Removed Advertisement Panels and converted under-utilised space on L2 into F&B area

❷ Removed Palm Trees and converted under-utilised space on L1 into F&B area

mapletree
greater china commercial

Prominent Frontage & Visibility for F&B Units

BEFORE



Podium Area (Rear View)

Rear Stone Wall

AFTER



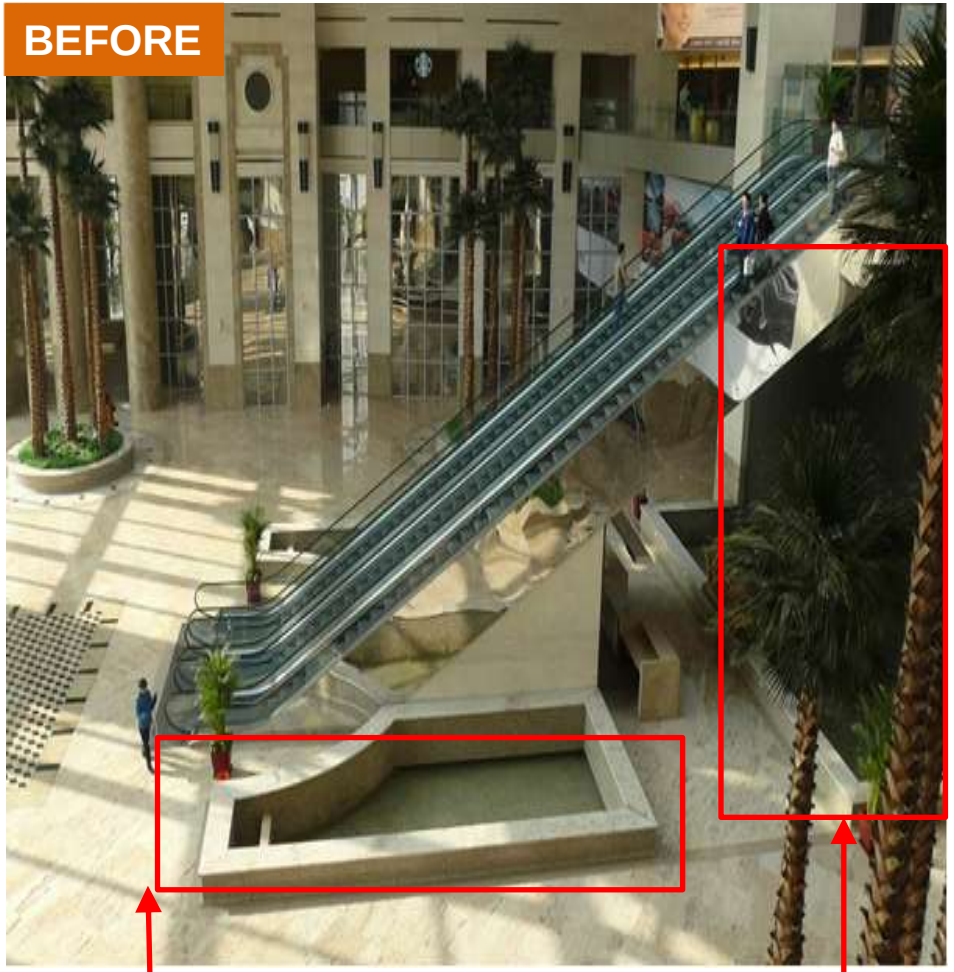
Podium Area (Rear View)

Converted Portion of Rear Stone Wall to Glass Curtain Wall (Level 1 to Level 2)

mapletree
greater china commercial

Increased Accessibility & Visibility to F&B Units

BEFORE



Front Podium Levels 1 & 2
"Pond" area and palm trees

❶ Removed pond area

❷ Added new staircase L1 to L3

❸ Installed see-through bubble lifts



AFTER



mapletree
greater china commercial

Improvement on Entrance to Main Lobby – Extended Sheltered Area & Taxi Queue Location





Improvement on Entrance to Main Lobby – Extended Sheltered Area & Taxi Queue Location

mapletree
greater china commercial

Created Display Areas & Walkways at Forecourt



Forecourt (Top View)



Forecourt (Top View)

Converted Forecourt into display areas for events / car shows and open space with pedestrian walkways

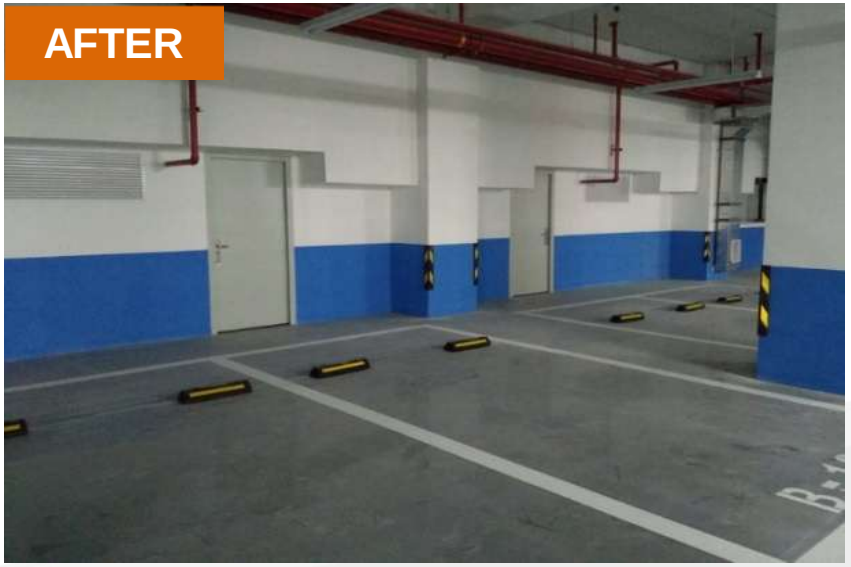
mapletree
greater china commercial

Converted Under-utilised Space to Carpark & Lift Lobbies





Converted under-utilised space at B2 and B3 to carpark and lift lobbies



mapletree
greater china commercial

New Shops & Events at Festival Walk



New Shops @ Festival Walk in 4Q FY15/16

Cosmetics





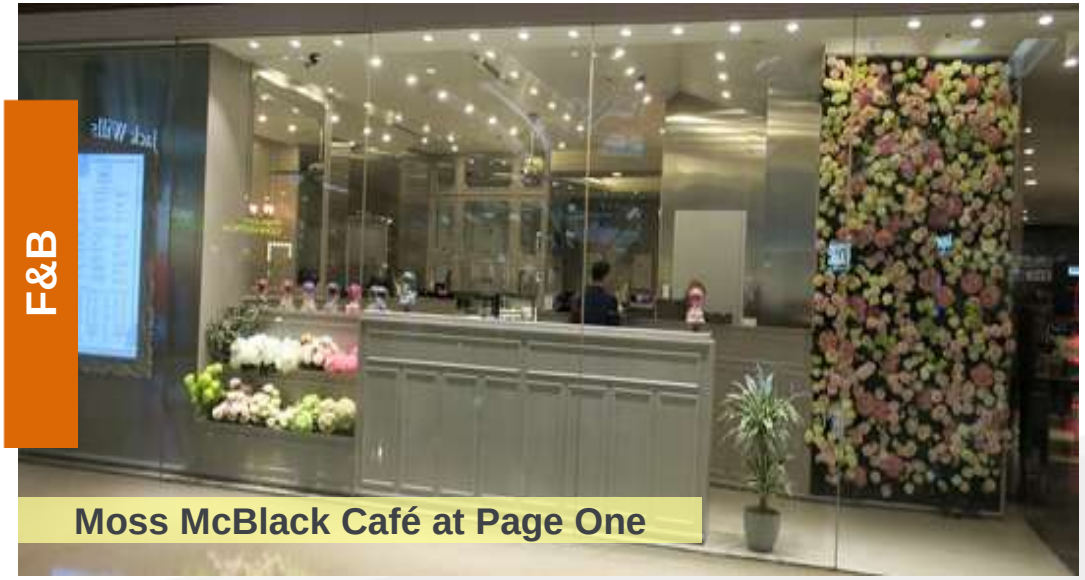


Apparel & Fashion



Relocation

F&B



Moss McBlack Café at Page One

A Blooming Year of Monkey @ FW in 4Q FY15/16

CNY opening by Celebrities Aimee Chan (陈茵媺) & Andy On (安志杰)



Kick-off event on Jan 26



Lion Dance Performance



Stage Performance



Sales Redemption



Redemption Gifts

“Batman vs Superman • Dawn of Justice” Mar to Apr 2016



Kick-off event on March 3 with celebrities Jeannie Chan (陈滢) & Him Law (罗仲谦)





1:1 real size movie character figures



Giant display of movie scenes and pop-up store of limited editions were popular among shoppers



1:1 real size Batmobile – First in HK

Other Events in 4Q FY15/16







Recruitment of WeChat App Followers & Promotions on WeChat Platform



Nike Basketball Ad Banners



Secret Code 'Gift Surprise' Game Booths



Valentine Day's Roses Charity Sale for St James Settlement



Skating Events @ Festival Walk in 4Q FY15/16

'*Figure Skating on Ice*' Performance





40th HK Special Olympic Skating Competition





mapletree
greater china commercial

Awards & Accolades in 4Q FY15/16 – Festival Walk

Best Mall Awards 2015 by Apple Daily



Best Mall Awards –
Top 10 My Favourite Mall



Best Mall Awards –
Most Trendy Shopping Mall

mapletree
greater china commercial



Outlook & Strategy

Outlook

Hong Kong

- **Economy:** Projected to grow by 1% to 2%[1] in 2016
- **Hong Kong Retail Market:** Shopping malls that cater to locals with focus on affordable brands are expected to remain relatively resilient
- **Festival Walk**: Steady performance and fully occupied; rental growth is expected to moderate going forward given headwinds affecting retail sector

China

- **Economy:** Moderated growth rate reflects the Chinese Government's focus on the quality of economic growth, supported by continued stimulus measures
- **Beijing Office Market:** Lowest vacancy rate among Chinese cities
- **Gateway**: Resilient performance, with high occupancy rate; rental growth is expected to moderate, in view of more competition and weaker economic outlook
- **Sandhill Plaza**: Continue to contribute positively to MGCCT's organic growth, riding on growing decentralisation trend in Shanghai

Prudent Capital Management Strategy

- 77% of interest costs on MGCCT's debt had been fixed as of 31 March 2016
- ~ 70% of 1H FY16/17 expected distributable income hedged

Portfolio

- **The three properties are expected to continue to remain resilient**

[1] The Government of the Hong Kong SAR, "2015 Economic Background and 2016 Prospects", 24 February 2016

Resilient and Well-Positioned for Further Growth

We have adopted a prudent risk-based approach to position MGCCT for further growth

Resilient Portfolio

- High Portfolio occupancy
- Positive rental reversions
- Diversified tenant base
- Well-distributed lease expiry profile
- Favourable supply-demand dynamics

Proactive Asset Management

- Active tenant mix management & mall positioning
- Effective cost management
- Enhancement of amenities
- Innovative marketing & promotion

Active & Prudent Capital Management

- Well staggered debt profile
- High interest coverage ratio
- High fixed to floating debt ratio
- Distributable income well hedged against FX exposure
- Debt serves as natural capital hedge

Growth Opportunities

- Asset enhancement initiatives
- Lettable area optimisation
- Prudent & rigorous acquisition strategy
- Strong Sponsor with pipeline
- Positive demand dynamics & opportunities in Greater China







Thank You

Elizabeth Loo Suet Quan
Tel: +65 6377 6705
Email: elizabeth.loo@mapletree.com.sg

mapletree
greater china commercial





