**NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA, CANADA, JAPAN OR AUSTRALIA**

(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 25 August 2005 (as amended))

**ANNOUNCEMENT**

**LAUNCH OF EQUITY FUND RAISING TO RAISE GROSS PROCEEDS OF NO LESS THAN S$1,018.8 MILLION TO PARTIALLY FUND THE ACQUISITION OF THE OFFICE AND BUSINESS PARK COMPONENTS OF MAPLETREE BUSINESS CITY (PHASE 1)**

*Capitalised terms used herein, but not otherwise defined, shall having the meanings ascribed to them in the circular of Mapletree Commercial Trust dated 5 July 2016 (the "**Circular**").*

## 1. INTRODUCTION

*26 July 2016* - Mapletree Commercial Trust Management Ltd., in its capacity as manager of Mapletree Commercial Trust ("**MCT**" and as manager of MCT, the "**Manager**"), is proposing an equity fund raising comprising an offering of 727,701,648 new units in MCT (the "**New Units**") to raise gross proceeds of no less than S$1,018.8 million[1] by way of:

(a) a private placement of 364,879,000 New Units at an issue price of between S$1.41 and S$1.45 per New Unit (the "**Private Placement Issue Price Range**") to raise gross proceeds of no less than S$514.5 million (the "**Private Placement**"); and

(b) a pro-rata and non-renounceable preferential offering of 362,822,648 New Units on the basis of 17 New Units for every 100 existing units in MCT ("**Existing Units**") to be held as at a date and time to be separately announced (the "**Books Closure Date**") to Entitled Unitholders (as described in paragraph 8 below) at an issue price of between S$1.39 and S$1.43 per New Unit (the "**Preferential Offering Issue Price Range**") (fractions of a New Unit to be disregarded) to raise gross proceeds of no less than S$504.3 million (the "**Preferential Offering**"),

(together, the "**Equity Fund Raising**").

The Private Placement Issue Price Range represents a discount of between:

(i) 5.9% and 3.3% to the volume weighted average price ("**VWAP**") of S$1.4990 per unit in MCT ("**Unit**") of all trades in the Units on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the full Market Day[2] on 26 July 2016, being the date on which the Underwriting Agreement (as defined below) was signed; and

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[1] Calculated based on S$1.41 per New Unit for the Private Placement (the "**Minimum Private Placement Issue Price**") and S$1.39 per New Unit for the Preferential Offering (the "**Minimum Preferential Offering Issue Price**").

[2] "**Market Day**" refers to a day on which the SGX-ST is open for securities trading.

(ii) (for illustrative purposes only) 4.2% and 1.4% to the adjusted VWAP ("**Adjusted VWAP**")[3] of S$1.4712 per Unit.

The Preferential Offering Issue Price Range represents a discount of between:

(1) 7.3% and 4.6% to the VWAP of S$1.4990 per Unit; and

(2) (for illustrative purposes only) 5.5% and 2.8% to the Adjusted VWAP of S$1.4712 per Unit.

The issue price per New Unit for the Private Placement (the "**Private Placement Issue Price**") will be determined by the Manager and the Joint Bookrunners following a book-building process, and will be announced by the Manager thereafter via SGXNET. The issue price per New Unit for the Preferential Offering (the "**Preferential Offering Issue Price**") will be determined once the Private Placement Issue Price has been determined.

DBS Bank Ltd., Goldman Sachs (Singapore) Pte. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch have been appointed as the joint global co-ordinators, bookrunners and underwriters for the Equity Fund Raising (the "**Joint Bookrunners**") on the terms and subject to the conditions of the underwriting agreement entered into today between the Manager and the Joint Bookrunners (the "**Underwriting Agreement**") pursuant to which the Joint Bookrunners have agreed to:

(I) place out, or failing which to subscribe for the New Units to be issued pursuant to the Private Placement at the Private Placement Issue Price; and

(II) procure subscriptions for, or failing which to subscribe for up to 83,513,777 New Units to be issued pursuant to the Preferential Offering (representing the maximum number of New Units to be issued pursuant to the Preferential Offering less the New Units to be provisionally allotted to the Sponsor and the Sponsor Excess Units (as defined below)) at the Preferential Offering Issue Price, to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess Units (as defined below).

The Equity Fund Raising shall be subject to certain conditions precedent more particularly set out in the Underwriting Agreement.

In relation to the Preferential Offering, Mapletree Investments Pte Ltd (the "**Sponsor**") has provided an irrevocable undertaking to the Manager and the Joint Bookrunners, the details of which are set out in paragraph 9 below.

## 2. THE ACQUISITION OF THE OFFICE AND BUSINESS PARK COMPONENTS OF MAPLETREE BUSINESS CITY (PHASE 1)

The Manager has obtained the approval of unitholders of MCT ("**Unitholders**") at the extraordinary general meeting held on 25 July 2016 (the "**EGM**") in respect of the proposed acquisition (the "**Acquisition**") of the office and business park components of Mapletree Business City (Phase 1) as an interested person transaction. These comprise the leasehold

[3] The "**Adjusted VWAP**" is computed based on the volume weighted average price of all trades in the Units on the SGX-ST for the full Market Day on 26 July 2016 and subtracting the estimated Cumulative Distribution (as defined below) of approximately 2.78 Singapore cents per Unit (being the mid-point of the estimated Cumulative Distribution Range (as defined below)). This amount is only an estimate based on information currently available to the Manager and the actual Cumulative Distribution may differ and will be announced on a later date.

interest over the strata area of approximately 208,036 square metres from level two to the rooftop of the buildings comprised in the strata lot number U48703N of Mukim 3, namely MBC 10, MBC 20E, MBC 20W and MBC 30 (the "**Property**"), for a term commencing on the date of completion of the sale and purchase agreement in respect of the Property up to and including 29 September 2096. Mapletree Business City (Phase 1) is one of the largest integrated office and business park complexes in Singapore with Grade-A building specifications.

The Property enjoys a prominent frontage along Pasir Panjang Road as well as excellent transport connectivity. The location is approximately a 10-minute drive from the Central Business District and is well served by major roads and expressways such as the West Coast Highway, Ayer Rajah Expressway and Marina Coastal Expressway. Extensive bus services run through the surrounding area. It is also linked by covered walkways to the adjacent Mapletree Business City (Phase 2) and PSA Building, as well as the Labrador Park Mass Rapid Transit Station.

As stated in paragraph 2.5 of the Circular, the Manager believes that the Acquisition will bring the following key benefits to Unitholders:

- strategic addition of a property in a large-scale, integrated business hub;
- increased exposure to a resilient office micro-market;
- exposure to the stable and growing business park segment;
- stable and quality cash flows;
- attractive valuation characteristics; and
- positive impact on the Enlarged Portfolio[4].

## 3. USE OF PROCEEDS

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of no less than S$1,018.8 million from the Equity Fund Raising (calculated based on the Minimum Private Placement Issue Price and the Minimum Preferential Offering Issue Price) in the following manner:

(a) approximately S$950.0 million (which is equivalent to 93.2% of the gross proceeds of the Equity Fund Raising) to partially fund the Total Acquisition Cost (as defined below); and

(b) approximately S$68.8 million (which is equivalent to 6.8% of the gross proceeds of the Equity Fund Raising) to pay the estimated fees and expenses, including stamp duty, professional fees and expenses, incurred or to be incurred by MCT in connection with the Acquisition.

The balance of the Total Acquisition Cost will be funded from the drawdown of the Loan Facilities granted by certain financial institutions.

Should the gross proceeds from the Equity Fund Raising exceed S$1,018.8 million, such excess proceeds will be used for funding debt repayment and/or future acquisitions and for general corporate and working capital purposes.

[4] "**Enlarged Portfolio**" comprises VivoCity, PSA Building, Mapletree Anson, MLHF and the Property.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Equity Fund Raising at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Equity Fund Raising via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in MCT's announcements on the use of proceeds and in MCT's annual report and where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds of the Equity Fund Raising, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or to be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

## 4. RATIONALE FOR THE EQUITY FUND RAISING

As stated in paragraph 7.3 of the Circular, given the size of the total cost of the Acquisition (the "**Total Acquisition Cost**"), and the Manager's aim to maintain a well-balanced capital structure, and the borrowing limit imposed by MAS on property funds such as MCT, the Manager believes that the Equity Fund Raising is an efficient and overall beneficial method of raising funds to finance the Total Acquisition Cost.

## 5. AUTHORITY TO ISSUE NEW UNITS

The Manager intends to rely on the approval given by Unitholders to the Manager at the EGM to issue up to 795.0 million New Units pursuant to the Equity Fund Raising. The New Units to be issued pursuant to the Equity Fund Raising is therefore within the limit for the issue of the new Units.

## 6. ELIGIBILITY TO PARTICIPATE IN THE PRIVATE PLACEMENT

The offer of New Units under the Private Placement will be made to eligible institutional, accredited and other investors.

The New Units to be offered under the Private Placement have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state or jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with applicable state laws.

The Manager, along with the Joint Bookrunners, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

## 7. DETAILS OF THE PREFERENTIAL OFFERING

In connection with the Preferential Offering, the Manager intends to issue 362,822,648 New Units at the Preferential Offering Issue Price to Entitled Unitholders on the basis of 17 New Units for every 100 Existing Units held (fractions of a New Unit to be disregarded) as at the Books Closure Date in order to raise gross proceeds of no less than S$504.3 million.

As the Preferential Offering is made on a non-renounceable basis, the provisional allotment of New Units cannot be renounced in favour of a third party or traded on the SGX-ST. Each Entitled Unitholder will be provisionally allotted the New Units under the Preferential Offering on the basis of their unitholdings in MCT as at the Books Closure Date. In this regard, fractions of a New Unit will be disregarded.

Entitled Unitholders are at liberty to accept or decline their provisional allotments of New Units and are eligible to apply for additional New Units in excess of their provisional allotments under the Preferential Offering ("**Excess Units**"). Entitled Unitholders are prohibited from trading, transferring, assigning or otherwise dealing with (in full or in part) their (a) provisional allotments of New Unitholders or (b) eligibility to apply for Excess Units.

The New Units represented by the provisional allotments of (i) Entitled Unitholders who decline or do not accept, in full or in part, their provisional allotments of New Units under the Preferential Offering and/or (ii) ineligible Unitholders, may be issued to satisfy applications for Excess Units as the Manager may, in its absolute discretion, deem fit. In the allotment of Excess Units, preference will be given to the rounding of odd lots. Directors of the Managers and substantial Unitholders will rank last in priority for the rounding of odd lots and allotment of Excess Units.

## 8. ELIGIBILITY TO PARTICIPATE IN THE PREFERENTIAL OFFERING

**Entitled Unitholders.** Only Entitled Depositors (as defined below) and Entitled QIBs (as defined below) are eligible to participate in the Preferential Offering.

**Entitled Depositors.** "**Entitled Depositors**" are Unitholders with Units standing to the credit of their respective securities accounts with The Central Depository (Pte) Limited ("**CDP**") as at the Books Closure Date ("**Depositors**") and (a) whose registered addresses with CDP are in Singapore as at the Books Closure Date; or (b) who have at least three Market Days prior to Books Closure Date provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore. Entitled Depositors will be provisionally allotted with New Units under the Preferential Offering on the basis of 17 New Units for every 100 Existing Units then standing to the credit of their securities accounts with CDP (fractions of a New Unit to be disregarded).

**Entitled QIBs.** "**Entitled QIBs**" are qualified institutional buyers (as defined in Rule 144A under the Securities Act) that meet certain requirements which will be specified in the Instruction Booklet (as defined below).

**Foreign Unitholders.** The making of the Preferential Offering may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation applicable in countries (other than Singapore) where Unitholders may have as their addresses registered with CDP, the Preferential Offering will not be extended to Unitholders whose registered addresses with CDP are outside

Singapore, and who have not, at least three Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents. Unitholders whose registered addresses with CDP are outside Singapore and who wish to participate in the Preferential Offering will have to provide CDP with addresses in Singapore for the service of notices and documents at least three Market Days prior to the Books Closure Date. Details of the Preferential Offering and procedures for acceptance of and payment for provisional allocations of New Units under the Preferential Offering by Singapore Registered Unitholders will be set out in an instruction booklet to be despatched to Entitled Unitholders in due course (the "**Instruction Booklet**"). A further announcement on the despatch will be made by the Manager at the appropriate time.

For the avoidance of doubt, even if a Unitholder has provided a Singapore address as aforesaid, the offer of New Units under the Preferential Offering to him will be subject to compliance with applicable securities laws outside Singapore.

Notwithstanding the foregoing, the Manager may in its sole discretion determine whether to allow the participation in the Preferential Offering by Unitholders who are located, resident or with a registered address outside of Singapore, subject to and in compliance with the applicable securities and other laws of the relevant jurisdiction.

The New Units to be offered under the Preferential Offering have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with applicable state laws.

## 9. COMMITMENT BY THE SPONSOR

To demonstrate its support for MCT and the Equity Fund Raising, the Sponsor, which owns an aggregate interest of approximately 38.38% of the total number of Units in issue through its wholly-owned subsidiaries as at the date of this announcement, has provided an irrevocable undertaking to the Manager and the Joint Bookrunners that it will:

(a) accept, or procure the acceptance, in full of the provisional allocation of New Units under the Preferential Offering based on its entitlement; and

(b) apply for such number of Excess Units (the "**Sponsor Excess Units**") under the Preferential Offering, 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,

(the "**Undertaking**").

## 10. STATUS OF THE NEW UNITS

### 10.1 Entitlement to Cumulative Distribution

MCT's policy is to distribute its distributable income on a quarterly basis to Unitholders. On 26 July 2016, the Manager announced a quarterly distribution of 2.03 cents per Unit for the period from 1 April 2016 to 30 June 2016 ("**1Q FY2016/17 Distribution**").

In connection with the Private Placement, the Manager intends to declare, in respect of the Existing Units, an advanced distribution for the period from 1 July 2016 to the date immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the "**Advanced Distribution**" and together with the 1Q FY2016/17 Distribution, the "**Cumulative Distribution**"). The quantum of distribution per Unit under the Cumulative Distribution (comprising the 1Q FY2016/17 Distribution and the Advanced Distribution) is currently estimated to be between 2.75 Singapore cents to 2.81 Singapore cents (the "**Cumulative Distribution Range**"). A further announcement on the actual quantum of the Cumulative Distribution will be made by the Manager in due course.

The New Units pursuant to the Private Placement are expected to be issued on or around 4 August 2016. The Advanced Distribution is intended to ensure that the distribution accrued by MCT up to the day immediately preceding the date of issue of the New Units pursuant to the Private Placement (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The next distribution following the Cumulative Distribution will comprise MCT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 30 September 2016 (the "**Relevant Period Distribution**"). Quarterly distributions will resume thereafter.

**10.2 Status of New Units issued pursuant to the Private Placement**

The New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to MCT's distributable income from the day of issuance of the New Units pursuant to the Private Placement as well as all distributions thereafter, other than in respect of the Cumulative Distribution and the eligibility to participate in the Preferential Offering.

**For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Private Placement will not be entitled to the Cumulative Distribution or be eligible to participate in the Preferential Offering.**

**10.3 Status of New Units issued pursuant to the Preferential Offering**

The New Units issued pursuant to the Preferential Offering will, upon issue, rank *pari passu* in all respects with the Units in issue on the day immediately prior to the date on which the New Units are issued pursuant to the Preferential Offering including the right to the Relevant Period Distribution as well as distributions thereafter, other than in respect of the Cumulative Distribution.

**For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Preferential Offering will not be entitled to the Cumulative Distribution.**

## 11. INDICATIVE TIMETABLE

| | | |
|---|---|---|
| Launch of the Private Placement | : | Tuesday, 26 July 2016 |
| Books Closure Date for entitlement to the Cumulative Distribution and eligibility to participate in the Preferential Offering | : | Wednesday, 3 August 2016 at 5.00 p.m. |

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|---|---|---|
| Listing of New Units pursuant to the Private Placement | : | Thursday, 4 August 2016 at 9.00 a.m. |
| Opening date and time for the Preferential Offering | : | Monday, 8 August 2016 at 9.00 a.m.<br>(9.00 a.m. for Electronic Applications) |
| Last date and time for acceptance, application (if applicable) and payment for provisional allotments of New Units and Excess Units | : | Wednesday, 17 August 2016 at 5.00 p.m.<br>(9.30 p.m. for Electronic Applications) |
| Listing of New Units pursuant to the Preferential Offering | : | Thursday, 25 August 2016 at 9.00 a.m. |

By order of the Board
Wan Kwong Weng
Joint Company Secretary
Mapletree Commercial Trust Management Ltd.
(Company Registration No. 200708826C)
As Manager of Mapletree Commercial Trust

**Important Notice**

The value of Units in MCT 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 MCT 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 announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. The past performance of MCT and the Manager is not necessarily indicative of the future performance of MCT and the Manager.

This announcement 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 costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The securities referred to herein have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and the management, as well as financial statements. There will be no public offering of the securities referred to herein in the United States.