



# Mapletree Commercial Trust

## 4Q & FY15/16 Financial Results

26 April 2016

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# Agenda

- Key Highlights
- Financial Performance
- Portfolio Update
- Outlook

# 4Q & FY15/16 Key Highlights

- Distribution per Unit (“DPU”) for FY15/16<sup>1</sup> was 8.13 cents, up 1.6% over the previous year
- DPU for 4Q FY15/16<sup>2</sup> was 2.02 Singapore cents, up 1.0% year-on-year
- Net Property Income (“NPI”) for 4Q FY15/16 and FY15/16 grew 3.5% and 4.3% year-on-year respectively
- Investment properties revalued at S\$4.3 bil, up 3.4% at the back of strong performance of VivoCity
- VivoCity achieved a record S\$939 mil in sales for FY15/16, up 3.3% over previous year

1. The period from 1 Apr 2015 to 31 Mar 2016, referred to as FY15/16  
2. The period from 1 Jan 2016 to 31 Mar 2016, referred to as 4Q FY15/16

VivoCity



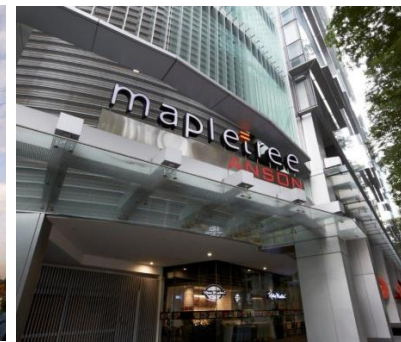
PSAB



MLHF



Mapletree Anson

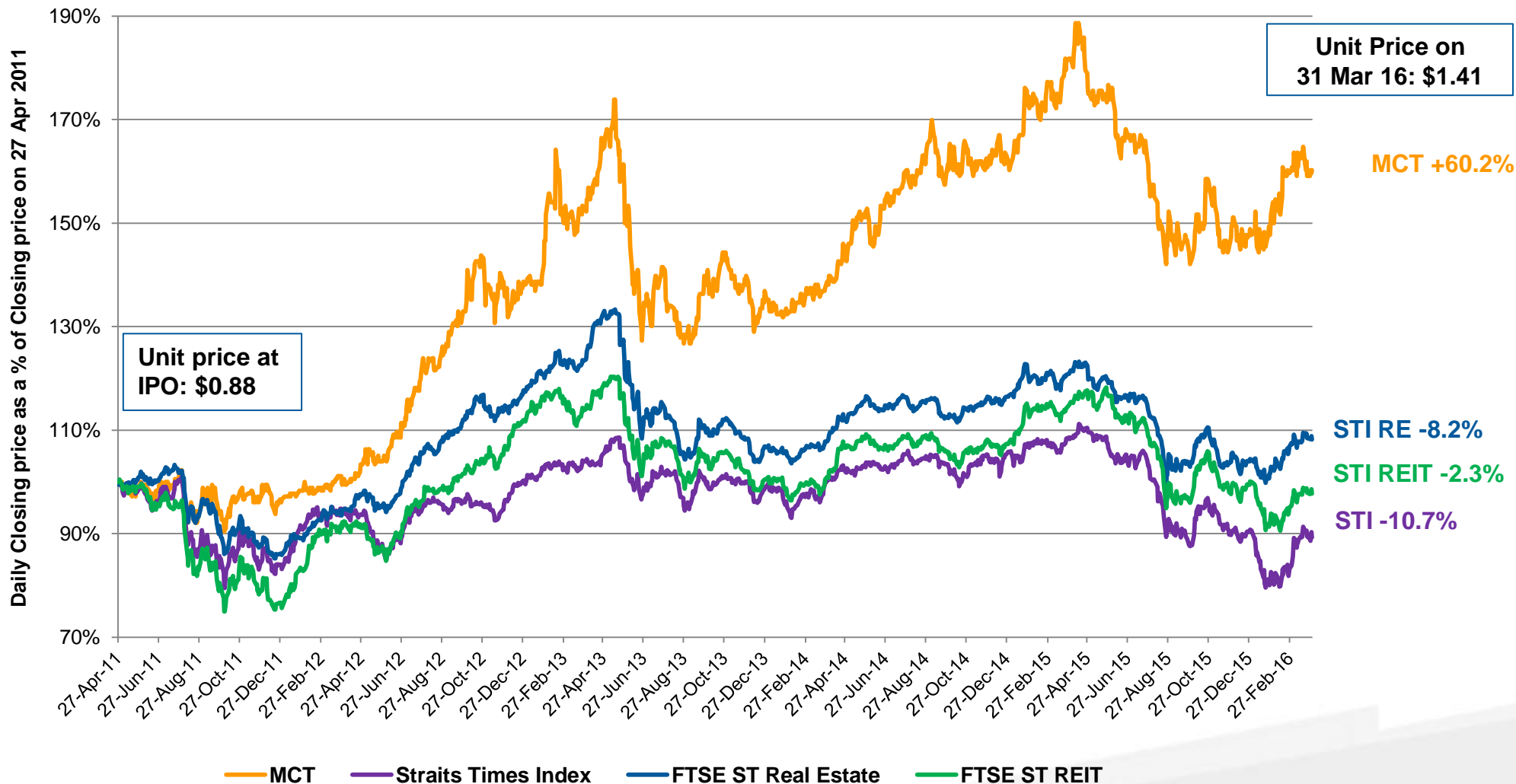


Key Indicators	As at or for Financial Year ending		Change	
	31 Mar 2016	31 Mar 2015		
Gross Revenue (S\$mil)	287.8	282.5	▲	1.9%
Net Property Income (S\$mil)	220.7	211.7	▲	4.3%
Distribution per Unit (Singapore cents)	8.13	8.00	▲	1.6%
Investment Property Value (S\$mil)	4,342	4,199	▲	3.4%
Net Asset Value per Unit (S\$)	1.30	1.24	▲	4.8%
Gearing ratio (%) <sup>1</sup>	35.1%	36.4%	▼	1.3% pts

1. Expressed as total gross borrowings/ total deposited property of MCT

# MCT Unit Price Performance







Relative Price Performance from MCT's Listing on 27 Apr 2011 to 31 Mar 2016



# Financial Performance



# FY15/16 Financial Scorecard







<b>S\$'000 unless otherwise stated</b>	<b>FY15/16<sup>1</sup></b>	<b>FY14/15<sup>2</sup></b>	<b>Change</b>
Gross Revenue	287,761	282,476	 1.9%
Property Operating Expenses	(67,048)	(70,782)	 5.3%
Net Property Income	220,713	211,694	 4.3%
Net Finance Costs	(39,257)	(35,782)	 9.7%
Income Available for Distribution	172,501	168,317	 2.5%
Distribution per Unit (cents)	8.13	8.00	 1.6%

1. The period from 1 Apr 2015 to 31 Mar 2016, referred to as FY15/16

2. The period from 1 Apr 2014 to 31 Mar 2015, referred to as FY14/15



# 4Q FY15/16 Financial Scorecard

S\$'000 unless otherwise stated	4Q FY15/16 <sup>1</sup>	4Q FY14/15 <sup>2</sup>	Change
Gross Revenue	72,991	70,980	 2.8%
Property Operating Expenses	(17,947)	(17,805)	 0.8%
Net Property Income	55,044	53,175	 3.5%
Net Finance Costs	(9,936)	(9,712)	 2.3%
Income Available for Distribution	42,918	42,151	 1.8%
Distribution per Unit (cents)	2.02	2.00	 1.0%

1. The period from 1 Jan 2016 to 31 Mar 2016, referred to as 4Q FY15/16

2. The period from 1 Jan 2015 to 31 Mar 2015, referred to as 4Q FY14/15

# Portfolio Valuation as at 31 March 2016

	Valuation as at 31 Mar 2016			Valuation as at 31 Mar 2015
	S\$ mil	S\$ per sq ft NLA	Cap Rate (%)	S\$ mil
VivoCity	2,597.0	2,486 psf	5.15%	2,461.0
PSA Building	740.8	1,414 psf	Office: 4.35% Retail: 5.25%	735.0
MLHF	314.0	1,450 psf	4.25%	314.0
Mapletree Anson	690.0	2,089 psf	3.85%	689.0
<b>MCT Portfolio</b>	<b>4,341.8</b>	<b>-</b>	<b>-</b>	<b>4,199.0</b>

Note: The valuation for VivoCity was undertaken by Knight Frank Pte Ltd, while the valuations for MLHF, PSA Building and Mapletree Anson were undertaken by CBRE Pte Ltd

# Balance sheet

<b>(S\$'000 unless otherwise stated)</b>	<b>As at 31 Mar 2016</b>	<b>As at 31 Mar 2015</b>
Investment Properties	4,341,800	4,199,000
Other Assets	73,379	63,754
<b>Total Assets</b>	<b>4,415,179</b>	<b>4,262,754</b>
Borrowings	1,551,519	1,546,520
Other Liabilities	99,684	99,207
<b>Net Assets</b>	<b>2,763,976</b>	<b>2,617,027</b>
Units in Issue ('000)	2,130,003	2,111,947
<b>Net Asset Value per Unit (S\$)</b>	<b>1.30</b>	<b>1.24</b>

# Key Financial Indicators

	As at 31 Mar 2016	As at 31 Mar 2015
Total Debt Outstanding	<b>S\$1,550.5 mil</b>	<b>S\$1,550.5 mil</b>
% Fixed Debt	<b>73.8%<sup>1</sup></b>	<b>68.2%</b>
Gearing Ratio	<b>35.1%</b>	<b>36.4%</b>
Interest Coverage Ratio (YTD)	<b>5.0 times</b>	<b>5.3 times</b>
Average Term to Maturity of Debt	<b>3.4 years<sup>1</sup></b>	<b>3.6 years</b>
Weighted Average All-In Cost of Debt (p.a.)	<b>2.52%</b>	<b>2.28%</b>
Unencumbered Assets as % of Total Assets	<b>100%</b>	<b>100%</b>
MCT Corporate Rating (by Moody's)	<b>Baa1</b>	<b>Baa1</b>

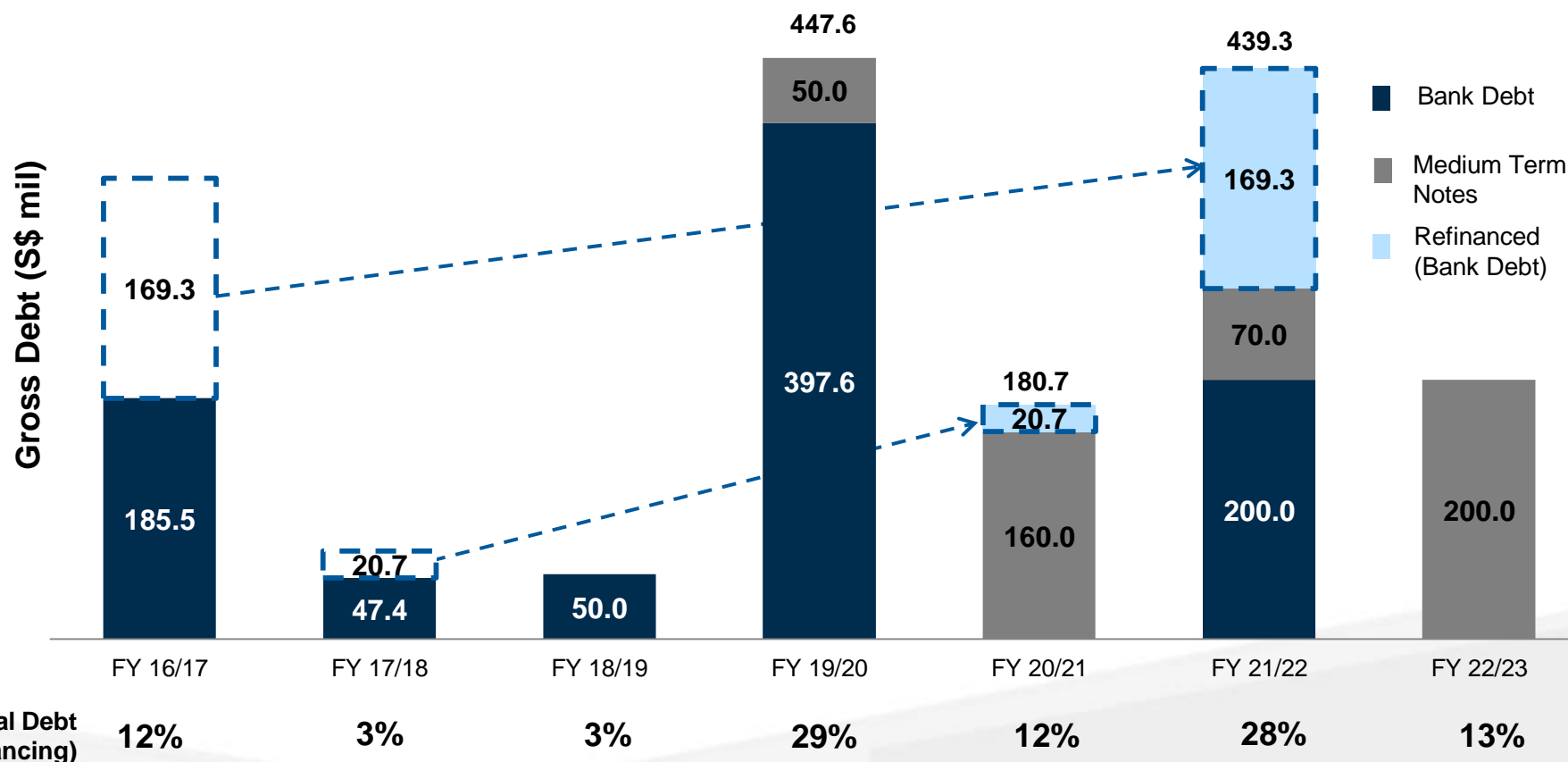
1. As at 26 April 2015, the percentage of fixed debt is about 78% with the average term to maturity of debt extended approximately to about 4.0 years

# Debt Maturity Profile

(as at 26 Apr 2016)

**Total gross debt: S\$1,550.5 mil**

- Debts due in 2016 and 2017 have been partially refinanced with Bilateral Term Loan Facilities (“TLF”) of S\$190 mil, bringing weighted average term to maturity of debt to about 4.0 years
- Executed forward start interest rate swaps to bring total fixed debt to ~78%



# Distribution Details

Distribution Period	1 January 2016 – 31 March 2016
Distribution Amount	2.02 cents per unit

## Distribution Timetable

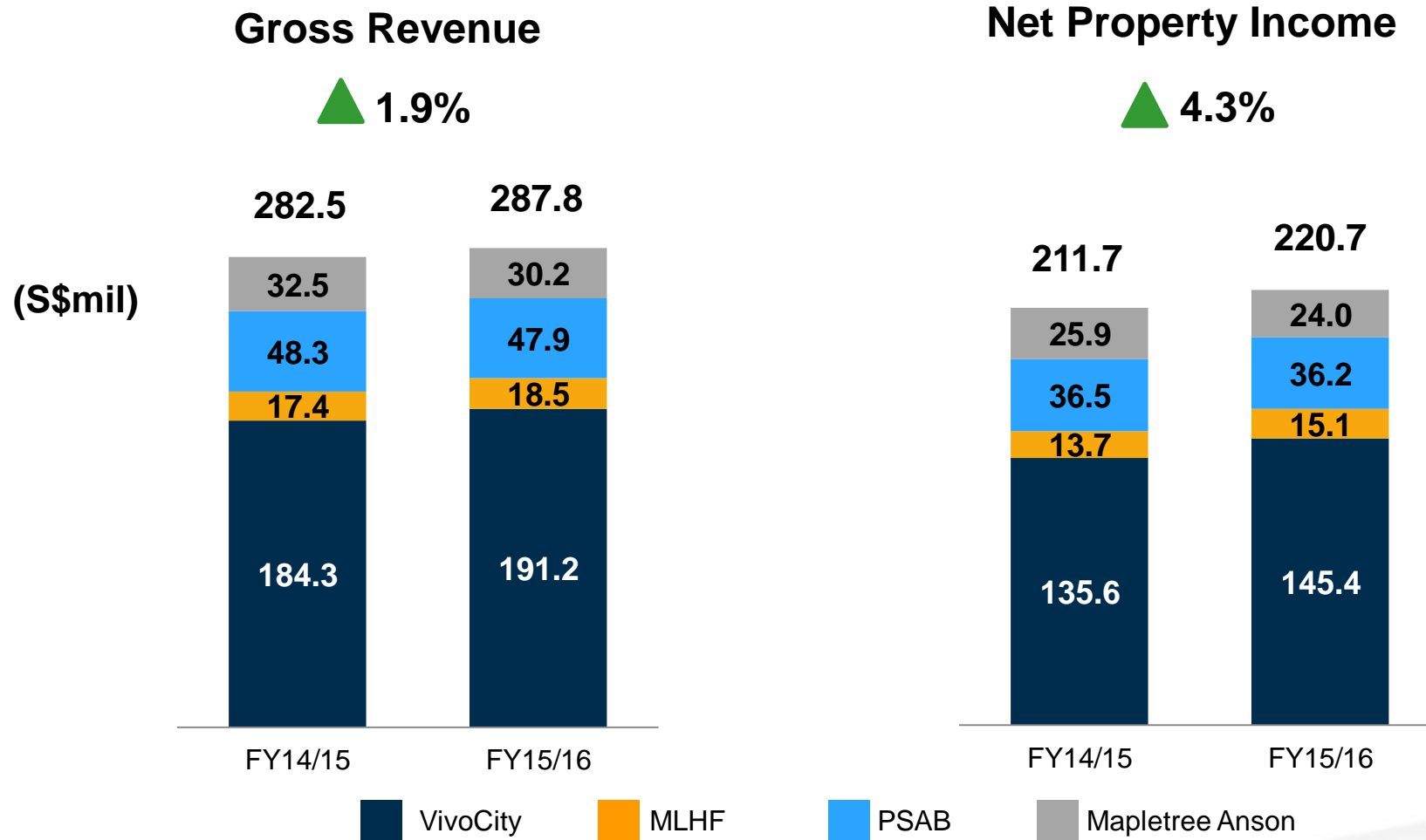
Notice of Books Closure Date	Tuesday, 26 April 2016
Last Day of Trading on “cum” Basis	Friday, 29 April 2016
Ex-Date	Tuesday, 3 May 2016
Books Closure Date	5:00 pm, Thursday, 5 May 2016
Distribution Payment Date	Friday, 3 June 2016

Note: Timeline reflects application of DRP on 4Q FY15/16 distribution

# Portfolio Update



# Portfolio Revenue and Net Property Income



Note: Total may not add up due to rounding differences



# MCT Portfolio Occupancy

- Overall improvement in occupancy levels

	As at 31 Mar 2015	As at 31 Mar 2016
VivoCity	97.5%	99.6% <sup>1</sup>
MLHF	100.0%	100.0%
PSA Building	95.4%	92.8% <sup>2</sup>
Mapletree Anson	87.5%	91.0% <sup>3</sup>
<b>MCT Portfolio</b>	<b>95.7%</b>	<b>96.6%</b>

- Committed occupancy for VivoCity is 99.9%.
- Committed occupancy for PSA Building is 98.5%
- Committed occupancy for Mapletree Anson is 94.7%

# FY15/16 Leasing Update

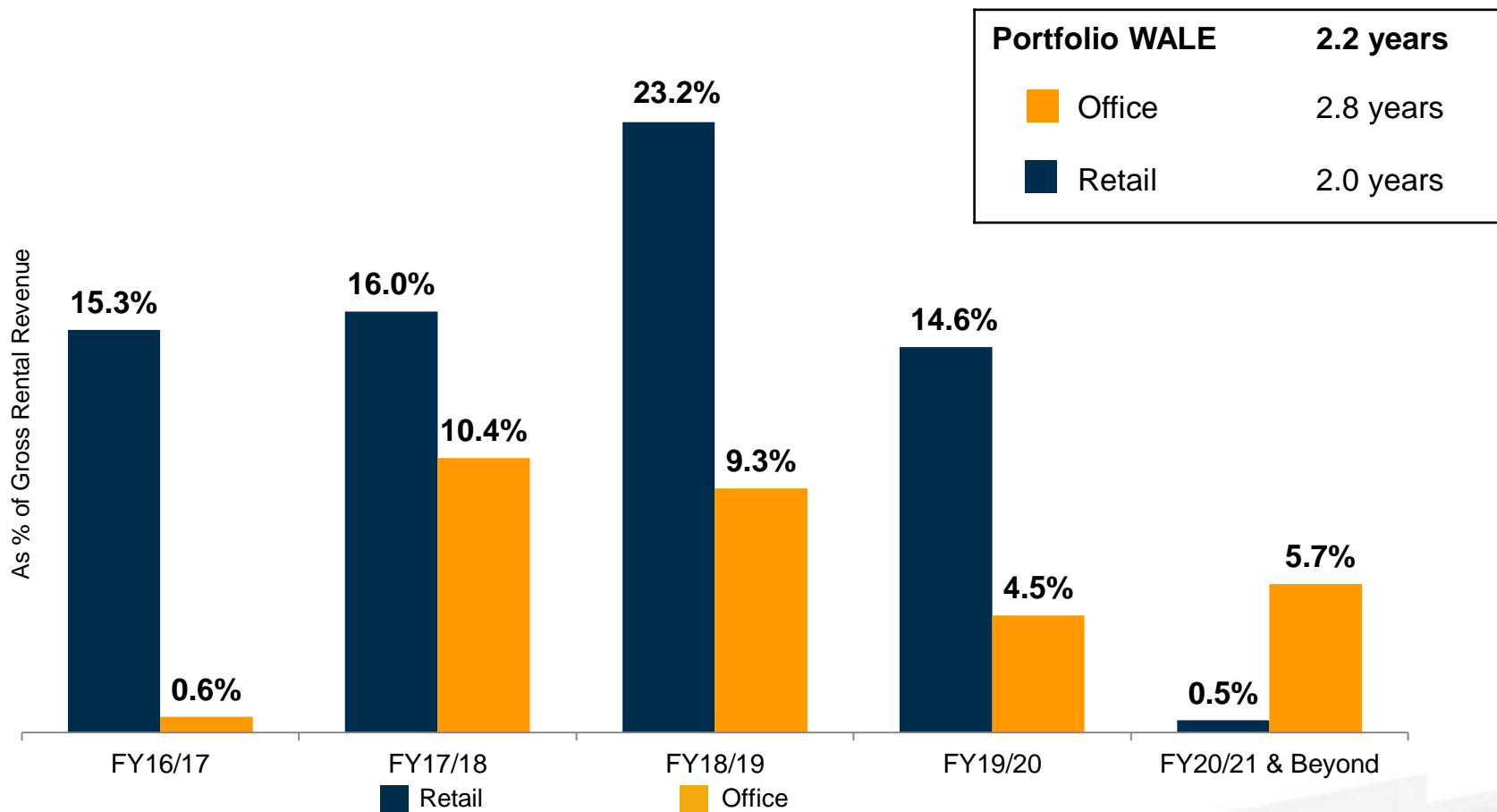
## FY15/16 leasing status

	Number of Leases Committed	Retention Rate (by NLA)	% Change in Fixed Rents <sup>1</sup>
Retail	142	87.9%	12.3% <sup>2</sup>
Office	25	63.8%	8.1%

1. 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
2. Includes the effect from trade mix changes and units subdivided and/or amalgamated

# Lease Expiry Profile

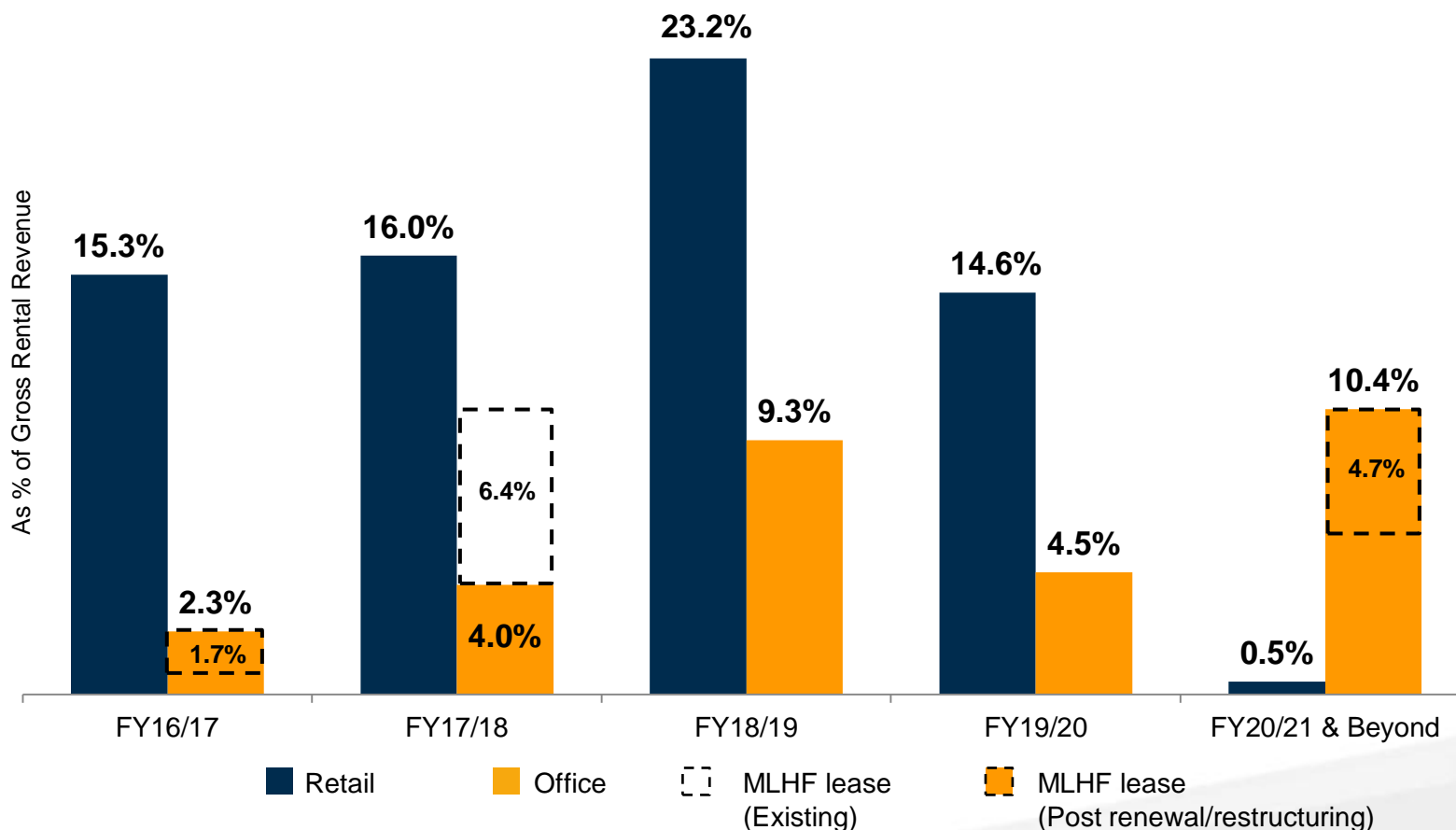
(As at 31 Mar 2016)



# Lease Expiry Profile

(Post renewal/restructuring of MLHF's lease)

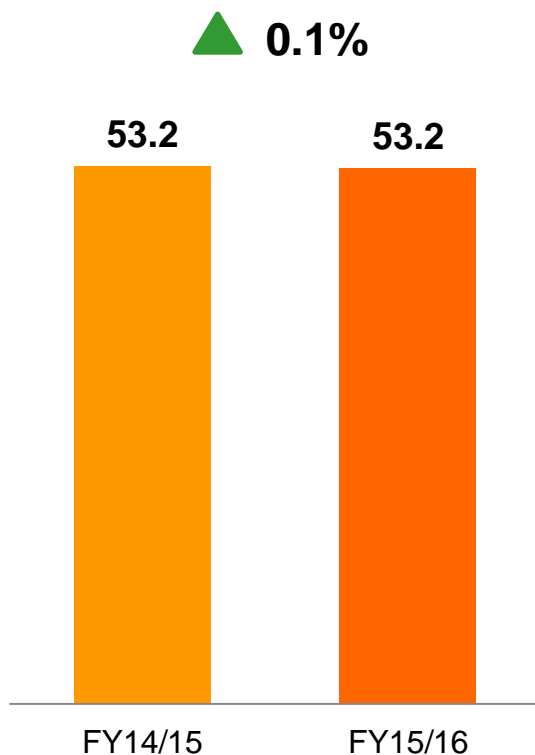
- Positive renewal/restructuring of Bank of America Merrill Lynch's lease at Merrill Lynch Harbourfront ("MLHF") in Apr 2016, extending office WALE from 2.8 years to 3.5 years



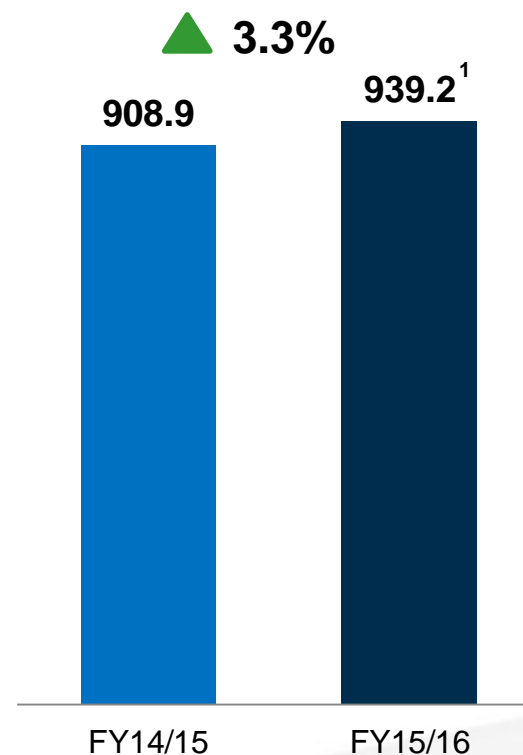
# VivoCity – Shopper Traffic and Tenant Sales

- Shopper traffic and tenant sales grew about 7% and 6% respectively in 4Q FY15/16 on a year-on-year basis

**Shopper Traffic (million)**



**Tenant Sales (\$ million)**



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

# Outlook



mapletree  
ANSON  
100 Anson Road

# Outlook

## Singapore economy

- The Singapore economy grew by 1.8% year-on-year in the first quarter of 2016, the same pace of growth as in the previous quarter. Growth was flat on a quarter-on-quarter seasonally-adjusted annualised basis, against the 6.2% expansion in the preceding quarter<sup>1</sup>.

## Retail

- According to CBRE, occupier demand remained weak as most retailers are still cautious about expansion plans. Some retailers across different trades have decided to shut down stores or exit the market entirely, while the more established ones are opting to relocate out of prime retail spaces to cut costs.
- Some landlords have further adjust rental expectations. Prime rents in the Orchard Road and the suburban sub-markets have continued to fall in Q1 2016 at 0.6% and 0.8% respectively on a quarter-on-quarter basis. CBRE forecast overall islandwide prime rents to decline by another 2% for the rest of 2016.

1. Based on Ministry of Trade and Industry's advanced GDP estimates

# Outlook

## Office

- A sluggish economy continued to weigh on the office market as it recorded a third consecutive quarter of negative absorption. The recent turmoil in the energy sector is impacting oil and gas tenants which could potentially lead to some downsizing. However, CBRE noted that the contraction phase in the financial sector may be ending while IT, e-commerce, insurance and pharmaceutical companies remain active.
- Despite poor demand, office vacancies have remained low with no new supply in the past three months. As new CBD developments enter the market, vacancies are expected to rise from Q3 2016 onwards. Demand is expected to be driven by “flight to quality” rather than expansion. The down cycle in office rents could persist through 2016 before the market finds a support level next year in light of the limited confirmed supply from 2018 onwards.
- MCT’s properties are located within commercial hubs that are expected to maintain their resilience. Barring any further downside risks, MCT’s retail property, notably VivoCity, as well as our office properties, are expected to remain relatively stable.





# Thank You

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