

**CAPITALAND COMMERCIAL TRUST
2020 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION
ANNOUNCEMENT**

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SUMMARY OF CCT GROUP RESULTS

	Note	1Q 2020	1Q 2019	Change %
Gross Revenue (S\$'000)		103,599	99,762	3.8
Net Property Income (S\$'000)		80,333	79,802	0.7
Income Available for Distribution to Unitholders (S\$'000)		70,162	82,723	(15.2)
Distributable Income to Unitholders (S\$'000)	1	63,721	82,723	(23.0)
Distribution Per Unit ("DPU") (cents)		1.65	2.20	(25.0)

Note:

- (1) Despite the resilient operating performance of the CCT portfolio in 1Q 2020, distributable income to CCT unitholders is lower compared to 1Q 2019 by S\$19.0 million due to retention of taxable distributable income and no distribution of tax-exempt income as a matter of prudence in light of the COVID-19 situation.

INTRODUCTION

CapitaLand Commercial Trust ("CCT") was constituted under a trust deed dated 6 February 2004 (as amended) entered into between CapitaLand Commercial Trust Management Limited, as manager of CCT (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited, as trustee of CCT (the "Trustee").

As at 31 March 2020, CCT's property portfolio comprises:

- (1) Capital Tower;
- (2) Six Battery Road;
- (3) 21 Collyer Quay;
- (4) CapitaGreen, held through wholly owned MSO Trust;
- (5) Asia Square Tower 2 ("AST2"), held through wholly owned subsidiary Asia Square Tower 2 Pte. Ltd. ("AST2 Co."), which is in turn held by MVKimi (BVI) Limited (collectively referred to as "AST2 Group");
- (6) Raffles City Singapore, held through CCT's 60.0% interest in RCS Trust;
- (7) One George Street, held through CCT's 50.0% interest in One George Street LLP ("OGS LLP");
- (8) CapitaSpring, a property under development, held through CCT's 45.0% interest in Glory Office Trust ("GOT") and Glory SR Trust ("GSRT");
- (9) Gallileo, an office building in Frankfurt, Germany, held through CCT's 94.9% interest in Gallileo Property S.a.r.l. ("Gallileo Co."), which is in turn held by special purpose vehicles CCT Galaxy Two Pte. Ltd. and CCT Galaxy One Pte. Ltd. (collectively referred to as "Gallileo Group"); and
- (10) Main Airport Center ("MAC"), held through CCT's 94.9% interest in MAC Property Company B.V. and MAC Car Park Company B.V. (collectively referred to as "MAC Co."), which is in turn held by special purpose vehicle, CCT Mercury One Pte. Ltd., (MAC Co. and CCT Mercury One Pte. Ltd. is collectively referred to as "MAC Group").

CCT owns approximately 10.9% of MRCB-Quill REIT ("MQREIT"), a commercial real estate investment trust listed in Malaysia.

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1(a) **Statement of Total Return & Distribution Statement (1Q 2020 vs 1Q 2019)**

Statement of Total Return

Gross rental income

Car park income

Other income

Gross revenue

Property management fees

Property tax

Other property operating expenses

Property operating expenses

Net property income

Interest income

Investment income

Asset management fees:

- Base fees

- Performance fees

Trust and other operating expenses

Finance costs

Net income before share of profit of joint ventures

Share of profit (net of tax) of joint ventures

Total return for the period before tax

Tax expense

Total return for the period after tax

Attributable to

Unitholders

Non-controlling interests

Total return for the period

Distribution Statement

Total return attributable to unitholders

Net tax and other adjustments

Tax-exempt income distribution

Distribution from joint ventures

Income available for distribution to unitholders

Distributable income to unitholders

Note	Group		
	1Q 2020 S\$'000	1Q 2019 S\$'000	Change %
1	96,959	94,479	2.6
2	3,172	1,830	73.3
3	3,468	3,453	0.4
	103,599	99,762	3.8
	(2,421)	(2,356)	2.8
4	(6,248)	(7,545)	(17.2)
5	(14,597)	(10,059)	45.1
	(23,266)	(19,960)	16.6
6	80,333	79,802	0.7
7	1,543	1,213	27.2
8	1,323	1,497	(11.6)
	(2,059)	(1,939)	6.2
	(3,349)	(3,236)	3.5
9	(1,393)	(1,086)	28.3
10	(16,215)	(16,943)	(4.3)
	60,183	59,308	1.5
11	22,898	22,130	3.5
	83,081	81,438	2.0
12	(2,024)	(1,519)	33.2
	81,057	79,919	1.4
	80,710	79,723	1.2
13	347	196	77.0
	81,057	79,919	1.4
	80,710	79,723	1.2
14	(28,792)	(24,391)	18.0
15	-	3,400	NM
16	18,244	23,991	(24.0)
17	70,162	82,723	(15.2)
18	63,721	82,723	(23.0)

NM – Not Meaningful

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Notes:

- (1) Higher gross rental income was largely due to contribution from MAC which was acquired in September 2019, in addition to higher contribution from 21 Collyer Quay, Galileo and CapitaGreen. The increase was offset partially by lower gross rental income from AST2, Six Battery Road and Bugis Village.
- (2) Higher car park income was largely due to the addition of car park income from MAC.
- (3) Other income comprises mainly tenant recoveries and bulk energy savings.
- (4) Decrease in property tax for 1Q 2020 was mainly attributable to the return of Bugis Village to SLA and hence no property tax expenses was incurred for Bugis Village in 1Q 2020. One-off adjustment of prior year's property tax for CapitaGreen and AST2 also contributed to the decrease.
- (5) Higher other property operating expenses was mainly due to addition of MAC and rental charges for Bugis Village under the master lease with SLA from 1 April 2019 to 31 March 2020.
- (6) The following items have been included in arriving at net property income:

Depreciation and amortisation of lease incentives

Group		
1Q 2020	1Q 2019	Change
S\$'000	S\$'000	%
1,172	1,212	(3.3)

- (7) Interest income includes the following:

Interest income from cash balance ^(7a)

Interest income from unitholder loans

Total

Group		
1Q 2020	1Q 2019	Change
S\$'000	S\$'000	%
553	234	NM
990	979	1.1
1,543	1,213	27.2

- (7a) Increase in interest income from cash balance was mainly due to higher average cash balances.
- (8) Investment income relates to distribution received from MQREIT.
- (9) Increase in trust and other operating expenses was mainly due to higher professional fees incurred.
- (10) Finance costs include the following:

Interest cost ^(10a)

Amortisation of transaction costs

Total

Group		
1Q 2020	1Q 2019	Change
S\$'000	S\$'000	%
15,669	16,379	(4.3)
546	564	(3.2)
16,215	16,943	(4.3)

- (10a) Lower interest cost for 1Q 2020 versus 1Q 2019 was mainly due to lower average cost of debt, notwithstanding higher borrowing amounts.

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- (11) Share of profit of joint ventures relates to CCT's share of profits of RCS Trust (60%), OGS LLP (50%) and GOT & GSRT (45%), with details as follows:

	Group		
	1Q 2020 S\$'000	1Q 2019 S\$'000	Change %
Gross revenue	38,986	41,981	(7.1)
Property operating expenses	(5,937)	(9,195)	(35.4)
Net property income	33,049	32,786	0.8
Finance costs	(7,174)	(7,758)	(7.5)
Trust and other expenses	(2,977)	(2,898)	2.7
Net profit of joint ventures (after tax)	22,898	22,130	3.5

- (12) Higher tax expenses was largely attributable to MAC which was acquired in September 2019.
- (13) This relates to the non-controlling interests of Gallileo Co. and MAC Co..
- (14) Net tax and other adjustments comprise the following:

	Group		
	1Q 2020 S\$'000	1Q 2019 S\$'000	Change %
Asset management fees ^(14a)	-	1,087	NM
Trustee's fees	269	254	5.9
Amortisation of transaction costs	546	564	(3.2)
Share of profit of joint ventures	(22,898)	(22,130)	3.5
Temporary differences and other items	(6,709)	(4,166)	61.0
Total	(28,792)	(24,391)	18.0

- (14a) This relates to asset management fees of AST2 paid in units for 1Q 2019 and payable in cash for 1Q 2020.
- (15) Tax-exempt income distributions relates to distributions from subsidiaries. There was no tax-exempt distributions in 1Q 2020.
- (16) This relates to distributions from RCS Trust (CCT's 60.0% interest) and OGS LLP (CCT's 50.0% interest). The drop in 1Q 2020 year-on-year was largely due to RCS Trust retaining S\$5.4 million (CCT's 60% interest) in 1Q 2020 (1Q 2019: RCS Trust retained S\$1.5 million (CCT's 60% interest)).
- (17) Income available for distributions to unitholders in 1Q 2020 decreased by 15.2% due to lower distributions from RCS Trust, no distribution of tax-exempt income and payments of asset management fees wholly in cash.
- (18) Despite the resilient operating performance of the CCT portfolio in 1Q 2020, distributable income to Unitholders is lower compared to 1Q 2019 by S\$19.0 million due to retention of taxable distributable income and no distribution of tax-exempt income as a matter of prudence in light of the COVID-19 situation.

NM – Not Meaningful

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1(b)(i) Statement of Financial Position as at 31 March 2020 vs 31 December 2019

	Note	Group			Trust		
		31 Mar 2020 S\$'000	31 Dec 2019 S\$'000	Change %	31 Mar 2020 S\$'000	31 Dec 2019 S\$'000	Change %
Non-current assets							
Plant and equipment		2,084	2,134	(2.3)	699	723	(3.3)
Investment properties	1	8,096,849	8,092,052	0.1	3,610,492	3,609,100	0.0
Subsidiaries	2	-	-	-	4,085,902	4,076,277	0.2
Joint ventures	3	1,790,762	1,786,105	0.3	1,440,438	1,435,526	0.3
Equity investment	4	26,373	38,156	(30.9)	26,373	38,156	(30.9)
Intangible asset		38	30	26.7	30	21	42.9
Financial derivatives	5	16,797	4,745	NM	16,797	4,745	NM
Total non-current assets		9,932,903	9,923,222	0.1	9,180,731	9,164,548	0.2
Current assets							
Trade and other receivables		46,842	61,793	(24.2)	63,670	73,847	(13.8)
Cash and cash equivalents		148,417	205,467	(27.8)	112,627	162,038	(30.5)
Financial derivatives	5	4,378	269	NM	4,378	269	NM
Total current assets		199,637	267,529	(25.4)	180,675	236,154	(23.5)
Total assets	6	10,132,540	10,190,751	(0.6)	9,361,406	9,400,702	(0.4)
Current liabilities							
Trade and other payables		78,864	75,032	5.1	78,974	65,051	21.4
Current portion of security deposits		17,434	17,776	(1.9)	11,137	10,145	9.8
Interest-bearing liabilities	7	197,725	42,746	NM	197,725	42,746	NM
Financial derivatives	5	1,898	782	NM	1,898	782	NM
Current tax payable		4,430	4,533	(2.3)	31	75	(58.7)
Total current liabilities		300,351	140,869	NM	289,765	118,799	NM
Non-current liabilities							
Non-current portion of security deposits		53,798	53,425	0.7	35,222	35,686	(1.3)
Interest-bearing liabilities	8	2,622,854	2,767,764	(5.2)	2,229,331	2,375,214	(6.1)
Financial derivatives	5	4,944	5,589	(11.5)	4,944	5,589	(11.5)
Other payables	9	1,891	2,890	(34.6)	127,750	127,750	-
Deferred tax liabilities	10	6,154	5,809	5.9	-	-	-
Total non-current liabilities		2,689,641	2,835,477	(5.1)	2,397,247	2,544,239	(5.8)
Total liabilities		2,989,992	2,976,346	0.5	2,687,012	2,663,038	0.9
Net assets		7,142,548	7,214,405	(1.0)	6,674,394	6,737,664	(0.9)
Represented by:							
Unitholders' funds		7,113,582	7,185,098	(1.0)	6,674,394	6,737,664	(0.9)
Non-controlling interests	11	28,966	29,307	(1.2)	-	-	-
Total equity		7,142,548	7,214,405	(1.0)	6,674,394	6,737,664	(0.9)

NM – Not Meaningful

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Notes:

- (1) The carrying amounts of investment properties were assessed by the Manager as at 31 March 2020, based on methodologies including discounted cash flow and capitalisation methods. The key inputs used in the assessment were the discount rates, terminal yields and capitalisation rates, which were unobservable. As at 31 December 2019, the carrying amounts of the investment properties were based on valuations performed by the independent external valuers.

Valuations of investment properties are currently subject to significant estimation uncertainty. The outbreak of the Novel Coronavirus ("COVID-19") has negative effect on global economy which affected the property sector. Given that the potential impact of COVID-19 is constantly evolving, significant market uncertainty exists. Therefore, the carrying amounts of the investment properties assessed by the Manager were current as at 31 March 2020 only. These carrying amounts may change significantly after the balance sheet date.
- (2) This relates to cost of investments in CCT MTN Pte. Ltd., MSO Trust, AST2 Group, Gallileo Group and MAC Group (including shareholder's loans).
- (3) This relates to CCT's 60.0% interest in RCS Trust, 50.0% interest in OGS LLP and 45.0% interest in GOT and GSRT (including shareholder's loan).
- (4) This relates to CCT's 10.9% stake in MQREIT. Lower value as at 31 March 2020 vis-à-vis 31 December 2019 was due to lower closing price of MQREIT.
- (5) This relates to the fair values of cross currency swaps and interest rate swaps.
- (6) Total assets were S\$10,132.5 million as at 31 March 2020 (31 December 2019: S\$10,190.8 million). Total deposited property value (as defined in the Code on Collective Investment Schemes) as at 31 March 2020 was S\$11,713.1 million (31 December 2019: S\$11,762.8 million).
- (7) The current interest-bearing liabilities as at 31 March 2020 comprised:
 - (a) Unsecured bank borrowings of S\$43.1 million due in 3Q 2020; and
 - (b) Fixed rate notes of S\$50.0 million and HKD585.0 million (hedged via cross currency swaps to S\$102.5 million) due in 1Q 2021.We are in advanced negotiations with the bank to extend the loan facility.
- (8) The non-current interest-bearing liabilities as at 31 March 2020 comprised:
 - (a) Unsecured fixed/floating rate notes totaling S\$675.0 million; JPY24.9 billion (hedged via cross currency swaps to S\$299.7 million);
 - (b) Unsecured bank borrowings of S\$747.6 million and EUR328.1 million; and
 - (c) Secured bank borrowings of MAC Co. of EUR121.9 million and Gallileo Co. of EUR140.0 million.
- (9) At the Trust level, other payables relate to the recognized lease liabilities payable to CCT's subsidiary, AST2 Co., under the master lease arrangement. At the Group level, it relates mainly to payables of Gallileo Co. and MAC Co..
- (10) This relates to deferred tax provision of Gallileo Co. and MAC Co..
- (11) This relates to non-controlling interests of Gallileo Co. and MAC Co..

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1(b)(ii) Aggregate Amount of Borrowings and Debt Securities

	Group		
	31 Mar 2020 S\$'000	31 Dec 2019 S\$'000	Change %
Secured borrowings			
Amount repayable after one year ⁽¹⁾	394,865	393,781	0.3
Less: Unamortised portion of transactions costs ⁽¹⁾	(1,342)	(1,231)	9.0
Net secured borrowings after one year	393,523	392,550	0.2
Unsecured borrowings			
Amount repayable after one year	2,232,986	2,379,091	(6.1)
Less: Unamortised portion of transactions costs	(3,655)	(3,877)	(5.7)
Net unsecured borrowings after one year	2,229,331	2,375,214	(6.1)
Amount repayable within one year	197,985	43,135	NM
Less: Unamortised portion of transactions costs	(260)	(389)	(33.2)
Net unsecured borrowings within one year	197,725	42,746	NM
Total unsecured borrowings	2,427,056	2,417,960	0.4
Total secured and unsecured borrowings	2,820,579	2,810,510	0.4

Note :

(1) This borrowings and transaction costs as at 31 March 2020 relates to Gallileo Co. and MAC Co..

Aggregate leverage and interest coverage ratio

As at 31 March 2020, aggregate leverage was 35.5% (31 December 2019: 35.1%). 1Q 2020 interest coverage ratio was 5.7 times (4Q 2019: 5.6 times).

For information only

This relates to CCT's interest in the aggregate external borrowings of its joint ventures, namely RCS Trust (CCT's 60.0% interest), OGS LLP (CCT's 50.0% interest), GOT and GSRT (CCT's 45.0% interest), which are not included under total borrowings in the statement of financial position of the Group.

	For information only		
	31 Mar 2020 S\$'000	31 Dec 2019 S\$'000	Change %
<u>Secured borrowings</u> ⁽¹⁾			
Amount repayable after one year	667,550	646,400	3.3
Less: Unamortised portion of transactions costs	(2,014)	(2,290)	(12.1)
Net secured borrowings	665,536	644,110	3.3
<u>Unsecured borrowings</u> ⁽²⁾			
Amount repayable after one year	633,900	630,900	0.5
Less: Unamortised portion of transactions costs	(743)	(806)	(7.8)
Net repayable after one year	633,157	630,094	0.5
Amount repayable within one year	72,000	72,000	-
Less: Unamortised portion of transactions costs	(21)	(44)	(52.3)
Net repayable within one year	71,979	71,956	0.0
Net unsecured borrowings	705,136	702,050	0.4
Total secured and unsecured borrowings	1,370,672	1,346,160	1.8

Notes :

(1) Secured borrowings relate to CCT's 50.0% interest in borrowings of OGS LLP and CCT's 45.0% interest in borrowings of GOT and GSRT.

(2) Unsecured borrowings relate to CCT's 60.0% interest in borrowings of RCS Trust.

NM: Not meaningful

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1(c) Statement of Cash Flow (1Q 2020 vs 1Q 2019)

	Note	Group	
		1Q 2020 S\$'000	1Q 2019 S\$'000
Operating activities			
Total return for the period before tax		83,081	81,438
Adjustments for :			
Share of profit of joint ventures		(22,898)	(22,130)
Amortisation of lease incentives		1,085	1,177
Depreciation of plant, equipment and amortisation of intangible asset		87	35
Finance costs		16,215	16,943
Interest income		(1,543)	(1,213)
Loss on disposal of plant and equipment		-	2
Asset management fees paid and payable in Units		-	1,087
Distribution from equity investment		(1,323)	(1,497)
Operating income before working capital changes		74,704	75,842
Changes in working capital			
Trade and other receivables		6,439	(3,898)
Trade and other payables		6,168	(12,933)
Security deposits		29	149
Cash generated from operating activities		87,340	59,160
Tax expenses paid		(2,411)	(1,437)
Net cash from operating activities		84,929	57,723
Investing activities			
Capital expenditure on investment properties		(2,434)	(984)
Purchase of plant and equipment		(13)	(4)
Purchase of intangible asset		(20)	-
Distribution received from equity investment		1,323	1,497
Distributions received from joint ventures		24,363	25,651
Interest income received		1,543	1,285
Acquisition of subsidiary	1	(2,910)	(2,101)
Net cash from investing activities		21,852	25,344
Financing activities			
Interest paid		(21,372)	(19,735)
Payment of transaction costs related to borrowings		(381)	(150)
Distributions to unitholders		(141,309)	(157,170)
Distribution to non-controlling interest		(769)	-
Net cash used in financing activities		(163,831)	(177,055)
Net decrease in cash and cash equivalents		(57,050)	(93,988)
Cash and cash equivalents at beginning of the year		205,467	174,913
Cash and cash equivalents at end of period		148,417	80,925

Note:

(1) In 1Q 2020, this relates to remaining purchase consideration for MAC Co. (1Q 2019: remaining purchase consideration for Gallileo Co.).

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1(d)(i) Statement of Movement in Unitholders' Funds (1Q 2020 vs 1Q 2019)

	Note	Group		Trust	
		1Q 2020 S\$'000	1Q 2019 S\$'000	1Q 2020 S\$'000	1Q 2019 S\$'000
Unitholders' fund as at beginning of period		7,185,098	6,892,018	6,737,664	6,562,772
Operations					
Total return for the period attributable to unitholders		80,710	79,723	84,204	81,911
Unitholders' transactions					
Creation of units:					
- Units issued in respect of RCS Trust's asset management fees		4,912	4,828	4,912	4,828
- Asset management fee paid and payable in Units		-	1,087	-	1,087
Distributions to unitholders		(148,907)	(165,504)	(148,907)	(165,504)
Net decrease in net assets resulting from unitholders' transactions		(143,995)	(159,589)	(143,995)	(159,589)
Movement in reserves					
- Foreign currency translation reserves	1	157	(63)	-	-
- Fair value reserves	2	(11,783)	956	(11,783)	956
- Hedging reserves	3	3,395	(5,128)	8,304	(6,612)
Net decrease in net assets resulting from movement in reserves		(8,231)	(4,235)	(3,479)	(5,656)
Net decrease in net assets		(71,516)	(84,101)	(63,270)	(83,334)
Unitholders' fund as at end of period		7,113,582	6,807,917	6,674,394	6,479,438

Notes:

- (1) This relates to translation differences from foreign operations and foreign currency loans forming part of net investment in foreign operations.
- (2) This relates to mark-to-market movement of MQREIT.
- (3) The movement in hedging reserves for the Trust relates to the fair value changes of the cross currency and interest rate swaps and the revaluation of JPY and HKD notes. Included in movement for the Group was the Group's share of movement in hedging reserves of the joint ventures.

1(d)(ii) Details of Change in Issue of Units (1Q 2020 vs 1Q 2019)

	Group and Trust	
	1Q 2020 Units	1Q 2019 Units
Units in issue as at beginning of period	3,857,685,908	3,744,429,288
New Units issued:		
- As payment of asset management fee for RCS Trust (60% interest) ⁽¹⁾	2,497,569	2,715,282
- As payment of asset management fees for Asia Square Tower 2 ⁽²⁾	1,692,659	2,035,547
Total Units issued as at end of period	3,861,876,136	3,749,180,117

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Notes:

- (1) In 1Q 2020, it relates to Units issued for payment of 50.0% of 4Q 2019 base component and full FY 2019 performance component of asset management fees (1Q 2019: Units issued for payment of 50.0% of 4Q 2018 base component and full FY 2018 performance component of asset management fees).
- (2) In 1Q 2020, it relates to Units issued for payment of 4Q 2019 base component and FY 2019 performance component of AST2's asset management fees (1Q 2019: Units issued for payment of 4Q 2018 base component and FY 2018 performance component of AST2's asset management fees).

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited but have been reviewed by our auditors in accordance with Singapore Standard on Review Engagements SSRE 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Please refer to the attached review reports.

KPMG LLP has given and has not withdrawn its consent to the reproduction in its entirety of its review report dated 29 April 2020 on the unaudited consolidated financial statements of CCT for the three months ended 31 March 2020 ("1Q 2020 Results") in this Announcement for the information of the unitholders of CCT.

Deloitte & Touche Corporate Finance Pte Ltd has given and has not withdrawn its consent to the reproduction in its entirety of its letter dated 29 April 2020 on the 1Q 2020 Results in this Announcement for the information of the unitholders of CCT.

The 1Q 2020 Results have been reported on in accordance with The Singapore Code on Take-overs and Mergers.

4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

Except as disclosed in para 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2019.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted several new standards and interpretation and amendments to standards for the financial period beginning 1 January 2020.

There is no significant impact to the financial statements of the Group.

**CAPITALAND COMMERCIAL TRUST
2020 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

6 Earnings per Unit ("EPU") and Distribution per Unit ("DPU") for the Financial Period

EPU (1Q 2020 vs 1Q 2019)

Basic EPU ⁽¹⁾

Weighted average number of Units for the period

Basic EPU

Diluted EPU ⁽²⁾

Weighted average number of Units for the period (diluted)

Diluted EPU

	Group	
	1Q 2020	1Q 2019
Weighted average number of Units for the period	3,859,205,441	3,746,230,474
Basic EPU	2.09¢	2.13¢
Weighted average number of Units for the period (diluted)	3,859,205,441	3,747,672,451
Diluted EPU	2.09¢	2.13¢

Notes:

- (1) Basic EPU was computed on total return for the period after tax (excluding non-controlling interests) over the weighted average number of Units for the period.
- (2) Diluted EPU was computed on total return for the period after tax (excluding non-controlling interests) over the weighted average number of Units for the period which had included potential dilutive Units assuming issuance of Units for the settlement of unpaid asset management fees.

Distribution per unit ("DPU")

In computing the DPU, the number of Units as at end of the period was used for the computation.

Number of Units in issue at the end of the period

DPU (cents) for period

	1Q 2020	1Q 2019
Number of Units in issue at the end of the period	3,861,876,136	3,749,180,117
DPU (cents) for period	1.65¢	2.20¢

7 Net Asset Value ("NAV") / Net Tangible Asset ("NTA") per Unit based on Units in Issue at the end of the Period / Year

	Note	Group		Trust	
		31 Mar 2020	31 Dec 2019	31 Mar 2020	31 Dec 2019
Number of Units in issue at end of the period / year		3,861,876,136	3,857,685,908	3,861,876,136	3,857,685,908
NAV (S\$'000)	1	7,113,582	7,185,098	6,674,394	6,737,664
NTA (S\$'000)	1	7,113,544	7,185,068	6,674,364	6,737,643
NAV / NTA per Unit	2	\$1.84	\$1.86	\$1.73	\$1.75
Adjusted NAV / NTA per Unit (excluding the distributable income to unitholders)		\$1.83	\$1.82	\$1.71	\$1.71

Notes:

- (1) This excluded non-controlling interest's share of NAV/NTA.
- (2) NAV/NTA per Unit were computed based on NAV/NTA over the number of Units in issue as at end of the period.

**CAPITALAND COMMERCIAL TRUST
2020 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

8 Review of the Performance

Statement of Total Return

Gross revenue	103,599	99,762	3.8
Property operating expenses	(23,266)	(19,960)	16.6
Net property income	80,333	79,802	0.7
Interest income	1,543	1,213	27.2
Investment income	1,323	1,497	(11.6)
Asset management fees:			
- Base fees	(2,059)	(1,939)	6.2
- Performance fees	(3,349)	(3,236)	3.5
Trust and other operating expenses	(1,393)	(1,086)	28.3
Finance costs	(16,215)	(16,943)	(4.3)
Net income before share of profit of joint ventures	60,183	59,308	1.5
Share of profit (net of tax) of joint ventures	22,898	22,130	3.5
Total return for the period / year before tax	83,081	81,438	2.0
Tax expense	(2,024)	(1,519)	33.2
Total return for the period after tax	81,057	79,919	1.4
<u>Distribution Statement</u>			
Total return attributable to unitholders	80,710	79,723	1.2
Net tax and other adjustments	(28,792)	(24,391)	18.0
Tax-exempt income distribution	-	3,400	NM
Distribution from joint ventures	18,244	23,991	(24.0)
Income available for distribution to unitholders	70,162	82,723	(15.2)
Distributable income to unitholders	63,721	82,723	(23.0)
DPU for the period	1.65¢	2.20¢	(25.0)

Group		
1Q 2020	1Q 2019	Change
S\$'000	S\$'000	%
103,599	99,762	3.8
(23,266)	(19,960)	16.6
80,333	79,802	0.7
1,543	1,213	27.2
1,323	1,497	(11.6)
(2,059)	(1,939)	6.2
(3,349)	(3,236)	3.5
(1,393)	(1,086)	28.3
(16,215)	(16,943)	(4.3)
60,183	59,308	1.5
22,898	22,130	3.5
83,081	81,438	2.0
(2,024)	(1,519)	33.2
81,057	79,919	1.4
80,710	79,723	1.2
(28,792)	(24,391)	18.0
-	3,400	NM
18,244	23,991	(24.0)
70,162	82,723	(15.2)
63,721	82,723	(23.0)
1.65¢	2.20¢	(25.0)

NM – Not Meaningful

Review of CCT Group's performance 1Q 2020 vs 1Q 2019

- Gross revenue for 1Q 2020 was S\$103.6 million, an increase of S\$3.8 million or 3.8% over 1Q 2019. The increase was due largely attributed to contribution from MAC which was acquired in September 2019 and higher gross revenue from 21 Collyer Quay, Gallileo and CapitaGreen. The increase was offset partially by lower gross revenue from AST2, Six Battery Road and Bugis Village.
- Property operating expenses for 1Q 2020 were S\$23.3 million, an increase of S\$3.3 million or 16.6% over 1Q 2019 mainly due to addition of operating expenses of MAC and rental charges payable to SLA for Bugis Village from 1 April 2019 to 31 March 2020.
- Trust and other operating expenses in 1Q 2020 of S\$1.4 million increased by S\$0.3 million or 28.3% from 1Q 2019 mainly due to higher professional fees incurred.
- Finance costs of S\$16.2 million for 1Q 2020 were S\$0.7 million or 4.3% lower than 1Q 2019 largely due to lower interest costs as a result of lower average cost of debts, despite higher borrowings.
- Share of profit of joint ventures relates to CCT's share of results of RCS Trust (60%), OGS LLP (50%) and GOT and GSRT (45%).

CAPITALAND COMMERCIAL TRUST

2020 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

- f) CCT's distributable income for 1Q 2020 of \$63.7 million, 23.0% lower than 1Q 2019 of \$82.7 million mainly due to lower distribution from RCS Trust, no tax-exempt distribution, asset management fees paid wholly in cash and a retention of S\$6.4 million taxable income.

9 Variance from Previous Forecast / Prospect Statement

CCT did not disclose any forecast to the market.

10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

CCT have managed to renew a significant proportion of expiring leases or are in advanced negotiations for most major leases due in 2020 through proactive asset and lease management. As at end of 1Q 2020, there is a remainder of about 10% of committed office net lettable area to be renewed or re-let for the rest of the year.

To enhance CCT's position of strength in the medium term, CCT proceeded with the planned asset enhancement of Six Battery Road and will proceed with the planned asset enhancement of 21 Collyer Quay once the circuit breaker measures are lifted.

As part of CCT's commitment to ride through this challenging period with its stakeholders, CCT has put in place the necessary precautionary measures at the properties and are extending assistance to tenants. CCT is committed to pass on the applicable property tax rebate to its tenants. This will be in addition to providing rental support to retail, food and beverage, services as well as hospitality tenants whose businesses have been hit by Singapore's safe distancing and circuit breaker measures.

CCT's portfolio committed occupancy as at 31 March 2020 was 95.2%, down from 98.0% in the last quarter. This was largely attributed to lower occupancy at Six Battery Road due to upgrading works following the lease expiry of an anchor tenant.

Prudent capital management

On the capital management front, CCT continues to be in a strong financial position to meet its financial and operational obligations, with aggregate leverage and interest coverage ratio well within loan covenant thresholds. Aggregate leverage as at 31 March 2020 increased slightly to 35.5%, up from 35.1% as at 31 December 2019, due to higher borrowings. CCT's average cost of debt for 1Q 2020 reduced to 2.3% per annum from 2.4% per annum in 4Q 2019. Interest coverage ratio was stable at 5.7 times compared to 5.6 times in 4Q 2019.

Outlook

Since January 2020, COVID-19 has affected economies and businesses as well as the office and retail property sectors amongst others, both locally and globally. As the potential impact of COVID-19 is fluid and evolving, significant market uncertainty exists. The Manager will proactively manage the CCT portfolio to mitigate its impact and emerge stronger.

Singapore

Advance estimates by Singapore's Ministry of Trade and Industry showed that Singapore's economy contracted by 2.2% year-on-year in the first quarter of 2020, after achieving 1.0% growth in 4Q 2019. Taking into consideration the weaker-than-expected economic performance in 1Q 2020 and the sharp deterioration in the external and domestic economic environment since February, Singapore's GDP growth forecast for 2020 is further downgraded to -4.0% to -1.0%. Coupled with the developing COVID-19 situation, the business and operating environment of CCT and the office sector is expected to be impacted.

Based on data from CBRE Research, Singapore's monthly Grade A office market rent eased by 0.4% quarter-on-quarter to S\$11.50 per sq ft as at 31 March 2020. Occupancy in Singapore's Core CBD office buildings as at end March was 95.4%, down from 95.8% in the last quarter.

In light of the weaker business sentiment, underlying new demand remains subdued. The introduction of the COVID-19 circuit breaker measure further exacerbated business uncertainty. Coupled with the concern of backfilling upcoming vacant stock that will emerge from the relocation of tenants, rents are likely to be subjected to downward pressures for the rest of 2020.

CAPITALAND COMMERCIAL TRUST

2020 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

Germany

According to CBRE Germany, demand in the Frankfurt office market remained high in 2019, as seen in the lower vacancy rate of 6.8% as at 31 December 2019, compared to 7.8% a year ago. This resulted in Frankfurt office market rent's increase by 7.3% year-on-year to EUR 44 per square metre as at 31 December 2019. CBRE reported market vacancy rates of 4.6% and 3.2% in the Banking District and Airport District respectively, where CCT's two properties are separately located. With the outbreak of COVID-19, leasing and investment activities in Frankfurt's real estate sector have reduced.

11 Distributions

11(a) Current financial period

Any distributions declared for the current financial period? No.

11(b) Corresponding period of the preceding financial period

Any distributions declared for the current financial period? No.

12 If no distribution has been declared/recommended, a statement to that effect

CCT's distribution policy is to make distributions to Unitholders on a semi-annual basis, with the amount calculated for the six-months period ending on 30 June and 31 December each year. As such, no distribution has been declared for the period ended 31 March 2020.

13 General mandate relating to interested party transactions

CCT has not obtained a general mandate from unitholders for Interested Person Transactions.

14 Confirmation that issuer has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Manager confirms that it has procured undertakings from all its Directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

15 Confirmation Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render the unaudited interim financial results of the Group and Trust (comprising the statements of financial position as at 31 March 2020, consolidated statement of total return, consolidated statement of cash flows and statement of movements in unitholders' funds for the three months ended 31 March 2020, together with their accompanying notes), to be false or misleading in any material respect.

On behalf of the Board of the Manager,
CapitaLand Commercial Trust Management Limited

Jonathan Yap Neng Tong
Director

Chee Tien Jin Kevin
Director

**CAPITALAND COMMERCIAL TRUST
2020 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

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 other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, 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.

The directors of the Manager (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and that there are no other material facts not contained in this Announcement the omission of which would make any statement in this Announcement misleading. The directors of the Manager jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

By the order of the Board
CapitaLand Commercial Trust Management Limited
(Company registration no. 200309059W)
As Manager of CapitaLand Commercial Trust

Lee Ju Lin Audrey
Company Secretary
29 April 2020



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16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

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Report on review of Interim Financial Information

The Board of Directors
CapitaLand Commercial Trust Management Limited
(in its capacity as Manager of CapitaLand Commercial Trust)

Introduction

We have reviewed the accompanying interim financial information (the “Interim Financial Information”) of CapitaLand Commercial Trust (the “Trust”) and its subsidiaries (the “Group”) for the three-month period ended 31 March 2020. The Interim Financial Information consists of the following:

- Statement of Financial Position of the Group as at 31 March 2020;
- Statement of Total Return of the Group for the three-month period ended 31 March 2020;
- Distribution Statement of the Group for the three-month period ended 31 March 2020;
- Statement of Movements in Unitholders’ Funds of the Group for the three-month period ended 31 March 2020;
- Portfolio Statement of the Group as at 31 March 2020;
- Statement of Cash Flows of the Group for the three-month period ended 31 March 2020; and
- Certain explanatory notes to the above Interim Financial Information.

The management of CapitaLand Commercial Trust Management Limited (the “Manager” of CapitaLand Commercial Trust) is responsible for the preparation and presentation of this Interim Financial Information in accordance with the recommendations of the Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Unit Trusts* relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants (“ISCA”). Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Other Matter

The Interim Financial Information for the comparative period ended 31 March 2019 have not been audited or reviewed.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the recommendations of RAP 7 *Reporting Framework for Unit Trusts* relevant to interim financial information issued by the ISCA.

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting CapitaLand Commercial Trust to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and comply with the requirements of Rule 25 of Singapore Code of Take-Overs and Mergers, and for no other purpose. Our report is included in the unaudited financial statements and distribution announcement of CapitaLand Commercial Trust for the first quarter ended 31 March 2020 for the information of the Unitholders. We do not assume responsibility to anyone other than CapitaLand Commercial Trust for our work, for our report, or for the conclusions we have reached in our report.

A handwritten signature in blue ink that reads 'KPMG LLP'.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
29 April 2020

**LETTER FROM IFA ON THE UNAUDITED CONSOLIDATED
FINANCIAL STATEMENTS OF CCT FOR THE THREE MONTHS
ENDED 31 MARCH 2020**

29 April 2020

The Independent Directors
CapitaLand Commercial Trust Management Limited
(as manager of CapitaLand Commercial Trust ("**CCT**"), the "**CCT Manager**")
168 Robinson Road No 30-01
Capital Tower
Singapore 068912

HSBC Institutional Trust Services (Singapore) Limited
(as trustee of CCT, the "**CCT Trustee**")
21, Collyer Quay No 13-02
HSBC Building
Singapore 049320

Attention: The Board of Directors

Dear Sir / Madam

**THE PROPOSED MERGER OF CAPITALAND COMMERCIAL TRUST AND CAPITALAND
MALL TRUST ("**CMT**") BY WAY OF A TRUST SCHEME OF ARRANGEMENT**

On 29 April 2020, the Board of Directors of the CCT Manager (the "**Board of Directors**") announced the unaudited consolidated interim financial statements of CCT and its subsidiaries (collectively, the "**Group**") for the three-month period ended 31 March 2020 (the "**Unaudited Interim Financial Statements**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

We have examined the Unaudited Interim Financial Statements and have discussed the same with the CCT Manager. We have also had discussions with KPMG LLP in its capacity as the independent auditor of the Group in respect to their review of the Unaudited Interim Financial Statements and considered their report dated 29 April 2020.

For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to, or discussed with, us by the management of the CCT Manager. Save as provided in this letter, we do not express any opinion on the Unaudited Interim Financial Statements. The Board of Directors remain solely responsible for the Unaudited Interim Financial Statements.

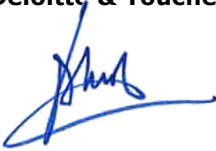
Based on the procedures performed and on the basis described above, we are of the opinion that the Unaudited Interim Financial Statements have been prepared by the Managers after due and careful enquiry.

This letter is provided to the Board of Directors solely for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose.

We do not accept responsibility for any person(s), other than the Board of Directors, in respect of, arising out of, or in connection with this letter.

Yours faithfully

Deloitte & Touche Corporate Finance Pte Ltd



Koh Soon Bee
Executive Director