CAPITALAND COMMERCIAL TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 6 February 2004 (as amended))

ANNOUNCEMENT

PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION OF 94.9% INTEREST IN MAIN AIRPORT CENTER LOCATED IN FRANKFURT, GERMANY

---

*Capitalised terms used herein, unless otherwise defined, shall have the meaning ascribed to them in the announcement of CapitaLand Commercial Trust ("**CCT**") dated 17 July 2019 in relation to the proposed acquisition of 94.9% Interest in Main Airport Center located in Frankfurt, Germany (the "**Acquisition Announcement**" and the acquisition, the "**Acquisition**").*

1 INTRODUCTION

Further to the Acquisition Announcement and the announcement dated 18 July 2019 in relation to the close of the private placement of 105,012,000 new units in CCT ("**Units**") at an issue price of S$2.095 per new Unit to raise gross proceeds of S$220.0 million (the "**Private Placement**"), CapitaLand Commercial Trust Management Limited, in its capacity as manager of CCT (the "**Manager**"), wishes to announce the pro forma financial effects of the Acquisition.

2 METHOD OF FINANCING

The Cash Outlay is estimated to be €250.9 million (or approximately S$386.1 million).

The Manager intends to finance the Cash Outlay with the net proceeds of approximately S$216.7 million (or approximately €140.8 million) from the Private Placement as well as a new bank loan to be drawn down by the Target Companies.

The table below sets out the changes to the Aggregate Leverage of CCT Group based on the above-method of financing:

	CCT Group's Aggregate Leverage
Before the Acquisition(1)	34.8%
After the Acquisition(2)	35.2%

Notes:

(1) CCT Group's Aggregate Leverage as at 30 June 2019.

(2) Based on the funding of the Cash Outlay using the net proceeds from the private placement and the New Bank Loan.

3 PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

The pro forma financial effects of the Acquisition on the distribution per unit ("**DPU**") and net asset value per Unit ("**NAV**") presented below are strictly for illustrative purposes and were prepared based on the audited financial statements of the CCT Group for the financial year ended 31 December 2018 as well as the audited financial statements of the Target Companies for the financial year ended 31 December 2018, taking into account the Agreed Property Value and gross proceeds of S$220.0 million from the Private Placement, and assuming:

- approximately 1.8 million new Units[1] are issued for the acquisition fee of €2.5 million (or approximately S$3.8 million) (the "**Acquisition Fee**")[2] payable to the Manager; and
- indicative interest rate of 1.1% per annum for bank borrowings taken to fund the Acquisition.

3.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY:

On the bases and assumptions set out above, the pro forma financial effects of the Acquisition on CCT's DPU for the financial year ended 31 December 2018, as if the Acquisition was completed on 1 January 2018 and CCT held and operated the Target Companies through to 31 December 2018 are as follows:

	Before the Acquisition	After the Acquisition(2)
Net Income (S$'000)	331,347	339,086
Distributable Income (S$'000)	321,731	335,808
Issued Units ('000)	3,744,429(1)	3,851,288(3)
DPU (cents)	8.70	8.83
DPU Accretion (%)	-	1.5

Notes:

(1) Number of Units issued as at 31 December 2018.

(2) Based on committed occupancy of 94.8% as at 31 December 2018.

(3) The total number of Units in issue at the end of the period includes 105,012,000 new Units issued in connection with the Private Placement to partially finance the Acquisition and 1.8 million new Units issued for the Acquisition Fee payable in Units.

1 Based on an illustrative Unit price of S$2.095.

2 As the Acquisition will constitute an "interested party transaction" under the Property Funds Appendix issued by the MAS, the Acquisition Fee shall be in the form of Units and shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

FOR ILLUSTRATIVE PURPOSES ONLY:

On the bases and assumptions set out above, the pro forma financial effects of the Acquisition on CCT's DPU for the financial period ended 30 June 2019, as if the Acquisition was completed on 1 January 2019 and CCT held and operated the Target Companies through to 30 June 2019 are as follows:

	Before the Acquisition	After the Acquisition[(2)]
Net Income (S$'000)	165,675	169,888
Distributable Income (S$'000)	165,282	172,107
Issued Units ('000)	3,749,772[(1)]	3,856,631[(3)]
DPU (cents)	4.40	4.46
DPU Accretion (%)	-	1.4

Notes:

(1) Number of Units issued as at 30 June 2019.

(2) Based on committed occupancy as at 30 June 2019 after adjusting for expired leases and inclusion of newly committed leases.

(3) The total number of Units in issue at the end of the period includes 105,012,000 new Units issued in connection with the Private Placement to partially finance the Acquisition and 1.8 million new Units issued for the Acquisition Fee payable in Units.

3.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on CCT Group's NAV per Unit as at 31 December 2018, as if the Acquisition was completed on 31 December 2018 are as follows:

	Before the Acquisition	After the Acquisition
NAV (S$'000)	6,909,161	7,136,900
Issued Units[(1)] ('000)	3,744,429	3,851,288[(3)]
Adjusted NAV per Unit[(2)] (S$)	1.80	1.80

Notes:

(1) Number of Units issued as at 31 December 2018.

(2) Excludes 2H 2018 distributable income to Unitholders.

(3) The total number of Units in issue at the end of the period includes 105,012,000 new Units issued in connection with the Private Placement to partially finance the Acquisition and 1.8 million new Units issued for the Acquisition Fee payable in Units.

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on CCT Group's NAV per Unit as at 30 June 2019, as if the Acquisition was completed on 30 June 2019 are as follows:

	Before the Acquisition	After the Acquisition
NAV (S$'000)	6,966,134	7,190,570
Issued Units(1) ('000)	3,749,772	3,856,631 (3)
Adjusted NAV per Unit(2) (S$)	1.81	1.81

Notes:

(1) Number of Units issued as at 30 June 2019.

(2) Excludes 1H 2019 distributable income to Unitholders.

(3) The total number of Units in issue at the end of the period includes 105,012,000 new Units issued in connection with the Private Placement to partially finance the Acquisition and 1.8 million new Units issued for the Acquisition Fee payable in Units.

CapitaLand Commercial Trust Management Limited
(Registration number: 200309059W)
As manager of CapitaLand Commercial Trust

Lee Ju Lin, Audrey
Company Secretary

19 July 2019

IMPORTANT NOTICE

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 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 CCT is not necessarily indicative of the future performance of CCT.

This announcement may contain forward-looking statements that involve assumptions, 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 developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), 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 the Manager's current view on future events.