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Mapletree Commercial Trust

3Q FY16/17 Financial Results

25 January 2017

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Agenda

- Key Highlights
- Financial Performance
- Portfolio Updates
- Outlook

Key Highlights

VivoCity

Key Highlights

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Financial Performance

- Gross revenue and net property income ("NPI") for 3Q FY16/17[1] grew 47.4% and 49.0% respectively from 3Q FY15/16[2]
- Income available for distribution for 3Q FY16/17 grew 48.2% year-on-year to S$65.6 mil
- Distribution per unit ("DPU") for 3Q FY16/17 grew 9.6% to 2.28 Singapore cents, driven by accretive acquisition of Mapletree Business City I ("MBC I"), as well as continued healthy performance by Existing Portfolio[3]

Portfolio Performance

- VivoCity recorded 2.0% growth in sales in 3Q FY16/17 against 3Q FY15/16. Total sales YTD FY16/17[4] reached S$718.2 mil
- Lease restructuring at MLHF completed for Levels 2 to 5, with new tenant secured for part space of Level 6

1. The period from 1 October 2016 to 31 December 2016, referred to as 3Q FY16/17
2. The period from 1 October 2015 to 31 December 2015, referred to as 3Q FY15/16
3. Refers to VivoCity, PSA Building, Mapletree Anson and Bank of America Merrill Lynch HarbourFront ("MLHF")
4. The period from 1 April 2016 to 31 December 2016, referred to as YTD FY16/17

Key Highlights

Capital Management

- Issued S$85.0 mil Baa1-rated[1] Fixed Rate Notes due 2023 at 2.795% p.a. in November 2016
- All refinancing completed for FY16/17[2] and FY17/18[3]
- Maintained healthy balance sheet with 37.0% aggregate leverage and 4.3 years average term to debt maturity. Weighted average cost of financing at 2.64% p.a.

1. The rating was assigned by Moody's Investors Service ("Moody's")
2. The period from 1 April 2016 to 31 March 2017, referred to as FY16/17
3. The period from 1 April 2017 to 31 March 2018, referred to as FY17/18

Financial Performance

Mapletree Business City I

3Q FY16/17 Financial Scorecard

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3Q FY16/17 DPU up 9.6% to 2.28 Singapore cents
Driven by Accretive Acquisition of MBC I and Healthy Performance by Existing Portfolio[1]

S$'000 unless otherwise stated	3Q FY16/17	3Q FY15/16	Change
Gross Revenue	108,761	73,768	▲ 47.4%
Property Operating Expenses	(24,401)	(17,165)	▲ 42.2%[2]
Net Property Income	84,360	56,603	▲ 49.0%
Net Finance Costs	(15,620)	(10,060)	▲ 55.3%[3]
Income Available for Distribution	65,586	44,247	▲ 48.2%
Distribution per Unit (cents)	2.28	2.08	▲ 9.6%

1. Refers to VivoCity, PSA Building, Mapletree Anson and MLHF
2. Largely due to property operating expenses from MBC I, higher property maintenance expenses, property taxes and property management fees incurred by existing properties as well as higher marketing and promotion expenses due to additional and bigger scale programmes organised to celebrate VivoCity's 10th anniversary
3. Mainly due to new debt drawn down to part finance the acquisition of MBC I, higher fixed debt ratio achieved in the quarter and higher rates on interest rate swaps ("IRS") to replace expired IRS

YTD FY16/17 Financial Scorecard

YTD FY16/17 Gross Revenue and NPI up 25.8% and 26.2% respectively
Income Available for Distribution up 25.5%

S$'000 unless otherwise stated	YTD FY16/17	YTD FY15/16[1]	Change
Gross Revenue	**270,220**	**214,770**	▲ **25.8%**
Property Operating Expenses	**(61,162)**	**(49,101)**	▲ **24.6%[2]**
Net Property Income	**209,058**	**165,669**	▲ **26.2%**
Net Finance Costs	**(38,282)**	**(29,321)**	▲ **30.6%[3]**
Income Available for Distribution	**162,686**	**129,583**	▲ **25.5%**
Distribution per Unit (cents)	**6.36**	**6.11**	▲ **4.1%**

1. The period from 1 April 2015 to 31 December 2015, referred to as YTD FY15/16
2. Largely due to property expenses from MBC I, higher property maintenance expenses incurred by existing properties, higher marketing and promotion expenses due to additional and bigger scale programmes organised to celebrate VivoCity's 10th anniversary, and one-off and non-recurring adjustments made in YTD FY15/16
3. Mainly due to new debt drawn down to part finance the acquisition of MBC I, as well as higher fixed debt ratio achieved and higher rates on IRS to replace expired IRS

3Q FY16/17 Financial Scorecard Against Forecast

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3Q FY16/17 DPU 6.5% Higher than Forecast[1]

S$'000 unless otherwise stated	Actual 3Q FY16/17	Forecast 3Q FY16/17	Change
Gross Revenue	108,761	108,365	▲ 0.4%
Property Operating Expenses	(24,401)	(24,969)	▼ 2.3%
Net Property Income	84,360	83,396	▲ 1.2%
Net Finance Costs	(15,620)	(18,855)	▼ 17.2%[2]
Income Available for Distribution	65,586	61,095	▲ 7.4%
Distribution per Unit (cents)	2.28	2.14	▲ 6.5%

1. The Forecast was derived from the forecast for the period 1 October 2016 to 31 March 2017 as disclosed in the Circular dated 5 July 2016
2. Mainly due to lower actual loan quantum outstanding as compared to the amount estimated to be drawn in the Forecast as well as lower interest rates achieved on new IRS executed and lower actual base rates as compared to the Forecast

Balance Sheet

S$'000 unless otherwise stated	As at 31 December 2016	As at 31 March 2016
Investment Properties	6,193,076[1]	4,341,800
Other Assets	98,892	73,379
Total Assets	6,291,968	4,415,179
Borrowings	2,328,115[2]	1,551,519
Other Liabilities	130,372	99,684
Net Assets	3,833,481	2,763,976
Units in Issue ('000)	2,869,722	2,130,003
Net Asset Value per Unit (S$)	1.34[1]	1.30

1. Investment properties are carried at fair value based on independent valuation as at 31 March 2016. The increase in investment properties was due to the acquisition of MBC I which is stated at acquisition cost, as well as additional capital expenditures incurred from 1 April 2016 to 31 December 2016
2. The increase in non-current borrowings was mainly due to the drawdown of S$800.0 million term loan to part finance the acquisition of MBC I in August 2016, as well as higher translated borrowings arising from the translation of the JPY MTN into Singapore dollar as at 31 December 2016

Key Financial Indicators

	As at 31 December 2016	As at 30 September 2016
Total Debt Outstanding	**S$2,327.6 mil**	**S$2,340.0 mil**
% Fixed Debt	**81.2%**	**74.1%**
Gearing Ratio	**37.0%**[1]	**37.3%**
Interest Coverage Ratio (YTD)	**4.9 times**	**4.9 times**
Average Term to Maturity of Debt	**4.3 years**	**4.3 years**
Weighted Average All-In Cost of Debt (p.a.)	**2.64%**[2]	**2.66%**[3]
Unencumbered Assets as % of Total Assets	**100%**	**100%**
MCT Corporate Rating (by Moody's)	**Baa1**	**Baa1**

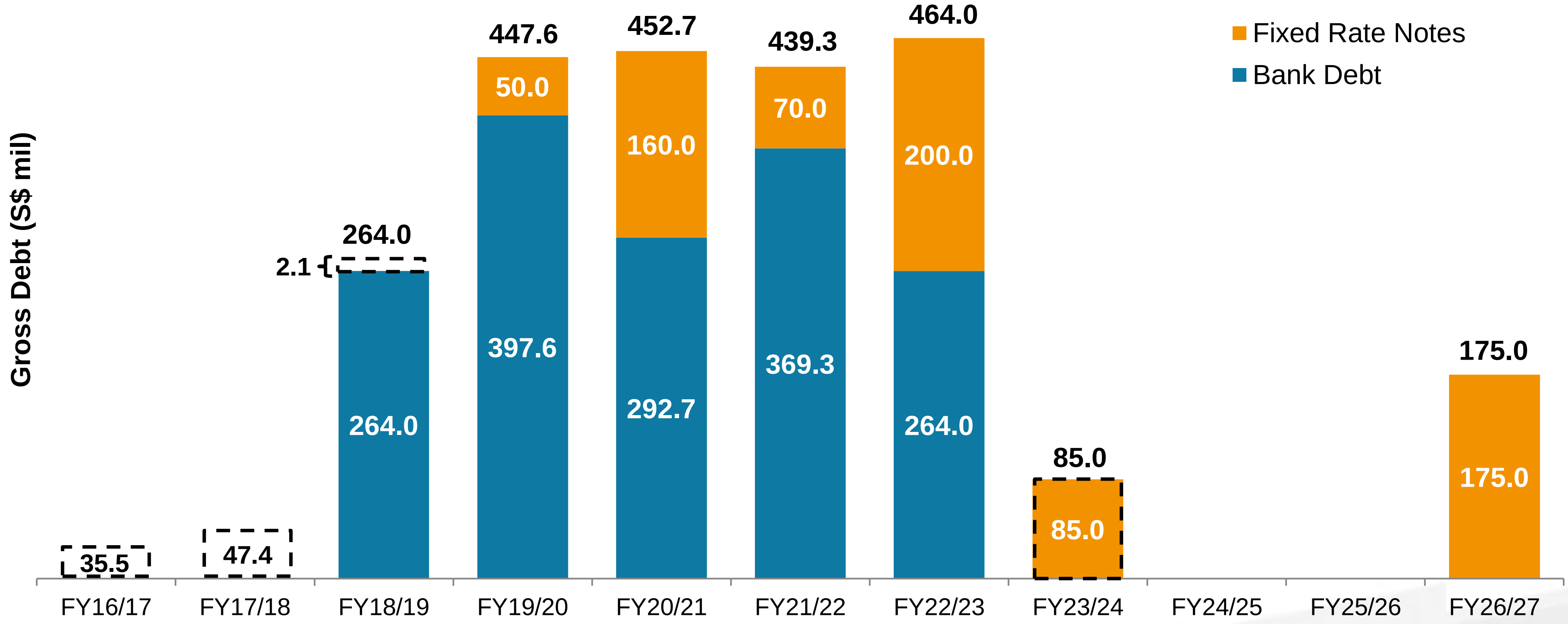
1. Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings to total net assets is 60.7%
2. Annualised based on YTD FY16/17
3. Annualised based on 1H FY16/17

Debt Maturity Profile

(as at 31 December 2016)

Total gross debt: S$2,327.6 mil

- Refinanced existing debts through issuance of S$85.0 mil Fixed Rate Notes @ 2.795% p.a. due 2023, rated Baa1 by Moody's
- All refinancing completed for FY16/17 and FY17/18



% of Total Debt	-	-	**11%**	**19%**	**19%**	**19%**	**20%**	**4%**	-	-	**8%**

Distribution Details

Distribution Period	1 October 2016 – 31 December 2016
Distribution Amount	2.28 Singapore cents per unit

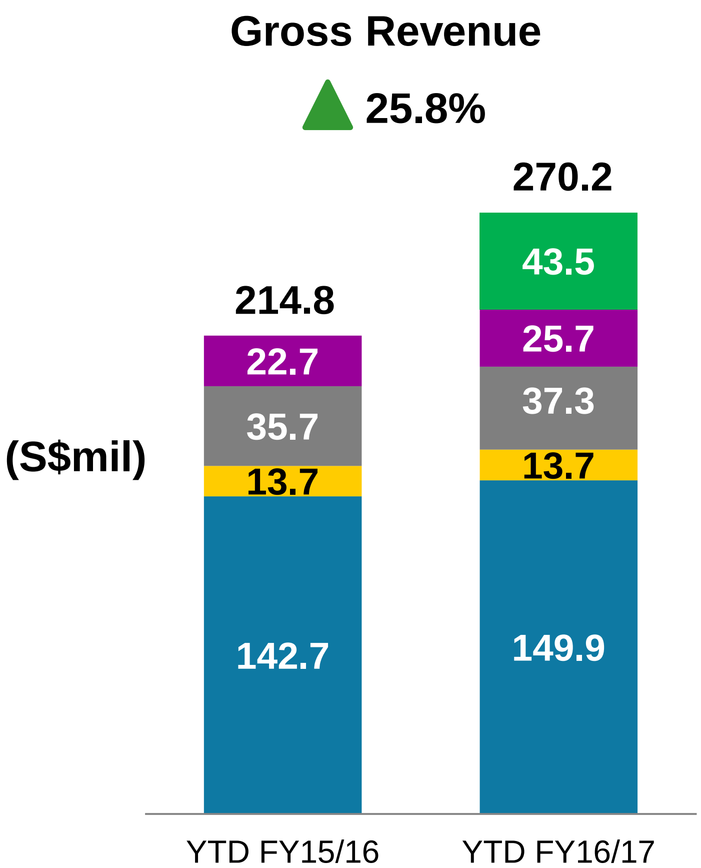
Distribution Timetable	
Notice of Books Closure Date	Wednesday, 25 January 2017
Last Day of Trading on “cum” Basis	Tuesday, 31 January 2017
Ex-Date	Wednesday, 1 February 2017
Books Closure Date	5:00 pm, Friday, 3 February 2017
Distribution Payment Date	Tuesday, 28 February 2017

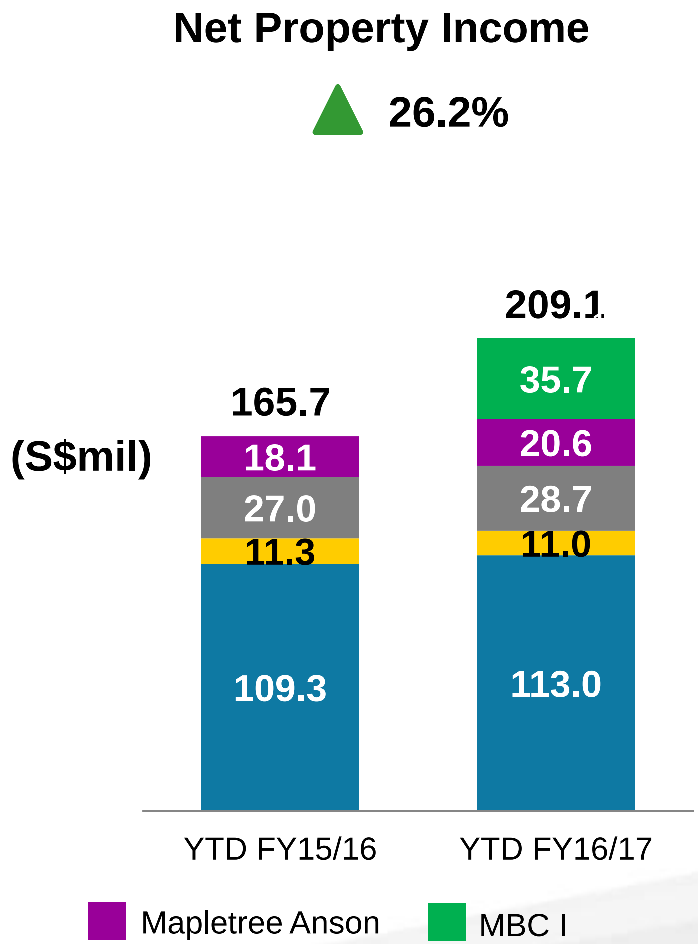
Portfolio Updates

VivoCity

Portfolio Revenue and Net Property Income

Strong Growth in Gross Revenue and NPI Driven by MBC I
Existing Portfolio[1] Gross Revenue and NPI up 5.5% and 4.6% respectively





1. Refers to VivoCity, PSA Building, Mapletree Anson and MLHF

Portfolio Occupancy

Overall Portfolio Occupancy Increased to 99.0%

	As at 31 Mar 2016	As at 30 Jun 2016	As at 30 Sep 2016	As at 31 Dec 2016
VivoCity	99.6%	98.9%	99.3%	99.9%[1]
MLHF	100.0%	100.0%	100.0%	100.0%
PSA Building	92.8%	96.5%	98.5%	96.2%[1]
Mapletree Anson	91.0%	94.7%	100%	100%
Mapletree Business City I	-	-	98.3%	99.0%[1]
MCT Portfolio	**96.6%**	**97.8%**	**98.8%**	**99.0%**

1. Committed and physical occupancies are the same for all assets

YTD FY16/17 Leasing Update

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Lease Restructuring Completed for Levels 2 to 5 of MLHF
New Tenant Secured for Part Space of Level 6

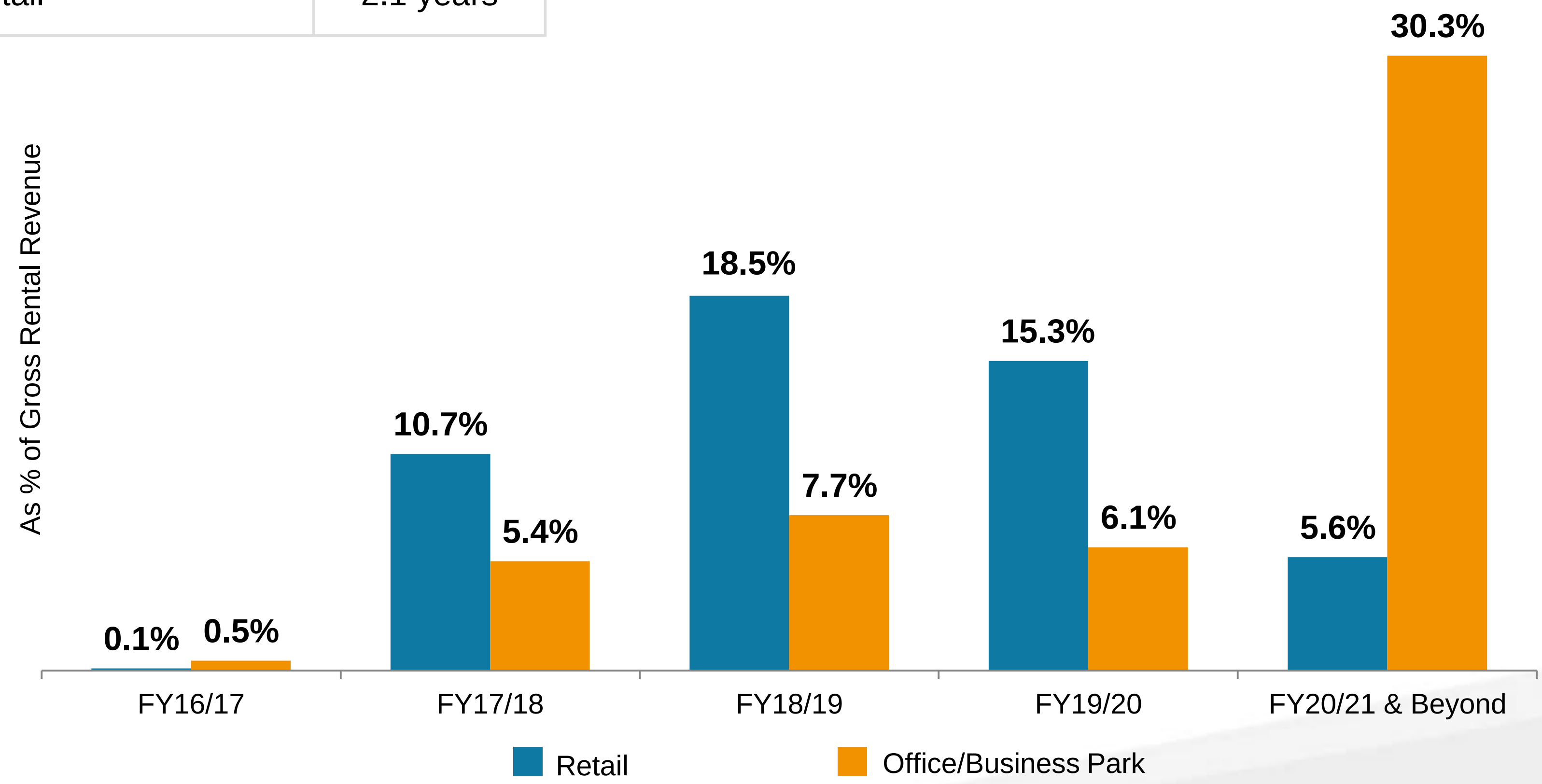
	Number of Leases Committed	Retention Rate (by NLA)	% Change in Fixed Rents[1]
Retail	121	95.4%	13.5%[2]
Office/ Business Park[3]	20	87.3%	8.5%[4]

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
3. Includes all MBC I leases expiring in FY16/17
4. Excluding MBC I, office portfolio rental uplift is 9.7%. MBC 1 rental uplift is 7.1%

Lease Expiry Profile

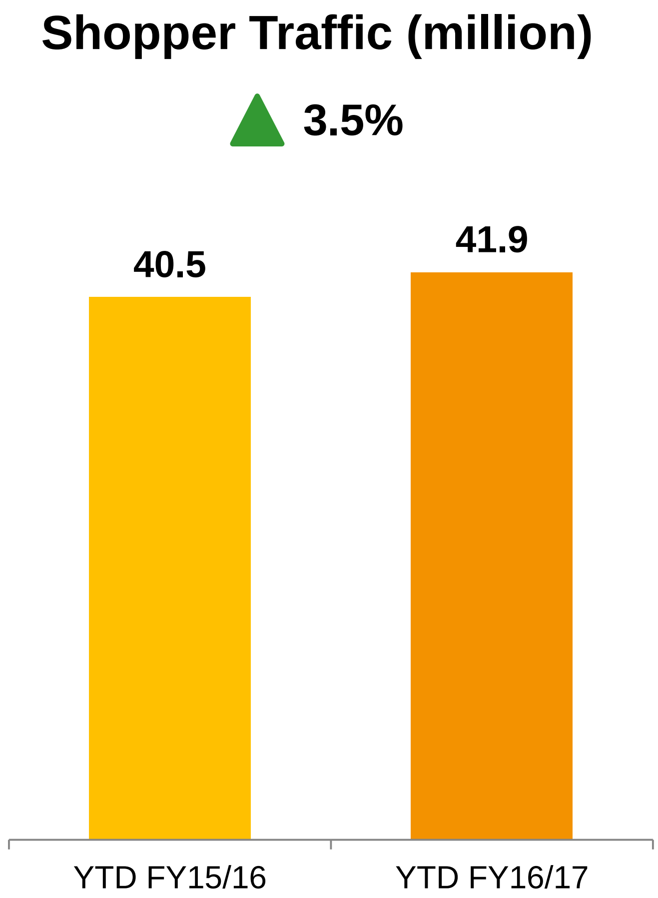
(as at 31 December 2016)

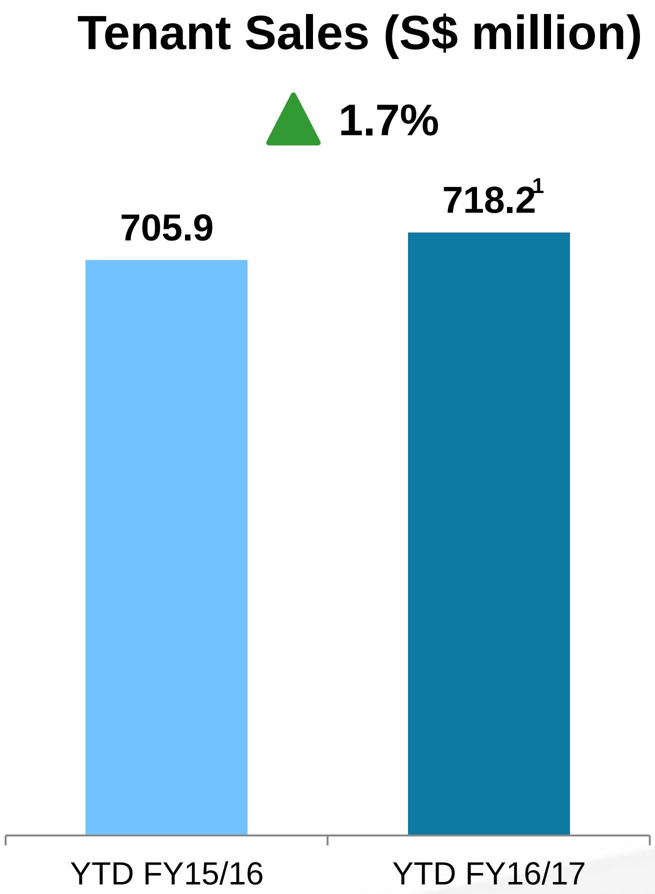
Portfolio WALE	2.8 years
Office/Business Park	3.6 years
Retail	2.1 years



VivoCity – Shopper Traffic and Tenant Sales

- 3Q FY16/17 Shopper Traffic up 6.7% year-on-year
- 3Q FY16/17 Tenant Sales up 2.0% year-on-year





1. Includes estimates of Tenant Sales for a small portion of tenants

Outlook

PSA Building - ARC

Outlook

Singapore Economy

- The Singapore economy grew 1.8% year-on-year in the fourth quarter of 2016, higher than the 1.2% growth registered in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 9.1%, a reversal from the preceding quarter's 1.9% contraction. For the whole of 2016, the economy grew by 1.8%.

Retail

- According to CBRE, sentiments among the established retailers were cautious given current manpower constraints and economic uncertainties. Orchard Road and Suburban rents declined for the eighth and fifth straight quarter respectively.
- Demand is likely to continue to lag supply, with average prime rents expected to be under pressure for the next 12 months.

Office

- Net absorption was positive in 4Q 2016 mostly due to pre-commitments in newly completed developments. Occupancy levels held up relatively well and the pace of downward rental adjustments slowed further.

Source: Ministry of Trade and Industry Press Release, 3 January 2017 and CBRE MarketView Singapore 4Q 2016

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Office (cont'd)

- While a sizeable supply is expected in 2017, the supply position for the next two to three years looks manageable. With higher leasing volumes observed lately, recovery in rents may be possible by late 2017.

Business Park

- The business park market delivered a relatively low-key but resilient performance in 4Q 2016, during which leasing enquiries have slowed down in the face of challenging business conditions. For the whole of 2016, demand has been led largely by selected technology and biomedical companies.
- As future supply remains limited with average annual new supply over the next three years at a historical low, business park rents are expected to hold up despite downward pressures from the softening office market.

Overall

- MCT's properties are expected to remain relatively resilient, supported by VivoCity's healthy performance in a challenging wider retail market and manageable expiries in its office / business park portfolio in the next 12 months.





Thank You

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