Financial Review

INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH (S$ MILLION)

	2011 FY10/11 (restated)	2012 FY11/12 (restated)	2013 FY12/13 (restated)	2014 FY13/14 (restated)	2015 FY14/15
Revenue	**745.8**	**1,175.8**	**1,388.9**	**1,521.9**	**1,633.9**
Earnings before interest and tax (EBIT)	583.7	783.8	884.9	1,051.9	1,137.3
Share of profit/(loss) of associated companies and joint ventures (SOA) (operating)	4.9	12.4	(7.6)	(9.7)	4.1
EBIT + SOA[1]	**588.6**	**796.2**	**877.3**	**1,042.2**	**1,141.4**
Net finance cost	(106.1)	(162.3)	(194.0)	(174.6)	(167.4)
Revaluation gains[2]	456.1	264.4	536.8	478.0	594.0
Corporate restructuring surplus and disposal gains	43.0	66.1	116.2	14.6	(4.8)
Other gains and losses[3]	11.2	19.2	21.9	3.9	(18.6)
Profit before tax	**992.8**	**983.6**	**1,358.2**	**1,364.1**	**1,544.6**
Income tax expense	(66.6)	(64.3)	(86.8)	(105.0)	(122.9)
Non-controlling interests	(139.8)	(290.3)	(319.9)	(380.9)	(418.1)
Profit after tax and minority interests[4] (PATMI)	**786.4**	**629.0**	**951.5**	**878.2**	**1,003.6**
Attributable to:					
Equity holder of the Company	**786.4**	**627.4**	**917.2**	**828.6**	**954.0**
Perpetual securities holders	-	**1.6**	**34.3**	**49.6**	**49.6**
	786.4	**629.0**	**951.5**	**878.2**	**1,003.6**
Operational profit after tax and minority interests[5] (Operational PATMI)	**389.6**	**1,203.6**	**781.6**	**392.7**	**467.6**

Notes:

1. *EBIT + SOA denotes earnings before interest and tax plus share of operating profit of associated companies and joint ventures (excluding SOA gain/loss relating to disposal, foreign exchange, derivatives and revaluation).*
2. *Net of tax and non-controlling interests, including share of associated companies' and joint ventures' revaluation gains.*
3. *Net of non-controlling interests, including share of associated companies' and joint ventures, mark-to-market fair value adjustments, negative goodwill, dilution gains or losses and the like.*
4. *PATMI denotes net profit (after tax and non-controlling interests) attributable to perpetual securities holders and equity holder of the Company.*
5. *Operational PATMI denotes net income derived from the underlying operating activities of the Group including, inter-alia, real estate rental and sales activities, capital management fee income businesses, investments in real estate related assets and/or securities, and corporate restructuring surplus or deficit. Any gains or losses on disposal and corporate restructuring surplus or deficit are measured based on the relevant original invested costs (OIC). Gains or losses on foreign exchange, fair value adjustments for financial derivatives and financial assets available-for-sale (per FRS 39 Financial Instruments: Recognition and Measurement), unrealised gains or losses, inter-alia, pure revaluation gains or losses, negative goodwill and dilution gains or losses are not included.*

BALANCE SHEET
AS AT 31 MARCH (S$ MILLION)

	2011 FY10/11 (restated)	2012 FY11/12 (restated)	2013 FY12/13 (restated)	2014 FY13/14 (restated)	2015 FY14/15
Assets					
Investment properties:					
Completed properties	12,815.2	17,443.6	19,264.4	20,478.0	22,453.9
Under redevelopment	26.9	29.0	30.4	304.1	547.3
Property held for sale	16.3	16.3	31.2	15.9	17.2
Properties under development	175.7	434.0	560.1	1,443.3	1,947.4
Plant and equipment	12.4	12.3	12.4	10.3	9.1
Investments in associated companies and joint ventures	464.1	515.1	876.3	621.3	922.4
Cash and cash equivalents	476.9	1,387.8	2,263.5	717.0	752.0
Others	431.6	338.0	418.5	414.9	554.5
Total Assets	**14,419.1**	**20,176.1**	**23,456.8**	**24,004.8**	**27,203.8**
Liabilities					
Borrowings/Medium term notes	5,118.0	8,362.4	7,761.7	7,077.9	8,332.3
Deferred income tax liabilities	128.3	167.2	166.8	200.1	241.4
Others	641.2	880.3	1,161.0	976.4	1,234.9
Total Liabilities	**5,887.5**	**9,409.9**	**9,089.5**	**8,254.4**	**9,808.6**
Net Assets	**8,531.6**	**10,766.2**	**14,367.3**	**15,750.4**	**17,395.2**
Shareholder's funds	6,164.5	6,698.7	7,584.2	8,343.6	9,330.1
Perpetual securities	-	341.3	941.1	941.1	941.1
Non-controlling interests	2,367.1	3,726.2	5,842.0	6,465.7	7,124.0
Total Equity	**8,531.6**	**10,766.2**	**14,367.3**	**15,750.4**	**17,395.2**

KEY HIGHLIGHTS – FY14/15

- For the financial year ended 31 March 2015 (FY14/15), the Mapletree Group achieved a PATMI[1] of S$1,003.6 million and Operational PATMI[2] of S$467.6 million, 14% and 19% higher than FY13/14 respectively.
- PATMI[1] from recurring core activities was S$433.0 million in FY14/15, representing a growth of 13%, compared to S$381.7 million in FY13/14. The Group recorded revaluation gains[3] of S$594.0 million, a 24% increase from S$478.0 million in FY13/14.
- Return on equity[4] (ROE) was 10.8% for FY14/15 and return on invested equity[5] (ROIE) was 7.3%.
- During the year, Mapletree raised JPY65 billion and JPY51 billion in equity commitments for two Japan-focused funds – MJOF and MJLD – respectively. Both funds exceeded the initial targets (JPY50 billion and JPY48 billion respectively) as a result of strong investor support from both repeat and new investors.
- With the launch of the two new Japan funds in June 2014 and the full year fee income contribution from the Group's second China-focused fund, Mapletree China Opportunity Fund II (MCOF II), overall fee income (including REIT management fee) increased 18% to S$240.5 million.
- Robust operating portfolio delivered healthy cash flow, with Mapletree Business City (MBC) and properties in HarbourFront Precinct contributing 16% and 2% year-on-year (y-o-y) growth in net property income respectively.
- Stable and consistent performances across all four Mapletree-managed real estate investment trusts (REITs) generated a y-o-y distribution per unit (DPU) growth of between 2% and over 10%.
- The successful completion of two development projects saw the opening of VivoCity Nanhai in Foshan, China, in May 2014 with lease commitment reaching 87% as at 31 March 2015; and SC VivoCity in Ho Chi Minh City, Vietnam, soft opened in April 2015 with retail tenants accounting for a high 74% in net lettable area opening on the first day of operation.
- During the year, Mapletree broadened its presence in select markets by securing 10 logistics land parcels in China and two in Malaysia for development, and made its first acquisition in Australia – an office building in South Brisbane. In addition, the Group acquired three corporate lodging/ serviced apartment projects in the United States of America (USA) with a total value of approximately S$300 million.
- As at 31 March 2015, the Group's net gearing stood at 43.6% and the Group has cash and undrawn banking facilities totaling S$6.3 billion, providing adequate financial flexibility for the Group to fund future investments.
- Since the start of the Mapletree Corporate and Staff Social Responsibility Programme (CSSR) in FY10/11, the Group has made a total pledge of S$11 million. For FY14/15, Mapletree continued its corporate social responsibility efforts by allocating another S$2.0 million to this cause. (For more information, please refer to the Corporate Social Responsibility section from page 64 to 67).

PERFORMANCE OVER FIVE YEARS

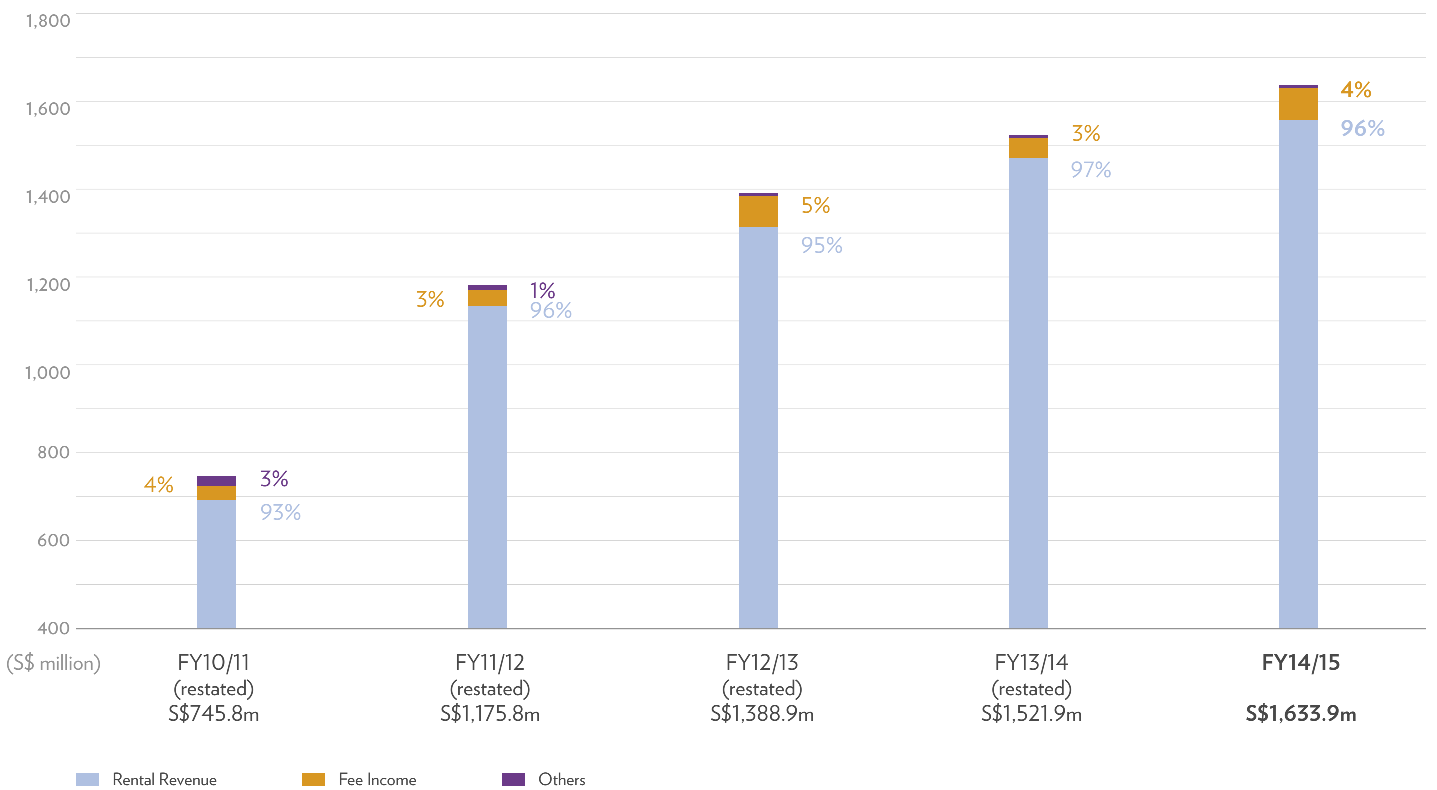
- Shareholder's funds grew by S$3.9 billion over a five-year period to S$9.3 billion as at 31 March 2015. Net asset value compounded annual growth rate (NAV CAGR[6]) since 31 March 2010 was a healthy 12.3%.
- The Group recorded a PATMI[1] of S$1,003.6 million in FY14/15, the highest PATMI[1] Mapletree had achieved in the past five financial years.
- Recurring core PATMI increased steadily over the past five financial years, from S$276.1 million in FY10/11 to S$433.0 million in FY14/15.
- Operational PATMI[2] grew from S$392.7 million in FY13/14 to S$467.6 million in FY14/15. The high Operational PATMI[2] for FY11/12 and FY12/13 at S$1,203.6 million and S$781.6 million respectively, were primarily due to the gains from the listing of Mapletree Commercial Trust (MCT) and Mapletree Greater China Commercial Trust (MGCCT) in the respective financial years.
- Fee income (including REIT management fees) increased from S$124.2 million in FY10/11 to S$240.5 million in FY14/15 at a CAGR of 18.0%, as the Group successfully listed three REITs and launched three new private real estate funds in the last five financial years.
- Total real estate assets owned and managed grew by 1.8 times from S$15.4 billion as at March 2011 to S$28.4 billion as at March 2015.
- While Singapore continued to grow and contribute to the overall total assets[7], the Group has expanded significantly overseas. The largest market presence outside Singapore was Hong Kong SAR, followed by China and Japan, which together made up a combined 40% of total assets[7] as at 31 March 2015, while contributions from Singapore reduced from 78% five years ago to 53% in FY14/15.

Notes:

1. *PATMI denotes net profit (after tax and non-controlling interests) attributable to perpetual securities holders and equity holder of the Company.*
2. *Operational PATMI denotes net income derived from the underlying operating activities of the Group including, inter-alia, real estate rental and sales activities, capital management fee income businesses, investments in real estate related assets and/or securities, and corporate restructuring surplus or deficit. Any gains or losses on disposal and corporate restructuring surplus or deficit are measured based on the relevant original invested costs (OIC). Gains or losses on foreign exchange, fair value adjustments for financial derivatives and financial assets available-for-sale (per FRS 39 Financial Instruments: Recognition and Measurement), unrealised gains or losses, inter-alia, pure revaluation gains or losses, negative goodwill and dilution gains or losses are not included.*
3. *Net of tax and non-controlling interests, including share of associated companies' and joint ventures' revaluation gains.*
4. *ROE denotes return on equity and is computed based on PATMI attributable to equity holders of the Company over shareholder's funds.*
5. *ROIE denotes return on invested equity and is computed based on Operational PATMI over the Group's equity from shareholder adjusted for unrealised revaluation gains or losses and such other non-cash flow and non-operating items including mark-to-market fair value adjustments and negative goodwill.*
6. *NAV CAGR is adjusted for dividends distributed to shareholder and calculated excluding non-controlling interests and perpetual securities and with NAV as at 31 March 2010 as starting base.*
7. *Excluding cash and cash equivalents.*

REVENUE

SOURCES OF REVENUE (%)



In FY14/15, Mapletree achieved total revenue of S$1,633.9 million, compared to S$1,521.9 million in FY13/14, representing an increase of S$112 million or 7%. Rental revenue continued to contribute the bulk of total revenue at 96%.

The higher rental revenue is mainly due to the continued organic growth of the four Mapletree-managed REITs – Mapletree Logistics Trust (MLT), Mapletree Industrial Trust (MIT), MCT and MGCCT, as well as the robust operating performance of the Singapore Commercial properties and rental contributions from new properties. MBC achieved 100% occupancy in FY14/15 (FY13/14: 99%) and contributed rental revenue of S$118.6 million, an increase of approximately S$9 million or 8% over FY13/14. Contributions from newly acquired properties – Oakwood Silicon Valley, Oakwood Dallas Uptown, a Beijing office property and a South Brisbane office building – amounted to S$11.8 million.

With the launch of MJOF and MJLD during the financial year, fee income increased from accounting for 3% of total revenue in FY13/14 to 4% in FY14/15. Fee income contributions from these two Japan funds amounted to S$12.7 million, while the full year recognition of MCOF II contributed higher fee income of S$13.8 million.

RENTAL REVENUE Y-O-Y ANALYSIS (S$ MILLION)

The Group's rental revenue from same store assets was higher by S$94.3 million, a 7% increase y-o-y.

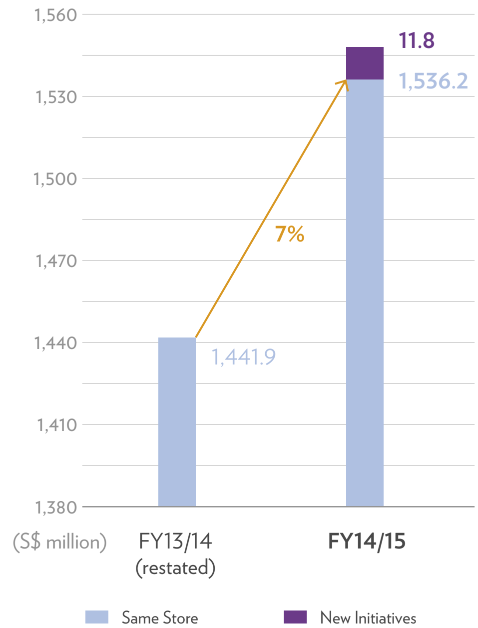
MLT's revenue rose 6% y-o-y arising from positive rental reversions largely from the Hong Kong SAR and Singapore portfolios, with occupancy at a stable 97%.

MIT's resilient portfolio attained an average occupancy of 91%, delivering sustainable growth with revenue increasing almost 5%. In January 2015, the completion of the build-to-suit (BTS) development for Equinix added gross floor area of 35,700 square metres to its Hi-Tech Buildings portfolio.

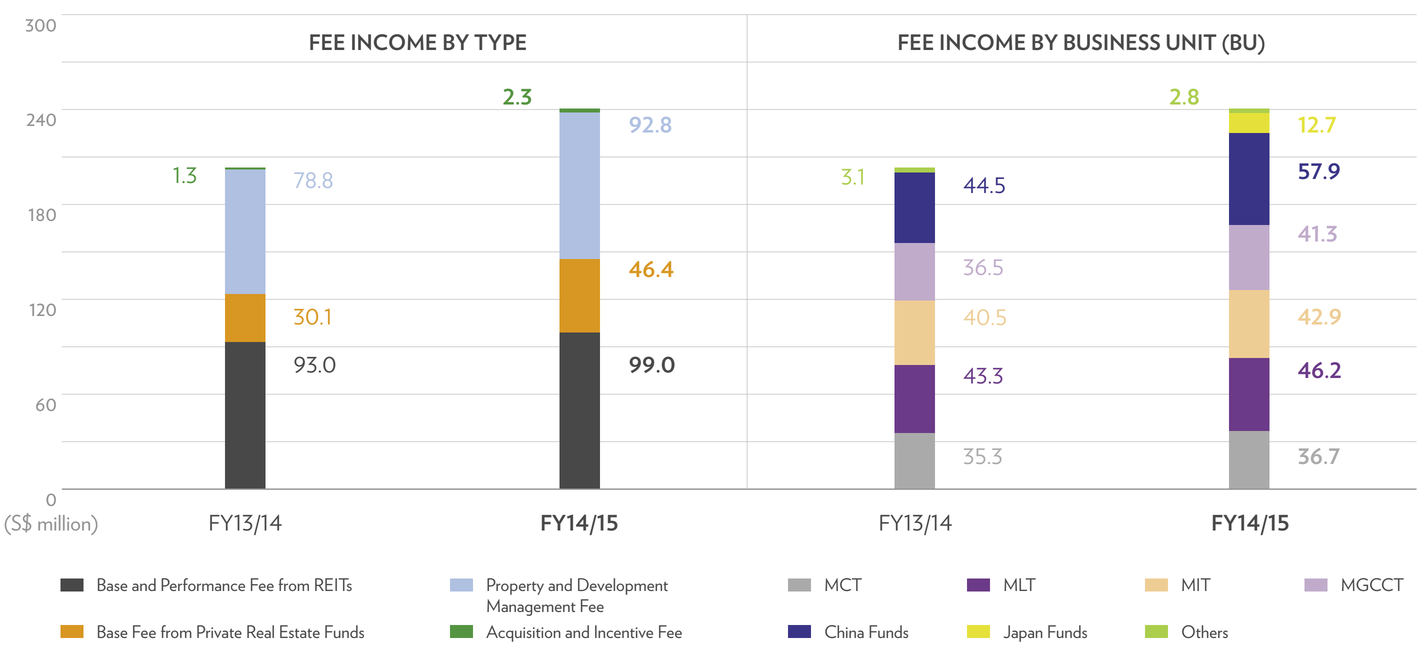
MCT's portfolio continued to deliver a resilient performance in FY14/15, with a marginal rise in VivoCity tenant sales despite challenging retail market conditions. On the whole, MCT's revenue rose about 6% as it achieved rental reversions of about 17% and 6% for its retail and office segments.

MGCCT's assets delivered an 11% increase in revenue, with positive rental uplifts of 22% and 30% from Festival Walk and Gateway Plaza respectively, with a high portfolio occupancy of almost 99%.

The growth in rental revenue was also driven by the full occupancy achieved by MBC and a strong operating performance from properties in HarbourFront Precinct, logistics assets in Japan and China, and CentrePoint office building in Ho Chi Minh City, Vietnam.



FEE INCOME (INCLUDING REIT MANAGEMENT FEES) Y-O-Y ANALYSIS (S$ MILLION)

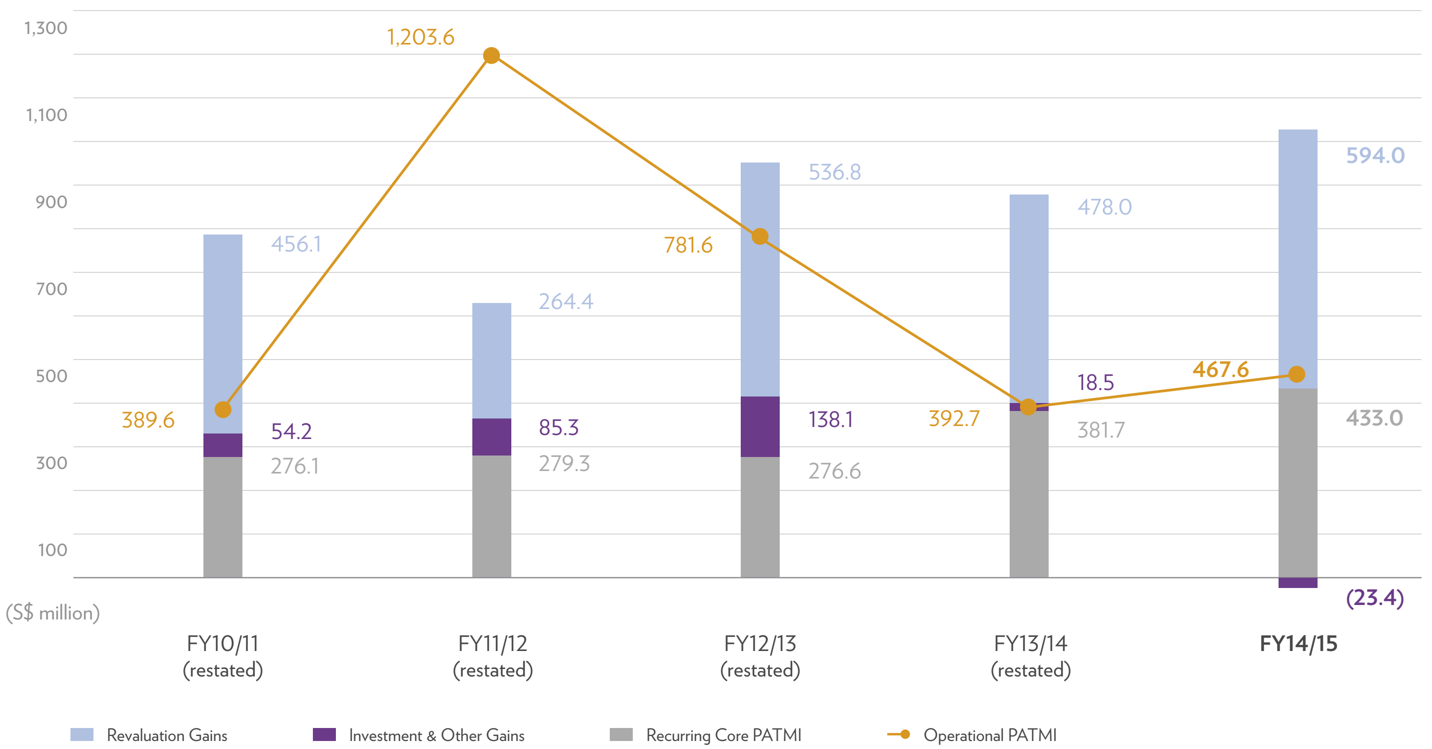


The management of REITs is a core business of the Group and Mapletree is one of the largest REIT managers in Singapore. Hence, it is meaningful for fee income analysis to include REIT management fee income in addition to fees from its private funds and other fee revenue.

Including REIT management fees, fee income increased 18% y-o-y. The growth from S$203.2 million to S$240.5 million was primarily due to the launch of the two Japan funds and the full year fee contribution from MCOF II. Base and performance fees from REIT management saw an increase of S$6.0 million or 6% over FY13/14, mainly due to higher distributable income from MGCCT and the better operating performance from the REITs' portfolios.

EARNINGS PROFILES

PATMI[1] AND OPERATIONAL PATMI[2] (S$ MILLION)



The Group achieved a PATMI[1] of S$1,003.6 million for FY14/15 compared to S$878.2 million in FY13/14.

Recurring core PATMI grew by 13% from S$381.7 million in FY13/14 to S$433.0 million in FY14/15. The strong operating performance from the REITs and existing Singapore assets as well as new fee income streams underpinned the Group's profitability.

In addition, net interest expense was reduced by S$7.2 million from S$174.6 million in FY13/14 to S$167.4 million in FY14/15.

In FY13/14, the Group recorded investment and other gains of S$18.5 million mainly from a corporate restructuring surplus of S$13.7 million from the divestment of a 31.5% stake in the Mapletree Minhang development project (MBC Shanghai and VivoCity Shanghai) and an 80% stake in South Station Enterprise City to MCOF II. The absence of a similar gain in FY14/15 coupled with foreign exchange loss and mark-to-market fair value loss on financial derivatives of S$17.0 million in FY14/15 resulted in marginal investment and other losses.

Revaluation gains[3] increased from S$478.0 million in FY13/14 to S$594.0 million in FY14/15 largely attributed to the strong underlying performance of Mapletree's owned and managed real estate assets.

The Group achieved Operational PATMI[2] of S$467.6 million in FY14/15, compared to S$392.7 million in FY13/14. FY14/15 Operational PATMI[2] included stronger core earnings, a corporate restructuring surplus of S$12.4 million from the divestment of four Japan office properties to MJOF, the divestment of two logistics properties to MLT, and share of associated company's gain on the divestment of Menara CIMB under the CIMB-Mapletree Real Estate Fund 1.

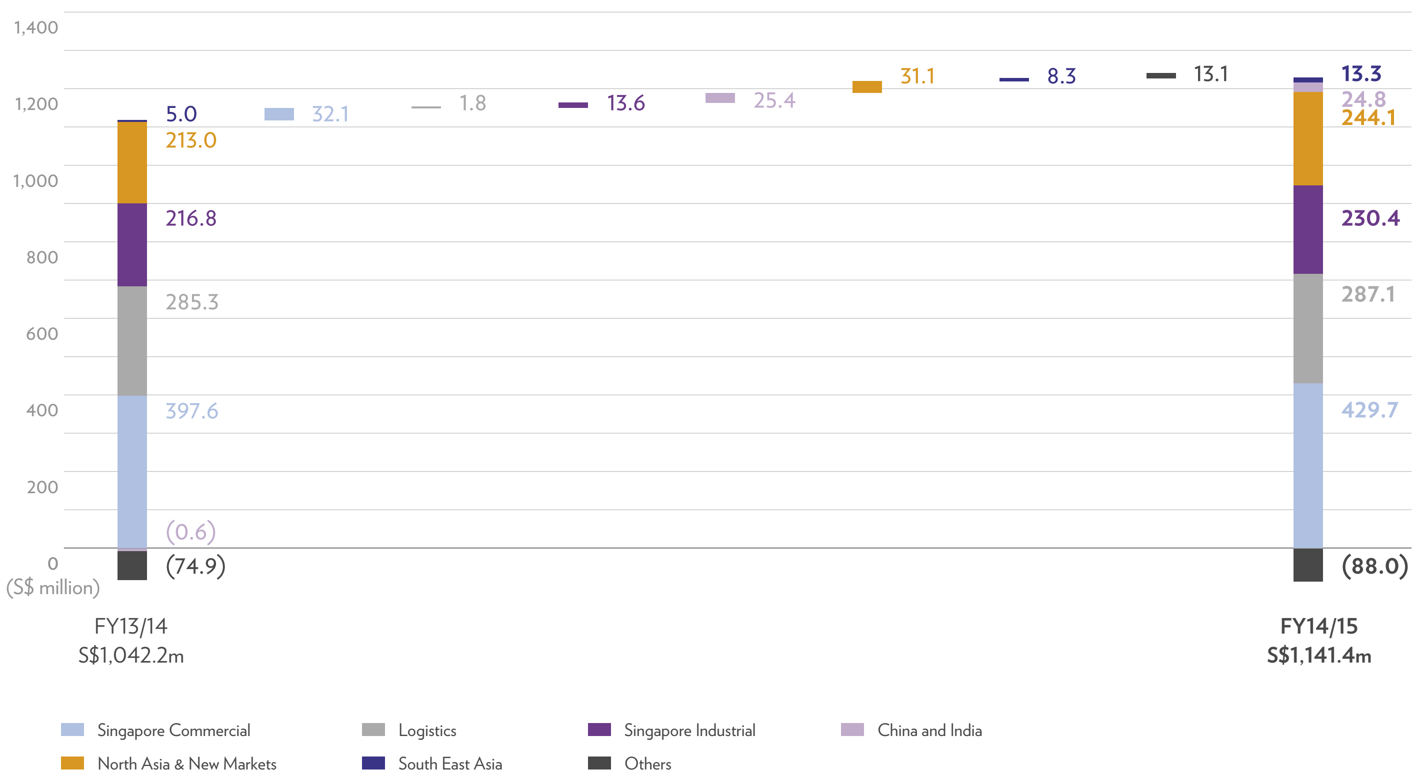
Notes:

1 *PATMI denotes net profit (after tax and non-controlling interests) attributable to perpetual securities holders and equity holder of the Company.*

2 *Operational PATMI denotes net income derived from the underlying operating activities of the Group including, inter-alia, real estate rental and sales activities, capital management fee income businesses, investments in real estate related assets and/or securities, and corporate restructuring surplus or deficit. Any gains or losses on disposal and corporate restructuring surplus or deficit are measured based on the relevant original invested costs (OIC). Gains or losses on foreign exchange, fair value adjustments for financial derivatives and financial assets available-for-sale (per FRS 39 Financial Instruments: Recognition and Measurement), unrealised gains or losses, inter-alia, pure revaluation gains or losses, negative goodwill and dilution gains or losses are not included.*

3 *Net of tax and non-controlling interests, including share of associated companies' and joint ventures' revaluation gains.*

EBIT + SOA[1] Y-O-Y GROWTH ANALYSIS BY BU (S$ MILLION)



EBIT + SOA[1] was S$1,141.4 million in FY14/15, compared to S$1,042.2 million in FY13/14. This was largely due to active lease management and cost containment of the portfolios under the Mapletree-managed REITs and the Singapore properties, higher fee contributions from the Mapletree-managed China and Japan funds, as well as new income streams from newly acquired properties in the USA, Australia and China.

- Singapore Commercial BU recorded a higher EBIT + SOA[1] of S$32.1 million over FY13/14 mainly due to higher earnings contributions from MCT, MBC and HarbourFront Precinct properties, offset by the absence of contributions after the decantment of The Comtech for the development of the new phase of MBC, MBC II.

- Logistics BU reported an increase of S$1.8 million due to six properties acquired during FY14/15, full year contribution from Mapletree Benoi Logistics Hub and higher revenue from existing assets (though the conversion of several single-user assets to multi-tenanted buildings in Singapore during the year negatively impacted its margin) offset by lower contribution from Japan assets due to weaker Japanese Yen and higher operating expenses.

- Singapore Industrial BU posted an increase of S$13.6 million due to higher earnings from MIT arising due to higher rental rates for new and renewed leases, the acquisition of 2A Changi North Street 2 and the completion of a BTS property for Equinix.

- China and India BU recorded a higher EBIT + SOA[1] of S$25.4 million mainly due to share of higher profit from the Mapletree India China Fund (MIC Fund), higher fee income contribution from MCOF II and new leasing contribution from the Beijing office asset acquired in October 2014.

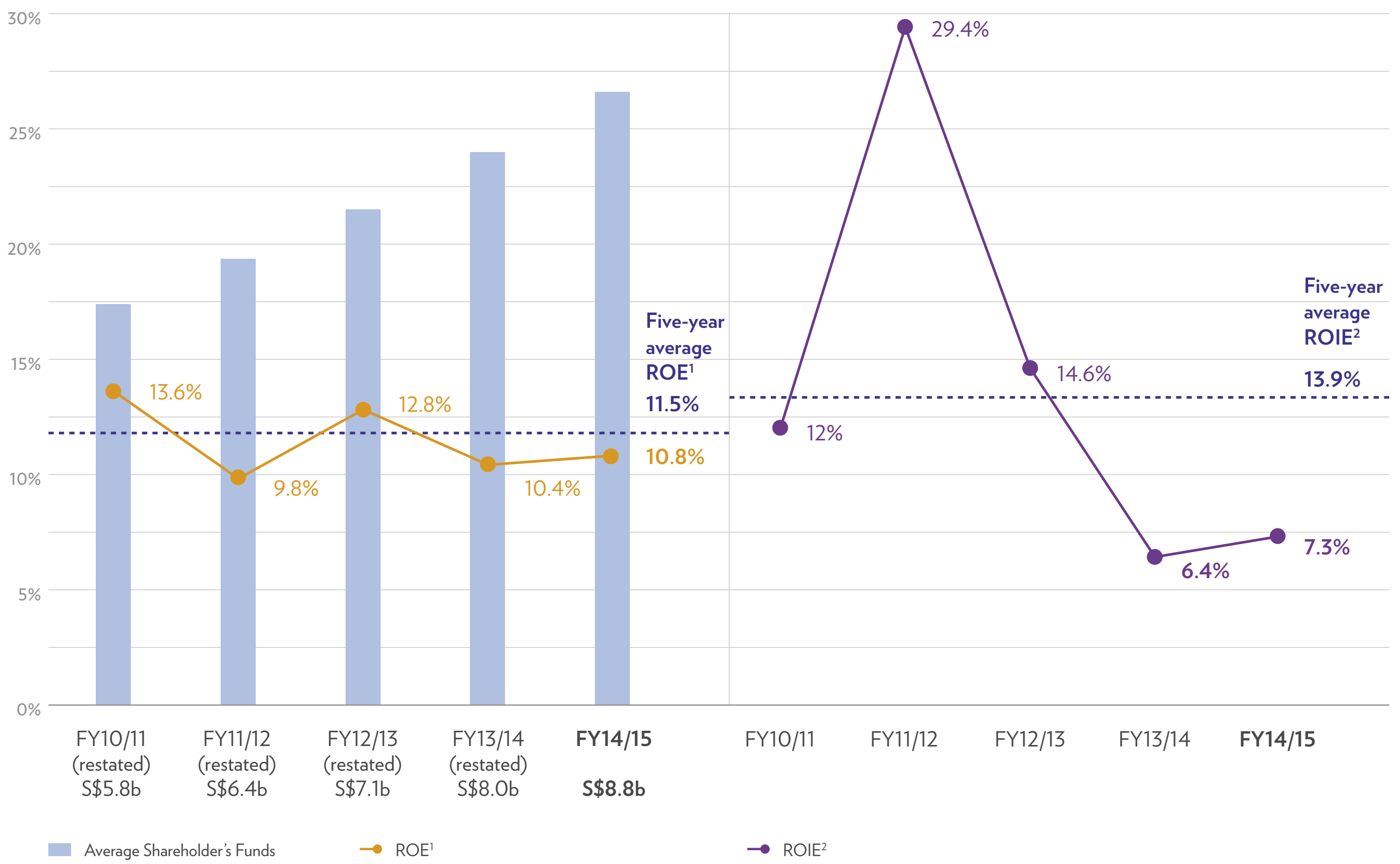
- North Asia & New Markets BU recorded a higher EBIT + SOA[1] of S$31.1 million primarily attributable to a higher contribution from MGCCT, new fee revenue from the launch of MJOF and MJLD in June 2014, and new leasing contributions from the US corporate lodging/serviced apartments (from August and December 2014) and the South Brisbane office building (from December 2014).

- South East Asia BU registered a higher EBIT + SOA[1] of S$8.3 million mainly due to share of higher profit from Menara CIMB (which started revenue contribution in September 2014), full year contribution from CentrePoint office building in Ho Chi Minh City, Vietnam, and lower operating expenses.

Notes:
1 *EBIT + SOA denotes earnings before interest and tax plus share of operating profit of associated companies and joint ventures (excluding SOA gain/loss relating to disposal, foreign exchange, derivatives and revaluation).*

EARNINGS RATIO

ROE[1] (%) AND ROIE[2] (%)



The Group delivered an ROE[1] of 10.8% to its shareholder for FY14/15. For the last five financial years, the average ROE[1] was 11.5%.

ROE[1] for a real estate company includes gains or losses from revaluation of investment properties in accordance with Singapore Financial Reporting Standards 40 which can be significant. From an operational measurement point of view, the Group also considers ROIE[2] as part of its performance measurement matrix.

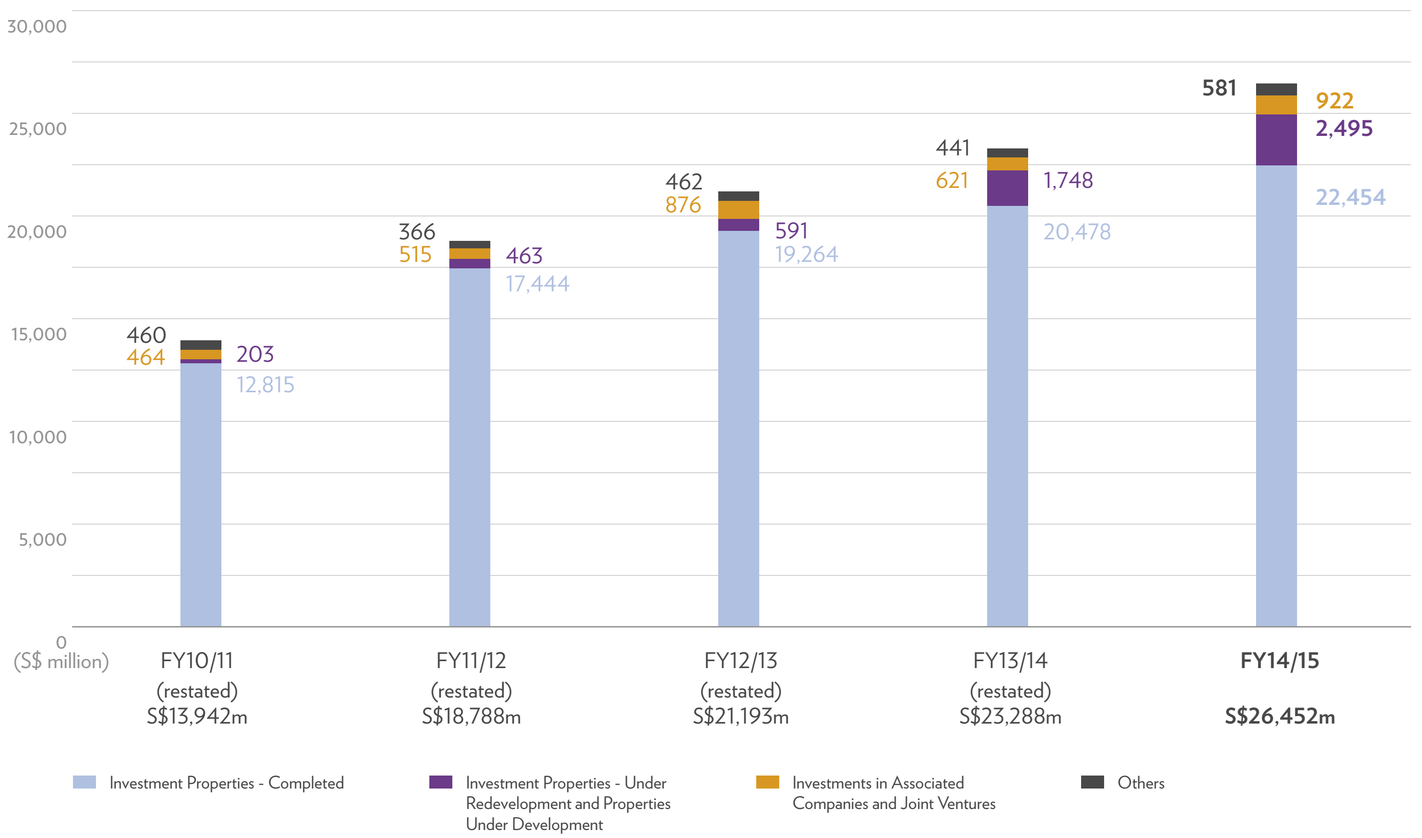
This ratio captures operating returns of the Group for the amount invested by its shareholder in the underlying businesses adjusted for the effect of non-operating and non-cash flow items, such as unrealised investment properties' revaluation gains and losses, negative goodwill, dilution gains or losses and fair value adjustments for financial derivatives and available-for-sale financial assets.

Stronger recurrent earnings lifted recurring core PATMI in FY14/15 by 13%, and the sale of Menara CIMB gave rise to corporate restructuring surplus which contributed to ROIE[2] of 7.3% in FY14/15, slightly higher than 6.4% in FY13/14.

Notes:
1 *ROE denotes return on equity and is computed based on PATMI attributable to equity holders of the Company over shareholder's funds.*
2 *ROIE denotes return on invested equity and is computed based on Operational PATMI over the Group's equity from shareholder adjusted for unrealised revaluation gains or losses and such other non-cash flow and non-operating items including mark-to-market fair value adjustments and negative goodwill.*

TOTAL ASSET BASE AND SHAREHOLDER'S FUNDS

TOTAL ASSET BASE[1] (S$ MILLION)

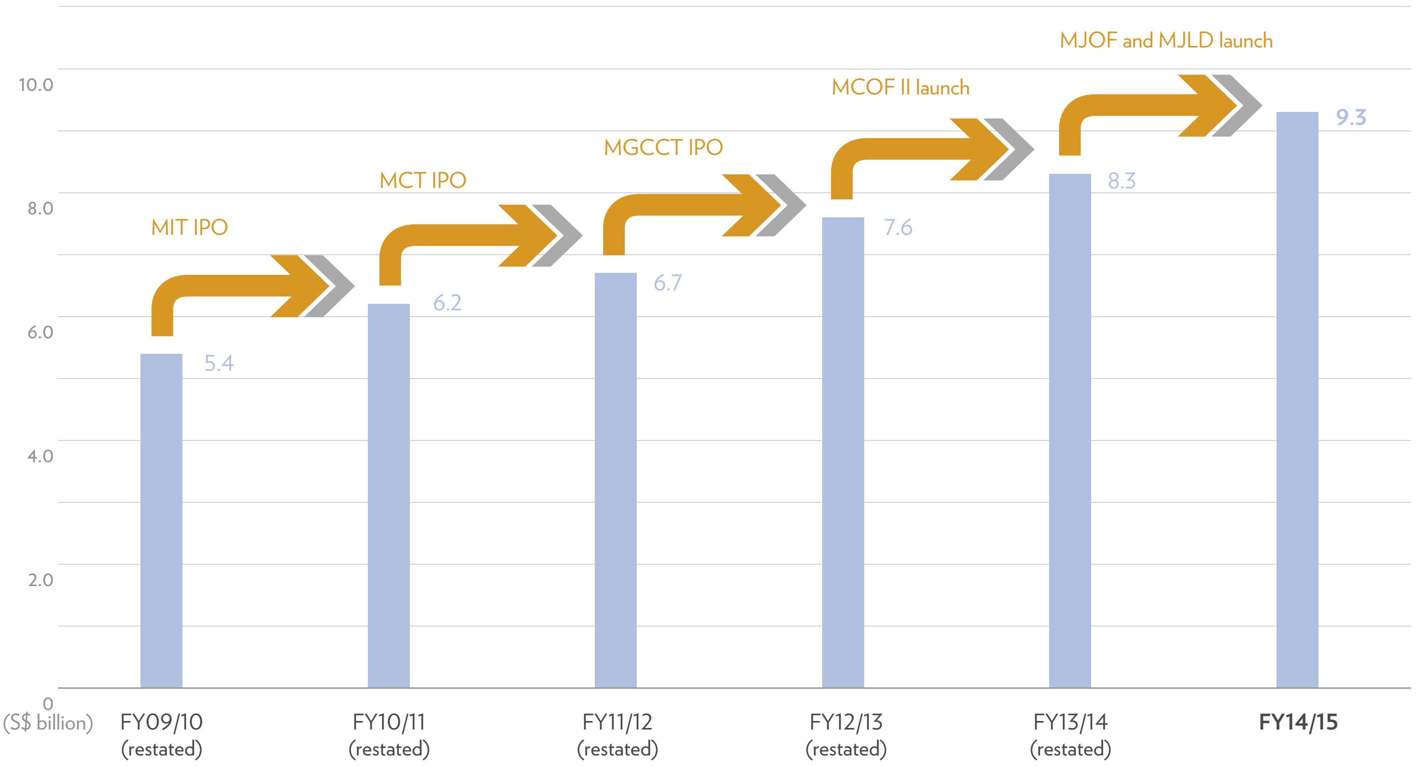


Total assets excluding cash and cash equivalents of the Group as at 31 March 2015 grew 14% or S$3.2 billion to S$26.5 billion.

During the financial year, capital value uplift of the REIT portfolios and the Group's owned assets, the Group's acquired assets in the USA, Australia, China and Malaysia, as well as development activities relating to MBC II and a logistics project in Hong Kong SAR resulted in an increase in investment properties and properties under development.

Notes:
1 Excluding cash and cash equivalents.

SHAREHOLDER'S FUNDS (S$ BILLION)



The Group's precinct rejuvenation and real estate capital management strategies since FY06/07 have added considerable value to its shareholder. This is evident from the increasing recurring core PATMI, significant development value-add and revaluation gains of the portfolio over the past few years.

FY14/15's PATMI[1] of S$1,003.6 million resulted in an increase in shareholder's funds from S$8.3 billion in FY13/14 to S$9.3 billion in FY14/15.

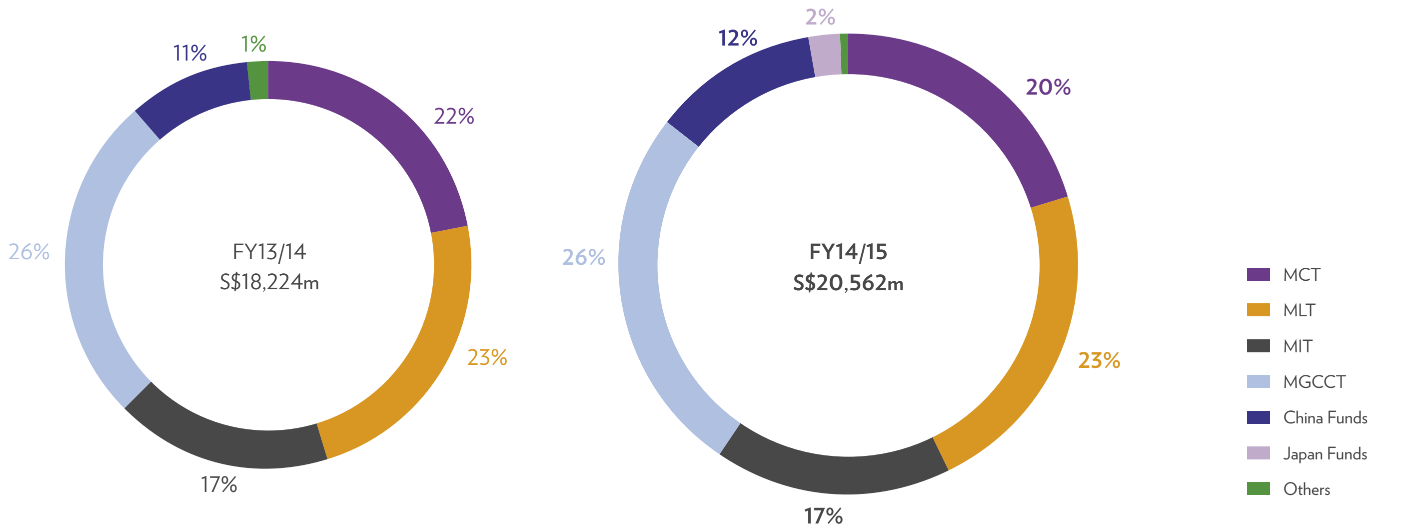
Shareholder's funds grew from S$5.4 billion as at 31 March 2010 to S$9.3 billion as at 31 March 2015. NAV CAGR[2] since 31 March 2010 was a healthy 12.3%. The Group has created significant value in the development of Bank of America Merrill Lynch HarbourFront (MLHF), Mapletree Anson and MBC, including the ongoing development of MBC II, together with the strong operating performance of the Group's REIT portfolios and owned assets, has resulted in significant revaluation gains.

Notes:

1 *PATMI denotes net profit (after tax and non-controlling interests) attributable to perpetual securities holders and equity holder of the Company.*

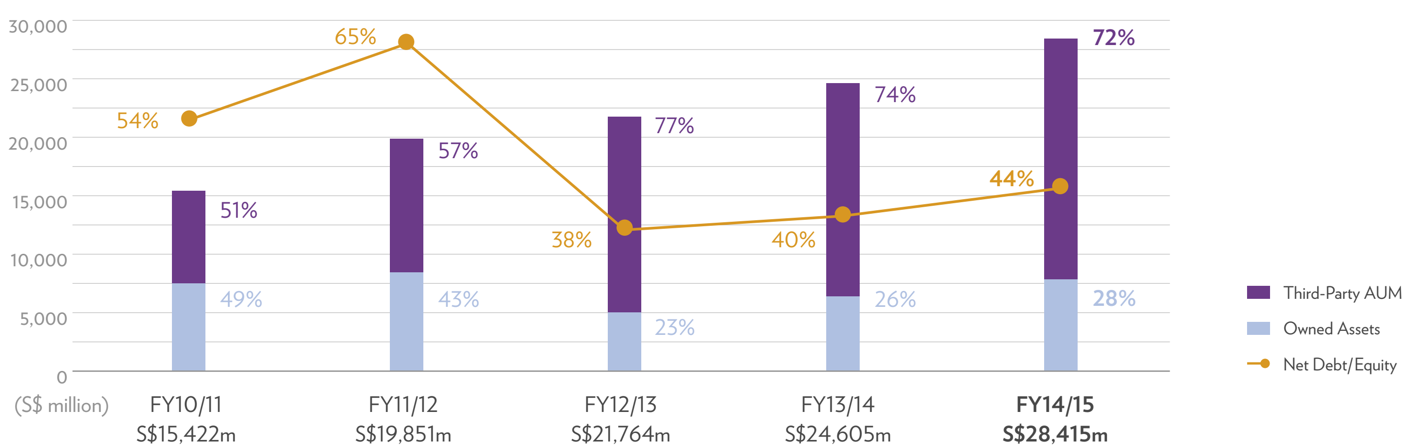
2 *NAV CAGR is adjusted for dividends distributed to shareholder and calculated excluding non-controlling interests and perpetual securities and with NAV as at 31 March 2010 as starting base.*

THIRD-PARTY ASSETS UNDER MANAGEMENT (AUM) BY SEGMENT (%)



During the financial year, third-party AUM grew by S$2.3 billion from S$18.2 billion in FY13/14 to S$20.5 billion in FY14/15. The increase was mainly attributable to the revaluation gains from the REIT portfolios, the launch of MJOF and MJLD as well as the development activities in MCOF II.

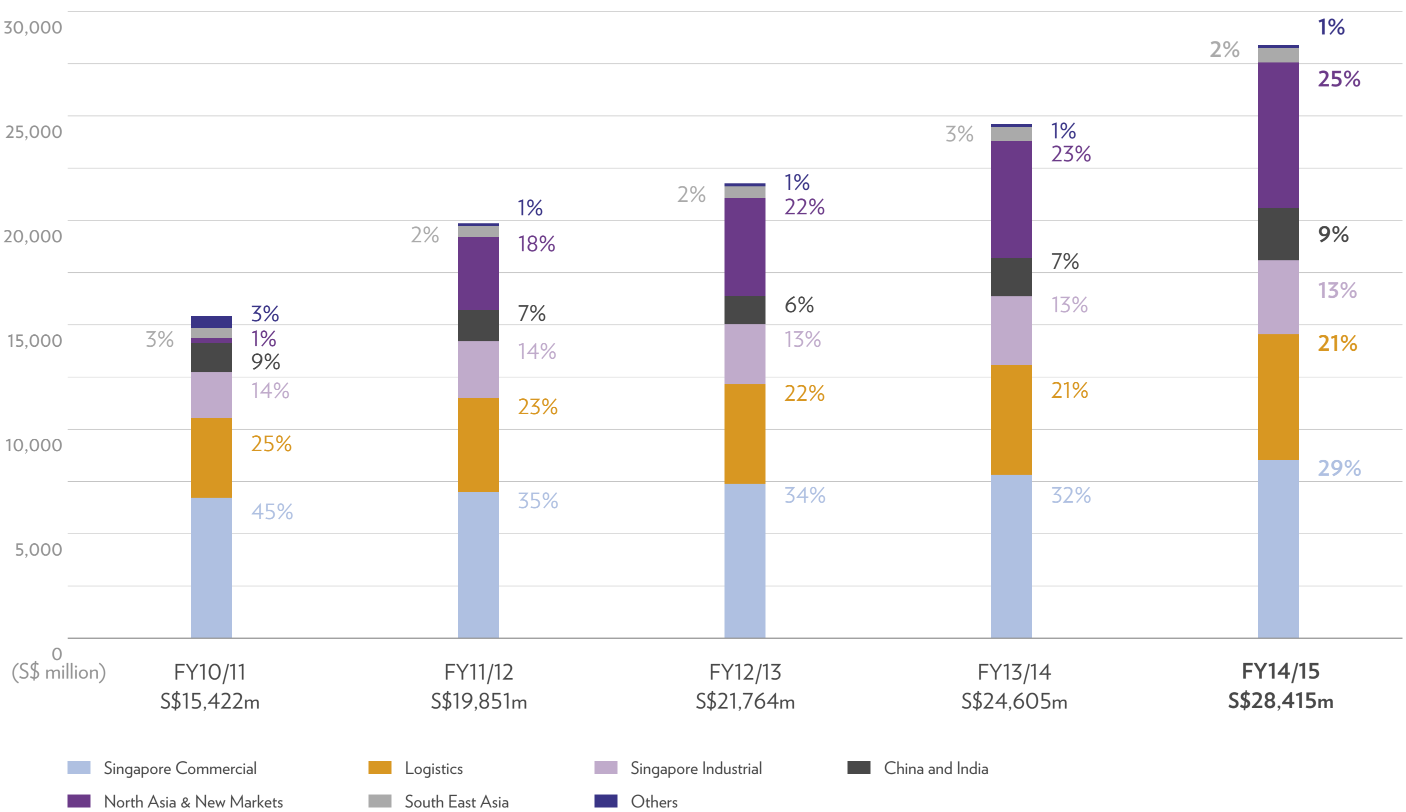
TOTAL REAL ESTATE ASSET BASE



Mapletree has achieved significant growth in its real estate asset base in the last five years with a CAGR of 16%. With its success in executing its capital management strategy, Mapletree has achieved significant increase in scale over the last five years.

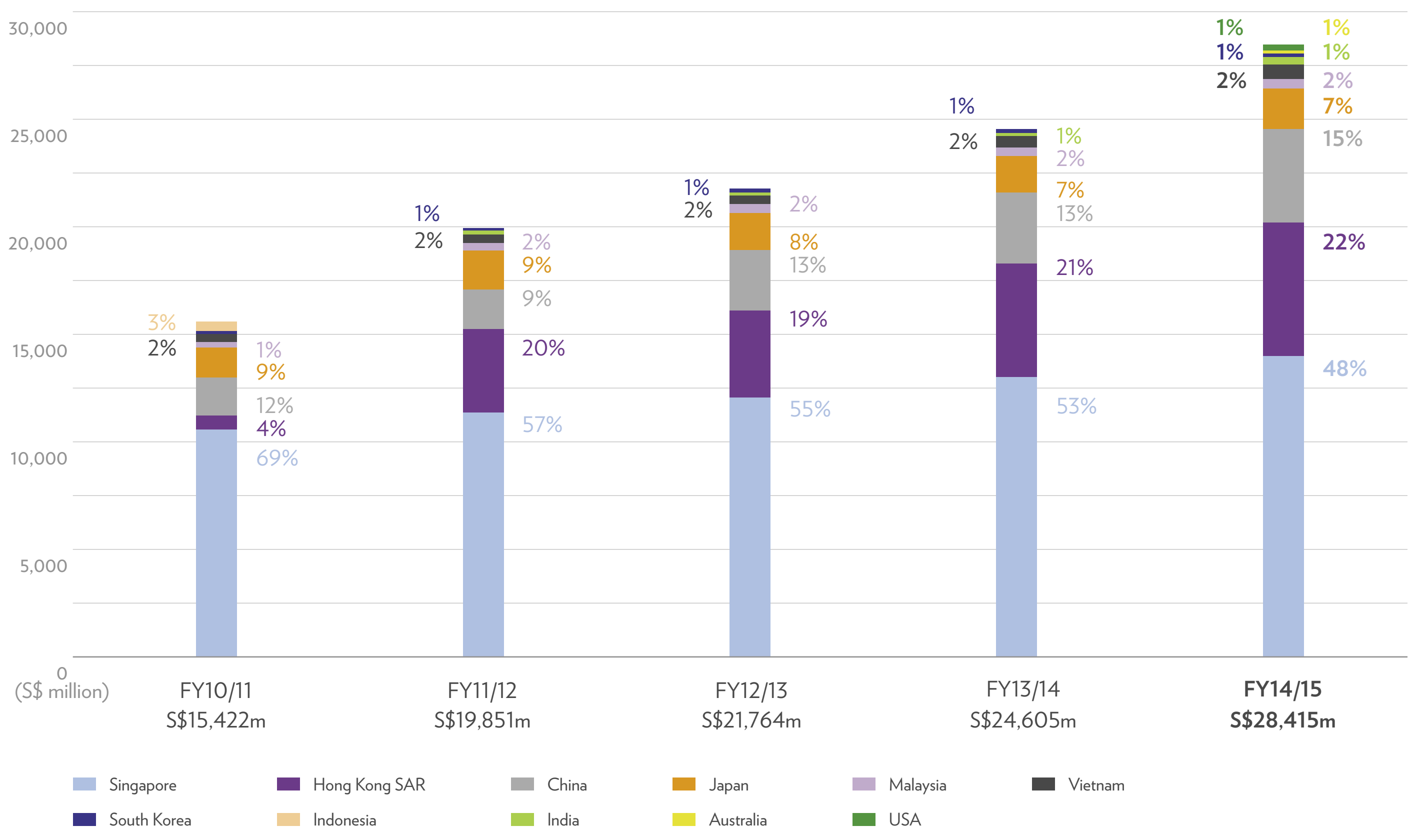
Total owned and managed real estate assets increased from S$24.6 billion in FY13/14 to S$28.4 billion in FY14/15 mainly driven by the acquisitions in the USA, Australia, China and Malaysia, development activities and capital value uplift of the REIT portfolios, and the Group's owned assets.

TOTAL OWNED AND MANAGED REAL ESTATE ASSETS BY BU (%)



Singapore Commercial BU remained the largest BU by total owned and managed real estate assets, accounting for 29% of AUM, followed by the North Asia & New Markets BU and Logistics BU.

TOTAL OWNED AND MANAGED REAL ESTATE ASSETS BY COUNTRY (%)



Mapletree continued its geographical expansion outside of Singapore, with total owned and managed real estate assets in Singapore decreasing from 53% in FY13/14 to 48% in FY14/15. During the year, Mapletree ventured into the USA and Australia, and broadened its presence in China and Malaysia by securing 10 and two logistics land parcels respectively.