Staying Focused and Resilient

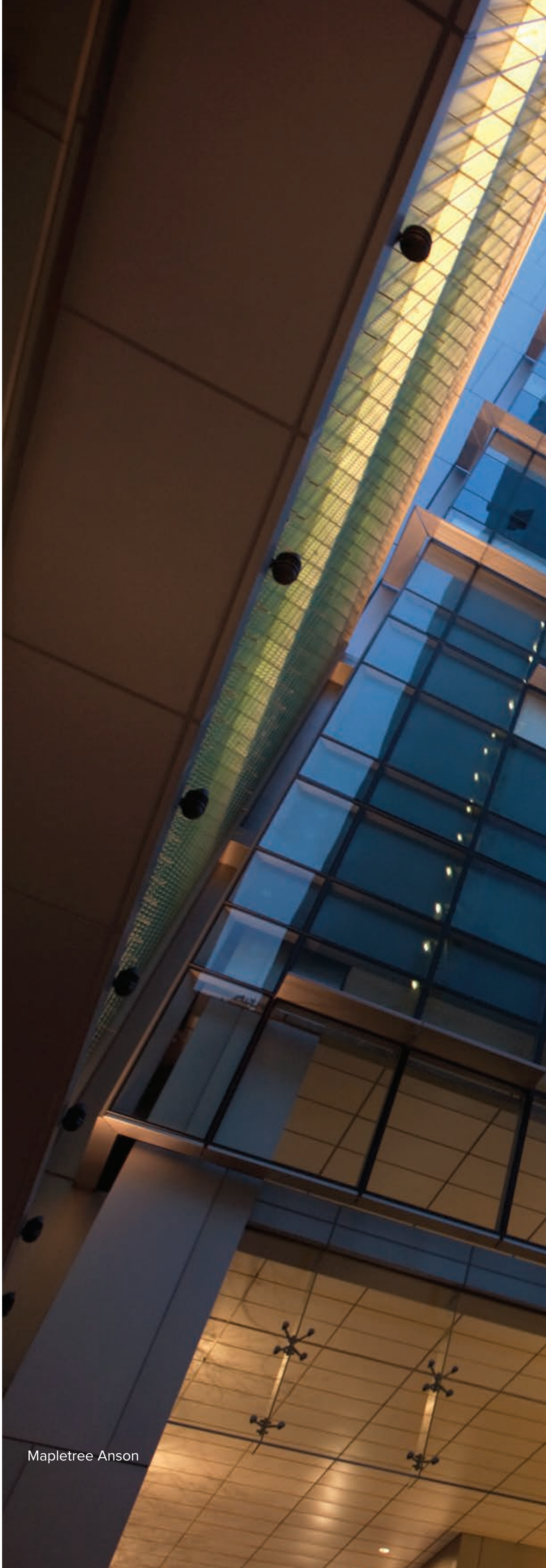
mapletree commercial

Mapletree Commercial Trust
Annual Report 2014/15

Contents

02 Financial Highlights
04 Letter to Unitholders
08 Year in Review
10 Portfolio Overview
28 Financial Review
32 Operations Review
36 Unit Price Performance
38 Singapore Office and Retail Market Overview
50 Trust Structure
51 Organisation Structure
52 Strategy
54 Board of Directors
58 Management Team and Property Management Team
62 Sustainability Report
66 Investor Relations
68 Risk Management
71 Corporate Governance
81 Financial Statements
128 Statistics of Unitholdings
130 Interested Person Transactions
131 Notice of Annual General Meeting
Proxy Form
IBC Corporate Directory

On the cover
"Flower Tree" - A 6-metre tall spherical bouquet of colourful flowers at the VivoCity Promenade.



Mapletree Anson

Corporate Overview

Mapletree Commercial Trust ("MCT") is a Singapore-focused real estate investment trust ("REIT") that invests on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate used primarily for office and/or retail purposes, whether wholly or partially, as well as real estate-related assets.

MCT was listed on the Singapore Exchange Securities Trading Limited on 27 April 2011 and is the third REIT sponsored by Mapletree Investments Pte Ltd (the "Sponsor"), a leading Asia-focused real estate company based in Singapore.

As at 31 March 2015, MCT's portfolio comprises four properties, namely:

- VivoCity, Singapore's largest mall located in the HarbourFront Precinct;
- Bank of America Merrill Lynch HarbourFront ("MLHF"), a premium office building located in the HarbourFront Precinct;
- PSA Building ("PSAB"), an established integrated development in the Alexandra Precinct with a 40-storey office block and a three-storey retail centre, Alexandra Retail Centre ("ARC"); and
- Mapletree Anson, a 19-storey premium office building located in Singapore's Central Business District.

The portfolio has a total Net Lettable Area of 2.1 million square feet and is valued at S$4,199 million[1] in aggregate as at 31 March 2015.

MCT is managed by Mapletree Commercial Trust Management Ltd. (the "Manager"), a wholly owned subsidiary of Mapletree Investments Pte Ltd. The Manager aims to provide Unitholders of MCT with an attractive rate of return on their investment through regular and relatively stable distributions and to achieve long-term growth in Distribution per Unit ("DPU") and Net Asset Value ("NAV") per Unit, with an appropriate capital structure for MCT.

1 Based on the appraised values by CBRE Pte. Ltd. and Knight Frank Pte. Ltd. as disclosed in MCT's announcement dated 22 April 2015.

Financial Highlights

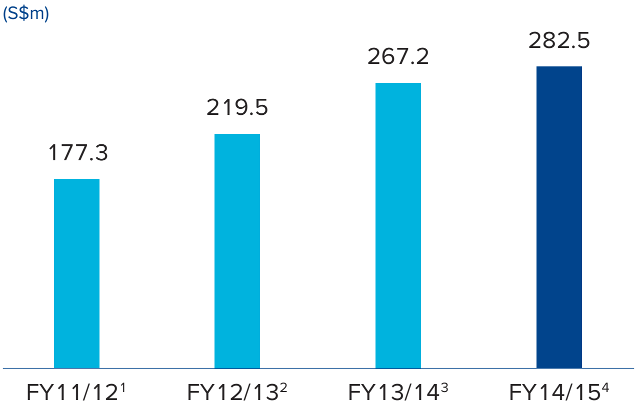
Gross Revenue

S$282.5m

FY14/15[4]

+5.7%
Year-on-year

14.1%
CAGR[5]



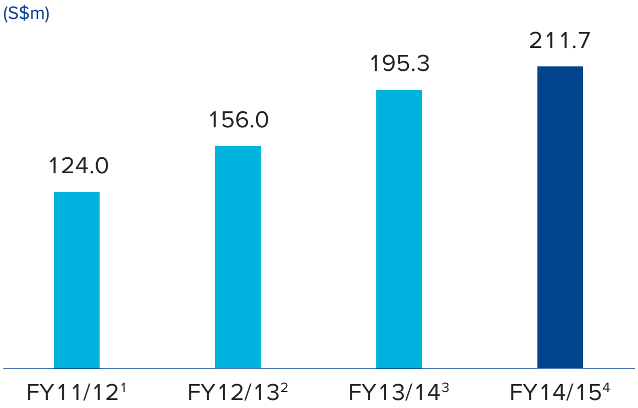
Net Property Income

S$211.7m

FY14/15[4]

+8.4%
Year-on-year

16.8%
CAGR[5]



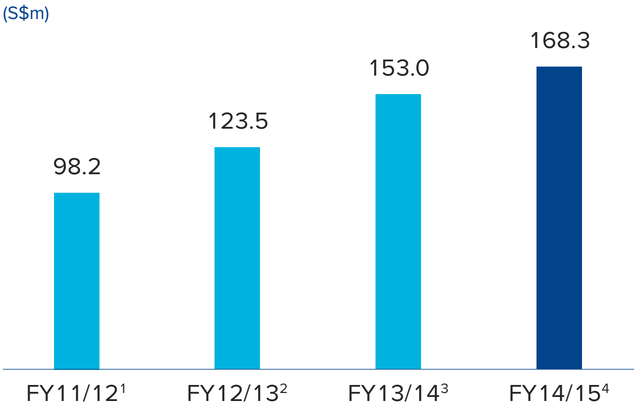
Distributable Income

S$168.3m

FY14/15[4]

+10.0%
Year-on-year

17.0%
CAGR[5]



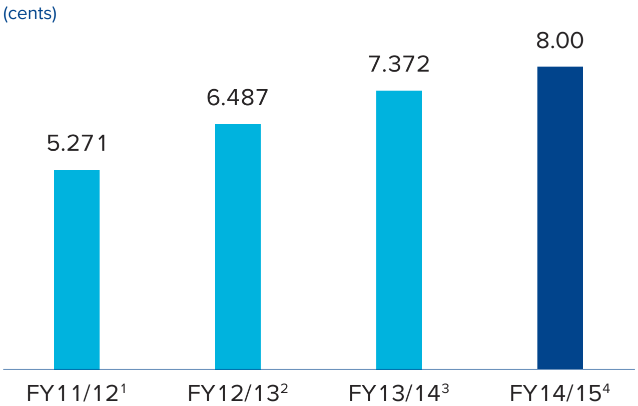
Distribution per Unit (DPU)

8.0 cents

FY14/15[4]

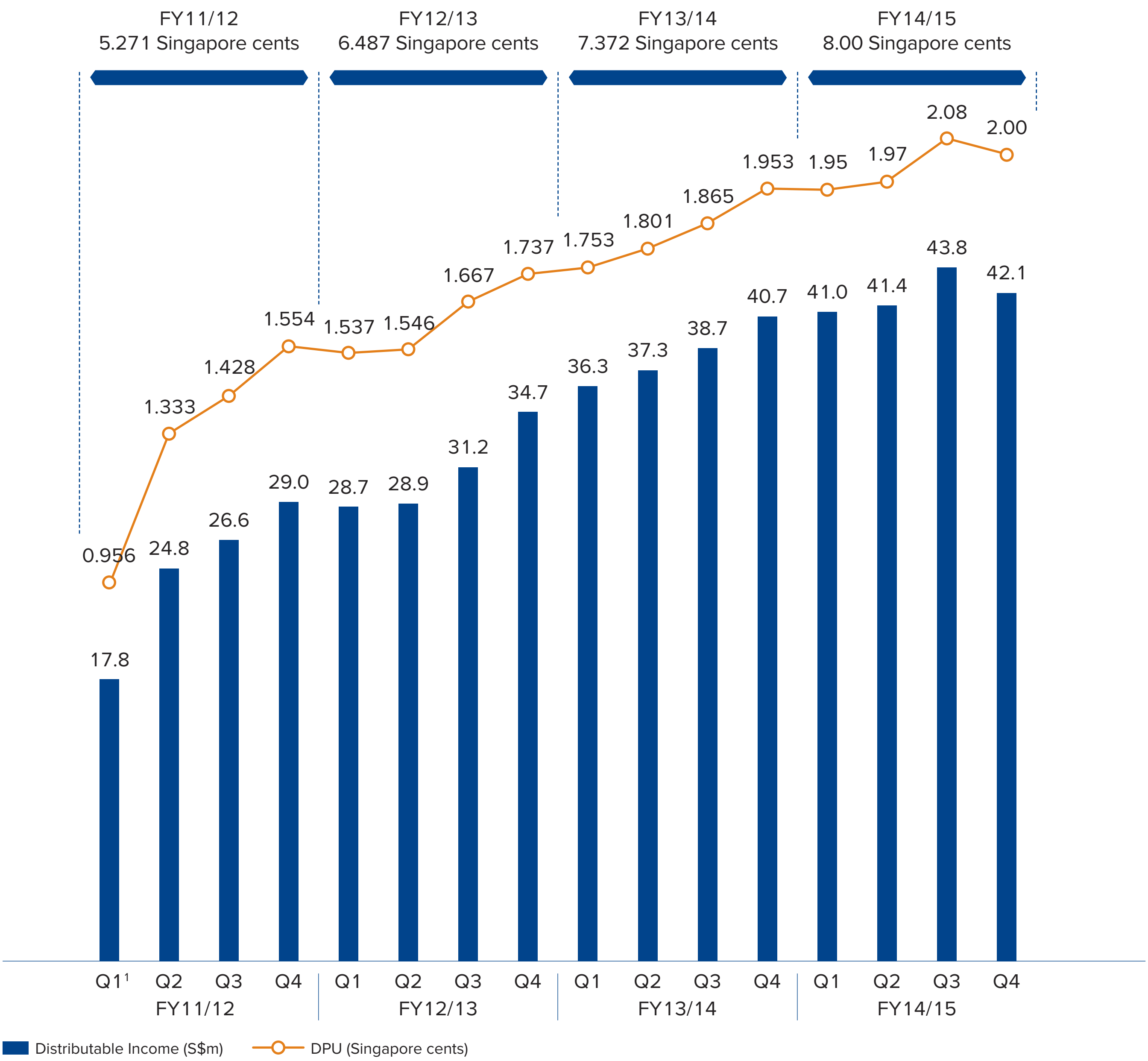
+8.5%
Year-on-year

12.3%
CAGR[5]



1 FY11/12 – For the period from Listing Date of 27 April 2011 to 31 March 2012.
2 FY12/13 – For the period from 1 April 2012 to 31 March 2013.
3 FY13/14 – For the period from 1 April 2013 to 31 March 2014.
4 FY14/15 – For the period from 1 April 2014 to 31 March 2015.
5 Compounded Annual Growth Rate - from FY11/12 (restated) to FY14/15. FY11/12 (restated) figures are restated from the period from Listing Date to 31 March 2012 to the full period from 1 April 2011 to 31 March 2012, for a comparable basis in terms of CAGR calculation.

Distributable Income and DPU Track Record



1 Q1 FY11/12 – For the period from Listing Date of 27 April 2011 to 30 June 2011.

Delivered healthy returns on investment to Unitholders

112.6%
Total returns from IPO to end of FY14/15

81.8%
Capital Appreciation

(based on IPO Price of S$0.88 and Unit Price of S$1.60 at close of trading on 31 March 2015)

30.8%
Total Distributions

(based on total distributions paid out of 27.13 Singapore cents, including DPU paid for 4Q FY14/15)

Letter to Unitholders

Amy Ng
Executive Director and
Chief Executive Officer

Tsang Yam Pui
Chairman and
Non-Executive Director

Our financial results reflected the robust performance of the properties and our proactive approach to capital management.

As we executed our leasing strategy for expiring leases, including active tenant and brand mix management, we also focused on creating 15,000 square feet of retail space at Basement 1 which was part of our Asset Enhancement Initiative.

Dear Unitholders,

We are pleased to report that Mapletree Commercial Trust ("MCT") registered a fourth consecutive year of good results. For the financial year ended 31 March 2015 ("FY14/15"), we surpassed last year's performance, achieving a record S$211.7 million in Net Property Income ("NPI") and delivering a Distribution per Unit ("DPU") of 8.0 cents. Our financial results reflected the robust performance of the properties and our proactive approach to capital management.

With total cumulative distribution of 27.13 Singapore cents, Unitholders would have enjoyed total returns of about 113%[1] since listing on 27 April 2011 or more than double the original investment.

Buoyed by the strong operating performances at VivoCity and PSAB, MCT's portfolio recorded a 4.1% increase in valuation from S$4,034 million a year ago to S$4,199 million (as at 31 March 2015). Net asset value per unit grew correspondingly by 6.9% to S$1.24 per unit (as at 31 March 2015).

Focused Execution

In FY14/15, the higher gross revenue continued to be driven by robust performance at VivoCity and consistent contribution from the office properties.

VivoCity maintained its strong performance with revenue and NPI growth of 6.9% and 10.5% respectively for the year. As we executed our leasing strategy for expiring leases, including active tenant and brand mix management, we also focused on creating 15,000 square feet of retail space at Basement 1 which was part of our Asset Enhancement Initiative ("AEI").

The AEI entailed the creation of higher yielding space at Basement 1 by decanting lower yield space and back-of-house areas. The car park lots removed at Basement 1 were replaced at Basement 2 and the multi-storey car park, hence there was no reduction in parking spaces as a result of the AEI. We are also glad to report that the new retail space at Basement 1 has been fully leased (as of 31 March 2015) to tenants in the fashion, beauty and lifestyle trades which include two first-to-market retailers in Singapore – American Eagle Outfitters and Weekends. Tenants have progressively started trading from mid-April 2015.

We continued to capitalise on VivoCity's unique features and scale which allow us to organise large-scale events to create distinctive experiences for our shoppers. In February 2015, we hosted the Singapore Armed Forces' ("SAF") SAF50@Vivo event where we jointly celebrated SAF's 50th Year Anniversary and SG50[2] with our shoppers. The Army, Navy and Air Force came together at VivoCity to showcase a wide array of military assets, display of exhibits on the SAF and stories of our defence pioneers. Shoppers were able to get on board the Navy's largest warship, the Landing Ship Tank RSS Endurance (berthed at the waterfront promenade), and even experience the Fast Craft Utility by taking a ride on it out to sea.

Active engagement with tenants has also been one of our key priorities. We continued to conduct the monthly Service Excellence Workshops, our in-house program in place since July 2010, which provides training on customer service delivery and building customer loyalty. During the year, we also devoted more resources in identifying and organising activities that would more directly and effectively drive tenant sales.

While Singapore saw a general slowdown in retail spending[3] last year, tenant sales at VivoCity remained resilient for FY14/15. VivoCity set yet another new sales record of about S$909 million despite some trading downtime due to the AEI works. The mall also garnered several awards during the year, including The Best Family-Friendly Mall and one of the Top 3 Shopping Centres (City) at the AsiaOne People's Choice 2014, and Winner for Outstanding Efforts in Advertising and Promotions at the Singapore Retailer's Association Shopping Centre Awards 2014. We sincerely thank our shoppers for their unwavering support and loyal patronage of the mall.

1 Based on the closing price of S$1.60 on 31 March 2015.
2 SG50 is a nationwide celebration of Singapore's 50th year of independence in 2015.
3 The Singapore's Retail Sales Index (excluding motor vehicles) for April 2014 to March 2015 declined year-on-year for 8 out of 12 months, ending with -3.2% for the month of March 2015. (Source: Monthly Retail Sales and Food & Beverage Services Indices March 2015, Department of Statistics Singapore)

Letter to Unitholders

Turning to our office assets, PSA Building delivered a sound performance driven largely by positive rental reversions from the office leases, benefitting from the Alexandra Precinct's continued attraction as an office location. For Alexandra Retail Centre, its positioning as an amenity centre served the precinct well especially as we refreshed the mall with improved offerings in food and beverage, convenience shopping and services.

Both Mapletree Anson and MLHF continued to contribute consistent earnings and positive NPI growth. During the year, we successfully concluded the rent review negotiations for the lease at MLHF, locking in a positive rental reversion for the balance term of the lease.

Enhanced Operational Efficiency

In last year's letter, we had shared that we would actively manage the assets, remain focused on cost management and improve productivity. We did, over the course of the year, continue our efforts in cost containment by enhancing operating efficiency and managing energy consumption. We managed to achieve cost savings across the portfolio amidst an operating environment of cost increases. This resulted in a 1.6% reduction in overall operating expenses compared to the prior financial year.

We managed to achieve cost savings across the portfolio amidst an operating environment of cost increases. This resulted in a 1.6% reduction in overall operating expenses compared to the prior financial year.

Our strides in the direction of building a sustainable environment and promoting green initiatives also earned us yet another Green Mark certification for our portfolio. We are pleased that, in March 2015, the Building and Construction Authority ("BCA") awarded PSA Building the Green Mark Gold^{Plus} award. With this, all of our properties in the portfolio have been certified Green Mark Gold and above by BCA.

Our tenants remain one of our key stakeholders and we will continue to engage them to find and share areas of synergies where possible in the light of the challenging operating environment. We have begun sharing with both office and retail tenants some of the energy tariff savings that were achieved. We hope that this would help our tenants ease some of the cost pressures that they faced.

Proactive Capital Management

FY14/15 was also an active year in capital management for MCT. During the course of the year, we issued three series of Medium Term Notes ("MTN") from our S$1 billion Multicurrency MTN Programme at competitive rates. A total of S$250 million of proceeds were raised and utilised to early refinance debts due in FY15/16 and FY17/18[4]. This extended MCT's average term to maturity of debt to 3.6 years (as at 31 March 2015) from 2.5 years (as at 31 March 2014).

We repaid S$40 million of debt during the year as part of our capital management strategy. Together with the increase in valuation of MCT's assets, aggregate leverage ratio declined to 36.4%, from 38.7% a year earlier.

Aggregate leverage ratio declined to 36.4%, from 38.7% a year earlier.

Notwithstanding the issuance of longer dated MTNs, MCT closed the year with a healthy interest coverage ratio of 5.3 times and an average all-in cost of debt of about 2.28% per annum.

Following the end of the financial year, we further refinanced borrowings due in April 2015 with new debt drawn from the 6-year bilateral term loan facility that we had committed in January 2015. The weighted average term to maturity of the borrowings was further extended to about 4.3 years (as at 22 April 2015) while the percentage of debt on fixed rates stands at 73.9%. With this, the borrowings due in FY15/16 have been fully refinanced[5].

Rating Upgrade

On 10 November 2014, Moody's Investor Service upgraded MCT's issuer rating to Baa1 (stable) from Baa2 (positive). The upgrade reflects an improved and strong operating performance track record across MCT's property portfolio since MCT's listing in April 2011. The upgrade also attests to our proactive approach to capital management.

4 FY17/18 - For the period from 1 April 2017 to 31 March 2018.
5 Save for less than S$1.0 million borrowings drawn on revolving credit facility.

MCT was awarded runner-up for the Most Transparent Company Award in the REITs and Business Trusts category at the SIAS Investors' Choice Awards 2014 organised by the Securities Investors Association of Singapore.

Recognition from Investment Community

In October 2014, MCT was awarded runner-up for the Most Transparent Company Award in the REITs and Business Trusts category at the SIAS Investors' Choice Awards 2014 organised by the Securities Investors Association of Singapore. This award is a strong testament from the investment community on our efforts in maintaining high disclosure and transparency standards.

Commitment to Corporate Social Responsibility

With Singapore's largest retail mall in MCT's portfolio, we have supported a number of philanthropic, social and environmental causes at the mall, leveraging the shopper traffic to increase the visibility and impact of such causes. 2014 marked the fifth consecutive year of VivoCity's hosting of the Hair for Hope event organised by the Children's Cancer Foundation. VivoCity also hosted the Festival of Biodiversity organised by the National Parks Board, which aims to foster a sense of appreciation for our natural heritage and the importance of biodiversity.

The Year Ahead

The Singapore economy is forecast to grow between 2.0% to 4.0%[6] for 2015 amidst global uncertainties. Labour intensive businesses are likely to continue to see their growth impacted by the tight labour market.

As noted in CBRE's Market Overview report[7] contained in this Annual Report, the outlook for both retail and office sectors is one that would present some constraints to growth, with businesses holding back expansion plans while potential new supply come on stream in the next few years.

We have made good strides in managing operating costs and efficiencies, and completed the AEI at VivoCity ahead of time. The efforts and work done in FY14/15 will put us in a relatively good position to continue with our execution in FY15/16.

The interest rate environment experienced significant volatility in the first few months of 2015 with uncertainties still looming over the timing of interest rate increase by the US Federal Reserve. On the capital management front, we will continue to keep our pulse on the ground and manage interest rate and liquidity risks actively.

With our focus on asset and capital management, barring any further downside risks, we expect MCT's portfolio to remain relatively resilient. As before, we are committed to work towards providing Unitholders with regular and relatively stable distributions in the new financial year.

As before, we are committed to work towards providing Unitholders with regular and relatively stable distributions in the new financial year.

Acknowledgements

On behalf of the Board, we would like to express our appreciation to Mr Tan Chee Meng, who resigned as an Independent Director with effect from 9 June 2014, for his advice and insights. We are at the same time, delighted to have Mr Koh Cheng Chua joining the Board. His extensive banking experience added to the diversity of the Board.

In closing, we would like to thank our Board of Directors for their guidance during the year. We would also like to thank the management team and our employees whose commitment and hard work have made this year's achievements possible.

Our heartfelt thanks and appreciation, as well, go to MCT Unitholders, our tenants, business partners and shoppers for their strong support in FY14/15.

Tsang Yam Pui
Chairman and Non-Executive Director

Amy Ng
Executive Director and Chief Executive Officer

6 Source: Ministry of Trade and Industry 2015 GDP Growth Forecast, dated 26 May 2015.
7 Please refer to the Market Overview Report by CBRE on pages 38 to 49 of the Annual Report.

Year in Review

2014

April 2014

- The Sentosa HarbourFront Precinct Association ("SHBA") launched its inaugural precinct-wide event, featuring an egg hunt involving 100 uniquely handpainted giant eggs spanning across 520 hectares from Mount Faber to the HarbourFront area and Sentosa Island. Established in December 2013 with Mapletree as one of its founding members, SHBA spearheads the promotion of the precinct as the region's preferred leisure, lifestyle and business destination.

- VivoCity was voted "Best Family-Friendly Mall" and "Top 3 Best Shopping Centre (City)" at the AsiaOne People's Choice Awards, affirming its position as an iconic retail, entertainment and lifestyle destination in Singapore.

July 2014

- MCT held its 3rd Annual General Meeting on 18th July 2014. This was well attended by Unitholders and presented a good opportunity for retail unitholders to interact with members of the Board and senior management. The resolutions were all passed with a significant majority.

- MCT announced a DPU of 1.95 cents for 1Q FY14/15, up 11.2% year-on-year.

September 2014

- VivoCity received an award for Outstanding Efforts in Advertising & Promotions at the SRA Shopping Centre Awards 2014 by the Singapore Retailers Association.

October 2014

- MCT announced a DPU of 1.97 cents for 2Q FY14/15, up 9.4% year-on-year.
- MCT was awarded runner-up for the Most Transparent Company Award in the REITs and Business Trusts category at the SIAS Investors' Choice Awards 2014 organised by the Securities Investors Association of Singapore. This award is a testament from the investment community on MCT's efforts in maintaining high disclosure and transparency standards.

- MCT commenced its first Asset Enhancement Initiative ("AEI") at VivoCity. The AEI created about 15,000 square feet of retail space at Basement 1, and features a trendy cluster of fashion, beauty and lifestyle stores, two of which are first-to-market retailers in Singapore - American Eagle Outfitters, a US apparel brand, and Weekends, a multi-brand lifestyle retailer.

November 2014

- VivoCity celebrated its 8th anniversary with a party for tenants and business partners on board The Royal Albatross, a 47-metre luxury tall ship specially berthed at the waterfront of VivoCity for the evening.

- Moody's Investors Services upgraded MCT's issuer rating from Baa2 (positive) to Baa1 (stable). The upgrade reflects an improved and strong operating performance track record across MCT's property portfolio since listing in April 2011 as well as MCT's proactive approach to capital management.

November 2014

- VivoCity won the Gold award for Marketing Excellence at the Asia Pacific Shopping Center Awards for its Great Singapore Sale 2013 campaign "Catch the VivoCity Codeys".

- The Manager issued S$50 million 2.65% 5-year medium term notes from its S$1 billion Multicurrency Medium Term Note Programme and the proceeds were used to early refinance existing debt.

2015

January 2015

- MCT announced DPU of 2.08 cents for 3Q FY14/15, up 11.5% year-on-year.
- MCT sealed a bilateral term loan agreement for S$200 million to refinance existing borrowings due in April 2015 and prepay some debt in advance.

February 2015

- The Manager further expanded MCT's reach in the debt capital markets and issued two series of 8-year medium term notes from its S$1 billion Multicurrency Medium Term Note Programme in February and March 2015. The total proceeds from the medium term notes had been utilised to early refinance debt due in FY15/16 and FY17/18. The series of Medium Term Notes were anchored by institutional investors, reflecting market views of MCT as a strong brand name and a unique investment opportunity.

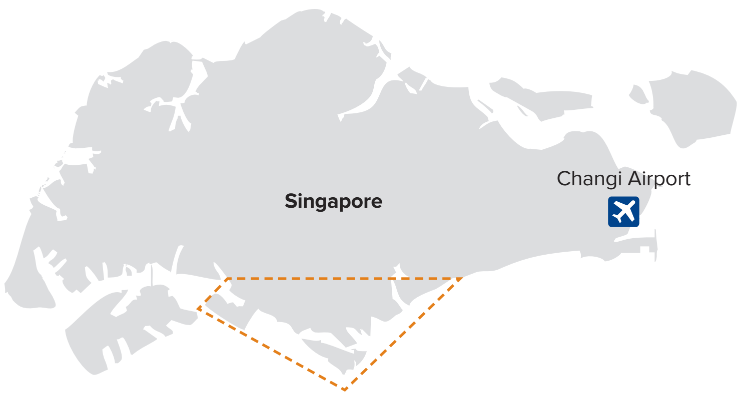
February 2015

- The Singapore Armed Forces ("SAF") marked 50 years of formation since Singapore's independence with the launch of SAF50@Vivo at VivoCity over four days from 12 to 15 February 2015. Visitors had the opportunity to board the Landing Ship Tank, RSS Endurance, one of the biggest warships in the Republic of Singapore Navy, and get an up close view of the Super Puma helicopter on board. There were also an exhibition on the Plaza, including armoured vehicles and other SAF equipment.

March 2015

- MCT's portfolio of properties were valued at about S$4.2 billion as at 31 March 2015, up 4.1% from 31 March 2014, supported by the strong operating performances of VivoCity and PSA Building.
- MCT reported strong FY14/15 results with full year DPU of 8.0 cents, an increase of 8.5% over the previous year.
- PSA Building achieved BCA Green Mark Gold[Plus] certification in recognition of its green initiatives and efforts undertaken to improve operating efficiency and reduce energy consumption. With this, all the properties for MCT have been certified Green Mark Gold and above by the BCA.

Portfolio Overview



MCT's portfolio comprises four properties located in Singapore's Alexandra Precinct, HarbourFront Precinct and the Central Business District.

1

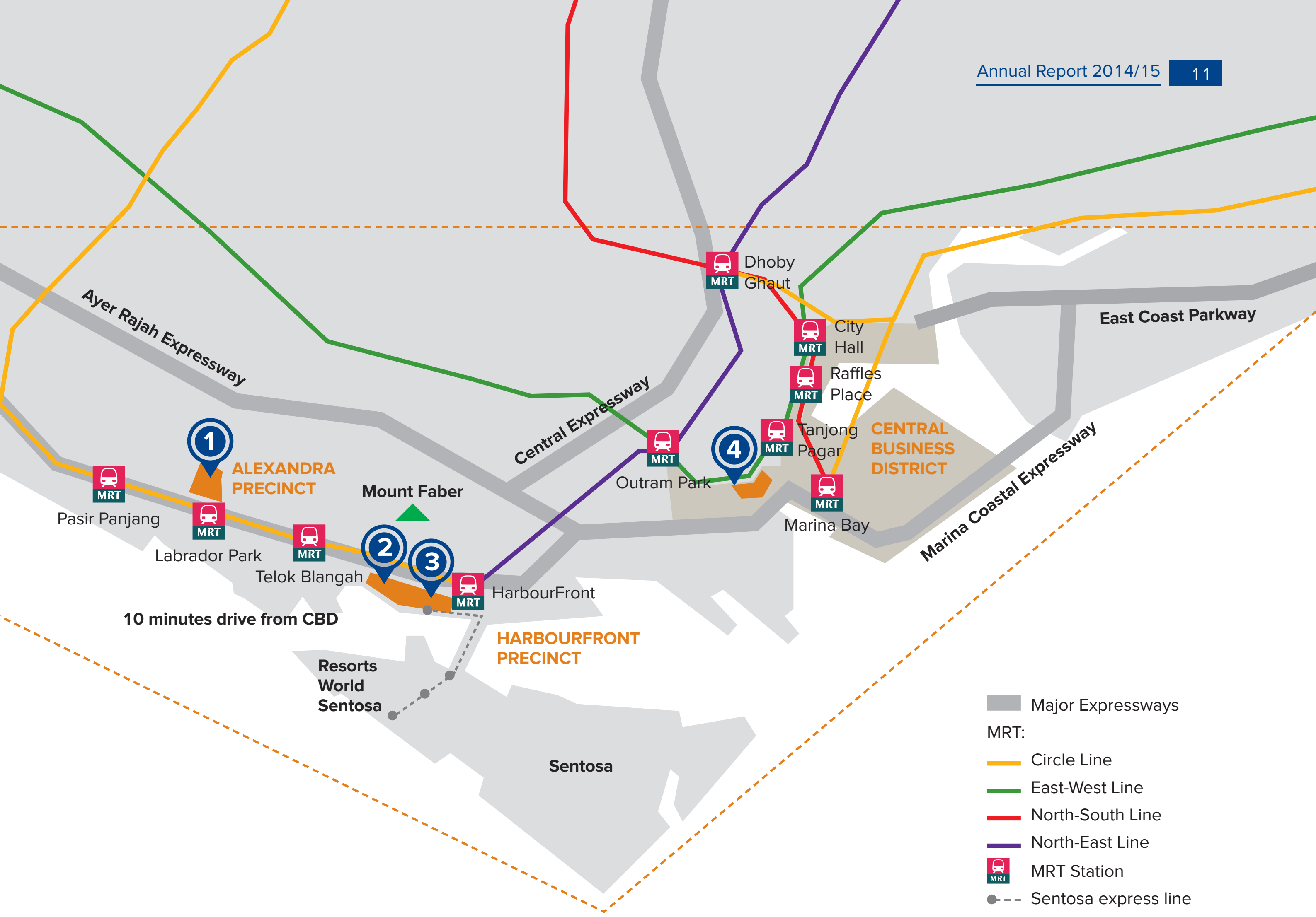
PSA Building

An established integrated development with a 40-storey office block and a three-storey retail centre, Alexandra Retail Centre ("ARC"), with an aggregate Net Lettable Area ("NLA") of about 522,000 sq ft. PSAB's excellent location within the Alexandra Precinct, a short distance from the Central Business District ("CBD"), makes PSA Building an ideal office location for companies who prefer a quality office location outside the CBD. ARC offers a wide range of amenities and food & beverage offerings to the working population in the vicinity.

2

Bank of America Merrill Lynch HarbourFront

A premium six-storey office building with a NLA of about 217,000 sq ft occupied by Bank of America Merrill Lynch. Completed in August 2008, it features modern office specifications such as large and efficient column-free rectangular floor plates of approximately 46,000 sq ft and integrated suspended ceiling and raised floors.



3

VivoCity

Singapore's largest mall with about 1.04 million sq ft of NLA spread over a three-storey shopping complex and two basement levels. VivoCity is positioned as a family, tourist and lifestyle destination in Singapore, offering visitors a unique waterfront shopping and dining experience. Its strategic location in the heart of the HarbourFront Precinct and excellent connectivity allowed it to attract 53.2 million visitors in the year ended 31 March 2015.

4

Mapletree Anson

A 19-storey premium office building located in the Tanjong Pagar micro market of the CBD with NLA of about 331,000 sq ft. Acquired by MCT in 2013, Mapletree Anson is one of the newest office buildings in the CBD with Grade-A specifications. It is also one of the first buildings in Singapore awarded the Green Mark Platinum certification by the BCA. It is well connected to major arterial roads and expressways and located within a two minute walk from the Tanjong Pagar MRT Station.

Portfolio Overview

VivoCity

Maintained Strong Performance

VivoCity maintained its strong performance with Revenue and NPI growth of 6.9% and 10.5% respectively for the year.

As we executed our leasing strategy for expiring leases, we also focused on creating 15,000 square feet of retail space at Basement 1 as part of our AEI.

Tenant sales rose to a new record of S$908.9 million despite some trading downtime due to the AEI works.

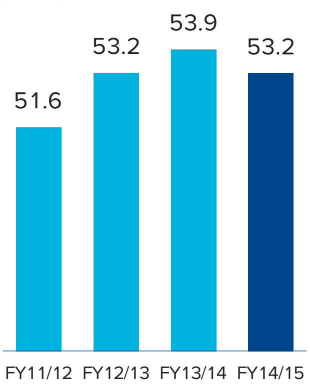
We also continued to capitalise on VivoCity's unique features and scale to organise large-scale events to create distinctive experiences for our shoppers.

Shopper Traffic

53.2m

FY14/15

(million)

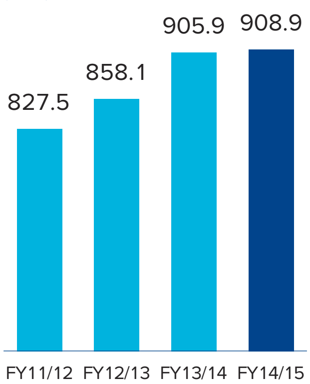


Tenant Sales

S$908.9m

FY14/15

(S$m)



Superdry Store - first standalone store in Singapore


Superdry.
watches

Portfolio Overview

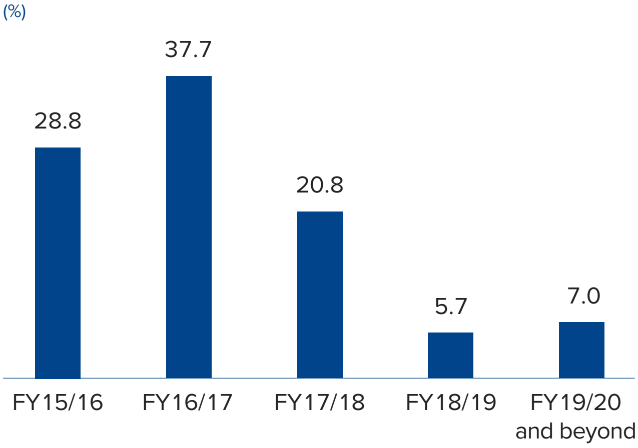
VivoCity

Property Information

Description	A 3-storey shopping complex with 2 basement levels and a 7-storey annexe carpark
Net Lettable Area	1,043,550 sq ft
Number of Leases	322
Car Park Lots	2,179
Title	Leasehold 99 years from 1 October 1997
Gross Revenue	S$184.3 million
Net Property Income	S$135.6 million
Market Valuation (as at 31 March 2015)	S$2,461 million
Occupancy[1]	97.5%
Key Tenants	VivoMart, Golden Village, Tangs, H&M, Best Denki
Awards and Accolades	• Winner, Best Family-Friendly Mall - AsiaOne People's Choice Awards 2014 • Top 3, Best Shopping Centre (City) - AsiaOne People's Choice Awards 2014 • Gold, New Media, Social Media Digital - Asia-Pacific Shopping Center Awards 2014, International Council of Shopping Centers • Outstanding Efforts in Advertising & Promotions, Singapore Retailers Association (SRA) Shopping Centre Awards 2014

1 Committed occupancy for VivoCity as at 31 March 2015 is 99.5%.


VivoCity Lease Expiry Profile by Gross Rental Revenue
(as at 31 March 2015)



Number of Leases

130	101	78	7	6

VivoCity Trade Mix by Gross Rental Revenue
(as at 31 March 2015)

Food & Beverage	30.6%
Fashion	24.9%
Lifestyle	10.6%
Fashion Related	9.8%
Hypermart/Departmental Store	8.8%
Beauty	5.1%
Sports	3.6%
Entertainment	3.3%
Others[1]	3.2%

1 Others include Retail Bank, Optical, Medical, Services, Convenience and Education.

Portfolio Overview

VivoCity

Exciting and large scale activities


SAF50@Vivo

VivoCity 8th Anniversary celebrations on board the Royal Albatross


Christmas celebrations at the Sky Park


Mediacorp Star Awards nomination

Chinese New Year performance at the Amphitheatre


SAF50@Vivo
Photo courtesy of SAF


VivoCity Fashion Festival

Marvel Avengers at Central Court


Mid-autumn Festival activities at the Sky Park

Paddle boats at the Sky Park

Portfolio Overview

Candylicious – large scale candy store concept

New concepts and brands at VivoCity

Party room and baking studio at Candylicious

Weekends

Steve Madden

Thomas Sabo

Muji

The Soup Spoon Union

Rabeanco

Sacoor Brothers

Etude House

Simply Toys

Mango - first flagship store in Singapore with kids' fashion

Portfolio Overview

PSA Building

Attained Green Mark Gold^{Plus} Certification

During the year, PSA Building achieved the Green Mark Gold^{Plus} award from the Building and Construction Authority in recognition of the green initiatives undertaken to improve operating efficiency and reduce energy consumption at the property.

Tenants continue to recognise PSA Building's quality and view Alexandra Precinct as an attractive alternative to the Central Business District.

ARC is contributing positively to the portfolio as a complete amenities centre, with food and beverage offerings, convenience shopping and services such as banking and medical clinics.


mapletree
commercial
ARC

Portfolio Overview

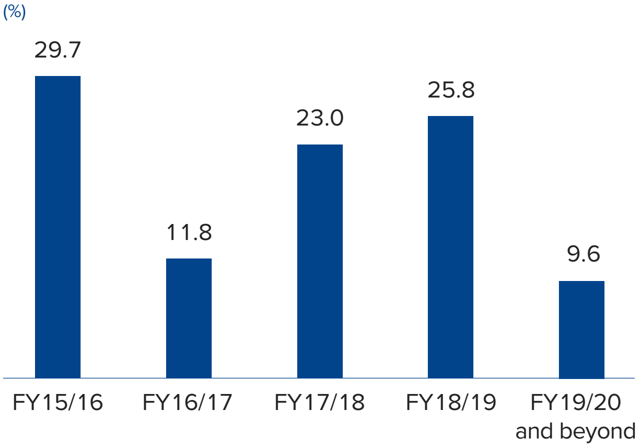
PSA Building

Property Information

Description	Integrated development comprising a 3-storey retail centre and a 40-storey office building
Net Lettable Area	522,080 sq ft
Number of Leases	114
Car Park Lots	749
Title	Leasehold 99 years from 1 October 1997
Gross Revenue	S$48.3 million
Net Property Income	S$36.5 million
Market Valuation (as at 31 March 2015)	S$735.0 million
Occupancy[1]	95.4%
Purchase Price	S$477.2 million
Date of Purchase	27 April 2011
Key Tenants	Office: PSA Corporation Limited, Casino Regulatory Authority, Bank of Singapore Limited Retail: NTUC FairPrice, McDonald's, Auntie Kim's Korean Restaurant, KFC & PizzaHut Express, Canton Paradise

1 Committed occupancy for PSAB as at 31 March 2015 is 98.7%.

PSAB Lease Expiry Profile by Gross Rental Revenue
(as at 31 March 2015)



Number of Leases

36	26	37	11	4

PSAB Trade Mix by Gross Rental Revenue
(as at 31 March 2015)

Shipping Transport	38.4%
Government Related Agencies	12.3%
Food & Beverage	11.8%
Real Estate	8.9%
Banking & Financial Services	4.7%
Trading	4.2%
Energy	3.7%
Beauty	2.2%
Pharmaceutical	2.2%
Others[1]	11.6%

1 Others include Hypermarket / Departmental Store, Consumer Services, Education, Medical, Insurance.

Portfolio Overview

Mapletree Anson

Grade-A Office Building Specifications

Mapletree Anson remains one of the newest premium office buildings in the Tanjong Pagar micro-market with Grade-A building specifications such as large column-free floor plates of over 20,000 sq ft per floor.

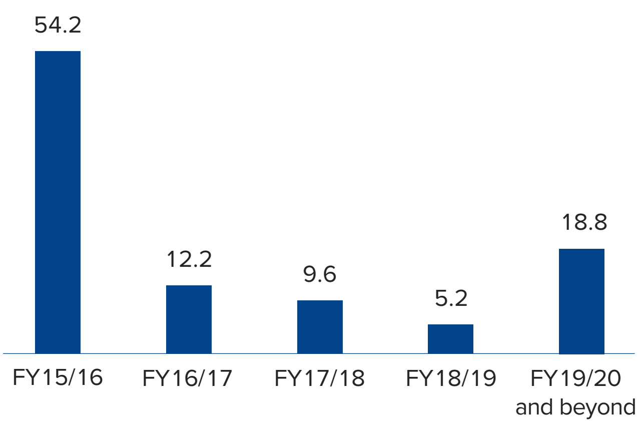
The building has a strong tenant base of quality and well-known MNCs including Goldman Sachs, Sumitomo Corporation and Yahoo! Southeast Asia.

Property Information	
Description	19-storey office building in the CBD with Grade A building specifications
Net Lettable Area	331,027 sq ft
Number of Leases	15
Car Park Lots	80
Title	Leasehold 99 years from 22 October 2007
Gross Revenue	S$32.5 million
Net Property Income	S$25.9 million
Market Valuation (as at 31 March 2015)	S$689.0 million
Occupancy[1]	87.5%
Purchase Price	S$680.0 million
Date of Purchase	4 February 2013
Key Tenants	J. Aron & Company (Singapore) Pte., Sumitomo Corporation Asia Pte. Ltd., Yahoo! Southeast Asia Pte. Ltd.

1 Committed occupancy for Mapletree Anson as at 31 March 2015 is 93.8%.

Mapletree Anson Lease Expiry Profile by Gross Rental Revenue

(as at 31 March 2015)

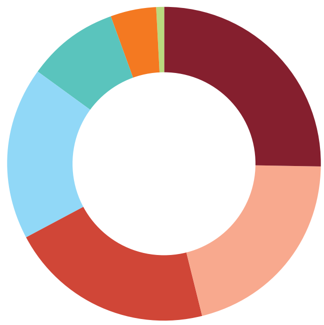


Number of Leases

6	4	1	2	2

Mapletree Anson Trade Mix by Gross Rental Revenue

(as at 31 March 2015)



Trading	25.4%
IT Services & Consultancy	21.0%
Banking & Financial Services	20.9%
Insurance	17.8%
Real Estate	9.6%
Energy	4.7%
Others	0.7%

Portfolio Overview

Bank of America Merrill Lynch HarbourFront

Delivered Stable Income

MLHF continued to deliver stable income to MCT and had benefitted from cost saving initiatives.

Property Information

Description	A 6-storey office building with a basement carpark
Net Lettable Area	216,561 sq ft
Number of Leases	1
Car Park Lots	93
Title	Leasehold 99 years from 1 October 1997
Gross Revenue	S$17.4 million
Net Property Income	S$13.7 million
Market Valuation (as at 31 March 2015)	S$314.0 million
Purchase Price	S$311 million
Date of Purchase	27 April 2011
Occupancy	100%
Key Tenant	Merrill Lynch Global Services Pte. Ltd.

Lease Expiry Profile
Lease to Merrill Lynch Global Services Pte. Ltd. expiring in November 2017.

Financial Review

Statement of Net Income and Distribution

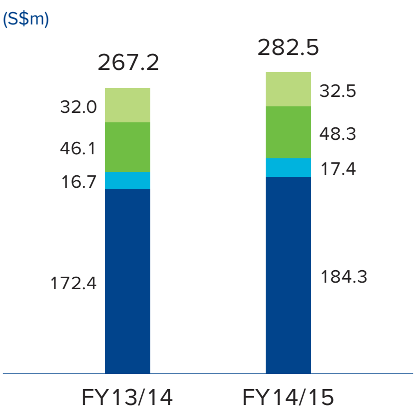
	Actual FY14/15 S$'000	Actual FY13/14 S$'000	Variance Positive/ (Negative) %
Gross revenue	282,476	267,176	5.7
Property operating expenses	(70,782)	(71,900)	1.6
Net property income	**211,694**	**195,276**	**8.4**
Finance income	171	197	(13.2)
Finance expenses	(35,953)	(34,873)	(3.1)
Manager's management fees			
- Base fees	(10,280)	(9,799)	(4.9)
- Performance fees	(8,468)	(7,811)	(8.4)
Trustee's fees	(561)	(542)	(3.5)
Other trust expenses	(805)	(1,217)	33.9
Total trust income and expenses	**(55,896)**	**(54,045)**	**(3.4)**
Net income	**155,798**	**141,231**	**10.3**
Adjustment for net effect of non-tax deductible items and other adjustments	12,519	11,756	6.5
Income available for distribution to Unitholders	**168,317**	**152,987**	**10.0**
Distribution per Unit (Singapore cents)	**8.00**	**7.372**	**8.5**

Gross Revenue

S$282.5m

FY14/15

+5.7%

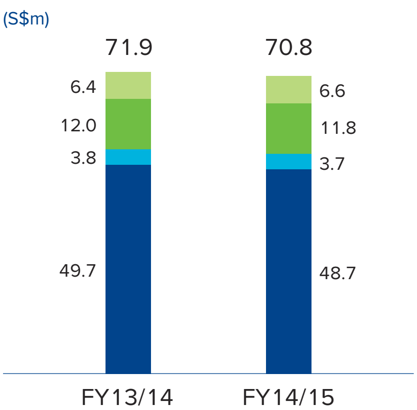


Property Operating Expenses

S$70.8m

FY14/15

-1.6%

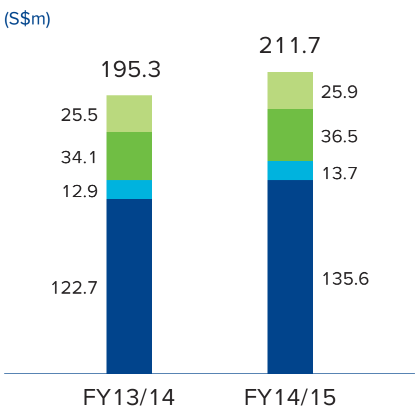


Net Property Income

S$211.7m

FY14/15

+8.4%



VivoCity MLHF PSAB Anson

Gross Revenue

Gross revenue was 5.7% higher at S$282.5 million for FY14/15 compared to FY13/14. This was a result of positive contributions from all properties in the portfolio.

Revenue for VivoCity and PSAB was S$11.9 million and S$2.2 million higher than FY13/14 respectively. This is due mainly to higher rental income achieved for new and replacement leases and the effects of the step-up rents in existing leases.

Property Operating Expenses

Property operating expenses were 1.6% lower compared to FY13/14 due largely to lower utilities expense (S$2.6 million) from lower actual electricity consumption and lower tariff rates as well as savings in the costs of organising marketing and promotional events (S$0.7 million). The savings were partially offset by higher property taxes (S$1.5 million) and higher property management fees (S$0.7 million) resulting from the higher revenue from all the properties in the portfolio.

Net Property Income

Net property income increased by 8.4% to S$211.7 million for FY14/15.

Net Income

Net income increased by 10.3% to S$155.8 million for FY14/15 mainly due to higher net property income, partially offset by higher manager's management fees and higher net finance expenses.

Finance Expenses

Finance expenses for FY14/15 were 3.1% higher (S$1.1 million) due mainly to the refinancing of the debts with longer tenor borrowings, partially offset by lower outstanding debts following the repayment of S$40.0 million bank borrowings.

Income Available for Distribution and Distribution per Unit

Income available for distribution of S$168.3 million was 10.0% higher compared to FY13/14. DPU of 8.00 Singapore cents was declared for FY14/15, representing a payment of 100% of the income available for distribution. During FY14/15, 22.2 million new units were issued pursuant to the Distribution Reinvestment Plan. In addition, 6.9 million new units in respect of the payment of management fees to the Manager in units were issued. Notwithstanding the increase in number of units issued, the DPU achieved was 8.5% higher than FY13/14.

Valuation of Assets

As at 31 March 2015, MCT's properties were valued at S$4,199.0 million, supported by the robust operating performances at VivoCity and PSAB.

Income Available for Distribution and Distribution per Unit

Period	Payment Date	Income Available for Distribution	DPU
1 April 2014 to 30 June 2014	Thursday, 4 September 2014	S$41.0 million	1.95 cents
1 July 2014 to 30 September 2014	Thursday, 4 December 2014	S$41.4 million	1.97 cents
1 October 2014 to 31 December 2014	Thursday, 5 March 2015	S$43.8 million	2.08 cents
1 January 2015 to 31 March 2015	Thursday, 4 June 2015	S$42.1 million	2.00 cents
Total FY14/15		**S$168.3 million**	**8.00 cents**

Valuation of Assets

	Valuation (S$ m) (as at 31 Mar 2015)[1]	Valuation (S$ per sq ft NLA) (as at 31 Mar 2015)	Cap Rate (as at 31 Mar 2015)	Valuation (S$ m) (as at 31 Mar 2014)[1]
VivoCity	2,461.0	2,358 psf	5.15%	2,307.0
PSAB	735.0	1,408 psf	Office: 4.35% Retail: 5.25%	724.0
MLHF	314.0	1,450 psf	4.25%	314.0
Mapletree Anson	689.0	2,081 psf	3.85%	689.0
Total MCT Portfolio	**4,199.0**	-	-	**4,034.0**

1 The valuation for VivoCity was undertaken by CBRE Pte. Ltd., while the valuations for MLHF, PSAB and Mapletree Anson were undertaken by Knight Frank Pte. Ltd.

Financial Review

Net Assets Attributable to Unitholders

	As at 31 Mar 2015 (S$ '000)	As at 31 Mar 2014 (S$ '000)	Change %
Total Assets	4,262,754	4,109,628	3.7
Total Liabilities	1,645,727	1,683,980	(2.3)
Net Assets Attributable to Unitholders	2,617,027	2,425,648	7.9
Net Asset Value per Unit (S$) ("NAV")	1.24	1.16	6.9

Total assets increased by 3.7% to S$4,262.8 million as at 31 March 2015 as compared to S$4,109.6 million as at 31 March 2014. The increase was largely due to the increase in the value of the investment properties.

Investment properties increased from S$4,034.0 million as at 31 March 2014 to S$4,199.0 million as at 31 March 2015 taking into account revaluation gain of S$156.3 million and additions to investment properties of S$8.7 million.

Correspondingly, net assets attributable to Unitholders increased by 7.9% to S$2,617.0 million over the previous financial year ended 31 March 2014, reflecting a higher NAV per unit of S$1.24 as at 31 March 2015. The adjusted NAV per unit (after excluding the distributable income payable for 4Q FY14/15) is S$1.22 (assuming all distribution paid in cash).

Capital Management

The Manager continues to actively manage MCT's capital structure and takes a disciplined approach in addressing funding requirements and managing refinancing and interest rate risks.

In FY14/15, S$30.2 million of new units were issued pursuant to the Distribution Reinvestment Plan ("DRP") implemented in July 2013. The DRP had strengthened MCT's working capital reserves while providing Unitholders of MCT an opportunity to increase their investments in MCT without incurring transaction-related costs.

On the debt capital market front, in FY14/15, MCT successfully issued two series of Singapore dollars denominated fixed rate notes and one foreign currency denominated floating rate notes under the S$1.0 billion Multicurrency MTN Programme.

The series of notes issued were:

1. S$50.0 million 5-year Fixed Rate Notes at 2.65% per annum on 7 November 2014;
2. S$100.0 million 8-year Fixed Rate Notes at 3.25% per annum on 3 February 2015; and
3. JPY8.7 billion 8-year Floating Rate Notes at 3 months JPY LIBOR + 0.3% per annum on 16 March 2015, which was swapped into S$100.0 million through a cross currency interest rate swap.

The proceeds from the notes issued were used to early repay parts of the debts due in April 2015 and in FY17/18, extending the average debt maturity profile of MCT's debt. Following the close of the financial year, the borrowings due in April 2015 had been fully refinanced[1] while the average term to maturity of the debt extended to about 4.3 years.

For the year ended 31 March 2015, MCT recorded a healthy interest coverage ratio of 5.3 times and achieved an average all-in cost of debt of 2.28% p.a..

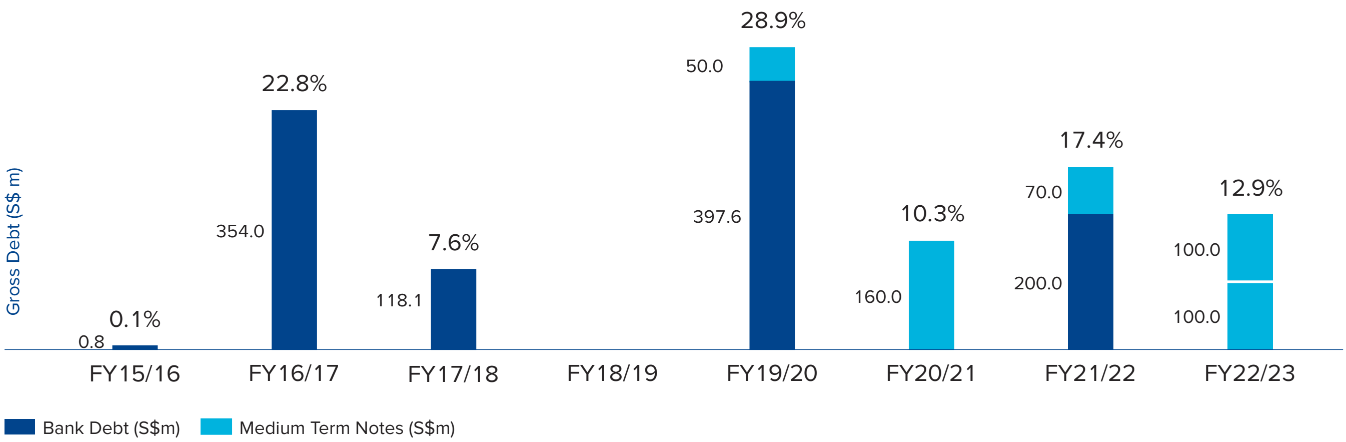
MCT's aggregate leverage ratio fell from 38.7% as at 31 March 2014 to 36.4% as at 31 March 2015. As at 31 March 2015, of MCT's total gross debt of S$1,550.5 million, 68.2% have been fixed by way of interest rate swaps and fixed rate debt ("Fixed Debt Ratio"). MCT had also entered into a forward start interest rate swap to further hedge S$88.6 million of its bank borrowings on floating rates into fixed rates, which will bring the Fixed Debt Ratio to about 73.9%.

All borrowings continue to be unsecured with minimal financial covenants. In November 2014, Moody's Investors Service upgraded MCT's corporate family rating to "Baa1" with stable outlook, from "Baa2" with positive outlook. The upgrade reflects an improved and strong operating performance track record across MCT's property portfolio since listing in April 2011. It also attests to the trust's proactive approach to capital management.

1 Save for less than S$1.0 million borrowings drawn on revolving credit facility.

Debt Maturity Profile
(As at 22 April 2015)

Total gross debt:	S$1,550.5 million[1]
Weighted average term to maturity of debt:	4.3 years (31 March 2015: 3.6 years)
Total debt fixed:	73.9% (31 March 2015: 68.2%)



Key Financial Indicators

	Actual as at 31 Mar 2015	Actual as at 31 Mar 2014
Total Debt Outstanding (S$m)	1,550.5[1]	1,590.5
% Fixed Debt	68.2%	64.3%
Gearing Ratio	36.4%	38.7%
Interest Coverage Ratio	5.3 times	5.0 times
Average Term to Maturity for Debt (years)	3.6	2.5
Average All-In Cost of Debt (per annum)	2.28%	2.17%
Unencumbered Assets as % of Total Assets	100%	100%
MCT Corporate Rating	Baa1 (Stable)	Baa2 (Positive)

1 Reflects total gross debt after taking into account the cross currency interest rate swap taken to hedge the JPY8.7 billion floating rate medium term notes.

Operations Review

In FY14/15, we remained focused on the execution of our leasing strategy, including active tenant and brand mix management, amidst an operating environment of increasing cost pressures.

VivoCity continued to enjoy the support of both retailers and shoppers. Several new to market retail and lifestyle concepts as well as established brands were added to the mall. These included several firsts in Singapore, for example, Superdry's first standalone store, the first Mango flagship store to feature the kids fashion line, as well as the first American Eagle Outfitters store. New lifestyle concepts introduced included Candylicious, which integrates retail space with a party room and a baking studio.

On an on-going basis, the team was able to meet the expansion needs of several existing major tenants in the mall through a series of chain moves which also served to strengthen the trade mix at each location. We had also identified opportunities to enhance yield through more effective use of the space at VivoCity. These included the reconfiguration and right-sizing of units to better suit the needs of our tenants.

The first Asset Enhancement Initiative ("AEI") at the mall was successfully executed towards the end of FY14/15, adding around 15,000 square feet of prime retail space at Basement 1. The newly created space was fully leased prior to the completion of the AEI construction works, demonstrating the strong appeal of VivoCity to retailers. With the leases committed and majority of the works completed, the stabilised Return on Investment ("ROI") is expected to be about 25%.

VivoCity recorded high shopper traffic of 53.2 million for FY14/15. While shopper traffic declined marginally by 0.7 million compared to FY13/14, tenant sales remained relatively resilient and edged higher to a new record of about S$909 million for FY14/15. This is despite fewer trading days during the financial year compared to the year before, due to fit-out periods by major tenants and the AEI construction works.

We continued to capitalise on VivoCity's unique features and scale to create distinctive experiences for our shoppers. In February 2015, VivoCity hosted SAF50@Vivo, where the Republic of Singapore Army, Navy and Air Force came together at VivoCity to showcase a wide array of military assets, including the largest Navy vessel, the Landing Ship Tank RSS Endurance, which was berthed at the waterfront promenade.

Committed occupancy for VivoCity was 99.5% as at 31 March 2015, which includes the additional NLA created from the AEI. Occupancy cost for the tenants was about 17.9% for FY14/15.

The Alexandra Precinct remains an attractive alternative office location to the Central Business District. This has helped PSA Building maintain committed occupancy of 98.7% as at 31 March 2015. To cater to the growing working population in the Precinct, we refreshed the tenancy mix at Alexandra Retail Centre with improved offerings in food and beverage, convenience shopping and services.

In March 2015, PSA Building attained the Green Mark $Gold^{Plus}$ award from the Building and Construction Authority ("BCA") in recognition of the green initiatives and efforts undertaken to improve operating efficiency and reduce energy consumption at the property. With this, all of the properties in MCT's portfolio have been certified Green Mark Gold and above by the BCA.

The other office assets, Mapletree Anson and MLHF, continued to deliver consistent performance and contributed positively to the portfolio's NPI growth for FY14/15. Committed occupancy at Mapletree Anson was 93.8% as at 31 March 2015 as a tenant had vacated to consolidate its operations at another building, with part of the space having since been leased. At MLHF, we successfully concluded the rent review negotiations during the year, achieving a positive rental reversion.

With active leasing and asset management, the retail component of the MCT portfolio ended the year with robust rental uplift of 17.5% for retail leases expiring in FY14/15, while the average rental uplift for office leases in the portfolio was 5.9%.

In a rising cost environment, the Manager has been focused on improving operational efficiency and managing cost increases across the portfolio. The efforts have delivered tangible results. Despite higher property taxes and sharing some of the energy savings with the majority of tenants, portfolio operating expenses declined by 1.6%. This boosted portfolio NPI margins to 74.9% in FY14/15 from 73.1% in FY13/14.

Leasing Update, Occupancy and Top tenants

MCT FY14/15 Leasing Update

	No. of Leases Committed	Retention Rate (by NLA)	Uplift in Fixed Rents[1]
Retail	120	78.4%	17.5%[2]
Office	18	48.1%	5.9%

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.

MCT Portfolio Occupancy

	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015
VivoCity[1]	98.1%	99.0%	98.7%	97.5%
PSA Building[2,3]	85.3%	93.1%	99.4%	95.4%
MLHF	100.0%	100.0%	100.0%	100.0%
Mapletree Anson[4]	-	99.4%	93.8%	87.5%
MCT Portfolio	**94.6%**	**97.7%**	**98.2%**	**95.7%**

1 Committed occupancy for VivoCity is 99.5% as at 31 March 2015. This includes the additional NLA from mostly completed VivoCity Basement 1 AEI.
2 Includes both PSAB Office & Alexandra Retail Centre (“ARC”). Committed occupancy for PSAB is 98.7% as at 31 March 2015.
3 The PSAB Asset Enhancement was completed in Nov 2011 and includes the addition of ARC. Tenants in the ARC progressively opened from 15 Dec 2011, about 1 month after completion.
4 Mapletree Anson was acquired on 4 February 2013. Committed occupancy for Mapletree Anson is 93.8% as at 31 March 2015.

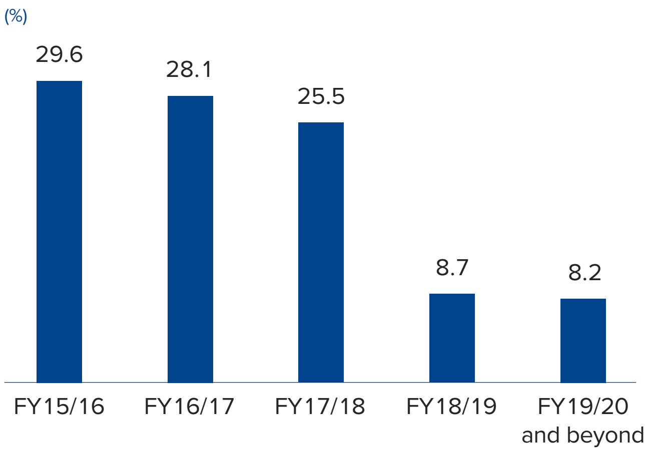
Operations Review

Lease Expiry Profile

The lease expiry profile for MCT remains healthy with portfolio weighted average lease expiry ("WALE") at 2.1 years. With a typical retail lease term of 3 years, the retail portfolio has a WALE of 1.8 years. MCT's office portfolio generally has longer term leases, with the office portfolio having WALE of 2.9 years.

MCT has 172 leases, comprising 29.6% of Gross Rental Revenue, expiring in FY15/16.

Lease Expiry Profile by Gross Rental Revenue
(as at 31 March 2015)



Number of Leases

172	131	117	20	12

Tenant Profile

MCT's top 10 tenants contributed 25.3% of Gross Rental Revenue as at 31 March 2015. With both retail and office assets, MCT's tenants are well diversified and come from a wide variety of trade sectors. No single tenant accounted for more than 6.9% of Gross Rental Revenue.

Breakdown of Tenants in MCT's Portfolio
(as at 31 March 2015)

Property	No. of tenants
VivoCity	287
MLHF	1
PSAB	103
Mapletree Anson	15
Total	**393**[1]

1 Total does not add up due to common tenants between the properties.

MCT Top Ten Tenants by Gross Rental Revenue
(as at 31 March 2015)

	Tenant	Sector	Sub Sector	% of Gross Rental Income
1	Merrill Lynch Global Services Pte. Ltd.	Office	Banking & Financial Services	6.9%
2	Cold Storage Singapore (1983) Pte Ltd	Retail	Hypermart / Departmental Store, Convenience	2.9%
3	PSA Corporation Limited	Office	Shipping Transport	2.8%
4	J. Aron & Company (Singapore) Pte.	Office	Banking & Financial Services	2.2%
5	C.K.Tang Limited	Retail	Hypermart / Departmental Store	2.1%
6	Golden Village Multiplex Pte Ltd	Retail	Entertainment	1.9%
7	H & M Hennes & Mauritz Pte. Ltd.	Retail	Fashion	1.7%
8	RSH (Singapore) Pte Ltd	Retail	Fashion	1.6%
9	Wing Tai Retail Management Pte. Ltd.	Retail	Fashion / Fashion Related	1.6%
10	Sumitomo Corporation Asia Pte Ltd	Office	Trading	1.5%
	Total			**25.3%**

MCT Trade Mix by Gross Rental Revenue
(as at 31 March 2015)

Food & Beverage	22.1%	Trading	3.4%
Fashion	16.5%	Real Estate	2.5%
Banking & Financial Services	9.9%	IT Services & Consultancy	2.5%
Lifestyle	7.1%	Sports	2.4%
Shipping Transport	6.5%	Entertainment	2.2%
Fashion Related	6.5%	Insurance	2.0%
Hypermart/Departmental Store	6.1%	Others[1]	6.7%
Beauty	3.7%		

1 Others includes: Government-related Agencies, Retail Bank, Optical, Energy, Pharmaceutical, Medical, Consumer Services, Education, Services, and Convenience.

Unit Price Performance

Unit Price Performance FY14/15 (1 April 2014 to 31 March 2015)

MCT's unit price registered a strong performance in FY14/15. The closing price of S$1.60 on 31 March 2015 represented a 31.1% increase above the closing price of S$1.22 on 31 March 2014.

MCT's unit price out-performed the FTSE Straits Times and FTSE Straits Time REIT indices, which rose 12.1% and 8.1% respectively.

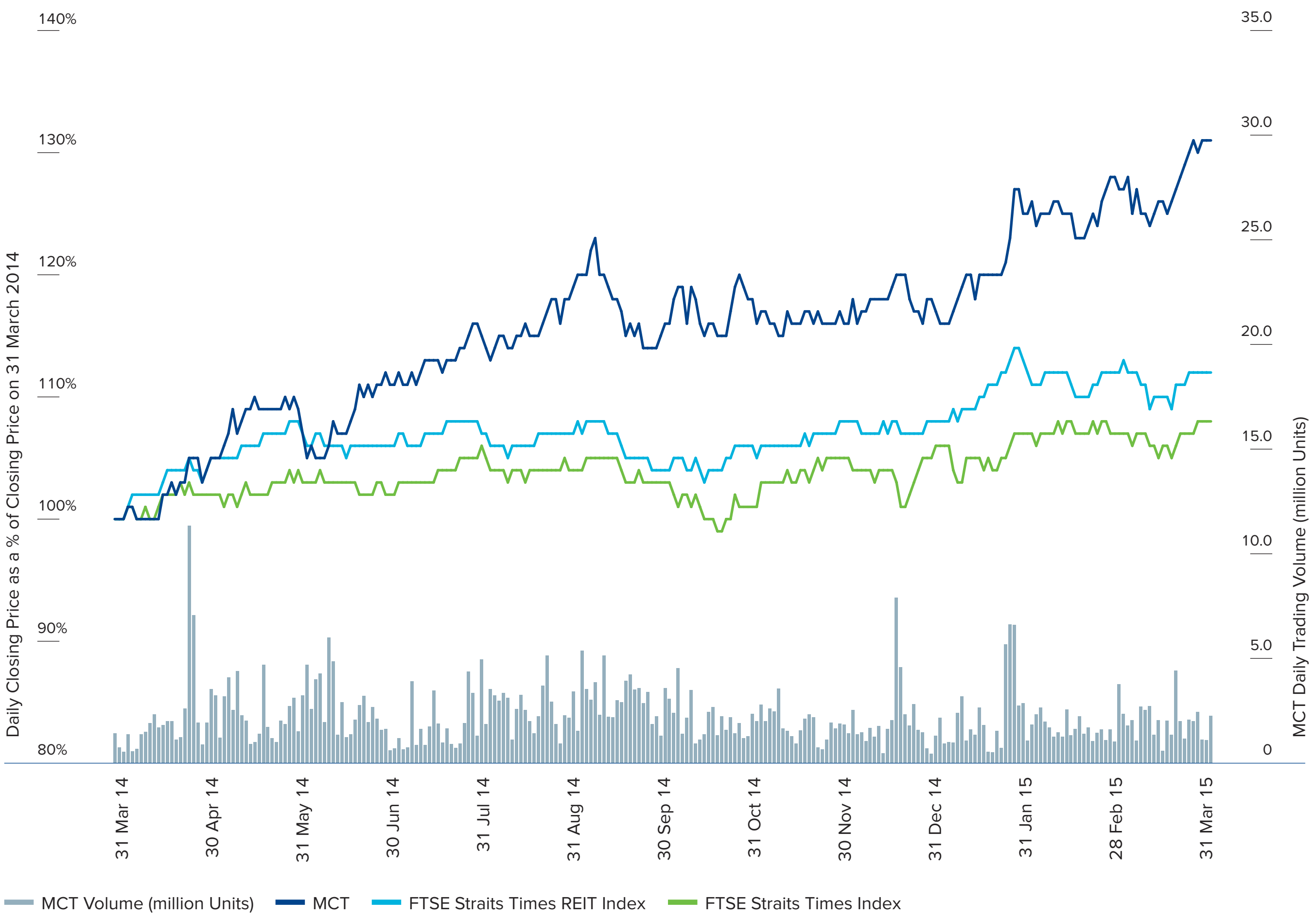
Unit Price Performance FY14/15	
Price as at 31 March 2014	S$1.22
Highest closing price	S$1.60
Lowest closing price	S$1.215
Last done on 31 March 2015	S$1.60

Return on Investment in MCT for FY14/15 (based on unit price of S$1.22 as at 31 March 2014)	
Total Return[1]	37.7%
Capital Appreciation[2]	31.1%
Annualised Distribution Yield[3]	6.6%

Trading volume FY14/15	
Total Trading Volume (million units)	562.5
Average daily trading volume (million units)	2.24

1 Sum of capital appreciation and distributions for the period over unit price of S$1.22 as at 31 March 2014.
2 Based on unit price of S$1.22 on 31 March 2014 and closing unit price of S$1.60 on 31 March 2015.
3 Based on total actual DPU of 8.0 cents paid for the period from 1 April 2014 to 31 March 2015, over unit price of S$1.22 as at 31 March 2014.

MCT Unit Price Performance and Volume
(31 March 2014 to 31 March 2015)



Unit Price Performance (from IPO to 31 March 2015)

MCT's unit price increased 81.8% from the IPO price of S$0.88. Over the same period, the FTSE ST REIT Index was up 20.9% while the FTSE Straits Times Index was up 8.3%.

Return on Investment in MCT (based on IPO price of S$0.88)

Total Return[1] (Listing Date of 27 April 2011 to 31 March 2015)	112.6%
Capital Appreciation[2]	81.8%
Total Distributions Paid[3]	30.8%

1 Sum of capital appreciation and distributions for the period over IPO price of S$0.88.
2 Based on IPO price of S$0.88 and closing unit price of S$1.60 on 31 March 2015.
3 Based on total actual DPU of 27.13 cents declared for the period from 27 April 2011 to 31 March 2015.

MCT Unit Price Performance and Volume
(Listing Date to 31 March 2015)

MCT is a constituent of these key indices

Bloomberg World Index
Bloomberg World REIT Index
Bloomberg Asia Real Estate Investment Trust Index
FTSE EPRA/NAREIT Global Index
FTSE EPRA/NAREIT Global REIT Index
FTSE Global All Cap Index
FTSE Straits Times REIT Index
FTSE Straits Times Mid-Cap Index
FTSE Straits Times All-Share Index
MSCI Singapore Small Cap Index
S&P Global BMI Index
S&P Developed Property Index
S&P Developed REIT Index
S&P Developed MidSmall Cap Index

Singapore Office and Retail Market Overview

BY CBRE PTE. LTD.

1 THE SINGAPORE ECONOMY

The Singapore economy expanded 2.9% in 2014, surpassing the government's initial estimate of 1.5%, but lower than the 4.4% achieved in 2013. Economic growth in 2014 was largely supported by the finance & insurance, infocomm, as well as business services sector.

Service producing industries grew 3.2% in 2014, easing from 6.1% in 2013 as the government pursued a more sustainable economy, with some sacrifice in growth. Growth in the services sector was supported mainly by the finance and insurance as well as business services sectors, which recorded growth rates of 7.7% and 2.9% respectively.

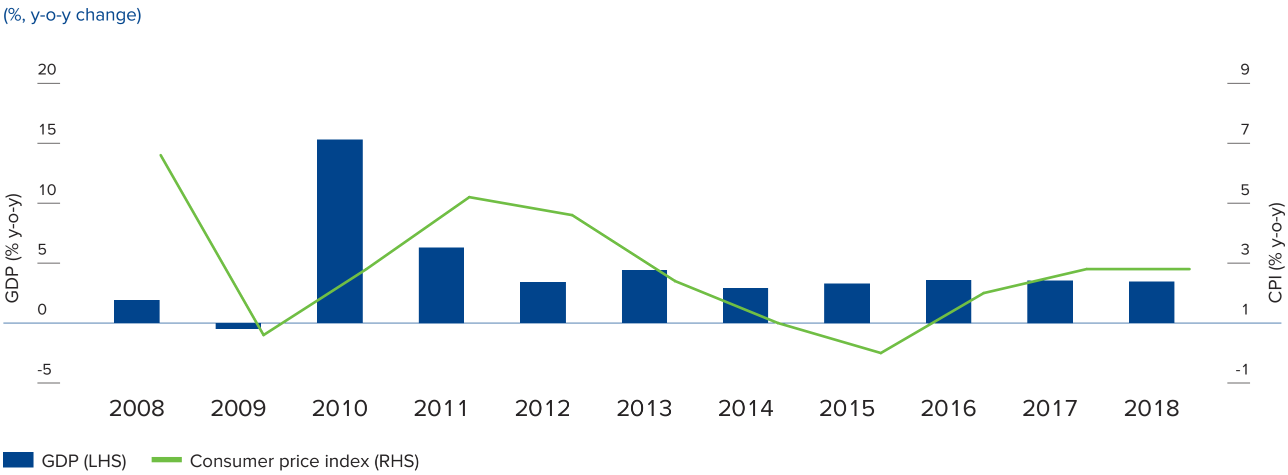
Headline inflation was reported at 1.0% for the whole of 2014. It has been falling on the back of declining oil prices. Inflation is forecasted to range between 0.5% and 1.5% for the whole of 2015, and normalise at 2.8% in the medium term when oil prices recover.

Over the long term, Singapore will face structural challenges as a result of an ageing population and low population birth rates. This will affect Singapore's competitiveness. The loss of competitiveness compounded with the stronger Singapore dollar and relatively high labour cost is likely to inhibit future economic growth. As a result, the government has embarked on an ambitious restructuring exercise to retool the economy and improve overall productivity. However, the government's effort to improve productivity has resulted in a tight labour market and increased business costs.

The recent Budget announcement for 2015/16 is expected to lessen some of the burden of the on-going restructuring exercise by extending the wage credit scheme and deferring any further increase in foreign worker levies. However, lingering concerns such as the on-going correction in the housing market and the tight labour market will continue to weigh on growth.

As a result, the Ministry of Trade & Industry (MTI) has forecasted a relatively muted GDP growth of between 2.0% and 4.0% in 2015, barring any economic shocks. Oxford Economics forecasted Singapore's GDP to grow by an average of 3.5% per annum from 2016 to 2018.

GDP Growth and Inflation



Source: MTI, CBRE, Oxford Economics

2 THE OFFICE MARKET
2.1 Existing Office Supply

As at Q1 2015, the total office stock in Singapore was 55.80 million sf. The CBD Core sub-market consisting of Raffles Place, Shenton Way, Marina Centre and Marina Bay accounted for the majority of the island-wide office stock at 50.1%. Most office occupiers in the CBD are in the financial services, information technology, and other business services sector. The Fringe CBD consists of Tanjong Pagar, Beach Road/City Hall as well as Orchard Road, accounting for 26.4% of the overall stock. In the decentralised sub-markets, Alexandra/HarbourFront, Thomson/Novena, Tampines and River Valley accounted for 23.5% of the overall market.

According to CBRE Research, some of the notable major office developments completed in 2014 include CapitaGreen (702,000 sf), Paya Lebar Square (430,000 sf) and Westgate Tower (306,400 sf). South Beach Tower (527,400 sf) was the latest major office development completed in Q1 2015 with reported strong pre-commitment levels for the office component.

In terms of net new office supply[1], the 5-year average was 1.68 million sf (2010 – 2014 inclusive). In comparison, 2014's net supply of 1.33 million sf was below the 5-year long term average, which has supported demand for office in 2014.

Tanjong Pagar and Alexandra/HarbourFront Micro-markets

The Tanjong Pagar[2] micro-market has 4.68 million sf of office stock, while the Alexandra/HarbourFront[3] micro-market has 3.36 million sf of office stock. This makes up 8.4% and 6.1% of the overall market respectively. The Alexandra/HarbourFront micro-market has seen an improvement in the age and quality of offices with the introduction of Mapletree Business City and Bank of America Merrill Lynch HarbourFront, while the Tanjong Pagar micro-market is generally characterised by a range of assets across a wide range of qualities. Both Tanjong Pagar and Alexandra/HarbourFront micro-markets remain tight with no recent completions. In Tanjong Pagar, the last office developments were Twenty Anson in Q4 2009 and Mapletree Anson in Q3 2009. The last completion in the Alexandra/HarbourFront micro-market was the office component of Mapletree Business City in Q2 2010.

Future Office Supply

The potential supply over the next four years (Q2 2015 – Q4 2018 inclusive) is approximately 6.66 million sf, with 20% of the future supply (1.35 million sf) sold on a strata-titled basis. The majority of the future supply (52.8%) is located in the Core CBD sub-market while the remaining 31.1% and 16.2% will be located in the Fringe CBD and Decentralised sub-markets respectively. Stripping out the office stock sold on a strata-titled basis, the annual supply is close to 1.66 million sf, which is close to the 5 years average of 1.68 million sf (2010 – 2014 inclusive).

Although there is approximately 780,000 sf of office space due in 2015, a number of the new developments are sold on a strata-titled basis. Hence, the market is expected to remain tight in 2015. The next wave of major new supply is expected to be completed in 2016.

In 2016, there will be a sizable amount of office supply coming on stream, with 3.63 mil sf expected to be completed by end 2016. The new supply will include Marina One (1.88 million sf), Guoco Tower (850,000 sf), Duo (570,000 sf) and 5 Shenton Way (280,000 sf).

In 2017, four office developments are expected to be completed, totalling 930,000 sf of office space. However, only the redevelopment of the Robinson Towers site 220,000 sf is not for strata-titled sales and held for lease as an investment property. Vision Exchange (500,000 sf), Oxley Tower (110,000 sf) and Arc 380 (100,000 sf) will be sold on a strata-titled basis. Frasers Tower (650,000 sf) is scheduled to be completed by end-2018.

Approximately 986,000 sf of secondary space can be expected to be released by tenants between Q1 2015 and end-2016. Planned relocations and the on-going contraction in the financial sector have resulted in excess office space being released by the financial sector. However, given the current low vacancy rates, the influx of secondary space is not expected to be destabilising to the overall office market in the short term.

1 Net new supply is calculated as a sum of new completions, demolitions and conversions.
For confidentiality reasons CBRE cannot provide the full list of buildings in the particular baskets but to name a few key projects.
2 The Tanjong Pagar basket of properties consists of 23 buildings that total 4.68 million sf. The key projects are 79 Anson Road, Keppel Towers, AXA Tower, Mapletree Anson and Twenty Anson among others.
3 The Alexandra/HarbourFront basket of properties consists of 12 buildings that total 3.36 million sf. The key projects are HarbourFront Tower 1 and 2, Keppel Bay Tower, HarbourFront Centre and PSA Building among others.

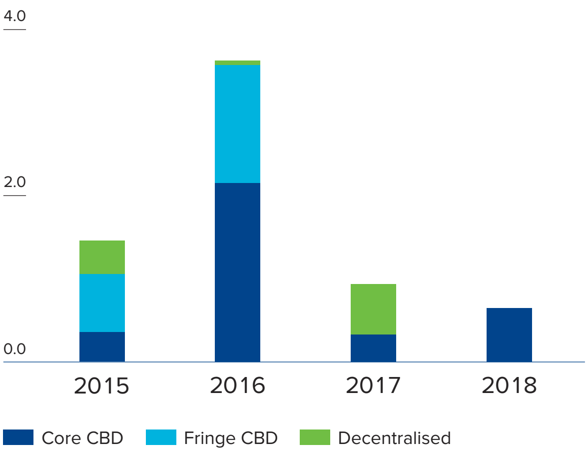
Singapore Office and Retail Market Overview

BY CBRE PTE. LTD.

Tanjong Pagar and Alexandra/HarbourFront Micro-markets

In the Tanjong Pagar micro-market, Guoco Tower is scheduled for completion in 2016, adding an approximate 850,000 sf of quality office space to the micro-market. The refurbishment of the former NOL building will add approximately 200,000 sf of office space to the Alexandra/HarbourFront micro-market in Q3 2015.

Future Office Supply



Source: CBRE Research

2.2 Demand and Occupancy

Q1 2015 saw the completion of South Beach Tower (527,400 sf) with an impressive pre-commitment level of close to 90%. This helped to contribute to the positive island-wide office net absorption of 0.12 million sf for the quarter.

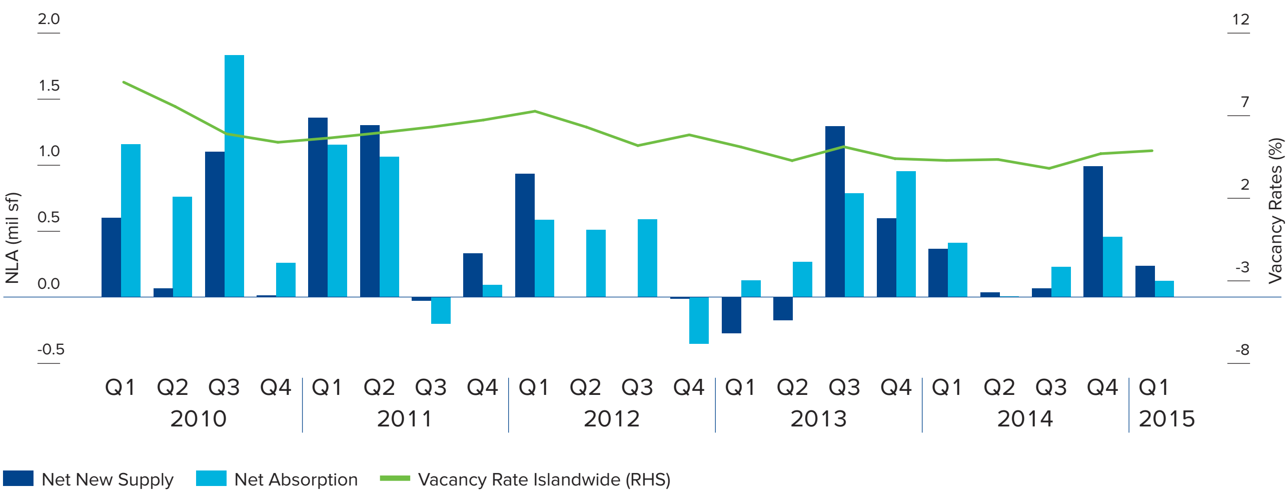
The total island-wide office net absorption for 2014 was down 48.3% y-o-y at 1.10 mil sf. It was also 26.7% lower than the 10-year market average absorption level of 1.50 mil sf (2005 – 2014 inclusive).

Leasing activity in Q1 2015 appeared to be primarily driven by cannibalisation, decentralisation, and flight to quality. Leasing demand continues to be driven by a diverse range of sectors from IT & e-commerce to insurance and energy.

However, there are concerns surrounding the true underlying strength of office demand as island-wide office vacancy rates edged marginally upwards by 20 basis points to 4.9%. In general, the absence of growth in financial institutions will contribute to principal headwind for office demand in the core CBD market.

Some of the notable leasing activities at CapitaGreen include 75,000 sf by Lloyd's Asia, 44,000 sf by Schroder, and other tenants such as Twitter, Apple and ACE Insurance. Over at South Beach Tower, Lukoil has reportedly taken up 20,000 sf.

Island-wide Office: Net Supply, Net Absorption & Vacancy Rates



Source: CBRE Research

Tanjong Pagar and Alexandra/HarbourFront Micro-markets

Tanjong Pagar is in the midst of undergoing urban rejuvenation and transformation. This area has been a popular location for a diversified group of businesses. New developments are set to spur the area with the completion of Tanjong Pagar Centre.

The Tanjong Pagar Railway Station is expected to be transformed into a new recreational and commercial development with the historic building being conserved as the centrepiece. The port in Tanjong Pagar will also relocate to Tuas after its lease expiration in 2027, freeing up prime waterfront land for future developments known as the “Southern Waterfront City” on the 1,000 ha land. The Southern Waterfront City is expected to complement the existing Marina Bay. In terms of infrastructure, a new four km long MRT line called Circle Line Stage 6 (CCL6) is due to be completed in 2025 while the new S$4.3 billion Marina Coastal Expressway (MCE) provides direct access to the Marina Downtown.

Alexandra/HarbourFront is a well located, attractive micro-market in the fringe area with excellent amenities that has traditionally outperformed other micro-markets during periods of downturn. This micro-market offers affordable quality office space that is located close to the CBD.

2.3 Office Vacancy Rates

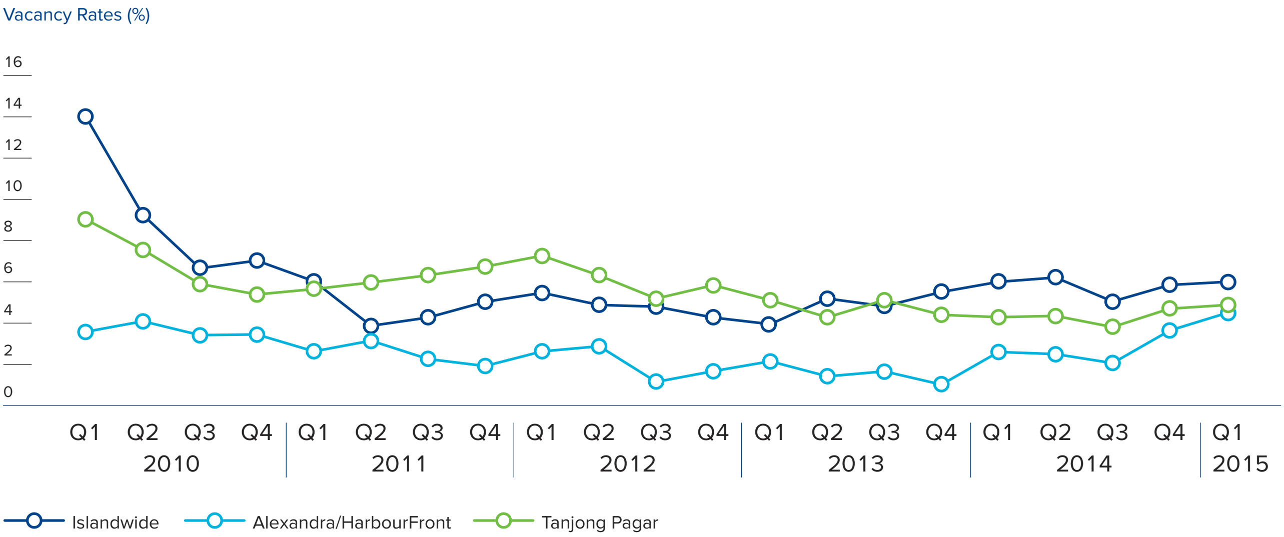
Due to the tight office market in Q1 2015, the overall island-wide office vacancy rates remained relatively low at 4.9%. While vacancy rates are expected to remain low throughout 2015 due to a lack of new supply, overall vacancy rates are forecasted to increase gradually in 2016 due to a new wave of quality office supply.

The vacancy rates in the Tanjong Pagar micro-market held firm at 6.0% in Q1 2015. This was close to the 5-year average vacancy of 5.9%. Given the limited supply in recent years, the vacancy rates have remained relatively low, hovering in the region of 3.8% to 6.2% since the start of 2011.

Vacancy rates in this micro-market are expected to remain low in 2015 given the lack of significant new supply. In 2016, vacancy rates in the Tanjong Pagar micro-market will largely depend on the performance of Guoco Tower, given the relative size of Guoco Tower to the overall Tanjong Pagar market.

The vacancy for Alexandra/HarbourFront micro-market has historically been lower than the other sub-markets. Over the last 5 years, the micro-market vacancy rates had never risen above the 5.0% mark. However, competition from new decentralised offices in Buona Vista and recently completed business parks such as Nexus@one-north and Eightrium have resulted in an 85 basis points increase in Q1 2015 vacancy rates to 4.5%. Nonetheless, the absence of future supply in the Alexandra/HarbourFront micro-market will limit further increases in the vacancy rates in the short to medium term.

Office Vacancy Rates



Source: CBRE Research

Singapore Office and Retail Market Overview

BY CBRE PTE. LTD.

2.4 Office Rents

The Singapore office sector has performed well in 2014, as rents advanced off low vacancy rates. Grade A rents have increased for six consecutive quarters, and grew 11.2% y-o-y (1.8% q-o-q) to S$11.40 psf in Q1 2015. However, rents were largely driven by tight market conditions instead of true underlying strength of office demand. Grade A rents have surged 16.9% since the trough in Q3 2013. However, the easing of rental growth in Q1 2015 indicates the possibility that rents may have peaked. This was due to the low level of underlying demand for office space, as well as expectation of significant new quality supply in H2 2016.

Grade B island-wide office rents also surged 11.0% from the trough in Q3 2013 as it advanced in tandem with Grade A rents. Grade B rents increased 6.8% y-o-y to reach a record level of S$8.05 psf in Q1 2015.

The flight to quality trend will contribute to demand for Grade A office space and support rents for good quality office buildings even in decentralised locations. While Grade A rental growth may have run its course, it is expected to remain fairly flat for good quality office buildings. Landlords are expected to focus on tenant retention for the rest of 2015 given the spectre of future competition from new developments in 2016.

Grade B rents are expected to remain stable in 2015 due to a lack of new supply. However, it is likely to come under pressure in 2016 as the Grade B market is expected to be cannibalised by a new wave of quality Grade A supply and good quality high specs office space in decentralised locations.

	Q1 2015 (Psf/Mth)	Y-o-Y	Q-o-Q
Grade A	S$11.40	11.20%	1.80%
Grade B Island-wide	S$8.05	6.80%	0.60%

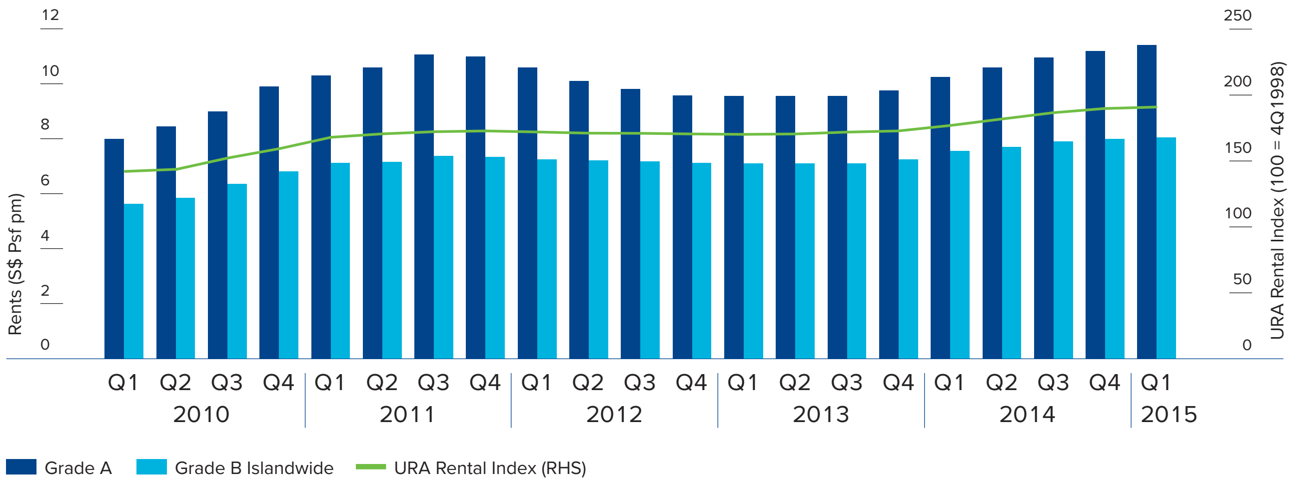
Source: CBRE Research

Rents in Tanjong Pagar were supported by low vacancy rates and achieved 3.7% y-o-y growth in Q1 2015. While the Tanjong Pagar micro-market moved in tandem with the island-wide office rental cycle over the past 5 years, it experienced lower volatility due to a higher concentration of non-banking and financial services tenants.

The existence of a two-tier office market in Tanjong Pagar was evident with newer developments built since 2008 registering higher rents compared to older developments in the area, indicating a substantial difference in the build quality and building specifications between the new and old stock in the micro-market. Overall rents for the newer developments grew by 1.2% y-o-y in Q1 2015.

Average office rents in the Alexandra/HarbourFront micro-market achieved a gain of 4.3% y-o-y in Q1 2015. Rents in the Alexandra/HarbourFront micro-market are expected to remain stable in 2015, supported by low vacancy rates and relatively strong demand.

Office Rents
(in S$ psf/month)



Source: CBRE Research, URA

2.5 Office Investment Market and Capital Values

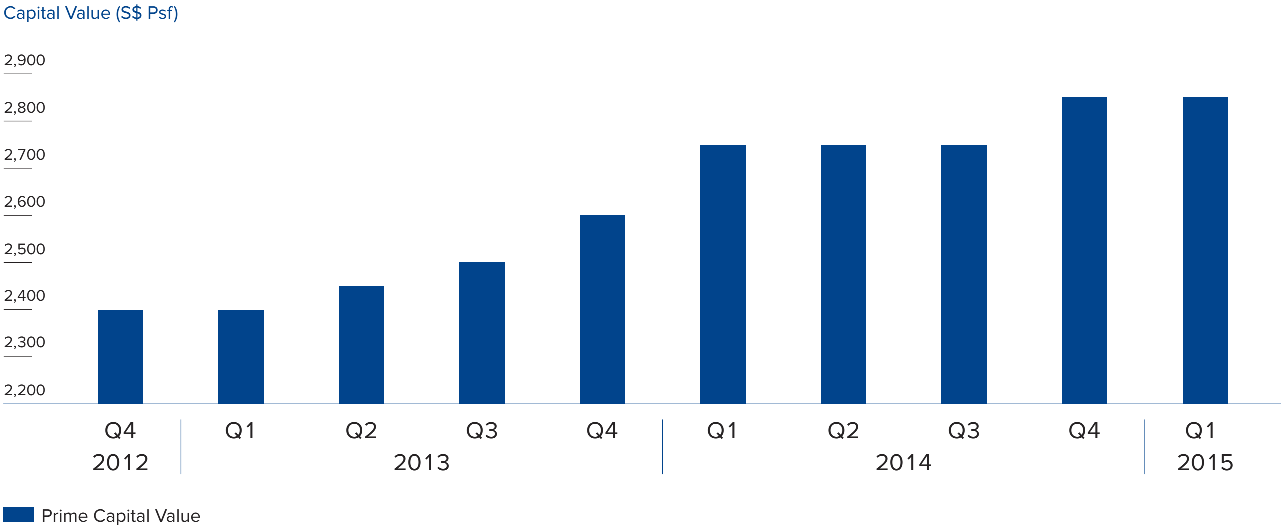
The top five enbloc office transactions in 2014 comprised of Straits Trading (S$450.0 million), Prudential Tower (S$512.0 million), Equity Plaza (S$550.0 million), Westgate Tower (S$579.4 million) and one-third stake in Marina Bay Financial Centre Tower 3 (S$1.2 billion). Most of these transactions were opportunistic in lieu of positive reversionary rent. Investors in Prudential Tower and Equity Plaza were capitalising on the arbitrage opportunity between the enbloc and strata office market.

The biggest deal in Q1 2015 was the acquisition of AXA Tower by a consortium of investors led by Perennial Real Estate S$1.17 billion or S$1,735 psf NLA.

Grade A office capital values registered a 3.6% y-o-y growth to S$2,850 psf in Q1 2015 but remained flat vis-à-vis the previous quarter. Yields increased to 3.83% from 3.51% a year ago on the back of increasing rents.

For 2015, the investment market is likely to remain relatively quiet due to a lack of properties available for sale. However, CBRE Research expects continued healthy demand for reasonably priced good quality office buildings as investors still believe in the long term fundamentals of the Singapore market.

Prime Office Capital Values



Source: CBRE Research

2.6 Office Outlook

The Singapore economic outlook in 2015 is expected to be blighted by a modest global economy compounded by low oil prices, prospect of higher interest rates, as well as domestic restructuring challenges. This will affect business confidence as well as their expansion plans.

Office rents are expected to remain flat in 2015 due to tepid market conditions and limited new supply. Leasing activities are expected to be supported by e-commerce, insurance, energy and business services sector. While the bulk of leasing activity is expected to be concentrated within the CBD Core sub-market, the “flight to quality” phenomenon will also see demand for good quality office buildings located in decentralised locations.

Vacancy levels are expected to remain low in 2015 due to tight supply conditions. However, it will ease in H2 2016 as the next wave of quality office space enters the market. Grade A rents are expected to remain unchanged at S$11.40 for the rest of 2015 before declining by 10% to S$10.30 psf in 2016. Similarly, Grade B rents are forecasted to remain stable in 2015, but are expected to come under significant pressure in 2016 due to cannibalisation by a new wave of Grade A offices. Tenant retention in the form of better incentives and competitive rents will be the key strategy for most landlords in 2015.

Singapore Office and Retail Market Overview

BY CBRE PTE. LTD.

3 THE RETAIL MARKET

3.1 Existing Retail Supply

Singapore island-wide private retail stock increased 4.9% y-o-y to 47.20 million sf in Q1 2015. The Fringe Area accounts for the bulk of the market share at 26.7%, followed by Outside Central Area at 23.4%, Rest of Central Area at 19.5%, Orchard Area at 16.3% and Downtown Core Area at 14.1%.

Notable new launches in 2014 include Orchard Gateway (166,400 sf), Kallang Wave (441,500 sf), One KM (215,000 sf), Seletar Mall (188,000 sf), Paya Lebar Square (95,000 sf), Big Box (329,000 sf) and the refurbishment/asset enhancement initiatives (AEI) of existing malls including Shaw Centre (116,000 sf), East Point (214,000 sf), Alexandra Central (63,000 sf) and the retail portion of One Raffles Place (98,500 sf).

New retail developments in Q1 2015 include Capitol Piazza (156,100 sf), 321 Clementi (81,400 sf), Suntec City AEI (125,000 sf), Tampines Mall AEI (30,000 sf) and Claymore Connect (50,200 sf).

The market has seen a geographical expansion outside the prime Orchard Road belt in recent years after witnessing a wave of new retail completions within the Orchard Area in 2009 such as ION Orchard, 313@Somerset and Orchard Central. Nonetheless, retail supply in Orchard is limited, with most new supply coming from AEI works on existing developments as landlords attempt to remain competitive and keep up with new trends.

HarbourFront/Alexandra Micro-market

VivoCity, HarbourFront Centre, Alexandra Retail Centre, the retail portion of Mapletree Business City, Resorts World Sentosa, and Alexandra Central are the key retail developments in the HarbourFront/ Alexandra area.

VivoCity is the only full-fledged retail mall in the HarbourFront/Alexandra micro-market, complemented by HarbourFront Centre, a mixed-use development comprising office and retail space, food & beverage outlets, and an international cruise centre.

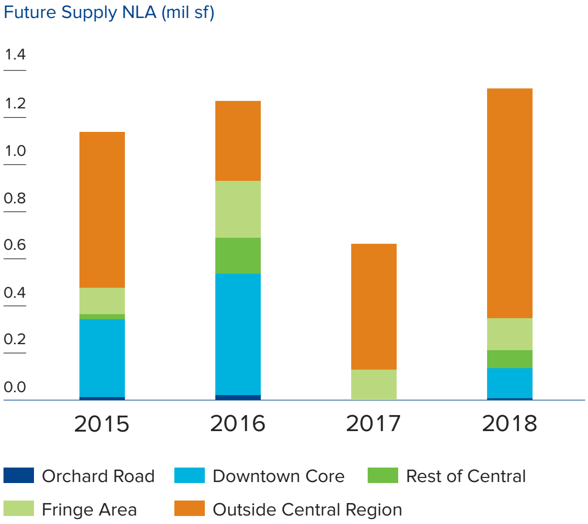
The retail developments at Mapletree Business City and Alexandra Retail Centre serve as amenities centres to the office and business park working population, as well as the residential population in the vicinity.

The retail space in Resorts World Sentosa is predominantly taken up by food & beverage outlets, while Alexandra Central consists of mostly small strata subdivided retail units between 100 sf and 800 sf, as well as a number of food & beverage outlets between 258 sf and 1,250 sf. It was mostly sold to retail property investors.

Future Retail Supply

According to data tracked by CBRE, the total projected island-wide retail supply for the next four years (Q2 2015 to Q4 2018 inclusive) is estimated to increase by approximately 4.20 million sf. The majority of the potential supply will be located Outside Central Region (57.4%).

Future Retail Supply



Source: URA, CBRE Research

Notable retail developments in the Downtown Core Area in 2015 include South Beach Avenue (85,000 sf), Eon Shenton (5,200 sf), National Art Gallery (40,000 sf) and Marina Square's new retail extension wing (200,000 sf). Upcoming suburban retail spaces to note include Waterway Point (370,000 sf) and The Promenade @ Pelikat (71,300 sf), both of which are within the Outside Central Region. The Commerze @ Irving will add 36,000 sf of new retail space to the Fringe Area sub-market in 2015.

New retail developments will mostly be concentrated in the Downtown Core Area in 2016, with Tanjong Pagar Centre (100,000 sf), Marina One (140,000 sf), Downtown Gallery (160,000 sf) and Duo Galleria (54,000 sf) contributing a total of 454,000 sf of new retail space. Retail projects outside the Downtown Core sub-market include Hillion Mall (165,400 sf), Tampines Town Hub (112,400 sf) and Singapore Post Centre's Asset Enhancement Initiatives ("AEI") (201,800 sf).

In 2017, major new retail developments will be concentrated in the Outside Central Region and the Fringe Area. Building completions include additions to the retail space at Downtown East (102,900 sf), NeWest (68,900 sf), Junction 9 (59,400 sf) and a shopping development for Changi Airport Terminal 4 (164,300 sf).

In 2018, we will see the completion of several large developments such as Project Jewel (576,000 sf) and Northpoint City (315,600 sf). Other potential projects taking place this year include MacPherson Mall (45,800 sf), City Gate (76,300 sf), and Vision Exchange (52,100 sf)

HarbourFront/Alexandra Micro-market

Future retail supply in the HarbourFront/Alexandra micro-market includes VivoCity AEI, the former NOL Building, and Icon @ Pasir Panjang. In 2015, the Asset Enhancement Initiative (AEI) of VivoCity will create around 15,000 sf of new retail space at the basement of the mall, while the former NOL Building is expected to add approximately 8,880 sf of retail space in the micro-market. In 2016, Icon @ Pasir Panjang is expected to introduce about 21,000 sf of retail space in the micro-market.

Singapore Office and Retail Market Overview

BY CBRE PTE. LTD.

3.2 Demand and Occupancy

The island-wide retail net absorption for Q1 2015 was -269,098 sf. On a calendar year-basis, 2014's annual island-wide net absorption of 1.19 million sf declined -11.9% from 1.36 million sf in 2013. This reflects excess market supply and a lower take up rate fuelled by weakening retail demand.

2014 proved to be a challenging year for the retail sector, as retailers struggle to manage costs and manpower issues.

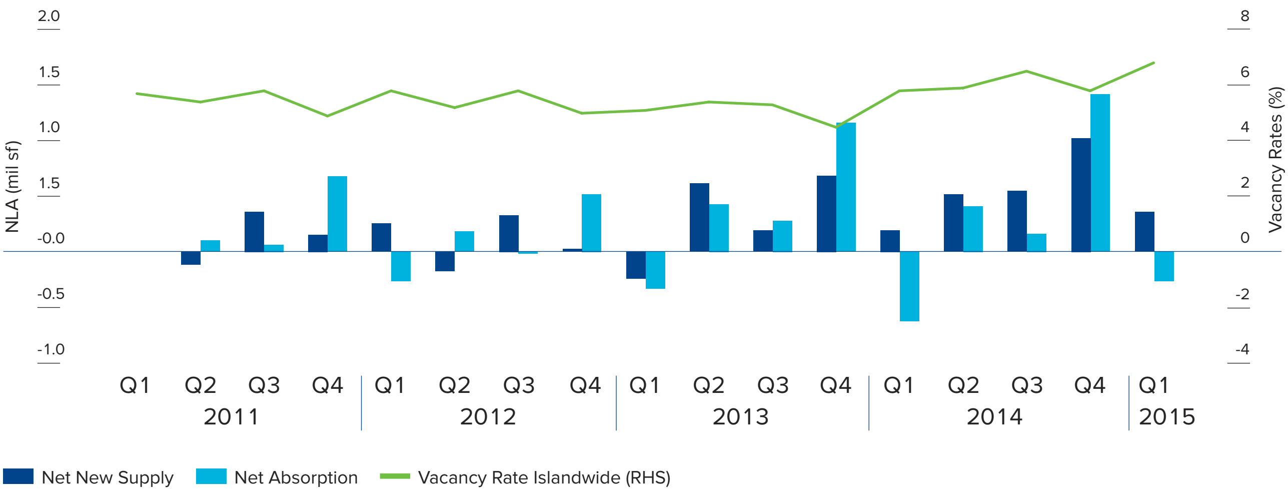
Several fashion brands have pulled out of the market, including Lowry's Farm and Global Work, which were in the market for two and three years respectively. Four major department stores will also close by year-end, one of which has shortened its operating hours to manage manpower costs.

Demand (1.36 million sf) lagged net new supply (2.33 million sf) in 2014, raising potential oversupply concerns.

Island-wide vacancy rates reflected a similar trend, with Q1 2015 retail vacancy rates increasing 1.0% y-o-y to 6.8%. Island-wide vacancy rates have been on a general uptrend for the past five quarters.

However, concerns of an oversupply in the market are mitigated as some of the new supply is located in non-traditional retail spaces that are not supported by a strong catchment of labour and shoppers. Therefore, well managed retail malls in good locations will continue to enjoy healthy demand despite the general weakness in the overall retail market.

Island-wide Retail: Net Supply, Net Absorption & Vacancy Rates



Source: URA/ CBRE Research

* From the 1st quarter of 2014, URA introduced a new retail series which includes F&B, entertainment, and health & fitness space. This results in a difference in total stock, net new supply, vacancy, net absorption, price index and rental index numbers from the existing series. The new retail series starts from Year 2011 onwards.

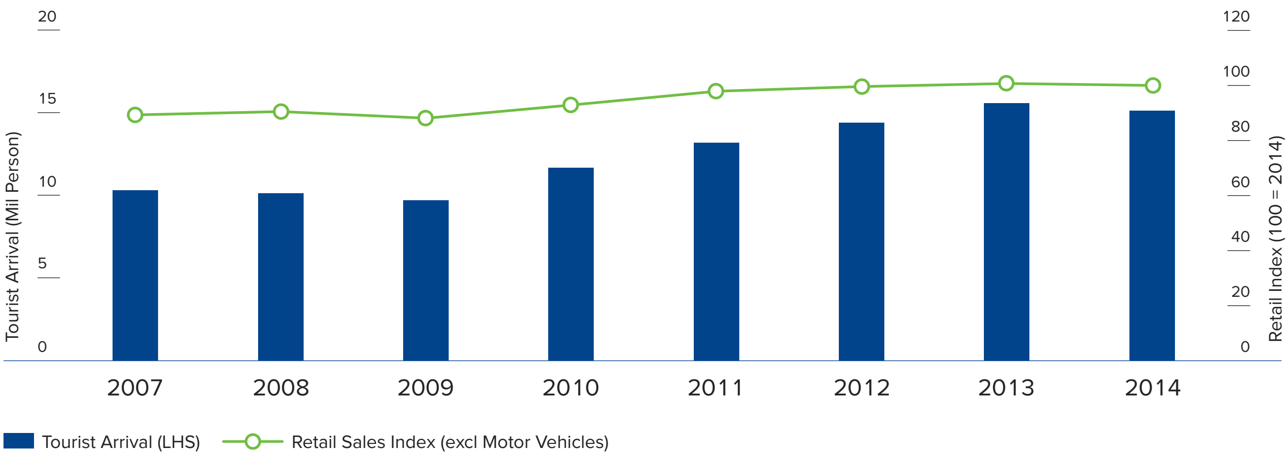
According to the Singapore Tourism Board (STB), tourist arrivals dipped 3.1% y-o-y from 15.6 million in 2013 to 15.1 million in 2014. This marks the first time visitor arrivals have fallen since the financial crisis in 2009. Tourist arrivals continue to decline in the first two months of 2015, falling by 5.5% y-o-y to 2.4 million. STB attributes the drop in numbers to the implementation of China's Tourism Law and recent aviation incidents in the region.

Despite the dip in visitor arrivals, STB estimates tourism receipts to have held steady at S$23.5 billion in 2014, indicating higher tourism expenditure in Sightseeing, Entertainment & Gaming (SEG).

In order to stem the declining tourist numbers, the government has planned a series of measures to boost tourism numbers after a relatively lacklustre year in 2014. A S$20 million global marketing campaign will be launched to boost international interest in the nation's Golden Jubilee celebrations. STB has also partnered with Changi Airport Group to launch a S$35 million joint marketing initiative to grow visitor arrivals to Singapore and increase passenger movement at Changi Airport over the next two years.

STB expects tourist arrivals to grow between 0% and 3% in 2015, and 0% to 2% for tourism receipts. STB's marketing campaign is targeted at key markets such as Indonesia, China and India. Several promotional incentives such as attractive flight and hotel deals are expected to boost tourism growth. STB is projecting a growth of 3% to 4% in visitor arrivals over the next five to ten years horizon.

Visitor Arrivals & Retail Sales Index
(excl Motor Vehicles)



Source: Singapore Tourism Board, Department of Statistics

* The re-basing of the Retail Sales Index and Food & Beverage Services Index series from year 2010 to 2014 was announced in March 2015.

Singapore Office and Retail Market Overview

BY CBRE PTE. LTD.

3.3 Retail Rents

The rental market was relatively muted in Q1 2015, with Prime Orchard Road rents registering a slight dip of -0.4% y-o-y to S$34.05 psf. The lacklustre rental market for Orchard Road reflects weak demand as a result of lower tourist arrivals for 2014, raising concerns for retailers in Orchard Road.

The Suburban sub-market proved to be more resilient, with rents remaining flat at S$30.30 psf despite the challenging retail climate.

Rents in the Orchard Road sub-market last peaked in 2008. It has since moderated following the sub-prime crisis, and only started to recover in H2 2011. Suburban retail rents remained largely flat and experienced relatively lower volatility as it was supported by the domestic retail market. In contrast, Orchard Road rents are more sensitive to changes in the tourism market.

Retail Rents

Source: URA/ CBRE Research

3.4 Retail Outlook

CBRE Research expects rents to decline through 2015 to H1 2016 for most sub-markets, as landlords focus on tenant retention in the retail market. The fall in tourist arrivals is likely to have an adverse impact on the Prime Orchard Road sub-market due to its greater reliance on the tourism sector. In addition, Orchard Road is facing increasing competition for the tourism market from newer integrated developments in Marina Bay and Sentosa.

As a result of the lacklustre retail market, STB intervened and undertook a series of marketing efforts to improve tourist arrivals in the medium term so as to support growth in tourism receipts.

Vacancy rates are expected to rise as tenants consolidate and terminate their existing lease contracts prematurely to manage cost and labour issues. Retailers are also holding back their expansion plans to cope with the on-going labour crunch. There are potential oversupply concerns on the back of a new wave of supply in 2015 and 2016.

Traditional brick and mortar retailers such as MUJI, Watsons and Isetan are also exploring digital strategies by launching online platforms to remain competitive and ride on the trend of online consumerism. While most traditional retailers still retain their physical presence when they expand online, they are likely to slow down their expansion in the physical space as they divert resources to expand online.

Rising vacancy rates coupled with a challenging retail climate have given rise to a tenant's market in the retail sector. Landlords are more open to negotiation and have increasingly focused their asset management strategy on tenant retention. There is more resistance towards increasing base rents and landlords are less bullish about future positive rental reversions.

With the twin effects of growing vacancy rates and challenging retail sales weighing on the overall retail market, retail rents are likely to be under pressure for most sub-markets over the medium term.

Qualifying Clause

This Report is subject to the following limiting conditions:

The content of this report is for information only and should not be relied upon as a substitute for professional advice, which should be sought from CBRE prior to acting in reliance upon any such information.

The opinions, estimates and information given herein or otherwise in relation hereto are made by CBRE and affiliated companies in their best judgment, in the utmost good faith and are as far as possible based on data or sources which they believe to be reliable in the context hereto.

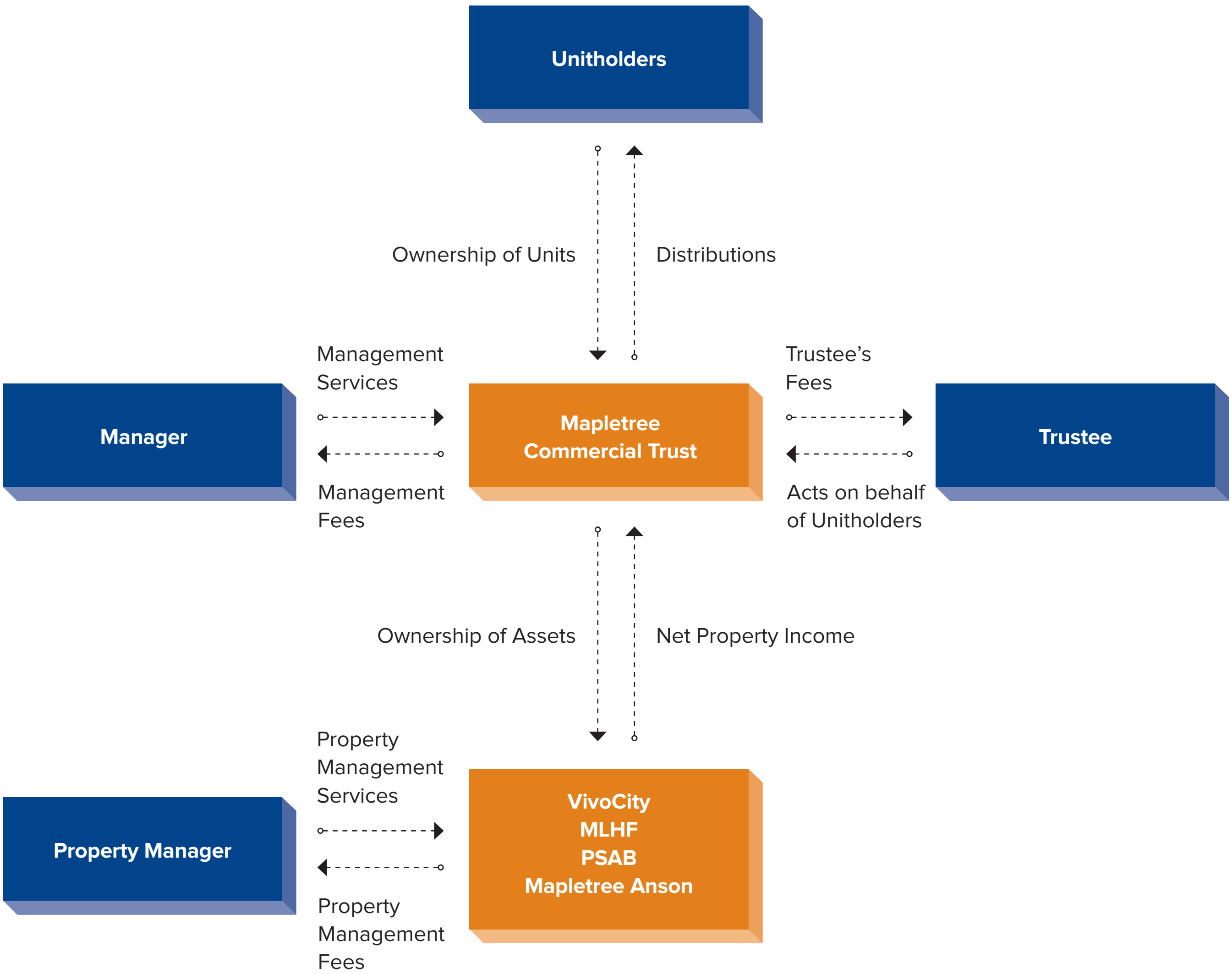
Where it is stated in the Report that information has been supplied to CBRE by another party, this information is believed to be reliable by CBRE. Other information is derived from sources which we believe to be reliable to the best of our ability. We can accept no responsibility if this should prove not to be so.

Notwithstanding this, CBRE disclaims any liability in respect of any claim that may arise from any errors or omissions, or from providing such advice, opinion, judgment or information.

Trust Structure

Mapletree Commercial Trust Management Ltd. is the manager of MCT (the "Manager"). The Manager has general powers of management over the assets of MCT. The Manager's main responsibility is to manage MCT's assets and liabilities for the benefit of Unitholders. The Manager will set the strategic direction of MCT and give recommendations to the Trustee on acquisition, divestment, development and/or enhancement of the assets of MCT in accordance with its stated investment strategy. The Manager is a wholly-owned subsidiary of Mapletree Investments Pte Ltd ("the Sponsor").

Mapletree Commercial Property Management Pte. Ltd. is the property manager of MCT (the "Property Manager"). The Property Manager is responsible for providing property management, lease management, project management, marketing and administration of property tax services for the properties in MCT's portfolio. The Property Manager is a wholly-owned subsidiary of the Sponsor. The following diagram illustrates the relationship between MCT, the Manager, the Property Manager, the Trustee and the Unitholders.



Organisation Structure

Mapletree Commercial Trust Management Ltd.

Board of Directors
Mr Tsang Yam Pui (Chairman and Non-Executive Director)
Mrs Jennifer Loh (Independent Director)
Mr Michael George William Barclay (Independent Director)
Mr Koh Cheng Chua (Independent Director) (with effect from 9 June 2014)
Ms Kwa Kim Li (Independent Director) (with effect from 30 April 2014)
Mr Hiew Yoon Khong (Non-Executive Director)
Mr Wong Mun Hoong (Non-Executive Director)
Ms Amy Ng (Executive Director and Chief Executive Officer)

Chief Executive Officer
Ms Amy Ng

Joint Company Secretaries
Mr Wan Kwong Weng
Ms See Hui Hui

Chief Financial Officer
Ms Loke Huey Teng

Chief Operating Officer
Ms Sharon Lim

Vice President, Finance
Ms Seet Li Nah

Senior Manager, Investor Relations
Mr Jason Lim

Co-Heads, Asset Management / Investments
Mr Chapman Seah
Mr Koh Wee Leong

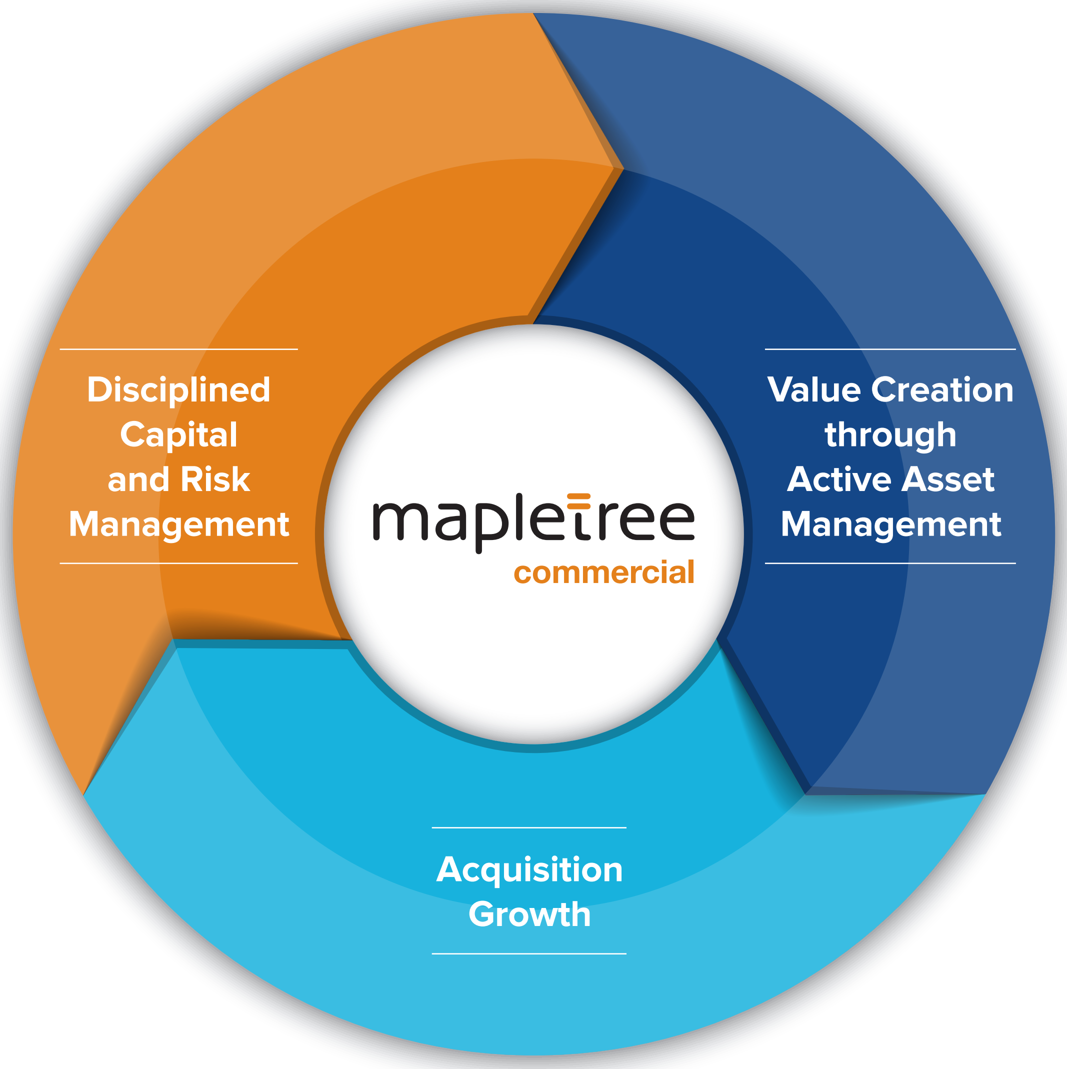
Vice President, Asset Management / Investments
Ms Goh Peck Cheng

Strategy

Key Objectives

The Manager's key objectives are to provide unitholders of MCT with an attractive rate of return through regular and relatively stable distributions and to achieve long-term growth in distribution per unit and net asset value per unit, with an appropriate capital structure for MCT.

Key Strategies



Value Creation through Active Asset Management

The Manager's strategy for organic growth is to actively manage the operational performance of the portfolio and foster strong relationships with tenants. Through such active asset management, the Manager seeks to maintain high occupancy levels and achieve stable rental growth. The Manager will also seek to improve efficiency and manage costs through various aspects of its operations.

The Manager aims to improve the performance of the properties through the following measures:

- Improving rentals while maintaining healthy occupancy rates;
- Achieving high tenant retention, particularly for the office portfolio;
- Optimising the tenant mix, particularly for the retail portfolio;
- Rejuvenating and reconfiguring retail space;
- Maximising yield through selective asset enhancement; and
- Improving operational efficiency and managing costs.

Acquisition Growth

The Manager will pursue opportunities for asset acquisitions that will provide attractive cash flows and yields relative to MCT's weighted average cost of capital, and opportunities for future income and capital growth.

In evaluating acquisition opportunities for MCT, the Manager will focus primarily on the following investment criteria:

- Yield thresholds; and
- Quality of the asset, including
  - Location;
  - Asset enhancement potential;
  - Building and facilities specification; and
  - Tenant mix and occupancy characteristics.

The Manager intends to hold the properties it acquires on a long-term basis. However, in the future, where the Manager considers that any property has reached a stage that offers limited scope for further growth, the Manager may consider selling the property and using the proceeds for other uses such as alternative investments in properties that meet its investment criteria.

Disciplined Capital and Risk Management

The Manager will endeavour to:

- Maintain a strong balance sheet;
- Employ an appropriate mix of debt and equity in financing acquisitions;
- Secure diversified funding sources to access both financial institutions and capital markets;
- Optimise its cost of debt financing; and
- Adopt appropriate interest rates hedging strategies to minimise exposure to market volatility.

Board of Directors

Tsang Yam Pui
Chairman and Non-Executive Director

Mr Tsang Yam Pui is the Chairman and a Non-Executive Director of the Manager.

Mr Tsang is also a Non-Executive Director and a Member of the Audit and Risk Committee of the Sponsor.

Mr Tsang is concurrently the Executive Director and a member of the Executive Committee of NWS Holdings Ltd, a leading infrastructure and services company listed on the Hong Kong Stock Exchange, since 2004. He is also the Vice Chairman and Director of New World First Bus Services Limited, New World First Bus Services (China) Limited, New World First Ferry Services Limited and Citybus Limited. In addition, Mr Tsang is the Vice Chairman and Director of China United International Rail Containers Co., Limited and Xiamen Container Terminal Group Co., Ltd. in the People's Republic of China.

Prior to Mr Tsang's appointment with NWS Holdings Ltd, he served in the Hong Kong Police Force for 38 years where he held many key appointments before retiring as its Commissioner in 2003.

For his distinguished public service, Mr Tsang was awarded the Gold Bauhinia Star (Hong Kong SAR), the Order of the British Empire, the Queen's Police Medal, the Colonial Police Medal for Meritorious Service, and the Hong Kong SAR Police Long Service Medal.

Amy Ng
Executive Director and Chief Executive Officer

Ms Amy Ng is both the Executive Director and the Chief Executive Officer of the Manager.

Ms Ng is also a Director of Mapletree Commercial Trust Treasury Company Pte. Ltd., a subsidiary of Mapletree Commercial Trust.

Ms Ng was the Chief Executive Officer of the Sponsor's Singapore Investments unit before the listing of Mapletree Commercial Trust. She was responsible for the Sponsor's commercial portfolio in Singapore where she also headed the Sponsor's Marketing, Property Management and Development Management departments in Singapore.

Ms Ng held various appointments in the CapitaLand group over a 13-year period. Ms Ng was the Managing Director of CapitaLand Financial Limited ("CFL"), where she was responsible for investments in publicly listed and unlisted real estate securities across Asia and Japan. She also managed a portfolio of commercial assets in Singapore under a private fund structure and was responsible for originating and structuring new real estate private equity funds investing in Vietnam and India. Prior to CFL, Ms Ng headed the investment team of CapitaLand's Singapore residential business. During her tenure with the CapitaLand group, Ms Ng also held directorships in the exempt fund managers of various private equity real estate funds under the CapitaLand group.

Ms Ng holds a Bachelor of Arts degree from the National University of Singapore and a Master of Business Administration from the University of Surrey, UK. She also attended the Executive Development Programme at Wharton Business School in 2007.

Jennifer Loh
Independent Director
Chairman, Audit and Risk Committee

Mrs Jennifer Loh is the Chairperson of the Audit and Risk Committee and an Independent Director of the Manager.

Mrs Loh worked with the CapitaLand group from 1991 until she retired in 2007. Within the group, she had worked in different capacities in financial and general management, including a stint as Chief Financial Officer, Head of Group Tax, Corporate Services, and oversight of their investment in Australia. Mrs Loh also sat on the boards of subsidiaries, associates and joint venture companies of the CapitaLand group, including companies listed on the stock exchanges in Singapore, Malaysia and Australia.

Mrs Loh had served as a member of the Accounting Standards Committee of the Institute of Certified Public Accountants of Singapore (now known as Institute of Singapore Chartered Accountants).

Mrs Loh graduated from the University of Singapore with a Bachelor of Accountancy (Honours II) degree and also qualified as a Chartered Accountant in Australia. She is a non-practising member of the Institute of Singapore Chartered Accountants and a Chartered Accountant with the Institute of Chartered Accountants in Australia.

Michael George William Barclay
Independent Director
Member, Audit and Risk Committee

Mr Michael George William Barclay is an Independent Director and a Member of the Audit and Risk Committee of the Manager.

Mr Barclay is concurrently the Executive Director and Chief Executive Officer of Sentosa Development Corporation. He is responsible for the various aspects of business for Sentosa Development Corporation and its subsidiary companies, which includes Sentosa Leisure Management, the Mount Faber Leisure Group, the Sentosa Golf Club and Sentosa Cove.

Mr Barclay is also a member of the Board of Directors of Sentosa Cove Resort Management Pte. Ltd., Sentosa Leisure Management Pte. Ltd., Singapore Tourism Board and the Changi Airport Group. Prior to joining Sentosa Development Corporation in 2008, Mr Barclay was the Regional Vice President for the Asia Pacific region with the International Air Transport Association ("IATA").

Before Mr Barclay joined IATA, he was the Chief Executive Officer of SilkAir. This was preceded by a 13-year stint with Singapore Airlines during which Mr Barclay held various portfolios.

Mr Barclay holds a Bachelor of Arts degree and a Masters of Science (Engineering) degree from the University of Leeds, UK. He also completed the Advanced Management Programme at Harvard Business School, USA in 2005.

Board of Directors

Koh Cheng Chua
Independent Director
Member, Audit and Risk Committee

Mr Koh Cheng Chua is an Independent Director and a Member of the Audit and Risk Committee of the Manager.

Mr Koh is concurrently the Managing Director & Head, Corporate Banking of United Overseas Bank Limited where he oversees the corporate banking business in Singapore. Prior to joining UOB, Mr Koh held various senior management positions in DBS Bank Ltd. He has more than 30 years of experience in corporate and investment banking and private equity.

In addition, Mr Koh is a member of the Advisory Committee of the School of Business Management at Nanyang Polytechnic and a member of the Management Committee of the Thye Hua Kwan Seniors' Activity Centre @ Ang Mo Kio.

Mr Koh holds a Bachelor of Business Administration from the National University of Singapore. He also completed the Certificate of International Management at INSEAD Business School.

Kwa Kim Li
Independent Director

Ms Kwa Kim Li is an Independent Director of the Manager.

Ms Kwa is concurrently the Managing Partner of the Law Firm of Lee & Lee, Advocates and Solicitors. She is also a Director of National University Health System Pte Ltd, Sentosa Development Corporation, Laura Ashley PLC and Corus Hotel Ltd. In addition, she is a member of the Board of Directors of Lee Kuan Yew School of Public Policy and Singapore Chinese Girls' School. She is also the Honorary Advisor to the Real Estate Developers' Association of Singapore, and on the Board of Trustees of the Singapore Cardiac Society.

Ms Kwa holds a Bachelor of Law degree from the National University of Singapore. Ms Kwa has been in active legal practice for over 30 years, and her areas of practice include real estate, banking, family trusts and cross border transactions.

Hiew Yoon Khong
Non-Executive Director

Mr Hiew Yoon Khong is a Non-Executive Director of the Manager.

Mr Hiew is concurrently the Executive Director and Group Chief Executive Officer of the Sponsor.

In addition, he is a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust), of Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust) and of Mapletree Greater China Commercial Trust Management Ltd. (the manager of Mapletree Greater China Commercial Trust).

Mr Hiew joined the Sponsor in 2003 as Group Chief Executive Officer. Mr Hiew has since led the Sponsor from a Singapore-centric asset-owning real estate company worth S$2.3 billion to a fast-growing regional company with total owned and managed assets in excess of S$25 billion. In the process, the Sponsor also built a substantial and growing capital management business.

From 2003 to 2011, Mr Hiew was concurrently Senior Managing Director (Special Projects) in Temasek Holdings (Private) Limited. Prior to joining the Sponsor, Mr Hiew held various senior positions in the CapitaLand group of companies. His past directorships included serving as a member on the Boards of Changi Airport International and Sentosa Development Corporation, as well as the Board of Trustees of the National University of Singapore.

Wong Mun Hoong
Non-Executive Director

Mr Wong Mun Hoong is a Non-Executive Director of the Manager.

Mr Wong is concurrently the Group Chief Financial Officer and a member of the Executive Management Committee of the Sponsor. He oversees the Finance, Tax, Treasury, Private Funds Management, Risk Management and Information Systems & Technology functions of the Sponsor. In addition, he is a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust), of Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust) and of CapitaLand Township Development Fund Pte. Ltd..

Before joining the Sponsor in 2006, Mr Wong worked in the investment banking sector in Asia for 14 years. He was with Merrill Lynch & Co. for the 10 years immediately prior to joining the Sponsor, where he worked in Singapore, Hong Kong and Tokyo. He was a Director and the Head of its Singapore Investment Banking Division prior to leaving Merrill Lynch & Co. in late 2005.

Mr Wong graduated with a Bachelor of Accountancy (Honours) degree from the National University of Singapore in 1990 and holds the professional designation of Chartered Financial Analyst from the CFA Institute of the United States. He attended the Advanced Management Programme at INSEAD Business School.

Management Team and Property Management Team

Management Team

Amy Ng
Chief Executive Officer

Loke Huey Teng
Chief Financial Officer

Sharon Lim
Chief Operating Officer

Chapman Seah
Co-head, Asset Management / Investments

Koh Wee Leong
Co-head, Asset Management / Investments

Goh Peck Cheng
Vice President, Asset Management / Investments

Seet Li Nah
Vice President, Finance

Jason Lim
Senior Manager, Investor Relations

Property Management Team

Joanna Lee
Director, Mapletree Commercial Property Management

Angela Keng
Director, Mapletree Commercial Property Management

Foo Say Chiang
Director, Mapletree Commercial Property Management

Jaylyn Ong
Deputy Head, Retail Marketing

Gwen Au
Vice President, Marketing Communications

Chay Pui Leng
Vice President, Marketing

Pauline Loh
Senior Manager, Marketing

Lilian Chin
Senior Manager, Lease Management

Abdul Kalam
Senior Manager, Property Management

Susan Lim
Senior Manager, Portfolio Property Management

Management Team and Property Management Team

Amy Ng
Chief Executive Officer

Ms Amy Ng is the Chief Executive Officer of the Manager. Ms Ng is also the Executive Director of the Manager. Please refer to her profile under the Board of Directors section of this Annual Report.

Loke Huey Teng
Chief Financial Officer

Ms Loke Huey Teng is the Chief Financial Officer of the Manager. She has served in different roles within the Mapletree Group since she joined in May 2004.

Ms Loke is also a Director of Mapletree Commercial Trust Treasury Company Pte. Ltd., a subsidiary of Mapletree Commercial Trust.

Prior to this, Ms Loke was the Chief Financial Officer of Mapletree Industrial Trust Management Ltd., the Manager of Mapletree Industrial Trust. From 2007 to 2010, she held various positions in the Sponsor's Industrial and Singapore Investments Business Units overseeing finance, accounting, corporate finance and treasury activities. Before this, she was the Deputy Chief Financial Officer/Vice President (Corporate Finance) of Mapletree Logistics Trust Management Ltd., and was primarily responsible for the corporate finance function and oversight of the finance and accounting functions of Mapletree Logistics Trust ("MLT") following the public listing of MLT.

Ms Loke was with PSA Corporation Limited from 1998 to 2004 where she held various appointments, including Deputy Regional Manager of its International Business Division. Ms Loke was with the Budget Division of the Ministry of Finance, Singapore, from 1995 to 1998 where her last held position was Assistant Director. She holds a Bachelor of Accountancy (Second Class Upper Honours) degree from the Nanyang Technological University, Singapore.

Sharon Lim
Chief Operating Officer

Ms Sharon Lim is the Chief Operating Officer of the Manager. She joined the Manager in January 2015.

Prior to this, Ms Lim was the Executive Director and Chief Executive Officer of CapitaMalls Malaysia REIT Management Sdn Bhd from April 2010 to October 2014, which is the manager of CapitaMalls Malaysia Trust listed on Bursa Malaysia.

Prior to that, Ms Lim was CapitaMalls Asia's Country Head for Malaysia since 2008. Her 11-year stint at CapitaLand Group also included earlier roles in investment and asset management for CapitaMall Trust.

Ms Lim holds a Master of Business Administration from Murdoch University, and a Bachelor of Business (Distinction) from Royal Melbourne Institute of Technology, Australia.

Chapman Seah
Co-Head, Asset Management/Investments

Mr Chapman Seah is the Co-Head, Asset Management/ Investments of the Manager.

Mr Seah has over 15 years of real estate experience covering investment, asset management, finance and research. Prior to joining the Manager, Mr Seah was the Vice President of Mapletree Investments Pte Ltd where he was responsible for investments and asset management of commercial properties in Singapore, and managing a pan-Asian private equity real estate fund focusing on mezzanine and REIT investments.

Prior to joining the Mapletree Group in 2005, Mr Seah held various positions in public listed companies in the areas of real estate investments, research, corporate finance and banking.

Mr Seah holds a Bachelor of Engineering (Civil) degree (First Class Honours) from the University of Birmingham, United Kingdom.

Koh Wee Leong
Co-Head, Asset Management/Investments

Mr Koh Wee Leong is the Co-Head, Asset Management/ Investments of the Manager. Prior to his current appointment, he was Director, Investor Relations of the Manager.

Prior to joining the Manager, Mr Koh was with the CapitaLand group. From 2007 to 2011, he held various positions at CapitaLand Financial Limited and CapitaValue Homes Limited. His responsibilities included evaluating and executing investments in real estate and financial products in various countries as well as structuring, marketing and managing private equity real estate funds.

From 2005 to 2007, Mr Koh was with KPMG where he carried out projects in business advisory and corporate finance. He started his career in the Singapore Economic Development Board in 2002. Mr Koh has a Bachelor of Engineering from the National University of Singapore and a Master of Science from the Nanyang Technological University.

Goh Peck Cheng
Vice President, Asset Management/Investments

Ms. Goh Peck Cheng is the Vice President, Asset Management/ Investments of the Manager. She was part of the team that launched MCT in 2011.

Prior to joining the Manager, Ms. Goh held asset management and investment positions for Mapletree Logistics Trust Management Ltd. - Manager of Mapletree Logistics Trust, where she was responsible for managing the Trust's logistics portfolio as well as sourcing and evaluating new acquisition opportunities. She has extensive real estate experience including asset management, property investment, and lease management. Ms. Goh obtained a Bachelor of Science degree (Estate Management) with Honours from the National University of Singapore.

Seet Li Nah
Vice President, Finance

Ms Seet Li Nah is the Vice President, Finance of MCT. Her team is responsible for MCT's financial and management reporting as well as the day-to-day running of the Finance operations.

Prior to joining the Manager, Ms Seet worked in Straits Trading Company Limited as AVP in the Finance Group's reporting division. Ms Seet has over 20 years of experience in financial and management reporting and project management working for Millennium & Copthorne International Limited, Yeo Hiap Seng Limited and other organisations. Ms Seet holds an ACCA professional qualification. She is also a non-practising member of the Institute of Singapore Chartered Accountants.

Jason Lim
Senior Manager, Investor Relations

Mr Jason Lim is Senior Manager, Investor Relations of the Manager. He is responsible for maintaining timely and transparent communications with Unitholders, investors and analysts.

Mr Lim has more than nine years of experience in investor relations and corporate communications. Prior to joining the Manager, Mr Lim spent six years with Singtel in the Investor Relations role.

Mr Lim holds a Masters of Business Administration (Finance) and a Bachelor of Communication Studies from Nanyang Technological University.

Wan Kwong Weng
Joint Company Secretary

Mr Wan Kwong Weng is the Joint Company Secretary of the Manager. He is also the Group General Counsel of the Sponsor, where he takes charge of all legal and corporate secretarial matters.

Prior to joining the Sponsor in 2009, Mr Wan was Group General Counsel – Asia at Infineon for 7 years, where he was a key member of its Asia Pacific management team. He started his career as a litigation lawyer with one of the oldest law firms in Singapore, Wee Swee Teow & Co., and was subsequently with the Corporate & Commercial/ Private Equity practice group of Baker & Mackenzie in Singapore and Sydney.

Mr Wan has an LL.B. (Honours) (Newcastle upon Tyne), where he was conferred the Wise Speke Prize, as well as an LL.M. (Merit) (London). He also attended the London Business School Senior Executive Programme. He is called to the Singapore Bar, where he was conferred the Justice FA Chua Memorial Prize, and is also on the Rolls of Solicitors (England & Wales). He was conferred a Public Service Medal (P.B.M.) in 2012 for his contributions to community service.

See Hui Hui
Joint Company Secretary

Ms See Hui Hui is the Joint Company Secretary of the Manager as well as Director, Legal of the Sponsor.

Prior to joining the Sponsor in 2010, Ms See was in the Corporate/Mergers & Acquisitions practice group of WongPartnership LLP, one of the leading law firms in Singapore. She started her career as a litigation lawyer with Tan Kok Quan Partnership.

Ms See holds an LL.B (Honours) from the National University of Singapore, and is admitted to the Singapore Bar.

Sustainability Report

The Manager is committed to the sustainable development of its business, the environment and the well-being of its stakeholders and the communities in which it operates. Its effort in this respect is guided by the Sponsor's corporate social responsibility framework – the "Mapletree Shaping & Sharing Programme".

Environmental Sustainability

Greener Buildings

During the year, the Manager continued to make strides in the direction of building a sustainable environment and promoting green initiatives.

In this regard, PSAB was certified Green Mark Gold^{PLUS} by the Building and Construction Authority ("BCA") of Singapore. With this, all four properties in MCT's portfolio have been certified Green Mark Gold and above by the BCA, demonstrating the Manager's commitment towards environmental sustainability.

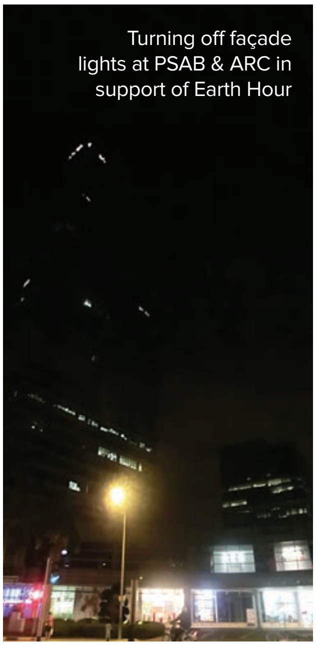
VivoCity and MLHF had been certified BCA Green Mark Gold, while Mapletree Anson was one of the first buildings in Singapore to be certified BCA Green Mark Platinum.

Some of the features of Green Mark buildings include:

- Higher efficiency of the air-conditioning system;
- Improved monitoring and control systems to optimise use of water and electricity;
- Use of energy efficient lighting fixtures to reduce electricity consumption; and
- Use of water efficient features to reduce water consumption.

Supporting Green Initiatives

In collaboration with the Sponsor, the retail malls VivoCity, ARC and HarbourFront Centre jointly launched a campaign "We Support Earth Day" from 22-27 April 2014 to create greater awareness of Earth Day and sustainability concerns of the environment.



Turning off façade lights at PSAB & ARC in support of Earth Hour

The airconditioning in the malls were increased by 1°C and all water features were switched off to reduce energy and water consumption on that day. Participating tenants also reduced the amount of lighting used within their stores.

MCT's office assets, PSA Building, Mapletree Anson and MLHF also participated by increasing aircondition temperature for Level 1 common areas by 1°C, turning off water features for the day, and turning off all external façade lights and non-essential lighting for the night.

As part of efforts to promote awareness on recycling as well as engaging the community, VivoCity partnered with Lasalle College of the Arts to display outdoor furniture made from empty drinking plastic bottles at VivoCity from 22-27 April 2014.

To further demonstrate the commitment towards environmental sustainability, the Manager has opted to use environmentally friendly paper for the production of this Annual Report. In addition, printed copies of the annual report will be made available only upon request.

Community Engagement

Engaging Tenants

The Manager works closely with tenants at MCT's malls to achieve high levels of service quality.

Since July 2010, VivoCity has been conducting monthly Service Excellence Workshops as an in-house induction programme for new employees of both tenants and VivoCity's Centre Management Office. The programme focuses on VivoCity's Service Culture, tips on building customer loyalty, managing customer complaints and service delivery Do's and Don'ts. It also includes a VivoCity tour that highlights key amenities, facilities and unique features of the mall. Each participant of the workshop is given a Service Excellence handbook which provides practical tips and real-life examples of handling customers.

Regular networking sessions are also conducted with MCT's tenants for the Manager to better understand their needs, and to receive valuable feedback on the management of the properties. One of the key networking events held in the past year was VivoCity's 8th Anniversary Celebration, where tenants and partners are invited on board The Royal Albatross, a 47-metre luxury tall ship specially berthed at the waterfront of VivoCity for a night of interaction and entertainment.

In an environment of rising costs, the Manager strived to help tenants where possible. During the year, the Manager devoted more resources on identifying and organising activities that will more directly and effectively drive tenant sales. Further, for both office and retail tenants, the Manager have begun to share some of the energy tariff savings that were achieved, to help ease some of the cost pressures faced by the tenants.

Contributing to a Better Society

MCT's retail malls, with healthy shopper traffic, are ideal platforms to increase the visibility and impact of philanthropic, social and environmental causes. In the past year, VivoCity and ARC have supported a number of meaningful causes, including:

Bone Marrow Donor Programme
24 - 29 June 2014

The Bone Marrow Donor Programme was established in 1993 and their mission is to ensure that every single patient whose life depends upon a bone marrow transplant to survive is given that chance. A roadshow was held at VivoCity from 24-29 June 2014, and the main objective was to educate members of the public about the bone marrow transplant programme and encourage them to sign up to be a donor. The roadshow garnered about 270 donors over the 6 days.

Bone Marrow Donor Programme Roadshow

Festival of Biodiversity
12 - 13 July 2014

The Festival of Biodiversity, organised by the National Parks Board in collaboration with the Biodiversity Roundtable, aims to create awareness and foster a sense of appreciation for our natural heritage and the importance of biodiversity. The Festival was held at VivoCity from 12-13 July 2014, and President Tony Tan Keng Yam attended as the Guest of Honour.

Festival of Biodiversity 2014

SASCO (Singapore Amalgamated Services Co-operative Organisation) Senior Citizens' Home – Awareness on Dementia
21 - 27 July 2014

SASCO Senior Citizens' Home is a registered charity that provides care to the elderly in Singapore. They ran a campaign at Alexandra Retail Center from 21-27 July 2014 to create awareness on dementia and hosted a donation drive where the public could pledge monthly donations to the Home.

Hair for Hope
26 - 27 July 2014
(held in VivoCity for the 5th consecutive year since 2010)

Hair for Hope, an annual event organised by Children Cancer Foundation (CCF), invites members of the public to shave their heads onsite in support of children with cancer. It is the only head-shaving event in Singapore that serves to raise funds and awareness of childhood cancer.

The event also provides a platform for the general public to show their support by means of monetary pledging and the funds raised will contribute to the annual running costs needed to provide critical programmes and services to the children and their families.

VivoCity has been supporting this event as a venue sponsor/ partner since 2010.

Hair for Hope 2014

Sustainability Report


Singapore Red Cross roving exhibition at VivoCity's Plaza

Singapore Red Cross Campaign
10 - 12 October 2014

The Singapore Red Cross is a homegrown humanitarian organisation dedicated to relieve human suffering, protect lives and dignity and respond to emergencies since 1949. The Singapore Red Cross commemorated its 65th Anniversary in September / October 2014, including a roving truck exhibition which stopped by at the VivoCity Plaza from 10-12 October 2014.

Haze: Know It! Stop It! Exhibition
7 - 9 November 2014

The Singapore Institute of International Affairs (SIIA) held the first ground up initiated public education exhibition on the transboundary haze, an annual nuisance that has threatened health and disrupted daily lives in many parts of Indonesia, Malaysia and Singapore. The roadshow brought together representatives from active non-governmental organisations (NGOs) in the region, as well as some private sector key players in the agroforestry and banking industry to engage the public to better understand the possible causes.

World Vision Singapore Awareness Campaign: Every Child, A Smile
5 - 14 December 2014

World Vision is dedicated to working with children, families and communities worldwide to reach their full potential by tackling the causes of poverty and injustice. Through an experiential and educational booth at VivoCity, World Vision raised awareness of the needs of these communities and how we could help.

WWF Save Our Forest Campaign
8 - 21 December 2014

World Wildlife Fund (WWF) conducted a forest-themed roadshow with the main objectives to raise awareness of the importance of protecting forests, increase consumer awareness on how we are linked to species' existence and extinction, and to raise funds for forest conservation and animal protection.

Shaping and Sharing

Through the Sponsor's "Shaping and Sharing" programme, the Manager actively participated in group-wide social initiatives that focuses on two broad objectives of empowering individuals and enriching communities to achieve positive social and environmental impacts.

Education

In FY14/15, the Sponsor contributed S$535,000 to fund bursaries at Singapore's fifth university, Singapore Institute of Technology. With this, the Sponsor has contributed S$2.5 million to the endowment funds of all five Singapore universities, benefitting over 30 students from financially disadvantaged backgrounds every year.

Active involvement in the community

Beyond financial assistance, the Sponsor also encourages active staff involvement in their respective communities. The Mapletree Staff CSR programme was launched in June 2014, where three groups of staff volunteers were awarded seed funding of S$5,000 each to implement their CSR ideas. These included the distribution of necessities by Singapore-based Mapletree volunteers to underprivileged families, specifically, those residing in the Tanjong Pagar and Jalan Kukoh areas.

Internal fundraising

Other staff activities during the year included an internal fundraiser at the Manager and Sponsor's corporate headquarters, Mapletree Business City (MBC), in October 2014. The event saw over 20 staff volunteers preparing home cooked meals, desserts and baked items for sale. The event raised S$25,000, where all proceeds went to HealthServe, a charity offering medical aid and counselling to foreign workers and the disadvantaged.

Blood donation drive

Also at MBC, the Sponsor organised the annual blood donation drive in partnership with Coca Cola in December 2014. Held for the fourth consecutive year, members of Mapletree's Recreational Club contributed over 40 man hours to ensure the smooth running of the two-day drive, which saw 153 bags of blood collected, an increase from 2013.

Arts in the City

Mapletree continued to host regular complimentary lunchtime arts performances at its Singapore flagship development, MBC, during the year. A joint collaboration between Mapletree and National Arts Council, the "Arts in the City" series offers opportunities for the working community in Alexandra Precinct to engage with the arts, while at the same time, providing a platform for local arts groups to showcase their talents.

Employee Engagement

The Manager believes in investing in its people, and integrates programmes by the Sponsor to provide a diverse yet inclusive and collaborative workplace that energises and engages staff to perform at their best.

Attracting talent

A key component of the Sponsor's talent management strategy is to grow its pool of young talents. This is done through two programmes, which target candidates at different stages of their careers. The Mapletree Associate Programme ("MAP") takes fresh graduates through 12 months of intensive on-the-job training; while the Mapletree Executive Programme ("MEP") targets postgraduate degree holders who have some working experience, and puts them through a 24-month programme that includes two job rotations to different business units and functions, to expose them to the demands of the diverse positions available within the Group. In addition, the Manager and Property Manager participated in the Mapletree Internship Programme and Work Placement Programme, offering aspiring students practical hands-on experience in the real estate industry.

Developing people

The Manager is committed to developing its employees as they establish their careers. This includes strengthening technical competencies and building leadership skills at every level. The Mapletree flagship leadership programmes are constantly reviewed and enhanced to remain relevant to business needs. In addition, a diverse pool of external training providers are partnered to design customised courses that cater to the specific needs of its employees and the business.

Engaging Employees

In FY14/15, the Sponsor conducted an employee engagement survey ("EES"). This was the second EES conducted, following the inaugural EES in 2011. Following the feedback received in 2011, action plans targeting areas that would improve engagement levels were executed.

One initiative involved promoting more effective communication by providing different channels for staff to interact with the management. Networking sessions were organised for employees to engage senior managers, including members of the Board of Directors. Through these sessions, employees were able to tap the wealth of knowledge and experience of senior management and the Board of Directors. The second EES saw a higher participation rate, and the scores in many categories such as communication, immediate supervision, decision making and teamwork also improved.

The Manager is now focused on improving areas identified in this EES exercise, such as operating efficiency and training.

Balancing Work-Life

The Mapletree Recreation Club organises a variety of activities to encourage employees to stay healthy and maintain work-life balance. These include health screenings, wellness related talks, workshops on nutrition and weight management and pro-family events such as movie nights. These activities also help to build closer bonds among colleagues. Employees are also encouraged to head home earlier on the annual national "Eat with Your Family Day" in Singapore.

Investor Relations

The Manager is committed to providing accurate and timely information in relation to MCT to Unitholders, fund managers, analysts, media and the general public. Various avenues and modes of communications are maintained to ensure regular and frequent interactions with stakeholders.

Announcements, press releases, investor presentations, and other general information are regularly updated and easily available on MCT's website www.mapletreecommercialtrust.com.

Investors and the general public can also sign up to MCT's electronic mailing list to receive email notifications of any update. All financial news releases and stock exchange announcements are also available on the Singapore Exchange Securities Trading Limited website.

On a regular basis, the Manager meets with existing and potential institutional investors via one-on-one meetings, property tours and participation at investor conferences. To extend its reach to investors globally, the Manager participated in overseas roadshows to key global financial cities including Hong Kong, London, New York and Tokyo. Through these avenues, the Manager has met over 200 existing and potential investors in FY14/15.

Analysts' briefings were held to update on MCT's Half Year and Full Year financial results and operating performance. Investors, fund managers and the general public based in Singapore and overseas had the opportunity to participate in the briefings through a "Live" webcast. On an on-going basis, the Manager plans to organise analysts' briefings and "Live" webcasts biannually for MCT's full year and half-year results analyst briefings.

MCT held its 3rd Annual General Meeting on 18 July 2014. The AGM was well attended by retail investors and all resolutions were approved by Unitholders. In November 2014, MCT, together with the other Mapletree REITs, hosted an analyst gathering at VivoCity. This allowed the analyst community to interact with senior management on an informal basis.

Research Coverage

Bank of America Merrill Lynch	DBS	J.P. Morgan
CIMB	Deutsche Bank	Macquarie Bank
Citigroup	Goldman Sachs	Maybank Kim Eng
Credit Suisse	Jefferies	

Investor Relations Calendar FY14/15

First Quarter (period from 1 April 2014 to 30 June 2014)

- Analysts' Results Briefing and "Live" Webcast for Full Year FY13/14 Results
- Post-Results Investor Luncheon, Singapore, coordinated by DBS Bank
- dbAccess Asia Conference, Singapore, by Deutsche Bank
- Non-deal roadshow to London and US, coordinated by Citigroup

Second Quarter (period from 1 July 2014 to 30 September 2014)

- MCT's 3rd Annual General Meeting
- Post-Results Investor Luncheon, Singapore, coordinated by Credit Suisse

Third Quarter (period from 1 October 2014 to 31 December 2014)

- Analysts' Results Briefing and "Live" Webcast for Half Year FY14/15 Results
- Post-Results Investor Luncheon, Singapore, coordinated by Deutsche Bank
- Morgan Stanley Asia Pacific Summit investor conference

Fourth Quarter (period from 1 January 2015 to 31 March 2015)

- Non-deal roadshow to Tokyo, coordinated by Goldman Sachs
- Post-Results Investor Luncheon, Singapore, coordinated by Bank of America Merrill Lynch

Financial Calendar

1 April 2014 to 31 March 2015 (FY14/15)

18 July 2014	- Annual General Meeting for FY13/14
24 July 2014	- Announcement of Financial Results for the First Quarter FY14/15
4 September 2014	- Payment of First Quarter FY14/15 Distribution to Unitholders and Issuance of New Units to Unitholders pursuant to the Distribution Reinvestment Plan
24 October 2014	- Announcement of Financial Results for the Second Quarter FY14/15 and period from 1 April 2014 to 30 September 2014
4 December 2014	- Payment of Second Quarter FY14/15 Distribution to Unitholders and Issuance of New Units to Unitholders pursuant to the Distribution Reinvestment Plan
21 January 2015	- Announcement of Financial Results for the Third Quarter FY14/15 and period from 1 April 2014 to 31 December 2014
5 March 2015	- Payment of Third Quarter FY14/15 Distribution to Unitholders and Issuance of New Units to Unitholders pursuant to the Distribution Reinvestment Plan
22 April 2015	- Announcement of Financial Results for the Fourth Quarter and Full Year FY14/15
4 June 2015	- Payment of Fourth Quarter Distribution to Unitholders and Issuance of New Units to Unitholders pursuant to the Distribution Reinvestment Plan

1 April 2015 to 31 March 2016 (FY15/16) - Tentative

July 2015	- Annual General Meeting for FY14/15
July 2015	- Announcement of Financial Results for First Quarter FY15/16
September 2015	- Payment of First Quarter FY15/16 Distribution to Unitholders
October 2015	- Announcement of Financial Results for the Second Quarter FY15/16 and the period from 1 April 2015 to 30 September 2015
December 2015	- Payment of Second Quarter FY15/16 Distribution to Unitholders
January 2016	- Announcement of Financial Results for the Third Quarter FY15/16 and the period from 1 April 2015 to 31 December 2015
March 2016	- Payment of Third Quarter FY15/16 Distribution to Unitholders
April 2016	- Announcement of Financial Results for the Fourth Quarter and Full Year FY15/16
June 2016	- Payment of Fourth Quarter FY15/16 Distribution to Unitholders

Unitholder Enquiries

If you have any enquiries or would like to find out more about MCT, please contact:

The Manager

Mr Jason Lim
Senior Manager,
Investor Relations
T: +65 6377 6111
F: +65 6376 2168
Email: enquiries_mct@mapletree.com.sg
W: www.mapletreecommercialtrust.com

Unit Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623
T: +65 6536 5355
F: +65 6438 8710

Unitholder Depository

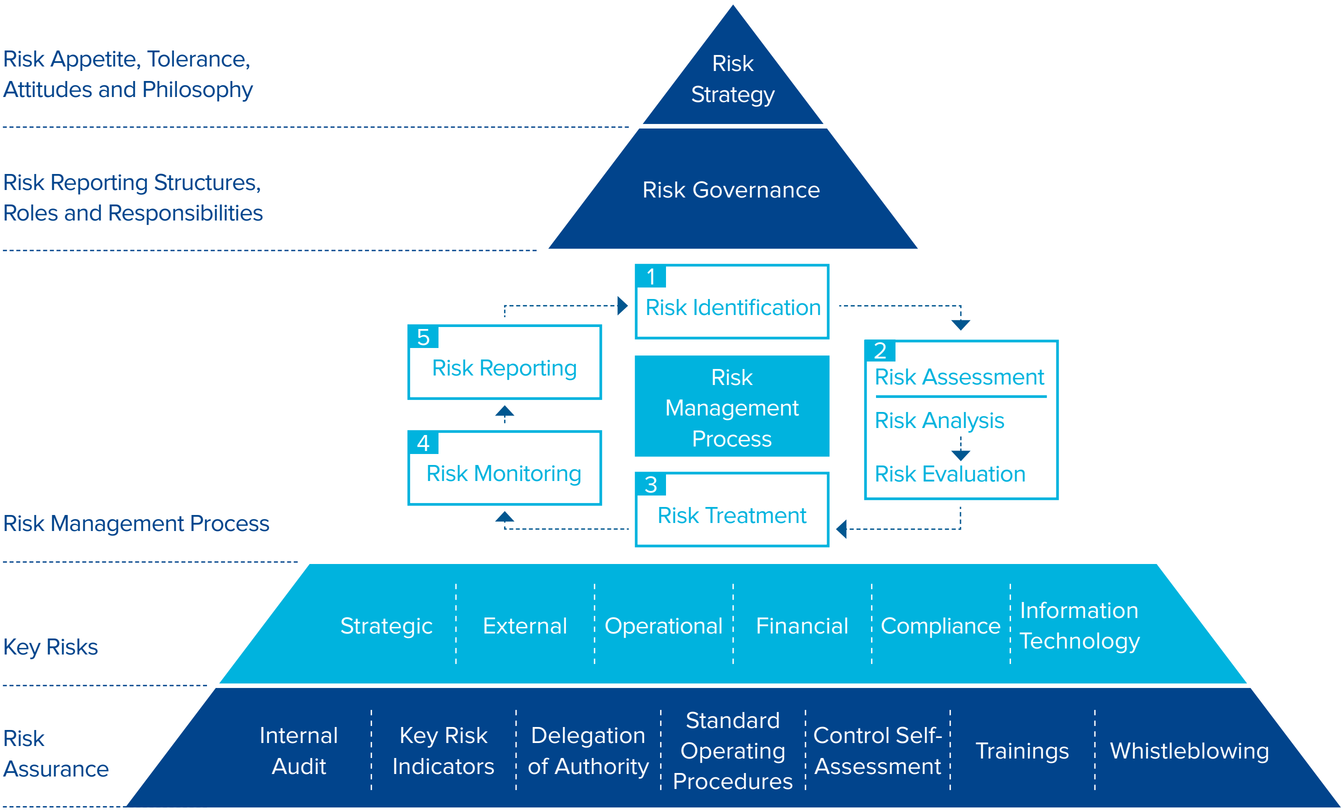
For unitholding account-related matters such as change of details and history unitholding records, please contact:
The Central Depository (Pte) Limited
11 North Buona Vista Drive
#06-07 The Metropolis Tower 2
Singapore 138589
T: +65 6236 8888
F: +65 6535 6994
W: www.sgx.com/cdp

Substantial Unitholder's enquiries

Email: _MCT_disclosure@mapletree.com.sg

Risk Management

Risk management is an integral part of the Manager's business strategy in delivering sustainable and growing returns. In order to safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process as part of its planning and decision making process. The Risk Management function, outsourced to the Sponsor, oversees the Enterprise Risk Management ("ERM") framework which enables the Manager to assess, monitor and manage key risks.



Strong Oversight and Governance

The Board of Directors ("Board") is responsible for determining the overall risk strategy and risk governance, and ensuring that the Manager implements sound risk management and internal control practices. The Board also approves the risk appetite and tolerance statements, which set out the nature and extent of risks it is willing to take in achieving the Manager's business objectives. The Board is supported by the Audit and Risk Committee ("AC"), which comprises independent directors whose collective experience and knowledge serve to guide and challenge the management. The AC has direct access to the Sponsor's Risk Management ("RM") Department who updates the AC quarterly on MCT's portfolio risks.

At the Manager, the risk management culture involves top-down oversight and bottom-up involvement from all employees. This ensures a risk approach that is aligned with its business objectives and strategies for MCT, and integrated with operational processes for effectiveness and accountability.

The Manager's ERM framework is dynamic and evolves with the business. The Sponsor's RM Department works closely with the Manager to review and enhance the risk management system in accordance with market practices and regulatory requirements. A control self-assessment ("CSA") framework further reinforces risk awareness by fostering accountability, control and risk ownership.

Robust Measurement and Analysis

The Manager's risk measurement framework is based on Value-at-Risk ("VaR"), a methodology which measures the volatilities of market and property risk drivers such as rental rates, occupancy rates, capital values and interest rates. It takes into consideration changes in market environment and asset cash flows as they occur. To further complement the VaR methodology, other risks such as refinancing and tenant credit risks are also assessed, monitored and measured as part of the framework where feasible.

With the VaR methodology, risks are measured consistently across the portfolio, enabling the Manager to quantify the benefits that arise from diversification across the portfolio, and to assess risk by asset class or by risk type. In recognition of the limitations of any statistically-based system that relies on historical data, MCT's portfolio is further subject to stress testing and scenario analysis to ensure that businesses remain resilient in the event of unexpected market shocks.

Risk Identification and Assessment

The Manager also identifies key risks, assesses their likelihood and impact on business, and establishes corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated by the Manager regularly. The key risks identified include but are not limited to:

Strategic Risks

MCT's portfolio is subject to real estate market risks such as rental rate and occupancy volatilities in Singapore, and specific factors including competition, supply, demand and regulations. Such risks are quantified, aggregated and monitored for existing assets and prospective acquisitions, where appropriate. Significant risk profile changes or emerging trends are reported for assessment and/or action.

The risks arising from investment activities are managed through a rigorous and disciplined investment approach, particularly in the areas of asset evaluation and pricing. All acquisitions have to be yield accretive on a steady state basis and meet MCT's internal return requirement. Sensitivity analysis is also performed for each acquisition on all key project variables to test the robustness of the assumptions used. Significant acquisitions are further subject to independent review by the Sponsor's RM Department and the findings are included in the investment proposal submitted to the Manager's Board for approval. All investment proposals are subject to vigorous scrutiny by the Board (or delegated to the Management Committee).

On receiving the Board's or Management Committee's approval, the investment proposals are then submitted to the Trustee, who is the final approving authority for all investment proposals.

The Trustee also monitors the compliance of the Manager's executed investment transactions with the restrictions and requirements of the listing manual of the Singapore Exchange Securities Trading Limited, Property Funds Appendix of the Code of Collective Investment Scheme issued by the MAS and the provisions in the Trust Deed.

External Risks

To manage the impact of economic uncertainties in Singapore, the Manager conducts rigorous real estate market research and monitors economic development closely.

Operational Risks

Comprehensive operating, reporting and monitoring guidelines enable the Manager to manage day-to-day activities and mitigate operational risks. To ensure relevance, the Manager regularly reviews its Standard Operating Procedures ("SOPs") and benchmarks them against industry practices where appropriate. Compliance with SOPs is monitored by the CSA framework and reinforced through training of employees and regular reviews by the Sponsor's Internal Audit Department.

Loss of key management personnel and identified talents can cause disruptions to the Manager's business operations and hinder the achievement of its business objectives. The Manager has put in place succession planning, talent management and competitive compensation and benefits plans to reward and retain performing personnel.

The Manager has in place a Business Continuity Plan ("BCP") that should enable it to resume operations with minimal disruption and loss in the event of unforeseen catastrophic events such as terrorism and natural disasters. Annual test on the BCP is coordinated and organised by the Sponsor's Administrative Department on a Group-wide basis. MCT's properties are insured in accordance with industry norms in Singapore.

Credit risks are mitigated from the outset by conducting tenant credit assessment as part of the investment due diligence process prior to an acquisition. For new and sizeable leases, credit assessments of prospective tenants are undertaken prior to signing of lease agreements. On an ongoing basis, tenant credit is closely monitored by the Manager's asset management team and arrears are managed by the Manager's Credit Control Committee which meets fortnightly to review debtor balances. To further mitigate credit risks, security deposits in the form of cash or banker's guarantees are collected from prospective tenants prior to commencement of leases.

Risk Management

Financial Risks

Financial market risks are closely monitored and capital structure of MCT is actively managed by the Manager, and reported to the Board on a quarterly basis. At the portfolio level, the risk impact of interest rate volatility on value is quantified, monitored and reported quarterly using the VaR methodology. Refinancing risk is also quantified, taking into account the concentration of the loan maturity profile and credit spread volatility.

MCT hedges its portfolio exposure to interest rate volatility arising from its floating rate borrowings by way of interest rate swaps and/or caps.

The Manager also actively monitors MCT's cash flow position and requirements to ensure sufficient liquid reserves to fund operations and meet short-term obligations (see Capital Management section on pages 30 to 31 of this Annual Report). In addition, the Manager monitors and mitigates bank concentration risks by having a well-diversified funding base. The limit on gearing is observed and monitored to ensure compliance with the Property Funds Appendix of the Code on Collective Investment Schemes issued by the MAS.

Compliance Risks

MCT is subject to applicable laws and regulations in Singapore. Non-compliance may result in litigation, penalties, fines or revocation of business licenses. The Manager identifies applicable laws and regulatory obligations and embeds compliance in day-to-day business processes.

Information Technology ("IT") Risks

Any system downtime or breach in security may have an adverse impact on the integrity, accuracy and completeness of data and information. The Manager has in place policies and procedures governing information availability, control and governance, and data security. In addition, an IT disaster recovery plan is in place and tested to ensure business recovery objectives are met.

Rigorous Monitoring and Control

The Manager has developed internal key risk indicators that serve as an early-warning system to management by highlighting risks that have escalated beyond established tolerance levels. Management has also established required actions to be taken when risk thresholds are breached.

Every quarter, the Sponsor's RM Department presents to the Board and AC a comprehensive report highlighting key risk exposures, portfolio risk profile, results of stress testing scenarios and status of key risk indicators. The Board and AC are also kept abreast of any material changes to MCT's risk profiles and activities.

Corporate Governance

The Manager of Mapletree Commercial Trust ("MCT") has responsibility over the strategic direction and management of the assets and liabilities of MCT and its subsidiary (collectively, the "Group").

The Manager discharges its responsibility for the benefit of MCT's unitholders ("Unitholders"), in accordance with the applicable laws and regulations as well as the trust deed constituting MCT ("Trust Deed"). To this end, the Manager sets the strategic direction of the Group and gives recommendations to DBS Trustee Limited, in its capacity as trustee of MCT (the "Trustee"), on the acquisition, divestment or enhancement of assets of the Group. As a REIT Manager, the Manager is licensed by the Monetary Authority of Singapore (the "MAS") and granted a Capital Markets Services Licence ("CMS Licence").

The Manager's roles and responsibilities include:

- using its best endeavours to carry out and conduct the Group's business in a proper and efficient manner and to conduct all transactions with or for the Group on an arm's length basis and on normal commercial terms;
- preparing annual budget proposal with forecast on gross revenue, property expenditure, capital expenditure and providing explanations on major variances against prior year's actual results, written commentaries on key issues and any other relevant assumptions. The purpose of such proposals and analysis is to chart the Group's business for the year ahead and to explain the performance of MCT's properties compared to the prior year; and
- ensuring compliance with the applicable laws and regulations, including the Securities and Futures Act of Singapore (Chapter 289), the Listing Manual, the Code on Collective Investment Schemes, the Singapore Code on Takeovers and Mergers, the Trust Deed, the CMS Licence and any tax rulings and all relevant contracts.

The Manager is committed to apply the principles and the spirit of the Code of Corporate Governance (the "Code"). The Code was revised by the MAS in May 2012[1] and save for certain provisions, shall be applicable to annual reports relating to financial years commencing from 1 November 2012. In keeping with our commitment to high standards of corporate governance, the Manager has updated its policies as far as practicable in FY14/15 in order to comply with the revised Code.

The Board of Directors and employees of the Manager are remunerated by the Manager, and not by MCT.

(A) BOARD MATTERS

Board's Conduct of its Affairs
Principle 1: Effective board

Our Policy and Practices

The Manager adopts the principle that an effective Board of Directors (the "Board") for the Manager is one constituted with the right core competencies and diversity of experience, so that the collective wisdom of the Board can give guidance and provide insights as well as strategic thinking to Management.

The key roles of the Board are to:

- guide the corporate strategy and direction of the Manager;
- ensure that senior management discharges business leadership and demonstrates the highest quality of management with integrity and enterprise; and
- oversee the proper conduct of the Manager.

The positions of Chairman and Chief Executive Officer ("CEO") are held by two separate persons in order to maintain effective oversight.

The Board comprises eight Directors, of whom seven are Non-Executive Directors and four are Independent Directors.

The following sets out the composition of the Board:

- Mr Tsang Yam Pui, Chairman and Non-Executive Director;
- Mrs Jennifer Loh, Chairman of the Audit and Risk Committee and Independent Director;
- Mr Michael George William Barclay, Member of the Audit and Risk Committee and Independent Director;
- Mr Koh Cheng Chua, Member of the Audit and Risk Committee and Independent Director[(1)];
- Ms Kwa Kim Li, Independent Director[(2)];
- Mr Hiew Yoon Khong, Non-Executive Director;
- Mr Wong Mun Hoong, Non-Executive Director; and
- Ms Amy Ng, Executive Director and Chief Executive Officer.

Notes:

(1) Mr Koh Cheng Chua was appointed a Member of the Audit and Risk Committee and Independent Director on 9 June 2014.

(2) Ms Kwa Kim Li was appointed as an Independent Director on 30 April 2014.

1 The revised Code is applicable to annual reports relating to financial years commencing from 1 November 2012, save for the requirement for independent directors to make up at least half of the board in specified circumstances (Guideline 2.2 of the revised Code), which will only need to be made at the annual general meetings following the end of the financial year commencing on or after 1 May 2016.

Corporate Governance

The Board comprises business leaders and distinguished professionals with financial, banking, fund management, real estate, legal, investment and accounting experience. The varied backgrounds of the Directors enable Management to benefit from their external, diverse and objective perspectives on issues brought before the Board. Each Director is appointed on the strength of his or her calibre, experience, stature, and potential to give proper guidance to the Manager for the business of the Group. In addition, each Director is given a formal letter of appointment setting out their duties and obligations under the relevant laws and regulations. Their profiles are found on pages 54 to 57 of this Annual Report.

The Board is of the view that the present principal directorships included in their profiles will be sufficient in informing Unitholders of their principal commitments. They meet regularly, at least once every quarter, to review the business performance and outlook of the Group, as well as to deliberate on business strategy, including any significant acquisitions, disposals, fundraising and development projects undertaken by the Group.

The meeting attendance of the Board and the Audit and Risk Committee for FY14/15 is as follows:

Number of meetings held in FY14/15

		Board	Audit and Risk Committee
Number of meetings held in FY14/15		**5**	**5**
Board Members	**Membership**		
Mr Tsang Yam Pui (Appointed on 1 November 2007) (Last reappointment on 18 September 2013)	Chairman and Non-Executive Director	5	N.A.(1)
Mrs Jennifer Loh (Appointed on 29 March 2011) (Last reappointment on 19 September 2014)	Chairman of the Audit and Risk Committee and Independent Director	4	4
Mr Michael George William Barclay (Appointed on 29 March 2011)	Member of the Audit and Risk Committee and Independent Director	5	5
Mr Koh Cheng Chua (Appointed on 9 June 2014) (Last reappointment on 19 September 2014)	Member of the Audit and Risk Committee and Independent Director	4	4
Ms Kwa Kim Li (Appointed on 30 April 2014) (Last reappointment on 19 September 2014)	Independent Director	4	N.A.(1)
Mr Tan Chee Meng(3) (Appointed on 1 April 2011)	Independent Director	-	N.A.(1)
Mr Hiew Yoon Khong (Appointed on 18 May 2007) (Last reappointment on 18 September 2013)	Non-Executive Director	5	N.A.(1)
Mr Wong Mun Hoong (Appointed on 29 March 2011) (Last reappointment on 19 September 2014)	Non-Executive Director	5	5(2)
Ms Amy Ng (Appointed on 1 April 2010) (Last reappointment on 18 September 2013)	Executive Director and Chief Executive Officer	5	5(2)

Notes:

(1) N.A. means not applicable.

(2) Attendance was by invitation.

(3) Mr Tan Chee Meng resigned as an Independent Director on 9 June 2014.

The Board has approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

Board's approval is required for material transactions, including the following:

- equity fundraising;
- acquisition, development and disposal of properties above Board prescribed limits;
- overall project budget variance and ad hoc development budget above Board prescribed limits;
- debt fundraising above Board prescribed limits; and
- derivative contracts above Board prescribed limits.

The Board is updated on any material change to relevant laws, regulations and accounting standards by way of briefings by professionals or by updates issued by Management.

Ms Kwa Kim Li and Mr Koh Cheng Chua, who were appointed on 30 April 2014 and 9 June 2014 respectively, attended an orientation programme conducted by senior management where they were briefed on the Group's business, strategic directions, risk management policies, the regulatory environment in which the Group operates and the governance practices of the Group and the Manager.

Board Composition and Balance
Principle 2: Strong and independent element on the board

Our Policy and Practices

The Manager adopts the principle that at least one-third of its Directors are independent and the majority of its Directors are non-executive. In addition, if the Chairman is not an independent director, at least half of the Board will comprise independent directors. This allows the Directors to engage in robust deliberations with Management and provide external, diverse and objective insights into issues brought before the Board. Further, such composition and separation of the roles of the Chairman and the CEO, provide oversight to ensure that Management discharges its roles with integrity.

Each of the Independent Directors had carried out an assessment on whether there were any relationships or circumstances which may impact their independent status and had either made a negative declaration or disclose such relationship or circumstances as applicable.

The Board had considered the Independent Director status of Mr Michael George William Barclay (who is the Executive Director and Chief Executive Officer of Sentosa Development Corporation ("SDC")). Although the amount received by MCT from SDC in FY14/15 exceeded $200,000, the Board takes the view that his Independent Director status is not compromised as this amount related to the licence fees from licence agreements which were on an arm's length basis and entered prior to the appointment of Mr Barclay as a director of the Manager.

Based on a review of the relationships between the Directors and the Group, the Board considers the following Directors to be independent:

- Mrs Jennifer Loh;
- Mr Michael George William Barclay;
- Mr Koh Cheng Chua (appointed on 9 June 2014); and
- Ms Kwa Kim Li (appointed on 30 April 2014).

In view of the above, half of the Board comprises Independent Directors, which is in line with the Code that provides that independent directors should make up at least half of the Board where the Chairman of the Board is not an independent director.

Chairman and Chief Executive Officer
Principle 3: Clear division of responsibilities

Our Policy and Practices

The Manager adopts the principle of clear separation of the roles and responsibilities between the Chairman of the Board and the CEO of the Manager. The Chairman guides the Board in constructive debates on the strategic direction, management of assets and governance matters. He is non-executive and is free to act independently in the best interests of the Manager and Unitholders. Notwithstanding that the Chairman is not an independent director, the Manager is of the view that the Board is well served by the Independent Directors and therefore a lead independent director is not appointed.

The Chairman and the CEO are not related to each other. The CEO is responsible for the running of the Manager's business operations. She has full executive responsibilities over the business and operational decisions of the Group. The CEO is also responsible for ensuring compliance with the applicable laws and regulations in the day-to-day operations of the Group.

Board Membership
Principle 4: Formal and transparent process for appointments

Our Policy and Practices

As the Manager is not a listed entity, it does not have a Nominating Committee. However, the Manager adopts the principle that Board renewal is an ongoing process to ensure good governance and to remain relevant to the changing needs of the Manager and the Group's business. All appointments and resignations of Board members are approved by the Board.

The composition of the Board is determined using the following principles:

- the Chairman of the Board should be a non-executive director of the Manager;
- the Board should comprise directors with a broad range of commercial experience including expertise in funds management, law, finance, audit, accounting and real estate; and
- at least one-third of the Board should comprise independent directors.

Corporate Governance

The Manager does not, as a matter of policy, limit the maximum number of listed company board representations its Board members may hold as long as each of the Board members is able to commit his/her time and attention to the affairs of the Group, including attending Board and Board committee meetings and contributing constructively to the management of the Manager and the Group.

As a principle of good corporate governance, all Board members are required to submit themselves for re-nomination and re-election at regular intervals. The CEO, as a Board member, is also subject to retirement and re-election.

Board Performance
Principle 5: Formal assessment of the effectiveness of the board

Our Policy and Practices

The Manager adopts the principle that the Board's performance is ultimately reflected in the performance of the Manager and the Group.

To assess the performance of the Board and the Audit and Risk Committee ("AC"), the Manager conducts confidential board effectiveness surveys on a bi-yearly basis. The last survey was undertaken in April 2014, with the findings evaluated by the Board in July 2014. The Board is of the view that it has met its performance objectives.

Each Board member is given sufficient time to bring to the Board his or her perspective to enable fruitful discussions in order for balanced and well considered decisions to be made.

Access to Information
Principle 6: Complete, adequate and timely access to information

Our Policy and Practices

The Manager adopts the principle that the Board shall be provided with timely and complete information prior to Board meetings and as well as when the need arises.

Management is required to provide adequate and timely information to the Board, which includes matters requiring the Board's decision as well as on-going reports relating to the operational and financial performance of the Group. Management is also required to furnish any additional information requested by the Board, in a timely manner in order for the Board to make informed decisions.

The Board has separate and independent access to Management and the Company Secretary.

The Company Secretary attends to the administration of corporate secretarial matters and advises the Board on governance matters. The Company Secretary also attends all Board and Board committee meetings and provides assistance to the Chairman in ensuring adherence to Board procedures.

The Board takes independent professional advice as and when necessary to enable it or the Independent Directors to discharge their responsibilities effectively. The AC meets the external and internal auditors separately at least once a year, without the presence of Management.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies
Principle 7: Formal and transparent procedure for fixing the remuneration of directors

Level and Mix of Remuneration
Principle 8: Appropriate level of remuneration

Disclosure on Remuneration
Principle 9: Clear disclosure of remuneration matters

Our Policy and Practices

The Manager adopts the principle that remuneration matters should be sufficiently structured and benchmarked with good market practices to attract qualified talent to grow and manage its business.

The Manager adopts the principle that remuneration for the Board and senior management should be viewed in totality. The remuneration structure supports the continuous development of the management bench strength to ensure robust talent management and succession planning.

As the Manager is not a listed entity, it is not presently considered necessary for it to have a remuneration committee. However, as a subsidiary of the Sponsor, the Manager takes its reference from the remuneration policies and practices of the Sponsor in determining the remuneration of the Board and key executives. The Executive Resources and Compensation Committee ("Mapletree's ERCC") of the Sponsor at group level serves the crucial role of helping to ensure that the Manager is able to recruit and retain the best talent to drive its business forward.

The members of Mapletree's ERCC are:
- Mr Edmund Cheng Wai Wing (Chairman);
- Mr Paul Ma Kah Woh (Member); and
- Ms Chan Wai Ching, Senior Managing Director, Temasek International Pte. Ltd. (Co-opted Member).

All the members of Mapletree's ERCC are independent of Management. Mapletree's ERCC oversees executive compensation and development of the management bench strength, so as to build and augment a capable and dedicated management team, and gives guidance on progressive policies which can attract, motivate and retain a pool of talented executives for the present and future growth of the Manager.

Specifically, Mapletree's ERCC, with the assistance of compensation consultants where necessary:

- establishes compensation policies for key executives;
- approves salary reviews, bonuses and incentives for key executives;
- approves key appointments and reviews succession plans for key positions; and
- oversees the development of key executives and younger talented executives.

Mapletree's ERCC conducts an annual succession planning review of the CEO and selected key positions in the Manager. In this regard, potential internal and external candidates for succession are reviewed for immediate, medium term and longer term needs. A total of five meetings were held by the Mapletree's ERCC in FY14/15.

The remuneration of the Board and the employees of the Manager is paid by the Manager from the fees it receives from MCT, and not by MCT. Since MCT does not bear the remuneration of the Manager's Board and employees, the Manager does not consider it necessary to include information (other than as set out below) on the remuneration of its Directors and its key executives.

The Chairman and the Non-Executive Directors have no service contracts with the Manager. Save for Mr Hiew Yoon Khong, Mr Wong Mun Hoong and Ms Amy Ng, all Directors receive a basic fee and, where applicable, an additional fee for serving on the AC. The director's fees payable to Mr Michael George William Barclay is paid to the Directorship & Consultancy Appointments Council.

Mr Hiew Yoon Khong and Mr Wong Mun Hoong, respectively the Group Chief Executive Officer and the Group Chief Financial Officer of the Sponsor, also do not receive director's fees for serving as Non-Executive Directors of the Manager.

The CEO, as an Executive Director, does not receive director's fees. She is a lead member of Management. Her compensation comprises salary, allowances, bonuses and share appreciation awards from the Sponsor. The latter is conditional upon her meeting certain performance targets. The CEO is not present during the discussions relating to her own compensation and terms and conditions of service, and the review of her performance. However, the Board's views of the CEO's performance are shared with her.

Directors' fees are subject to the approval of the Manager's shareholder and the directors' fees paid to the Board for FY14/15 are as follows:

Directors' fees

Board Members	Membership	FY2014/15
Mr Tsang Yam Pui	Chairman and Non-Executive Director	S$140,000.00[(1)]
Mrs Jennifer Loh	Chairman of the Audit and Risk Committee and Independent Director	S$95,000.00
Mr Michael George William Barclay	Member of the Audit and Risk Committee and Independent Director	S$82,500.00
Mr Koh Cheng Chua	Member of the Audit and Risk Committee and Independent Director	S$66,916.66[(2)]
Ms Kwa Kim Li	Independent Director	S$50,569.44[(3)]
Mr Tan Chee Meng[(4)]	Independent Director	S$10,388.88
Mr Hiew Yoon Khong	Non-Executive Director	Nil
Mr Wong Mun Hoong	Non-Executive Director	Nil
Ms Amy Ng	Executive Director and Chief Executive Officer	Nil

Notes:

(1) This includes attendance fees for Mr Tsang Yam Pui being a director who is not residing in Singapore.

(2) The director's fees paid to Mr Koh Cheng Chua is for the period of appointment from 9 June 2014 to 31 March 2015.

(3) The director's fees paid to Ms Kwa Kim Li is for the period of appointment from 30 April 2014 to 31 March 2015.

(4) Mr Tan Chee Meng resigned as an Independent Director on 9 June 2014.

Corporate Governance

(C) ACCOUNTABILITY AND AUDIT

Accountability
Principle 10: Balanced and understandable assessment of the company's performance, position and prospects

Our Policy and Practices
The Manager adopts the principle that to build confidence among stakeholders, there is a need to deliver sustainable value.

The Manager complies with statutory and regulatory requirements as well as adopts best practices in the Group's business processes. The Board is also apprised of the performance of the Group and the business and market outlook on a regular basis to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

Internal Controls
Principle 11: Sound system of internal controls and risk management

Our Policy and Practices
The Manager adopts the principle that a sound system of internal controls and risk management is necessary for the Group's business.

The Manager, working with the Sponsor, has established internal control and risk management systems that address key operational, financial, compliance and information technology risks relevant to the Group's business and operating environment. These systems provide reasonable but not absolute assurance on the achievement of their intended internal control and risk management objectives.

The key elements of the Group's internal control and risk management systems are as follows:

Operating Structure
The Manager has a well-defined operating structure with clear lines of responsibility and delegated authority, as well as reporting mechanisms to senior management and the Board. This structure includes certain functions, such as Human Resources, Information Systems & Technology, Internal Audit, Legal and Risk Management, which are outsourced to the Sponsor. The Manager also conducts an annual review of such outsourced functions to ensure required performance standards are met.

Policies, Procedures and Practices
Controls are detailed in formal procedures and manuals. For example, the Board has approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

Board's approval is required for material transactions, including the following:
- equity fundraising;
- acquisition, development and disposal of properties above Board prescribed limits;
- overall project budget variance and ad hoc development budget above Board prescribed limits;
- debt fundraising above Board prescribed limits; and
- derivative contracts above Board prescribed limits.

The Group's procedures and practices are regularly reviewed and revised where necessary to enhance controls and efficiency. The Group has implemented a Control Self Assessment programme to promote accountability, control and risk ownership, in order to cultivate a stronger sense of risk awareness and compliance with internal controls within the Group.

The Internal Audit function which is outsourced to the Sponsor verifies compliance with the control procedures and policies established within the internal control and risk management systems.

Whistle-blowing Policy
To reinforce a culture of good business ethics and governance, the Manager has a Whistle-blowing Policy to encourage the reporting, in good faith, of any suspected improper conduct, including possible financial irregularities, while protecting the whistleblowers from reprisals. Any such incidents reported relating to the Group or the Manager shall be notified to the AC Chairman for investigation and to the AC for deliberation on the findings.

Risk Management
Risk management is an integral part of business management by the Manager. In order to safeguard and create value for Unitholders, the Manager proactively manages risks and incorporates the risk management process into the Manager's planning and decision making process.

The Risk Management function which is outsourced to the Sponsor's Risk Management Department oversees the Enterprise Risk Management ("ERM") framework, which enables the Manager to assess, mitigate and monitor key risks. The Risk Management function reports to the AC and the Board independently, on a quarterly basis, on key risk exposures, portfolio risk profile and activities in respect of significant risk matters.

The risk management system established by the Manager, which encompass the ERM framework and the risk management process, is dynamic and evolves with the business. The Manager has identified key risks, assessed their likelihood and impact on MCT's business, and established corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The Risk Management function works closely with the Manager to review and enhance the risk management system to be in line with market practices and regulatory requirements.

The Manager's policies and procedures relating to risk management can be found on pages 68 to 70 of this Annual Report.

Information Technology ("IT") Controls

As part of the Group's risk management process, IT controls have been put in place and are periodically reviewed to ensure that IT risks are identified and mitigated. In addition, as part of the Manager's business continuity plan, IT disaster recovery planning and tests are conducted to ensure that critical IT systems will remain functional in a crisis situation.

Financial Reporting

The Board is updated on a quarterly basis on the Group's financial performance. The Manager reports on significant variances in financial performance, in comparison with budgets and financial performance of corresponding periods in the preceding year and provides an updated full year forecast. In addition, the Board is provided with quarterly updates on key operational activities.

A management representation letter is provided in connection with the preparation of the Group's financial statements presented to the AC and Board quarterly. The representation letter is supported by declarations made individually by the various Heads of Department. Compliance checklists on announcement of financial statements, which are required for submission to the SGX-ST, are reviewed and confirmed by the Chief Financial Officer ("CFO").

The Group's financial results are reported to Unitholders quarterly in accordance with the requirements of the SGX-ST. These results announcements provide analyses of significant variances in financial performance and commentary on the industry's competitive conditions 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.

Detailed disclosure and analysis of the full year financial performance of the Group are set out in the Annual Report.

Financial Management

Management reviews the performance of the MCT portfolio properties on a monthly basis in order to maintain financial and operational discipline.

The key financial risks which the Group is exposed to include interest rate risk, liquidity risk, and credit risk. Where appropriate, the Manager hedges the Group against interest rate fluctuations. In addition, the Manager proactively manages liquidity risk by ensuring that sufficient working capital lines and loan facilities are maintained. The Manager's capital management strategy can be found on pages 30 to 31 of this Annual Report. The Manager also has in place credit control procedures for managing tenant credit risk and monitoring of debt collection.

Internal Audit

The Internal Audit function ("IA") which is outsourced to the Sponsor's Internal Audit Department prepares a risk-based audit plan annually to review the adequacy and effectiveness of the Group's system of internal controls and this audit plan is approved by the AC before execution. The IA is also involved during the year in conducting ad-hoc audits and reviews that may be requested by the AC or Management on specific areas of concern. In doing so, the IA obtains reasonable assurance that business objectives for the process under review are being achieved and key control mechanisms are in place.

Upon completion of each review, a formal report detailing the audit findings and the appropriate recommendations is issued to the AC. The IA monitors and reports on the timely implementation of the action plans to Management and the AC on a quarterly basis.

The external auditors provide an independent perspective on certain aspects of the internal financial controls system arising from their work and report their findings to the AC on an annual basis. The external auditors are also kept abreast of the Manager's Control Self Assessment programme.

Corporate Governance

Interested Person Transactions

All interested person transactions are undertaken on normal commercial terms and the AC regularly reviews all interested party transactions to ensure compliance with the internal control system as well as with relevant provisions of the Listing Manual and Appendix 6 of the Code on Collective Investment Schemes issued by the MAS (the "Property Funds Appendix"). In addition, the Trustee has the right to review such transactions to ascertain that the Property Funds Appendix has been complied with.

The following procedures are also undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of the Group's net tangible assets will be subject to review by the AC at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of the Group's net tangible assets will be subject to the review and prior approval of the AC. Such approval shall only be given if the transactions are on normal commercial terms and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 5.0% of the value of the Group's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the AC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of the Unitholders.

The interested person transactions undertaken by the Group in FY14/15 can be found on page 130 of this Annual Report. For the purpose of the disclosure, the full contract sum was used where an interested person transaction had a fixed term and contract value, while the annual amount incurred and/or accrued was used where an interested person transaction had an indefinite term or where the contract sum was not specified.

Dealing in MCT units

The Manager adopts the best practices on dealings in securities set out in the Listing Manual. All Directors are required to disclose their interests in MCT and are also provided with disclosures of interests by other Directors as well as reminders on trading bans.

On trading in MCT units, the Directors and employees of the Manager are reminded not to deal in MCT units on short term considerations and are prohibited from dealing in MCT units:

- in the period commencing one month before the public announcement of the Group's annual results;
- in the period commencing two weeks before the public announcement of the Group's quarterly and semi-annual results; and
- at any time whilst in possession of price-sensitive information.

Each Director is required to give notice to the Manager of his or her acquisition of MCT units or of changes in the number of MCT units which he or she holds or in which he or she has an interest, within two business days of such acquisition or change of interest. In addition, employees of the Manager and the Sponsor are to give pre-trading notifications before any dealing in MCT units.

Role of the Board and AC

The Board recognises the importance of maintaining a sound internal control and risk management system to safeguard the assets of the Group and Unitholders' interests, through a framework that enables risks to be assessed and managed.

The AC provides oversight of the financial reporting risks, accounting policies and the adequacy and effectiveness of the Group's internal control and risk management system as well as its compliance system.

The Board and the AC also took into account the results from the Control Self Assessment programme, which requires the respective departments of the Manager to review and report on compliance with their key control processes.

It should be recognised that all internal control and risk management systems contain inherent limitations and, accordingly, the internal control and risk management systems can only provide reasonable but not absolute assurance.

The Board has received assurance from the CEO and the CFO (a) that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (b) on the effectiveness of the Group's internal control and risk management systems.

Opinion on Internal Controls

Based on the internal control and risk management systems established and maintained by the Manager and the Sponsor, work performed by the Sponsor's Internal Audit and Risk Management departments as well as by the external auditors, reviews performed by Management and the above assurance from the CEO and the CFO, the Board, with the concurrence of the AC, is of the opinion that the Group's internal control and risk management systems, addressing key financial, operational, compliance, information technology and risk management objectives and which the Group considers relevant and material to its operations, were adequate and effective to meet the needs of the Group in its business environment as at 31 March 2015.

Audit and Risk Committee
Principle 12: Written terms of reference

Our Policy and Practices

The Board is supported by the AC which provides additional oversight of financial, risks and audit matters, so as to maximise the effectiveness of the Board and foster active participation and contribution.

The Manager adopts the principle that the AC shall have at least three members, all of whom must be non-executive and the majority of whom must be independent.

The AC consisted of three members. They are:

- Mrs Jennifer Loh, Chairman;
- Mr Michael George William Barclay, Member; and
- Mr Koh Cheng Chua, Member (appointed on 9 June 2014).

The AC has a set of Terms of Reference dealing with its scope and authority, which include:

- review of annual internal and external audit plans;
- examination of Interested Person Transactions;
- review of audit findings of internal and external auditors as well as management responses to them;
- evaluation of the nature and extent of non-audit services performed by external auditors. In this regard, for the financial year ended 31 March 2015, MCT paid S$84,200 to the external auditors PricewaterhouseCoopers LLP ("PwC") for audit services. There were no payments made for any non-audit services;
- review of the quality and reliability of information prepared for inclusion in financial reports;
- recommendation of the appointment and re-appointment of external auditors; and
- approval of the remuneration and terms of engagement of external auditors.

In addition, the AC also:

- meets with the external and internal auditors, without the presence of Management, at least once a year to review and discuss the financial reporting process, system of internal controls (including financial, operational, compliance and information technology controls), significant comments and recommendations; and
- reviews and, if required, investigates the matters reported via the whistle-blowing mechanism, by which staff may, in confidence, raise concerns about suspected improprieties including financial irregularities.

The objective of the whistle-blowing mechanism is to ensure that arrangements are in place for independent investigations of any reported matters and reviews of such investigations, to ensure appropriate follow-up actions are taken.

A total of five AC meetings were held in FY14/15.

The Manager, on behalf of the Group, confirms that the Group has complied with Rules 712 and 715 of the Listing Manual in relation to the Group's auditing firm.

Internal Audit
Principle 13: Independent internal audit function

Our Policy and Practices

The Manager adopts the principle that a robust system of internal audits is required to safeguard Unitholders' interests, the Group's assets, and to manage risks. Apart from the AC, other Board committees may be set up from time to time to address specific issues or risks.

The IA is outsourced to the Sponsor's Internal Audit Department and the IA reports directly to the Chairman of the AC of both the Manager and the Sponsor.

The role of IA is to conduct internal audit work in consultation with, but independently of, Management. Its annual audit plan and audit findings are submitted to the AC. The AC also meets with the IA at least once a year without the presence of Management.

The Sponsor's Internal Audit Department is a corporate member of the Singapore branch of the Institute of Internal Auditors Inc. ("IIA"), which has its headquarters in the USA. IA subscribes to, and is in conformance with, the Standards for the Professional Practice of Internal Auditing ("Standards") developed by the IIA and has incorporated these standards into its audit practices.

The Standards set by the IIA cover requirements on:

- independence and objectivity;
- proficiency and due professional care;
- managing the internal audit activity;
- engagement planning;
- performing engagement; and
- communicating results.

IA staff involved in IT audits are Certified Information System Auditors and members of the Information System Audit and Control Association ("ISACA") in the USA. The ISACA Information System Auditing Standards provide guidance on the standards and procedures to be applied in IT audits.

To ensure that the internal audits are performed by competent professionals, the Sponsor's Internal Audit Department recruits and employs qualified staff. In order that their technical knowledge remains current and relevant, IA identifies and provides training and development opportunities to the staff.

In compliance with the IIA Standards, an external quality assessment review ("QAR") of the Sponsor's Internal Audit Department is conducted at least once every five years by a qualified, independent reviewer. The last external QAR of IA was completed in January 2013 and the QAR concluded that the Sponsor's Internal Audit Department was in conformance with the IIA Standards.

Corporate Governance

(D) SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights
Principle 14: Fair and equitable treatment of all shareholders

Communication with Shareholders
Principle 15: Regular, effective and fair communication with shareholders

Conduct of Shareholder Meetings
Principle 16: Greater shareholder participation at annual general meetings

Our Policy and Practices

The Manager adopts the principle that all Unitholders should be treated fairly and equitably and their ownership rights arising from their unitholdings should be recognised.

To this end, the Manager issues via SGXNET announcements and press releases on the Group's latest corporate developments on an immediate basis where required under the Listing Manual. Where immediate disclosure is not practicable, the relevant announcement will be made as soon as possible to ensure that all stakeholders and the public have equal access to the information.

All Unitholders are entitled to receive the annual report in digital format packaged in a compact disc with the option of receiving a printed version. The annual report encloses a notice of annual general meeting and a proxy form with instructions on the appointment of proxies. The notice of annual general meeting for each annual general meeting is also published via SGXNET. An annual general meeting is held once a year to provide a platform for Unitholders to interact with the Board and Management, in particular the Chairman of the Board, the Chairman of the AC, the CEO and the CFO. The external auditors are also present to address Unitholders' queries about the audit and the financial statements of the Group.

Similarly, where a general meeting is convened, all Unitholders are entitled to receive a circular enclosing a proxy form with instructions on the appointment of proxies. Prior to voting at an annual general meeting or any other general meeting, the voting procedures will be made known to the Unitholders to facilitate them in exercising their votes.

The Chairman of the Board will usually demand for a poll to be taken for resolutions proposed at an annual general meeting and any other general meeting and thereafter voting will be conducted by electronic polling. The Manager will announce the results of the votes cast for and against each resolution and the respective percentages and prepare minutes of such meetings.

The Manager has an Investor Relations Department which works with the Legal and Corporate Secretariat Department of the Sponsor to ensure the Group's compliance with the legal and regulatory requirements applicable to listed REITs, as well as to incorporate best practices in its investor relations programme.

The Manager regularly communicates major developments in the Group's businesses and operations to Unitholders, analysts and the media through the issuance of announcements and press releases. In addition, all announcements and press releases are first made on SGXNET and subsequently on MCT's website.

Investors can subscribe to email alerts of all announcements and press releases issued by MCT through its website. "Live" webcast of analyst briefings are conducted, where practicable.

The Manager also communicates with MCT's investors on a regular basis through group/individual meetings with investors, investor conferences and non-deal roadshows. The Manager's CEO and CFO are present at briefings and communication sessions to answer questions.

MCT's distribution policy is to distribute at least 90% of its taxable income, comprising substantially its income from the letting of its properties and related property service income after deduction of allowable expenses, and such distributions are typically paid on a quarterly basis. For FY14/15, MCT has made four distributions to Unitholders.

Financial Statements

82	Report of the Trustee
83	Statement by the Manager
84	Independent Auditor's Report
85	Statements of Total Return
86	Statements of Financial Position
87	Distribution Statements
88	Consolidated Statement of Cash Flows
89	Statements of Movements in Unitholders' Funds
90	Portfolio Statement
92	Notes to the Financial Statements

Report of the Trustee

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

DBS Trustee Limited (the "Trustee") is under a duty to take into custody and hold the assets of Mapletree Commercial Trust ("MCT") and its subsidiary (the "Group") in trust for the holders of units in MCT ("Unitholders"). In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Mapletree Commercial Trust Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed MCT and the Group during the period covered by these financial statements, set out on pages 85 to 127, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
DBS Trustee Limited

Jane Lim
Director

Singapore, 8 May 2015

Statement by the Manager

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

In the opinion of the directors of Mapletree Commercial Trust Management Ltd., the accompanying financial statements of Mapletree Commercial Trust ("MCT") and its subsidiary (the "Group") as set out on pages 85 to 127, comprising the Statements of Financial Position and Portfolio Statement of MCT and the Group as at 31 March 2015, the Statements of Total Return, Distribution Statements and Statements of Movements in Unitholders' Funds of MCT and the Group, the Consolidated Statement of Cash Flows of the Group and Notes to the Financial Statements for the year then ended are drawn up so as to present fairly, in all material respects, the financial position of MCT and of the Group as at 31 March 2015 and the total return, amount distributable and movements of Unitholders' funds of MCT and the Group and consolidated cash flows of the Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that MCT and the Group will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
Mapletree Commercial Trust Management Ltd.

Amy Ng
Director

Singapore, 8 May 2015

Independent Auditor's Report

TO THE UNITHOLDERS OF MAPLETREE COMMERCIAL TRUST

(Constituted under a Trust Deed in the Republic of Singapore)

Report on the Financial Statements

We have audited the accompanying financial statements of Mapletree Commercial Trust ("MCT") and its subsidiary (the "Group"), which comprise the Statements of Financial Position and Portfolio Statement of MCT and the Group as at 31 March 2015, the Statements of Total Return, Distribution Statements and Statements of Movements in Unitholders' Funds of MCT and the Group, and the Consolidated Statement of Cash Flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 85 to 127.

Manager's Responsibility for the Financial Statements

The Manager of MCT (the "Manager") is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, and for such internal accounting controls as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of MCT and of the Group as at 31 March 2015 and the total return, amount distributable, movements in Unitholders' funds of MCT and the Group, and consolidated cash flows of the Group for the year then ended 31 March 2015 in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 8 May 2015

Statements of Total Return

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

		Group		MCT	
	Note	**2015 $'000**	2014 $'000	**2015 $'000**	2014 $'000
Gross revenue	3	**282,476**	267,176	**282,476**	267,176
Property operating expenses	4	**(70,782)**	(71,900)	**(70,782)**	(71,900)
Net property income		**211,694**	195,276	**211,694**	195,276
Finance income		**171**	197	**171**	197
Finance expenses	5	**(35,953)**	(34,873)	**(35,953)**	(34,873)
Manager's management fees					
- Base fees		**(10,280)**	(9,799)	**(10,280)**	(9,799)
- Performance fees		**(8,468)**	(7,811)	**(8,468)**	(7,811)
Trustee's fees		**(561)**	(542)	**(561)**	(542)
Other trust expenses	6	**(805)**	(1,217)	**(811)**	(1,222)
Net income		**155,798**	141,231	**155,792**	141,226
Net change in fair value of financial derivatives		**(13)**	1,325	**(13)**	1,325
Fair value gains on investment properties	12	**156,266**	200,727	**156,266**	200,727
Total return for the financial year before income tax		**312,051**	343,283	**312,045**	343,278
Income tax	7(a)	*****	-	**-**	-
Total return for the financial year after income tax before distribution		**312,051**	343,283	**312,045**	343,278
Earnings per unit (cents)					
- Basic	8	**14.88**	16.56	**14.88**	16.56
- Diluted	8	**14.88**	16.56	**14.88**	16.56

* Amount is less than $1,000

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

AS AT 31 MARCH 2015

		Group		MCT	
	Note	**2015 $'000**	2014 $'000	**2015 $'000**	2014 $'000
ASSETS					
Current assets					
Cash and cash equivalents	9	**54,868**	70,420	**54,861**	70,401
Trade and other receivables	10	**3,289**	3,795	**3,308**	3,795
Other current assets	11	**567**	630	**567**	630
		58,724	74,845	**58,736**	74,826
Non-current assets					
Investment properties	12	**4,199,000**	4,034,000	**4,199,000**	4,034,000
Plant and equipment	13	**123**	15	**123**	15
Investment in subsidiary	14	**-**	-	*	*
Derivative financial instruments	15	**4,907**	768	**4,907**	768
		4,204,030	4,034,783	**4,204,030**	4,034,783
Total assets		**4,262,754**	4,109,628	**4,262,766**	4,109,609
LIABILITIES					
Current liabilities					
Derivative financial instruments	15	**36**	3,072	**36**	3,072
Trade and other payables	16	**61,724**	53,503	**61,752**	53,494
Borrowings	17	**188,597**	338,596	**188,597**	338,596
Current income tax liabilities	7(c)	**5,111**	5,078	**5,111**	5,078
		255,468	400,249	**255,496**	400,240
Non-current liabilities					
Derivative financial instruments	15	**1,376**	616	**1,376**	616
Other payables	16	**30,960**	34,236	**30,960**	34,236
Borrowings	17	**1,357,923**	1,248,879	**879,816**	1,019,382
Loans from a subsidiary	17	**-**	-	**478,107**	229,497
		1,390,259	1,283,731	**1,390,259**	1,283,731
Total liabilities		**1,645,727**	1,683,980	**1,645,755**	1,683,971
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		**2,617,027**	2,425,648	**2,617,011**	2,425,638
Represented by:					
Unitholders' funds		**2,612,230**	2,427,279	**2,612,214**	2,427,269
Hedging reserve	18	**4,797**	(1,631)	**4,797**	(1,631)
		2,617,027	2,425,648	**2,617,011**	2,425,638
UNITS IN ISSUE ('000)	19	**2,111,947**	2,082,825	**2,111,947**	2,082,825
NET ASSET VALUE PER UNIT ($)		**1.24**	1.16	**1.24**	1.16

* Amount is less than $1,000

The accompanying notes form an integral part of these financial statements.

Distribution Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Amount available for distribution to Unitholders at the beginning of year	**75,702**	58,456	**75,702**	58,456
Total return for the year after income tax before distribution	**312,051**	343,283	**312,045**	343,278
Adjustment for net effect of non-tax deductible/(chargeable) items and other adjustments (Note A)	**(143,734)**	(190,296)	**(143,728)**	(190,291)
Amount available for distribution	**244,019**	211,443	**244,019**	211,443
Distribution to Unitholders:				
Distribution of 1.953 cents per unit for the period from 1 January 2014 to 31 March 2014	**(40,678)**	-	**(40,678)**	-
Distribution of 1.95 cents per unit for the period from 1 April 2014 to 30 June 2014	**(40,801)**	-	**(40,801)**	-
Distribution of 1.97 cents per unit for the period from 1 July 2014 to 30 September 2014	**(41,335)**	-	**(41,335)**	-
Distribution of 2.08 cents per unit for the period from 1 October 2014 to 31 December 2014	**(43,758)**	-	**(43,758)**	-
Distribution of 1.134 cents per unit for the period from 4 February 2013 to 31 March 2013	**-**	(23,448)	**-**	(23,448)
Distribution of 1.753 cents per unit for the period from 1 April 2013 to 30 June 2013	**-**	(36,274)	**-**	(36,274)
Distribution of 1.801 cents per unit for the period from 1 July 2013 to 30 September 2013	**-**	(37,314)	**-**	(37,314)
Distribution of 1.865 cents per unit for the period from 1 October 2013 to 31 December 2013	**-**	(38,705)	**-**	(38,705)
Total Unitholders' distribution	**(166,572)**	(135,741)	**(166,572)**	(135,741)
Amount available for distribution to Unitholders at end of the year	**77,447**	75,702	**77,447**	75,702

Note A:

Adjustment for net effect of non-tax deductible/(chargeable) items and other adjustments comprise:

	Group 2015 $'000	Group 2014 $'000	MCT 2015 $'000	MCT 2014 $'000
Major non-tax deductible/(chargeable) items:				
- Management fees paid/payable in units	**9,374**	8,805	**9,374**	8,805
- Trustee's fees	**561**	542	**561**	542
- Financing fees	**2,731**	1,848	**2,731**	1,848
- Net fair value losses/(gains) on financial derivatives	**13**	(1,325)	**13**	(1,325)
- Fair value gains on investment properties	**(156,266)**	(200,727)	**(156,266)**	(200,727)
- Unrealised foreign exchange gain	**(560)**	-	**(560)**	-
- Other non-tax deductible items and other adjustments	**413**	561	**419**	566
	(143,734)	(190,296)	**(143,728)**	(190,291)

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015 $'000	2014 $'000
Cash flows from operating activities			
Total return for the financial year after income tax before distribution		**312,051**	343,283
Adjustments for:			
- Depreciation		**21**	7
- (Reversal)/Impairment of trade receivables		**(18)**	15
- Unrealised foreign exchange gain		**(560)**	-
- Fair value gains on investment properties		**(156,266)**	(200,727)
- Fair value change in financial derivatives		**13**	(1,325)
- Finance income		**(171)**	(197)
- Finance expenses		**35,953**	34,873
- Manager's management fees paid/payable in units		**9,374**	8,805
		200,397	184,734
Change in working capital:			
- Trade and other receivables		**537**	3,298
- Other current assets		**(28)**	(32)
- Trade and other payables		**2,558**	70
Cash generated from operations		**203,464**	188,070
Income tax refund		**33**	721
Net cash generated from operating activities		**203,497**	188,791
Cash flows from investing activities			
Additions to investment properties		**(7,849)**	(3,854)
Purchase of plant and equipment		**(129)**	(22)
Finance income received		**157**	199
Net cash used in investing activities		**(7,821)**	(3,677)
Cash flows from financing activities			
Proceeds from borrowings		**397,600**	-
Repayments of borrowings		**(687,600)**	(70,000)
Proceeds from issuance of notes		**250,000**	70,000
Payments of financing expenses		**(1,974)**	(3,455)
Payment of distribution to Unitholders[1]		**(136,372)**	(126,377)
Finance expenses paid		**(32,882)**	(32,015)
Net cash used in financing activities		**(211,228)**	(161,847)
Net (decrease)/increase in cash and cash equivalents		**(15,552)**	23,267
Cash and cash equivalents			
Beginning of financial year	9	**70,420**	47,153
End of financial year	9	**54,868**	70,420

[1] The amount excludes the distribution by way of issuance of units pursuant to the Distribution Reinvestment Plan.

Statements of Movements in Unitholders' Funds

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
OPERATIONS				
Balance at beginning of year	**563,090**	355,548	**563,080**	355,543
Total return for the year	**312,051**	343,283	**312,045**	343,278
Distributions to Unitholders	**(166,572)**	(135,741)	**(166,572)**	(135,741)
Balance at end of year	**708,569**	563,090	**708,553**	563,080
UNITHOLDERS' CONTRIBUTION				
Balance at beginning of year	**1,864,189**	1,846,259	**1,864,189**	1,846,259
Movement during the year				
- Issue of new units pursuant to Distribution Reinvestment Plan	**30,200**	9,364	**30,200**	9,364
- Manager's management fees paid in units	**9,272**	8,566	**9,272**	8,566
Balance at end of year	**1,903,661**	1,864,189	**1,903,661**	1,864,189
HEDGING RESERVE				
Balance at beginning of year	**(1,631)**	(6,963)	**(1,631)**	(6,963)
Changes in fair value	**6,428**	5,332	**6,428**	5,332
Balance at end of year	**4,797**	(1,631)	**4,797**	(1,631)
Total Unitholders' funds at the end of the year	**2,617,027**	2,425,648	**2,617,011**	2,425,638

The accompanying notes form an integral part of these financial statements.

Portfolio Statement

AS AT 31 MARCH 2015

Property name	Acquisition date	Tenure of land	Term of lease[1]	Remaining term of lease	Location
VivoCity	N.A[2]	Leasehold	99 years	81 years	1 HarbourFront Walk VivoCity Singapore
Bank of America Merrill Lynch HarbourFront ("MLHF")	27 April 2011[3]	Leasehold	99 years	81 years	2 HarbourFront Place Bank of America Merrill Lynch HarbourFront Singapore
PSA Building ("PSAB")	27 April 2011[3]	Leasehold	99 years	81 years	460 Alexandra Road PSA Building Singapore
Mapletree Anson	4 February 2013[3]	Leasehold	99 years	91 years	60 Anson Road Mapletree Anson Singapore

Gross revenue / Investment properties - Group

Other assets and liabilities (net) - Group

Net assets attributable to Unitholders - Group

Notes:

(1) Refers to the leasehold tenure of the land.

(2) VivoCity was owned and developed by MCT prior to Listing Date.

(3) MLHF, PSAB and Mapletree Anson were acquired from HarbourFront Place Pte. Ltd., Heliconia Realty Pte. Ltd. and Mapletree Anson Pte. Ltd. respectively, which are direct and indirect wholly-owned subsidiaries of Mapletree Investments Pte Ltd.

Investment properties comprise a portfolio of commercial buildings that are leased to related and non-related parties under operating leases.

The carrying amounts of the Singapore investment properties were based on independent valuations as at 31 March 2015 conducted by CBRE Pte. Ltd. ("CBRE") for VivoCity and Knight Frank Pte. Ltd. ("Knight Frank") for MLHF, PSAB and Mapletree Anson. CBRE and Knight Frank have appropriate professional qualifications and experience in the location and category of the properties being valued. The valuations of the investment properties were based on the income capitalisation method and discounted cash flow method. The net movement in valuation has been taken to the Statements of Total Return. It is the intention of Group and MCT to hold the investment properties for the long term.

Portfolio Statement

AS AT 31 MARCH 2015

Gross revenue for the financial year ended 31/03/2015 $'000	Gross revenue for the financial year ended 31/03/2014 $'000	Occupancy rate as at 31/03/2015 %	Occupancy rate as at 31/03/2014 %	At valuation as at 31/03/2015 $'000	At valuation as at 31/03/2014 $'000	Percentage of total net assets attributable to Unitholders as at 31/03/2015 %	Percentage of total net assets attributable to Unitholders as at 31/03/2014 %
184,287	172,406	97.5	98.7	2,461,000	2,307,000	94.0	95.1
17,364	16,719	100.0	100.0	314,000	314,000	12.0	12.9
48,331	46,077	95.4	99.4	735,000	724,000	28.1	29.9
32,494	31,974	87.5	93.8	689,000	689,000	26.3	28.4
282,476	267,176			4,199,000	4,034,000	160.4	166.3
				(1,581,973)	(1,608,352)	(60.4)	(66.3)
				2,617,027	2,425,648	100.0	100.0

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Mapletree Commercial Trust ("MCT") is a Singapore-domiciled Real Estate Investment Trust constituted pursuant to the trust deed dated 4 April 2011 (as amended) (the "Trust Deed") between Mapletree Commercial Trust Management Ltd. (the "Manager") and DBS Trustee Limited (the "Trustee") The Trust Deed is governed by the laws of the Republic of Singapore.

MCT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 27 April 2011 ("Listing Date") and was approved for inclusion under the Central Provident Fund Investment Scheme.

The principal activity of MCT is to invest in a diverse portfolio of properties with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth.

MCT's current portfolio comprises 4 properties located in Singapore:

(a) VivoCity, Singapore's largest mall located in the HarbourFront precinct;

(b) MLHF, a premium six-storey office building in the HarbourFront precinct;

(c) PSAB, an established integrated development in the Alexandra precinct with a 40-storey office block and a three-storey retail centre, Alexandra Retail Centre; and

(d) Mapletree Anson, a 19-storey premium office building located in Singapore's Central Business District.

MCT has entered into several service agreements in relation to the management of MCT and its property operations. The fee structures of these services are as follows:

(a) Trustee's fees

The Trustee's fee shall not exceed 0.1% per annum of the value of all the assets of the Group ("Deposited Property") (subject to a minimum of $12,000 per month) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Trustee's fees are payable monthly in arrears out of the Deposited Property of the Group. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current arrangement between the Manager and the Trustee, the Trustee's fees are charged on a scaled basis of up to 0.02% per annum of the value of the Deposited Property (subject to a minimum of $12,000 per month).

(b) Manager's Management fees

Pursuant to the Trust Deed, the Manager is entitled to receive the following remuneration:

(i) a base fee not exceeding 0.25% per annum of the value of the Group's Deposited Property or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and

(ii) a performance fee of 4.0% per annum of the Group's net property income ("NPI") or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders.

The management fees payable to the Manager shall be paid in the form of cash and/or units. The management fees paid in cash and/or units are paid quarterly, in arrears. The Manager has elected to receive 50% of its management fees in units and the balance in cash.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

1. GENERAL (continued)

(c) Acquisition and Divestment fees

The Manager is entitled to receive the following fees:

(i) an acquisition fee not exceeding 1.0% of the acquisition price of the real estate or real estate-related assets acquired directly or indirectly, through one or more special purpose vehicles ("SPVs") of MCT, pro-rated if applicable to the proportion of MCT's interest. For the purpose of this acquisition fee, real estate-related assets include all classes and types of securities relating to real estate; and

(ii) a divestment fee not exceeding 0.5% of the sale price of the real estate or real estate-related assets disposed, pro-rated if applicable to the proportion of MCT's interest. For the purpose of this divestment fee, real estate-related assets include all classes and types of securities relating to real estate.

The acquisition and divestment fees shall be paid in the form of cash and/or units and are payable as soon as practicable after completion of the respective acquisition or disposal.

(d) Fees under the Property Management Agreement

(i) Property management fees

Under the property management agreement, the property management fees to be paid to Mapletree Commercial Property Management Pte. Ltd. (the "Property Manager"), for each fiscal year (as defined in the Property Management Agreement), are as follows:

- 2.0% per annum of Gross Revenue for the properties;
- 2.0% per annum of the NPI for the properties (calculated before accounting for the property management fee in that financial period); and
- 0.5% per annum of the NPI for the relevant property (calculated before accounting for the property management fee in that financial period) in lieu of leasing commissions otherwise payable to the Property Manager and/or third party agents.

The property management fees are payable to the Property Manager monthly in arrears and in the form of cash.

(ii) Project management fees

The Trustee will pay the Property Manager, for each development or redevelopment of a property located in Singapore, a project management fee subject to:

- a limit of up to 3.0% of the total construction costs; and
- an opinion issued by an independent quantity surveyor, to be appointed by the Trustee upon recommendation by the Manager, that the agreed project management fee is within market norms and reasonable range.

The project management fee is payable to the Property Manager in the form of cash.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 7 ("RAP 7") "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes ("CIS") issued by Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("FRS").

These financial statements, which are expressed in Singapore Dollars ("SGD") and rounded to the nearest thousand, unless otherwise stated, have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with RAP 7 requires management to exercise its judgement, and make estimates and assumptions in the process of applying the Group's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The area involving a higher degree of judgement or complexity, where estimates and assumptions are significant to the financial statements, and where uncertainty has the most significant risk of resulting in a material adjustment within the next financial year is included in Note 12 – Investment Properties.

Interpretations and amendments to published standards effective in 2014

On 1 April 2014, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and MCT and had no material effect on the amounts reported for the current year or prior financial years.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services and is presented net of goods and services tax, rebates and discounts.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) *Rental income and service charges from operating leases*

The Group classifies the leases of its investment properties as operating leases as the Group retains substantially all risks and rewards incidental to ownership.

Rental income and service charges from operating leases are recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets.

Contingent rents, which includes gross turnover rental, are recognised as income in the Statements of Total Return when earned.

(b) *Car parking income*

Car parking income from the operation of car parks is recognised when the services are rendered.

(c) *Finance income*

Finance income is recognised on a time proportion basis using the effective interest method.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Expenses

(a) Property operating expenses

Property operating expenses are recognised on an accrual basis. Included in property operating expenses are property management fees which are based on the applicable formula stipulated in Note 1(d).

(b) Manager's management fees

Manager's management fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(b).

(c) Trustee's fees

Trustee's fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(a).

2.4 Borrowing costs

Borrowing costs are recognised in the Statements of Total Return using the effective interest method, except for those costs that are directly attributable to the construction or development of properties.

The actual borrowing costs on borrowings used to finance the construction or development of properties incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

No such borrowing costs on construction or development of properties have been incurred during the financial period.

2.5 Income taxes

Current income tax for current and prior periods are recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred income tax assets and liabilities are measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in the Statements of Total Return, except to the extent that the tax arises from a transaction which is recognised directly in equity.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Income taxes (continued)

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of MCT for the income earned and expenditure incurred after its listing on the SGX-ST. Subject to meeting the terms and conditions of the tax rulings which include a distribution of at least 90% of the taxable income of MCT, the Trustee will not be taxed on the portion of taxable income of MCT that is distributed to Unitholders. Any portion of the taxable income that is not distributed to Unitholders will be taxed on the Trustee. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of MCT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with the IRAS.

Although MCT is not taxed on its taxable income distributed, the Trustee and the Manager are required to deduct income tax at the applicable corporate tax rate from the distributions of such taxable income of MCT (i.e. which has not been taxed in the hands of the Trustee) to certain Unitholders. The Trustee and the Manager will not deduct tax from the distributions made out of MCT's taxable income to the extent that the beneficial Unitholder is:

- An individual (excluding partnerships);
- A tax resident Singapore-incorporated company;
- A non-corporate entity (excluding partnerships) registered or constituted in Singapore (e.g. town council, statutory board, registered charity, registered co-operative society, registered trade union, management corporation, club and trade and industry association); and
- A branch of company incorporated outside Singapore.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains, if they are considered as trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the gains without tax being deducted at source.

2.6 Group accounting

(a) *Subsidiary*

(i) *Consolidation*

A subsidiary is an entity (including structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A subsidiary is fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements of the Group, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of MCT's subsidiary has been changed where necessary to ensure consistency with the policies adopted by the Group.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Group accounting (continued)

(a) *Subsidiary* (continued)

(ii) *Acquisitions of business*

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the business acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to Statements of Total Return or transferred directly to Unitholders' funds if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in Statements of Total Return.

Please refer to Note 2.11 "Investment in subsidiary" for the accounting policy on investments in subsidiary in the financial statements of MCT.

(b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of MCT. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the Unitholders of MCT.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.8 Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables include “cash and cash equivalents”, “trade and other receivables” and “other current assets”, except for prepayments in the Statements of Financial Position.

These loans and receivables are initially recognised at fair value plus transaction cost and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

Loans and receivables are assessed at each reporting date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these loans and receivables are reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the Statements of Total Return.

The allowance for impairment loss account is reduced through the Statements of Total Return in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Investment properties

Investment properties for the Group are held for long-term rental yields and/or for capital appreciation.

Investment properties are accounted for as non-current assets and are initially recognised at cost and subsequently carried at fair value. The investment properties are valued by independent registered valuers at least once a year in accordance with the CIS. Changes in fair value are recognised in the Statements of Total Return.

Investment properties are subject to renovations or improvements from time to time. The costs of major renovations and improvements are capitalised while the carrying amounts of replaced components are recognised in the Statements of Total Return. The costs of maintenance, repairs and minor improvements are recognised in the Statements of Total Return when incurred.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is taken to the Statements of Total Return.

If an investment property becomes substantially owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

For taxation purposes, MCT may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act.

2.10 Plant and equipment

(a) *Measurement*

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment loss.

The cost of an item of plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) *Depreciation*

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Plant and equipment	3 years – 10 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the Statements of Total Return for the financial year when the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense in the Statements of Total Return when incurred.

(d) *Disposal*

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the Statements of Total Return.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Investment in subsidiary

Investment in subsidiary is carried at cost less accumulated impairment losses in MCT's Statement of Financial Position. On disposal of the investment in subsidiary, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in Statements of Total Return.

2.12 Impairment of non-financial assets

Plant and equipment and investment in subsidiary are reviewed for impairment whenever there is any objective evidence or indication that this asset may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the Statements of Total Return.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount or if there is a change in the events that had given rise to the impairment since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the Statements of Total Return.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statements of Total Return over the period of the borrowings using the effective interest method.

2.14 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost, using the effective interest method.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. The Group does not hold or issue derivative financial instruments for trading purposes.

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

(a) *Cash flow hedge – Interest rate swaps*

The Group has entered into interest rate swaps that are cash flow hedges to manage Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in the hedging reserve and reclassified to the Statements of Total Return when the hedged interest expense on the borrowings is recognised in the Statements of Total Return. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in the Statements of Total Return.

Where a hedge is designated as a cash flow hedge, the Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in cash flows of the hedged items.

(b) *Derivatives that are not designated or do not qualify for hedge accounting*

Fair value changes on these derivatives are recognised in the Statements of Total Return when the changes arise.

2.16 Fair value estimation of financial assets and liabilities

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments, where appropriate.

The fair values of derivative financial instruments are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of MCT.

(b) *Transactions and balances*

Transactions in a currency other than functional currency ("foreign currency") are translated into functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the Statements of Total Return.

2.19 Units and unit issuance expenses

Proceeds from the issuance of units in MCT are recognised as Unitholders' funds. Incremental costs directly attributable to the issuance of new units are deducted directly from the net assets attributable to the Unitholders.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reports provided to management who is responsible for allocating resources and assessing performance of the operating segments.

2.21 Distribution policy

MCT's distribution policy is to distribute at least 90.0% of its adjusted taxable income, comprising substantially its income from the letting of its properties and related property services income and interest income from the placement of periodic cash surpluses in bank deposits and after deducting allowable expenses and allowances. The actual level of distribution will be determined at the Manager's discretion, having regard to MCT's funding requirements, other capital management considerations and the overall stability of distributions. Distributions, when made, will be in Singapore Dollars.

3. GROSS REVENUE

	Group and MCT	
	2015 $'000	2014 $'000
Gross rental income	**259,272**	246,964
Car parking income	**9,790**	9,964
Other operating income	**13,414**	10,248
	282,476	267,176

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

4. PROPERTY OPERATING EXPENSES

	Group and MCT	
	2015 $'000	2014 $'000
Operation and maintenance	**13,029**	12,245
Utilities	**12,491**	15,072
Property tax	**23,869**	22,411
Property management fees	**11,222**	10,488
Staff costs	**6,407**	6,944
Marketing and legal expenses	**3,052**	4,050
Other operating expenses	**712**	690
	70,782	71,900

The Group does not have any employee on its payroll because its daily operations and administrative functions are provided by the Manager and Property Manager. Staff costs relate to reimbursements paid/payable to the Property Manager in respect of agreed employee expenditure incurred by the Property Manager for providing its services as provided for in the Property Management Agreement.

All of the Group's investment properties generate rental income and the above expenses are direct operating expenses arising from its investment properties.

5. FINANCE EXPENSES

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Interest expense				
- Bank and other borrowings	**27,454**	25,205	**18,402**	17,273
- Loans from a subsidiary	**-**	-	**9,052**	7,932
	27,454	25,205	**27,454**	25,205
Cash flow hedges, reclassified from hedging reserve (Note 18)	**4,275**	6,407	**4,275**	6,407
Transaction costs				
- Non-hedging derivatives	**1,457**	1,410	**1,457**	1,410
- Amortised borrowing costs	**2,215**	1,479	**2,215**	1,479
- Commitment and related bank fees	**552**	372	**552**	372
	35,953	34,873	**35,953**	34,873

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

6. OTHER TRUST EXPENSES

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Unrealised foreign exchange gain	**(560)**	-	**(560)**	-
Audit fee	**84**	84	**82**	82
Consultancy and professional fees	**275**	229	**271**	226
Valuation fees	**86**	86	**86**	86
Other trust expenses	**920**	818	**932**	828
	805	1,217	**811**	1,222

Included in other trust expenses of MCT was an amount of $12,000 (2014: $12,000) paid/payable to Mapletree Commercial Trust Treasury Company Pte. Ltd. ("MCTTC") in undertaking the treasury functions in relation to the Group's Medium Term Notes Programme ("MTN Programme").

7. INCOME TAXES

(a) Income tax expense

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Tax expense attributable to profit is made up of:				
- Current financial year	*	-	**-**	-
- Under provision in prior years	*	-	**-**	-
	*	-	**-**	-

* Amount is less than $1,000

(b) The tax on the results for the financial year differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Total return before tax	**312,051**	343,283	**312,045**	343,278
Tax calculated at a tax rate of 17%	**53,049**	58,358	**53,048**	58,357
Effects of:				
- Expenses not deductible for tax purposes	**2,225**	1,774	**2,226**	1,775
- Income not subjected to tax due to tax transparency ruling (Note 2.5)	**(28,614)**	(26,008)	**(28,614)**	(26,008)
- Income not subject to tax	**(26,660)**	(34,124)	**(26,660)**	(34,124)
- Under provision in prior financial years	*	-	**-**	-
	*	-	**-**	-

* Amount is less than $1,000

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

7. INCOME TAXES (continued)

(c) Movement in current income tax liabilities

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Beginning of financial year	**5,078**	4,357	**5,078**	4,357
Income tax refund	**33**	721	**33**	721
End of financial year	**5,111**	5,078	**5,111**	5,078

The income tax liabilities refer to income tax provision based on taxable income made when MCT was a taxable private trust. Any excess provision will be refunded to the private trust Unitholder once each respective tax year of assessment is closed.

8. EARNINGS PER UNIT

	Group		MCT	
	2015	2014	**2015**	2014
Total return attributable to Unitholders of MCT ($'000)	**312,051**	343,283	**312,045**	343,278
Weighted average number of units outstanding during the year ('000)	**2,096,876**	2,072,489	**2,096,876**	2,072,489
Basic and diluted earnings per unit (cents)	**14.88**	16.56	**14.88**	16.56

Diluted earnings per unit is the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial year.

9. CASH AND CASH EQUIVALENTS

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Cash at bank and on hand	**34,858**	60,420	**34,851**	60,401
Short-term bank deposits	**20,010**	10,000	**20,010**	10,000
	54,868	70,420	**54,861**	70,401

Short-term bank deposits at the reporting date have a weighted average maturity of 2.2 months (2014: 2.0 months) from the end of the financial year. The effective interest rate at reporting date is 0.98% (2014: 0.38%) per annum.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

10. TRADE AND OTHER RECEIVABLES

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Trade receivables:				
- related parties	**3**	4	**3**	4
- non-related parties	**3,096**	3,741	**3,096**	3,741
Less: Allowance for impairment of receivables	**-**	(38)	**-**	(38)
Trade receivables – net	**3,099**	3,707	**3,099**	3,707
Non-trade receivables due from subsidiary	**-**	-	**19**	-
Non-trade receivables due from related parties	**160**	48	**160**	48
Interest receivable:				
- non-related parties	**14**	*	**14**	*
Sundry debtors	**16**	40	**16**	40
	3,289	3,795	**3,308**	3,795

* Amount is less than $1,000

The non-trade receivables due from subsidiary and related parties are unsecured, interest free and repayable on demand.

11. OTHER CURRENT ASSETS

	Group and MCT	
	2015 $'000	2014 $'000
Deposits	**112**	124
Prepayments	**455**	506
	567	630

12. INVESTMENT PROPERTIES

	Group and MCT	
	2015 $'000	2014 $'000
Completed investment properties		
Beginning of financial year	**4,034,000**	3,831,200
Additions	**8,734**	2,073
Fair value gains on investment properties taken to Statements of Total Return	**156,266**	200,727
End of financial year	**4,199,000**	4,034,000

Investment properties are stated at fair value based on valuations performed by independent professional valuers. In determining the fair value, the valuers have used valuation methods which involved certain estimates.

Details of the investment properties are shown in the portfolio statement.

Investment properties are leased to both related and non-related parties under operating leases (Note 20).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

12. INVESTMENT PROPERTIES (continued)

Fair value hierarchy

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 Unobservable inputs for the asset or liability.

All properties within MCT and the Group's portfolio are classified within Level 3. The reconciliation between the balances at the beginning of the financial year and end of the financial year is disclosed in the investment property movement table presented as part of this note.

Valuation techniques used to derive Level 3 fair values

Level 3 fair values of MCT and the Group's properties have been generally derived using the income capitalisation method and discounted cash flow method. The income capitalisation and discounted cash flow methods involve the estimation of income and expenses, taking into account expected future changes in economic and social conditions, which may affect the value of the properties. The Manager is of the view that the valuation methods and estimates adopted and considered by the professional valuers are reflective of the current market condition.

Description	Fair value $'000	Valuation techniques	Key unobservable inputs	Range of unobservable inputs
Commercial properties for leasing	4,199,000 (2014: 4,034,000)	Income capitalisation	Capitalisation rate	3.85% - 5.25% (2014: 3.85% - 5.25%)
		Discounted cash flow	Discount rate	7.25% - 7.75% (2014: 7.25% - 7.75%)

Significant reductions in the key unobservable inputs in isolation would result in a significantly higher fair value of the investment properties.

The significant unobservable inputs correspond to the following:

- Discount rate - based on the risk-free rate for 10-year bonds issued by the government in Singapore, adjusted for a risk premium to reflect the increased risk of investing in the asset class.
- Capitalisation rate - corresponds to a rate of return on investment properties based on the expected income that the property will generate.

There were no significant inter-relationships between unobservable inputs.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

13. PLANT AND EQUIPMENT

	Group and MCT	
	2015 **$'000**	2014 $'000
Cost		
Beginning of financial year	**22**	-
Additions	**129**	22
End of financial year	**151**	22
Accumulated depreciation		
Beginning of financial year	**7**	-
Depreciation charge	**21**	7
End of financial year	**28**	7
Net book value		
End of financial year	**123**	15

14. INVESTMENT IN SUBSIDIARY

	MCT	
	2015 **$'000**	2014 $'000
Equity investment at cost	*	*

Subsidiary held by MCT is as follows:

Name of company	**Principal activities**	**Country of business/Incorporation**	**Proportion of shares held by Group and MCT**	
			2015 **%**	2014 %
Mapletree Commercial Trust Treasury Company Pte. Ltd.[(a)]	Provision of treasury services	Singapore/ Singapore	**100**	100

(a) Audited by PricewaterhouseCoopers LLP, Singapore

* Amount is less than $1,000

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

15. DERIVATIVE FINANCIAL INSTRUMENTS

	Maturity	Contract notional amount $'000	Fair value assets $'000	Fair value liabilities $'000
Group and MCT				
2015				
Cash-flow hedges:				
Interest rate swaps	April 2015 - June 2017	**577,100**	**4,833**	**36**
Non-hedging instruments:				
Cross currency interest rate swap	March 2023	**100,000**	**-**	**1,376**
Interest rate swap	March 2018	**100,000**	**74**	**-**
Total		**777,100**	**4,907**	**1,412**
Current portion			**-**	**36**
Non-current portion			**4,907**	**1,376**
2014				
Cash-flow hedges:				
Interest rate swaps	April 2014 - April 2016	648,200	768	2,399
Non-hedging instruments:				
Interest rate cap	March 2015	143,900	-	1,289
Total		792,100	768	3,688
Current portion			-	3,072
Non-current portion			768	616

Period when the cash flows on the cash flow hedges are expected to occur or affect Statements of Total Return

Interest rate swaps

Interest rate swaps are transacted to hedge variable interest payments on borrowings.

(i) If interest rate swaps are designated as cash flow hedges, fair value changes on the interest rate swaps recognised in the hedging reserve are reclassified to the Statements of Total Return as part of finance expense over the period of the borrowings.

(ii) If interest rate swaps are not designated as cash flow hedges, fair value changes on the interest rate swaps are recognised in the Statements of Total Return when the changes arise.

The Group has also entered into a forward start interest rate swap for the purpose of fixing the interest rate of the Group's floating rate borrowings. As at 31 March 2015, the forward start interest rate swap amounts to $88,600,000 and will mature on 7 April 2017.

Interest rate cap

Fair value changes on interest rate cap are recognised in the Statements of Total Return when the changes arise.

Cross currency interest rate swap

Cross currency interest rate swaps ("CCIRS") are transacted to hedge foreign currency interest rate risk arising from foreign denominated borrowings.

As of 31 March 2015, the Group held a JPY/SGD CCIRS to provide SGD variable rate funding. The CCIRS matures on the same date as the borrowings. Fair value gains and losses on the CCIRS are recognised in the Statements of Total Return when the changes arise.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

16. TRADE AND OTHER PAYABLES

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Current				
Trade payables	**1,436**	6	**1,436**	6
Amounts due to related parties:				
- trade	**1,059**	191	**1,059**	191
- non-trade	**326**	5	**326**	5
Non-trade amounts due to subsidiary	**-**	-	**53**	-
Accrued capital expenditure	**5,966**	5,209	**5,966**	5,209
Accrued operating expenses	**20,623**	21,260	**20,623**	21,251
Accrued retention sums	**2,519**	2,391	**2,519**	2,391
Interest payable	**5,634**	4,895	**5,634**	4,895
Tenancy related deposits	**16,152**	11,159	**16,152**	11,159
Other deposits	**140**	214	**140**	214
Rental received in advance	**3,003**	2,626	**3,003**	2,626
Net Goods and Services tax payable	**3,406**	3,302	**3,422**	3,302
Other payables	**1,460**	2,245	**1,419**	2,245
	61,724	53,503	**61,752**	53,494
Non-Current				
Tenancy related deposits	**30,960**	34,236	**30,960**	34,236
Total trade and other payables	**92,684**	87,739	**92,712**	87,730

The non-trade payables due to related parties and subsidiary are unsecured, interest-free and repayable on demand.

The fair value of the non-current tenancy related deposits approximates its carrying value as at reporting date.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

17. BORROWINGS AND LOANS FROM A SUBSIDIARY

	Group		MCT	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Non-current				
Bank loans	**881,900**	1,021,900	**881,900**	1,021,900
Transaction cost to be amortised	**(2,084)**	(2,518)	**(2,084)**	(2,518)
	879,816	1,019,382	**879,816**	1,019,382
Medium term notes	**479,440**	230,000	**-**	-
Transaction cost to be amortised	**(1,333)**	(503)	**-**	-
	478,107	229,497	**-**	-
Total borrowings, non-current	**1,357,923**	1,248,879	**879,816**	1,019,382
Loans from a subsidiary	**-**	-	**479,440**	230,000
Transaction cost to be amortised	**-**	-	**(1,333)**	(503)
	-	-	**478,107**	229,497
Current				
Bank loans	**188,600**	338,600	**188,600**	338,600
Transaction cost to be amortised	**(3)**	(4)	**(3)**	(4)
	188,597	338,596	**188,597**	338,596
Total borrowings	**1,546,520**	1,587,475	**1,546,520**	1,587,475

The above bank loans and borrowings are unsecured. In accordance with the various facility agreements, VivoCity, MLHF and Mapletree Anson are subject to a negative pledge.

(a) Maturity of borrowings

The non-current bank loans mature between 2016 and 2019 (2014: between 2015 and 2018). The medium term notes and loans from a subsidiary will mature between 2019 and 2023 (2014: 2020 and 2021).

(b) Medium term notes

In 2012, the Group established a $1,000,000,000 MTN Programme via its subsidiary, MCTTC. Under the MTN Programme, MCTTC may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes and senior or subordinated perpetual securities in series or tranches in Singapore Dollars or any other currency.

Each series or tranche of notes may be issued in various amounts and tenors, and may bear fixed, floating, variable or hybrid rates of interest or may not bear interest.

The notes shall constitute at all times direct, unconditional, unsecured and unsubordinated obligations of MCTTC ranking pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations of MCTTC. All sums payable in respect of the notes issued by MCTTC will be unconditionally and irrevocably guaranteed by DBS Trustee Limited, in its capacity as Trustee of MCT.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

17. BORROWINGS AND LOANS FROM A SUBSIDIARY (continued)

(b) Medium term notes (continued)

Total notes outstanding as at 31 March 2015 under the MTN Programme is $479,440,000 (2014: $230,000,000), consisting of:

(i) $160,000,000 (2014: $160,000,000) Fixed Rate Notes due 2020. The $160,000,000 notes will mature on 24 August 2020 and bears an interest of 3.60% per annum payable semi-annually in arrears;

(ii) $70,000,000 (2014: $70,000,000) Fixed Rate Notes due 2021. The $70,000,000 notes will mature on 12 April 2021 and bears an interest of 3.20% per annum payable semi-annually in arrears;

(iii) $50,000,000 (2014: Nil) Fixed Rate Notes due 2019. The $50,000,000 notes will mature on 7 November 2019 and bears an interest of 2.65% per annum payable semi-annually in arrears;

(iv) $100,000,000 (2014: Nil) Fixed Rate Notes due 2023. The $100,000,000 notes will mature on 3 February 2023 and bears an interest of 3.25% per annum payable semi-annually in arrears; and

(v) JPY8,700,000,000 (2014: Nil) Floating Rate Notes due 2023. The JPY8,700,000,000 notes will mature on 16 March 2023 and bears an interest of 3 months JPY LIBOR + 0.30% per annum payable quarterly in arrears.

A CCIRS has been entered into to hedge the JPY8,700,000,000 Floating Rate Notes into notional principal amount of $100,000,000 at a floating-rate SGD basis payable semi-annually in arrears.

(c) Loans from a subsidiary

MCTTC has on-lent the proceeds from the issuance of the notes to MCT, who has in turn used these proceeds to re-finance its floating-rate borrowings.

The loans are unsecured and repayable in full, consisting of:

(i) $160,000,000 (2014: $160,000,000) maturing on 24 August 2020 and bears an interest of 3.60% per annum payable semi-annually in arrears;

(ii) $70,000,000 (2014: $70,000,000) maturing on 12 April 2021 and bears an interest of 3.20% per annum payable semi-annually in arrears;

(iii) $50,000,000 (2014: Nil) maturing on 7 November 2019 and bears an interest of 2.65% per annum payable semi-annually in arrears;

(iv) $100,000,000 (2014: Nil) maturing on 3 February 2023 and bears an interest of 3.25% per annum payable semi-annually in arrears; and

(v) JPY8,700,000,000 (2014: Nil) maturing on 16 March 2023 and bears an interest of 3 months JPY LIBOR + 0.30% per annum payable quarterly in arrears.

A CCIRS has been entered into to hedge the JPY8,700,000,000 Floating Rate Notes into notional principal amount of $100,000,000 at a floating-rate SGD basis payable semi-annually in arrears.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

17. BORROWINGS AND LOANS FROM A SUBSIDIARY (continued)

(d) Effective interest rates

The weighted average all-in cost of borrowings, including amortised cost charged on the loan were as follows:

	Group		MCT	
	2015	2014	**2015**	2014
Bank loans (current)	**2.65%**	2.02%	**2.65%**	2.02%
Bank loans (non-current)	**1.76%**	1.92%	**1.76%**	1.92%
Medium term notes (non-current)	**3.43%**	3.51%	**-**	-
Loans from a subsidiary (non-current)	**-**	-	**3.43%**	3.51%

(e) Carrying amount and fair value

The carrying amount of the current and non-current borrowings, which are at variable market rates, approximate their fair values at reporting date.

The carrying amount and fair value of the fixed-rate non-current borrowings are as follows:

	Carrying amounts		Fair values	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Group				
Medium term notes (non-current)	**380,000**	230,000	**386,755**	231,735
MCT				
Loans from a subsidiary (non-current)	**380,000**	230,000	**386,755**	231,735

The fair value above is determined from the cash flow analysis, discounted at market borrowing rates of an equivalent instrument at the reporting date at which the Manager expects to be available to the Group.

(f) Undrawn committed borrowing facilities

	2015 $'000	2014 $'000
Expiring beyond one year	**362,800**	470,400

18. HEDGING RESERVE

	Group and MCT	
	2015 $'000	2014 $'000
Beginning of financial year	**(1,631)**	(6,963)
Fair value gains/ (losses)	**2,153**	(1,075)
Reclassification to Statements of Total Return - Finance expenses (Note 5)	**4,275**	6,407
End of financial year	**4,797**	(1,631)

Hedging reserve is non-distributable.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

19. UNITS IN ISSUE

	MCT	
	2015 '000	2014 '000
Units at beginning of financial year	**2,082,825**	2,067,734
Units issued as settlement of Manager's management fees	**6,916**	7,053
Units issued arising from Distribution Reinvestment Plan	**22,206**	8,038
Units at end of financial year	**2,111,947**	2,082,825

(a) During the financial year, 6,915,540 new units (2014: 7,053,193) at the issue price range of $1.2045 to $1.4350 (2014: $1.1699 to $1.3256) per unit, in respect of the payment of management fees to the Manager in units for the period from 1 January 2014 to 31 December 2014 (2014: 1 January 2013 to 31 December 2013) were issued. The issue prices were determined based on the volume weighted average traded price for all trades done on SGX-ST in the ordinary course of trading for the last 10 business days of the relevant quarter on which the fees accrued.

(b) MCT introduced and implemented a Distribution Reinvestment Plan on 24 July 2013 whereby the Unitholders have the option to receive their distribution in units instead of cash or a combination of units and cash.

During the financial year, 22,206,458 new units (2014: 8,038,085) at the issue price range of $1.2462 to $1.4610 (2014: $1.1402 to $1.2296) per unit were issued pursuant to the Distribution Reinvestment Plan. The issuances were related to distribution for the period from 1 January 2014 to 31 December 2014 (2014: 1 April 2013 to 31 December 2013).

Each unit in MCT represents an undivided interest in MCT. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of MCT by receiving a share of all net cash proceeds derived from the realisation of the assets of MCT less any liabilities, in accordance with their proportionate interests in MCT. However, a Unitholder does not have the right to require that any assets (or part thereof) of MCT be transferred to him; and
- Attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth in the number of Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of MCT in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in MCT. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of MCT exceed its assets.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

20. COMMITMENTS

Operating lease commitments – *where the Group is a lessor*

The Group and MCT lease out offices and retail spaces under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. Some lessees are required to pay contingent rents computed based on their sales achieved during the lease period.

The future minimum lease receivables under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are as follows:

	Group and MCT	
	2015 **$'000**	2014 $'000
Not later than 1 year	**224,046**	222,532
Between 1 and 5 years	**328,961**	297,071
Later than 5 years	**112,046**	101,328
	665,053	620,931

Some of the operating leases are subject to revision of lease rentals at periodic intervals. For the purposes of the above disclosure, the prevailing lease rentals are used.

The contingent lease payments recognised as revenue during the financial year were $17,086,000 (2014: $18,819,000).

21. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including the effects of changes in interest rates and foreign exchange rates.

Risk management is carried out under policies approved by the Manager. The Manager provides written principles for overall risk management as well as policies covering specific areas, such as interest rate risk, currency risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

(a) Market risk – cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group monitors the interest rate on borrowings closely to ensure that the borrowings are maintained at favourable rates.

The Group's exposure to cash flow interest rate risks arises mainly from variable-rate bank borrowings and medium term notes. The Group manages these cash flow interest rate risks using floating-to-fixed interest rate swaps, a floating-to-floating cross currency interest rate swap and an interest rate cap.

The exposure of the unhedged borrowings of the Group to interest rate changes and the contractual repricing dates at the reporting dates are as follows:

	Group and MCT	
	2015 **$'000**	2014 $'000
6 months or less:		
Revolving Credit Facilities	**96,900**	236,900
Term Loans	**396,500**	331,500
	493,400	568,400

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk – cash flow and fair value interest rate risks (continued)

During the financial year, the Group has hedged its exposure to changes in interest rates on its variable rate borrowings by entering into the following contracts:

(i) Interest rate swaps, with notional contract amounts of $577,100,000 (excluding notional contract amounts of $176,400,000 and $143,900,000 which expired on 29 April 2014 and 17 March 2015 respectively) (2014: $648,200,000) whereby it receives variable rates equal to the Singapore swap offer rate on the notional amounts and pays fixed interest rates ranging from 0.51% to 1.49% (2014: 0.51% to 1.530%) per annum.

(ii) Interest rate cap, with a notional contract amount of $143,900,000 (2014: $143,900,000) whereby the benchmark interest rate was capped at 0.74% (2014: 0.74%) per annum. The interest cap expired on 17 March 2015.

(iii) Cross currency interest rate swap, with a notional contract amount of $100,000,000 (2014: Nil) whereby it receives a variable rate of JPY LIBOR + 0.3% (2014: Nil) per annum on the notional amount and pays a variable rate of Singapore swap offer rate + 1.08% (2014: Nil) per annum. Interest rate swap, with notional contract amount of $100,000,000 has been entered into to receive this variable rate and pay fixed interest rate of 1.705% (2014: Nil) per annum.

Sensitivity analysis

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated in Singapore Dollars. If the Singapore Dollars interest rates increase/(decrease) by 0.50% (2014: 0.20%) with all other variables including tax rate being held constant, the total return and hedging reserve attributable to Unitholders will increase/(decrease) by the amounts as follows, as a result of higher/lower interest expenses and higher/lower fair value of interest rate swaps, interest rate cap and cross currency interest rate swap respectively:

	Increase / (Decrease)			
	Statements of Total Return		Hedging Reserve	
	Increase by 0.50% $'000	**Decrease by 0.50% $'000**	**Increase by 0.50% $'000**	**Decrease by 0.50% $'000**
Group and MCT				
2015				
Interest bearing borrowings	**(2,964)**	**2,964**	**-**	**-**
Interest rate swaps	**1,444**	**(1,475)**	**3,825**	**(3,825)**
Cross currency interest rate swap	**145**	**(150)**	**-**	**-**
	(1,375)	**1,339**	**3,825**	**(3,825)**
	Increase by 0.20% $'000	Decrease by 0.20% $'000	Increase by 0.20% $'000	Decrease by 0.20% $'000
2014				
Interest bearing borrowings	(1,079)	1,079	-	-
Interest rate swaps	-	-	1,874	(1,884)
Interest rate cap	104	(56)	-	-
	(975)	1,023	1,874	(1,884)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk – Currency Risk

The Group is exposed to foreign currency risk on interest-bearing borrowings that are denominated in a currency other than the functional currency of the Group. The Group hedges this risk by entering into CCIRS with notional contract amounts of JPY8,700,000,000 into Singapore Dollars amounting to $100,000,000. The CCIRS matures on the same date that the JPY medium term notes are due for repayment.

(c) Credit risk

Credit risk refers to the risk that tenants or counterparties of the Group will default on its contractual obligations resulting in a financial loss to the Group. The major classes of financial assets of the Group and MCT are cash and bank deposits and trade receivables. For trade receivables, the Group's credit risk policy is to deal only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing with high credit quality counterparties.

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group and MCT	
	2015 $'000	2014 $'000
Past due < 3 months	**461**	883
Past due over 3 months	**42**	388
	503	1,271

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group and MCT	
	2015 $'000	2014 $'000
Gross amount	**-**	38
Less: Allowance for impairment	**-**	(38)
	-	-
Allowance for impairment		
Beginning of financial year	**38**	31
Allowance utilised	**(20)**	(8)
Allowance (reversed)/ made	**(18)**	15
End of financial year	**-**	38

The Manager believes that no additional allowance is necessary in respect of the remaining trade and other receivables as these receivables are mainly arising from tenants with good records with sufficient security in the form of bankers guarantees or cash security deposits as collaterals.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk

The Group and MCT adopt prudent liquidity risk management by maintaining sufficient cash to fund its working capital and financial obligations.

The table below analyses non-derivative financial liabilities of the Group and MCT into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows of non-derivative financial liabilities, including interest payments. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year $'000	**Between 1 and 5 years $'000**	**More than 5 years $'000**
Group			
As at 31 March 2015			
Trade and other payables	**58,721**	**28,626**	**2,334**
Borrowings	**218,366**	**1,013,327**	**444,464**
	277,087	**1,041,953**	**446,798**
As at 31 March 2014			
Trade and other payables	50,877	33,731	505
Borrowings	360,566	1,075,068	242,618
	411,443	1,108,799	243,123
MCT			
As at 31 March 2015			
Trade and other payables	**58,749**	**28,626**	**2,334**
Borrowings	**205,355**	**911,917**	**-**
Loans from a subsidiary	**13,011**	**101,410**	**444,464**
	277,115	**1,041,953**	**446,798**
As at 31 March 2014			
Trade and other payables	50,868	33,731	505
Borrowings	352,566	1,043,046	-
Loan from a subsidiary	8,000	32,022	242,618
	411,434	1,108,799	243,123

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

The table below analyses the Group and MCT's derivative financial instruments for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows associated with financial derivatives which are expected to impact the Statements of Total Return.

	Less than 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000
Group and MCT			
As at 31 March 2015			
Net-settled interest rate swaps			
- Net cash outflows	**494**	**1,760**	**-**
Gross-settled cross currency interest rate swap			
- Cash inflows	**(402)**	**(1,606)**	**(100,626)**
- Cash outflows	**2,125**	**8,481**	**106,264**
	2,217	**8,635**	**5,638**
As at 31 March 2014			
Net-settled interest rate swaps			
- Net cash outflows	3,371	851	-
Net-settled interest rate cap			
- Net cash outflows	1,352	-	-
	4,723	851	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21. FINANCIAL RISK MANAGEMENT (continued)

(e) Capital risk

The Manager's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the CIS to fund acquisitions and asset enhancement works at the Group's properties. To maintain or achieve an optimal capital structure, the Manager may issue new units or source additional borrowings from both financial institutions and capital markets.

MCT is subject to the aggregate leverage limit as defined in the Appendix 6 of the CIS ("Property Funds Appendix"). The Property Funds Appendix stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 35.0% of its Deposited Property unless a credit rating of the property fund is obtained from Fitch Inc, Moody's Investors Service or Standard and Poor's and disclosed to the public, where the Aggregate Leverage of a property fund could go up to a maximum of 60.0%. The property fund should continue to maintain and disclose a credit rating so long as its Aggregate Leverage exceeds 35.0% of the Deposited Property. The Group and MCT currently has a corporate family rating of Baa1 Stable (2014: Baa2 Positive) by Moody's Investors Service. The Group and MCT has complied with the Aggregate Leverage limit of 60.0% during the financial year.

The aggregate leverage ratio is calculated as total gross borrowings divided by total assets.

	Group and MCT	
	2015 **$'000**	2014 $'000
Total gross borrowings[1]	**1,550,500**	1,590,500
Total assets	**4,262,754**	4,109,628
Aggregate leverage ratio	**36.4%**	38.7%

[1] Reflects total gross borrowings after taking into account the CCIRS taken to hedge the JPY8,700,000,000 floating rate medium term notes.

There were no changes in the Group's approach to capital management during the financial year.

The Group is in compliance with externally imposed capital requirements for the financial years ended 31 March 2015 and 31 March 2014.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21. FINANCIAL RISK MANAGEMENT (continued)

(f) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group and MCT				
As at 31 March 2015				
Assets				
Derivative financial instruments				
- Interest rate swaps	**-**	**4,907**	**-**	**4,907**
	-	**4,907**	**-**	**4,907**
As at 31 March 2015				
Liabilities				
Derivative financial instruments				
- Interest rate swaps	**-**	**(36)**	**-**	**(36)**
- Cross currency interest rate swap	**-**	**(1,376)**	**-**	**(1,376)**
	-	**(1,412)**	**-**	**(1,412)**
As at 31 March 2014				
Assets				
Derivative financial instruments				
- Interest rate swaps	-	768	-	768
	-	768	-	768
As at 31 March 2014				
Liabilities				
Derivative financial instruments				
- Interest rate swaps	-	(2,399)	-	(2,399)
- Interest rate cap	-	(1,289)	-	(1,289)
	-	(3,688)	-	(3,688)

The fair value of the derivative financial instruments not traded in an active market is determined by using valuation techniques based on market conditions existing at each reporting date. The fair values of interest rate swaps, cross currency interest rate swap and interest rate cap are calculated as the present value of the estimated future cash flows.

The carrying value less impairment provision of trade receivables, payables and borrowings approximates their fair values and where the effect of discounting is immaterial.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21. FINANCIAL RISK MANAGEMENT (continued)

(g) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the Statements of Financial Position and in Note 15 to the financial statements, except for the following:

	Group		MCT	
	2015 **$'000**	2014 $'000	**2015** **$'000**	2014 $'000
Loans and receivables	**58,269**	74,339	**58,281**	74,320
Financial liabilities at amortised cost	**1,636,201**	1,672,588	**1,636,229**	1,672,579

22. INTERMEDIATE AND ULTIMATE HOLDING COMPANIES

With the adoption of FRS 110 *Consolidated Financial Statements* (which came into effect for annual periods beginning on or after 1 January 2014), for financial reporting purposes, the Group is regarded as a subsidiary of Mapletree Investments Pte Ltd.

Consequentially, the intermediate and ultimate holding companies are Mapletree Investments Pte Ltd and Temasek Holdings (Private) Limited respectively. The intermediate and ultimate holding companies are incorporated in Singapore.

23. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group when the Group has the ability, directly or indirectly to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are companies that are under common control with a Unitholder that has significant influence. The Manager and the Property Manager are indirect wholly-owned subsidiaries of a significant Unitholder of MCT.

During the financial year, in addition to those disclosed elsewhere in the financial statements, the following significant related party transactions took place at terms agreed between the parties:

	2015 **$'000**	2014 $'000
Property management fees paid/payable to the Property Manager	**11,222**	10,488
Trustee's fees paid/payable to the Trustee	**561**	542
Manager's management fees paid/payable to the Manager	**18,748**	17,610
Staff costs paid/payable to the Property Manager	**6,711**	6,944
Rental and other related income received/receivable from related parties	**12,256**	12,107
Other products and service fees paid/payable to related parties	**3,771**	4,290
Interest expense and financing fees paid/payable to related parties	**9,523**	9,614

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

24. FINANCIAL RATIOS

	2015	2014
Ratio of expenses to weighted average net assets[1]		
- including performance component of asset management fees	**0.85%**	0.87%
- excluding performance component of asset management fees	**0.50%**	0.52%
Portfolio Turnover Ratio[2]	**-**	-

1 The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore dated 25 May 2005.

The expenses used in the computation relate to expenses of the Group, excluding property expenses, borrowing costs, net foreign exchange differences and income tax expense.

2 The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value in accordance with the formulae stated in the CIS. The portfolio turnover ratio was nil for the financial years ended 31 March 2015 and 31 March 2014 as there were no sales of investment properties.

25. SEGMENT REPORTING

For the purpose of making resource allocation decisions and the assessment of segment performance, MCT's management reviews internal/management reports of its investment properties. This forms the basis of identifying the operating segments of the Group.

The management considers the business from a business segment perspective and manages the business based on property types.

Segment revenue comprises mainly of income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the management for the purpose of assessment of segment performance. In addition, the management monitors the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly management fees, trust expenses, finance income and finance expenses.

Information regarding the Group's reportable segments is presented in the following tables.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

25. SEGMENT REPORTING (continued)

The segment information provided to management for the reportable segments for the year ended 31 March 2015 is as follows:

	Retail $'000	Office $'000	Total $'000
Gross revenue	**193,867**	**88,609**	**282,476**
Property operating expenses	**(51,709)**	**(19,073)**	**(70,782)**
Segment net property income	**142,158**	**69,536**	**211,694**
Finance income			**171**
Finance expenses			**(35,953)**
Manager's management fees			**(18,748)**
Trustee's fees			**(561)**
Other trust expenses			**(805)**
Net income			**155,798**
Net change in fair value of financial derivatives			**(13)**
Fair value gains on investment properties	**154,898**	**1,368**	**156,266**
Total return for the financial year before income tax			**312,051**
Income tax			*
Total return for the financial year after income tax before distribution			**312,051**
Segment assets			
- Investment properties	**2,583,000**	**1,616,000**	**4,199,000**
- Plant and equipment	**123**	**-**	**123**
- Trade receivables	**2,824**	**275**	**3,099**
- Non-trade receivables due from related parties	**-**	**160**	**160**
	2,585,947	**1,616,435**	**4,202,382**
Unallocated assets			
- Cash and cash equivalents			**54,868**
- Other receivables			**30**
- Other current assets			**567**
- Derivative financial instruments			**4,907**
Total assets			**4,262,754**
Segment liabilities	**43,046**	**15,554**	**58,600**
Unallocated liabilities			
- Trade and other payables			**34,084**
- Borrowings			**1,546,520**
- Current income tax liabilities			**5,111**
- Derivative financial instruments			**1,412**
Total liabilities			**1,645,727**
Other segmental information			
Additions to:			
- Investment properties	**8,101**	**633**	**8,734**
- Plant and equipment	**129**	**-**	**129**

Notes to the Financial Statements
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

25. SEGMENT REPORTING (continued)

The segment information provided to management for the reportable segments for the year ended 31 March 2014 is as follows:

	Retail $'000	Office $'000	Total $'000
Gross revenue	181,092	86,084	267,176
Property operating expenses	(53,026)	(18,874)	(71,900)
Segment net property income	128,066	67,210	195,276
Finance income			197
Finance expenses			(34,873)
Manager's management fees			(17,610)
Trustee's fees			(542)
Other trust expenses			(1,217)
Net income			141,231
Net change in fair value of financial derivatives			1,325
Fair value gains on investment properties	107,939	92,788	200,727
Total return for the financial year before income tax			343,283
Income tax			-
Total return for the financial year after income tax before distribution			343,283
Segment assets			
- Investment properties	2,420,000	1,614,000	4,034,000
- Plant and equipment	15	-	15
- Trade receivables	3,153	554	3,707
- Non-trade receivables due from related parties	48	-	48
	2,423,216	1,614,554	4,037,770
Unallocated assets			
- Cash and cash equivalents			70,420
- Other receivables			40
- Other current assets			630
- Derivative financial instruments			768
Total assets			4,109,628
Segment liabilities	40,645	14,975	55,620
Unallocated liabilities			
- Trade and other payables			32,119
- Borrowings			1,587,475
- Current income tax liabilities			5,078
- Derivative financial instruments			3,688
Total liabilities			1,683,980
Other segmental information			
Additions to:			
- Investment properties	1,961	112	2,073
- Plant and equipment	22	-	22

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

26. NEW OR REVISED RECOMMENDED ACCOUNTING PRACTICE, ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2015 or later periods and which the Group had not early adopted:

- **FRS 103 *Business Combinations*** (effective for annual periods beginning on or after 1 July 2014)

  The standard is amended to clarify that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in FRS 32, *Financial Instruments: Presentation*. The standard is further amended to clarify that all non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognised in Statements of Total Return.

  The standard is also amended to clarify that FRS 103 does not apply to the accounting for the formation of any joint arrangement under FRS 111. The amendment also clarifies that the scope exemption only applies in the financial statements of the joint arrangement itself.

  The Group will apply this amendment for business combinations taking place on or after 1 April 2015.

- **FRS 40 *Investment Property*** (effective for annual periods beginning on or after 1 July 2014)

  The standard is amended to clarify that FRS 40 and FRS 103 are not mutually exclusive. The guidance in FRS 40 assists preparers to distinguish between investment property and owner-occupied property. Preparers also need to refer to the guidance in FRS 103 to determine whether the acquisition of an investment property is a business combination.

  The Group will apply this amendment for acquisition of investment property taking place on or after 1 April 2015.

- **FRS 108 *Operating Segments*** (effective for annual periods beginning on or after 1 July 2014)

  The standard is amended to require disclosure of the judgements made by management in aggregating operating segments. This includes a description of the segments which have been aggregated and the economic indicators which have been assessed in determining that the aggregated segments share similar economic characteristics.

  The standard is further amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported.

  This amendment will not result in any changes to the Group's accounting policies but will require more disclosures in the financial statements.

- **FRS 24 *Related Party Disclosures*** (effective for annual periods beginning on or after 1 July 2014)

  The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity ('the management entity').

  The reporting entity is not required to disclose the compensation paid by the management entity to the management entity's employees or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided.

  This amendment will not result in any changes to the Group's accounting policies but will require more disclosures in the financial statements.

- **FRS 113 *Fair Value Measurement*** (effective for annual periods beginning on or after 1 July 2014)

  The amendment clarifies that the portfolio exception in FRS 113, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of FRS 39.

  This amendment is not expected to have any significant impact on the financial statements of the Group.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

26. NEW OR REVISED RECOMMENDED ACCOUNTING PRACTICE, ACCOUNTING STANDARDS AND INTERPRETATIONS (continued)

- **FRS 109 *Financial Instruments*** (effective for annual periods beginning on or after 1 January 2018)

  This standard replaces the guidance in IAS 39 *Financial Instruments: Recognition and Measurement* that relates to the classification and measurement of financial assets, and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income, and fair value through Statements of Total Return.

  The Group will apply the standard from 1 January 2018. The Group is assessing the impact of IFRS 9.

The Manager anticipates that the adoption of the above FRSs in the future years will not have a material impact on the financial statements of the Group and of MCT in the year of its initial adoption.

27. EVENTS OCCURRING AFTER REPORTING DATE

Subsequent to the reporting date:

a) The Manager announced a distribution of 2.00 cents per unit, for the period from 1 January 2015 to 31 March 2015.

b) On 7 April 2015, the Group drew down loans of $200,000,000 in principal amount bearing interest of Singapore swap offer rate and margins. The loans were used to refinance existing borrowings and will mature on 7 April 2021.

28. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Manager and the Trustee on 8 May 2015.

Statistics of Unitholdings

AS AT 29 MAY 2015

ISSUED AND FULLY PAID UNITS

2,113,441,061 units (voting rights: one vote per unit)

Market Capitalisation: S$3,275,833,644.55 (based on closing price of S$1.55 per unit on 29 May 2015)

DISTRIBUTION OF UNITHOLDINGS

Size Of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	113	0.74	4,712	0.00
100 - 1,000	3,192	20.86	3,096,713	0.15
1,001 - 10,000	8,558	55.92	36,845,149	1.74
10,001 - 1,000,000	3,413	22.30	138,688,833	6.56
1,000,001 and Above	27	0.18	1,934,805,654	91.55
Total	**15,303**	**100.00**	**2,113,441,061**	**100.00**

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	15,040	98.28	2,107,698,111	99.73
Malaysia	157	1.03	2,838,772	0.13
Others	106	0.69	2,904,178	0.14
Total	**15,303**	**100.00**	**2,113,441,061**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	HarbourFront Place Pte. Ltd.	353,409,091	16.72
2	Citibank Nominees Singapore Pte Ltd	319,111,348	15.10
3	HarbourFront Eight Pte Ltd	281,100,799	13.30
4	DBS Nominees (Private) Limited	239,857,951	11.35
5	HSBC (Singapore) Nominees Pte Ltd	184,007,397	8.71
6	DBSN Services Pte. Ltd.	158,896,006	7.52
7	The HarbourFront Pte Ltd	109,890,110	5.20
8	Raffles Nominees (Pte.) Limited	82,619,355	3.91
9	NTUC Fairprice Co-Operative Limited	63,508,278	3.00
10	Sienna Pte. Ltd.	37,669,000	1.78
11	Mapletree Commercial Trust Management Ltd.	29,888,518	1.41
12	DB Nominees (Singapore) Pte Ltd	16,294,662	0.77
13	United Overseas Bank Nominees (Private) Limited	14,748,346	0.70
14	Toh Lam Tiong	8,250,059	0.39
15	Bank of Singapore Nominees Pte. Ltd.	6,685,613	0.32
16	BNP Paribas Securities Services	6,464,935	0.31
17	OCBC Securities Private Limited	3,142,364	0.15
18	UOB Kay Hian Private Limited	2,764,122	0.13
19	ABN Amro Nominees Singapore Pte Ltd	2,570,276	0.12
20	Heng Siew Eng	2,531,000	0.12
Total		**1,923,409,230**	**91.01**

Statistics of Unitholdings

AS AT 29 MAY 2015

SUBSTANTIAL UNITHOLDERS AS AT 29 MAY 2015

No.	Name of Company	Direct Interest	Deemed Interest	% of Total Issued Capital
1	Temasek Holdings (Private) Limited[(1)]	-	812,258,356	38.43
2	Fullerton Management Pte Ltd[(2)]	-	811,957,518	38.41
3	Mapletree Investments Pte Ltd[(3)]	-	811,957,518	38.41
4	The HarbourFront Pte Ltd[(4)]	109,890,110	634,509,890	35.22
5	HarbourFront Place Pte. Ltd.	353,409,091	-	16.72
6	HarbourFront Eight Pte Ltd	281,100,799	-	13.30
7	AIA Group Limited[(5)]	-	123,720,636	5.85
8	AIA Company, Limited[(5)]	124,277	123,596,359	5.85
9	Schroders plc[(6)]	-	152,664,941	7.22

Notes:

(1) Temasek Holdings (Private) Limited ("**Temasek**") is deemed to be interested in the 109,890,110 units held by The HarbourFront Pte Ltd, 353,409,091 units held by HarbourFront Place Pte. Ltd., 281,100,799 units held by HarbourFront Eight Pte Ltd, 37,669,000 units held by Sienna Pte. Ltd. and 29,888,518 units held by Mapletree Commercial Trust Management Ltd.. The HarbourFront Pte Ltd, HarbourFront Place Pte. Ltd., HarbourFront Eight Pte Ltd, Sienna Pte. Ltd. and Mapletree Commercial Trust Management Ltd are wholly owned subsidiaries of Mapletree Investments Pte Ltd which is in turn a wholly owned subsidiary of Fullerton Management Pte Ltd. Fullerton Management Pte Ltd is a wholly owned subsidiary of Temasek. Temasek has more than 20% interest in DBS Group Holdings Ltd. As such, Temasek is also deemed to be interested in the 300,838 units in which DBS Group Holdings Ltd is deemed to have an interest.

(2) Fullerton Management Pte Ltd, through its shareholding in Mapletree Investments Pte Ltd, is deemed to be interested in the 109,890,110 units held by The HarbourFront Pte Ltd, 353,409,091 units held by HarbourFront Place Pte. Ltd., 281,100,799 units held by HarbourFront Eight Pte Ltd, 37,669,000 units held by Sienna Pte. Ltd. and 29,888,518 units held by Mapletree Commercial Trust Management Ltd..

(3) Mapletree Investments Pte Ltd is deemed to be interested in the 109,890,110 units held by The HarbourFront Pte Ltd, 353,409,091 units held by HarbourFront Place Pte. Ltd., 281,100,799 units held by HarbourFront Eight Pte Ltd, 37,669,000 units held by Sienna Pte. Ltd. and 29,888,518 units held by Mapletree Commercial Trust Management Ltd..

(4) The HarbourFront Pte Ltd as holding company of HarbourFront Place Pte. Ltd. and HarbourFront Eight Pte Ltd, is deemed to be interested in the 634,509,890 units held by HarbourFront Place Pte. Ltd. and HarbourFront Eight Pte Ltd.

(5) AIA Group Limited, as holding company of AIA Company, Limited, is deemed to be interested in the units held by its subsidiaries. AIA Company, Limited, as holding company of AIA Singapore Private Limited and AIA International Limited, is deemed to be interested in the 123,596,359 units held by AIA Singapore Private Limited and AIA International Limited.

(6) Schroders plc is deemed to be interested in the 152,664,941 units held by Schroders Investment Management Group which purchase shares on behalf of the clients as Investment Manager.

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER AS AT 21 APRIL 2015

No.	Name of Company	Direct Interest	Deemed Interest	% of Total Issued Capital
1	Tsang Yam Pui	340,000	-	0.01
2	Jennifer Loh	40,000	300,000	0.01
3	Michael George William Barclay	55,000	-	0.002
4	Koh Cheng Chua	-	-	-
5	Kwa Kim Li	-	20,000	0.0009
6	Hiew Yoon Khong	489,000	2,520,000	0.14
7	Wong Mun Hoong	-	-	-
8	Amy Ng	538,000	-	0.02

FREE FLOAT

Based on the information made available to the Manager as at 29 May 2015, approximately 48% of the units in MCT were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

Interested Person Transactions

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions of less than S$100,000 each) are as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under unitholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transactions conducted under unitholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
Mapletree Investments Pte Ltd and its subsidiaries		
- Manager's management fees	18,748	-
- Property management fees	11,222	-
- Staff costs	6,711	-
- Lease related income	229	-
DBS Trustee Limited		
- Trustee's fees	561	-
DBS Group Holdings Ltd and its subsidiaries		
- Finance expenses	2,869	-
Singapore Power Limited and its subsidiaries		
- Lease related income	1,773	-
Sembwaste Pte Ltd		
- Cleaning services	1,434	-
ST Asset Management Ltd		
- Finance expenses	520	-
Certis CISCO Security Pte Ltd and its subsidiaries or associates		
- Security and maintenance services	417	-
NCS Pte. Ltd.		
- Network related expenses	372	-
PSA Corporation Limited		
- Finance expenses	331	-

For the purpose of the disclosure, the full contract sum was used where an interested person transaction had a fixed term and contract value, while the annual amount incurred and accrued was used where an interested person transaction had an indefinite term or where the contract sum was not specified.

Save as disclosed above, there were no interested person transactions (excluding transactions of less than S$100,000 each), nor material contracts entered into by MCT and its subsidiary that involved the interests of the CEO or Director of the Manager, or any controlling Unitholder of MCT, during the financial year under review.

A set out in MCT's Prospectus dated 18 April 2011, fees and charges payable by MCT to the Manager under the Trust Deed (as amended) and to the Property Manager under the Property Management Agreement are not subject to Rules 905 and 906 of the SGX-ST's Listing Manual. Accordingly, such payments are not be included in the aggregate value of total interested person transactions as governed by Rules 905 and 906 of the of the SGX-ST's Listing Manual.

Please also see Significant Related Party Transactions on Note 23 in the financial statements.

MAPLETREE COMMERCIAL TRUST
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 25 August 2005 (as amended))

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 4th Annual General Meeting of the holders of units of Mapletree Commercial Trust ("**MCT**", and the holders of units of MCT, "**Unitholders**") will be held at 2.30 p.m. on 22 July 2015 (Wednesday), at 10 Pasir Panjang Road, Mapletree Business City, Multipurpose Hall – Auditorium, Singapore 117438 to transact the following businesses:

(A) AS ORDINARY BUSINESS

1. To receive and adopt the Report of DBS Trustee Limited, as trustee of MCT (the "**Trustee**"), the Statement by Mapletree Commercial Trust Management Ltd., as manager of MCT (the "**Manager**"), and the Audited Financial Statements of MCT for the financial year ended 31 March 2015 and the Auditor's Report thereon. **(Ordinary Resolution 1)**

2. To re-appoint PricewaterhouseCoopers LLP as the Auditor of MCT and to hold office until the conclusion of the next Annual General Meeting of MCT, and to authorise the Manager to fix their remuneration. **(Ordinary Resolution 2)**

(B) AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

3. That approval be and is hereby given to the Manager, to

(a) (i) issue units in MCT ("**Units**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instruments made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the number of issued Units (excluding treasury Units, if any) at the time this Resolution is passed, after adjusting for:

(a) any new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time this Resolution is passed; and

(b) any subsequent bonus issue, consolidation or subdivision of Units;

MAPLETREE COMMERCIAL TRUST
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 25 August 2005 (as amended))

Notice of Annual General Meeting

(3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed constituting MCT (as amended) (the "**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) unless revoked or varied by Unitholders in a general meeting, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meeting of MCT or (ii) the date by which the next Annual General Meeting of MCT is required by applicable regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Manager and the Trustee, be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of MCT to give effect to the authority conferred by this Resolution.

(Please see Explanatory Note) **(Ordinary Resolution 3)**

BY ORDER OF THE BOARD
Mapletree Commercial Trust Management Ltd.
(Company Registration No. 200708826C)
As Manager of Mapletree Commercial Trust

Wan Kwong Weng
Joint Company Secretary

Singapore
26 June 2015

Notes:

1. A Unitholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
3. The proxy form must be lodged at the Manager's registered office at 10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438 not later than 2.30 p.m. on 20 July 2015 being 48 hours before the time fixed for the Annual General Meeting.

MAPLETREE COMMERCIAL TRUST
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 25 August 2005 (as amended))

Notice of Annual General Meeting

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing, administration and analysis by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

Explanatory Note:

Ordinary Resolution 3

The Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this Annual General Meeting until (i) the conclusion of the next Annual General Meeting of MCT or (ii) the date by which the next Annual General Meeting of MCT is required by the applicable regulations to be held, whichever is earlier, to issue Units and to make or grant instruments (such as securities, warrants or debentures) convertible into Units and issue Units pursuant to such instruments, up to a number not exceeding fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) with a sub-limit of twenty per cent. (20%) for issues other than on a pro rata basis to Unitholders.

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the issued Units at the time the Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations in such instances, the Manager will then obtain the approval of Unitholders accordingly.

This page is intentionally left blank.

MAPLETREE COMMERCIAL TRUST
(Constituted in the Republic of Singapore
pursuant to a Trust Deed dated 25 August 2005 (as amended))

PROXY FORM
4th Annual General Meeting

IMPORTANT
1. For investors who have used their CPF monies to buy units in Mapletree Commercial Trust, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. CPF Investors who wish to attend the Annual General Meeting as observers have to submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.
4. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal data privacy
By submitting an instrument appointing a proxy(ies) and/or representative(s), a Unitholder of Mapletree Commercial Trust accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 26 June 2015.

I/We ____

____________________________ (Name(s) and NRIC/Passport/Company Registration Number(s))

of ____ (Address)

being a Unitholder/Unitholders of Mapletree Commercial Trust ("**MCT**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Units (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Units (%)

or, both of whom failing, the Chairman of the 4th Annual General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the 4th Annual General Meeting of MCT to be held at 2.30 p.m. on 22 July 2015 (Wednesday), at 10 Pasir Panjang Road, Mapletree Business City, Multipurpose Hall - Auditorium, Singapore 117438 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the 4th Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the 4th Annual General Meeting.

No.	Ordinary Resolutions	For*	Against*
	ORDINARY BUSINESS		
1.	To receive and adopt the Trustee's Report, the Manager's Statement, the Audited Financial Statements of MCT for the financial year ended 31 March 2015 and the Auditor's Report thereon.		
2.	To re-appoint PricewaterhouseCoopers LLP as Auditor and to authorise the Manager to fix the Auditor's remuneration.		
	SPECIAL BUSINESS		
3.	To authorise the Manager to issue Units and to make or grant convertible instruments.		

* If you wish to exercise all your votes "For" or "Against", please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ____________ day of ____________ 2015

Total number of Units held

____

Signature(s) of Unitholder(s) or Common Seal of
Corporate Unitholder

1st fold here

mapletree commercial

Postage will be paid by addressee.

For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 08986

The Company Secretary
Mapletree Commercial Trust Management Ltd.
(as Manager of Mapletree Commercial Trust)
10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

2nd fold here

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A unitholder of MCT ("**Unitholder**") entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a Unitholder.
4. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of MCT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, this proxy form will be deemed to relate to all the Units held by the Unitholder.
5. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the Manager's registered office at 10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438 not later than 2.30 p.m. on 20 July 2015, being 48 hours before the time set for the Annual General Meeting.
6. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the Annual General Meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the Annual General Meeting.
7. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
9. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by CDP to the Manager.
10. All Unitholders will be bound by the outcome of the Annual General Meeting regardless of whether they have attended or voted at the Annual General Meeting.
11. At any meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by five or more Unitholders present in person or by proxy, or holding or representing one-tenth in value of the Units represented at the meeting. Unless a poll is so demanded, a declaration by the Chairman that such a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
12. On a show of hands, every Unitholder who (being an individual) is present in person or by proxy or (being a corporation) is present by one of its officers as its proxy shall have one vote. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. A person entitled to more than one vote need not use all his/her votes or cast them the same way.

3rd fold here

Corporate Directory

Manager
Mapletree Commercial Trust
Management Ltd.

Registered Office
10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438
T : +65 6377 6111
F : +65 6376 2168
W : www.mapletreecommercialtrust.com
E : enquiries_mct@mapletree.com.sg

Board of Directors
Mr Tsang Yam Pui
Chairman and Non-Executive Director

Mrs Jennifer Loh
Chairman of the Audit and Risk Committee
and Independent Director

Mr Michael George William Barclay
Member of the Audit and Risk Committee
and Independent Director

Mr Koh Cheng Chua
Member of the Audit and Risk Committee
and Independent Director

Ms Kwa Kim Li
Independent Director

Mr Hiew Yoon Khong
Non-Executive Director

Mr Wong Mun Hoong
Non-Executive Director

Ms Amy Ng
Executive Director and Chief Executive Officer

Management
Ms Amy Ng
Chief Executive Officer

Ms Loke Huey Teng
Chief Financial Officer

Ms Sharon Lim
Chief Operating Officer

Corporate Services
Mr Wan Kwong Weng
Joint Company Secretary

Ms See Hui Hui
Joint Company Secretary

Unit Registrar
Boardroom Corporate & Advisory
Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623
T : +65 6536 5355
F : +65 6438 8710

Trustee
DBS Trustee Limited
12 Marina Boulevard
Level 44
DBS Asia Central @
Marina Bay Financial Centre Tower 3
Singapore 018982
T : +65 6878 8888
F : +65 6878 3977

Auditor
PricewaterhouseCoopers LLP
8 Cross Street #17-00
PWC Building
Singapore 048424
T : +65 6236 3388
F : +65 6236 3300

Partner-in-charge
Mr Yeow Chee Keong
(since financial year ended 31 March 2015)

design & production by Q-Plus Design

mapletree
commercial

Mapletree Commercial Trust Management Ltd.
(as Manager of Mapletree Commercial Trust)
Co. Reg. No. 200708826C

10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC™ C123774

This report is printed on environmentally friendly paper.