



CAPITALAND COMMERCIAL TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION
ANNOUNCEMENT

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SUMMARY OF CCT GROUP RESULTS

	1Q 2016	1Q 2015	Change %
Gross Revenue (S\$'000)	66,857	68,162	(1.9)
Net Property Income (S\$'000)	52,028	53,968	(3.6)
Distributable Income (S\$'000)	64,845	62,753	3.3
<i>Comprising:</i>			
- <i>Distribution from CCT's wholly owned assets</i>	<i>42,250</i>	<i>41,970</i>	<i>0.7</i>
- <i>Distribution from Joint Ventures</i>	<i>22,595</i>	<i>20,783</i>	<i>8.7</i>
Distribution Per Unit ("DPU") (cents)			
- For the period	2.19 ⁽¹⁾	2.12	3.3

Note:

- (1) The estimated DPU of 2.19 cents for 1Q 2016 was computed on the basis that none of the convertible bonds due 2017 ("CB 2017") is converted into CCT units ("Units"). Accordingly, the actual quantum of DPU may differ if any of the CB 2017 is converted into Units.

INTRODUCTION

CapitaLand Commercial Trust ("CCT") was established pursuant to a trust deed dated 6 February 2004 (as amended) executed between CapitaLand Commercial Trust Management Limited as manager of CCT (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited as trustee of CCT (the "CCT Trustee").

As of 31 March 2016, CCT Group's portfolio consists of Capital Tower, Six Battery Road, One George Street, Raffles City Singapore (through CCT's 60% interest in RCS Trust), CapitaGreen (through CCT's 40% interest in MSO Trust), HSBC Building, Bugis Village, Golden Shoe Car Park, Wilkie Edge and Twenty Anson. CCT owns a 17.7% stake in MRCB-Quill REIT ("MQREIT"), a commercial REIT listed in Malaysia.

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1(a)(i) Statement of Total Return & Distribution Statement (1Q 2016 vs 1Q 2015)

Statement of Total Return	Note	Group			Trust		
		1Q 2016	1Q 2015	Change	1Q 2016	1Q 2015	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross rental income		61,580	62,430	(1.4)	61,580	57,504	7.1
Car park income		2,755	2,914	(5.5)	2,755	2,863	(3.8)
Other income	1	2,522	2,818	(10.5)	2,522	2,440	3.4
Gross revenue		66,857	68,162	(1.9)	66,857	62,807	6.4
Property management fees		(1,464)	(1,524)	(3.9)	(1,464)	(1,393)	5.1
Property tax	2	(5,968)	(5,462)	9.3	(5,968)	(5,025)	18.8
Other property operating expenses		(7,397)	(7,208)	2.6	(7,397)	(6,662)	11.0
Property operating expenses		(14,829)	(14,194)	4.5	(14,829)	(13,080)	13.4
Net property income	3	52,028	53,968	(3.6)	52,028	49,727	4.6
Interest income	4	1,322	998	32.5	1,307	4,018	(67.5)
Investment income	5	1,708	-	NM	24,303	23,500	3.4
Amortisation of intangible asset	6	(44)	(172)	(74.4)	(44)	(172)	(74.4)
Asset management fees:							
- Base fees		(1,302)	(1,231)	5.8	(1,302)	(1,231)	5.8
- Performance fees		(2,361)	(2,457)	(3.9)	(2,361)	(2,457)	(3.9)
Trust expenses	7	(577)	(1,005)	(42.6)	(567)	(976)	(41.9)
Finance costs	8	(9,471)	(8,510)	11.3	(9,458)	(8,505)	11.2
Net income before share of profit of associate and joint ventures		41,303	41,591	(0.7)	63,906	63,904	0.0
Share of profit (net of tax) of:							
- Associate	9	-	1,820	NM	-	-	-
- Joint ventures	10	20,576	14,868	38.4	-	-	-
Net income		61,879	58,279	6.2	63,906	63,904	0.0
Dilution (loss) / gain on investment in associate	11	-	(18,903)	NM	-	2,629	NM
Total return for the period before tax		61,879	39,376	57.1	63,906	66,533	(3.9)
Tax expense	12	(177)	(86)	NM	(176)	-	NM
Total return for the period after tax		61,702	39,290	57.0	63,730	66,533	(4.2)
Distribution Statement							
Net income before share of profit of associate and joint ventures		41,303	41,591	(0.7)	63,906	63,904	0.0
Net tax and other adjustments	13	947	379	NM	939	(1,151)	NM
Distribution from joint ventures	14	22,595	20,783	8.7	-	-	-
Distributable income to unitholders		64,845	62,753	3.3	64,845	62,753	3.3

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Notes:

(1) Other income includes the following:

(a) Yield stabilization income of S\$0.04 million accrued in 1Q 2016 for Twenty Anson (1Q 2015: S\$0.2 million). The amount was accrued pursuant to a Deed of Yield Stabilization ("YS Deed") dated 22 March 2012 in relation to the acquisition of 100% equity interest in FirstOffice Pte. Ltd. ("FOPL"), whereby a yield stabilization sum of S\$17.1 million was provided to achieve a stabilized yield of up to 5.5% per annum of the property purchase value of S\$430.0 million for a period of 3.5 years. The YS Deed was assigned to CCT upon the transfer of Twenty Anson to CCT on 1 July 2015. CCT will continue to utilize the yield stabilization sum to top up any shortfall or deficiency in the property income of Twenty Anson until the sum is fully utilized. As at 31 March 2016, the balance yield stabilization sum was S\$3.4 million; and

(b) Recovery from tenants and licence income. Recovery from tenants was lower in 1Q 2016 as compared with 1Q 2015.

(2) The increase in property tax in 1Q 2016 from 1Q 2015 was primarily due to higher annual values.

(3) The following items have been included in arriving at net property income:

	Group			Trust		
	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %
Depreciation & amortisation of lease incentives	397	384	3.4	397	338	17.5

(4) Interest income includes the following:

	Group			Trust		
	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %
Interest income from cash balance	99	115	(13.9)	84	96	(12.5)
Interest income from shareholder's loan to MSO Trust	1,223	883	38.5	1,223	883	38.5
Interest income from shareholder's loan to FOPL ^(4a)	-	-	-	-	3,039	NM
Total	1,322	998	32.5	1,307	4,018	(67.5)

(4a) FOPL repaid the shareholder's loan from CCT on 1 July 2015.

(5) Investment income for the Trust relates to distributions from the Joint Ventures (RCS Trust and MSO Trust) and MQREIT in 1Q 2016, while that for 1Q 2015 relates to distributions from RCS Trust and MQREIT. For the Group, it relates to the gross distributions from MQREIT in 1Q 2016.

(6) This relates to the amortisation of yield stabilization sum in relation to Twenty Anson. The amount was computed based on a net property yield of 4.0% per annum for Twenty Anson.

(7) The drop in trust expenses for 1Q 2016 from 1Q 2015 was mainly due to lower unitholders expenses and professional fees.

(8) Finance costs include the following:

	Group			Trust		
	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %
Interest cost ^(8a)	8,075	7,674	5.2	8,075	7,674	5.2
Amortisation and transaction costs ^(8b)	1,396	836	67.0	1,383	831	66.4
Total	9,471	8,510	11.3	9,458	8,505	11.2

(8a) Increase in interest cost for 1Q 2016 from 1Q 2015 was mainly due to higher borrowings and average interest costs.

(8b) Higher amortisation and transaction costs in 1Q 2016 versus 1Q 2015 primarily due to upfront fees incurred on new bank borrowings.

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- (9) Share of profit of associate in 1Q 2015 relates to CCT's then 30% share of MQREIT's results. Investment by CCT in MQREIT was reduced to 17.7% and reclassified to an available-for-sale investment in 1Q 2015. Therefore, there was no share of profit of associate in 1Q 2016.
- (10) Share of profit of joint ventures relates to CCT's 60% interest in RCS Trust (owns Raffles City Singapore) and 40% interest in MSO Trust (owns CapitaGreen), which are derived as follows:

	Group		
	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %
Gross revenue ^(10a)	42,852	35,730	19.9
Property operating expenses	(10,425)	(10,804)	(3.5)
Net property income ^(10a)	32,427	24,926	30.1
Finance costs ^(10b)	(9,332)	(7,582)	23.1
Trust and other expenses ^(10c)	(2,519)	(2,476)	1.7
Profit of joint ventures (net of tax)	20,576	14,868	38.4

- (10a) The increase in gross revenue and net property income were largely due to contributions from progressive commencement of leases at CapitaGreen. CCT's 40% interest in gross revenue of MSO Trust was S\$6.8 million in 1Q 2016 (1Q 2015: S\$0.06 million) and net property income was S\$5.0 million in 1Q 2016 (1Q 2015: loss of S\$1.4 million).
- (10b) The increase was largely due to higher cost of borrowings by MSO Trust. Finance costs of MSO Trust in 1Q 2016 was S\$4.0 million (1Q 2015: S\$2.4 million).
- (10c) Includes asset management fees.
- (11) Dilution (loss)/gain on investment in associate for the Group and Trust in 1Q 2015 relates to the marked-to-market loss on the investment of MQREIT, which was reclassified from an associate to available-for-sale investment.
- (12) Included in tax expense for the Group and the Trust in 1Q 2016 was withholding tax paid for MQREIT's distribution.
- (13) Included in net tax and other adjustments are the following:

	Group			Trust		
	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %	1Q 2016 S\$'000	1Q 2015 S\$'000	Change %
Asset management fee payable in Units	966	950	1.7	966	950	1.7
Trustee's fees	163	155	5.2	163	155	5.2
Amortisation and transaction costs	1,396	836	67.0	1,383	831	66.4
Net loss / (profits) from subsidiaries ^(13a)	8	(1,189)	NM	-	-	-
Tax-exempt income retained ^(13b)	(1,604)	-	NM	(1,604)	(1,689)	(5.0)
Temporary differences and other adjustments	18	(373)	NM	31	(1,398)	NM
Total	947	379	NM	939	(1,151)	NM

- (13a) Included in net loss / (profits) from subsidiaries in 1Q 2015 were mainly profits from FOPL of S\$1.2 million. The marginal net loss in 1Q2016 was attributed to CCT MTN Pte. Ltd., as profit at FOPL was negligible due to the transfer of Twenty Anson to CCT in 2015.
- (13b) This mainly relates to retained net tax-exempt income from MQREIT. There was no tax-exempt income retained for the Group in 1Q2015 since MQREIT was then an associate but the investment in MQREIT is now classified as available-for-sale investment. The retained amount may be used for anticipated capital expenditure and/or distribution to unitholders.
- (14) This relates to CCT's 60% interest in RCS Trust's and 40% interest in MSO Trust's distribution in 1Q 2016. For 1Q 2015, it relates to CCT's 60% interest in RCS Trust's distribution.

NM – Not Meaningful

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1(b)(i) Statement of Financial Position as at 31 March 2016 vs 31 December 2015

	Note	Group			Trust		
		31 Mar 2016 S\$'000	31 Dec 2015 S\$'000	Change %	31 Mar 2016 S\$'000	31 Dec 2015 S\$'000	Change %
Non-current assets							
Plant and equipment		1,194	1,272	(6.1)	1,194	1,272	(6.1)
Investment properties		4,962,341	4,961,700	0.0	4,962,341	4,961,700	0.0
Subsidiaries	1	-	-	-	167,657	167,657	-
Available-for-sale investment	2	44,189	41,621	6.2	44,189	41,621	6.2
Joint ventures	3	1,444,475	1,452,447	(0.5)	1,000,012	997,780	0.2
Intangible asset	4	3,372	3,416	(1.3)	3,372	3,416	(1.3)
Financial derivatives	5	2,650	5,611	(52.8)	2,650	5,611	(52.8)
Total non-current assets		6,458,221	6,466,067	(0.1)	6,181,415	6,179,057	0.0
Current assets							
Trade and other receivables		44,673	43,540	2.6	44,670	43,451	2.8
Cash and cash equivalents		46,395	81,212	(42.9)	32,344	67,151	(51.8)
Financial derivatives	6	345	1,726	(80.0)	345	1,726	(80.0)
Total current assets		91,413	126,478	(27.7)	77,359	112,328	(31.1)
Total assets	7	6,549,634	6,592,545	(0.7)	6,258,774	6,291,385	(0.5)
Current liabilities							
Trade and other payables	8	41,131	37,263	10.4	203,853	199,900	2.0
Current portion of security deposits		12,963	8,611	50.5	12,963	8,611	50.5
Financial derivatives	6	885	-	NM	885	-	NM
Current tax payable		68	64	6.3	67	60	11.7
Total current liabilities		55,047	45,938	19.8	217,768	208,571	4.4
Non-current liabilities							
Non-current portion of security deposits		28,258	31,848	(11.3)	28,258	31,848	(11.3)
Interest-bearing liabilities	9	1,132,255	1,083,623	4.5	1,132,255	1,083,623	4.5
Convertible bonds	10	171,812	171,281	0.3	171,812	171,281	0.3
Financial derivatives	5	27,602	25,719	7.3	27,602	25,719	7.3
Total non-current liabilities		1,359,927	1,312,471	3.6	1,359,927	1,312,471	3.6
Total liabilities		1,414,974	1,358,409	4.2	1,577,695	1,521,042	3.7
Net assets		5,134,660	5,234,136	(1.9)	4,681,079	4,770,343	(1.9)
Unitholders' funds		5,134,660	5,234,136	(1.9)	4,681,079	4,770,343	(1.9)

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Notes:

- (1) This relates to the investments in wholly-owned subsidiaries, CCT MTN Pte. Ltd. and FOPL.
- (2) This relates to CCT's 17.7% stake in MQREIT. The increase in value of MQREIT as at 31 March 2016 from 31 December 2015 was due to increase in its unit price as well as the strengthening of the Malaysian Ringgit against Singapore Dollar.
- (3) This relates to 60% interest in RCS Trust and 40% interest in MSO Trust (including the unitholders' loans to MSO Trust).
- (4) This relates primarily to the unamortised yield stabilization sum receivable by the Group in relation to Twenty Anson.
- (5) This relates to the fair values of cross currency swaps.
- (6) This relates to the fair values of interest rate swaps.
- (7) Total assets were S\$6,549.6 million as at 31 March 2016 (31 December 2015: S\$6,592.5 million). Total deposited property value, including CCT's 60% interest in RCS Trust and 40% interest in MSO Trust as at 31 March 2016 was S\$7,696.9 million (31 December 2015: S\$7,721.5 million).
- (8) Included in Trade and other payables of the Trust is the balance purchase consideration of S\$163.1 million payable by the Trust to its subsidiary, FOPL, in respect of the transfer of Twenty Anson on 1 July 2015.
- (9) Interest-bearing liabilities under non-current liabilities as at 31 March 2016 comprised:
 - a) Unsecured fixed rate notes totaling S\$150.0 million; JPY24.9 billion and HKD585.0 million (hedged via cross currency swaps to S\$425.8 million); and
 - b) Unsecured bank borrowings of S\$571.6 million.
- (10) This relates to the liability component of CB 2017 of principal amount S\$175.0 million which was measured at amortised cost.

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1(b)(ii) Aggregate amount of borrowings and debt securities

Group and Trust		
31 Mar 2016	31 Dec 2015	Change
S\$'000	S\$'000	%
1,307,683	1,258,918	3.9
(3,616)	(4,014)	(9.9)
1,304,067	1,254,904	3.9

For information only ⁽¹⁾

CCT's 60% interest in RCS Trust's and CCT's 40% interest in MSO Trust's aggregate amount of borrowings are as follows:

	For information only		
	31 Mar 2016	31 Dec 2015	Change
	S\$'000	S\$'000	%
Secured borrowings			
Amount repayable after one year	356,000 ⁽²⁾	356,000 ⁽²⁾	-
Less: Unamortised portion of transactions costs	(1,674)	(1,764)	(5.1)
Net repayable after one year	354,326	354,236	0.0
Amount repayable within one year	639,780 ⁽³⁾	626,400 ⁽³⁾	2.1
Less: Unamortised portion of transactions costs	(353)	(742)	(52.4)
Net repayable within one year	639,427	625,658	2.2
Total secured borrowings	993,753	979,894	1.4

Notes:

- (1) CCT's interest in the aggregate borrowings of RCS Trust and MSO Trust are not included under total borrowings in the statement of financial position.
- (2) This relates to CCT's 40% interest in MSO Trust's borrowings due in 2020.
- (3) This relates to CCT's 60% interest in RCS Trust's borrowings. Unsecured bank loan facilities are in place to refinance the borrowings due on 21 June 2016.

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1(c) Statement of Cash Flow (1Q 2016 vs 1Q 2015)

	Group	
	1Q 2016	1Q 2015
Note	S\$'000	S\$'000
Operating activities		
Total return for the period before tax	61,879	39,376
Adjustments for :		
Share of profit of associate and joint ventures	(20,576)	(16,688)
Amortisation of lease incentives	318	311
Amortisation of intangible asset	44	172
Depreciation of plant and equipment	79	73
Finance costs	9,471	8,510
Interest income	(1,322)	(998)
Asset management fees paid and payable in Units	966	950
Distributions from available-for-sale investment	(1,708)	-
Dilution loss on investment in associate	-	18,903
Foreign Exchange loss	-	268
Operating income before working capital changes	49,151	50,877
Changes in working capital		
Trade and other receivables	408	(854)
Trade and other payables	(1,170)	1,004
Security deposits	761	1,115
Cash generated from operating activities	49,150	52,142
Tax expenses paid	(172)	-
Net cash from operating activities	48,978	52,142
Investing activities		
Capital expenditure on investment properties	(1,499)	(6,618)
Purchase of plant and equipment	-	(71)
Distribution received from available-for-sale investment	1,708	-
Distributions received from associate and joint venture	22,014	23,595
Interest income received	532	90
Net cash from investing activities	22,755	16,996
Financing activities		
Interest paid	(9,508)	(7,178)
Distribution to unitholders	(121,042)	(118,118)
Proceeds from interest-bearing liabilities	224,000	100,000
Repayment of interest-bearing liabilities	(200,000)	(90,000)
Net cash used in financing activities	(106,550)	(115,296)
Net decrease in cash and cash equivalents	(34,817)	(46,158)
Cash and cash equivalents at beginning of period	81,212	101,085
Cash and cash equivalents at end of period	46,395	54,927

Notes:

- (1) This relates to the proceeds from bank borrowings of S\$121.55 million and issuance of HKD585.0 million fixed rate notes due 2021. The HKD585.0 million fixed rate notes have been hedged via cross currency interest rate swaps to notional principal amount of S\$102.45 million at an interest rate of 2.70% per annum.
- (2) This relates to the repayment of bank borrowings.

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1(d)(i) Statement of movement in unitholders' funds (1Q 2016 vs 1Q 2015)

	Note	Group		Trust	
		1Q 2016 S\$'000	1Q 2015 S\$'000	1Q 2016 S\$'000	1Q 2015 S\$'000
Net assets at beginning of period		5,234,136	5,153,488	4,770,343	4,690,828
Operations					
Total return for the period		61,702	39,290	63,730	66,533
Unitholders' transactions					
Creation of units:					
- Units issued in respect of RCS Trust's asset management fees		2,231	2,208	2,231	2,208
- Asset management fee paid in Units		967	926	967	926
Distributions to unitholders		(127,271)	(124,862)	(127,271)	(124,862)
Net decrease in net assets resulting from unitholders' transactions		(124,073)	(121,728)	(124,073)	(121,728)
Movement in reserves					
- Available-for-sale reserve	1	2,568	-	2,568	-
- Foreign currency translation reserves	2	-	10,010	-	-
- Hedging reserves	3	(39,673)	5,570	(31,489)	5,814
Net (decrease) / increase in net assets resulting from movement in		(37,105)	15,580	(28,921)	5,814
Net decrease in net assets		(99,476)	(66,858)	(89,264)	(49,381)
Net assets at end of period		5,134,660	5,086,630	4,681,079	4,641,447

Notes:

- (1) This relates to marked to market movement of MQREIT.
- (2) The movement in foreign currency translation reserves in 1Q 2015 relates to movement in translating CCT's 30% interest in MQREIT, which was denominated in Malaysian Ringgit, when it was classified as an investment in associate.
- (3) The movement in hedging reserves for the Trust relates to the fair value changes of the cross currency and interest rate swaps and the revaluation of JPY and HKD notes. Included in movement for the Group was the Group's 40% share of MSO Trust's movement in hedging reserves.

Convertible Bonds

CCT has the following Convertible Bonds outstanding as at 31 March 2016:

Principal Amount Outstanding	Maturity Date	Conversion Price per Unit as at 31 March 2016
<u>CB 2017</u> S\$175.0 million 2.5 per cent.	12 September 2017	1.4816

Assuming all the CB 2017 were fully converted based on the conversion price, the number of new units to be issued would be 118,115,550, representing 4.0% of the total number of CCT units in issue as at 31 March 2016 (2,955,321,679 Units). In comparison, this was against 113,569,991 Units at the conversion price of S\$1.5409 as at 31 March 2015, representing 3.9% of the total number of CCT units in issue as at 31 March 2015 (2,946,694,080 Units).

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1(e)(i) Details of any change in the units (1Q 2016 vs 1Q 2015)

Units in issue as at beginning of period

Issue of new Units:

- in settlement of the asset management fee in relation to RCS Trust
- in settlement of the asset management fees in relation to Wilkie Edge and One George Street

Units in issue as at end of period

Group and Trust	
1Q 2016 Units	1Q 2015 Units
2,952,931,319	2,944,849,310
1,667,543	1,299,818
722,817	544,952
2,955,321,679	2,946,694,080

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

The figures have not been audited nor reviewed by our auditors.

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

Not applicable.

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

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with the audited financial statements for the year ended 31 December 2015.

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

Nil

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6 Earnings per unit ("EPU") and distribution per unit ("DPU") for the financial period

EPU (1Q 2016 vs 1Q 2015)

	Note	Group		Trust	
		1Q 2016	1Q 2015	1Q 2016	1Q 2015
<u>Basic EPU</u>					
Weighted average number of Units in issue		2,954,481,113	2,946,017,664	2,954,481,113	2,946,017,664
Based on weighted average number of Units in issue	1	2.09¢	1.33¢	2.16¢	2.26¢
<u>Diluted EPU</u>					
Weighted average number of Units in issue (diluted)		3,072,596,663	3,059,587,655	3,072,596,663	3,059,587,655
Based on weighted average number of Units in issue (diluted)	2	2.06¢	1.33¢	2.13¢	2.22¢

Notes:

- (1) In computing the basic EPU, total return for the period after tax and the weighted average number of Units outstanding during the period were used.
- (2) In computing the diluted EPU, the total return for the period after tax and the weighted average number of Units outstanding during the period were adjusted for the effects of all dilutive potential Units arising from the assumed conversion of the outstanding convertible bonds to Units.

Distribution per unit ("DPU")

In computing 1Q 2016 DPU, the number of Units as at 31 March 2016 was used for the computation.

	1Q 2016	1Q 2015
Number of Units in issue	2,955,321,679	2,946,694,080
DPU for period	2.19¢ ¹	2.12¢

Note:

- (1) The estimated DPU for 1Q 2016 was computed on the basis that none of the CB 2017 is converted into Units. Accordingly, the actual quantum of DPU may differ if the CB 2017 is converted into Units.

7 Net asset value ("NAV") / Net tangible asset ("NTA") per Unit based on Units in issue at the end of the period.

	Note	Group		Trust	
		31 Mar 2016	31 Dec 2015	31 Mar 2016	31 Dec 2015
Number of Units in issue at end of the year		2,955,321,679	2,952,931,319	2,955,321,679	2,952,931,319
NAV / NTA (S\$'000)		5,134,660	5,234,136	4,681,079	4,770,343
NAV / NTA per Unit	1	\$1.74	\$1.77	\$1.58	\$1.62
Adjusted NAV / NTA per Unit (excluding the distributable income to unitholders)		\$1.72	\$1.73	\$1.56	\$1.57

Note:

- (1) NAV / NTA per Unit was computed based on net asset value over the number of Units in issue as at end of the period.

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8 Review of the performance

Statement of Total Return

Gross revenue	
Property operating expenses	
Net property income	
Interest income	
Investment income	
Amortisation of intangible asset	
Asset management fees:	
- Base fees	
- Performance fees	
Trust expenses	
Finance costs	
Net income before share of profit of associate and joint ventures	
Share of profit (net of tax) of:	
- Associate	
- Joint ventures	
Net income	
Dilution loss on investment in associate	
Total return for the period before tax	
Tax expense	
Total return for the period after tax	

Distribution Statement

Net income before share of profit of associate and joint ventures	
Net tax and other adjustments	
Distribution from joint ventures	
Distributable income to unitholders	
DPU for the period	
Annualised	

Group		
1Q 2016	1Q 2015	Change
S\$'000	S\$'000	%
66,857	68,162	(1.9)
(14,829)	(14,194)	4.5
52,028	53,968	(3.6)
1,322	998	32.5
1,708	-	NM
(44)	(172)	(74.4)
(1,302)	(1,231)	5.8
(2,361)	(2,457)	(3.9)
(577)	(1,005)	(42.6)
(9,471)	(8,510)	11.3
41,303	41,591	(0.7)
-	1,820	NM
20,576	14,868	38.4
61,879	58,279	6.2
-	(18,903)	NM
61,879	39,376	57.1
(177)	(86)	NM
61,702	39,290	57.0
41,303	41,591	(0.7)
947	379	NM
22,595	20,783	8.7
64,845	62,753	3.3
2.19¢	2.12¢	3.3
8.81¢	8.60¢	2.4

NM – Not Meaningful

Review of CCT Group's performance 1Q 2016 vs 1Q 2015

- Gross revenue of S\$66.9 million in 1Q 2016 was lower than 1Q 2015 by S\$1.3 million or 1.9%. The decrease was mainly due to lower gross rental from Capital Tower and Golden Shoe Car Park as a result of lower average occupancy. Lower car park revenue also contributed to the drop in gross revenue for Golden Shoe Car Park.
- Property operating expenses for 1Q 2016 of S\$14.8 million were higher than 1Q 2015 by S\$0.6 million or 4.5%. The increase was mainly due to higher property tax, albeit offset by lower utilities expenses.
- Amortisation expense relates to the amortisation of intangible asset. The amount for 1Q 2016 of S\$0.04 million was lower than 1Q 2015 of S\$0.2 million mainly due to lower yield stabilization sum required for Twenty Anson, arising from better performance in net property income. Amortisation expense does not affect distributable income.
- Trust expenses in 1Q 2016 of S\$0.6 million were lower than 1Q 2015 by S\$0.4 million or 42.6% mainly due to lower unitholders expenses and professional fees.

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- e) Finance costs of S\$9.5 million for 1Q 2016 were S\$1.0 million or 11.3% higher compared with 1Q 2015, mainly due to higher interest costs and amortization and transaction costs.
- f) Share of profit of joint ventures relates to CCT's 60% interest in RCS Trust and 40% interest in MSO Trust. The increase in the share of profit of joint ventures in 1Q 2016 from 1Q 2015 was mainly due to higher profits from MSO Trust which owns CapitaGreen.
- g) The distributable income to unitholders in 1Q 2016 of S\$64.8 million was 3.3% higher than 1Q 2015 of S\$62.8 million notwithstanding lower net property income mainly due to MSO Trust's maiden distribution and also higher distribution from RCS Trust.

9 Variance from Previous Forecast / Prospect Statement

CCT has not disclosed any forecast to the market.

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

CCT Group's distributable income to unitholders for 1Q 2016 grew 3.3% year-on-year notwithstanding challenging market conditions, which demonstrates the resilience of CCT Group's portfolio. Higher distribution from RCS Trust (that owns Raffles City Singapore) contributed to the growth in distributable income. In addition, MSO Trust (that owns CapitaGreen) had its maiden distribution this quarter which further added to the growth of CCT Group's distributable income to unitholders.

CCT received S\$1.6 million of net tax-exempt income from MQREIT in 1Q 2016 which was retained. In addition, CCT retained tax-exempt income arising from the yield stabilization sum of Twenty Anson of S\$0.04 million. The cumulative amount of retained net tax-exempt income as at 31 March 2016 was S\$15.3 million. The Manager will evaluate various options for the utilization of this amount, including for capital expenditure or future distributions to unitholders.

FirstOffice Pte. Ltd. (FOPL), a wholly owned subsidiary of CCT, which transferred Twenty Anson to CCT in 2015, is now a dormant company. Management is currently working to clear tax filings, following which liquidation of FOPL will commence.

The key debt maturity in 2016 is Raffles City Singapore's borrowings and unsecured bank facilities are in place to refinance the borrowings due on 21 June 2016.

CCT's portfolio committed occupancy rate of 98.1% in 1Q 2016 remains above market occupancy of 95.1%. This includes CapitaGreen's higher occupancy of 92.8% and Capital Tower's improved occupancy to 98.1%.

Average monthly Grade A office market rent decreased from S\$10.40 in 4Q 2015 to S\$9.90 per square foot in 1Q 2016. However, the Trust's monthly average office portfolio gross rent grew 0.7% over the quarter from S\$8.90 per square foot as at end December 2015 to S\$8.96 as at end March 2016 due to the Manager's proactive asset management program.

Outlook

Given the subdued global economic outlook and the supply of Grade A office, Singapore Grade A office market showed signs of weakness with the further easing of market rentals in 1Q 2016. The Singapore office market will face an above-normal volume of new supply between the second half of 2016 and first half of 2017 which is expected to cause further downward pressure on market rents. In anticipation of the new office supply, the Manager has proactively implemented a well-spread portfolio lease expiry profile and pushed out major lease expirations to 2019 and beyond to avoid the period of large supply. Retention of strategic tenants and attracting new tenants to our portfolio of properties remain our priority so as to attain a high portfolio occupancy rate.

11(a) Current financial period

Any distributions declared for the current financial period? No.

11(b) Corresponding period of the preceding financial period

Any distributions declared for the preceding financial period? No.

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

No distribution has been declared for the first quarter of 2016.

13 General mandate relating to interested party transactions

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

14 Confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render the unaudited interim financial results of the Group and Trust (comprising the statements of financial position as at 31 March 2016, statements of total return & distribution statements, statements of movements in unitholders' funds and statement of cash flow of the Group for the three months ended on that date, together with their accompanying notes) to be false or misleading in any material respect.

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

Lynette Leong Chin Yee
Chief Executive Officer / Executive Director

Wen Khai Meng
Non-Executive Director

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

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

Honey Vaswani
Assistant Company Secretary
15 April 2016