



**CAPITALAND COMMERCIAL TRUST**  
**2018 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION**  
**ANNOUNCEMENT**

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**SUMMARY OF CCT GROUP RESULTS**

	Notes	2Q 2018	2Q 2017	Change %	1H 2018	1H 2017	Change %
Gross Revenue (S\$'000)	1	98,015	87,495	12.0	194,433	177,020	9.8
Net Property Income (S\$'000)		77,737	69,103	12.5	154,946	138,958	11.5
Distributable Income (S\$'000)		79,383	69,467	14.3	155,989	140,759	10.8
Distribution Per Unit ("DPU") (cents)	2	2.16	2.25	(4.0)	4.28	4.56	(6.1)
DPU (cents) (Restated for Rights Issue)	3	2.16	2.19	(1.6)	4.28	4.45	(3.7)
<b>For Information Only</b>							
DPU (cents) (Adjusted with the enlarged Units in issue)	4	2.16	1.89	14.3	4.28	3.86	10.9

Notes:

- Gross revenue in 2Q 2018 and 1H 2018 were higher year-on-year mainly due to contribution from Asia Square Tower 2 ("AST2") which offset the loss in gross revenue arising from the divestments of One George Street, Golden Shoe Car Park and Wilkie Edge in 2017. Gallileo, acquired by CCT on 18 June 2018 and a stronger performance by CapitaGreen also contributed to the increase.
- DPU for 2Q 2018 was 2.16 cents, comprising (a) DPU of 1.37 cents from 1 April 2018 to 27 May 2018, computed on 3,612.7 million CCT units ("Units") and paid on 18 July 2018, as part of an advanced distribution; and (b) DPU of 0.79 cents from 28 May 2018 to 30 June 2018, computed on 3,742.7 million Units, following the issuance of 130.0 million new Units for the equity placement in 2Q 2018 ("Equity Placement").  
  
DPU for 1H 2018 was 4.28 cents, comprising (a) DPU of 3.49 cents from 1 January 2018 to 27 May 2018 (2.12 cents in 1Q 2018 and 1.37 cents from 1 April 2018 to 27 May 2018), computed on 3,612.7 million Units and paid on 18 July 2018 as an advanced distribution; and (b) DPU of 0.79 cents from 28 May 2018 to 30 June 2018 which was computed on 3,742.7 million Units, following the Equity Placement. The payment date of the DPU of 0.79 cents (comprising 0.77 cents of taxable income and 0.02 cents of tax-exempt income) is 29 August 2018.
- DPU for 2Q 2017 and 1H 2017 were restated for the rights issue, whereby 513.5 million Units were issued on 26 October 2017 ("Rights Issue"). The restatement was in accordance with paragraph 46 of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts".
- Adjusted DPU for 2Q 2017 of 1.89 was computed on 3,612.7 million CCT units from 1 April 2018 to 27 May 2018 (end date inclusive) and 3,742.7 million Units from 28 May 2018 to 30 June 2018. Adjusted DPU for 1H 2017 of 3.86 cents was computed on 3,612.7 million Units from 1 January 2018 to 27 May 2018 (end date inclusive) and 3,742.7 million Units from 28 May 2018 to 30 June 2018.

**DISTRIBUTION AND BOOK CLOSURE DATES**

Distribution	28 May 2018 to 30 June 2018
Distribution Type	i) Taxable income ii) Tax-exempt income
Distribution Rate	0.79 cents comprising: i) Taxable income distribution 0.77 cents per unit; and ii) Tax-exempt income distribution of 0.02 cents per unit.
Books Closure Date	Friday, 27 July 2018
Payment Date	Wednesday, 29 August 2018

Note : An advanced distribution of 3.49 cents for the period 1 January 2018 to 27 May 2018 was paid on 18 July 2018.

# CAPITALAND COMMERCIAL TRUST

## 2018 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

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### 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 at 30 June 2018, CCT’s property portfolio comprises:

- (1) Capital Tower
- (2) Six Battery Road
- (3) HSBC Building
- (4) Bugis Village
- (5) Twenty Anson
- (6) CapitaGreen, held through wholly owned subsidiary MSO Trust
- (7) Asia Square Tower 2 (“AST2”), held through wholly owned Asia Square Tower 2 Pte. Ltd. (“AST2 Co.”), which is in turn held by MVKimi (BVI) Limited (collectively referred to as “MVKimi Group”)
- (8) Raffles City Singapore, held through CCT’s 60.0% interest in RCS Trust
- (9) One George Street, held through CCT’s 50.0% interest in One George Street LLP (“OGS LLP”)
- (10) CapitaSpring, a redevelopment of the former Golden Shoe Car Park, held through CCT’s 45.0% interest in Glory Office Trust (“GOT”) and Glory SR Trust (“GSRT”)
- (11) Gallileo, an office building in Frankfurt, Germany, held through CCT’s 94.9% interest in Gallileo Property S.a.r.l. (“Gallileo Co.”), which is in turn held by special purpose vehicles CCT Galaxy Two Pte. Ltd. and CCT Galaxy One Pte. Ltd. (“Galaxy SPVs”) (collectively referred to as “Gallileo Group”). CCT acquired Gallileo on 18 June 2018.

CCT also owns approximately 11.0% of MRCB-Quill REIT (“MQREIT”), a commercial REIT listed in Malaysia.

On 1 January 2018, CCT entered into a master lease arrangement with AST2 Co. to lease AST2 for a period of twenty-one years. Following this master lease arrangement, rental income from AST2 is collected by CCT. CCT in turn pays an annual master lease rent to AST2 Co..

On 5 March 2018 and 21 March 2018, CCT MTN Pte. Ltd. (“CCT MTN”), a wholly owned subsidiary of CCT, issued fixed rate notes of S\$300 million due 5 March 2024 and S\$200 million due 21 March 2025 respectively, through its S\$2.0 billion Multicurrency Medium Term Note Programme (“MTN Programme”) at 3.17 and 3.327 per cent. per annum respectively. Proceeds from the issuance were used to refinance existing borrowings of CCT.

On 14 March 2018, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as the trustee-manager of RCS Trust issued S\$275.0 million fixed rate notes due 14 March 2025 through its US\$2.0 billion Euro-Medium Term Note Programme at 3.20 per cent. per annum. The proceeds from this issuance was to refinance the existing borrowings of RCS Trust.

On 17 May 2018, CCT announced the acquisition (the “Acquisition”) of a 94.9% interest in Gallileo Co., which holds the property known as Gallileo, located in Frankfurt, Germany as well as the launch of an Equity Placement to partially fund the Acquisition. The Acquisition was completed on 18 June 2018. The net proceeds from the Equity Placement of about S\$214.3 million was used to partially fund the Acquisition, with the balance funded via unsecured EUR bank borrowings.

On 29 June 2018, the Trustee entered into a sale and purchase agreement to sell its investment property, Twenty Anson, for a total consideration of S\$516.0 million. The net proceeds of approximately S\$512.5 million from the sale of Twenty Anson will be used to repay debt and/or to fund growth opportunities.

CCT received notification from the State that Bugis Village will be returned to the State on 1 April 2019 for a compensation sum of S\$40.7 million.

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1(a)(i) Statement of Total Return & Distribution Statement (2Q 2018 vs 2Q 2017)

<u>Statement of Total Return</u>	Note	Group			Trust		
		2Q 2018	2Q 2017	Change	2Q 2018	2Q 2017	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross rental income	1	92,904	80,738	15.1	70,395	59,521	18.3
Car park income	2	1,561	2,660	(41.3)	1,199	2,296	(47.8)
Other income	3	3,550	4,097	(13.4)	2,715	3,442	(21.1)
<b>Gross revenue</b>		<b>98,015</b>	<b>87,495</b>	<b>12.0</b>	<b>74,309</b>	<b>65,259</b>	<b>13.9</b>
Property management fees	4	(2,238)	(1,993)	12.3	(1,669)	(1,448)	15.3
Property tax	5	(7,946)	(6,022)	31.9	(5,876)	(4,324)	35.9
Other property operating expenses	6	(10,094)	(10,377)	(2.7)	(8,132)	(8,000)	1.7
<b>Property operating expenses</b>		<b>(20,278)</b>	<b>(18,392)</b>	<b>10.3</b>	<b>(15,677)</b>	<b>(13,772)</b>	<b>13.8</b>
<b>Net property income</b>	7	<b>77,737</b>	<b>69,103</b>	<b>12.5</b>	<b>58,632</b>	<b>51,487</b>	<b>13.9</b>
Interest income	8	1,126	247	NM	12,056	3,664	NM
Investment income	9	-	-	NM	32,319	44,777	(27.8)
Amortisation of intangible asset	10	-	(1,021)	NM	-	(1,021)	NM
Asset management fees:							
- Base fees	11	(2,165)	(1,649)	31.3	(1,752)	(1,239)	41.4
- Performance fees	11	(2,706)	(2,427)	11.5	(2,376)	(2,075)	14.5
Trust and other operating expenses	12	(914)	(1,173)	(22.1)	(9,495)	(1,146)	NM
Finance costs	13	(22,286)	(17,663)	26.2	(15,935)	(10,234)	55.7
<b>Net income before share of profit of joint ventures</b>		<b>50,792</b>	<b>45,417</b>	<b>11.8</b>	<b>73,449</b>	<b>84,213</b>	<b>(12.8)</b>
Share of profit (net of tax) of joint ventures	14	47,914	25,885	85.1	-	-	-
<b>Net income</b>		<b>98,706</b>	<b>71,302</b>	<b>38.4</b>	<b>73,449</b>	<b>84,213</b>	<b>(12.8)</b>
Net increase in fair value of investment properties	15	178,884	252,674	(29.2)	321,285	237,829	35.1
Transaction costs on disposal of investment property	16	-	(3,226)	NM	-	(3,226)	NM
<b>Total return for the period before tax</b>		<b>277,590</b>	<b>320,750</b>	<b>(13.5)</b>	<b>394,734</b>	<b>318,816</b>	<b>23.8</b>
Tax expense	17	(2,226)	(175)	NM	(50)	(174)	(71.3)
<b>Total return for the period after tax</b>		<b>275,364</b>	<b>320,575</b>	<b>(14.1)</b>	<b>394,684</b>	<b>318,642</b>	<b>23.9</b>
<u>Attributable to</u>							
Unitholders		274,996	320,575	(14.2)	394,684	318,642	23.9
Non-controlling interest	18	368	-	NM	-	-	-
<b>Total return for the period</b>		<b>275,364</b>	<b>320,575</b>	<b>(14.1)</b>	<b>394,684</b>	<b>318,642</b>	<b>23.9</b>
<u>Distribution Statement</u>							
Total return attributable to unitholders		274,996	320,575	(14.2)	394,684	318,642	23.9
Net tax and other adjustments	19	(220,072)	(274,292)	(19.8)	(316,051)	(249,175)	26.8
Tax-exempt income distribution	20	750	-	NM	750	-	NM
Distribution from joint ventures	21	23,709	23,184	2.3	-	-	-
<b>Distributable income to unitholders</b>		<b>79,383</b>	<b>69,467</b>	<b>14.3</b>	<b>79,383</b>	<b>69,467</b>	<b>14.3</b>

NM – Not Meaningful

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Notes:

- (1) Gross rental income in 2Q 2018 was higher vis-à-vis 2Q 2017 mainly due to contribution from AST2, which offset the loss in gross rental income arising from the divestments of One George Street (50.0% interest), Golden Shoe Car Park and Wilkie Edge in 2017. Contribution from Gallileo from 19 June 2018 as well as higher gross rental income from CapitaGreen also added to the increase.
- (2) Car park income was lower in 2Q 2018 largely due to the divestments of the Golden Shoe Car Park, One George Street and Wilkie Edge.
- (3) Other income in 2Q 2018 decreased mainly due to divestment of the properties as well as the absence of yield stabilization sum from Twenty Anson. The yield stabilization sum for Twenty Anson was fully utilized in 3Q 2017.
- (4) Property management fees for 2Q 2018 were higher vis-à-vis 2Q 2017 due to higher net property income.
- (5) Higher property tax for 2Q 2018 was mainly due to higher annual value assessments.
- (6) Lower other property operating expenses for the Group in 2Q 2018 was due to the divestment of properties. At the Trust level, other property expenses in 2Q 2018 was higher due to the inclusion of AST2's expenses (2Q 2017 : nil), albeit the increase was partially offset by the decrease from the divestment of properties.
- (7) The following was included as part of the net property income:

	Group			Trust		
	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %
Depreciation and amortisation of lease incentives <sup>(7a)</sup>	1,118	1,550	(27.9)	98	556	(82.4)

- (7a) Depreciation and amortisation of lease incentives in 2Q 2018 was lower than that in 2Q 2017 due to the divestment of properties.
- (8) Interest income includes the following:

	Group			Trust		
	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %
Interest income from cash balance	136	247	(44.9)	90	209	(56.9)
Interest income from unitholder's loan <sup>(8a)</sup>	990	-	NM	11,966	3,455	NM
Total	1,126	247	NM	12,056	3,664	NM

- (8a) At the Trust level, higher interest income was due to new unitholder's loans granted in 2Q 2018 to subsidiaries, namely AST2 Co. and the Gallileo Group as well as joint ventures (CCT's 45.0% interest in GOT and GSRT). At the Group level, it relates to CCT's 45.0% share in interest income from unitholder's loan to GOT and GSRT.
- (9) Lower investment income in 2Q 2018 vis-a-vis 2Q 2017 was due to S\$13.8 million dividend paid in 2Q 2017 by FirstOffice Pte. Ltd. ("FOPL"), the company that previously held Twenty Anson (2Q 2018: nil). Distribution income of S\$2.9 million (CCT's 50.0% interest) from OGS LLP in 2Q 2018 mitigated the drop.
- (10) In 2Q 2017, this relates to the amortisation of yield stabilization sum of Twenty Anson, which was fully utilized in 3Q 2017.

*NM – Not Meaningful*

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- (11) Asset management fees were higher in 2Q 2018 versus 2Q 2017 due to higher deposited property value and net investment income.
- (12) At the Trust level, Trust and other operating expenses in 2Q 2018 included lease charges of S\$8.8 million payable to the subsidiary, AST2 Co., under the master lease arrangement. At the Group level, the consolidated accounts eliminated the lease charges and lower professional fees resulting in lower Trust and other operating expenses in 2Q 2018 vis-a-vis 2Q 2017.
- (13) Finance costs include the following:

	Group			Trust		
	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %
Interest cost <sup>(13a)</sup>	20,266	16,773	20.8	15,485	9,573	61.8
Amortisation and transaction costs <sup>(13b)</sup>	2,020	890	NM	450	661	(31.9)
Total	22,286	17,663	26.2	15,935	10,234	55.7

- (13a) The increase in interest cost was due to higher bank borrowings arising from the acquisitions of AST2 and Gallileo. At the Trust level, finance lease charges payable to AST2 Co. of S\$2.1 million contributed to the increase.
- (13b) For the Group, higher amortisation and transaction costs from last year was mainly due to fees incurred for prepayment of loans and pre-termination of interest rate swaps incurred by MSO Trust. For the Trust, 2Q 2017 had included amortisation and transaction costs on convertible bonds due 2017, which were wholly converted to CCT units in 2017.
- (14) In 2Q 2018, the share of profit of joint ventures relates to results for RCS Trust (CCT's 60.0% interest), OGS LLP (CCT's 50.0% interest), GOT & GSRT (CCT's 45.0% interest). For 2Q 2017, it relates to results of RCS Trust (CCT's 60.0% interest) and OGS (CCT's 50.0% interest with effect from 19 June 2017). Summary of the share of results of joint ventures is as follows:

	For information only		
	Group		
	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %
Gross revenue <sup>(14a)</sup>	40,827	35,610	14.7
Property operating expenses <sup>(14b)</sup>	(10,085)	(8,632)	16.8
Net property income	30,742	26,978	14.0
Finance costs <sup>(14b)</sup>	(6,314)	(3,571)	76.8
Net increase in fair value of investment properties <sup>(14c)</sup>	26,342	4,917	NM
Trust and other expenses <sup>(14d)</sup>	(2,856)	(2,439)	17.1
Net profit of joint ventures (after tax)	47,914	25,885	85.1

- (14a) In 2Q 2018, it relates to CCT's 60.0% share of gross revenue from RCS Trust of S\$34.4 million (2Q 2017: S\$34.9 million) and CCT's 50.0% share of gross revenue from OGS LLP of S\$6.4 million for a full quarter (2Q 2017: S\$0.7 million for the period from 19 June 2017 to 30 June 2017).
- (14b) The increase was largely due to a full quarter of property operating expenses and finance costs of OGS LLP vis-à-vis 2Q 2017 for which the expenses for OGS LLP were only for the period from 19 June 2017 to 30 June 2017.
- (14c) This relates to the net increase in fair value of of Raffles City Singapore (CCT's 60.0% interest) and One George Street (CCT's 50.0% interest).
- (14d) This amount includes asset management fees.

*NM – Not Meaningful*

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- (15) This relates to the net increase in property values as at 30 June 2018 based on independent valuation over its carrying values, except for Bugis Village which was stated at the compensation sum of S\$40.7 million and Twenty Anson which was stated at the divestment value of S\$516.0 million.
- (16) This relates to the divestment fees and related cost incurred in relation to the divestment of One George Street in 2Q 2017.
- (17) The higher tax expense at Group level was mainly attributable to CCT's subsidiaries.
- (18) This relates to the non-controlling interest of Gallileo Co..
- (19) Included in net tax and other adjustments are the following:

	Group			Trust		
	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %	2Q 2018 S\$'000	2Q 2017 S\$'000	Change %
Asset management fee payable in Units <sup>(19a)</sup>	1,577	894	76.4	1,577	894	76.4
Trustee's fees	282	212	33.0	229	160	43.1
Amortisation and transaction costs (Finance) <sup>(19b)</sup>	2,020	890	NM	450	661	(31.9)
Net increase in fair value of investment properties <sup>(19c)</sup>	(178,824)	(252,674)	(29.2)	(321,285)	(237,829)	35.1
Share of profit of joint ventures	(47,914)	(25,885)	85.1	-	-	-
Temporary differences and other items	2,787	2,271	22.7	2,978	(13,061)	NM
Total	(220,072)	(274,292)	(19.8)	(316,051)	(249,175)	26.8

- (19a) In 2Q 2018, it relates to asset management fees of AST2 payable in Units (2Q 2017: relates to asset management fees of Wilkie Edge and One George Street).
- (19b) This relates to amortisation and transaction costs incurred on bank borrowings, including fees for the partial prepayment of bank loans and pre-termination of interest rate swaps for MSO Trust.
- (19c) For the Group, this excludes the non-controlling interest's share of the net increase in fair value of Gallileo in 2Q 2018.
- (20) This relates to distribution of tax-exempt income in 2Q 2018.
- (21) For 2Q 2018, it relates to distribution from RCS Trust (CCT's 60.0% interest) and OGS LLP (CCT's 50.0% interest) (2Q 2017: RCS Trust (CCT's 60.0% interest)).

*NM – Not Meaningful*

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1(a)(ii) Statement of Total Return & Distribution Statement (1H 2018 vs 1H 2017)

<u>Statement of Total Return</u>	Note	Group			Trust		
		1H 2018 S\$'000	1H 2017 S\$'000	Change %	1H 2018 S\$'000	1H 2017 S\$'000	Change %
Gross rental income	1	184,721	163,584	12.9	140,524	121,392	15.8
Car park income	2	3,006	5,418	(44.5)	2,273	4,727	(51.9)
Other income	3	6,706	8,018	(16.4)	4,901	6,728	(27.2)
<b>Gross revenue</b>		<b>194,433</b>	<b>177,020</b>	<b>9.8</b>	<b>147,698</b>	<b>132,847</b>	<b>11.2</b>
Property management fees		(4,404)	(4,009)	9.9	(3,333)	(2,921)	14.1
Property tax	4	(15,581)	(13,586)	14.7	(11,516)	(9,959)	15.6
Other property operating expenses	5	(19,502)	(20,467)	(4.7)	(15,750)	(16,185)	(2.7)
<b>Property operating expenses</b>		<b>(39,487)</b>	<b>(38,062)</b>	<b>3.7</b>	<b>(30,599)</b>	<b>(29,065)</b>	<b>5.3</b>
<b>Net property income</b>	6	<b>154,946</b>	<b>138,958</b>	<b>11.5</b>	<b>117,099</b>	<b>103,782</b>	<b>12.8</b>
Interest income	7	2,328	495	NM	21,749	7,289	NM
Investment income	8	1,647	-	NM	67,416	74,024	(8.9)
Amortisation of intangible asset	9	-	(1,834)	NM	-	(1,834)	NM
Asset management fees:							
- Base fees	10	(4,073)	(3,356)	21.4	(3,255)	(2,546)	27.8
- Performance fees	10	(5,571)	(5,067)	9.9	(4,802)	(4,363)	10.1
Trust and other operating expenses	11	(1,753)	(2,214)	(20.8)	(18,951)	(2,073)	NM
Finance costs	12	(41,621)	(35,612)	16.9	(30,064)	(20,821)	44.4
<b>Net income before share of profit of joint ventures</b>		<b>105,903</b>	<b>91,370</b>	<b>15.9</b>	<b>149,192</b>	<b>153,458</b>	<b>(2.8)</b>
Share of profit (net of tax) of joint ventures	13	70,906	45,831	54.7	-	-	-
<b>Net income</b>		<b>176,809</b>	<b>137,201</b>	<b>28.9</b>	<b>149,192</b>	<b>153,458</b>	<b>(2.8)</b>
Loss on disposal of subsidiary	14	-	-	-	(4,478)	-	NM
Net increase in fair value of investment properties	15	178,884	252,674	(29.2)	321,285	237,829	35.1
Transaction costs on disposal of investment property	16	-	(3,226)	NM	-	(3,226)	NM
<b>Total return for the period before tax</b>		<b>355,693</b>	<b>386,649</b>	<b>(8.0)</b>	<b>465,999</b>	<b>388,061</b>	<b>20.1</b>
Tax expense	17	(3,359)	(314)	NM	(281)	(312)	(9.9)
<b>Total return for the period after tax</b>		<b>352,334</b>	<b>386,335</b>	<b>(8.8)</b>	<b>465,718</b>	<b>387,749</b>	<b>20.1</b>
<u>Attributable to</u>							
Unitholders		351,966	386,335	(8.9)	465,718	387,749	20.1
Non-controlling interest	18	368	-	NM	-	-	-
<b>Total return for the period</b>		<b>352,334</b>	<b>386,335</b>	<b>(8.8)</b>	<b>465,718</b>	<b>387,749</b>	<b>20.1</b>
<u>Distribution Statement</u>							
Total return attributable to unitholders		351,966	386,335	(8.9)	465,718	387,749	20.1
Net tax and other adjustments	19	(244,808)	(290,191)	(15.6)	(310,479)	(246,990)	25.7
Tax-exempt income distribution	20	750	-	NM	750	-	NM
Distribution from joint ventures	21	48,081	44,615	7.8	-	-	-
<b>Distributable income to unitholders</b>		<b>155,989</b>	<b>140,759</b>	<b>10.8</b>	<b>155,989</b>	<b>140,759</b>	<b>10.8</b>

NM – Not Meaningful



**CAPITALAND COMMERCIAL TRUST  
2018 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT AND  
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Notes:

- (1) Gross rental income in 1H 2018 was higher vis-à-vis 1H 2017 mainly due to contribution from AST2 which offset the loss in gross rental income due to the divestments of One George Street, Golden Shoe Car Park and Wilkie Edge in 2017. Contribution from Gallileo from 19 June 2018 as well as higher gross rental income from CapitaGreen also added to the increase.
- (2) Car park income was lower in 1H 2018 largely due to the divestments of Golden Shoe Car Park, One George Street and Wilkie Edge.
- (3) Other income in 1H 2018 decreased mainly due to divestment of properties as well as the absence of yield stabilization sum from Twenty Anson in 1H 2018 as the yield stabilization sum was fully utilized in 3Q 2017.
- (4) Higher property tax for 1H 2018 was mainly due to higher annual value assessments.
- (5) Lower other property operating expenses in 1H 2018 vis-à-vis 1H 2017 was due to the divestment of properties.
- (6) The following items have been included as part of net property income:

	Group			Trust		
	1H 2018 S\$'000	1H 2017 S\$'000	Change %	1H 2018 S\$'000	1H 2017 S\$'000	Change %
Depreciation and amortisation of lease incentives <sup>(6a)</sup>	2,603	2,938	(11.4)	558	952	(41.4)
Impairment losses on trade receivables	12	-	NM	12	-	NM

- (6a) Depreciation and amortisation of lease incentives in 1H 2018 was lower than that in 1H 2017 due to the divestment of properties.

- (7) Interest income includes the following:

	Group			Trust		
	1H 2018 S\$'000	1H 2017 S\$'000	Change %	1H 2018 S\$'000	1H 2017 S\$'000	Change %
Interest income from cash balance <sup>(7a)</sup>	359	495	(27.5)	280	416	(32.7)
Interest income from unitholder's loan <sup>(7b)</sup>	1,969	-	NM	21,469	6,873	NM
Total	2,328	495	NM	21,749	7,289	NM

- (7a) The decrease in interest income from cash balance was due to lower average cash balance held during 1H 2018 compared to 1H 2017.
- (7b) At the Trust level, the increase was due to new unitholder's loans extended to CCT's subsidiaries, namely AST2 Co. and Gallileo Group as well as to joint ventures (CCT's 45.0% interest GOT and GSRT). At the Group level, it relates to CCT's 45.0% share in interest income from unitholder's loan to GOT and GSRT.
- (8) At the Trust level, the investment income was lower because FOPL, a wholly owned subsidiary of CCT that previously held Twenty Anson, paid a dividend of S\$13.8 million in 1H 2017. FOPL was liquidated in 1Q 2018. At the Group level, it relates to distribution received from MQREIT (1H 2017: nil because MQREIT paid an advanced distribution in 4Q 2016).
- (9) This relates to the amortisation of yield stabilization sum in relation to Twenty Anson in 1H 2017. The yield stabilization sum was fully utilized in 3Q 2017.
- (10) Asset management fees were higher due to higher deposited property value and net investment income.
- (11) At the Trust level, Trust and other operating expenses in 1H 2018 included lease charges of S\$17.5 million payable to the subsidiary, AST2 Co., under the master lease arrangement. At the Group level, the consolidated accounts eliminated the lease charges and lower professional fees resulting in lower Trust and other operating expenses in 1H 2018 vis-a-vis 1H 2017.

*NM – Not Meaningful*

**CAPITALAND COMMERCIAL TRUST  
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(12) Finance costs include the following:

	Group			Trust		
	1H 2018 S\$'000	1H 2017 S\$'000	Change %	1H 2018 S\$'000	1H 2017 S\$'000	Change %
Interest cost <sup>(12a)</sup>	38,485	33,595	14.6	28,739	19,274	49.1
Amortisation and transaction costs <sup>(12b)</sup>	3,136	2,017	55.5	1,325	1,547	(14.4)
Total	41,621	35,612	16.9	30,064	20,821	44.4

(12a) Higher due to increase in bank borrowings incurred for the acquisitions of AST2 and Galileo. At the Trust level, the interest cost in 1H 2018 included finance lease charges payable to AST2 Co. of S\$4.3 million.

(12b) For the Group, the increase was mainly due to fees for partial prepayment of loans and pre-termination of interest rate swaps incurred by MSO Trust. For the Trust, the amortization and transaction cost in 1H 2017 had included amortisation and transaction costs on convertible bonds due 2017 which were wholly converted to Units in 2017.

(13) In 1H 2018, the share of profit of joint ventures relates to results for RCS Trust (CCT's 60.0% interest), OGS LLP (CCT's 50.0% interest) and GOT & GSRT (CCT's 45.0% interest). For 1H 2017, it relates to results of RCS Trust (CCT's 60.0% interest) and OGS (CCT's 50.0% interest with effect from 19 June 2017). Summary of the share of results of joint ventures is as follows:

	For Information only		
	Group		
	1H 2018 S\$'000	1H 2017 S\$'000	Change %
Gross revenue	82,092	69,718	17.7
Property operating expenses	(19,856)	(16,798)	18.2
Net property income	62,236	52,920	17.6
Finance costs	(11,970)	(7,247)	65.2
Net increase in fair value of investment properties	26,342	4,917	NM
Trust and other expenses	(5,702)	(4,759)	19.8
Net profit of joint ventures (after tax) <sup>(13a)</sup>	70,906	45,831	54.7

(13a) In 1H 2018, higher net profits of joint ventures were mainly due to full half year contribution from CCT's 50.0% share of OGS LLP's profits. In 1H 2017, it had only included CCT's 50.0% share of OGS LLP's profits from 19 June 2017 to 30 June 2017.

(14) This relates to the liquidation of FOPL on 23 April 2018.

(15) This relates to the net increase in property values as at 30 June 2018 based on independent valuation over its carrying values, except for Bugis Village which was stated at the compensation sum of S\$40.7 million and Twenty Anson which was stated at the divestment value of S\$516.0 million.

(16) This relates to the divestment fees and related cost incurred in relation to the divestment of One George Street in 1H 2017.

(17) The higher tax expense at CCT Group was mainly attributable to CCT's subsidiaries.

(18) This relates to the non-controlling interest of Galileo Co..

*NM – Not Meaningful*

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(19) Included in net tax and other adjustments are the following:

	Group			Trust		
	1H 2018 S\$'000	1H 2017 S\$'000	Change %	1H 2018 S\$'000	1H 2017 S\$'000	Change %
Asset management fee paid and payable in Units <sup>(19a)</sup>	3,133	1,858	68.6	3,133	1,858	68.6
Trustee's fees	532	422	26.1	428	319	34.2
Amortisation and transaction costs (Finance) <sup>(19b)</sup>	3,136	2,017	55.5	1,325	1,547	(14.4)
Net increase in fair value of investment properties <sup>(19c)</sup>	(178,824)	(252,674)	(29.2)	(321,285)	(237,829)	35.1
Share of profit of joint ventures	(70,906)	(45,831)	54.7	-	-	-
Temporary differences and other items	(1,879)	4,017	NM	5,920	(12,885)	NM
Total	(244,808)	(290,191)	(15.6)	(310,479)	(246,990)	25.7

(19a) In 1H 2018, it relates to asset management fees of AST2 payable in Units (1H 2017: asset management fees of Wilkie Edge and One George Street).

(19b) This relates to amortisation of upfront fees and transaction costs incurred on bank borrowings, including fees on prepayment of loans and pre-termination of interest rate swaps incurred by MSO Trust.

(19c) For the Group, this excludes the non-controlling interest's share of the net increase in fair value of Gallileo in 1H 2018.

(20) This relates to distribution of tax-exempt income in 1H 2018.

(21) For 1H 2018, it relates to distribution from RCS Trust (CCT's 60.0% interest) and OGS LLP (CCT's 50.0% interest) (1H 2017: RCS Trust (CCT's 60.0% interest)).

*NM – Not Meaningful*

**CAPITALAND COMMERCIAL TRUST**  
**2018 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT AND**  
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1(b)(i) Statement of Financial Position as at 30 June 2018 vs 31 December 2017

Note	Group			Trust		
	30 Jun 2018 S\$'000	31 Dec 2017 S\$'000	Change %	30 Jun 2018 S\$'000	31 Dec 2017 S\$'000	Change %
<b>Non-current assets</b>						
	961	1,002	(4.1)	954	980	(2.7)
Plant and equipment						
Investment properties	7,594,737	7,408,000	2.5	3,609,000	3,698,000	(2.4)
Interest in subsidiaries	-	-	-	3,195,629	2,827,171	13.0
Available-for-sale investment	44,409	47,533	(6.6)	44,409	47,533	(6.6)
Interest in joint ventures	1,766,447	1,732,140	2.0	1,426,951	1,420,289	0.5
Financial derivatives	16,088	-	NM	14,368	-	NM
<b>Total non-current assets</b>	<b>9,422,642</b>	<b>9,188,675</b>	<b>2.5</b>	<b>8,291,311</b>	<b>7,993,973</b>	<b>3.7</b>
<b>Current assets</b>						
Asset held for sale	556,746	-	NM	556,746	-	NM
Trade and other receivables	40,523	42,746	(5.2)	262,922	49,011	NM
Cash and cash equivalents	166,119	122,581	35.5	143,482	72,346	98.3
Financial derivatives	211	-	NM	211	-	NM
<b>Total current assets</b>	<b>763,599</b>	<b>165,327</b>	<b>NM</b>	<b>963,361</b>	<b>121,357</b>	<b>NM</b>
<b>Total assets</b>	<b>10,186,241</b>	<b>9,354,002</b>	<b>8.9</b>	<b>9,254,672</b>	<b>8,115,330</b>	<b>14.0</b>
<b>Current liabilities</b>						
Trade and other payables	77,829	90,293	(13.8)	66,008	226,571	(70.9)
Current portion of security deposits	15,330	4,002	NM	13,759	2,545	NM
Interest-bearing liabilities	226,601	-	NM	226,601	-	NM
Financial derivatives	-	81	NM	-	81	NM
Current tax payable	3,332	3,187	4.5	121	379	(68.1)
<b>Total current liabilities</b>	<b>323,092</b>	<b>97,563</b>	<b>NM</b>	<b>306,489</b>	<b>229,576</b>	<b>33.5</b>
<b>Non-current liabilities</b>						
Non-current portion of security deposits	55,657	66,404	(16.2)	33,621	21,694	55.0
Interest-bearing liabilities	2,875,700	2,720,208	5.7	2,197,860	1,832,818	19.9
Financial derivatives	31,122	52,904	(41.2)	27,358	37,476	(27.0)
Other payables	430	-	-	135,145	-	NM
Deferred tax liabilities	2,413	-	NM	-	-	-
<b>Total non-current liabilities</b>	<b>2,965,322</b>	<b>2,839,516</b>	<b>4.4</b>	<b>2,393,984</b>	<b>1,891,988</b>	<b>26.5</b>
<b>Total liabilities</b>	<b>3,288,414</b>	<b>2,937,079</b>	<b>12.0</b>	<b>2,700,473</b>	<b>2,121,564</b>	<b>27.3</b>
<b>Net assets</b>	<b>6,897,827</b>	<b>6,416,923</b>	<b>7.5</b>	<b>6,554,199</b>	<b>5,993,766</b>	<b>9.4</b>
<b>Represented by:</b>						
Unitholders' funds	6,881,831	6,416,923	7.2	6,554,199	5,993,766	9.4
Non-controlling interests	15,996	-	NM	-	-	-
<b>Total equity</b>	<b>6,897,827</b>	<b>6,416,923</b>	<b>7.5</b>	<b>6,554,199</b>	<b>5,993,766</b>	<b>9.4</b>

NM – Not Meaningful

## CAPITALAND COMMERCIAL TRUST 2018 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

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### Notes:

- (1) Investment properties were stated at independent valuation as at 30 June 2018, excluding Bugis Village and Twenty Anson which were reclassified to Asset held for sale. At the Group level, investment properties had included Gallileo which was acquired on 18 June 2018.
- (2) Interest in subsidiaries as at 30 June 2018 relates to cost of investments in CCT MTN Pte. Ltd., MSO Trust, MVKimi Group and Gallileo Group (31 December 2017: CCT MTN Pte. Ltd., FOPL, MSO Trust and MVKimi Group), including unitholder's loan granted to MSO Trust, MVKimi Group and the Gallileo Group.
- (3) This relates to CCT's 11.0% stake in MQREIT. The 6.6% decrease was mainly due to lower closing trading price of MQREIT.
- (4) This relates to CCT's 60.0% interest in RCS Trust, CCT's 50.0% interest in OGS LLP as well as CCT's 45.0% interest in GOT and GSRT (including unitholder's loan).
- (5) This relates to the fair values of cross currency swaps and/or interest rate swaps.
- (6) This relates to the reclassification of Bugis Village and Twenty Anson from Investment properties. As at 30 June 2018, Bugis Village was stated at a value of S\$40.7 million which is the compensation sum that CCT will receive when Bugis Village is returned to the State on 1 April 2019. Twenty Anson was stated at a value of S\$516.0 million which was the sale price in the sale and purchase agreement dated 29 June 2018. The divestment of Twenty Anson is expected to be completed in 3Q 2018.
- (7) At the Trust level, Trade and other receivables as at 30 June 2018 had included shareholder's loan of EUR132.9 million (SGD equivalent of S\$207.5 million) to the Galaxy SPV.
- (8) Total assets were S\$10,186.2 million as at 30 June 2018 (31 December 2017: S\$9,354.0 million). Total deposited property (as defined in the Code on Collective Investment Schemes) as at 30 June 2018 was S\$11,595.6 million (31 December 2017: S\$10,761.0 million).
- (9) At the Trust level, lower Trade and other payables was mainly due to the settlement of the balance purchase consideration owed by CCT to FOPL in relation to the transfer of Twenty Anson from FOPL to CCT in 2015.
- (10) This relates to bank borrowings reclassified from Non-current liabilities to Current liabilities of S\$19.5 million as well as the unsecured short-term bank borrowings of EUR132.9 million (SGD equivalent of S\$207.5 million) which was obtained in relation to the acquisition of Gallileo Co..
- (11) The Interest-bearing liabilities as at 30 June 2018 comprised:
  - (a) Unsecured fixed rate notes totaling S\$725.0 million; JPY24.9 billion and HKD585.0 million (hedged via cross currency swaps to S\$425.8 million);
  - (b) Unsecured bank borrowings of S\$747.6 million and EUR207.8 million (SGD equivalent of S\$324.5 million); and
  - (c) Secured MSO Trust's bank borrowings of S\$680.0 million.
- (12) At the Trust level, Other payables as at 30 June 2018 relates to the lease liabilities payable to CCT's wholly-owned subsidiary, AST2 Co., under the master lease arrangement. At the Group level, this relates to payables owing to the non-controlling interest of Gallileo Co..
- (13) This relates to deferred tax provision of Gallileo Co..
- (14) This relates to CCT's non-controlling interest of Gallileo Co..

**CAPITALAND COMMERCIAL TRUST  
2018 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT AND  
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1(b)(ii) Aggregate amount of borrowings and debt securities

	Group			Trust		
	30 Jun 2018 S\$'000	31 Dec 2017 S\$'000	Change %	30 Jun 2018 S\$'000	31 Dec 2017 S\$'000	Change %
<b>Secured borrowings</b>						
Amount repayable after one year <sup>(1)</sup>	680,000	890,000	(23.6)	-	-	-
Less: Unamortised portion of transactions costs <sup>(1)</sup>	(2,160)	(2,610)	(17.2)	-	-	-
<b>Net secured borrowings after one year</b>	<b>677,840</b>	<b>887,390</b>	<b>(23.6)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unsecured borrowings</b>						
Amount repayable after one year	2,203,212	1,834,975	20.1	2,203,212	1,834,975	20.1
Less: Unamortised portion of transactions costs	(5,352)	(2,157)	NM	(5,352)	(2,157)	NM
<b>Net unsecured borrowings after one year</b>	<b>2,197,860</b>	<b>1,832,818</b>	<b>19.9</b>	<b>2,197,860</b>	<b>1,832,818</b>	<b>19.9</b>
Amount repayable within one year	227,031	-	NM	227,031	-	NM
Less: Unamortised portion of transactions costs	(430)	-	NM	(430)	-	NM
<b>Net unsecured borrowings within one year</b>	<b>226,601</b>	<b>-</b>	<b>NM</b>	<b>226,601</b>	<b>-</b>	<b>NM</b>
<b>Total unsecured borrowings</b>	<b>2,424,461</b>	<b>1,832,818</b>	<b>32.3</b>	<b>2,424,461</b>	<b>1,832,818</b>	<b>32.3</b>
<b>Total secured and unsecured borrowings</b>	<b>3,102,301</b>	<b>2,720,208</b>	<b>14.0</b>	<b>2,424,461</b>	<b>1,832,818</b>	<b>32.3</b>

Note :

(1) This relates to MSO Trust's borrowings and transactions costs as at 30 June 2018 and 31 December 2017.

**For information only**

This relates to CCT's interest in the aggregate external borrowings of its joint ventures, namely RCS Trust (CCT's 60.0% interest), OGS LLP (CCT's 50.0% interest), GOT and GSRT (CCT's 45.0% interest), which are not included under total borrowings in the statement of financial position of the Group.

	For information only		
	30 Jun 2018 S\$'000	31 Dec 2017 S\$'000	Change %
<b><u>Secured borrowings</u></b> <sup>(1)</sup>			
Amount repayable after one year	587,450	582,500	0.8
Less: Unamortised portion of transactions costs	(3,197)	(3,619)	(11.7)
<b>Net secured borrowings</b>	<b>584,253</b>	<b>578,881</b>	<b>0.9</b>
<b><u>Unsecured borrowings</u></b> <sup>(2)</sup>			
Amount repayable after one year	531,600	528,600	0.6
Less: Unamortised portion of transactions costs	(1,032)	(1,033)	(0.1)
<b>Net repayable after one year</b>	<b>530,568</b>	<b>527,567</b>	<b>0.6</b>
Amount repayable within one year	150,000	150,000	-
Less: Unamortised portion of transactions costs	(100)	(78)	28.2
<b>Net repayable within one year</b>	<b>149,900</b>	<b>149,922</b>	<b>(0.0)</b>
<b>Net unsecured borrowings</b>	<b>680,468</b>	<b>677,489</b>	<b>0.4</b>
<b>Total secured and unsecured borrowings</b>	<b>1,264,721</b>	<b>1,256,370</b>	<b>0.7</b>

Notes :

(1) Secured borrowings relate to CCT's 50.0% interest of borrowings of OGS LLP and CCT's 45.0% interest of GOT and GSRT.

(2) Unsecured borrowings relate to CCT's 60.0% interest of borrowings of RCS Trust.

NM: Not meaningful

**CAPITALAND COMMERCIAL TRUST**  
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**1(c)(i) Statement of Cash Flow (2Q 2018 vs 2Q 2017)**

	<b>Group</b>	
	<b>2Q 2018</b>	<b>2Q 2017</b>
<b>Note</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Total return for the period before tax	277,590	320,750
<b>Adjustments for :</b>		
Share of profit of joint ventures	(47,914)	(25,885)
Amortisation of lease incentives	1,068	1,464
Amortisation of intangible asset	-	1,021
Depreciation of plant and equipment	50	86
Finance costs	22,286	17,663
Interest income	(1,126)	(247)
Loss on disposal of plant and equipment	-	96
Asset management fees paid and payable in Units	1,577	894
Net increase in fair value of investment properties	(178,884)	(252,674)
	<b>74,647</b>	<b>63,168</b>
<b>Changes in working capital</b>		
Trade and other receivables	3,120	(4,784)
Trade and other payables	(5,833)	(46)
Security deposits	953	(11,973)
	<b>72,887</b>	<b>46,365</b>
<b>Cash generated from operating activities</b>		
Tax expenses paid	(630)	(549)
	<b>72,257</b>	<b>45,816</b>
<b>Investing activities</b>		
Capital expenditure on investment properties	(2,908)	(1,354)
Purchase of plant and equipment	(27)	(33)
Acquisition of subsidiary, net of cash acquired	1 (529,763)	-
Proceeds from divestment of investment property	2 -	881,578
Distributions received from joint ventures	24,372	21,430
Interest income received	1,126	200
	<b>(507,200)</b>	<b>901,821</b>
<b>Financing activities</b>		
Interest paid	(22,384)	(22,110)
Payment of transaction costs related to borrowings	(4,609)	(156)
Distribution to unitholders	(7,165)	(6,709)
Net proceeds from equity placement	3 214,331	-
Proceeds from interest-bearing liabilities	4 532,043	-
Repayment of interest-bearing liabilities	5 (210,000)	(321,200)
	<b>502,216</b>	<b>(350,175)</b>
	<b>67,273</b>	<b>597,462</b>
<b>Net increase in cash and cash equivalents</b>		
<b>Cash and cash equivalents at beginning of period</b>	<b>98,846</b>	<b>99,382</b>
<b>Cash and cash equivalents at end of period</b>	<b>166,119</b>	<b>696,844</b>

Notes:

- (1) In 2Q 2018, this relates to the acquisition of Gallileo Co..
- (2) In 2Q 2017, this relates to the divestment of 50.0% interest in One George Street.
- (3) This relates to the net proceeds from the Equity Placement on 28 May 2018.
- (4) This relates to the proceeds from EUR340.6 million (SGD equivalent of S\$532.0 million) bank borrowings.
- (5) This relates to partial repayment of MSO Trust's bank borrowings.

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**1(c)(ii) Statement of Cash Flow (1H 2018 vs 1H 2017)**

Note	Group	
	1H 2018 S\$'000	1H 2017 S\$'000
<b>Operating activities</b>		
Total return for the period before tax	355,693	386,649
<b>Adjustments for :</b>		
Share of profit of joint ventures	(70,906)	(45,831)
Amortisation of lease incentives	2,501	2,760
Amortisation of intangible asset	-	1,834
Depreciation of plant and equipment	102	178
Finance costs	41,621	35,612
Loss on disposal of plant and equipment	-	96
Impairment losses on trade receivables	12	-
Interest income	(2,328)	(495)
Asset management fees paid and payable in Units	3,133	1,858
Net increase in fair value of investment properties	(178,884)	(252,674)
Distribution from available-for-sale investment	(1,647)	-
<b>Operating income before working capital changes</b>	<b>149,297</b>	<b>129,987</b>
<b>Changes in working capital</b>		
Trade and other receivables	(331)	(5,041)
Trade and other payables	(12,019)	(3,395)
Security deposits	582	(12,497)
<b>Cash generated from operations</b>	<b>137,529</b>	<b>109,054</b>
Tax expenses paid	(1,480)	(553)
<b>Net cash generated from operating activities</b>	<b>136,049</b>	<b>108,501</b>
<b>Investing activities</b>		
Capital expenditure on investment properties	(6,048)	(3,123)
Purchase of plant and equipment	(61)	(261)
Acquisition of subsidiary, net of cash acquired	1 (548,894)	-
Proceeds from divestment of investment property	2 -	881,578
Distribution received from available-for-sale investment	1,647	-
Distributions received from joint ventures	50,933	44,383
Interest income received	2,328	586
<b>Net cash (used in) / from investing activities</b>	<b>(500,095)</b>	<b>923,163</b>
<b>Financing activities</b>		
Interest paid	(34,611)	(34,342)
Payment of transaction costs related to borrowings	(6,158)	(252)
Distribution to unitholders	(147,934)	(138,988)
Net proceeds from equity placement	3 214,331	-
Proceeds from interest-bearing liabilities	4 1,779,643	-
Repayment of interest-bearing liabilities	5 (1,397,687)	(321,200)
<b>Net cash from / (used in) financing activities</b>	<b>407,584</b>	<b>(494,782)</b>
<b>Net increase in cash and cash equivalents</b>	<b>43,538</b>	<b>536,882</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>122,581</b>	<b>159,962</b>
<b>Cash and cash equivalents at end of the period</b>	<b>166,119</b>	<b>696,844</b>

Notes:

- (1) In 1H 2018, this relates to the acquisition of Gallileo Co. and balance payment for acquisition of MVKimi Group.
- (2) In 1H 2017, this relates to the divestment of 50.0% interest in One George Street.
- (3) This relates to the net proceeds from the Equity Placement on 28 May 2018.



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- (4) This relates to the proceeds from SGD747.6 million and EUR340.6 million (SGD equivalent of S\$532.0 million) bank borrowings as well as issuance of S\$500.0 million fixed rate notes.  
(5) This relates to partial repayment of CCT's and MSO Trust's bank borrowings.

**1(c)(iii) Status on the use of proceeds raised from any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use.**

Net proceeds from Equity Placement of S\$214.3 million was applied in accordance with stated use as follows:

Date	Use of proceeds	Amount used S\$ million
28-May-18	For payment of equity in Gallileo Co.	214.3

**1(d)(i) Statement of movement in unitholders' funds (2Q 2018 vs 2Q 2017)**

	Note	Group		Trust	
		2Q 2018 S\$'000	2Q 2017 S\$'000	2Q 2018 S\$'000	2Q 2017 S\$'000
<b>Unitholders' fund as at beginning of period</b>		<b>6,369,182</b>	<b>5,191,183</b>	<b>5,929,142</b>	<b>4,732,287</b>
<b>Operations</b>					
Total return for the period attributable to unitholders		274,996	320,575	394,684	318,642
<b>Unitholders' transactions</b>					
Creation of units:					
- Units issued in respect of RCS Trust's asset management fees		1,214	1,186	1,214	1,186
- Asset management fee paid and payable in Units		1,577	894	1,577	894
- Conversion of convertible bonds		-	53,745	-	53,745
- Equity placement		217,880	-	217,880	-
<b>Net increase in net assets resulting from unitholders' transactions</b>		<b>220,671</b>	<b>55,825</b>	<b>220,671</b>	<b>55,825</b>
<b>Movement in reserves</b>					
- Foreign currency translation reserves	1	26	-	-	-
- Available-for-sale reserves	2	4,431	1,453	4,431	1,453
- Capital reserves	3	(3,369)	(2,173)	(3,369)	(2,173)
- Hedging reserves	4	15,894	(20,068)	8,640	(10,800)
<b>Net increase / (decrease) in net assets resulting from movement in reserves</b>		<b>16,982</b>	<b>(20,788)</b>	<b>9,702</b>	<b>(11,520)</b>
<b>Net increase in net assets</b>		<b>512,649</b>	<b>355,612</b>	<b>625,057</b>	<b>362,947</b>
<b>Unitholders' fund as at end of period</b>		<b>6,881,831</b>	<b>5,546,795</b>	<b>6,554,199</b>	<b>5,095,234</b>

Notes:

- (1) This relates to translation differences from foreign operations and foreign currency loans forming part of net investment in foreign operations.  
(2) This relates to marked to market movement of MQREIT.  
(3) In 2Q 2018, this relates to transaction costs incurred for the Equity Placement (2Q 2017: relates to the option value of principal amount of S\$51.8 million convertible bonds due 2017 that were converted into 36.3 million Units in 2Q 2017).  
(4) 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 subsidiary's (MSO Trust) and the Group's share of movement in hedging reserves of the joint ventures.

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1(d)(ii) Statement of movement in unitholders' funds (1H 2018 vs 1H 2017)

	Note	Group		Trust	
		1H 2018 S\$'000	1H 2017 S\$'000	1H 2018 S\$'000	1H 2017 S\$'000
<b>Unitholders' fund as at beginning of period</b>		<b>6,416,923</b>	<b>5,278,542</b>	<b>5,993,766</b>	<b>4,806,543</b>
<b>Operations</b>					
Total return for the period attributable to unitholders		351,966	386,335	465,718	387,749
<b>Unitholders' transactions</b>					
Creation of new units:					
- Units issued in respect of RCS Trust's asset management fees		6,662	6,603	6,662	6,603
- Asset management fee paid and payable in Units		3,133	1,857	3,133	1,857
- Conversion of convertible bonds		-	53,745	-	53,745
- Equity placement		217,880	-	217,880	-
Distributions to unitholders		(147,934)	(138,988)	(147,934)	(138,988)
<b>Net increase / (decrease) in net assets resulting from unitholders' transactions</b>		<b>79,741</b>	<b>(76,783)</b>	<b>79,741</b>	<b>(76,783)</b>
<b>Movement in reserves</b>					
- Foreign currency translation reserves	1	26	-	-	-
- Available-for-sale reserves	2	(3,124)	4,007	(3,124)	4,007
- Capital reserves	3	(3,369)	(2,173)	(3,369)	(2,173)
- Hedging reserves	4	39,668	(43,133)	21,467	(24,109)
<b>Net increase / (decrease) in net assets resulting from movement in reserves</b>		<b>33,201</b>	<b>(41,299)</b>	<b>14,974</b>	<b>(22,275)</b>
<b>Net increase in net assets</b>		<b>464,908</b>	<b>268,253</b>	<b>560,433</b>	<b>288,691</b>
<b>Unitholders' fund as at end of period</b>		<b>6,881,831</b>	<b>5,546,795</b>	<b>6,554,199</b>	<b>5,095,234</b>

Notes:

- (1) This relates to translation differences from foreign operations and foreign currency loans forming part of net investment in foreign operations.
- (2) This relates to marked to market movement of MQREIT.
- (3) In 1H 2018, this relates to transaction costs incurred for the Equity Placement (1H 2017: relates to the option value of principal amount of S\$51.8 million convertible bonds due 2017 that were converted into 36.3 million Units in 1H 2017).
- (4) 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. Movement in hedging reserves for the Group had included wholly-owned subsidiary, MSO Trust as well as the Group's share of movement in hedging reserves of the joint ventures.

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1(e)(i) Details of any change in the units (2Q 2018 vs 2Q 2017)

	Group and Trust	
	2Q 2018 Units	2Q 2017 Units
<b>Units in issue as at beginning of period</b>	<b>3,611,723,453</b>	<b>2,969,040,247</b>
New Units issued:		
- As payment of asset management fee in relation to RCS Trust (CCT's 60.0% interest)	673,725	771,314
- As payment of asset management fees in relation to CCT's properties <sup>(1)</sup>	287,921	195,175
- Conversion of convertible bonds <sup>(2)</sup>	-	36,277,596
- Equity placement <sup>(3)</sup>	130,000,000	-
<b>Total Units issued as at end of period</b>	<b>3,742,685,099</b>	<b>3,006,284,332</b>
Estimated new Units to be issued:		
- for settlement of the asset management fees <sup>(4)</sup>	1,591,428	-
<b>Total Units issued and estimated new Units to be issued</b>	<b>3,744,276,527</b>	<b>3,006,284,332</b>

Notes:

- (1) In 2Q 2018, this relates to Units issued for payment of 1Q 2018 base component of the asset management fees of AST2. In 2Q 2017, this relates to Units issued in payment of 1Q 2017 base component of the asset management fees of Wilkie Edge and One George Street.
- (2) In 2Q 2017, this relates to the conversion of principal amount of S\$51.8 million of convertible bonds due 2017 into Units.
- (3) In 2Q 2018, this relates to the Equity Placement on 28 May 2018 whereby 130.0 million Units were issued to partially fund the acquisition of Gallileo Co..
- (4) In 2Q 2018, this relates to estimated new Units for payment of 2Q 2018 base component and 1H 2018 performance component of AST2's asset management fees expected to be issued in 3Q 2018 and 1Q 2019 respectively.

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1(e)(ii) Details of any change in the units (1H 2018 vs 1H 2017)

	Group and Trust	
	1H 2018 Units	1H 2017 Units
<b>Units in issue as at beginning of year</b>	<b>3,608,145,589</b>	<b>2,963,491,301</b>
New Units issued:		
- As payment of asset management fee in relation to RCS Trust (CCT's 60.0% interest)	3,518,768	4,428,032
- As payment of asset management fees in relation to CCT's properties <sup>(1)</sup>	1,020,742	2,087,403
- Conversion of convertible bonds <sup>(2)</sup>	-	36,277,596
- Equity placement <sup>(3)</sup>	130,000,000	-
<b>Total Units issued as at end of the period</b>	<b>3,742,685,099</b>	<b>3,006,284,332</b>
Estimated new Units to be issued:		
- in settlement of the asset management fees <sup>(4)</sup>	1,591,428	-
<b>Total Units issued and estimated new Units to be issued</b>	<b>3,744,276,527</b>	<b>3,006,284,332</b>

Notes:

(1) In 1H 2018, this relates to Units issued for payment of base component of asset management fee for 1Q 2018 for AST2 and performance component of asset management fee for FY 2017 for One George Street and Wilkie Edge.

In 1H 2017, this relates to Units issued for payment of base component of asset management fees for One George Street and Wilkie Edge for the periods 4Q 2016 and 1Q 2017 and performance component of asset management fees for FY 2016.

(2) In 1H 2017, this relates to the conversion of principal amount of S\$51.8 million of convertible bonds into Units.

(3) This relates to the Equity Placement on 28 May 2018 whereby 130.0 million Units were issued to partially fund the acquisition of Gallileo Co..

(4) In 1H 2018, this relates to estimated new Units for payment of 2Q 2018 base component and 1H 2018 performance components of AST2's asset management fees expected to be issued in 3Q 2018 and 1Q 2019 respectively.

**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**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2017.

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**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**

The Group has adopted new Financial Reporting Standards in Singapore ("FRSs") and interpretations effective for the financial period beginning 1 January 2018 as follows:

(i) FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

There was no significant impact to the financial statements of the Group. Accordingly, comparative financial information presented in this set of announcements has not been restated.

(ii) FRS 109 Financial Instruments

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting.

There was no change in measurement basis arising from the adoption of the new classification and measurement model. In assessing for impairment losses on financial assets, the Group has adopted the simplified approach and recorded lifetime expected losses on all trade receivables using the expected credit loss model.

There was no significant impact to the financial statements of the Group. Accordingly, the Group did not recognise any adjustments to the opening unitholders' funds on 1 January 2018.

The Group's existing hedges that are designated in effective hedging relationships continue to qualify for hedge accounting under FRS 109.

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

**EPU (2Q 2018 vs 2Q 2017)**

**Basic EPU**<sup>(1)</sup>

Weighted average number of Units for the period

Basic EPU

**Diluted EPU**<sup>(2)</sup>

Weighted average number of Units for the period (diluted)

Diluted EPU

	Group		Trust	
	2Q 2018	2Q 2017	2Q 2018	2Q 2017
Weighted average number of Units for the period	3,660,917,956	3,057,197,286 <sup>(3)</sup>	3,660,917,956	3,057,197,286 <sup>(3)</sup>
Basic EPU	7.51¢	10.49¢ <sup>(3)</sup>	10.78¢	10.42¢ <sup>(3)</sup>
Weighted average number of Units for the period (diluted)	3,664,022,389	3,176,437,710 <sup>(3)</sup>	3,664,022,389	3,176,437,710 <sup>(3)</sup>
Diluted EPU	7.51¢	10.13¢ <sup>(3)</sup>	10.77¢	10.07¢ <sup>(3)</sup>

**EPU (1H 2018 vs 1H 2017)**

**Basic EPU**<sup>(1)</sup>

Weighted average number of Units for the period

Basic EPU

**Diluted EPU**<sup>(2)</sup>

Weighted average number of Units for the period (diluted)

Diluted EPU

	Group		Trust	
	1H 2018	1H 2017	1H 2018	1H 2017
Weighted average number of Units for the period	3,635,310,103	3,049,833,299 <sup>(3)</sup>	3,635,310,103	3,049,833,299 <sup>(3)</sup>
Basic EPU	9.68¢	12.67¢ <sup>(3)</sup>	12.81¢	12.71¢ <sup>(3)</sup>
Weighted average number of Units for the period (diluted)	3,638,422,161	3,169,498,791 <sup>(3)</sup>	3,638,422,161	3,169,498,791 <sup>(3)</sup>
Diluted EPU	9.67¢	12.28¢ <sup>(3)</sup>	12.80¢	12.32¢ <sup>(3)</sup>

Notes:

- (1) Basic EPU was computed on total return for the period after tax (excluding non-controlling interests) over the weighted average number of Units for the period.
- (2) Diluted EPU was computed on total return for the period after tax (excluding non-controlling interests) over the weighted average number of Units for the period which had included potential dilutive Units assuming issuance of Units for the settlement of unpaid asset management fees. In 2Q 2017 and 1H 2017, the weighted average number of Units had also included the assumed conversion of the outstanding convertible bonds to Units.
- (3) Restated for the effects of the Rights Issue.

**Distribution per unit ("DPU")**

In computing the DPU, the number of Units as at end of the period was used for the computation.

	2Q 2018	2Q 2017	1H 2018	1H 2017
Number of Units in issue at the end of the period	3,742,685,099	3,006,284,332	3,742,685,099	3,006,284,332
DPU (cents) for period	2.16¢	2.25¢	4.28¢	4.56¢
DPU (cents) (restated for Rights Issue)	2.16¢	2.19¢ <sup>1</sup>	4.28¢	4.45¢ <sup>1</sup>

Note:

- (1) DPUs for 2Q 2017 and 1H 2017 were restated for the effects of the Rights Issue.

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**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	
	30 Jun 2018	31 Dec 2017	30 Jun 2018	31 Dec 2017
Number of Units in issue at end of the period	3,742,685,099	3,608,145,589	3,742,685,099	3,608,145,589
NAV / NTA (S\$'000)	6,881,831	6,416,923	6,554,199	5,993,766
NAV / NTA per Unit	\$1.84	\$1.78	\$1.75	\$1.66
<b>Adjusted NAV / NTA per Unit (excluding the distributable income to unitholders)</b>	<b>\$1.80</b>	<b>\$1.74</b>	<b>\$1.71</b>	<b>\$1.62</b>

Notes:

(1) This excluded non-controlling interest's share of NAV / NTA.

(2) NAV/NTA per Unit were computed based on NAV/NTA over the number of Units in issue as at end of the period respectively.

**8 Review of the performance**

**Statement of Total Return**

	Group					
	2Q 2018	2Q 2017	Change	1H 2018	1H 2017	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	98,015	87,495	12.0	194,433	177,020	9.8
Property operating expenses	(20,278)	(18,392)	10.3	(39,487)	(38,062)	3.7
<b>Net property income</b>	<b>77,737</b>	<b>69,103</b>	<b>12.5</b>	<b>154,946</b>	<b>138,958</b>	<b>11.5</b>
Interest income	1,126	247	NM	2,328	495	NM
Investment income	-	-	-	1,647	-	NM
Amortisation of intangible asset	-	(1,021)	NM	-	(1,834)	NM
Asset management fees:						
- Base fees	(2,165)	(1,649)	31.3	(4,073)	(3,356)	21.4
- Performance fees	(2,706)	(2,427)	11.5	(5,571)	(5,067)	9.9
Trust and other operating expenses	(914)	(1,173)	(22.1)	(1,753)	(2,214)	(20.8)
Finance costs	(22,286)	(17,663)	26.2	(41,621)	(35,612)	16.9
<b>Net income before share of profit of joint ventures</b>	<b>50,792</b>	<b>45,417</b>	<b>11.8</b>	<b>105,903</b>	<b>91,370</b>	<b>15.9</b>
Share of profit (net of tax) of:						
- Joint ventures	47,914	25,885	85.1	70,906	45,831	54.7
<b>Net income</b>	<b>98,706</b>	<b>71,302</b>	<b>38.4</b>	<b>176,809</b>	<b>137,201</b>	<b>28.9</b>
Net increase in fair value of investment properties	178,884	252,674	(29.2)	178,884	252,674	(29.2)
Transaction costs on disposal of investment property	-	(3,226)	NM	-	(3,226)	NM
<b>Total return for the period before tax</b>	<b>277,590</b>	<b>320,750</b>	<b>(13.5)</b>	<b>355,693</b>	<b>386,649</b>	<b>(8.0)</b>
Tax expense	(2,226)	(175)	NM	(3,359)	(314)	NM
<b>Total return for the period after tax</b>	<b>275,364</b>	<b>320,575</b>	<b>(14.1)</b>	<b>352,334</b>	<b>386,335</b>	<b>(8.8)</b>

NM – Not Meaningful

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	Group					
	2Q 2018	2Q 2017	Change	1H 2018	1H 2017	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b><u>Distribution Statement</u></b>						
Total return attributable to unitholders	274,996	320,575	(14.2)	351,966	386,335	(8.9)
Net tax and other adjustments	(220,072)	(274,292)	(19.8)	(244,808)	(290,191)	(15.6)
Tax-exempt income distribution	750	-	NM	750	-	NM
Distribution from joint ventures	23,709	23,184	2.3	48,081	44,615	7.8
<b>Distributable income to unitholders</b>	<b>79,383</b>	<b>69,467</b>	<b>14.3</b>	<b>155,989</b>	<b>140,759</b>	<b>10.8</b>
<b>DPU for the period</b>	<b>2.16¢</b>	<b>2.25¢</b>	<b>(4.0)</b>	<b>4.28¢</b>	<b>4.56¢</b>	<b>(6.1)</b>

NM – Not Meaningful

**Review of CCT Group's performance 2Q 2018 vs 2Q 2017**

- Gross revenue for 2Q 2018 was S\$98.0 million, an increase of S\$10.5 million or 12.0% over 2Q 2017. The increase was mainly due to contribution from AST2 which offset the loss in gross revenue due to the divestments of One George Street, Golden Shoe Car Park and Wilkie Edge. The newly acquired Gallileo (with effect from 19 June 2018) and CapitaGreen also added to the increase.
- Property operating expenses for 2Q 2018 were S\$20.3 million, an increase of S\$1.9 million or 10.3% from 2Q 2017 mainly due to higher property tax.
- Amortisation of intangible asset in 2Q 2017 relates to amortization of yield stabilization income in relation to Twenty Anson, which was fully utilized in 2017.
- Trust and other operating expenses in 2Q 2018 of S\$0.9 million declined by S\$0.3 million or 22.1% from 2Q 2017 mainly due to lower professional fees.
- Finance costs of S\$22.3 million for 2Q 2018 were S\$4.6 million or 26.2% higher than 2Q 2017 largely due to higher borrowings incurred for the acquisitions of AST2 and Gallileo, as well as fees for the partial prepayment of bank borrowings and pre-termination of interest rate swaps incurred by MSO Trust.
- Share of profit of joint ventures for 2Q 2018 relates to CCT's share of results of RCS Trust (CCT's 60.0% interest), OGS LLP (CCT's 50.0% interest), GOT and GSRT (CCT's 45.0% interest), while for 2Q 2017, it relates to CCT's share of profits of RCS Trust (CCT's 60.0% interest) and OGS LLP (CCT's 50.0% interest with effect from 19 June 2017).
- CCT's distributable income for 2Q 2018 of S\$79.4 million increased by 14.3% from that of 2Q 2017 largely due to higher net property income.

**Review of CCT Group's performance 1H 2018 vs 1H 2017**

- Gross revenue for 1H 2018 was S\$194.4 million, an increase of S\$17.4 million or 9.8% over 1H 2017. The increase was mainly due to contribution from AST2 which offset the loss in gross revenue due to the divestments of One George Street, Golden Shoe Car Park and Wilkie Edge. Contribution from the newly acquired Gallileo (with effect from 19 June 2018) as well as higher gross revenue from CapitaGreen also added to the increase.
- Property operating expenses for 1H 2018 were S\$39.5 million, an increase of S\$1.4 million or 3.7% from 1H 2017, mainly due to higher property tax.
- Amortisation of intangible asset in 1H 2017 relates to amortization of yield stabilization income in relation to Twenty Anson which was fully utilized in 2017.
- Trust and other operating expenses in 1H 2018 of S\$1.8 million were lower than 1H 2017 by S\$0.5 million or 20.8% mainly due to lower professional fees.



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- e) Finance costs of S\$41.6 million for 1H 2018 were S\$6.0 million or 16.9% higher than 1H 2017 largely due to higher borrowings incurred for the acquisitions of AST2 and Gallileo, as well as fees for the partial prepayment of bank borrowings and pre-termination of interest rate swaps incurred by MSO Trust.
- f) Share of profit of joint ventures for 1H 2018 relates to CCT's share of results of RCS Trust (CCT's 60.0% interest), OGS LLP (CCT's 50.0% interest), GOT and GSRT (CCT's 45.0% interest), while for 1H 2017, it relates to CCT's share of profits of RCS Trust (CCT's 60.0% interest) and OGS LLP (CCT's 50.0% interest with effect from 19 June 2018).
- g) CCT's distributable income for 1H 2018 of S\$156.0 million increased by 10.8% from that of 1H 2017 largely due to higher net property income.

### **9 Variance from Previous Forecast / Prospect Statement**

CCT did not disclose 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's distributable income of S\$79.4 million in 2Q 2018 was 14.3% higher than the S\$69.5 million reported in 2Q 2017, mainly due to contributions from Asia Square Tower 2 and CapitaGreen, which offset the divestments of One George Street (50.0% interest), Wilkie Edge and Golden Shoe Car Park. The strong performance was underpinned by growth in gross revenue and net property income which rose 12.0% and 12.5% year-on-year respectively. During the quarter, CCT issued 130.0 million new units for the equity placement to partially finance the acquisition of Gallileo. Based on the enlarged unit base, CCT's distribution per unit (DPU) for 2Q 2018 amounted to 2.16 cents. In 1H 2018, CCT's distributable income grew 10.8% to S\$156.0 million, translating to a DPU of 4.28 cents.

On 18 June 2018, CCT completed the acquisition of 94.9% interest in Gallileo, a Grade A freehold office building, strategically located in prime business district of Frankfurt, Germany. This is CCT's first foray into a new market. CCT will continue to be primarily Singapore focused and will pursue strategic overseas investment that enhances the resilience, diversity and quality of CCT portfolio.

On 29 June 2018, CCT Trustee entered into a sale and purchase agreement to divest Twenty Anson for S\$516.0 million. The net proceeds of approximately S\$512.5 million from the sale of Twenty Anson is expected to be used to repay debt and/or to fund growth opportunities.

Aggregate leverage as at 30 June 2018 was 37.9%, unchanged from last quarter and well below the regulatory limit of 45.0%. CCT obtained EUR340.6 million (S\$532.0 million) in unsecured bank borrowings and raised net proceeds of S\$214.3 million through an Equity Placement for the acquisition of Gallileo. The weighted average term to maturity for the debt portfolio was 3.6 years. In 2Q 2018, the average cost of debt was 2.8% per annum, with interest coverage at a healthy 5.3 times. About 85% of CCT's debt portfolio is on fixed rates to provide certainty of interest expense.

CCT's total portfolio committed occupancy was up at 97.8% as at 30 June 2018 after the addition of Gallileo. CCT's Singapore portfolio's committed occupancy was stable at 97.6%, well above the market occupancy average of 94.1%.

### **Outlook**

Based on data from CBRE Pte. Ltd., Singapore's average monthly office rent was S\$10.10 per square foot in 2Q 2018, an increase of 4.1% quarter-on-quarter. Market occupancy rate was 94.1%, unchanged from 1Q 2018. Consultants expect market rents to continue growing in 2019 given limited new supply in Singapore Central Business District. In relation to CCT, the rise in market rents will narrow the gap between committed and expiring rents for its leases due for renewal in 2018 and 2019.

Frankfurt's prime office rent market has been resilient through property cycles. With the relatively low new supply completing in 2018 and 2019, along with good pre-letting levels, the prime office rents in the city should be well-supported and expected to grow.

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**11 Distributions**

**11(a) Current financial period**

Any distributions declared for the current financial period? Yes

**(i) Name of distribution Distribution for the period from 1 January 2018 to 27 May 2018**

Distribution type Taxable income distribution

Distribution rate Taxable income distribution: 3.49 cents per Unit

Par value of units Not meaningful

Tax rate Taxable income distribution  
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.  
  
Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.  
  
All other investors will receive their distributions after deduction of tax at the rate of 17%.

Books closure date: 25 May 2018

Payment Date 18 July 2018

**(ii) Name of distribution Distribution for the period from 28 May 2018 to 30 June 2018**

Distribution type i) Taxable income distribution  
ii) Tax-exempt income distribution

Distribution rate i) Taxable income distribution: 0.77 cents per unit  
ii) Tax-exempt income distribution: 0.02 cents per unit

Par value of units Not meaningful

Tax rate Taxable income distribution  
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.  
  
Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.  
  
All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution  
Tax-exempt income distribution is exempt from tax in the hands of all unitholders.

Books closure date: 27 July 2018

Date payable 29 August 2018

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**11(b) Corresponding period of the preceding financial period**

Any distributions declared for the corresponding period of the preceding financial period? Yes

Name of distribution                      Distribution for the period from 1 January 2017 to 30 June 2017

Distribution type                          Taxable income

Distribution rate                          Taxable income distribution: 4.56 cents per unit

Par value of units                        Not meaningful

Tax rate                                      Taxable income distribution  
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Books closure date:                      27 July 2017

Date payable                                25 August 2017

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

Not applicable.

**13 General mandate relating to interested party transactions**

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

**14 Confirmation that issuer has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Manager confirms that it has procured undertakings from all its Directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

**15 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 second quarter 2018 unaudited financial statements of the Group and Trust to be false or misleading in any material respect.

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

Lee Chee Koon  
Director

Chee Tien Jin Kevin  
Director

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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.

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

Lee Ju Lin Audrey  
Company Secretary  
19 July 2018