

INSPIRING
PASSION.
FULFILLING
ASPIRATIONS.

INSPIRING PASSION. FULFILLING ASPIRATIONS.

CapitaLand Mall Trust (CMT) is Singapore's first and largest real estate investment trust (REIT), with its continuing success attributed to a strong portfolio of quality shopping malls and extensive network of tenants. CMT's effective corporate governance, expertise in innovative asset enhancement initiatives and active capital management continually enhance value for its Unitholders and inspire their confidence.

CMT operates quality assets that deliver excellent retail experiences for consumers and retailers. CMT's vision is for its malls to stimulate creativity. CMT is focused on bringing together the best of lifestyle offerings in its malls through proactive asset management. Its strong portfolio of shopping malls has delivered positive rental reversions, high occupancy rates and growth in tenants' sales and shopper traffic.

CMT's malls are seen as the leading retail destinations in Singapore, and it continually seeks ways to stay ahead in the retail industry. By staying relevant to its shoppers and retailers, its malls provide exciting retail engagements that drive inspiration. Each of its malls has its own distinctive identity and attributes of excellence, having developed a unique position to enthuse passion and fulfil aspirations for both its shoppers and tenants.

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Corporate Profile

CMT is the first REIT listed on Singapore Exchange Securities Trading Limited (SGX-ST) in July 2002. CMT is also the largest REIT by market capitalisation, approximately S\$6.8 billion (as at 31 December 2015) in Singapore. CMT has been affirmed an 'A2' issuer rating by Moody's Investors Service on 16 July 2015. The 'A2' issuer rating is the highest rating assigned to a Singapore REIT.

CMT owns and invests in quality income-producing assets which are used, or predominantly used, for retail purposes primarily in Singapore. As at 31 December 2015, CMT's portfolio comprised a diverse list of close to 3,100 leases with local and international retailers and achieved a committed occupancy of 97.6%. CMT's 16 quality shopping malls, which are strategically located in the suburban areas and downtown core of Singapore, comprise Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, JCube, Raffles City Singapore (40.00% interest), Lot One Shoppers' Mall, 90 out of 91 strata lots in Bukit Panjang Plaza, The Atrium@Orchard, Clarke Quay, Bugis+, Westgate (30.00% interest) and Bedok Mall. CMT also owns 122.7 million units in CapitaLand Retail China Trust, the first China shopping mall REIT listed on SGX-ST in December 2006.

CMT is managed by an external manager, CapitaLand Mall Trust Management Limited, which is an indirect wholly-owned subsidiary of CapitaLand Limited, one of Asia's largest real estate companies headquartered and listed in Singapore.

Vision

Creating Value
Maximising Returns
Transforming Experiences

CMT's vision embraces all our stakeholders. We rely on the continued and combined support of our Unitholders, business partners, tenants, shoppers and employees to achieve this vision and, in return, share with them the fruits of our success.

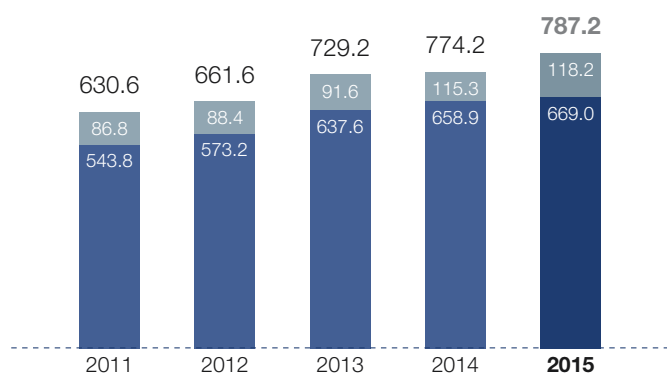
Mission

To deliver stable distributions and sustainable total returns to Unitholders.

Financial Highlights

Gross Revenue¹

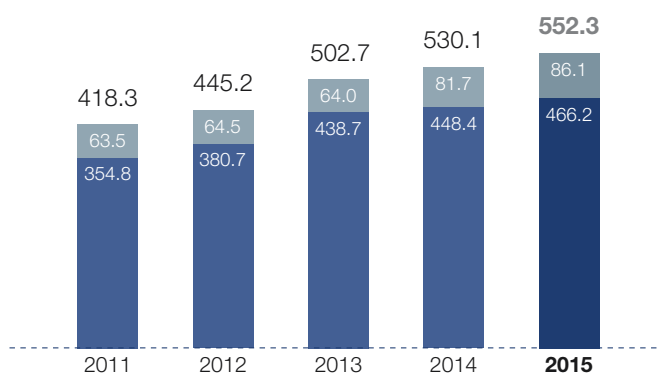
(S\$ million)



■ CMT Group²
 ■ Joint ventures³ (For information only)

Net Property Income¹

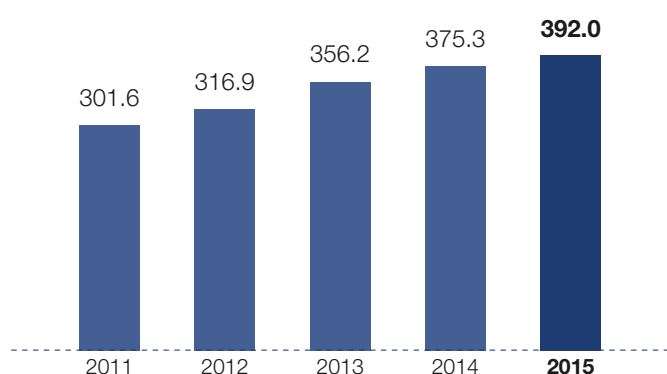
(S\$ million)



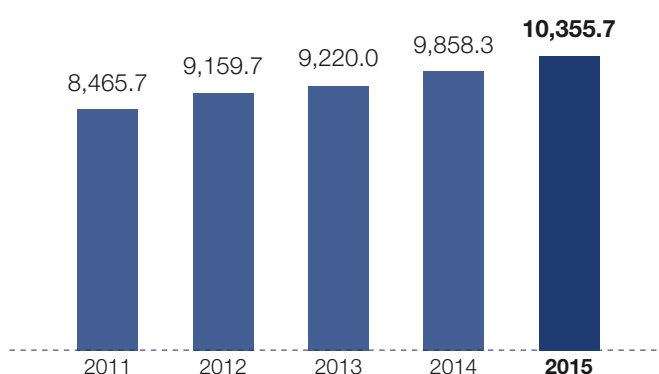
■ CMT Group²
 ■ Joint ventures³ (For information only)

Distributable Income

(S\$ million)

Total Assets¹

(S\$ million)



1 With the adoption of Financial Reporting Standards 111 Joint Arrangements from 1 January 2014, CMT's 40.00% interest in RCS Trust and 30.00% interest in Infinity Mall Trust and Infinity Office Trust (collectively, the Infinity Trusts) are accounted for as investments in joint ventures using equity method. For comparison purpose, 2011 to 2013 have been restated to exclude CMT's 40.00% interest in RCS Trust and CMT's 30.00% interest in Infinity Trusts.

2 On 1 October 2015, CMT acquired all the units in Brilliance Mall Trust (BMT) which holds Bedok Mall. Upon acquisition, BMT became a subsidiary.

3 Joint ventures refer to CMT's 40.00% interest in RCS Trust and CMT's 30.00% interest in Infinity Trusts. Westgate, which is owned by Infinity Mall Trust, commenced operations on 2 December 2013.

Group¹

For the Financial Year	2011	2012	2013	2014	2015 ²
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**Selected Statement of Total Return
and Distribution Data** (S\$ million)

Gross Rental Income	499.7	526.5	589.3	607.9	615.4
Car Park Income	15.4	17.0	18.2	18.0	18.2
Other Income	28.7	29.7	30.1	33.0	35.4
Gross Revenue	543.8	573.2	637.6	658.9	669.0
Net Property Income	354.8	380.7	438.7	448.4	466.2
Distributable Income	301.6	316.9	356.2	375.3	392.0

Selected Statement of Financial Position Data (S\$ million)

Total Assets	8,465.7	9,159.7	9,220.0	9,858.3	10,355.7
Total Borrowings ³	2,888.8	3,090.6	2,918.4	3,238.7	3,251.0
Net Asset Value Per Unit ⁴ (S\$)	1.56	1.64	1.71	1.79	1.86
Unitholders' Funds	5,246.0 ⁵	5,702.9 ⁵	6,008.7	6,282.4	6,693.2 ⁵
Market Capitalisation ⁶	5,658.3	7,362.2	6,589.7	7,062.8	6,834.5
Portfolio Property Valuation	6,716.0	7,031.0	7,276.0	7,510.0	8,366.0

Key Financial Indicators

Earnings Per Unit (cents)	11.98	16.05	16.61	17.88	16.65
Distribution Per Unit (cents)	9.37	9.46	10.27	10.84	11.25
Management Expense Ratio ⁷ (%)	0.7	0.8	0.7	0.8	0.7
Unencumbered Assets as % of Total Assets (%)	50.4	92.2 ⁸	100.0 ⁸	100.0	100.0
Aggregate Leverage (%)	38.4	36.7	35.3	33.8	35.4
Net Debt / EBITDA ⁹ (times)	5.4	5.4	4.9	5.1	6.0
Interest Coverage (times)	4.2	3.6	5.0	4.5	4.8
Average Term to Maturity ¹⁰ (years)	2.3	4.0 ¹¹	3.8	4.7 ¹¹	5.3 ¹¹
Average Cost of Debt (%)	3.5	3.4	3.5	3.5	3.3

1 From 1 January 2014, as a result of Financial Reporting Standards 111 Joint Arrangements, CMT and its subsidiaries (CMT Group) has changed its accounting policy for its interests in joint arrangements and the consolidated results of CMT Group are based on equity accounting. For comparison purpose, the numbers for 2011 to 2013 had been restated. Consequently, the affected key financial indicators (except aggregate leverage) have also been restated accordingly.

2 On 1 October 2015, CMT acquired all the units in Brilliance Mall Trust (BMT) which holds Bedok Mall. Upon acquisition, BMT became a subsidiary. On 15 December 2015, the sale of Rivervale Mall was completed.

3 Amounts included foreign currency denominated notes which have been swapped into Singapore dollars.

4 Excluding the distribution to be paid for the last quarter of the respective financial year.

5 139,665,000 and 125,000,000 units in CMT with gross proceeds of S\$250.0 million each were issued via private placement exercises on 10 November 2011 and 30 November 2012 respectively. On 1 October 2015, 4,100,515 and 72,000,000 units (amounting to S\$7.8 million and S\$137.0 million) were issued as acquisition fee and partial consideration for the acquisition of BMT respectively.

6 Based on the closing unit prices of S\$1.70 on 30 December 2011, S\$2.13 on 31 December 2012, S\$1.905 on 31 December 2013, S\$2.040 on 31 December 2014 and S\$1.930 on 31 December 2015.

7 Refers to the expenses of CMT Group, excluding property expenses and finance costs but including performance component of CapitaLand Mall Trust Management Limited's management fees, expressed as a percentage of weighted average net assets.

8 Higher in 2012 mainly due to the repayment of commercial mortgage backed securities (CMBS) borrowings under Silver Maple Investment Corporation Ltd of S\$783.0 million on 31 October 2012. Following the repayment, the properties mortgaged under the CMBS borrowings namely Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Bugis Junction, Sembawang Shopping Centre and JCube were discharged and released.

Higher in 2013 mainly due to the redemption and cancellation of the remaining S\$98.25 million in principal amount of S\$650.0 million 1.0% convertible bonds due 2013 (Convertible Bonds due 2013) at 109.31% of the principal amount upon maturity. Following the redemption and cancellation, the legal mortgage over The Atrium@Orchard had been discharged and released.

9 Net Debt comprises gross debt less temporary cash intended for refinancing and capital expenditure. EBITDA refers to earnings before interest, tax, depreciation and amortisation. In 2014, EBITDA excluded the profit from sale of office strata units in Westgate Tower.

10 In 2011 and 2012, it was assumed that bondholders of the Convertible Bonds due 2013 would hold to maturity on 2 July 2013.

11 Higher in 2012 mainly due to the long tenures of between six to 12 years for four series of Euro-Medium Term Notes and one series of Medium Term Notes (MTN Notes) issued under CMT MTN Pte. Ltd. (CMT MTN) in 2012.

Higher in 2014 mainly due to the long tenures of between seven to 10.5 years for three series of MTN Notes issued under CMT MTN in 2014, partially offset by the redemption of the S\$350.0 million in principal amount of the Convertible Bonds due 2014.

Higher in 2015 mainly due to the long tenures of eight and 12 years for two series of MTN Notes issued under CMT MTN in 2015.

2015 Highlights

Distributable Income

S\$392.0 million



↑ 4.4%

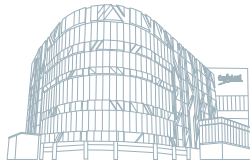
Market Capitalisation

S\$6.8 billion



Portfolio Occupancy Rate

97.6%



Extensive Network of Tenants

~3,100 leases



Credit Rating

A2

issuer rating by
Moody's Investors Service



Distribution Per Unit

11.25 cents



↑ 3.8%

Aggregate Leverage

35.4%



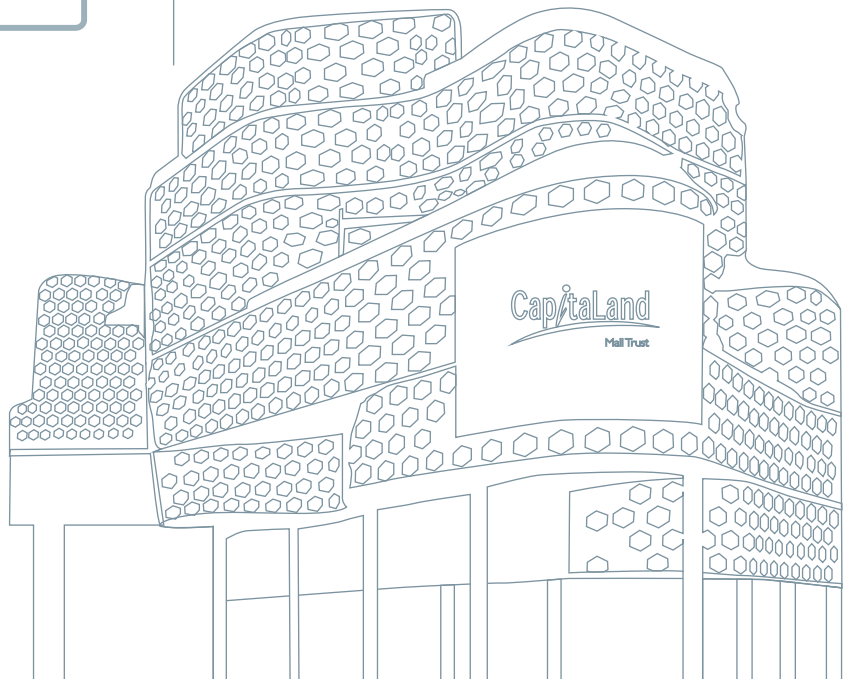
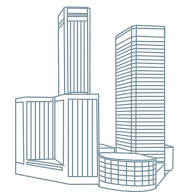
Annual Shopper Traffic

348.0 million



Number of Properties

16



Message to Unitholders



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Distribution per unit to Unitholders increased 3.8% to 11.25 cents in 2015. With our established track record in proactive asset management, we are well-placed to continually create value for our Unitholders.

//

Left **Danny Teoh Leong Kay**
Chairman

Right **Tan Wee Yan, Wilson**
Chief Executive Officer

Dear Unitholders,

We are pleased to report that CapitaLand Mall Trust (CMT) delivered a set of good financial results and continued to increase our distribution to Unitholders amidst a difficult operating environment. Distribution per unit (DPU) for 2015 was 11.25 cents, 3.8% higher than the DPU of 10.84 cents for 2014. This translated to a distribution yield of 5.8% based on CMT's closing price of S\$1.930 per unit on 31 December 2015 – approximately 320 basis points higher than the yield for the 10-year Singapore Government bond.

For the financial year ended 31 December 2015, CMT achieved gross revenue and net property income (NPI) of S\$669.0 million and S\$466.2 million, increases of 1.5% and 4.0% respectively over the preceding year. Our share of gross revenue and NPI in our joint ventures (Raffles City Singapore and Westgate) registered growth of 2.5% and 5.4% year-on-year to S\$118.2 million and S\$86.1 million respectively.

CMT's continuing success is attributed to our quality portfolio of predominantly necessity shopping malls and strong partnership with our extensive network of retailers, catering to a wide range of shoppers in Singapore. By staying relevant and attractive to our shoppers and tenants, our malls bring together the best of lifestyle offerings and exciting engagement programmes that fulfil the aspirations and needs of our shoppers and tenants.

Our expertise in asset management, coupled with a robust capital management approach, has enabled us to achieve sound financial performance and deliver steady returns through different economic cycles. We will continue to drive sustainable growth for our Unitholders through proactive asset management and asset enhancement initiatives (AEI), and explore opportunities for acquisitions and greenfield developments.

Message to Unitholders

Solid Operational Performance

In 2015, our malls attracted shopper traffic of about 348.0 million. The consistently high shopper traffic over the years is due to the strategic locations of our malls, which are connected to or near transportation hubs in large population catchment areas, as well as our proactive asset management. In 2015, tenants' sales per square foot and shopper traffic increased 5.3% and 4.9% respectively year-on-year. As at 31 December 2015, our portfolio comprised a healthy and diversified trade mix of retailers and achieved a high occupancy rate of 97.6%.

Our tenants are integral to the success of our malls, and we continue to enhance our tenant engagement programme and find ways to add value to them. A key thrust of this strategy is our well-received Biz+ Series of seminars and workshops, led by industry experts who impart knowledge and tips to help our tenants do better business. Biz+ Series 2015 revolved around the theme 'Rethinking the Customer through Experience, Innovation and Digital', and was headlined by a large-scale forum titled 'Retail Future' featuring leaders from different industries who shared insights on big data, technology, innovation and productivity. These events helped our tenants stay on top of the latest trends and identify new opportunities in the evolving retail landscape, serving as an excellent platform for networking and exchange of ideas.

We continued to engage our shoppers, building loyalty through innovative marketing activities and attractive rewards programmes. We leveraged on technology to bring greater convenience and delight to shoppers, many of whom are digitally savvy. Our trio of loyalty programmes – CAPITASTAR, CapitaVoucher and CapitaCard – form Singapore's largest multi-store, multi-mall integrated rewards platform, meeting shoppers' desire for scale and choice in a loyalty programme.

In line with the government's efforts to restructure Singapore's economy and enhance national productivity, we actively explored ways to leverage on technology for productivity gains, as well as to deliver a new customer experience for retailers to conduct business, and shoppers to enjoy retail in a technology-enabled environment. An example is Singapore's first on-site centralised dishwashing facility at IMM Building. Operated by GreatSolutions, this on-site facility helps our food and beverage (F&B) tenants who are facing a tight labour situation. It allows F&B operators to improve productivity by redeploying

labour and freeing up dishwashing areas for retail space. Compared with offsite dishwashing facilities, this on-site solution reduces crockery breakage during transportation, and enables more frequent deliveries to F&B outlets.

As part of the omni-channel strategy, we have enhanced our online platforms to provide greater convenience to our shoppers. An example is the e-commerce pilot initiative called 'Food To Go' in Raffles City Singapore. This initiative enables working professionals to order take-away food from the F&B outlets in Raffles City Singapore in advance via a dedicated website. It serves to reduce waiting time for takeaways and overcome the limited seating capacity during the peak lunch period, thus benefitting tenants in both the office and shopping mall components of this iconic integrated development. In addition, this provides our tenants with another opportunity for additional revenue.

Enhancing Shopping Experience through Asset Enhancements

To ensure the success of our malls, it is important that they continue to meet the needs and aspirations of the communities they operate in. To this end, we continually reinvent and drive our malls to ensure that they stay relevant and attractive to shoppers. This includes AEI to optimise the retail offerings and refresh the tenancy mix.

At Tampines Mall, we converted the mall's Level 5 open roof to a new education hub with well-known educational tenants. Coupled with a new facade and covered linkway to the mass rapid transit (MRT) station, Tampines Mall now has a refreshed look and provides greater convenience to shoppers. There will also be additional works to rejuvenate the mall and the works are expected to be completed in the first quarter of 2017.

We completed the second phase of AEI at IMM Building to increase the number of outlet stores to 85 with new designer brands, further strengthening its position as Singapore's largest outlet mall. The mall also boosted its F&B offerings and enhanced the shopping environment. In addition, we built a new elevated walkway linking IMM Building to Devan Nair Institute, which connects to Westgate and Jurong East MRT interchange station, and this has improved connectivity and brought greater convenience to our shoppers.

At Clarke Quay, we completed the reconfiguration works at Block A in the second quarter and Block C in the fourth quarter of 2015 to house more exciting F&B and entertainment concepts. With the expanded offerings, party-goers as well as families and friends bonding over good food and quality ambience can easily find an ideal venue from Clarke Quay's wide variety of restaurants, wine bars and entertainment outlets.

In 2015, we also commenced interior rejuvenation works at Plaza Singapura to refresh the mall and reinforce its position as the destination mall for families and friends. We target to complete the works by end-2016.

In addition, to maximise the full potential of its site, we will be redeveloping Funan DigitalLife Mall into an integrated development that is set to complement the transformation of the Civic and Cultural District. The mall will be closed in the third quarter of 2016 for redevelopment works which will take about three years. Set to be an aspirational lifestyle destination, the new space will benefit from CapitaLand Group's strong expertise in integrated developments. It is envisioned to be an experiential creative hub in the city that engages communities to incubate new ideas and passions, and enables shoppers to enjoy retail in a technology-enabled environment.

Looking back at our track record, we have demonstrated our abilities to execute our vision and differentiate ourselves through the many successful AEI. We will continue to maximise this competitive advantage and transform our malls through AEI and reinforce our relevance to the communities we operate in.

Optimising Portfolio from Investment Activities

With the completion of the acquisition of Bedok Mall by way of acquiring all units in Brilliance Mall Trust (BMT) on 1 October 2015, CMT reinforced its leadership position as Singapore's largest real estate investment trust (REIT). The acquisition was part funded by the issuance of 72.0 million units at the issue price of S\$1.9022 per unit amounting to approximately S\$137.0 million, with the balance comprising bank borrowings. As part of an integrated retail-residential-transport hub development, Bedok Mall complements CMT's current portfolio of mainly suburban malls catering to the necessity shopping segment, and strengthens its presence in the eastern part of Singapore.

On 15 December 2015, we sold Rivervale Mall at S\$190.5 million and recorded a gain of S\$72.7 million.

Healthy Balance Sheet and Financial Flexibility

In 2015, we raised about S\$999.8 million through the drawdown of term loan facilities and notes issuances.

S\$646.1 million of term loan facilities was drawn down to partially fund the acquisition of BMT, which holds Bedok Mall in October 2015. In December 2015, net proceeds of S\$188.0 million from the sale of Rivervale Mall were used to partially repay the term loan.

For the notes issuances, we tapped on the debt markets in Japan and Hong Kong and issued notes with debt tenures ranging from eight to 12 years. The principal and interest components of these foreign currency denominated notes were swapped into Singapore dollars at fixed rates to eliminate currency and interest rate risks.

As at 31 December 2015, CMT's debt profile remained healthy with an aggregate leverage of 35.4% and an average borrowing cost of 3.3% per annum. All of CMT's borrowings were unsecured, giving us financial flexibility.

Striving for Excellence

Through our diligence to maximise value for our Unitholders, we have received industry recognition in areas of investor relations, corporate governance and green efforts.

In July 2015, CMT won two awards – silver for Best Investor Relations and bronze for Best Annual Report in the REITs & Business Trusts category – at the Singapore Corporate Awards 2015.

In addition, CMT was crowned the winner of the Singapore Corporate Governance Award in the REITs & Business Trusts category at the Securities Investors Association (Singapore) Investors' Choice Awards 2015 for the fourth consecutive year. CMT was also the runner-up for the Most Transparent Company Award in the REITs & Business Trusts category, a category in which we have received recognition for 12 consecutive years – eight times as winner and four times as runner-up.

Message to Unitholders

In recognition of its green efforts in achieving sustainable development and operations, Westgate clinched the Outstanding Award at the National Parks Board's Skyrise Greenery Awards 2015 - the highest honour awarded to a single project for the year.

Looking Forward

The macro environment remains challenging, with full year growth for 2015 weaker than 2014. Singapore's Ministry of Trade and Industry announced that the domestic economy grew by 2.0% year-on-year in 2015, compared to 2.9% in 2014. The challenges and uncertainties in the global economy may also affect consumer sentiment and this could, in turn, affect retail sales in Singapore.

The retail market is undergoing consolidation and the labour market in Singapore remains tight with a low unemployment rate. The challenging macro environment, competition from e-commerce and a stringent foreign worker policy could weigh on retailers' business growth and sustainability.

Nonetheless, CMT's resilience is underpinned by our portfolio of predominantly necessity shopping malls, scale and strong retailer network; and these will position us well through different economic cycles.

We will focus on operational excellence and the AEI at Bukit Panjang Plaza, Plaza Singapura and Tampines Mall as well as the redevelopment of Funan DigitaLife Mall, as we continue to refresh, rejuvenate and reinforce our portfolio.

Acknowledgements

We would like to express our deepest appreciation to our Directors and dedicated employees for their service and hard work towards maximising the value of CMT in this difficult environment. We would also like to express our sincere gratitude to our Unitholders, business partners, retailers and shoppers for their continued confidence and support.

Danny Teoh Leong Kay

Chairman

Tan Wee Yan, Wilson

Chief Executive Officer

2 March 2016

致信托单位持有人之信函

尊敬的单位持有人：

我们欣然汇报，尽管营运环境艰难，凯德商用新加坡信托仍获得良好财务业绩，并持续增加向单位持有人派付的分发金。2015年的每单位分发金为11.25新分，相较于2014年的10.84新分，高出了3.8%。按凯德商用新加坡信托于2015年12月31日的每单位1.930新元收市价计算，投资收益率为5.8%，比10年期新加坡政府债券的收益率高约320个基点。

于截至2015年12月31日的财政年度，凯德商用新加坡信托取得6.69亿新元的总收入和4.662亿新元的净物业收入，相较于去年分别增长1.5%和4.0%。我们于合资企业(新加坡来福士城和西城)的总收入与净物业收入的份额同比增长了2.5%和5.4%，分别为1.182亿新元和8,610万新元。

凯德商用新加坡信托的持续成就归功于我们以日常购物中心为主的优质资产组合，以及与庞大零售网络的强劲合作伙伴关系，从而满足新加坡各类购物者的需求。我们的购物中心紧贴时代的步伐，不断满足购物者与租户的需求及愿望，以优质时尚商品选择以及精彩的客户参与计划吸引购物者与租户。

我们在资产管理方面的专业知识与强劲的资本管理方式让我们在在不同的经济周期仍能取得良好的财务表现和稳定的回报率。通过积极资产管理，资产改良计划以及寻求收购与发展新项目的良机，我们将继续为单位持有人推动可持续的增长。

出色经营业绩

2015年，我们的购物中心的客流高达约3.48亿人次。多年来的持续高客流量是由于我们的购物中心所处位置大多具策略优势，衔接或毗邻位于人口密集地区的交通枢纽以及我们积极的资产管理。2015年，租户的每平方英尺销售额以及客流量同比分别增长5.3%和4.9%。截至2015年12月31日，我们的资产组合包含了健全与多元化的商户组合，并取得97.6%的高出租率。

租户对于我们的购物中心的成功扮演着不可或缺的角色。我们不断地充实与租户联系的活动，并致力寻找能为他们的业务增值的方式。此战略的主力活动是我们极受欢迎的“商+”系列(Biz+ Series)研讨会与讲座，该系列由业界专业人士传授知识与秘诀，帮助我们的租户在其业务上达到更卓越的成就。“商+”系列2015以“从体验、创新与数码角度重新看待客户需求”为主题，压轴活动是一个名为“零售未来”的大型论坛，由不同的业界领导者分享大数据、科技、创新与生产力的独特见解。这些活动有助于我们的租户在日新月异的零售环境中，得知最新趋势并识别全新良机，并为我们的租户提供一个交换意见及拓展人脉的绝佳平台。

同时，我们通过创新的营销活动以及优惠的奖励计划不断与我们的购物者互动并建立购物者对我们的购物中心的忠诚度。我们借助科技，为越来越多熟悉数码科技的购物者提

供更多便利与愉悦的购物体验。我们的三项忠诚计划－凯德购物星、凯德购物卷及凯德卡－形成新加坡最大的多商店且多购物中心综合奖励平台，满足购物者对忠诚计划规模与选择的渴望。

在政府重组新加坡经济与提升国内生产力的同时，我们也积极探索借助科技提高生产力，并为零售商以及购物者提供科技化的全新客户体验。其中例子包括由GreatSolutions运营、于IMM大厦内打造的新加坡首个设置在购物中心内的中央洗碗设施。该设施为面临人力紧缩的餐饮租户提供协助。采用中央洗碗设施服务的餐饮业者可重新调配人力资源，并将店内洗碗区域腾出以作为零售空间使用，从而提高整体生产力。把中央洗碗设施设置在购物中心内可减少运输时餐具破损的情况，同时餐具也将可更频繁地送至餐饮商店被循环使用。

作为全渠道零售策略的一部分，我们也改善了我们的网上平台，从而为购物者提供更大的便利。其中例子包括于新加坡来福士城称为“Food To Go”的电子商务试点项目。该项目让上班族通过专属网站，在新加坡来福士城内预先从餐饮商店订购外卖。它旨在减少外卖的等待时间，并在午餐高峰期克服有限的座位容量，从而让身处于此标志性综合体内的办公楼与购物中心租户从中受益。此外，这也提供我们的租户多一个提高收入的商机。

通过资产改良计划提升购物体验

为确保购物中心的成功，持续满足目标顾客群的需求与愿望是至关重要的。为此，我们不断地重塑我们的购物中心，以确保他们保持对其购物者的相关性吸引力。这包括旨在优化购物中心内的商品选择并更新其商户组合的资产改良计划。

在淡滨尼广场，我们将其五楼的开放式屋顶转化为容纳知名教育中心的新教育枢纽。新的外立面和衔接地铁站的有盖接道让淡滨尼广场的外观焕然一新，也为其购物者提供更多便利。购物中心将进行更多翻新工作，预计工程将于2017年第一季完成。

我们完成了IMM大厦的第二期资产改良计划，将品牌特价商店增至85间，进一步巩固其作为新加坡最大品牌特价购物中心的地位。购物中心也增添更多餐饮选择，并优化其购物环境。此外，我们也建立了一个新的高架走道，将IMM大厦连接至蒂凡那学院，从而与西城以及裕廊东地铁转换站相连接。这改善了购物中心的连通性，为购物者提供了更多便利。

在克拉码头，我们于2015年第二季和第四季分别完成了A座与C座的空间重整工程，以引进更多精彩的餐饮与娱乐概念店。有了更多的选择，想齐聚一堂、尽情享受美食并沉浸于优质氛围中的派对参与者及亲朋好友，都能轻易地从克拉码头种类繁多的餐厅、酒吧和娱乐场所中找到他们的理想场所。

致信托单位持有人之信函

2015年，我们也开始了狮城大厦的内部翻新工程，以更新购物中心并增强其作为适合让亲朋好友共聚的购物点的定位。我们计划在2016年底完成翻新工程。

此外，我们将重新发展福南数码生活广场成为一个综合体，充分发挥项目所处地段的发展潜能，并配合整个行政与文化区的变换。购物中心将于2016年第三季关闭后展开为期三年的重建工程。新项目将打造成为一个生活时尚目的地，并获益于凯德集团在综合发展项目方面的专业知识。它将会是一个位于市中心的体验型创意中心，促进不同社群培育新想法和热忱，并让购物者能够在科技化的环境中尽情购物。

回顾往昔，凭借多项成功的资产改良计划，我们展现我们对实现愿景并能在市场中脱颖而出的实力。我们将继续加强此竞争优势，以通过资产改良计划优化我们的购物中心，针对目标顾客群进一步巩固其相关性。

利用投资活动优化资产组合

于2015年10月1日，在完成通过收购Brilliance Mall Trust的所有单位的方式收购勿洛广场后，凯德商用新加坡信托进一步巩固了其作为新加坡最大房地产投资信托的领导地位。此收购由总额约1.37亿新元以每单位1.9022新元发行的7,200万新单位部分资助，余额则由银行借款资助。作为零售、住宅、交通枢纽三项合一的综合体，勿洛广场与凯德商用新加坡信托当前主要以位于社区的日常购物中心为主的资产组合相辅相成，并可加强其在新加坡东部的市场份额。

于2015年12月15日，我们以1.905亿新元的价格出售滨河方广场，从而实现了7,270万新元的收益。

良好的资产负债表和财务灵活性

2015年，我们通过动用定期贷款融资与票据发行筹集了约9.998亿新元。

于2015年10月，我们通过动用6.461亿新元的定期贷款融资，部分资助收购拥有勿洛广场的Brilliance Mall Trust。于2015年12月，我们以自出售滨河方广场所获的1.88亿新元净收益部分偿还该定期贷款。

于票据发行方面，我们透过日本与香港的债券市场，发行债务年期介于八至12年不等的票据。这些外币票据的本金和利息都已转换为新元并固定其利率，以消除货币及利率风险。

截至2015年12月31日，凯德商用新加坡信托的债务状况维持在健康水平，资产负债比率为35.4%，而平均贷款成本为每年3.3%。凯德商用新加坡信托的所有贷款为无抵押贷款，从而赋予我们财务灵活性。

追求卓越

我们努力不懈地为单位持有人提高价值，并于过程中在投资者关系、企业管治以及环保方面获得了业界的认可。

于2015年7月，凯德商用新加坡信托在2015年新加坡企业奖上荣获了两个奖项，即房地产投资信托和商业信托类别中的“最佳投资者关系”银奖以及“最佳年度报告”铜奖。

此外，凯德商用新加坡信托也于2015年的新加坡证券投资者选择奖中，连续四年卫冕房地产投资信托和商业信托类别中的“新加坡企业治理奖”。凯德商用新加坡信托也荣获了房地产投资信托和商业信托类别中“最透明企业奖”的亚军，这是我们连续12年获得该奖项的认可，其中八次为冠军、四次为亚军。

购物中心方面，凭借其通过环保努力实现可持续发展及营运的成就，西城荣获国家公园局2015年“空中绿意奖”特别杰出奖，是当年荣获此最高殊荣的唯一项目。

展望

宏观环境仍极具挑战，2015年的全年增长低于2014年。新加坡贸易与工业部公布全年的国内生产总值数据，相较于2014年的2.9%，2015年的国内经济同比增长了2.0%。全球经济所面临的挑战与不确定性可能会影响消费者情绪，而这则可能影响新加坡的零售销售业绩。

零售市场目前正在经历市场整合，同时新加坡劳动市场在这段时间依旧紧缩，失业率持低。极具挑战性的宏观环境、来自电子商务的竞争，以及严苛的外劳政策可能会影响零售商的业务发展与可持续性。

尽管如此，凯德商用新加坡信托的韧性源自于其主要为日常购物中心的资产组合、规模以及强大的零售商网络；而这些都将有助于我们渡过不同的经济周期。

在不断更新，翻新以及强化资产组合的同时，我们将力求在营运上精益求精以及致力于完成于武吉班让大厦、狮城大厦和淡滨尼广场进行中的资产改良计划，同时也关注位于福南数码生活广场地段的重新发展项目。

致谢

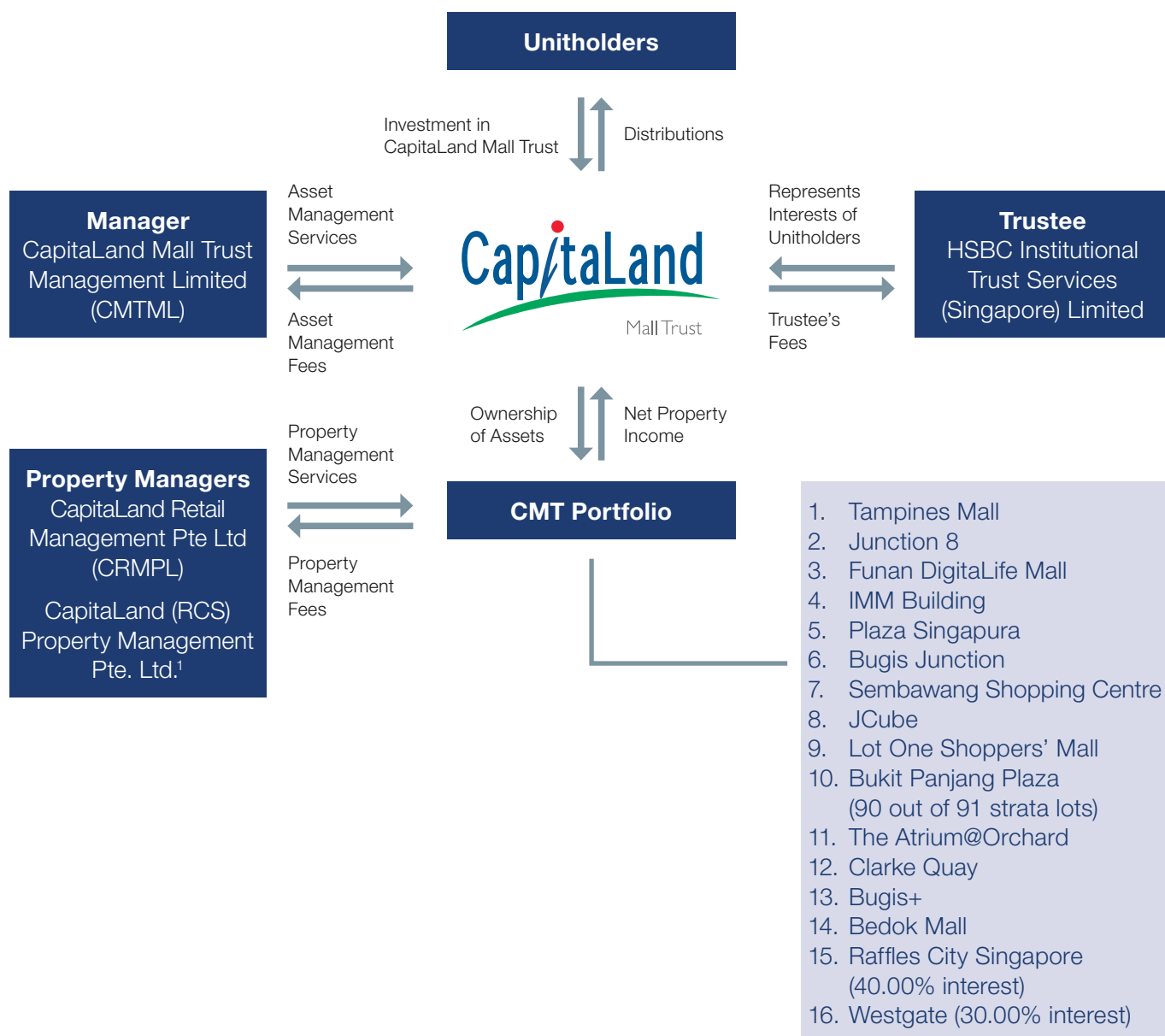
我们谨借此机会向在此艰难的营运环境下致力履行职责为凯德商用新加坡信托创造更高价值的董事及所有员工表达我们最深切的谢意。我们也衷心感谢我们的单位持有人、业务伙伴、零售商及购物者一路以来给予我们的信心与支持。

赵亮溪
主席

陈伟渊
首席执行官

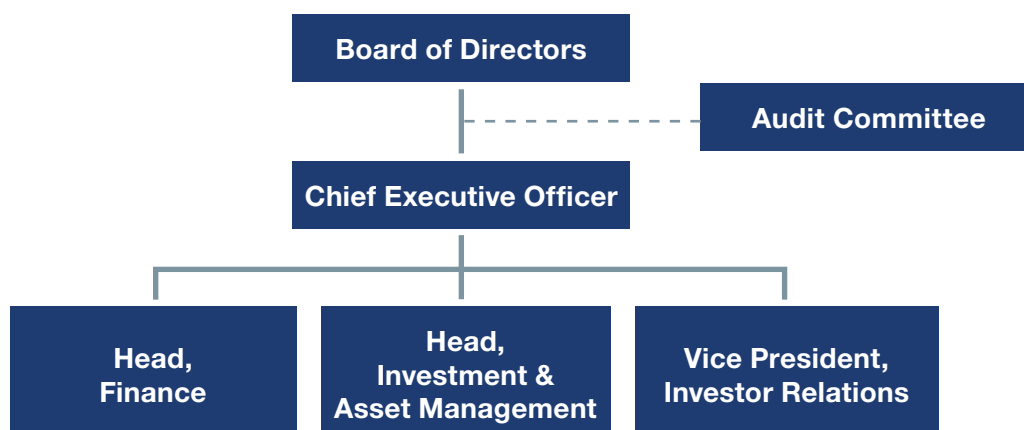
2016年3月2日

Trust Structure



Organisation Structure

CapitaLand Mall Trust Management Limited



¹ CapitaLand (RCS) Property Management Pte. Ltd. only manages Raffles City Singapore.

Year in Brief 2015

January

- CMT's distribution per unit (DPU) of 10.84 cents for the period 1 January 2014 to 31 December 2014 was 5.6% higher than that for the period 1 January 2013 to 31 December 2013.

February

- CMT MTN Pte. Ltd. (CMT MTN), a wholly-owned subsidiary of CMT, issued HK\$1.104 billion 12-year fixed rate notes under its S\$2.5 billion unsecured Multicurrency Medium Term Note Programme (MTN Programme), which was swapped into S\$192.8 million at 3.25% per annum.
- CMT MTN issued ¥8.6 billion eight-year floating rate notes under its MTN Programme, which was swapped into S\$100.0 million at 2.85% per annum.

April

- CMT's DPU of 2.68 cents for the period 1 January 2015 to 31 March 2015 was 4.3% higher than that for the period 1 January 2014 to 31 March 2014.
- Clarke Quay completed its reconfiguration works at Block A to house more food and beverage (F&B) and entertainment concepts.
- Bugis Junction and Plaza Singapura were awarded Best City Shopping Centre (Top 3) at the AsiaOne People's Choice Awards 2015.

July

- CMT's DPU of 5.39 cents for the period 1 January 2015 to 30 June 2015 was 2.5% higher than that for the period 1 January 2014 to 30 June 2014.
- Moody's Investors Service affirmed CMT's issuer rating of 'A2'. The 'A2' issuer rating is the highest rating assigned to a Singapore real estate investment trust (REIT).
- HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CMT (Trustee), has entered into a conditional unit purchase agreement with CMA Singapore Investments (3) Pte. Ltd. and Brilliance Residential Pte. Ltd. to acquire Bedok Mall by way of acquiring all the units in Brilliance Mall Trust.
- CMT won two awards - silver for Best Investor Relations and bronze for Best Annual Report under the REITs & Business Trusts category - at the Singapore Corporate Awards 2015.

August

- Plaza Singapura commenced its interior rejuvenation works to refresh the mall and reinforce its position as the destination mall for families and friends.

October

- CMT completed the acquisition of Bedok Mall by acquiring all the units in Brilliance Mall Trust. The acquisition was part funded by the issuance of 72.0 million units, with the balance comprising bank borrowings.
- The Trustee entered into an agreement to sell Rivervale Mall to a private equity fund for S\$190.5 million.
- Tampines Mall converted its Level 5 open roof to a new education hub with well-known educational tenants, and reconfigured levels 2 and 3 to bring in new fashion offerings. It also completed its new facade and covered linkway to Tampines Mass Rapid Transit (MRT) Station.
- CMT's DPU of 8.37 cents for the period 1 January 2015 to 30 September 2015 was 4.9% higher than that for the period 1 January 2014 to 30 September 2014.
- CMT was crowned the winner of the Singapore Corporate Governance Award (REITs & Business Trusts category) and runner-up for the Most Transparent Company Award (REITs & Business Trusts category) at the Securities Investors Association (Singapore) Investors' Choice Awards 2015.

November

- Singapore's largest outlet mall, IMM Building, further enhanced its shopping experience and increased its total number of outlet stores to 85 with new designer brands. It also boosted its F&B offerings.
- Westgate won the Outstanding Award at the National Parks Board's Skyrise Greenery Awards 2015.

December

- CapitaLand Mall Trust Management Limited, the manager of CMT, announced that it will be redeveloping Funan DigitaLife Mall into an integrated development.
- CMT completed the sale of Rivervale Mall.
- Clarke Quay completed the reconfiguration works at Block C. Anchored by a world-class dance club, Block C comprises popular F&B and entertainment outlets.
- The Atrium@Orchard (Retail) was awarded the Green Mark Gold award by the Building and Construction Authority.

Growth Strategies

Integrated Retail Real Estate Business Platform



Retail Real Estate Management



Retail Real Estate Capital Management



Integrated Retail Real Estate Platform

We are able to tap on CapitaLand's unique integrated retail real estate platform, combining the best of retail real estate management and capital management capabilities.

Through this platform, we can call upon a professional and experienced team of operations, project and asset managers who work closely and seamlessly with each other to:

- Formulate medium and long-term strategies and initiatives to deliver sustainable returns
- Enhance shopping experiences to attract and increase shopper traffic
- Review space usage to optimise space productivity and income
- Manage lease renewals and new leases diligently to minimise rental voids
- Manage and monitor rental arrears to minimise bad debts
- Manage projects to ensure timely completion within budgets
- Manage and monitor property expenses to maximise net property income
- Address all key operational issues to ensure alignment with the strategies of the manager of CMT (Manager)

Intrinsic Growth

Active asset management is important for us to capture opportunities for intrinsic growth. CMT's intrinsic growth has been achieved through:

- Step-up rent
- Gross turnover rent, which is typically about 5.0% of CMT's gross revenue. This is a useful management tool which aligns CMT's interests with those of our tenants. Most of the leases at CMT's properties follow a rental structure which encompasses step-up rent plus a small component of gross turnover rent or a larger component of gross turnover rent only, whichever is higher
- Non-rental income from car parks, atrium space, advertisement panel space, casual leasing, vending machines and customer service counters
- Improved rental rates for lease renewals and new leases

Innovative Asset Enhancement Initiatives

Creative asset planning unlocks the potential value of CMT's malls to further propel growth by enhancing the retail environment and improving the attractiveness of the malls to shoppers and retailers. Diverse ways to increase the yield and productivity of CMT's retail space include:

- Decantation whereby lower-yield space is converted to higher-yield space
- Reconfiguration of retail units to optimise space efficiency
- Maximising the use of common areas, such as bridge space, and converting mechanical and electrical areas into leasable space
- Upgrading amenities, enhancing the facade, adding play and rest areas, providing advice on shopfront design and creating better shopper circulation to enhance the attractiveness of our malls

Inviting Experience

To stay ahead of consumer trends, we constantly reinvent retail experience with innovative shopping, dining and entertainment combinations, which help to maximise the sales of the tenants and generate growth through improved rental income. The increase in shopper traffic is generated through:

- Alignment of tenant mix with current market trends, which ensures a consistently good combination of attractive and popular retail outlets in CMT's malls
- New retail concepts which generate fresh excitement and positive sales
- Enhancing shoppers' experiences with a more pleasant, comfortable and exciting environment by improving connectivity to public amenities, social media walls, upgrading restroom facilities, baby nursing rooms, children's playgrounds, designated water play areas with interactive features for children, and alfresco dining areas
- Innovative marketing and promotional events to draw in the crowds as well as attractive loyalty programmes for shoppers
- Attractive shopfronts and visual merchandising design ideas

Instrumental Investments

The ability to identify value-adding acquisitions, investments and greenfield development projects to add to the portfolio and further enhance its value is central to CMT's long-term sustainable growth.

Our investments must satisfy the investment criteria of:

- Potential for growth in yield
- Rental sustainability
- Potential for value creation

CMT's 14.55% interest in CapitaLand Retail China Trust provides some exposure to the growth in the China retail real estate market without significantly changing the asset profile of CMT.

Intensive Capital & Risk Management

We seek to optimise returns to Unitholders while maintaining a strong capital base and credit rating to support CMT's growth.

Regular assessments of capital management policies are undertaken to ensure that they are adaptable to changes in economic conditions and the risk characteristics of CMT. We also monitor our exposures to various risk elements by closely adhering to well-established management policies and procedures.

As part of our proactive capital management, we are diversifying our sources of funding, extending the debt maturity profile and reducing the quantum due for refinancing in any one year.

Property Portfolio

CMT's portfolio of 16 quality shopping malls is well diversified in the suburban areas and downtown core of Singapore. The portfolio comprises Tampines Mall, Junction 8, Funan DigitaLife Mall, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, JCube, Raffles City Singapore (40.00% interest), Lot One Shoppers' Mall, 90 out of 91 strata lots in Bukit Panjang Plaza, The Atrium@Orchard, Clarke Quay, Bugis+, Westgate (30.00% interest) and Bedok Mall.

Majority of the shopping malls are well connected to public transportation nodes such as mass rapid transit (MRT) / light rail transit (LRT) stations and bus interchanges. They are strategically located either in areas with large population catchments or within Singapore's popular shopping and tourist destinations.

The Manager continues to strive to ensure that each shopping mall in CMT's portfolio optimises its financial performance, strengthens its market position as the leading mall serving its community, as well as provides the ideal shopping experience for its shoppers. This is achieved through a combination of active tenant remixing, asset enhancements, stringent mall maintenance standards as well as unique mall-centric marketing and promotional activities.



1. Bedok Mall



2. Bugis+



6. Funan DigitaLife Mall

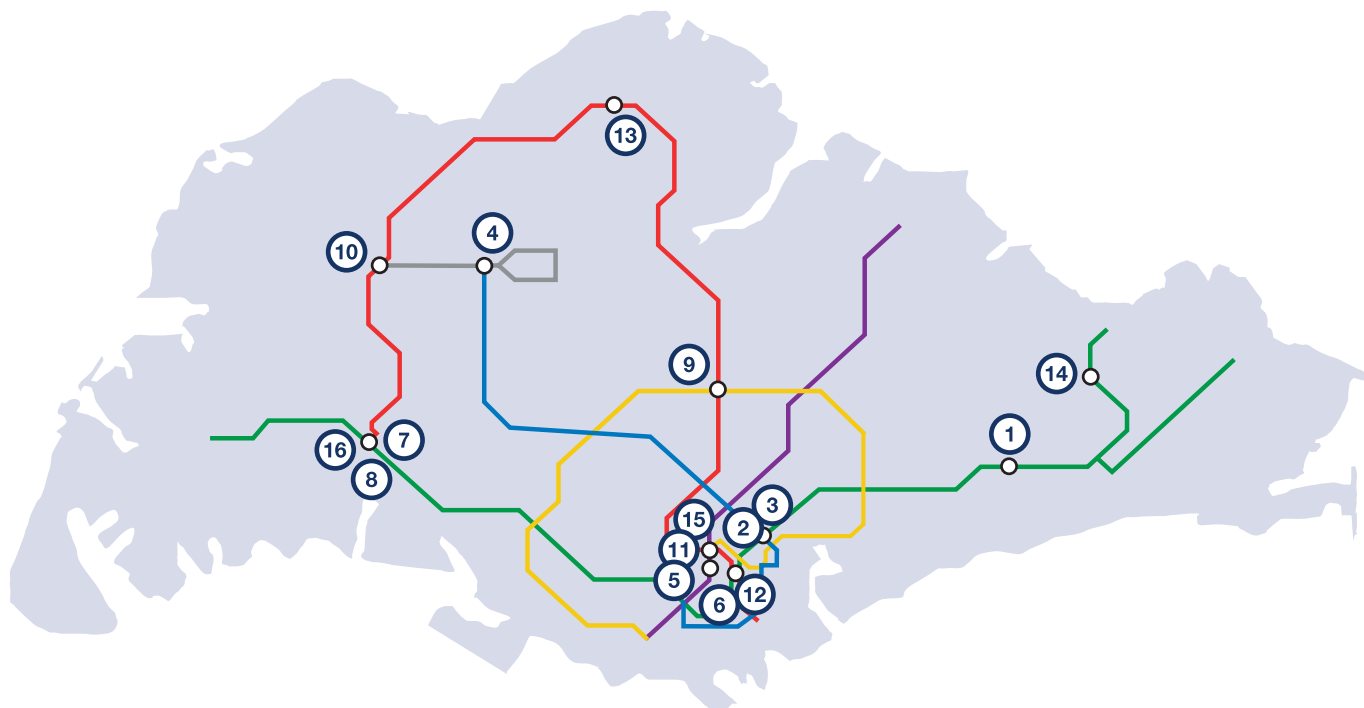


7. IMM Building



10. Lot One Shoppers' Mall

Map of Singapore





3. Bugis Junction



4. Bukit Panjang Plaza



5. Clarke Quay



8. JCube



12. Raffles City Singapore



9. Junction 8



11. Plaza Singapura



13. Sembawang Shopping Centre



14. Tampines Mall



16. Westgate



15. The Atrium@Orchard

Picture 4: An artist's impression of the new building facade
 Picture 13: Kenny Teo Seng Chye, CapitaLand 'Building People'
 Photography Competition 2012

Board of Directors**Danny Teoh Leong Kay**

Chairman & Non-Executive
Independent Director

**Lim Ming Yan**

Deputy Chairman & Non-Executive
Non-Independent Director

**Fong Kwok Jen**

Non-Executive Independent Director

**Gay Chee Cheong**

Non-Executive Independent Director

**Lee Khai Fatt, Kyle**

Non-Executive Independent Director

**Jason Leow Juan Thong**

Non-Executive Non-Independent
Director

**Richard Rokmat Magnus**

Non-Executive Independent Director

**Ng Chee Khern**

Non-Executive Independent Director

**Tan Kian Chew**

Non-Executive Non-Independent
Director

**Tan Wee Yan, Wilson**

Chief Executive Officer &
Executive Non-Independent Director

Danny Teoh Leong Kay, 60**Chairman****Non-Executive Independent Director**

Polytechnic Diploma in Accountancy with Distinction, Newcastle Upon Tyne Polytechnic

Associate Member, Institute of Chartered Accountants in England and Wales

Date of first appointment as a director:

1 November 2012

Date of appointment as Chairman:

17 April 2013

Length of service as a director (as at 31 December 2015):

3 years 2 months

Board committees served on

- Corporate Disclosure Committee (Chairman)
- Investment Committee (Member)

Present directorships in other listed companies

- DBS Group Holdings Ltd
- Keppel Corporation Limited

Present principal commitments (other than directorships in other listed companies)

- Ascendas-Singbridge Pte. Ltd. (Director)
- Changi Airport Group (Singapore) Pte. Ltd. (Director)
- DBS Bank (China) Limited (Director)
- DBS Bank Ltd. (Director)
- DBS Foundation Ltd (Director)
- JTC Corporation (Board Member)

Background and working experience

- Managing Partner of KPMG LLP, Singapore (From October 2005 to September 2010)
- Partner of KPMG LLP, Singapore and KPMG (From October 1989 to September 2005)

Lim Ming Yan, 53**Deputy Chairman****Non-Executive Non-Independent Director**

Bachelor of Engineering (Mechanical) and Economics (First Class Honours), University of Birmingham, UK

Date of first appointment as a director:

1 January 2013

Date of appointment as Deputy Chairman:

1 January 2013

Length of service as a director (as at 31 December 2015):

3 years

Board committees served on

- Corporate Disclosure Committee (Member)
- Executive Committee (Chairman)
- Investment Committee (Chairman)

Lim Ming Yan, 53**Deputy Chairman****Non-Executive Non-Independent Director**

(continued)

Present directorships in other listed companies

- Ascott Residence Trust Management Limited (manager of Ascott Residence Trust) (Deputy Chairman)
- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust) (Deputy Chairman)
- CapitaLand Limited
- CapitaLand Retail China Trust Management Limited (manager of CapitaLand Retail China Trust) (Deputy Chairman)

Present principal commitments (other than directorships in other listed companies)

- Building and Construction Authority (Member of the Board)
- Business China (Director)
- CapitaLand China Holdings Pte Ltd (Chairman)
- CapitaLand Hope Foundation (Director)
- CapitaLand Limited (President & Group CEO)
- CapitaLand Mall Asia Limited¹ (Chairman)
- CapitaLand Regional Investments Limited (Chairman)
- CapitaLand Singapore Limited (Chairman)
- CTM Property Trust, Steering Committee (Chairman)
- LFIE Holding Limited (Co-Chairman)
- Shanghai YiDian Holding (Group) Company (Director)
- Singapore Tourism Board (Member of the Board)
- The Ascott Limited (Chairman)

Past directorship in other listed company held over the preceding three years

- Central China Real Estate Limited

Background and working experience

- Chief Operating Officer of CapitaLand Limited (From May 2011 to December 2012)
- CEO of The Ascott Limited (From July 2009 to February 2012)
- CEO of CapitaLand China Holdings Pte Ltd (From July 2000 to June 2009)

Awards

- Outstanding Chief Executive (Overseas) at the Singapore Business Awards 2006
- Magnolia Award by the Shanghai Municipal Government in 2003 and 2005

¹ Delisted on 22 July 2014.

Board of Directors

Fong Kwok Jen, 66

Non-Executive Independent Director

Bachelor of Laws (Honours), University of Singapore
Advocate and Solicitor

Date of first appointment as a director:

1 November 2012

Length of service as a director (as at 31 December 2015):

3 years 2 months

Board committee served on

- Audit Committee (Member)

Present principal commitment

- Equity Law LLC (Executive Director)

Past directorships in other listed companies held over the preceding three years

- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust)
- Xpress Group Limited

Background and working experience

- Partner of Fong Partners (From 1995 to June 2004)
- Chairman, Disciplinary Committee of Singapore Exchange Securities Trading Limited (From 1994 to 2007)
- Member of Securities Industry Council (From 1992 to 2003)
- Council Member of The Law Society of Singapore (From 1990 to 1992)
- Deputy Senior State Counsel/Senior State Counsel of Attorney-General's Chambers (From 1982 to 1989)
- Deputy Public Prosecutor of Attorney-General's Chambers (From 1972 to 1982)

Others

- Government Legal Officer's Course under Colombo Plan Award, United Kingdom (1976/77)
- NITA (National Institute of Trial Advocates) Advocacy Programme at Harvard Law School (1986)

Gay Chee Cheong, 59

Non-Executive Independent Director

Bachelor of Science in Engineering (Honours), Royal Military College of Science
Bachelor of Science in Economics (Honours), University of London
Masters of Business Administration, National University of Singapore

Date of first appointment as a director:

1 November 2012

Length of service as a director (as at 31 December 2015):

3 years 2 months

Board committee served on

- Audit Committee (Member)

Present directorship in other listed company

- Hyflux Ltd

Present principal commitments (other than directorship in other listed company)

- Heliconia Capital Management Pte. Ltd. (Director)
- Koosng Private Limited (Director)
- National University of Singapore (Member, Entrepreneurship Committee)
- Temasek Polytechnic (Member, Board of Governors, Chairman, Investment Committee, Deputy Chairman, Administration Committee)
- United World College South East Asia Foundation (Trustee)

Background and working experience

- Deputy Chairman & CEO of 2G Capital Pte Ltd (From 2001 to 2006)
- Group Executive Director of JIT Electronics Pte Ltd (From 1997 to 2000)

Lee Khai Fatt, Kyle, 64**Non-Executive Independent Director**

Bachelor of Arts in Business Studies (Honours), Council for National Academic Awards Polytechnic of the South Bank
Master of Science in International Management (Distinction), University of London, The School of Oriental and African Studies
Master of Business Administration and Diploma in Management, University of London, Imperial College of Science, Technology and Medicine
Fellow of the Institute of Chartered Accountants in England and Wales and Institute of Singapore Chartered Accountants

Date of first appointment as a director:

1 November 2012

Length of service as a director (as at 31 December 2015):

3 years 2 months

Board committees served on

- Audit Committee (Chairman)
- Investment Committee (Member)

Present directorships in other listed companies

- FEO Hospitality Asset Management Pte. Ltd. (manager of Far East Hospitality Real Estate Investment Trust)
- FEO Hospitality Trust Management Pte. Ltd. (trustee-manager of Far East Hospitality Business Trust)
- Great Eastern Holdings Limited
- MFS Technology Ltd

Present principal commitment (other than directorships in other listed companies)

- The Great Eastern Life Assurance Company Limited (Director)

Past directorship in other listed company held over the preceding three years

- WBL Corporation Limited

Background and working experience

- Partner of PricewaterhouseCoopers LLP and Price Waterhouse (From June 1990 to June 2010)

Jason Leow Juan Thong, 49**Non-Executive Non-Independent Director**

Executive Master in Business Administration, Fudan University
Chartered Accountant of Singapore and a member of the Institute of Singapore Chartered Accountants
Advanced Management Program, Harvard Business School

Date of first appointment as a director:

22 December 2014

Length of service as a director (as at 31 December 2015):

1 year 1 month

Board committees served on

- Corporate Disclosure Committee (Member)
- Executive Committee (Member)
- Investment Committee (Member)

Present directorship in other listed company

- CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (manager of CapitaLand Malaysia Mall Trust)

Present principal commitment (other than directorship in other listed company)

- CapitaLand Mall Asia Limited (CEO)

Past directorships in other listed companies held over the preceding three years

- Lai Fung Holdings Limited
- Central China Real Estate Limited

Background and working experience

- CEO of CapitaLand China Holdings Pte. Ltd. (From July 2009 to September 2014)
- Deputy CEO of CapitaLand China Holdings Pte. Ltd. (From July 2005 to June 2009)
- General Manager, Business Development of CapitaLand Residential Limited (From July 2002 to June 2005)

Board of Directors

Richard Rokmat Magnus, 71

Non-Executive Independent Director

Bachelor of Laws (Honours), University of Singapore
Master of Laws, University of Singapore
Alumni, Harvard Business School and John F Kennedy School of Government

Date of first appointment as a director:

3 May 2010

Length of service as a director (as at 31 December 2015):

5 years 8 months

Board committee served on

- Investment Committee (Member)

Present principal commitments

- Bioethics Advisory Committee (Chairman)
- Changi Airport Group (Singapore) Pte. Ltd. (Director)
- Changi Airport Group (Singapore) Pte. Ltd.'s Operational Risk & Safety Committee (Member)
- Political Films Consultative Committee (Chairman)
- Public Service Commission (Member)
- Public Transport Council (Chairman)
- Singapore Consortium Investment Management Limited (Director)
- Temasek Cares CLG Limited (Chairman)
- UNESCO's International Bioethics Committee (Vice-Chairman)

Background and working experience

- Senior District Judge of Singapore Legal Service Commission (From 1998 to 2008)

Awards

- Public Service Star (2015)
- MSF Outstanding Volunteer Award (2014)
- Meritorious Service Medal (2009)
- Public Administration Medal (Gold) (Bar) (2003)
- Public Administration Medal (Gold) (1994)
- Public Administration Medal (Silver) (1983)

Ng Chee Khern, 50

Non-Executive Independent Director

Bachelor of Arts (Honours) in Philosophy, Politics & Economics, University of Oxford
Master of Arts, University of Oxford
Master in Public Administration, Harvard University

Date of first appointment as a director:

8 June 2012

Length of service as a director (as at 31 December 2015):

3 years 7 months

Present directorship in other listed company

- Singapore Technologies Engineering Ltd

Present principal commitments (other than directorship in other listed company)

- Defence Science and Technology Agency (Chairman)
- DSO National Laboratories (Chairman)
- Eastern Health Alliance Pte Ltd (Director)
- Ministry of Defence (Permanent Secretary) (Defence Development)
- Ministry of Health (2nd Permanent Secretary)
- MOH Holdings Pte Ltd (Director, Member, Healthcare Infrastructure and Project Committee)
- National Research Foundation (Board Member)
- Singapore Technologies Holdings Pte Ltd (Director)

Background and working experience

- Director of Security and Intelligence Division, Ministry of Defence, Singapore (From September 2010 to April 2014)
- Senior Deputy Director of Security and Intelligence Division, Ministry of Defence, Singapore (From January 2010 to August 2010)
- Chief of Air Force of Republic of Singapore Air Force, Ministry of Defence, Singapore (From March 2006 to December 2009)
- Chief of Staff of Republic of Singapore Air Force, Ministry of Defence, Singapore (From September 2005 to March 2006)
- Director of Joint Operations and Plans Directorate and Joint Staff-MINDEF of Republic of Singapore Air Force, Ministry of Defence, Singapore (From March 2004 to September 2005)
- Head of Joint Operations and Joint Staff-MINDEF of Republic of Singapore Air Force, Ministry of Defence, Singapore (From June 2003 to March 2004)
- Head of Air Operations of Republic of Singapore Air Force, Ministry of Defence, Singapore (From March 2001 to June 2003)

Ng Chee Khern, 50
Non-Executive Independent Director
 (continued)

Awards

- Public Administration Medal (Gold) (Military) (2005)
- The Legion of Merit (Degree of Commander) by the United States
- The Bintang Swa Bhuwana Paksa Utama by Indonesia
- The Knight Grand Cross (First Class) of the Most Noble Order of the Crown of Thailand
- Ordre National de la Légion d'honneur by the French Government

Tan Kian Chew, 62
Non-Executive Non-Independent Director

Bachelor of Science (Mechanical Engineering) (First Class Honours), University of Aston
 Advanced Management Program, Harvard University

Date of first appointment as a director:

3 May 2010

Length of service as a director (as at 31 December 2015):

5 years 8 months

Present directorship in other listed company

- ARA Trust Management (Suntec) Limited (manager of Suntec Real Estate Investment Trust)

Present principal commitment (other than directorship in other listed company)

- Singapore Labour Foundation (CEO)

Background and working experience

- CEO of NTUC Fairprice Co-operative Ltd (From October 1997 to December 2015)
- Principal Private Secretary to Deputy Prime Minister Ong Teng Cheong, Prime Minister's Office (From 1988 to 1992)
- Deputy Director of Ministry of Trade and Industry (From 1983 to 1988)
- Head of Naval Operations of Singapore Navy (From 1980 to 1983)

Awards

- NTUC May Day Award – Medal of Commendation (Gold) (2014)
- Singapore Public Administration Medal (Silver) (1991)

Tan Wee Yan, Wilson, 58
Chief Executive Officer
Executive Non-Independent Director

Bachelor of Arts (Economics), National University of Singapore

Date of first appointment as a director:

1 July 2012

Length of service as a director (as at 31 December 2015):

3 years 6 months

Board committee served on

- Executive Committee (Member)

Present principal commitments

- EZ-Link Pte Ltd (Chairman)
- National Arts Council (Member)
- Republic Polytechnic (Member, Board of Governors and Chairman, Administration Committee)
- School of Digital Media and Infocomm Technology (DMIT), Singapore Polytechnic (Member, Advisory Committee)
- Singapore River One Limited (Chairman)

Background and working experience

- Deputy CEO of CapitaLand Mall Trust Management Limited (From February 2012 to June 2012)
- Group CEO of Singapore Post Limited (From October 2007 to April 2010)
- Managing Director of NEC Asia Pte. Ltd. (From January 2007 to September 2007)
- President of Japan & APAC, Mercury Interactive (From March 2002 to March 2006)

Trust Management Team (CMTML)

Tan Wee Yan, Wilson

Chief Executive Officer and Executive Non-Independent Director

Please refer to description under the section on 'Board of Directors'.

Tan Lei Keng

Head, Finance

Lei Keng is responsible for the sourcing and management of funds for CMT. She also provides support in the areas of treasury, accounting and all finance-related matters in line with CMT's investment strategy and its mall portfolio management, with a focus on driving revenue and delivering investment returns for CMT.

Prior to joining CMTML, Lei Keng had extensive regional experience in finance with locally-listed as well as American listed companies. She holds a Master of Business Administration from the University of South Florida and a Bachelor of Accountancy from the University of Singapore.

Jacqueline Lee

Head, Investment & Asset Management

Jacqueline is responsible for creating value for Unitholders through acquisitions and divestments, asset enhancement and active asset management.

The Investment & Asset Management team proposes and executes appropriate acquisitions, divestments and asset enhancement initiatives to optimise the value of the portfolio; monitors, analyses and reports on valuation, performance metrics and trends; devises appropriate strategies to optimise operating performance; prepares the annual business plan; works with the Property Manager to execute the business plan and other initiatives to drive organic growth; and puts in place the risk management system for the CMT Group.

Jacqueline has extensive experience in real estate including investment, corporate finance and engineering. Prior to joining CMTML, she worked in a public listed company handling mergers, acquisitions, divestments and business valuation. Jacqueline started her career as an electrical engineer, and was involved in the planning, design and construction of major building and infrastructure projects. She holds a Master of Business Administration from the University of Sydney, Australia; as well as a Master of Arts and a Bachelor of Arts (Honours) in Engineering Science from the University of Oxford, United Kingdom.

Audrey Tan

Vice President, Investor Relations

Audrey is responsible for building relations and facilitating strategic communications with CMT's Unitholders, potential and existing investors and analysts through various communication platforms, as well as collating feedback from the investment community.

Prior to joining CMTML, Audrey has more than 16 years' regional experience in finance, accounting and treasury with locally-listed and multinational companies. She holds a Bachelor of Business in Accountancy and is a Certified Practising Accountant with CPA Australia.

Property Management Team (CRMPL)

Teresa Teow

Head, Retail Management, Singapore

Teresa has more than 20 years of experience in real estate management and currently oversees the operations of 18 retail properties in Singapore. She is responsible for the smooth execution of operational plans and the operational efficiency of the malls in order to achieve operational targets. As part of her portfolio, Teresa also oversees the Singapore Group Leasing, Group Marketing Communications and Group Operations departments, to achieve better synergies for both leasing and marketing communications activities and to leverage on the scale of the portfolio. Teresa also assists in planning for staff development so as to ensure continuity of operations in the portfolio. Teresa holds a Bachelor of Business (Business Administration) degree from the Royal Melbourne Institute of Technology, Australia.

Cindy Peh

Head, Leasing, Singapore

Cindy oversees the Singapore Group Leasing function which supports CMT's malls in all aspects of leasing activities and asset enhancement initiatives. She works closely with the malls' leasing teams to ensure greater synergies and unlock greater value for CMT's malls.

Cindy is also involved in the conceptualisation of and supporting CMT's development projects in all leasing aspects. She formulates initiatives to achieve greater efficiency and improve business processes for the leasing function in the malls.

Cindy has 17 years of experience in retail leasing, which includes six years of retail consultancy for key malls. She holds a Bachelor of Science (Economics) from the National University of Singapore.

Steve Ng

Head, Marketing Communications, Singapore

Steve has more than 20 years of consumer and corporate marketing experience. He heads the Singapore Group Marketing Communications function and formulates the strategic direction and initiatives to actively engage shoppers, tenants and the communities of CMT's malls. With a suite of loyalty products such as CAPITASTAR, CapitaVoucher and CapitaCard, he builds greater loyalty amongst shoppers and generates business opportunities for tenants within CMT's malls. He works closely with the malls' marketing communication teams to ensure greater synergies and unlock value for CMT's malls. Steve holds a Bachelor of Science (Economics) in Management Studies from the University of London and a Postgraduate Diploma in eCommerce and Marketing from The Chartered Institute of Marketing.

Jason Loy

Head, Operations, Singapore

Jason formulates the strategic direction of the engineering and operational aspects of CMT's malls. He is responsible for developing operational guidelines as well as implementing facility management policies, which include the establishment of standard operating procedures for the malls to run efficiently. He also devises new initiatives and implements innovative ways to improve business work processes for productivity. Jason is a registered Professional Engineer with 20 years of experience in planning, design, supervision of mechanical and electrical services, technical due diligence, project administration, operations, sustainability and green building technologies. He holds a Bachelor of Engineering in Mechanical and Production Engineering from Nanyang Technological University, Singapore.

Corporate Governance

OUR ROLE

Our primary role as the manager of CMT (Manager) is to set the strategic direction of CMT and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CMT (Trustee), on any investment opportunities for CMT and the enhancement of the assets of CMT in accordance with the stated investment strategy for CMT. The research, evaluation and analysis required for this purpose are coordinated and carried out by us as the Manager.

As the Manager, we have general powers of management over the assets of CMT. Our primary responsibility is to manage the assets and liabilities of CMT for the benefit of the unitholders of CMT (Unitholders). We do this with a focus on generating rental income and enhancing asset value over time so as to maximise the returns from the investments, and ultimately the distributions and total returns to Unitholders.

Our other functions and responsibilities as the Manager include:

- (a) using our best endeavours to conduct CMT's business in a proper and efficient manner;
- (b) preparing annual business plans for review by the directors of the Manager (Directors), including forecasts on revenue, net income and capital expenditure, explanations on major variances to previous years' financial results, written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;
- (c) ensuring compliance with relevant laws and regulations, including the Listing Manual of Singapore Exchange Securities Trading Limited (SGX-ST) (Listing Manual), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) (including Appendix 6 of CIS Code (Property Funds Appendix)), the Securities and Futures Act (Chapter 289 of Singapore), written directions, notices, codes and other guidelines that MAS may issue from time to time, and the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of CMT and Unitholders;
- (d) attending to all regular communications with Unitholders; and
- (e) supervising CapitaLand Retail Management Pte Ltd (Property Manager), the Property Manager which performs the day-to-day property management functions (including leasing, marketing, promotion, coordination and property management) for CMT's malls; with regard to Raffles City Singapore (RCS), which is held by CMT and CapitaLand Commercial Trust (CCT) in the proportions of 40.00% and 60.00% respectively, the Property Manager holds 40.00% interest in CapitaLand (RCS) Property Management Pte. Ltd. which provides property management services to RCS with CapitaLand Commercial Management Pte. Ltd., the property manager of the properties owned by CCT, holding the other 60.00%. As a result of its interest in CapitaLand (RCS) Property Management Pte. Ltd., the Property Manager is able to play a key role in directing the property management function for RCS.

The Manager also considers sustainability issues (including environmental and social factors) as part of its responsibilities. CMT's environmental sustainability and community outreach programmes are set out on pages 58 to 64 of this Annual Report.

CMT, constituted as a trust, is externally managed by the Manager. The Manager appoints experienced and well qualified management to run its day-to-day operations.

The Manager was appointed in accordance with the terms of the trust deed constituting CMT and dated 29 October 2001 (as amended, varied or supplemented from time to time) (Trust Deed). The Trust Deed outlines certain circumstances under which the Manager can be removed, including by notice in writing given by the Trustee upon the occurrence of certain events, or by resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

The Manager is a wholly owned subsidiary of CapitaLand Limited (CL) which holds a significant unitholding interest in CMT. CL is a long-term real estate developer and investor and has strong inherent interests in the performance of CMT. CL's significant unitholding in CMT ensures its commitment to CMT and as a result, CL's interest is aligned with that of other Unitholders. The Manager's association with CL provides the following benefits, among other things, to CMT:

- (a) a stable pipeline of property assets through CL's development activities;
- (b) wider and better access to banking and capital markets on favourable terms;
- (c) fund raising and treasury support; and
- (d) access to a bench of experienced management talent.

OUR CORPORATE GOVERNANCE CULTURE

The Manager aspires to the highest standards of corporate governance. The Manager is committed to ongoing improvement in corporate governance. It has developed and, on an ongoing basis, maintains sound and transparent policies and practices to meet the specific business needs of CMT and to provide a firm foundation for a trusted and respected business enterprise. The Manager remains focused on complying with the substance and spirit of the principles of the Code of Corporate Governance 2012 (Code) while achieving operational excellence and delivering CMT's long-term strategic objectives. The Board of Directors (Board) is responsible for the Manager's corporate governance standards and policies, underscoring their importance to the Manager.

The Manager has received accolades from the investment community for the excellence in corporate governance. More details can be found in the Investor & Media Relations section on pages 51 to 53 of this Annual Report.

This report sets out the corporate governance practices for the financial year (FY) 2015 with reference to the Code. Where there are deviations from the principles and guidelines of the Code, an explanation has been provided within this Annual Report.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1:

Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

The Manager is led by the Board which presently comprises a majority of non-executive independent Directors (IDs). This exceeds the requirements in the Code. Each Director brings to the Board skills, experience, insights and sound judgement which, together with his strategic networking relationships, serve to further the interests of CMT.

The Board oversees the affairs of the Manager in furtherance of the Manager's primary responsibility to manage the assets and liabilities of CMT for the benefit of Unitholders. The Board provides leadership to the Chief Executive Officer (CEO) and the management team (Management) and sets the strategic vision, direction and long-term objectives for CMT. The CEO, assisted by Management, is responsible for the execution of the strategy for CMT and the day-to-day operation of CMT's business.

Corporate Governance

The Board provides leadership to Management, sets strategic directions and oversees the management of CMT. The Board establishes goals for Management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risks and compliance with requirements under the Listing Manual, the Property Funds Appendix, as well as any other applicable guidelines prescribed by the SGX-ST, MAS or other relevant authorities, and applicable laws. It also sets the disclosure and transparency standards for CMT and ensures that obligations to Unitholders and other stakeholders are understood and met.

The Board has reserved authority to approve certain matters and these include:

- (a) material acquisitions, investments, disposals and divestments;
- (b) issue of new units in CMT (Units);
- (c) income distributions and other returns to Unitholders; and
- (d) matters which involve a conflict of interest for a controlling Unitholder or a Director.

The Board has established various Board Committees to assist it in the discharge of its functions. These Board Committees are the Audit Committee (AC), the Corporate Disclosure Committee (CDC), the Executive Committee (EC) and the Investment Committee (IC). The composition of the various Board Committees is set out on page 47 of this Annual Report.

Each of these Board Committees operates under delegated authority from the Board, with the Board retaining overall oversight. The Board may form other Board Committees as dictated by business imperatives. Membership of the various Board Committees is managed to ensure an equitable distribution of responsibilities among Board members, to maximise the effectiveness of the Board and to foster active participation and contribution from Board members. Diversity of experience and appropriate skills are considered in the composition of the respective Board Committees.

The Board has adopted a set of internal controls which establishes approval limits for capital expenditure, investments, divestments, bank borrowings and issuance of debt instruments. Apart from matters that specifically require the Board's approval, the Board delegates authority for transactions below those limits to Board Committees and Management. Approval sub-limits are also provided at Management level to optimise operational efficiency.

The Board meets at least once every quarter, and as required by business imperatives. Where exigencies prevent a Director from attending a Board meeting in person, the Constitution of the Manager permits the Director to participate via teleconferencing or video conferencing. The Board and Board Committees may also make decisions by way of resolutions in writing.

A total of seven Board meetings were held in FY 2015. A table showing the attendance record of the Directors at meetings of the Board and Board Committees during FY 2015 is set out on page 47 of this Annual Report. The Manager believes in the manifest contribution of its Directors beyond attendance at formal Board and Board Committee meetings. To judge a Director's contributions based on his attendance at formal meetings alone would not do justice to his overall contributions, which include being accessible to Management for guidance or exchange of views outside the formal environment of Board and Board Committee meetings.

The Manager provides suitable training for Directors. Upon appointment, each Director is provided with a formal letter of appointment and a copy of Directors' Manual (which includes information on a broad range of matters relating to the role and responsibilities of a director). All Directors on appointment also undergo an induction programme to familiarise themselves with matters relating to the business activities of CMT, its strategic directions and policies, the regulatory environment in which CMT operates and the Manager's corporate governance practices.

Following their appointment, Directors are provided with opportunities for continuing education in areas such as directors' duties and responsibilities, changes to regulations and accounting standards and industry-related matters, so as to be updated on matters that affect or may enhance their performance as Directors or Board Committee members.

At all times the Directors are collectively and individually obliged to act honestly and with diligence, and to consider the best interest of Unitholders. In addition to disclosure of any interest a Director may have in a matter under consideration by the Board, any Director who is in a conflict of interest situation is also required to abstain from participating in discussions on the matter.

Board Composition and Guidance

Principle 2:

There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board reviews from time to time the size and composition of the Board with a view to ensuring that the size of the Board is appropriate in facilitating effective decision-making, taking into account the scope and nature of the operations of CMT and its subsidiaries (CMT Group); and that the Board has a strong independent element.

The Board presently comprises 10 Directors, of which six are non-executive independent Directors (IDs). The Chairman of the Board is an ID. Profiles of the Directors are provided on pages 18 to 23 of this Annual Report.

The Board assesses the independence of each Director in accordance with the guidance in the Code. An ID is one who has no relationship with the Manager, its related corporations, its shareholders who hold 10% or more of the voting shares of the Manager, or Unitholders who hold 10% or more of the Units in issue of CMT or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement. The relevant non-executive Directors had provided declarations of their independence which have been deliberated upon by the Board. The Board has also examined the different relationships identified by the Code that might impair the Director's independence and objectivity.

Mr Danny Teoh Leong Kay is also a director of DBS Bank Ltd. The Board considers that the payments made to DBS Bank were not significant compared with the revenue of CMT in FY 2015. In addition, the services provided by DBS Bank were in its ordinary course of business and the payments made to DBS Bank were not significant relative to its revenue. Mr Teoh does not have any personal interest in DBS Bank, other than his role as director and his shareholdings is not significant as compared to the total issued shares of DBS Bank.

The Board has also considered if Mr Teoh had demonstrated independence of character and judgement in the discharge of his responsibility as a Director of the Manager in FY 2015, and is satisfied that Mr Teoh had acted with independent judgement. Mr Teoh had also recused himself from deliberating on any transactions that might potentially give rise to a conflict of interest. The Board therefore considers that the relationships and circumstances set out above did not affect his independence.

The Board has also considered whether each of Mr Fong Kwok Jen, Mr Gay Chee Cheong, Mr Lee Khai Fatt, Kyle, Mr Richard Rokmat Magnus and Mr Ng Chee Khern had demonstrated independence of character and judgement in the discharge of his responsibilities as a Director of the Manager in FY 2015, and is satisfied that each of Mr Fong, Mr Gay, Mr Lee, Mr Magnus and Mr Ng has acted with independent judgement.

On the bases of the declarations of independence provided by the Directors and the guidance in the Code, the Board has determined that Mr Danny Teoh Leong Kay, Mr Fong Kwok Jen, Mr Gay Chee Cheong, Mr Lee Khai Fatt, Kyle, Mr Ng Chee Khern and Mr Richard Rokmat Magnus are independent directors, as defined under the Code. Each member of the Board had recused himself from deliberations on his own independence.

Corporate Governance

Chairman and Chief Executive Officer

Principle 3:

There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

To maintain an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making, the roles and responsibilities of the Chairman and the CEO are held by separate individuals.

The non-executive independent Chairman, Mr Danny Teoh Leong Kay, is responsible for leading the Board and ensuring that the Board is effective in all aspects of its role. The CEO, Mr Tan Wee Yan, Wilson, has full executive responsibilities over the business directions and operational decisions of CMT and is responsible for implementing CMT's strategies and policies and conducting CMT's business.

The Chairman is responsible for leadership of the Board and for creating the conditions for overall effectiveness of the Board, Board Committee and individual Director. This includes setting the agenda of the Board in consultation with the CEO and promoting constructive engagement among the Directors as well as between the Board and the CEO on strategic issues. The Chairman plays a significant leadership role by providing clear oversight, advice and guidance to the CEO and Management on strategies and business operations.

The Chairman and the CEO are not immediate family members. The separation of the roles of the Chairman and the CEO and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, and facilitate robust deliberations on the business activities of CMT and the exchange of ideas and views to help shape the strategic process.

Board Membership

Principle 4:

There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The Board undertakes the function of a nominating committee and therefore, the Manager does not have a nominating committee. The Board performs the functions that such a committee would otherwise perform, namely, it administers nominations to the Board, reviews the structure, size and composition of the Board, and reviews the performance and independence of Board members. The Board seeks to ensure that the composition of the Board provides an appropriate balance and diversity of skills, experience and knowledge of the industry and that the Directors, as a group, have the necessary core competencies relevant to CMT's business. The current Board comprises individuals who are business leaders and professionals with financial, banking, real estate, legal, investment and accounting backgrounds. The varied backgrounds of the Directors enable Management to benefit from their respective expertise and diverse background.

As part of its commitment towards improving its corporate governance, the Board recently undertook a review of the matter and has determined that it shall continue to undertake the functions of a nominating committee. The following considerations were taken into account:

- (a) the Manager is a dedicated manager to only CMT and in general, REITs (including CMT) have a more focused scope and scale of business compared to those of listed companies. For this reason, the Board's capacity would not be unduly stretched if the responsibilities of a nominating committee were also undertaken by the Board as the Board would be able to give adequate attention to such issues;
- (b) the focused scope of the business of CMT also means a manageable competency requirement for the Board such that the Board is able to manage the duties of a nominating committee; and

- (c) that IDs form at least half of the Board and the Chairman is an ID demonstrate that the IDs play a substantive role and assures the objectivity and independence of the decision-making process concerning nomination. This also mitigates any concerns of conflict which can be managed by having the conflicted directors abstain from the decision-making process. Further, conflict situations are less likely to arise in matters of nomination.

In terms of the criteria and process put in place for selecting, appointing and reappointing Directors and for reviewing the performance of Directors, the Board has adopted the following for FY 2016 and after:

- (a) The Board will at least annually carry out a review of the Board composition as well as on each occasion when an existing ID gives notice of his intention to retire or resign. This is to assess the collective skills, knowledge and experience of Directors represented on the Board to determine whether the Board, as a whole, has the skills, knowledge and experience required to achieve the Manager's objectives for CMT.
- (b) The Board will review the suitability of any candidates put forward by any director for appointment, having regard to the skills required and the skills represented on the Board and whether a candidate's skills, knowledge and experience will complement the existing Board and whether he has sufficient time available to commit to his responsibilities as a Director, and whether he is a fit and proper person for the office in accordance with the Guidelines on Fit and Proper criteria issued by MAS (which require the candidate to be, among other things, competent, honest, to have integrity and be financially sound).
- (c) External consultants may be engaged from time to time to access a wide base of potential directors.
- (d) No member of the Board will be involved in any decision of the Board relating to his own appointment, reappointment or assessment of independence.
- (e) A newly appointed Director will receive a formal appointment letter and a copy of the Directors' Manual (which includes information on a broad range of matters relating to the role and responsibilities of a director).
- (f) All Directors on appointment will undergo an induction programme to help familiarise them with matters relating to CMT's business and the Manager's strategy for CMT.
- (g) The performance of the Board, Board Committees and Directors will be reviewed annually.
- (h) The Board will proactively address any issues identified in the board performance evaluation.

The adopted process takes into account the requirements in the Code that the composition of the Board, including the selection of candidates for new appointments to the Board as part of the Board's renewal process, be determined using the following principles:

- (a) the Board should comprise Directors with a broad range of commercial experience, including expertise in funds management, the property industry, banking and legal fields; and
- (b) at least one-third of the Board should comprise IDs. Where, among other things, the Chairman of the Board is not an ID, at least half of the Board should comprise IDs.

As at least half of the Board comprises IDs, the Manager will not be voluntarily subjecting to any appointment or reappointment of directors to voting by Unitholders. The Chairman of the Board is presently an ID. The Board intends to continue with the principle that at least half of the Board shall comprise IDs.

On Board renewal, the Manager believes that Board renewal is a necessary and continual process, for good governance and ensuring that the Board has the skills, expertise and experience which are relevant to the evolving needs of CMT's business; renewal or replacement of a Director therefore does not necessarily reflect his performance or contributions to date. In reviewing its Board composition, the Board will, with effect from FY 2016, also consider the guidelines that an ID should serve for no more than a maximum of two three-year terms and any extension of his appointment after he has served for six years could be on a yearly basis up to a period of nine years (inclusive of the initial two three-year terms served).

Corporate Governance

Guideline 4.4 of the Code recommends that the Board determine the maximum number of listed company board representations which any director may hold and disclose this in the annual report. The Board is of the view that, the limit on the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors such as whether he is in full-time employment and his other responsibilities. A director with multiple directorships is expected to ensure that sufficient attention can be and is given to the affairs of the Manager in managing the assets and liabilities of CMT for the benefit of Unitholders. The Board believes that each Director is best placed to determine and ensure that he is able to devote sufficient time and attention to discharge his duties and responsibilities as a director of the Manager, bearing in mind his other commitments. In considering the nomination of an individual for appointment, the Board will take into account, among other things, the competing time commitments faced by any such individual with multiple Board memberships as well as his other principal commitments. All Directors had confirmed that notwithstanding the number of their individual listed company board representations and other principal commitments which each of them held, they were able to devote sufficient time and attention to the affairs of the Manager in managing the assets and liabilities of CMT for the benefit of Unitholders. The Board also notes that, as at the date of this Annual Report, none of the IDs serves on more than five listed company boards. Taking into account also the attendance records of the Directors at meetings of the Board and Board committees during FY 2015 (set out on page 47 of this Annual Report), the Board is of the view that the current commitments of each of its Directors are reasonable and each of the Directors is able to and has been adequately carrying out his duties.

Board Performance

Principle 5:

There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

The Manager believes that Board performance is ultimately reflected in the long-term performance of CMT.

The Board strives to ensure that there is an optimal blend in the Board of background, experience and knowledge in business, finance and management skills critical to CMT's business, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of CMT. Contributions by an individual Board member can also take other forms, including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and/or Board Committee meetings.

Reviews of Board performance were carried out on an informal basis for FY 2015. The Manager believes that collective Board performance and that of individual Board members are better reflected in, and evidenced by, its and their proper guidance, diligent oversight and able leadership, and the support that it lends to Management in steering CMT in the appropriate direction, and the long-term performance of CMT whether under favourable or challenging market conditions. The Board was also able to assess the Board Committees through their regular reports to the Board on their activities.

Access to Information

Principle 6:

In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

The Manager recognises the importance of providing the Board with relevant information on a timely basis prior to Board meetings and on an ongoing basis, to enable the Directors to make informed decisions to discharge their duties and responsibilities. Reports on CMT's performance are also provided to the Board on a regular basis.

The Board meets regularly and Board meetings, in general, last up to half a day. At each Board meeting, the CEO provides update on CMT's business and operations as well as financial performance. Presentations in relation to specific business areas are also made by key executives and external consultants or experts; this allows the Board to develop a good understanding of the progress of CMT's business as well as the issues and challenges facing CMT and also promotes active engagement between the Board and the key executives of the Manager.

As a general rule, Board papers are sent to Board members at least five working days prior to each Board meeting, to allow members of the Board to prepare for the Board meetings and to enable discussions to focus on any questions that they may have.

In line with the Manager's commitment to limit paper wastage and reduce its carbon footprint, the Manager no longer provides printed copies of Board papers and Directors are instead provided with tablet devices to enable them to access and read Board and Board Committee papers prior to and at meetings. This initiative also enhances information security as the papers are downloaded to the tablet devices through an encrypted channel.

In addition to providing complete, adequate and timely information to the Board on Board affairs and issues requiring the Board's decision, Management also provides ongoing reports relating to the operational and financial performance of the Manager, such as monthly management reports.

Where appropriate, informal meetings are also held for Management to brief Directors on prospective deals and potential developments in the early stages before formal Board approval is sought.

The Board has separate and independent access to Management including the company secretary of the Manager (Company Secretary) at all times. The Company Secretary attends to corporate secretarial administration matters and is the corporate governance advisor on corporate matters to the Board and Management. The Company Secretary attends Board meetings. The Board, whether as individual Director or as a group, is also entitled to have access to independent professional advice where required, at the Manager's expense.

The AC also meets the internal and external auditors separately at least once a year, without the presence of the CEO and Management and has unfettered access to any information that it may require.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7:

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Level and Mix of Remuneration

Principle 8:

The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

Disclosure on Remuneration

Principle 9:

Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

The Manager is a subsidiary of CL. For FY 2015 and before, the Manager adhered to the remuneration policies and practices of CL; this was after careful consideration of the remuneration policies and practices of CL and being satisfied that such policies and practices would provide the Manager with a suitable remuneration policy.

Corporate Governance

The Manager therefore did not have a remuneration committee. In its decision to adhere to the remuneration policies and practices of CL, the Manager also took into account the belief that a framework of remuneration for the Board and key executives should not be taken in isolation; it should be linked to the building of management bench strength and the development of key executives. This would ensure continual development of talent and renewal of strong and sound leadership for a sustainable business and an enduring company in the best interests of CMT. The other additional factors considered were:

- (a) by tapping on the compensation framework of CL, the Manager is placed in a better position to attract better qualified management talent, who may otherwise not be attracted to a standalone REIT manager; and
- (b) the Manager being a subsidiary of CL provides an intangible benefit of allowing its employees to associate themselves with an established corporate group which can offer them depth and breadth of experience and a career horizon and this enables the Manager to attract and retain qualified individuals.

As part of its commitment towards improving its corporate governance, the Board recently undertook a review of the matter and has determined that it shall undertake the functions of a remuneration committee. The following considerations were taken into account:

- (a) the Manager is a dedicated manager to only CMT and in general, REITs (including CMT) have a more focused scope and scale of business compared to those of listed companies. For this reason, the Board's capacity would not be unduly stretched by reason of it undertaking the responsibilities of a remuneration committee and the Board would be able to give adequate attention to such issues relating to remuneration matters; and
- (b) the IDs form at least half of the Board and the Chairman is an ID demonstrate that the IDs play a substantive role and assures the objectivity and independence of the decision-making process concerning remuneration. This also mitigates any concerns of conflict which can be managed by having the conflicted directors abstain from the decision-making process. Further, conflict situations are less likely to arise in matters of remuneration.

Therefore, with effect from FY 2016, the Board will undertake the functions of a remuneration committee and the Manager will continue not to have a separate remuneration committee. The Board will perform the functions that such a committee would otherwise perform, namely, overseeing the design and implementation of the remuneration policy and the specific remuneration packages for each Director and senior executives including the CEO. No member of the Board will be involved in any decision of the Board relating to his own remuneration.

In terms of the process to be put in place by the Manager for developing policies on remuneration and determining the remuneration packages for Directors and executive officers, the Manager will, through an independent remuneration consultant, take into account benchmarking within the industry, as appropriate. It may also consider the compensation framework of CL as a point of reference. The Manager is a subsidiary of CL which also holds a significant stake in CMT. The association with the CL Group puts the Manager in a better position to attract and retain better qualified management talent; it provides an intangible benefit to the Manager such that it allows its employees to associate themselves with an established corporate group which can offer them depth and breadth of experience and a career horizon. Following the issuance of new MAS directions and guidelines relating to the remuneration of its key executives, the Manager has begun the process of reviewing its remuneration policy with a view to adopting a policy which is in line with the new MAS directions and guidelines.

The principles governing the Manager's key management personnel remuneration policy are as follows:

Business Alignment

- Focus on generating rental income and enhancing asset value over time so as to maximise returns from investments and ultimately the distributions and total returns to Unitholders
 - Provide sound, structured funding to ensure affordability and cost-effectiveness in line with performance goals
 - Enhance retention of key talents to build strong organisational capabilities
-

Motivate Right Behaviour

- Pay for performance – align, differentiate and balance rewards according to multiple dimensions of performance
- Strengthen line-of-sight linking rewards and performance goals

Fair & Appropriate

- Ensure competitive remuneration relative to the appropriate external talent markets
- Manage internal equity such that remuneration systems are viewed as fair
- Significant and appropriate portion of pay-at-risk, taking into account risk policies for CMT Group, symmetrical with risk outcomes and sensitive to the risk time horizon

Effective Implementation

- Maintain rigorous corporate governance standards
- Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations
- Facilitate employee understanding to maximise the value of the remuneration programmes

The fixed component comprises the base salary, fixed allowances and compulsory employer contribution to an employee's Central Provident Fund. The variable cash component comprises an annual bonus plan which is linked to the achievement of annual performance targets for each key executive. Annual performance targets are in the form of both quantitative and qualitative measures and, are aligned to the business strategy for CMT Group and linked to the performance of CMT. The market-related benefits provided are comparable with local market practices.

For FY 2015, remuneration for key management personnel comprises a fixed component, a variable cash component, an equity-based component and market-related benefits. For the equity-based component, for FY 2015, shares of CL were awarded pursuant to the share plans of CL. With effect from FY 2016, Units will be issued in place of CL shares, so as to better align the interest of key management personnel with the long term interest of Unitholders.

The Code requires an issuer to disclose the names and remuneration of the directors, CEO and at least the top five key management personnel (who are not also Directors or the CEO) of the Manager. In this regard, as the Manager is currently in the midst of reviewing the remuneration policy, with a view to adopt a new remuneration policy in line with the new directions and guidelines of MAS for FY 2016, the Manager is not making any disclosures in this Annual Report as the remuneration figures for FY 2015 will not be meaningful or useful, from an information perspective, to Unitholders with respect to FY 2016 and beyond.

There were no employees of the Manager who were immediate family members of a Director or the CEO during FY 2015. 'Immediate family member' refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

The Directors' fees for FY 2015 are shown in the table on page 36 of this Annual Report. The CEO as an executive director does not receive any fees in his capacity as a Director. Directors' fees are a fixed sum and generally comprise a basic retainer fee as a Director, an additional fee for serving on any of the Board Committees and an attendance fee for participation in meetings of the Board and any of the Board Committees, project meetings and verification meetings.

Non-executive Directors (save for Directors who are employees of CL) receive Directors' fees which are payable by way of cash and Units. The Manager believes that the payment of a portion of the Directors' fees in Units will serve to align the interests of such Directors with that of Unitholders and CMT's long-term growth and value.

Corporate Governance

Directors' Fees^{1,2}

Board Members	FY 2015	FY 2014
Danny Teoh Leong Kay	S\$145,000	S\$139,000
Lim Ming Yan	N.A. ³	N.A. ³
Fong Kwok Jen	S\$84,000	S\$76,000
Gay Chee Cheong	S\$84,000	S\$77,700
Lee Khai Fatt, Kyle	S\$110,000	S\$105,000
Jason Leow Juan Thong	N.A. ³	N.A. ³
Richard Rokmat Magnus	S\$65,000	S\$63,000
Ng Chee Khern ⁴	S\$57,000	S\$53,000
Tan Kian Chew	S\$59,000	S\$53,000
Tan Wee Yan, Wilson	N.A.	N.A.

N.A.: Not Applicable.

1 Inclusive of attendance fees of (a) S\$2,000 per meeting attendance in person, (b) S\$1,700 per meeting attendance via teleconferencing or video conferencing, and (c) S\$1,000 per meeting attendance at project and verification meetings subject to a maximum of S\$10,000 per Director per annum.

2 Each non-executive Director (save for non-executive Directors who are employees of CL) shall receive up to 20% of his Directors' fees in the form of Units (subject to truncation adjustments). The remainder of the Directors' fees shall be paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Manager from the Units it holds.

3 Non-executive Directors who are employees of CL do not receive Directors' fees.

4 All Director's fees payable to Ng Chee Khern, a public officer, will be paid in cash to a government agency, The Directorship & Consultancy Appointments Council.

(C) ACCOUNTABILITY AND AUDIT

Accountability

Principle 10:

The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Manager provides Unitholders with quarterly and annual financial statements. In presenting the annual and quarterly financial statements to Unitholders, the Board aims to provide Unitholders with a balanced, clear and understandable assessment of CMT's performance, position and prospects. In order to achieve this, Management provides the Board with management accounts on a monthly basis and such explanation and information as any Director may require, to enable the Directors to keep abreast, and make a balanced and informed assessment, of CMT's financial performance, position and prospects.

The Manager believes in conducting itself in ways that seek to deliver maximum sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for Unitholders and the Manager is accountable to Unitholders for CMT's performance. Prompt fulfilment of statutory and regulatory reporting requirements is but one way to maintain Unitholders' confidence and trust in the capability and integrity of the Manager.

Risk Management and Internal Controls

Principle 11:

The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Manager has in place an adequate and effective system of internal controls addressing material financial, operational, compliance and information technology risks to safeguard Unitholders' interests and CMT's assets.

The Board has overall responsibility for the governance of risk and oversees the Manager in the design, implementation and monitoring of the risk management and internal controls systems. The AC assists the Board in carrying out the Board's responsibility of overseeing the risk management framework and policies of CMT Group.

The AC is guided by its terms of reference, in particular, the AC:

- (a) makes recommendations to the Board on Risk Appetite Statement (RAS) for CMT Group;
- (b) assesses the adequacy and effectiveness of the risk management and internal controls systems established by the Manager to manage risks;
- (c) oversees Management in the formulation, updating and maintenance of an adequate and effective risk management framework, policies and strategies for managing risks that are consistent with CMT Group's risk appetite and reports to the Board on its decisions on any material matters concerning the aforementioned;
- (d) makes the necessary recommendations to the Board such that an opinion relating to the adequacy and effectiveness of the risk management and internal controls system can be made by the Board in the annual report of CMT in accordance with the Listing Manual and the Code; and
- (e) considers and advises on risk matters referred to it by Management or the Board including reviewing and reporting to the Board on any material breaches of the RAS, any material non-compliance with the approved framework and policies and the adequacy of any proposed action.

The Manager adopts an Enterprise Risk Management (ERM) Framework which sets out the required environmental and organisational components for managing risk in an integrated, systematic and consistent manner. The ERM Framework and related policies are reviewed annually.

The Manager consistently seeks to improve and strengthen its ERM Framework. As part of the ERM Framework, the Manager, among other things, undertakes and performs a Risk and Control Self-Assessment (RCSA) process. As a result of the RCSA process, the Manager produces and maintains a risk register which identifies the material risks CMT Group faces and the corresponding internal controls it has in place to manage or mitigate those risks. The material risks are reviewed annually by the AC and the Board. The AC also reviews the approach of identifying and assessing risks and internal controls in the risk register. The system of risk management and internal controls is reviewed and, where appropriate, refined regularly by the Manager, the AC and the Board. Where relevant, reference is made to the best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council.

The Manager has established an approach on how risk appetite is defined, monitored and reviewed for CMT Group. Approved by the Board, CMT Group's RAS addresses the management of material risks faced by CMT Group. Alignment of CMT Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms put in place across the various functions within the Manager.

More information on the Manager's ERM Framework can be found in the Enterprise Risk Management section on pages 48 to 50 of this Annual Report.

Internal and external auditors conduct audits that involve testing the effectiveness of the material internal controls for CMT Group addressing financial, operational, compliance and information technology risks. This includes testing, where practical, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the AC. The adequacy and effectiveness of the measures taken by the Manager in response to the recommendations made by the internal and external auditors are also reviewed by the AC.

Corporate Governance

The Board has received assurance from the CEO and the Head, Finance of the Manager that:

- (a) the financial records of CMT Group have been properly maintained and the financial statements for the year ended 31 December 2015 give a true and fair view of CMT Group's operations and finances; and
- (b) the system of risk management and internal controls in place for CMT Group is adequate and effective in addressing the material risks faced by CMT Group in its current business environment including material financial, operational, compliance and information technology risks. The CEO and the Head, Finance of the Manager have obtained similar assurances from the respective risk and control owners.

In addition, in FY 2015, the Board has received quarterly certification by Management on the integrity of financial reporting and the Board has provided a negative assurance confirmation to Unitholders as required by the Listing Manual.

Based on the ERM Framework established and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the CEO and the Head, Finance of the Manager, the Board concurs with the recommendation of the AC and is of the opinion, that the system of risk management and internal controls addressing material financial, operational, compliance and information technology risks established by the Manager is adequate and effective to meet the needs of CMT Group in its current business environment as at 31 December 2015.

The Board notes that the system of risk management and internal controls established by the Manager provides reasonable, but not absolute, assurance that CMT Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. The Board notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 12:

The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

All the members of the AC, including the Chairman of the AC, are IDs. The members bring with them invaluable recent and relevant managerial and professional expertise in accounting and related financial management domains.

The AC has explicit authority to investigate any matter within its terms of reference. Management is required to provide the fullest co-operation in providing information and resources, and in implementing or carrying out all requests made by the AC. The AC has direct access to the internal and external auditors and full discretion to invite any Director or executive officer to attend its meetings. Similarly, both the internal and external auditors are given unrestricted access to the AC.

The AC is guided by its terms of reference, in particular, the AC:

- (a) reviews the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of CMT Group and any announcements relating to CMT Group's financial performance;
- (b) reviews and reports to the Board at least annually the adequacy and effectiveness of the Manager's internal controls, including financial, operational, compliance and information technology controls, and risk management systems;
- (c) reviews the effectiveness of the Manager's internal audit and compliance functions;

- (d) reviews the scope and results of the external audit and independence and objectivity of the external auditors;
- (e) makes recommendations to the Board on the proposals to Unitholders on the appointment, reappointment and removal of the external auditors, and approving the remuneration of the external auditors;
- (f) reviews and approves processes to regulate transactions involving an Interested Person (as defined in Chapter 9 of the Listing Manual) and/or Interested Party (as defined in the Property Funds Appendix) (each, an Interested Person) and CMT and/or its subsidiaries (Interested Person Transactions) to ensure compliance with the applicable regulations, in particular, the requirements that the transactions are on normal commercial terms and are not prejudicial to the interests of CMT and its minority Unitholders and, in respect of any property management agreement which is an Interested Person or Interested Party transaction, the requirement that reviews of the Property Manager's compliance with the terms of the property management agreement and any remedial actions taken, where necessary, are carried out at intervals commensurate with the tenure of such agreement; and
- (g) reviews the policy and arrangements by which employees of the Manager and any other persons may, in confidence, report suspected fraud or irregularity or suspected infringement of any laws or regulations or rules, or raise concerns about possible improprieties in matters of financial reporting or other matters with a view to ensuring that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken.

The AC has reviewed the nature and extent of non-audit services provided by the external auditors during FY 2015 and the fees paid for such services. The AC is satisfied that the independence of the external auditors has not been impaired by the provision of those services. The external auditors have also provided confirmation of their independence to the AC. The aggregate amount of fees paid and payable to the external auditors for FY 2015 was approximately S\$620,250 of which audit fees amounted to approximately S\$328,250 and non-audit fees amounted to approximately S\$292,000.

In FY 2015, the AC also met with the internal and external auditors, without Management's presence, to discuss the reasonableness of the financial reporting process, the system of internal controls, and the significant comments and recommendations by the auditors. Where relevant, the AC makes reference to the best practices and guidance in the Guidebook for Audit Committees in Singapore and the practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore.

The Manager confirms, on behalf of CMT, that CMT complies with Rule 712 and Rule 715 of the Listing Manual.

Internal Audit

Principle 13:

The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Manager has in place an internal audit function supported by CL's Internal Audit Department (CL IA) which reports directly to the AC and administratively to the CEO. CL IA plans its internal audit schedules in consultation with, but independently of, Management and its plan is submitted to the AC for approval prior to the beginning of each year. The AC also meets with CL IA at least once a year without the presence of Management. CL IA has unfettered access to the Manager's documents, records, properties and employees, including access to the AC.

CL IA is a corporate member of the Singapore branch of the Institute of Internal Auditors Inc. (IIA), which has its headquarters in the United States of America. CL IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by the IIA and has incorporated these Standards into its audit practices.

Corporate Governance

To ensure that internal audits are performed by competent professionals, CL IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience.

CL IA identifies and provides training and development opportunities for its staff to ensure that their technical knowledge and skill sets remain current and relevant.

(D) SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights

Principle 14:

Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

The Manager is committed to treating all Unitholders fairly and equitably.

All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions. They are also entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings.

Communication with Shareholders

Principle 15:

Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

The Manager is committed to keeping all Unitholders and other stakeholders and analysts informed of the performance and changes in CMT or its business which would be likely to materially affect the price or value of the Units, on a timely and consistent basis, so as to assist Unitholders and investors in their investment decisions.

The Manager has in place the Investor Relations and Corporate Communications team which facilitates effective communication with Unitholders, analysts, fund managers and the media.

The Manager actively engages with Unitholders and has put in place a Unitholders' Communication and Investor Relations Policy (Policy) to promote regular, effective and fair communications with Unitholders. The Policy is uploaded on CMT's website at www.cmt.com.sg.

The Board has established the CDC which assists the Board in the discharge of its function to meet the legal and regulatory obligations arising under the laws and regulations of Singapore relating to and to conform to best practices in the corporate disclosure and compliance process. The views and approvals of the CDC were sought throughout the year via emails on various announcements and news releases issued.

More information on the Manager's investor and media relations with Unitholders can be found in the Investor & Media Relations section on pages 51 to 53 of this Annual Report and the Policy which is available on CMT's website.

CMT is included in the Straits Times Index (STI), the primary Singapore equity market barometer. It is also included in other key indices which are widely tracked and referred to by international fund managers as performance benchmarks in the selection and monitoring of investments.

CMT's distribution policy is to distribute at least 90.0% of its taxable income (other than gains from the sale of real estate properties by CMT which are determined to be trading gains), with the actual level of distribution to be determined at the Manager's discretion.

Conduct of Shareholder Meetings

Principle 16:

Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Manager supports the principle of encouraging Unitholders' participation and voting at general meetings. Unitholders receive a CD containing the CMT annual report (printed copies are available upon request) and notice of the annual general meeting. As and when an extraordinary general meeting is to be held, Unitholders will receive a copy of the circular which contains details of the matters to be proposed for Unitholders' consideration and approval. Notices of the general meetings are also advertised in the press and issued on SGXNet.

At general meetings, Unitholders are encouraged to communicate their views and discuss with the Board and Management matters affecting CMT. Representatives of the Trustee, Directors (including the chairpersons of the Board and the AC), the Manager's senior management and the external auditors, would usually be present at general meetings to address any queries that Unitholders may have.

To safeguard Unitholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings. To ensure transparency in the voting process and better reflect Unitholders' interest, the Manager conducts poll voting for Unitholders/proxies present at the general meetings for all the resolutions proposed at the general meetings.

The total number of votes cast for or against the resolutions and the respective percentages are announced on SGXNet after the general meetings. Voting in absentia and by email which are currently not permitted may only be possible following careful study to ensure that the integrity of information and authentication of the identity of Unitholders through the web are not compromised, and legislative changes are effected to recognise remote voting.

Minutes of the general meetings are taken and are available to Unitholders for their inspection upon request. Since 2015, minutes of annual general meetings are also uploaded on CMT's website at www.cmt.com.sg.

Unitholders also have the opportunity to communicate their views and discuss with the Board and Management matters affecting CMT after the general meetings.

(E) ADDITIONAL INFORMATION

Additional Committees

Apart from the AC and CDC, the Board has also established the EC and IC.

The EC oversees the day-to-day activities of the Manager and that of CMT, on behalf of the Board. The EC is guided by its terms of reference, in particular, the EC:

- (a) approves specific budgets for capital expenditure on development projects, acquisitions and enhancements/upgrading of properties within its approved financial limits;
- (b) reviews management reports and operating budgets; and
- (c) awards contracts for development projects.

Corporate Governance

The members of the EC meet informally during the course of the year.

The IC is guided by its terms of reference, in particular, the IC reviews proposals on and, where it considers appropriate, approve proposals on investments and divestments of CMT within the authorities or limits approved from time to time by the Board.

Dealings with Interested Persons

Review Procedures for Interested Person Transactions

The Manager has established internal control procedures to ensure that all Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties, and are not prejudicial to the interests of CMT and Unitholders. In respect of such transactions, the Manager would have to demonstrate to the AC that such transactions are undertaken on normal commercial terms and are not prejudicial to the interests of CMT and Unitholders which may include obtaining (where practicable) third party quotations or obtaining valuations from independent valuers (in accordance with applicable provisions of the Listing Manual and the Property Funds Appendix). The internal control procedures also ensure compliance with Chapter 9 of the Listing Manual and the Property Funds Appendix.

In particular, the procedures in place include the following:

Interested Person Transactions ¹	Approving Authority, Procedures and Disclosure
Below S\$100,000 per transaction	<ul style="list-style-type: none"> • Trustee
S\$100,000 and above per transaction (which singly, or when aggregated with other transactions ² with the same Interested Person in the same financial year is less than 3.0% of CMT's latest audited net tangible assets/net asset value)	<ul style="list-style-type: none"> • Trustee • Audit Committee
Transaction ² which:	<ul style="list-style-type: none"> • Trustee • Audit Committee • Immediate announcement
(a) is equal to or exceeds 3.0% of CMT's latest audited net tangible assets/net asset value; or	
(b) when aggregated with other transactions ² with the same Interested Person in the same financial year is equal to or exceeds 3.0% of CMT's latest audited net tangible assets/net asset value	
Transaction ² which:	<ul style="list-style-type: none"> • Trustee • Audit Committee • Unitholders³ • Immediate announcement
(a) is equal to or exceeds 5.0% of CMT's latest audited net tangible assets/net asset value; or	
(b) when aggregated with other transactions ^{2,3} with the same Interested Person in the same financial year is equal to or exceeds 5.0% of CMT's latest audited net tangible assets/net asset value	

1 This table does not include the procedures applicable to interested person transactions falling under the exceptions set out in Rules 915 and 916 of the Listing Manual.

2 Any transaction of less than S\$100,000 in value is disregarded.

3 In relation to approval by Unitholders for transactions that equal to or exceed 5.0% of CMT's latest audited net tangible assets/net asset value (whether singly or aggregated), any transaction which has been approved by Unitholders, or is the subject of aggregation with another transaction that has been approved by Unitholders, need not be included in any subsequent aggregation.

Role of the Audit Committee for Interested Person Transactions

The Manager's internal control procedures are intended to ensure that Interested Person Transactions are conducted at arm's length and on normal commercial terms, and are not prejudicial to CMT and Unitholders' interests.

The Manager maintains a register to record all Interested Person Transactions which are entered into by CMT (and the basis on which they are entered into, including the quotations obtained to support such basis). All Interested Person Transactions are subject to regular periodic reviews by the AC, which in turn obtains advice from CL IA, to ascertain that the guidelines and procedures established to monitor Interested Person Transactions, including the relevant provisions of the Listing Manual and the Property Funds Appendix, as well as any other guidelines which may from time to time be prescribed by the SGX-ST, MAS or other relevant authorities, have been complied with. The review includes an examination of the nature of the transaction and its supporting documents or such other information deemed necessary by the AC. If a member of the AC has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction. In addition, the Trustee also reviews such audit reports to ascertain that the Listing Manual and the Property Funds Appendix have been complied with.

Details of all Interested Person Transactions (equal to or exceeding S\$100,000 each in value) entered into by CMT during FY 2015 are disclosed on pages 203 to 204 of this Annual Report.

Dealing with Conflicts of Interest

The following principles and procedures have been established to deal with potential conflicts of interest which the Manager (including its Directors, executive officers and employees) may encounter in managing CMT:

- (a) the Manager is a dedicated manager to CMT and will not manage any other REIT or be involved in any other real property business;
- (b) all resolutions at meetings of the Board in relation to matters concerning CMT must be decided by a majority vote of the Directors, including at least one ID;
- (c) in respect of matters in which CL and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CL and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must comprise a majority of IDs and shall exclude such nominee Directors of CL and/or its subsidiaries;
- (d) in respect of matters in which a Director or his associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s);
- (e) if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CMT with an affiliate of the Manager, the Manager is obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CMT, has a *prima facie* case against the party allegedly in breach under such agreement, the Manager is obliged to pursue the appropriate remedies under such agreement; and
- (f) at least one-third of the Board shall comprise IDs.

Additionally, the Trustee has been granted a right of first refusal by CapitaLand Mall Asia Limited (CMA) to purchase all retail income-producing properties located in Singapore with certain specified characteristics which may in the future be identified and targeted for acquisition by CMA or any of its subsidiaries.

Corporate Governance

Under the Trust Deed, in respect of voting rights where the Manager would face a conflict between its own interests and that of Unitholders, the Manager shall cause such voting rights to be exercised according to the discretion of the Trustee.

Dealings in Securities

The Manager has devised and adopted a securities dealing policy for the Manager's officers and employees which applies the best practice recommendations in the Listing Manual. To this end, the Manager has issued guidelines to its Directors and employees as well as certain relevant executives of the CL Group which set out prohibitions against dealings in CMT Group's securities (i) while in possession of material unpublished price sensitive information, (ii) during two weeks immediately preceding, and up to the time of the announcement of, CMT's financial statements for each of the first three quarters of CMT's financial year, and (iii) during one month immediately preceding, and up to the time of the announcement of, CMT's financial statements for the full financial year. Prior to the commencement of each relevant period, an email would be sent out to all Directors and employees of the Manager as well as certain relevant executives of the CL Group to inform them of the duration of the period. The Manager will also not deal in CMT Group's securities during the same period.

Directors and employees of the Manager as well as certain relevant executives of the CL Group are also prohibited from dealing in securities of CMT Group if they are in possession of unpublished price sensitive information of CMT Group. As and when appropriate, they would be issued an advisory to refrain from dealing in CMT Group's securities.

Under the policy, Directors and employees of the Manager as well as certain relevant executives of the CL Group are also discouraged to trade on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities.

Fees payable to the Manager

Under the revised CIS Code issued by MAS which come into effect on 1 January 2016, where fees are payable out of the deposited property of a property fund, the methodology and justifications for each type of fees payable should be disclosed. The methodology for computing the fees payable to the Manager is contained in Clause 23 of the Trust Deed, details of which are disclosed under Notes to Financial Statements.

The management fees, which are contained in Clause 23(A) of the Trust Deed, are fees earned by the Manager for the management of CMT's portfolio. Pursuant to Clause 23(A)(i) and Clause 23(A)(v) of the Trust Deed, the management fees are payable quarterly in arrears. The management fees should be viewed holistically as a whole which comprise two components, namely the Base Fee and Performance Fee, which are elaborated further below:

Base Fee

The Base Fee enables the Manager to cover operational and administrative overheads incurred in the management of the portfolio. The Base Fee is calculated at a percentage of asset value as the asset value provides an appropriate metric to determine the resources for managing the assets. The Base Fee is payable on a quarterly basis.

Performance Fee

In order to comply with the revised CIS Code and to enhance alignment of the Manager's interests with the long-term interests of Unitholders, the Manager will be seeking the approval of Unitholders at the annual general meeting to be held on 12 April 2016 to amend the existing performance fee formula in the Trust Deed, in the manner set out in the Appendix to the Notice of AGM (the Appendix), such amendment to take retrospective effect from 1 January 2016.

Please refer to the Notice of AGM and the Appendix for further details (including the justifications for the new performance fee formula).

Acquisition Fee

The Acquisition Fee, which is contained in Clause 23(B)(i) of the Trust Deed, is earned by the Manager upon the successful completion of an acquisition. This fee seeks to motivate and compensate the Manager for its efforts expended to continually seek out and acquire DPU accretive assets to increase longer term returns for Unitholders. In addition, the Acquisition Fee allows the Manager to recover the additional costs and resources incurred by the Manager in the course of seeking out new acquisition opportunities, including but not limited to, due diligence efforts and man hours spent in evaluating the transaction.

As required by the Property Funds Appendix, where the Acquisition Fee is to be paid to the Manager for the acquisition of assets from an interested party, the Acquisition Fee is to be paid in the form of Units at the prevailing market price, which should not be sold for a period of one year from their date of issuance. As the Manager's interest is closely tied to the performance of CMT, in this regard, this helps to ensure that any acquisitions from interested parties perform and contribute to Unitholders' returns.

Divestment Fee

The Divestment Fee, which is contained in Clause 23(B)(i) of the Trust Deed, is earned by the Manager upon the successful completion of a divestment. This fee seeks to motivate and compensate the Manager for its efforts expended to maximise value received by CMT in the event of a divestment. In addition, the Divestment Fee allows the Manager to recover the additional costs and resources incurred by the Manager for the divestment, including but not limited to due diligence efforts and man hours spent in marketing and maximising the divestment price.

As required by the Property Funds Appendix, where the Divestment Fee is to be paid to the Manager for the divestment of assets to an interested party, the Divestment Fee is to be paid in the form of Units at the prevailing market price, which should not be sold for a period of one year from their date of issuance.

(F) CODE OF BUSINESS CONDUCT

The Manager adheres to an ethics and code of business conduct policy which deals with issues such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place.

The policies and guidelines are published on CL's Intranet which is accessible to all employees of the Manager.

The policies that the Manager has implemented aim to help to detect and prevent occupational fraud in mainly three ways.

First, the Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Manager also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees face.

Second, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.

Finally, the Manager seeks to build and maintain the right organisational culture through its core values, educating its employees on good business conduct and ethical values.

Corporate Governance

Bribery and Corruption Prevention Policy

The Manager adopts a strong stance against bribery and corruption. In addition to clear guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers, all employees of the Manager are required to make a declaration on an annual basis where they pledge to uphold the Manager's core values and not to engage in any corrupt or unethical practices. This serves as a reminder to all employees to maintain the highest standards of integrity in their work and business dealings.

The Manager's zero tolerance policy towards bribery and corruption extends to its business dealings with third parties. Pursuant to this policy, the Manager requires that certain agreements incorporate anti-bribery and anti corruption provisions.

Whistle-Blowing Policy

A whistle-blowing policy and other procedures are put in place to provide employees of the Manager and parties who have dealings with the Manager with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow up action. The objective of the whistle-blowing policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the fullest extent possible, be protected from reprisal.

Anti-Money Laundering and Countering the Financing of Terrorism Measures

As a holder of a Capital Markets Services licence issued by MAS, the Manager abides by the MAS' guidelines on the prevention of money laundering and countering the financing of terrorism. Under these guidelines, the main obligations of the Manager are:

- (a) evaluation of risk;
- (b) customer due diligence;
- (c) suspicious transaction reporting;
- (d) record keeping;
- (e) employee screening and representative screening; and
- (f) training.

The Manager has developed and implemented a policy on the prevention of money laundering and terrorist financing and is alert at all times to suspicious transactions. Where there is a suspicion of money laundering or terrorist financing, the Manager performs due diligence checks on its counterparties in order to ensure that it does not enter into business transactions with terrorist suspects or other high risk persons or entities. Suspicious transactions are also reported to the Suspicious Transaction Reporting Office of the Commercial Affairs Department.

Under this policy, the Manager must retain all relevant records or documents relating to business relations with its customers or transactions entered into for a period of at least five years following the termination of such business relations or the completion of such transactions.

All prospective employees, officers and representatives of the Manager are also screened against various lists of terrorist suspects issued by MAS. Periodic training is provided by the Manager to its Directors, employees and representatives to ensure that they are updated and aware of applicable anti-money laundering and terrorist financing regulations, the prevailing techniques and trends in money laundering and terrorist financing and the measures adopted by the Manager to combat money laundering and terrorist financing.

Composition and Attendance Record of Meetings of the Board and Board Committees

Board Members	Composition				Attendance Record of Meetings in FY 2015	
	Audit Committee	Corporate Disclosure Committee	Executive Committee	Investment Committee	Board	Audit Committee
					Number of Meetings Held: 7	Number of Meetings Held: 5
Danny Teoh Leong Kay	–	Chairman	–	Member	7 out of 7	N.A.
Lim Ming Yan	–	Member	Chairman	Chairman	5 out of 7	N.A.
Fong Kwok Jen	Member	–	–	–	7 out of 7	5 out of 5
Gay Chee Cheong	Member	–	–	–	7 out of 7	5 out of 5
Lee Khai Fatt, Kyle	Chairman	–	–	Member	7 out of 7	5 out of 5
Jason Leow Juan Thong	–	Member	Member	Member	5 out of 7	N.A.
Richard Rokmat Magnus	–	–	–	Member	5 out of 7	N.A.
Ng Chee Khern	–	–	–	–	6 out of 7	N.A.
Tan Kian Chew	–	–	–	–	7 out of 7	N.A.
Tan Wee Yan, Wilson	–	–	Member	–	7 out of 7	N.A.

N.A.: Not Applicable.

Enterprise Risk Management

Risk management is an integral part of CapitaLand Mall Trust and its subsidiaries (CMT Group)'s business at both the strategic and operational levels. A proactive approach towards risk management supports the attainment of CMT Group's business objective and strategy, thereby creating and preserving value.

The manager of CMT (Manager) recognises that risk management is just as much about opportunities as it is about threats. To capitalise on opportunities, the Manager has to take measured risks. Therefore, risk management is not about pursuing risk minimisation as a goal, but rather optimising the risk-reward relationship within known and agreed risk appetite levels. The Manager therefore takes risks in a prudent manner for justifiable business reasons.

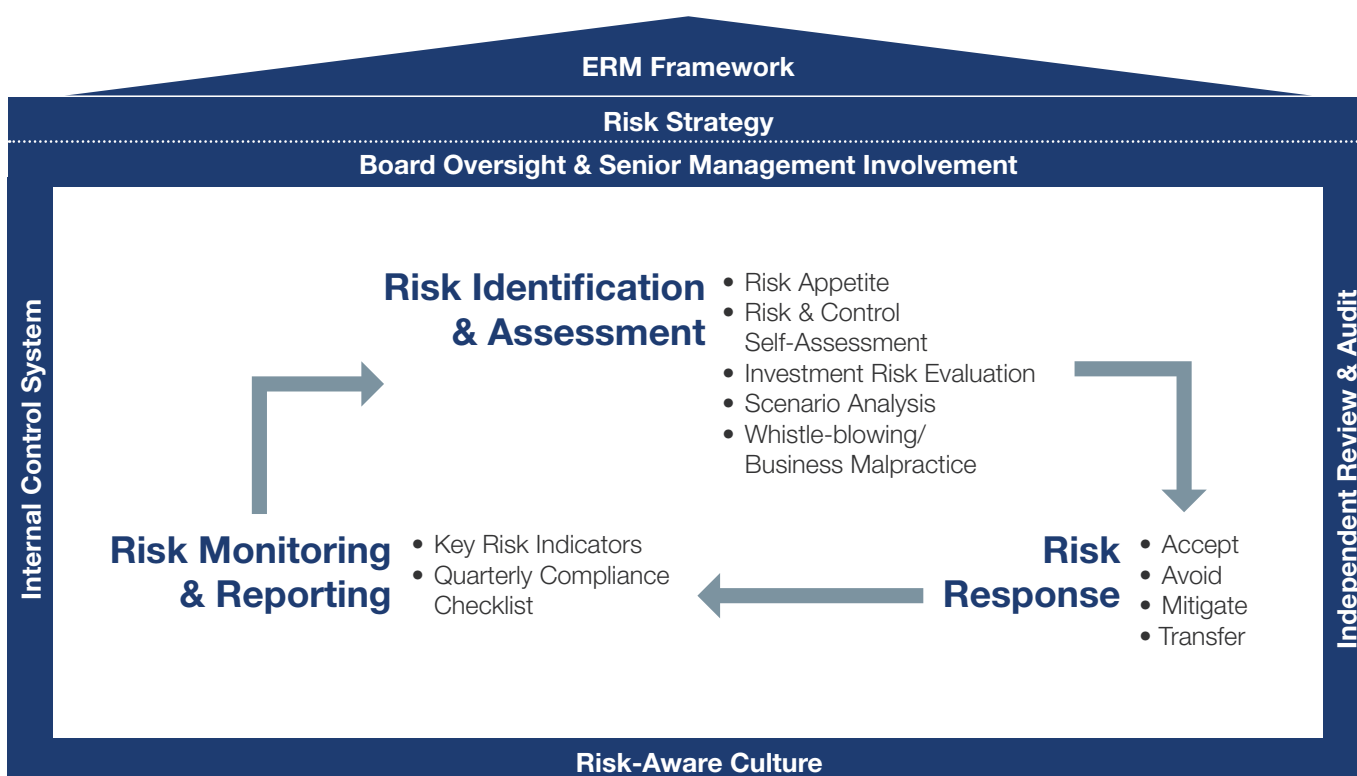
The Board of Directors of the Manager (Board) is responsible for the governance of risk across CMT Group. The responsibilities include determining CMT Group's risk appetite, overseeing the Manager's Enterprise Risk Management (ERM) Framework, regularly reviewing CMT Group's risk profile, material risks and mitigation strategies, and ensuring the

effectiveness of risk management policies and procedures. For these purposes, it is assisted by the Audit Committee (AC) which provides oversight of risk management.

The AC currently comprises three independent members of the Board and meets on a quarterly basis. The meetings are attended by the Chief Executive Officer as well as other key management staff of the Manager.

The Board has approved CMT Group's risk appetite, which determines the nature and extent of material risks that the Manager is willing to take to achieve CMT Group's strategic and business objectives. CMT Group's Risk Appetite Statement (RAS) is expressed via formal, high-level and overarching statements. Having considered key stakeholders' interests, CMT Group's RAS sets out explicit, forward-looking views of CMT Group's desired risk profile and is aligned to CMT Group's strategy and business plans. The Manager incorporates accompanying risk limits which determine specific risk boundaries established at an operational level.

Enterprise Risk Management Framework



The Manager's ERM Framework sets out the required environmental and organisational components which enable it to manage risks in an integrated, systematic and consistent manner. The ERM Framework and related risk management policies are reviewed annually and periodically validated by external ERM consultants.

A robust internal control system as well as an effective, independent review and audit process are the twin pillars that underpin the Manager's ERM Framework. The line management is responsible for the design and implementation of effective internal controls using a risk-based approach while the outsourced Internal Audit function from CapitaLand reviews such design and implementation to provide reasonable assurance to the AC on the adequacy and effectiveness of the internal control system.

Annually, the Manager facilitates and coordinates CMT Group's Risk and Control Self-Assessment (RCSA) exercise that requires the respective risk and control owners to proactively identify, assess and document material risks as well as the corresponding key controls and mitigating measures needed to address them. Material risks and their associated controls are consolidated and reviewed by the Manager before they are presented to the AC and the Board.

Awareness of and preparedness for potential risks affecting CMT Group's business continuity help the Manager minimise the impact of disruption to business operations. The Manager has in place a business continuity plan. In addition, the outsourced Information Technology (IT) team from CapitaLand has also put in place a disaster recovery strategy, which is reviewed and tested annually.

The Manager believes that having the right risk culture and people with the right attitude, values and knowledge are fundamental to CMT Group's success. Therefore, the Manager works closely with CapitaLand's Risk Assessment Group to proactively enhance risk management knowledge and promote a culture of risk awareness.

Managing Material Risks

The Manager undertakes an iterative and comprehensive approach in identifying, managing, monitoring and reporting material risks across CMT Group. Such material risks include:

Business Interruption Risk

CMT Group is exposed to business interruption risk arising from sudden and major disaster event such as fire, prolonged power outages or other

major infrastructure or equipment failures which may significantly disrupt operations at our malls or data centres. The Manager manages such risks through proactive facilities management (for example, routine inspection and scheduled maintenance) and having crisis management procedures at each property. In addition, the outsourced IT team from CapitaLand has a defined disaster recovery plan which is reviewed and tested annually.

Competition Risk

CMT Group faces keen competition from established players, online businesses and new market entrants which are likely to affect shopper traffic and tenants' sales. The Manager adopts a relentless approach towards strengthening CMT Group's competitiveness through optimising tenant mix, differentiating its product and services offerings, refreshing mall concepts and asset enhancement initiatives (AEI). The Manager also promotes tenant and customer loyalty through customer-centric initiatives and shopper loyalty programmes to generate sustainable demand for our retail space.

Credit Risk

Credit risk is the potential volatility in earnings caused by tenants' failure to fulfil their contractual lease payment obligations, as and when they fall due. The Manager has in place a stringent collection policy to ensure that credit risk is minimised. In addition to the requirement for upfront payment of security deposit of an amount typically equivalent to three months' rent, the Manager also establishes vigilant debt monitoring and collection procedures.

Economic Risk

CMT Group is exposed to developments in economy, financial and property markets. These developments may reduce revenue, increase costs and result in downward revaluation of CMT Group's assets. Market illiquidity during a financial crisis makes asset divestment challenging and this can affect CMT Group's investment and strategic objectives. The Manager manages this by adopting a disciplined approach towards financial management and having a well-balanced portfolio across Singapore with majority of its malls being established as necessity shopping.

Information Technology Risk

IT risk comprises cyber risk, information security risk and technology infrastructure risk. IT is an integral part of CMT Group's business and security of sensitive information (for example, shopper/tenant details and financial information) is crucial.

Enterprise Risk Management

Increasing threats to information security such as hacking and website defacement, may pose risk of data leakage and damage to CMT Group's reputation. The outsourced IT team from CapitaLand has put in place policies and procedures to manage IT risks. Established policies and procedures govern IT security, access controls and data security. Disaster recovery testing is conducted regularly to validate the system continuity plan. In addition, network penetration testing is also conducted regularly to check for potential security gaps.

Interest Rate Risk

Some of CMT Group's existing debts carry floating interest rates, and consequently, the interest cost for such loans will be subject to fluctuations in interest rates. Interest rate risk is managed on an ongoing basis through regular reviews on the optimal mix of fixed and floating rate borrowings, and with the primary objective of minimising the impact on net interest expenses that is caused by adverse movements in interest rates. The Manager also proactively seeks to minimise the level of interest rate risk by locking in most of the borrowings of CMT Group at fixed interest rates.

Investment Risk

The main sources of growth for CMT Group are AEI, acquisition of properties as well as investment in greenfield developments. The risks involved in such investment activities are managed through a rigorous set of investment criteria which includes potential for growth in yield, rental sustainability and potential for value creation. Also, key financial assumptions are reviewed and sensitivity analysis performed on key variables. The potential risks associated with proposed projects and the issues that may prevent their smooth implementation or attainment of projected outcomes are identified at the evaluation stage. This is to enable the Manager to devise action plans to mitigate such risks as early as possible.

Leasing Risk

Strong competition, poor economic and market conditions are some of the key factors that could result in key tenants not renewing their leases, and adversely affecting the leasing performance of our properties. The Manager establishes a diversified tenant base and sustainable trade mix and has in place proactive tenant management strategies which are in line with the malls' positioning. It is also the Manager's priority to closely monitor tenants' sales performance and maintain positive relationships and rapport with retailers to build loyalty with CMT Group's malls.

Liquidity Risk

The Manager actively monitors the cash flow position of CMT Group to ensure that there are sufficient liquid reserves, in the form of cash and banking facilities, to finance CMT Group's operations and AEI. Given CMT Group's reliance on external sources of funding, the health of the debt markets directly affects CMT Group. Other than Multicurrency Medium Term Note Programme and Euro-Medium Term Note Programme, CMT is also one of the first real estate investment trusts to set up a retail bond programme. CMT Group has also tapped into the convertible bonds and commercial mortgage backed securities markets for funds. In addition, CMT Group has banking facilities as a source of back-up. CMT Group's ability to raise funds from both banks and capital markets has enabled it to minimise over-reliance on a single source of funds for any funding or refinancing requirements. The Manager will continue to proactively manage the capital structure of CMT Group by ensuring its debt maturity profile is spread out without major concentration of debts maturing in a single year, and maintaining an optimal aggregate leverage. The Manager also monitors covenants closely to ensure compliance.

Project Management Risk

To manage project management risk, the outsourced Project Management team from CapitaLand which comprises experienced staff with various expertise in architectural design, mechanical and engineering detailing and safety, adopts a rigorous project management process to ensure that project cost, quality and time objectives are met. There are stringent pre-qualification procedures to appoint well-qualified vendors for projects, where key criteria such as vendors' track records and financial performance are assessed. The Manager also conducts regular site visits to closely monitor the progress of projects and manage potential risks of delays, poor workmanship and cost overruns.

Regulatory and Compliance Risk

Due to the nature of CMT Group's business, CMT Group is required to comply with the applicable and relevant legislation and regulations that include the Listing Manual of the Singapore Exchange Securities Trading Limited, the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the tax rulings issued by the Inland Revenue Authority of Singapore. The Manager has in place a robust framework that proactively identifies applicable laws and regulatory obligations, legal updates and embeds compliance into the day-to-day operations.

Investor & Media Relations

We are committed to providing the investment and media communities with timely, objective and transparent information on CMT's business and performance.

The manager of CMT (Manager) proactively engages and meets existing and potential investors as well as analysts. In 2015, we met or held conference calls with over 350 institutional investors locally and globally through participation in one-on-one meetings, post-results investor briefings as well as investor conferences and roadshows in Singapore, Hong Kong, Japan, Europe, the United Kingdom and United States of America. We also constantly engage our growing base of debt investors, given CMT's diversified sources of debt funding. In September 2015, we participated in the 'CapitaLand Debt Investors' Day', which was well received and attended by investors.

We made conscious efforts to engage more retail investors as well, through large group seminar and event. CMT is a member of the REIT Association of Singapore (REITAS). During the year, CMT participated in the inaugural SGX-REITAS Education Series hosted by REITAS and Singapore Exchange to provide general public education of Singapore real estate investment trust (S-REIT) industry and CMT's Chief Executive Officer (CEO) shared on CMT's investment proposition. The audiences had the opportunity to ask questions and interact with the CEO at the seminar. We have also participated in an investment event jointly organised by Shareinvestor and REITAS to reach out to the retail investors. There were booth display of companies, series of education talks and opportunities for the retail investors to mingle with representatives of the companies, including CMT.

Approximately 16,000 registered Unitholders owned CMT units as at 31 December 2015. CapitaLand Limited held, through its subsidiaries, 29.30% of the units in CMT, 56.36% of the units were held by other institutional investors, while retail investors constitute the remaining 14.34%. Investors from Singapore (excluding CapitaLand's stake), United States of America and the United Kingdom held the largest portions of unitholdings in CMT at 13.57%, 14.05% and 11.56% respectively, while the remaining unitholdings were held by investors from Hong Kong, Europe (excluding the United Kingdom), Australia and other regions.

Joint analyst and media results briefings are held every six months to provide updates on CMT's half-year and full-year financial and operational performance. The briefings are webcast 'live' and viewers of the webcasts can send in questions online to be addressed by the management.

In addition, annual general meeting (AGM) provides an important channel for communication between the management and Unitholders. CMT convened its AGM in April 2015 with Unitholders approving all resolutions tabled at the event. Minutes of the AGM are also made available in CMT's website for greater transparency. In September 2015, the Manager had adopted the use of electronic voting by poll for the resolutions put forth at its extraordinary general meeting. This has resulted in greater efficiency in the polling process.

General information on CMT including annual reports, property portfolio details and investor presentations is updated regularly on the corporate website (www.cmt.com.sg) for investors and the general public. All news releases and announcements are also made available on the Singapore Exchange Securities Trading Limited (SGX-ST) website. Investors may also sign up for email alerts to receive the latest updates on CMT. Mall tours are regularly conducted for analysts, investors and journalists who are keen to visit CMT's properties to better understand the performance of the various malls and the asset enhancement initiatives. Currently, 20 local and foreign brokerage firms have research coverage on CMT.

As part of our proactive corporate governance efforts and in line with the Monetary Authority of Singapore's Code of Corporate Governance 2012, we have put in place a Unitholders' communication and investor relations policy to promote regular, effective and fair communication with Unitholders. The detailed policy is located on CMT's corporate website under the 'Investor Relations' section.

Investor & Media Relations

In recognition of our good investor relations practices during the year, CMT has won the following investor relations and corporate governance awards under the REITs & Business Trusts category in 2015:

- **Securities Investors Association (Singapore) Investors' Choice Awards 2015**
 - Winner, Singapore Corporate Governance Award
 - Runner-up, Most Transparent Company Award
- **Singapore Corporate Awards 2015**
 - Silver Award, Best Investor Relations
 - Bronze Award, Best Annual Report

CMT was the winner of the Singapore Corporate Governance Award in the REITs & Business Trusts category for the fourth consecutive year. This award recognises well-governed companies that scored highly on internationally-recognised principles of corporate governance set by the Organisation for Economic Co-operation and Development (OECD). For the Most Transparent Company Award in the REITs & Business Trusts category, CMT has received recognition for 12 consecutive years, including this year – eight times as winner and four times as runner-up. The award takes into consideration the company's performance as well as its degree of disclosure and transparency based on publicly available information.

Investor & Media Relations Calendar 2015

	Venue
1st Quarter	Media & Analysts' Results Briefing cum 'live' Webcast for Full Year 2014 Results
	Post-Full Year 2014 Results Investors' Lunch hosted by Deutsche Bank
	SGX-REITAS Education Series
	Daiwa ASEAN Corporate Day
	Bank of America Merrill Lynch ASEAN Stars Conference 2015

	Venue
2nd Quarter	Annual General Meeting
	Post-1Q 2015 Results Investors' Lunch hosted by Nomura Research
	Morgan Stanley Non-deal Roadshow
	OCBC Bank Non-deal Roadshow
	dbAccess Asia Conference 2015
	REITs Symposium 2015

	Venue
3rd Quarter	Analysts' Briefing for the Proposed Acquisition of Bedok Mall, by way of Acquiring all Units in Brilliance Mall Trust
	Media & Analysts' Results Briefing cum 'live' Webcast for Half Year 2015 Results
	Post-Half Year 2015 Results Investors' Lunch hosted by JP Morgan
	Credit Suisse Non-deal Roadshow
	Macquarie Securities Non-deal Roadshow
	Macquarie Securities Non-deal Roadshow
	Extraordinary General Meeting
	UBS ASEAN Conference 2015
	CapitaLand Debt Investors' Day 2015
	Bank of America Merrill Lynch 2015 Global Real Estate Conference

	Venue
4th Quarter	Post-3Q 2015 Results Investors' Breakfast hosted by Goldman Sachs
	Singapore
	Nomura Investment Forum 2015
	Japan
	DBS Non-deal Roadshow
	Japan
	Morgan Stanley Fourteenth Annual Asia Pacific Summit
	Singapore

Financial Calendar

	2015	2016 (Tentative)
First Quarter Results Announcement	21 Apr 2015	Apr 2016
First Quarter Distribution to Unitholders	29 May 2015	May 2016
Second Quarter Results Announcement	22 Jul 2015	Jul 2016
Second Quarter Distribution to Unitholders	28 Aug 2015	Aug 2016
Third Quarter Results Announcement	22 Oct 2015	Oct 2016
Third Quarter Distribution to Unitholders	27 Nov 2015	Nov 2016
Full Year Results Announcement	22 Jan 2016	Jan 2017
Final Distribution to Unitholders	29 Feb 2016	Feb 2017

Unitholders' Enquiries

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

The Manager

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Fax: +65 6713 2999

Email: ask-us@cmt.com.sg

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Unit Registrar

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Singapore 048623

Tel: +65 6536 5355

Fax: +65 6536 1360

Website: www.boardroomlimited.com

For depository-related matters such as change of details pertaining to Unitholders' investment records, please contact:

The Central Depository (Pte) Limited

9 North Buona Vista Drive

#01-19/20 The Metropolis

Singapore 138588

Tel: +65 6535 7511

Fax: +65 6535 0775

Email: asksgx@sgx.com

Website: www.sgx.com/cdp

Unit Price Performance

The global financial market softened in 2015, with widespread concerns over the global economic health, sharper than expected slowdown in China economy, weak oil prices, potential increase in federal funds rate and an escalation of ongoing geopolitical tensions.

During the year, CMT's unit price decreased 5.4% to close at S\$1.930, compared to S\$2.040 at the beginning of the year, but outperformed Straits

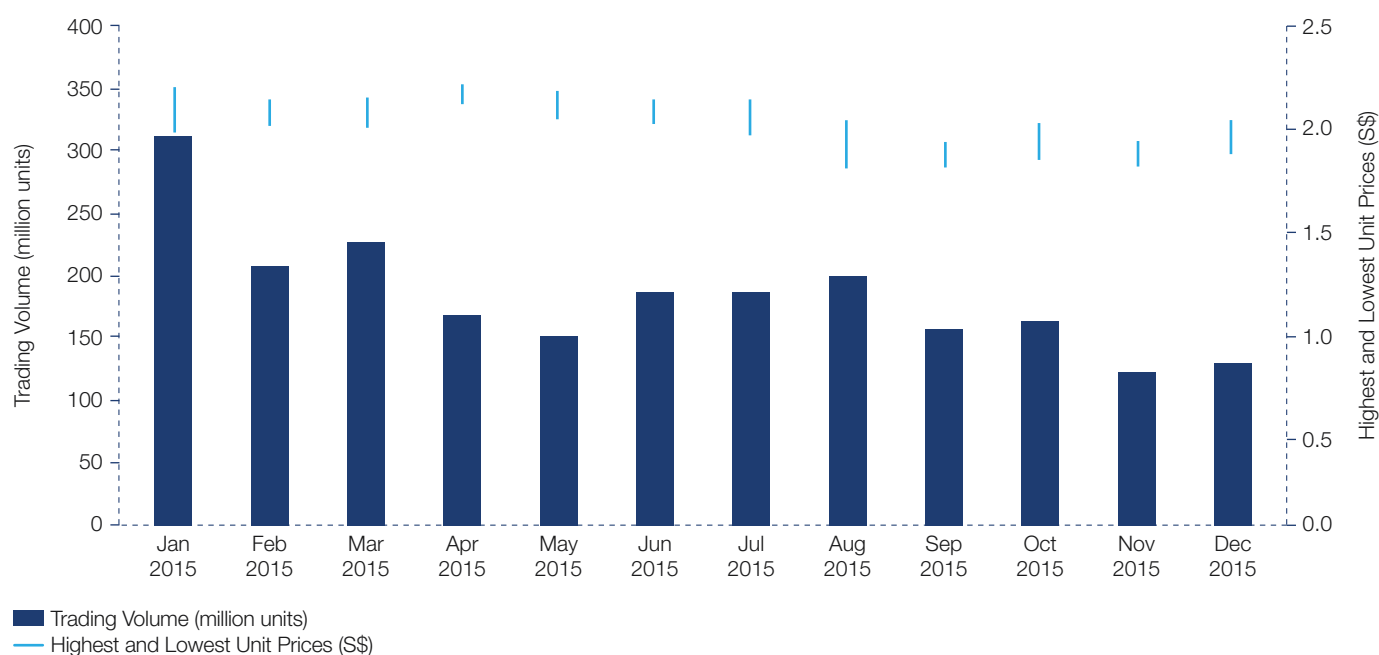
Times Index (STI), FTSE ST Real Estate Investment Trusts (REIT) Index and FTSE ST Real Estate (RE) Index which declined 14.3%, 10.7% and 7.2% respectively at the end of 2015. As at 31 December 2015, CMT's market capitalisation was approximately S\$6.8 billion. The stock's trading volume in 2015 reached approximately 2.3 billion units, translating to an average daily trading volume of approximately 9.1 million units.

Trading Data by Year

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Unit Price (S\$)										
Highest	2.93	4.32	3.75	1.87	2.15	2.00	2.20	2.38	2.09	2.28
Lowest	2.01	2.76	1.38	0.98	1.67	1.64	1.71	1.82	1.80	1.85
Average Closing	2.40	3.64	2.78	1.50	1.91	1.85	1.91	2.05	1.95	2.06
Last Done at Year-end	2.91	3.46	1.59	1.80	1.95	1.70	2.13	1.905	2.04	1.93
Trading Volume (million units)	549.6	1,111.6	1,380.6	2,554.8	1,435.3	1,672.9	1,877.2	2,137.5	1,994.9	2,256.0
Average Daily Trading Volume (million units)	2.2	4.5	5.5	10.2	5.7	6.7	7.5	8.5	7.9	9.1
Net Asset Value Per Unit ¹ (S\$)	1.87	2.21	2.41	1.54	1.53	1.56	1.64	1.71	1.79	1.86

¹ Excluding the distribution to be paid for the last quarter of the respective financial year.

CMT's Monthly Trading Performance



Comparative Price Trends

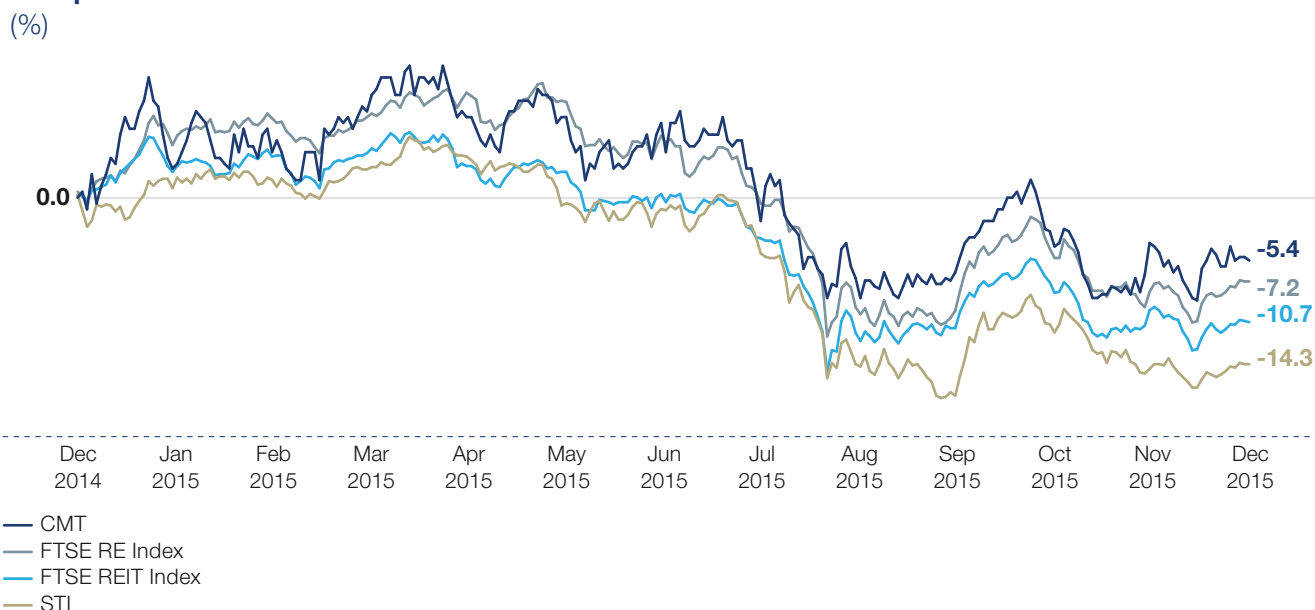
	CMT		STI		FTSE ST RE Index		FTSE ST REIT Index	
	Closing Unit Price (S\$)	Index ¹	Closing Index Value	Rebased Index ¹	Closing Index Value	Rebased Index ¹	Closing Index Value	Rebased Index ¹
Dec 2014	2.040	100.0	3,365.15	100.0	755.98	100.0	779.50	100.0
Jan 2015	2.090	102.5	3,391.20	100.8	789.89	104.5	796.80	102.2
Feb 2015	2.110	103.4	3,402.86	101.1	803.13	106.2	805.26	103.3
Mar 2015	2.200	107.8	3,447.01	102.4	806.08	106.6	807.62	103.6
Apr 2015	2.190	107.4	3,487.39	103.6	819.58	108.4	802.45	102.9
May 2015	2.170	106.4	3,392.11	100.8	818.27	108.2	795.76	102.1
Jun 2015	2.150	105.4	3,317.33	98.6	789.58	104.4	779.50	100.0
Jul 2015	2.000	98.0	3,202.50	95.2	752.43	99.5	752.60	96.5
Aug 2015	1.920	94.1	2,921.44	86.8	697.84	92.3	700.07	89.8
Sep 2015	1.900	93.1	2,790.89	82.9	675.28	89.3	693.88	89.0
Oct 2015	1.980	97.1	2,998.35	89.1	722.92	95.6	722.93	92.7
Nov 2015	1.905	93.4	2,855.94	84.9	685.29	90.6	693.80	89.0
Dec 2015	1.930	94.6	2,882.73	85.7	701.61	92.8	695.93	89.3

Source: Bloomberg.

¹ Illustrates the change from the base value as at end-December 2014.

Unit Price Performance

Comparative Price Trends



Changes in CMT's Unit Price and Index Values

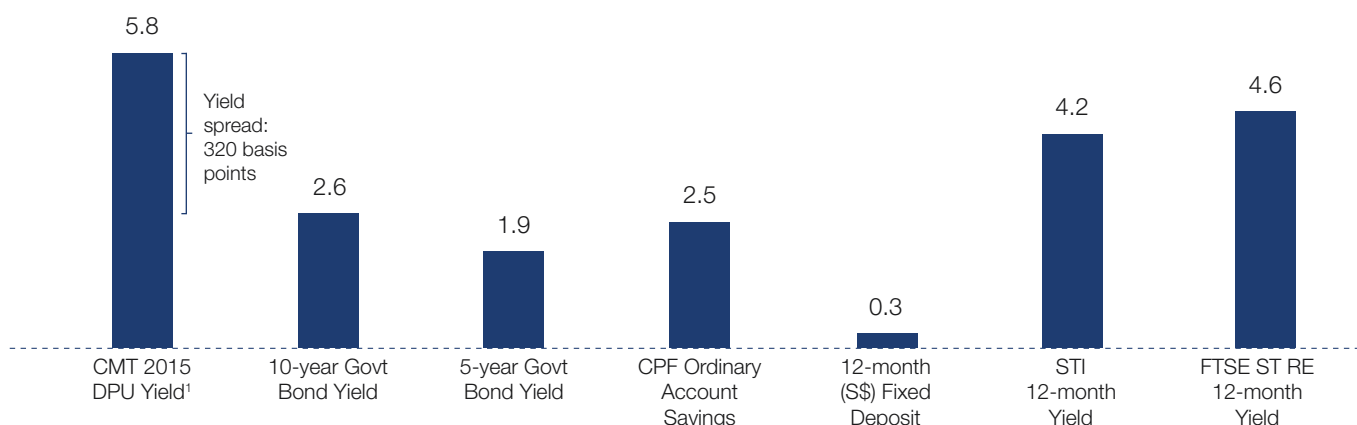
(From 31 December 2014 to 31 December 2015)

%

CMT	(5.4)
FTSE ST RE Index	(7.2)
FTSE ST REIT Index	(10.7)
STI	(14.3)

Comparative Yields (%)

(As at 31 December 2015)



Sources: Bloomberg, Central Provident Fund (CPF) Board, Monetary Authority of Singapore.

¹ Based on the distribution per unit (DPU) of 11.25 cents for the period 1 January 2015 to 31 December 2015 and the closing unit price of S\$1.930 on 31 December 2015.

Constituent of Key Indices

FTSE4Good Global Index	GPR ³ 250 South-Eastern Asia Index
FTSE EPRA ¹ /NAREIT ² Global Real Estate Index	GPR ³ 250 Singapore Index
FTSE All-World Index	GPR ³ 250 REIT Index
FTSE Straits Times (ST) Index	GPR ³ 250 REIT ex-US Index
FTSE ST All Share Index	GPR ³ 250 REIT Asia Index
FTSE ST Financials Index	GPR ³ 250 REIT Asia ex-Japan Index
FTSE ST Real Estate Index	GPR ³ 250 REIT Asia Pacific Index
FTSE ST Real Estate Investment Trusts Index	GPR ³ 250 REIT Asia Pacific ex-Japan Index
	GPR ³ 250 REIT South-Eastern Asia Index
	GPR ³ 250 REIT Singapore Index
GPR ³ General (World) Index	
GPR ³ General ex-US Index	
GPR ³ General Far East Index	MSCI ⁴ Singapore Index
GPR ³ General Far East ex-Japan Index	MSCI ⁴ World Index
GPR ³ General Singapore Index	
GPR ³ General Quoted (World) Index	S&P ⁵ BMI Global Index
GPR ³ General Quoted ex-US Index	S&P ⁵ Global Property Index
GPR ³ General Quoted Far East Index	S&P ⁵ Global REIT Index
GPR ³ General Quoted Far East ex-Japan Index	S&P ⁵ GIVI Index
GPR ³ General Quoted Singapore Index	S&P ⁵ Low Beta Developed Index (US Dollar)
GPR ³ 250 Index	S&P ⁵ Intrinsic Value Weighted Global Index
GPR ³ 250 ex-US Index	
GPR ³ 250 Asia Index	Dow Jones Sustainability World Developed Index
GPR ³ 250 Asia ex-Japan Index	Dow Jones Global Select Real Estate Securities Index
GPR ³ 250 Asia Pacific Index	Dow Jones Global Total Stock Market Index
GPR ³ 250 Asia Pacific ex-Japan Index	Dow Jones Global Index

1 European Public Real Estate Association.

2 National Association of Real Estate Investment Trusts.

3 Global Property Research.

4 Morgan Stanley Capital International.

5 Standard & Poor's.

Sustainability Management

Environmental, social and governance (ESG) issues are critical to creating a sustainable future for CMT, our stakeholders and society. By integrating ESG considerations into our operations, we believe that we can manage our business better and create long-term value for all stakeholders.

Our approach to sustainability incorporates considerations relating to:

Environmental	<ul style="list-style-type: none"> • Effective management of processes to mitigate key environmental risks
Social	<ul style="list-style-type: none"> • Superior policies and practices to recruit and retain employees • Improvement of workplace health and safety • Maintenance of strong community relations
Governance	<ul style="list-style-type: none"> • Integrity in all aspects and commitment to the highest standards of good governance, transparency and accountability

Since September 2007, CMT has been a constituent of FTSE4Good Global Index, which is designed to facilitate investment in companies that meet globally recognised corporate responsibility standards.

To shape our understanding of the ESG issues that we must address in our everyday business, we continually keep abreast of developments in our industry and engage our stakeholders. We cultivate our stakeholder relationships through regular and systematically planned forms of dialogue such as conferences, workshops, roadshows and surveys.

Stakeholder Engagement

Stakeholder and Why We Engage	Issues/Interests	How We Engage (Examples)
Shoppers		
<ul style="list-style-type: none"> • To understand our shoppers' needs and improve the appeal of our malls 	<ul style="list-style-type: none"> • Shopping malls with family-friendly facilities • Easy access to public transport • Greater convenience to enhance shopping experience 	<ul style="list-style-type: none"> • Advertisements and promotional events • Focus groups and surveys • Online and mobile platforms • Social media • Loyalty programmes
Tenants		
<ul style="list-style-type: none"> • To understand our tenants' needs and concerns as well as help drive shopper traffic to our malls 	<ul style="list-style-type: none"> • Opening of new shops or malls • Learn from successful companies • Knowledge sharing 	<ul style="list-style-type: none"> • Informal tenant gatherings • Biz+ Series events • Joint promotions and partnerships • Green leases • Retailer forums
Investors		
<ul style="list-style-type: none"> • To create an informed perception of CMT, manage investors' expectations and promote a positive investment environment 	<ul style="list-style-type: none"> • Business performance • Business expectations and strategy • Economic, social and environmental concerns 	<ul style="list-style-type: none"> • Annual general meetings • SGXNet announcements • Annual reports, results briefings to analysts and media, webcasts • Website updates • Roadshows, conferences and meetings • Tours of CMT's malls

Stakeholder and Why We Engage	Issues/Interests	How We Engage (Examples)
Employees		
<ul style="list-style-type: none"> To develop employees to achieve their optimal levels, align their personal goals with company performance and create a positive work environment for them 	<ul style="list-style-type: none"> Communicating business strategy and developments Reward and recognition Training and development Employee wellness 	<ul style="list-style-type: none"> Intranet, emails, staff communication and informal breakfast sessions Recreational and team building activities Employee engagement surveys Performance appraisals Training courses
Communities		
<ul style="list-style-type: none"> To contribute to the communities in which we operate 	<ul style="list-style-type: none"> Philanthropy Environment 	<ul style="list-style-type: none"> Employee volunteerism Donations to non-profit organisations Management of environmental, social and governance issues

ENVIRONMENT

To ensure that our actions in operating CMT's malls are environmentally friendly and that we follow green practices, we have adopted an Environmental Management System (EMS) from CapitaLand which was certified to the ISO 14001 international standards in 2007. ISO 14001 is an internationally recognised standard for the environmental management of businesses. We review new or update existing legal requirements for the EMS every quarter and evaluate compliance annually. In 2015, we complied fully with the environmental laws and regulations in Singapore and there was no environmental non-conformance.

As part of the CapitaLand Group, we adhere to the group's Sustainable Building Guidelines (SBG) which is an in-house guide developed since 2007 and regularly reviewed to ensure continual improvement. We strive to implement the SBG at all stages of a development project, from feasibility, design, procurement and construction to operations.

The SBG includes an Environmental Impact Assessment (EIA) which is carried out during the feasibility stage of any development project. The EIA helps to identify any environmental threats or opportunities related to the project site and its surroundings, including aspects such as air quality, noise, possible floods, biodiversity, connectivity, heritage and resources. All significant findings of the EIA and their cost implications have to be tabled as part of the investment project paper submitted to the

Board of Directors for approval. At the procurement stage, in accordance with the SBG, all main contractors appointed for projects with a gross floor area of at least 2,000 square metres, have to be ISO 14001 and Occupational Health & Safety Assessment Series (OHSAS) 18001 certified or they have to implement CapitaLand Group's Environmental, Health and Safety (EHS) measures on-site to comply fully with EHS legislations equivalent. The OHSAS 18001 is an internationally recognised standard for the occupational health and safety management of businesses.

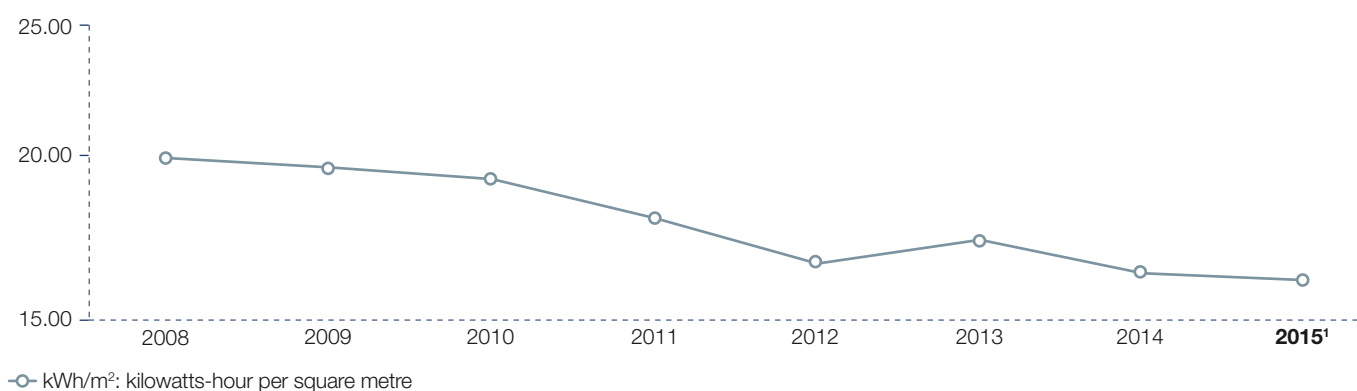
We use an Environmental Tracking System (ETS), developed in-house by CapitaLand, to track the monthly energy and water usage, carbon dioxide emission and waste generation of CMT's malls. This ETS is audited annually by CapitaLand.

The CapitaLand Group's long-term energy and water reduction targets (using 2008 as base year) are:

- To reduce energy and water usage by 15.0% by 2015
- To reduce energy and water usage by 20.0% by 2020

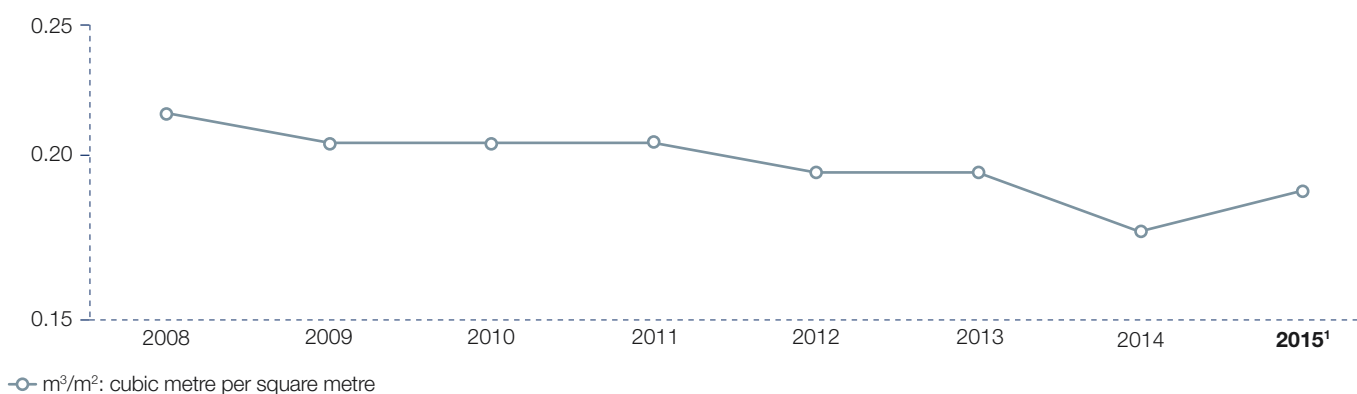
Sustainability Management

Energy Efficiency Index



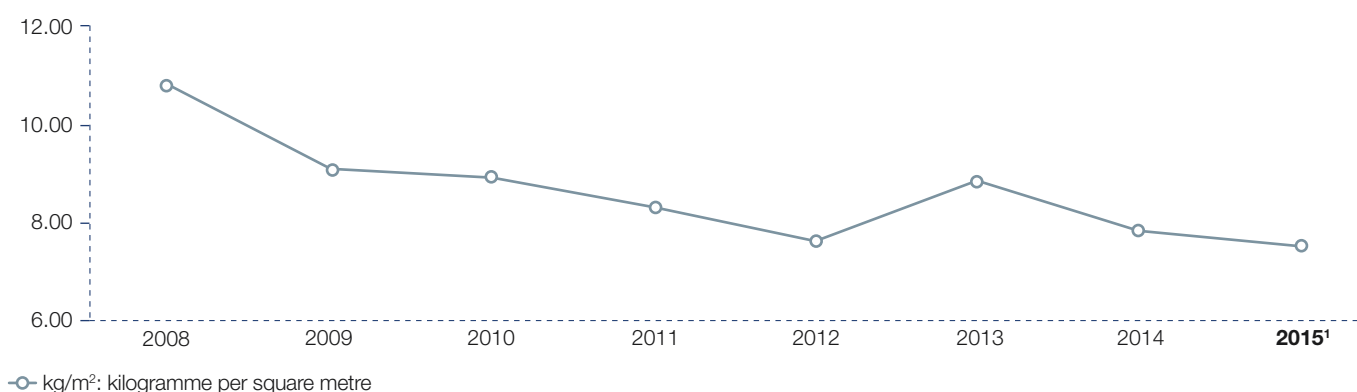
In 2015, our total energy consumption recorded 141.9 megawatt hours. We managed to reduce our energy usage by 20.2% in 2015 compared to 2008.

Water Efficiency Index²



Our total water consumption stood at 1,677,613 cubic metres in 2015. We reduced our water usage by 10.5% compared to 2008. Compared to the previous year, the higher water usage was mainly due to asset enhancement works and the increase in shopper traffic during the year.

Carbon Emission



In terms of carbon emission, we recorded 65,017 tonnes in 2015. We reduced our carbon emission by 30.4% in 2015 compared to 2008.

1 Excludes Bedok Mall which was acquired on 1 October 2015 and Rivervale Mall which was sold on 15 December 2015.

2 Restated to actual water consumption.

Green Initiatives

We organise environmental outreach activities to encourage a conservation mindset among stakeholders. In 2015, all of our malls marked Earth Hour by switching off their facade lights and non-essential lighting for extended hours throughout the night, beginning at 8.30 p.m. on 28 March 2015. This was the eighth year that we participated in this annual global sustainability movement to promote awareness of energy conservation.

As part of our effort to reduce waste, Funan DigitalLife Mall continued its e-waste recycling programme with support from the National Environment Agency. This recycling programme allows eco-conscious consumers to dispose their e-waste properly in a central location.

To support sustainable mobility and further reduce the carbon footprint, we have installed the Plug-In Electric Vehicle (EV) charging stations at Raffles City Singapore and The Atrium@Orchard. We have plans to include EV charging stations in new locations outside the central region in 2016.

Green Awards Achieved to Date

As at 31 December 2015, 12 of CMT's malls have garnered Green Mark awards from the Building and Construction Authority (BCA). The BCA Green Mark was introduced in January 2005. It is a scheme that assesses the environmental performance and impact of buildings and promotes energy efficiency, water savings, a healthier indoor environment and waste reduction.

Property	Award Category	Year of Award
Bugis Junction	Platinum	2014
Westgate	Platinum	2013
Bugis+	Platinum	2012
Junction 8	Platinum	2012
Bedok Mall	Platinum	2012
The Atrium@Orchard (Retail)	Gold	2015
Tampines Mall	Gold	2014
Raffles City Singapore	Gold	2014
Bukit Panjang Plaza	Gold	2012
Plaza Singapura	Gold	2012
Lot One Shoppers' Mall	Gold	2012
Sembawang Shopping Centre	Gold	2012

Sustainability Management

Health and Safety

We have a duty of care to ensure the occupational health and safety of all employees and monitor our operations to ensure safety risks are controlled.

We have adopted an Occupational Health and Safety (OHS) Management System which was certified to OHSAS 18001 international standards in 2009. The OHS Management System is audited by a third party accredited certification body.

Our OHS objectives are:

- Zero incidents resulting in staff permanent disability or fatality
- All main contractors for major projects have to be OHSAS 18001 certified (or equivalent)

We complied fully with local OHS laws and regulations in 2015. During the year, we reported zero staff work-related permanent disability or fatality. All the main contractors that we appointed in 2015 were OHSAS 18001 certified.

In line with CapitaLand's policy to select contractors and suppliers who are committed to high environmental and occupational safety standards, the majority of our vendors and service providers are certified bizSAFE Level 3 and above.

For our malls, we strive to mitigate key OHS hazards in facilities, operations and contract management. For instance, service providers such as cleaning companies need to submit material safety data sheets to show that materials used are approved by authorities for use in Singapore. OHS guidelines include office ergonomics, safety issues and general employee well-being.

SHOWCASE OF A GREEN BUILDING: BEDOK MALL



Located at New Upper Changi Road, Bedok Mall is a green shopping mall and is part of an integrated development comprising retail, residential and transport hub.

Bedok Mall adopts a multi-pronged approach to create a sustainable development from the early stages of design. The focus on green construction is carried out throughout the construction of this new development, beginning with the green demolition of the previous bus interchange and the recycling of building materials from these demolition works.

Design Stage

A high-performance tinted double-glazed shopfront glass was selected for the architectural facade, and canopies offering sun shading are also provided along the southern facade to reduce heat transmission to the air-conditioned spaces.

Energy Saving Strategies

The strategies include the provision of high efficiency systems such as lifts and escalators with variable voltage frequency and sleep mode features, energy-efficient light fittings and the use of motion sensors at the common staircases and toilets to reduce energy consumption.

Variable speed drive ventilation fans are used for mechanical ventilation at the major areas such as car parks and the bus interchange parking areas. Extensive detailed studies were carried out to design the fans to operate at optimal levels of energy consumption.

The installation of carbon monoxide sensors enables the fans to operate at optimal levels where required. This serves to create a comfortable and safe environment for users.

Water Saving Strategies

Sanitary wares and fittings certified with the Public Utilities Board Water Efficiency Labelling Scheme rating were selected for use in the toilets. NEWater is also used for the cooling tower and landscape irrigation instead of potable water.

Landscape areas are provided with automated drip irrigation. This automated system, comprising a rain sensor and time controller, is able to react more sensitively to the irrigation requirements and thus minimises water wastage.

Promoting Use of Public Transportation

Bedok Mall stands at the intersection of major public transportation networks. It is directly connected to the bus interchange and Bedok Mass Rapid Transit Station. Covered linkways are provided to connect the taxi stands and bus stops to the shopping mall. To promote energy-efficient transportation, a dedicated sheltered bicycle park with 200 bays is provided for shoppers.

Promoting Use of Solar Energy

The canopy has integrated the use of photovoltaic (PV) cells as part of its canopy design. The PV cells on the canopy glass harvest about 3,400 kWh of energy per year for the lighting of the walkway below the canopy.

Promoting Green Awareness among the Public

A dedicated space has been set aside for the Green Education Corner where the mall's several green features are highlighted. The public is educated on how each of the mall's green features works together to achieve the mall's overall energy savings.

COMMUNITY INVOLVEMENT

As satellite hubs, our malls are strategic channels to engage the local community through activities that educate and enrich them. We thus partner government and community organisations to bring together events that inspire and engage shoppers for community causes.

Majority of the shopping malls are conveniently located in close proximity to transport hubs. This allows easy access to the surrounding communities and facilities. Free shuttle bus services are also available at some malls. Approximately 380 bicycle bays are also provided in our malls. In addition, we promote community engagement through communal spaces such as libraries and children's play areas.

Heritage and Arts

In celebration of Singapore's jubilee year, Bedok Mall organised a 'Canstruction' event in partnership with Kampong Chai Chee Community Centre's youth executive committee and Bethesda Cathedral. More than 12,000 tins of canned food were donated and used to form a massive lion head design. All collections were distributed to more than 150 underprivileged families in Bedok.

Bukit Panjang Plaza partnered Mediacorp Radio Capital 95.8FM to present the 'Voices of The Nation' event, where Singaporeans shared their thoughts on how the founding father of independent Singapore, Mr Lee Kuan Yew, had inspired them. Their voices were recorded and compiled into a CD for archival in the National Museum of Singapore. Selected audio clips were also shared on Capital 95.8FM as part of their countdown event to celebrate SG50.

Clarke Quay supported the Singapore River Festival 2015, which pays homage to the river's rich cultural heritage and its modern dynamism through performances and cultural arts. The festival highlights included a breathtaking aerial performance by Spanish theatrical group, La Fura dels Baus, and by local artistes at Read Bridge and above the river. This performance saw the participation of La Fura artistes and public volunteers to form a 'human net' above the Singapore River. There were also free salsa and acroyoga (a physical practice which combines yoga and acrobatics) workshops at the Fountain Square.

Sustainability Management

Youth Support

Bugis Junction and Bugis+ partnered Singapore Street Festival to encourage Singaporean youths to pursue their passion in the performing arts. The malls offered a platform for aspiring artistes to perform. Performances included magic shows and rock bands. A yo-yo competition was also held to engage youths skilled in the game.

Health and Well-being

More than 500 Singaporeans participated in the 'Aspire to Perspire' event at the Read Bridge at Clarke Quay. The event was a twist of exercise and fun with an exciting sports concert. Exercises included adrenaline pumping workout with professional trainers, workout demonstrations such as K-pop fitness, piloxing, U-Jam fitness and zumba fitness. This event was organised by the People's Association and supported by Clarke Quay to promote healthy living through regular exercise.

In conjunction with the SEA Games, Tampines West Community Sports Club organised a mass zumba and fringe activities at Tampines Mall as part of their Community Sports Festival 2015. The event included a SEA Games torch up ceremony.

My Schoolbag

CapitaLand's key annual corporate social responsibility programme 'My Schoolbag', was held for the seventh consecutive year, reaching out to 1,000 underprivileged children from low-income families in 2015. The programme was held at Bedok Mall, JCube, Junction 8, Lot One Shoppers' Mall and The Star Vista (a CapitaLand mall) in partnership with five community development councils. Each child was given a new school bag and new stationery, and was accompanied by volunteers to shop for school shoes and their daily necessities. More than 500 staff and community volunteers took part in the event. This year's programme also introduced a new segment inviting professionals from different fields to inspire the young minds to set ambitions and work towards achieving them. Career professionals invited to share their education journeys and career paths included a documentary photographer, a commercial pilot, a veterinarian, a general practitioner and an architect.



My Schoolbag

PROGRAMME FOR TENANTS

CapitaLand collaborated with dishwashing services provider, GreatSolutions to set up Singapore's first on-site centralised dishwashing facility in a shopping mall in March 2015. This initiative is supported by SPRING Singapore, Urban Redevelopment Authority, National Environment Agency and the Employment and Employability Institute. Spanning over 7,000 sq ft in IMM Building, the on-site centralised dishwashing facility provides a long-term solution that helps food and beverage tenants reduce their reliance on manpower. In addition, between 15.0% and 20.0% of their kitchen space, usually set aside for dishwashing activities, can now be put to more productive use.

Biz+ Series 2015, a tenant engagement programme comprising seminars, workshops and networking sessions, was themed on 'Rethinking the Customer through Experience, Innovation and Digital'. Two seminars and a CEO breakfast roundtable centred on this theme were held to help retailers stay on top of key trends and identify new opportunities in the evolving retail landscape for their customers. A large scale forum titled 'Retail Future' was held in October 2015 where cross-industry leaders shared their key success tips on how to be future ready for the customer. Retailers took away key insights on how to be customer centric by leveraging on data and technology; and implementing innovation to increase productivity and revenue.

People & Talent Management

As an externally managed real estate investment trust, CMT has no employees and is managed by CapitaLand Mall Trust Management Limited (CMTML), which is an indirect wholly-owned subsidiary of CapitaLand Limited.

We adopt an integrated human capital strategy to recruit, develop and motivate employees because we recognise that people are our greatest asset and they contribute to the success of our business.

Talent Management

We actively seek innovative, dynamic and talented employees both internally and externally to strengthen our bench strength and to support our growth in Singapore. As part of our talent management strategy, talents are recruited at different points in their careers, from fresh graduates to young, mid-career professionals and industry veterans. We continually build our management bench strengths through identification of high potential talents as part of the regular succession planning process.

At the core of our development plan is a systematic programme for all new hires to learn more about our business operations, strategies, core values and management philosophy. All employees also undergo an annual performance review where they can openly discuss their performance and future aspirations with their supervisors. They broach topics such as possible career moves and training plans.

We believe in talent cross-fertilisation and leverage on CapitaLand's Human Resource function to build people. As part of career development, employees are given opportunities to rotate to different properties, functions, cities or countries within CapitaLand's portfolio.

Competitive Compensation and Benefits

We offer all employees comprehensive and competitive remuneration packages. These include short-term cash bonus and long-term equity-based reward plans such as restricted share and performance share programmes. Such equity-based reward plans help to strengthen the link between reward and performance, as well as to retain talent.

All employees receive staff benefits including a flexible benefits plan and leave entitlements for maternity, paternity and volunteer reasons. We recognise that employees have diverse needs, and a flexible benefits

plan enables staff to complement their personal needs with those provided by the company. Employees can thus customise their benefits for themselves and their families.

To ensure that we can continue to attract and retain talent, we regularly engage external human resource consultants to benchmark our compensation and benefits packages against other peers and industries in Singapore.

Developing Our People

In line with our belief that continual learning is a fundamental building block of growth, we offer comprehensive training and development programmes for employees to acquire relevant knowledge and skills to achieve business excellence.

In 2015, about 3.0% of our annual payroll was allocated for programmes relating to employee learning and growth. We have in place training roadmaps and a wide variety of courses, ranging from project financing and real estate to soft skill subjects such as communications and presentation skills. Staff have direct access to a year-long training calendar, which comprises a series of pre-evaluated training courses, via CapitaLand's intranet. In addition, we have established an online learning platform which offers more than 400 programmes, to encourage staff to learn continually and offer them wider choices in terms of courses.

In 2015, approximately 99.5% of staff attended at least one training event. We encourage employees to upgrade themselves by attending courses or obtaining professional qualifications relevant to their work. Employees are granted paid examination leave for their studies. For full-time staff, examination leave is up to 10 days per calendar year.

Our employees also participated in study visits to malls in China to network and gain insights to interesting retail concepts outside Singapore.

For members of the senior management team with proven track records and leadership potential, we partner with CapitaLand Institute of Management and Business (CLIMB) to provide leadership and management programmes to sharpen their management, leadership and business skills.

People & Talent Management

Engaging Our People

We believe it is important to integrate and engage staff across Singapore through regular communication. Staff communication sessions by senior management are conducted at least twice a year. During these staff communication sessions, information on financial results and key business focus are shared with employees. These sessions include a question and answer session, where employees can ask questions and management seeks to gather responses from them. In 2015, we also conducted an employee engagement survey to receive feedback from staff.

CapitaLand's intranet is a valuable platform for employees to find out the details of employment terms, benefits, human resource policies and practices including the whistle-blowing policy, as well as ethics and code of business conduct policies.

We regularly organise recreational, team building events and brainstorming workshops to reinforce organisational cohesiveness as part of our concerted efforts to engage our workforce. In 2015, activities such as complimentary health screenings, free flu vaccinations and health-related activities were organised to encourage a well-balanced and healthy lifestyle among employees. Recreational activities included a movie day, a durian feast, a bowling challenge and an annual party. In celebration of SG50, CapitaLand held a carnival 'CapitaLand #100KHopeHours Challenge & Family Day' at Raffles City Singapore in which our employees attended and pledged volunteer hours for this initiative. In addition, all staff were granted a day-off.

We supported annual national campaign 'Eat with Your Family Day' in May 2015 by giving employees time off to leave offices early to dine with their families.

We dedicated two days in November 2015 as CMA Singapore Technician Day where technicians took part in a mini quiz to test their understanding of technical knowledge related to their work. In addition, the technicians bonded over friendly soccer matches and billiard games.

To provide our employees with a better work-life balance, we have a flexible work arrangement policy which permits flexible working hours, working from home or part-time work arrangements.

Promoting Fairness and Diversity

We define our human resource policy on equal opportunities and fair employment practices and all job applicants are treated fairly regardless of ethnicity, age or gender. As part of the CapitaLand Group, we adhere to the group's policies on non-discriminatory employment practices. CapitaLand has signed the Employers Pledge for Fair Employment Practices with The Tripartite Alliance for Fair Employment Practices and also upholds the spirit of international human rights conventions, such as the Universal Declaration of Human Rights and the International Labour Organisation Conventions, against discrimination in any form and coerced labour.

In 2015, 64.5% of our workforce was between the age of 30 and 50, 21.7% less than 30 years old and 13.8% more than 50 years old. About 63.1% of the employees hold tertiary qualifications and above (this includes holders of diploma as well as bachelor's and master's degree qualifications).

Our workforce comprises a good mix of male and female employees. The female employees are well represented at the middle and senior management levels. For the past three years, more than half of the managerial employees were female. In 2015, about 58.3% of senior management, comprising those at Vice President level and above, were female.

Operations Review

Lease Renewals and New Leases

The retention rate of our tenants in 2015 was 81.1%, reflecting our strong relationship with our tenants as well as our proactive lease management to constantly refresh the tenant mix in each property to remain relevant and attractive to our shoppers. On a portfolio basis, rental rates for lease renewals and new leases in 2015 saw an average increase of 3.7% against preceding rental rates at the end of typical three-year leases.

Summary of Renewals / New Leases

(From 1 January to 31 December 2015) (excluding newly created and reconfigured units)

Property	Number of Renewals / New Leases for Retail Units only	Retention Rate %	Net Lettable Area (NLA)		Increase in Current Rental Rates vs Preceding Rental Rates (Typically committed three years ago) %
			Area sq ft	Percentage of Mall %	
Tampines Mall	55	83.6	75,188	21.2	6.4
Junction 8	32	81.3	25,457	10.1	6.4
Funan DigitalLife Mall	65	96.9	103,080	34.5	1.5
IMM Building	62	91.9	54,953	13.0	4.5
Plaza Singapura	74	70.3	93,542	19.4	3.4
Bugis Junction	51	76.5	49,571	12.4	5.0
Sembawang Shopping Centre	21	66.7	46,594	32.6	(0.1)
JCube	23	82.6	29,590	14.3	(14.5)
Raffles City Singapore	61	78.7	74,305	17.5	2.3
Lot One Shoppers' Mall	44	77.3	77,648	35.3	6.0
Bukit Panjang Plaza	12	66.7	21,483	13.1	4.0
The Atrium@Orchard	22	95.5	30,045	22.0	0.1
Clarke Quay	24	87.5	60,803	24.1	18.0
Bugis+	48	70.8	96,017	44.8	3.8
CMT Portfolio	594	81.1	838,276	21.1	3.7

Operations Review

Portfolio Lease Expiry Profile

Our tenants typically have three-year lease terms. The portfolio lease expiry profile remained evenly spread out as at 31 December 2015, with 24.7% and 30.3% of the leases by gross rental income due for renewal in 2016 and 2017 respectively. The portfolio weighted average lease expiry by gross rental income was 2.1 years. For new leases in 2015, the weighted average lease expiry based on the date of commencement of the leases was 2.7 years and accounted for 33.7% of the leases by gross rental income.

Portfolio Lease Expiry Profile¹

(As at 31 December 2015)

	Number of Leases	% of Gross Rental Income ²
2016	937 ³	24.7
2017	1,030	30.3
2018	926	28.6
2019	135	8.1
2020 and beyond	58	8.3
Total	3,086	100.0

1 Based on committed leases. Includes CMT's 40.00% interest in Raffles City Singapore (excluding hotel lease) and CMT's 30.00% interest in Westgate.

2 Based on the month in which the lease expires and excludes gross turnover rent.

3 Of which 798 leases are retail leases.

Portfolio Lease Expiry Profile for 2016¹

(As at 31 December 2015)

Property	Number of Leases	% of Mall NLA ²	% of Mall Income ³
Tampines Mall	42	23.7	26.5
Junction 8	72	26.2	36.9
Funan DigitalLife Mall	67	41.6	35.7
IMM Building ⁴	186	30.7	27.8
Plaza Singapura	79	25.4	28.2
Bugis Junction	91	23.6	25.4
Sembawang Shopping Centre	23	40.9	35.9
JCube	86	28.9	39.5
Raffles City Singapore ⁴	111	25.8	29.9
Lot One Shoppers' Mall	31	9.4	15.2
Bukit Panjang Plaza	41	29.3	25.9
The Atrium@Orchard ⁴	37	14.2	21.5
Clarke Quay	18	23.2	22.2
Bugis+	16	11.5	19.3
Westgate	28	5.5	6.0
Bedok Mall	9	2.7	3.6
CMT Portfolio	937⁵	23.2	24.7

1 Based on committed leases. Includes CMT's 40.00% interest in Raffles City Singapore (excluding hotel lease) and CMT's 30.00% interest in Westgate.

2 As a percentage of NLA for each respective mall as at 31 December 2015.

3 As a percentage of gross rental income for each respective mall and excludes gross turnover rent.

4 Includes non-retail leases for IMM Building, Raffles City Singapore and The Atrium@Orchard.

5 Of which 798 leases are retail leases.

Top 10 Tenants

CMT's gross rental income is well distributed within its portfolio of close to 3,100 leases. As at 31 December 2015, no single tenant contributed more than 4.0% of the total gross rental income. Collectively, the 10 largest tenants accounted for about 19.8% of the total gross rental income.

10 Largest Tenants of CMT¹

(As at 31 December 2015)

Tenant	Trade Sector	% of Gross Rental Income ²
RC Hotels (Pte) Ltd	Hotel	3.1
Cold Storage Singapore (1983) Pte Ltd	Supermarket / Beauty & Health / Services / Warehouse	2.6
Temasek Holdings (Private) Limited	Office	2.4
Robinson & Co. (Singapore) Pte Ltd	Department Store / Beauty & Health	2.4
Wing Tai Clothing Pte Ltd	Food & Beverage / Fashion / Sporting Goods	2.0
NTUC Enterprise	Supermarket / Beauty & Health / Food & Beverage / Services	1.9
Auric Pacific Group Limited	Food & Beverage	1.6
BHG (Singapore) Pte. Ltd	Department Store	1.5
Jay Gee Enterprises (Pte.) Ltd	Fashion / Beauty & Health / Sporting Goods / Shoes & Bags	1.2
BreadTalk Pte Ltd	Food & Beverage	1.1
Total		19.8

¹ Includes CMT's 40.00% interest in Raffles City Singapore and CMT's 30.00% interest in Westgate.

² Based on actual gross rental income for the month of December 2015 and excludes gross turnover rent.

Operations Review

Trade Sector Analysis

CMT's portfolio is well diversified and leverages on many different trade sectors for rental income. As at 31 December 2015, Food & Beverage (F&B) remained the largest contributor to gross rental income at 29.0% of the total portfolio. Fashion remained the second largest contributor to gross rental income at 14.1%.

Approximately 75.0% of CMT's malls in the portfolio caters to the necessity shopping segment, in terms of gross revenue and asset valuation.

Breakdown of CMT Portfolio¹ by Trade Sector

(For the month of December 2015)

	% of Gross Rental Income ²
Food & Beverage	29.0
Fashion	14.1
Beauty & Health	10.4
Services	6.8
Department Store	5.6
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	5.2
Shoes & Bags	4.6
Leisure & Entertainment / Music & Video ³	4.4
Supermarket	3.9
Office	3.1
Jewellery & Watches	2.6
Home Furnishing	2.5
Information Technology	2.3
Electrical & Electronics	2.2
Education	1.3
Warehouse	1.3
Others ⁴	0.7
Total	100.0

1 Includes CMT's 40.00% interest in Raffles City Singapore (excluding hotel lease) and CMT's 30.00% interest in Westgate.

2 Based on actual gross rental income for the month of December 2015 and excludes gross turnover rent.

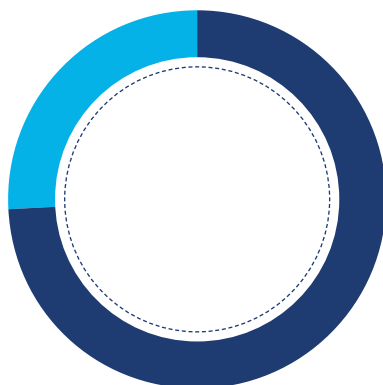
3 Includes tenants approved as thematic dining, entertainment and a performance centre in Bugis+.

4 Others include Art Gallery and Luxury.

CMT Portfolio¹ (Necessity Shopping vs Discretionary Shopping)

By Gross Revenue

(For full year 2015)

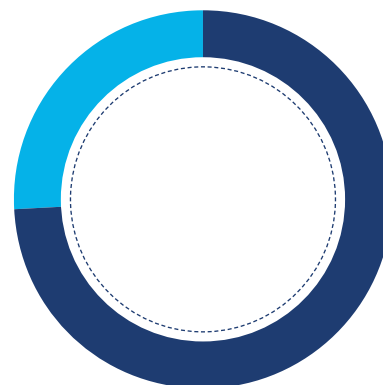


● Necessity Shopping²
● Discretionary Shopping³

%
74.4
25.6

By Asset Valuation

(As at 31 December 2015)



● Necessity Shopping²
● Discretionary Shopping³

%
74.3
25.7

1 Excludes Bedok Mall which was acquired on 1 October 2015 and Rivervale Mall which was sold on 15 December 2015.

2 Includes Tampines Mall, Junction 8, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, JCube, Lot One Shoppers' Mall, Bukit Panjang Plaza, The Atrium@Orchard and CMT's 30.00% interest in Westgate.

3 Includes Funan DigitaLife Mall, Clarke Quay, Bugis+ and CMT's 40.00% interest in Raffles City Singapore.

Operations Review

Occupancy Rate

Combined with our extensive network of international and local retailers, our active asset management and proactive leasing strategy have helped us to maintain high occupancy rates over past years. The portfolio occupancy rate was 97.6% as at 31 December 2015.

Occupancy Rate (%)

As at 31 December	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Tampines Mall	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	99.5	100.0
Junction 8	100.0	100.0	100.0	100.0	100.0	100.0	99.6	99.4	100.0	100.0
Funan DigitalLife Mall	99.6	99.7	99.8	99.3	100.0	100.0	100.0	98.2	97.9	95.3
IMM Building ¹	99.0	99.9	100.0	99.7	100.0	100.0	98.1	99.0	96.0 ²	96.0
Plaza Singapura	100.0	100.0	99.8	100.0	100.0	100.0	91.3	100.0	100.0	99.7
Bugis Junction	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	99.7
Other assets ³	100.0	100.0	100.0	99.8	99.8	80.9 ²	100.0	100.0	100.0	99.4
Raffles City Singapore ¹	99.3	100.0	100.0	100.0	99.6	100.0	100.0	100.0	100.0	99.6
Lot One Shoppers' Mall		92.7 ²	99.3	99.9	99.6	99.7	99.8	100.0	100.0	99.8
Bukit Panjang Plaza		99.9	100.0	99.8	100.0	100.0	100.0	99.8	100.0	97.8
The Atrium@Orchard ⁴			98.0	99.1	93.5	65.5 ²	95.3	99.5	99.9	98.2
Clarke Quay					100.0	100.0	97.9	100.0	95.9	88.2
JCube							99.6	100.0	96.0 ²	88.0
Bugis+							99.5	100.0	100.0	99.2
Westgate								85.8	97.7	97.6
Bedok Mall										99.9
CMT Portfolio	99.5	99.6	99.7	99.8	99.3	94.8	98.2	98.5	98.8	97.6

1 Based on retail leases only.

2 Lower occupancy rates were due to asset enhancement initiatives (AEI).

3 Other assets include:

- a) Sembawang Shopping Centre, except for 2007 and 2008 when it underwent an AEI;
- b) Rivervale Mall, until it was sold in 2015;
- c) Hougang Plaza, until it was sold in 2012;
- d) JCube, except from 2008 to 2011 when it underwent an AEI. The asset was classified separately from 2012 onwards; and
- e) Bugis+, which was acquired in 2011 and subsequently underwent an AEI from November 2011 to July 2012. The asset was classified separately from 2012 onwards.

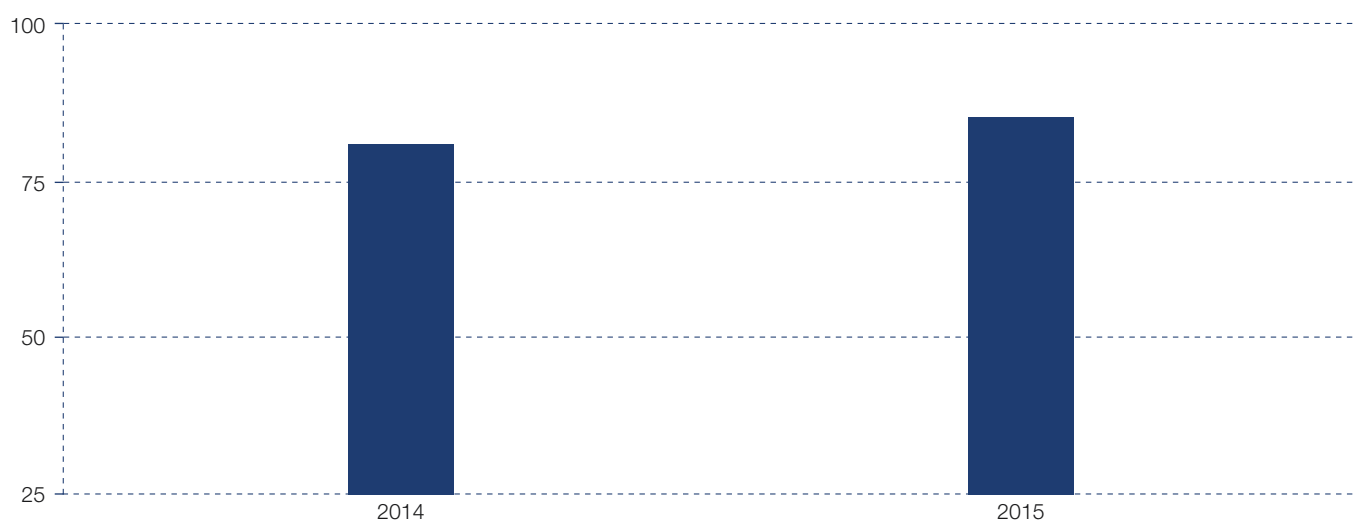
4 Includes retail and office leases.

Portfolio Tenants' Sales

CMT's tenants' sales on a S\$ per square foot (psf) per month basis, increased by 5.3% in 2015 compared to the preceding year. Although part of CMT's rental structure comprises gross turnover rent which is pegged to tenants' sales, gross turnover rent made up only a small percentage of CMT's gross revenue. It is typically about 5.0%, thus ensuring the stability of CMT's gross revenue.

Tenants' Sales of CMT Portfolio¹

(S\$ psf per month)



¹ For comparable basis, CMT portfolio includes Bedok Mall (which was acquired on 1 October 2015); and excludes Bugis Junction (which underwent phase two AEI from March 2014 to September 2014) as well as Rivervale Mall (which was sold on 15 December 2015).

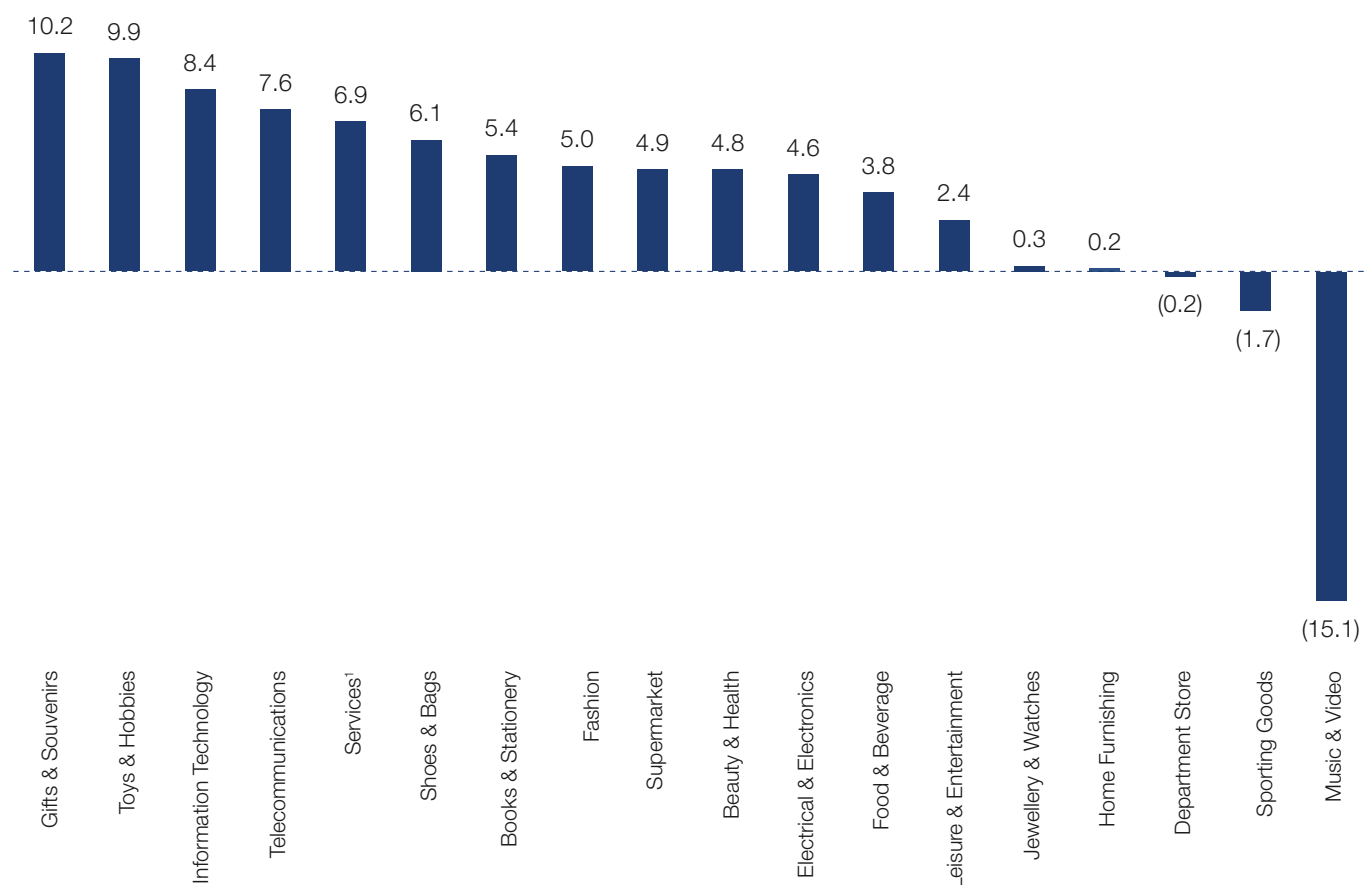
Operations Review

Performance of Tenants' Sales by Trade

Most trade categories achieved positive growth in 2015. F&B and Fashion, the two largest contributors to CMT's gross rental income registered growth of 3.8% and 5.0% respectively in 2015 against the preceding year.

Year-on-Year Variance of Tenants' Sales S\$ psf per month

(%)



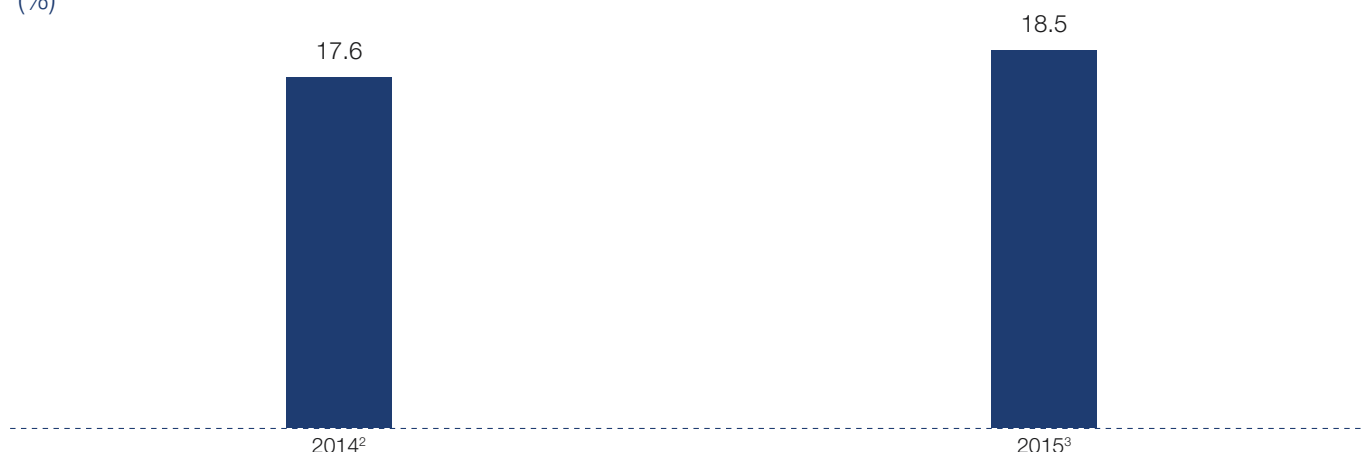
¹ Services include convenience stores, bridal shops, optical shops, film processing shops, florists, magazine stores, pet shops, travel agencies, cobblers/locksmiths, laundromats and clinics.

Occupancy Cost

CMT's portfolio occupancy cost remained healthy and registered at 18.5% in 2015. Occupancy cost is dependent on various factors including trade mix and type of tenants in the portfolio.

Occupancy Cost¹ of CMT Portfolio

(%)



1 Occupancy cost is defined as a ratio of gross rental (inclusive of service charge, advertising and promotional charge and gross turnover rent) to tenants' sales.

2 Includes Rivervale Mall; and excludes Bugis Junction, Westgate and Bedok Mall.

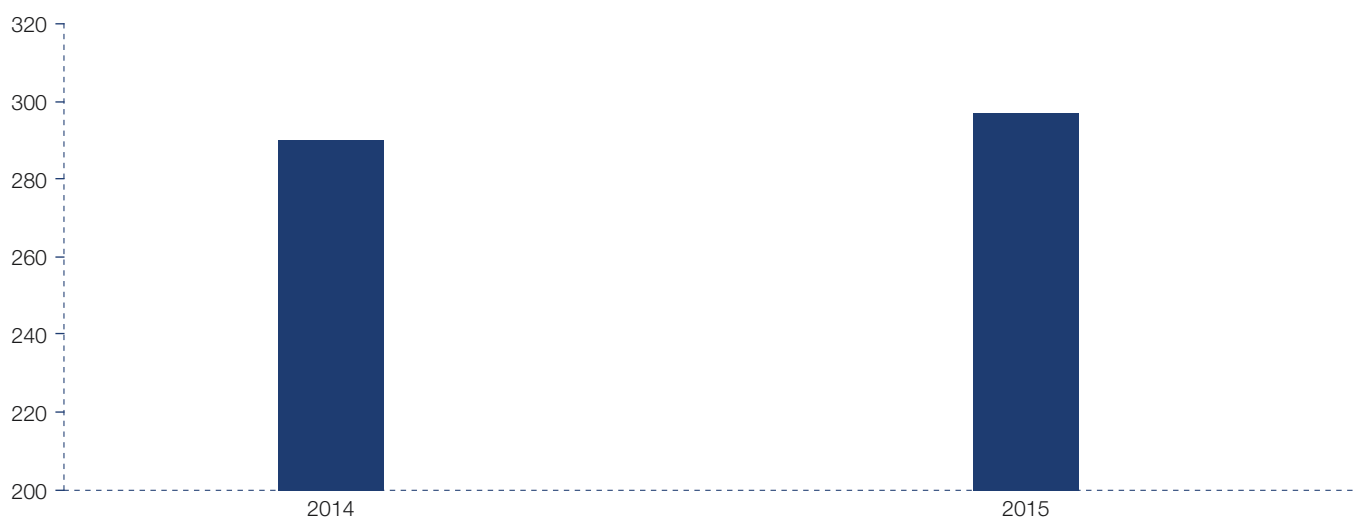
3 Includes Bedok Mall; and excludes Bugis Junction and Rivervale Mall. On a comparable mall basis (includes Rivervale Mall for the period January to November 2015 and excludes Bugis Junction, Westgate and Bedok Mall), the occupancy cost was 17.3% for 2015.

Shopper Traffic

Shopper traffic increased by 4.9% year-on-year in 2015. We continually refresh and enhance the retail offerings of our malls and shopping experiences of our shoppers through AEI, active management of the tenant mix in each property and marketing efforts.

Shopper Traffic¹

(million)



1 For comparable basis, CMT portfolio includes Bedok Mall (which was acquired on 1 October 2015); and excludes Bugis Junction (which underwent phase two AEI from March 2014 to September 2014) as well as Rivervale Mall (which was sold on 15 December 2015).

Operations Review

Asset Enhancement Initiatives

Plaza Singapura commenced its interior rejuvenation works in the third quarter of 2015. The works include upgrading of floor finishes, railings/atrium void edges, ceilings and corridor lighting as well as design treatment of escalators. Furthermore, amenities such as toilets, lift lobbies and nursing rooms will be enhanced. The AEI is expected to be completed by end-2016.

In October 2015, Tampines Mall completed its AEI and successfully converted the mall's Level 5 open roof to a new education hub with well-known educational tenants, and reconfigured levels 2 and 3 to bring in new fashion offerings. With the new facade and covered linkway to mass rapid transit (MRT) station, Tampines Mall now caters better to shoppers' needs, enhancing their experience. There will also be additional works to rejuvenate the mall, which include replacement of the main atrium fascia and balustrade as well as refresh interior finishes. These rejuvenation works are expected to be completed in the first quarter of 2017.

In November 2015, IMM Building completed phase two of its repositioning exercise to further increase the number of outlet stores. It is Singapore's largest outlet mall and currently houses 85 outlet stores with new designer brands. It also boosted its F&B offerings and enhanced the shopping experience. The new link bridge improved the connectivity between IMM Building, Westgate and Jurong East MRT interchange station.

Clarke Quay completed its reconfiguration works at Block A in April 2015 and Block C in December 2015, to house more F&B and entertainment concepts, including a world-class dance club.

Acquisition and Divestment Activities

We continually evaluate our portfolio of assets and explore opportunities to enhance value for our Unitholders.

On 1 October 2015, CMT acquired all units in Brilliance Mall Trust (BMT) from CMA Singapore Investments (3) Pte. Ltd. and Brilliance Residential Pte. Ltd. at a purchase price consideration of S\$180.4 million after taking into account the agreed market value of Bedok Mall of S\$780.0 million (including fixed assets), other net assets of S\$3.5 million, and the existing loan liabilities of S\$603.1 million. The acquisition was part funded by the issuance of 72.0 million units at the issue price of S\$1.9022 per unit amounting to approximately S\$137.0 million, with the balance comprising bank borrowings. As part of an integrated retail-residential-transport hub development, Bedok Mall complements CMT's existing portfolio of mainly suburban malls catering to the necessity shopping segment, and strengthens its presence in the eastern part of Singapore.

On 15 December 2015, CMT sold Rivervale Mall to a private equity fund managed by AEW Asia at S\$190.5 million and recorded a gain of S\$72.7 million, after taking into account divestment fee and other related expenses. The net proceeds of S\$188.0 million were used to partially repay the term loans used to finance the acquisition of BMT.

Redevelopment of Funan DigitalLife Mall

The intention to redevelop Funan DigitalLife Mall into an integrated development was announced on 10 December 2015.

Funan DigitalLife Mall has utilised 3.861 of its allowable gross plot ratio of 7.0. As such, the mall has an untapped gross floor area of about 388,000 sq ft. The redevelopment of Funan DigitalLife Mall will maximise the full potential of its site. It is envisioned to be an experiential creative hub in the city that engages communities to incubate new ideas and passions, and enables shoppers to enjoy retail in a technology-enabled environment.

The mall is expected to close in the third quarter of 2016, with redevelopment works commencing soon after and taking about three years.

Financial Review

Gross Revenue

Gross revenue for Financial Year (FY) 2015 was S\$669.0 million, an increase of S\$10.1 million or 1.5% over FY 2014. Bedok Mall which was acquired on 1 October 2015 contributed S\$14.3 million. Bugis Junction (BJ) accounted for S\$4.3 million increase in gross revenue after the completion of phase two asset enhancement initiatives (AEI) in September 2014. The other malls except for IMM Building (IMM), JCube and

Clarke Quay (CQ) accounted for S\$6.5 million increase in gross revenue mainly due to higher rental achieved on new and renewed leases and staggered rental. IMM recorded lower gross revenue of S\$3.6 million as a result of phase two AEI which commenced in July 2014 and ended in November 2015. JCube and CQ recorded S\$11.4 million decrease in gross revenue due to lower occupancy.

Gross Revenue by Property (S\$ million)

	FY 2015	FY 2014
Tampines Mall	76.8	74.8
Junction 8	58.6	57.2
Funan DigitalLife Mall	33.8	33.5
IMM Building	73.1	76.7
Plaza Singapura	91.3	88.9
Bugis Junction	83.3	79.0
Sembawang Shopping Centre and Rivervale Mall ¹	24.1	23.9
JCube	24.4	32.1
Lot One Shoppers' Mall	43.9	42.7
Bukit Panjang Plaza	26.6	26.4
The Atrium@Orchard	51.4	52.4
Clarke Quay	34.9	38.6
Bugis+	32.5	32.7
CMT Trust	654.7	658.9
Bedok Mall ²	14.3	-
CMT Group	669.0	658.9

1 The sale of Rivervale Mall was completed on 15 December 2015.

2 The acquisition of Brilliance Mall Trust which holds Bedok Mall was completed on 1 October 2015.

CMT's interest in joint ventures' gross revenue are shown below for information:

Gross Revenue by Property (S\$ million)

	FY 2015	FY 2014
Raffles City Singapore (40.00% interest)	93.7	93.0
Westgate (30.00% interest)	24.5	22.3
Total	118.2	115.3

Financial Review

Net Property Income

As a result of the higher gross revenue, net property income (NPI) of S\$466.2 million was S\$17.8 million or 4.0% higher than the S\$448.4 million for FY 2014. This was mainly due to Bedok Mall which was acquired

on 1 October 2015 and BJ which completed its phase two AEI in September 2014. The above was partially offset by lower NPI from IMM, JCube and CQ as a result of lower gross revenue.

Net Property Income by Property (S\$ million)

	FY 2015	FY 2014
Tampines Mall	56.8	55.0
Junction 8	41.9	40.7
Funan DigitaLife Mall	22.8	21.7
IMM Building	46.8	50.3
Plaza Singapura	67.8	66.6
Bugis Junction	62.0	53.9
Sembawang Shopping Centre and Rivervale Mall ¹	14.9	14.4
JCube	13.1	15.9
Lot One Shoppers' Mall	30.7	29.5
Bukit Panjang Plaza	17.2	17.1
The Atrium@Orchard	39.0	37.8
Clarke Quay	20.9	23.1
Bugis+	22.0	22.4
CMT Trust	455.9	448.4
Bedok Mall ²	10.3	-
CMT Group	466.2	448.4

1 The sale of Rivervale Mall was completed on 15 December 2015.

2 The acquisition of Brilliance Mall Trust which holds Bedok Mall was completed on 1 October 2015.

CMT's interest in joint ventures' NPI are shown below for information:

Net Property Income by Property (S\$ million)

	FY 2015	FY 2014
Raffles City Singapore (40.00% interest)	69.2	68.1
Westgate (30.00% interest)	16.9	13.6
Total	86.1	81.7

Distributions

Distribution for FY 2015 was S\$392.0 million, an increase of S\$16.7 million or 4.4% compared to FY 2014. Distribution per unit (DPU) for FY 2015 is 11.25 cents; this is 3.8% higher than 10.84 cents for FY 2014. The increase was mainly attributed to the acquisition of Bedok Mall on 1 October 2015, completion of phase two AEI in Bugis Junction and distribution income from Infinity Mall Trust which holds Westgate.

CMT had retained capital distribution and tax-exempt income of S\$12.5 million received from CapitaLand Retail China Trust for general corporate and working capital purposes.

Breakdown of the Unitholders' DPU in cents for FY 2015 as compared to FY 2014 are as follows:

Year	1 January to 31 March	1 April to 30 June	1 July to 30 September	1 October to 31 December	1 January to 31 December
2015	2.68	2.71	2.98	2.88	11.25
2014	2.57	2.69	2.72	2.86	10.84

DPU for 1 October to 31 December 2015 of 2.88 cents was 0.13 cents or 4.7% higher than the forecast¹ DPU of 2.75 cents mainly due to higher other income, lower property operating expenses and lower finance costs.

Assets

As at 31 December 2015, the total assets for CMT and its subsidiaries (CMT Group) were S\$10,355.7 million, compared with S\$9,858.3 million as at 31 December 2014. The increase of S\$497.4 million was mainly due to year-end valuation of S\$780.0 million for Bedok Mall, revaluation surplus of S\$106.9 million, capital expenditure of S\$76.9 million, increase in financial derivatives of S\$117.8 million, partially offset by the sale of Rivervale Mall of S\$116.0 million and lower cash and cash equivalents of S\$525.2 million.

The lower cash and cash equivalents was mainly due to repayment of S\$100.0 million and US\$500.0 million (swapped into S\$699.5 million) fixed rate notes under the S\$2.5 billion unsecured Multicurrency Medium Term Note Programme (MTN Programme) and US\$3.0 billion unsecured Euro-Medium Term Note Programme (EMTN Programme) respectively. The decrease was partially offset by proceeds from the issuance of HK\$1.104 billion fixed rate notes and ¥8.6 billion floating rate notes under the MTN Programme which were swapped into Singapore dollar fixed rate notes totalling S\$292.8 million.

¹ The forecast was based on the CMT's circular dated 20 August 2015.

Financial Review

Valuations and Valuation Capitalisation Rates

(As at 31 December)

Property	Valuation			Valuation per Net Lettable Area 2015 S\$ per sq ft	Valuation Capitalisation Rate	
	2015 S\$ million	2014 S\$ million	Variance S\$ million		2015 %	2014 %
Tampines Mall	983.0	922.0	61.0	2,771	5.35	5.35
Junction 8	696.0	662.0	34.0	2,754	5.35	5.35
Funan DigitaLife Mall	367.0	361.0	6.0	1,228	5.50	5.50
IMM Building	622.0	603.0	19.0	648 ¹	Retail: 6.50 Office: 6.25 Warehouse: 7.50	Retail: 6.50 Office: 6.25 Warehouse: 7.50
Plaza Singapura	1,244.0	1,223.0	21.0	2,574	5.00	5.00
Bugis Junction	995.0	951.0	44.0	2,496	5.35	5.35
Sembawang Shopping Centre	114.0	106.0	8.0	798	5.55	5.55
JCube	288.0	335.0	(47.0) ²	1,393	5.50	5.60
Lot One Shoppers' Mall	510.0	503.0	7.0	2,320	5.35	5.35
Bukit Panjang Plaza	303.0	292.0	11.0	1,859	5.45	5.45
The Atrium@Orchard	735.0	728.0	7.0	1,891 ¹	Retail: 5.25 Office: 4.00	Retail: 5.25 Office: 4.00
Clarke Quay	389.0	371.0	18.0	1,332	5.50	5.50
Bugis+	340.0	337.0	3.0	1,585	5.70	5.70
Bedok Mall ³	780.0	N.A.	780.0	3,506	5.20	N.A.
Total CMT Portfolio	8,366.0	7,394.0⁴	972.0	N.M.	N.A.	N.A.
Less additions during the year			(76.9)			
Less acquisition during the year			(778.8) ⁵			
Less transaction costs relating to the BMT Acquisition			(9.4) ⁶			
Net increase in valuations			106.9			
For information only						
Raffles City Singapore (40.00% interest)	1,254.4	1,243.8	10.6	N.M. ⁷	Retail: 5.25 Office: 4.25 Hotel: 5.13	Retail: 5.25 Office: 4.25 Hotel: 5.25
Westgate (30.00% interest)	319.2	328.2	(9.0) ²	2,585	5.20	5.35
Share of joint ventures' investment properties	1,573.6	1,572.0	1.6			
Less additions during the year			(5.5)			
Net decrease in valuations			(3.9)			

N.A.: Not Applicable. N.M.: Not Meaningful.

1 Reflects valuation of the property in its entirety.

2 The decrease in the valuations of JCube and Westgate were largely due to lower rent reversion and lower market rental forecast in view of increased competition in the western region of Singapore.

3 Bedok Mall was acquired on 1 October 2015.

4 Rivervale Mall was sold on 15 December 2015 and its valuation of S\$116.0 million as at 31 December 2014 is excluded from portfolio valuation.

5 Based on the average of the two valuations of Bedok Mall at S\$778.0 million and S\$780.0 million, conducted by Knight Frank Pte Ltd and DTZ Debenham Tie Leung (SEA) Pte Ltd respectively, for the purpose of the acquisition of all the units in Brilliance Mall Trust which holds Bedok Mall (BMT Acquisition), adjusted for S\$0.2 million increase in the final value of fixed assets upon the completion of BMT Acquisition.

6 Refers to consolidation adjustment relating to acquisition fees and other related costs with respect to the BMT Acquisition capitalised at CMT Trust level, now adjusted as revaluation loss at CMT Group.

7 Not meaningful because Raffles City Singapore comprises retail units, office units, hotels and convention centre.

Capital Management

Key Financial Indicators	As at 31 December 2015	As at 31 December 2014
Unencumbered Assets as % of Total Assets (%)	100.0	100.0
Aggregate Leverage (%) ^{1,2}	35.4	33.8
Net Debt / EBITDA (times) ^{3,5}	6.0	5.1
Interest Coverage (times) ^{4,5}	4.8	4.5
Average Term to Maturity (years)	5.3	4.7
Average Cost of Debt (%) ⁶	3.3	3.5
CMT's Issuer Rating ⁷	'A2'	'A2'

1 In accordance with Property Funds Appendix, CMT's proportionate share of its joint ventures' borrowings and total deposited property are included when computing the aggregate leverage.

2 Funds raised ahead of the maturity of the existing borrowings of CMT are excluded from both borrowings and total deposited property for the purpose of computing the aggregate leverage as the funds are set aside solely for the purpose of repaying the existing borrowings of CMT.

3 Net Debt comprises gross debt less temporary cash intended for refinancing and capital expenditure. EBITDA refers to earnings before interest, tax, depreciation and amortisation.

4 Ratio of net investment income at CMT Group before interest and tax over interest expense from 1 January 2015 to 31 December 2015 and 1 January 2014 to 31 December 2014 respectively.

5 Profit from sale of office strata units in Westgate Tower was excluded when computing the ratio of Net Debt / EBITDA and Interest Coverage as at 31 December 2014.

6 Ratio of interest expense over weighted average borrowings.

7 Moody's Investors Service has affirmed the 'A2' issuer rating of CMT in July 2015.

CAPITAL MANAGEMENT

In 2015, CMT MTN Pte. Ltd. (CMT MTN) issued two series of foreign currency denominated notes under the S\$2.5 billion unsecured Multicurrency Medium Term Note Programme (MTN Programme) as follows:

1. HK\$1.104 billion 12-year fixed rate notes at 2.77% per annum on 5 February 2015, which was swapped into S\$192.8 million at 3.25% per annum; and
2. ¥8.6 billion eight-year floating rate notes at 3-month Japanese Yen LIBOR plus 0.25% per annum on 9 February 2015, which was swapped into S\$100.0 million at 2.85% per annum.

CMT also drew down S\$60.9 million of bank loans from term loan facilities in March 2015.

CMT repaid S\$100.0 million fixed rate notes under the MTN Programme and US\$500.0 million fixed rate notes (swapped to S\$699.5 million) under the

US\$3.0 billion unsecured Euro-Medium Term Note Programme on 28 January 2015 and 8 April 2015 respectively.

The acquisition of Brilliance Mall Trust was partially financed by the drawdown of S\$646.1 million of bank loans from term loan facilities in October 2015. On 22 December 2015, S\$188.0 million of the S\$646.1 million bank loans were repaid using the net proceeds from the sale of Rivervale Mall.

CMT and its subsidiaries (CMT Group) hold derivative financial instruments to hedge its currency and interest rate risk exposures. The fair value derivative for Financial Year (FY) 2015 which was included in the financial statement as financial derivatives assets and financial derivatives liabilities were S\$175.3 million and S\$41.7 million respectively. This represented 2.0% of the net assets of CMT Group as at 31 December 2015.

Capital Management

The total borrowings of CMT Group as at 31 December 2015 are as follows:

	S\$ million
Retail bonds	350.0
Bank loans	519.0
Unsecured Medium term notes and Euro-Medium term notes issued by CMT MTN ¹	2,382.0
Total borrowings at CMT Group as at 31 December 2015	3,251.0

For information only

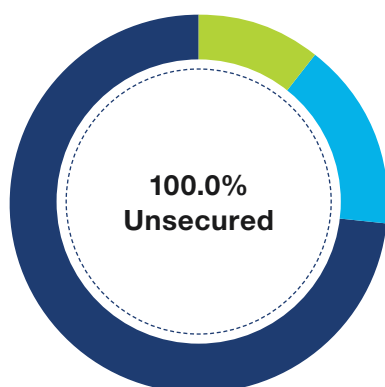
CMT's 40.00% interest in RCS Trust and 30.00% interest in Infinity Mall Trust

Loans at RCS Trust from Silver Oak Ltd.	417.6
Loans at Infinity Mall Trust	162.0
	579.6

¹ Amounts include foreign currency denominated notes which have been swapped into Singapore dollars.

CMT Group - Debt Mix by Type

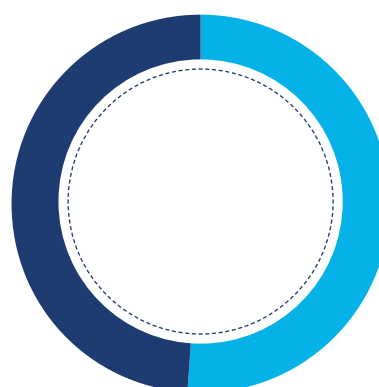
(as at 31 December 2015)



● Retail bonds	%
● Bank loans	10.7
● Medium term notes and Euro-Medium term notes issued by CMT MTN	16.0
	73.3

CMT Group - Loan Maturity Profile

(as at 31 December 2015)



● After 1 year but within 5 years	%
● After 5 years	51.0
	49.0

CMT Group – Loan Maturity Profile¹

	S\$ million	%
After 1 year but within 5 years	1,657.8	51.0
After 5 years	1,593.2	49.0
	3,251.0	100.0

¹ Amounts include foreign currency denominated notes which have been swapped into Singapore dollars.

In summary, the total borrowings of CMT Group as at 31 December 2015 were S\$3,251.0 million and aggregate leverage at 35.4%. Average cost of debt was lower at 3.3% as at 31 December 2015 compared to 3.5% as at 31 December 2014.

As at 31 December 2015, CMT Group does not have any refinancing due in 2016. The manager of CMT (Manager) will continue to adopt a rigorous and focused approach to capital management.

The Manager is also committed to diversifying funding sources and will continue to review its debt profile to reduce refinancing risk and extend the debt maturity profile.

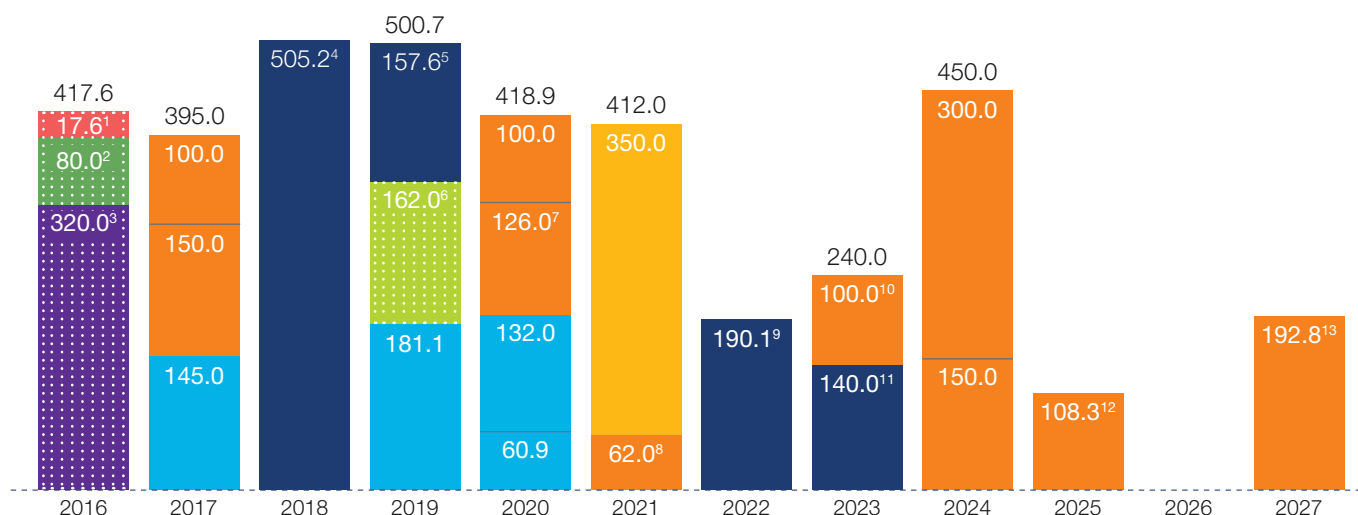
CMT's 40.00% interest in RCS Trust and 30.00% interest of Infinity Mall Trust (IMT)

CMT has a 40.00% interest in RCS Trust. Under the loan agreements between Silver Oak Ltd. (Silver Oak) and RCS Trust Trustee-Manager, Silver Oak has granted RCS Trust a term loan facility of S\$1.0 billion and a revolving credit facility (RCF) of S\$300.0 million. RCS Trust has drawn down the S\$1.0 billion term loan in 2011 and as at 31 December 2015, S\$44.0 million has been drawn down from the RCF. CMT's 40.00% share thereof is S\$417.6 million. The Manager is working with the manager of CapitaLand Commercial Trust to refinance the term loan and RCF due on 21 June 2016.

CMT has a 30.00% interest in IMT. In June 2015, IMT entered into a new secured term loan facility of S\$540.0 million and a RCF of S\$20.0 million. On 9 October 2015, IMT fully repaid its term loan and RCF amounting to S\$618.6 million using unitholders' loan of S\$78.6 million and the new secured term loan facility of S\$540.0 million. As at 31 December 2015, CMT's 30.00% share on the term loan is S\$162.0 million.

Capital Management

Debt Maturity Profile as at 31 December 2015

(including CMT's 40.00% interest in RCS Trust and CMT's 30.00% interest in Infinity Mall Trust)
(S\$ million)

Secured revolving credit facility from Silver Oak - 40.00% interest in RCS Trust

Secured term loan from Silver Oak - 40.00% interest in RCS Trust

Secured CMBS from Silver Oak - 40.00% interest in RCS Trust

Notes issued under MTN Programme

Unsecured banking facilities

Notes issued under Euro-Medium Term Note Programme

Secured banking facilities - 30.00% interest in Infinity Mall Trust

Retail Bonds due to 2021 fixed rate of 3.08% per annum (p.a.)

Debts with secured assets

Silver Oak: Silver Oak Ltd.

CMBS: Commercial mortgage backed securities.

1 Drawdown of S\$44.0 million under Silver Oak from the S\$300.0 million revolving credit facility. CMT's 40.00% share thereof is S\$17.6 million.

2 S\$200.0 million five-year term loan under Silver Oak. CMT's 40.00% share thereof is S\$80.0 million.

3 US\$645.0 million in principal amount of Class A Secured Floating Rate Notes with expected maturity on 21 June 2016 issued pursuant to the S\$10.0 billion Multicurrency Secured Medium Term Note Programme established by Silver Oak and are secured by its rights to Raffles City Singapore. The proceeds have been swapped into S\$800.0 million. CMT's 40.00% share thereof is S\$320.0 million.

4 US\$400.0 million 3.731% fixed rate notes were swapped to S\$505.2 million at a fixed rate of 3.29% p.a. in March 2012.

5 ¥10.0 billion 1.309% fixed rate notes were swapped to approximately S\$157.6 million at a fixed rate of 2.79% p.a. in October 2012.

6 S\$540.0 million secured banking facilities by Infinity Mall Trust due in October 2019. CMT's 30.00% share thereof is S\$162.0 million.

7 ¥10.0 billion 1.039% fixed rate notes were swapped to S\$126.0 million at a fixed rate of 3.119% p.a. in November 2013.

8 ¥5.0 billion floating rate (at 3-month JPY LIBOR + 0.48% p.a.) notes were swapped to S\$62.0 million at a fixed rate of 3.148% p.a. in February 2014.

9 HK\$1.15 billion 3.76% fixed rate notes were swapped to S\$190.1 million at a fixed rate of 3.45% p.a. in June 2012.

10 ¥8.6 billion floating rate (at 3-month JPY LIBOR + 0.25% p.a.) notes were swapped to S\$100.0 million at a fixed rate of 2.85% p.a. in February 2015.

11 HK\$885.0 million 3.28% fixed rate notes were swapped to S\$140.0 million at a fixed rate of 3.32% p.a. in November 2012.

12 HK\$650.0 million 3.25% fixed rate notes were swapped to S\$108.3 million at a fixed rate of 3.25% p.a. in November 2014.

13 HK\$1.104 billion 2.77% fixed rate notes were swapped to S\$192.8 million at a fixed rate of 3.25% p.a. in February 2015.

Cash Flows and Liquidity

CMT Group takes a proactive role in monitoring its cash flow position and requirements to ensure sufficient liquidity and adequate funding is available for distribution to the Unitholders as well as to meet any short-term obligations.

Cash and Cash Equivalents

As at 31 December 2015, the value of cash and cash equivalents of CMT Group stood at S\$604.3 million, compared with S\$1,129.6 million as at 31 December 2014. The lower quantum was mainly due to the repayment of S\$100.0 million fixed rate notes and US\$500.0 million fixed rate notes, swapped to S\$699.5 million, during the year.

As at 23 October 2015, out of the S\$246.1 million¹ net proceeds from the private placement in November 2011 (Private Placement), S\$246.1 million of the net proceeds (which is equivalent to 100.0% and 98.4% of the net proceeds and gross proceeds of the Private Placement, respectively) from the Private Placement has been utilised. As such, all of the net proceeds of the Private Placement have been fully utilised.

The above included the 5.0% to 10.0% of the net proceeds from the Private Placement originally intended for general corporate and working capital purposes which has been used to pay for certain committed capital expenditure and asset enhancement initiatives of the portfolio of properties of CMT. Accordingly, 100.0% of the net proceeds from the Private Placement has been used to finance capital expenditure and asset enhancement initiatives of the portfolio of properties of CMT. Such a change in the use of proceeds is in line with the Manager's active capital management strategy.

ACCOUNTING POLICIES

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

¹ The net proceeds of S\$246.1 million was derived from gross proceeds of S\$250.0 million after deducting finalised transaction costs of S\$3.9 million.

Independent Retail Market Overview

Economic Growth

At its heart, Singapore is a trading nation. It is a hub for international trade and finance, as well as having a significant export focused manufacturing sector. As such, the state of the global economy means more to Singapore than other countries.

A cursory look at the world's media at the commencement of 2016, and you could be forgiven for taking a rather dim view of the global economy. The Middle East, Europe and South America are all facing major challenges in terms of economic stability, security and politics.

There are, as always, reasons for optimism. In 2015, the United States (US) Federal Reserve increased interest rates for the first time since the global financial crisis (GFC), while the United Kingdom's (UK) solid growth has been impressive given the depths of its recession. Japan's prospects look more positive than at any time in the past decade, and Europe could well benefit from the long-term growth implications of receiving large numbers of educated and young migrants from Syria.

But the key for Singapore is the growth outlook for China, which has been crucial in driving growth in Asia over the past decade. China's economy is slowing, and while we expect the Chinese Government still has policy or tools to avoid a 'hard landing', the new norm is likely to be growth of between 5.0% and 6.0% per annum, not the 8.0% plus the world got used to.

From a domestic perspective, there has been little to drive optimism in recent months. Income growth has been very low, which has flowed through to retail sales. The business sector has not picked up the slack, with business investment not contributing particularly strongly to gross domestic product (GDP).

Singapore's Government's cooling measures, particularly within the housing market have had a material impact on the slowdown of the economy. House prices have been drifting down since 2013, and absorption remains well below the historical peaks.

Despite these negative factors, Singapore remains a fundamentally solid economy. Consumer confidence remains relatively high; Nielsen ranks Singapore as the 14th most optimistic country in the world.

Singapore is also a great place to do business – the Economist Intelligence Unit (EIU) classifies Singapore as the number 1 country in the world. GDP growth has averaged 5.2% per annum over the past decade and real disposable income growth of 4.0% per annum.

This mixed outlook means that economic growth over the next few years is likely to be lower than what has been achieved in recent history. We expect to see annual growth of between 3.0% and 3.5% to 2020, with growth increasing over time. While Singapore certainly faces headwinds, we believe there is every reason to be optimistic over the long term.

Inflation

Inflation for 2015 has remained subdued due largely to low global oil prices, SG50 related price promotions as well as budgetary and other one-off cooling measures. Going forward, most of the disinflationary measures implemented are coming to an end which should lead to increased domestic inflationary pressure. However, the pass-through to consumer prices will be constrained due to a subdued economic growth environment. As a result, we expect inflation to remain around 1.0% for 2016 before increasing slightly over the next five years.

Population

Low population growth and the aging population have always been among the key concerns of Singapore's Government. Singapore's population is aging, and growth is slowing. The main source of growth in recent years has been migration.

With people as Singapore's only natural resource, the Government is aware of the impact of an aging population, and is introducing a series of measures to counteract it. This will come in the form of helping young couples with housing issues, increasing paternity leave, baby bonuses, providing support for parents with care-giving as well as encouraging flexible work arrangements.

The easiest way for the Singapore's Government to increase population growth would be through increased migration. However, this carries its own political risks - the release of a Government's White Paper in early 2013 calling for high levels of immigration resulted in protests with many locals concerned about the loss of jobs to foreign workers. The Government responded by cutting migration, but this has had a major impact on businesses that rely on foreign workers.

This is particularly true for the retail industry. The retail sector has been persistently hit by critical labour shortages due to the limitations placed on hiring foreign workers as well as the reluctance on the part of Singapore residents to pursue a career in the retail sector. To aid the retail sector with labour shortage, a new manpower plan was launched in December 2015 by the Ministry of Trade and Industry to help increase employee capability and productivity over the next five years.

We expect some loosening of migration controls over the next few years, but growth is unlikely to return to historical highs. We expect growth in the non-resident population will average around 2.8% or 49,000 people per annum over the next five years. This compares with non-resident average population growth of 4.6% or 65,500 people per annum over the past five years.

The resident population is likely to grow slower than the non-resident population, but at a more stable rate. We estimate that it will grow at 0.7% or 28,000 people per annum over the next five years, marginally higher than the past five years. This will result in total population increasing by 1.4% per annum (77,000 people per annum), reaching 5.9 million by 2020.

Tourism

In a period of global economic uncertainty, one area of impressive growth has been the Asian tourism market. The ongoing growth of the middle class throughout Asia, and particularly China, has led to a huge increase in the amount of international travel that has occurred. Across the ASEAN countries, total international visitorship has grown by more than 8.0% per annum.

Singapore has the most sophisticated tourism market in ASEAN, and attracts a disproportionately high share of this market (approximately 15.0%). This is a product of Singapore's tourism infrastructure (including Changi Airport), its central location, and Government's ongoing drive to support the growth of this market. The Singapore Tourism Board has been very active in supporting the future growth in the market.

Over the long term, Singapore has therefore experienced very healthy growth in international tourism numbers. Since the drop in 2009 (during the GFC), tourism numbers have increased by almost 1.1 million per annum. This is a very strong result,

considering that visitorship actually fell in 2014 (-3.0%). In recent years, this growth has been driven by a wide range of countries, particularly Hong Kong, China, South Korea, Taiwan and India. This strong growth has resulted in tourists accounting for a high 16.0% of total retail sales in Singapore.

Notwithstanding relatively soft growth currently, Urbis expects to see an increase of around 480,000 tourists per annum over the next five years, with growth picking up post-2017. This forecast represents a substantial moderation in growth relative to that over the previous decade due to an expected moderation in the global tourism growth rate but also continuing softer economic conditions in many of Singapore's key source markets.

Retail Sales

Singapore's retail market is currently experiencing one of its most difficult periods in recent history. Over the past three years, retail sales have grown by an average of 0.1% per annum, compared to 5.1% over the past seven years which included the GFC. We have already discussed many reasons for this – low population growth, slow economic growth and poor tourism growth.

2015 has been another weak year for retail sales growth, with sales falling by 0.3%, following a drop of 0.4% in 2014. This performance reflects many of the underlying issues currently impacting the Singapore's economy, in particular a lack of inflation in consumer goods. There has been almost no difference between real and nominal (inflated) growth in retail sales over the past few years.

We expect 2016 to be another relatively difficult year, with only a marginal improvement in retail sales growth. Singapore's economic performance in 2016 is unlikely to significantly outperform 2015, meaning income and employment growth will remain soft.

However, we remain more optimistic over the medium and longer term, and expect retail sales to grow at an average of between 3.0% and 3.5% per annum between 2017 and 2020.

Independent Retail Market Overview

Retail Supply

Our forecast supply of retail space for Singapore takes into account forecast annual completions of shopping centres as well as allowance for other new retail floor space and some obsolescence of space.

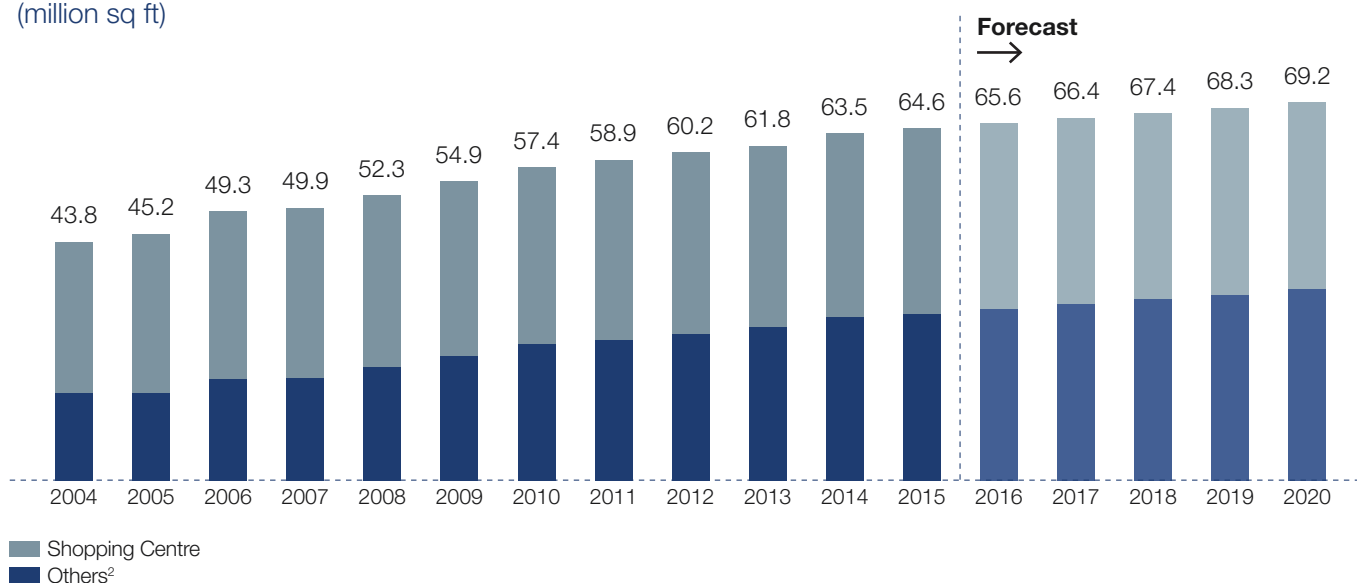
For retail floor space additions, the forecast takes into consideration current projects in the supply pipeline captured by Urban Redevelopment Authority (URA) as well as other future projects. Some examples of new malls include the Tampines Town Hub, Project Jewel, and Hillion Mall.

We have also taken into account potential additional retail floor space that is not yet announced. Overall, we expect to see additional retail floor space of approximately 4.6 million sq ft over the next five years, averaging 0.9 million sq ft of new retail space per annum. This is broadly in line with historic growth.

We estimate that total retail floor space provision for Singapore at the end of 2015 was 64.6 million sq ft. This figure is expected to increase to 69.2 million sq ft by the end of 2020. This represents an average growth of around 1.4% per annum. Over this period, the proportion of total retail floor space occupied by shopping centres is expected to increase from its current level of 47.4% to 50.6% in 2020.

Singapore Retail Floor Space Supply¹

(million sq ft)



Source: Urbis.

¹ As at end of each year.

² Others refer to other forms of retail space such as Housing Development Board's shop space.

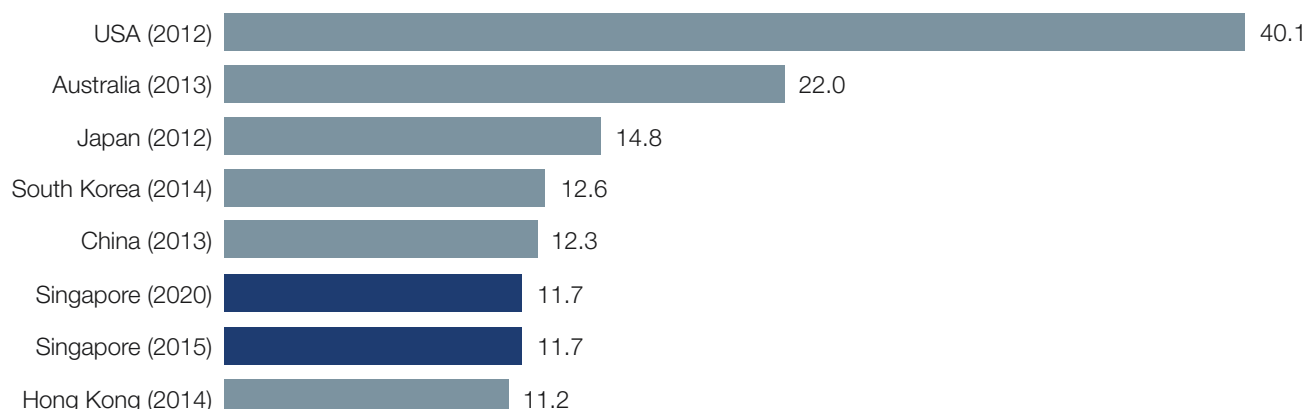
Retail Floor Space Per Capita

Urbis estimates that the provision of retail floor space per capita in Singapore at end-2015 was approximately 11.7 sq ft net lettable area (NLA). On the basis of known forthcoming retail developments, this figure is expected to remain relatively stable

to 2020. The per capita provision of floor space in Singapore is toward the lower end of that in sampled countries, and significantly below countries such as Australia (22.0 sq ft NLA per capita) and United States of America (40.1 sq ft NLA per capita).

Total Retail Floor Space Per Capita

(sq ft NLA)



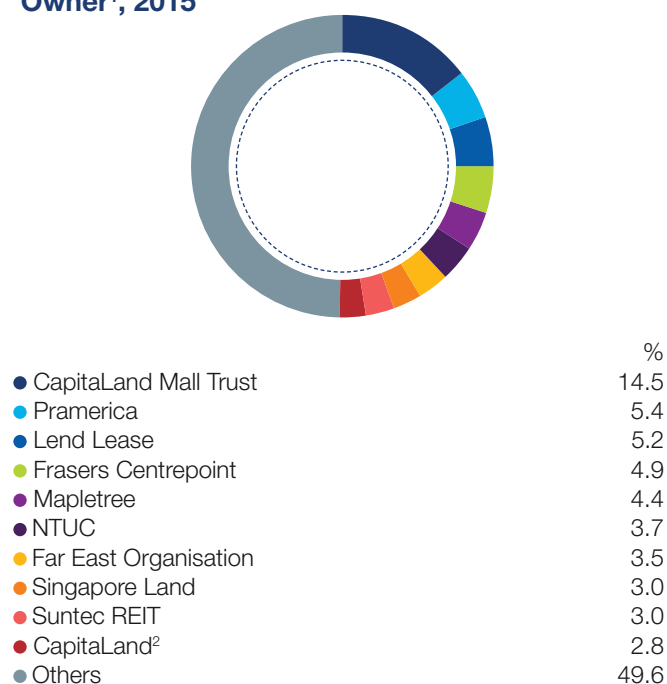
Sources: International Council of Shopping Centres, various statistics agencies and Urbis.

Mall Ownership

CapitaLand Mall Trust (CMT) is currently the largest shopping mall owner in Singapore, owning 14.5% of malls greater than 100,000 sq ft NLA. The next largest owners include Pramerica (5.4%), Lend Lease (5.2%) and Frasers Centrepoint (4.9%). CapitaLand separately owns 2.8% of floor space.

Based on known forthcoming developments, by 2020 we expect CMT's share will decline slightly to 14.4%, while CapitaLand's share will increase to 3.7% due to its stake in Project Jewel.

Share of Major Shopping Malls Floor Space by Owner¹, 2015



Source: Urbis.

¹ Malls greater than 100,000 sq ft NLA as at end-2015. Share of floor space takes into account ownership stake.

² CapitaLand's share only accounts for malls directly owned by CapitaLand and does not include those owned through CMT.

Independent Retail Market Overview

Retail Rents and Occupancy

It is clear that 2015 has been a difficult year for the retail market. As further evidence, 2015 saw the closure of various department stores such as two John Little stores (Marina Square and Tiong Bahru Plaza), a Marks & Spencer (Centrepoint) and an Isetan (Wisma Atria) and the exit of Japanese fashion brand Lowrys Farm amidst a subdued retail landscape. The challenges facing the retail market are ongoing.

The Orchard Road sub-market has been particularly hard hit, attributed to combination of a subdued tourism industry, and increasingly sophisticated retail offerings by suburban malls. These challenges have been exacerbated by strong floor space growth in the Orchard Road sub-market, resulting in occupancy at a historical low of 92.4%.

The problem of rising vacancy and competition from new and refurbished malls, especially those in the suburban areas, has also placed downward pressure on retail rents in the Orchard Road sub-market. In the fourth quarter of 2015, rent fell for the fourth consecutive quarter leading to a rental decline of 1.0% over the 12 months to December 2015. Apart from offering lower rents to retain tenants, landlords have to offer shorter leases of three to six months for pop-up stores in hope of attracting retailers to fill up vacant spaces.

Suburban malls on the other hand have fared slightly better. In 2015, while rents declined by 1.0%, occupancy remained relatively healthy at 94.4%.

Retail rental growth in the short term is expected to be modest as retailers look to consolidate their operations as well as enhance their e-commerce presence in the current tough retail landscape and increasing competition. With new and enhanced malls entering the retail landscape, it is expected that landlords will focus on their tenant mix to remain competitive.

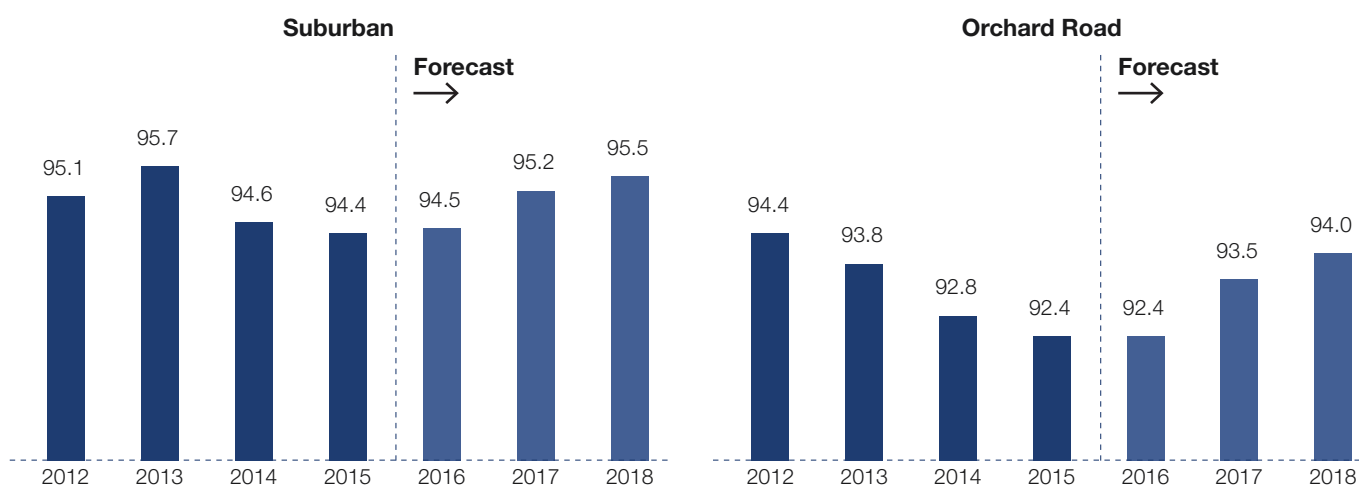
Over the next six to 12 months, we do not expect to see any rental growth in either the Orchard Road or Suburban sub-market. Indeed, we expect the Orchard Road sub-market to see further rent declines as current excess space is re-absorbed.

In the longer term, as the market improves, we expect stronger growth in retail sales to support improved growth in rents as well as improved occupancy.

In the Suburban sub-market, we expect annual rental growth of 1.5% and 2.0% for 2017 and 2018 respectively, slightly higher than our expectation for the Orchard Road sub-market. Occupancy of the Suburban sub-market is already quite healthy, so it is unlikely to change significantly, while at the Orchard Road sub-market the current excess space is expected to be absorbed over this period and this in turn, will increase the occupancy level.

Occupancy Rates Outlook

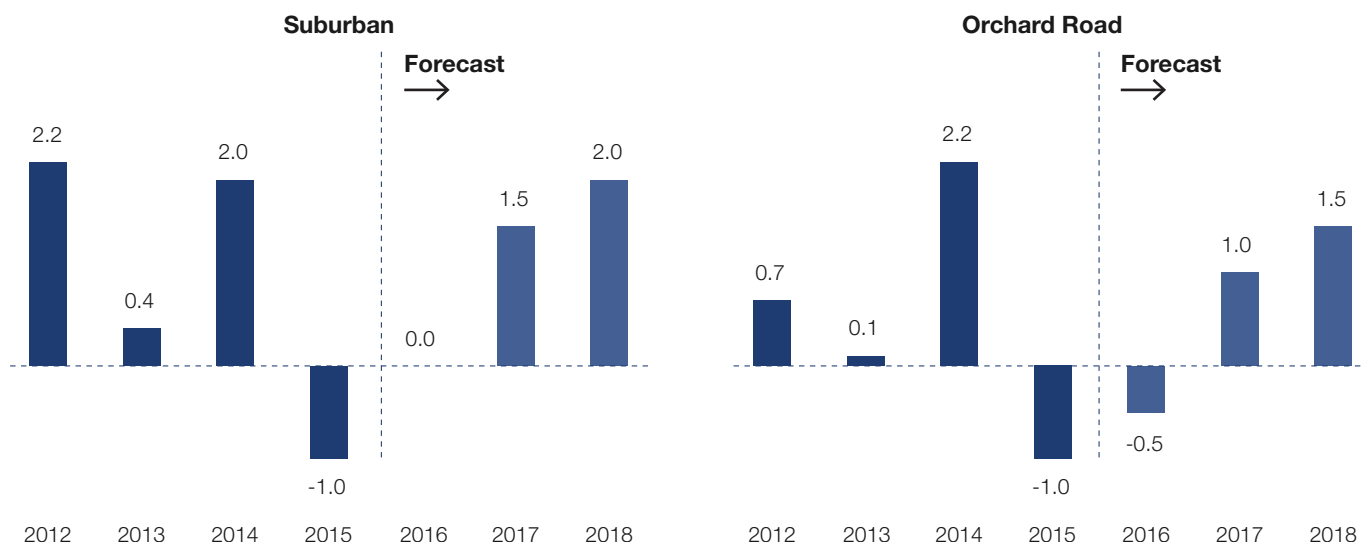
(%)



Sources: URA and Urbis.

Rental Growth Outlook

(%)



Sources: URA and Urbis.

Despite the subdued market conditions, the fundamentals for long-term ongoing rental growth in Singapore remain in place. Underpinned by the growth in Singapore's population, incomes and tourist numbers, retail sales are likely to continue to grow in the long term. Demand for retail space continues to increase as new retailers enter the market and new supply of floor space is absorbed. Singapore remains a favoured location for retailers trying to enter the Asian market.

Conclusions

The past 10 years have seen some quite extreme economic conditions globally. The GFC, a post-GFC boom, the Euro crisis and China's slowdown have all created an economic environment for Singapore that has been difficult to navigate. Economic conditions currently remain quite weak, with retail sales, retail occupancy and rents falling, and workers increasingly hard to source. For mall owners, these conditions create an environment where the quality of mall management becomes crucial. Failure to support tenants, optimise tenant mix, maintain marketing efforts and ensure appropriate capital expenditure is deployed will create significant risk for mall owners.

Conversely, mall owners and managers who are strong operators have an opportunity to further cement their market position as operators who help their tenants and malls successfully navigate this difficult time. Evidence suggests that many mall owners are responding actively, with a number of malls currently being refurbished or redeveloped. Examples include Bukit Panjang Plaza (CMT) and Compass Point (M&G Real Estate).

The threat posed by e-commerce, and the rise of online retailing is a hot topic in Singapore. While concerns remain (particularly in many Asian markets where online retailing remains in a strong growth phase), worldwide mall owners are beginning to realise that online retailing is not going to spell the end of the physical retail mall. Both retailers and mall owners are responding to the threat, and indeed embracing the opportunities that online retailing offers. Evidence from other countries suggests that there is a limit to the share of sales that ultimately get directed online, and as Singapore approaches this limit the ongoing impact of online retailing will diminish.

Independent Retail Market Overview

Despite these difficult conditions, we remain optimistic about the long-term potential of the Singapore market. Singapore continues to exhibit a stable and responsive political environment, well educated workforce, solid population growth, and continues to grow as a tourist destination. History has shown Singapore's capacity to rebound strongly from economic slumps; we see no reason for this downturn to be any different.

The retail market has grown at solid levels over the past decade, supporting ongoing expansion of shopping centre supply. Singapore does not experience the sort of retail oversupply that plagues many unplanned cities as the URA is heavily involved in controlling retail supply; therefore we see no reason for this to change any time soon. This, in turn, has supported good average rental growth at high levels of occupancy.

While our short-term forecasts are for a further six to 12 months of weakness, we expect to see the start of a rebound in 2017, with growth picking up to historic levels in 2018. Over the long term, we expect that Singapore should continue to exhibit solid rental growth at high levels of occupancy.



Jack Backen
Director

Urbis
www.urbis.com.au

29 February 2016

Disclaimer

This report is dated 29 February 2016 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd's (Urbis) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of CapitaLand Mall Trust (Instructing Party) for the purpose of providing a high level overview of the retail market in Singapore (Purpose) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report, and upon which Urbis relied. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

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This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

Singapore REIT Sector

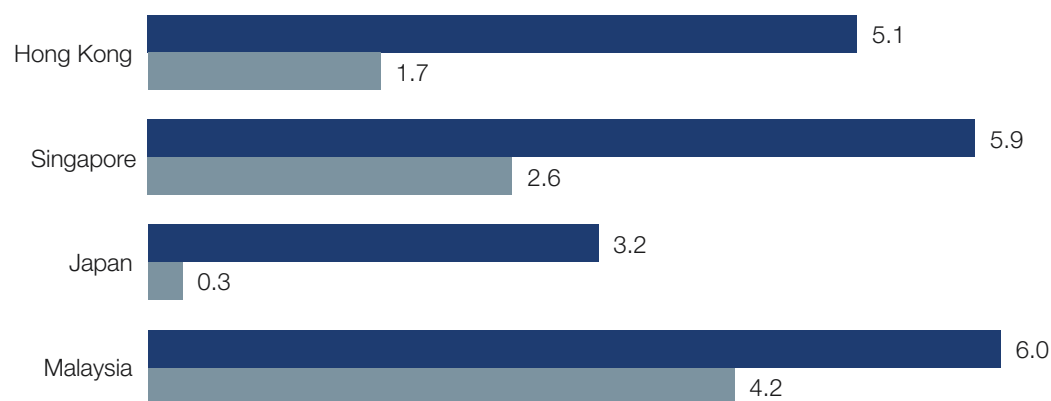
Overview

In 2015, Straits Times Index, FTSE ST Real Estate Investment Trust Index and FTSE ST Real Estate Index declined by 14.3%, 10.7% and 7.2% respectively. The average distribution yield of Singapore real

estate investment trusts (S-REITs) was 5.9% as at 31 December 2015. This was about 329 basis points (bps) above the Singapore Government 10-year bond yield of 2.6% as at 31 December 2015.

Asian REITs' Yield Spreads

(%)



■ REITs' Weighted Average Distribution Yield
■ Government 10-Year Bond Yield

Country	Yield Spread (bps)
Hong Kong	339
Singapore	329
Japan	294
Malaysia	187

Source: Bloomberg.

Singapore REIT Sector

In the 2015 Budget delivered on 23 February 2015, the Singapore Government announced the following extension or enhancement to the tax concessions for listed REITs:

- that the reduced withholding tax of 10.0% on distributions of taxable income to qualifying non-tax resident non-individual unitholders will continue to apply to distributions made from 1 April 2015 to 31 March 2020 (both dates inclusive);
- that the tax exemption on qualifying foreign-sourced income derived from overseas properties will apply so long as the overseas properties are acquired by a REIT or its wholly-owned Singapore tax resident subsidiaries on or before 31 March 2020;
- that the Goods and Services Tax (GST) concession that allows S-REITs to claim GST incurred on the setting up of their various tiers of special purpose vehicles (SPVs) that hold overseas properties, GST incurred by their SPVs on the acquisition and holding of overseas properties, and GST incurred on qualifying business expenses will continue to apply in respect of GST on qualifying expenses incurred up to 31 March 2020. In addition, the GST concession will be enhanced to allow S-REITs to claim GST on business expenses incurred by S-REITs from 1 April 2015 to 31 March 2020 to set up SPVs that are used solely to raise funds for the S-REITs.

The stamp duty remission on the transfer of a Singapore immovable property to a REIT or the transfer of 100.0% of the issued share capital of a Singapore-incorporated company that holds immovable properties situated outside Singapore to a REIT has lapsed after 31 March 2015. Stamp duty at approximately 3.0% on the consideration or the market value, whichever is the higher, will have to be paid by a REIT on any contract, agreement or instrument executed on or after 1 April 2015 for the acquisition of immovable property in Singapore.

From a regulatory standpoint, the Monetary Authority of Singapore (MAS) issued responses to feedback on the 'Consultation Paper on Enhancements to the Regulatory Regime Governing Real Estate Investment Trust (REIT) and REIT Managers'. To implement the changes to the REIT regime, the MAS has issued the Revised Code on Collective Investment Schemes, MAS Notice to all holders of a Capital Markets Services Licence for REIT management and Guidelines to all holders of a Capital Markets Services Licence for REIT management, which became effective on 1 January 2016.

The key changes to these regulations include, amongst others (a) imposing a single-tier leverage limit of 45.0% for all REITs regardless of credit rating and removing the option for a REIT with a credit rating to leverage up to 60.0%, and (b) increasing the development limit of a REIT to 25.0% of its deposited property, subject to certain conditions¹ being met.

In December 2015, the Federal Reserve announced the first interest rate rise since 2006. After holding its benchmark federal funds rate near zero for seven years, the Federal Reserve increased rates by 25 bps. A further increase in the federal funds rate may influence the Singapore Government 10-year bond yield and Singapore Interbank Offered Rate (SIBOR) to increase further and the S-REITs may face the corresponding increase in borrowings costs when financing new acquisitions and refinancing existing debts. To compensate for the higher borrowing costs and achieve better yields, S-REITs will now have to look at how best to achieve growth, for example, by undertaking the development of new assets, asset enhancements, active lease management and proactive asset management to achieve positive rental reversions. In addition, S-REITs need to re-examine and explore various alternatives for capital management.

Looking Forward

The framework for S-REITs has been continually refined since the public listing of the first S-REIT in 2002. We believe that the S-REIT will proactively adapt to the changes introduced to the regulatory regime.

¹ The total contract value of property development activities may exceed 10.0% of a REIT's deposited property (subject to a maximum of 25.0% of the REIT's deposited property) only if:

- (i) the additional allowance of up to 15.0% the REIT's deposited property is utilised solely for redevelopment of an existing property that has been held by the REIT for at least three years and which the REIT will continue to hold for at least three years after the completion of the redevelopment; and
- (ii) the REIT obtains the specific approval of unitholders at a general meeting for the redevelopment of the property.

Marketing & Promotions

PORTFOLIO-WIDE ACTIVITIES

In 2015, our strategic group-level marketing activities focused on building the loyalty of shoppers through customer-centric experiences and rewards that can be enjoyed across all malls. We continue to innovate and leverage on technology to bring greater convenience and delight to the shopping experience.

Our three loyalty programmes, CAPITASTAR, CapitaVoucher and CapitaCard, enjoy strong competitive advantage in the market, as together they form Singapore's largest multi-store, multi-mall integrated rewards platform, that meets shoppers' desire for scale of rewards in loyalty programmes.

CAPITASTAR's membership base in Singapore grew to over 750,000 members as at 31 December 2015. This card-less loyalty programme rewards members with benefits over and above existing credit card and store rewards. Thus uploading of receipts through CAPITASTAR touch points has become an integral part of a shopping visit to our CapitaLand's malls.

In 2015, we increased the maximum daily rewards from 1,000 STAR\$® to 5,000 STAR\$® to further enhance the attractiveness of this programme.

To deliver further convenience to members, the CAPITASTAR mobile application has provided a comprehensive search function that allows members to browse hot deals, store directories and events. 'My Voucher' is a new initiative introduced in 2015 that sends out personalised offers with great savings to members based on their lifestyles.

SPARKS by CAPITASTAR, an under-16 members' programme, was introduced in 2014 to reward our younger shoppers and offer shopping experiences suited to their generation. On Children's Day in 2015, we invited our SPARKS members to meet our mascots at Raffles City Singapore (RCS), in celebration of our SPARKS first anniversary. The members were treated to fun-filled activities.

CapitaVoucher performed well above expectations in 2015, with sales growing by approximately 12.0% year-on-year to a record of over S\$66.0 million worth of committed spending. With its wide acceptance in over 2,000 retail stores in CapitaLand's malls, it remains the most popular shopping voucher in Singapore.

CapitaCard continued to attract repeat shopper spend at our malls. In addition to Capita\$ instant cash rebates, this co-brand card programme offers members exclusive benefits in our malls such as complimentary and privileged parking. Membership continued to grow at a healthy pace.

Committed to enhancing value for our shoppers through digital innovation, we also piloted a new e-commerce platform called 'Food to Go' at RCS. The objective is to provide additional convenience to office workers in Raffles City Tower during meal times. They can order takeaways from the food and beverage (F&B) outlets in RCS through this platform and go down to the outlet to collect only when they receive a text notification that the order is ready. This not only saves time for shoppers but also benefits retailers by expanding the limited seating capacity of the F&B outlets during meal times. In addition, this provides our tenants with another opportunity for additional revenue.

Marketing & Promotions

In addition to our loyalty programmes and digital innovations, we also organised portfolio-wide campaigns such as:

CapitaLand Malls Dream Draw

From January to December 2015, shoppers who spent at participating CMT's and CapitaLand's malls stood a chance to win grand prizes worth over S\$400,000. The grand prizes were a luxury vacation for four on first class flights and five-star accommodation to any of the four continents of North America, South America, Europe or Africa; a Volvo XC60 SUV and a one kilogramme investment grade gold bar. Every month, 16 shoppers walked away with S\$500 CapitaVoucher each.



Grand prize winners of CapitaLand Malls Dream Draw with Teresa Teow, Head, Retail Management, Singapore (second from right)

50% Fashion Cashback

CAPITASTAR members who spent a minimum of S\$60 at any of over 500 participating fashion stores from 14 to 16 October 2015 across participating CMT's and CapitaLand's malls enjoyed 50% cashback in the form of CapitaVoucher. This three-day campaign drove an increase in the volume of transactions and average spend at the fashion stores.

MALL-CENTRIC ACTIVITIES

Each mall also created a series of memorable and unique experiences that further built up shoppers' loyalty to our malls in 2015.

BEDOK MALL

Be Beautiful Korean Fair

Bedok Mall held its inaugural Korean Fair in partnership with tenants where shoppers tasted the best of Korean local snacks and enjoyed special deals on Korean products. Held in conjunction with the fair, children between ages four and 10 were given an opportunity to strut their bold K-pop fashion and perform their talents in the Little K-pop Star Search stage event. To complete the Korean cultural experience, shoppers tried their hands at kimchi and taeguk fan making as well as took photos in a Korean hanbok.



Be Beautiful Korean Fair at Bedok Mall

Christmas Sparkle MR. MEN™ LITTLE MISS™

In celebration of Christmas, Bedok Mall brought in well-loved characters from Mr. Men and Little Miss in a brand new show featuring Little Miss Hug. This was the first character show held in Bedok Mall since it opened. In addition to meet-and-greet opportunities with the characters, children also participated in Christmas workshops to decorate sunglasses and apply glitter tattoo.

BUGIS JUNCTION

ELITE 2015

Bugis Junction partnered with Elite SG Fitness to host ELITE 2015, an inaugural event for the fittest in Singapore. The competition was held over three rounds (Endurance, Power and Beast modes) to bond the community together through sports and fitness. Fitness buffs from different groups including runners, lifters, bodybuilders and yogis participated in this event. Participants had their physical and mental capacities pushed beyond their limits. The fittest man and woman in the competition each won over S\$10,000 worth of cash and prizes.

BUGIS+

PAssion Fest 2015

In conjunction with the Great PAssion Treat, the People's Association organised a two-day PAssion Fest 2015 at Bugis+ with a myriad of hands-on workshops including mosaic art, clay art, balloon sculpting, food styling and tea appreciation for members of the community to come together and learn new skills and interests. An outdoor sports concert was also held where families and friends participated in various mass workout exercises.

BUKIT PANJANG PLAZA

Rewards, Freebies and Prizes!

Shoppers at Bukit Panjang Plaza were showered with a host of shopping treats in March and April 2015. A total of S\$15,000 worth of vouchers from 10 retailers in the mall were given away with a minimum spend of S\$80. In addition, S\$5 CapitaVoucher were also given away with a minimum spend of S\$120. Shoppers could redeem for complimentary parking on weekdays with a minimum spend of S\$30 during lunch and dinner times.

Collective Memories Relived

Bukit Panjang Plaza rekindled many Singaporean childhood memories as the mall celebrated Singapore's Silver Jubilee with a 'Flashback Festival' in July 2015. Hosted at the Garden Plaza, the event presented a glimpse of yesterday's Singapore with traditional games, batik painting workshops and cultural performances. Sweet treats such as ice lollies and drinks were given away to shoppers.

CLARKE QUAY

Summer Live Music Festival

Held twice a month from July to September 2015, Summer Live Music Festival was a celebration of rocking live music, good food and drinks at Clarke Quay. This festival was a collaborative event with notable F&B tenants. The event highlights included live performances by resident and regional bands and local music talents that were complemented with an international food menu featuring signature dishes and snacks.

Oktoberfest 2015

Clarke Quay celebrated its sixth Oktoberfest in 2015. Hosted by Paul Foster and organised in partnership with Erdinger Beer, visitors took pleasure in cheering, dancing, sipping Erdinger beer and savouring German bites sold at food kiosks operated by Clarke Quay's tenants. This event recently won 'Best Drink Event' at SG Magazine Readers' Choice Awards 2015.

Legendary Local Horror Stories

Clarke Quay took a trip back to the past with Legendary Local Horror Stories at its Halloween Party in October 2015. Hosted by Rosalyn Lee, party-goers sang and danced to music by resident bands.

Spectacular Circus Countdown Party

Clarke Quay ushered in the new year with a circus themed countdown event hosted by Mediacorp Radio Class 95FM DJs Justin Ang and Vernon A. There were different zones that party revellers could discover including enticing circus inspired acts, an interactive brass band and twirlers at the taxi stand, or photo opportunities with the magnificent Raven mascot and carousel horse at Read Bridge.

Marketing & Promotions

FUNAN DIGITALIFE MALL

Funan Anime Matsuri

Funan Anime Matsuri (FAM), an iconic cosplay event where shoppers experience Japanese pop culture, was held in Funan DigitaLife Mall for the third year running. Cosplay fans met their favourite celebrity cosplayers from the region including Neneko & Shimo (Taiwan), Baozi & Hana (China), DD Tenka (China) & Fuyuu-Kaji (China) and Angie & Ying Tze (Malaysia). Attendees at FAM were also treated to workshops by top illustrators, a character bento making workshop as well as cosplay photography workshops. Headlining the event's artiste showcase was Bless4, a Japanese vocal and dance group comprising four siblings who wowed fans with their anime theme songs, such as *Stitch is Coming* and *Hitori Jyanai* from Disney's animated series *Stitch*.

Armaggeddon Gaming Festival 2015

Armaggeddon hosted its first ever gaming event at Funan DigitaLife Mall in August 2015. The gaming event was organised to promote e-sports and encourage healthy gaming. Mr K Shanmugam, Minister for Home Affairs and Minister for Law, was the Guest of Honour. Shoppers pit their gaming skills at a range of gaming booths from arcade, computer, console, mobile to board games. The highlight of the event was the DOTA 2 Singapore Finals where the winners were sent to Jakarta to represent Singapore in the DOTA 2 Regional Finals.

IMM BUILDING

Just Bid It

IMM Building (IMM) held its 'Just Bid It!' auction event in August 2015 for the second consecutive year. More than S\$30,000 worth of items, including an OSIM uDivine S massage chair and a LG Ultra HD 55-inch television, were auctioned away. A silent auction element was also added to the event to give shoppers more bidding opportunities.

Singaporewest.sg

IMM, JCube and Westgate launched a lifestyle web portal - Singaporewest.sg - in June 2015, that brands the west of Singapore as a precinct and a destination for shopping, dining and leisure for both locals and tourists. The website highlights the hidden gems of the west such as Little Guilin, while also drawing attention to the comprehensive offerings of dining and shopping

at the three malls through articles such as '5 Must-Shop flagship stores you never knew existed outside of town', '5 Must-Try hotpot restaurants to whet your appetite' and '7 attractions that will make kids (& adults) go gaga'.

IMM, Singapore's Largest Outlet Mall Integrated Marketing Campaign

With an increase in branded outlet offerings to over 80 outlet stores, IMM reinforced its positioning as Singapore's largest outlet mall. In December 2015, IMM embarked on an integrated marketing campaign to publicise the enhanced outlet offerings through radio commercials, print advertorials, train advertisements and social media activation.

JCUBE

Seoul Spicy Noodle Challenge

The Seoul Spicy Noodle Challenge was held in JCube as part of the 'Celebrate Korea' campaign from May to July 2015, in search of the spiciest noodle eater in Singapore. The challenge was to finish three bowls of Korean Samyang spicy noodles of different level of spiciness. The contest garnered more than 250 participants, with the youngest contestant being only 10 years old. The winner was a 37-year-old freelance photographer who won a pair of tickets to Seoul and a LANEIGE hamper. He also set a new record of 19.26 seconds in the Singapore Book of Records for the fastest time to complete eating a packet of spicy noodles.

Scream Fest – The Toy Maker's Maze 2015

Following the success of the first edition of JCube's Halloween maze event, the mall held the second edition of the haunted maze called the Toy Maker's Maze. The maze was very well received with about 300 people walking through it every day, about 20.0% higher than the previous year.

Sub-Zero Party On Ice

In celebration of Singapore's jubilee year, JCube and The Rink came together to organise a three-night party on the Olympic-size ice rink in August 2015. A third of the ice rink was carpeted and converted into a dance floor where skaters and non-skaters danced and partied on ice until the wee hours of the night.

JUNCTION 8

Let's Play Pretend

During the March school holidays, Junction 8 created real-life scenarios for children to play dress up and experience their ideal jobs as a doctor, policeman, pilot and more. Children were rewarded with CAPITASTAR SPARKS programme star coins upon completion of each job. The top five CAPITASTAR members with the highest spending during this promotion period each won a two-night stay in Equarius Hotel.

Circus On The Go

Junction 8 surprised shoppers with a series of comedic circus acts from Australia during the Great Singapore Sale. In a cleverly crafted circus story with gravity-defying chair balancing acts, funny slapstick acrobatics and bucket drumming, the circus acts livened up corners of the mall and delighted shoppers of all ages. Action-packed circus workshops were also conducted for children to learn juggling, street drumming and hula-hooping.

Strawberry Shortcake Live Show

Children were treated to live performances by Strawberry Shortcake and her friends, Lemon Meringue and Blueberry Muffin at the Strawberry Shortcake Christmas Show at Junction 8. Children also got up close and personal with their favourite characters through tea parties, princess makeovers as well as a photo opportunity with Strawberry Shortcake's strawberry scented house.



Strawberry Shortcake Live Show at Junction 8

LOT ONE SHOPPERS' MALL

Inside Out – A Celebration of Arts In Life

An eclectic line-up of performances delighted shoppers at Lot One Shoppers' Mall as the arts were brought to the masses as part of the mall's Great Singapore Sale event in June 2015. In partnership with Act 3 International, four refreshing interactive street art performances from Australia, Canada, the United Kingdom and Spain were presented close-up to shoppers.

The Kendama Challenge

Riding the wave of the Kendama popularity, Lot One Shoppers' Mall hosted three action-packed days of Kendama workshops and tournament during the Children's Day weekend in October 2015. Participants who attended the workshops learned tips and tricks from other Kendama enthusiasts and had jamming sessions with the professionals. The event culminated in a tournament where over 150 kids and parents turned up for the Kendama Challenge competition. The top three winners walked away with over S\$1,000 worth of prizes each.

A Razzle Dazzle Christmas

Lot One Shoppers' Mall ushered in Christmas with the exhilarating 'Jungle Book Circus – A Circus Musical' show for the very first time in Singapore. This stage adaptation of Rudyard Kipling's beloved classic tells the tale of man cub Mowgli and his entourage of animal friends. The Canadian cast performed stunning acrobatics, circus and aerial acts together with their rendition of popular tunes such as 'I Want You', 'Eye of the Tiger' and 'The Lion Sleeps Tonight' to the delight of both the young and the young at heart.

Marketing & Promotions

PLAZA SINGAPURA

PS BabyStar

Back for its third edition, Plaza Singapura held its PS BabyStar event during the March school holidays looking for babies aged six to 18 months with the loveliest and sweetest smiles. The event attracted more than 700 participants and the winner of PS BabyStar 2015 was featured on the cover of Mother & Baby magazine. An Instagram contest was also held for families to submit their Best Loving Family Portrait.

Dinosaurize Me

During the June school holidays, Plaza Singapura and the Singapore Science Centre jointly organised the 'Science in the Mall' programme where shoppers had the opportunity to get up close with the colossal, life-size Argentinosaurus exhibit, which measures approximately 37 metres long and seven metres tall. Families and children were also engaged in multi-sensory activities, such as Dino Stop-Motion Animation, dinosaur-themed craft workshops, weekend science shows and an exploratory digging pit for kids to enter and uncover hidden dinosaur fossils.



Dinosaurize Me at Plaza Singapura

Flavours of the World

Plaza Singapura held its second annual live gourmet event from 28 July to 9 August 2015, in partnership with Cold Storage, which attracted hundreds of foodies and wine connoisseurs. The epicurean event brought together unique flavours from around the world, with its wide array of oyster bars, exquisite meat carving stations, an extensive selection of beers, ciders and wines, as well as the exclusive launch of new-to-market snacks.

RAFFLES CITY SINGAPORE

Spring Awakens

Spring Summer 2015 hottest styles and prints were brought to life to shoppers at Raffles City Singapore with nine runway shows choreographed by renowned show producer, Jerome Awasthi. The runway shows were set to the theme of fantasy with 3D life-size blooms lining the runway to drum up interest in the latest fashion collection. Many fashion power houses participated in this event.

A Magical Grandeur

Raffles City Singapore transformed Christmas in the mall to a wonderland of tales, anchored by its iconic 19-metre Christmas tree. The Christmas tree came with a built-in tree house and recess cave that glowed with multi-coloured lights at night. It offered multiple photo opportunities such as under the giant mushroom, or a pose inside the cave with the butterflies. Raffles City Singapore also brought in the Angelina Ballerina live show.

SEMBAWANG SHOPPING CENTRE

Brickmania

Shoppers were treated to an exhibition of impressive LEGO® builds of superheroes and villains, as well as activities such as building competition and a treasure hunt at Sembawang Shopping Centre in June 2015. They were also able to bring home their very own LEGO® superhero figurine with a minimum spend of S\$80. Shoppers and LEGO® enthusiasts were able to get their hands on rare and limited edition LEGO® sets at the Brick Bazaar.

School's out with Mongni

During the school holidays in September 2015, Mongni, a popular character from Korea, got up close and personal with the shoppers in Sembawang Shopping Centre. Along with her, she brought fun and games such as 'Decorate Mongni's Room' where participating shoppers received a goodie bag and a chance to win CapitaVoucher. There was also a fun colouring corner where kids were able to bring home their very own Mongni art.

TAMPINES MALL

Spring Kyushu Fair

Kyushu Fair returned to Tampines Mall for the sixth consecutive year. Jointly organised with Isetan, this iconic event, held in April 2015, offered Kyushu's major agricultural products from Fukuoka, Kumamoto and Miyazaki. Highlights of the fair included amaou strawberry, kansho sweet potato, deep fried kibinago fish, baked cheese cake, plum and fruit jelly. A lucky draw was also held, with the top prize being air tickets to Fukuoka.

Summer Hokkaido Fair

Tampines Mall celebrated its 10th year of Hokkaido Fair. Jointly organised with Isetan, the fair had an exciting array of Hokkaido delicacies such as minoya ramen, Hokkaido seafood barbecue, boiled king crab leg and snow crab shabu shabu set, dosanko yaki and several Hokkaido confectioneries. There was also a Hakodate Tomoe Taiko Shinkokai drum performance at the main concourse to wow the crowd.

WESTGATE

Westgate Spring/Summer 2015

In collaboration with FEMALE Singapore magazine, seven fashion labels were featured in a first-ever fashion show choreographed creatively in the natural setting of the courtyard. Shoppers were also treated to a weekend of fashion and beauty activities including hair styling, nail services, makeover, fashion displays and exclusive discounts at the fashion stores.

Westgate Wonderland Halloween Party

Westgate Wonderland hosted its very first Halloween party with more than 1,500 shoppers in a magical themed setting. The event included fun-filled activities such as face painting, game stations, instant photo booth, roving Halloween characters and giveaways.

Westgate Galatica Odyssey

Christmas at Westgate brought shoppers into outer space as they could hop on board a Christmas spaceship and gun down aliens with NERF gun in three different dimensions, specially created with special effects and 3D build set. Shoppers could take a selfie at an instant photo booth after they completed their galactic journeys.

Our Tenants



ROBINSONS GROUP

Our partnership with CapitaLand has been strong and sustainable. Our mission as a department store is to ensure that we consistently provide an enjoyable experience for our customers. We therefore choose to work only with landlords who are reliable, professional and capable, such as CapitaLand Mall Trust. As a department store which offers a wide range of products under one roof, we see ourselves as a strong key tenant in the malls where we have a presence. Robinsons brings additional value through our strong marketing initiatives and established loyalty card programme. We will continue to develop our strengths together with CapitaLand as we both strive to stay on top of market trends.

Mr Christophe Cann, *Group Chief Executive Officer - Asia*

HAI DI LAO

Our strategic partnership with CapitaLand began in China more than seven years ago. In March 2012, we launched our first Singapore outlet in Clarke Quay. Today, two out of three of our local branches are in CapitaLand malls. We believe in tapping on local resources to serve the local market. We have certainly benefitted from CapitaLand's efficient tenant support, in-depth local expertise and great attention to customer needs. We look forward to further strengthening our relationship and expanding our presence to other CapitaLand malls.

Mr Wang Jin Ping, *Regional General Manager*



AMORE PACIFIC



At Amore Pacific, we aim to constantly upgrade our stores and evolve to meet market trends as we fulfil our vision of becoming the Asian Beauty Creator. We are happy to find a partner in CapitaLand, a leading retail real estate player with an extensive network of quality malls and strong mall management expertise. CapitaLand keeps us updated on its developments so that we can build a beneficial partnership to deliver a positive shopping experience for customers.

Mr Robin (Jung Kyun) Na, *Senior Vice President, Amore Pacific ASEAN*

FEI SIONG

CapitaLand Mall Trust continually reinvents its malls and introduces innovative marketing activities aimed at driving shopper engagement and satisfaction. We have a strong relationship with CapitaLand, which has always been supportive of our business since we opened our first kiosk in Plaza Singapura. We look forward to continued strong support from CapitaLand's professional and efficient leasing team, which has helped us to successfully grow our brands and business in Singapore.

Mr Tan Kim Siong, *Group Managing Director*





COTTON ON

We opened in Plaza Singapura in 2007 and currently operate 18 stores in CapitaLand Mall Trust malls. CapitaLand is a supportive and professional landlord that understands retail mix and the importance of brand management. We engaged CapitaLand actively when managing the growth of our six brands in Singapore: Cotton On, Cotton On Kids, Cotton On Body, Rubi Shoes, Typo and Factorie. CapitaLand worked closely with us to expand our Singapore presence to our current 62-store portfolio. The Cotton On Group has over 1,400 stores globally in 17 countries. CapitaLand is our largest landlord partner in Asia - a key market for our group. CapitaLand's attention to detail and unwavering focus on retail mix, plays a big part in the development of our strong partnership.

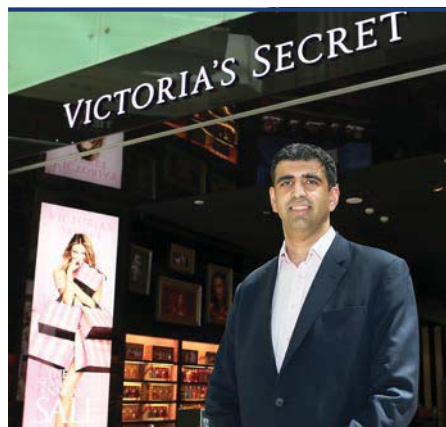
Mr Andrew Woolcock, *Director – International Property*

CapitaLand Mall Trust is always ahead of retail trends and has a firm understanding of the local retail scene. In addition, it continually strives to provide a holistic shopping experience for its shoppers. In September 2014, we opened our first Singapore store in Westgate, which is ideally located in a large population catchment area and is directly connected to both the Jurong East MRT and bus interchanges. We are pleased to partner CapitaLand to bring to market our corporate philosophy of enabling our customers to enjoy a creative lifestyle by providing ideas that make one's life more comfortable and enjoyable. We look forward to strengthen our relationship with CapitaLand and to expand to other CapitaLand malls in Singapore and overseas.

Mr Shinji Fujikawa, *General Manager - Japan*



TOKYU HANDS



VALIRAM GROUP

The Valiram Group opened our first store in Raffles City Singapore in 2006. Currently, the brands we have in CapitaLand malls include Victoria's Secret, Kate Spade New York, TUMI and Kate Spade Saturday. We presently operate in Tampines Mall, Raffles City Singapore and Westgate. CapitaLand is a dynamic and forward looking mall operator which understands the meaning of partnership and recognises the importance of building win-win platforms for retailers. The Valiram Group has certainly benefitted from CapitaLand's constant desire to create wonderful retail environments for both shoppers and tenants.

Mr Mukesh Valiram, *Executive Director*

EIGHTEEN CHEFS

At Eighteen Chefs, we not only sell food, we sell a culture. We also train our 'fast and furious' crew to deliver great service in a timely manner. In this digital era, we actively connect with our customers on Facebook. As a F&B business, the three most important things to us are location, location and location. CapitaLand malls are spread across Singapore with locations that suit our needs. Working together with CapitaLand Mall Trust, we are able to attract young people and office crowds to our eateries. Currently, we are at Bugis Junction, Bedok Mall, JCube, Bukit Panjang Plaza and The Star Vista, with plans to foray into other CapitaLand malls.

Mr Benny Se Teo and Mr Andrew Ng, *Chief Creative Officer and Chief Operating Officer*



Our Shoppers



BUGIS JUNCTION

Bugis Junction is conveniently located next to Bugis MRT. There is a wide variety of restaurants and food outlets, which provide a selection of cuisines for lunch or dinner.

Joel and Wai Yong

BEDOK MALL

In Bedok Mall, there is a huge variety of shops and brands that cater to our everyday needs. It also helps that the mall is located so conveniently near the MRT station! We come here two to three times a week.

Junnie and Toby



IMM BUILDING



We like to visit IMM for its wide variety of food options. The outlet concept also provides a different shopping experience for the family.

Natalie, Yoke Mei and Dominic

JUNCTION 8

We love coming to Junction 8 because it's a great place to get groceries, lunches for the kids, gifts and meet up with friends. We come here about twice every week.

Ray and wife





THE ATRIUM@ORCHARD

The mall is convenient to visit after school. I visit the mall because they have restaurants that I frequent. It is good to spend time dining with friends.

Blaine and Abeline

SEMBAWANG SHOPPING CENTRE

We visit Sembawang Shopping Centre mainly because of Daiso and Giant. We also like the food choices here. We visit the mall almost three times a week.

Vikneswary and Thanmooley



TAMPINES MALL



My uncle has been coming here since 1999. We visit Tampines Mall almost three times a week for different purposes. We eat and do our grocery and shopping here. We love this mall very much. It's the best mall in Singapore.

Saleem and family

WESTGATE

We like to come to this mall because of its wide selection of sporting shops. I would come here weekly to exercise at the Fitness First gym. Westgate has a wide variety of food that we enjoy!

Hans and Siti



Portfolio Summary

	Tampines Mall	Junction 8¹	Funan DigitalLife Mall	IMM Building	Plaza Singapura	Bugis Junction	Sembawang Shopping Centre
Gross Floor Area (sq ft)	505,576	376,450	482,097	1,426,504	757,031	577,546	206,087
Net Lettable Area (NLA) (sq ft)	354,688	252,712	298,814	Retail: 422,819 Non-retail: 529,667 Total: 952,486	483,099	398,708	142,835
Number of Leases	165	182	176	582	244	241	76
Number of Car Park Lots	637	305	338	1,324	695	648	165
Land Tenure	Leasehold tenure of 99 years with effect from 1 September 1992	Leasehold tenure of 99 years with effect from 1 September 1991	Leasehold tenure of 99 years with effect from 12 December 1979	Leasehold tenure of 30 + 30 years with effect from 23 January 1989	Freehold	Leasehold tenure of 99 years with effect from 10 September 1990	Leasehold tenure of 999 years with effect from 26 March 1885
Acquisition Year	2002	2002	2002	2003	2004	2005	2005
Purchase Price (S\$ million)	409.0	295.0	191.0	247.4	710.0	605.8	78.0
Market Valuation (S\$ million)	983.0	696.0	367.0	622.0	1,244.0	995.0	114.0
As % of Portfolio Valuation	9.9%	7.0%	3.7%	6.3%	12.5%	10.0%	1.2%
Gross Revenue (S\$ million)	76.8	58.6	33.8	73.1	91.3	83.3	N.A. ⁶
Net Property Income (S\$ million)	56.8	41.9	22.8	46.8	67.8	62.0	N.A. ⁶
Committed Occupancy	100.0%	100.0%	95.3%	Retail: 96.0% Non-retail: 92.1% Total: 93.8%	99.7%	99.7%	99.4%
Annual Shopper Traffic (million)	26.1	31.8	8.5	14.2	26.0	39.5	4.7
Key Tenants (by gross rental income)	NTUC Enterprise, Isetan, H&M, Golden Village, Kopitiam	BHG, NTUC Enterprise, Auric Pacific, Best Denki, Golden Village	Challenger, Newstead Technologies, Pertama Merchandising, Auric Pacific, Cold Storage	Cold Storage, Best Denki, Kopitiam, Daiso, Extra Space Jurong	Robinson & Co., Golden Village, Cold Storage, StarHub, Spotlight	BHG, Auric Pacific, Wing Tai Clothing, Cold Storage, Cotton On	Cold Storage, Yamaha, Auric Pacific, Daiso, NTUC First Campus

N.A.: Not Applicable.

Data as at 31 December 2015.

Gross revenue, net property income and annual shopper traffic were for the year ended 31 December 2015.

JCube	Raffles City Singapore	Lot One Shoppers' Mall	Bukit Panjang Plaza	The Atrium@ Orchard	Clarke Quay	Bugis+	Westgate ²	Bedok Mall ³
316,741	3,449,727	326,152	247,545	576,755	365,708	320,044	593,928	335,877
207,015	Retail: 423,442 Office: 381,267 Total: 804,709	219,841	163,650	Retail: 136,501 Office: 252,308 Total: 388,809	292,006	214,492	411,615	222,464
141	278	155	128	95	72	94	255	203
341	1,045	324	332	127	424	325	600	265
Leasehold tenure of 99 years with effect from 1 March 1991	Leasehold tenure of 99 years with effect from 16 July 1979	Leasehold tenure of 99 years with effect from 1 December 1993	Leasehold tenure of 99 years with effect from 1 December 1994	Leasehold tenure of 99 years with effect from 15 August 2008	Leasehold tenure of 99 years with effect from 13 January 1990	Leasehold tenure of 60 years with effect from 30 September 2005	Leasehold tenure of 99 years with effect from 29 August 2011	Leasehold tenure of 99 years with effect from 21 November 2011
2005	2006	2007	2007	2008	2010	2011	2011 ⁴	2015
68.0	2,166.0 (100.00%) 866.4 (40.00% interest)	243.8	161.3	839.8	268.0	295.0	969.0 (100.00%) 290.7 (30.00% interest)	780.0 ⁵
288.0	3,136.0 (100.00%) 1,254.4 (40.00% interest)	510.0	303.0	735.0	389.0	340.0	1,064.0 (100.00%) 319.2 (30.00% interest)	780.0
2.9%	12.6%	5.1%	3.0%	7.4%	3.9%	3.4%	3.2%	7.9%
24.4	93.7 (40.00% interest)	43.9	26.6	51.4	34.9	32.5	24.5 (30.00% interest)	14.3
13.1	69.2 (40.00% interest)	30.7	17.2	39.0	20.9	22.0	16.9 (30.00% interest)	10.3
88.0%	Retail: 99.6% Office: 98.7% Total: 99.2%	99.8%	97.8%	Retail: 95.0% Office: 100.0% Total: 98.2%	88.2%	99.2%	97.6%	99.9%
12.4	33.8	17.7	13.1	25.6	11.0	21.4	44.5	17.7
Shaw Theatre, Kopitiam, Cold Storage, Singapore Sports Council, McDonald's	Robinson & Co., Wing Tai Clothing, Minor Food Group, Auric Pacific, Cold Storage	NTUC Enterprise, Auric Pacific, Courts, BHG, Euro Group	NTUC Enterprise, Kopitiam, KFC/Pizza Hut, Cold Storage, McDonald's	Temasek Holdings, Wing Tai Clothing, Auric Pacific, Fullerton Fund Mgt, Standard Chartered Bank	The Quayside Group, Shanghai Dolly, Katrina Holdings, Attica, VLV Pte Ltd	Hansfort Investments, Wing Tai Clothing, RSH Singapore, Jay Gee Enterprises, Fast Future Brands Singapore	Isetan, BreadTalk, Courts, Samsung, Fitness First	NTUC Enterprise, Wing Tai Clothing, BreadTalk, McDonald's, Best Denki

1 Excludes Community and Sports Facilities Scheme (CSFS) space for gross floor area, NLA and committed occupancy.

2 All information (except the purchase price) reflect only the retail component of the integrated development. The purchase price reflects the total land price of the integrated retail and office development.

3 The acquisition of Bedok Mall through Brilliance Mall Trust was completed on 1 October 2015.

4 Refers to the year in which the development site was acquired.

5 The agreed market value of Bedok Mall as reflected in the CMT's circular dated 20 August 2015.

6 For Sembawang Shopping Centre and Rivervale Mall (which was sold on 15 December 2015), the gross revenue and net property income for the year ended 31 December 2015 were S\$24.1 million and S\$14.9 million respectively.

Portfolio Details

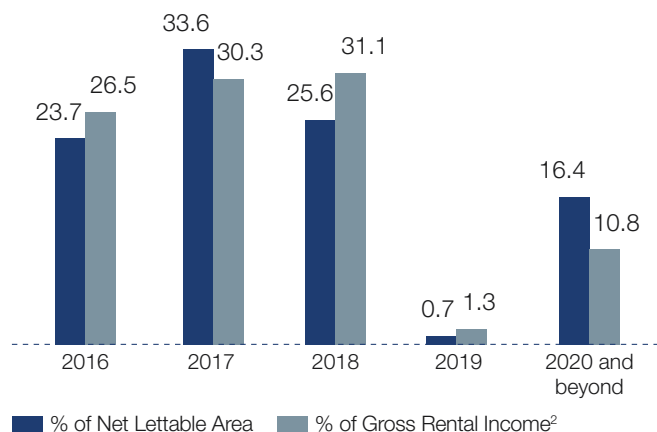
Tampines Mall

Located in the densely populated residential area of Tampines, Tampines Mall is one of Singapore's leading suburban malls. It is conveniently situated within the Tampines Regional Centre, the first and most developed regional centre in Singapore, and accessible via the Tampines Mass Rapid Transit (MRT) Station and bus interchange. To meet the needs of middle income consumers living and working around the bustling Tampines Regional Centre, Tampines Mall provides a wide variety of shopping, dining and entertainment options for families, professionals and young adults.

In 2015, Tampines Mall completed phase one of its asset enhancement initiatives (AEI) which includes converting its Level 5 open roof into new leasable space to house well-known educational tenants, and reconfiguring levels 2 and 3 to bring in new fashion offerings. The AEI also included a new facade and covered linkway to Tampines MRT Station. Phase two of its AEI will entail replacement of the main atrium fascia and balustrade as well as refreshing of its interior finishes.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	28.7
Fashion	13.1
Beauty & Health	11.0
Services	7.5
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	7.1
Jewellery & Watches	6.1
Supermarket	5.6
Department Store	5.1
Shoes & Bags	4.3
Leisure & Entertainment / Music & Video	3.8
Education	3.2
Electrical & Electronics	2.3
Information Technology	2.2
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

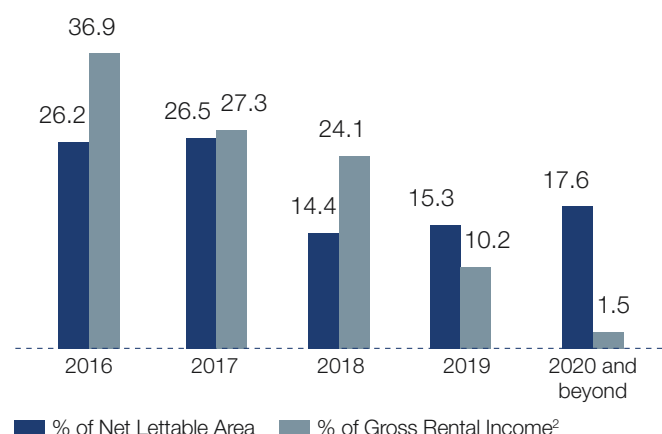
² Excludes gross turnover rent.

Junction 8

Junction 8 is located in the densely populated residential area of Bishan, being well served by the Bishan MRT interchange station and bus interchange. It extends its reach well beyond its immediate vicinity. As the only shopping mall in Bishan, Junction 8 is positioned as a one-stop shopping, dining and entertainment destination catering to the needs of residents from the surrounding estates, office workers in the area and students from nearby schools.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	32.7
Beauty & Health	12.7
Fashion	12.7
Services	6.0
Department Store	5.7
Supermarket	5.2
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	4.9
Electrical & Electronics	4.5
Shoes & Bags	4.2
Leisure & Entertainment / Music & Video	3.8
Jewellery & Watches	2.6
Information Technology	1.9
Office	1.5
Home Furnishing	1.1
Education	0.5
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

Portfolio Details

Funan DigitaLife Mall

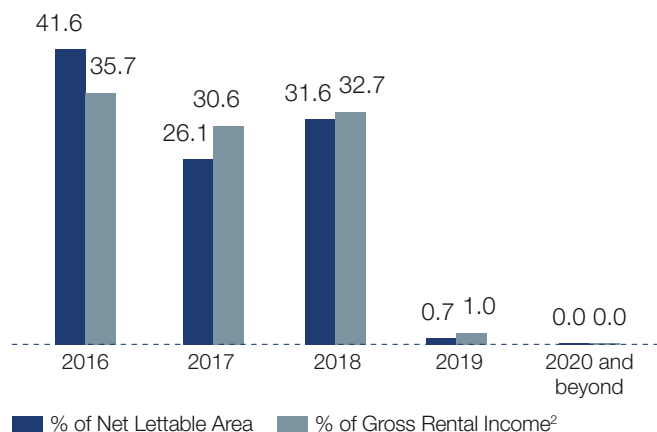
Funan DigitaLife Mall (Funan) enjoys an excellent location in the downtown core and tourist belt of Singapore. Located in the heart of the city's Civic and Cultural District, it is within walking distance of the City Hall MRT interchange station and the Clarke Quay MRT Station. Funan is in close proximity to the riverside dining and entertainment precincts as well as cultural landmarks.

To maximise the full potential of its site, we will be redeveloping Funan into an integrated development that is set to complement the transformation of the Civic and Cultural District.

The mall is expected to close in the third quarter of 2016, with redevelopment works commencing soon after and taking about three years.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Information Technology	35.3
Food & Beverage	18.1
Electrical & Electronics	13.1
Beauty & Health	7.6
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	6.9
Services	5.7
Home Furnishing	4.2
Education	3.9
Shoes & Bags	1.9
Leisure & Entertainment / Music & Video	1.2
Jewellery & Watches	1.1
Supermarket	1.0
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

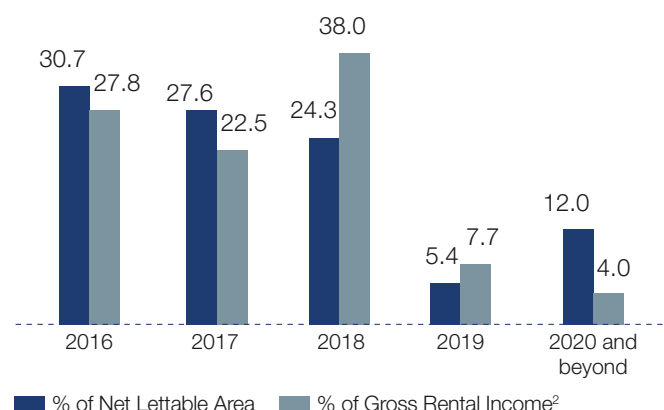
IMM Building

IMM Building (IMM) is located in the west of Singapore, within walking distance of the Jurong East MRT interchange station and bus interchange. Besides its proximity to the surrounding residential estates, IMM is close to major office and industrial developments. Shoppers to IMM enjoy the convenience of shuttle bus services that ply between the mall, JCube and Westgate.

With the completion of phase two of its repositioning exercise as a value-focused mall in November 2015, IMM is the largest outlet mall in Singapore, with 85 outlet stores. In addition, a new elevated walkway linking IMM to Devan Nair Institute was built to connect it to Westgate and Jurong East MRT interchange station.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	22.8
Warehouse / Office	15.4
Home Furnishing	13.5
Fashion	9.4
Supermarket	6.9
Shoes & Bags	6.0
Beauty & Health	5.9
Electrical & Electronics	5.4
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	5.3
Services	5.1
Jewellery & Watches	2.2
Department Store	1.5
Information Technology	0.6
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

Portfolio Details

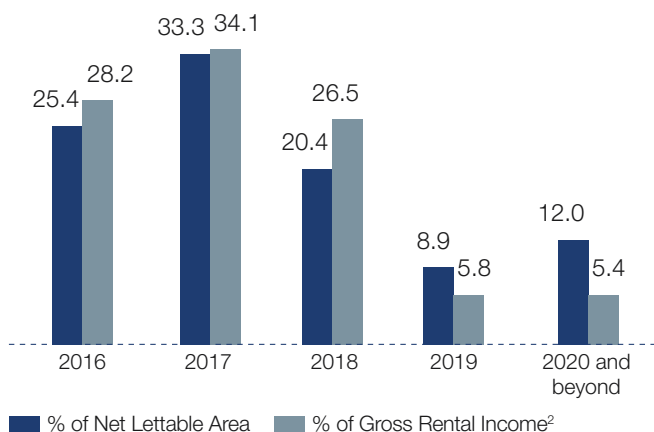
Plaza Singapura

Plaza Singapura is located along Orchard Road, Singapore's main shopping belt, and in the Civic and Cultural District. The mall enjoys a direct Basement 2 link to the Dhoby Ghaut MRT interchange station, which connects three MRT lines – the North South Line, the North East Line and the Circle Line.

The mall's broad-based positioning, coupled with its wide range of retail offerings to cater to the needs of families and friends, allows it to attract a wide range of shoppers from all over Singapore. Plaza Singapura is seamlessly connected to the retail podium of The Atrium@Orchard via internal walkways on levels 1, 3 and 4.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	25.7
Beauty & Health	10.8
Services	9.2
Fashion	9.1
Department Store	7.7
Shoes & Bags	7.4
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	6.7
Home Furnishing	6.2
Leisure & Entertainment / Music & Video	5.4
Jewellery & Watches	4.2
Supermarket	3.8
Education	2.5
Information Technology	1.0
Electrical & Electronics	0.3
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

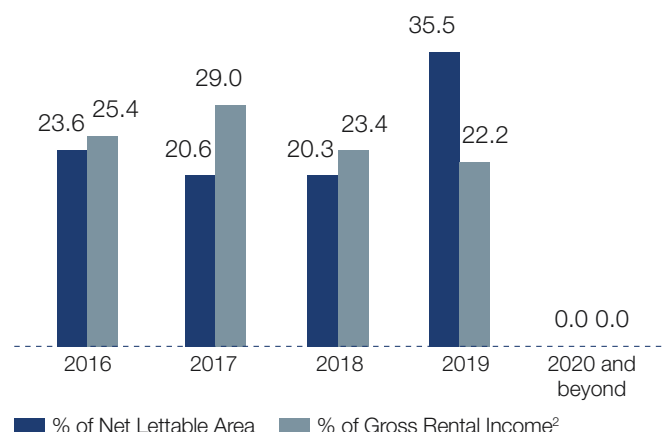
Bugis Junction

Located in the heart of Singapore's Civic and Cultural District, Bugis Junction enjoys direct connectivity to the Bugis MRT Station from the basement level, and is well served by major public bus routes. In line with its close proximity to the Singapore Management University, LASALLE College of the Arts and School of the Arts, Bugis Junction is positioned as a modern fashion destination mall with exciting dining choices for young adults and professionals. Bugis Junction also has Singapore's first and only air-conditioned sky-lit shopping streets flanked by charming historic shophouses, representing a showcase of new and old-world integration.

Bugis Junction is directly connected by an overhead link bridge to Bugis+. The integration of the two malls further strengthens its overall attractiveness to shoppers with a combined net lettable area of more than 600,000 sq ft of retail space.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	29.7
Fashion	20.9
Department Store	11.6
Beauty & Health	9.2
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	6.5
Shoes & Bags	5.5
Jewellery & Watches	4.9
Services	4.0
Leisure & Entertainment / Music & Video	3.0
Supermarket	2.9
Information Technology	1.4
Electrical & Electronics	0.4
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

Portfolio Details

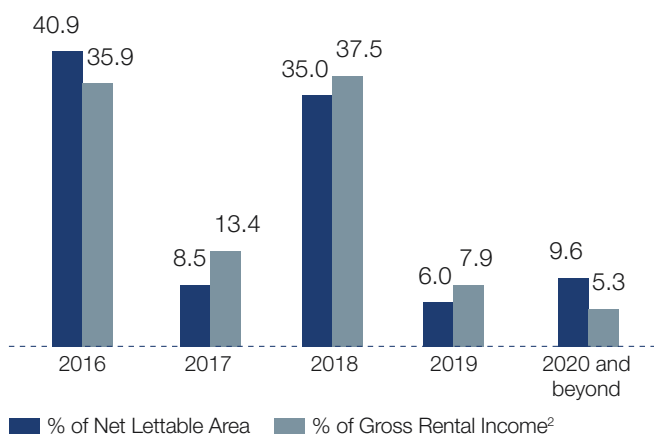
Sembawang Shopping Centre

Sembawang Shopping Centre (SSC) is situated in close proximity to Sembawang MRT Station and Yishun MRT Station. The mall provides shuttle bus services which ply between SSC and the neighbouring towns including Sembawang, Yishun and Woodlands. On weekdays, SSC also operates lunch-time shuttle bus services to the nearby industrial estates.

With its positioning as a one-stop family-oriented necessity shopping destination, SSC brings to its shoppers a good mix of food and beverage (F&B) tenants, established retailers and a hypermarket, which appeals to the residents from the surrounding estates, uniformed personnel from nearby military camps, as well as workers from the neighbouring industrial parks. The mall also holds a strong cluster of enrichment and educational tenants. This offers a wide variety of developmental classes for children and students, strengthening its focus as a family-oriented mall.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	26.0
Supermarket	16.3
Beauty & Health	12.8
Education	10.9
Fashion	9.2
Department Store	6.0
Home Furnishing	5.7
Services	4.0
Leisure & Entertainment / Music & Video	3.0
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	2.8
Information Technology	1.5
Shoes & Bags	1.2
Jewellery & Watches	0.6
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

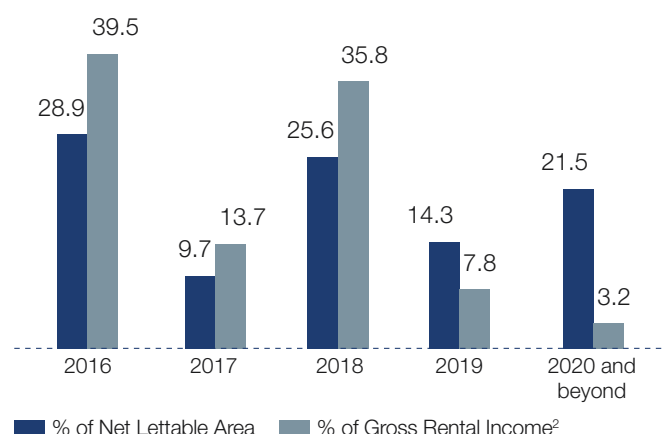
JCube

Located across the road from the Jurong East MRT interchange station and bus interchange, JCube is a leisure and entertainment mall with Singapore's only Olympic-size ice rink and the first IMAX theatre in the suburbs. In addition, the mall offers a good variety of F&B options for its shoppers.

In JCube, a retail zone - J.Avenue offers chic and affordable merchandise and features a street shopping ambience. The retail concepts at J.Avenue will be refreshed throughout the year so that shoppers will continue to discover something new every season.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	40.0
Leisure & Entertainment / Music & Video	12.3
Fashion	12.1
Beauty & Health	11.5
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	6.5
Services	5.5
Supermarket	4.6
Information Technology	2.3
Department Store	1.6
Shoes & Bags	1.4
Jewellery & Watches	1.0
Education	0.8
Home Furnishing	0.4
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

Portfolio Details

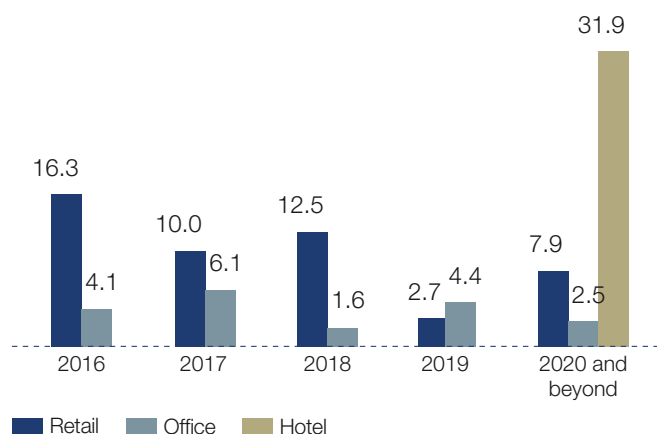
Raffles City Singapore

Raffles City Singapore (RCS) is a large integrated development in Singapore. A prime landmark located in the downtown core, at the fringe of Singapore's Central Business District, and within the Civic and Cultural District. RCS is served by three main MRT lines, directly connected to the City Hall MRT interchange station and the Esplanade MRT Station. The integrated development comprises Raffles City Shopping Centre, Raffles City Convention Centre, Raffles City Tower, Swissôtel The Stamford and Fairmont Singapore.

CapitaLand Commercial Trust (CCT) and CMT jointly own the integrated development through RCS Trust, the special purpose trust that holds RCS. RCS Trust is 60.00% owned by CCT and 40.00% owned by CMT.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis - Retail Only

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	29.4
Fashion	21.3
Department Store	13.9
Others ³	9.0
Beauty & Health	8.4
Shoes & Bags	7.5
Sundry & Services	5.2
Supermarket	2.5
Gifts & Souvenirs	1.5
Jewellery / Watches / Pen	1.3
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

³ Others include Luxury, Books & Stationery, Sporting Goods, Electrical & Electronics, Home Furnishing, Art Gallery and Information Technology.

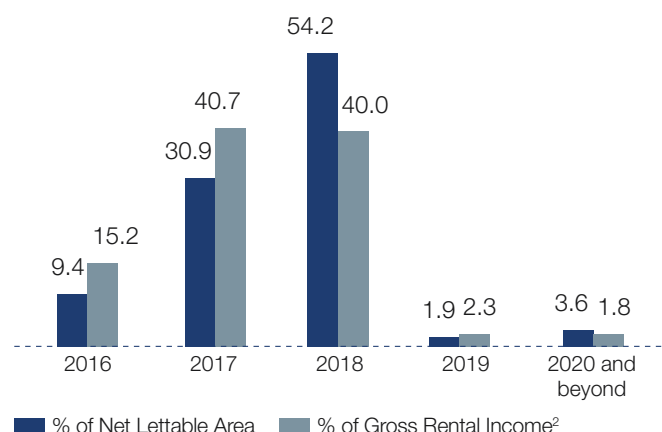
Lot One Shoppers' Mall

Lot One Shoppers' Mall is situated in the heart of the Choa Chu Kang housing estate, in the north-western region of Singapore. The mall is well connected by major arterial roads and is next to the Choa Chu Kang MRT and light rail transit (LRT) stations as well as bus interchange.

The mall enjoys a large shopper catchment, comprising residents from the Choa Chu Kang, Bukit Panjang, Bukit Batok and Upper Bukit Timah precincts, uniformed personnel from military camps in the vicinity, as well as students from nearby schools.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	30.8
Beauty & Health	15.9
Fashion	14.3
Services	8.4
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	5.2
Department Store	4.1
Leisure & Entertainment / Music & Video	4.0
Supermarket	4.0
Shoes & Bags	3.6
Electrical & Electronics	3.5
Jewellery & Watches	2.3
Education	1.8
Information Technology	1.5
Home Furnishing	0.6
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

Portfolio Details

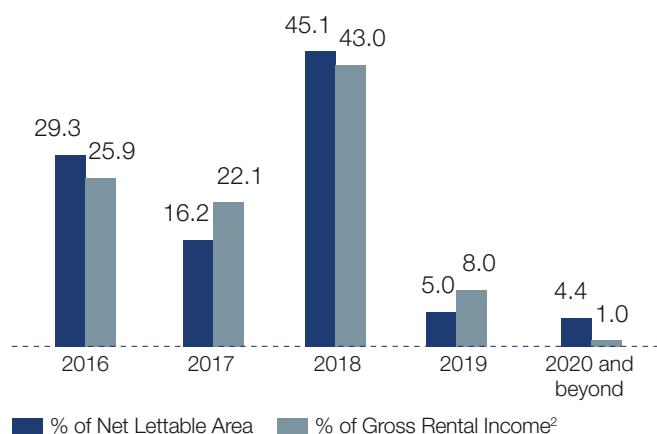
Bukit Panjang Plaza

Bukit Panjang Plaza (BPP) is located in the high-density residential area of Bukit Panjang in the north-western region of Singapore. Besides the surrounding estates of Bukit Panjang, Cashew Park, Chestnut Drive and Hillview, BPP also caters to residents from Teck Whye, Choa Chu Kang and Upper Bukit Timah precincts.

The mall is conveniently located between the Bukit Panjang and Senja LRT stations. It will be adjacent to the Bukit Panjang Integrated Transport Hub, which is scheduled to open in 2017.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	39.6
Beauty & Health	15.7
Services	10.7
Supermarket	10.2
Fashion	5.3
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	4.1
Department Store	3.4
Jewellery & Watches	3.2
Education	2.1
Electrical & Electronics	2.1
Shoes & Bags	1.9
Information Technology	0.9
Home Furnishing	0.8
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

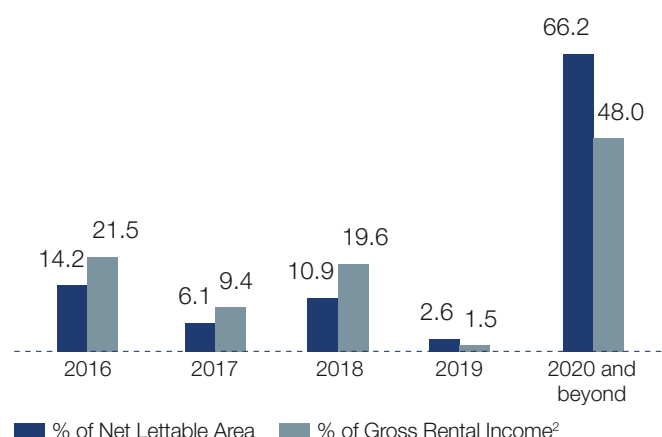
The Atrium@Orchard

Following the completion of an AEI in October 2012, The Atrium@Orchard was transformed from a predominantly office building into a mixed-use development.

The retail podium serves as an extension to Plaza Singapura via internal walkways on levels 1, 3 and 4, and offers more than 135,000 sq ft of additional shopping space. The development also enjoys direct connectivity to the Dhoby Ghaut MRT interchange station, which connects three MRT lines – the North South Line, the North East Line, and the Circle Line.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Office	44.5
Food & Beverage	15.8
Beauty & Health	15.0
Fashion	10.1
Services	9.5
Shoes & Bags	2.1
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	1.9
Home Furnishing	0.9
Electrical & Electronics	0.2
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

Portfolio Details

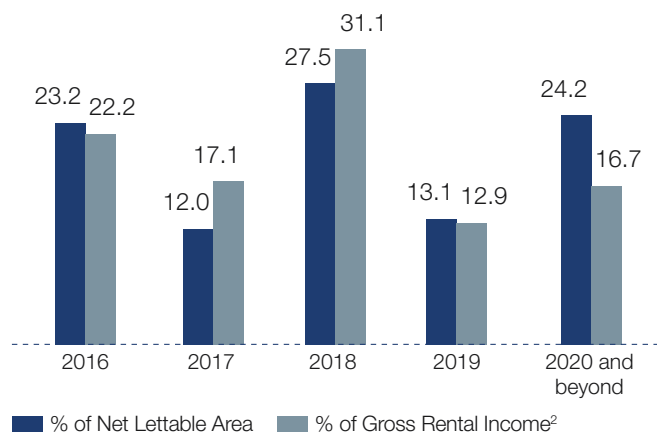
Clarke Quay

Clarke Quay is a unique conserved historical landmark located along the Singapore River and at the fringe of Singapore's Central Business District. It is within walking distance of the Clarke Quay MRT Station, making it accessible by public transportation.

Comprising five blocks of restored shophouses and warehouses infused with funky art-deco structures, Clarke Quay plays host to a wide range of restaurants, wine bars and entertainment spots, and has become an attraction for both locals and tourists over the years.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²		%
Food & Beverage		65.5
Leisure & Entertainment / Music & Video		28.8
Office		5.4
Services		0.3
Total		100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

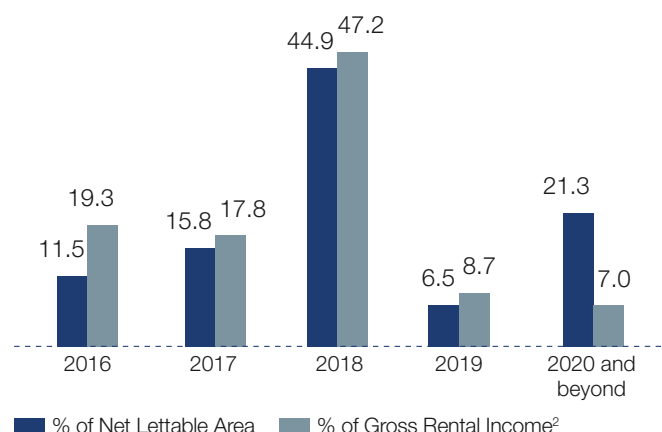
Bugis+

Bugis+ is strategically located within Singapore's Civic and Cultural District and directly opposite Bugis Junction. It is connected by an overhead link bridge to the second storey of Bugis Junction which allows easy access to the Bugis MRT Station.

With the completion of its AEI to improve its efficiency and layout in 2012, Bugis+ is now a vibrant mall with endless entertainment, exciting F&B and stylish fashion offerings, creating a dynamic magnet for fun-seeking trendy youths in the heart of Bugis.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Leisure & Entertainment / Music & Video ³	36.0
Fashion	31.5
Food & Beverage	13.8
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	6.9
Beauty & Health	6.7
Shoes & Bags	2.6
Services	1.9
Jewellery & Watches	0.6
Total	100.0

1 Based on committed gross rental income for the expiry month of the lease.

2 Excludes gross turnover rent.

3 Includes tenants approved as thematic dining, entertainment and a performance centre.

Portfolio Details

Westgate

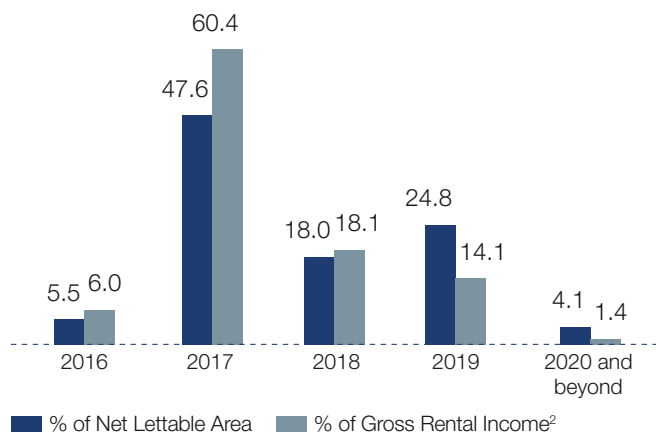
Westgate, the premier family and lifestyle mall in the west of Singapore, offers a city lifestyle shopping experience with many popular brands. Strategically located in Jurong Gateway, Singapore's upcoming largest regional centre, it caters to a catchment population of over a million.

Westgate is the only mall with direct connections to both the Jurong East MRT interchange station and bus interchange, and amenities such as the Ng Teng Fong General Hospital. The mall offers a holistic shopping experience with many unique features such as the naturally ventilated The Courtyard, an array of alfresco dining options and two thematic children's playgrounds.

Westgate, IMM and JCube together create a '3-in-1' mega mall that brings lifestyle, value and entertainment experiences to our shoppers.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	30.7
Fashion	16.6
Beauty & Health	13.0
Services	10.9
Department Store	5.9
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	4.9
Shoes & Bags	3.5
Education	3.1
Electrical & Electronics	3.1
Supermarket	2.9
Jewellery & Watches	2.3
Information Technology	1.9
Home Furnishing	1.2
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

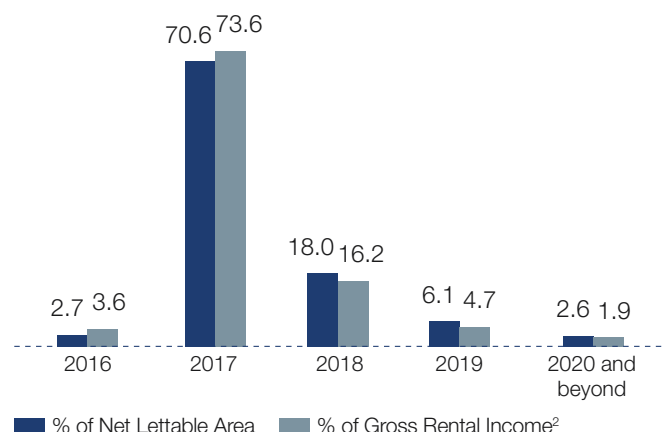
Bedok Mall

Bedok Mall is the first major shopping mall located in Bedok, Singapore's most populous housing estate. It is located in the heart of the Bedok Town Centre. Bedok Mall houses over 200 shops across four floors, offering everyday essentials, F&B options, lifestyle and fashion.

As part of a retail-residential-transport hub development, Bedok Mall enjoys excellent connectivity with direct connection to the Bedok MRT Station and bus interchange.

Lease Expiry Profile¹ (%)

(As at 31 December 2015)



Trade Sector Analysis

(For the month of December 2015)

By Gross Rental Income ²	%
Food & Beverage	30.3
Fashion	20.4
Beauty & Health	12.9
Services	8.4
Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods	7.1
Supermarket	5.8
Shoes & Bags	5.2
Jewellery & Watches	3.2
Electrical & Electronics	2.6
Information Technology	1.9
Home Furnishing	1.1
Department Store	0.7
Education	0.3
Leisure & Entertainment / Music & Video	0.1
Total	100.0

¹ Based on committed gross rental income for the expiry month of the lease.

² Excludes gross turnover rent.

CapitaLand Retail China Trust

CMT holds 122.7 million units in CapitaLand Retail China Trust (CRCT), which translates to an approximate 14.55% stake as at 31 December 2015. The fair value of CMT's investment in CRCT represents 1.8% of CMT and its subsidiaries' (CMT Group) total asset size as at 31 December 2015. Through its investment in CRCT, CMT's Unitholders are provided with an opportunity to enjoy the upside from China's growth potential without CMT's risk profile being significantly altered.

CRCT is the first China shopping mall real estate investment trust (REIT) listed in Singapore, with a portfolio of 10 income-producing shopping malls. Listed on the Singapore Exchange Securities Trading Limited (SGX-ST) on 8 December 2006, it is established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate used primarily for retail purposes and located primarily in China, Hong Kong and Macau.

CRCT's geographically diversified portfolio of quality shopping malls is located in six of China's cities. The malls are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon, CapitaMall Anzhen and CapitaMall Shuangjing in Beijing; CapitaMall Qibao in Shanghai; CapitaMall Minzhongleyuan in Wuhan, Hubei Province; CapitaMall Erqi in Zhengzhou, Henan Province; CapitaMall Saihan in Hohhot, Inner Mongolia; and CapitaMall Wuhu in Wuhu, Anhui Province. As at 31 December 2015, the total asset size of CRCT was approximately S\$2.6 billion.

All the malls in the portfolio are positioned as one-stop family-oriented shopping, dining and entertainment destinations for the sizeable population catchment areas in which they are located, and are accessible via major transportation routes or access points. A significant portion of the properties' tenancies consists of major international and domestic retailers such as Beijing Hualian Group (BHG), Carrefour and Wal-Mart under master-leases or long-term leases, which provide CRCT's Unitholders with stable and sustainable returns. The anchor tenants are complemented by popular specialty brands such as BreadTalk, innisfree, KFC, Nanjing Impressions, Nike, Sephora, Starbucks, UNIQLO, Watsons and Zara.

CRCT has long-term growth potential through its right of first refusal arrangements to acquire assets held by CapitaLand Mall China Income Fund I, CapitaLand Mall China Income Fund II, CapitaLand Mall China Income Fund III, CapitaLand Mall Development Fund III, as well as CapitaLand Mall Asia, which is the wholly-owned shopping mall business unit of CapitaLand Limited, one of Asia's largest real estate companies headquartered and listed in Singapore.

CRCT delivered a healthy set of results for the financial year 2015 (FY 2015). Gross revenue and net property income were RMB1,005.0 million (S\$220.3 million) and RMB643.5 million (S\$141.1 million), up 1.8% and 0.1% year-on-year respectively. Distributable income grew 10.3% year-on-year to S\$89.2 million. Distribution per unit (DPU) in FY 2015 was 10.60 Singapore cents. Average daily shopper traffic and average monthly tenants' sales per square metre at CRCT's malls grew 1.8%¹ and 11.6%¹ year-on-year respectively. Across the portfolio, CRCT achieved healthy rental reversion of 8.1% and operated at a high occupancy rate of 95.1%.

¹ Including multi-tenanted malls except CapitaMall Minzhongleyuan, which was reopened on 1 May 2014 after the completion of asset enhancement works from 1 July 2013 to 30 April 2014.

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Report of the Trustee

Year ended 31 December 2015

HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”) is under a duty to take into custody and hold the assets of CapitaLand Mall Trust (formerly known as CapitaMall Trust) (the “Trust”) and its subsidiaries (the “Group”) in trust for the Unitholders. In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of CapitaLand Mall Trust Management Limited (formerly known as CapitaMall Trust Management Limited) (the “Manager”) for compliance with the limitations imposed on the investment and borrowing powers as set out in the deed of trust dated 29 October 2001 constituting the Trust (as amended)¹ between the Manager and the Trustee (the “Trust Deed”) in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements, set out on pages 129 to 202 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

**For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited**



Esther Fong

Senior Vice President, Trustee Services

Singapore

12 February 2016

¹ As amended by the First Supplemental Deed dated 26 December 2001, the Second Supplemental Deed dated 28 June 2002, the Amending and Restating Deed dated 29 April 2003, the Fourth Supplemental Deed dated 18 August 2003, the Second Amending and Restating Deed dated 9 July 2004, the Sixth Supplemental Deed dated 18 March 2005, the Seventh Supplemental Deed dated 21 July 2005, the Eighth Supplemental Deed dated 13 October 2005, the Ninth Supplemental Deed dated 20 April 2006, the Third Amending and Restating Deed dated 25 August 2006, the Eleventh Supplemental Deed dated 15 February 2007, the Twelfth Supplemental Deed dated 31 July 2007, the Thirteenth Supplemental Deed dated 20 May 2008, the Fourteenth Supplemental Deed dated 13 April 2010, the Fifteenth Supplemental Deed dated 25 March 2013, the Sixteenth Supplemental Deed dated 3 February 2014 and the Seventeenth Supplemental Deed dated 6 May 2015.

Statement by the Manager

Year ended 31 December 2015

In the opinion of the directors of CapitaLand Mall Trust Management Limited (formerly known as CapitaMall Trust Management Limited), the accompanying financial statements set out on pages 129 to 202 comprising the Statements of Financial Position and Portfolio Statements of the Group and the Trust as at 31 December 2015, and the Statements of Total Return, Distribution Statements, Statements of Movements in Unitholders' Funds and Statements of Cash Flows of the Group and of the Trust for the year then ended, and a summary of significant accounting policies and other explanatory information of the Group and of the Trust, are drawn up so as to present fairly, in all material respects, the financial position of the Group and of the Trust as at 31 December 2015, and the total return, distributable income, movements in Unitholders' funds and cash flows of the Group and of the Trust for the year then ended in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

**For and on behalf of the Manager,
CapitaLand Mall Trust Management Limited
(formerly known as CapitaMall Trust Management Limited)**



Tan Wee Yan, Wilson
Director

Singapore
12 February 2016

Independent Auditors' Report

Unitholders of CapitaLand Mall Trust

(formerly known as CapitaMall Trust)

(Established in the Republic of Singapore pursuant to a Trust Deed dated 29 October 2001 (as amended))

Report on the financial statements

We have audited the accompanying financial statements of CapitaLand Mall Trust (formerly known as CapitaMall Trust) (the "Trust") and its subsidiaries (the "Group"), which comprise the Statements of Financial Position and Portfolio Statements of the Group and the Trust as at 31 December 2015, and the Statements of Total Return, Distribution Statements, Statements of Movements in Unitholders' Funds and Statements of Cash Flows of the Group and the Trust for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 129 to 202.

Manager's responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

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



KPMG LLP

Public Accountants and
Chartered Accountants

Singapore

12 February 2016

Statements of Financial Position

As at 31 December 2015

	Note	Group		Trust	
		2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Non-current assets					
Plant and equipment	4	2,955	2,143	2,133	2,143
Investment properties	5	8,366,000	7,510,000	7,586,000	7,510,000
Subsidiaries	6	–	–	787,070	80
Associate and joint ventures	7	1,178,408	1,134,026	854,690	836,630
Financial derivatives	8	175,280	57,488	–	–
		9,722,643	8,703,657	9,229,893	8,348,853
Current assets					
Trade and other receivables	9	28,792	25,098	28,865	25,098
Cash and cash equivalents	10	604,310	1,129,552	570,653	1,129,458
		633,102	1,154,650	599,518	1,154,556
Total assets		10,355,745	9,858,307	9,829,411	9,503,409
Current liabilities					
Financial derivatives	8	–	35,801	–	–
Trade and other payables	11	144,430	155,422	133,632	155,409
Current portion of security deposits		55,300	61,992	54,466	61,992
Interest-bearing borrowings	12	–	762,275	–	799,500
Convertible bonds	13	–	–	–	–
Provision for taxation		3,564	37	575	37
		203,294	1,015,527	188,673	1,016,938
Non-current liabilities					
Financial derivatives	8	41,731	66,744	–	–
Interest-bearing borrowings	12	3,312,156	2,407,044	3,244,687	2,433,264
Non-current portion of security deposits		105,401	86,553	92,690	86,553
		3,459,288	2,560,341	3,337,377	2,519,817
Total liabilities		3,662,582	3,575,868	3,526,050	3,536,755
Net assets		6,693,163	6,282,439	6,303,361	5,966,654
Represented by:					
Unitholders' funds		6,693,163	6,282,439	6,303,361	5,966,654
Units in issue ('000)	14	3,541,169	3,462,180	3,541,169	3,462,180
		\$	\$	\$	\$
Net asset value per unit		1.89	1.81	1.78	1.72

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

Statements of Total Return

Year ended 31 December 2015

	Note	Group		Trust	
		2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Gross revenue	15	669,002	658,851	654,746	658,851
Property operating expenses	16	(202,838)	(210,488)	(198,872)	(210,488)
Net property income		466,164	448,363	455,874	448,363
Interest and other income	17	12,270	14,697	16,137	11,475
Investment income	18	—	—	75,613	96,927
Asset management fees	19	(42,178)	(41,728)	(41,256)	(41,728)
Professional fees		(595)	(449)	(574)	(444)
Valuation fees		(879)	(867)	(869)	(867)
Trustee's fees		(1,204)	(1,198)	(1,203)	(1,198)
Audit fees		(328)	(345)	(318)	(335)
Finance costs	20	(103,822)	(113,957)	(103,822)	(113,957)
Other expenses		(636)	(1,722)	(649)	(1,736)
Net income before share of results of associate and joint ventures		328,792	302,794	398,933	396,500
Share of results (net of tax) of:					
- Associate		17,653	20,094	—	—
- Joint ventures		54,165	129,125	—	—
Net income		400,610	452,013	398,933	396,500
Net change in fair value of financial derivative		—	5,132	—	5,132
Net change in fair value of investment properties		106,975	162,006	115,209	162,006
Gain on disposal of investment property	21	72,741	—	72,741	—
Impairment loss					
- Interest in Brilliance Mall Trust	6	—	—	(5,904)	—
- Interest in Infinity Mall Trust	7	—	—	(5,429)	—
Dilution gain/(loss) of interest in associate		54	(239)	—	—
Total return for the year before tax		580,380	618,912	575,550	563,638
Income tax expense	22	(575)	(37)	(575)	(37)
Total return for the year		579,805	618,875	574,975	563,601
Earnings per unit (cents)	23				
Basic		16.65	17.88	16.51	16.29
Diluted		16.65	17.77	16.51	16.19

Distribution Statements

Year ended 31 December 2015

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Amount available for distribution to Unitholders at beginning of year	105,228	100,146	105,228	100,146
Net income before share of results of associate and joint ventures	328,792	302,794	398,933	396,500
Net tax adjustments (Note A)	2,091	12,548	4,420	15,770
Distribution income from:				
- Associate	12,516	11,436	–	–
- Joint ventures	59,956	85,491	–	–
Rollover adjustment	1,164	–	1,164	–
Net (profit)/loss from subsidiary	(2)	1	–	–
	404,517	412,270	404,517	412,270
Amount available for distribution to Unitholders	509,745	512,416	509,745	512,416
Distributions to Unitholders during the year:				
Distribution of 2.72 cents per unit for period from 01/10/2013 to 31/12/2013	–	(94,089)	–	(94,089)
Distribution of 2.57 cents per unit for period from 01/01/2014 to 31/03/2014	–	(88,920)	–	(88,920)
Distribution of 2.69 cents per unit for period from 01/04/2014 to 30/06/2014	–	(93,092)	–	(93,092)
Distribution of 2.72 cents per unit for period from 01/07/2014 to 30/09/2014	–	(94,151)	–	(94,151)
Distribution of 2.86 cents per unit for period from 01/10/2014 to 31/12/2014	(99,018)	–	(99,018)	–
Distribution of 2.68 cents per unit for period from 01/01/2015 to 31/03/2015	(92,806)	–	(92,806)	–
Distribution of 2.71 cents per unit for period from 01/04/2015 to 30/06/2015	(93,864)	–	(93,864)	–
Distribution of 2.98 cents per unit for period from 01/07/2015 to 30/09/2015	(103,236)	–	(103,236)	–
	(388,924)	(370,252)	(388,924)	(370,252)
Amount retained for general corporate and working capital purposes (Note B)	(12,516)	(36,936)	(12,516)	(36,936)
Amount available for distribution to Unitholders at end of the year	108,305	105,228	108,305	105,228
Distribution per unit (cents)*	11.25	10.84	11.25	10.84

* The Distribution per unit relates to the distributions in respect of the relevant financial year. The distribution relating to the last quarter of 2015 will be paid after 31 December 2015.

Distribution Statements

Year ended 31 December 2015

Note A – Net tax adjustments comprise:

	Group		Trust	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Non-tax deductible items:				
- trustee's fees	1,204	1,198	1,203	1,198
- non-deductible interest expenses	7,315	7,583	7,315	10,805
- other items	3,087	11,485	3,337	11,485
Tax deductible items:				
- capital allowances/balancing allowances	(9,515)	(7,718)	(7,435)	(7,718)
Net tax adjustments	2,091	12,548	4,420	15,770

Note B

Amount retained for general corporate and working capital in financial year 2015 relates to the capital distribution and tax-exempt income received from CapitaLand Retail China Trust (formerly known as CapitaRetail China Trust) ("CRCT") of \$12.5 million.

For financial year 2014, it relates to the capital distribution and tax-exempt income received from CRCT of \$11.4 million. In addition, the Trust has received partial distribution of \$30.0 million from Infinity Office Trust relating to the profit arising from the sale of office strata units in Westgate Tower. \$4.5 million has been released by the Trust as one-off other gain distribution while the balance of \$25.5 million has been retained for general corporate and working capital purposes.

Statements of Movements in Unitholders' Funds

Year ended 31 December 2015

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Net assets at beginning of the year	6,282,439	6,008,744	5,966,654	5,767,530
Operations				
Total return for the year	579,805	618,875	574,975	563,601
Hedging reserves				
Effective portion of changes in fair value of cashflow hedges	49,187	23,899	—	—
Movement in foreign currency translation reserves	19,295	(5,204)	—	—
Movement in general reserves	705	602	—	—
Unitholders' transactions				
Creation of units				
- Units issued in respect of RCS Trust's asset management fees	5,898	5,775	5,898	5,775
- Units issued in respect of the acquisition of Brilliance Mall Trust:				
- Consideration units	136,958	—	136,958	—
- Acquisition fees	7,800	—	7,800	—
Distributions to Unitholders	(388,924)	(370,252)	(388,924)	(370,252)
Net decrease in net assets resulting from Unitholders' transactions	(238,268)	(364,477)	(238,268)	(364,477)
Net assets at end of the year	6,693,163	6,282,439	6,303,361	5,966,654

Portfolio Statements
As at 31 December 2015**Group**

Description of Property	Tenure of Land	Term of Lease	Remaining Term of Lease	Location
Investment properties in Singapore				
Tampines Mall	Leasehold	99 years	76 years	4 Tampines Central 5, Singapore
Junction 8	Leasehold	99 years	75 years	9 Bishan Place, Singapore
Funan Digitalife Mall	Leasehold	99 years	63 years	109 North Bridge Road, Singapore
IMM Building	Leasehold	60 years	33 years	2 Jurong East Street 21, Singapore
Plaza Singapura	Freehold	–	–	68 Orchard Road, Singapore
Bugis Junction	Leasehold	99 years	74 years	200 Victoria Street, Singapore
Sembawang Shopping Centre	Leasehold	999 years	868 years	604 Sembawang Road, Singapore
JCube	Leasehold	99 years	74 years	2 Jurong East Central 1, Singapore
Lot One Shoppers' Mall	Leasehold	99 years	77 years	21 Choa Chu Kang Avenue 4, Singapore
Bukit Panjang Plaza	Leasehold	99 years	78 years	1 Jelebu Road, Singapore
Rivervale Mall ¹	Leasehold	99 years	–	11 Rivervale Crescent, Singapore
The Atrium@Orchard	Leasehold	99 years	92 years	60A & 60B Orchard Road, Singapore
Clarke Quay	Leasehold	99 years	73 years	3A/B/C/D/E River Valley Road, Singapore
Bugis+	Leasehold	60 years	50 years	201 Victoria Street, Singapore
Bedok Mall ²	Leasehold	99 years	95 years	311 New Upper Changi Road, Singapore

Investment properties, at valuation**Investments in associate and joint ventures (Note 7)****Other assets and liabilities (net)****Net assets**

Existing Use	Occupancy Rates as at 31 December		Carrying Value		Percentage of Total Net Assets	
	2015 %	2014 %	2015 \$'000	2014 \$'000	2015 %	2014 %
Commercial	100.0	99.5	983,000	922,000	14.7	14.7
Commercial	100.0	100.0	696,000	662,000	10.4	10.5
Commercial	95.3	97.9	367,000	361,000	5.5	5.7
Commercial	96.2	96.0	622,000	603,000	9.3	9.6
Warehouse	91.7	96.6				
Commercial	99.7	100.0	1,244,000	1,223,000	18.6	19.5
Commercial	99.7	100.0	995,000	951,000	14.9	15.1
Commercial	99.4	100.0	114,000	106,000	1.7	1.7
Commercial	88.0	96.0	288,000	335,000	4.3	5.3
Commercial	99.8	100.0	510,000	503,000	7.6	8.0
Commercial	97.8	100.0	303,000	292,000	4.5	4.6
Commercial	NA ¹	100.0	–	116,000	–	1.8
Commercial	98.2	99.9	735,000	728,000	11.0	11.6
Commercial	88.2	95.9	389,000	371,000	5.8	5.9
Commercial	99.2	100.0	340,000	337,000	5.1	5.4
Commercial	99.9	–	780,000	–	11.7	–
			8,366,000	7,510,000	125.1	119.4
			1,178,408	1,134,026	17.6	18.1
			9,544,408	8,644,026	142.7	137.5
			(2,851,245)	(2,361,587)	(42.7)	(37.5)
			6,693,163	6,282,439	100.0	100.0

Portfolio Statements
As at 31 December 2015**Trust**

Description of Property	Tenure of Land	Term of Lease	Remaining Term of Lease	Location
Investment properties in Singapore				
Tampines Mall	Leasehold	99 years	76 years	4 Tampines Central 5, Singapore
Junction 8	Leasehold	99 years	75 years	9 Bishan Place, Singapore
Funan DigitalLife Mall	Leasehold	99 years	63 years	109 North Bridge Road, Singapore
IMM Building	Leasehold	60 years	33 years	2 Jurong East Street 21, Singapore
Plaza Singapura	Freehold	–	–	68 Orchard Road, Singapore
Bugis Junction	Leasehold	99 years	74 years	200 Victoria Street, Singapore
Sembawang Shopping Centre	Leasehold	999 years	868 years	604 Sembawang Road, Singapore
JCube	Leasehold	99 years	74 years	2 Jurong East Central 1, Singapore
Lot One Shoppers' Mall	Leasehold	99 years	77 years	21 Choa Chu Kang Avenue 4, Singapore
Bukit Panjang Plaza	Leasehold	99 years	78 years	1 Jelebu Road, Singapore
Rivervale Mall ¹	Leasehold	99 years	–	11 Rivervale Crescent, Singapore
The Atrium@Orchard	Leasehold	99 years	92 years	60A & 60B Orchard Road, Singapore
Clarke Quay	Leasehold	99 years	73 years	3A/B/C/D/E River Valley Road, Singapore
Bugis+	Leasehold	60 years	50 years	201 Victoria Street, Singapore

Investment properties, at valuation**Investments in subsidiaries, associate and joint ventures (Notes 6 and 7)****Other assets and liabilities (net)****Net assets**

NA Not Applicable

¹ The sale of Rivervale Mall was completed on 15 December 2015.² The acquisition of Brilliance Mall Trust which holds Bedok Mall was completed on 1 October 2015.

Existing Use	Occupancy Rates as at 31 December		Carrying Value		Percentage of Total Net Assets	
	2015 %	2014 %	2015 \$'000	2014 \$'000	2015 %	2014 %
Commercial	100.0	99.5	983,000	922,000	15.6	15.5
Commercial	100.0	100.0	696,000	662,000	11.0	11.1
Commercial	95.3	97.9	367,000	361,000	5.8	6.1
Commercial	96.2	96.0	622,000	603,000	9.9	10.1
Warehouse	91.7	96.6				
Commercial	99.7	100.0	1,244,000	1,223,000	19.7	20.5
Commercial	99.7	100.0	995,000	951,000	15.8	15.9
Commercial	99.4	100.0	114,000	106,000	1.8	1.8
Commercial	88.0	96.0	288,000	335,000	4.6	5.6
Commercial	99.8	100.0	510,000	503,000	8.1	8.4
Commercial	97.8	100.0	303,000	292,000	4.8	4.9
Commercial	NA ¹	100.0	–	116,000	–	1.9
Commercial	98.2	99.9	735,000	728,000	11.7	12.2
Commercial	88.2	95.9	389,000	371,000	6.2	6.2
Commercial	99.2	100.0	340,000	337,000	5.4	5.6
			7,586,000	7,510,000	120.4	125.8
			1,641,760	836,710	26.0	14.0
			9,227,760	8,346,710	146.4	139.8
			(2,924,399)	(2,380,056)	(46.4)	(39.8)
			6,303,361	5,966,654	100.0	100.0

Portfolio Statements

As at 31 December 2015

On 31 December 2015, independent valuations of Junction 8, Funan DigitalLife Mall, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, The Atrium@Orchard, Clarke Quay and Bugis+ were undertaken by CBRE Pte Ltd ("CBRE"), independent valuations of Tampines Mall, IMM Building, JCube, Lot One Shoppers' Mall and Bukit Panjang Plaza were undertaken by Knight Frank Pte Ltd ("Knight Frank"), while the independent valuation of Bedok Mall was undertaken by DTZ Debenham Tie Leung (SEA) Pte Ltd ("DTZ").

On 31 December 2014, the carrying amount of Plaza Singapura, Sembawang Shopping Centre, Lot One Shoppers' Mall, Bukit Panjang Plaza, Rivervale Mall, The Atrium@Orchard and Clarke Quay were based on independent valuations undertaken by CBRE while the carrying amounts of Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Bugis Junction, JCube and Bugis+ were based on independent valuations undertaken by Knight Frank.

The valuations were based on discounted cash flow and capitalisation approaches. The Manager believes that the independent valuers have appropriate professional qualifications and experience in the location and category of the properties being valued. The net change in fair value of the properties has been recognised in the Statement of Total Return.

Investment properties comprise commercial properties that are leased to external customers. Generally, the leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with the lessees. Contingent rents recognised in the Statement of Total Return of the Group and the Trust is \$31,045,000 (2014: \$33,879,000) and \$30,898,000 (2014: \$33,879,000) respectively.

Statements of Cash Flows

Year ended 31 December 2015

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cash flows from operating activities				
Net income	400,610	452,013	398,933	396,500
Adjustments for:				
Interest income	(12,270)	(14,681)	(16,137)	(11,459)
Investment income	–	–	(75,613)	(96,927)
Finance costs	103,822	113,957	103,822	113,957
Assets written off	19	2	19	2
Gain on disposal of plant and equipment	(2)	(2)	(2)	(2)
Depreciation and amortisation	1,052	1,417	962	1,417
Receivables written off	44	34	44	34
Share of results of:				
- Associate	(17,653)	(20,094)	–	–
- Joint ventures	(54,165)	(129,125)	–	–
Operating income before working capital changes	421,457	403,521	412,028	403,522
Changes in working capital:				
Trade and other receivables	(1,815)	(2,498)	(406)	(2,121)
Trade and other payables	2,232	1,686	2,169	1,357
Security deposits	533	6,517	867	6,517
Income tax paid	(37)	(494)	(37)	(494)
Cash flows from operating activities	422,370	408,732	414,621	408,781
Cash flows from investing activities				
Interest received	8,756	4,963	8,726	4,963
Interest received from a joint venture	4,608	2,198	4,608	2,198
Distributions received from:				
- Associate	12,516	11,436	12,516	11,436
- Joint ventures	58,301	85,114	58,301	85,114
Net cash outflow on acquisition of subsidiary (including acquisition charges) (Note A)	(621,424)	–	(648,136)	–
Capital expenditure on investment properties	(94,974)	(64,679)	(94,389)	(64,679)
Purchase of plant and equipment	(713)	(697)	(713)	(697)
Proceeds from disposal of plant and equipment	2	3	2	3
Proceeds from disposal of investment property	186,636	–	186,636	–
Loan to a joint venture	(17,591)	(13,775)	(17,591)	(13,775)
Repayment of loan from a joint venture	–	26,075	–	26,075
Cash flows (used in)/from investing activities	(463,883)	50,638	(490,040)	50,638

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

Statements of Cash Flows

Year ended 31 December 2015

	Group		Trust	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities				
Payment of issue and financing expenses	(2,096)	(5,084)	(2,096)	(5,084)
Proceeds from interest-bearing borrowings	999,798	820,300	999,798	820,300
Repayment of interest-bearing borrowings	(987,500)	(150,000)	(987,500)	(150,000)
Redemption of convertible bonds	–	(350,000)	–	(350,000)
Distributions to Unitholders	(388,924)	(370,252)	(388,924)	(370,252)
Interest paid	(105,007)	(104,643)	(104,664)	(104,643)
Cash flows used in financing activities	(483,729)	(159,679)	(483,386)	(159,679)
Net (decrease)/increase in cash and cash equivalents	(525,242)	299,691	(558,805)	299,740
Cash and cash equivalents at beginning of the year	1,129,552	829,861	1,129,458	829,718
Cash and cash equivalents at end of the year (Note 10)	604,310	1,129,552	570,653	1,129,458

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

Note:**(A) Net cash outflow on the acquisition of subsidiary (including acquisition charges)**

Net cash outflow on the acquisition of Brilliance Mall Trust ("BMT") (including acquisition charges) is set out below:

	Group \$'000	Trust \$'000
Investment property	778,822	
Plant and equipment	1,178	
Other assets	3,274	
Cash and bank balances	26,712	
Trade and other payables	(9,637)	
Amounts due to unitholders	(283,963)	
Interest-bearing borrowings	(319,094)	
Provision for taxation	(2,989)	
Security deposits	(13,878)	
Net assets acquired	180,425	
Consideration for units acquired		180,425
Acquisition costs	9,412	9,412
Loans to BMT for repayment of amounts due to previous unitholders and banks	603,057	603,057
Total acquisition outlay	792,894	792,894
Consideration paid in Units	(136,958)	(136,958)
Acquisition charges paid in Units	(7,800)	(7,800)
Cash of subsidiary acquired	(26,712)	
Net cash outflow on acquisition of subsidiary	621,424	648,136

(B) Significant Non-Cash Transactions

During the financial year ended 31 December 2015:

- 2,887,889 (2014: 3,023,618) units were issued as payment for the asset management fees payable in units, amounting to a value of \$5,898,000 (2014: \$5,775,000);
- 72,000,000 units were issued to the vendors of BMT who are related corporations of the Manager, as partial consideration for the acquisition of all the units of BMT, amounting to a value of \$136,958,000; and
- 4,100,515 units were issued as payment for the acquisition fees of \$7,800,000 in relation to the acquisition of BMT. Under the Property Funds Appendix, the acquisition fees paid in respect of transactions with interested parties will have to be in the form of units which shall not be sold within one year from the date of issuance of such units.

Notes to the Financial Statements

Year ended 31 December 2015

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 12 February 2016.

1 General

CapitaLand Mall Trust (formerly known as CapitaMall Trust) (the “Trust”) is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 29 October 2001 (as amended) (the “Trust Deed”) between CapitaLand Mall Trust Management Limited (formerly known as CapitaMall Trust Management Limited) (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust in trust for the holders (“Unitholders”) of units in the Trust (the “Units”).

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 17 July 2002 (“Listing Date”) and was included under the Central Provident Fund (“CPF”) Investment Scheme on 13 September 2002.

The principal activity of the Trust is to invest in income producing real estate, which is used or substantially used for retail purposes with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. The principal activities of the subsidiaries, associate and joint ventures are set out in Notes 6 and 7.

The consolidated financial statements relate to the Trust and its subsidiaries (the “Group”) and the Group’s interest in its associate and joint ventures.

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

1.1 Property management fees

Under the property management agreement with CapitaLand Retail Management Pte Ltd (the “Property Manager”), property management fees are charged as follows:

- (a) 2.00% per annum of the gross revenue of the properties;
- (b) 2.00% per annum of the net property income of the properties; and
- (c) 0.50% per annum of the net property income of the properties, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

1 General (continued)

1.2 Asset management fees

Pursuant to the Trust Deed, the asset management fees shall not exceed 0.70% per annum of the Deposited Property or such higher percentage as may be fixed by an Extraordinary Resolution at a meeting of Unitholders. Deposited Property refers to all the assets of the Trust, including all its Authorised Investments (as defined in the Trust Deed) for the time being held or deemed to be held upon the trusts of the Trust Deed.

The asset management fees comprise:

- (a) in respect of Authorised Investments which are in the form of real estate, a base component of 0.25% per annum of Deposited Property and a performance component of 2.85% per annum of gross revenue of the Trust for each financial year; and
- (b) in respect of all other Authorised Investments which are not in the form of real estate, 0.5% per annum of the investment value of the Authorised Investment, unless such Authorised Investment is an interest in a property fund (either a real estate investment trust or private property fund) wholly managed by a wholly-owned subsidiary of CapitaLand Limited, in which case no asset management fee shall be payable in relation to such Authorised Investment.

In respect of all Authorised Investments which are in the form of real estate acquired by the Trust:

- (a) the base component shall be paid to the Manager in the form of cash and/or Units (as the Manager may elect); and
- (b) the performance component shall be paid to the Manager in the form of cash, in the form of Units or a combination of both (as the Manager may elect).

When paid in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the asset management fee at the market price (as defined in the Trust Deed). The asset management fees are payable quarterly in arrears.

For all acquisitions or disposals of properties or investments, the Manager is entitled to receive acquisition fee of 1.0% of the purchase price and a divestment fee of 0.5% of the sale price.

1.3 Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.10% per annum of the Deposited Property (subject to a minimum sum of \$6,000 per month) payable out of the Deposited Property of the Trust. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

The Trustee's fees are payable quarterly in arrears.

Notes to the Financial Statements

Year ended 31 December 2015

2 Basis of preparation

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except for investment properties, derivative financial instruments and certain financial assets and financial liabilities which are measured at fair value.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Group's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with RAP 7 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgement in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in the following notes:

- Note 5 – Classification of investment properties
- Note 7 – Classification of associate and joint ventures

Information about assumptions and estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year are included in following notes:

- Note 5 – Valuation of investment properties
- Note 26 – Valuation of financial instruments

2 Basis of preparation (continued)

2.4 Use of estimates and judgements (continued)

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable data).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 5 – Valuation of investment properties
- Note 26 – Valuation of financial instruments

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group.

3.1 Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where the Group acquires an asset or a group of assets that does not constitute a business, the cost of investment is allocated to the individual identifiable assets acquired and liabilities assumed at the date of acquisition.

Notes to the Financial Statements

Year ended 31 December 2015

3 Significant accounting policies (continued)

3.1 Consolidation (continued)

Associate and joint ventures

Associate is an entity in which the Group has a significant influence, but not control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in an associate and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that investment (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payment on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Accounting for subsidiaries, associate and joint ventures by the Trust

Investments in subsidiaries, associate and joint ventures are stated in the Trust's statement of financial position at cost less accumulated impairment losses.

3.2 Plant and equipment

Plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in the Statement of Total Return as incurred.

3 Significant accounting policies (continued)

3.2 Plant and equipment (continued)

Depreciation is provided on a straight-line basis so as to write off items of plant and equipment, and major components that are accounted for separately, over their estimated useful lives as follows:

Furniture, fittings and equipment - 2 to 5 years

Gain or loss arising from the retirement or disposal of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised in the Statement of Total Return.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

3.3 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or both. Investment properties are accounted for as non-current assets and are stated at initial cost on acquisition and at fair value thereafter. The cost of a purchased property comprises its purchase price and any directly attributable expenditure including capitalised borrowing costs. Directly attributable transaction costs are included in the initial measurement. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Fair value is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following events:

- in such manner and frequency required under the CIS Code issued by MAS; and
- at least once in each period of 12 months following the acquisition of each parcel of real estate property.

Any increase or decrease on revaluation is credited or charged to the Statement of Total Return as a net change in fair value of the investment properties.

When an investment property is disposed of, the resulting gain or loss recognised in the Statement of Total Return is the difference between net disposal proceeds and the carrying amount of the property.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above. For income tax purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act.

Notes to the Financial Statements

Year ended 31 December 2015

3 Significant accounting policies (continued)

3.4 Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined.

Foreign currency differences arising on retranslation are recognised in Statement of Total Return, except for the following differences which are recognised in Unitholders' funds, arising on the retranslation of:

- available-for-sale equity instruments (except on impairment in which case foreign currency differences that have been recognised in Unitholders' funds are reclassified to Statement of Total Return);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedge is effective.

3.5 Financial instruments

Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables, loans to subsidiaries, loans to joint ventures and cash and cash equivalents.

Cash and cash equivalents comprise cash balances and bank deposits.

3 Significant accounting policies (continued)

3.5 Financial instruments (continued)

Non-derivative financial liabilities

The Group initially recognises debt securities issued on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise interest-bearing borrowings, trade and other payables and security deposits.

Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. Multiple embedded derivatives in a single instrument are treated as a single compound embedded derivative if they share the same underlying risk exposures, are interdependent of each other and are not readily separable.

On initial designation of the hedge, the Group formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objectives and strategy in undertaking the hedge transaction and the hedge risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be “highly effective” in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80%-125%. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported Statement of Total Return.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the Statement of Total Return when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect Statement of Total Return, the effective portion of changes in the fair value of the derivative is recognised in Unitholders’ funds and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in Statement of Total Return.

When the hedged item is a non-financial asset, the amount accumulated in Unitholders’ funds is included in the carrying amount of the asset when the asset is recognised. In other cases, the amount accumulated in Unitholders’ funds is reclassified to Statement of Total Return in the same period that the hedged item affects Statement of Total Return. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the balance in Unitholders’ funds is reclassified to Statement of Total Return.

Notes to the Financial Statements

Year ended 31 December 2015

3 Significant accounting policies (continued)

3.5 Financial instruments (continued)

Derivative financial instruments and hedging activities (continued)

Separable embedded derivatives

Changes in the fair value of separable embedded derivatives are recognised immediately in the Statement of Total Return.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in Statement of Total Return.

3.6 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss, including an interest in an associate, subsidiary and joint venture, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant loans and receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for the Manager's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in the Statement of Total Return and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Statement of Total Return.

An impairment loss in respect of a subsidiary, associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the paragraph below. An impairment loss is recognised in the Statement of Total Return. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

3 Significant accounting policies (continued)

3.6 Impairment (continued)

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Total Return.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Total Return over the period of the borrowings on an effective interest basis.

3.8 Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination and is classified as equity.

Incremental costs directly attributable to the issue of units are recognised as a deduction from Unitholders' funds.

Notes to the Financial Statements

Year ended 31 December 2015

3 Significant accounting policies (continued)

3.9 Revenue recognition

Rental income from operating leases

Rental income receivable under operating leases is recognised in the Statement of Total Return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rentals are recognised if there are uncertainties due to the possible return of amounts received.

Car park income

Car park income is recognised as it accrues on a time apportioned basis.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

Investment income

Investment income is recognised when the right to receive distribution income from a subsidiary, an associate or a joint venture is established.

3.10 Expenses

Property operating expenses

Property operating expenses consist of quit rents, property taxes, utilities, property management fees, property management reimbursements, marketing, maintenance and other property outgoings in relation to investment properties where such expenses are the responsibility of the Group.

Property management fees are recognised on an accrual basis based on the applicable formula, stipulated in Note 1.1.

Asset management fees

Asset management fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1.2.

Trustee's fees

The Trustee's fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1.3.

3.11 Finance costs

Finance costs comprise interest expense on borrowings and amortisation of borrowings related transaction costs, and are recognised in the Statement of Total Return using the effective interest method over the period of borrowings.

3 Significant accounting policies (continued)

3.12 Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax is recognised in the Statement of Total Return except to the extent that it relates to items directly related to Unitholders' funds, in which case it is recognised in Unitholders' funds.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and
- temporary differences related to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Notes to the Financial Statements

Year ended 31 December 2015

3 Significant accounting policies (continued)

3.12 Income tax (continued)

The Inland Revenue Authority of Singapore (the “IRAS”) has issued a tax ruling on the tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90.0% of the taxable income of the Trust, the Trustee is not subject to tax on the taxable income of the Trust to the extent of the amount distributed. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust’s distributions. This treatment is known as the tax transparency treatment.

Individuals and qualifying Unitholders, i.e. companies incorporated and tax resident in Singapore, Singapore branches of companies incorporated outside Singapore and bodies of persons registered or constituted in Singapore, are entitled to gross distributions from the Trust. For distributions made to foreign non-individual Unitholders, the Trustee is required to withhold tax at the reduced rate of 10.0%. For other types of Unitholders, the Trustee is required to withhold tax at the prevailing corporate tax rate on the distributions made by the Trust. Such other types of Unitholders are subject to tax on the regrossed amounts of the distributions received but may claim a credit for the tax deducted at source at the prevailing corporate tax rate by the Trustee.

The Trust has a distribution policy to distribute at least 90.0% of its taxable income, other than gains from the sale of real estate properties that are determined by the IRAS to be trading gains. For the taxable income that is not distributed, referred to as retained taxable income, tax will be assessed on the Trustee. Where such retained taxable income is subsequently distributed, the Trustee need not deduct tax at source.

3.13 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. All operating segments’ operating results are reviewed and used by the management for strategic decision making and resources allocation.

3.14 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these financial statements. The Group is currently assessing the potential impact of adopting these new standards and interpretations, on the financial statements of the Group and the Trust.

These new standards include, among others, FRS 115 *Revenue from Contracts with Customers* and FRS 109 *Financial Instruments* which are effective on 1 January 2018. The Group does not plan to adopt these standards early.

4 Plant and equipment

	Furniture, fittings and equipment	
	2015 \$'000	2014 \$'000
Group		
Cost		
At 1 January	6,813	6,293
Acquisition of subsidiary	1,178	–
Additions	446	697
Disposals	(73)	(85)
Assets written off	(98)	(92)
At 31 December	8,266	6,813
Accumulated depreciation		
At 1 January	4,670	4,083
Charge for the year	793	761
Disposals	(73)	(84)
Assets written off	(79)	(90)
At 31 December	5,311	4,670
Carrying amounts		
At 1 January	2,143	2,210
At 31 December	2,955	2,143
Trust		
Cost		
At 1 January	6,813	6,293
Additions	713	697
Disposals	(73)	(85)
Assets written off	(98)	(92)
At 31 December	7,355	6,813
Accumulated depreciation		
At 1 January	4,670	4,083
Charge for the year	704	761
Disposals	(73)	(84)
Assets written off	(79)	(90)
At 31 December	5,222	4,670
Carrying amounts		
At 1 January	2,143	2,210
At 31 December	2,133	2,143

Notes to the Financial Statements

Year ended 31 December 2015

5 Investment properties

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
At 1 January	7,510,000	7,276,000	7,510,000	7,276,000
Acquisition of subsidiary ¹	788,234	–	–	–
Disposal of investment property	(116,151)	–	(116,151)	–
Capital expenditure	76,942	71,994	76,942	71,994
	8,259,025	7,347,994	7,470,791	7,347,994
Net change in fair value of investment properties	106,975	162,006	115,209	162,006
At 31 December	8,366,000	7,510,000	7,586,000	7,510,000

¹ Includes acquisition fees and acquisition related expenses of \$9,412,000.

As at 31 December 2015 and 31 December 2014, all investment properties under the Group and Trust are unencumbered.

Fair value hierarchy

The fair value of investment properties is determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

The fair value measurement for investment properties of \$8,366,000,000 (2014: \$7,510,000,000) and \$7,586,000,000 (2014: \$7,510,000,000) for the Group and Trust respectively have been categorised as level 3 fair values based on inputs to the valuation techniques used.

Level 3 fair values

Reconciliations from the beginning balances to the ending balances for fair value measurements of level 3 investment properties are set out in the table above.

Valuation technique

Investment properties are stated at fair value based on valuations performed by independent professional valuers. In determining the fair value, the valuers have adopted the capitalisation method and discounted cashflow method.

The capitalisation approach is an investment approach whereby the estimated gross passing income (on both a passing and market rent basis) is adjusted to reflect anticipated operating costs to produce a net income on a fully leased basis. The adopted fully leased net income is capitalised over the remaining term of the lease from the valuation date at an appropriate investment yield. The discounted cash flow method involves the estimation and projection of a net income stream over a period and discounting the net income stream with an internal rate of return to arrive at the market value. The discounted cash flow method requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements.

The above valuation methods involve certain estimates. The Manager reviews the key valuation parameters and underlying data including market-corroborated capitalisation rates and discount rates adopted by the valuers and is of view that they are reflective of the market conditions as at the reporting dates.

5 Investment properties (continued)

Significant unobservable inputs

The following table shows the key unobservable inputs used in the valuation models:

Group and Trust

Type	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Investment property		
Commercial properties for leasing	<ul style="list-style-type: none"> Capitalisation rates from 4.0% to 7.5% (2014: from 4.0% to 7.5%) Discount rates from 7.25% to 8.0% (2014: from 7.25% to 8.0%) 	The estimated fair value would increase/(decrease) if the capitalisation rates and discount rates were lower/(higher).

Significant unobservable inputs correspond to:

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

6 Subsidiaries

	Trust	
	2015 \$'000	2014 \$'000
Non-current assets		
Equity investments at cost	189,837	*
Loans to subsidiaries	603,137	80
	792,974	80
Less: allowance for impairment loss	(5,904)	–
	787,070	80

* Less than \$1,000

As at 31 December 2015, as a result of change in fair value of the investment property held by Brilliance Mall Trust ("BMT"), the Manager has assessed the recoverable amount of the Trust's interest in BMT for impairment. The allowance for impairment loss amounting to \$5.9 million (2014: nil) was recognised in respect of the Trust's investment in BMT taking into consideration the fair value of the underlying property held by BMT and the liabilities to be settled. The recoverable amount was assessed based on net assets less costs to sell using the revalued net assets of BMT as at 31 December 2015.

Notes to the Financial Statements
Year ended 31 December 2015**6 Subsidiaries** (continued)

The movement in the allowance for impairment loss in respect of the year was as follows:

	Trust 2015 \$'000
At the beginning of the year	–
Impairment loss	5,904
At the end of the year	5,904

Details of the subsidiaries are as follows:

Name of subsidiaries	Place of incorporation/ business	Effective equity interest held by the Trust	
		2015 %	2014 %
CMT MTN Pte. Ltd. ¹	Singapore	100	100
Brilliance Mall Trust ¹	Singapore	100	–

¹ Audited by KPMG LLP Singapore

CMT MTN Pte. Ltd.

CMT MTN Pte. Ltd. ("CMT MTN") was incorporated on 23 January 2007. The principal activity of this subsidiary is to issue notes under unsecured multi-currency medium term note programmes. The proceeds from such issuances are used by CMT MTN and the Group to refinance the existing borrowings of the Group, to finance the investments comprised in the Trust, to on-lend to any trust, fund or entity in which the Trust has an interest, to finance any asset enhancement works initiated in respect of the Trust or such trust, fund or entity, and to finance the general corporate and working capital purposes in respect of the Group.

The Trust has provided a loan to CMT MTN amounting to \$80,000 (2014: \$80,000) which is non-trade in nature, unsecured and interest-free. The settlement of the amount is neither planned nor likely to occur in the foreseeable future. As this amount is, in substance, part of the Trust's net investment in CMT MTN, it is stated at cost.

6 Subsidiaries (continued)

Brilliance Mall Trust

On 1 October 2015, the Trust acquired all the units in BMT from CMA Singapore Investments (3) Pte. Ltd. and Brilliance Residential Pte. Ltd., related corporations of the Manager. BMT holds an investment property, Bedok Mall. Upon the acquisition, BMT became a subsidiary of the Trust. The acquisition was accounted for as an acquisition of a group of assets.

BMT is an unlisted special purpose trust established under a trust deed ("BMT Trust Deed") dated 1 September 2010. The principal activity of BMT is to invest in income producing real estate, which is used or substantially used for retail purposes with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth.

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

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

- (i) 2.00% per annum of the gross revenue of the property;
- (ii) 2.00% per annum of the net property income of the property; and
- (iii) 0.50% per annum of the net property income of the property, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

(b) Asset Management fees

Pursuant to the BMT Trust Deed, the asset management fees (including the base and performance fee), acquisition fee and divestment fee payable to the Manager pursuant to the Trust's Trust Deed are as stipulated in Note 1.2.

(c) Trustee fees

Pursuant to the BMT Trust Deed, Brilliance Trustee Pte. Ltd. ("BMT Trustee") is entitled to receive trustee's fees of a sum as may be agreed between parties for the provision of trustee services, until the earlier of the removal or resignation of the BMT Trustee, and the termination of BMT, in each case, in accordance with the BMT Trust Deed. BMT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the BMT Trust Deed.

BMT Trustee's fees are payable annually in arrears.

The unsecured loans to BMT amounting to \$603.1 million are not expected to be repaid in the next twelve months from the reporting date. The loan bears an average interest rate of 2.59% per annum. Interest rate is determined by the Trust from time to time.

Notes to the Financial Statements

Year ended 31 December 2015

7 Associate and joint ventures

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Investment in associate	208,866	182,790	130,836	130,836
Investments in joint ventures	815,566	814,851	575,307	569,409
Loans to joint venture	153,976	136,385	153,976	136,385
	969,542	951,236	729,283	705,794
Less: allowance for impairment loss	–	–	(5,429)	–
	969,542	951,236	723,854	705,794
	1,178,408	1,134,026	854,690	836,630

The loans to joint venture are unsecured, with no fixed terms of repayment and are not expected to be repaid in the next twelve months from the reporting date. The loan bears interest rate of 3.11% to 3.40% (2014: 2.12% to 3.40%) per annum. Interest rate is repriced at intervals of less than twelve months.

As at 31 December 2015, as a result of change in fair value of the investment property held by Infinity Mall Trust ("IMT"), the Manager has assessed the recoverable amount of the Trust's interest in IMT for impairment. The allowance for impairment loss amounting to \$5.4 million (2014: nil) was recognised in respect of the Trust's investment in IMT taking into consideration the fair value of the underlying property held by IMT and the liabilities to be settled. The recoverable amount was assessed based on net assets less costs to sell using the revalued net assets of IMT as at 31 December 2015.

The movement in the allowance for impairment loss in respect of the year was as follows:

	Trust 2015 \$'000
At the beginning of the year	–
Impairment loss	5,429
At the end of the year	5,429

7 Associate and joint ventures (continued)

Details of the associate and joint ventures are as follows:

Name of associate and joint ventures	Place of constitution/ incorporation/business	Effective equity interest held by the Trust	
		2015 %	2014 %
Associate¹			
CapitaLand Retail China Trust (formerly known as CapitaRetail China Trust)	Singapore	14.6	14.8
Joint ventures¹			
RCS Trust	Singapore	40.0	40.0
Infinity Mall Trust and Infinity Office Trust	Singapore	30.0	30.0

¹ Audited by KPMG LLP Singapore

Associate

CapitaLand Retail China Trust (formerly known as CapitaRetail China Trust)

CapitaLand Retail China Trust ("CRCT") is a real estate investment trust constituted in Singapore by a trust deed dated 23 October 2006 (as amended). CRCT was formally admitted to SGX-ST on 8 December 2006. CRCT is established with the objective of investing on a long term basis in a diversified portfolio of income producing real estate and primarily for retail purposes and located primarily in the People's Republic of China ("China").

On a recurring basis, as the results of CRCT are not expected to be announced in sufficient time to be included in the Group's results for the same calendar quarter, the Group will equity account the results of CRCT based on a 3-month lag time.

At the reporting date, the fair value of both the Group's and the Trust's investment in CRCT is \$182,830,000 (2014: \$198,169,000).

Notes to the Financial Statements**Year ended 31 December 2015****7 Associate and joint ventures (continued)**

The following summarises the financial information of the associate based on its consolidated financial statements prepared in accordance with RAP 7.

	CRCT	
	2015 \$'000	2014 \$'000
Revenue	217,790	192,887
Net income	106,726	93,496
Total return after tax for the year	122,617	140,611
Attributable to non-controlling interests	(2,460)	3,531
Attributable to investee's unitholders	125,077	137,080
Net return after transfer to general reserve	120,262	133,089
Total assets	2,511,974	2,217,919
Total liabilities	(1,050,423)	(957,635)
Net assets	1,461,551	1,260,284
Attributable to non-controlling interests	26,172	26,659
Attributable to investee's unitholders	1,435,379	1,233,625
Group's interest in net assets of CRCT at 1 January	182,790	178,808
Group's share of total return for the year	17,653	20,094
Distributions received during the year	(12,516)	(11,436)
Dilution gain/(loss) of interest in CRCT	54	(239)
Group's share of movement in Unitholders' funds	20,885	(4,437)
Carrying amount of interest in CRCT at 31 December	208,866	182,790

The Trust has accounted for CRCT as an associate. The Managers of both the Trust and CRCT, CapitaLand Mall Trust Management Limited ("CMTML") and CapitaLand Retail China Trust Management Limited (formerly known as CapitaRetail China Trust Management Limited) respectively, are wholly owned by CapitaLand Mall Asia Limited (formerly known as CapitaMalls Asia Limited) which has an interest in the Trust.

As the results of CRCT for the fourth quarter ended 31 December 2015 are not announced in sufficient time to be included in the Group's results for the same calendar quarter, the assets and liabilities recorded were based on CRCT's unaudited financial statements and distribution announcement for the third quarter ended 30 September 2015 dated 23 October 2015. The financial results recorded were based on CRCT's unaudited financial statements and distribution announcements for the period from 1 October 2014 to 30 September 2015. The Group also accounted for any significant transactions or events that occurred from 1 October 2015 to 31 December 2015.

Similarly, corresponding comparatives for previous financial year were based on CRCT's unaudited financial statements and distribution announcement for the third quarter ended 30 September 2014 dated 24 October 2014 and on CRCT's unaudited financial statements and distribution announcements for the period from 1 October 2013 to 30 September 2014. The Group also accounted for any significant transactions or events that occurred from 1 October 2014 to 31 December 2014.

7 Associate and joint ventures (continued)

Joint Ventures

RCS Trust

RCS Trust is an unlisted special purpose trust established under a trust deed ("RCS Trust Trust Deed") dated 18 July 2006 entered into between HSBC Institutional Trust Services (Singapore) Limited as trustee-manager of RCS Trust ("RCS Trust Trustee-Manager"), HSBC Institutional Trust Services (Singapore) Limited as trustee of CapitaLand Commercial Trust (formerly known as CapitaCommercial Trust) ("CCT Trustee"), the Trustee, CapitaLand Commercial Trust Management Limited (formerly known as CapitaCommercial Trust Management Limited) (CCTML as manager of CCT) and the Manager. RCS Trust is 40.0% owned by the Trust and 60.0% owned by CCT. RCS Trust is structured as a separate vehicle and the Group has a residual interest in its net assets. The Group has classified its interest in RCS Trust as a joint venture which is equity accounted.

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

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

- (i) 2.00% per annum of the property income of the property; and
- (ii) 2.50% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

(b) Asset management fees

Pursuant to the RCS Trust Trust Deed, the asset management fees comprise a base component of 0.25% per annum of the value of deposited property of RCS Trust and a performance component of 4.00% per annum of the net property income of RCS Trust, including all its authorised investments for the time being held or deemed to be held upon the trusts of the RCS Trust Trust Deed.

The asset management fees shall be paid entirely in the form of units or, with the unanimous approval of the Manager and CCTML, either partly in units and partly in cash or wholly in cash.

The asset management fees are payable quarterly in arrears.

(c) RCS Trust Trustee-Manager's fees

Pursuant to the RCS Trust Trust Deed, the RCS Trust Trustee-Manager's fees shall not exceed 0.10% per annum of the value of Deposited Property of RCS Trust, as defined in the RCS Trust Trust Deed (subject to a minimum sum of \$15,000 per month), payable out of the Deposited Property of RCS Trust. The RCS Trust Trustee-Manager is also entitled to reimbursement of expenses incurred in the performance of its duties under the RCS Trust Trust Deed.

The RCS Trust Trustee-Manager's fees are payable quarterly in arrears.

The secured term loan and revolving credit facility of RCS Trust were granted by a special purpose company, Silver Oak Ltd. ("Silver Oak").

Silver Oak has on 21 June 2011 granted RCS Trust a term loan facility of \$1,000.0 million and a revolving credit facility ("RCF") of \$300.0 million under the loan agreements between Silver Oak and RCS Trust Trustee-Manager.

As at 31 December 2015, the total loans drawn down by RCS Trust from Silver Oak are \$1,044.0 million (2014: \$1,030.0 million).

Notes to the Financial Statements

Year ended 31 December 2015

7 Associate and joint ventures (continued)

Joint Ventures (continued)

Infinity Mall Trust

Infinity Mall Trust is an unlisted special purpose trust established under a trust deed ("Infinity Mall Trust Trust Deed") dated 25 May 2011 entered into between the Trustee, CMA Singapore Investments (4) Pte. Ltd., CL JM Pte. Ltd. and JG Trustee Pte. Ltd. (as trustee of Infinity Mall Trust). Infinity Mall Trust is 30.0% owned by the Trust, 50.0% by CMA Singapore Investments (4) Pte. Ltd. and 20.0% by CL JM Pte. Ltd. Infinity Mall Trust is structured as a separate vehicle and the Group has a residual interest in its net assets. Accordingly the Group has classified its interest in Infinity Mall Trust as a joint venture which is equity accounted.

Infinity Mall Trust owns Westgate which commenced operations on 2 December 2013.

Infinity Mall Trust has entered into a property management agreement in relation to the management of Infinity Mall Trust and its property operations. The fee structure of these services are as follows:

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

- (i) 2.00% per annum of the gross revenue of the property;
- (ii) 2.00% per annum of the net property income of the property; and
- (iii) 0.50% per annum of the net property income of the property, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

(b) Trustee fees

Pursuant to the Infinity Mall Trust Trust Deed, the Infinity Mall Trust Trustee's fees are \$2,000 per annum. JG Trustee Pte. Ltd. is also entitled to reimbursement of expenses incurred in the performance of its duties under Infinity Mall Trust Trust Deed.

JG Trustee Pte. Ltd.'s fees are payable monthly in arrears.

Infinity Office Trust

Infinity Office Trust is an unlisted special purpose trust established under a trust deed ("Infinity Office Trust Trust Deed") dated 25 May 2011 entered into between the Trustee, CMA Singapore Investments (5) Pte. Ltd., CL JO Pte. Ltd. and JG2 Trustee Pte. Ltd. (as trustee of Infinity Office Trust). Infinity Office Trust is 30.0% owned by the Trust, 50.0% by CMA Singapore Investments (5) Pte. Ltd. and 20.0% by CL JO Pte. Ltd.. Infinity Office Trust is structured as a separate vehicle and the Group has a residual interest in its net assets. Accordingly the Group has classified its interest in Infinity Office Trust as a joint venture which is equity accounted.

On 23 January 2014, JG2 Trustee Pte. Ltd., in its capacity as trustee of Infinity Office Trust and JG Trustee Pte. Ltd., in its capacity as trustee of Infinity Mall Trust entered into a sale and purchase agreement to sell all the office strata units in Westgate Tower to Westgate Commercial Pte. Ltd. and Westgate Tower Pte. Ltd. for an aggregate consideration of \$579.4 million. Westgate Tower obtained its temporary occupation permit on 9 October 2014.

7 Associate and joint ventures (continued)**Joint Ventures** (continued)

The following summarises the financial information of the Group's material joint venture based on its financial statements prepared in accordance with RAP 7. The table also includes summarised financial information for the Group's interest in immaterial joint ventures, based on amounts reported in the Group's consolidated financial statements.

	RCS \$'000	Immaterial joint ventures \$'000	Total \$'000
2015			
Revenue	234,355		
Net income	122,623		
Total return for the year ^(a)	135,712		
(a) Includes:			
- depreciation and amortisation	(3,612)		
- interest income	13		
- interest expense	(31,624)		
- income tax expense	–		
Non-current assets	3,137,077		
Current assets ^(b)	18,827		
Non-current liabilities ^(c)	(15,340)		
Current liabilities ^(d)	(1,130,184)		
Net assets	2,010,380		
(b) Includes cash and cash equivalents	13,252		
(c) Includes non-current financial liabilities (excluding trade and other payables and provisions)	(15,340)		
(d) Includes current financial liabilities (excluding trade and other payables and provisions)	(1,057,589)		
Group's interest in net assets of joint ventures at beginning of the year	800,527	150,709	951,236
Group's share of total return for the year	54,285		
Distributions received during the year	(56,557)		
Group's share of movement in Unitholders' funds	5,898		
Group's share of total return and movement in Unitholders' funds	3,626	14,680	18,306
Carrying amount of interest in joint ventures at end of the year	804,153	165,389	969,542

Notes to the Financial Statements

Year ended 31 December 2015

7 Associate and joint ventures (continued)

Joint Ventures (continued)

	RCS \$'000	Immaterial joint ventures \$'000	Total \$'000
2014			
Revenue	232,493		
Net income	120,490		
Total return for the year ^(a)	194,418		
(a) Includes:			
- depreciation and amortisation	(3,491)		
- interest income	9		
- interest expense	(31,097)		
- income tax expense	–		
Non-current assets	3,110,389		
Current assets ^(b)	16,590		
Non-current liabilities ^(c)	(1,044,089)		
Current liabilities ^(d)	(81,574)		
Net assets	2,001,316		
(b) Includes cash and cash equivalents	9,163		
(c) Includes non-current financial liabilities (excluding trade and other payables and provisions)	(1,044,089)		
(d) Includes current financial liabilities (excluding trade and other payables and provisions)	(10,830)		
Group's interest in net assets of joint ventures at beginning of the year	772,476	134,527	907,003
Group's share of total return for the year	77,767		
Distributions received during the year	(55,491)		
Group's share of movement in Unitholders' funds	5,775		
Group's share of total return and movement in Unitholders' funds	28,051	16,182	44,233
Carrying amount of interest in joint ventures at end of the year	800,527	150,709	951,236

As at 31 December 2015, the Group's share of its joint venture capital commitment amounted to \$15,465,000 (2014: \$6,264,000). This commitment has not been recognised in the Group's consolidated financial statements.

8 Financial derivatives

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Non-current assets				
Cross currency swaps	175,280	57,488	–	–
Current liabilities				
Cross currency swap	–	35,801	–	–
Non-current liabilities				
Cross currency swaps	41,731	66,744	–	–

Cross currency swaps

The Group enters into cross currency swaps (“CCS”) to manage its foreign currency risk arising from its foreign currency borrowings. The Group has designated the cross currency swaps as hedging instruments in cash flow hedges.

As at 31 December 2015, the Group held CCS with a total notional amount of \$1,581,954,800 (2014: \$1,988,654,800) to provide Singapore dollar fixed rate funding for terms of 6 to 12 years (2014: 5 to 10.5 years).

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the Statement of Financial Position.

The Group entered into International Swaps and Derivatives Association (“ISDA”) Master Agreements with various bank counterparties (“ISDA Master Agreement”). In certain circumstances following the occurrence of a termination event as set out in an ISDA Master Agreement, all outstanding transactions under such ISDA Master Agreement may be terminated and the early termination amount payable to one party under such agreements may be offset against amounts payable to the other party such that only a single net amount is due or payable in settlement of all transactions.

In accordance with accounting standards, the swaps presented below are not offset in the Statement of Financial Position as the right of set-off of recognised amounts is enforceable only following the occurrence of a termination event as set out in such ISDA Master Agreement. In addition the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Notes to the Financial Statements

Year ended 31 December 2015

8 Financial derivatives (continued)

Offsetting financial assets and financial liabilities (continued)

Financial assets and financial liabilities that are subject to an enforceable master netting arrangements

Group

31 December 2015

	Gross amounts of recognised financial assets \$'000	Gross amounts of recognised financial liabilities offset in the Statement of Financial Position \$'000	Net amounts of financial assets presented in the Statement of Financial Position \$'000	Related amounts not offset in the Statement of Financial Position - Financial instruments \$'000	Net amount \$'000
Financial assets					

Cross currency swaps used for hedging (Non-current)	142,190	–	142,190	(41,731)	100,459
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	Gross amounts of recognised financial liabilities \$'000	Gross amounts of recognised financial assets offset in the Statement of Financial Position \$'000	Net amounts of financial liabilities presented in the Statement of Financial Position \$'000	Related amounts not offset in the Statement of Financial Position - Financial instruments \$'000	Net amount \$'000
Financial liabilities					

Cross currency swaps used for hedging (Non-current)	41,731	–	41,731	(41,731)	–
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Group

31 December 2014

	Gross amounts of recognised financial assets \$'000	Gross amounts of recognised financial liabilities offset in the Statement of Financial Position \$'000	Net amounts of financial assets presented in the Statement of Financial Position \$'000	Related amounts not offset in the Statement of Financial Position - Financial instruments \$'000	Net amount \$'000
Financial assets					

Cross currency swaps used for hedging (Non-current)	54,901	–	54,901	(54,901)	–
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	Gross amounts of recognised financial liabilities \$'000	Gross amounts of recognised financial assets offset in the Statement of Financial Position \$'000	Net amounts of financial liabilities presented in the Statement of Financial Position \$'000	Related amounts not offset in the Statement of Financial Position - Financial instruments \$'000	Net amount \$'000
Financial liabilities					

Cross currency swaps used for hedging (Non-current)	66,744	–	66,744	(54,901)	11,843
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8 Financial derivatives (continued)**Offsetting financial assets and financial liabilities (continued)**

Financial assets and financial liabilities that are subject to an enforceable master netting arrangements (continued)

The tables below reconcile the 'Net amounts of financial assets and financial liabilities presented in Statement of Financial Position', as set out above, to the line items presented in the Statement of Financial Position.

Group**31 December 2015**

Financial assets	Net amounts of financial assets presented in the Statement of Financial Position \$'000	Line item in Statement of Financial Position	Carrying amount in Statement of Financial Position \$'000	Financial assets not in scope of offsetting disclosures \$'000
Cross currency swaps used for hedging	142,190	Non-current financial derivatives	175,280	33,090

Financial liabilities	Net amounts of financial liabilities presented in the Statement of Financial Position \$'000	Line item in Statement of Financial Position	Carrying amount in Statement of Financial Position \$'000	Financial liabilities not in scope of offsetting disclosures \$'000
Cross currency swaps used for hedging	41,731	Non-current financial derivatives	41,731	–

Group**31 December 2014**

Financial assets	Net amounts of financial assets presented in the Statement of Financial Position \$'000	Line item in Statement of Financial Position	Carrying amount in Statement of Financial Position \$'000	Financial assets not in scope of offsetting disclosures \$'000
Cross currency swaps used for hedging	54,901	Non-current financial derivatives	57,488	2,587

Financial liabilities	Net amounts of financial liabilities presented in the Statement of Financial Position \$'000	Line item in Statement of Financial Position	Carrying amount in Statement of Financial Position \$'000	Financial liabilities not in scope of offsetting disclosures \$'000
Cross currency swaps used for hedging	–	Current financial derivatives	35,801	35,801
	66,744	Non-current financial derivatives	66,744	–

Notes to the Financial Statements

Year ended 31 December 2015

8 Financial derivatives (continued)

The following table indicates the periods of cash flows associated with financial derivatives:

	Carrying amount \$'000	Contractual cash flows \$'000	Cash flows		
			Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
Group					
2015					
Derivative financial assets					
Cross currency swaps (gross-settled)	175,280				
- Inflow		1,680,372	44,500	698,797	937,075
- Outflow		(1,479,013)	(40,640)	(625,431)	(812,942)
	175,280	201,359	3,860	73,366	124,133
Derivative financial liabilities					
Cross currency swaps (gross-settled)	(41,731)				
- Inflow		348,145	3,145	275,727	69,273
- Outflow		(393,077)	(10,340)	(320,250)	(62,487)
	(41,731)	(44,932)	(7,195)	(44,523)	6,786
2014					
Derivative financial assets					
Cross currency swaps (gross-settled)	57,488				
- Inflow		1,182,024	35,680	641,014	505,330
- Outflow		(1,126,256)	(31,284)	(605,711)	(489,261)
	57,488	55,768	4,396	35,303	16,069
Derivative financial liabilities					
Cross currency swaps (gross-settled)	(102,545)				
- Inflow		1,009,438	680,609	135,136	193,693
- Outflow		(1,116,089)	(723,011)	(198,699)	(194,379)
	(102,545)	(106,651)	(42,402)	(63,563)	(686)

9 Trade and other receivables

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Trade receivables, net	6,535	6,082	6,179	6,082
Deposits	3,121	668	660	668
Interest receivables	1,092	2,186	1,053	2,186
Amounts due from related parties (trade)	16,322	14,679	16,322	14,679
Amount due from subsidiary (trade)	–	–	3,141	–
Other receivables	1,079	1,002	878	1,002
Loans and receivables	28,149	24,617	28,233	24,617
Prepayments	643	481	632	481
	28,792	25,098	28,865	25,098

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied tenants. These tenants comprise retailers engaged in a wide variety of consumer trades. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, the Manager believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

The maximum exposure to credit risk for trade receivables at the reporting date (by type of consumers) is:

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Retail	6,449	5,946	6,093	5,946
Warehouse	75	67	75	67
Office	11	69	11	69
	6,535	6,082	6,179	6,082

The Group's most significant tenant accounts for \$297,000 (2014: \$405,000) of the trade receivables carrying amount as at the reporting date.

Notes to the Financial Statements

Year ended 31 December 2015

9 Trade and other receivables (continued)**Impairment losses**

The ageing of receivables at the reporting date is:

	Group		Trust	
	Gross	Impairment	Gross	Impairment
	\$'000	loss	\$'000	loss
		\$'000		\$'000
2015				
Not past due	5,131	–	4,855	–
Past due 31 – 60 days	1,283	2	1,229	2
Past due 61 – 90 days	99	–	95	–
Over 90 days	42	18	20	18
	6,555	20	6,199	20
2014				
Not past due	5,005	–	5,005	–
Past due 31 – 60 days	888	–	888	–
Past due 61 – 90 days	151	–	151	–
Over 90 days	38	–	38	–
	6,082	–	6,082	–

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	Group and Trust	
	2015	2014
	\$'000	\$'000
At 1 January	–	–
Impairment loss recognised	20	–
At 31 December	20	–

The Manager believes that, apart from the above, no impairment allowance is necessary in respect of the remaining trade receivables as these receivables arose mainly from tenants that have a good record with the Group and have sufficient security deposits as collateral.

10 Cash and cash equivalents

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cash at bank and in hand	8,258	8,516	8,006	8,422
Fixed deposits with financial institutions	596,052	1,121,036	562,647	1,121,036
Cash and cash equivalents in the statements of cash flows	604,310	1,129,552	570,653	1,129,458

The weighted average effective interest rate relating to cash and cash equivalents at the reporting date for the Group and Trust are 1.27% (2014: 0.88%) and 1.35% (2014: 0.88%) per annum respectively.

11 Trade and other payables

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Trade payables and accrued operating expenses	90,415	99,849	81,912	99,836
Amounts due to related parties (trade)	15,451	14,047	14,083	14,047
Deposits and advances	13,269	13,012	12,342	13,012
Interest payable	25,295	28,514	25,295	28,514
	144,430	155,422	133,632	155,409

Included in the amounts due to related parties (trade) of the Group are mainly amounts due to the Manager of \$11,217,000 (2014: \$10,576,000) and the Property Manager of \$2,642,000 (2014: \$2,389,000). Included in the amounts due to related parties (trade) of the Trust are mainly amounts due to the Manager of \$10,295,000 (2014: \$10,576,000) and the Property Manager of \$2,251,000 (2014: \$2,389,000).

Included in the trade payables and accrued operating expenses of the Group and the Trust is an amount due to the Trustee of \$316,000 (2014: \$306,000).

Notes to the Financial Statements

Year ended 31 December 2015

12 Interest-bearing borrowings

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Current liabilities				
Medium term notes ("MTN notes")	–	100,000	–	–
Euro-Medium term notes ("EMTN notes")	–	662,275	–	–
Term loans	–	–	–	799,500
	–	762,275	–	799,500
Non-current liabilities				
MTN notes	1,396,631	1,076,448	–	–
EMTN notes	1,052,793	986,487	–	–
Retail bonds	350,000	350,000	350,000	350,000
Bank loans	518,998	–	518,998	–
Term loans	–	–	2,381,955	2,089,155
Unamortised transaction costs	(6,266)	(5,891)	(6,266)	(5,891)
	3,312,156	2,407,044	3,244,687	2,433,264
Total interest-bearing borrowings	3,312,156	3,169,319	3,244,687	3,232,764

12 Interest-bearing borrowings (continued)**Terms and debt repayment schedule**

Terms and conditions of outstanding interest-bearing borrowings are as follows:

	Nominal interest rate %	Year of maturity	2015		2014	
			Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
Group						
Unsecured						
Retail bonds	3.08	2021	350,000	348,542	350,000	348,300
USD fixed rate EMTN notes	3.73	2018	564,780	564,103	1,191,255	1,190,288
JPY fixed rate MTN and EMTN notes	1.04 – 1.31	2019 to 2020	234,553	234,149	220,988	220,484
JPY floating rate MTN notes	3 months JPY LIBOR + Margin	2021 to 2023	159,496	159,177	55,247	55,133
HKD fixed rate MTN and EMTN notes	2.77 – 3.76	2022 to 2027	690,595	689,119	457,720	456,681
SGD fixed rate MTN notes	3.15 – 3.85	2017 to 2024	800,000	798,591	900,000	898,433
SGD floating rate bank loans	SOR + Margin	2017 to 2020	518,998	518,475	–	–
			3,318,422	3,312,156	3,175,210	3,169,319
Trust						
Unsecured						
Retail bonds	3.08	2021	350,000	348,542	350,000	348,300
SGD fixed rate term loans from CMT MTN	2.79 – 3.85	2017 to 2027	2,381,955	2,377,670	2,888,655	2,884,464
SGD floating rate bank loans	SOR + Margin	2017 to 2020	518,998	518,475	–	–
			3,250,953	3,244,687	3,238,655	3,232,764

JPY LIBOR – Japanese Yen London Interbank Offered Rate

SOR – Swap Offer Rate

Notes to the Financial Statements

Year ended 31 December 2015

12 Interest-bearing borrowings (continued)**Terms and debt repayment schedule (continued)**

The following are the expected contractual undiscounted cash outflows of financial liabilities including interest payments and excluding the impact of netting agreements:

	Carrying amount \$'000	Contractual cash flows \$'000	Cash flows		
			Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
Group					
2015					
Non-derivative financial liabilities					
<u>Unsecured</u>					
Retail bonds	348,542	409,393	10,810	43,150	355,433
USD fixed rate EMTN notes	564,103	617,431	21,130	596,301	–
JPY fixed rate MTN and EMTN notes	234,149	246,797	2,773	244,024	–
JPY floating rate MTN notes	159,177	164,796	662	2,986	161,148
HKD fixed rate MTN and EMTN notes	689,119	879,619	22,723	90,375	766,521
SGD fixed rate MTN notes	798,591	976,919	28,470	434,146	514,303
SGD floating rate bank loans	518,475	568,696	12,916	555,780	–
Trade and other payables	144,430	144,430	144,430	–	–
Security deposits	160,701	160,701	55,300	102,972	2,429
	3,617,287	4,168,782	299,214	2,069,734	1,799,834
2014					
Non-derivative financial liabilities					
<u>Unsecured</u>					
Retail bonds	348,300	420,174	10,780	43,150	366,244
USD fixed rate EMTN notes	1,190,288	1,274,520	696,226	578,294	–
JPY fixed rate MTN and EMTN notes	220,484	235,117	2,594	120,878	111,645
JPY floating rate MTN notes	55,133	57,687	328	1,477	55,882
HKD fixed rate MTN and EMTN notes	456,681	591,698	15,901	63,769	512,028
SGD fixed rate MTN notes	898,433	1,106,968	130,048	343,348	633,572
Trade and other payables	155,422	155,422	155,422	–	–
Security deposits	148,545	148,545	61,992	84,710	1,843
	3,473,286	3,990,131	1,073,291	1,235,626	1,681,214

12 Interest-bearing borrowings (continued)**Terms and debt repayment schedule (continued)**

			Cash flows		
	Carrying amount \$'000	Contractual cash flows \$'000	Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
Trust					
2015					
Non-derivative financial liabilities					
<u>Unsecured</u>					
Retail bonds	348,542	409,393	10,810	43,150	355,433
SGD fixed rate term loans	2,377,670	2,849,010	79,451	1,379,827	1,389,732
SGD floating rate bank loans	518,475	568,696	12,916	555,780	–
Trade and other payables	133,632	133,632	133,632	–	–
Security deposits	147,156	147,156	54,466	90,261	2,429
	3,525,475	4,107,887	291,275	2,069,018	1,747,594
2014					
Non-derivative financial liabilities					
<u>Unsecured</u>					
Retail bonds	348,300	420,174	10,780	43,150	366,244
SGD fixed rate term loans	2,884,464	3,349,313	884,343	1,147,759	1,317,211
Trade and other payables	155,409	155,409	155,409	–	–
Security deposits	148,545	148,545	61,992	84,710	1,843
	3,536,718	4,073,441	1,112,524	1,275,619	1,685,298

The interest-bearing borrowings comprise the following:

(1) *Unsecured retail bonds of the Trust*

On 20 February 2014, the Trustee issued \$350.0 million in principal amount of bonds under the \$2.5 billion Retail Bond Programme which carry an interest of 3.08% per annum, fully repayable on 20 February 2021.

(2) *Unsecured bank loans of the Trust*

As at 31 December 2015, the Trust has drawn on \$519.0 million of unsecured bank loans with maturities of between 2 to 5 years from various banks.

Notes to the Financial Statements

Year ended 31 December 2015

12 Interest-bearing borrowings (continued)

(3) *Unsecured MTN notes and EMTN notes of CMT MTN*

The Group has a \$2.5 billion Multicurrency Medium Term Note Programme ("MTN Programme") and a USD3.0 billion Euro-Medium Term Note Programme ("EMTN Programme").

Under the MTN Programme, CMT MTN may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in series or tranches in Singapore dollars, United States dollars or any other currency ("MTN Notes").

Under the EMTN Programme, CMT MTN may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in series or tranches in Euro, Sterling, United States dollars, Singapore dollars and any other currency ("EMTN Notes").

Each series or tranche of notes may be issued in various amounts and tenors, and may bear fixed, floating or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the MTN Programme and EMTN Programme.

The MTN Notes and EMTN Notes shall constitute direct, unconditional, unsecured and unsubordinated obligations of CMT MTN ranking *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future unsecured obligations at CMT MTN. All sums payable in respect of the notes will be unconditionally and irrevocably guaranteed by the Trustee.

At 31 December 2015, notes issued by CMT MTN are as follows:

- under the MTN Programme:
 - (i) \$800.0 million (2014: \$900.0 million) of fixed rate notes maturing between 2017 to 2024;
 - (ii) JPY10.0 billion (2014: JPY10.0 billion) of fixed rate notes maturing in 2020;
 - (iii) JPY13.6 billion (2014: JPY5.0 billion) of floating rate notes maturing between 2021 to 2023; and
 - (iv) HKD1.754 billion (2014: HKD0.65 billion) of fixed rate notes maturing between 2025 to 2027.
- under the EMTN Programme:
 - (i) USD400.0 million (2014: USD900.0 million) of fixed rate notes maturing in 2018;
 - (ii) JPY10.0 billion (2014: JPY10.0 billion) of fixed rate notes maturing in 2019; and
 - (iii) HKD2.035 billion (2014: HKD2.035 billion) of fixed rate notes maturing between 2022 to 2023.

CMT MTN has entered into cross currency swaps to swap the abovementioned foreign currency notes into Singapore dollars.

The proceeds from the issue of the MTN Notes and EMTN Notes are used by CMT MTN and the Group to refinance the existing borrowings of the Group, to finance the investments comprised in the Trust, to on-lend to any trust, fund or entity in which the Trust has an interest, to finance any asset enhancement works initiated in respect of the Trust or such trust, fund or entity, and to finance the general corporate and working capital purposes in respect of the Group.

13 Convertible Bonds

	Group and Trust	
	2015 \$'000	2014 \$'000
Debt component at 1 January	–	348,349
Amortisation of transaction costs	–	792
Interest accretion	–	859
Redemption of Convertible Bonds due 2014	–	(350,000)
Debt component at 31 December	–	–
Current liabilities	–	–
	–	–

Convertible Bonds due 2014

On 19 April 2014, the \$350.0 million principal amount of convertible bonds due 2014 (“Convertible Bonds due 2014”) at 2.125% per annum were redeemed upon maturity. There has been no conversion of the Convertible Bonds due 2014 since the date of their issue.

14 Units in issue

	Group and Trust	
	2015 '000	2014 '000
Units in issue:		
At 1 January	3,462,180	3,459,157
Units created:		
- as payment of asset management fees in relation to the Trust's 40.0% interest in RCS Trust	2,888	3,023
- in relation to the acquisition of BMT:		
- as partial consideration	72,000	–
- as acquisition fees	4,101	–
Total issued units at 31 December	3,541,169	3,462,180

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

- Receive income and other distributions attributable to the units held;
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust;

Notes to the Financial Statements

Year ended 31 December 2015

14 Units in issue (continued)

- Attend all Unitholders meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth in number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- One vote per unit.

The restrictions of a Unitholder include the following:

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

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

15 Gross revenue

	Group		Trust	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Gross rental income	615,446	607,853	601,788	607,853
Car park income	18,203	17,981	18,203	17,981
Others	35,353	33,017	34,755	33,017
	669,002	658,851	654,746	658,851

16 Property operating expenses

	Group		Trust	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Land rental	1,266	1,313	1,266	1,313
Property tax	54,510	55,439	53,255	55,439
Utilities	24,141	30,205	24,016	30,205
Property management fees	25,361	24,700	24,810	24,700
Property management reimbursements	34,811	32,390	34,175	32,390
Marketing	18,480	20,480	18,037	20,480
Maintenance	38,993	40,471	38,187	40,471
Others	5,276	5,490	5,126	5,490
	202,838	210,488	198,872	210,488

17 Interest and other income

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Interest income:				
- financial institutions	7,662	6,707	7,593	6,707
- subsidiary	–	–	3,936	–
- joint ventures	4,608	7,974	4,608	4,752
	12,270	14,681	16,137	11,459
Other income	–	16	–	16
	12,270	14,697	16,137	11,475

18 Investment income

	Trust	
	2015 \$'000	2014 \$'000
Distribution income from:		
- subsidiary	3,141	–
- joint ventures	59,956	85,491
- associate	12,516	11,436
	75,613	96,927

19 Asset management fees

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Base fees	22,414	22,314	21,898	22,314
Performance fees	19,764	19,414	19,358	19,414
	42,178	41,728	41,256	41,728

Notes to the Financial Statements

Year ended 31 December 2015

20 Finance costs

	Group and Trust	
	2015 \$'000	2014 \$'000
Interest expense	101,445	109,969
Transaction costs	2,377	3,988
	103,822	113,957

21 Gain on disposal of investment property

Gain on disposal of investment property relates to the sale of Rivervale Mall with legal completion on 15 December 2015.

22 Income tax expense

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Current tax expense				
Current year	–	–	–	–
Under provision in prior years ¹	575	37	575	37
	575	37	575	37
Reconciliation of effective tax rate				
Net income	400,610	452,013	398,933	396,500
Tax calculated using Singapore tax rate of 17%	68,104	76,842	67,819	67,405
Effects of results of equity-accounted investees presented net of tax	(2,017)	(15,933)	–	–
Non-tax deductible items	355	2,133	751	2,681
Income not subject to tax	–	–	(2,128)	(7,044)
Tax transparency	(66,442)	(63,042)	(66,442)	(63,042)
Under provision in prior years	575	37	575	37
	575	37	575	37

¹ In 2015 and 2014, these relate to tax assessed on the Trust by the Inland Revenue Authority of Singapore ("IRAS") for years of assessment 2011 and 2010 respectively. The IRAS disallowed certain expenses incurred in the year ended 31 December 2010 and 31 December 2009 and did not allow such adjustments to be included under the rollover income adjustment.

23 Earnings per unit

(a) Basic earnings per unit

The calculation of basic earnings per unit is based on the weighted average number of units during the year and total return for the year.

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Total return for the year	579,805	618,875	574,975	563,601
	Group and Trust Number of Units		2015 '000	2014 '000
Issued units at beginning of the year			3,462,180	3,459,157
Creation of new units during the year:				
- asset management fees in relation to the Trust's 40.0% interest in RCS Trust			1,540	1,635
- in relation to the acquisition of BMT:				
- as partial consideration			18,148	–
- as acquisition fees			675	–
Weighted average number of units at the end of the year			3,482,543	3,460,792

(b) Diluted earnings per unit

In calculating diluted earnings per unit, the total return for the year and weighted average number of units during the year are adjusted for the effects of all dilutive potential units:

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Total return for the year	579,805	618,875	574,975	563,601
Impact of conversion of the dilutive potential units	–	3,348	–	3,348
Adjusted total return for the year	579,805	622,223	574,975	566,949
	Group and Trust Number of Units		2015 '000	2014 '000
Weighted average number of units used in calculation of basic earnings per unit			3,482,543	3,460,792
Weighted average number of unissued units from convertible bonds			–	41,055
Weighted average number of units in issue (diluted)			3,482,543	3,501,847

Notes to the Financial Statements**Year ended 31 December 2015****24 Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the parties or exercise significant influence over the parties in making financial and operating decisions, or vice versa, or where the Group and the parties are subject to common significant influence. Related parties may be individuals or other entities. The Manager, Property Manager and Project Manager (CapitaLand Retail Project Management Pte Ltd) are subsidiaries of a substantial Unitholder of the Trust. In the normal course of the operations of the Trust, asset management fees and trustee's fees have been paid or are payable to the Manager and Trustee respectively. The property management fees and property management reimbursements are payable to the Property Manager.

During the financial year, other than those disclosed elsewhere in the financial statements, the following were significant related party transactions carried out in the normal course of business on arm's length commercial terms:

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Asset enhancement works and consultancy fees paid/payable to related companies of the Manager	2,437	2,786	2,437	2,786
Rental and other income received/receivable from related companies of the Manager	1,190	1,311	1,189	1,311
Interest paid/payable to subsidiary	–	–	85,521	93,267
Divestment fees payable to the Manager	953	869	953	869
Other expenses paid/payable to related companies of the Manager	4,828	4,067	4,737	4,081

25 Financial risk management**Capital management**

The Board of the Manager proactively reviews the Group's and the Trust's capital and debt management and financing policy regularly so as to optimise the Group's and the Trust's funding structure. Capital consists of Unitholders' funds of the Group. The Board also monitors the Group's and the Trust's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

The Trust is subject to the aggregate leverage limit as defined in the Property Funds Appendix of the CIS code. The CIS code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 35.0% of the fund's deposited property. The Aggregate Leverage of a property fund may exceed 35.0% of the fund's deposited property (up to a maximum of 60.0%) only if a credit rating of the property fund from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. The property fund should continue to maintain and disclose a credit rating so long as its Aggregate Leverage exceeds 35.0% of the fund's deposited property. Moody's has affirmed an 'A2' issuer rating in July 2015. The Trust has complied with the Aggregate Leverage limit of 60.0% during the financial year. There were no changes in the Group's and the Trust's approach to capital management during the financial year.

25 Financial risk management (continued)

Overview of risk management

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Manager continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how the Manager monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a tenant or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The Manager has established credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with tenants.

The Manager establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to the individually significant exposure.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have sound credit ratings, thus management does not expect any counterparty to fail to meet its obligations.

At 31 December 2015 and 31 December 2014, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Statement of Financial Position.

Notes to the Financial Statements

Year ended 31 December 2015

25 Financial risk management (continued)**Liquidity risk**

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Group is exposed to foreign currency risk on interest-bearing borrowings that were denominated in a currency other than the functional currency of the Group. The currencies giving rise to this risk are United States Dollars ("USD"), Hong Kong Dollars ("HKD") and Japanese Yen ("JPY"). The Group hedges this risk by entering into cross currency swaps with notional contract amounts of USD400.0 million, HKD1.15 billion, JPY10.0 billion, HKD885.0 million, JPY10.0 billion, JPY5.0 billion, HKD650.0 million, HKD1.104 billion and JPY8.6 billion. All sums payable in respect of the cross currency swaps are guaranteed by the Trustee.

Sensitivity analysis

A 10.0% strengthening of Singapore dollar against the following foreign currency at the reporting date would decrease the Statement of Total Return and Unitholders' Funds as at 31 December 2015 by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant.

	Statement of Total Return \$'000	Unitholders' Funds \$'000
Group		
2015		
USD	—	(3,682)
HKD	—	(8,463)
JPY	—	(3,196)
	—	(15,341)
2014		
USD	—	(5,918)
HKD	—	(4,618)
JPY	—	(2,312)
	—	(12,848)

A 10.0% weakening of Singapore dollar against the above currency would have had an equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

25 Financial risk management (continued)

Interest rate risk

The Group's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates.

Sensitivity analysis

The Group does not account for any fixed rate financial liabilities at fair value through profit or loss. Therefore, in respect of the fixed rate borrowings, a change in interest rates at the reporting date would not affect the Statement of Total Return.

For variable rate financial liabilities and cross currency derivative instruments used for hedging, a change of 100 basis points ("bp") in interest rate at the reporting date would increase/(decrease) the Statement of Total Return and Unitholders' Funds by \$5,190,000 (2014: nil) and \$1,605,000 (2014: \$2,446,000) at Group respectively and increase/(decrease) the Statement of Total Return by \$5,190,000 (2014: nil) at Trust. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Notes to the Financial Statements

Year ended 31 December 2015

26 Classification and fair value of financial instruments

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount	
		Fair value – hedging instruments \$'000	Loans and receivables \$'000
Group			
2015			
Financial assets not measured at fair value			
Loans to joint ventures	7	–	153,976
Trade and other receivables	9	–	28,149
Cash and cash equivalents	10	–	604,310
		–	786,435
Financial assets measured at fair value			
Financial derivatives	8	175,280	–
		175,280	–
Financial liabilities not measured at fair value			
Trade and other payables	11	–	–
Security deposits		–	–
Interest-bearing borrowings	12	–	–
		–	–
Financial liabilities measured at fair value			
Financial derivatives	8	(41,731)	–
		(41,731)	–
2014			
Financial assets not measured at fair value			
Loans to joint ventures	7	–	136,385
Trade and other receivables	9	–	24,617
Cash and cash equivalents	10	–	1,129,552
		–	1,290,554
Financial assets measured at fair value			
Financial derivatives	8	57,488	–
		57,488	–
Financial liabilities not measured at fair value			
Trade and other payables	11	–	–
Security deposits		–	–
Interest-bearing borrowings	12	–	–
		–	–
Financial liabilities measured at fair value			
Financial derivatives	8	(102,545)	–
		(102,545)	–

		Fair value			
Other financial liabilities at amortised cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
–	153,976				
–	28,149				
–	604,310				
–	786,435				
–	175,280	–	175,280	–	175,280
–	175,280				
(144,430)	(144,430)				
(160,701)	(160,701)				
(3,312,156)	(3,312,156)	–	(3,355,340)	–	(3,355,340)
(3,617,287)	(3,617,287)				
–	(41,731)	–	(41,731)	–	(41,731)
–	(41,731)				
–	136,385				
–	24,617				
–	1,129,552				
–	1,290,554				
–	57,488	–	57,488	–	57,488
–	57,488				
(155,422)	(155,422)				
(148,545)	(148,545)				
(3,169,319)	(3,169,319)	–	(3,241,518)	–	(3,241,518)
(3,473,286)	(3,473,286)				
–	(102,545)	–	(102,545)	–	(102,545)
–	(102,545)				

Notes to the Financial Statements

Year ended 31 December 2015

26 Classification and fair value of financial instruments (continued)

		Carrying amount	
	Note	Fair value – hedging instruments \$'000	Loans and receivables \$'000
Trust			
2015			
Financial assets not measured at fair value			
Loan to subsidiary ¹	6	–	603,057
Loans to joint ventures	7	–	153,976
Trade and other receivables	9	–	28,233
Cash and cash equivalents	10	–	570,653
		–	1,355,919
Financial liabilities not measured at fair value			
Trade and other payables	11	–	–
Security deposits		–	–
Interest-bearing borrowings	12	–	–
		–	–
2014			
Financial assets not measured at fair value			
Loan to subsidiary	6	–	–
Loans to joint ventures	7	–	136,385
Trade and other receivables	9	–	24,617
Cash and cash equivalents	10	–	1,129,458
		–	1,290,460
Financial liabilities not measured at fair value			
Trade and other payables	11	–	–
Security deposits		–	–
Interest-bearing borrowings	12	–	–
		–	–

1 The amount exclude the \$80,000 loan to CMT MTN.

		Fair value			
Other financial liabilities at amortised cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
–	603,057				
–	153,976				
–	28,233				
–	570,653				
–	1,355,919				
(133,632)	(133,632)				
(147,156)	(147,156)				
(3,244,687)	(3,244,687)	–	(3,242,408)	–	(3,242,408)
(3,525,475)	(3,525,475)				
–	–				
–	136,385				
–	24,617				
–	1,129,458				
–	1,290,460				
(155,409)	(155,409)				
(148,545)	(148,545)				
(3,232,764)	(3,232,764)	–	(3,294,632)	–	(3,294,632)
(3,536,718)	(3,536,718)				

Notes to the Financial Statements

Year ended 31 December 2015

26 Classification and fair value of financial instruments (continued)**Measurement of fair values****Financial instruments measured at fair value*****Derivatives***

The fair values of cross currency swaps (Level 2 fair values) are based on banks' quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparties when appropriate.

Financial instruments not measured at fair value

Other non-derivative financial liabilities are measured at fair value at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date. Other non-derivative financial liabilities include interest-bearing borrowings.

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are based on forward rates as at 31 December plus a credit spread, and are as follows:

	2015 %	2014 %
Interest-bearing borrowings	1.04 – 3.98	1.04 – 3.38

Financial instruments for which fair value is equal to the carrying value

These financial instruments include loans to subsidiaries and joint ventures, trade and other receivables, cash and cash equivalents, trade and other payables and security deposits. The carrying amounts of these financial instruments are an approximation of their fair values because they are either short term in nature, effect of discounting is immaterial or repriced frequently.

27 Operating segments

For the purpose of making resource allocation decisions and the assessment of segment performance, the Group's Chief Operating Decision Makers ("CODMs") reviews internal/management reports of its investment properties. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the CODMs for the purpose of assessment of segment performance. In addition, the CODMs monitor the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue, interest-bearing borrowings and expenses, related assets and expenses. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

Geographical segments

Segment information in respect of the Group's geographical segments is not presented, as the Group's activities for the year ended 31 December 2015 and 31 December 2014 related to properties located in Singapore.

Notes to the Financial Statements

Year ended 31 December 2015

27 Operating segments (continued)

	Tampines Mall \$'000	Junction 8 \$'000	Funan DigiLife Mall \$'000	IMM Building \$'000	Plaza Singapore \$'000	Bugis Junction \$'000
2015						
Gross revenue	76,822	58,581	33,836	73,140	91,354	83,283
Segment net property income	56,788	41,906	22,855	46,857	67,847	61,937
Interest and other income						
Finance costs						
Unallocated expenses						
Share of results (net of tax) of:						
- Associate						
- Joint ventures						
Net income						
Net change in fair value of financial derivative						
Net change in fair value of investment properties	46,804	32,111	5,800	(767)	11,660	44,248
Gain on disposal of investment property						
Dilution gain of interest in associate						
Total return for the year before tax						
Income tax expense						
Total return for the year						

[illegible]

Notes to the Financial Statements
Year ended 31 December 2015**27 Operating segments** (continued)

	Tampines Mall \$'000	Junction 8 \$'000	Funan DigitalLife Mall \$'000	IMM Building \$'000	Plaza Singapore \$'000	Bugis Junction \$'000
2015						
Assets and liabilities						
Segment assets	983,803	696,639	367,480	623,478	1,244,917	995,720
Investment in associate and joint ventures						
Unallocated assets:						
- financial derivatives						
- others						
Total assets						
Segment liabilities	27,738	17,124	11,571	32,557	34,982	25,850
Unallocated liabilities:						
- interest-bearing borrowings						
- financial derivatives						
- others						
Total liabilities						
Other segmental information						
Depreciation and amortisation	44	79	25	133	102	19
Plant and equipment:						
- capital expenditure	121	28	28	31	159	12
Investment properties:						
- capital expenditure	14,196	1,889	200	19,767	9,340	(248)
Receivables written off	–	–	–	17	–	–

JCube \$'000	Lot One Shoppers' Mall \$'000	Bukit Panjang Plaza \$'000	The Atrium@ Orchard \$'000	Clarke Quay \$'000	Bugis+ \$'000	Other Investment Properties ¹ \$'000	BMT ² \$'000	Group \$'000
288,618	510,425	303,640	736,211	390,376	340,874	114,292	814,310	8,410,783
								1,178,408
								175,280
								591,274
								766,554
								10,355,745
11,878	13,663	11,100	14,336	21,777	10,638	7,766	27,320	268,300
								3,312,156
								41,731
								40,395
								3,394,282
								3,662,582
14	29	54	271	78	87	27	90	1,052
125	28	180	57	(73)	6	11	(267)	446
3,686	772	11,370	3,493	11,525	414	538	–	76,942
27	–	–	–	–	–	–	–	44

Notes to the Financial Statements

Year ended 31 December 2015

27 Operating segments (continued)

	Tampines Mall \$'000	Junction 8 \$'000	Funan DigitaLife Mall \$'000	IMM Building \$'000	Plaza Singapura \$'000
2014					
Gross revenue	74,800	57,174	33,524	76,673	88,871
Segment net property income	55,042	40,682	21,715	50,272	66,608
Interest and other income					
Finance costs					
Unallocated expenses					
Share of results (net of tax) of:					
- Associate					
- Joint ventures					
Net income					
Net change in fair value of financial derivative					
Net change in fair value of investment properties	50,378	25,388	2,222	(34,946)	51,811
Dilution loss of interest in associate					
Total return for the year before tax					
Income tax expense					
Total return for the year					

[illegible]

Notes to the Financial Statements

Year ended 31 December 2015

27 Operating segments (continued)

	Tampines Mall \$'000	Junction 8 \$'000	Funan DigitaLife Mall \$'000	IMM Building \$'000	Plaza Singapura \$'000
2014					
Assets and liabilities					
Segment assets	922,647	662,531	361,452	604,521	1,223,783
Investment in associate and joint ventures					
Unallocated assets:					
- financial derivatives					
- others					
Total assets					
Segment liabilities	28,925	19,638	12,241	32,451	28,246
Unallocated liabilities:					
- interest-bearing borrowings					
- financial derivatives					
- others					
Total liabilities					
Other segmental information					
Depreciation and amortisation	21	81	16	91	58
Plant and equipment:					
- capital expenditure	20	45	23	114	47
Investment properties:					
- capital expenditure	19,622	612	778	5,946	3,189
Receivables written off	9	5	–	4	1

1 Other investment properties comprise Sembawang Shopping Centre and Rivervale Mall. Rivervale Mall was divested on 15 December 2015.

2 The acquisition of BMT which holds Bedok Mall was completed on 1 October 2015.

Bugis Junction \$'000	JCube \$'000	Lot One Shoppers' Mall \$'000	Bukit Panjang Plaza \$'000	The Atrium@ Orchard \$'000	Clarke Quay \$'000	Bugis+ \$'000	Other Investment Properties ¹ \$'000	Group \$'000
951,446	335,594	503,372	292,462	729,833	372,422	338,107	222,164	7,520,334
								1,134,026
								57,488
								1,146,459
								1,203,947
								9,858,307
31,611	18,886	14,319	15,954	19,856	20,653	9,865	9,988	262,633
								3,169,319
								102,545
								41,371
								3,313,235
								3,575,868
18	165	73	18	561	145	132	38	1,417
17	62	28	17	60	195	51	18	697
12,093	5,851	1,166	13,832	1,339	3,523	734	3,309	71,994
7	4	4	–	–	–	–	–	34

Notes to the Financial Statements

Year ended 31 December 2015

28 Commitments

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Capital commitments:				
- contracted but not provided for	32,659	51,032	32,659	51,032

Operating lease rental receivable

The Group leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	Group		Trust	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Within 1 year	567,237	523,136	512,678	523,136
After 1 year but within 5 years	692,971	655,307	660,532	655,307
More than 5 years	60,069	63,736	60,069	63,736
	1,320,277	1,242,179	1,233,279	1,242,179

29 Financial ratios

	Group	
	2015 %	2014 %
Expenses to weighted average net assets ¹		
- including performance component of Manager's management fees	0.72	0.76
- excluding performance component of Manager's management fees	0.41	0.44
Portfolio turnover rate ²	3.13	–

1 The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses and finance costs.

2 The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of average net asset value.

Additional Information

Interested Person Transactions

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited (SGX-ST) and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions less than S\$100,000 each), are as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions during the financial year under review conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000
CapitaLand Limited and its subsidiaries or associates		
- Management fees ¹	48,091	—
- Property management fees and reimbursables ¹	69,110	—
- Project management and consultancy fees for asset enhancement works ¹	2,268	—
- Acquisition of all the units in Brilliance Mall Trust which holds Bedok Mall	783,482	—
- Acquisition fees related to acquisition of all the units in Brilliance Mall Trust which holds Bedok Mall	7,800	—
- Divestment fees related to Rivervale Mall	953	—
- Rental and service income ¹	150	—
Temasek Holdings (Private) Limited and its associates		
- Rental and service income ¹	4,510	—
- General services ¹	1,494	—
HSBC Institutional Trust Services (Singapore) Limited		
- Trustee's fees ¹	1,360	—
- Rental and service income	2,640	—

¹ This includes CMT's interest in joint ventures.

Additional Information

Saved as disclosed above, there were no additional interested person transactions (excluding transactions less than S\$100,000 each) entered into during the financial year under review.

On 10 February 2004, the SGX-ST has granted a waiver to CMT from Rules 905 and 906 of the Listing Manual of the SGX-ST in relation to, inter alia, payments for management fees, payments for acquisition and divestment fees, as well as payments of trustee's fees. Such payments are not to be included in the aggregated value of total interested person transactions as governed by Rules 905 and 906 of the Listing Manual of the SGX-ST as long as there are no changes to the terms, rates and/or bases for such fees and expenses.

In addition, the entry into the Master Property Management Agreement 2011 dated 1 December 2011 was approved by the Unitholders at an extraordinary general meeting held on 13 April 2011 and the total property management fees and reimbursements to the property manager in respect of payroll and related expenses payable thereunder were aggregated for the purpose of Rule 905 in financial year 2011. Accordingly, such fees and expenses will not be subject to aggregation or further Unitholders' approval requirements under Rules 905 and 906 of the Listing Manual of the SGX-ST, to the extent that there is no subsequent change to the rates and/or bases for such fees and expenses.

Please also see Note 24 on Related Parties in the financial statements.

Subscription of CMT Units

For the financial year ended 31 December 2015, an aggregate of 78,988,404 CMT units were issued and subscribed for. As at 31 December 2015, 3,541,168,714 CMT units were in issue and outstanding. On 2 February 2016, 769,759 CMT units were issued to the manager of CMT (Manager) as payment of its asset management fees for the fourth quarter of 2015 in relation to CMT's 40.00% interest in Raffles City Singapore through RCS Trust.

Additional Disclosure for Operating Expenses

The total operating expenses incurred by CMT Group and CMT's proportionate share of operating expenses incurred by its joint ventures (being RCS Trust, Infinity Mall Trust and Infinity Office Trust) amounted to S\$294.5 million in 2015, which was equivalent to 4.4% of CMT Group's net asset value as at 31 December 2015. The amount included all fees and charges paid to the Manager and interested parties.

Statistics of Unitholdings

As at 23 February 2016

Issued and Fully Paid Units

3,541,938,473 units (voting rights: 1 vote per unit)

Market Capitalisation: S\$7,473,490,178 (based on closing unit price of S\$2.110 on 23 February 2016)

Distribution of Unitholdings

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	147	0.95	1,386	0.00
100 - 1,000	1,922	12.46	1,690,081	0.05
1,001 - 10,000	9,514	61.66	47,995,076	1.35
10,001 - 1,000,000	3,815	24.72	173,524,150	4.90
1,000,001 and above	32	0.21	3,318,727,780	93.70
Total	15,430	100.00	3,541,938,473	100.00

Location of Unitholders

Country	No. of Unitholders	%	No. of Units	%
Singapore	14,858	96.29	3,532,602,937	99.74
Malaysia	338	2.19	4,953,701	0.14
Others	234	1.52	4,381,835	0.12
Total	15,430	100.00	3,541,938,473	100.00

Twenty Largest Unitholders

No.	Name	No. of Units	%
1	Citibank Nominees Singapore Pte Ltd	666,009,168	18.80
2	Pyramex Investments Pte Ltd	571,784,814	16.14
3	DBS Nominees (Private) Limited	559,484,778	15.80
4	HSBC (Singapore) Nominees Pte Ltd	336,452,053	9.50
5	Albert Complex Pte Ltd	279,300,000	7.89
6	DBSN Services Pte. Ltd.	270,635,224	7.64
7	Premier Healthcare Services International Pte Ltd	142,094,041	4.01
8	Raffles Nominees (Pte) Limited	117,911,065	3.33
9	NTUC Fairprice Co-operative Ltd	101,527,000	2.87
10	United Overseas Bank Nominees (Private) Limited	65,453,781	1.85
11	BNP Paribas Securities Services Singapore Branch	55,260,240	1.56
12	Alphaplus Investments Pte Ltd	48,127,000	1.36
13	CapitaLand Mall Trust Management Limited	45,054,334	1.27
14	Bank of Singapore Nominees Pte. Ltd.	19,940,191	0.56
15	DB Nominees (Singapore) Pte Ltd	7,953,567	0.22
16	OCBC Nominees Singapore Private Limited	3,120,856	0.09
17	Macquarie Capital Securities (Singapore) Pte Limited	2,916,507	0.08
18	DBS Vickers Securities (Singapore) Pte Ltd	2,570,930	0.07
19	BNP Paribas Nominees Singapore Pte Ltd	2,510,408	0.07
20	OCBC Securities Private Limited	2,249,207	0.06
Total		3,300,355,164	93.17

Statistics of Unitholdings

As at 23 February 2016

Directors' Interests in Units and Convertible Securities as at 21 January 2016

Based on the Register of Directors' unitholdings, save for those disclosed below, none of the Directors holds any interest in units and convertible securities issued by CMT.

Name of Director	No. of Units	
	Direct Interest	Deemed Interest
Danny Teoh Leong Kay	24,768	—
Lim Ming Yan	866,000	—
Fong Kwok Jen	15,443	—
Gay Chee Cheong	15,598	—
Lee Khai Fatt, Kyle	20,951	—
Jason Leow Juan Thong	20,000	—
Richard Rokmat Magnus	61,647	—
Tan Kian Chew	65,515	64,000
Tan Wee Yan, Wilson	20,456	—

Substantial Unitholders' Unitholdings as at 23 February 2016

Based on the information available to the Manager as at 23 February 2016, the unitholdings of Substantial Unitholders of CMT are as follows:

Name of Substantial Unitholder	Direct Interest		Deemed Interest	
	No. of Units	%	No. of Units	%
Temasek Holdings (Private) Limited (THPL)	—	—	1,052,835,848 ¹	29.72
CapitaLand Limited (CL)	—	—	1,038,233,189 ²	29.31
CapitaLand Mall Asia Limited (CMA)	—	—	1,038,233,189 ³	29.31
Pyramex Investments Pte Ltd (PIPL)	571,784,814	16.14	—	—
Albert Complex Pte Ltd (ACPL)	279,300,000	7.89	—	—
National Trades Union Congress	—	—	178,051,444 ⁴	5.03
Singapore Labour Foundation	—	—	178,051,444 ⁵	5.03
NTUC Enterprise Co-operative Limited	—	—	178,051,444 ⁶	5.03

1 THPL is deemed to have an interest in the unitholdings in which its associated companies have or are deemed to have an interest pursuant to Section 4 of the Securities and Futures Act, Chapter 289 of Singapore. THPL is wholly owned by the Minister for Finance.

2 CL is deemed to have an interest in the unitholdings of its indirect wholly owned subsidiaries namely PIPL, ACPL, Premier Healthcare Services International Pte Ltd (PHSIPL) and the Manager.

3 CMA is deemed to have an interest in the unitholdings of its direct wholly owned subsidiaries, namely PIPL, ACPL and PHSIPL and its indirect wholly owned subsidiary, namely the Manager.

4 National Trades Union Congress has an approximately 37% interest in NTUC Enterprise Co-operative Limited and is therefore deemed to have an interest in the unitholdings of NTUC Income Insurance Co-operative Limited and NTUC FairPrice Co-operative Limited in which NTUC Enterprise Co-operative Limited has a deemed interest.

5 Singapore Labour Foundation has an approximately 30% interest in NTUC Enterprise Co-operative Limited and is therefore deemed to have an interest in the unitholdings of NTUC Income Insurance Co-operative Limited and NTUC FairPrice Co-operative Limited in which NTUC Enterprise Co-operative Limited has a deemed interest.

6 NTUC Enterprise Co-operative Limited is entitled to control the exercise of more than 50% of the votes in each of NTUC Income Insurance Co-operative Limited (which directly holds 28,597,444 Units) and NTUC FairPrice Co-operative Limited (which directly holds 101,327,000 Units and has a deemed interest over 48,127,000 Units held by a wholly owned subsidiary), and is therefore deemed to have an interest in their unitholdings.

Free Float

Based on the information available to the Manager, approximately 65.22% of the units in CMT were held in the hands of the public as at 23 February 2016. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

Mall Directory

Bedok Mall

311 New Upper Changi Road, Singapore 467360
Tel: +65 6702 5120
Fax: +65 6844 9701
Website: www.bedokmall.com.sg

Bugis+

201 Victoria Street, Singapore 188067
Tel: +65 6634 6810
Fax: +65 6835 7840
Website: www.bugisplus.com.sg

Bugis Junction

200 Victoria Street, Singapore 188021
Tel: +65 6557 6557
Fax: +65 6835 7840
Website: www.bugisjunction-mall.com.sg

Bukit Panjang Plaza

1 Jelebu Road, Singapore 677743
Tel: +65 6314 6388
Fax: +65 6763 4829
Website: www.bukitpanjangplaza.com.sg

Clarke Quay

3 River Valley Road, Singapore 179024
Tel: +65 6337 3292
Fax: +65 6334 8423
Website: www.clarkequay.com.sg

Funan DigitalLife Mall

109 North Bridge Road, Singapore 179097
Tel: +65 6336 8327
Fax: +65 6333 4275
Website: www.funan.com.sg

IMM Building

2 Jurong East Street 21, Singapore 609601
Tel: +65 6665 8268
Fax: +65 6562 3933
Website: www.imm.sg

JCube

2 Jurong East Central 1, Singapore 609731
Tel: +65 6684 2153
Fax: +65 6684 2151
Website: www.jcube.com.sg

Junction 8

9 Bishan Place, Singapore 579837
Tel: +65 6354 2955
Fax: +65 6354 2977
Website: www.junction8.com.sg

Lot One Shoppers' Mall

21 Choa Chu Kang Avenue 4, Singapore 689812
Tel: +65 6314 6200
Fax: +65 6763 2405
Website: www.lotone.com.sg

Plaza Singapura

68 Orchard Road, Singapore 238839
Tel: +65 6332 9298
Fax: +65 6339 5006
Website: www.plazasingapura.com.sg

Raffles City Singapore

Retail

252 North Bridge Road, Singapore 179103

Office

250 North Bridge Road, Singapore 179101

Swissôtel The Stamford Singapore

2 Stamford Road Singapore 178882

Fairmont Singapore

80 Bras Basah Road, Singapore 189560

Tel: +65 6318 0238

Fax: +65 6337 3618

Website: www.rafflescitiy.com.sg

Sembawang Shopping Centre

604 Sembawang Road, Singapore 758459
Tel: +65 6757 8000
Fax: +65 6257 1463
Website: www.sembawangsc.com.sg

Tampines Mall

4 Tampines Central 5, Singapore 529510
Tel: +65 6788 8370
Fax: +65 6787 0995
Website: www.tampinesmall.com.sg

The Atrium@Orchard

68 Orchard Road, Singapore 238839
Tel: +65 6332 9298
Fax: +65 6339 5006
Website: www.capitalandmallasia.com.sg

Westgate

3 Gateway Drive, Singapore 608532
Tel: +65 6908 3737
Fax: +65 6465 9631
Website: www.westgate.com.sg

Corporate Information

CAPITALAND MALL TRUST

REGISTERED ADDRESS

HSBC Institutional Trust Services (Singapore) Limited

21 Collyer Quay
#13-02 HSBC Building
Singapore 049320

WEBSITE & EMAIL ADDRESS

www.cmt.com.sg
ask-us@cmt.com.sg

STOCK CODE

C38U

TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited

21 Collyer Quay
#03-01 HSBC Building
Singapore 049320
Tel: +65 6658 6906
Fax: +65 6534 5526

AUDITOR

KPMG LLP

Public Accountants and
Chartered Accountants
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
Tel: +65 6213 3388
Fax: +65 6225 0984
Partner-In-Charge:
Leong Kok Keong
(With effect from financial year
ended 31 December 2012)

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.

50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Tel: +65 6536 5355
Fax: +65 6536 1360

THE MANAGER

REGISTERED ADDRESS

CapitaLand Mall Trust Management Limited

168 Robinson Road
#30-01 Capital Tower
Singapore 068912
Tel: +65 6713 2888
Fax: +65 6713 2999

BOARD OF DIRECTORS

Danny Teoh Leong Kay

Chairman & Non-Executive
Independent Director

Lim Ming Yan

Deputy Chairman & Non-Executive
Non-Independent Director

Fong Kwok Jen

Non-Executive Independent Director

Gay Chee Cheong

Non-Executive Independent Director

Lee Khai Fatt, Kyle

Non-Executive Independent Director

Jason Leow Juan Thong

Non-Executive Non-Independent Director

Richard Rokmat Magnus

Non-Executive Independent Director

Ng Chee Khern

Non-Executive Independent Director

Tan Kian Chew

Non-Executive Non-Independent Director

Tan Wee Yan, Wilson

Chief Executive Officer &
Executive Non-Independent Director

AUDIT COMMITTEE

Lee Khai Fatt, Kyle

Chairman

Fong Kwok Jen

Gay Chee Cheong

CORPORATE DISCLOSURE COMMITTEE

Danny Teoh Leong Kay

Chairman

Lim Ming Yan

Jason Leow Juan Thong

EXECUTIVE COMMITTEE

Lim Ming Yan

Chairman

Jason Leow Juan Thong

Tan Wee Yan, Wilson

INVESTMENT COMMITTEE

Lim Ming Yan

Chairman

Danny Teoh Leong Kay

Lee Khai Fatt, Kyle

Jason Leow Juan Thong

Richard Rokmat Magnus

COMPANY SECRETARIES

Lee Ju Lin, Audrey

Tan Lee Nah

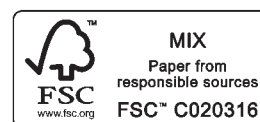
This Annual Report to Unitholders may contain forward-looking statements. Forward-looking statement is subject to inherent uncertainties and is based on numerous assumptions. Actual performance, outcomes and results may differ materially from those expressed in forward-looking statements. Representative examples of factors which may cause the actual performance, outcomes and results to differ materially from those in the forward-looking statements include (without limitation) changes in general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate investment opportunities, competition from other companies, shifts in customers' demands, changes in operating conditions, 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 the current views of management on future events.



CapitalLand Mall Trust Management Limited

As Manager of CapitalLand Mall Trust
Company Registration No. 200106159R

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