FINANCIAL STATEMENTS

CONTENTS

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

The Directors present their statement to the member together with the audited statements of profit or loss, statements of comprehensive income, statements of financial position and statement of changes in equity of the Company and the Group, and the audited consolidated statement of cash flows of the Group for the financial year ended 31 March 2018.

In the opinion of the Directors,

(a) The statements of profit or loss, statements of comprehensive income, statements of financial position and statement of changes in equity of the Company and the Group and the consolidated statement of cash flows of the Group set out on pages 116 to 204 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2018 and the financial performance and changes in equity of the Company and of the Group and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) At the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The Directors of the Company in office at the date of this statement are as follows:

Cheng Wai Wing Edmund
Cheah Kim Teck
David Christopher Ryan
Lee Chong Kwee
Ma Kah Woh Paul
Marie Elaine Teo
Samuel N. Tsien
Tsang Yam Pui
Wong Meng Meng
Hiew Yoon Khong

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than those disclosed under "Mapletree Performance Share Units Plan", "Mapletree Restricted Share Units Plan" and "Mapletree NED Restricted Share Units Plan" on pages 111 to 112 of this statement.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the Register of Directors' shareholdings, none of the Directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.03.18	At 01.04.17	**At 31.03.18**	At 01.04.17
Singapore Technologies Engineering Ltd				
(Ordinary shares)				
Hiew Yoon Khong	**–**	–	**30,000**	30,000
Singapore Telecommunications Limited				
(Ordinary shares)				
Ma Kah Woh Paul	**190**	190	**190**	190
Wong Meng Meng	**1,667**	1,667	**1,550**	1,550
Cheah Kim Teck	**177**	177	**–**	–
StarHub Ltd				
(Ordinary shares)				
Ma Kah Woh Paul	**96,580**	81,780	**–**	–
Lee Chong Kwee	**20,000**	20,000	**–**	–
SIA Engineering Company Limited				
(Ordinary shares)				
Cheah Kim Teck	**10,000**	10,000	**–**	–

SHARE-BASED COMPENSATION PLANS

The Executive Resource and Compensation Committee ("ERCC") of the Company has been designated as the Committee responsible for the administration of the share-based compensation plans.

(a) Mapletree Performance Share Units Plan and Mapletree Restricted Share Units Plan

The Mapletree Performance Share Units Plan ("Mapletree PSU Plan") and the Mapletree Restricted Share Units Plan ("Mapletree RSU Plan") (collectively referred to as the "Plans") for employees (including executive director) were approved and adopted by the Board of Directors and shareholder of the Company on 4 November 2009. The first grant of award under the Plans was made in January 2010. The duration of each share plan is 10 years commencing 4 November 2009.

Under the Plans, awards are granted to eligible participants. Eligible participants of the Plans include selected employees of the Company, its subsidiaries and its associated companies, including executive director.

A Performance Share Unit ("PSU") or Restricted Share Unit ("RSU") granted under the Plans represents a right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, as calculated in accordance with the Plans, provided certain performance conditions and service conditions are met.

Under the Mapletree PSU Plan, awards granted to eligible participants vest immediately upon completion of the performance achievement periods. Awards are released once the ERCC is satisfied that the performance conditions have been achieved.

Similarly, under the Mapletree RSU Plan, a portion of the awards granted to eligible participants vest immediately upon completion of the performance achievement periods and the remaining awards will vest only after a further period of service beyond the performance target completion date. Awards are released once the ERCC is satisfied that the performance conditions have been achieved and extended period of service beyond the performance target completion date have been fulfilled.

SHARE-BASED COMPENSATION PLANS (CONTINUED)

(a) Mapletree Performance Share Units Plan and Mapletree Restricted Share Units Plan (continued)

Details of the PSU and RSU granted to a director of the Company are as follows:

	Outstanding as at 31.03.18	Outstanding as at 31.03.17
Hiew Yoon Khong		
– PSU to be released after 31.03.2017	**–**	757,500 [(1)]
– PSU to be released after 31.03.2018	**397,820** [(1)]	397,820 [(1)]
– PSU to be released after 31.03.2019	**988,372** [(1)]	988,372 [(1)]
– PSU to be released after 31.03.2020	**1,503,106** [(1)]	1,503,106 [(1)]
– PSU to be released after 31.03.2021	**1,603,615** [(1)]	1,603,615 [(1)]
– PSU to be released after 31.03.2022	**1,424,390** [(1)]	–
– RSU to be released after 31.03.2015	**–**	119,492 [(3)]
– RSU to be released after 31.03.2016	**166,994** [(3)]	333,988 [(4)]
– RSU to be released after 31.03.2017	**401,873** [(4)]	482,247 [(2)]
– RSU to be released after 31.03.2018	**413,598** [(2)]	–

Footnotes:

(1) The final number of units to be released will depend on the achievement of pre-determined targets over a five-year performance period. No units will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the initial award could be released up to a maximum of 200% of the initial award.
(2) The final number of units to be released will depend on the achievement of pre-determined targets over a one-year performance period and the release will be over a vesting period of three years. No units will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the initial award could be released up to a maximum of 150% of the initial award.
(3) Being the unvested one-third of the award.
(4) Being the unvested two-thirds of the award.

(b) Mapletree NED Restricted Share Units Plan

The Mapletree NED Restricted Share Units Plan ("Mapletree NED RSU Plan") was approved and adopted by the Board of Directors and shareholder of the Company on 4 November 2009 and are restricted to non-executive directors of the Company. The first grant of award was made in June 2010. The duration of the Mapletree NED RSU Plan is 10 years commencing 4 November 2009.

Under the Mapletree NED RSU Plan, awards are granted to eligible non-executive directors of the Company. A NED Restricted Share Unit ("NED RSU") granted under the Mapletree NED RSU Plan represents a right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, as calculated in accordance with the Mapletree NED RSU Plan. Grants of Mapletree NED RSU made to a non-executive director shall form part of the director's remuneration.

Under the Mapletree NED RSU Plan, awards granted to eligible non-executive directors shall vest at the date of grant. The right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, is exercisable at the discretion of the non-executive directors at the annual pre-determined exercise period, until the date falling on the fifth (5th) anniversary of date of grant of each award.

Details of the NED RSU granted to the non-executive directors of the Company are as follows:

	Outstanding as at 31.03.18	Outstanding as at 31.03.17
Cheng Wai Wing Edmund	**62,248**	60,668
David Christopher Ryan	**19,080**	13,372
Lee Chong Kwee	**36,846**	35,772
Ma Kah Woh Paul	**38,483**	38,006
Marie Elaine Teo	**4,929**	–
Samuel N. Tsien	**11,231**	7,470
Tsang Yam Pui	**14,485**	8,866
Wong Meng Meng	**27,076**	20,992

INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of directors

CHENG WAI WING EDMUND
Chairman

HIEW YOON KHONG
Group Chief Executive Officer/ Director

16 May 2018

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF MAPLETREE INVESTMENTS PTE LTD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying statements of profit or loss, statements of comprehensive income, statements of financial position and statement of changes in equity of Mapletree Investments Pte Ltd ("the Company") and its subsidiaries ("the Group") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and the financial performance and changes in equity of the Company for the financial year ended on that date, and of consolidated financial position of the Group and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the statements of profit or loss for the year ended 31 March 2018;
- the statements of comprehensive income for the year then ended;
- the statements of financial position as at 31 March 2018;
- the statement of changes in equity – Group for the year then ended;
- the statement of changes in equity – Company for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 16 May 2018

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Revenue	4	**3,194,401**	2,328,835	**846,488**	1,778,353
Other gains – net	5	**1,968,042**	1,125,865	**3,045**	3,080
Expenses					
– Depreciation and amortisation		**(21,364)**	(11,707)	**(5,394)**	(4,539)
– Employee compensation	6	**(410,156)**	(309,801)	**(145,294)**	(170,113)
– Utilities and property maintenance		**(254,206)**	(184,268)	**(700)**	(659)
– Property and related taxes		**(168,665)**	(145,773)	**(205)**	(61)
– Marketing and promotion expenses		**(45,570)**	(30,108)	**(7,537)**	(6,101)
– Professional fees		**(61,287)**	(67,127)	**(6,648)**	(1,353)
– Property rental expenses		**(507,723)**	(43,033)	**(5,529)**	(4,139)
– Cost of residential properties sold		**(9,730)**	–	**–**	–
– Others		**(97,697)**	(66,818)	**(10,475)**	(9,664)
		3,586,045	2,596,065	**667,751**	1,584,804
Finance cost		**(372,700)**	(339,969)	**–**	–
Finance income		**10,525**	8,288	**34,912**	16,270
Finance (cost)/income – net	7	**(362,175)**	(331,681)	**34,912**	16,270
Share of profit of associated companies		**246,086**	103,034	**–**	–
Share of profit/(loss) of joint ventures		**19,085**	(663)	**–**	–
Profit before income tax		**3,489,041**	2,366,755	**702,663**	1,601,074
Income tax (expense)/credit	8(a)	**(299,712)**	(198,743)	**(17,758)**	21,376
Profit for the financial year		**3,189,329**	2,168,012	**684,905**	1,622,450
Profit attributable to:					
Equity holder of the Company		**1,873,683**	1,349,590	**684,905**	1,622,450
Perpetual securities holders		**84,951**	64,099	**–**	–
Non-controlling interests		**1,230,695**	754,323	**–**	–
		3,189,329	2,168,012	**684,905**	1,622,450

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	Group		Company	
		2018 $'000	2017 $'000	**2018 $'000**	2017 $'000
Profit for the financial year		**3,189,329**	2,168,012	**684,905**	1,622,450
Other comprehensive income/(loss):					
Items that may be reclassified subsequently to profit or loss:					
Available-for-sale financial assets					
– Fair value gains	12	**3,223**	4,426	**–**	–
– Realised and transferred to profit or loss		**(48,206)**	–	**–**	–
Cash flow hedges					
– Fair value gain/(losses)		**37,572**	(17,252)	**–**	–
– Realised and transferred to profit or loss	7	**(6,858)**	34,327	**–**	–
Currency translation differences		**(240,471)**	45,588	**–**	–
Share of other comprehensive income of associated companies/joint ventures					
– Fair value gains on cash flow hedges		**4,170**	666	**–**	–
– Currency translation differences		**5,828**	(22,358)	**–**	–
Items that will not be reclassified subsequently to profit or loss:					
Revaluation gains on property, plant and equipment		**4,011**	12,866	**–**	–
Other comprehensive (loss)/income for the financial year, net of tax		**(240,731)**	58,263	**–**	–
Total comprehensive income for the financial year		**2,948,598**	2,226,275	**684,905**	1,622,450
Total comprehensive income attributable to:					
Equity holder of the Company		**1,783,211**	1,370,512	**684,905**	1,622,450
Perpetual securities holders		**84,951**	64,099	**–**	–
Non-controlling interests		**1,080,436**	791,664	**–**	–
		2,948,598	2,226,275	**684,905**	1,622,450

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2018

		Group		Company	
	Note	**2018 $'000**	2017 $'000	**2018 $'000**	2017 $'000
ASSETS					
Current assets					
Cash and cash equivalents	9	**1,267,605**	1,179,823	**15,487**	11,245
Derivative financial instruments	21	**95,543**	22,287	**–**	–
Trade and other receivables	10	**551,546**	485,992	**4,819,992**	3,354,933
Properties held for sale		**87,489**	41,157	**–**	–
Other assets	11	**630,611**	270,270	**358,763**	107,741
Inventories		**12,383**	17,134	**–**	–
		2,645,177	2,016,663	**5,194,242**	3,473,919
Non-current assets					
Trade and other receivables	10	**66,788**	58,946	**1,868,087**	2,121,193
Available-for-sale financial assets	12	**69,564**	142,965	**–**	–
Derivative financial instruments	21	**72,718**	88,272	**–**	–
Investments in associated companies	13	**1,345,322**	1,124,323	**–**	–
Investments in joint ventures	14	**164,114**	154,640	**–**	–
Investments in subsidiaries	15	**–**	–	**1,444,016**	2,144,471
Investment properties	16	**37,422,330**	30,686,434	**–**	–
Properties under development	17	**409,803**	1,662,550	**–**	–
Property, plant and equipment	18	**165,296**	175,568	**8,479**	7,456
Intangible assets	19	**209,468**	144,045	**4,623**	6,041
Other assets	11	**4,445**	4,776	**–**	–
Deferred income taxes	23	**–**	–	**20,502**	22,175
		39,929,848	34,242,519	**3,345,707**	4,301,336
Total assets		**42,575,025**	36,259,182	**8,539,949**	7,775,255
LIABILITIES					
Current liabilities					
Trade and other payables	20	**1,052,377**	1,044,495	**465,612**	195,708
Derivative financial instruments	21	**26,882**	41,111	**–**	–
Borrowings	22	**2,162,347**	1,125,374	**–**	–
Current income tax liabilities		**138,629**	142,236	**11,261**	7,774
Finance lease liabilities		**1,627**	2,104	**–**	–
		3,381,862	2,355,320	**476,873**	203,482
Non-current liabilities					
Trade and other payables	20	**361,279**	320,254	**106,783**	89,585
Derivative financial instruments	21	**44,399**	105,867	**–**	–
Borrowings	22	**14,461,142**	11,970,093	**–**	–
Finance lease liabilities		**1,778**	3,215	**–**	–
Deferred income taxes	23	**407,584**	280,614	**–**	–
		15,276,182	12,680,043	**106,783**	89,585
Total liabilities		**18,658,044**	15,035,363	**583,656**	293,067
NET ASSETS		**23,916,981**	21,223,819	**7,956,293**	7,482,188
EQUITY					
Share capital	24	**3,094,307**	3,094,307	**3,094,307**	3,094,307
Retained earnings		**9,735,235**	8,073,969	**4,861,986**	4,387,881
Foreign currency translation reserve		**(111,927)**	(34,084)	**–**	–
Revaluation reserve		**16,877**	12,866	**–**	–
Hedge reserve		**19,369**	(8,974)	**–**	–
Fair value reserve		**–**	44,983	**–**	–
Capital and other reserves		**32,044**	1,005	**–**	–
Shareholder's funds		**12,785,905**	11,184,072	**7,956,293**	7,482,188
Perpetual securities	25	**1,760,018**	1,817,833	**–**	–
Non-controlling interests	36	**9,371,058**	8,221,914	**–**	–
Total equity		**23,916,981**	21,223,819	**7,956,293**	7,482,188

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

STATEMENT OF CHANGES IN EQUITY – GROUP

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	Share capital $'000	Retained earnings $'000	Foreign currency translation reserve $'000	Revaluation reserve $'000	Hedge reserve $'000	Fair value reserve $'000	Capital and other reserves $'000	Perpetual securities $'000	Non-controlling interests $'000	Total equity $'000
At 1 April 2017		**3,094,307**	**8,073,969**	**(34,084)**	**12,866**	**(8,974)**	**44,983**	**1,005**	**1,817,833**	**8,221,914**	**21,223,819**
Profit for the financial year		–	1,873,683	–	–	–	–	–	84,951	1,230,695	3,189,329
Other comprehensive (loss)/income for the financial year		–	–	(77,843)	4,011	28,343	(44,983)	–	–	(150,259)	(240,731)
Total comprehensive income/(loss) for the financial year		**–**	**1,873,683**	**(77,843)**	**4,011**	**28,343**	**(44,983)**	**–**	**84,951**	**1,080,436**	**2,948,598**
Dividend relating to 2017 paid	32	–	(210,800)	–	–	–	–	–	–	–	(210,800)
Dividend paid to non-controlling interests		–	–	–	–	–	–	–	–	(570,254)	(570,254)
Restricted profits		–	(1,125)	–	–	–	–	1,125	–	–	–
Share of associated company's issuance costs		–	–	–	–	–	–	(312)	–	–	(312)
Capital contribution from non-controlling interests, net of transaction costs		–	–	–	–	–	–	27,773	–	642,038	669,811
Dilution of interest in subsidiaries to non-controlling interests		–	–	–	–	–	–	2,453	–	928	3,381
Perpetual securities issued, net of issuance costs	25	–	–	–	–	–	–	–	872,641	–	872,641
Redemption of Perpetual securities	25	–	(11,093)	–	–	–	–	–	(934,903)	(4,004)	(950,000)
Perpetual securities – distribution paid		–	–	–	–	–	–	–	(80,504)	–	(80,504)
Tax credit arising from perpetual securities distribution	8(c)	–	10,601	–	–	–	–	–	–	–	10,601
Total transactions with owners, recognised directly in equity		**–**	**(212,417)**	**–**	**–**	**–**	**–**	**31,039**	**(142,766)**	**68,708**	**(255,436)**
At 31 March 2018		**3,094,307**	**9,735,235**	**(111,927)**	**16,877**	**19,369**	**–**	**32,044**	**1,760,018**	**9,371,058**	**23,916,981**

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

STATEMENT OF CHANGES IN EQUITY – GROUP

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	Share capital $'000	Retained earnings $'000	Foreign currency translation reserve $'000	Revaluation reserve $'000	Hedge reserve $'000	Fair value reserve $'000	Capital and other reserves $'000	Perpetual securities $'000	Non-controlling interests $'000	Total equity $'000
At 1 April 2016		**3,094,307**	**6,883,564**	**(29,261)**	**–**	**(17,427)**	**40,557**	**(30,408)**	**941,086**	**7,177,323**	**18,059,741**
Profit for the financial year		–	1,349,590	–	–	–	–	–	64,099	754,323	2,168,012
Other comprehensive (loss)/income for the financial year		–	–	(4,823)	12,866	8,453	4,426	–	–	37,341	58,263
Total comprehensive income/(loss) for the financial year		**–**	**1,349,590**	**(4,823)**	**12,866**	**8,453**	**4,426**	**–**	**64,099**	**791,664**	**2,226,275**
Dividend relating to 2016 paid	32	–	(164,600)	–	–	–	–	–	–	–	(164,600)
Dividend paid to non-controlling interests		–	–	–	–	–	–	–	–	(510,494)	(510,494)
Restricted profits		–	(770)	–	–	–	–	770	–	–	–
Capital contribution from non-controlling interests, net of transaction costs		–	–	–	–	–	–	13,731	–	835,070	848,801
Dilution of interest in subsidiaries to non-controlling interests		–	–	–	–	–	–	16,912	–	(9,601)	7,311
Deconsolidation of a subsidiary		–	–	–	–	–	–	–	–	(62,048)	(62,048)
Perpetual securities issued, net of issuance costs	25	–	–	–	–	–	–	–	867,562	–	867,562
Perpetual securities – distribution paid		–	–	–	–	–	–	–	(54,914)	–	(54,914)
Tax credit arising from perpetual securities distribution	8(c)	–	6,185	–	–	–	–	–	–	–	6,185
Total transactions with owners, recognised directly in equity		**–**	**(159,185)**	**–**	**–**	**–**	**–**	**31,413**	**812,648**	**252,927**	**937,803**
At 31 March 2017		**3,094,307**	**8,073,969**	**(34,084)**	**12,866**	**(8,974)**	**44,983**	**1,005**	**1,817,833**	**8,221,914**	**21,223,819**

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

STATEMENT OF CHANGES IN EQUITY – COMPANY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	Share capital $'000	Retained earnings $'000	Total equity $'000
As at 1 April 2017		3,094,307	4,387,881	7,482,188
Total comprehensive income for the financial year		–	684,905	684,905
Dividend relating to 2017 paid	32	–	(210,800)	(210,800)
As at 31 March 2018		**3,094,307**	**4,861,986**	**7,956,293**
As at 1 April 2016		3,094,307	2,930,031	6,024,338
Total comprehensive income for the financial year		–	1,622,450	1,622,450
Dividend relating to 2016 paid	32	–	(164,600)	(164,600)
As at 31 March 2017		3,094,307	4,387,881	7,482,188

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	2018 $'000	2017 $'000
Cash flows from operating activities			
Profit for the financial year		**3,189,329**	2,168,012
Adjustments for:			
– Income tax expense		**299,712**	198,743
– Write-back/written off and provision for doubtful debts		**1,382**	320
– Amortisation of rent-free incentives		**(16,725)**	(9,562)
– Depreciation and amortisation		**21,364**	11,707
– Impairment loss on intangibles and non-trade receivables due from an associated company		**17,483**	–
– Property, plant and equipment written-off and gain on disposal of property, plant and equipment		**12**	36
– Corporate restructuring surplus on disposal of subsidiaries	37(c)	**–**	(153,509)
– (Gain)/loss on disposal of investment properties		**(40,748)**	3,113
– Gain on disposal of available-for-sale financial assets		**(47,645)**	–
– Loss on disposal of an associated company		**15,670**	–
– Finance cost – net		**362,175**	331,681
– Revaluation gain on investment properties and properties under development – net		**(1,921,622)**	(996,818)
– Fair value changes in financial derivatives		**(58,269)**	27,208
– Share of profit of associated companies and joint ventures – net		**(265,171)**	(102,371)
– Dividend income		**(1,068)**	(4,198)
– Unrealised currency translation losses		**82,586**	50,932
Operating cash flow before working capital changes		**1,638,465**	1,525,294
Changes in operating assets and liabilities			
– Trade and other receivables		**(14,963)**	(68,399)
– Inventories		**3,568**	(1,310)
– Other assets		**3,402**	(5,231)
– Trade and other payables		**62,852**	122,350
– Properties held for sale		**(13,591)**	–
Cash generated from operations		**1,679,733**	1,572,704
Income tax paid		**(181,149)**	(134,332)
Net cash generated from operating activities		**1,498,584**	1,438,372
Cash flows from investing activities			
Loan to a non-related party		**(5,049)**	(4,004)
Cash received on behalf of an associated company		**–**	10,603
Payment to non-trade receivable due from an associated company		**(8,748)**	–
Proceeds from non-trade receivable due from an associated company		**19,106**	–
Proceeds from disposal of available-for-sale financial assets		**75,893**	–
Payments for investments in associated companies and joint ventures		**(118,030)**	(375,406)
Capital return from associated companies and joint ventures		**6,376**	115,699
Dividend received from associated companies and joint ventures		**48,989**	22,420
Deposit for investment properties		**(352,038)**	(154,014)
Prepayments for properties under development		**(150,851)**	(41,649)
Payments for investment properties		**(2,668,346)**	(1,426,449)
Payments for properties under development		**(595,224)**	(623,579)
Proceeds from divestment of investment properties		**203,657**	14,088
Payments for intangible assets and property, plant and equipment		**(19,396)**	(7,078)
Proceeds from disposals of property, plant and equipment		**168**	375
Dividend received from third parties		**1,068**	4,198
Interest received		**8,912**	6,092
Acquisition of subsidiaries, net of cash acquired	37	**(1,078,616)**	(578,145)
Disposal of an associated company, net of cash disposed		**90,026**	–
Disposal of subsidiaries, net of cash disposed	37(c)	**–**	266,314
Net cash used in investing activities		**(4,542,103)**	(2,770,535)

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

	Note	2018 $'000	2017 $'000
Cash flows from financing activities			
Repayment of bank loans		**(7,937,676)**	(11,186,890)
Repayment of medium term notes		**(90,000)**	–
Proceeds from issuance of medium term notes		**520,000**	587,692
Proceeds from bank loans		**11,246,425**	11,358,625
Proceeds from loan from non-controlling interests		**43,897**	105,738
Repayment of loan from non-controlling interests		**(22,118)**	–
Repayment of finance lease liabilities		**(1,814)**	–
Dividends paid		**(210,800)**	(164,600)
Perpetual securities redemption		**(950,000)**	–
Perpetual securities distribution paid		**(80,504)**	(54,914)
Proceeds from issuance of perpetual securities, net of transaction costs		**872,641**	867,562
Interest paid on bank borrowings, derivative financial instruments and medium term notes		**(341,210)**	(340,581)
Interest paid on loan from a non-controlling interest		**–**	(1,051)
Financing fees paid		**(10,798)**	(18,256)
Proceeds from dilution of interest in subsidiaries to a non-controlling interest		**3,381**	7,311
Capital contribution from non-controlling interests – net		**669,811**	835,671
Cash dividend paid to non-controlling interests		**(570,254)**	(497,364)
Net cash generated from financing activities		**3,140,981**	1,498,943
Net increase in cash and cash equivalents held		**97,462**	166,780
Cash and cash equivalents at beginning of financial year	9	**1,179,823**	1,026,970
Effect of exchange rate changes on balances held in foreign currencies		**(9,680)**	(13,927)
Cash and cash equivalents at end of the financial year	9	**1,267,605**	1,179,823

SIGNIFICANT NON-CASH TRANSACTIONS

For the financial year ended 31 March 2017, dividends of $13.1 million were paid to non-controlling interests in the form of units in subsidiaries.

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Bank loans $'000	Medium term notes $'000	Loan from Non-controlling interests $'000	Finance lease liabilities $'000
As at 1 April 2017	10,244,610	2,700,532	150,325	5,319
Proceeds	11,246,425	520,000	43,897	–
Repayment	(7,937,676)	(90,000)	(22,118)	(1,814)
Financing fees paid	(9,577)	(1,221)	–	–
Non-cash changes:				
– Acquisition of a subsidiary	12,250	–	–	–
– Financing fees expense	8,903	972	–	233
– Foreign exchange movement	(208,416)	(37,562)	2,145	(333)
As at 31 March 2018	**13,356,519**	**3,092,721**	**174,249**	**3,405**

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

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

1. GENERAL INFORMATION

Mapletree Investments Pte Ltd (the "Company") is incorporated and domiciled in Singapore. The address of its registered office is as follows: 10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438.

The principal activities of the Company and the Group are those relating to investment holding, provision of marketing consultancy and provision of asset and fund management, property development and investment, marketing and lease administration, administrative and support services to related companies.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2017

On 1 April 2017, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

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

The amendments to FRS 7 Statement of cash flows (Disclosure initiative) sets out required disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has included the additional required disclosures in Consolidated Statement of Cash Flows to the Financial Statement.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the Group's activities, net of goods and services or value-added tax, rebates and discounts, and after eliminating sales within the Group.

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

(a) Leasing income

Leasing income from operating leases, adjusted for rent free incentives and service charges from the investment properties, is recognised on a straight-line basis over the lease term.

Leasing income from corporate housing operations is recognised over the term of the leases, which are generally one year or less, net of occupancy and other taxes assessed by various governmental entities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Revenue recognition (continued)

(b) Income from hotel operations

Revenue from hotel operations is recognised when accommodation and related services are provided.

(c) Rendering of services

Service income from the provision of property development, fund and asset management, marketing and lease administration, administrative and support services is recognised when services are rendered.

Car parking fees are recognised on utilisation of the Group's car parking facilities by tenants and visitors.

(d) Interest income

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

(e) Dividend income

Dividend income is recognised when the right to receive payment is established.

(f) Sale of residential properties

Revenue on properties held for sales are recognised in profit or loss only when the risks and rewards of ownership have been transferred to the buyer through the transfer of legal title.

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been aligned where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests and perpetual securities holders comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holder of the Company. They are shown separately in the consolidated statements of profit or loss, statements of comprehensive income, statements of financial position and statement of changes in equity. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions

The acquisition method of accounting is used to account for acquisition of subsidiaries which constitutes a business combination.

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

Acquisition-related costs are expensed as incurred.

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

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

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

Please refer to Note 2.5(b) "Intangible assets – Goodwill on acquisitions" for the subsequent accounting policy on goodwill.

For acquisition of subsidiaries which do not qualify as business combination, the transaction is accounted for in accordance with the respective accounting policy for the assets acquired and the liabilities assumed.

(iii) Disposals

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

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

Please refer to Note 2.9 "Investments in subsidiaries, associated companies and joint ventures" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(c) Associated companies and joint ventures

Associated companies are entities over which the Group have no control but has significant influence over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group generally holds 20% or more of the voting rights of these entities.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies' or joint ventures' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies or joint ventures are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. Gains or losses from transactions of investment properties (including those under redevelopment) or properties under development and measured at fair value (Note 2.7) are deemed as realised and therefore not eliminated.

The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to Note 2.9 "Investments in subsidiaries, associated companies and joint ventures" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Property, plant and equipment

(a) Measurement

Leasehold land and building

Leasehold land and building relates to a hotel property owned by the Group, is initially recognised at cost and subsequently carried at the revalued amounts less accumulated depreciation and any accumulated impairment losses. Fair value of the leasehold land and building is determined by independent professional valuers on an annual basis to ensure that its carrying amount do not differ materially from its fair values at the end of the reporting period.

When an asset is revalued, any increase in the carrying amount shall be recognised to other comprehensive income and accumulated in equity under the revaluation reserve. However, the increase shall be recognised in the profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in the profit or loss. A revaluation deficit shall be recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the revaluation reserve.

Any accumulated depreciation at the revaluation date is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Other assets

Other assets comprise mainly furniture, machinery and office equipment. These assets are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The cost includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives.

	Useful lives
Leasehold land and building	Over the remaining lease period of 30 years from June 2016
Other assets	3 – 25 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other subsequent expenditure is recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss. For the leasehold land and building carried at fair value, any amount in revaluation reserve is transferred to retained earnings directly.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Intangible assets

(a) Acquired intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives. The amortisation period and amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are not amortised. The useful life is reviewed annually to determine whether the indefinite useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

(i) Computer software licenses

Acquired computer software licenses are amortised to profit or loss using the straight-line method over their estimated useful lives of three to 10 years.

(ii) Trade names

The trade names were acquired in business combination. The useful lives of the trade names are estimated to be indefinite because based on the current market share of the trade names, management believes there is no foreseeable limit to the period over which the brands are expected to generate net cash inflows for the Group.

(iii) Customer-related intangibles

The customer-related intangibles were acquired in business combination and include customer relationships, franchise agreements and management agreements. These customer-related assets bear definite useful lives of four to 15 years.

(iv) Concessionary agreement

A concessionary agreement was acquired in business combination and relates to the public licenses granted by Maritime and Port Authority of Singapore ("MPA") to develop, maintain and operate passenger terminal facilities. The concessionary agreement expires on 30 September 2027 and bear remaining useful life of 9.5 years.

(b) Goodwill on acquisitions

Goodwill on acquisitions of subsidiaries or businesses accounted for as business combination represents the excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the net identifiable assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on disposal of subsidiaries, associated companies and joint ventures include the carrying amount of goodwill relating to the entity sold.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

2.7 Investment properties and properties under development

Investment properties (including those under redevelopment) and properties under development are held for long-term lease yields and/or for capital appreciation and are not substantially occupied by the Group.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined at least annually by management or independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Properties that are being constructed or developed for future use as investment properties are carried at fair value. Where the fair value of the investment properties under development cannot be reliably measured, the properties are measured at cost until the earlier of the completion date of construction or at the date which fair value becomes reliably measurable.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

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

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.8 Properties held for sale

Properties held for sale is those property which is held with the intention of development and sale in the ordinary course of business. It is stated at the lower of cost or net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

The cost of properties held for sale comprises specifically identified costs, including acquisition costs, development expenditure, capitalised borrowing costs and other related expenditures.

The aggregated costs incurred are presented as properties held for sale in the statements of financial position.

2.9 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are carried at cost less accumulated impairment losses in the Company's statements of financial position.

On disposal of such investments, the differences between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Other non-financial assets

The Group's other non-financial assets include other intangible assets, property, plant and equipment and investments in subsidiaries, associated companies and joint ventures.

For non-financial assets except for trade names with indefinite useful life, the Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. Trade names with indefinite useful life are tested for impairment at least annually and whenever there is indication that the trade names may be impaired.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflow that are largely independent of those from other assets or groups of assets.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

The Group assesses at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years.

Reversal of an impairment loss is recognised in the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation or amortisation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: (i) financial assets at fair value through profit or loss; (ii) loans and receivables; and (iii) available-for-sale financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the reporting date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are presented as “Cash and cash equivalents” (Note 9), “Trade and other receivables” (Note 10) and “Other assets” (Note 11) on the statements of financial position.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless management intends to dispose of the assets within 12 months after the reporting date.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in the fair value reserve relating to that asset is reclassified to profit or loss.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets (continued)

(d) Subsequent measurement

Financial assets, both available-for-sale and at fair value through profit or loss, are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

Interest and dividend income on available-for-sale financial assets are recognised separately in profit or loss. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

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

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

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

(ii) Available-for-sale financial assets

A significant or prolonged decline in the fair value of an equity security below its cost and/or the disappearance of an active trading market for the security is considered as an indicator that the available-for-sale financial asset is impaired.

If any evidence of impairment exists, the cumulative loss that was recognised in the fair value reserve is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings. Such contracts are classified as financial liabilities or as insurance contracts.

(a) Financial guarantees classified as financial liabilities

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's statement of financial position.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's statement of financial position.

When financial guarantees are terminated before their original expiry date, the carrying amount of the financial guarantees is transferred to the profit or loss.

Intra-group transactions are eliminated on consolidation.

(b) Financial guarantees classified as insurance contracts

These financial guarantees are accounted for as insurance contracts. Provision is recognised based on the Company's estimate of the ultimate cost of settling all claims incurred but unpaid at the end of the reporting period. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

Intra-group transactions are eliminated on consolidation.

2.13 Borrowings

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

Borrowings which are due to be settled within 12 months after the reporting date are presented as current borrowings even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other borrowings due to be settled more than 12 months after the reporting date are presented as non-current borrowings in the statements of financial position.

2.14 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Derivative financial instruments and hedging activities

The Group holds derivative financial instruments such as interest rate swaps, currency forwards and cross currency interest rate swaps to hedge its interest rate and foreign currency risk exposures.

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (a) cash flow hedge, (b) net investment hedge, or (c) fair value hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

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

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

(a) Cash flow hedge

(i) Interest rate swaps

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

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedge reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

(ii) Currency forwards

The Group has entered into currency forwards that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion of currency forwards are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in other comprehensive income are reclassified to profit or loss immediately.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Derivative financial instruments and hedging activities (continued)

(a) Cash flow hedge (continued)

(iii) Cross currency interest rate swaps

The Group has entered into cross currency interest rate swaps that are cash flow hedges and are used to reduce the Group's exposure to interest rate risk and currency risk on its borrowing and interest.

The fair value changes on the effective portion of cross currency interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the fair value reserve and reclassified to profit or loss when the hedged interest expense and/or exchange differences from the translation of the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of cross currency interest rate swaps are recognised immediately in profit or loss.

(b) Net investment hedge

The Group has derivative financial instruments/borrowings that qualify as net investment hedges of foreign operations. These hedging instruments are accounted for similarly to cash flow hedges. The currency translation differences on the hedging instruments relating to the effective portion of the hedge are recognised in other comprehensive income in the consolidated financial statements, accumulated in the foreign currency translation reserve and reclassified to profit or loss as part of the gain or loss on disposal of the foreign operation. The currency translation differences relating to the ineffective portion of the hedge are recognised immediately in profit or loss.

(c) Fair value hedge

The Group has entered into fixed to floating interest rate swaps that are fair value hedges for the fair value exposures to interest rate movements of its borrowings ("hedged item"). The fair value changes on the hedged item resulting from the fair value risk are recognised in profit or loss. The fair value changes on the effective portion of interest rate swaps designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of interest rate swaps are recognised separately in profit or loss.

2.16 Fair value estimation

The fair values of financial instruments traded in active markets are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

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

The fair values of currency forwards are determined using actively quoted forward exchange rates. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair values of financial liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial liabilities.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.18 Provisions

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

2.19 Leases

(a) When the Group is the lessee:

Operating leases

Leases where substantially all the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial year in which termination takes place.

(b) When the Group is the lessor:

Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Leasing income from operating leases (net of any incentives given to lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

2.20 Income taxes

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

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

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Income taxes (continued)

Deferred income tax is measured:

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

(ii) Based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment properties measured at fair value are presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from business combination is adjusted against goodwill on acquisition.

2.21 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

(c) Share-based compensation

The Group operates the following share-based compensation plans:

(i) Company

The Company operates the Mapletree Performance Share Units Plan (“Mapletree PSU Plan”), Mapletree Restricted Share Units Plan (“Mapletree RSU Plan”) and Mapletree NED Restricted Share Units Plan (“Mapletree NED RSU Plan”).

(ii) Subsidiaries

The Group’s wholly owned subsidiaries, Mapletree Logistics Trust Management Ltd, Mapletree Industrial Trust Management Ltd, Mapletree Commercial Trust Management Ltd and Mapletree Greater China Commercial Trust Management Ltd, each operate a Performance Share Units Plan (“REIT PSU Plan”) and a Restricted Share Units Plan (“REIT RSU Plan”).

Equity-settled share-based compensation is measured at fair value at the date of grant, whereas cash-settled share-based compensation is measured at current fair value at each reporting date. In estimating the fair value of the compensation cost at grant date, market-based performance conditions are taken into account. The compensation cost is recognised as an expense in profit or loss on a basis that fairly reflects the manner in which the benefits will accrue to the employees under the respective plans over the vesting period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Employee compensation (continued)

(c) Share-based compensation (continued)

For equity-settled share-based compensation, any change in fair value of the compensation cost at year end, arising from a change in the estimate of the number of rights/units that are expected to become exercisable on the vesting date, is recognised in profit or loss, with a corresponding adjustment to the share compensation reserve over the remaining vesting period.

For cash-settled share-based compensation, any change in fair value of the compensation cost, arising from the re-measurement of liability at each reporting date, is recognised in profit or loss, with a corresponding adjustment to the liability over the remaining vesting period.

When an equity-settled share-based compensation award is modified to become a cash-settled award, this is accounted for as a repurchase of an equity interest. Any excess over the fair value at the date of the grant is treated as a deduction from equity, provided the deduction is not greater than the fair value of the equity instruments when measured at the modification date. Until the liability is settled, it is re-measured at each reporting date with changes in fair value recognised in profit or loss.

The compensation cost for the respective PSU Plans and RSU Plans are measured based on the latest estimate of the number of units that will be awarded based on non-market vesting conditions at each reporting date. Any increase or decrease in compensation cost over the previous estimate is recognised in profit or loss, with a corresponding adjustment to share compensation reserve or liability for equity-settled units and cash-settled units respectively.

The compensation cost for the Mapletree NED RSU Plan is based on the number of units awarded at the date of grant. Any increase or decrease in compensation cost over the previous estimate is recognised in profit or loss, with a corresponding adjustment to share compensation reserve or liability for equity-settled units and cash-settled units respectively.

Where the terms of the share-based compensation plans are modified, the expense that is not yet recognised for the award is recognised over the remaining vesting period as if the terms had not been modified. Additional expense is recognised for any increase in the total fair value of the rights/units due to the modification, as measured at the date of the modification.

2.22 Currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment in foreign operations, are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Currency translation (continued)

(b) Transactions and balances (continued)

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated foreign currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses are presented in profit or loss within "Other gains – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operation are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Management Committee ("EMC") whose members are responsible for allocating resources and assessing performance of the operating segments.

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions and bank overdrafts. Bank overdrafts are presented as current borrowings on the statements of financial position.

2.25 Share capital and perpetual securities

Ordinary shares, perpetual securities and redeemable preference shares are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or to exchange financial assets or liabilities with another person or entities that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issue of new ordinary or redeemable preference shares or perpetual securities are shown in equity as a deduction, net of tax, from proceeds. The proceeds received net of any directly attributable transaction costs are credited to share capital or perpetual securities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 Dividends

Dividends to the Company's shareholder are recognised when the dividends are approved for payment.

2.27 Government grants

Government grants are recognised as receivables at their fair value where there is a reasonable assurance that the grants will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income. Government grants relating to assets are deducted against the carrying amount of the assets.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Fair value of investment properties, properties under development and leasehold land and building classified under property, plant and equipment

Investment properties (Note 16), properties under development (Note 17) and leasehold land and building classified under property, plant and equipment (Note 18) are stated at fair value based on valuation primarily by independent professional valuers. The fair values are based on highest and best use basis.

The valuers have considered valuation techniques including the income capitalisation method, discounted cash flows, direct comparison method and residual value method, where appropriate (Note 29).

The fair value of investment properties, properties under development and leasehold land and building classified under property, plant and equipment are as disclosed in the respective notes.

(b) Income tax

The Group has exposure to taxes in numerous jurisdictions. In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes may be due. Significant estimates and assumptions are required to determine the amount of current and deferred tax that can be recognised, 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.

The carrying amounts of provision for taxation, deferred tax assets and liabilities are as disclosed in the statement of financial position.

(c) Acquisition of real estate assets

The Group acquires properties either directly or indirectly through the purchase of entities which own these properties. At the time of acquisition, the Group considers whether the purchase of entities constitute a business combination. In cases where the property is capable of being operated as a business, or an integrated set of activities is acquired in addition to the property, the Group accounts for the acquisition as a business combination. When the acquisition does not represent a business, it is accounted for as a purchase of a group of assets and liabilities. In making this distinction, the Group identifies and considers the assets purchased and processes transferred ("elements"), assesses the capability of those elements to generate economic benefits and assesses the impact of any missing elements on a third party's ability to generate economic benefits.

Based on management's assessment, all properties acquired during the financial year did not represent acquisition of businesses.

4. REVENUE

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Leasing income from				
– Investment properties	**1,897,783**	1,785,117	**–**	–
– Corporate housing operations	**724,081**	55,478	**–**	–
Income from hotel operations	**37,270**	33,202	**–**	–
Sales of residential properties	**11,769**	–	**–**	–
Service charge	**258,610**	226,727	**–**	–
Fees from management services				
– Subsidiaries	**–**	–	**134,790**	119,035
– Others	**90,620**	78,863	**–**	–
Car parking fees	**48,849**	49,084	**–**	–
Dividend income from third parties	**1,068**	4,198	**–**	–
Dividend income from subsidiaries	**–**	–	**711,546**	1,659,190
Interest income from loan to a non-related party	**3,872**	3,410	**–**	–
Other operating income	**120,479**	92,756	**152**	128
	3,194,401	2,328,835	**846,488**	1,778,353

5. OTHER GAINS – NET

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Amortisation of financial guarantee contracts	**–**	–	**3,045**	3,080
Revaluation gain on investment properties and properties under development – net	**1,921,622**	996,818	**–**	–
Corporate restructuring surplus on disposal of subsidiaries (Note 37(c))	**–**	153,509	**–**	–
Gain/(loss) on disposal of:				
– Investment properties	**40,748**	(3,113)	**–**	–
– Associated company	**(15,670)**	–	**–**	–
– Available-for-sale financial assets	**47,645**	–	**–**	–
	72,723	(3,113)	**–**	–
Impairment loss on non-trade receivables due from an associated company (Note 10)	**(3,879)**	–	**–**	–
Impairment loss on intangible assets (Note 19)	**(13,604)**	–	**–**	–
– Currency exchange (loss)/gain – net	**(67,089)**	5,859	**–**	–
– Changes in fair value of derivative financial instruments	**58,269**	(27,208)	**–**	–
	1,968,042	1,125,865	**3,045**	3,080

The net revaluation gain on investment properties and properties under development attributable to the equity holder of the Company and to non-controlling interests of the Group amounted to $1,218.2 million (2017: $684.6 million) and $703.4 million (2017: $312.2 million) respectively.

6. EMPLOYEE COMPENSATION

	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Wages and salaries	**348,525**	274,477	**89,481**	139,889
Employer's contribution to defined contribution plans including Central Provident Fund ("CPF")	**15,169**	14,014	**9,351**	8,914
Share-based compensation expenses	**46,462**	21,310	**46,462**	21,310
	410,156	309,801	**145,294**	170,113

7. FINANCE (COST)/INCOME – NET

	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Financing fees	**(9,875)**	(14,261)	**–**	–
Interest expense				
– Bank loans	**(222,546)**	(204,566)	**–**	–
– Derivative instruments – hedge accounting	**6,858**	(34,327)	**–**	–
– Derivative instruments – non-hedge accounting	**(46,808)**	(8,367)	**–**	–
– Medium term notes	**(91,017)**	(75,537)	**–**	–
– Loans from non-controlling interests of subsidiaries	**(9,079)**	(2,869)	**–**	–
– Finance lease liabilities	**(233)**	(42)	**–**	–
	(362,825)	(325,708)	**–**	–
Interest income				
– Subsidiaries	**–**	–	**34,885**	16,243
– Short-term bank deposits	**7,275**	5,306	**27**	27
– Others	**3,250**	2,982	**–**	–
	10,525	8,288	**34,912**	16,270
	(362,175)	(331,681)	**34,912**	16,270

8. INCOME TAX EXPENSE/(CREDIT)

(a) Income tax expense/(credit)

	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Tax expense/(credit) attributable to profit is made up of:				
Profit for the financial year:				
Current income tax				
– Singapore	**79,754**	76,623	**5,331**	1,974
– Foreign	**52,823**	56,769	**–**	–
	132,577	133,392	**5,331**	1,974
Deferred income tax	**146,450**	46,277	**(1,944)**	(10,970)
Withholding tax	**46,951**	22,108	**–**	–
	325,978	201,777	**3,387**	(8,996)
(Over)/Under provision in prior financial years:				
– Current income tax	**(14,722)**	(7,648)	**(900)**	30
– Deferred income tax	**(11,544)**	4,614	**15,271**	(12,410)
	299,712	198,743	**17,758**	(21,376)

8. INCOME TAX EXPENSE/(CREDIT) (CONTINUED)

(a) Income tax expense/(credit) (continued)

The income tax expense/(credit) on profit differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Profit before income tax	**3,489,041**	2,366,755	**702,663**	1,601,074
Share of results of associates and joint ventures, net of tax	**(265,171)**	(102,371)	**–**	–
Profit before share of results of associates and joint ventures	**3,223,870**	2,264,384	**702,663**	1,601,074
Tax calculated at a tax rate of 17% (2017: 17%)	**548,058**	384,945	**119,453**	272,183
Effects of:				
– Singapore statutory stepped income exemption	**(2,884)**	(2,519)	**(36)**	(36)
– Income not subject to tax	**(320,304)**	(242,754)	**(121,481)**	(282,622)
– Expenses not deductible for tax purposes	**56,406**	47,891	**5,451**	1,479
– Effects of different tax rates in other countries	**41,714**	9,983	**–**	–
– Deferred tax benefits not recognised	**5,284**	4,860	**–**	–
– (Over)/Under provision in prior financial years	**(26,266)**	(3,034)	**14,371**	(12,380)
– Others	**(2,296)**	(629)	**–**	–
Tax charge/(credit) on profit for the financial year	**299,712**	198,743	**17,758**	(21,376)

(b) Tax charge of $6.6 million (2017: $1.0 million) relating to fair value changes and reclassification adjustments on cash flow hedges has been included in other comprehensive income.

(c) Tax credit of $10.6 million (2017: $6.2 million) relating to perpetual securities distribution has been recognised directly in equity.

9. CASH AND CASH EQUIVALENTS

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**1,021,612**	881,735	**11,487**	8,236
Short-term bank deposits	**245,993**	298,088	**4,000**	3,009
	1,267,605	1,179,823	**15,487**	11,245

Short-term bank deposits of the Group and the Company at the reporting date had an average maturity of 67 days and 118 days respectively (2017: 49 days and 38 days) from the end of the financial year. The effective interest rates at reporting date ranged from 0.75% to 5.75% and 0.75% to 0.85% respectively (2017: 0.30% to 4.70% and 0.30% to 0.38%) per annum and the interest rates are re-priced upon maturity.

10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Current				
Trade receivables:				
– Subsidiaries	**–**	–	**26,475**	9,158
– Associated companies	**36,783**	21,147	**–**	–
– Non-related parties	**124,717**	138,420	**–**	–
	161,500	159,567	**26,475**	9,158
Less: Allowance for impairment of receivables from non-related parties	**(856)**	(1,060)	**–**	–
Trade receivables – net	**160,644**	158,507	**26,475**	9,158
Deposits placed with a subsidiary	**–**	–	**4,105,806**	2,633,809
Loan to a non-controlling interest of a subsidiary	**147,408**	147,558	**–**	–
Interest receivable:				
– Subsidiaries	**–**	–	**13,990**	6,881
– Non-related parties	**4,547**	4,342	**–**	–
	4,547	4,342	**13,990**	6,881
Dividend receivable	**–**	5,382	**252,500**	287,300
Value-added tax – net	**17,665**	–	**825**	600
Non-trade receivables due from subsidiaries	**–**	–	**420,395**	417,003
Non-trade receivables due from an associated company	**–**	18,481	**–**	–
Sundry debtors	**52,352**	19,759	**1**	–
Accrued revenue	**168,930**	131,963	**–**	182
	238,947	175,585	**673,721**	705,085
	551,546	485,992	**4,819,992**	3,354,933
Non-current				
Non-trade receivables due from associated companies	**10,836**	2,053	**–**	–
Less: Allowance for impairment of receivables from an associated company	**(3,879)**	–	**–**	–
Non-trade receivables due from associated companies – net	**6,957**	2,053	**–**	–
Loans to a non-related party	**58,507**	48,989	**–**	–
Loans to subsidiaries	**–**	–	**1,868,087**	2,121,193
Accrued revenue	**1,324**	7,904	**–**	–
	66,788	58,946	**1,868,087**	2,121,193
	618,334	544,938	**6,688,079**	5,476,126

10. TRADE AND OTHER RECEIVABLES (CONTINUED)

Current

(a) Deposits placed with a subsidiary mature within nine months (2017: six months) from the end of the financial year. The effective interest rates on the deposits at reporting date ranged from 0.84% to 1.39% (2017: 0.84% to 1.11%) per annum. The interest rates are re-priced upon maturity.

(b) Non-trade receivables due from subsidiaries are unsecured, interest-free and repayable on demand.

(c) The loan to a non-controlling interest of a subsidiary is secured and bears interest at 1% (2017: 1%) per annum. The loan forms part of the consideration for the Group's acquisition of a land parcel in Japan from the non-controlling interest. The loan will be reclassified to properties under development upon the transfer of the land title to the Group which is expected to be within the next 12 months.

(d) The non-trade receivables due from an associated company outstanding as at 31 March 2017 was unsecured, interest-free and expected to be repaid in the next 12 months.

Non-current

(a) The loans to a non-related party are secured, bears interest at 7% (2017: 7%) per annum plus a variable component based on the gross profit of the borrower and are repayable in full from April 2019 to September 2021 (2017: April 2018 to October 2021). The variable component will be computed and recognised on the repayment date. The carrying amount of the loans approximates its fair value.

(b) The loans to subsidiaries are unsecured, interest-free and have no fixed terms of repayment, although repayments are not expected within the next 12 months.

There is no allowance for doubtful debts arising from these outstanding balances.

(c) Non-trade receivables due from associated companies are unsecured, interest-free and repayments are not expected within the next 12 months.

11. OTHER ASSETS

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Current				
Deposits	**389,901**	145,433	**357,123**	106,791
Prepayments	**240,710**	124,837	**1,640**	950
	630,611	270,270	**358,763**	107,741
Non-current				
Deposits	**3,045**	3,276	**–**	–
Prepayments	**1,400**	1,500	**–**	–
	4,445	4,776	**–**	–
	635,056	275,046	**358,763**	107,741

Deposits

As at 31 March 2018, deposits amounting to approximately $352.0 million were placed in accordance with arrangements entered into prior to financial year end to acquire three portfolios of logistics assets in the United States and Europe.

As at 31 March 2017, a deposit amounting to approximately $106.6 million was placed to acquire a portfolio of student accommodation and multi-family assets in the United States and Canada. The acquisition was completed on 31 May 2018 (Note 37(b)).

11. OTHER ASSETS (CONTINUED)

Prepayments

As at 31 March 2018, there were six (2017: four) acquired land parcels in the People's Republic of China ("PRC") and one (2017: one) development under construction in Japan amounting to approximately $161.5 million (2017: $52.3 million), pending receipt of their respective land certificates from the respective authorities. Accordingly, the considerations paid prior to financial year end were classified as prepayments as at financial year end.

12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2018	2017
	$'000	$'000
At 1 April	**142,965**	138,378
Fair value gains recognised in other comprehensive income	**3,223**	4,426
Disposals	**(76,454)**	–
Currency translation differences	**(170)**	161
At 31 March	**69,564**	142,965
Quoted equity securities – Singapore and Hong Kong SAR	**–**	73,401
Unquoted equity securities	**69,564**	69,564
	69,564	142,965

13. INVESTMENTS IN ASSOCIATED COMPANIES

	Group	
	2018	2017
	$'000	$'000
Unquoted equity and preference shares, at cost	**1,140,323**	1,030,130
Loans to associated companies	**12,112**	91,710
Share of post-acquisition reserves	**192,887**	2,483
	1,345,322	1,124,323

The loans to associated companies are considered as part of the Group's investments in associated companies, unsecured, interest-free and have no fixed terms of repayment, although repayment is not expected within the next 12 months.

Details of associated companies are provided in Note 35. The Group's investments in associated companies and share of results individually represent less than 2% and cumulatively less than 10% of the Groups' consolidated net profits and net assets.

The following represents the aggregate amount of the Group's share in the net profit and total comprehensive income/(loss) of associated companies and their carrying amounts:

	Group	
	2018	2017
	$'000	$'000
Net profit	**246,086**	103,034
Other comprehensive income/(loss), net of tax	**17,823**	(22,623)
Total comprehensive income	**263,909**	80,411
Carrying value	**1,345,322**	1,124,323

14. INVESTMENTS IN JOINT VENTURES

	Group 2018 $'000	Group 2017 $'000
Unquoted equity shares, at cost	**151,642**	151,642
Loan to a joint venture	**23,049**	24,835
Share of post-acquisition reserves	**(10,577)**	(21,837)
	164,114	154,640

Details of joint venture companies are provided in Note 35. The Group's investments in joint venture companies and share of results represent less than 1% of the Group's consolidated net assets and net profit.

The loan to a joint venture is considered as part of the Group's investment in the joint venture, unsecured, bears interest ranging from 2.80% to 3.23% (2017: 2.27% to 2.84%) per annum and is repayable in full in April 2019.

The following represents the aggregate amount of the Group's share in the net profit and total comprehensive income/(loss) of joint ventures and their carrying amounts:

	Group 2018 $'000	Group 2017 $'000
Net profit/(loss)	**19,085**	(663)
Other comprehensive (loss)/income, net of tax	**(7,825)**	931
Total comprehensive income	**11,260**	268
Carrying value	**164,114**	154,640

15. INVESTMENTS IN SUBSIDIARIES

	Company 2018 $'000	Company 2017 $'000
Unquoted equity shares, at cost	**596,690**	1,297,145
Unquoted redeemable convertible preference shares, at cost	**894,200**	894,200
	1,490,890	2,191,345
Financial guarantees	**115,946**	115,946
Less: Accumulated impairment losses	**(162,820)**	(162,820)
	1,444,016	2,144,471

Details of significant subsidiaries and summarised financial information of subsidiaries with material non-controlling interests are provided in Note 35 and Note 36 respectively.

Control without majority equity interest and voting power

Under FRS 110 Consolidated Financial Statements, control exists when the Group is exposed, 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 Group assessed that it controls Mapletree Commercial Trust ("MCT"), Mapletree Greater China Commercial Trust ("MGCCT"), Mapletree Industrial Trust ("MIT") and Mapletree Logistics Trust ("MLT") (collectively the "REITs") although the Group owns less than half of the equity interest and voting power of the REITs as disclosed in Note 35. The activities of the REITs are managed by the Group's wholly-owned subsidiaries, namely, Mapletree Commercial Trust Management Ltd, Mapletree Greater China Commercial Trust Management Ltd, Mapletree Industrial Trust Management Ltd and Mapletree Logistics Trust Management Ltd respectively (collectively the "REIT Managers"). The REIT Managers have decision-making authority over the REITs subject to oversight by the trustee of the respective REITs. The Group's overall exposure to variable returns, both from the REIT Managers' remuneration and their interests in the REITs, is significant and any decisions made by the REIT Managers affect the Group's overall exposure. Accordingly, the Group concluded that it has control over the REITs and consolidated these investees. Summarised financial information of the REITs are disclosed in Note 36.

16. INVESTMENT PROPERTIES

	Group 2018 $'000	Group 2017 $'000
Completed investment properties		
At 1 April	**30,386,799**	27,567,136
Additions	**2,498,711**	1,260,848
Acquisition of subsidiaries with properties (Note 37)	**1,137,808**	1,332,137
Disposals	**(162,909)**	(38,851)
Disposal of subsidiaries with properties (Note 37(c))	**–**	(2,052,667)
De-consolidation of a subsidiary	**–**	(134,818)
Transfer from properties under development (Note 17)	**1,824,640**	716,869
Transfer from investment properties under redevelopment	**381,821**	908,861
Transfer to investment properties under redevelopment	**(33,296)**	–
Revaluation gain recognised in profit or loss – net	**1,878,687**	907,872
Currency translation differences	**(616,124)**	(80,588)
At 31 March	**37,296,137**	30,386,799
Investment properties under redevelopment		
At 1 April	**299,635**	996,477
Additions	**169,370**	175,982
Transfer to completed investment properties	**(381,821)**	(908,861)
Transfer from completed investment properties	**33,296**	–
Revaluation gain recognised in profit or loss – net	**5,206**	36,037
Currency translation differences	**507**	–
At 31 March	**126,193**	299,635
Total investment properties	**37,422,330**	30,686,434

(a) The following amounts are recognised in profit or loss:

	Group 2018 $'000	Group 2017 $'000
Leasing income (Note 4)	**1,897,783**	1,785,117
Direct operating expenses arising from investment properties that generated leasing income	**(486,728)**	(449,960)

(b) Certain investment properties of the Group, amounting to $922.4 million (2017: $679.0 million) are mortgaged to secure bank loans (Note 22).

(c) The fair value hierarchy, valuation process, techniques and inputs used to determine the fair values of investment properties and properties under development (Note 17) are disclosed in Note 29.

(d) As at 31 March 2018, the fair values of the investment properties and properties under development (Note 17) have been determined primarily by independent professional valuers. These valuers have appropriate professional qualifications and experience in the location and category of the properties being valued. It is the intention of the Group to hold the investment properties and properties under development (Note 17) on a long term basis.

17. PROPERTIES UNDER DEVELOPMENT

	Group	
	2018	2017
	$'000	$'000
At 1 April	**1,662,550**	1,647,231
Additions	**613,556**	737,647
Acquisition of a subsidiary with property (Note 37(b))	**4,975**	–
Transfer to investment properties (Note 16)	**(1,824,640)**	(716,869)
Transfer to properties held for sale	**(37,256)**	(24,293)
De-consolidation of a subsidiary	**–**	(41,968)
Revaluation gain recognised in profit or loss – net	**37,729**	52,909
Currency translation differences	**(47,111)**	7,893
At 31 March	**409,803**	1,662,550

During the financial year, finance costs capitalised as part of cost of properties under development amounted to $23.3 million (2017: $20.8 million).

18. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and building $'000	Other assets $'000	Total $'000
Group			
Cost or valuation			
At 1 April 2016	–	37,499	37,499
Additions	–	6,761	6,761
Acquisition of subsidiaries (Note 37)	130,179	22,110	152,289
Write-offs/Disposals	–	(708)	(708)
De-consolidation of a subsidiary	–	(604)	(604)
Disposal of subsidiaries (Note 37(c))	–	(350)	(350)
Currency translation differences	1,404	434	1,838
Revaluation gain	14,439	–	14,439
Revaluation adjustments	(3,701)	–	(3,701)
At 31 March 2017	**142,321**	**65,142**	**207,463**
Additions	25	19,291	19,316
Acquisition of subsidiaries (Note 37(a)(i))	–	86	86
Write-offs/Disposals	–	(2,336)	(2,336)
Currency translation differences	(10,435)	(7,107)	(17,542)
Revaluation gain	4,396	–	4,396
Revaluation adjustment	(4,328)	–	(4,328)
Effect of finalisation of Purchase Price Allocation (Note 37(a)(iii))	–	(2,798)	(2,798)
At 31 March 2018	**131,979**	**72,278**	**204,257**

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land and building $'000	Other assets $'000	Total $'000
Group (continued)			
Comprising:			
31 March 2017			
At cost	–	65,142	65,142
At valuation	142,321	–	142,321
	142,321	65,142	207,463
31 March 2018			
At cost	**–**	**72,278**	**72,278**
At valuation	**131,979**	**–**	**131,979**
	131,979	**72,278**	**204,257**
Accumulated depreciation			
At 1 April 2016	–	26,247	26,247
Depreciation	3,666	6,450	10,116
Write-offs/Disposals	–	(297)	(297)
De-consolidation of a subsidiary	–	(231)	(231)
Disposal of subsidiaries (Note 37(c))	–	(284)	(284)
Currency translation differences	35	10	45
Revaluation adjustments	(3,701)	–	(3,701)
At 31 March 2017	**–**	**31,895**	**31,895**
Depreciation	4,738	13,355	18,093
Write-offs/Disposals	–	(2,156)	(2,156)
Currency translation differences	(410)	(4,133)	(4,543)
Revaluation adjustments	(4,328)	–	(4,328)
At 31 March 2018	**–**	**38,961**	**38,961**
Net book value			
At 31 March 2017	142,321	33,247	175,568
At 31 March 2018	**131,979**	**33,317**	**165,296**

The leasehold land and building of the Group with a carrying value of $132.0 million (2017: $142.3 million) is carried at the revalued amount in accordance with the Group's accounting policy as described in Note 2.4. If the leasehold land and building was included in the financial statements at cost less accumulated depreciation and impairment losses, the net book value would have been $114.6 million (2017: $127.9 million).

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Other assets $'000	Total $'000
Company		
Cost		
At 1 April 2016	21,568	21,568
Additions	3,000	3,000
Write-offs/Disposals	(223)	(223)
At 31 March 2017	24,345	24,345
Additions	5,012	5,012
Write-offs/Disposals	(1,289)	(1,289)
At 31 March 2018	**28,068**	**28,068**
Accumulated depreciation		
At 1 April 2016	13,851	13,851
Depreciation	3,148	3,148
Write-offs/Disposals	(110)	(110)
At 31 March 2017	16,889	16,889
Depreciation	3,896	3,896
Write-offs/Disposals	(1,196)	(1,196)
At 31 March 2018	**19,589**	**19,589**
Net book value		
At 31 March 2017	7,456	7,456
At 31 March 2018	**8,479**	**8,479**

19. INTANGIBLE ASSETS

	Definite Useful Life			Indefinite Useful Life		
	Software license $'000	Customer related intangibles $'000	Concession agreement $'000	Trade names $'000	Goodwill arising on consolidation $'000	Total $'000
Group						
Cost						
At 1 April 2016	14,119	–	–	–	8,327	22,446
Additions	317	–	–	–	–	317
Acquisition of subsidiaries (Note 37(a)(iii))	–	18,715	–	73,753	34,341	126,809
Currency translation differences	–	556	–	1,438	–	1,994
At 31 March 2017	14,436	19,271	–	75,191	42,668	151,566
Additions	80	–	–	–	–	80
Acquisition of subsidiaries (Note 37(a)(i))	144	–	76,738	–	–	76,882
Effect of finalisation of Purchase Price Allocation (Note 37(a)(iii))	–	–	–	–	14,133	14,133
Currency translation differences	(2)	(1,423)	–	–	(2,737)	(4,162)
At 31 March 2018	**14,658**	**17,848**	**76,738**	**75,191**	**54,064**	**238,499**
Accumulated amortisation and impairment losses						
At 1 April 2016	5,930	–	–	–	–	5,930
Amortisation to profit or loss	1,591	–	–	–	–	1,591
At 31 March 2017	7,521	–	–	–	–	7,521
Amortisation to profit or loss	1,685	1,586	–	–	–	3,271
Impairment charged to profit or loss (Note 5)	–	–	–	13,604	–	13,604
Currency translation differences	2	–	–	4,633	–	4,635
At 31 March 2018	**9,208**	**1,586**	**–**	**18,237**	**–**	**29,031**
Net book value						
At 31 March 2017	6,915	19,271	–	75,191	42,668	144,045
At 31 March 2018	**5,450**	**16,262**	**76,738**	**56,954**	**54,064**	**209,468**

19. INTANGIBLE ASSETS (CONTINUED)

Definite useful life	Software license $'000	Total $'000
Company		
Cost		
At 1 April 2016	12,545	12,545
Additions	233	233
At 31 March 2017	12,778	12,778
Additions	80	80
At 31 March 2018	**12,858**	**12,858**
Accumulated amortisation		
At 1 April 2016	5,346	5,346
Amortisation to profit or loss	1,391	1,391
At 31 March 2017	6,737	6,737
Amortisation to profit or loss	1,498	1,498
At 31 March 2018	**8,235**	**8,235**
Net book value		
At 31 March 2017	6,041	6,041
At 31 March 2018	**4,623**	**4,623**

(a) During the financial year, the Group recorded a full impairment of certain trade names amounting to $13.6 million after a review of management strategy for these trade names, which resulted in the expectation of not recovering the carrying value of these trade names as at reporting date.

(b) For purpose of impairment testing of trade names with indefinite useful life and goodwill arising from consolidation, the amounts are allocated to the Oakwood Worldwide cash generating unit ("CGU"), under the "Australasia, North Asia and Oakwood" operating segment (Note 34).

The recoverable amount of the CGU at the reporting date was determined based on value-in-use ("VIU") calculations, using financial projections covering a 5-year period approved by management. Cash flows beyond the 5-year period were extrapolated using the estimated growth rate of 2% which did not exceed the long-term average growth rate for the corporate housing and hospitality industry in countries which the CGU operates.

Other key assumptions included the budgeted gross profit margin for the period from 2019 to 2023 determined by management based on past performance and management's strategy for the CGU. The pre-tax discount rate applied to the VIU calculations was 16%.

The CGU's recoverable amount exceeded its carrying amount and the allocated trade names and goodwill were not impaired.

A reasonable change in the key assumptions including terminal growth rate and discount rate will not result in a material impairment.

20. TRADE AND OTHER PAYABLES

	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Trade payables:				
– Related parties	**447**	1,824	**–**	–
– Non-related parties	**45,065**	32,238	**912**	63
	45,512	34,062	**912**	63
Non-trade payables:				
– Subsidiaries	**–**	–	**374,735**	109,924
– Associated company	**–**	54,437	**–**	–
– Non-related parties	**131,241**	98,294	**–**	–
	131,241	152,731	**374,735**	109,924
Provision for Corporate and Staff Social Responsibilities ("CSSR")	**9,805**	7,413	**9,805**	7,413
Financial guarantees	**–**	–	**1,285**	4,330
Accrued capital expenditure	**126,005**	155,396	**–**	–
Accrued operating expenses	**399,819**	385,916	**130,521**	136,514
Accrued share-based compensation expenses	**55,089**	26,835	**55,089**	27,025
Accrued retention sum	**48,287**	61,196	**–**	–
Interest payable	**64,603**	49,619	**–**	–
Value-added tax – net	**–**	1,586	**–**	–
Leasing received in advance	**96,704**	77,073	**–**	–
Tenancy deposits	**401,374**	378,553	**–**	–
Property tax payable	**14,379**	10,379	**–**	–
Other deposits	**16,173**	12,572	**48**	24
Other payables	**2,165**	8,918	**–**	–
Deferred revenue	**2,500**	2,500	**–**	–
	1,236,903	1,177,956	**196,748**	175,306
Total	**1,413,656**	1,364,749	**572,395**	285,293
Less: Non-current portion	**(361,279)**	(320,254)	**(106,783)**	(89,585)
Current portion	**1,052,377**	1,044,495	**465,612**	195,708

(a) The non-trade payables due to subsidiaries and its associated company are unsecured, interest-free and repayable on demand.

(b) Provision for CSSR relates to the Group's CSSR commitments under its published Mapletree Shaping & Sharing Programme that strives to make social impact by empowering individuals and enriching communities through education, health, environmental and arts related causes. During the financial year, the Group committed $4.0 million (2017: $2.0 million) as a provision for the Group's CSSR programme.

(c) Included in trade and other payables are accruals relating to three employee compensation schemes, one scheme being compensation that is deferred and payable over a period of time, and the other two schemes being share-based compensation that will vest over certain qualifying periods based on duration of employees' services rendered after achieving certain performance targets. The accruals amounted to $218.5 million (2017: $190.0 million) as at 31 March 2018, out of which $148.5 million (2017: $122.0 million) is classified as non-current.

21. DERIVATIVE FINANCIAL INSTRUMENTS

	Maturity	Contract notional amount $'000	Group Fair value Assets $'000	Group Fair value Liabilities $'000
2018				
Hedge accounting – Cash flow hedges:				
– Interest rate swaps	April 2018 to January 2023	7,001,787	30,483	(9,165)
– Cross currency interest rate swaps	January 2019 to March 2023	756,067	64,258	(2,676)
– Currency forwards	May 2018	2,618	14	–
			94,755	(11,841)
Hedge accounting – Net investment hedges:				
– Currency forwards	May 2018 to October 2018	1,101,432	10,706	(1,103)
			10,706	(1,103)
Hedge accounting – Fair value hedges:				
– Interest rate swaps	May 2023	75,000	–	(65)
			–	(65)
Non-hedge accounting:				
– Interest rate swaps	April 2018 to December 2025	1,256,194	1,688	(8,215)
– Currency forwards	April 2018 to November 2025	4,278,463	55,539	(24,973)
– Cross currency interest rate swaps	April 2018 to February 2025	563,177	5,573	(25,084)
			62,800	(58,272)
Represented by:				
Current position			95,543	(26,882)
Non-current position			72,718	(44,399)
			168,261	**(71,281)**
2017				
Hedge accounting – Cash flow hedges:				
– Interest rate swaps	April 2017 to August 2022	5,300,765	12,044	(26,768)
– Cross currency interest rate swaps	January 2019 to March 2023	764,305	49,213	(13,248)
			61,257	(40,016)
Hedge accounting – Net investment hedges:				
– Currency forwards	April 2017 to October 2018	965,852	9,321	(12,341)
			9,321	(12,341)
Hedge accounting – Fair value hedges:				
– Interest rate swaps	May 2023	75,000	–	(64)
			–	(64)
Non-hedge accounting:				
– Interest rate swaps	April 2017 to April 2023	1,348,490	1,421	(7,883)
– Currency forwards	April 2017 to May 2023	3,489,669	24,936	(33,678)
– Cross currency interest rate swaps	November 2017 to March 2023	552,243	13,624	(52,996)
			39,981	(94,557)
Represented by:				
Current position			22,287	(41,111)
Non-current position			88,272	(105,867)
			110,559	**(146,978)**

21. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Period when the cash flows on cash flow hedges are expected to occur or affect profit or loss

Interest rate swaps

Interest rate swaps are transacted to hedge floating interest payments on borrowings. Fair value gains and losses on the interest rate swaps recognised in the other comprehensive income are transferred to profit or loss as part of interest expense over the period of the borrowings.

Cross currency interest rate swaps

Cross currency interest rate swaps are transacted to hedge foreign currency interest payments on borrowings and foreign currency principal payments at maturity of the borrowings. Fair value changes on the cross currency interest rate swaps recognised in the hedging reserve are transferred to profit or loss as part of interest expense and exchange differences over the period of the borrowings.

Currency forwards

Currency forwards are transacted to hedge dividend income receivable in foreign currency back into Singapore Dollars. The fair value changes on the currency forwards are recognised in the hedging reserve and transferred to profit or loss as part of currency exchange gain/(loss) upon receipt of the dividend income.

22. BORROWINGS

	Group	
	2018	2017
	$'000	$'000
Current		
– Bank loan (secured)	**4,207**	–
– Bank loans (unsecured)	**1,583,311**	1,035,407
– Medium term notes (unsecured)	**574,829**	89,967
	2,162,347	1,125,374
Non-current		
– Bank loans (secured)	**435,446**	154,000
– Bank loans (unsecured)	**11,333,555**	9,055,203
– Medium term notes (unsecured)	**2,517,892**	2,610,565
– Loans from non-controlling interests of subsidiaries (unsecured)	**174,249**	150,325
	14,461,142	11,970,093
	16,623,489	13,095,467

(a) A current (secured) bank loan of $4.2 million is secured by mortgage over an investment property (Note 16) and is repayable in November 2018 (2017: Nil). The effective interest rate at the reporting date is 0.43% (2017: Nil) per annum and the interest rate is re-priced every three months (2017: Nil).

(b) The current (unsecured) bank loans of $1.6 billion (2017: $1.0 billion) are repayable between April 2018 and March 2019 (2017: April 2017 and March 2018). The effective interest rates at the reporting date ranged from 1.11% to 5.15% (2017: 0.45% to 8.10%) per annum and the interest rates are re-priced every one to three months (2017: one to six months).

(c) The current medium term notes issued by the respective subsidiaries pursuant to their Medium Term Note Programme are repayable between October 2018 and March 2019 (2017: March 2018). The effective interest rates at the reporting date ranged from 2.92% to 3.88% (2017: 4.45%) per annum and are not subject to interest-rate re-pricing.

22. BORROWINGS (CONTINUED)

(d) The non-current (secured) bank loans of $435.4 million (2017: $154.0 million) are secured by mortgages over certain investment properties (Note 16) and are repayable in 2019 and 2023 (2017: 2019). The effective interest rates at the reporting date ranged from 0.35% to 4.83% (2017: 1.47% to 2.90%) per annum and the interest rates are re-priced every three to six months (2017: one to three months).

(e) The non-current (unsecured) bank loans of $11.3 billion (2017: $9.1 billion) are repayable between 2019 and 2026 (2017: 2018 and 2024).The effective interest rates at the reporting date ranged from 0.427% to 5.68% (2017: 0.29% to 7.25%) per annum and the interest rates are re-priced every one to six months (2017: one to six months).

(f) The non-current medium term notes issued by the respective subsidiaries pursuant to their Medium Term Note Programme are repayable between 2019 and 2027 (2017: 2018 and 2026).The effective interest rates at the reporting date ranged from 2.71% to 4.99% (2017: 2.27% to 4.99%) per annum and the interest rates are re-priced every three to six months (2017: three to six months).

(g) A non-current loan from a non-controlling interest of a subsidiary amounting to $30.2 million (2017: $29.6 million) is unsecured, interest-free and has no fixed terms of repayment, although repayment is not expected within the next 12 months.

The remaining non-current loans from the non-controlling interest of certain subsidiaries are unsecured and repayable between 2019 and 2020 (2017: 2018 and 2019).The effective interest rates at the reporting date ranged from 3.23% to 6.68% per annum (2017: 5.55% to 8.96%) and the interest rates are re-priced every six months (2017: every six months).

23. DEFERRED INCOME TAXES

Movement in the deferred income tax account is as follows:

	Group		Company	
	2018 $'000	2017 $'000	**2018 $'000**	2017 $'000
At 1 April	**280,614**	268,968	**(22,175)**	1,205
Tax charged/(credited) to:				
– Profit or loss	**134,906**	50,891	**13,327**	(23,380)
– Other comprehensive income	**6,980**	2,530	**–**	–
– Equity	**(10,601)**	(6,185)	**–**	–
– Reclassification	**(11,654)**	(20,831)	**(11,654)**	–
Disposal of subsidiaries (Note 37(c))	**–**	(16,979)	**–**	–
Acquisition of subsidiaries (Note 37(a))	**8,424**	878	**–**	–
De-consolidation of a subsidiary	**–**	(6,599)	**–**	–
Utilisation of tax benefits	**8,799**	7,581	**–**	–
Currency translation differences	**(9,884)**	360	**–**	–
At 31 March	**407,584**	280,614	**(20,502)**	(22,175)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of approximately $55.8 million (2017: $60.6 million) at reporting date which can be carried forward and used to offset against future taxable income, subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. The tax losses have no expiry date except for an amount of $41.2 million (2017: $55.5 million) which will expire between 2018 to 2028.

Deferred income tax liabilities have not been recognised for the withholding and other taxes that will be payable on the unremitted earnings of $72.3 million (2017: $27.7 million) of overseas subsidiaries as the timing of the reversal of the temporary difference arising from such amounts can be controlled and it is probable that such temporary differences will not reverse in the foreseeable future.

23. DEFERRED INCOME TAXES (CONTINUED)

The movement in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year is as follows:

Group

Deferred income tax liabilities

	Accelerated tax depreciation $'000	Revaluation gains $'000	Accrued revenue $'000	Others $'000	Total $'000
At 1 April 2017	158,267	172,163	764	3,701	334,895
Charged to:					
– Profit or loss	47,237	76,861	302	1,151	125,551
– Other comprehensive income	–	385	–	–	385
Acquisition of subsidiaries	8,424	–	–	–	8,424
Currency translation differences	(6,903)	(2,945)	(91)	(4)	(9,943)
At 31 March 2018	**207,025**	**246,464**	**975**	**4,848**	**459,312**
At 1 April 2016	129,516	148,928	443	–	278,887
Charged to:					
– Profit or loss	26,945	47,058	334	1,790	76,127
– Other comprehensive loss	–	1,573	–	–	1,573
Disposal of subsidiaries	–	(17,628)	–	–	(17,628)
Acquisition of subsidiaries	–	–	–	1,909	1,909
De-consolidation of a subsidiary	–	(6,599)	–	–	(6,599)
Currency translation differences	1,806	(1,169)	(13)	2	626
At 31 March 2017	158,267	172,163	764	3,701	334,895

Deferred income tax assets

	Fair value changes – net $'000	Perpetual securities $'000	Provisions $'000	Tax losses $'000	Total $'000
At 1 April 2017	(1,100)	(943)	(37,364)	(14,874)	(54,281)
Charged/(Credited) to:					
– Profit or loss	251	–	7,001	2,103	9,355
– Other comprehensive loss	6,595	–	–	–	6,595
– Equity	–	(10,601)	–	–	(10,601)
Reclassification	–	–	(11,654)	–	(11,654)
Utilisation of tax benefits	–	8,799	–	–	8,799
Currency translation differences	80	–	(40)	19	59
At 31 March 2018	**5,826**	**(2,745)**	**(42,057)**	**(12,752)**	**(51,728)**
At 1 April 2016	(2,057)	(1,230)	(4,182)	(2,450)	(9,919)
Charged/(Credited) to:					
– Profit or loss	–	–	(11,985)	(13,251)	(25,236)
– Other comprehensive loss	957	–	–	–	957
– Equity	–	(6,185)	–	–	(6,185)
Reclassification	–	–	(20,831)	–	(20,831)
Disposal of subsidiaries	–	–	649	–	649
Acquisition of a subsidiary	–	–	(1,031)	–	(1,031)
Utilisation of tax benefits	–	6,472	–	1,109	7,581
Currency translation differences	–	–	16	(282)	(266)
At 31 March 2017	(1,100)	(943)	(37,364)	(14,874)	(54,281)

23. DEFERRED INCOME TAXES (CONTINUED)

Company

Deferred income tax liabilities

	Accelerated tax depreciation $'000	Notional interest income $'000	Total $'000
At 1 April 2017	1,574	69	1,643
Charged to profit or loss	533	86	619
At 31 March 2018	**2,107**	**155**	**2,262**
At 1 April 2016	1,907	39	1,946
(Credited)/Charged to profit or loss	(333)	30	(303)
At 31 March 2017	1,574	69	1,643

Deferred income tax assets

	Provisions $'000
At 1 April 2017	(23,818)
Charged to profit or loss	12,708
Reclassification	(11,654)
At 31 March 2018	**(22,764)**
At 1 April 2016	(741)
Credited to profit or loss	(23,077)
At 31 March 2017	(23,818)

24. SHARE CAPITAL

Issued and fully paid Ordinary Shares and Series A redeemable preference shares ("RPS")

	Issued share capital	
	No. of shares '000	Amount $'000
Balance at 1 April 2017 and 31 March 2018		
– Ordinary share capital, with no par value	1,524,307	1,524,307
– Series A redeemable preference shares, with no par value	16	1,570,000
	1,524,323	**3,094,307**

24. SHARE CAPITAL (CONTINUED)

Issued and fully paid Series A redeemable preference shares ("RPS")

The Series A redeemable preference shares ("RPS") confer upon the holders the following rights:

(a) Dividends

The right to receive out of the distributable profits of the Company a non-cumulative preferential dividend at a rate of 1% per annum on the redemption amount (being the value of the Series A RPS). The preferential dividend shall:

(i) Be declared by the Directors at any time and from time to time and payable at such time as the Directors shall determine; and

(ii) Be paid in priority to any dividend or distribution in favour of holders of any other classes of shares in the Company.

(b) Voting

The right to attend and vote at general meetings of the Company only upon the happening of any of the following events:

(i) During such year as the preferential dividend or any part thereof remains in arrears and unpaid for more than 12 months;

(ii) Upon any resolution which varies or abrogates the rights attached to the preference shares; and

(iii) Upon any resolution for the winding up of the Company.

In addition, written approval of 75% of the RPS holders has to be obtained prior to:

(i) Variation or abrogation of rights to RPS holders;

(ii) Altering RPS through e.g. repurchase, cancellation, reduction, subdivision, reclassification or consolidation;

(iii) Issue of equity or debt convertible into equity ranking pari passu or in priority to RPS; or

(iv) Declaration or payment of dividends or other distribution of profits or by issuance of ordinary shares through capitalisation of profits or reserves.

(c) Redemption

The Company has the rights to redeem all or any part of the RPS issued and fully paid at any time. Each RPS will be redeemed for the amount paid up thereon plus any arrears and accrual of dividends payable on the RPS to the redemption date.

24. SHARE CAPITAL (CONTINUED)

Share-Based Compensation Plans of the Company

The Company currently operates the following share-based compensation plans: Mapletree PSU Plan, Mapletree RSU Plan and Mapletree NED RSU Plan (collectively referred to as the "Share-based Compensation Plans"). The Executive Resource and Compensation Committee ("ERCC") of the Company has been designated as the Committee responsible for the administration of the Share-based Compensation Plans.

(a) Mapletree Performance Share Units Plan and Mapletree Restricted Share Units Plan

The Mapletree PSU Plan and the Mapletree RSU Plan (collectively referred to as the "Plans") for employees (including executive directors) were approved and adopted by the Board of Directors and shareholders of the Company on 4 November 2009. The first grant of award under the Plans was made in January 2010. The duration of each share plan is 10 years commencing 4 November 2009.

Under the Plans, awards are granted to eligible participants. Eligible participants of the Plans include selected employees of the Company, its subsidiaries and its associated companies, including executive directors.

A Performance Share Unit ("PSU") or Restricted Share Unit ("RSU") granted under the Plans represents a right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, as calculated in accordance with the Plans, provided certain performance conditions and service conditions are met.

Under the Mapletree PSU Plan, awards granted to eligible participants vest immediately upon completion of the performance achievement periods. Awards are released once the ERCC is satisfied that the performance conditions have been achieved.

Similarly under the Mapletree RSU Plan, a portion of the awards granted to eligible participants vest immediately upon completion of the performance achievement periods and the remaining awards will vest only after a further period of service beyond the performance target completion date. Awards are released once the ERCC is satisfied that the performance conditions have been achieved and extended period of service beyond the performance target completion date have been fulfilled.

The number of PSU outstanding under the Mapletree PSU Plan at the end of the financial year is summarised below:

	2018	2017
	'000	'000
At 1 April	**14,973**	14,001
Initial award granted	**4,025**	4,174
Adjustment for performance targets	**(327)**	(841)
Forfeited/Cancelled	**(458)**	(866)
Released	**(2,010)**	(1,495)
At 31 March	**16,203**	14,973

24. SHARE CAPITAL (CONTINUED)

Share-Based Compensation Plans of the Company (continued)

(a) Mapletree Performance Share Units Plan and Mapletree Restricted Share Units Plan (continued)

The final number of units to be released will depend on the achievement of pre-determined targets over a five-year performance period. No units will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the initial award could be released up to a maximum of 200% of the initial award.

The PSU released during the financial year of 2,010,250 (2017: 1,494,771) were cash-settled.

The number of PSU awarded and outstanding of 16,202,518 (2017: 14,972,545) are to be cash-settled. The final number of units to be released in respect of 16,202,518 (2017: 14,972,545) of outstanding PSU has not been determined.

The number of RSU outstanding under the Mapletree RSU Plan at the end of the financial year is summarised below:

	2018 '000	2017 '000
At 1 April	**5,071**	5,555
Initial award granted	**2,211**	2,364
Adjustment for performance targets	**588**	470
Forfeited/Cancelled	**(336)**	(391)
Released	**(2,677)**	(2,927)
At 31 March	**4,857**	5,071

The final number of units to be released will depend on the achievement of pre-determined targets over a one-year performance period and the release will be over a vesting period of three years. No units will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the initial award could be released up to a maximum of 150% of the initial award.

The RSU released during the financial year of 2,677,223 (2017: 2,927,344) were cash-settled.

The number of RSU awarded and outstanding of 4,857,388 (2017: 5,070,959) are to be cash-settled. The final number of units to be released in respect of 2,071,521 (2017: 2,340,790) of outstanding RSU has not been determined.

PSU and RSU units that are expected to be cash-settled are measured at their current fair values at financial year end. The fair value is measured based on share price $4.59 (2017: $3.72) at financial year end.

24. SHARE CAPITAL (CONTINUED)

Share-Based Compensation Plans of the Company (continued)

(b) Mapletree NED Restricted Share Units Plan

The Mapletree NED RSU Plan was approved and adopted by the Board of Directors and shareholders of the Company on 4 November 2009 and is restricted to non-executive directors ("NED") of the Company. The first grant of award was made in June 2010. The duration of the Mapletree NED RSU Plan is 10 years commencing 4 November 2009.

Under the Mapletree NED RSU Plan, awards are granted to eligible non-executive directors of the Company. A NED Restricted Share Unit ("NED RSU") granted under the Mapletree NED RSU Plan represents a right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, as calculated in accordance with the Mapletree NED RSU Plan. Grants of Mapletree NED RSU made to a non-executive director shall form part of the director's remuneration.

Under the Mapletree NED RSU Plan, awards granted to eligible non-executive directors shall vest at the date of grant. The right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, is exercisable at the discretion of the non-executive directors at the annual pre-determined exercise period, until the date falling on the fifth (5th) anniversary of date of grant of each award.

The number of NED RSU outstanding under the Mapletree NED RSU Plan at the end of the financial year is summarised below:

	2018 **'000**	2017 '000
At 1 April	**185**	164
Granted	**52**	47
Exercised	**(23)**	(26)
At 31 March	**214**	185

The NED RSU exercised during the year of 23,076 (2017: 26,359) were cash-settled.

The number of units awarded, vested and outstanding of 214,378 (2017: 185,146) are to be cash-settled. The fair value of the cash-settled award of NED RSU at the reporting date is determined based on the net asset value (excluding perpetual securities) per share of the Group at year end, up to a maximum of 200% of the initial net asset value per share of the Group at the respective grant dates.

(c) Share-Based Compensation Plans of subsidiaries

During the financial year ended 31 March 2018, the respective Nomination and Remuneration Committee ("NRC") of the Group's wholly owned subsidiaries, Mapletree Logistics Trust Management Ltd, Mapletree Industrial Trust Management Ltd, Mapletree Commercial Trust Management Ltd and Mapletree Greater China Commercial Trust Management Ltd (each the "REIT management company") approved and adopted separate Performance Share Units Plan ("REIT PSU Plan") and Restricted Share Units Plan ("REIT RSU Plan"). This is in compliance with the MAS guideline on REIT compensation governance where the plans are linked to performance of the respective REIT. The REIT PSU Plan and REIT RSU Plan are available to eligible employees of the subsidiaries, and the plans can only be cash-settled.

The total REIT PSU Plan and REIT RSU Plan expense recognised to the profit or loss amounted to $3,094,576 (2017: $468,000).

25. PERPETUAL SECURITIES

The Group has issued the following perpetual securities:

(a) Mapletree Treasury Services Limited

Mapletree Treasury Services Limited ("MTSL"), a wholly-owned subsidiary, issued perpetual securities with an aggregate principal amount of $700 million in May 2017. Total incremental cost incurred amounting to $5.6 million (2017: $14.0 million) was recognised in equity as a deduction from proceeds.

Such perpetual securities are guaranteed by the Company and bear distributions at a rate of 3.95% per annum, payable semi-annually. Subject to the relevant terms and conditions in the offering circular, MTSL may elect to defer making distribution on the perpetual securities, and is not subject to any limits as to the number of times a distribution can be deferred.

MTSL had fully redeemed the 5.125% perpetual securities with an aggregate principal amount of $600 million on 25 July 2017 which was previously issued on 25 July 2012.

(b) Mapletree Logistics Trust

Mapletree Logistics Trust ("MLT"), a non-wholly owned subsidiary of the Group, issued perpetual securities with an aggregate principal amount of $180 million in September 2017. Total incremental cost incurred amounting to $1.8 million (2017: $8.6 million) was recognised in equity as a deduction from proceeds. These perpetual securities have no fixed redemption date and redemption is at the discretion of MLT.

Such perpetual securities bear distributions at a rate of 3.65% per annum, payable semi-annually and will be non-cumulative.

MLT had fully redeemed the 5.375% perpetual securities with an aggregate principal amount of $350 million on 19 September 2017 which was previously issued on 19 March 2012.

In terms of distribution payments or in the event of winding-up of MLT, these perpetual securities rank pari passu with the holders of preferred units (if any) and rank ahead of the unitholders of MLT, but junior to the claims of all other present and future creditors of MLT. MLT shall not declare distribution or pay any distributions to the unitholders, or make redemption, unless MLT declare or pay any distributions to the holders of the perpetual securities.

The Group is considered to have no contractual obligations to call its principal or to pay any distributions and the perpetual securities of MTSL and MLT do not meet the definition for classification as a financial liability under FRS 32 Financial Instruments: Disclosure and Presentation. Both instruments are presented within equity, and distributions are treated as dividends.

26. CONTINGENT LIABILITIES

Details and estimates of maximum amounts of contingent liabilities are as follows:

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Unsecured bankers' guarantees given in respect of operations	**8,599**	10,642	**6,838**	6,543

27. COMMITMENTS

(a) Capital commitments

	Group 2018 $'000	Group 2017 $'000
Development expenditure contracted for	**432,289**	677,715
Commitment in respect of equity participation in associated companies	**98,058**	689,801
Commitment in respect of equity participation in available-for-sale financial assets	**79**	85

(b) Operating lease commitments – where the Group is a lessor

The Group leases out property spaces under non-cancellable operating lease agreements. The leases have escalation clauses and renewal rights.

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

	Group 2018 $'000	Group 2017 $'000
Not later than one year	**2,162,993**	1,925,307
Between one and five years	**4,343,724**	3,617,211
Later than five years	**1,933,070**	1,690,742
	8,439,787	7,233,260

Some of the operating leases are subject to revision based on market rates at periodic intervals. For the purposes of the above disclosure, the prevailing leases are used.

(c) Operating lease commitments – where the Group is a lessee

The Group leases land and property spaces under non-cancellable operating lease agreements.

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

	Group 2018 $'000	Group 2017 $'000
Not later than one year	**160,229**	111,521
Between one and five years	**171,842**	70,894
Later than five years	**57,552**	49,599
	389,623	232,014

Not included above are certain operating leases in Singapore, PRC and Malaysia with annual land rent that the Group is committed to pay to the respective country's land authorities. The operating leases are non-cancellable with remaining lease term of up to 88 years as at 31 March 2018 and are subjected to revision of land rent at periodic intervals. Based on the prevailing land rent rates, these operating leases paid/payable for the financial year approximates $14.8 million (2017: $15.1 million).

28. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks. The Group uses different methods to measure and manage various types of risks to which it is exposed. These include monitoring levels of exposure to foreign exchange, price, interest rate, credit and liquidity risk.

Risk management is carried out under policies approved by the Board of Directors. The Board of Directors provides general principles for overall risk management, covering areas such as foreign exchange risk, price, interest rate risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities. The Audit and Risk Committee, assisted by the risk management department and/or internal auditors, also evaluates the effectiveness of the system associated with the financial risk management programmes.

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to exchange rate risk on its foreign currency denominated assets and liabilities. This currency exposure is, where practicable and appropriate, managed through borrowing in the same currencies in which the assets and/or investments are denominated as well as currency forwards, currency call/put options, and cross currency swap contracts.

In relation to its investments in foreign subsidiaries, associated companies and joint ventures, whose net assets are exposed to currency translation risks and which are held for long term investment purpose, the differences arising from such translation are recognised in other comprehensive income as foreign currency translation reserves. These translation differences are reviewed and monitored on a regular basis and managed primarily through currency forwards, cross currency interest rate swaps or borrowings denominated in the relevant currencies.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The Group's currency exposure based on information provided to key management is as follows:

	SGD $'000	USD $'000	RMB $'000	HKD $'000	JPY $'000	MYR $'000	AUD $'000	GBP $'000	EUR $'000	VND $'000
2018										
Financial assets										
Cash and cash equivalents	251,560	184,083	398,751	45,965	87,224	27,262	31,706	109,904	13,440	102,444
Trade and other receivables (including intercompany balances)	10,008,350	7,596,254	3,754,648	518,227	572,028	278,383	435,318	2,370,659	677,106	46,020
Deposits	1,839	327,940	4,753	1,817	25,299	2,915	55	159	24,657	3,334
	10,261,749	8,108,277	4,158,152	566,009	684,551	308,560	467,079	2,480,722	715,203	151,798
Financial liabilities										
Borrowings	5,103,643	2,960,574	1,046,186	3,082,057	1,201,525	308,292	1,016,045	1,621,549	283,618	–
Trade and other payables (including intercompany balances)	10,535,417	7,522,772	3,977,776	677,259	466,251	225,865	421,848	2,367,401	673,807	78,759
	15,639,060	10,483,346	5,023,962	3,759,316	1,667,776	534,157	1,437,893	3,988,950	957,425	78,759
Net financial (liabilities)/assets	**(5,377,311)**	**(2,375,069)**	**(865,810)**	**(3,193,307)**	**(983,225)**	**(225,597)**	**(970,814)**	**(1,508,228)**	**(242,222)**	**73,039**
Net financial liabilities/ (assets) denominated in the respective entities' functional currencies	4,191,541	4,292,008	1,581,535	3,194,123	1,055,912	394,705	906,911	1,868,919	241,553	(72,590)
Notional amount of currency forwards and cross currency swaps not designated as net investment hedge	794,985	(2,485,096)	(751,783)	(13,385)	(89,589)	(159,302)	–	(333,010)	–	–
Loans designated for net investment hedge	346,265	186,456	50,876	–	–	–	76,543	–	–	–
Currency exposures on financial (liabilities)/ assets	**(44,520)**	**(381,701)**	**14,818**	**(12,569)**	**(16,902)**	**9,806**	**12,640**	**27,681**	**(669)**	**449**

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

	SGD $'000	USD $'000	RMB $'000	HKD $'000	JPY $'000	MYR $'000	AUD $'000	GBP $'000	EUR $'000	VND $'000
2017										
Financial assets										
Cash and cash equivalents	280,346	209,183	318,037	43,249	55,875	21,571	15,468	132,227	15,705	69,388
Trade and other receivables (including intercompany balances)	9,657,272	4,615,182	2,560,471	697,839	651,648	280,970	256,858	2,075,214	620,020	33,309
Deposits	1,997	107,095	8,661	924	25,303	831	105	154	–	3,543
	9,939,615	4,931,460	2,887,169	742,012	732,826	303,372	272,431	2,207,595	635,725	106,240
Financial liabilities										
Borrowings	(4,840,999)	(699,081)	(700,053)	(3,037,369)	(1,113,782)	(183,436)	(743,823)	(1,537,043)	(239,880)	–
Trade and other payables (including intercompany balances)	(10,110,939)	(4,577,388)	(2,781,830)	(853,873)	(534,606)	(257,192)	(256,266)	(2,088,476)	(620,375)	(70,562)
	(14,951,938)	(5,276,469)	(3,481,883)	(3,891,242)	(1,648,388)	(440,628)	(1,000,089)	(3,625,519)	(860,255)	(70,562)
Net financial (liabilities)/assets	**(5,012,323)**	**(345,009)**	**(594,714)**	**(3,149,230)**	**(915,562)**	**(137,256)**	**(727,658)**	**(1,417,924)**	**(224,530)**	**35,678**
Net financial liabilities/ (assets) denominated in the respective entities' functional currencies	3,780,650	1,623,335	1,066,304	3,184,159	1,031,565	319,368	696,201	1,781,271	232,525	(35,460)
Notional amount of currency forwards and cross currency swaps not designated as net investment hedge	880,329	(1,917,141)	(485,847)	(18,978)	(123,943)	(166,998)	–	(344,171)	–	–
Loans designated for net investment hedge	292,158	179,262	28,070	–	–	–	–	–	–	–
Currency exposures on financial (liabilities)/ assets	**(59,186)**	**(459,553)**	**13,813**	**15,951**	**(7,940)**	**15,114**	**(31,457)**	**19,176**	**7,995**	**218**

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

As at 31 March 2018 and 2017, the Group's USD exposure arises mainly from group entities with VND functional currency.

The Company's financial assets and liabilities are mainly denominated in SGD.

If the Group's USD exposure change against VND by 5.0% (2017: 5.0%) with all other variables including tax rate being held constant, the effects arising from the Group's net currency exposure will be as follows:

	Increase/(decrease)	
	2018 Profit after tax $'000	2017 Profit after tax $'000
Group		
USD against VND		
– strengthened	**(17,223)**	(15,204)
– weakened	**17,223**	15,204

(ii) Price risk

The Group is not exposed to significant equity price risk as it does not hold any significant equity securities held for trading or available-for-sale.

(iii) Cash flow and fair value interest rate risk

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

The Group is exposed to interest rate risk on its borrowings. The Group manages the risk by maintaining an appropriate mix of fixed and floating rate interest-bearing liabilities. This is achieved either through fixed rate borrowings or through the use of floating-to-fixed interest rate swaps and/or interest rate caps.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risk (continued)

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in JPY, USD, RMB, GBP, SGD, MYR and HKD (2017: JPY, USD, RMB, GBP, SGD, MYR and HKD). If the interest rates increase or decrease by 0.50% (2017: 0.50%) per annum with all other variables including tax rate being held constant, the profit after tax would have been lower by $25 million (2017: $14 million) and higher by $25 million (2017: $14 million) as a result of higher and lower interest expense on these borrowings respectively. Other comprehensive income would have been higher by $37 million (2017: $48 million) and lower by $35 million (2017: $49 million) mainly as a result of higher fair value of interest rate swaps designated as cash flow hedges of variable rate borrowings.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits, trade receivables, loan to a non-controlling interest of a subsidiary and loan to a non-related party. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with acceptable credit quality counterparties.

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that services are made to customers with an appropriate credit history. Security in the form of bankers guarantees, insurance bonds (issued by bankers or insurers of acceptable credit quality) or cash security deposits are obtained prior to the commencement of the lease.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except as follows:

	Company	
	2018	2017
	$'000	$'000
Corporate guarantees provided to banks on subsidiaries' and a joint venture's loans	**7,581,134**	4,628,000

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with acceptable credit-ratings assigned by international credit-rating agencies. Trade receivables, loan to a non-controlling interest of a subsidiary and loan to a non-related party that are neither past due nor impaired are substantially counterparties with a good collection track record with the Group.

(ii) Financial assets that are past due and/or impaired

There are no other classes of financial assets that are past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group	
	2018	2017
	$'000	$'000
Past due less than 3 months	**49,795**	44,358
Past due over 3 months	**26,238**	51,982
	76,033	96,340

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group	
	2018	2017
	$'000	$'000
Gross amount	**1,311**	1,780
Less: Allowance for impairment	**(856)**	(1,060)
	455	720
At 1 April	**1,060**	264
Acquisition	**–**	710
Allowance made	**395**	369
Allowance utilised	**(135)**	(17)
Allowance reversed	**(327)**	(250)
Translation	**(137)**	(16)
At 31 March	**856**	1,060

The Group and the Company believes that no additional allowance is necessary in respect of the remaining trade and other receivables as these receivables arise mainly from tenants with good collection records as well as sufficient security in the form of bankers guarantees, insurance bonds, or cash security deposits as collaterals.

(c) Liquidity risk

The Group adopts prudent liquidity risk management by maintaining sufficient cash and committed bank financing to fund its working capital, its financial obligations and expected committed capital expenditure requirements.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is insignificant.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

	Less than 1 year $'000	Between 1 and 5 years $'000	Over 5 years $'000
Group			
2018			
Trade and other payables	955,673	325,875	32,904
Borrowings	2,512,914	12,678,109	2,565,842
	3,468,587	**13,003,984**	**2,598,746**
2017			
Trade and other payables	967,422	286,473	31,281
Borrowings	1,430,464	10,208,864	2,346,340
	2,397,886	10,495,337	2,377,621
Company			
2018			
Trade and other payables	**465,612**	**93,495**	**13,288**
2017			
Trade and other payables	195,708	75,340	14,245

The table below analyses the derivative financial instruments of the Group for which contractual maturities are essential for an understanding of the timing of cash flows into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year $'000	Between 1 and 5 years $'000	Over 5 years $'000
Group			
2018			
Net-settled interest rate swaps and cross currency swaps			
– Net cash outflows	**17,439**	**19,669**	**1,690**
Gross-settled currency forwards and cross currency swaps			
– Receipts	**(1,816,624)**	**(453,650)**	**(28,635)**
– Payments	**1,857,299**	**476,349**	**25,203**
2017			
Net-settled interest rate swaps and cross currency swaps			
– Net cash outflows	15,055	17,591	–
Gross-settled currency forwards and cross currency swaps			
– Receipts	(2,982,434)	(528,214)	(11,244)
– Payments	3,032,463	591,137	10,639

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group is required by the banks to maintain a consolidated tangible net worth of not less than $1.0 billion (2017: $1.0 billion) and Group equity of not less than $3.0 billion (2017: $3.0 billion).

There were no changes in the Group's approach to capital management during the financial year.

(e) Categories of financial assets and financial liabilities

The following table sets out the financial instruments as at the reporting date:

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Financial assets				
At fair value through profit or loss	**168,261**	110,559	**–**	–
Available-for-sale	**69,564**	142,965	**–**	–
Loans and receivables (including cash and cash equivalents)	**2,261,220**	1,873,470	**7,059,864**	5,593,751
Financial liabilities				
At fair value through profit or loss	**71,281**	146,978	**–**	–
At amortised cost	**17,937,941**	14,379,056	**572,395**	285,104

29. FAIR VALUE MEASUREMENTS

(a) Fair value hierarchy

The following table presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

29. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Fair value hierarchy (continued)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
2018				
Financial assets				
Derivative financial instruments	–	168,261	–	168,261
Available-for-sale financial assets				
– Unquoted	–	–	69,564	69,564
	–	**168,261**	**69,564**	**237,825**
Financial liabilities				
Derivative financial instruments	–	**(71,281)**	–	**(71,281)**
Non-financial assets				
Completed investment properties	–	–	37,296,137	37,296,137
Investment properties under redevelopment	–	–	126,193	126,193
Properties under development	–	–	409,803	409,803
Property, plant and equipment	–	–	131,979	131,979
	–	**–**	**37,964,112**	**37,964,112**
2017				
Financial assets				
Derivative financial instruments	–	110,559	–	110,559
Available-for-sale financial assets				
– Quoted	73,401	–	–	73,401
– Unquoted	–	–	69,564	69,564
	73,401	110,559	69,564	253,524
Financial liabilities				
Derivative financial instruments	–	(146,978)	–	(146,978)
Non-financial assets				
Completed investment properties	–	–	30,386,799	30,386,799
Investment properties under redevelopment	–	–	299,635	299,635
Properties under development	–	–	1,662,550	1,662,550
Property, plant and equipment	–	–	142,321	142,321
	–	–	32,491,305	32,491,305

29. FAIR VALUE MEASUREMENTS (CONTINUED)

(b) Valuation techniques

(i) Financial assets and liabilities at fair value

The fair value of available-for-sale financial assets traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for the quoted available-for-sale financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. The fair value of interest rate swaps and interest rate caps are calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward currency rates at the reporting date. These investments are classified as Level 2 and comprise derivative financial instruments.

The fair value of unquoted available-for-sale financial assets are classified as Level 3 and are determined using the net asset values of the investee companies.

(ii) Non-financial assets at fair value

Level 3 fair values of the Group's investment properties and leasehold land and building classified under property, plant and equipment have been generally derived using the following methods:

- Income capitalisation – Properties are valued by capitalising net leasing income after property tax at a rate which reflects the present and potential income growth and over the unexpired lease term.

- Discounted cash flow – Properties are valued by discounting the future net income stream over a period to arrive at a present value.

- Direct comparison – Properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with adjustments made for differences in location, tenure, size, shape, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and the prevailing market conditions.

- Residual value – Investment properties under redevelopment or development are valued, as a starting point using the direct comparison method, income capitalisation method and/or discounted cash flow method to derive the fair value of the property as if the redevelopment or development was already completed at reporting date. Deductions from that fair value, such as estimated construction cost and other costs to completion and estimated profit margin required to hold and develop property to completion are made to reflect the current condition of the property under redevelopment and development.

  Fair values of investment properties are determined by external independent valuers. The valuation of significant properties are presented to and discussed with the Audit and Risk Committee as well as the Board of Directors.

(iii) Financial assets and liabilities not carried at fair values

The carrying value of trade and other receivables, other current assets and trade and other payables approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of borrowings approximates their carrying amounts as the interest rates of such loans are adjusted for changes in relevant market interest rate except for the fixed rate medium term notes of $2.8 billion (2017: $2.5 billion) whose fair value amounted to $2.8 billion (2017: $2.5 billion), determined from adjusted quoted prices.

29. FAIR VALUE MEASUREMENTS (CONTINUED)

(c) Level 3 assets measured at fair value

The movements of non-financial assets classified under Level 3, for completed investment properties and investment properties under redevelopment are presented in Note 16, for properties under development in Note 17 and for leasehold land and building under property, plant and equipment in Note 18.

The following table presents the valuation techniques and key inputs that were used to determine the fair value of the non-financial assets classified under Level 3 of the fair value hierarchy:

	Valuation techniques	Key unobservable inputs	Relationship of unobservable inputs to fair value
Completed investment properties			
	Income capitalisation	Capitalisation rate • Singapore: 3.7% to 9.0% *(2017: 3.9% to 9.5%)* • Others: 3.6% to 11.3% *(2017: 3.9% to 12.5%)*	The higher the capitalisation rate, the lower the fair value.
	Discounted cash flow	Discount rate • Singapore: 7.0% to 12.0% *(2017: 7.0% to 12.0%)* • Others: 3.4% to 14.0% *(2017: 4.5% to 14.0%)*	The higher the discount rate, the lower the fair value.
		Terminal Yield • Singapore: 4.5% to 6.3% *(2017: 4.6% to 6.5%)* • Others: 2.8% to 16.5% *(2017: 4.4% to 17.0%)*	The higher the terminal yield, the lower the fair value.
	Direct comparison	Adjusted price • Singapore: $590 to $1,725 psm *(2017: $590 to $1,725 psm)* • Others: $329 to $12,572 psm *(2017: $347 to $11,893 psm)*	The higher the adjusted price rate, the higher the fair value.
Investment properties under redevelopment			
	Residual value	Gross development valuation • Singapore: $3,379 to $16,388 psm *(2017: $2,003 to $15,647 psm)*	The higher the gross development valuation, the higher the fair value.
		Development cost • Singapore: $3,155 to $5,649 psm *(2017: $1,304 to $6,081 psm)*	The higher the development cost, the lower the fair value.

29. FAIR VALUE MEASUREMENTS (CONTINUED)

(c) Level 3 assets measured at fair value (continued)

	Valuation techniques	Key unobservable inputs	Relationship of unobservable inputs to fair value
Properties under development			
	Discounted cash flow	Discount rate • Others: 15.0% *(2017: 15.0%)*	The higher the discount rate, the lower the fair value.
		Terminal Yield • Others: 13.0% *(2017: 13.0%)*	The higher the terminal yield, the lower the fair value.
	Direct comparison	Adjusted price • Others: $48 to $117 psm *(2017: $49 to $643 psm)*	The higher the adjusted price rate, the higher the fair value.
	Residual value	Gross development valuation • Others: $518 to $736 psm *(2017: $549 to $22,776 psm)*	The higher the gross development valuation, the higher the fair value.
		Development cost • Others: $310 to $506 psm *(2017: $331 to $5,907 psm)*	The higher the development cost, the lower the fair value.
Leasehold land and building classified under property, plant and equipment			
	Income capitalisation	Capitalisation rate • Others: 9.0% *(2017: 10.0%)*	The higher the capitalisation rate, the lower the fair value.
	Discounted cash flow	Discount rate • Others: 11.0% *(2017: 13.0%)*	The higher the discount rate, the lower the fair value.
		Terminal Yield • Others: 10.0% *(2017: 10.5%)*	The higher the terminal yield, the lower the fair value.
	Direct comparison	Adjusted Price • Others: $Nil *(2017: $436,800 per room)*	The higher the adjusted price rate, the higher the fair value.

30. IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The Company's immediate holding company is Fullerton Management Pte Ltd, incorporated in Singapore. The ultimate holding company is Temasek Holdings (Private) Limited, incorporated in Singapore.

31. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties during the financial year:

(a) Sales and purchases of goods and services

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Leasing and other services to related corporations	**51,432**	39,587	**–**	–
Fees from provision of management services to subsidiaries	**–**	–	**134,790**	119,035
Purchase of goods/services from related corporations	**13,367**	25,780	**–**	–
Fees from provision of fund management services to associated companies	**28,664**	40,536	**–**	–
Dividend income from an associated company	**24,109**	15,308	**–**	–
Dividend income received from subsidiaries	**–**	–	**711,546**	1,659,190
Interest income received from subsidiaries	**–**	–	**34,885**	16,243
Interest expense paid to related corporations	**52,309**	55,499	**–**	–
Trustee's fees paid/payable to the Trustee	**2,032**	1,918	**–**	–

(b) Key management personnel compensation

	Group	
	2018	2017
	$'000	$'000
Salaries and other short-term employee benefits	**19,302**	22,093
Post-employment benefits – contribution to CPF	**232**	228
Share-based compensation expenses	**23,843**	11,513
	43,377	33,834

(c) PSU and RSU granted to key management

During the financial year, the Group granted 4,436,594 PSU and 2,301,691 RSU (2017: 4,324,704 PSU and 1,860,174 RSU) to the key management of the Group under the share-based plans as set out in Note 24. The PSU and RSU were given on the same terms and conditions as those offered to other employees of the Group. The outstanding number of PSU and RSU as at 31 March 2018 granted by the Group to the key management of the Group was 15,739,958 and 4,340,058 (2017: 13,180,790 and 3,209,305) respectively.

32. DIVIDENDS

	Group and Company	
	2018	2017
	$'000	$'000
Final exempt (one-tier) redeemable preference share dividends paid in respect of the previous financial year of $1,000 (2017: $1,000) per redeemable preference share	**15,700**	15,700
Final exempt (one-tier) ordinary share dividend of paid in respect of the previous financial year of 12.7993 cents (2017: 9.7684 cents) per ordinary share	**195,100**	148,900
	210,800	164,600

32. DIVIDENDS (CONTINUED)

At the Annual General Meeting to be held, the following dividends will be proposed:

- Final exempt (one-tier) redeemable preference share dividend of $1,000 (2017: $1,000) per redeemable preference share amounting to $15.7 million (2017: $15.7 million); and
- Final exempt (one-tier) ordinary share dividend of 13.1338 cents (2017: 12.7993 cents) per ordinary share amounting to $200.2 million (2017: $195.1 million).

These financial statements do not reflect the above dividends, which will be accounted for in shareholder's equity as an appropriation of retained earnings in the financial year ending 31 March 2019.

33. OPERATIONAL PROFIT AFTER TAX AND MINORITY INTERESTS

Operational Profit After Tax and Minority Interests (Operational PATMI) denotes net income derived from the underlying operating activities of the Group including, inter-alia, real estate leasing and sales activities, capital management fee income businesses, corporate housing operating and fee income, investments in real estate related assets and/or securities and corporate restructuring surplus or deficit. Any gains or losses on disposal and corporate restructuring surplus or deficit are measured based on the relevant original invested costs ("OIC"). Gains or losses on foreign exchange, fair value adjustments for financial derivatives and available-for-sale financial assets (per FRS 39 Financial Instruments: Recognition and Measurement), unrealised gains or losses, inter-alia, revaluations gains or losses (except for those arising from corporate restructuring), intangibles' impairment, negative goodwill and dilution gain or loss are not included.

	Group	
	2018	2017
	$'000	$'000
Profit Attributable to Equity Holder of the Company	**1,873,683**	1,349,590
Profit Attributable to Perpetual Securities Holders		
– Mapletree Treasury Services Limited	**62,357**	36,382
– Mapletree Logistics Trust	**22,594**	27,717
	1,958,634	1,413,689
After adjusting for:		
Revaluation gain on investment properties and properties under development (net of deferred tax)#	**(1,123,095)**	(667,559)
Share of associated companies and joint ventures:		
Net gain on revaluation of investment properties and properties under development	**(119,114)**	(34,419)
Net foreign exchange and financial derivatives (gain)/loss	**(36,897)**	3,050
Other non-operating items	**(1,829)**	–
	(157,840)	(31,369)
Net foreign exchange and financial derivatives loss#	**18,988**	19,342
Other non-operating items	**(243)**	–
Adjustments on:		
Share of associated company disposal gain at OIC*	**–**	5,425
Corporate restructuring surplus at OIC*	**141,914**	628,892
Divestment (loss)/gain at OIC*	**(73,944)**	8,095
Operational PATMI	**764,414**	1,376,515

\# Net of non-controlling interests.
* Represents cumulative revaluation gains realised.

34. SEGMENT REPORTING

The operating segments are determined based on the segment reports reviewed by the Executive Management Committee ("EMC") for strategic and operational decisions making purposes. The EMC comprises the Group Chief Executive Officer, Deputy Group Chief Executive Officer, Group Chief Financial Officer, Head, Group Corporate Services and Group General Counsel, Head, Group Development Management and the Heads of each business unit.

The EMC considers the business from both a geographic and business segment perspective. In the current financial year, the organisation of the Group's business units and segment reports reviewed by the EMC, were changed to reflect the Group's expanded geographical and business operations. The 2017 comparative segment information presented below has been restated to conform to the current year segment basis.

The following summary describes the operations from business segment perspective:

- **Singapore Commercial:**
  Developer/Owner/Manager of properties located in Singapore, which comprise mainly offices, retail properties, residential properties and certain industrial and business park properties which are not under Logistics and Industrial business units.

- **Australasia Logistics:**
  Developer/Owner/Manager of logistics properties in Asia and Australia.

- **Industrial:**
  Developer/Owner/Manager of industrial properties and data centres in the USA.

- **China and India:**
  Developer/Owner/Manager of properties in People's Republic of China ("PRC") and India, excluding logistic properties and properties held by MGCCT.

- **South East Asia:**
  Developer/Owner/Manager of properties, excluding logistics properties in Southeast Asia.

- **Australasia, North Asia and Oakwood:**
  Developer/Owner/Manager of properties in Australasia & North Asia excluding logistics properties but including properties held by MGCCT and corporate lodging properties and business.

- **Europe & USA:**
  Developer/Owner/Manager of properties in Europe & USA, excluding corporate lodging properties and data centres in the USA.

- **Others:**
  Corporate departments.

34. SEGMENT REPORTING (CONTINUED)

The segment information provided to the EMC for the reportable segments are as follows:

	Singapore Commercial $'000	Australasia Logistics $'000	Industrial $'000	China and India $'000	South East Asia $'000	Australasia, North Asia and Oakwood $'000	Europe and USA $'000	Others $'000	Total $'000
2018									
Revenue	642,127	465,144	389,514	48,936	136,870	1,264,917	259,305	(12,412)	3,194,401
Segmental Results									
Earnings/(loss) before revaluation gain/(loss), interest and tax	496,129	389,180	315,819	12,571	64,385	349,237	173,170	(136,068)	1,664,423
Revaluation gain on investment properties and properties under development	501,741	409,712	114,044	8,295	18,937	768,404	99,417	1,072	1,921,622
Share of profit in associated companies and joint ventures	–	4,100	–	100,083	14,866	111,724	34,398	–	265,171
	997,870	**802,992**	**429,863**	**120,949**	**98,188**	**1,229,365**	**306,985**	**(134,996)**	**3,851,216**
Finance cost – net									(362,175)
Tax expense									(299,712)
Profit for the year									**3,189,329**
Segment assets	**10,328,832**	**8,915,526**	**5,035,675**	**761,999**	**1,423,617**	**11,092,282**	**4,542,197**	**474,897**	**42,575,025**
Segment liabilities	**2,802,887**	**4,384,107**	**1,467,268**	**41,695**	**101,545**	**4,863,723**	**3,323,781**	**1,673,038**	**18,658,044**
Other segment items:									
Depreciation and amortisation	**(333)**	**(247)**	**(27)**	**(24)**	**(6,159)**	**(8,366)**	**(218)**	**(5,990)**	**(21,364)**

	Singapore $'000	South East Asia (excluding Singapore) $'000	PRC (excluding Hong Kong SAR) $'000	Hong Kong SAR $'000	Japan $'000	Europe $'000	United States of America $'000	Australia $'000	Rest of the World $'000	Total $'000
2018										
Geography information										
Revenue	**1,135,133**	**166,278**	**225,828**	**341,196**	**89,158**	**212,582**	**813,946**	**101,804**	**108,476**	**3,194,401**
Non-current assets	**15,950,783**	**1,814,522**	**4,195,179**	**8,138,770**	**1,683,930**	**2,293,950**	**3,931,514**	**1,474,709**	**446,491**	**39,929,848**
Total assets	**16,870,080**	**2,145,580**	**4,786,605**	**8,219,189**	**2,023,980**	**2,544,127**	**4,198,581**	**1,304,816**	**482,067**	**42,575,025**

34. SEGMENT REPORTING (CONTINUED)

	Singapore Commercial $'000	Australasia Logistics $'000	Industrial $'000	China and India $'000	South East Asia $'000	Australasia, North Asia and Oakwood $'000	Europe and USA $'000	Others $'000	Total $'000
2017									
Revenue	607,070	453,436	340,559	63,069	102,529	550,290	215,404	(3,522)	2,328,835
Segmental Results									
Earnings/(Loss) before revaluation gain/(loss), interest and tax	464,891	422,674	253,271	41,090	40,513	357,301	192,048	(172,541)	1,599,247
Revaluation gain on investment properties and properties under development	385,536	164,464	73,273	7,817	46,152	284,495	34,741	340	996,818
Share of (loss)/profit in associated companies and joint ventures	–	(8,065)	–	51,156	6,333	50,927	2,020	–	102,371
	850,427	579,073	326,544	100,063	92,998	692,723	228,809	(172,201)	2,698,436
Finance cost – net									(331,681)
Tax expense									(198,743)
Profit for the year									2,168,012
Segment assets	9,707,117	7,996,946	3,822,641	749,831	1,319,460	9,796,807	2,431,009	435,371	36,259,182
Segment liabilities	2,818,624	3,670,937	747,492	28,369	88,180	4,424,870	1,870,399	1,386,492	15,035,363
Other segment items:									
Depreciation and amortisation	(325)	(202)	(18)	(32)	(4,791)	(1,008)	(348)	(4,983)	(11,707)

	Singapore $'000	South East Asia (excluding Singapore) $'000	PRC (excluding Hong Kong SAR) $'000	Hong Kong SAR $'000	Japan $'000	Europe $'000	United States of America $'000	Australia $'000	Rest of the World $'000	Total $'000
2017										
Geography information										
Revenue	1,090,430	130,896	207,113	330,094	123,364	188,363	149,759	76,586	32,230	2,328,835
Non-current assets	15,217,018	1,753,026	3,606,870	7,526,523	1,466,712	1,953,732	1,172,002	1,145,583	401,053	34,242,519
Total assets	15,762,802	1,951,579	4,102,542	7,600,489	1,730,085	2,160,217	1,364,960	1,167,060	419,448	36,259,182

34. SEGMENT REPORTING (CONTINUED)

Sales between segments are carried out at market terms. The revenue from external parties reported to the EMC is measured in a manner consistent with that in the statement of comprehensive income.

The EMC assesses the performance of the operating segment based on a measure of earnings before interest and tax plus share of operating profits in associated companies and joint ventures. The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment profit represents the profit earned by each segment without allocation of central administration costs. Finance income and finance expenses are not allocated to segments, as this type of activity is driven by Group Treasury which manages the treasury position of the Group.

Corporate housing business

During the last financial year, the Group acquired corporate housing and serviced-apartment solutions provider, Oakwood Worldwide (Note 37(a)(iii)), as part of its long-term strategy for its corporate housing business with focus on the United States of America, Europe and Asia Pacific. The financial performance of the corporate housing business, included within the "Australasia, North Asia and Oakwood" and "South East Asia" segment is summarised as below:

	Corporate Housing	
	2018	2017
	$'000	$'000
Revenue	**827,204**	127,297
Other (loss)/gains – net	**(2,884)**	7,471
Operating costs	**(817,705)**	(112,357)
	6,615	22,411
Finance cost – net	**(664)**	(41)
Share of profit of joint venture	**–**	687
Profit before income tax	**5,951**	23,057
Income tax (credit)/expense	**(7,388)**	3,040
(Loss)/profit for the financial year	**(1,437)**	26,097

35. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP

(a) Subsidiaries

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2018 %	2017 %
Directly held by the Company				
Bougainvillea Realty Pte Ltd	Property owner	Singapore	**100**	100
Heliconia Realty Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Capital Management Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Logistics Properties Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Treasury Services Limited	Finance and Treasury centre performing financial and treasury operations and activities for the holding and related companies within the Group	Singapore	**100**	100
Meranti Investments Pte Ltd	Investment holding	Singapore	**100**	100
Mulberry Pte Ltd	Investment holding	Singapore	**100**	100
Mangrove Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Dextra Pte Ltd	Investment holding	Singapore	**100**	100
Gemstone Asset Holdings Pte Ltd (f.k.a Alexander Assets 1 Pte Ltd)[2]	Investment holding	Singapore	**100**	–
Mapletree DC Ventures Pte Ltd[2]	Investment Holding	Singapore	**100**	–
CoQoons Coworking Pte Ltd (f.k.a Work@Montage Pte Ltd)[2]	Co-working centre	Singapore	**100**	–
Mapletree US Office Assets Pte Ltd[2]	Investment Holding	Singapore	**100**	–
Amberstone Asset Holdings Pte Ltd[2]	Investment Holding	Singapore	**100**	–
Mapletree US Logistic Assets Pte Ltd[2]	Investment Holding	Singapore	**100**	–
Sienna Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Developments Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Waterfront Holdings Pte Ltd (f.k.a Phoenix Chaoyang Pte Ltd)	Investment holding	Singapore	**100**	100
The HarbourFront Pte Ltd	Investment holding and property owner	Singapore	**100**	100
Shanghai Mapletree Management Co Ltd	Fund management and advisory services	PRC	**100**	100
Mapletree Management Consultancy Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Property Services Pte Ltd	Investment holding	Singapore	**100**	100
Kent Assets Pte Ltd	Investment holding	Singapore	**100**	100
Suffolk Assets Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree PE Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Oakwood Holdings Pte Ltd (f.k.a Mapletree SR Holdings Pte Ltd)	Investment holding	Singapore	**100**	100
Moonstone Assets Pte Ltd	Investment holding	Singapore	**100**	100
Mapletree Trustee Pte Ltd	Investment holding	Singapore	**100**	100

35. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(a) Subsidiaries (continued)

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2018 %	2017 %
Directly held by Mapletree Treasury Services Limited				
Mapletree Treasury Services (HKSAR) Limited	Provision of financial and treasury operations activities for the holding company and related companies within the Group	Hong Kong SAR	**100**	100
Directly held by Mapletree UK Management Limited				
Mapletree US Management LLC	Management services	United States of America	**100**	100
Directly held by Mapletree Capital Management Pte Ltd				
Mapletree Logistics Trust Management Ltd	Fund management and advisory services	Singapore	**100**	100
Mapletree Industrial Trust Management Ltd	Fund management and advisory services	Singapore	**100**	100
Mapletree Commercial Trust Management Ltd	Fund management and advisory services	Singapore	**100**	100
Mapletree Greater China Commercial Trust Management Ltd	Fund management and advisory services	Singapore	**100**	100
Mapletree Real Estate Advisors Pte Ltd	Fund management and advisory services	Singapore	**100**	100
Mapletree Asset Management Pty Ltd	Fund management and advisory services	Australia	**100**	100
Directly held by Mapletree Management Consultancy Pte Ltd				
Beijing Mapletree Huaxin Management Consultancy Co Ltd	Fund management and advisory services	PRC	**100**	100
Guangzhou Mapletree Huaxin Enterprise Management Consultancy Co Ltd	Fund management and advisory services	PRC	**100**	100
Foshan Mapletree Management Consultancy Co Ltd	Fund management and advisory services	PRC	**100**	100
Mapletree Vietnam Management Consultancy Co Ltd	Fund management and advisory services	Vietnam	**100**	100
Mapletree Hong Kong Management Limited	Fund management and advisory services	Hong Kong SAR	**100**	100
Mapletree Malaysia Management Sdn Bhd	Fund management and advisory services	Malaysia	**100**	100
Mapletree Investments Japan Kabushiki Kaisha[1]	Fund management and advisory services	Japan	**100**	100
Mapletree Korea Management Co Ltd[1]	Management services	South Korea	**100**	100
Mapletree UK Management Limited	Fund management and advisory services	United Kingdom	**100**	100

35. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(a) Subsidiaries (continued)

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2018 %	2017 %
Directly held by Mapletree Property Services Pte Ltd				
Mapletree Property Management Pte Ltd	Commercial and real estate management	Singapore	**100**	100
Mapletree Facilities Services Pte Ltd	Commercial and industrial real estate management	Singapore	**100**	100
Mapletree Commercial Property Management Pte Ltd	Commercial and real estate management	Singapore	**100**	100
Mapletree Greater China Property Management Limited	Management services	Hong Kong SAR	**100**	100
Mapletree Regional Services Pte Ltd	Management services	Singapore	**100**	100
Mapletree Project Management Pte Ltd	Management services	Singapore	**100**	100
Mapletree Management Services Japan Kabushiki Kaisha[1]	Management services	Japan	**100**	100
Directly held by Mapletree Oakwood Holdings Pte Ltd (f.k.a Mapletree SR Holdings Pte Ltd)				
Mapletree SR Australia Management Pty Ltd	Management services	Australia	**100**	100
Directly held by Mapletree Management Consultancy Pte Ltd and Mapletree Property Services Pte Ltd				
Mapletree India Management Services Private Limited	Fund management and advisory services	India	**100**	100
Directly held by Heliconia Realty Pte Ltd				
Mapletree Business City Pte Ltd	Property owner and development of properties for investment	Singapore	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

35. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(a) Subsidiaries (continued)

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2018 %	2017 %
Directly held by The HarbourFront Pte Ltd				
HarbourFront Two Pte Ltd	Property owner	Singapore	**100**	100
HarbourFront Centre Pte Ltd	Property owner	Singapore	**100**	100
Directly held by Mapletree Dextra Pte Ltd				
Winning Paramount Sdn Bhd	Property owner	Malaysia	**80**	100
Trinity Bliss Sdn Bhd	Property owner	Malaysia	**80**	100
Indirectly held by Mapletree Developments Pte Ltd				
Marina Trust Pte Ltd (As Trustee-Manager of Marina Trust)	Property owner and development of properties for investment	Singapore	**100**	100
Indirectly held by Mapletree Dextra Pte Ltd				
Godo Kaisha Zelkova (GK Zelkova)[2]	Property Owner	Japan	**100**	–
Godo Kaisha Namba 3-Chome Kaihatsu Jigyo (f.k.a Godo Kaisha Apricot)	Property owner	Japan	**91**	91
Mapletree TY (HKSAR) Limited[4]	Property investment	Hong Kong SAR	**–**	100
Ever-Fortune Trading Center Joint Stock Company	Property owner	Vietnam	**100**	100
Mapletree Business City (Vietnam) Co Ltd	Property owner	Vietnam	**100**	100
Saigon Boulevard Complex Company Limited	Property owner	Vietnam	**100**	100
Sunstone KB (HKSAR) Limited	Property owner	Hong Kong SAR	**100**	100
Arca Technology (Beijing) Co Ltd	Property owner	PRC	**100**	100

35. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(a) Subsidiaries (continued)

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2018 %	2017 %
Indirectly held by Mapletree Oakwood Holdings Pte Ltd (f.k.a Mapletree SR Holdings Pte Ltd)				
Labrador Cascades LLC	Property owner	United States of America	**100**	100
Eighth Willshire LLC	Property owner	United States of America	**100**	100
Boulevard City LLC	Property owner	United States of America	**100**	100
Oakwood Worldwide (US) LP	Management services	United States of America	**100**	100
Oakwood Worldwide (Asia) Pte Ltd (f.k.a Oakwood/R&B Holdings Pte Ltd)	Management services	Singapore	**100**	100
Pine (UK) Holdings Ltd	Management services	United Kingdom	**100**	100
Indirectly held by Mapletree US Office Assets Pte Ltd				
South Sixth Office LLC[2]	Property owner	United States of America	**100**	–
Indirectly held by Moonstone Assets Pte Ltd				
Montague QL Trust	Property owner	Australia	**100**	100
Grafton ROA Trust	Property owner	Australia	**100**	100
Aberdeen IQ Unit Trust	Property owner	Jersey/ United Kingdom	**100**	100
Hardman Investments Unit Trust	Property owner	Jersey/ United Kingdom	**100**	100
Glass Wharf JV Limited	Property owner	Jersey/ United Kingdom	**100**	100
West Munich Assets Sarl	Property owner	Luxembourg/ Germany	**100**	100

35. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(a) Subsidiaries (continued)

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2018 %	2017 %
Indirectly held by Moonstone Assets Pte Ltd (continued)				
Rhein Assets Sarl	Property owner	Luxembourg/ Germany	**100**	100
Derry Park Assets (UK) Limited	Property owner	United Kingdom	**100**	100
Green Park Reading No 1 LLP	Property owner	United Kingdom	**100**	100
Yarra Assets Trust (The Trust Company Limited as Trustee)[2]	Property owner	Australia	**100**	–
Indirectly held by Gemstone Asset Holdings Pte Ltd (f.k.a Alexander Assets 1 Pte Ltd)				
Minneapolis Huron Properties I, LLC[2]	Property owner	United States of America	**100**	–
Pittsburgh Properties I, LP[2]	Property owner	United States of America	**100**	–
Chester Loft LLC[2]	Property owner	United States of America	**100**	–
Cambridgeshire Assets Limited[2]	Property Owner	United Kingdom	**100**	–
Fort Collins Properties I, LLC[2]	Property owner	United States of America	**100**	–
Indirectly held by Amberstone Asset Holdings Pte Ltd				
Denver Properties I, LLC[2]	Property owner	United States of America	**100**	–
Minneapolis Properties III, LLC[2]	Property owner	United States of America	**100**	–
Glendale Properties I, LLC[2]	Property owner	United States of America	**100**	–
Glendale Properties II, LLC[2]	Property Owner	United States of America	**100**	–

35. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(a) Subsidiaries (continued)

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2018 %	2017 %
Directly held by Mapletree DC Ventures Pte Ltd, Mapletree Industrial Trust				
Mapletree Redwood Data Centre Trust (f.k.a Mapletree Redwood Trust)[3]	Property owner	Singapore	**73**	–
Directly held by Meranti Investments Pte Ltd, Mangrove Pte Ltd, Mulberry Pte Ltd, Mapletree Logistics Properties Pte Ltd and Mapletree Logistics Trust Management Ltd				
Mapletree Logistic Trust[3] – Real Estate Investment Trust	Property owner	Singapore	**36**	40
Directly held by Kent Assets Pte Ltd, Suffolk Assets Pte Ltd, Mapletree Greater China Commercial Trust Management Ltd and Mapletree Greater China Property Management Limited				
Mapletree Greater China Commercial Trust[3] – Real Estate Investment Trust	Property owner	Singapore	**36**	34
Directly held by Sienna Pte Ltd, The HarbourFront Pte Ltd, HarbourFront Place Pte Ltd, HarbourFront Eight Pte Ltd and Mapletree Commercial Trust Management Ltd				
Mapletree Commercial Trust[3] – Real Estate Investment Trust	Property owner	Singapore	**34**	38
Directly held by Mapletree Dextra Pte Ltd and Mapletree Industrial Management Ltd				
Mapletree Industrial Trust[3] – Real Estate Investment Trust	Property owner	Singapore	**33**	34

35. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(b) Associated companies/Joint venture

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2018 %	2017 %
Directly or indirectly held by Mapletree PE Pte Ltd				
Mapletree China Opportunity Fund II Feeder LP	Investment holding and property owner	Cayman Islands/ PRC	**36**	36
NH Assets Pte Ltd[5]	Investment holding and property owner	Singapore/ PRC	**–**	24
MJLD Pte Ltd	Investment holding and property owner	Singapore/ Japan	**38**	38
MJOF Pte Ltd	Investment holding and property owner	Singapore/ Japan	**36**	36
Indirectly held by Mapletree Dextra Pte Ltd				
Mapletree India China Fund Ltd	Investment holding and property owner	Cayman Islands/PRC	**43**	43
Vietsin Commercial Complex Development Joint Stock Company	Property owner	Vietnam	**62**	62
Stable Growth Investment Limited	Investment holding and property owner	Hong Kong/ PRC	**20**	20
Indirectly held by Gemstone Asset Holdings Pte Ltd (f.k.a Alexander Assets 1 Pte Ltd)				
MGSA P-Trust (f.k.a Mapletree Avon Trust)	Investment holding and property owner	Singapore/ United States of America/ United Kingdom	**33**	33

1 Not required to be audited under the legislations in the country of incorporation
2 Incorporated/Acquired during the year
3 Control of the REITs without majority equity interest and voting power (Note 15)
4 Divested to Mapletree Logistics Trust in October 2017
5 Divested in February 2018

36. SUMMARISED FINANCIAL INFORMATION ON SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

The Group's subsidiaries with material non-controlling interests comprise the following:

	Group	
	2018	2017
	$'000	$'000
MLT	**2,170,298**	1,567,675
MCT	**2,829,572**	2,623,414
MIT	**1,866,174**	1,665,195
MGCCT	**2,497,533**	2,358,828
Others	**7,481**	6,802
	9,371,058	8,221,914

The REITs are regulated by the Monetary Authority of Singapore and are supervised by the Singapore Exchange Securities Trading Limited for compliance with the Singapore Listing Rules. Under the regulatory framework, transactions with the REITs are either subjected to review by the trustee of the REITs or significant transaction must be approved by a majority of votes by the remaining unitholders in the REITs at a meeting of unitholders. Under the respective trust deeds, neither the Group nor any other unitholders have the right to transfer assets (or part therefore) of the REITs to other entities within or outside of the Group.

Set out below are the summarised financial information of the REITs. These are presented before intra-group eliminations.

Summarised statements of financial position

	MLT	MCT	MIT	MGCCT
	$'000	$'000	$'000	$'000
2018				
Assets				
– Current assets	148,952	48,456	63,403	190,186
– Non-current assets	6,529,375	6,692,357	4,090,917	6,332,563
Liabilities				
– Current liabilities	(243,268)	(227,266)	(288,309)	(201,278)
– Non-current liabilities	(2,623,278)	(2,230,174)	(1,085,939)	(2,432,719)
Net assets	**3,811,781**	**4,283,373**	**2,780,072**	**3,888,752**
Net assets attributable to non-controlling interests	**2,170,298**	**2,829,572**	**1,866,174**	**2,497,533**
2017				
Assets				
– Current assets	129,351	57,298	49,408	292,551
– Non-current assets	5,557,354	6,348,355	3,748,653	6,236,369
Liabilities				
– Current liabilities	(402,332)	(71,846)	(223,731)	(356,059)
– Non-current liabilities	(2,094,696)	(2,376,354)	(1,041,541)	(2,536,541)
Net assets	3,189,677	3,957,453	2,532,789	3,636,320
Net assets attributable to non-controlling interests	1,567,675	2,623,414	1,665,195	2,358,828

36. SUMMARISED FINANCIAL INFORMATION ON SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

Summarised statements of comprehensive income

	MLT $'000	MCT $'000	MIT $'000	MGCCT $'000
2018				
Revenue	395,178	433,525	363,230	355,030
Profit before income tax	**521,345**	**567,573**	**300,562**	**618,252**
Income tax expense	(49,123)	–	(32)	(43,911)
Profit after income tax	**472,222**	**567,573**	**300,530**	**574,341**
Other comprehensive (loss)/income	(94,986)	4,222	3,775	(147,173)
Total comprehensive income	**377,236**	**571,795**	**304,305**	**427,168**
Total comprehensive income allocated to non-controlling interests	**225,650**	**378,045**	**200,407**	**273,457**
Dividends paid to non-controlling interests	**(123,654)**	**(171,888)**	**(139,960)**	**(134,752)**
2017				
Revenue	373,138	377,747	340,565	350,629
Profit before income tax	252,847	345,840	270,571	412,579
Income tax expense	(40,166)	–	–	(40,080)
Profit after income tax	212,681	345,840	270,571	372,499
Other comprehensive income/(loss)	49,246	(812)	(1,127)	14,687
Total comprehensive income	261,927	345,028	269,444	387,186
Total comprehensive income allocated to non-controlling interests	141,430	225,751	177,223	250,987
Dividends paid to non-controlling interests	(111,478)	(131,278)	(134,145)	(133,593)

36 SUMMARISED FINANCIAL INFORMATION ON SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

Summarised statement of cash flows

	MLT $'000	MCT $'000	MIT $'000	MGCCT $'000
2018				
Cash generated from operations	289,760	332,311	245,551	344,268
Income tax paid	(23,260)	–	–	(37,871)
Net cash generated from operating activities	**266,500**	**332,311**	**245,551**	**306,397**
Net cash used in investing activities	**(511,419)**	**(18,191)**	**(274,181)**	**(4,681)**
Net cash generated from/(used in) financing activities	**255,100**	**(322,935)**	**28,064**	**(304,148)**
Net increase/(decrease) in cash and cash equivalents	**10,181**	**(8,815)**	**(566)**	**(2,432)**
Cash and cash equivalents at beginning of financial year	92,558	53,907	37,985	180,420
Effect of currency translation on cash and cash equivalents	(1,522)	–	–	(7)
Cash and cash equivalents at end of financial year	**101,217**	**45,092**	**37,419**	**177,981**
2017				
Cash generated from operations	279,129	292,682	234,046	241,681
Income tax paid	(12,233)	(5,111)	–	(14,898)
Net cash generated from operating activities	266,896	287,571	234,046	226,783
Net cash (used in)/generated from investing activities	(359,306)	(1,852,750)	(103,856)	2,251
Net cash generated from/(used in) financing activities	91,370	1,555,497	(146,545)	(198,933)
Net (decrease)/increase in cash and cash equivalents	(1,040)	(9,682)	(16,355)	30,101
Cash and cash equivalents at beginning of financial year	93,316	63,589	54,340	206,107
Effect of currency translation on cash and cash equivalents	282	–	–	(1,351)
Cash and cash equivalents at end of financial year	92,558	53,907	37,985	234,857

37. ACQUISITION AND DISPOSAL OF SUBSIDIARIES

(a) Acquisition of subsidiaries which constitute a business combination

(i) Acquisition of Singapore Cruise Centre Pte Ltd

On 29 March 2018, the Group acquired a 100% shareholding interest in Singapore Cruise Centre Pte Ltd ("SCCPL"), a cruise and ferry port operator, for a cash consideration of $62.9 million. The acquisition was made as part of its long term strategy to further enhance synergy within the group.

Identifiable assets acquired and liabilities assumed, at fair value

	2018 $'000
Cash and cash equivalents	**6,423**
Trade and other receivables	**3,726**
Property, plant and equipment (Note 18)	**86**
Intangible assets (Note 19)	**76,882**
Total assets	**87,117**
Trade and other payables	**12,698**
Current tax payable	**3,083**
Deferred income taxes (Note 23)	**8,424**
Total liabilities	**24,205**
Total identifiable net assets acquired/total purchase consideration	**62,912**
Cash of subsidiaries acquired	**(6,423)**
Cash outflow on acquisition	**56,489**

Acquisition-related costs

Acquisition-related costs of $0.5 million have been recognised in "Professional fees" and "Other taxes" in the Group's statement of profit or loss for the financial year ended 31 March 2018.

Revenue and profit contribution

The revenue and profit contribution from the acquired business from the date of acquisition to the end of the financial year is immaterial to the Group. Management has also assessed that had the acquired business been consolidated from 1 April 2017, the impact to the Group's revenue and profit for the financial year ended 31 March 2018 is immaterial to the Group.

37. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (CONTINUED)

(a) Acquisition of subsidiaries which constitute a business combination (continued)

(ii) Acquisition of Saigon Boulevard Complex Company Limited

In June 2016, the Group completed the acquisition of a 100% equity interest in Saigon Boulevard Complex Company Limited ("SBC") from Kumho Industrial Company Limited and Asiana Airlines Limited as part of the overall strategy to invest in income-yielding assets. SBC is located in District 1 of Ho Chi Minh City, Vietnam, and is a prime mixed-use asset comprising a 21-storey Grade A office building, a 32-storey serviced apartment tower, a 21-storey hotel, and a retail podium with food and beverage offerings.

Purchase consideration

The purchase consideration was US$219.4 million (approximately $296.1 million), and was arrived at after taking into account the fair value of the asset on acquisition date.

Acquisition-related costs

Acquisition-related costs of $8.5 million was recognised in "Professional fees" in the Group's statement of profit or loss for the financial year ended 31 March 2017.

Identifiable assets acquired and liabilities assumed, at fair value

	2017 $'000
Cash and cash equivalents	25,866
Trade and other receivables	2,122
Other assets	1,064
Deferred income taxes (Note 23)	1,031
Investment properties (Note 16)	310,528
Property, plant and equipment (Note 18)	137,455
Inventory	235
Total assets	478,301
Trade and other payables	24,660
Borrowings	131,687
Total liabilities	156,347
Total identifiable net assets acquired	321,954
Total consideration	321,954
Cash of subsidiary acquired	(25,866)
Cash outflow on acquisition	296,088

Revenue and profit contribution

From the acquisition date, SBC had contributed revenue of $64.0 million and profit of $78.0 million to the Group. Had SBC been consolidated from 1 April 2016, the impact to the Group's revenue and profit for the financial year ended 31 March 2017 would have been $78.0 million and $75.0 million respectively.

37. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (CONTINUED)

(a) Acquisition of subsidiaries which constitute a business combination (continued)

(iii) Acquisition of Oakwood Worldwide

In February 2017, the Group completed the acquisition of Oakwood Worldwide. Based on the Purchase Price Allocation ("PPA"), the goodwill was provisionally determined at $34.3 million as at 31 March 2017. The PPA was finalised during the current financial year and the effects from the finalisation of the PPA are as follows:

	Provisional fair values 2017 $'000	Adjustment $'000	**Finalised fair values 2018 $'000**
Property, plant and equipment (Note 18)	14,834	(2,798)	**12,036**
Trade names (Note 19)	73,753	–	**73,753**
Customer-related intangibles (Note 19)	18,715	–	**18,715**
Net working capital	57,434	(11,913)	**45,521**
Deferred income taxes (Note 23)	(1,909)	–	**(1,909)**
Total identifiable net assets purchased	162,827	(14,711)	**148,116**
Goodwill (Note 19)	34,341	14,133	**48,474**
49% interest in ORBH*	(25,181)	578	**(24,603)**
Total consideration	171,987	–	**171,987**
Cash of subsidiaries acquired	(12,956)	(753)	**(13,709)**
Cash (inflow)/outflow on acquisition	159,031	(753)	**158,278**

As the effect from the finalisation of PPA is not material to the financial statements for both current and prior year, the comparative figures of the Group have not been restated to reflect the PPA finalisation.

* Oakwood Worldwide (Asia) Pte. Ltd. (f.k.a Oakwood/R&B Holdings Pte.Ltd.)

37. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (CONTINUED)

(b) Acquisition of subsidiaries which does not constitute a business combination

The list of acquisition of subsidiaries which does not constitute a business combination is as follows:

Financial year ended 31 March 2018

Name of subsidiaries	Country of incorporation	Date acquired	Effective interest acquired
Charleston Properties I, LLC	USA	May 2017	100%
Sweetwater Properties I, LLC	USA	May 2017	100%
Fort Collins Properties I, LLC	USA	May 2017	100%
Columbia Properties II, LLC	USA	May 2017	100%
Pittsburgh Properties I, LP	USA	May 2017	100%
Minneapolis Huron Properties I, LLC	USA	May 2017	100%
Minneapolis Properties II, LLC	USA	May 2017	100%
Minneapolis Properties III, LLC	USA	May 2017	100%
Decatur Properties I, LLC	USA	May 2017	100%
Glendale Properties I, LLC	USA	May 2017	100%
Glendale Properties II, LLC	USA	May 2017	100%
Denver Properties I, LLC	USA	May 2017	100%
3275262 Nova Scotia Company	Canada	May 2017	100%
Digital China (Chengdu) Science Park Co., Ltd	China	June 2017	100%

Financial year ended 31 March 2017

Name of subsidiaries	Country of incorporation	Date acquired	Effective interest acquired
Green Park One Investment Limited	Jersey	May 2016	100%
Green Park Two Investment Limited	Jersey	May 2016	100%
Green Park Reading No. 1 LLP	UK	May 2016	100%
Greenpark (Reading) Limited	UK	May 2016	88.2%

37. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (CONTINUED)

(b) Acquisition of subsidiaries which does not constitute a business combination (continued)

The cash flows and net assets of subsidiaries acquired are provided below:

	Group	
	2018	2017
	$'000	$'000
Cash and cash equivalents	**488**	42,216
Trade and other receivables	**7,486**	81,410
Other assets	**1,148**	–
Investment properties (Note 16)	**1,137,808**	1,021,609
Properties under development (Note 17)	**4,975**	–
Trade and other payables	**(9,737)**	(51,878)
Borrowings	**(12,250)**	(818,335)
Net assets acquired/ Total purchase consideration	**1,129,918**	275,022
Less:		
Cash of subsidiaries acquired	**(488)**	(42,216)
Deposit paid in prior financial year	**(106,550)**	(109,780)
Cash outflow on acquisition	**1,022,880**	123,026

(c) Disposal of subsidiaries and associate

The list of disposal of associate is as follows:

Financial year ended 31 March 2018

Name of associate	Date of disposal	Effective interest disposed
NH Assets Pte Ltd	February 2018	24%

In February 2018, the Group disposed of its 24% stake in an associate, NH Assets Pte Ltd through the transfer of its wholly owned subsidiary in stake in Nanhai 4 Pte Ltd to an external party.

37. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (CONTINUED)

(c) Disposal of subsidiaries and associate (continued)

Financial year ended 31 March 2017

Name of subsidiaries	Date of disposal	Effective interest disposed
Godo Kaisha Joso	February 2017	60%
Godo Kaisha Odawara 1	February 2017	60%
Godo Kaisha Odawara 2	February 2017	60%
MGSA P-Trust	March 2017	67%
Great North Holdings Pte Ltd	March 2017	67%
Oxfordshire Asset Limited	March 2017	67%
London Crescent Limited	March 2017	67%
Lancashire Assets Limited	March 2017	67%
Lincolnshire Assets Limited	March 2017	67%
Highland Assets Limited	March 2017	67%
Leicestershire Assets Limited	March 2017	67%
Roosevelt Assets Limited	March 2017	67%
HF (USA) Inc	March 2017	67%
Jefferson Loft Holdings Pte Ltd	March 2017	67%
Jefferson Loft (US) assets Pte Ltd	March 2017	67%
Jefferson Loft LLC	March 2017	67%
Madison Loft Holdings Pte Ltd	March 2017	67%
Madison Loft (US) Assets Pte Ltd	March 2017	67%
Madison Loft LLC	March 2017	67%

37. ACQUISITION AND DISPOSAL OF SUBSIDIARIES (CONTINUED)

(c) Disposal of subsidiaries and associate (continued)

The cash flows and net assets of subsidiaries disposed are provided below:

	2017 $'000
Cash and cash equivalents	42,701
Trade and other receivables	40,713
Other assets	24,685
Investment properties (Note 16)	2,052,667
Property, plant and equipment (Note 18)	66
Trade and other payables	(101,387)
Deferred income taxes (Note 23)	(16,979)
Borrowings	(1,885,019)
Net assets derecognised/disposed	157,447
Corporate restructuring surplus (Note 5)	153,509
Reclassification of currency translation reserve	5,018
Less: 3% retained interest	(6,959)
	309,015
Cash of subsidiaries disposed	(42,701)
Cash inflow on disposal	266,314

38. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATIONS

The Singapore Accounting Standards Council has introduced a new Singapore financial reporting framework that is equivalent to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The new framework is referred to as 'Singapore Financial Reporting Standards (International)' ("SFRS(I)s") hereinafter.

The Group will be voluntarily adopting SFRS(I)s on 1 April 2018 and will be issuing its first set of financial information prepared under SFRS(I)s for the year ended 31 March 2019.

In adopting SFRS(I)s, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. The Group will also concurrently apply new major SFRS(I) 9 *Financial Instruments* and SFRS(I) 15 *Revenue from Contracts with Customers.*

38. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATIONS (CONTINUED)

(a) Application of SFRS(I) 1

The Group is required to retrospectively apply all SFRS(I)s effective at the end of the first SFRS(I) reporting period (financial year ending 31 March 2019), subject to the mandatory exceptions and optional exemptions under SFRS(I) 1. The Group is in the process of assessing the impact of the adoption of the new framework but does not expect a significant impact on the financial statements in the year of initial adoption, except for the following:

- SFRS(I) 9 *Financial Instruments* (effective for annual periods beginning on or after 1 January 2018)

  SFRS(I) 9 replaces SFRS 39 Financial instruments: Recognition and Measurement and its relevant interpretations.

  SFRS(I) 9 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income ("OCI") and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investment in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI ("FVOCI"). Gains and loses realized on the sale of financial assets at FVOCI are not transferred to profit or loss on sale but reclassified from the FVOCI reserve to retained earnings.

  Under SFRS(I) 9, there are no changes to the classification and measurement requirements for financial liabilities except for the recognition of fair value changes arising from changes in own credit risk. For liabilities designated at fair value through profit or loss, such changes are recognised in OCI.

  SFRS(I) 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management uses for risk management purposes.

  There is also now a new expected credit losses impairment model that replaces the incurred loss impairment model used in SFRS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through OCI, contract assets under SFRS(I) 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts.

  The new standard also introduces expanded disclosure requirements and changes in presentation.

  The Group is assessing the impact of the standard and will apply the standard from 1 April 2018.

- SFRS(I) 15 *Revenue from contracts with customers* (effective for annual periods beginning on or after 1 January 2018)

  SFRS(I) 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

  The core principle of SFRS(I) 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

  - Step 1: Identify the contract(s) with a customer
  - Step 2: Identify the performance obligations in the contract
  - Step 3: Determine the transaction price
  - Step 4: Allocate the transaction price to the performance obligations in the contract
  - Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

38. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATIONS (CONTINUED)

(a) Application of SFRS(I) 1 (continued)

- SFRS(I) 15 *Revenue from contracts with customers* (effective for annual periods beginning on or after 1 January 2018) (continued)

  SFRS(I) 15 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

  The Group is assessing the impact of the standard and in accordance with the requirements of SFRS(I) 1, the Group will adopt SFRS(I) 15 retrospectively.

- SFRS(I) 16 *Leases* (effective for annual periods beginning on or after 1 January 2019)

  SFRS(I) 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

  Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under SFRS(I) 16.

  The new standard also introduces expanded disclosure requirements and changes in presentation.

  The Group plans to adopt the new standard retrospectively on 1 April 2019. The Group is in the process of determining the extent to which its commitments as at the reporting date will result in the recognition of an asset and a liability for future payments and how this will affect the Group's total return and classification of cash flows.

39. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 9 March 2018, the Group signed an agreement relating to the acquisition of a portfolio of 164 logistics and distribution assets in the USA, for a total consideration of US$2,390 million (approximately $3,151 million). Out of the 164 assets, the acquisition of 159 assets was completed on 26 April 2018.

40. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Mapletree Investments Pte Ltd on 16 May 2018.