

Tishman Speyer China Associates (Scots GP) Limited

Report and Financial Statements

For the Year ended 31 December 2014

**PARTIAL SHIP
ACCOUNTS**

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COMPANIES HOUSE

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Tishman Speyer China Associates (Scots GP) Limited

Registered No: 320479

Directors

Michael Spies
Gerard Franklin

Secretary

Burness Paul LLP

Registered office

50 Lothian Road, Festival Square, Edinburgh, Midlothian, EH3 9WJ

Directors' report

The directors present their annual report together with the unaudited accounts of Tishman Speyer China Associates (Scots GP) Limited for the year ended 31 December 2014. The company is dormant and has not traded during the year.

Directors

The directors at 31 December 2014 are listed on page 1.

There are no directors' interests requiring disclosure under the Companies Act 2006.

By order of the board



Gerard Franklin
Director

26 May 2015

Statement of directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which shall be in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the company for the year and the state of the company's affairs at the end of the year.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with any applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which are sufficient to show and explain the company's transactions and are such to disclose with reasonable accuracy, at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Balance Sheet
At 31 December 2014

	Notes	2014	2013
		£	£
Fixed assets			
Investment in associated undertaking	2	51	51
Total fixed assets		51	51
Current assets			
Debtors	3	1	1
Total current assets		52	52
Creditors	4	7,926	7,467
Net assets		(7,874)	(7,415)
Capital and reserves			
Called up share capital	5	1	1
Profit and loss account	6	(7,875)	(7,416)
Equity shareholders' funds		(7,874)	(7,415)

Dormant Company Statements

For the year ended 31 December 2014, the Company was entitled to exemption under Section 480 of the Companies Act 2006 ("the Act") relating to dormant companies.

Director's Responsibilities

Members have not required the Company to obtain an audit in accordance with Section 476 of the Act.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

We hereby certify that the Company was dormant under the terms of Section 480 of the Act during the year 31 December 2014. The Accounts were approved by the Board of Directors on 15 April 2015.



Gerard Franklin
Director

26 May 2015

Income Statement
For the year ended 31 December 2014

	Notes	2014	2013
		£	£
Foreign exchange translation (loss)/gain		(459)	155
Net gain for the period	6	(459)	155

Notes to the financial statements

at 31 December 2014

1. Dormant status

The company was dormant (within the meaning of Section 480 of the Companies Act 2006) throughout the year ended 31 December 2014. The company has not traded during this year.

2. Fixed Assets

	£
At cost:	
At 31 December 2012	51
Additions	-
At 31 December 2013	<u>51</u>
Additions	-
At 31 December 2014	<u>51</u>

3. Debtors

	2014	2013
	£	£
Amounts owed by parent undertaking	<u>1</u>	<u>1</u>

4. Creditors

	2013	2013
	£	£
Amounts owed to associated undertaking	<u>7,926</u>	<u>7,467</u>

5. Share capital

	2014	2013
	£	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>
<i>Called up share capital, not paid</i>		
	2013	2014
	£	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

6. Profit and Loss

	2014	2013
	£	£
Profit and loss - previous periods	(7,416)	(7,571)
Profit and loss - current period	<u>(459)</u>	<u>155</u>

Notes to the financial statements
at 31 December 2014

Total profit and loss account	<u>(7,875)</u>	<u>(7,416)</u>
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7. Ultimate parent company

The immediate and ultimate parent undertaking is Tishman Speyer China Associates, L.L.C., a company incorporated in the state of Delaware. The financial results of the company are included in the financial statements of the parent undertaking.

Tishman Speyer China Feeder (Scots/C), L.P.
(A Scottish Limited Partnership)

Financial Statements

For the year ended 31 December 2014

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COMPANIES HOUSE

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

Registered No: 6048

General Partner
Tishman Speyer China Associates (Scots GP) Limited

Registered office
50 Lothian Road, Festival Square, Edinburgh, Midlothian, EH3 9WJ

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

Report from the General Partner

The General Partner presents the annual report together with the unaudited accounts of Tishman Speyer China Feeder (Scots/C), L.P. ("the Partnership") for the period ended 31 December 2014.

Principal activities

The purpose of the Partnership is to acquire a limited partnership interest in Tishman Speyer China Fund, L.P. ("the Fund"), a Delaware limited partnership, and to engage in such activities as are related or incidental to the foregoing.

Business review

For the period ended 31 December 2014 the Partnership incurred income of RMB 49.9 million (US\$ 8.1 million) and RMB. Through December 31, 2014, the Partnership has made cumulative cash distributions of RMB53.0 million (US\$8.2 million) to its Partners.

Principal risks and uncertainties

The Partnership may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the Partnership is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Partnership's assets or liabilities. Due to the level of net monetary assets and liabilities denominated in foreign currencies at December 31, 2014 the exposure to exchange rate changes is immaterial to the Partnership.

The Fund's operations are primarily based in China and its real estate investment revenues are derived from operations in China. Accordingly, financial results have been, and are expected to continue to be affected by the growth in the Chinese economy. The central government of China has historically exercised substantial control over the Chinese economy through administrative regulation or state ownership, and the actions of Chinese central and local governments may continue to have a substantial effect on economic conditions and real estate development in China.

There are no partnership interests requiring disclosure under the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit)(Application of Companies Act 2006) Regulations 2008.

By order of the General Partner


Michael Spies

The undersigned is executing the General Partner's report, not in his individual capacity, but solely in his capacity as an officer of the General Partner.

16 June 2015

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the financial statements in accordance with applicable law and regulations.

The Companies and Partnerships (Accounts and Audit) Regulations 2013 (the "New Accounting Regulations") require the General Partner to prepare financial statement for each financial year.

Under the law the General Partner has elected to prepare financial statements in accordance with International Financial Reporting Standards (IFRS).

Under company law the General Partner must not approve the financial statements unless the General Partner is satisfied that they give a true and fair view of the state of the affairs and profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

The General Partner is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Partnership and which enable the General Partner to ensure that the financial statements comply with the 2013 Regulations. The General Partner has a general responsibility to safeguard the assets of the Partnership and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

STATEMENTS OF FINANCIAL POSITION (BALANCE SHEETS)

31 December 2014

	Notes	RMB		USD		RMB		USD	
		2014		2014		2013		2013	
				(see note 2(d))*				(see note 2(d))*	
Assets									
Investment in Fund	4	¥	365,083,364	\$	59,329,385	¥	317,440,003	\$	51,920,184
Total non-current assets			365,083,364		59,329,385		317,440,003		51,920,184
Cash and cash equivalents	3		148,742		24,172		489		80
Restricted cash			10,572		1,718		20,940		3,425
Due from related entities			772		125		769		126
Total current assets			160,086		26,015		22,198		3,631
Total assets		¥	365,243,450	\$	59,355,400	¥	317,462,201	\$	51,923,815
Liabilities									
Due to affiliates		¥	10,572	\$	1,718	¥	104,280	\$	17,056
Accrued expenses			148,262		24,092		139,961		22,892
Total liabilities excluding net assets attributable to partners			158,834		25,810		244,241		39,948
Net assets attributable to partners		¥	365,084,616	\$	59,329,590	¥	317,217,960	\$	51,883,867

***Supplementary information**

See accompanying notes to financial statements.

For the period ending 31 December 2014, the Partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by The Companies and Partnerships (Accounts and Audit) Regulations 2013 (the "New Accounting Regulations")) relating to small LPs.

The General Partner acknowledges its responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to LPs subject to the small LPs regime.

These accounts were approved by the General Partner on 16 June 2015.

By order of the General Partner


Michael Spies

The undersigned is executing the General Partner's report, not in his individual capacity, but solely in his capacity as an officer of the General Partner.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

		RMB	USD	RMB	USD
	Notes	2014	2014	2013	2013
		(see note 2(d))*		(see note 2(d))*	
General, administrative and other expenses	¥	(188,098)	\$ (30,573)	¥ (204,832)	\$ (33,501)
Operating loss before financial (loss) / gain		(188,098)	(30,573)	(204,832)	(33,501)
Foreign exchange (loss) / gain		(795)	(129)	3,468	567
Net financial (loss) / gain		(795)	(129)	3,468	567
Equity in income from investment in Fund	4	50,085,619	8,139,371	29,881,829	4,887,442
Changes in net assets before other comprehensive income (loss)		49,896,726	8,108,669	29,680,465	4,854,508
Other comprehensive income (loss)		-	-	-	-
Increase in net assets attributable to partners	¥	49,896,726	\$ 8,108,669	¥ 29,680,465	\$ 4,854,508

*Supplementary information

See accompanying notes to financial statements.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

STATEMENTS OF CHANGES IN NET ASSETS
For the year ended 31 December 2014

	RMB	RMB	RMB	RMB	RMB	USD	RMB	RMB	USD
	Net assets 31 December 2012	Advance Contributions	Distributions	Increase in net assets attributable to partners	Net assets 31 December 2013	Net assets 31 December 2013 (see note 2(d))*	Distributions	Increase in net assets attributable to partners	Net assets 31 December 2014 (see note 2(d))*
General Partner	769	-	-	-	769	100	-	-	769
Limited Partners	273,301,771	14,201,924	(166,969)	29,680,465	317,217,191	51,883,741	(2,030,070)	49,896,726	365,083,847
Total	273,502,540	14,201,924	(166,969)	29,680,465	317,217,960	51,883,841	(2,030,070)	49,896,726	365,084,616

*Supplementary information

See accompanying notes to financial statements.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2014

	RMB		USD		RMB		USD	
	2014		2014		2013		2013	
	(see note 2(d))*				(see note 2(d))*			
Operating activities								
Increase in net assets attributable to partners	¥	49,896,726	\$	8,108,675	¥	29,680,465	\$	4,854,508
Adjustments for:								
Equity in net income from investment in Fund		(50,085,619)		(8,139,371)		(29,881,829)		(4,887,442)
Foreign exchange loss/(gain)		795		129		(3,468)		(567)
Operating loss before changes in working capital		(188,098)		(30,567)		(204,832)		(33,501)
Change in restricted cash		10,368		1,685		187		31
Change in due to affiliates and due from related parties		(93,710)		(15,229)		83,153		13,600
Change in accrued expenses		8,300		1,349		(13,437)		(2,199)
Change in investment in Fund		2,442,258		396,889		(14,034,955)		(2,295,544)
Cash flows provided by/(used in) operating activities		2,179,118		354,127		(14,169,884)		(2,317,613)
Financing activities								
Contributions received from partners		-		-		14,201,924		2,322,853
Distributions paid to partners		(2,030,070)		(329,905)		(166,969)		(27,309)
Cash flows (used in)/provided by financing activities		(2,030,070)		(329,905)		14,034,955		2,295,544
Increase/(decrease) in cash and cash equivalents		149,048		24,222		(134,929)		(22,069)
Cash and cash equivalents, beginning of year		489		79		131,950		21,582
Effect of exchange rate fluctuations on cash held		(795)		(129)		3,468		567
Cash and cash equivalents, end of year	¥	148,742	\$	24,172	¥	489	\$	80

***Supplementary information**

See accompanying notes to financial statements.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

31 December 2014

1. ORGANIZATION AND PURPOSE

Tishman Speyer China Feeder (Scots/C), L.P. (the "Partnership"), a closed-end opportunistic fund, was formed as a Scotland limited partnership pursuant to the Limited Partnership Agreement dated 18 April 2007. Tishman Speyer China Associates (Scots GP), Limited, a Scotland limited company, as general partner (the "General Partner") and the limited partners are hereinafter referred to as the "Partners". Effective 16 September 2008, the Partners formally adopted the Fourth Amended and Restated Limited Partnership Agreement (the "L.P. Agreement"). All terms not defined herein shall have the meaning ascribed to them in the L.P. Agreement.

The Partnership had its initial closing on 2 May 2007 with nine subsequent closings through 31 October 2008, bringing final Partners' commitments to approximately RMB502.4 million (US\$66.0 million). In August 2014, the Partners commitments were reduced by approximately RMB30.3 million (US\$4.1 million) due to the termination of the *Yu Jia Pu* transaction. The Partners' commitments are denominated in U.S. dollars. The General Partner draws on the Partners' commitments to fund the Partnership's investment and operating activities and makes distributions to the Partners when the Partnership has excess funds not required for such activities. The purpose of the Partnership is to acquire a limited partnership interest in Tishman Speyer China Fund, L.P., a Delaware limited partnership (the "Fund"), and to engage in such activities as are related or incidental to the foregoing.

The General Partner manages and conducts the affairs of the Partnership and has full authority with respect to the management of the Partnership's investments.

The Partnership is expected to exist until the dissolution of the Fund.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations as issued by the International Accounting Standards Board ("IASB"). The financial statements were authorized for issuance by the General Partner on 15 April 2015.

(b) Basis of Presentation

The financial statements are presented in Renminbi ("RMB"). The preparation of financial statements in conformity with IFRS requires the Partnership to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expense. These judgments and estimates principally entail determining the carrying value of the investment in Fund. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on the Partnership's best estimates and judgment. The Partnership evaluates its

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

31 December 2014

estimates and assumptions on an on-going basis. The Partnership adjusts such estimates when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In accordance with IAS 32, *Financial Instruments: Presentation*, since the Partnership is a limited life entity and distributions are not considered to be pro rata at liquidation, the investments made by the Partners do not meet the criteria for equity classification and are considered to be financial liabilities of the Partnership. Accordingly, net assets attributable to Partners in the accompanying statements of financial position represent financial liabilities of the Partnership and distributions made to the Partners, that represent return-on investment are reflected as a finance expense and are included as income distributions made in the accompanying statements of comprehensive income, as applicable.

(c) Foreign Currency

The functional currency of the Partnership is RMB. Transactions in foreign currencies are recorded at the RMB spot foreign exchange rate at the date of the transaction or an average rate that approximates the spot rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to RMB at the foreign currency exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated to RMB at the foreign currency exchange rate at the date of the transaction. The foreign exchange differences arising on translation are recognized as foreign exchange (loss)/gain in the statements of comprehensive income.

(d) Financial Statements Presentation in U.S. Dollars

The translation of the RMB amounts into U.S. dollars on the face of the financial statements and in the footnotes to the financial statements are included solely for the convenience of the readers, using the prevailing exchange rate for the years ended 31 December 2014 and 2013, which was RMB6.1535 to US\$1.00 and RMB6.1140 to US\$1.00, respectively, except for Partners' contributions, distributions and commitments disclosed in the notes which are denominated in U.S. dollars and translated into RMB using the prevailing exchange rate on the date of the transaction. The convenience translation is not a part of the basic financial statements and should not be construed as representations that the RMB amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.

(e) Investment in Fund

Investment in Fund represents a limited partnership interest and is accounted for under the equity method of accounting. The Partnership, through the General Partner, exercises significant influence but not control of the financial and operating policies of the Fund. Investments are recorded at cost and thereafter the carrying amount is increased by the Partnership's share of income and any additional contributions and decreased by its share of losses and any distributions.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

31 December 2014

In general, the equity in net income or loss from investment Fund recognized by the Partnership and the carrying value of Partnership's investment in Fund is based on the Partnership's share of cash which would be distributed to the Partnership under a hypothetical liquidation of the Fund at net book value pursuant to the provisions of their investment agreements. If the Partnership's share of losses exceeds its investment in the Fund, its carrying amount is reduced to zero, and recognition of further losses is discontinued except to the extent that the Partnership has incurred legal or constructive obligations to provide additional financial support, or made payments on behalf of the Fund.

Certain approvals from the government of China are required in connection with the repatriation of equity after a direct sale or refinancing of real estate in China. The Partnership does not believe that the need to obtain such approvals will be a practical impediment to the Partnership's ability to dispose of its investment in the Fund, or the Fund's investments in real estate and real estate related assets or to repatriate sale or refinancing proceeds. However, there can be no assurance that this will be the case, or that more onerous or additional governmental requirements or prohibitions with respect to investment dispositions, repatriation or currency exchange will not be imposed in the future, which may adversely affect the Partnership's ability to implement its realization strategies or to distribute cash to its investors.

(f) Income Taxes

For U.S. tax purposes, the Partnership has elected to be taxed as a corporation. As the Partnership does not have any effectively connected income with a U.S. trade or business, no liability for U.S. income taxes exists. The Partnership is also a Scottish tax exempt entity. Accordingly, the financial statements do not account for any current or deferred income taxes. Each Partner may be responsible for reporting its allocable share of the Partnership's income, gains, losses, deductions and credits in its tax return.

(g) Impairment

The carrying amounts of the Partnership's assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. No impairment was recorded for the years ended 31 December 2014 and 2013.

(h) Financial Assets

The Partnership's assets are cash and cash equivalents, due from related entities and restricted cash. Unless otherwise stated, the carrying amount of the Partnership's financial assets approximates fair value.

(i) Cash and Cash Equivalents

Cash equivalents are short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Partnership cash accounts maintained outside of China are held in U.S. dollar denominated accounts.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

31 December 2014

(i) Financial Liabilities

The Partnership's financial liabilities fall in the category discussed below. Unless otherwise stated, the carrying amount of the Partnership's financial liabilities approximates fair value.

(i) Due to affiliates

Due to affiliates are initially recognized at fair value on the date the Partnership becomes party to the contract, and then subsequently carried at amortized cost

(ii) Accrued expenses

Accrued expenses are stated at amortized cost.

(j) Recent Accounting Pronouncements

(i) New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year, except that the Partnership has adopted the following new and amended standards and interpretations issued by the IASB or the IFRS Interpretations Committee (previously IFRIC) as of 1 January 2014:

IAS 36 (as amended in May 2013), *Impairment of Assets* – IAS 36 was amended to require additional disclosure of information regarding the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. The amendment became effective for annual periods beginning on or after January 1, 2014 and the Partnership applied this amendment retrospectively from 1 January 2014.

In May 2013, the IASB issued IFRIC Interpretation 21, *Levies*. The interpretation provides guidance on accounting for levies in accordance with the requirements of IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*. It clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognized before the specified minimum threshold is reached. The interpretation was effective for annual periods beginning on or after 1 January 2014 and was applied by the Partnership accordingly. The application of this interpretation did not have a material impact on the financial position or performance of the Partnership.

(ii) Standards and interpretations recently issued but not yet adopted

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective up to the date of issuance of the Partnership's financial statements, and have not been applied in preparing these consolidated financial statements.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

31 December 2014

Those which may be relevant to the Partnership are set out below. The Partnership does not plan to adopt these standards early.

IFRS 11 (as amended in May 2014), *Joint Arrangements* – In May 2014, the IASB amended IFRS 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The acquirer is required to apply all of the principles of business combination accounting in IFRS 3, *Business Combinations*, and other relevant IFRS standards, to the extent these principles do not conflict with IFRS 11. The acquirer is also required to disclose information related to the business combination as required by those standards. This amendment does not apply to acquisitions of interests in joint operations under common control. An entity shall apply those amendments prospectively in annual periods beginning on or after 1 January 2016. Earlier application is permitted with appropriate disclosure.

IFRS 15, *Revenue from Contracts with Customers* – IFRS 15 replaces IAS 11 *Construction Contracts*, IAS 18 *Revenue*, IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfer of Assets from Customers* and SIC-31 *Revenue – Barter Transactions Involving Advertising Services*. The standard introduces a new revenue recognition model that features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized, regardless of the type of revenue transaction or the industry. The standard's requirements shall also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities. Extensive disclosures are required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgments and estimates. This standard is effective for annual periods beginning on or after 1 January 2017. Earlier application is permitted with appropriate disclosure.

IFRS 9, *Financial Instruments* – In July 2014, the IASB issued the final version of IFRS 9, which integrates the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. This standard introduces principles-based requirements for classification and measurement of financial assets based on two assessments: the financial asset's contractual cash flow characteristics and the entity's business model for managing the financial asset. IFRS 9 also permits an entity to measure financial assets that would otherwise be mandatorily measured at amortized cost or fair value through other comprehensive income at fair value through profit or loss, if doing so would eliminate or significantly reduce a measurement or recognition inconsistency. Changes introduced by this standard in respect of financial liabilities are limited to the measurement of liabilities designated at fair value through profit or loss using the fair value option. Fair value changes of such financial liabilities which are attributable to the change in the entity's own credit risk are presented in other comprehensive income, unless doing so would introduce an accounting mismatch, in which case, the whole fair value change is presented in profit or loss. All other IAS 39 requirements in respect of liabilities have been carried forward. IFRS 9 is effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted with appropriate disclosure.

TISHMAN SPEYER CHINA FEEDER (SCOTS/C), L.P.
A SCOTLAND LIMITED PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

31 December 2014

IAS 27 (as amended in August 2014), *Separate Financial Statements* – In August 2014, the IASB issued an amendment to IAS 27, which allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. An entity shall apply those amendments for annual periods beginning on or after 1 January 2016 retrospectively in accordance with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*. Earlier application is permitted with appropriate disclosure.

IFRS 10 (as amended in September 2014), *Consolidated Financial Statements* and IAS 28 (as amended in September 2014), *Investments in Associates and Joint Ventures* – In September 2014, the IASB amended IFRS 10 and IAS 28 to address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in accounting for the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that a full gain or loss be recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments will be effective for annual periods commencing on or after 1 January 2016. Earlier application is permitted with appropriate disclosure.

In September 2014, IASB issued *Annual Improvements to IFRSs 2012–2014 Cycle*, which included, but not limited to, the following amendment to existing standards:

Amendment to IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations* – This amendment provided clarification guidance in circumstances in which an entity reclassifies an asset (or disposal group) from held for sale to held for distribution to owners (or vice versa). An entity shall apply those amendments prospectively in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* to changes in a method of disposal that occur in annual periods beginning on or after 1 January 2016. Earlier application is permitted with appropriate disclosure.

The Partnership has considered the above new interpretations and amendments and concluded that they are not expected to have a significant impact on the Partnership's consolidated financial statements.

3. CASH AND CASH EQUIVALENTS

	RMB 2014	USD 2014	RMB 2013	USD 2013
	(see note 2 (d))*		(see note 2 (d))*	
Operating accounts (of which \$24,172 and \$80 were held in US\$ at 31 December 2014 and 2013, respectively)	¥ 148,742	\$ 24,172	¥ 489	\$ 80
Total	¥ 148,742	\$ 24,172	¥ 489	\$ 80

4. INVESTMENT IN FUND

As of 31 December 2014, the Partnership has a 7.47% ownership in the Fund. The principal activity of the Fund is to acquire, develop, operate and dispose real estate assets including any contract rights or options relating thereto, located in China.

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Summarized financial information of Fund is included below:

		RMB		USD		RMB		USD
		2014		2014		2013		2013
		(see note 2(d))*				(see note 2(d))*		
Non-current assets	¥	4,951,974,701	\$	804,741,155	¥	4,311,845,705	\$	705,241,365
Current assets		1,161,512,722		188,756,434		936,599,890		153,189,384
Non-current liabilities		(571,579,659)		(92,886,920)		(278,234,589)		(45,507,784)
Current liabilities		(651,306,697)		(105,843,291)		(717,833,207)		(117,408,114)
Net assets attributable to partners		4,890,601,067		794,767,378		4,252,377,799		695,514,851
Investment in Fund	¥	365,083,364	\$	59,329,385	¥	317,440,003	\$	51,920,184
Income	¥	749,352,327	\$	121,776,603	¥	678,229,669	\$	110,930,597
Expenses		(99,068,586)		(16,099,551)		(76,588,049)		(12,526,668)
Foreign exchange translation gain/(loss)		1,922,895		312,488		(4,002,684)		(654,676)
Tax benefit/(expense)		18,030,332		2,930,094		(198,128,689)		(32,405,739)
Increase (decrease) in net assets attributable to partners		670,236,968		108,919,634		399,510,247		65,343,514
Equity in net income (loss) from investment in Fund	¥	50,085,619	\$	8,139,371	¥	29,881,829	\$	4,887,442

* All amounts are translated at the 31 December 2014 and 31 December 2013 exchange rates, respectively.

Allocable share may differ from the stated percentage due to the method of allocation of certain profits and losses as stated in the Fund's limited partnership agreement.

5. LIMITED PARTNERSHIP AGREEMENT

(a) Contributions

Through 31 December 2014 and 2013, the Partners have made cumulative contributions to the Partnership of approximately RMB337.4 million (US\$49.0 million). Contributions are denominated in U.S. dollars. The unfunded Partners' commitments of the Partnership as of 31 December 2014 and 2013 are approximately RMB134.7 million (US\$12.9 million) and RMB165.0 million (US\$17.0 million), respectively.

(b) Distributions

Distributions of Net Distributable Cash, as defined in the L.P. Agreement, are to be made, at such times as are determined by the General Partner in its sole discretion, in the order of priority per the L.P. Agreement.

Through 31 December 2014 and 2013, the Partnership has made cumulative cash distributions of RMB53.0 million (US\$8.2 million) and RMB51.0 million (US\$7.9 million), respectively, to its Partners. After the Fund's Investment Period, the General Partner has the right to recall distributions that represent a return of capital to pay Fund operating

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expenses and other obligations of the Fund. As of 31 December 2014 and 2013, RMB27.7 million (US\$4.4 million) and RMB25.8 million (US\$4.1 million), respectively, represents cumulative recallable distributions. Distributions are denominated in U.S. dollars.

(c) Allocation of Profits and Losses

Profits and losses of the Partnership are generally allocated among the Partners in a manner such that the net assets account of each partner equals the amount of the distributions that would be made to such partner if the Partnership were dissolved and terminated, its affairs were wound up and all assets were sold, all Partnership liabilities were satisfied and the net proceeds were distributed in accordance with the distribution of net distributable cash.

The net assets account balances at 31 December 2014 and 2013 represent each Partner's share of cash which would be distributed to the Partners under a hypothetical liquidation of the Partnership at net book value as of 31 December 2014 and 2013, respectively.

6. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

The General Partner has overall responsibility for the establishment and oversight of the Partnership's risk management framework.

The Partnership's investment committee oversees how the Partnership monitors compliance with the Partnership's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Partnership.

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed by the Partnership are discussed below. Further quantitative disclosures are included throughout the financial statements.

(a) Credit risk

Credit risk is the risk of financial loss to the Partnership if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Partnership's accounts receivable. The Partnership's exposure to credit risk at 31 December 2014 and 2013 was insignificant.

The maximum exposure to credit risk approximates the carrying amount of the financial assets at 31 December 2014 and 2013.

(b) Liquidity risk

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they fall due. The Partnership's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Partnership's reputation.

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The following are the contracted maturities of financial liabilities:

31 December 2014		Face value	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Accrued expenses	¥	148,262	148,262	148,262	-	-	-
Due to affiliates		10,572	10,572	10,572	-	-	-
	¥	158,834	158,834	158,834	-	-	-

31 December 2013		Face value	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Accrued expenses	¥	139,961	139,961	139,961	-	-	-
Due to affiliates		104,280	104,280	104,280	-	-	-
	¥	244,241	244,241	244,241	-	-	-

These tables detail the Partnership's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Partnership can be required to pay. The contractual maturity is based on the earliest date on which the Partnership may be required to pay. Net assets attributable to partners are financial liabilities but are not presented in this table because they do not have specified contractual cash flows. The Partnership is expected to exist until the date of dissolution of the Fund.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(c) Legal risk

From time to time, the Partnership may be involved in certain disputes arising in the normal course of business operations. Although the outcome of claims, litigation, and disputes cannot be predicted with certainty, in the opinion of the Partnership, based on facts known at this time, the resolution of such matters are not anticipated to have a material adverse effect on the financial position or results of operations of the Partnership.

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and other price risk.

The Partnership may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the Partnership is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the

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Partnership's assets or liabilities. At 31 December 2014 and 2013, the Partnership has bank account balances denominated in U.S. dollars with a total value of US\$24,172 and US\$80, respectively. Due to the level of net monetary assets and liabilities denominated in foreign currencies at 31 December 2014 and 2013, the exposure to exchange rate changes is immaterial to the Partnership for both years.

The Fund's operations are primarily based in China and its real estate investment revenues are derived from operations in China. Accordingly, financial results have been, and are expected to continue to be, affected by the growth in the Chinese economy. The central government of China has historically exercised substantial control over the Chinese economy through administrative regulation or state ownership, and the actions of Chinese central and local governments may continue to have a substantial effect on economic conditions and real estate development in China.

7. SUBSEQUENT EVENTS

Subsequent to 31 December 2014 and through 15 April 2015, the date through which management evaluated the subsequent events and on which the financial statements were available for issuance, there are no subsequent events to be disclosed.