

# **CAPITARETAIL CHINA TRUST (CRCT)**

## ***First China Shopping Mall S-REIT***



***Annual General Meeting***

**19 April 2010**



## Disclaimer

***This presentation shall be read in conjunction with paragraph 8 of CRCT's Unaudited Financial Statement and Distribution Announcement for Fourth Quarter 2009.***

*This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes, and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.*



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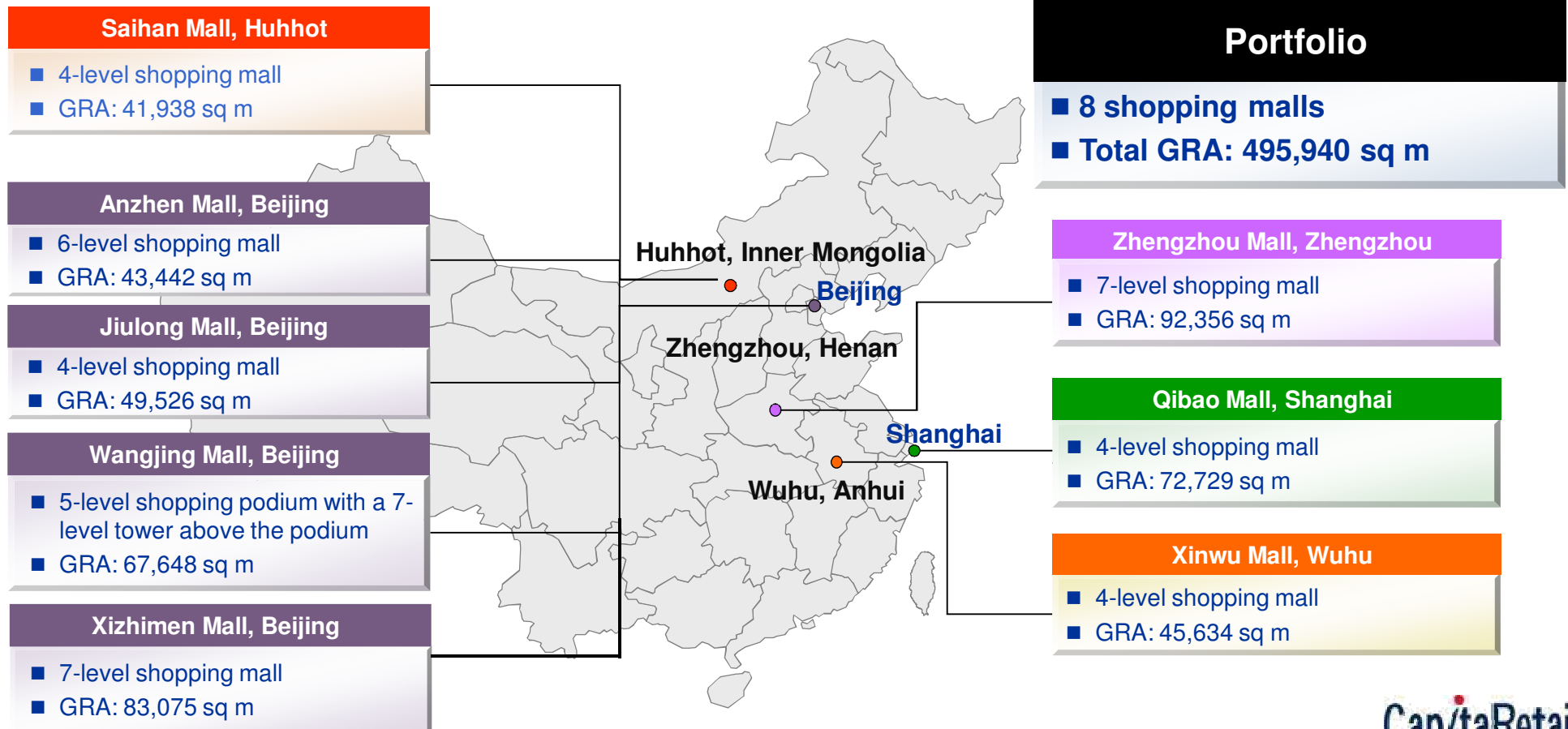
# CRCT Introduction





# Singapore's First China Shopping Mall S-REIT (change city name)

Geographically diversified portfolio in 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup>-tier cities across China  
Well-placed to tap rising consumption growth





# Balanced Property Portfolio

One-stop family-oriented shopping, dining and entertainment destinations

Strategically located within sizeable population catchment areas  
with easy accessibility via major transportation routes

## Multi-Tenanted Malls



*Wangjing Mall, Beijing*



*Xizhimen Mall, Beijing*



*Qibao Mall, Shanghai*



*Xinwu Mall, Wuhu*



*Saihan Mall, Huhhot*

## Master-Leased Malls



*Anzhen Mall, Beijing*



*Jiulong Mall, Beijing*



*Zhengzhou Mall, Zhengzhou*



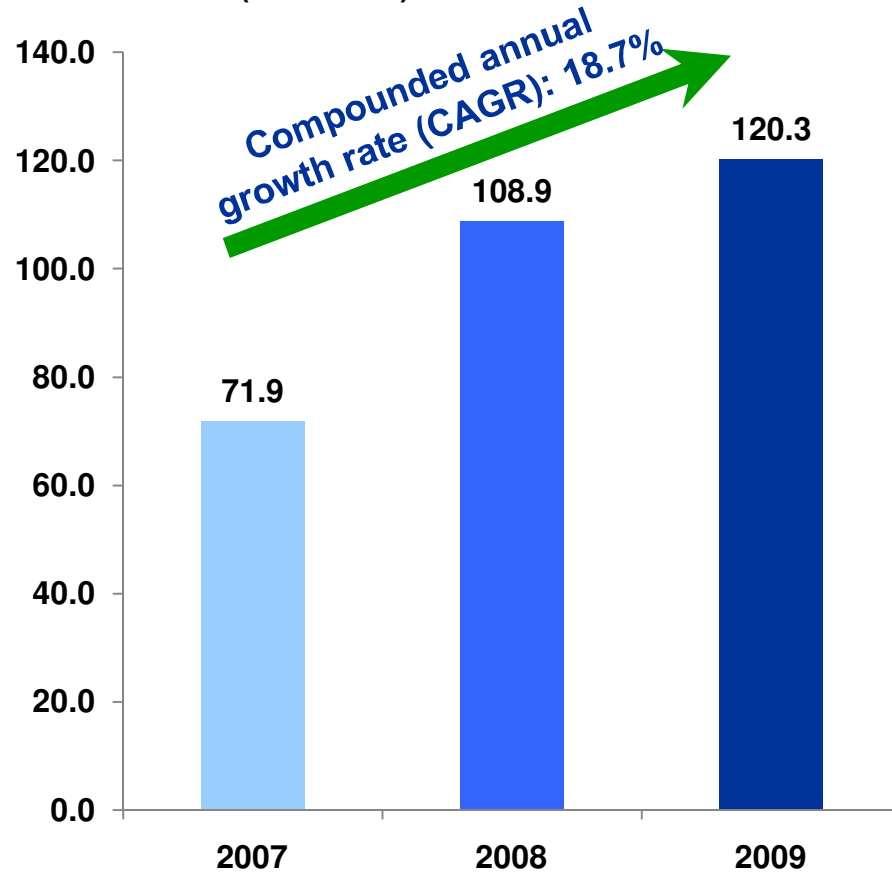
# Business Overview



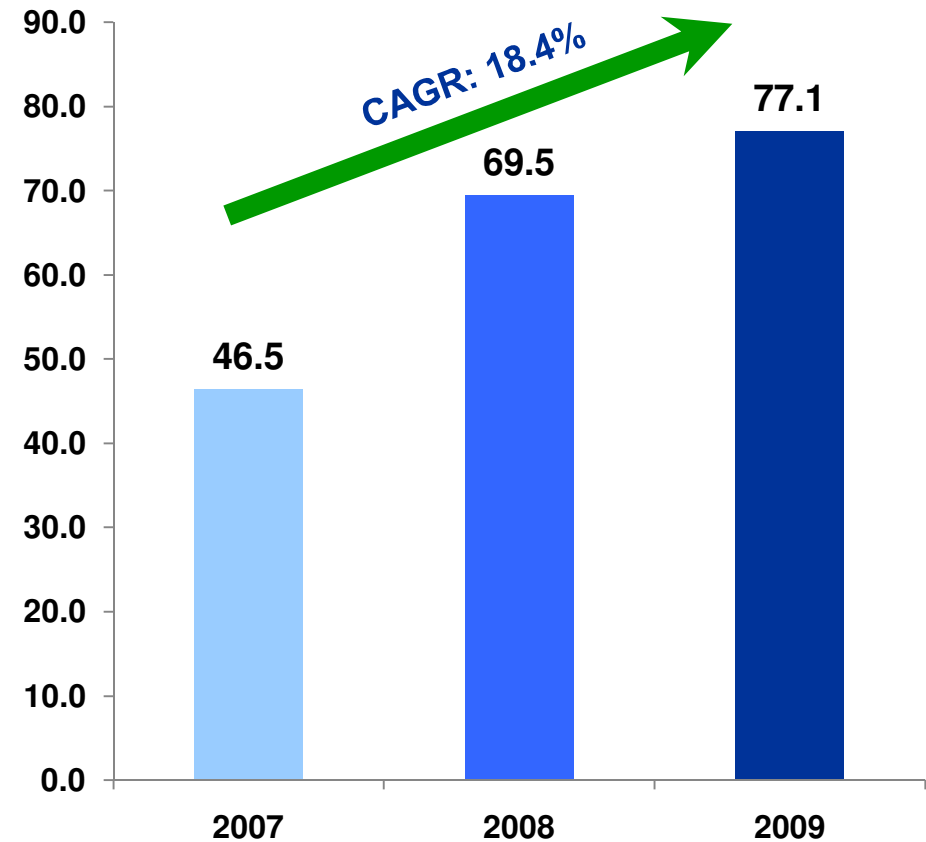


# Gross Revenue and NPI Growth

Gross Revenue (S\$ million)



Net Property Income (S\$ million)

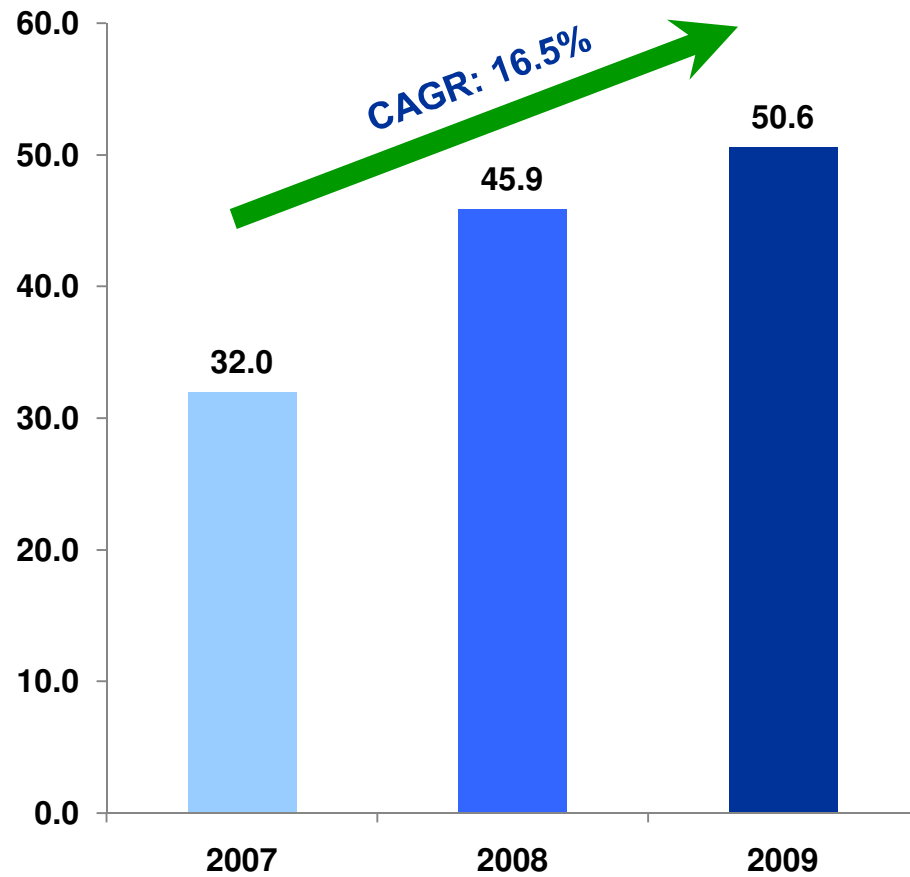




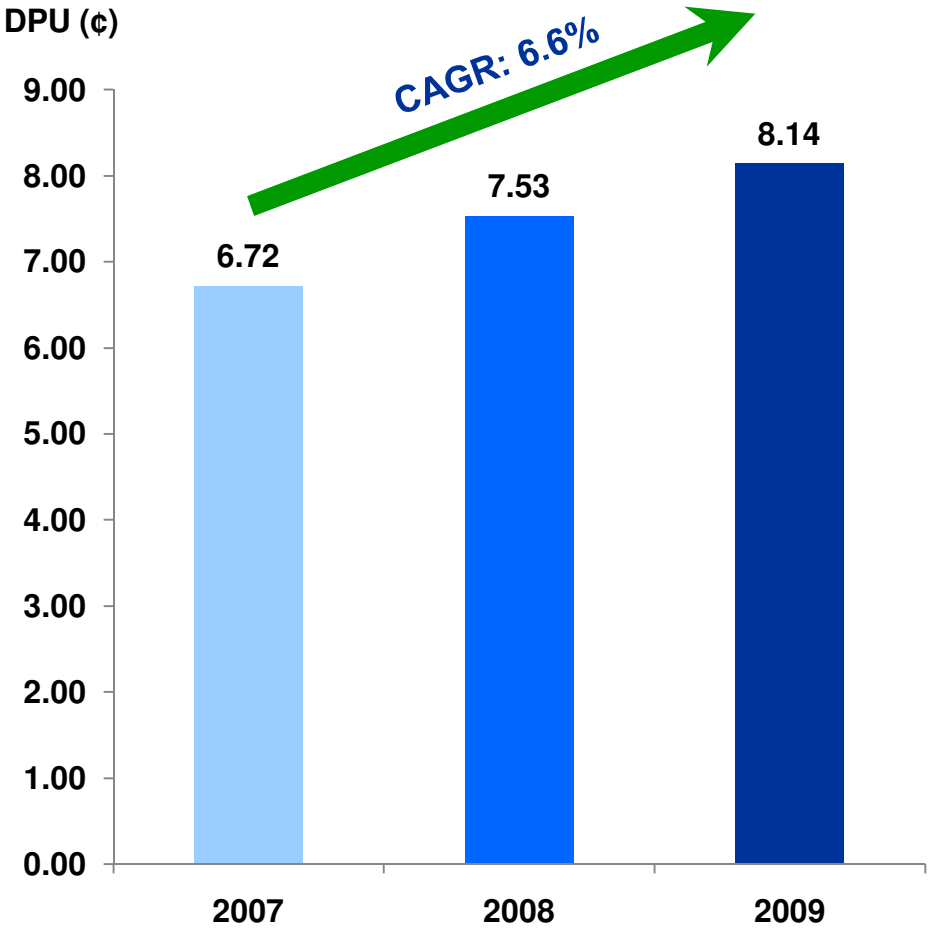


# Distribution Growth

Distributable Income (S\$ million)



DPU (¢)





# Total Unitholder Return

## Total Unitholder Return For FY2009<sup>1</sup>

Total Return

**+119.7%**

Distribution Yield

**6.4%**

Unit Price Appreciation

**+113.3%**

## Total Unitholder Return Since Listing in December 2006<sup>2</sup>

Total Return

**+33.1%**

Total Distribution Yield (FY2007 – FY2009)

**19.8%**

Unit Price Appreciation

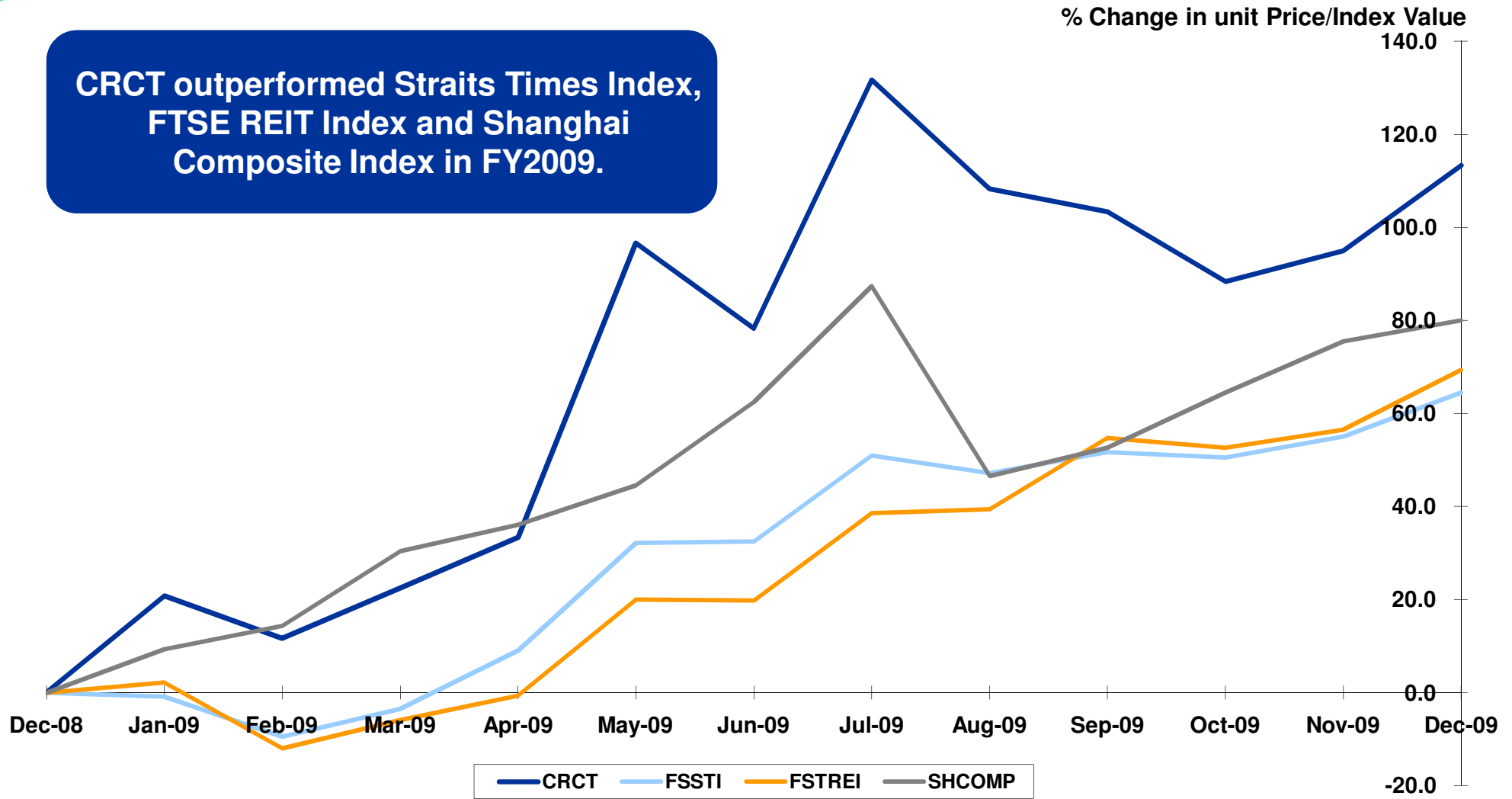
**+13.3%**

1. Based on DPU of 8.14 cents for the period 1 Jan 2009 to 31 Dec 2009 and closing unit price of S\$1.28 on 31 Dec 2009.
2. Based on unit price appreciation since IPO price of S\$1.13, total DPU over 3 years (22.39 cents) and closing unit price of S\$1.28 as of 31 Dec 2009.



# Performance of CRCT vs benchmark indices

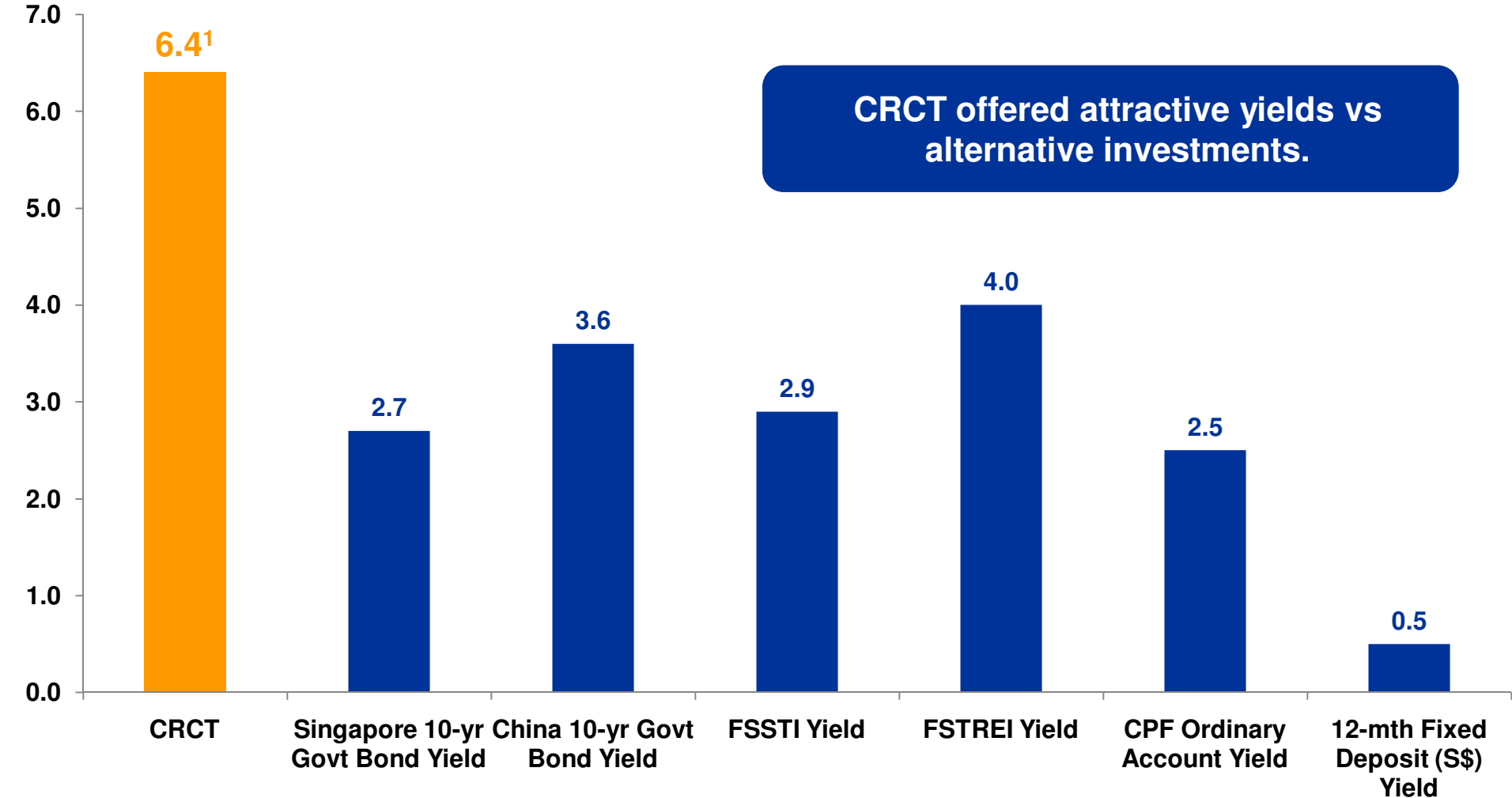
**CRCT outperformed Straits Times Index, FTSE REIT Index and Shanghai Composite Index in FY2009.**





# Comparative Yields CRCT in FY2009

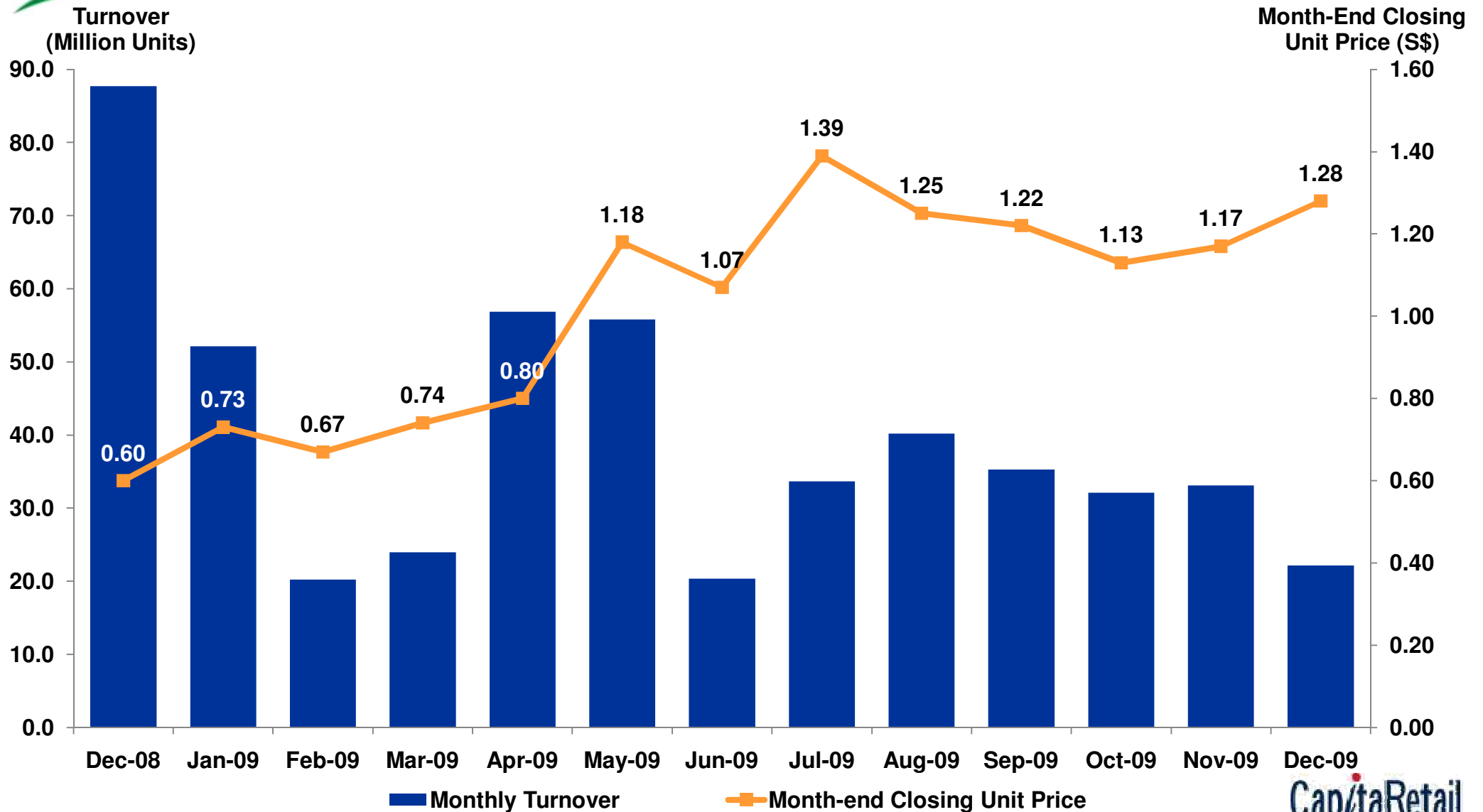
Comparative Yields (%)



1. Based on actual DPU of 8.14 cents for the period of 1 Jan 2009 to 31 Dec 2009 and closing unit price of S\$1.28 on 31 Dec 2009.



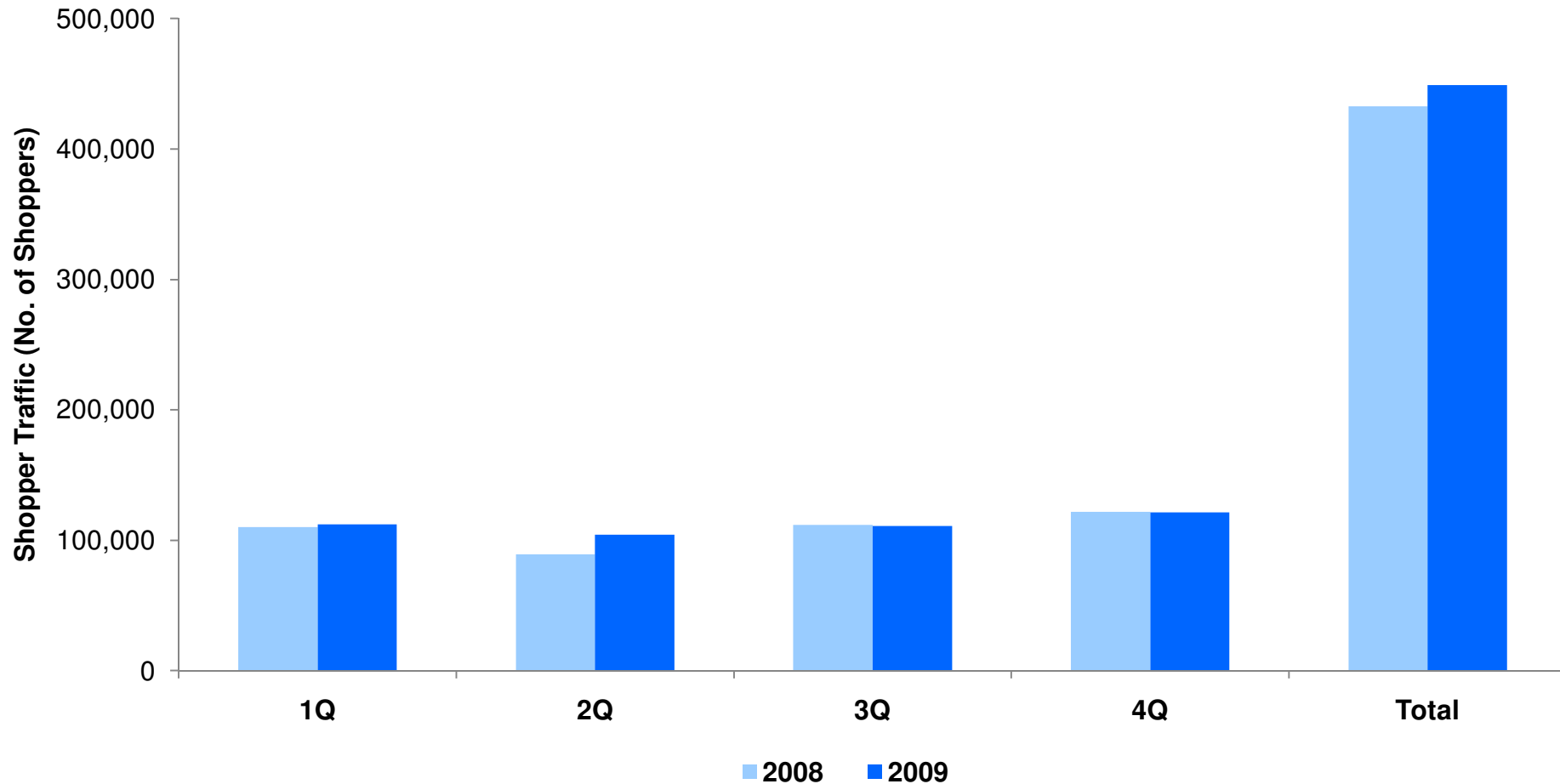
# Turnover & Month-End Closing Price





# Portfolio Shopper Traffic

**FY2009 shopper traffic up 3.8% over FY2008**



Includes only shopper traffic recorded at Xizhimen Mall, Wangjing Mall, Qibao Mall and Xinwu Mall. Saihan Mall does not have traffic data before 3Q 2008 while Jiulong Mall, Anzhen Mall and Zhengzhou Mall do not have traffic counters.



# FY2009 Results



**CapitaRetail**  
China Trust



## FY2009 – A Year of Achievements

**Achieved strong organic growth  
CRCT's best year since listing in December 2006**

<b>Gross Revenue (S\$ million)</b> <b>+10.5%</b> (2009: 120.3) (2008:108.9)	<b>Gross Revenue (RMB million)</b> <b>+4.9%</b> (2009: 564.2) (2008: 537.6)
<b>Net Property Income (S\$ million)</b> <b>+11.0%</b> (2009: 77.1) (2008:69.5)	<b>Net Property Income (RMB million)</b> <b>+5.4%</b> (2009: 361.4) (2008:342.8)
<b>Distributable Income (S\$ million)</b> <b>+10.4%</b> (2009: 50.6) (2008:45.9)	<b>Total Distribution Per Unit (¢)</b> <b>+8.1%</b> (2009: 8.14) (2008: 7.53)



# New Leases & Renewals for FY2009

Rentals declined 2.9% over preceding rates;  
renewal pressures bottomed out in 3Q 2009

Property	No. of new leases/renewals <sup>1</sup>	Variance over preceding rental <sup>2, 3</sup> (%)
Xizhimen Mall	87	- 6.1
Wangjing Mall	118	- 4.4
Jiulong Mall	1	+6.0
Qibao Mall	53	+0.5
Xinwu Mall	62	+40.6
<b>CRCT Portfolio<sup>4</sup></b>	<b>321</b>	<b>- 2.9</b>

1. Excluding new leases at newly created lettable area.
2. Excluding gross turnover component.
3. Majority of leases have rental escalation clause.
4. Excluding Saihan Mall which is undergoing Phase 2 of asset enhancement works.

Decline due to retail space over-supply combined with slowing consumer demand



# Portfolio Occupancy Rates

Occupancy rates remained stable year-on-year; Saihan Mall had more than 90% committed leases after completion of Phase 2 AEI works

	As of 31 Dec 08 <sup>1</sup>	As of 31 Mar 09 <sup>1</sup>	As of 30 Jun 09 <sup>1</sup>	As of 30 Sep 09 <sup>1</sup>	As of 31 Dec 09 <sup>1</sup>
Xizhimen Mall	96.7%	95.7%	95.4%	96.8%	94.8%
Wangjing Mall	99.8%	99.8%	98.8%	98.1%	98.1%
Anzhen Mall	100%	100%	100%	100%	100%
Zhengzhou Mall	100%	100%	100%	100%	100%
Jiulong Mall	100%	100%	100%	100%	100%
Saihan Mall	99.3% <sup>2</sup>	96.7% <sup>2</sup>	86.2% <sup>3</sup>	79.4% <sup>3</sup>	92.6% <sup>4</sup>
Qibao Mall	91.6%	87.2%	87.4%	85.8%	82.1%
Xinwu Mall	93.3%	93.7%	94.6%	93.8%	92.3%
CRCT Portfolio <sup>5</sup>	97.7%	96.7%	95.7%	95.0%	95.0%

1. Based on committed leases.
2. Based on area ready for occupation at Saihan Mall (Phase 1a).
3. Based on area ready for occupation at Saihan Mall (Phase 1a & 1b).
4. Based on total rentable area at Saihan Mall.
5. Based on CRCT's 51.0% ownership interest of Xinwu Mall.

Occupancy rates stayed high amidst challenging market



## Saihan Mall Phase 2 AEs Update

Phase 2 enhancement works on level 4 largely completed as at 31 Dec 2009.

More than 90% of committed leases.



- **New committed leases include renowned local cinema operator renovating space at level 4 to introduce first modern cinema in locality and popular local F&B concepts, e.g. hotpot operators and Korean barbeque restaurant**
- **With completion of Phase 2, mall offerings now more varied and complete, with clear retail concepts targetting various shopper demographics**



# Saihan Mall Phase 2 AEs Update



Level 1	Introduced sports & outdoor apparel section (with brands like Nike Factory outlet, Adidas, Li-Ning, Puma, etc)
Level 3	Positioned as children and household sector; with 200 sq m playground and popular local maternity / children's products brands
Level 4	Positioned as entertainment and F&B hub



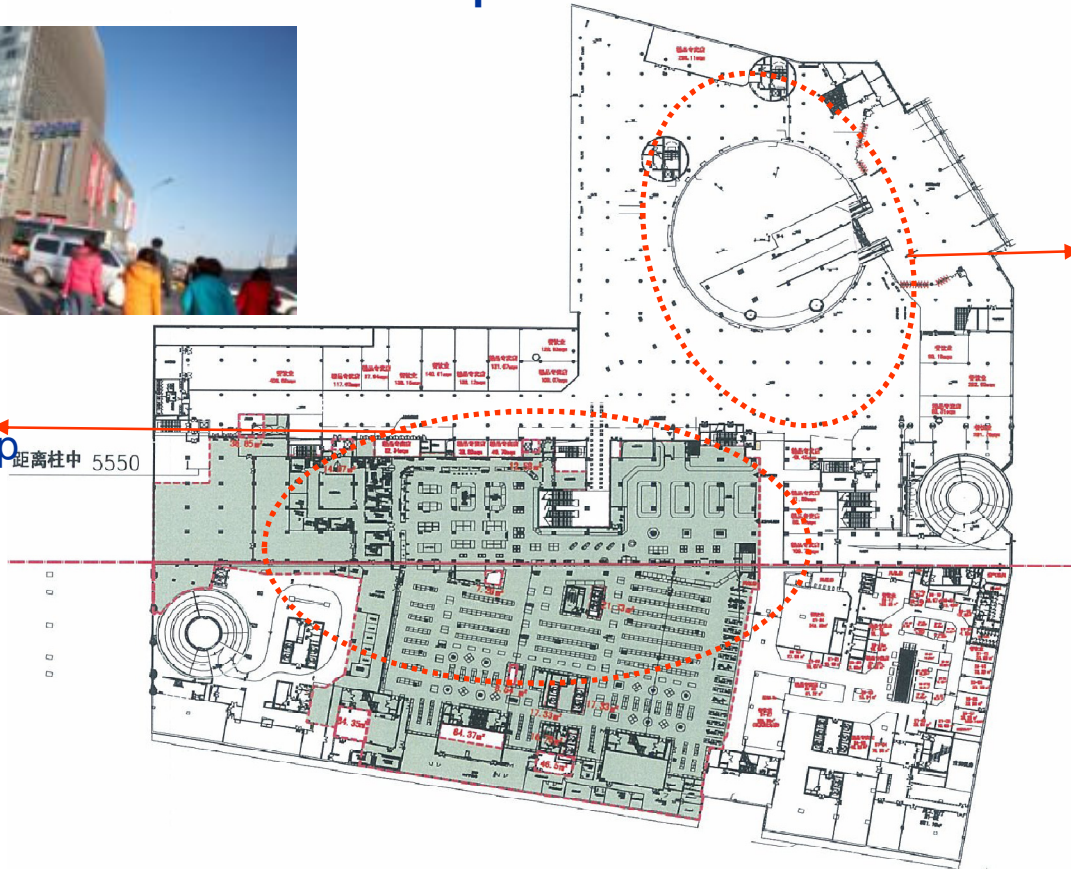


# Xizhimen Mall Update

- More than 60% of Phase 2 area operation since 4Q2009.
- With the opening of Beijing Hualian Supermarket in basement, shopper traffic increased by more than 10%.
- The leasing of the remaining space in Phase 2 will be timed with the opening of the subway and railway stations' connection expected in 2H2010.



Beijing Hualian Supermarket opened on 26 Sep 2009; daily sales of RMB800,000

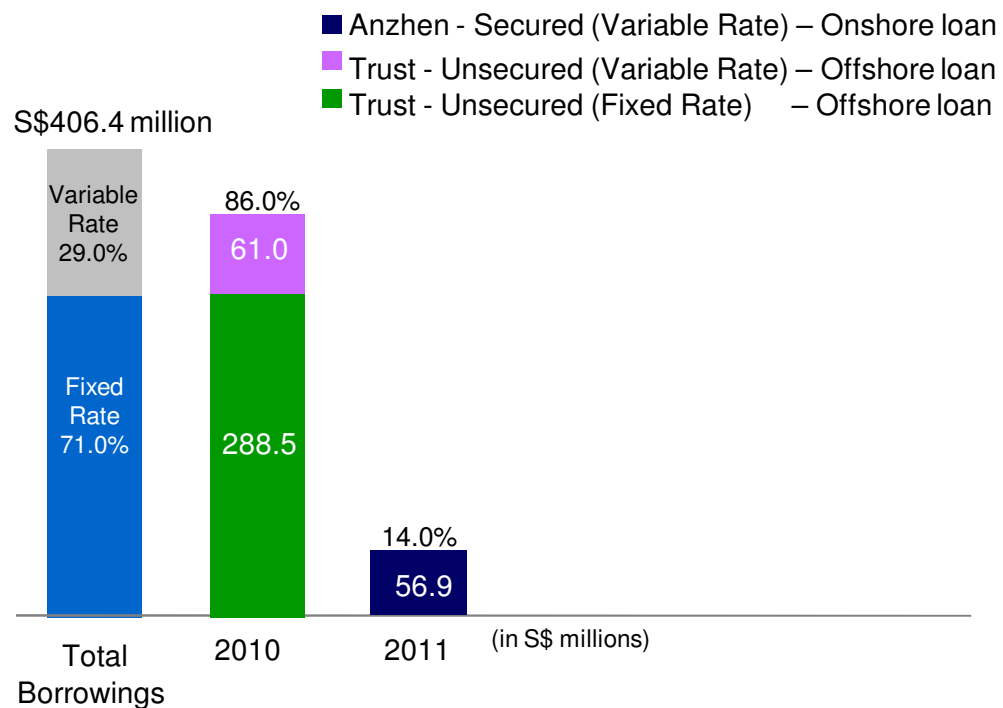


XZM Phase 2 connection to adjacent subway and railway stations to open 2H2010.



# Debt Capital Information (as at 31 Dec 2009)

## Debt Maturity Profile



## Key Statistics of CRCT

Gearing Ratio	33.6%
Interest Cover	8.0 times
Average Cost of Debt	2.1%

# Key Strategies in FY2010





## Key Strategies in FY2010

- **Drive operating performance**
- **Improve tenant mix to meet shoppers' demands**
- **Continue with proactive capital management**



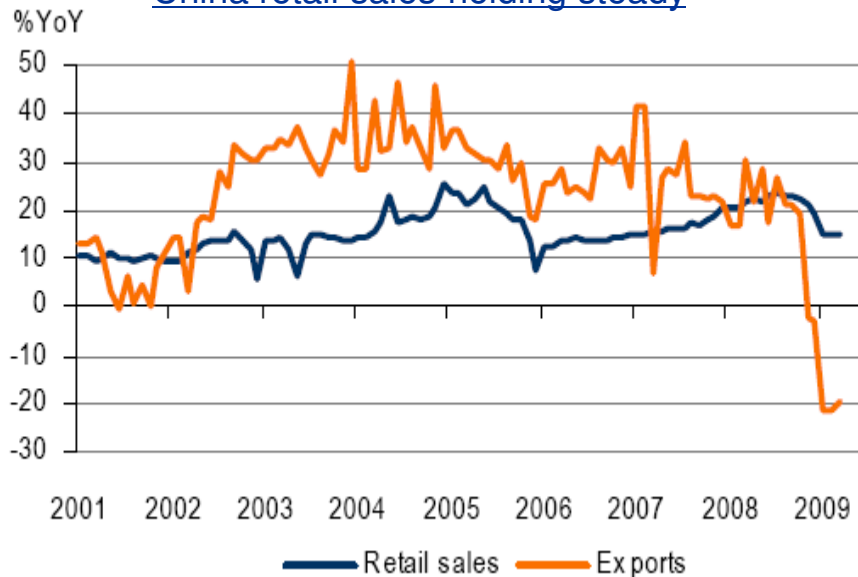
# Growth underpinned by strong economic fundamentals

For 2009, China's GDP grew by 8.7% and total retail sales of consumer goods (excluding motor vehicles) grew by 14.1%.

China's National Bureau of Statistics expects GDP in 2010 to surpass 2009.

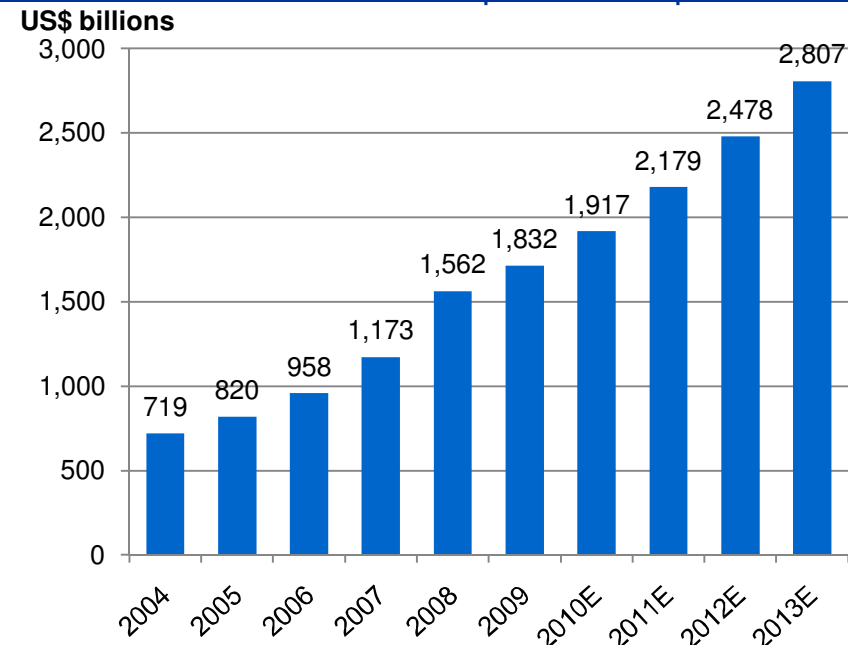
Substantial potential growth in retail sales

China retail sales holding steady



Source: CEIC, Wind, BofA Merrill Lynch calculations

China retail sales of consumer products expected to rise



Source: National Bureau of Statistics, Frost & Sullivan



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