

# CAPITARETAIL CHINA TRUST (CRCT) Financial Results For FY 2008



21 January 2009



# Disclaimers

**This presentation shall be read in conjunction with paragraph 9 of CRCT's Unaudited Financial Statement and Distribution Announcement for the year ended 31 December 2008.**

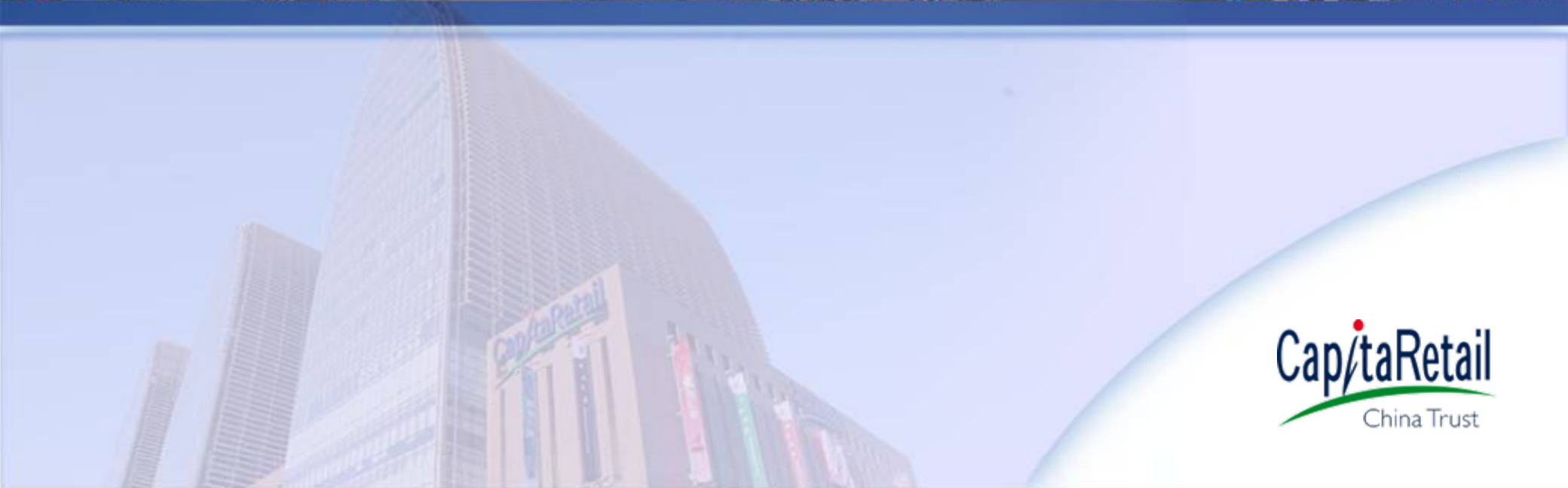
This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative 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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- 4. Key Strategies in 2009**

# Financial Highlights



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# Summary of Results

**CRCT recorded a distributable income of \$45.9 million and a DPU of 7.53 cents for FY 2008**

	4Q 2008			FY 2008 vs FY 2007		
	Actual	Forecast <sup>1</sup>	Var. (%)	FY 2008	FY 2007	Var. (%)
<b>Gross Revenue (RMB'000)</b>	146,551	149,876	(2.2)	537,568	362,897	48.1
<b>Net Property Income (RMB'000)</b>	95,735	95,243	0.5	342,841	234,912	45.9
<b>Gross Revenue (S\$'000)</b>	31,349	29,675	5.6	108,924	71,855	51.6
<b>Net Property Income (S\$'000)</b>	20,443	18,859	8.4	69,466	46,514	49.3
<b>Distributable Income (S\$'000)</b>	14,082	11,449	23.0	45,862	31,988	43.4
<b>Distribution Per Unit (DPU)</b>						
For the period (Singapore cents)	2.27	1.85	23.0	7.53	6.72	12.1
Annualised (Singapore cents)	9.03	7.36	23.0	7.53	6.72	12.1
<b>Annualised Distribution Yield</b>						
-S\$0.60 per unit (closing as at 31 Dec 2008)	15.1%	12.3%	23.0	12.6%	11.2%	12.1
-S\$0.625 per unit (closing as at 20 Jan 2009)	14.4%	11.7%	23.0	12.1%	10.8%	12.1

**FY 2008 distributable income grew 43.4% from FY 2007**  
**4Q 2008 distributable income of S\$14.1 mil includes the S\$1.3 mil retained in 2Q 2008 and 3Q 2008**

1. As stated in CRCT Offer Information Statement (OIS) to unitholders dated 25 January 2008.

# 4Q 2008 vs 4Q 2007 and FY 2008 vs FY 2007

## 4Q 2008 DPU increased 26.3% over 4Q 2007

	4Q 2008	4Q 2007	Variance
<b>Annualised DPU</b>	<b>9.03¢</b>	<b>7.15¢</b>	<b>+ 26.3%</b>
<b>Annualised distribution yield</b> (Based on closing unit price on 31 Dec of the respective FY)	<b>15.1%</b>	<b>3.3%</b>	<b>+ 11.8%</b>

## FY 2008 DPU increased 12.1 % over FY 2007

	FY 2008	FY 2007	Variance
<b>DPU</b>	<b>7.53¢</b>	<b>6.72¢</b>	<b>+ 12.1%</b>
<b>Distribution yield</b> (Based on closing unit price on 31 Dec of the respective FY)	<b>12.6%</b>	<b>3.1%</b>	<b>+ 9.5%</b>

# Distribution Details

**Distribution Period**

**For 1 July 2008 to 31 December 2008**

**Distribution Per Unit**

**4.28 cents**

## Distribution Timetable

**Notice of Books Closure Date**

**21 January 2009**

**Last Day of Trading on “cum” Basis**

**5 March 2009, 5.00 pm**

**Ex-Date**

**6 March 2009, 9.00 am**

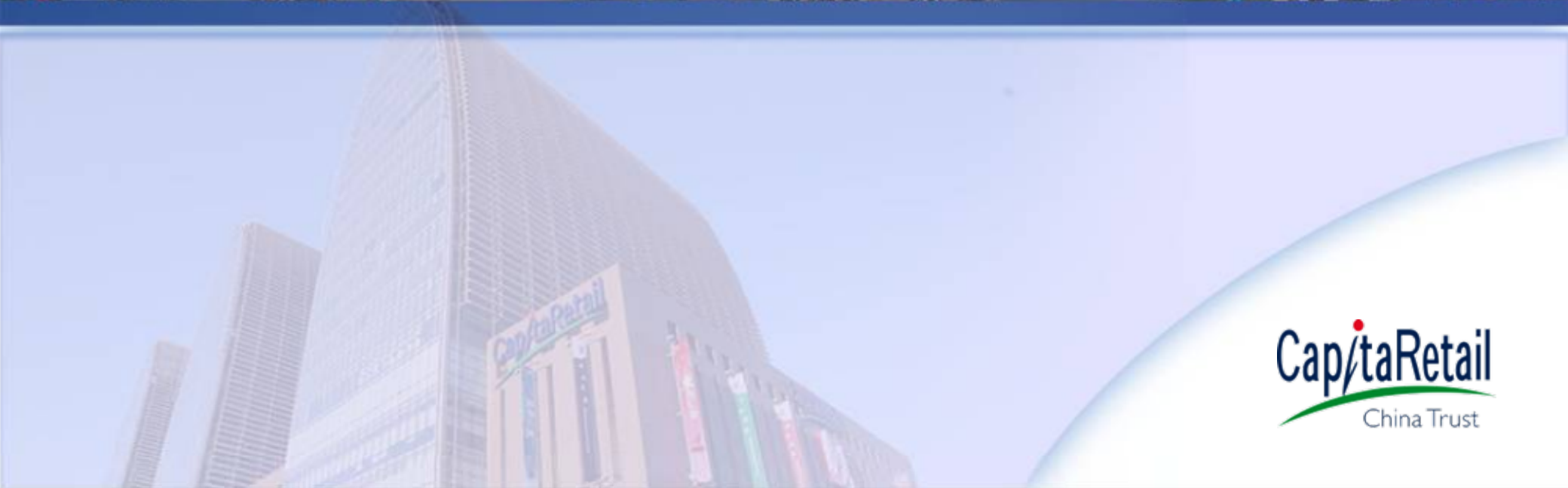
**Books Closure Date**

**10 March 2009**

**Distribution Payment Date**

**25 March 2009**

# Financial Results for 4Q 2008 & FY 2008



**CapitaRetail**  
China Trust



# Distribution Statement

S\$'000

	4Q 2008 Actual	4Q 2008 Forecast <sup>1</sup>	Variance (%)	FY 2008 Actual
Gross Revenue	31,349	29,675	5.6	108,924
Less property operating expenses	(10,906)	(10,816)	0.8	(39,458)
<b>Net property income</b>	<b>20,443</b>	<b>18,859</b>	<b>8.4</b>	<b>69,466</b>
Non-operating income/(expense)	128	-	N.M	(542)
Other trust expenses	(2,067)	(2,157)	(4.2)	(7,877)
Net Interest expenses	(3,379)	(3,897)	(13.3)	(8,127)
<b>Net income before change in fair value of fin. derivatives, inv. ptys &amp; unrealised FX gain</b>	<b>15,125</b>	<b>12,805</b>	<b>18.1</b>	<b>52,920</b>
Changes in fair value of fin. derivatives & inv. ptys	(17,182)	-	N.M	(905)
Foreign exchange gain - unrealised	1,656	-	N.M	2,750
<b>Net income before taxation</b>	<b>(401)</b>	<b>12,805</b>	<b>N.M</b>	<b>54,765</b>
Taxation	(2,249)	(1,790)	25.6	(15,842)
Minority Interest	(137)	(103)	33.0	(267)
Distribution Adjustment	16,869	537	N.M	7,206
<b>Distributable Income</b>	<b>14,082<sup>2</sup></b>	<b>11,449</b>	<b>23.0</b>	<b>45,862</b>
<b>DPU</b>	<b>2.27¢</b>	<b>1.85¢</b>	<b>23.0</b>	<b>7.53¢</b>
<b>Annualised DPU</b>	<b>9.03¢</b>	<b>7.36¢</b>	<b>23.0</b>	<b>7.53¢</b>

1. As stated in CRCT Offer Information Statement (OIS) to unitholders dated 25 January 2008.

2. This includes the S\$1.3 million distributable income retained in 2Q 2008 and 3Q 2008 to help negate any fluctuating income flow in 4Q 2008 as a result of Saihan Mall's asset enhancement works.

N.M.-not meaningful

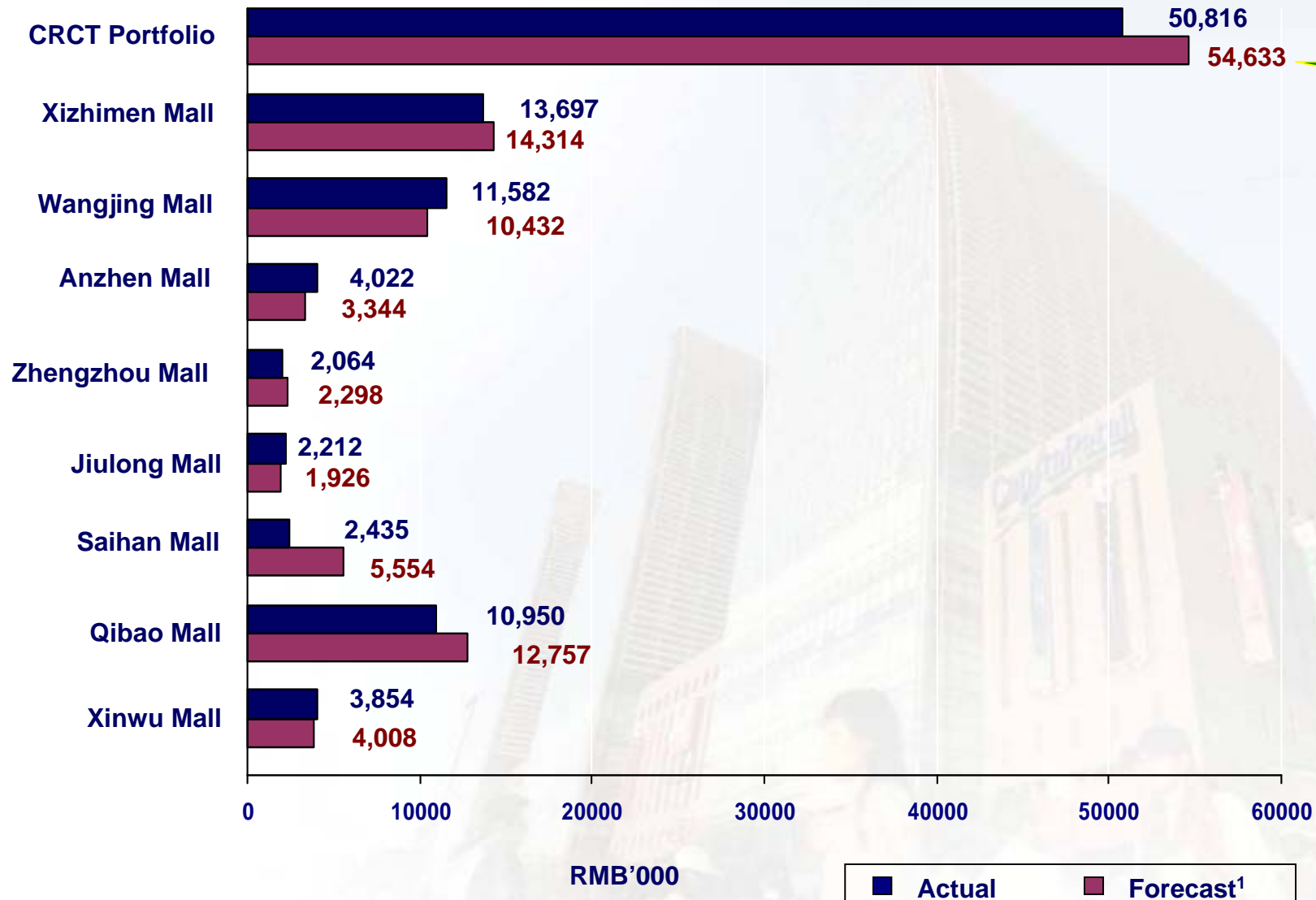
# Property Gross Revenue (in RMB) : 4Q 2008

## - Actual vs Forecast<sup>1</sup>



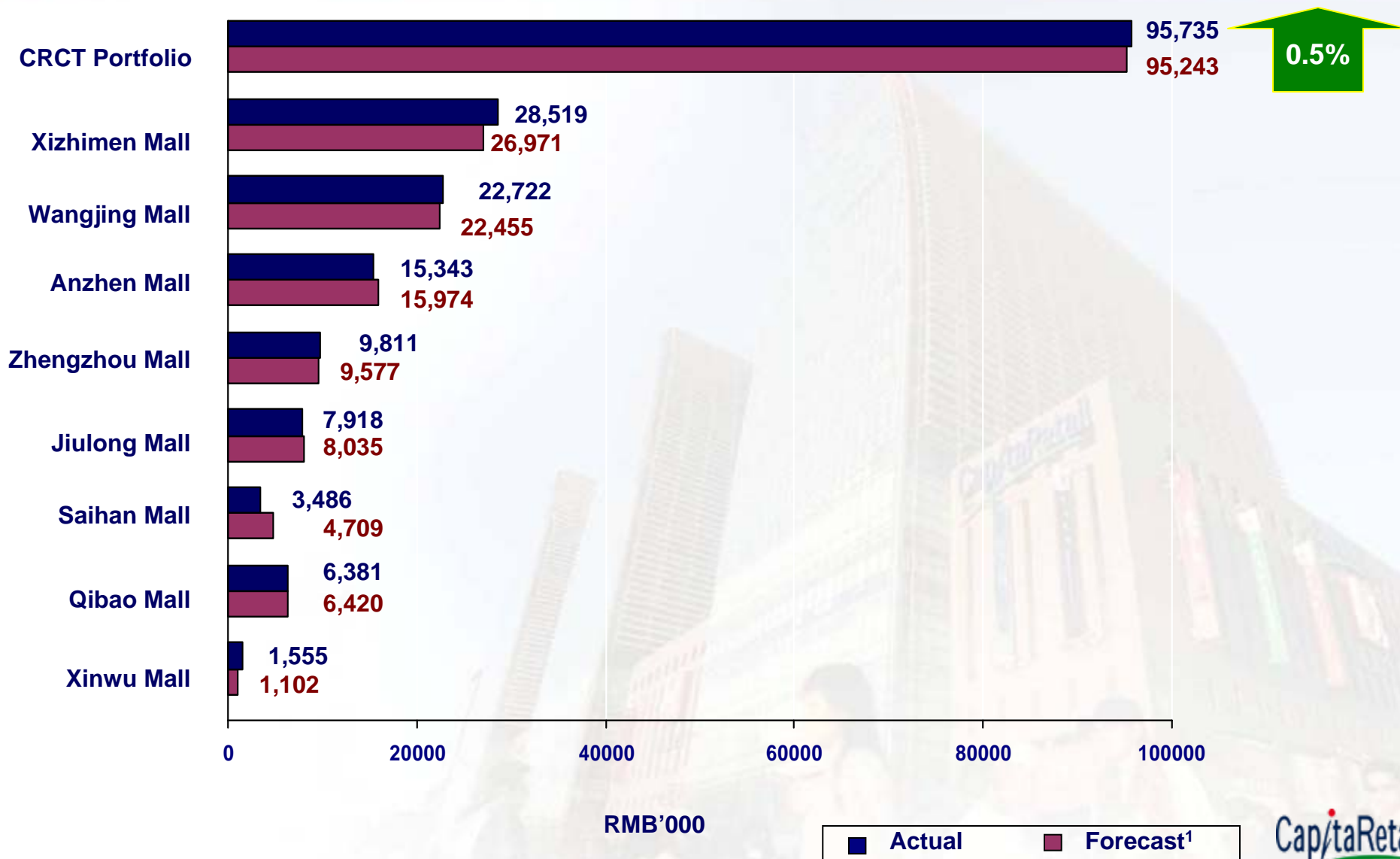
# Property Operating Expenses (in RMB): 4Q 2008

## - Actual vs Forecast<sup>1</sup>



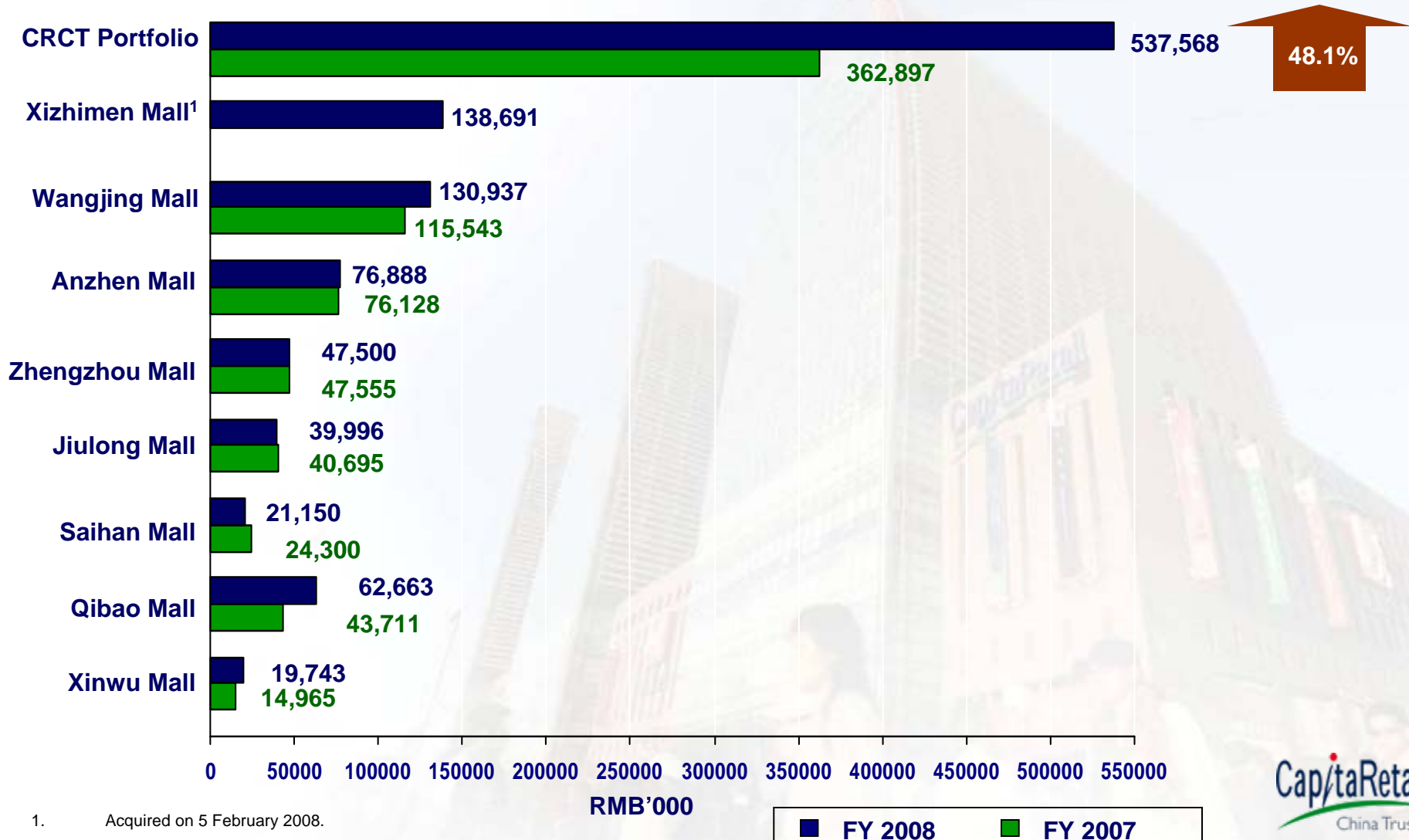
# Net Property Income (in RMB) : 4Q 2008

## - Actual vs Forecast<sup>1</sup>



# Property Gross Revenue (in RMB) : FY 2008 vs FY 2007

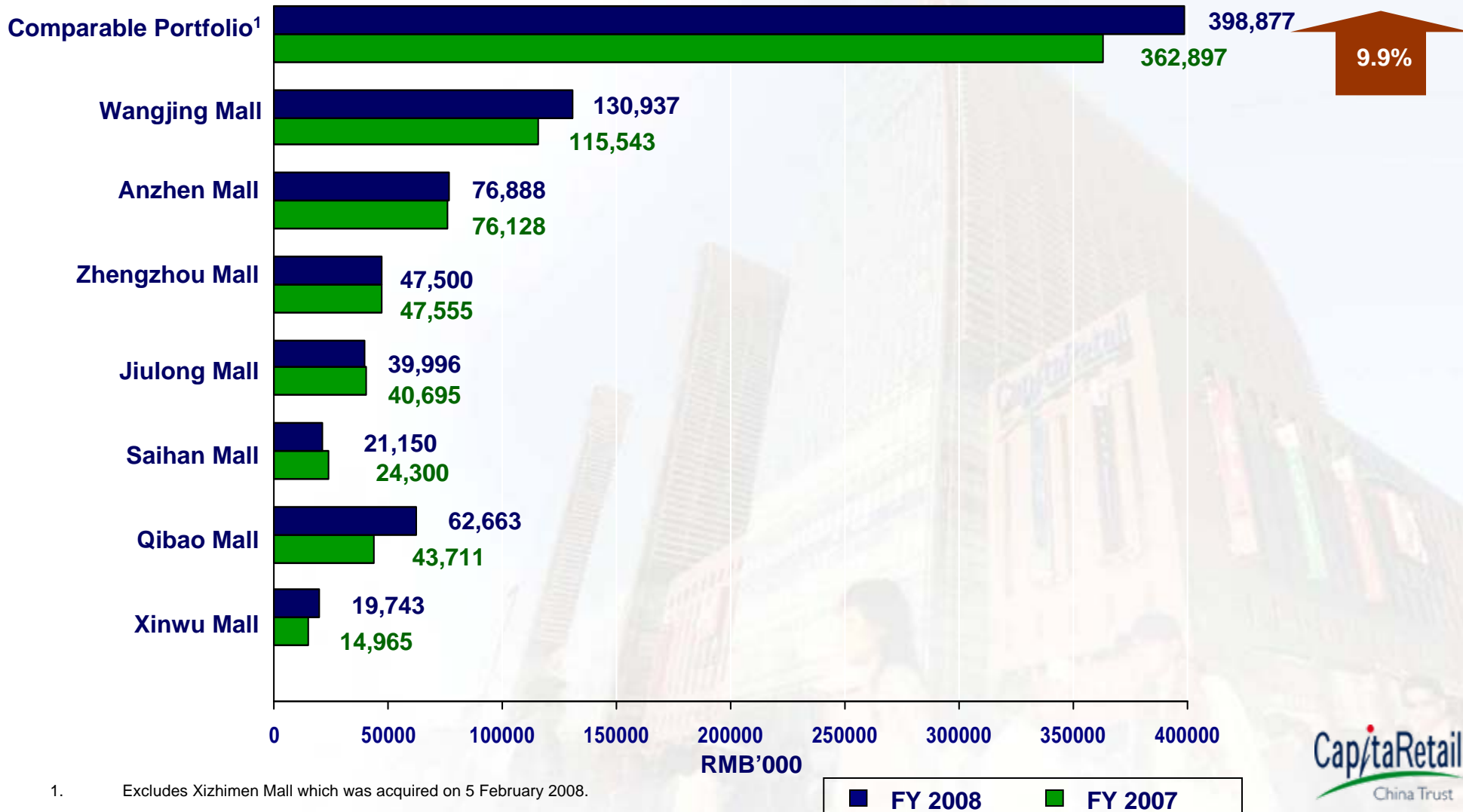
Y-o-y growth of 48.1% largely attributed to the acquisition of Xizhimen Mall



1. Acquired on 5 February 2008.

# Property Gross Revenue (in RMB) : FY 2008 vs FY 2007 - Comparable Portfolio <sup>1</sup>

Y-o-y growth of 9.9% attributed to occupancy and rental growth, especially at Qibao Mall



# Net Property Income (in RMB) : FY 2008 vs FY 2007



# Net Property Income (in RMB) : FY 2008 vs FY 2007

## - Comparable Portfolio <sup>1</sup>





# Valuation of Portfolio

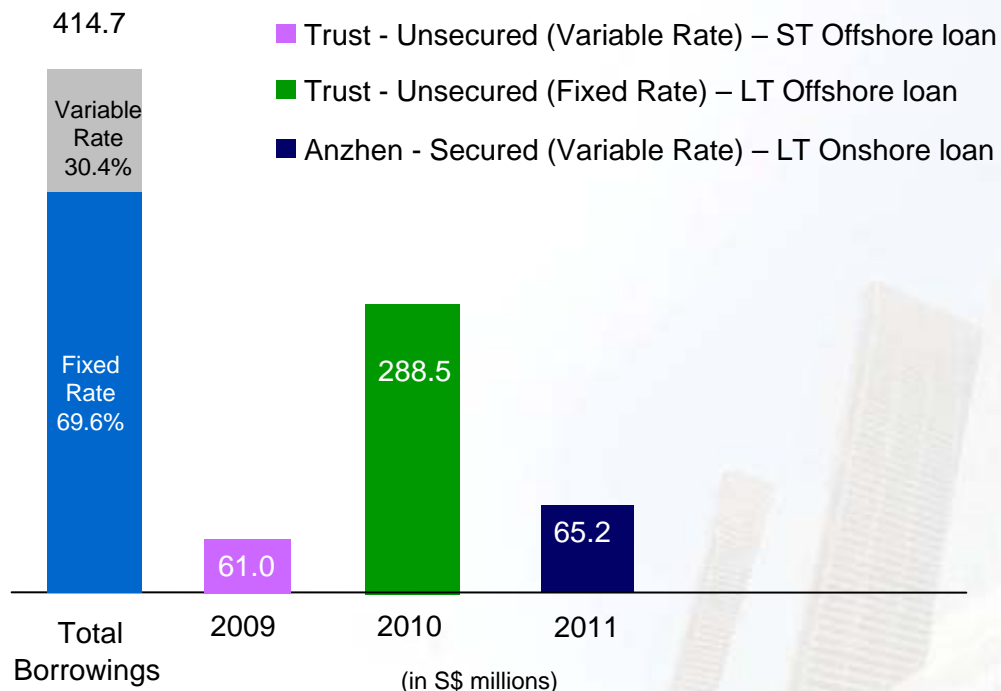
	Previous Valuation (1 Jun 08)	Current Valuation ( 1 Dec 08)	Variance (%)	Property Yield <sup>1</sup> (%)	Current Valuation (per sq m of GRA)
	(RMB million)	(RMB million)			(RMB)
Xizhimen Mall	1,713	1,898 <sup>2</sup>	10.8	5.9 <sup>3</sup>	22,847 <sup>2</sup>
Wangjing Mall	1,224	1,220	(0.3)	7.2	18,074
Anzhen Mall	839	826	(1.5)	7.6	19,014
Zhengzhou Mall	520	517	(0.6)	7.5	5,598
Jiulong Mall	459	450	(2.0)	7.1	9,086
Qibao Mall	328	332	1.2	4.9	4,565
Saihan Mall	320	299	(6.6)	3.0 <sup>4</sup>	7,130
Xinwu Mall	132	131	(0.8)	3.5	2,673
<b>Total</b>	<b>5,535</b>	<b>5,673</b>	<b>2.5</b>	<b>6.4</b>	<b>N.M.</b>

1. Based on the asset's actual NPI in FY 2008 and valuation as at 1 Dec 2008.
  2. Xizhimen Mall Phase 1 and Phase 2.
  3. Property yield calculation excludes Xizhimen Mall Phase 2.
  4. Saihan Mall reopened on 12 Sep 2008 after its Phase 1 asset enhancement works was completed.
- N.M. – not meaningful

# Debt Capital Information

As at 31 Dec 2008

## Debt Maturity Profile



Successfully refinanced the US\$105.0 million loan facility, which matured on 21 Nov 2008, at a favourable interest rate within the Manager's forecast<sup>3</sup>

## Key Statistics

Gearing Ratio	32.8%
Interest Cover	6.9 times
Average Cost of Debt	2.6%

## Net Interest Savings for 1 Oct – 31 Dec 2008

	S\$'000
Actual interest expense	3,558
Forecast interest expense	3,897
Interest expense saving <sup>1</sup>	339
<b>Add:</b>	
Unbudgeted interest income <sup>2</sup>	179
<b>Net interest savings</b>	<b>518</b>

1. This was mainly due to interest savings arising from the two-year non-deliverable cross-currency interest rate swap that CRCT has entered into in respect of its US\$105.0 million loan facility and S\$88.0 million loan facility.
2. An interest income of S\$0.2 million was mainly earned from surplus funds held by the trust.
3. As stated in CRCT Offer Information Statement (OIS) to unitholders dated 25 Jan 2008

# Balance Sheet

**As at 31 Dec 2008**

	<b>S\$'000</b>
Investment properties	1,253,790
Other assets	20,583
Cash and cash equivalents	51,310
<b>Total Assets</b>	<b>1,325,683</b>
Interest-bearing borrowings	414,701
Deferred tax liabilities	31,718
Financial derivatives	966
Other liabilities	89,114
<b>Total Liabilities</b>	<b>536,499</b>
<b>Minority interest</b>	<b>16,620</b>

<b>Net assets attributable to unitholders (S\$'000)</b>	<b>772,564</b>
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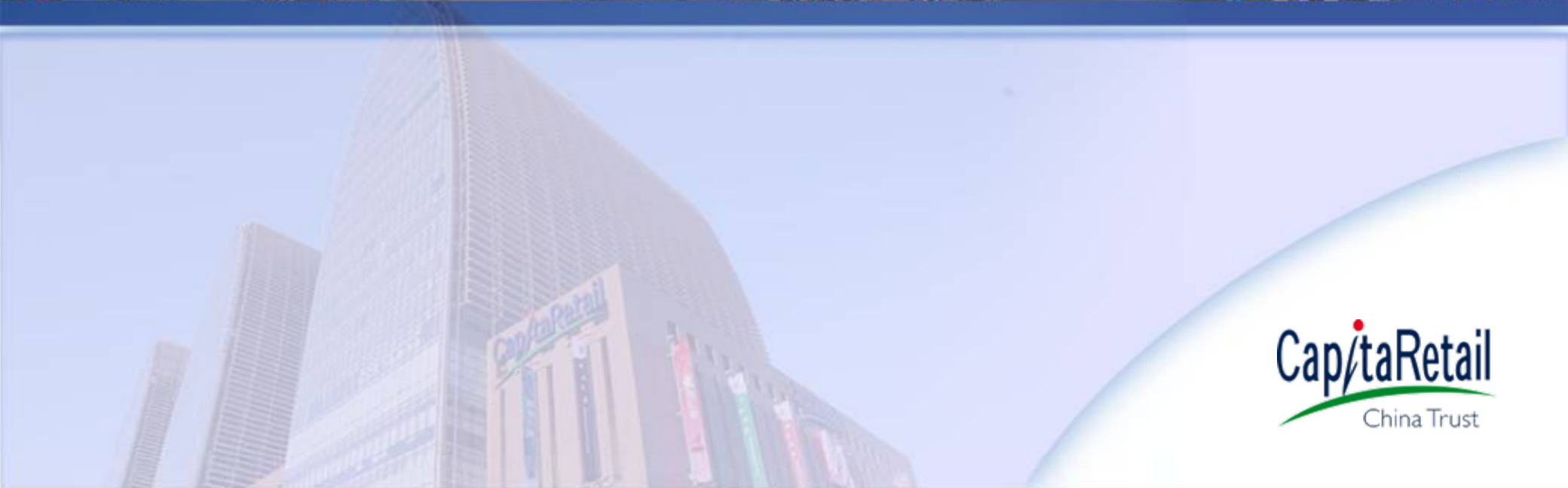
<b>Units In Issue ('000 units)<sup>1</sup></b>	<b>619,046</b>
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<b>Net Asset Value (NAV) per unit</b>	<b>S\$1.25</b>
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<b>Adjusted NAV per unit (net of distribution)</b>	<b>S\$1.21</b>
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1. Include units issued in 4Q 2008 to the Manager as payment for the performance component of the asset management fees for 3Q 2008.

# Portfolio Update



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China Trust

# Committed Occupancy Rates

Committed occupancy rates remained stable in 4Q 2008

	As at 31 Dec 07 <sup>1</sup>	As at 31 Mar 08 <sup>1</sup>	As at 30 Jun 08 <sup>1</sup>	As at 30 Sep 08 <sup>1</sup>	As at 31 Dec 08 <sup>1</sup>
Wangjing Mall	99.2%	99.4%	99.7%	100%	99.8%
Jiulong Mall	100%	100%	100%	100%	100%
Anzhen Mall	100%	100%	100%	100%	100%
Qibao Mall	81.1%	80.9%	88.8%	92.0%	91.6%
Zhengzhou Mall	100%	100%	100%	100%	100%
Saihan Mall <sup>2</sup>	N.A.	N.A.	N.A.	99.5% <sup>3</sup>	99.3%
Xinwu Mall	95.5%	94.5%	94.1%	94.8%	93.3%
Xizhimen Mall <sup>4</sup>	N.A.	87.5%	96.7%	96.0%	96.7%
CRCT Portfolio <sup>5</sup>	95.6%	94.1%	97.1%	97.8%	97.7%

1. Based on committed leases.
2. Saihan Mall underwent extensive asset enhancement works from Sep 2007 and Phase 1 reopened on 12 Sep 2008.
3. Based on area ready for occupation at Saihan Mall Phase 1.
4. Xizhimen Mall was acquired on 5 Feb 2008.
5. Based on CRCT's 51.0% ownership interest of Xinwu Mall.

# New Leases & Renewals

**In FY 2008:**

Property	No. of new leases/renewals	Net incremental monthly rental vs forecast (RMB '000)	Variance over forecast (%)
Wangjing Mall	66	233.3	20.1
Jiulong Mall	1	10.8	7.0
Qibao Mall	60	410	26.7
Xinwu Mall	41 <sup>1</sup>	69.8	50
Xizhimen Mall	74	416.3	18.6
<b>CRCT Portfolio</b>	<b>242</b>	<b>1,140.3<sup>2</sup></b>	<b>21.8<sup>2</sup></b>

**The 242 new leases / renewals included 46 leases committed at newly created lettable area, which contributed 3.9% towards the positive variance.**

1. Excluded 11 new leases / renewals in Xinwu Mall which rents are payable on the base rent plus a percentage of turnover or on a percentage of turnover only.
2. Based on CRCT's 51.0% ownership interest in Xinwu Mall.

# Portfolio Lease Expiry Profile (By Year)

As at 31 Dec 2008

	No. of Leases <sup>1</sup>	Gross Rental Income <sup>2</sup>	
		RMB'000	% of total (Dec 08) <sup>3</sup>
2009	410	9,036	19.7%
2010	183	8,478	18.5%
2011	59	3,432	7.5%
2012	16	2,315	5.0%
2013	27	2,842	6.2%
Beyond 2013	33	19,675	42.9%

CRCT Portfolio	Weighted average lease term to expiry
By Gross Rent <sup>2</sup>	7.8 years
By Gross Rentable Area <sup>2</sup>	11.7 years

1. Based on all committed leases as at 31 Dec 2008.
2. Based on CRCT's 51.0% ownership interest of Xinwu Mall.
3. As percentage of total gross rental income for the month of Dec 2008.

# Portfolio Lease Expiry Profile for 2009 (By Property)

85.5% of the gross rental income in 2008 has been committed and locked in for 2009

As at 31 Dec 2008

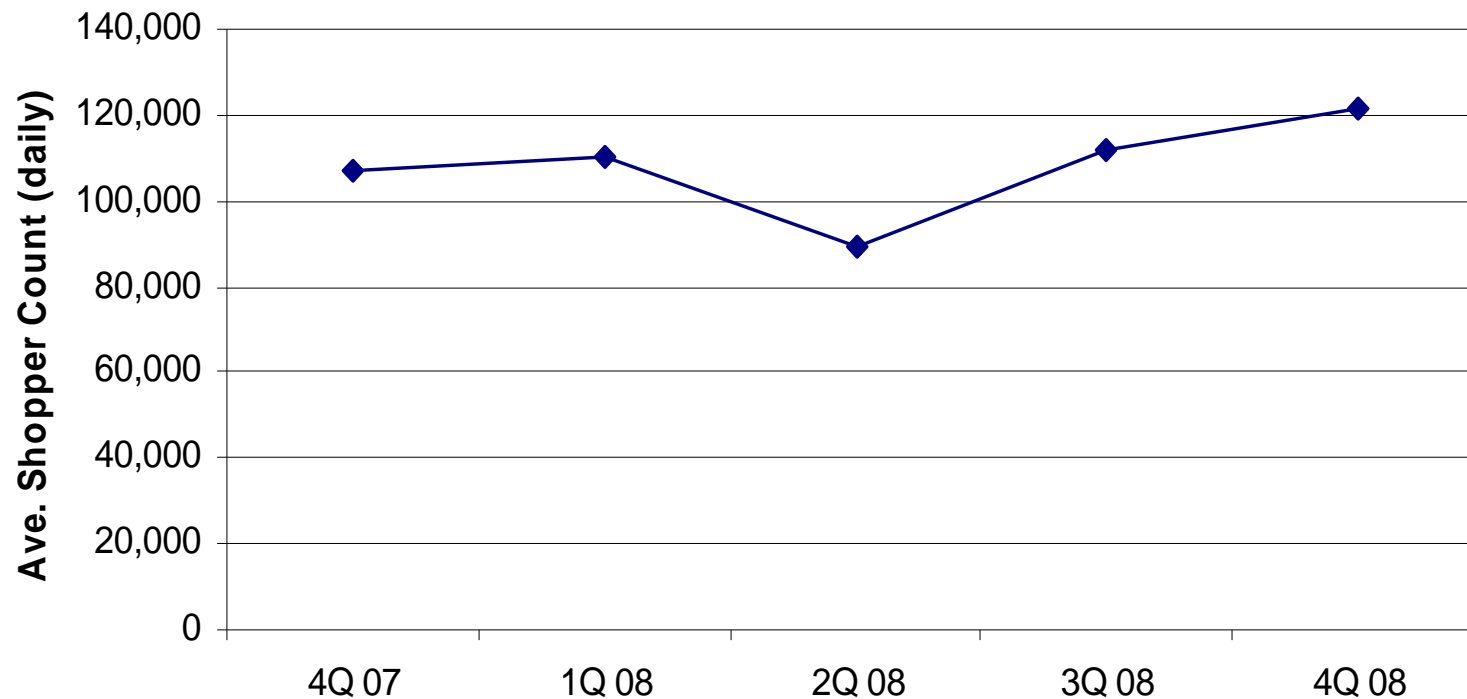
	No. of Leases <sup>1</sup>	Gross Rentable Area <sup>2</sup>		Gross Rental Income	
		sq m	% of total	RMB'000	% of total (Dec 08) <sup>3</sup>
Wangjing Mall	131	11,478	17.0%	5,031	45.8%
Jiulong Mall	1	660	1.3%	165	5.0%
Anzhen Mall	0	0	0%	0	0%
Qibao Mall	54	3,963	5.4%	1,039	19.0%
Zhengzhou Mall	0	0	0%	0	0%
Xinwu Mall	82	5,603	11.4%	541	31.9%
Xizhimen Mall	69	4,598	6.2%	1,922	14.9%
Saihan Mall	73	4,387	14.3%	603	31.7%

1. Based on all committed leases as at 31 Dec 2008.
2. Based on CRCT's 51.0% ownership interest of Xinwu Mall.
3. As percentage of total gross rental income for the month of Dec 2008.



# Shopper Traffic

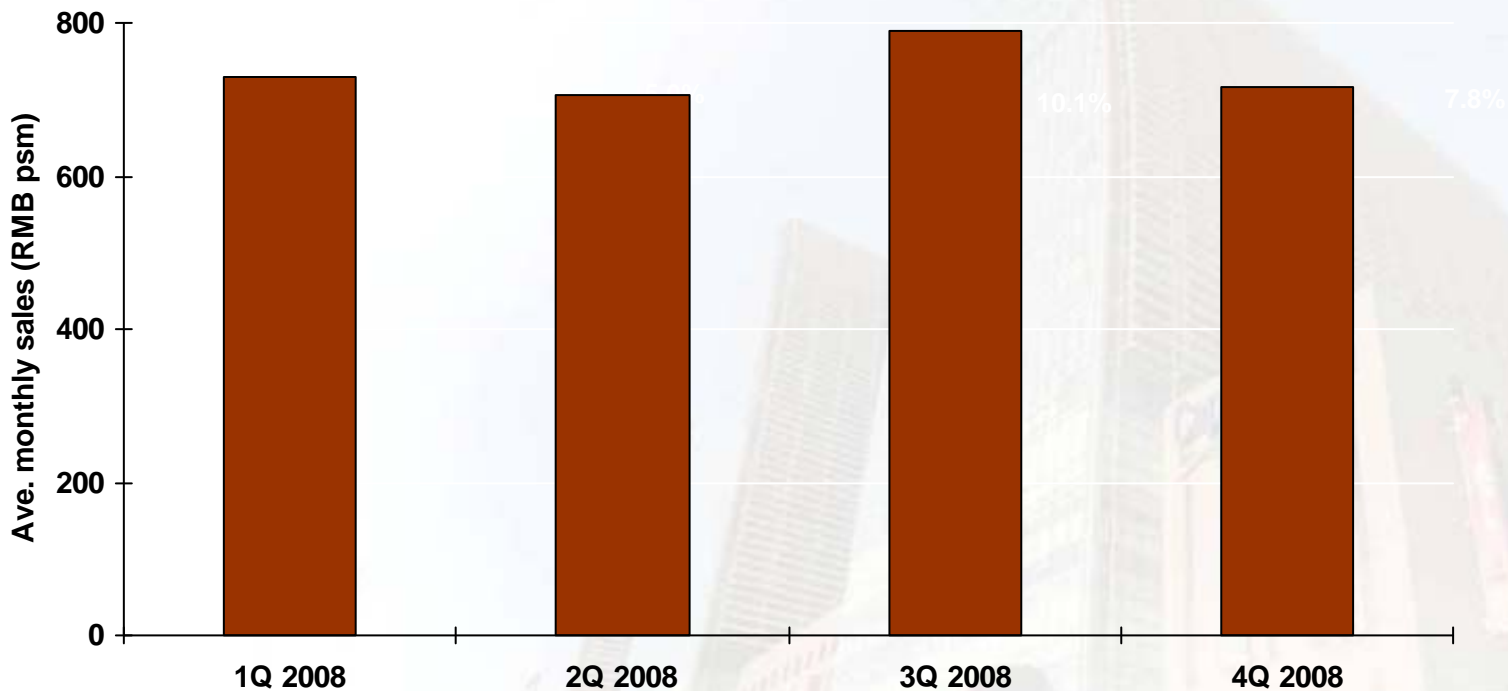
Comparable shopper traffic rose slightly in 4Q 2008



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.

# Portfolio Gross Turnover

Comparable portfolio gross turnover stayed resilient in 4Q 2008



Includes only tenants with complete gross turnover (GTO) information at Wangjing Mall, Qibao Mall and Xinwu Mall. Excludes Xizhimen Mall which was acquired on 5 Feb 2008 and Saihan Mall Phase 1 which reopened on 12 Sep 2008.

# Top 10 Retailers

As at 31 Dec 2008

Retailers	Brand Names	Trade Category	% of Gross Rental Income (Dec 08) <sup>1</sup>
北京华联集团投资控股有限公司	Beijing Hualian Supermarket Beijing Hualian Department Store	Supermarket Department Store	29.2%
上海联家超市有限公司 北京家乐福商业有限公司 <sup>2</sup>	Carrefour	Supermarket	5.3%
上海颐盛商贸有限公司 上海运动宝体育用品商业有限公司	Sport 100 / Colour Jeans	Sports & Fitness Fashion	3.8%
绫致时装（天津）有限公司	Only Jack & Jones Vero Moda	Fashion	3.1%
北京百安居装饰建材有限公司	B&Q	Home Furnishings	2.4%
北京兴宇班尼路服装服饰有限公司 <sup>2</sup>	Ebase / 阿童木 / Calvin Klein Jeans / Kentex / In-Base	Fashion	1.2%
北京肯德基有限公司 上海肯德基有限公司 南京肯德基有限公司 天津肯德基有限公司 北京必胜客比萨饼有限公司 <sup>2</sup>	KFC Pizza Hut	Food & Beverage / Foodcourt	1.2%
上海国美电器有限公司	Gome	Electrical & Electronics	1.2%
北京大食代餐饮有限公司 北京星物语餐饮管理有限公司 <sup>2</sup>	Da Shi Dai（大食代） Bread Talk	Food & Beverage / Foodcourt	0.9%
北京为之味餐饮有限公司	云贵川美食 / “川成元”麻辣香锅 / 姑姑宴 / 夹拣成厨麻辣烫 / 过桥米线 / 麻辣烫	Food & Beverage / Foodcourt	0.9%

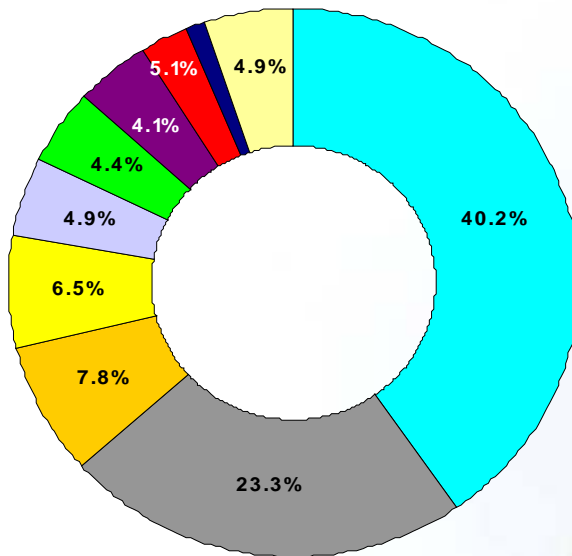
1 For leases structured on base rent only or base rent plus a percentage of gross sales turnover whichever is higher. Where the structure is a percentage of gross sales turnover or base rent plus a percentage of gross sales turnover, monthly gross rental income is calculated by actual rent payable in the month of December 2008.

2 Under the same group of companies.

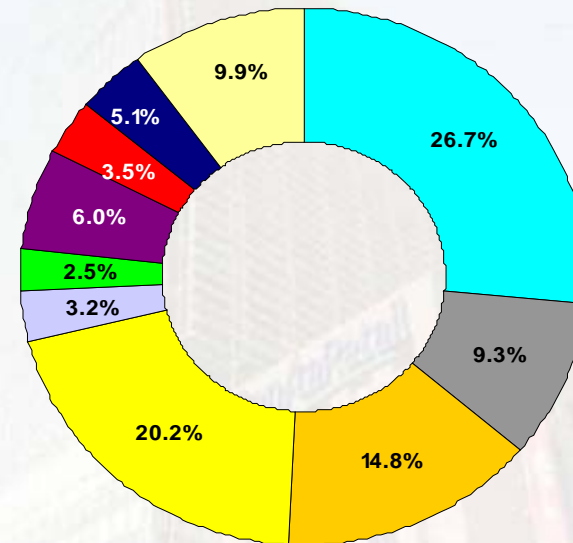
# Trade Sector Analysis

As at 31 Dec 2008

By Net Lettable Area



By Gross Rent



■ Department Store

■ Food & Beverages

■ Houseware & Furnishings

■ Beauty & Health Related

■ Shoes & Bags

■ Supermarket

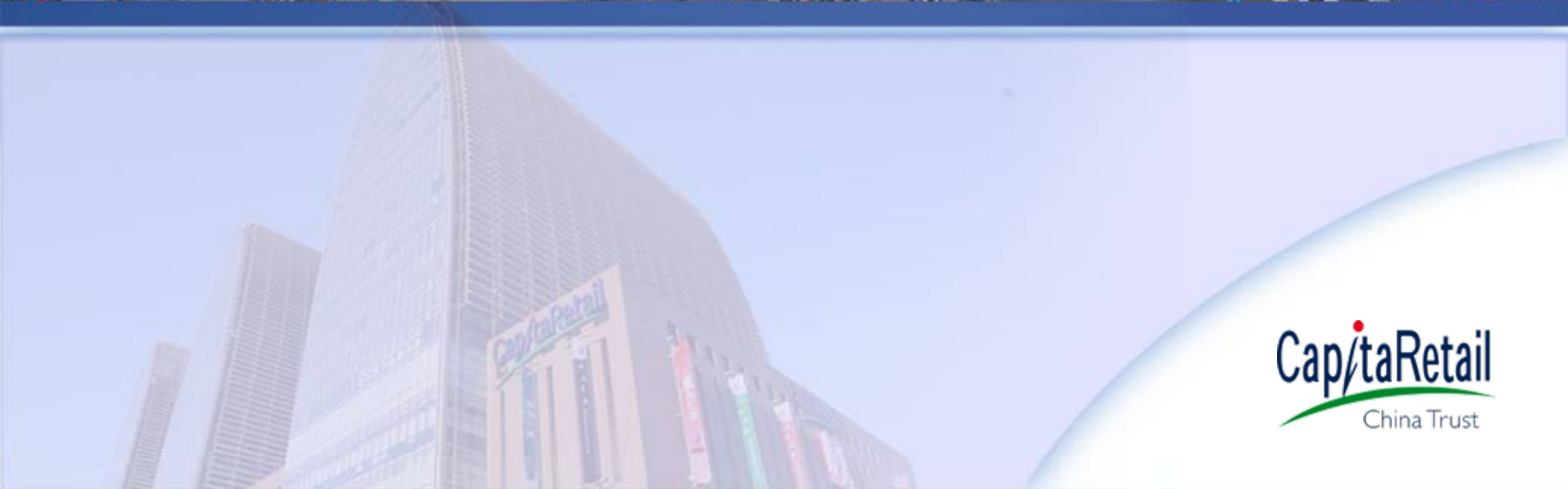
■ Fashion & Accessories

■ Leisure & Entertainment

■ Sporting Goods & Apparel

■ Other

# Key Strategies in 2009





# Key Strategies in 2009

## Stability and sustainability will be the Manager's focus in 2009:

- Maintain occupancy levels at all malls
- Work closely with tenants to drive shopper traffic and sales
- Fine-tune tenancy-mix in keeping with shoppers' demand for value purchases
- Target to complete Phase 2 of asset enhancement works at Saihan Mall by end 2009
- Conclude acquisition of Xizhimen Mall Phase 2 by end March 2009; target to progressively open Phase 2 by end 2009
- Continue to adopt a conservative capital management



# Thank you