

# **CAPITARETAIL CHINA TRUST (CRCT)**

## *First China Shopping Mall S-REIT*



*Financial Results for 4Q 2010*

**26 JANUARY 2011**



# Disclaimer

***This presentation shall be read in conjunction with paragraph 8 of CRCT's Unaudited Financial Statement and Distribution Announcement for Fourth Quarter 2010.***

*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.*



# Year in Review

- **FY2010**
  - Gross revenue RMB589.1 million ↑ 4.4%**
  - NPI RMB382.3 million ↑ 5.8%**
  - DPU 8.36 cents ↑ 2.7%**
- **Strong operating performance for portfolio**
  - ✓ **Highest occupancy rate of 98.1% achieved**
  - ✓ **Record revenue achieved at all malls, except Qibao which carried out tenancy adjustments**
  - ✓ **4 consecutive quarters of positive rental reversions**
  - ✓ **Strong tenant sales growth ( ↑24.6% y-o-y) and shopper traffic growth ( ↑15.4% y-o-y)**

# Financial Highlights





# 4Q 2010 Financial Results

Gross revenue (RMB'000)
NPI (RMB'000)
DPU (Singapore cents)
Annualised distribution yield (Based on unit price of S\$1.24 on 31 Dec 2010)
Annualised distribution yield (Based on unit price of S\$1.24 on 25 Jan 2011)

4Q 2010	4Q 2009	Change %
153,470	144,368	6.3
96,979	98,307	(1.4)
2.07	2.04	1.5
6.6	6.5	0.1
6.6	N.M.	N.M.



# FY 2010 Financial Results

Gross revenue (RMB'000)
NPI (RMB'000)
DPU (Singapore cents)
Annualised distribution yield (Based on unit price of S\$1.24 on 31 Dec 2010)
Annualised distribution yield (Based on unit price of S\$1.24 on 25 Jan 2011)

FY 2010	FY 2009	Change %
589,068	564,160	4.4
382,334	361,413	5.8
8.36	8.14	2.7
6.7	6.5	0.2
6.7	N.M.	N.M.



# Balance Sheet

<b>As at 31 December 2010</b>	<b>S\$'000</b>		
Investment Properties	1,215,089	Net assets attributable to unitholders (S\$'000)	734,507
Other Assets	11,386		
Financial Derivatives Assets	8,067	Units In Issue ('000 units)	625,382
Cash & Cash Equivalents	39,936		
<b>Total Assets</b>	<b>1,274,478</b>	Net Asset Value (NAV) per unit	1.17
Interest-bearing Borrowings	400,881		
Deferred Tax Liabilities	55,671	Adjusted NAV per unit (net of distribution)	1.13
Financial Derivatives Liabilities	289		
Other Liabilities	64,985		
<b>Total Liabilities</b>	<b>521,826</b>		
<b>Non-controlling Interest</b>	<b>18,145</b>		



# Distribution Details

**Distribution Period**

**For 1 July 2010 to 31 December 2010**

**Distribution Per Unit**

**4.15 cents**

## Distribution Timetable

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

**7 March 2011, 5.00 pm**

**Ex-Date**

**8 March 2011, 9.00 am**

**Books Closure Date**

**10 March 2011, 5.00 pm**

**Distribution Payment Date**

**25 March 2011**

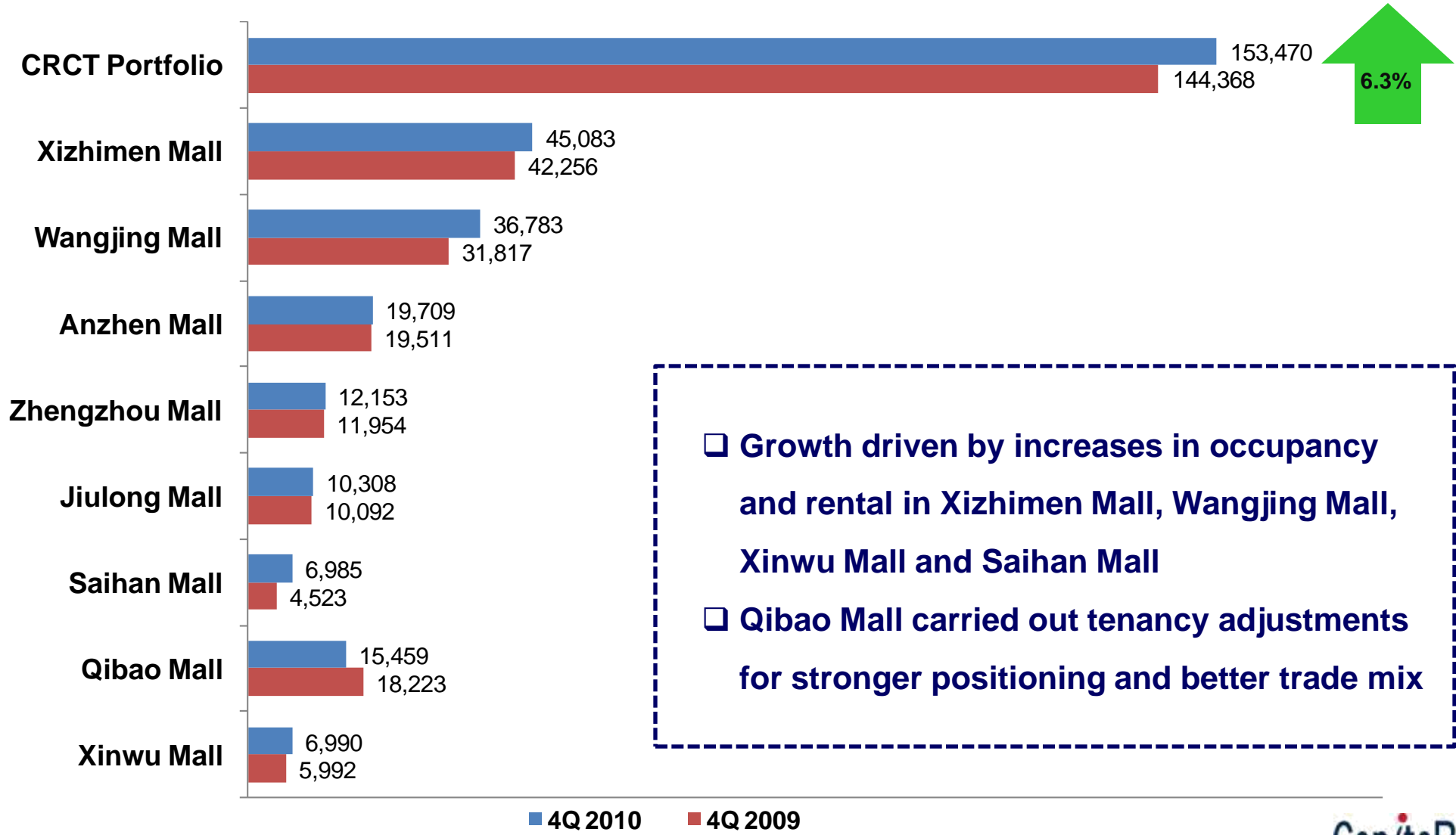


# Financial Results



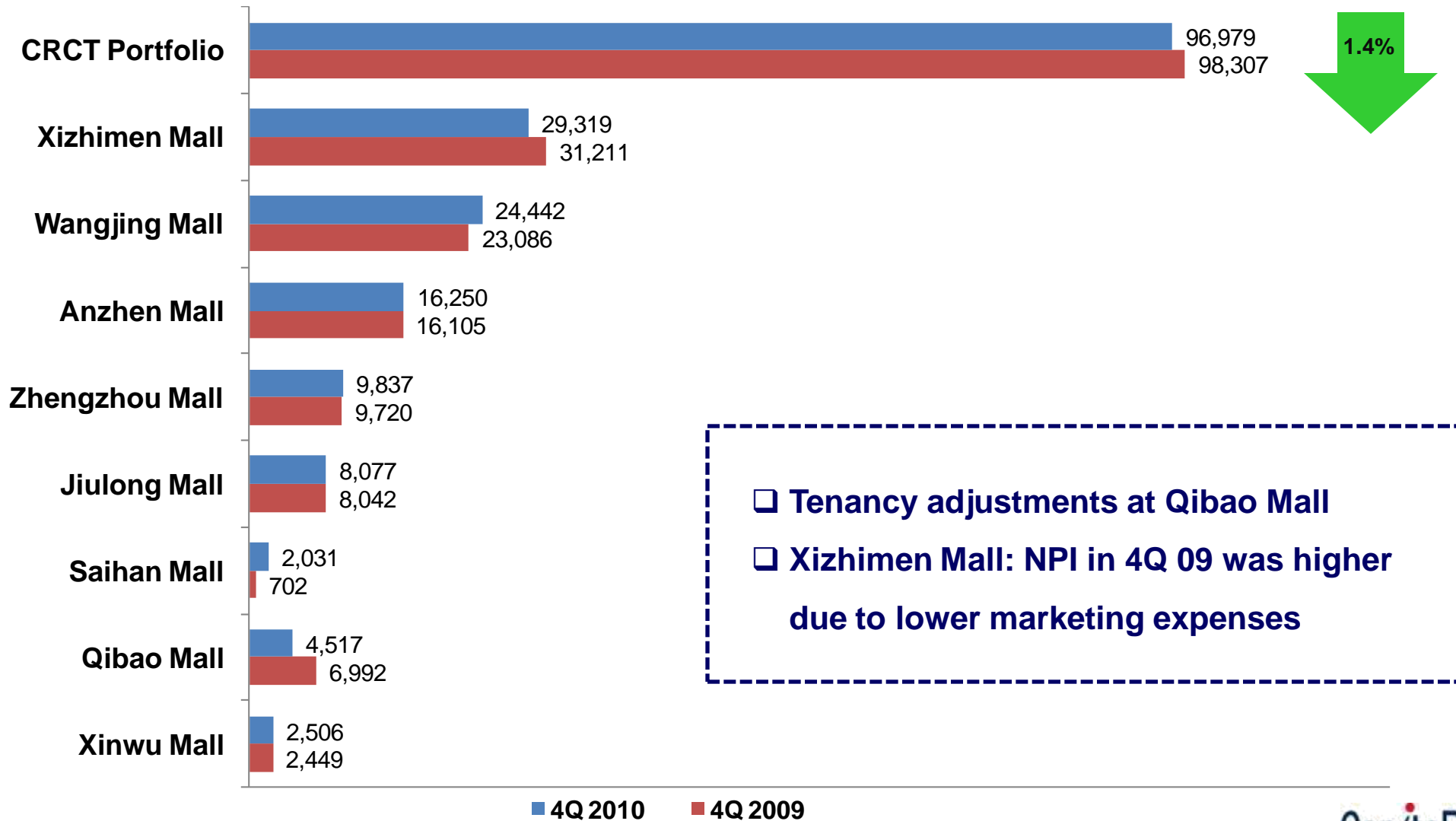


# Property Gross Revenue (in RMB'000): 4Q 2010 vs 4Q 2009



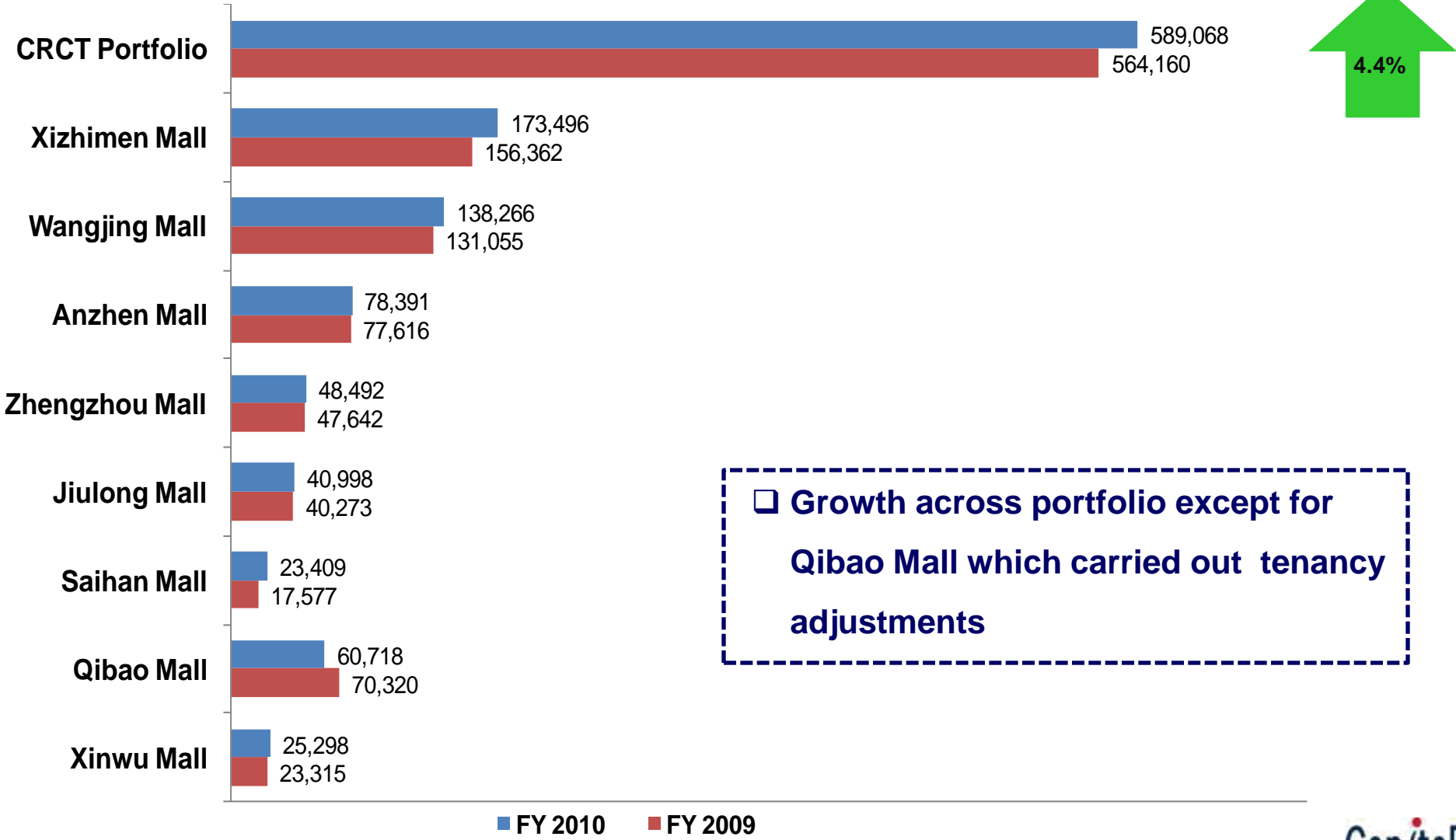


# Net Property Income (in RMB'000): 4Q 2010 vs 4Q 2009



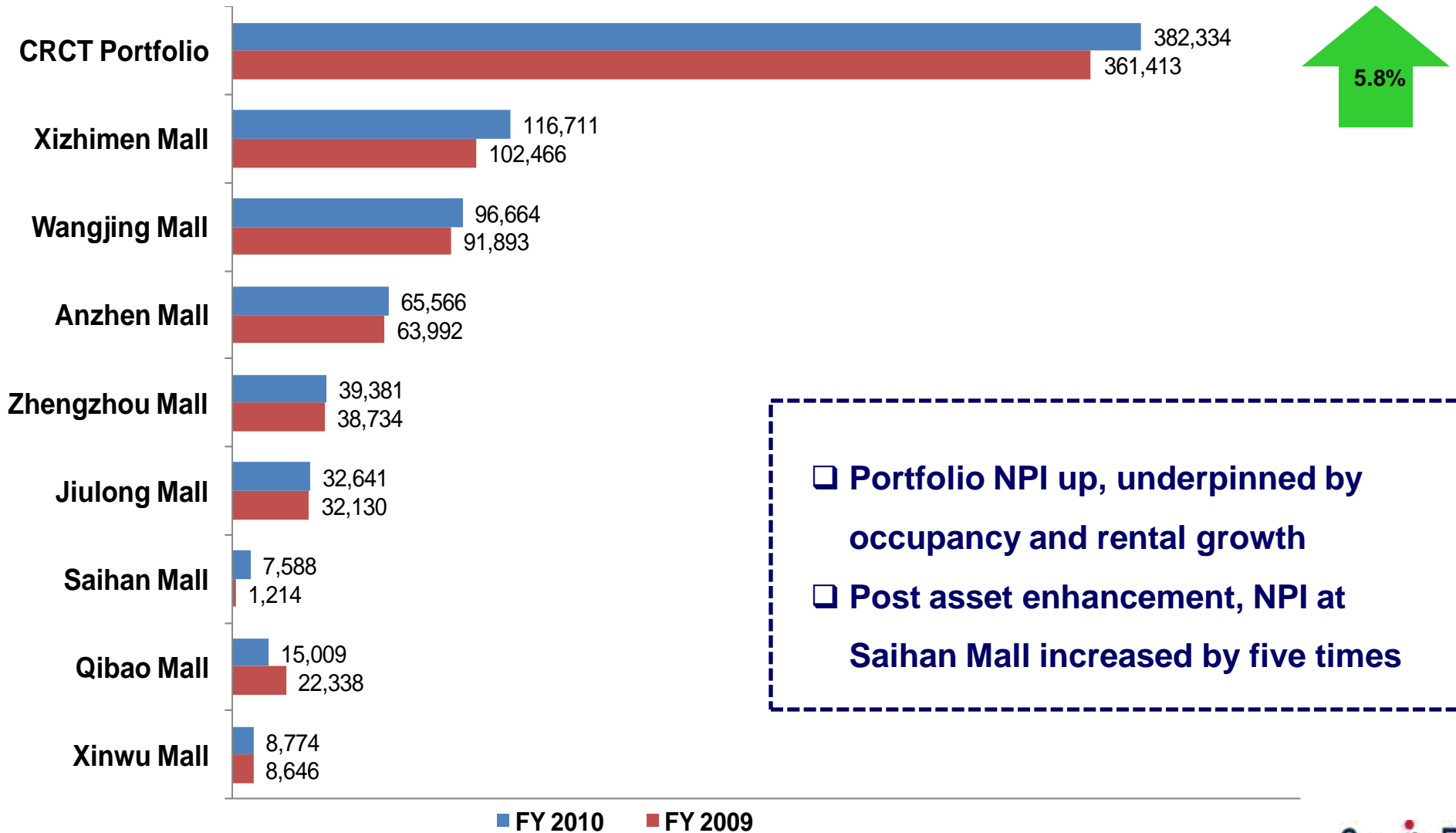


# Property Gross Revenue (in RMB'000): FY 2010 vs FY 2009





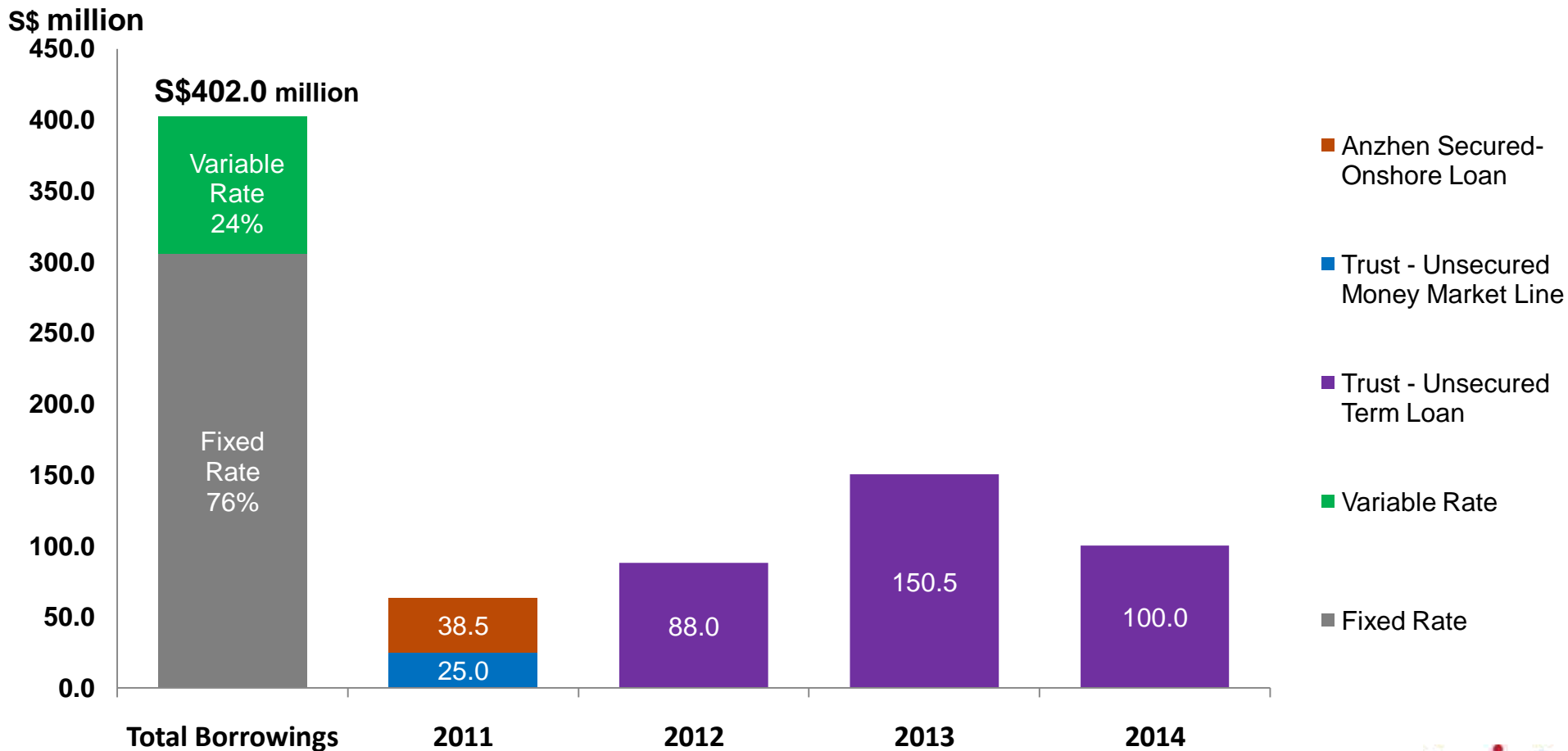
# Net Property Income (in RMB'000): FY 2010 vs FY 2009





# Debt Maturity Profile

No major refinancing needs in 2011





# Key Financial Indicators

	4Q 2010	3Q 2010
<b>Unencumbered assets as % of total assets</b>	86.7%	86.3%
<b>Gearing</b>	31.1%	33.7%
<b>Net debt / EBITDA</b>	5.6x	5.8x
<b>Interest Coverage</b>	6.2x	6.2x
<b>Average Term to Maturity</b>	2.20	2.37
<b>Average Cost of Debt</b>	2.81%	2.95%



# Valuation of Portfolio

**Valuation increase across all malls, underpinned by positive market outlook and mall operating performance**

	Current Valuation (31 Dec 10)	Previous Valuation ( 30 Jun 2010)	Variance (%)	Property Yield (%)	Current Valuation (per sq m of GRA)
	(RMB million)	(RMB million)			(RMB)
Xizhimen Mall	2,070	1,955	5.9	5.6	24,918
Wangjing Mall	1,362	1,259	8.2	7.1	20,026
Anzhen Mall	856	831	3.0	7.7	19,704
Zhengzhou Mall	539	512	5.3	7.3	5,836
Jiulong Mall	485	455	6.6	6.7	9,793
Saihan Mall	304	298	2.0	2.5	7,249
Qibao Mall	345	328	5.2	4.4	4,744
Xinwu Mall	169	154	9.7	5.2	3,703
<b>Total</b>	<b>6,130</b>	<b>5,792</b>	<b>5.8</b>	<b>6.2</b>	<b>N.M.</b>

N.M. – not meaningful



# Portfolio Update



**CapitaRetail**  
China Trust



# Resilient Portfolio with High Occupancy Rates

Ended year at record high occupancy

	As of 31 Dec 09 <sup>1</sup>	As of 31 Mar 10 <sup>1</sup>	As of 30 Jun 10 <sup>1</sup>	As of 30 Sep 10 <sup>1</sup>	As of 31 Dec 10 <sup>1</sup>
Xizhimen Mall	94.8%	95.6%	97.7%	97.3%	99.5%
Wangjing Mall	98.1%	98.9%	100%	99.6%	98.7%
Anzhen Mall	100%	100%	100%	100%	100%
Zhengzhou Mall	100%	100%	100%	100%	100%
Jiulong Mall	100%	100%	100%	100%	100%
Saihan Mall	92.6%	94.1%	95.5%	96.2%	97.7%
Qibao Mall	82.1%	81.0%	82.7%	89.9%	91.3%
Xinwu Mall	92.3%	90.1%	90.5%	95.0%	97.8%
CRCT Portfolio <sup>2</sup>	95.0%	95.2%	96.1%	97.3%	98.1%

1. Based on committed areas as of 31 Dec 2010.

2. Based on CRCT's 51.0% ownership interest of Xinwu Mall.



# Renewals & New Leases 4Q 2010

**Strong rental renewal momentum in 4Q 2010;  
fourth consecutive quarter of positive rental reversion**

<b>Property</b>	<b>No. of new leases/renewals</b>	<b>Var. over preceding rental<sup>1,2</sup> (%)</b>
<b>Wangjing Mall</b>	<b>26</b>	<b>+25.9</b>
<b>Qibao Mall</b>	<b>21</b>	<b>-4.1</b>
<b>Xinwu Mall</b>	<b>15</b>	<b>+28.6</b>
<b>Xizhimen Mall</b>	<b>24</b>	<b>+15.2</b>
<b>Saihan Mall</b>	<b>13</b>	<b>+1.2</b>
<b>CRCT Portfolio</b>	<b>99</b>	<b>+11.6</b>

1. Excluding gross turnover component.
2. Majority of leases have rental escalation clause.



# Renewals & New Leases FY 2010

Achieved positive rental reversions

Property	No. of New Leases/Renewals	Var. Over Preceding Rental <sup>1, 2</sup> (%)
Wangjing Mall	101	+12.2
Qibao Mall	78	+1.2
Xinwu Mall	94	+10.9
Xizhimen Mall	126	+2.1
Saihan Mall	51	+3.0
Jiulong Mall	1	+8.0
<b>CRCT Portfolio</b>	<b>451</b>	<b>+5.1</b>

1. Excluding gross turnover component.
2. Majority of leases have rental escalation clause.



# Portfolio Lease Expiry Profile (By Year)

As at 31 Dec 2010	No. of Leases <sup>1</sup>	Gross Rental Income <sup>2</sup>	
		RMB'000	% of total (Dec 10) <sup>3</sup>
<b>2011</b>	498	9,233	19.1%
<b>2012</b>	186	8,057	16.7%
<b>2013</b>	103	7,422	15.4%
<b>2014</b>	22	1,160	2.4%
<b>Beyond 2014</b>	58	22,395	46.4%
<b>CRCT Portfolio</b>		<b>Weighted average lease term to expiry</b>	
<b>By Gross Rent<sup>2</sup></b>		7.1 years	
<b>By Gross Rentable Area<sup>2</sup></b>		10.4 years	

1. Based on all committed leases as at 31 Dec 2010.
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 2010.



# Portfolio Lease Expiry Profile for 2011

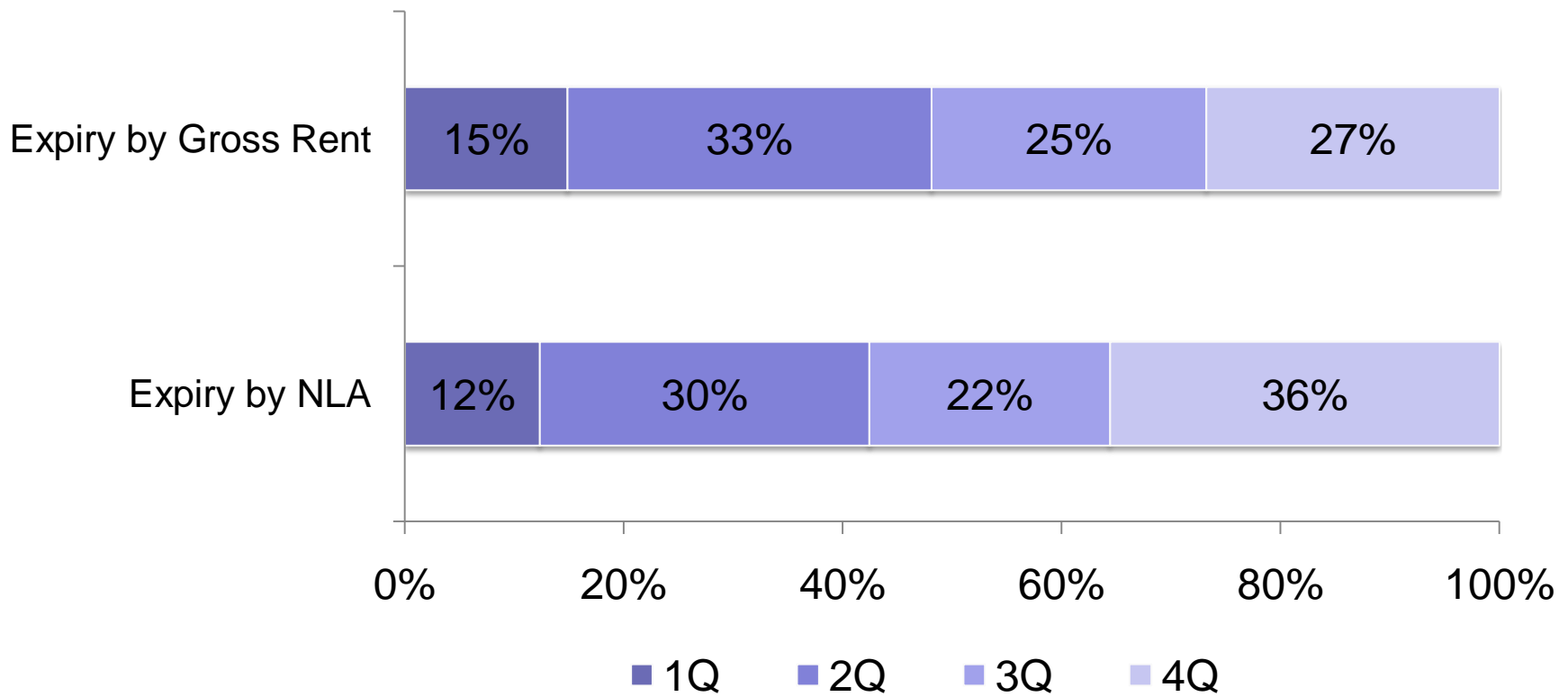
As at 31 Dec 2010

	No. of Leases <sup>1</sup>	Gross Rentable Area <sup>2</sup>		Gross Rental Income <sup>2</sup>	
		Sq m	% of total	RMB'000	% of total (Dec 10) <sup>3</sup>
<b>Xizhimen Mall</b>	108	12,103	15.1%	3,570	24.9%
<b>Wangjing Mall</b>	109	7,121	10.5%	2,959	26.8%
<b>Jiulong Mall</b>	1	660	1.3%	189	5.5%
<b>Saihan Mall</b>	98	10,863	25.9%	894	39.9%
<b>Qibao Mall</b>	64	7,839	10.8%	1,259	23.1%
<b>Xinwu Mall</b>	118	4,193	9.2%	709	31.2%

1. Based on all committed leases as at 31 Dec 2010.
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 2010.

# Portfolio Lease Expiry Profile 2011 (By Quarter)

Evenly spread out between 1H and 2H 2011

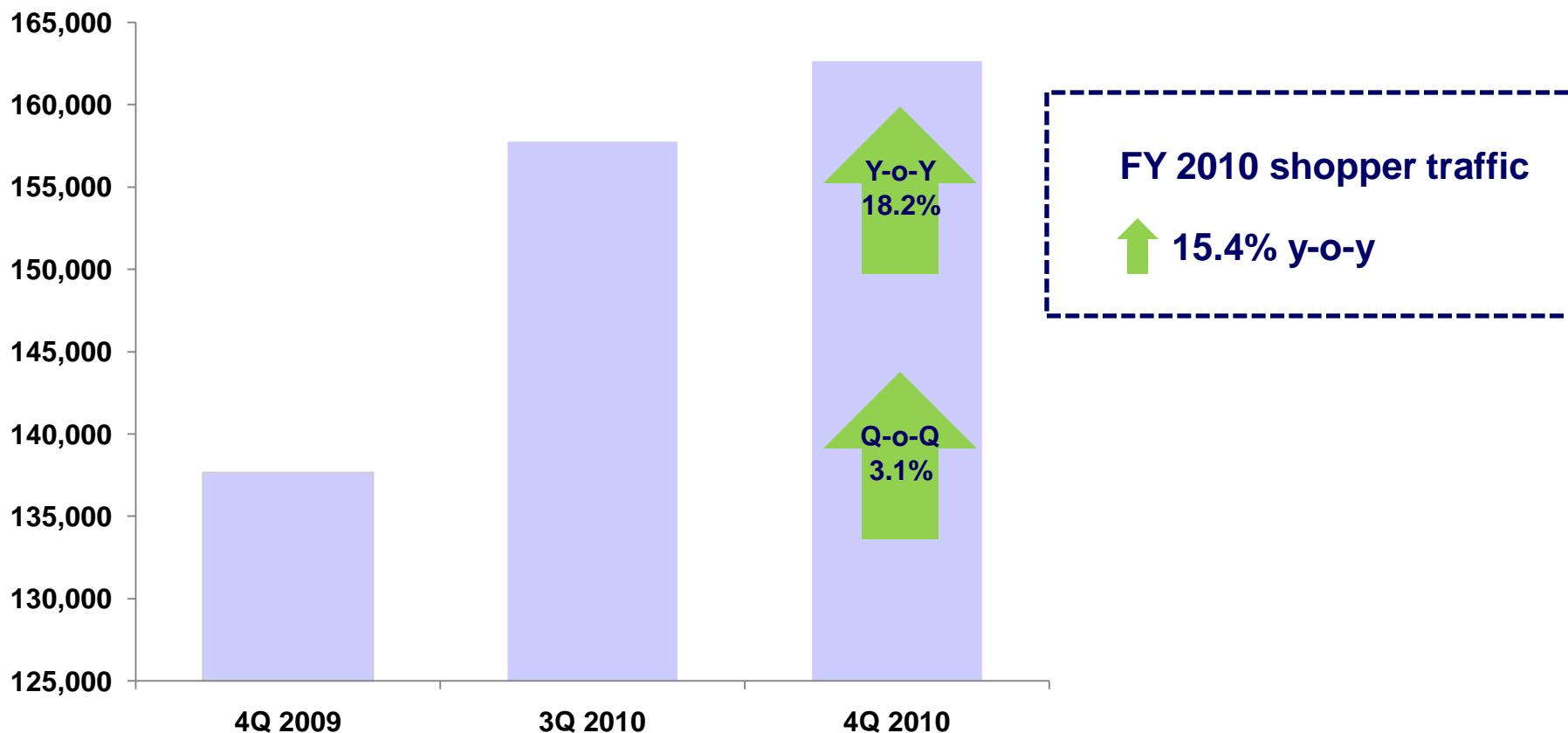




# Portfolio Shopper Traffic

Strong shopper traffic growth momentum

Ave. Daily No. of Shoppers



Includes only shopper traffic data at Xizhimen Mall, Wangjing Mall, Saihan Mall, Qibao Mall and Xinwu Mall.

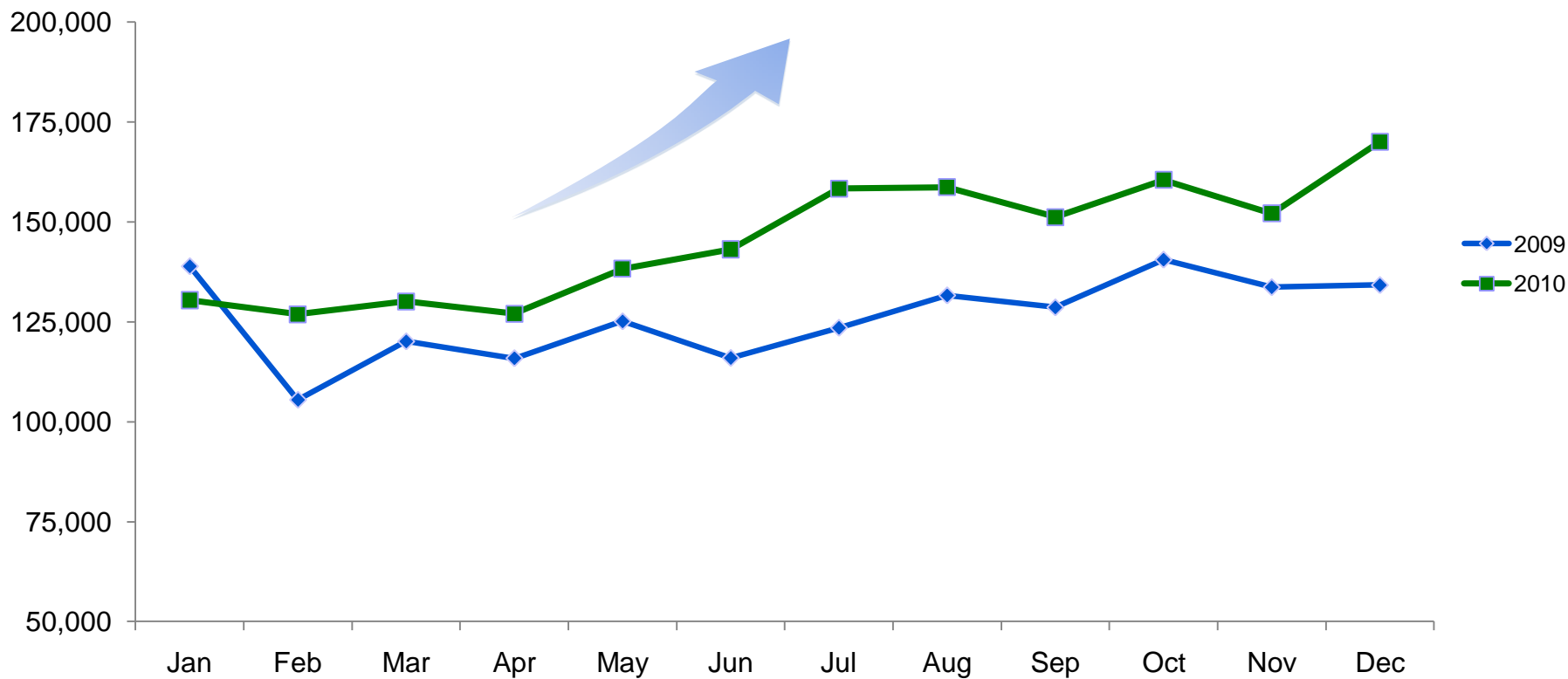




# Portfolio Shopper Traffic

FY 2010 Shopper traffic on uptrend

Ave. Daily No. of Shoppers



Includes only shopper traffic data at Xizhimen Mall, Wangjing Mall, Saihan Mall, Qibao Mall and Xinwu Mall.

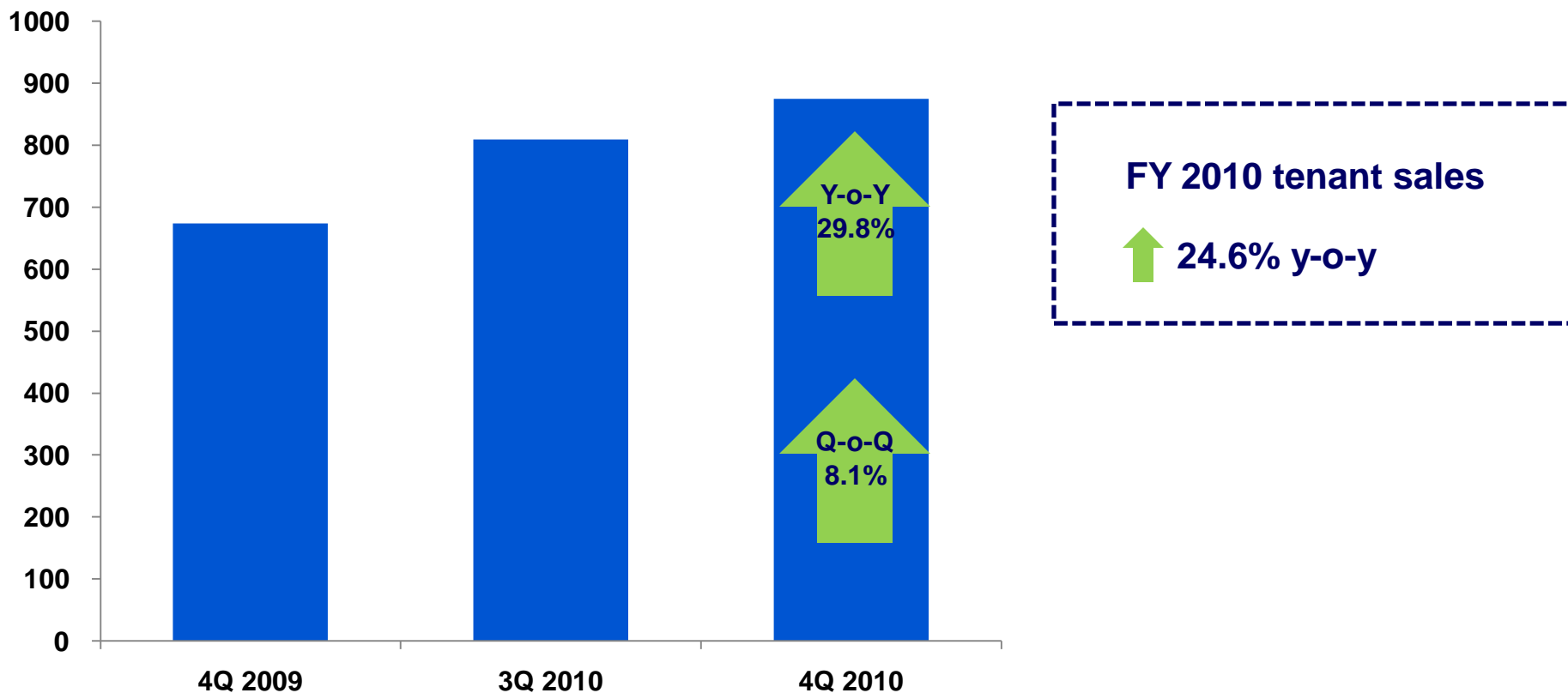
Financial Results for 4Q 2010 \*26 January 2011\*



# Portfolio Tenant Sales Growth

**Robust tenant sales growth**

Ave. Monthly Sales (RMB psm)



Includes only tenants at Xizhimen Mall, Wangjing Mall, Saihan Mall, Qibao Mall and Xinwu Mall.

Financial Results for 4Q 2010 \*26 January 2011\*



# Top 10 Retailer Groups (as at 31 Dec 2010)

Retailers	Brand Names	Trade Category	% of Gross Rental Income (Dec 10)
北京华联集团投资控股有限公司	Beijing Hualian Supermarket BHG Department Store Costa Coffee	Supermarket Department Store Food & Beverages	29.2%
上海联家超市有限公司 <sup>1</sup> 北京家乐福商业有限公司 <sup>1</sup>	Carrefour	Supermarket	5.0%
绫致时装（天津）有限公司	Only / Jack & Jones / Selected / Vero Moda	Fashion & Accessories	3.1%
北京百安居装饰建材有限公司	B&Q	Houseware & Furnishings	2.3%
上海运动宝体育用品商业有限公司	Sports 100	Sporting Goods & Apparel	1.3%
北京肯德基有限公司 <sup>1</sup> 上海肯德基有限公司 <sup>1</sup> 南京肯德基有限公司 <sup>1</sup> 天津肯德基有限公司 <sup>1</sup> 北京必胜客比萨饼有限公司 <sup>1</sup>	KFC Pizza Hut	Food & Beverages	1.2%
北京为之味餐饮有限公司	金汤玉线 / “川成元” 麻辣香锅 / 姑姑宴 / 夹拣成厨麻辣烫 / 麻辣烫/港仔码头	Food & Beverages	1.2%
上海国美电器有限公司	Gome	Electrical & Electronics	1.2%
北京华尔街英语培训中心有限公司	华尔街	Education	1.1%
北京兴宇班尼路服装服饰有限公司	Ebase / 阿童木 / Calvin Klein Jeans / In-Base	Fashion & Accessories	1.0%

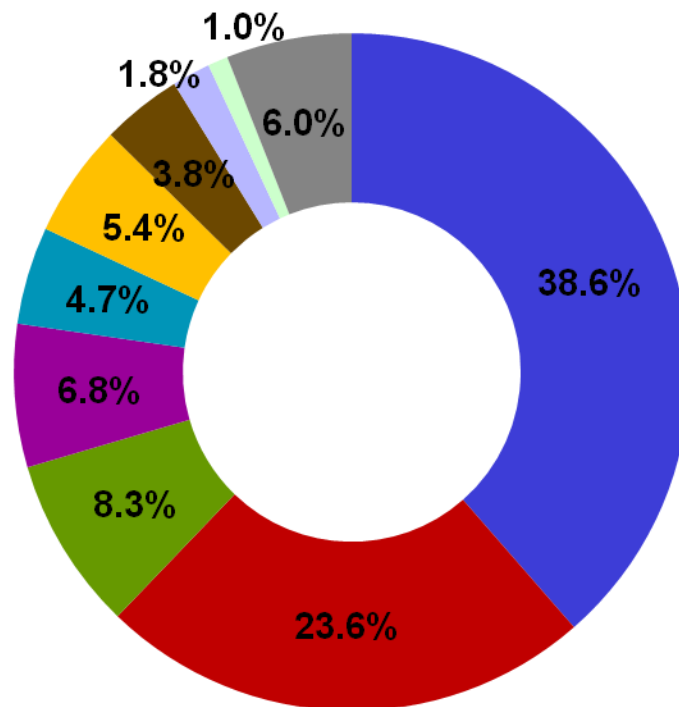
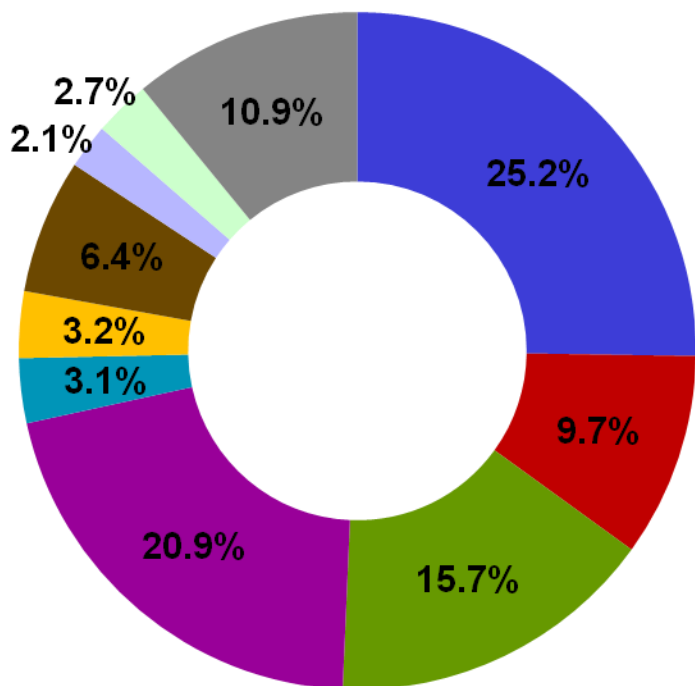


# Trade Sector Analysis

Diversified trade mix offers income stability and growth

By Gross Rent<sup>1</sup>

By Net Lettable Area<sup>2</sup>



- Department Store
- Supermarket
- Food & Beverage
- Fashion & Accessories
- Houseware & Furnishings
- Leisure & Entertainment
- Beauty & Health Related
- Sporting Goods & Apparel
- Shoes & Bags
- Others

1. For the month of Dec 2010.  
 2. Percentage of committed NLA as at 31 Dec 2010.

# Proactive Asset Management





# Successful Transformation of Saihan Mall

## Significant improvement in performance

- FY 2010 RMB gross revenue: **↑ 33.2% y-o-y**
- FY 2010 RMB NPI : **↑ 525.0% y-o-y**
- FY 2010 tenants' sales : **↑ 1.8 times y-o-y**
- End-2010 occupancy rate : **97.7%**  
**(92.6% in end-2009)**



Jinyi Cinema opened in 4Q 2010, only modern cinema in locality



# Strengthened Tenant Mix at Qibao Mall

Improving operating performance in 4Q 2010

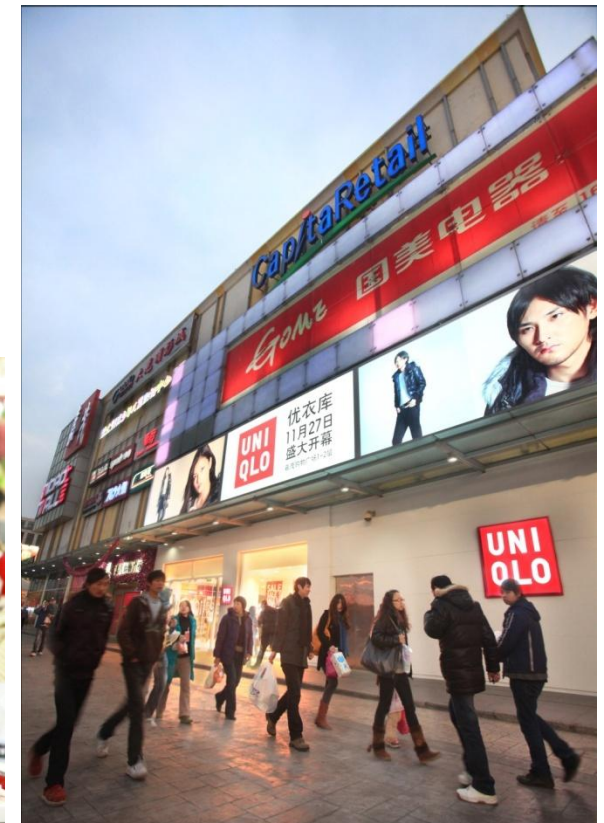
- 4Q 2010 RMB gross revenue: **↑ 12.3% q-o-q**
- 4Q 2010 RMB NPI : **↑ 247.0% q-o-q**



First modern cinema in Qibao vicinity



789 Hotpot



New fashion anchor Uniqlo

# Market Outlook

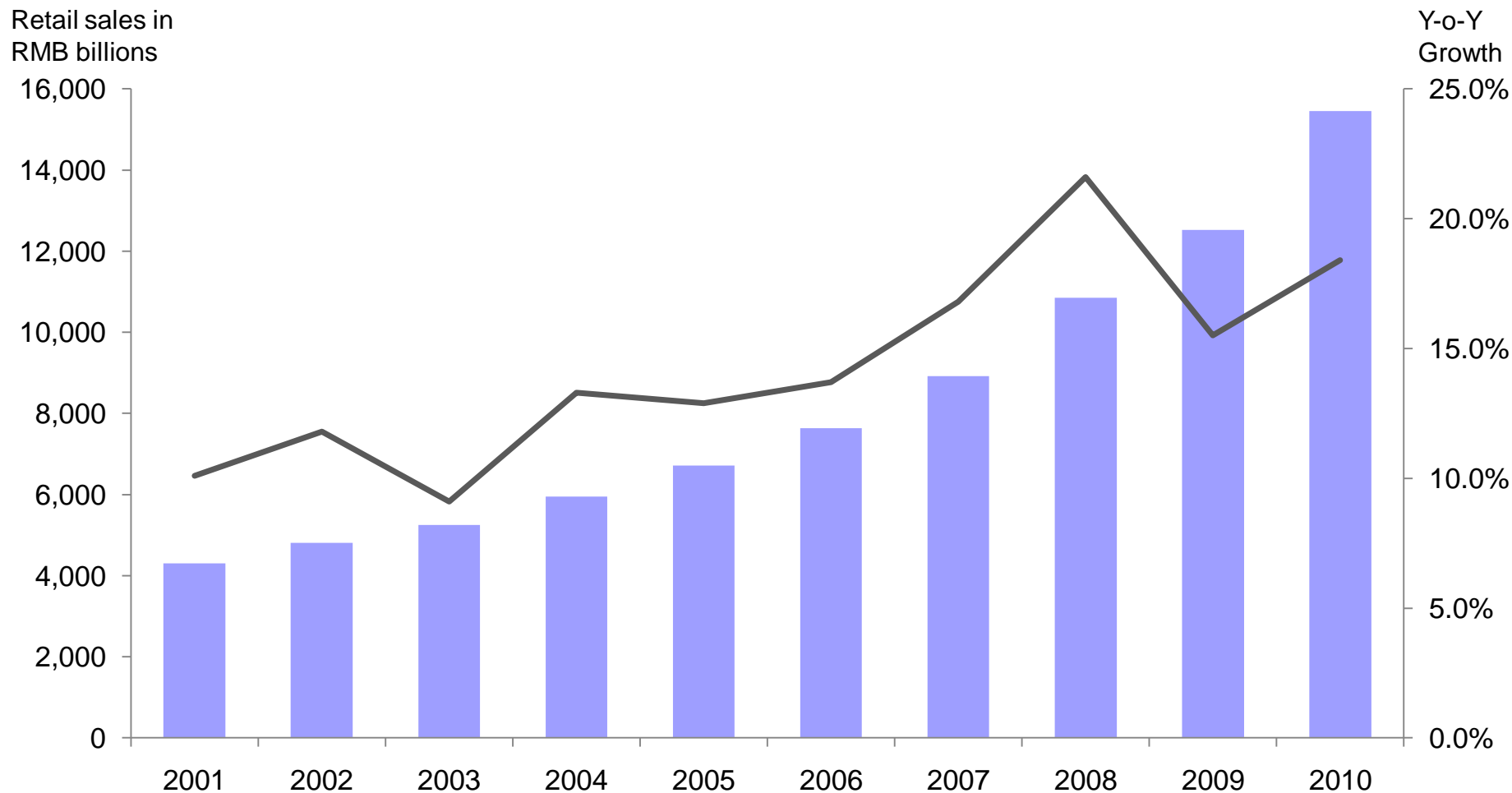






# Strong Growth in China Retail Sales

**Retail sales grew 18.4% in 2010 to reach RMB15.5 trillion**



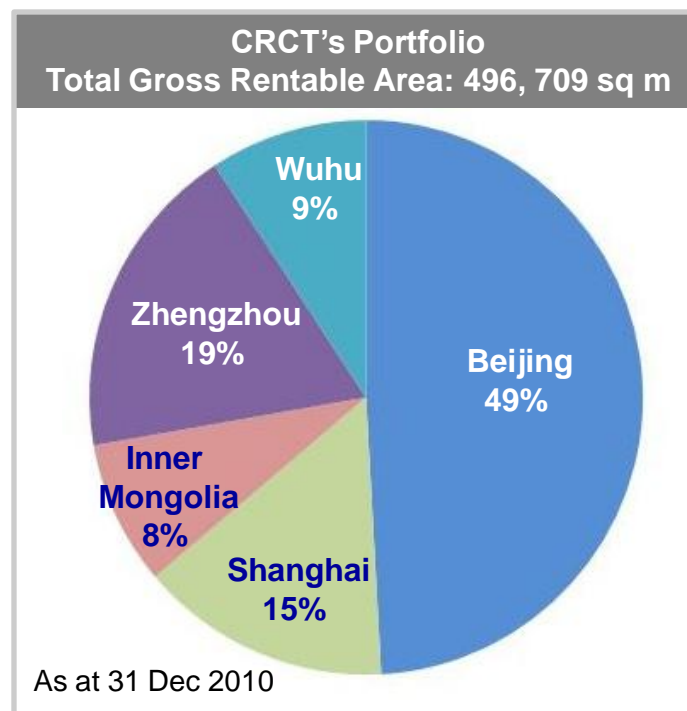
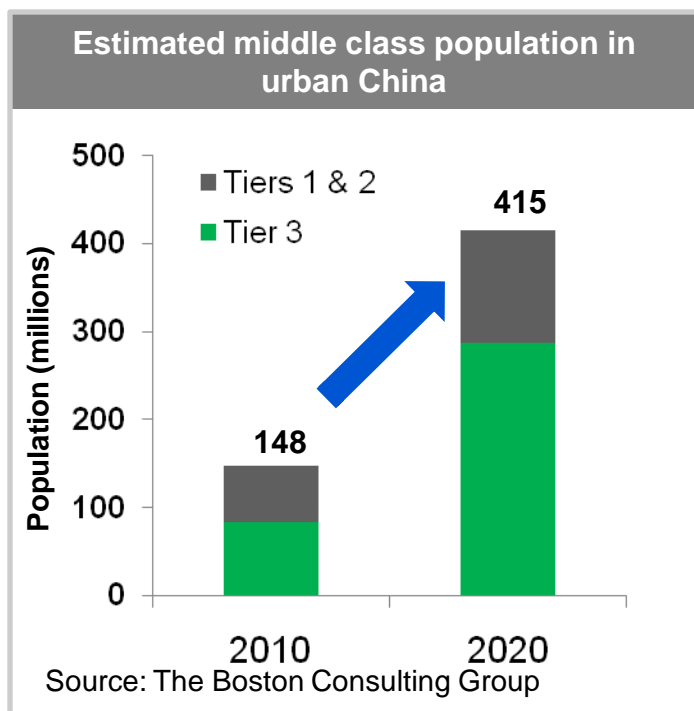
Source: National Bureau of Statistics of China

Financial Results for 4Q 2010 \*26 January 2011\*



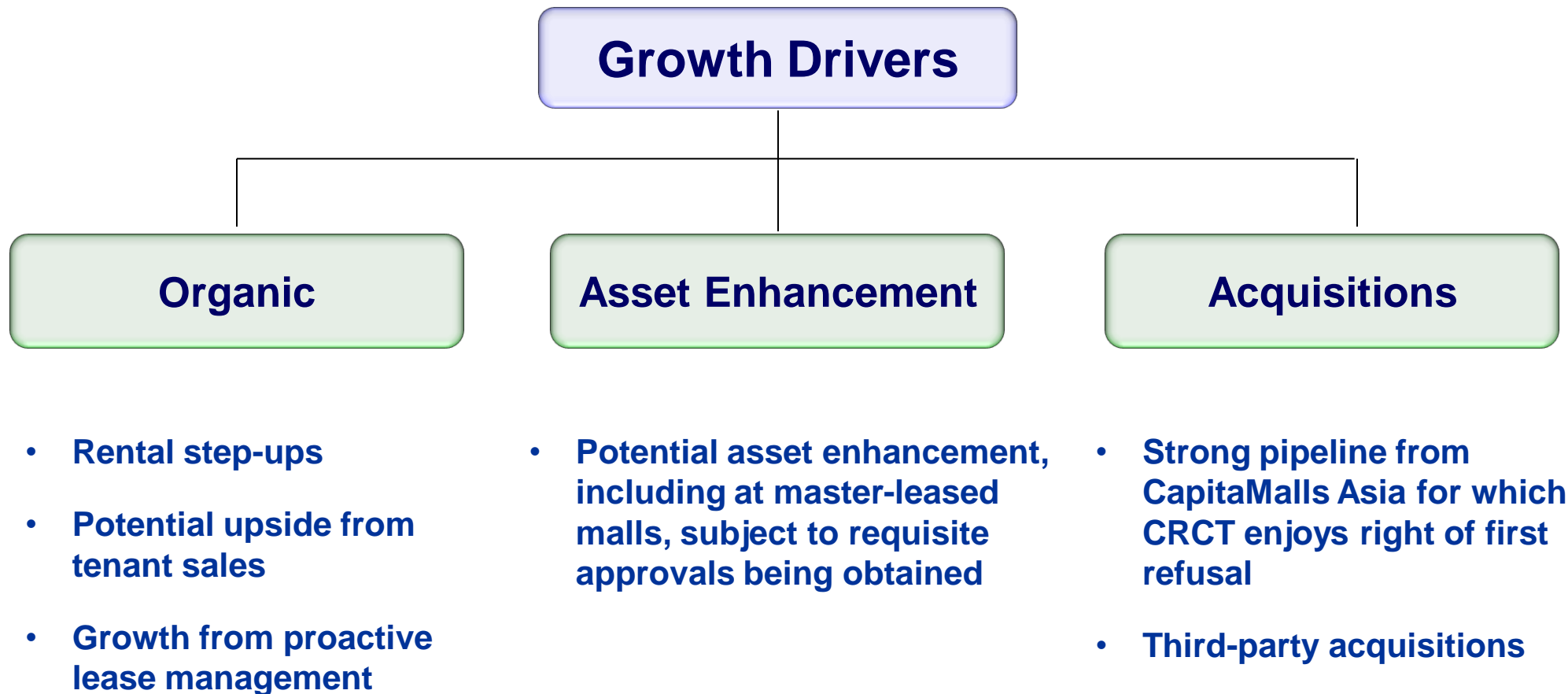
# Tapping into the Rise of China's Middle Class

- Tremendous growth opportunities from rise of China's middle class
- 150 million middle class consumers; to reach > 400 million by 2020
- CRCT's diversified portfolio is well-placed to tap into growth across different tiers of cities





# Growth Drivers in 2011





# Cap/taRetail

China Trust

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