

# **CAPITARETAIL CHINA TRUST (CRCT)**

*First and Only China Shopping Mall S-REIT*



*Financial Results for 2Q 2011*

15 July 2011



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# Financial Highlights



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# 2Q 2011 NPI increased 11.3% y-o-y to RMB108.1m

	2Q 2011 Actual <sup>1</sup>	2Q 2010 Actual	Change
<b>Gross Revenue (RMB'000)</b>	160,951	145,109	10.9%
<b>NPI (RMB'000)</b>	108,149	97,204	11.3%
<b>DPU (Singapore cents)</b>	2.15 <sup>2</sup>	2.07	3.9%
<b>Annualised Distribution Yield</b> (Based on unit price of S\$1.22 on 30 June 2011)	7.1%	N.M.	N.M.
<b>Annualised Distribution Yield</b> (Based on unit price of S\$1.23 on 14 July 2011)	7.0%	N.M.	N.M.

1. Excludes contribution from New Minzhong Leyuan Mall which was acquired on 30 June 2011.
2. Includes 2.13 cents for the period from 1 April 2011 to 29 June 2011, calculated based on 626,669,650 units and 0.02 cents for 30 June 2011 (1 day) calculated based on 686,498,650 units.



# 1H 2011 NPI increased 12.4% y-o-y to RMB214.8m

	1H 2011 Actual <sup>1</sup>	1H 2010 Actual	Change
<b>Gross Revenue (RMB'000)</b>	320,054	288,374	11.0 %
<b>NPI (RMB'000)</b>	214,785	191,108	12.4%
<b>DPU (Singapore cents)</b>	4.30 <sup>2</sup>	4.21	2.1%
<b>Annualised Distribution Yield</b> (Based on unit price of S\$1.22 on 30 June 2011)	7.1%	N.M.	N.M.
<b>Annualised Distribution Yield</b> (Based on unit price of S\$1.23 on 14 July 2011)	7.0%	N.M.	N.M.

1. Excludes contribution from New Minzhong Leyuan Mall which was acquired on 30 June 2011.
2. Includes 4.28 cents for the period from 1 January 2011 to 29 June 2011, calculated based on 626,669,650 units and 0.02 cents for 30 June 2011 (1 day) calculated based on 686,498,650 units.



# Strong Balance Sheet

As at 30 June 2011	S\$'000		
Investment Properties	1,302,030	Net assets attributable to unitholders (S\$'000)	808,505
Other Assets	12,202		
Financial Derivatives Assets	20,931	Units In Issue ('000 units)	686,499
Cash & Cash Equivalents	46,919		
<b>Total Assets</b>	<b>1,382,082</b>	Net Asset Value (NAV) per unit	1.18
Interest-bearing Borrowings	417,789		
Deferred Tax Liabilities	68,666	Adjusted NAV per unit (net of distribution)	1.14
Financial Derivatives Liabilities	2,919		
Other Liabilities	66,478		
<b>Total Liabilities</b>	<b>555,852</b>		
<b>Non-controlling Interest</b>	<b>17,725</b>		



# Advance Distribution Details

Distribution Period

For 1 January 2011 to 29 June 2011<sup>1</sup>

Distribution Per Unit

4.28 cents<sup>1</sup>

## Distribution Timetable

Last Day of Trading on “cum” Basis

24 June 2011, 5.00 pm

Ex-Date

27 June 2011, 9.00 am

Books Closure Date

29 June 2011, 5.00 pm

Distribution Payment Date

23 September 2011

1. Advance distribution to unitholders as at the books closure date of 29 June 2011, in relation to the private placement in June 2011 to finance the acquisition of New Minzhong Leyuan Mall.

# Financial Results



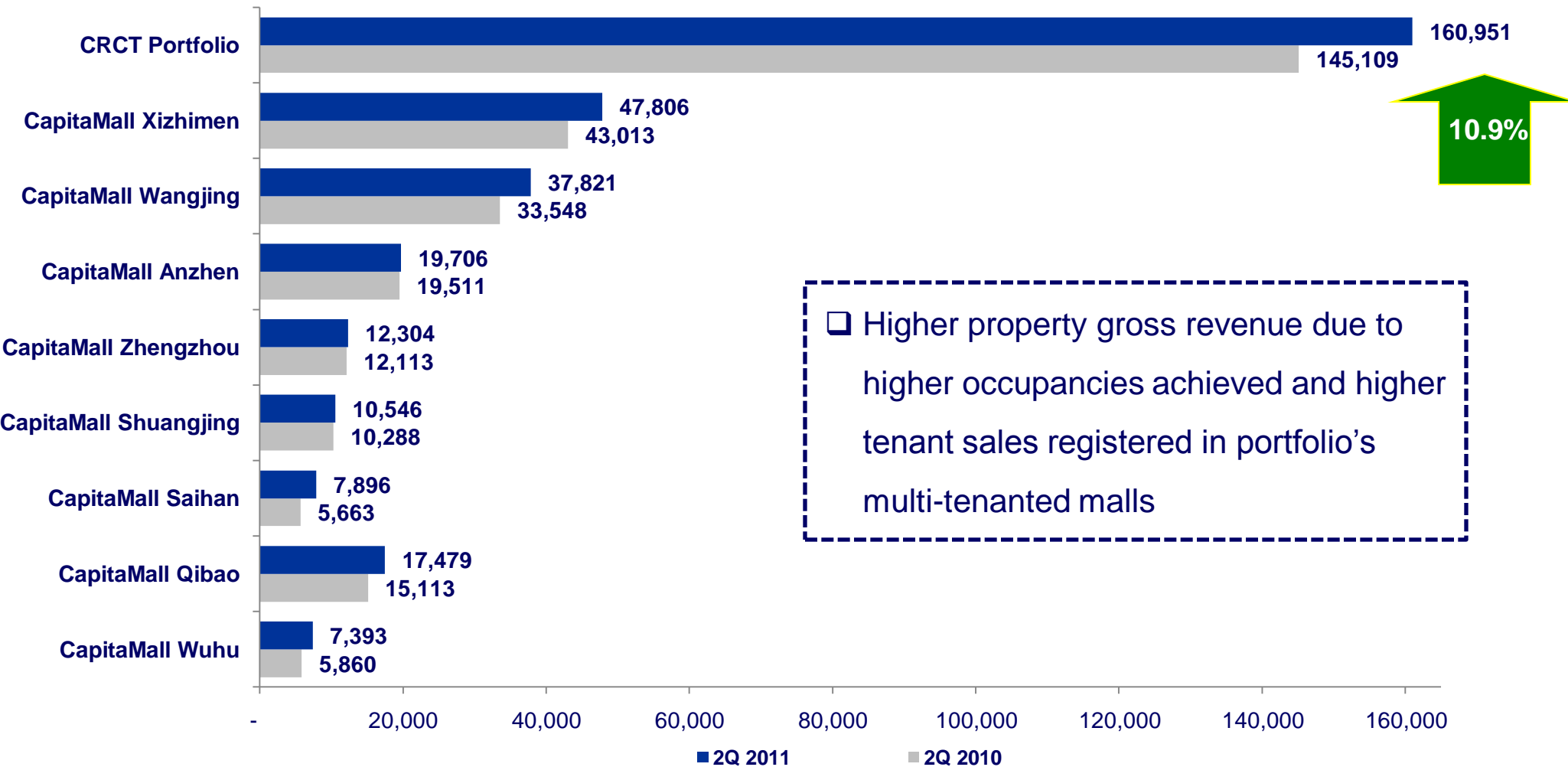
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Financial Results for 2Q 2011 \*15 July 2011\*



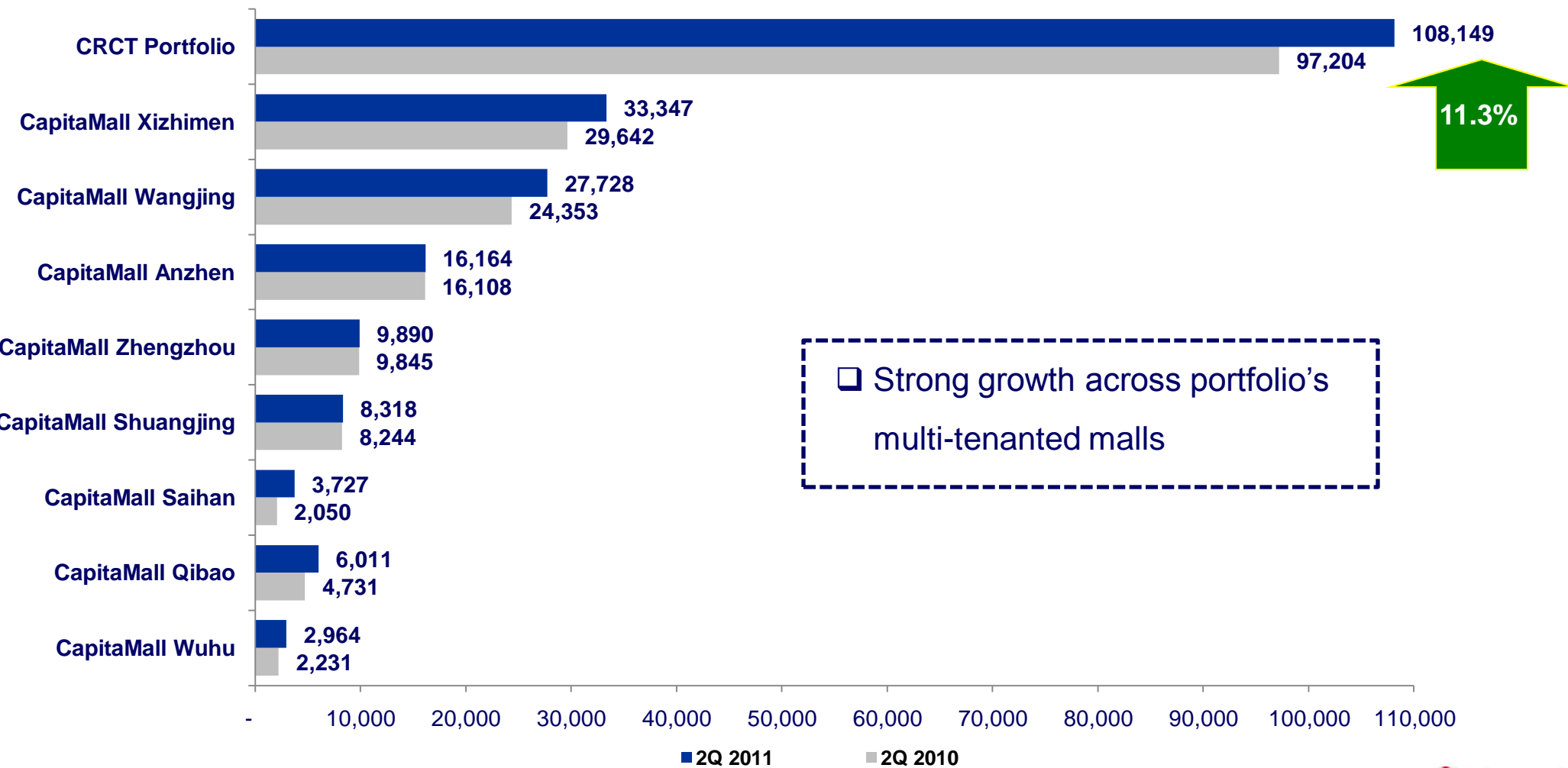


# Property Gross Revenue (in RMB'000): 2Q 2011 vs 2Q 2010



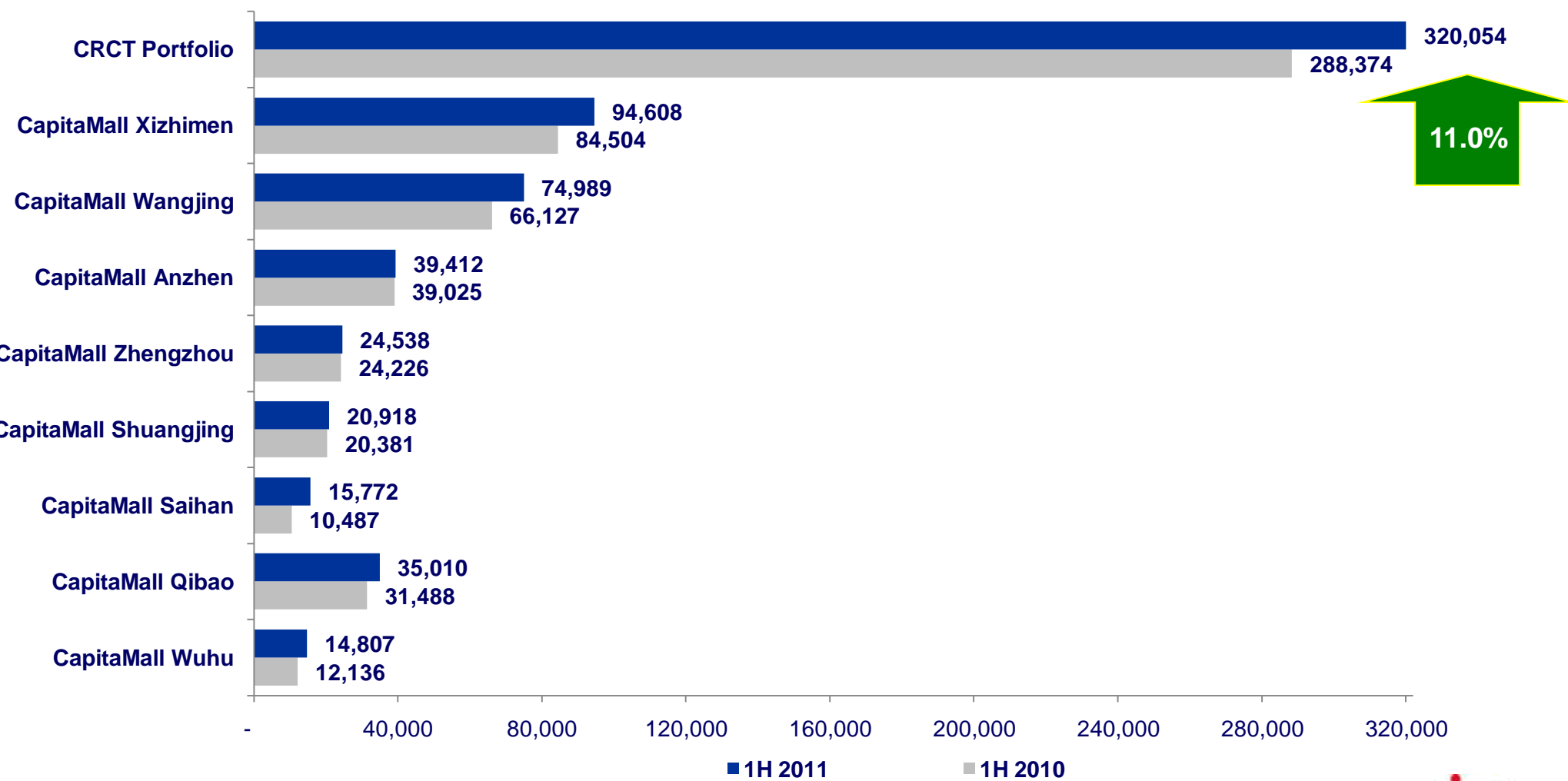


# Net Property Income (in RMB'000): 2Q 2011 vs 2Q 2010



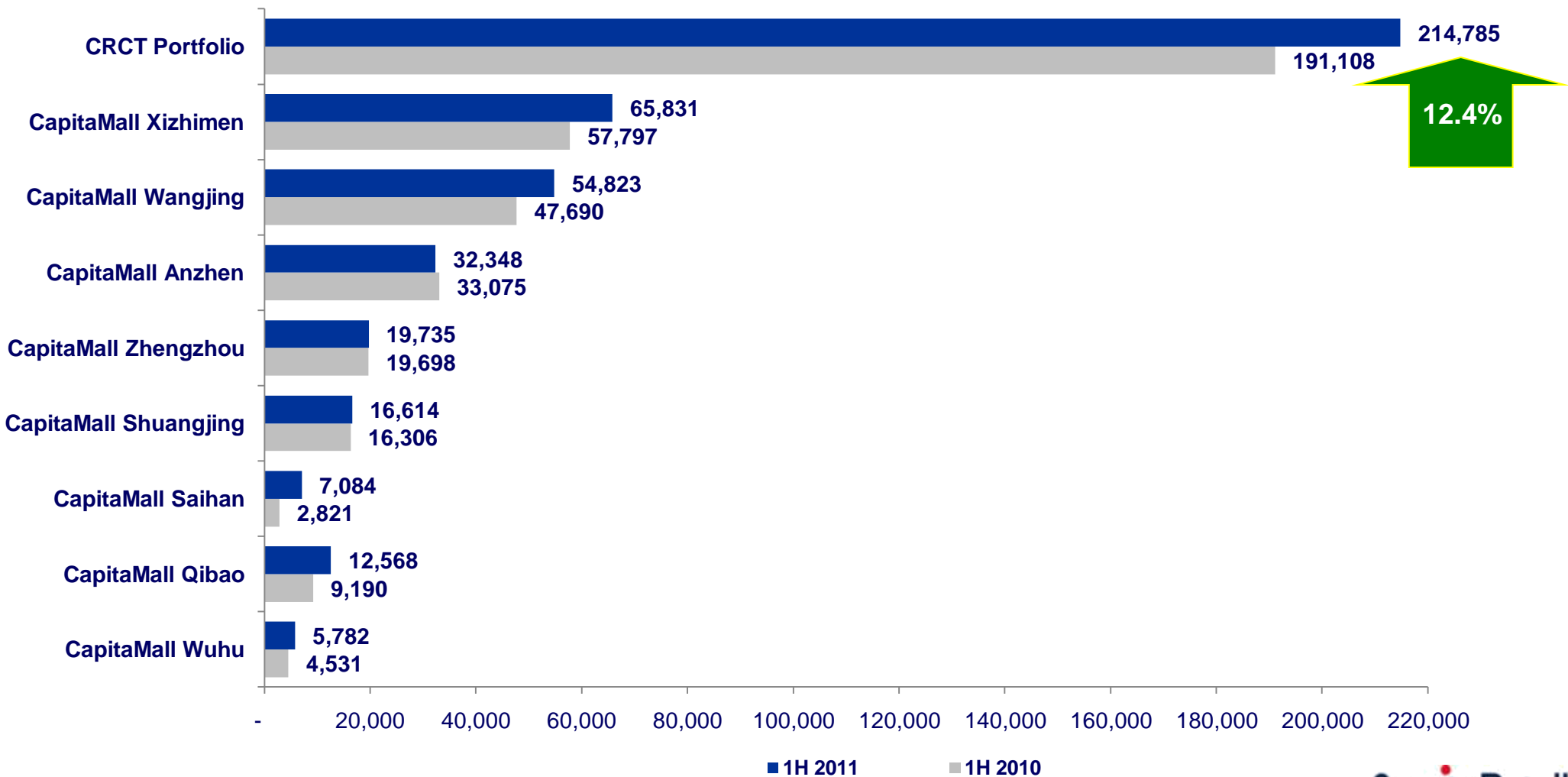


# Property Gross Revenue (in RMB'000): 1H 2011 vs 1H 2010





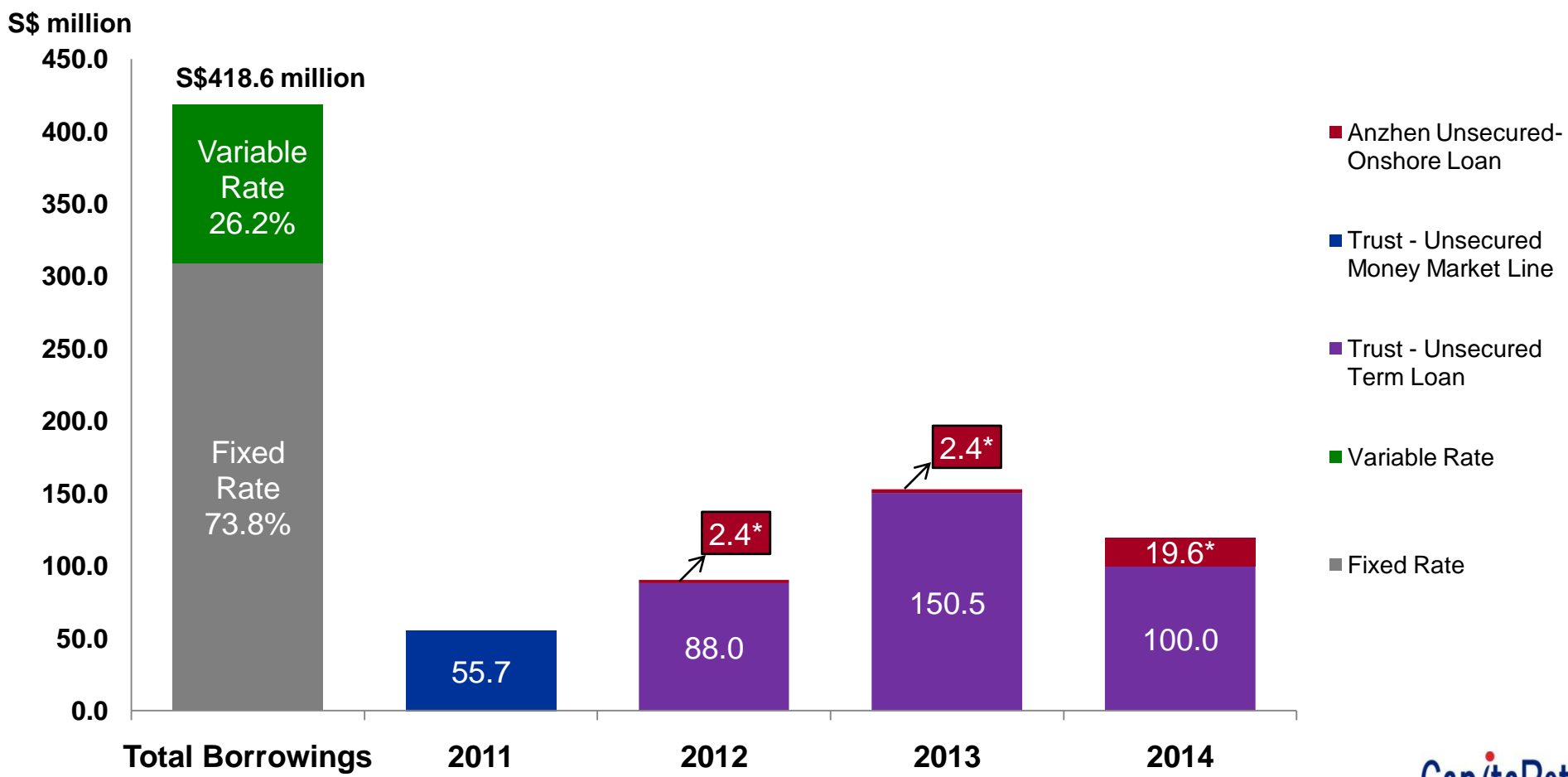
# Net Property Income (in RMB'000): 1H 2011 vs 1H 2010





# Debt Maturity Profile (30 June 2011)

**Successfully refinanced RMB128.0 million secured onshore term loan into three-year unsecured onshore term loan**



\* Amortisation of Anzhen unsecured onshore loan.



# Key Financial Indicators

	2Q 2011	1Q 2011
Unencumbered Assets as % of Total Assets	100.0%	86.7%
Gearing <sup>1</sup>	29.7%	32.6%
Net Debt / EBITDA (x)	5.6x	5.3x
Interest Coverage	7x	7x
Average Term to Maturity (Years)	1.85	1.92
Average Cost of Debt	2.69%	2.80%

<sup>1</sup> The decrease in gearing for 2Q 2011 was primarily due to the acquisition of New Minzhong Leyuan Mall that was mainly equity financed.

# Portfolio Update



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# Total Portfolio Valuation Increased to RMB6.8 billion

	Current Valuation (30 Jun 2011) (RMB million)	Previous Valuation (31 Dec 2010) (RMB million)	Variance (%)	NPI Yield <sup>1</sup> (%)	Current Valuation (per sq m of GRA) (RMB)
CapitaMall Xizhimen	2,160	2,070	4.4	6.1	26,001
CapitaMall Wangjing	1,430	1,362	5.0	7.7	21,026
CapitaMall Anzhen	919	856	7.4	7.1	21,154
CapitaMall Zhengzhou	555	539	3.0	7.2	6,009
CapitaMall Shuangjing	514	485	6.0	6.5	10,392
CapitaMall Saihan	305	304	0.3	4.7	7,273
CapitaMall Qibao	353	345	2.3	7.2	4,854
CapitaMall Wuhu	187	169	10.7	6.2	4,098
<b>Total (excl New Minzhong Leyuan Mall)</b>	<b>6,423</b>	<b>6,130</b>	<b>4.8</b>	<b>6.7</b>	<b>N.M.</b>
<b>New Minzhong Leyuan Mall</b>	<b>417</b>	<b>-</b>	<b>-</b>	<b>N.M.</b>	<b>10,794</b>
<b>TOTAL</b>	<b>6,840</b>	<b>N.M.</b>	<b>N.M.</b>	<b>N.M.</b>	<b>N.M.</b>

1. Based on annualised NPI of 1H 2011 and valuation as at 30 June 2011.

N.M. – not meaningful





# Resilient Portfolio Occupancy

	30 Jun 10 <sup>1</sup>	30 Sep 10 <sup>1</sup>	31 Dec 10 <sup>1</sup>	31 Mar 11 <sup>1</sup>	30 Jun 11 <sup>1</sup>
CapitaMall Xizhimen	97.7%	97.3%	99.5%	99.1%	98.5%
CapitaMall Wangjing	100%	99.6%	98.7%	100%	100%
CapitaMall Anzhen	100%	100%	100%	100%	100%
CapitaMall Zhengzhou	100%	100%	100%	100%	100%
CapitaMall Shuangjing	100%	100%	100%	100%	100%
CapitaMall Saihan	95.5%	96.2%	97.7%	98.6%	99.4%
CapitaMall Qibao	82.7%	89.9%	91.3%	92.1%	91.8%
CapitaMall Wuhu	90.5%	95.0%	97.8%	98.0%	95.8%
CRCT Portfolio	96.1%	97.3%	98.1%	98.4%	98.1%

1. Based on committed areas.



# Strong Rental Reversion of 17.0% in 2Q 2011

From 1 April to 30 June 2011 (excluding newly created units)		
Property	No. of new leases/renewals	Var. over preceding rental <sup>1, 2</sup> (%)
CapitaMall Xizhimen	29	+18.9
CapitaMall Wangjing	21	+13.0
CapitaMall Saihan	2	+43.3
CapitaMall Qibao	14	+16.4
CapitaMall Wuhu	38	+23.6
<b>CRCT Portfolio</b>	<b>104</b>	<b>+17.0</b>

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



# Portfolio Lease Expiry (By Year)

As at 30 June 2011	No. of Leases <sup>1</sup>	Gross Rental Income	
		RMB'000	% of total (June 11) <sup>2</sup>
<b>2011</b>	320	5,819	11.5%
<b>2012</b>	297	9,758	19.2%
<b>2013</b>	141	8,619	17.0%
<b>2014</b>	49	3,058	6.0%
<b>2015</b>	16	1,370	2.7%
<b>Beyond 2015</b>	48	22,130	43.6%
<b>CRCT Portfolio</b>		<b>Weighted average lease term to expiry</b>	
<b>By Gross Rent</b>		6.6 years	
<b>By Gross Rentable Area</b>		9.7 years	

1. Based on all committed leases as at 30 June 2011.

2. As percentage of total gross rental income for the month of June 2011.



# Portfolio Lease Expiry Profile for 2011

As at 30 June 2011

	No. of Leases <sup>1</sup>	Gross Rentable Area		Gross Rental Income	
		Sq m	% of total	RMB'000	% of total (Jun 11) <sup>2</sup>
<b>CapitaMall Xizhimen</b>	53	6,767	8.5%	2,189	14.9%
<b>CapitaMall Wangjing</b>	71	4,753	7.0%	1,888	16.3%
<b>CapitaMall Saihan</b>	95	9,805	23.4%	919	37.4%
<b>CapitaMall Qibao</b>	29	3,240	4.5%	449	8.0%
<b>CapitaMall Wuhu</b>	72	1,990	4.4%	374	16.3%

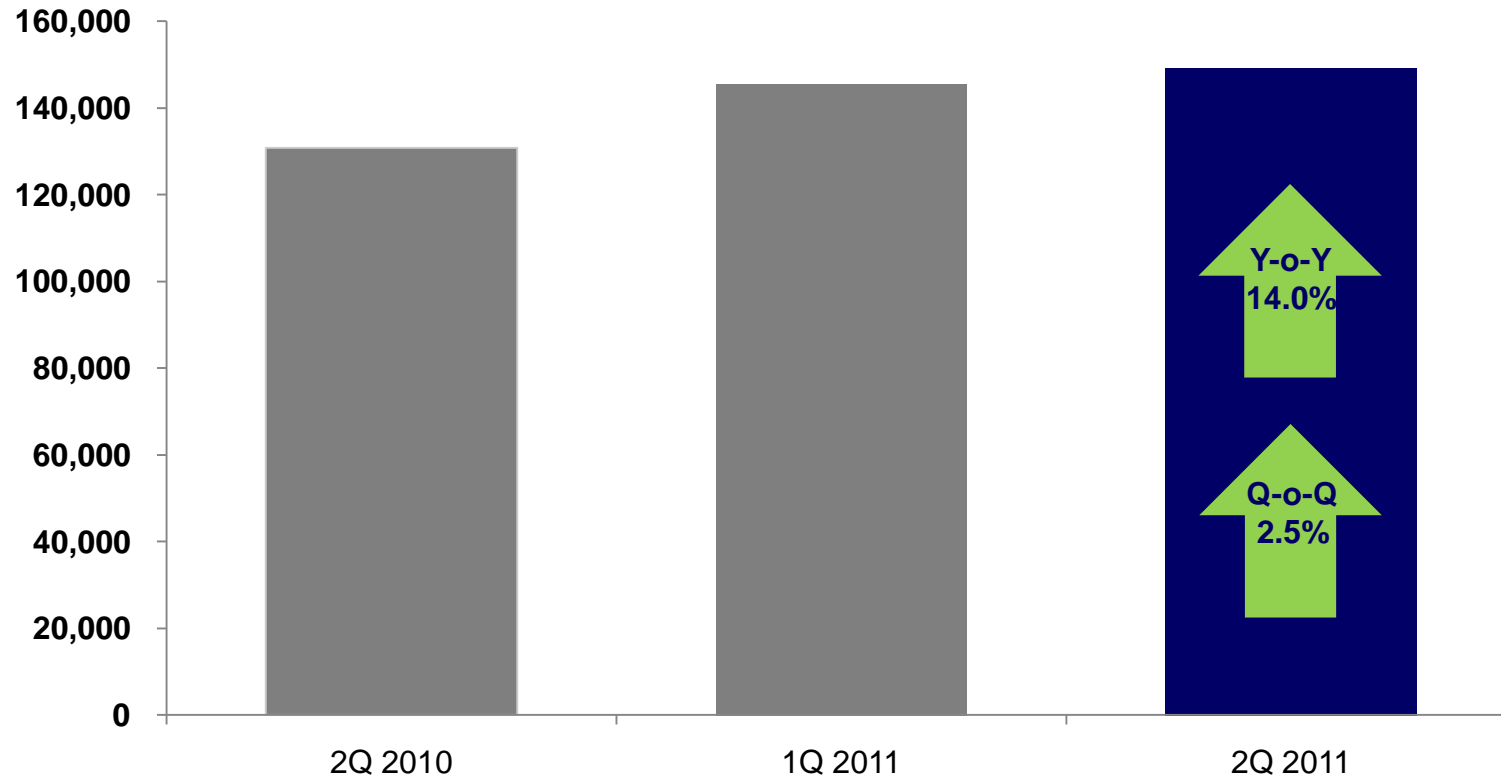
1. Based on all committed leases as at 30 June 2011.
2. As percentage of total gross rental income for the month of June 2011.



# Portfolio Shopper Traffic

Shopper traffic up 14.0% y-o-y, up 2.5% q-o-q

Ave. Daily No. of Shoppers



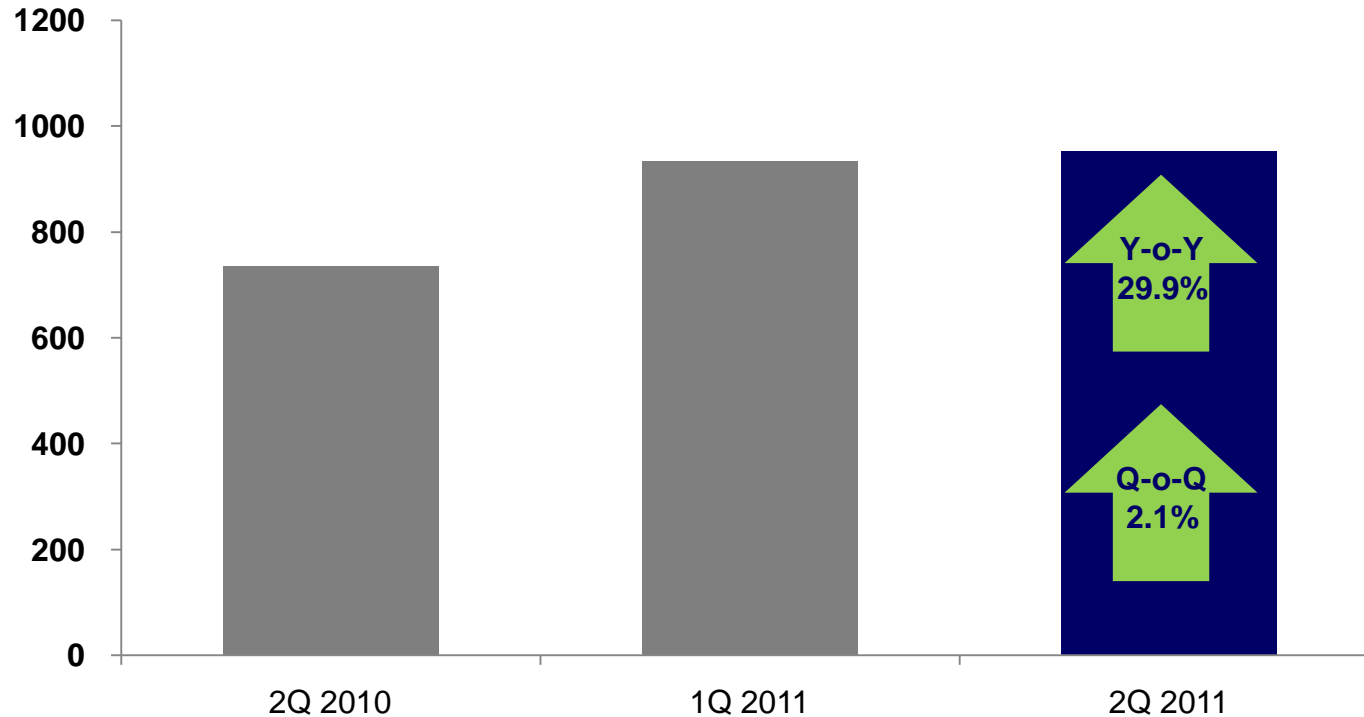
Includes only shoppers at CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Saihan, CapitaMall Qibao and CapitaMall Wuhu.



# Portfolio Tenant Sales

**Tenant Sales up 29.9% y-o-y and 2.1% q-o-q**

Ave. Monthly Sales (RMB psm)



Includes only tenants at CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Saihan, CapitaMall Qibao and CapitaMall Wuhu.



# Acquisition of New Minzhong Leyuan Mall

- CRCT completed acquisition on 30 June 2011
- Funded through private placement of 59.8 million units and draw down on CRCT's existing debt facilities
- Start recognising mall's contribution from 3Q 2011





# Rebranding of CRCT Malls

Build a unified mall brand





# Proactive Asset Management



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# CapitaMall Wangjing: Strong Leasing Demand

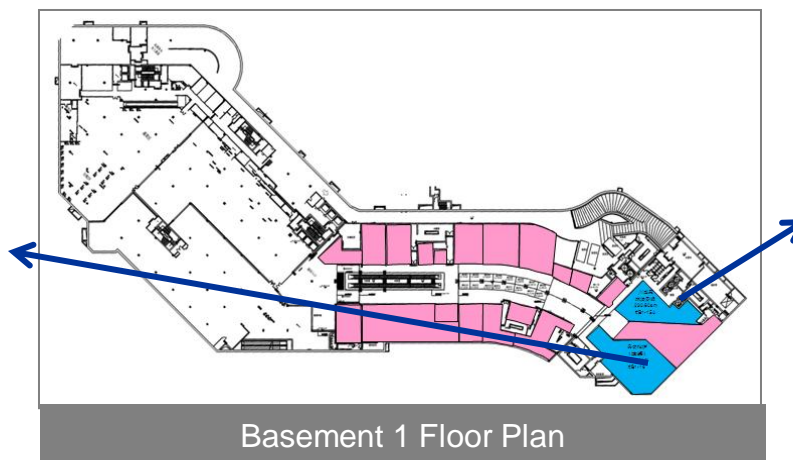
Rental growth of ~ 10% from lease renewals at Basement 1

- Strong position as CapitaMall Wangjing is a market leader in the locality and is at full occupancy
- Attracted F&B tenant Tai Xing in CapitaMall Qibao to open a new outlet in CapitaMall Wangjing



New tenant Tai Xing

- A popular F&B chain that would extend the wide range of dining options in CapitaMall Wangjing



Basement 1 Floor Plan



川成元麻辣香锅

- Renewed tenant 川成元麻辣香锅, a well-established Sichuan restaurant



# CapitaMall Qibao: Strengthened Entertainment Offering at Level 3

## Significant rent increase from proactive lease management

- Attracted new tenant Hao Le Di (好乐迪), popular family KTV operator in Shanghai
- Strong brand name to replace existing KTV operator
- Complete entertainment offering at Level 3 with cinema, arcade and new KTV





# Market Outlook

- China's 2Q 2011 GDP grew 9.5% y-o-y, GDP growth for 2011 estimated at 9.6%<sup>1</sup>
- China's retail sales expected to remain healthy, underpinned by robust GDP growth, pro-consumption policies and increasing urbanisation
- Strong retail sales growth<sup>2</sup> in cities where CRCT malls are located

▪ China overall	16.8%	▪ Wuhan	17.6%
▪ Beijing	11.0%	▪ Inner Mongolia	25.5%
▪ Shanghai	12.9%	▪ Zhengzhou	18.6%

1. Source: National Bureau of Statistics of China for 2Q 2011; International Monetary Fund, World Economic Outlook Update, Jun 2011 for 2011 GDP growth.  
2. YoY growth from Jan – Jun 2011 for China, Jan – May 2011 for Beijing and Zhengzhou; Jan – Mar 2011 for Shanghai, Jan – Apr 2011 for Inner Mongolia and Wuhan.  
Source: National Bureau of Statistics of China, Beijing Statistical Information Net, Statistics Shanghai Government, Statistical Information of Wuhan, Inner Mongolia Region Bureau of Statistics, Statistical Information of Zhengzhou.



## Market Outlook (cont'd)

- Retailers of various trade mix stepping up expansion plans in China
  - ✓ Uniqlo to open up to 1,000 stores by 2020\*
  - ✓ Starbucks to open up to 1,500 stores by 2015\*
  - ✓ Adidas to open 2,500 stores by 2015\*
- CRCT in 2H 2011
  - ✓ New Minzhong Leyuan Mall to start contributing to portfolio from 3Q 2011
  - ✓ Capitalise on retailer expansion in China to optimise portfolio tenancy mix
  - ✓ Continue to pursue acquisition opportunities

\* Source: China Daily, Financial Times and Reuters.



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