

NEWS RELEASE

CRCT registers 3Q 2016 net property income of RMB161.3 million
Completion of acquisition of Galleria, Chengdu, at end of quarter
expected to propel future growth

Singapore, 25 October 2016 – CapitaLand Retail China Trust Management Limited (CRCTML), the manager of CapitaLand Retail China Trust (CRCT), announced today that it registered net property income (NPI) of RMB161.3 million for the period 1 July to 30 September 2016 (3Q 2016), 0.6% higher than the RMB160.3 million for the corresponding period last year (3Q 2015). NPI for the period 1 January 2016 to 30 September 2016 (YTD Sep 2016) was RMB500.6 million, an increase of 3.3% over the RMB484.7 million for the corresponding period last year (YTD Sep 2015).

The softer NPI growth for 3Q 2016 was partly due to the Beijing government's move to align its tax policy with the national practice of charging tax based on revenue from 1 July 2016, which affected the NPI of CRCT's malls in Beijing. Excluding the impact of the additional taxes, NPI for 3Q 2016 would have been 7.4% higher than 3Q 2015.

Distribution per unit (DPU) for 3Q 2016 was 2.36 cents. Based on an annualised DPU of 9.39 cents and CRCT's closing price of S\$1.60 per unit on 24 October 2016, CRCT's annualised distribution yield for 3Q 2016 was 5.9%.

Mr Victor Liew, Chairman of CRCTML, said, "China's economy grew 6.7% year-on-year in both the third quarter and first nine months of 2016, while retail sales in the first nine months of 2016 expanded 10.4% year-on-year to RMB23.8 trillion. The sustained moderate growth reflected the Chinese government's commitment towards economic reforms, which was also affirmed by the International Monetary Fund's recent move to include the Chinese yuan in its Special Drawing Right basket. In view of China's continuing efforts to stimulate domestic consumption to drive economic expansion, CRCT remains positive on China's retail growth prospects."

Mr Tony Tan, CEO of CRCTML, said, "We marked a new milestone in the quarter with the acquisition of our first mall in Chengdu, one of the fastest growing cities in China. The addition of Galleria, a popular mall located in Chengdu's bustling Xinnan Tiandi retail precinct within the affluent Gaoxin District, will diversify CRCT's income and strengthen the resilience of our portfolio to deliver sustainable growth. With the completion of the acquisition on 30 September 2016, Galleria will start contributing income from 4Q 2016.

"In the quarter under review, CapitaMall Wangjing and CapitaMall Qibao completed the upgrading works of their façade, which augment our overall efforts to enhance our malls' attractiveness. We continue to focus on organic growth through space reconfiguration to

optimise the retail mix. For instance, CapitaMall Xizhimen brought in leading international sports brands Nike and adidas after reconfiguring a large unit on Level 5. Both tenants have since achieved robust sales that were more than 200% higher than the previous tenant.

“At CapitaMall Minzhongleyuan, leasing momentum is picking up in anticipation of the reopening of Zhongshan Avenue and commencement of the new subway Line 6 this year-end. Co-working space operator URWORK will be opening its first Wuhan outfit at CapitaMall Minzhongleyuan by December. Targeting retail technology start-ups keen to interact with shoppers, URWORK is expected to draw new office crowds to the mall, and further boost shopper traffic with retail activities and innovations from its members. With the addition of URWORK as a mini-anchor occupying 4,120 square metres, CapitaMall Minzhongleyuan’s committed occupancy now stands at more than 80%.”

Summary of CRCT results

Periods: 1 July to 30 September (3Q) and 1 January to 30 September (YTD)

	3Q 2016	3Q 2015	Change %	YTD 2016	YTD 2015	Change %
	Actual S\$'000	Actual S\$'000		Actual S\$'000	Actual S\$'000	
Gross revenue	50,606	55,296	(8.5)	157,676	164,096	(3.9)
Net property income	32,766	35,204	(6.9)	104,959	105,791	(0.8)
Income available for distribution	20,550	22,254	(7.7)	66,109	67,371	(1.9)
Distribution per unit (DPU) (cents)						
For the period	2.36	2.64	(10.6)	7.68	8.01	(4.1)
Annualised	9.39	10.47	(10.3)	10.26	10.71	(4.2)

	3Q 2016	3Q 2015	Change %	YTD 2016	YTD 2015	Change %
	Actual RMB'000	Actual RMB'000		Actual RMB'000	Actual RMB'000	
Gross revenue	248,788	251,812	(1.2)	752,053	751,767	-
Net property income	161,283	160,301	0.6	500,614	484,659	3.3

Revenue and net property income

In RMB terms

For 3Q 2016, gross revenue was RMB248.8 million, 1.2% lower than 3Q 2015. This was mainly due to the performances of CapitaMall Minzhongleyuan and CapitaMall Wuhu, which continued to be affected by road closure and tenant mix adjustments respectively. The NPI of CRCT’s malls in Beijing had also been affected by the Beijing government’s move to charge tax based on revenue from 1 July 2016.

In SGD terms

As a result of a weaker RMB against SGD, the 3Q 2016 gross revenue of S\$50.6 million was 8.5% lower than 3Q 2015, while NPI was S\$32.8 million, 6.9% lower than 3Q 2015.

About CapitaLand Retail China Trust (www.crct.com.sg)

CRCT is the first China shopping mall Real Estate Investment Trust (REIT) in Singapore, with a portfolio of 11 income-producing shopping malls. Listed on the Singapore Exchange Securities Trading Limited on 8 December 2006, it is established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate used primarily for retail purposes and located primarily in China, Hong Kong and Macau.

The geographically diversified portfolio of quality shopping malls is located in six of China's cities. The properties are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon, CapitaMall Anzhen and CapitaMall Shuangjing in Beijing; Galleria in Chengdu, Sichuan Province; CapitaMall Qibao in Shanghai; CapitaMall Minzhongleyuan in Wuhan, Hubei Province; CapitaMall Erqi in Zhengzhou, Henan Province; CapitaMall Saihan in Hohhot, Inner Mongolia; and CapitaMall Wuhu in Wuhu, Anhui Province. As at 30 September 2016, the total asset size of CRCT is approximately S\$2.7 billion.

All the malls in the portfolio are positioned as one-stop family-oriented shopping, dining and entertainment destinations for the sizeable population catchment areas in which they are located, and are accessible via major transportation routes or access points. A significant portion of the properties' tenancies consists of major international and domestic retailers such as the Beijing Hualian Group, Carrefour and Wal-Mart under master leases or long-term leases, which provide unitholders with stable and sustainable returns. The anchor tenants are complemented by popular specialty brands such as BreadTalk, innisfree, KFC, Nanjing Impressions, Nike, Sephora, Starbucks, UNIQLO, Watsons and ZARA.

CRCT is managed by an external manager, CapitaLand Retail China Trust Management Limited, which is an indirect wholly-owned subsidiary of CapitaLand Limited, one of Asia's largest real estate companies headquartered and listed in Singapore.

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