

NEWS RELEASE

CRCT's 1Q 2017 net property income rises 15.1% year-on-year
Boosted by contribution from CapitaMall Xinnan

Singapore, 21 April 2017 – 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 RMB194.9 million for the period 1 January to 31 March 2017 (1Q 2017), 15.1% higher than the RMB169.4 million for the corresponding period in 2016 (1Q 2016). The increase was mainly due to the contribution from CapitaMall Xinnan which was acquired on 30 September 2016, partially offset by the additional tax provision for Beijing malls due to a change from cost to revenue basis effective 1 July 2016.

In SGD terms, distributable income for the quarter was S\$24.4 million, 5.0% higher than the S\$23.2 million a year ago. Distribution per unit was 2.74 Singapore cents, 1.1% higher than 1Q 2016. Based on CRCT's closing price of S\$1.515 on 21 April 2017, the annualised distribution yield for 1Q 2017 was 7.3%.

Mr Soh Kim Soon, Chairman of CRCTML, said: "For 1Q 2017, China's economy expanded 6.9% and retail sales grew 10.0%. This was in line with the Chinese government's commitment to achieve stable growth and steer the economy towards a consumer-driven model. Against this backdrop, CRCT's family-oriented shopping malls are well-positioned to benefit from the sustained increase in China's domestic consumption."

Mr Tan Tze Wooi, CEO of CRCTML, said: "CRCT's performance for 1Q 2017 was lifted mainly by contribution from newly acquired CapitaMall Xinnan, which notched up its committed occupancy to 99.6% from 98.2% as at 31 December 2016. Proactive lease management to refresh CapitaMall Xinnan's tenant mix is progressing ahead of schedule and new tenants, such as popular restaurants Lei Men Ramen and Dou Wa, will start contributing income from the second half of this year. Our performance was also boosted by CapitaMall Minzhongleyuan which recorded year-on-year increases of more than 90% and over 60% in shopper traffic and tenants' sales respectively, after the reopening of Zhongshan Avenue enhanced its accessibility. As at 31 March 2017, CRCT's portfolio occupancy was 96.2%, an improvement over the 95.9% at the end of last quarter.

"As part of proactive asset management, we also undertook unit reconfiguration works in our malls to maximise their value. At CapitaMall Grand Canyon, we added more than 600 square metres of retail space, mainly from converting underutilised common area on levels one to three. Well-known brands in fashion, sporting goods and food & beverages brought in to occupy the new space increased the reconfigured zone's rental income by about 24%, and helped to diversify the mall's offerings and drive shopper traffic. Looking ahead, we will

continue to optimise the retail mix in our malls and strengthen their appeal so as to further enhance unitholders' value."

Summary of CRCT results

	1Q 2017 ¹	1Q 2016	Change %
	Actual S\$'000	Actual S\$'000	
Gross revenue ²	60,101	55,566	8.2
Net property income ²	40,303	36,692	9.8
Income available for distribution	24,355	23,185	5.0
Distribution Per Unit (DPU) (cents)			
For the period	2.74	2.71	1.1
Annualised	11.11	10.90	1.9

	1Q 2017 ¹	1Q 2016	Change %
	Actual RMB'000	Actual RMB'000	
Gross revenue	290,865	256,528	13.4
Net property income	194,896	169,394	15.1

Footnotes:

1. Includes contribution from CapitaMall Xinnan, which was acquired on 30 September 2016.
2. Average exchange rate for RMB/SGD.

1Q 2017	1Q 2016	Change %
0.207	0.217	(4.6)

Revenue and net property income

In RMB terms

For 1Q 2017, gross revenue increased RMB34.3 million, or 13.4% over 1Q 2016. This was mainly due to the contribution from CapitaMall Xinnan, which was acquired on 30 September 2016. NPI grew by RMB25.5 million or 15.1% over the corresponding period in 2016.

In SGD terms

Gross revenue for 1Q 2017 rose by S\$4.5 million, or 8.2% compared to 1Q 2016, while NPI grew by S\$3.6 million 9.8% year-on-year, mainly due to a weaker RMB against SGD.

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; CapitaMall Xinnan 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 31 March 2017, 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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