



For immediate release

NEWS RELEASE

CRCT's 3Q 2017 net property income rises 9.7% year-on-year
Driven by contribution from CapitaMall Xinnan and
rental growth in multi-tenanted malls

Singapore, 23 October 2017 – CapitaLand Retail China Trust Management Limited (CRCTML), the manager of CapitaLand Retail China Trust (CRCT), announced today that it achieved net property income (NPI) of S\$36.0 million for the period 1 July to 30 September 2017 (3Q 2017), an increase of 9.7% over the S\$32.8 million in 3Q 2016. For the period 1 January to 30 September 2017 (YTD Sep 2017), NPI rose 10.7% to S\$116.2 million from S\$105.0 million a year ago. The increase in NPI was mainly driven by the contribution from CapitaMall Xinnan – which was acquired on 30 September 2016 – and rental growth from the other multi-tenanted malls, partially offset by the divestment of CapitaMall Anzhen with effect from 1 July 2017.

Distributable income for 3Q 2017 was S\$21.4 million, an increase of 4.2% over the S\$20.5 million a year ago. Distribution per unit was 2.37 Singapore cents, 0.4% higher than 3Q 2016. Based on an annualised DPU of 9.40 Singapore cents and CRCT's closing price of S\$1.685 on 23 October 2017, the annualised distribution yield for 3Q 2017 was 5.6%.

Mr Tan Tze Wooi, CEO of CRCTML, said: "Underpinned by the strength of our multi-tenanted malls, we registered NPI growth in 3Q 2017 even after the divestment of CapitaMall Anzhen at the start of the quarter. In tandem with the divestment, we recovered approximately 4,700 square metres of space on Level 4 of CapitaMall Wangjing from the mall's anchor tenant. Plans to transform the space to house experiential retail offerings that will inject greater vibrancy to the mall are progressing well, and the new retail space is targeted to open in phases from 2Q 2018."

"During the quarter under review, we achieved a positive rental reversion of 7.5% for our multi-tenanted malls on the back of sustained efforts to optimise our tenant mix. For example, we added international brand MAC to CapitaMall Xizhimen to upgrade the mall's beauty offerings. Popular technology brand Xiaomi opened at CapitaMall Grand Canyon to positive reception and contributed to improved sales and shopper traffic. By end-2017, Xiaomi will also open a store at CapitaMall Xizhimen, as part of a reconfigured unit that replaced a fast food restaurant. Our continued reconfiguration efforts have also yielded a positive rental reversion of more than 10% at CapitaMall Xinnan for the quarter. At CapitaMall Qibao, rooftop space on levels 4 and 5 will be activated as part of an expanded children's learning playland, and renovations are expected to be completed by 1Q 2018. As we proactively refresh our malls' offerings to keep abreast of changing consumer needs, we continue to be on the lookout for acquisition opportunities that will further enhance unitholders' value."

Summary of CRCT results^{1,2}

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

	3Q 2017	3Q 2016	Change %	YTD 2017	YTD 2016	Change %
	Actual S\$'000	Actual S\$'000		Actual S\$'000	Actual S\$'000	
Gross revenue ³	55,989	50,606	10.6	175,083	157,676	11.0
Net property income ³	35,951	32,766	9.7	116,225	104,959	10.7
Income available for distribution	21,409	20,550	4.2	69,101	66,109	4.5
Distribution per unit (DPU) (cents)						
For the period	2.37	2.36	0.4	7.73	7.68	0.7
Annualised	9.40	9.39	0.1	10.33	10.26	0.7

	3Q 2017	3Q 2016	Change %	YTD 2017	YTD 2016	Change %
	Actual RMB'000	Actual RMB'000		Actual RMB'000	Actual RMB'000	
Gross revenue	274,959	248,788	10.5	857,354	752,053	14.0
Net property income	176,570	161,283	9.5	569,126	500,614	13.7

Footnotes:

1. The financial results include contribution from CapitaMall Xinnan, which was acquired on 30 September 2016.
2. The financial results exclude CapitaMall Anzhen with effect from 1 July 2017 following the announcement on 27 July 2017 of the disposal of equity interest in CapitaRetail Beijing Anzhen Real Estate Co., Ltd, which holds CapitaMall Anzhen.
3. Average exchange rate for SGD/RMB.

3Q 2017	3Q 2016	Change %	YTD 2017	YTD 2016	Change %
0.204	0.203	0.5	0.204	0.210	(2.9)

Revenue and net property income

In RMB terms

For 3Q 2017, gross revenue increased by RMB26.2 million or 10.5% compared to 3Q 2016. This was mainly due to the contribution from CapitaMall Xinnan, which was acquired on 30 September 2016, and rental growth from the other multi-tenanted malls. NPI grew by RMB15.3 million or 9.5% over the corresponding period in 2016.

In SGD terms

Gross revenue for 3Q 2017 increased by S\$5.4 million or 10.6% compared to 3Q 2016, while NPI grew by S\$3.2 million or 9.7% year-on-year.

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 10 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 seven of China's cities. The properties are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon, 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 30 September 2017, the total asset size of CRCT is approximately S\$2.8 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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