



# CAPITALAND MALL TRUST

Singapore's First & Largest Retail REIT

## Annual General Meeting

17 April 2018



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Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the Singapore Exchange Securities Trading Limited (the 'SGX-ST'). It is intended that unitholders of CMT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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# 2017 Key Highlights and Business Update



Clarke Quay



# 2017 Financial Highlights



## Distributable Income

**S\$395.8 million**

↑ 0.4% y-o-y

## Distribution Per Unit

**11.16 cents**

↑ 0.3% y-o-y

## Total Assets

**S\$10.5 billion**

↑ 1.7% y-o-y



# Key Operating Metrics



**Annual Shopper Traffic:**

**346.3 million**

↓ 0.3%

**Tenants' Sales Per Square Foot:**

**0.0% y-o-y**

**Rental Reversion:**

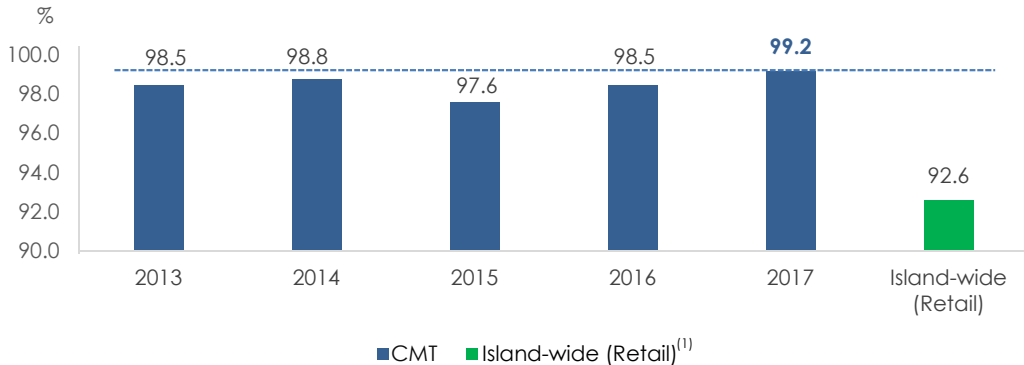
**-1.7%**

**642 leases**

For comparable basis, CMT portfolio excludes Funan which was closed in July 2016 for redevelopment.



# Consistent High Occupancy



**“Our extensive network of international and local retailers, our active asset management and proactive leasing strategy have helped us to achieve consistent high occupancy.”**

(1) Source: Urban Redevelopment Authority. Based on the 4<sup>th</sup> Quarter 2017 real estate statistics published on 26 January 2018.



# Proactive Capital Management

## Debt Instruments



S\$100.0 million notes

March 2017

S\$300.00 million notes  
(CMT 40.0% share S\$120.0 million)

June 2017

S\$100.0 million notes

November 2017

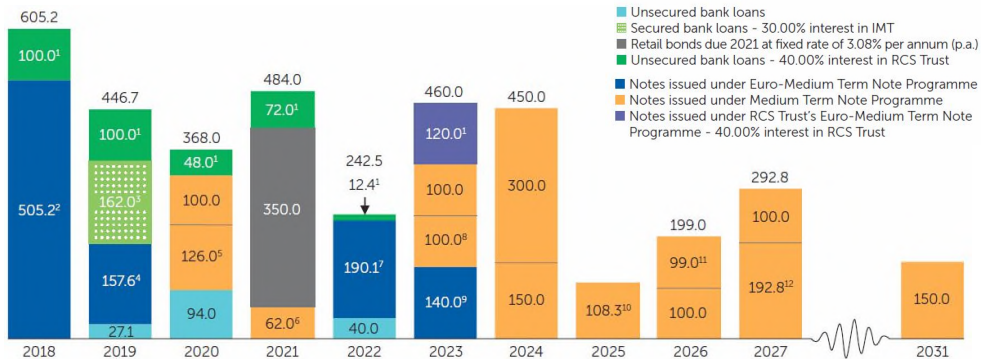
**“Leveraging on our excellent credit rating, we issued notes with attractive all-in-interest rates.”**





# Debt Maturity Profile as at 31 December 2017

(including CMT's 40.0% interest in RCS Trust & CMT's 30.0% interest in Infinity Mall Trust)



(1) S\$1.131 billion unsecured bank loans/notes by RCS Trust, CMT's 40.00% share thereof is S\$452.4 million.  
 (2) US\$400.0 million 3.731% fixed rate notes were swapped to S\$505.2 million at a fixed rate of 3.29% p.a. in March 2012.  
 (3) S\$540.0 million secured bank loans by IMT due in October 2019. CMT's 30.00% share thereof is S\$162.0 million.  
 (4) ¥10.0 billion 1.309% fixed rate notes were swapped to approximately S\$157.6 million at a fixed rate of 2.79% p.a. in October 2012.  
 (5) ¥10.0 billion 1.039% fixed rate notes were swapped to S\$126.0 million at a fixed rate of 3.119% p.a. in November 2013.  
 (6) ¥5.0 billion floating rate (at 3 months JPY LIBOR + 0.48% p.a.) notes were swapped to S\$62.0 million at a fixed rate of 3.148% p.a. in February 2014.

(7) HK\$1.15 billion 3.76% fixed rate notes were swapped to S\$190.1 million at a fixed rate of 3.45% p.a. in June 2012.  
 (8) ¥8.6 billion floating rate (at 3 months JPY LIBOR + 0.25% p.a.) notes were swapped to S\$100.0 million at a fixed rate of 2.85% p.a. in February 2015.  
 (9) HK\$885.0 million 3.28% fixed rate notes were swapped to S\$140.0 million at a fixed rate of 3.32% p.a. in November 2012.  
 (10) HK\$450.0 million 3.25% fixed rate notes were swapped to S\$108.3 million at a fixed rate of 3.25% p.a. in November 2014.  
 (11) HK\$560.0 million 2.71% fixed rate notes were swapped to S\$99.0 million at a fixed rate of 2.928% p.a. in July 2016.  
 (12) HK\$1.104 billion 2.77% fixed rate notes were swapped to S\$192.8 million at a fixed rate of 3.25% p.a. in February 2015.



# Robust Financial Indicators



**Unencumbered Assets  
as % of Total Assets:**

**100.0%**



**Aggregate Leverage<sup>(1,2)</sup>:**

**34.2%**



**A2  
issuer rating<sup>(3)</sup>**



**Average Cost of Debt<sup>(4)</sup>:**

**3.2%**



**Average Term  
to Maturity:**

**4.9 years**

**“Our disciplined approach led to a strong balance sheet and a healthy leverage. All assets at the trust level are unencumbered, providing us with financial flexibility. The ‘A2’ issuer rating is the highest rating assigned to a Singapore REIT.”**

- (1) In accordance to Property Funds Appendix, CMT's proportionate share of its joint ventures' borrowings and total deposited property are included when computing the aggregate leverage.
- (2) Funds raised ahead of the maturity of the existing borrowings of CMT are excluded from both borrowings and total deposited property for the purpose of computing the aggregate leverage as the funds are set aside solely for the purpose of repaying the existing borrowings of CMT.
- (3) Moody's Investors Service has affirmed the 'A2' issuer rating of CMT on 16 July 2015.
- (4) Ratio of interest expense over weighted average borrowings.

The above information is as at 31 December 2017.



# Asset Enhancement at Bukit Panjang Plaza

Increased the mall's communal and recreational space  
to better serve the needs of the community





# Asset Enhancement at Raffles City Singapore

To refresh the mall and enhance the shopping experience, reinforcing Raffles City Shopping Centre's position as one of Singapore's top shopping destinations



**Strong Sense of Arrival with New Entrance and Canopy**

Artist's impressions.



**New Mall Interiors  
and Upgraded Lift  
Lobbies**



**Revamp of Level 3  
Central Atrium with  
New Centre-Piece as  
Focal Point**

# Evolving Retail Landscape

The image shows an immersive fitness experience. In the foreground, several people are seen from behind, sitting on stationary exercise bikes. They are silhouetted against a bright, yellow background. The background is a large, curved wall covered in a dense pattern of various yellow emoji faces, including smiling, sad, and surprised expressions. The floor is dark, and the overall atmosphere is vibrant and modern.

Immersive Multi-Media Fitness Experience at Raffles City Singapore



# Convergence of Offline-and-Online Space

An integrated omni-channel experience providing seamless convenience to our shoppers

CapitaLand Malls x Lazada  
Online Website



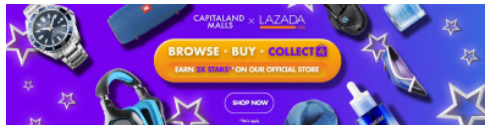
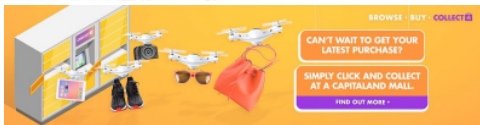
Click-and-Collect Lounges



Bedok Mall



IMM Building



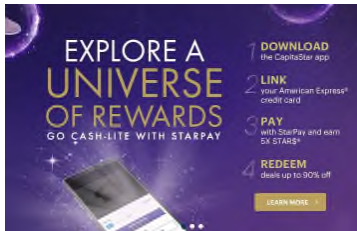


# Innovate the Retail Experience





# Stay Connected with Shoppers



“CapitaStar is a card-less loyalty programme with additional benefits over and above existing credit card and store rewards. StarPay is a secure and easy-to-use mobile payment service within the CapitaStar app which allows you to make payments at participating retailers in participating CapitaLand Malls. Members will be rewarded with STAR\$® automatically at the point of purchase when they spend a minimum of S\$1.”



“With its wide acceptance in over 2,000 retail stores in CapitaLand malls, CapitaVoucher remains the most popular shopping voucher in Singapore.”



“CapitaCard members enjoy the highest earn rate for STAR\$® and additional perks with minimum spend each month at our malls.”





# Stay Ahead with Tenants

**Retail Future 2017:  
Capturing the Millennial Dollar**  
May 2017



**Winning the Customer  
Loyalty Game**  
September 2017



**Magnify the In-Store Experience  
(CEO Breakfast Roundtable)**  
September 2017



**Let's Get Phygital**  
November 2017



**“The retail  
landscape is  
constantly evolving  
and to stay ahead  
of the competition,  
knowledge is key.”**

Annual General Meeting \*April 2018\*



# Best of Physical + Digital Worlds

## Personalisation



## Frictionless Convenience



## Shareable/Unique Experience



**“The new buzz is Phygital, it is the seamless blend of physical and digital experiences that create an ecosystem between the brand and the consumer across the two worlds. It is driven by the desire of consumers for personalisation, frictionless convenience as well as shareable and unique experience. This is achieved through the best of both the physical and digital worlds.”**

# Sustainability



My Schoolbag 2017

# Our Sustainability Journey

“CMT has been reporting on community involvement since its inception in 2002. Sustainability is integral to our business and CMT is committed to sustainable policies and practices.”





# Green Initiatives



**“We will strengthen our engagement with key stakeholders, as well as improve our sustainability efforts, performances, measures and activities with the ultimate goal of building a sustainable business for the future.”**



# Community Involvement

## Heritage

Celebrating Racial Harmony Day and fostering community bonding and social cohesion at Bukit Panjang Plaza



## Environment

Promoting the usage of green transport and communicating the message on climate change at Plaza Singapura



## Corporate Social Responsibility

My Schoolbag, CapitaLand's key annual corporate social responsibility programme



## Community Causes

Fostering service roadshow at Bedok Mall



**“As satellite hubs, CMT’s malls are strategic channels to engage the local community through activities held in partnership with government and community organisations that promote heritage, healthy living, environmental sustainability and other community causes.”**



# Green Recognition

## PROPERTY

## AWARD CATEGORY

### PLATINUM

Bedok Mall, Bugis Junction,  
Bugis+, Junction 8,  
JCube, Westgate



### GOLD<sup>PLUS</sup>

Bukit Panjang Plaza,  
Raffles City Singapore,  
IMM Building



### GOLD

Lot One Shoppers' Mall,  
Plaza Singapura,  
Sembawang Shopping Centre,  
The Atrium@Orchard,  
Tampines Mall



**“We are committed to achieving Green Mark Certification for all properties by 2020.”**



# Awards & Accolades



Partner Award for Contributions to the Tripartite Cluster of Cleaners



For the Consistent Achievement of High Ratings from Travellers – Bugis Junction



Silver  
Best Annual Report – REITs & Business Trusts



Platinum  
Best of the Breeds REITs Award – Retail (SG)



Winner, SGTI Award  
REIT and Business Trust



Regional Sector Leader  
Asia (Retail – Listed)



Winner, Singapore Corporate Governance  
Award, REITs & Business Trusts

IRPAS-EQS Investor Relations Website  
Survey 2017



2<sup>nd</sup> Runner Up  
Large Cap

Winner  
Best IR Website



Water Efficiency Award  
Junction 8



2<sup>nd</sup> Runner Up, Energy Efficient Building  
Award (New & Existing) - Westgate



Trendsetting Mall  
Bugis+



Outstanding Efforts in Advertising  
and Promotion – Plaza Singapura



Most Inspirational Display  
Plaza Singapura





# What's Next?



Funan



# Value Creation through Redevelopment of Funan

Say Hello To Singapore's Creative Intersection, Where Passion Meets Discovery



**"The Singapore flagship of The Ascott Limited's lyf brand of coliving serviced residences will be a welcome addition that reinforces Funan's live-work-play value proposition."**

Artist's impressions.



**"WeWork's coworking space will leverage on Funan's central location and harness its live-work-play paradigm to create a world-class collaborative work space that fosters connections and nurtures ideas."**

**LIVE  
WORK  
PLAY**





# Strong Retail Leasing Interest



One-of-a-kind experiential showsuite  
launched on 27 April 2017

## Selection of Committed Tenants





# Divestment of Serviced Residences in Funan

## Value Creation Through An Improved Risk-Return Profile



- **Sale of all units in Victory SR Trust, which owns the serviced residence component of Funan**

- Agreed land value<sup>(1)</sup> of S\$90.5 million

- **Rationale**

- Joint development with strong and reliable partner
- Reduces development risks
- Reduces funding requirements
- Improves the return of investment for Funan's redevelopment

\*Artist's impression.

(1) As at 1 August 2017, Savills – an independent property valuer appointed by CMTML – has valued the land component of Funan's serviced residence at S\$86.5 million, while Knight Frank – an independent valuer appointed by CMT's trustee, has valued the same land component at S\$75.0 million.

# Conclusion



Junction 8





# Conclusion



POWERING  
INNOVATION

## Active Asset Management

- Introduce new retail concepts
- Align tenant mix with current trends
- Enhance shoppers' experience
- Embark on innovative marketing and promotional events

## Asset Enhancement Initiative

- Focus on the redevelopment and leasing at Funan
- Focus on asset planning and identifying opportunities to unlock value

## Portfolio Management



# Thank you

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