CapitaLand
Commercial Trust

CapitaLand Commercial Trust

Singapore's First and Largest Commercial REIT

SGX-CS Real Estate Corporate Day 2018

3 October 2018

Important Notice

This presentation shall be read in conjunction with CCT's 2Q 2018 Unaudited Financial Statement Announcement.

The past performance of CCT is not indicative of the future performance of CCT. Similarly, the past performance of CapitaLand Commercial Trust Management Limited, the manager of CCT is not indicative of the future performance of the Manager.

The value of units in CCT (CCT Units) and the income derived from them may fall as well as rise. The CCT Units are not obligations of, deposits in, or guaranteed by, the CCT Manager. An investment in the CCT Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the CCT Manager redeem or purchase their CCT Units while the CCT Units are listed. It is intended that holders of the CCT Units may only deal in their CCT Units through trading on Singapore Exchange Securities Trading Limited (SGX-ST). Listing of the CCT Units on the SGX-ST does not guarantee a liquid market for the CCT Units.

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the CCT Manager on future events.

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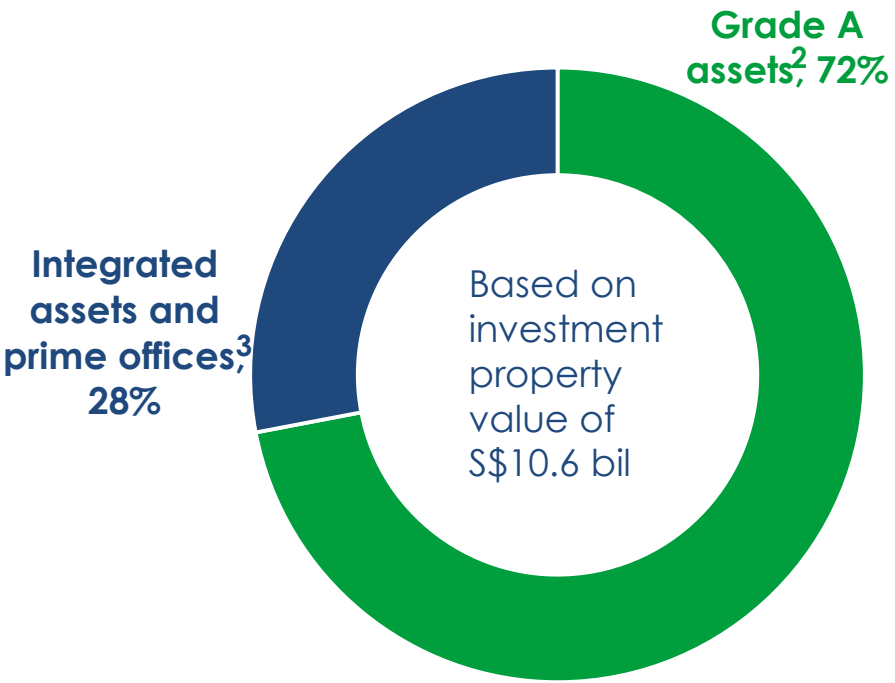
*Any discrepancies in the tables and charts between the listed figures and totals thereof are due to rounding.

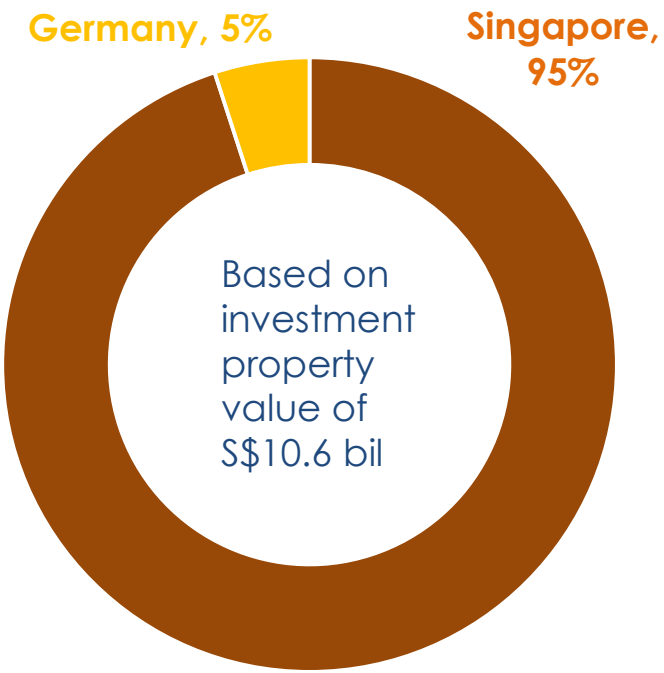
1. CCT's Portfolio

Capital Tower, Singapore

The largest commercial S-REIT with a market cap of S$6.7 billion[1]; largest owner of Grade A office assets in Singapore

Overseas exposure in key gateway cities of developed markets to be between 10% and 20% of deposited property





Notes:

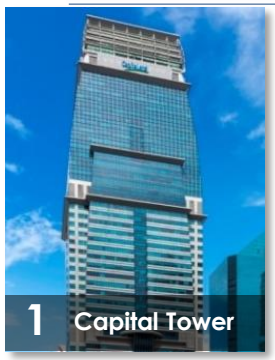
(1) Based on closing price of S$1.78 on 28 September 2018

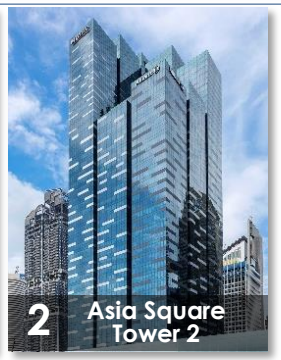
(2) Grade A assets include Capital Tower, Asia Square Tower 2, CapitaGreen, Six Battery Road, Gallileo and One George Street (50% interest)

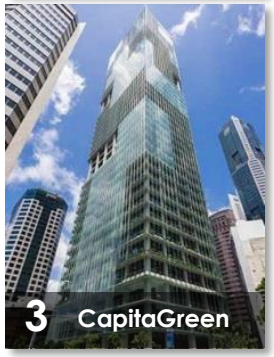
(3) Integrated assets are Raffles City Singapore (60% interest) and CapitaSpring (45% interest in a development completing in 1H 2021) while prime office refers to 21 Collyer Quay (HSBC Building)

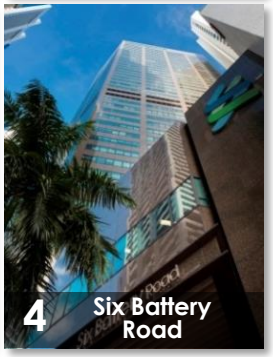
Owns 9 centrally-located quality commercial properties in Singapore

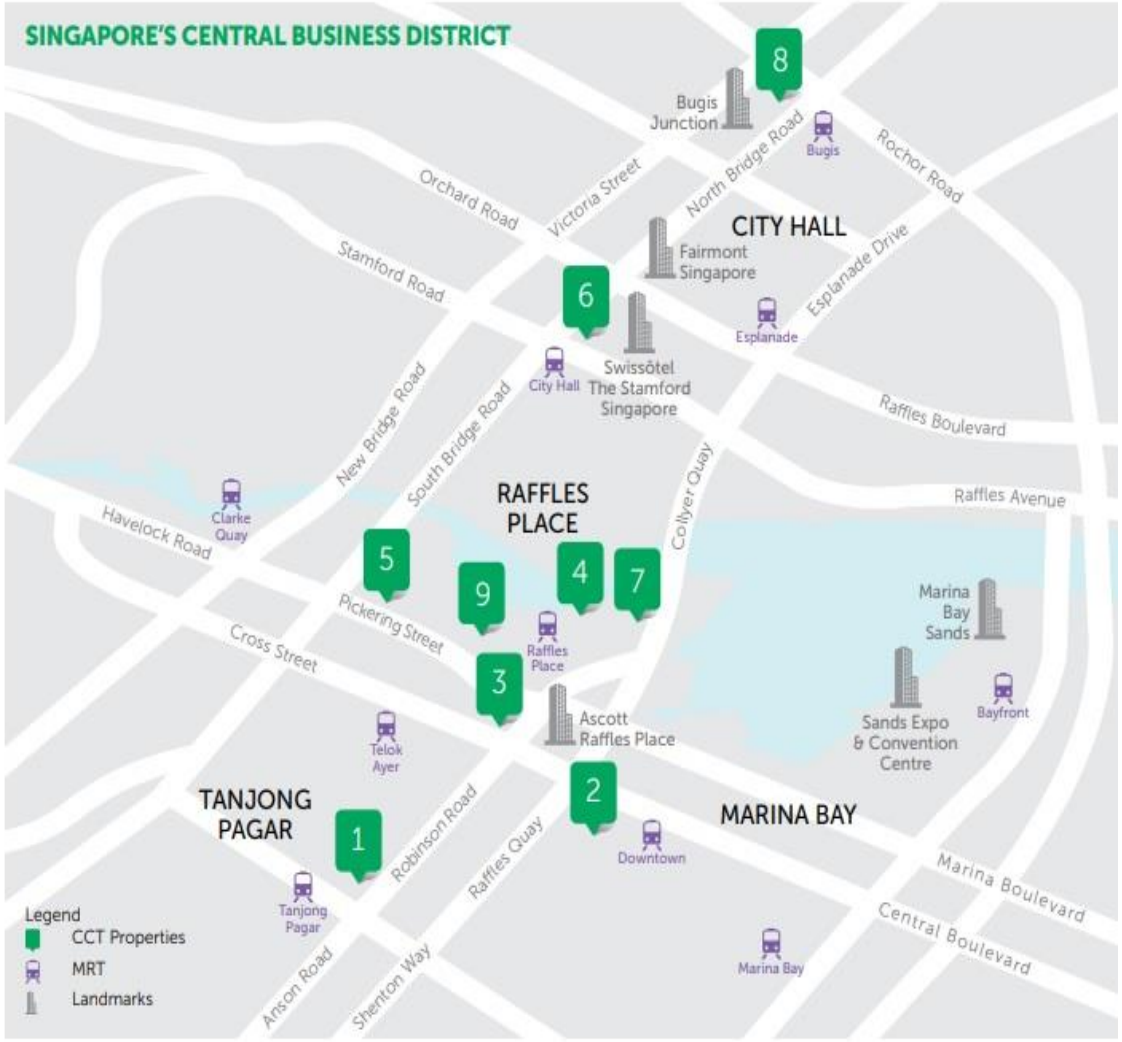
New integrated development, CapitaSpring in Raffles Place under construction











Notes:
(1) CCT has 50.0% interest in One George Street.
(2) CCT has 60.0% interest in Raffles City Singapore.
(3) CCT has 45.0% interest in CapitaSpring.

CapitaLand Commercial Trust

Gallileo located in Frankfurt's prime banking district

By Foot

(3-10 minutes)

- Willy-Brandt-Platz underground
- Main railway station
- Taunusanlage suburban railway stop

By Car

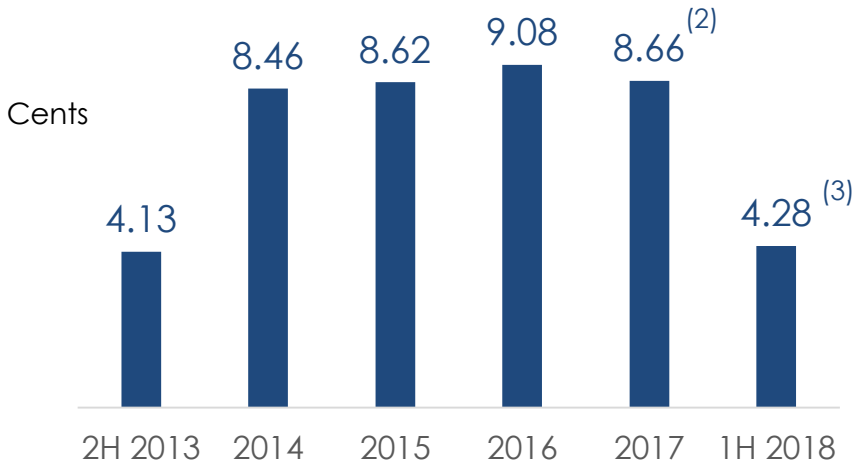
(3-20 minutes)

- Main railway station
- Airport

Westend
Banking District
City
Railway Station District
Frankfurt Airport
Deutsche Bahn
S Bahn
U Bahn

Total return of 52.6%[1] over last five years

Total DPU received for five years: 43.23 cents



Capital gain from end 2013 to latest traded price: 33 cents

As at	Closing price per unit (S$)
28 Sep 2018	1.78
31 Dec 2017	1.93
31 Dec 2016	1.48
31 Dec 2015	1.35
31 Dec 2014	1.76
31 Dec 2013	1.45

Notes:

(1) Based on closing price on 31 Dec 2013 and 28 Sep 2018 and DPU received / closing price as at 31 Dec 2013

(2) FY 2017 DPU of 8.66 cents was the aggregate of 1H 2017 DPU of 4.56 cents announced on 27 July 2017 and 2H 2017 DPU of 4.10 cents. 2H 2017 DPU of 4.10 cents was computed based on total outstanding units of 3,608.1 million as at 31 December 2017.

(3) 1H 2018 of 4.28 cents comprised 3.49 cents for period from 1 January to 27 May 2018 and 0.79 cents for period from 28 May to 30 June 2018. The latter DPU was computed based on 3,742.7 million units, following equity placement of 130 million new units in 2Q 2018

2. Singapore Office Market

Raffles City Singapore

Ng Hock How, CapitaLand "Building People" Photography Competition 2012

Annual new supply to average 0.8 mil sq ft over 5 years; CBD Core occupancy at 94.1% as at end Jun 2018

Singapore Private Office Space (Central Area) [1] – Net Demand & Supply

Periods	Average annual net supply[2]	Average annual net demand
2008 – 2017 (through 10-year property market cycles)	1.2 mil sq ft	0.7 mil sq ft
2013 – 2017 (five-year period post GFC)	1.0 mil sq ft	0.5 mil sq ft
2018 – 2022 (forecast gross new supply)	0.8 mil sq ft	N.A.

Notes:

(1) Central Area comprises 'The Downtown Core', 'Orchard' and 'Rest of Central Area'

(2) Supply is calculated as net change of stock over the quarter and may include office stock removed from market due to conversions or demolitions.

(3) Source: Historical data from URA statistics as at 2Q 2018; Forecast supply from CBRE Pte. Ltd. as at 2Q 2018.

Known future office supply in Central Area (2018 – 2022)

Expected completion	Proposed Office Projects	Location	NLA (sq ft)
2H 2018	18 Robinson	Robinson Road	145,000
		Subtotal (2018):	**145,000**
2019	Redevelopment of Funan DigitaLife Mall[1]	Beach Road/City Hall	204,000
2019	HD 139	Shenton Way	72,000
2019	Park Mall Redevelopment	Orchard Road	352,000
		Subtotal (2019):	**628,000**
1H 2020	ASB Tower[2]	Robinson Road	500,000
2Q 2020	Hub Synergy Point Redevelopment	Anson Road	128,000
2020	Afro-Asia Building Redevelopment	Shenton Way	154,000
		Subtotal (2020):	**782,000**
2021	CapitaSpring[3]	Raffles Place	635,000
		Subtotal (2021):	**635,000**
2022	Land parcel at Central Boulevard	Raffles Place/Marina	1,260,000
2022	Land parcel at Beach Road [4]	City Hall	565,600
		Subtotal (2022):	**1,825,600**
TOTAL FORECAST SUPPLY (2018-2022)			**4,015,600**
Total forecast supply excluding strata offices			**4,015,600**

Notes:

(1) WeWork, a coworking operator has taken up 40,000 sq ft of space in the office component of Funan DigitaLife Mall (announced on 14 Dec 2017)

(2) According to BT Report dated 13 July 2018, about 50,000 sq ft has been committed.

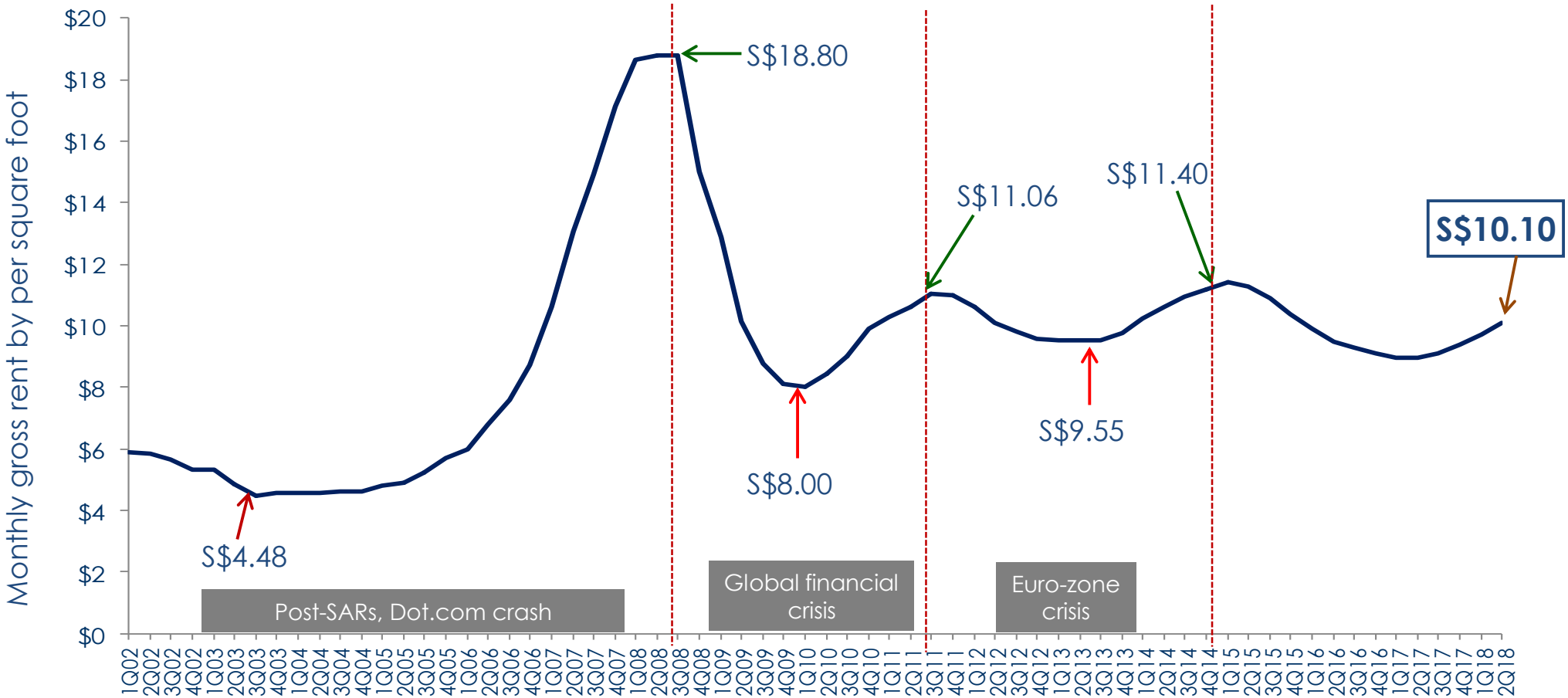
(3) CapitaSpring reported committed take-up by JPMorgan for 24% of the development's office NLA

(4) Yet to receive provisional/written permissions as at 2Q 2018.

(5) Sources: CBRE Pte. Ltd. and respective media reports

Grade A office market rent up 4.1% QoQ and 12.8% YoY

	2Q 16	3Q 16	4Q 16	1Q 17	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18
Mthly rent (S$ / sq ft)	9.50	9.30	9.10	8.95	8.95	9.10	9.40	9.70	**10.10**
% change	- 4.0%	- 2.1%	- 2.2%	-1.6%	0.0%	1.7%	3.3%	3.2%	**4.1%**



Source of data: CBRE Pte. Ltd. (figures as at end of each quarter).

3. Portfolio Performance

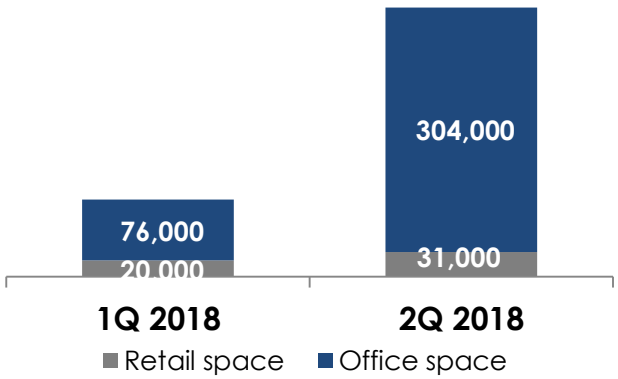
Raffles City Singapore

Active leasing activities in Singapore portfolio

CCT Portfolio (1) (Singapore & Germany) **97.8%**

CCT Singapore Portfolio (1) higher than Singapore Core CBD occupancy of **94.1%** **97.6%**

New leases and renewals: 335,000 sq ft (14% are new leases)



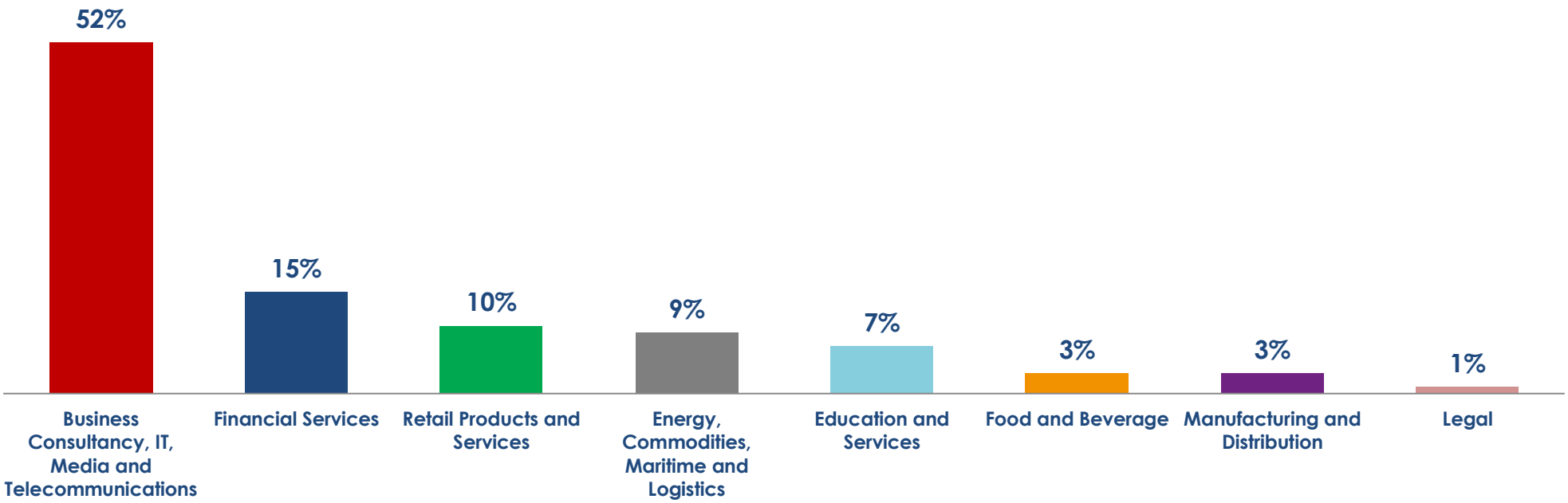
- For 2Q 2018, new and renewed tenants include:

Tenant	Trade Sector	Building
Muzinich & Co. (Singapore) Pte. Limited	Financial Services	Six Battery Road
Thenamaris Singapore Pte. Ltd.	Business Consultancy, IT, Media and Telecommunications	Six Battery Road
SilkRoad Property Partners Pte Ltd	Financial Services	One George Street
JP Morgan Chase Bank N.A.	Banking	Capital Tower

Note:
(1) Committed occupancy as at 30 Jun 2018

New demand in CCT's portfolio supported by tenants from diverse trade sectors

Business sectors of new leases are largely from Business Consultancy, IT, Media and Telecommunications; Financial Services; and Retail Products and Services[1]

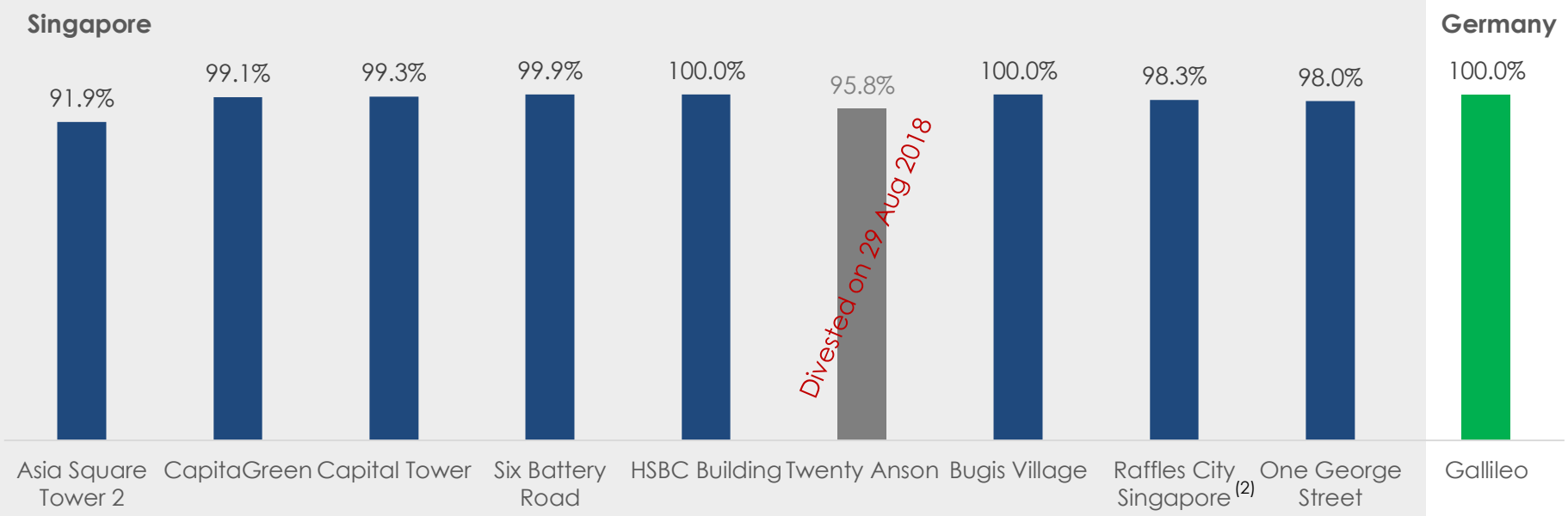


Note:
(1) Based on net lettable area of new leases committed and using 100.0% basis for Raffles City Singapore and One George Street

CCT's portfolio occupancy higher at 97.8% with addition of Gallileo

Singapore Portfolio occupancy: **97.6%**

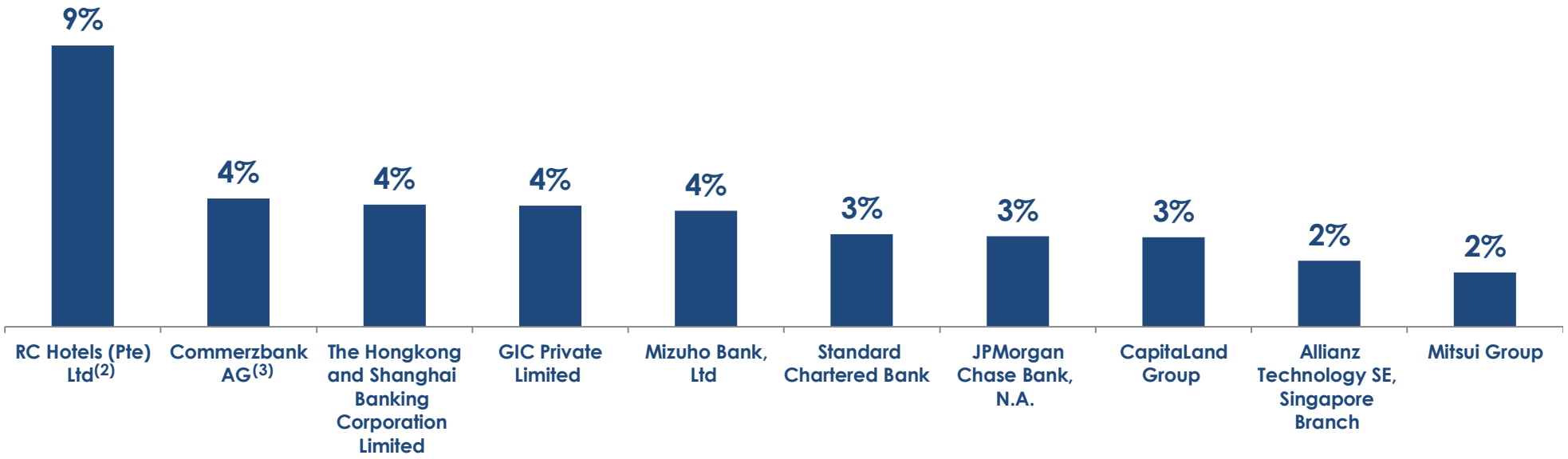
Singapore Core CBD occupancy: **94.1%**



Notes:
(1) All occupancies as at 30 Jun 2018
(2) Office occupancy is at 98.2% while retail occupancy is at 98.3%

Top 10 tenants contribute 36% of monthly gross rental income[1]

Commerzbank AG is the second largest tenant after CCT's acquisition of Gallileo



Notes:

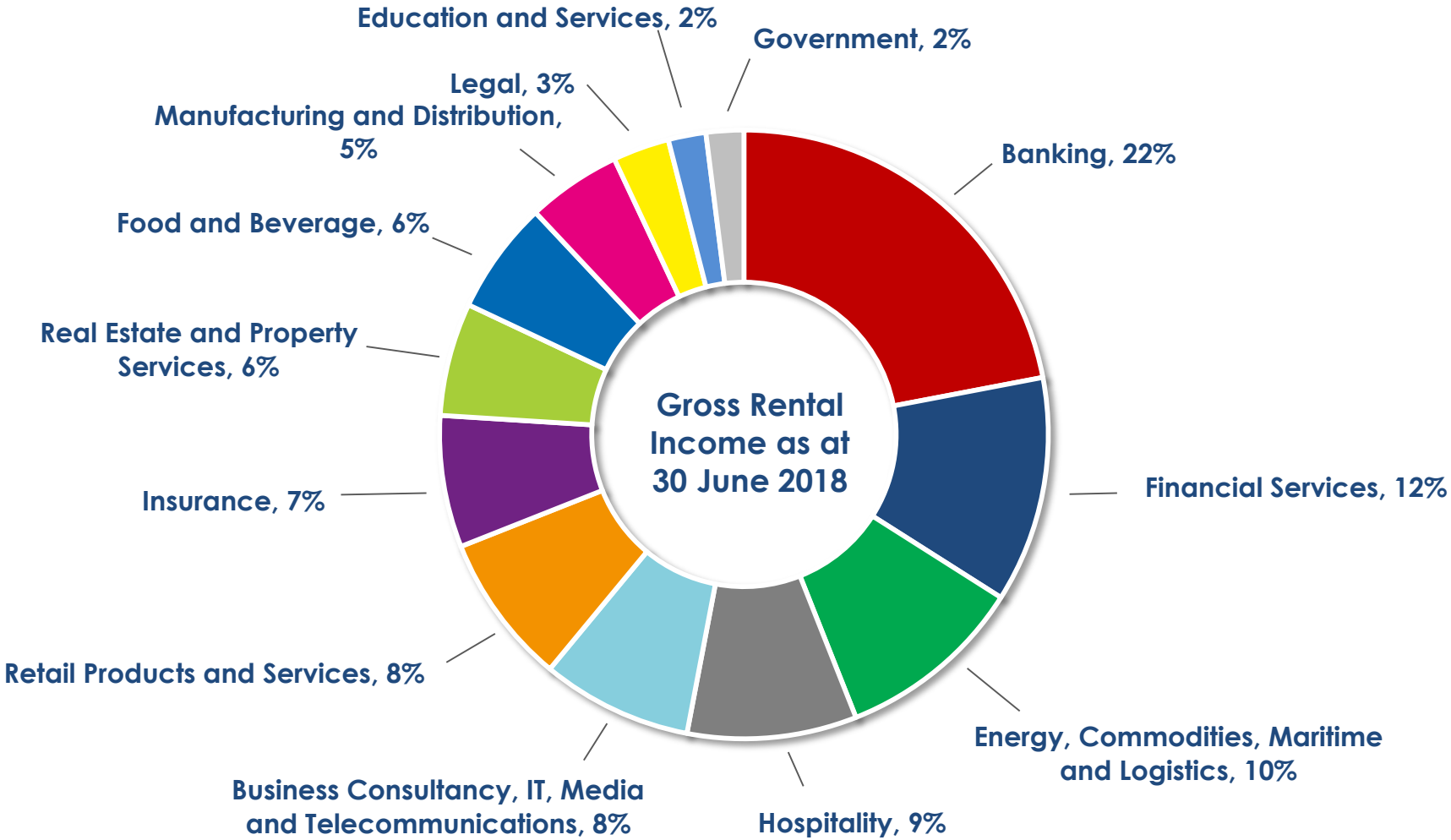
(1) Based on monthly gross rental income of top ten tenants as at 30 June 2018, excluding retail turnover rent.

(2) Based on CCT's 60.0% interest in Raffles City Singapore

(3) Based on CCT's 94.9% interest in Gallileo

(4) Total percentage may not add up due to rounding

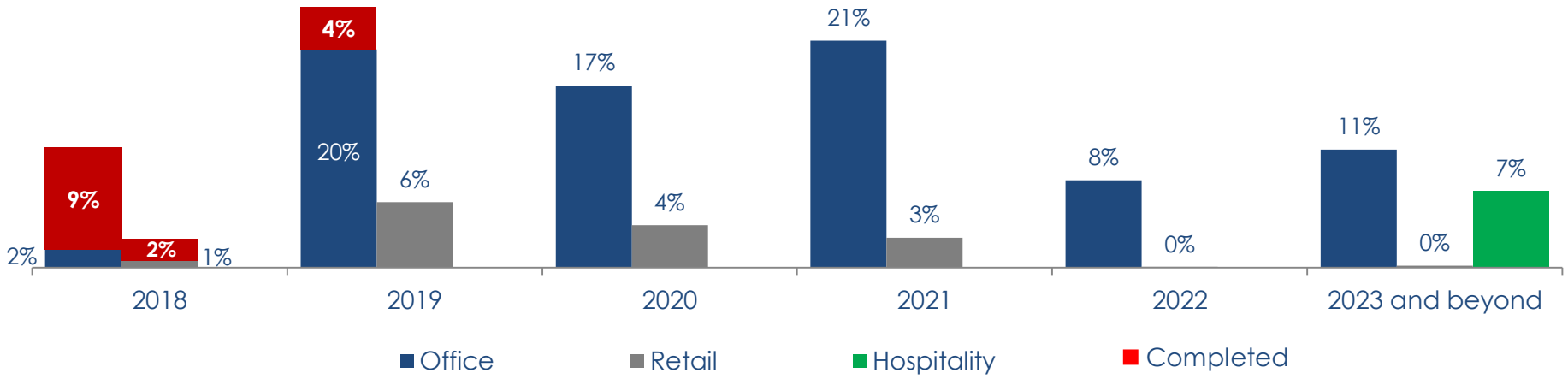
Diverse tenant mix in CCT's portfolio [1]



Note:
(1) Based on committed monthly gross rental income of tenants as at 30 June 2018, including CCT's 60.0% interest in Raffles City Singapore, 50.0% interest in One George Street and 94.9% interest in Gallileo; and excluding retail turnover rent

Well spread portfolio lease expiry profile

Lease expiry profile as a percentage of committed monthly gross rental income[1]



Portfolio WALE[2] by NLA as at end June 2018 = 6.0 years

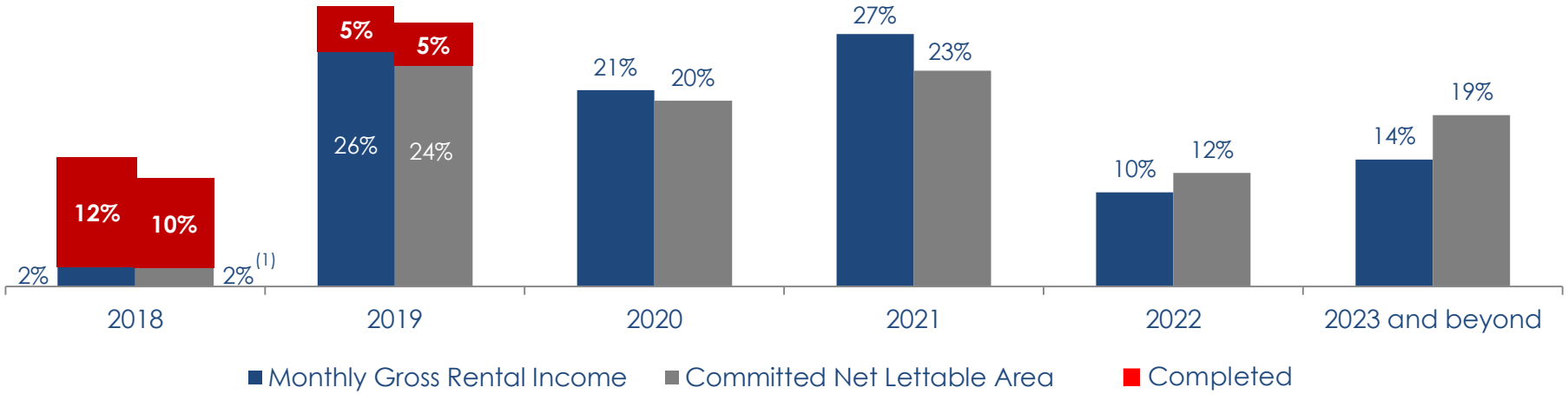
Notes:

(1) Excludes retail and hotel turnover rent

(2) WALE: Weighted Average Lease term to Expiry

Office leasing momentum continues to be steady

Renewal for leases expiring in 2018 have been largely completed



Notes:

(1) Represents approximately 76,000 sq ft

(2) Office lease expiry profile as at 30 June 2018

Rents committed above market levels

Building	Average Expired Rents (S$)	Committed Rents [1] (S$)	Sub-Market	Market Rents of Comparative Sub-Market (S$)	
				Cushman & Wakefield[2]	Knight Frank[3]
Asia Square Tower 2	13.26	11.00 – 12.00	Grade A Marina Bay	10.95	9.50 - 10.00
CapitaGreen	12.30	10.50 – 14.00	Grade A Raffles Place	9.86	9.50 - 10.00
Six Battery Road	12.37	10.00 – 13.80	Grade A Raffles Place	9.86	8.40 – 8.90
One George Street	9.22	9.10 – 9.50	Grade A Raffles Place	9.86	8.40 – 8.90

Notes:

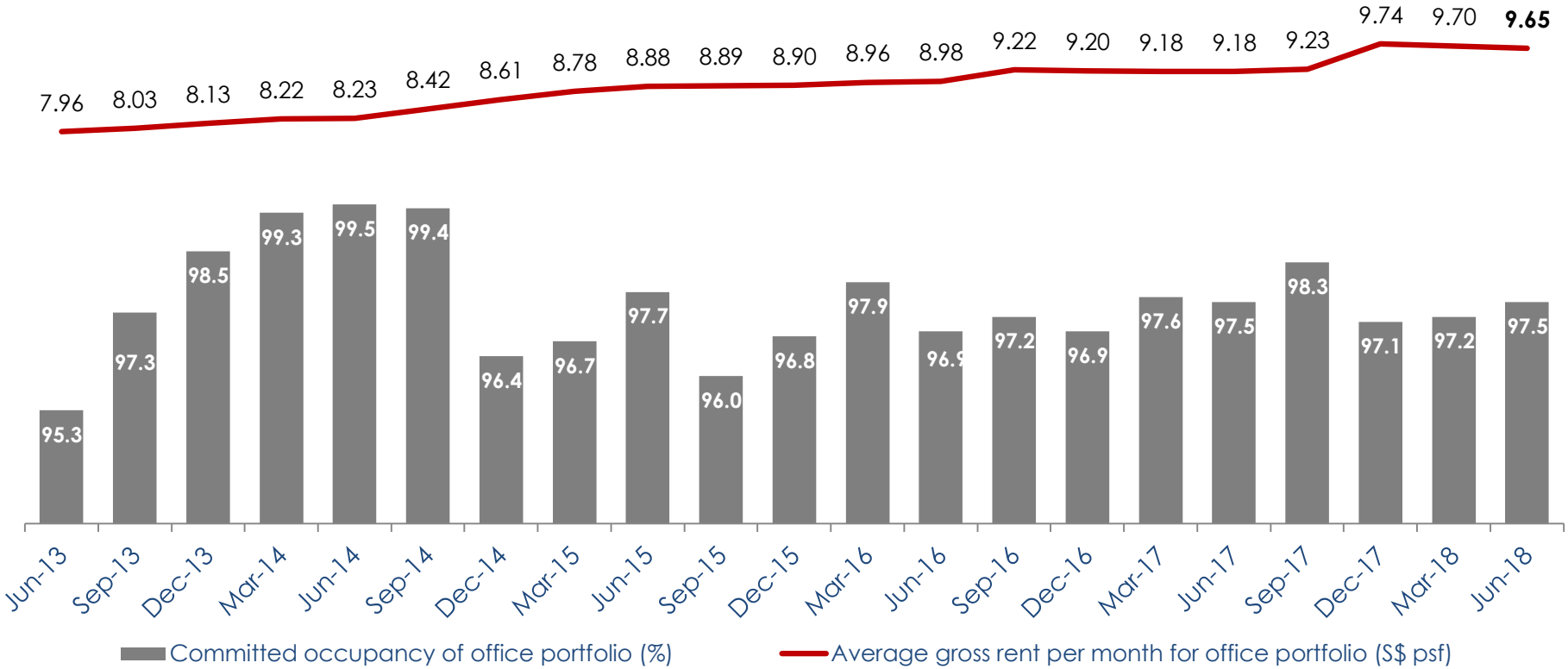
(1) Renewal/new leases committed in 2Q 2018

(2) Source: Cushman & Wakefield 2Q 2018

(3) Source: Knight Frank 1Q 2018; based on leases of a whole floor office space on the mid-floor levels of office properties, and taking into account rent free period and other concessions

(4) For reference only: CBRE Pte. Ltd.'s 2Q 2018 Grade A rent is S$10.10 psf per month and they do not publish sub-market rents

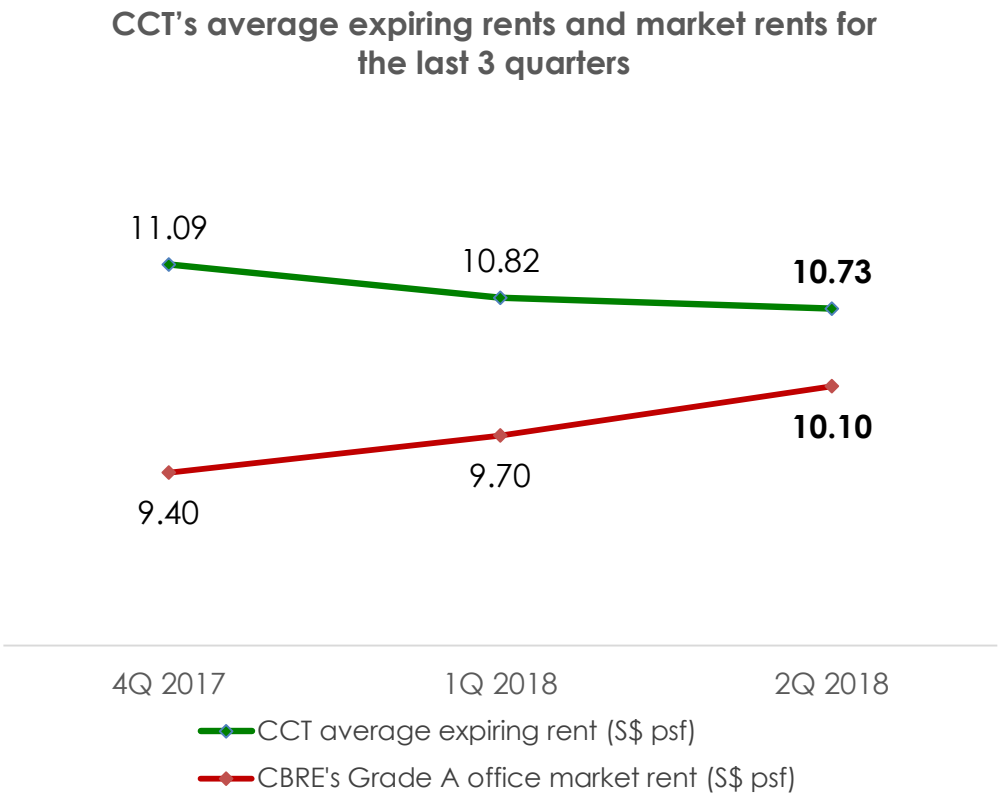
Average office rent [1] of CCT's Singapore portfolio eased by 0.5% QoQ



Note:

(1) Average gross rent per month for office portfolio (S$ psf) = $\frac{\text{Actual gross rent for occupied office + Committed gross rent for vacant office}}{\text{Committed area of office}}$

Gap between 2018 expiring and market rents continues to narrow

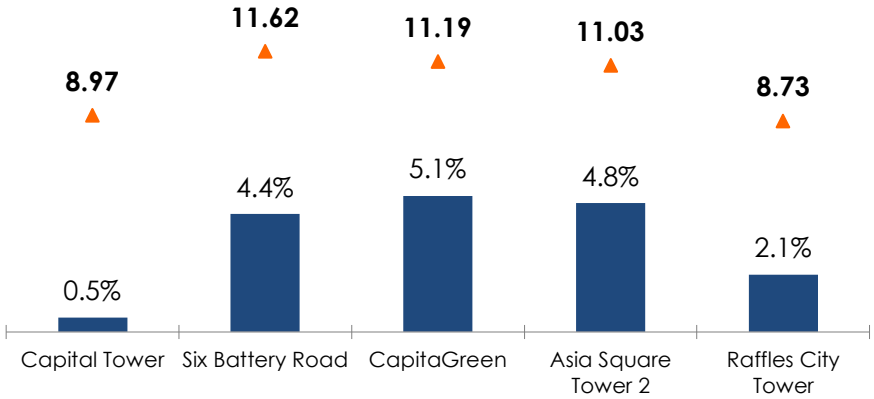


2018 Leases	Average monthly gross rental rate for expiring leases (psf)	Leases expiring as a percentage of office portfolio monthly gross rental income
Capital Tower	S$9.80	0.4%
Six Battery Road	S$11.91	0.6%
CapitaGreen	S$9.70	0.1%
Asia Square Tower 2	S$13.50	0.1%
Raffles City Tower	S$9.91	0.3%
Average/Total	**S$10.73**	**1.5%**

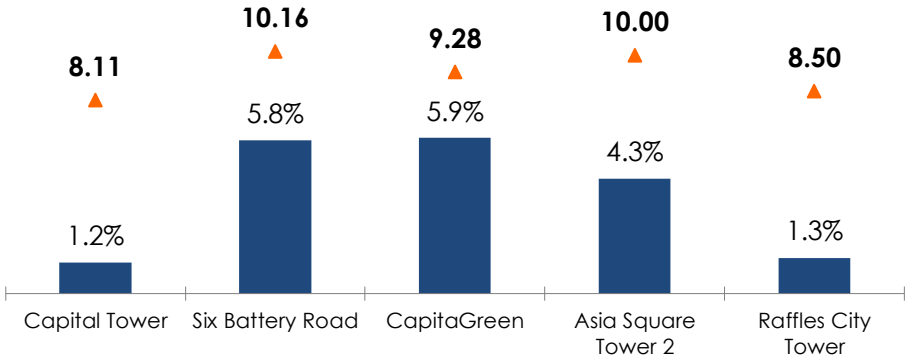
Note:
(1) Total percentage may not add up due to rounding

CCT's office portfolio well positioned to capitalise on rising market rents

2019
Average rent of leases expiring is S$10.78psf [1]



2020
Average rent of leases expiring is S$9.55psf [1]



▲ Average monthly gross rental rate for expiring leases (S$ psf/month)

■ $\frac{\text{Monthly gross rental income for leases expiring at respective properties}}{\text{Monthly gross rental income for office portfolio}}$ X 100%

Note:
(1) Four Grade A buildings and Raffles City Tower only

4. Portfolio Value Creation

CCT's multi-pronged approach to portfolio value creation

Generate organic growth

- Increase occupancy
- Increase rent

Enhance / refurbish assets

- Improve positioning
- Create value

Unlock value

- Realise maximum value
- Recycle proceeds

Grow portfolio

- Acquire quality asset in Singapore and overseas (10-20%)
- Develop to transform value

Proactive capital management

- Diversify funding sources
- Optimise tenure and funding cost

CCT milestones since inception

2005: Acquired HSBC Building

2006: Acquired 60.0% interest in RCS Trust which owns Raffles City Singapore

2008: Acquired Wilkie Edge and One George Street

2007 - 2010: Raffles City Singapore AEIs

2010: Sale of Robinson Point and StarHub Centre

2010 – 2013 Six Battery Road AEI

2011: Entered JV to redevelop Market Street Car Park into Capita-Green

CCT owns 40.0% interest in Capita-Green

2012: Acquired Twenty Anson

2012 - 2014: Raffles City Tower AEI

31 Aug 2016: Acquired remaining 60.0% interest in CapitaGreen

2013 - 2015: Capital Tower AEI

19 Jun 2017: Sale of One George Street to LLP and own 50% interest thereafter

11 Sep 2017 Sale of Wilkie Edge

13 Jul 2017: Entered JV to redevelop Golden Shoe Car Park

CCT owns 45.0% interest in JV

1 Nov 2017: Acquired Asia Square Tower 2

18 Jun 2018: Acquired 94.9% of Gallileo, Frankfurt, Germany

29 Aug 2018: Sale of Twenty Anson

CapitaSpring – new integrated development in Raffles Place

Description	51-storey integrated development comprising Grade A office, serviced residence with 299 rooms, ancillary retail and a food centre
Use	Commercial
Height	280m (on par with tallest buildings in Raffles Place)
Title	Leasehold expiring 31 Jan 2081 (remaining 64 years)
Site Area	65,700 sq ft
Total GFA	1,005,000 sq ft
Office NLA **Ancillary retail NLA**	635,000 sq ft 12,000 sq ft
Serviced Residence	299 rooms to be managed by Ascott
Food Centre GFA	44,000 sq ft
Car Park	About 350 lots
Target Yield on Cost	5.0%
Estimated Project Development Expenditure	S$1.82 billion

Artist's impression of CapitaSpring; target completion in 1H 2021

Joint venture to develop CapitaSpring

CCT holds 45.0% interest in the project - about 7% of deposited property[1] - within 10% development limit

CapitaLand | CapitaLand Commercial Trust | MITSUBISHI ESTATE

45% (S$819.0 mil) | 45% (S$819.0 mil) | 10% (S$182.0 mil)

Joint developers

Glory Office Trust (GOT)	+	Glory SR Trust (GSRT)
CCT has call option [2] for commercial component		CCT has drag-along right [3] over MEC's units for serviced residence component

New integrated development in Raffles Place

Notes:

(1) Deposited property was S$11,595.6 million including the valuation of investment properties as at 30 Jun 2018

(2) Exercisable within 5 years after issue of temporary occupation permit (TOP) and price at market value. The purchase price must be higher than a base price calculated as the total development costs incurred by GOT on the commercial component less any net property income attributable to GOT compounded quarterly at 6.3% p.a..

(3) Within 5 years after issue of TOP and price at agreed value. The agreed value must be higher than a base price calculated as the total development costs incurred by GSRT on the SR component less any net property income attributable to GSRT compounded quarterly at 5.0% p.a..

CapitaSpring secured JP Morgan as anchor tenant for 24% of office net lettable area

Retaining a key tenant within the portfolio

- Tenant since 2001
- JP Morgan to extend lease at Capital Tower and relocate to CapitaSpring after the development's completion in 2021
- Committed 155,000 sq ft or close to a quarter of CapitaSpring's 635,000 sq ft of office NLA
- Development on track to complete in 1H 2021

CapitaSpring
target completion in 1H 2021

CapitaSpring – balance development cost of S$276.3 million (CCT's 45.0% interest) to be incurred progressively from now to 2021

CCT's 45% interest	CCT's 45% interest in Glory Office Trust and Glory SR Trust	Drawdown as at Jun 2018	Balance[2]
Debt at Glory Office Trust and Glory SR Trust[1]	**S$531.0m**	(S$297.4m)	S$233.6m
Equity inclusive of shareholder's loan	**S$288.0m**	(S$245.3m)	S$42.7m
Total	**S$819.0m**	(S$542.7m)	S$276.3m

Notes:
(1) Glory Office Trust and Glory SR Trust have obtained borrowings amounting to S$1,180.0m (100% interest)
(2) Balance capital requirement until 2021

5. Frankfurt Office Market

Completed acquisition of 94.9% of Gallileo, Frankfurt, Germany in Jun 2018

Description	A 38-storey Grade A commercial building with ancillary retail and a 4-storey heritage building for office use
Title	Freehold
Location	Banking District, Frankfurt's Central Business District
Net Lettable Area	436,175 sq ft (40,522 sqm)
Typical Floor Plate	10,549 sq ft (980 sqm)
Occupancy	100%, Commerzbank AG[1] anchors approximately 98%

All information on 100.0% basis.

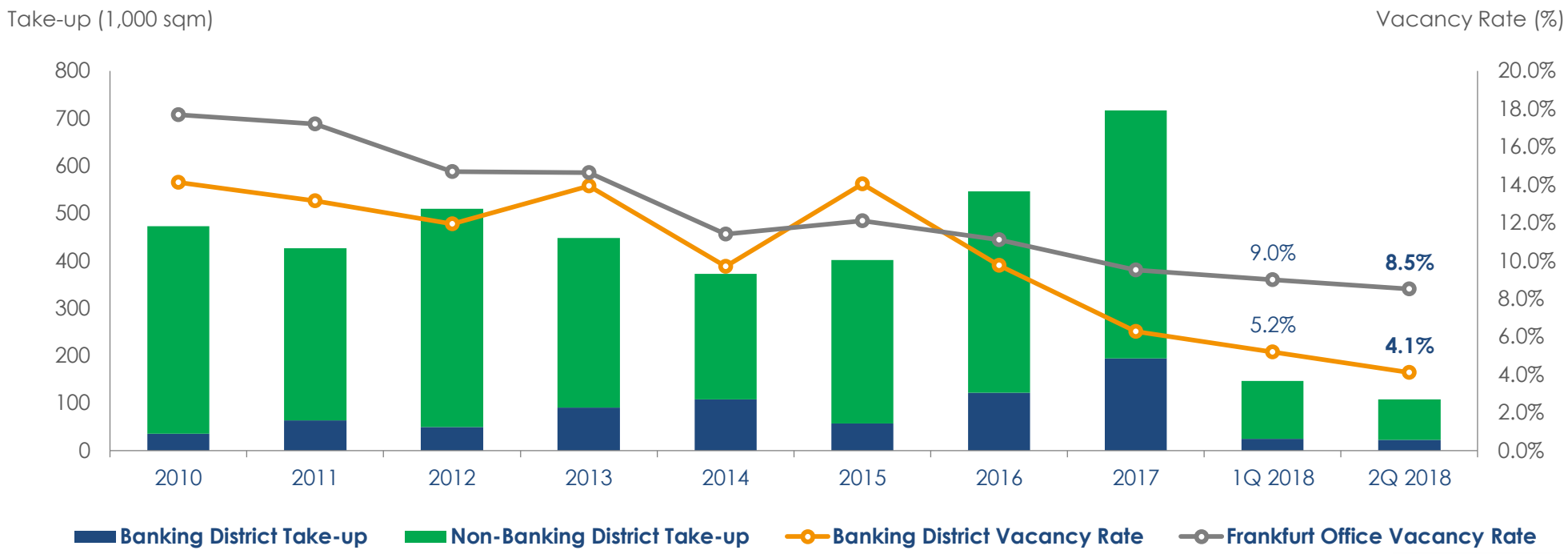
Note:
(1) Commerzbank AG's lease expires in 2029 and the rent is adjusted based on an inflation index every two years. However, Commerzbank AG has an option to terminate the lease in 2024 with 24-months' notice.

Take up and vacancy rate

Frankfurt property fundamentals sound; vacancy rates declined further from 5.2% in 1Q 2018 to 4.1% in 2Q 2018

Frankfurt Office and Banking District Take-up and Vacancy Rates

- Take-up in Frankfurt and Banking District registered significant increase in year 2017; the highest level since year 2000
- Vacancy rates have steadily declined to record lows of the past decade; overall vacancy rate for Frankfurt was 9.0% and 5.2% for Banking District in 1Q 2018. This further declined to 8.5% and 4.1% respectively in 2Q 2018



Source: CBRE Research, Frankfurt Q2 2018.

New supply

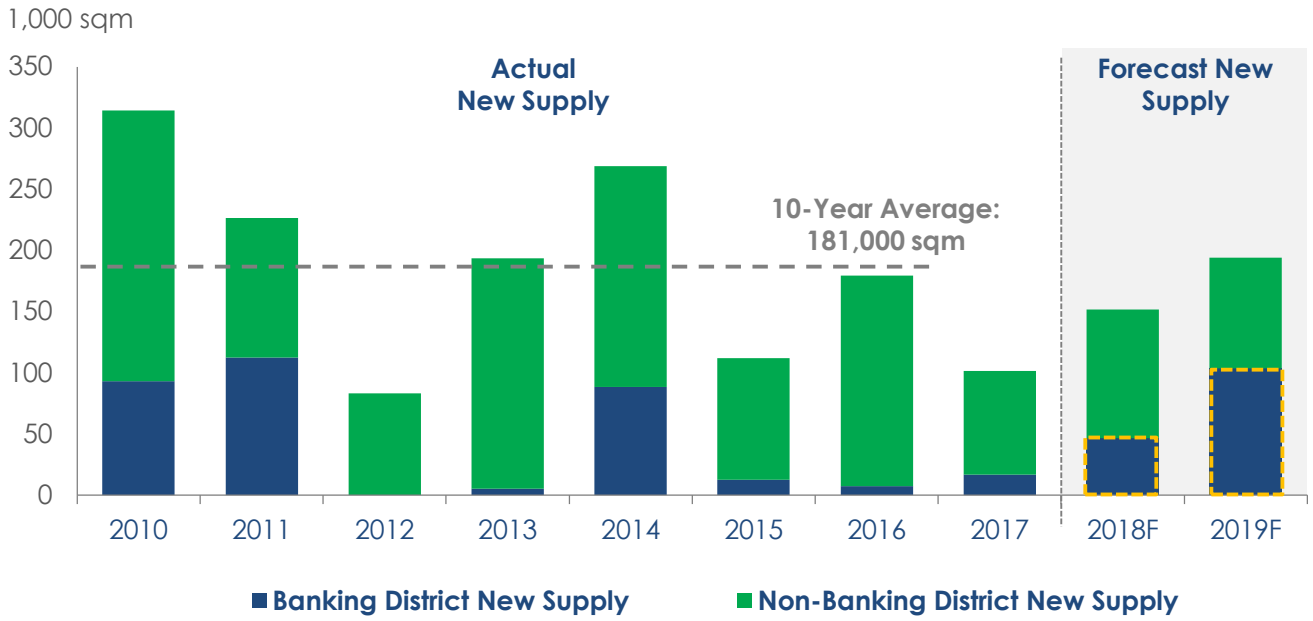
Relatively low levels of new office supply in Frankfurt

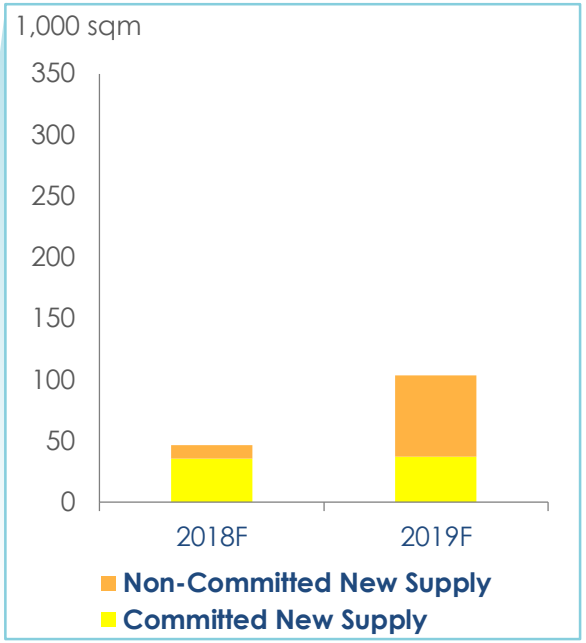
New Supply in Frankfurt (2018F to 2019F)

- Past year's completion volume far below 10-year average
- Future supply pipeline until 2019F at relatively low levels with good pre-letting; further decrease of available space expected

New Supply in Banking District (2018F to 2019F)

- More than 45% of Banking District's new supply has been committed



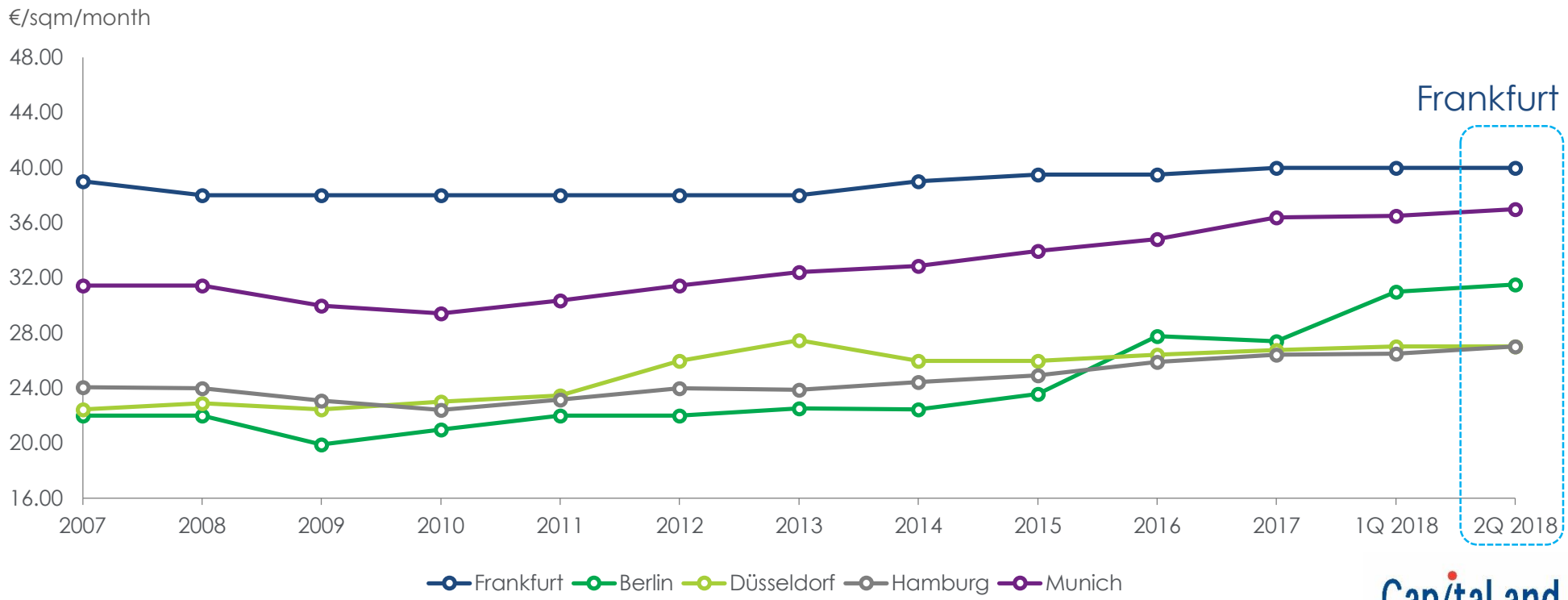


Source: CBRE Research, Frankfurt Q4 2017.

Frankfurt office market rents

Frankfurt's office market is characterised by stable and resilient rents

- Frankfurt has the highest rent in comparison to major cities in Germany across the past 10 years
- Prime office rent in Frankfurt has been resilient through property cycles
- Positive supply-demand dynamics will support prime office rents in Frankfurt



Source: CBRE Research, Frankfurt Q2 2018.

6. Financials and Capital Management

One George Street, Singapore

2Q 2018 distributable income rose 14.3% YoY

	2Q 2018	2Q 2017	Change (%)	Remarks
Gross Revenue (S$ million)	**98.0**	87.5	12.0	Please see note (1)
Property Operating Expenses (S$ million)	**(20.3)**	(18.4)	10.3	
Net Property Income (S$ million)	**77.7**	69.1	12.5	
Distributable Income (S$ million)	**79.4**	69.5	14.3	Please see note (2)
DPU (cents)	**2.16**	2.25	(4.0)	Please see note (3)
For Information Only Adjusted DPU (cents)	**2.16**	1.89	14.3	Please see note (4)

Notes:

(1) Higher revenue due to contribution from Asia Square Tower 2 (AST2) offset by divestments in 2017 of One George Street (50.0% interest), Golden Shoe Car Park and Wilkie Edge. Gallileo, the German property acquired by CCT on 18 June 2018, as well as better performance of CapitaGreen also contributed to the increase.

(2) The increase was due to higher net property income.

(3) DPU for 2Q 2018 was 2.16 cents, comprising: (a) DPU of 1.37 cents from 1 April 2018 to 27 May 2018 computed on 3,612.7 million units; and (b) DPU of 0.79 cents from 28 May 2018 to 30 June 2018 computed on 3,742.7 million units following the issuance of 130.0 million new CCT units for the equity placement in 2Q 2018.

(4) Adjusted DPU for 2Q 2017 of 1.89 cents was computed based on 3,612.7 million CCT units from 1 April 2018 to 27 May 2018 (end date inclusive) and 3,742.7 million Units from 28 May 2018 to 30 June 2018.

1H 2018 distributable income rose 10.8% YoY

	1H 2018	1H 2017	Change (%)	Remarks
Gross Revenue (S$ million)	**194.4**	177.0	9.8	Please see note (1)
Property Operating Expenses (S$ million)	**(39.5)**	(38.1)	3.7	
Net Property Income (S$ million)	**154.9**	139.0	11.5	
Distributable Income (S$ million)	**156.0**	140.8	10.8	Please see note (2)
DPU (cents)	**4.28**	4.56	(6.1)	Please see note (3)
For Information Only Adjusted DPU (cents)	**4.28**	3.86	10.9	Please see note (4)

Notes:

(1) Higher revenue due to contribution from Asia Square Tower 2 (AST2) offset by divestments in 2017 of One George Street (50.0% interest), Golden Shoe Car Park and Wilkie Edge. Gallileo, the German property acquired by CCT on 18 June 2018, and better performance of CapitaGreen also contributed to the increase.

(2) The increase was due to higher net property income.

(3) DPU for 1H 2018 was 4.28 cents, comprising: (a) Advanced DPU of 3.49 cents from 1 January 2018 to 27 May 2018, computed on 3,612.7 million units, paid on 18 July 2018; and (b) DPU of 0.79 cents from 28 May 2018 to 30 June 2018 computed on 3,742.7 million units, following equity placement in 2Q 2018, to be paid on 29 August 2018.

(4) Adjusted DPU for 1H 2017 of 3.86 cents was computed based on 3,612.7 million CCT units from 1 January 2018 to 27 May 2018 (end date inclusive) and 3,742.7 million Units from 28 May 2018 to 30 June 2018.

Singapore property values largely higher [1]

Investment Properties	31-Dec-17	30-Jun-18	Variance		30-Jun-18
	$m	$m	$m	%	$ per sq foot
Asia Square Tower 2	2,094.0	2,135.0	**41.0**	2.0	2,742
CapitaGreen	1,616.0	1,638.0	**22.0**	1.4	2,335
Capital Tower	1,363.0	1,381.0	**18.0**	1.3	1,872
Six Battery Road	1,402.0	1,416.0	**14.0**	1.0	2,860
HSBC Building	456.0	461.0	**5.0**	1.1	2,300
Raffles City Singapore (60%)[2]	1,956.0	1,978.8	**22.8**	1.2	NM[4]
One George Street (50%)[2]	558.1	569.0	**10.9**	2.0	2,554
CapitaSpring (45%)[2]	472.5	472.5	**-**	0.0	NM[4]
Singapore Portfolio	**9,917.6**	**10,051.3**	**133.7**	**1.3**	
Gallileo, Germany (94.9%)[3]	-	535.0	**535.0**		-
Total Portfolio	**9,917.6**	**10,586.3**	**668.7**	**6.7**	

Notes:

(1) Excludes Bugis Village and Twenty Anson as the properties were accounted for under Assets Held for Sale.

(2) Valuation for Raffles City Singapore, One George Street and CapitaSpring as at 30 Jun 2018 on a 100% basis were S$3,298m, S$1,138m and S$1,050m respectively.

(3) Valuation as at 30 Jun 2018 for 100% interest in Gallileo was EUR360.9m and converted to S$ based on an exchange rate of 1.56203.

(4) NM indicates "Not Meaningful"

Higher values due to capitalisation and discount rate compression by appraisers

- Terminal yields are 0.25% higher than capitalisation rates for the portfolio except for Six Battery Road and HSBC Building where terminal yields are the same given their 999-year lease tenures.
- Office rent growth rates[1] assumed for the discounted cashflow method generally averaged 4.0% over 10 years.

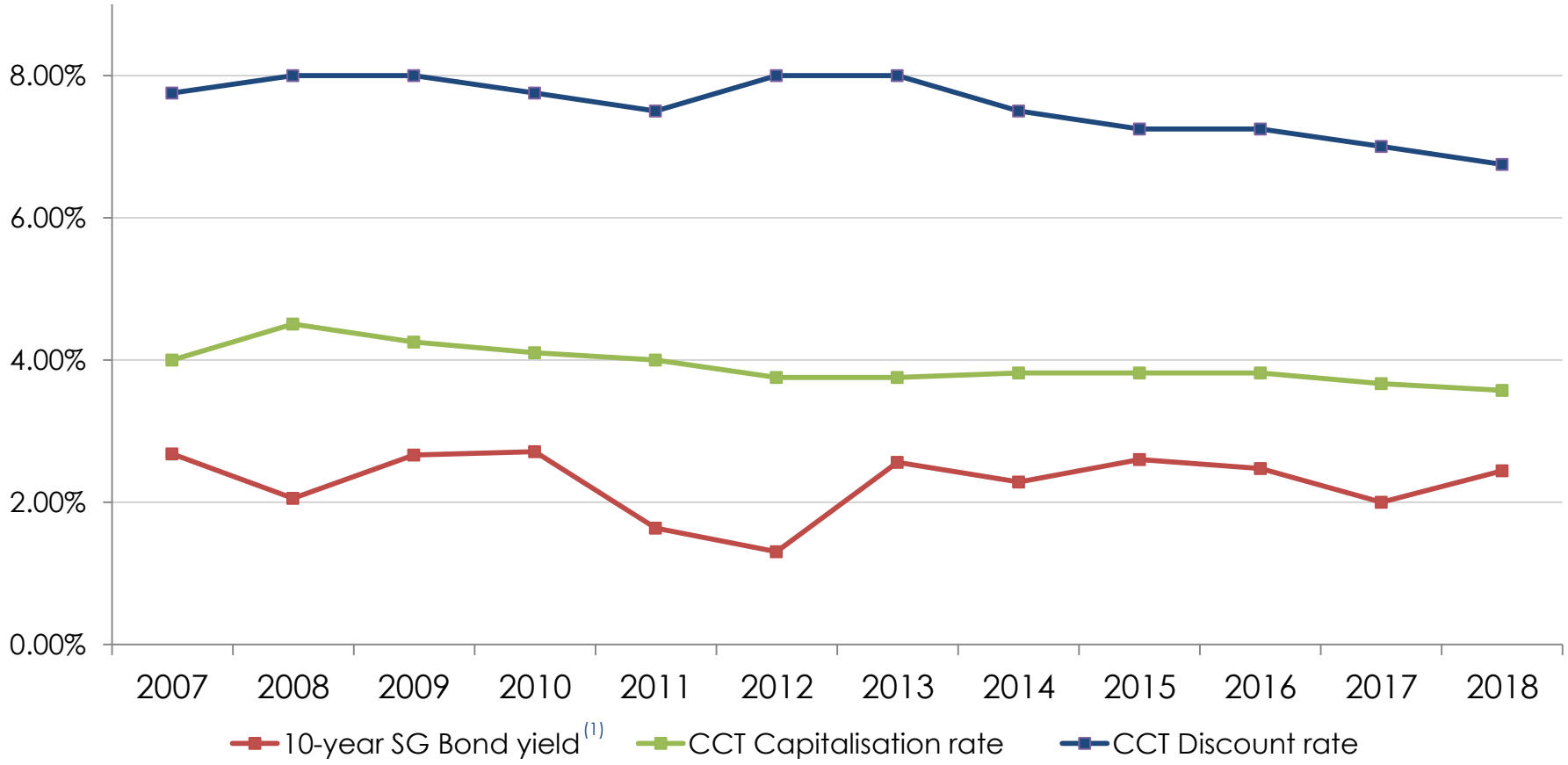
	Capitalisation Rates (%)							Discount Rates (%)						
	Dec-13	Dec-14	Dec-15	Dec-16	Jun-17	Dec-17	**Jun-18 [1]**	Dec-13	Dec-14	Dec-15	Dec-16	Jun-17	Dec-17	**Jun-18 [1]**
Capital Tower	3.75	3.85	3.85	3.85	3.70	3.70	**3.60**	8.00	7.50	7.25	7.25	7.00	7.00	**6.75**
Six Battery Road	3.75	3.75	3.75	3.75	3.60	3.60	**3.50**	8.00	7.50	7.25	7.25	7.00	7.00	**6.75**
CapitaGreen	NA	4.00	4.15	4.15	4.10	4.10	**4.00**	NA	7.25	7.25	7.25	7.00	7.00	**6.75**
HSBC Building	3.75	3.85	3.85	3.75	3.60	3.60	**3.50**	8.00	7.50	7.25	7.25	7.00	7.00	**6.75**
Asia Square Tower 2	NA	NA	NA	NA	NA	-	**3.50**	NA	NA	NA	NA	NA	-	**6.75**
One George Street	3.75	3.85	3.85	3.85	3.75	3.70	**3.60**	8.00	7.50	7.25	7.25	7.20	7.00	**6.75**
Raffles City SG														
Office	4.25	4.25	4.25	4.25	4.10	4.10	**4.00**	7.35	7.50	7.25	7.25	7.00	7.00	**6.75**
Retail	5.25	5.25	5.25	5.25	4.85	4.85	**4.70**	7.65	7.50	7.50	7.50	7.25	7.25	**7.00**
Hotel	5.55	5.25	5.13	5.11	4.75	4.75	**4.75**	7.75	7.75	7.75	7.40	7.15	7.15	**7.00**

Notes:

(1) Excludes Gallileo and CapitaSpring

(2) CBRE appointed valuer for Capital Tower, Six Battery Road, CapitaGreen and Raffles City Singapore; Cushman & Wakefield appointed valuer for One George Street and HSBC Building; Knight Frank appointed valuer for Asia Square Tower 2; and JLL was the appointed valuer for CapitaSpring.

CCT's valuation capitalisation and discount rates are stable relative to 10-year SG bond yield



Notes:

(1) Source: Monetary Authority of Singapore (MAS)

(2) Changes in capitalisation rates and discount rates due to varying assumptions used by different valuers

Robust balance sheet

Statement of Financial Position
As at 30 Jun 2018

	S$ million
Non-current Assets	9,422.6
Current Assets [1]	763.6
Total Assets	**10,186.2**
Current Liabilities	323.1
Non-current Liabilities	2,965.3
Total Liabilities	**3,288.4**
Net Assets	**6,897.8**
Represented by:	
Unitholders' Funds	6,881.8
Non-controlling interests	16.0
Total Equity	**6,897.8**
Units in issue ('000)	**3,742,685**

	S$ million
Deposited Property [2]	**11,595.6**
Net Asset Value Per Unit	**$1.84**
Adjusted Net Asset Value Per Unit (excluding distributable income)	**$1.80**

Credit Rating

BBB+ by **S&P, Outlook Stable**

Notes:

(1) Bugis Village and Twenty Anson were reclassified from Non-current Assets to Current Assets. Bugis Village was stated at S$40.7 million which is the compensation sum that CCT will receive when Bugis Village is returned to the State on 1 April 2019. Twenty Anson was stated at S$516.0 million which is the sale price in the sale and purchase agreement dated 29 June 2018.

(2) Deposited property for CCT Group includes CCT's 60.0% interest in RCS Trust, CCT's 50.0% interest in OGS LLP (which holds One George Street), CCT's 45.0% interest in Glory Office Trust and Glory SR Trust (which holds CapitaSpring) and CCT's 94.9% interest in Gallileo.

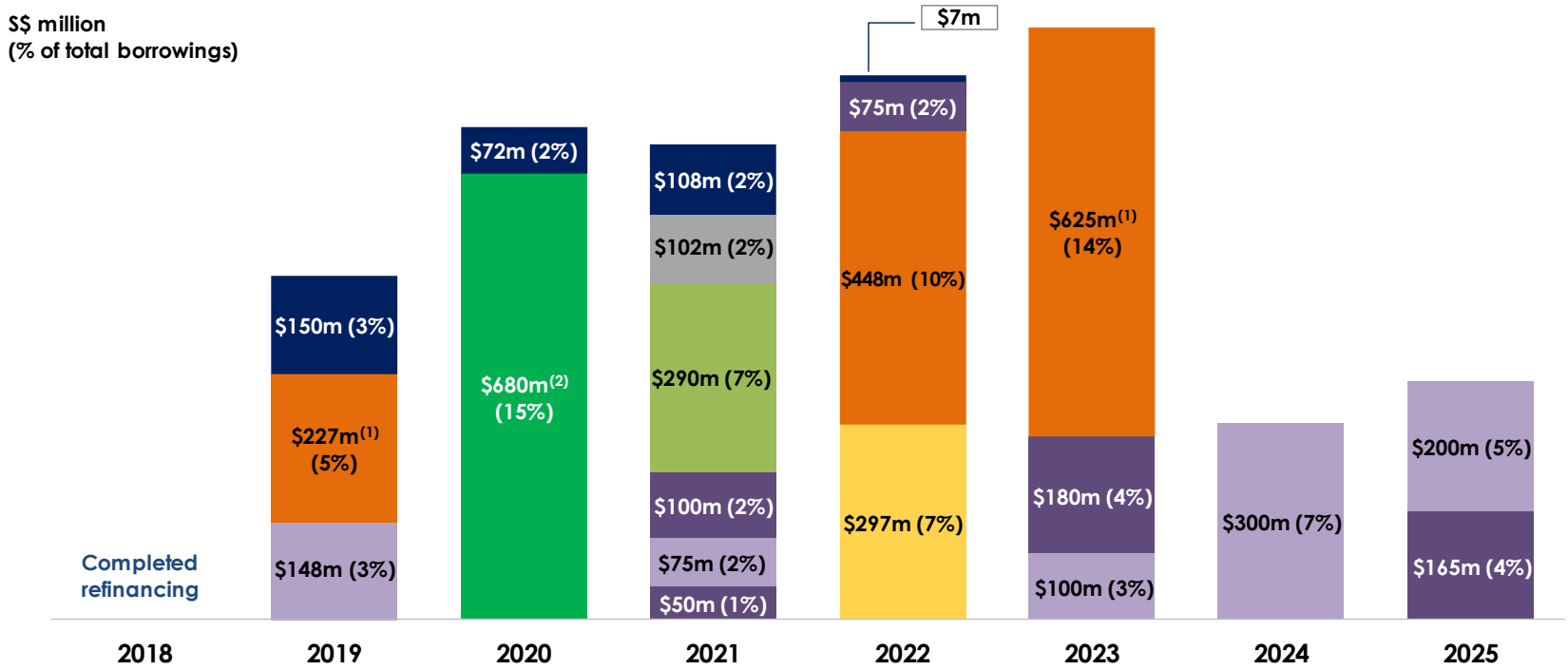
Stable financial ratios

	1Q 2018	2Q 2018	Remarks
Total Gross Debt [1]	S$4,069.0m	**S$4,398.9m**	**Higher** (Higher borrowings)
Aggregate Leverage [2]	37.9%	**37.9%**	**Stable**
Unencumbered Assets as % of Total Assets [3]	83%	**84%**	**Higher**
Average Term to Maturity [4]	3.9 years	**3.6 years**	**Lower** (passing of time)
Average Cost of Debt (p.a.) [5]	2.7%	**2.8%**	**Higher**
Interest Coverage [6]	5.1 times	**5.3 times**	**Higher**

Notes:
(1) Total gross debt includes CCT's joint ventures.
(2) In accordance with Property Funds Appendix, CCT's proportionate share of its joint venture borrowings and deposited property values are included when computing aggregate leverage. Correspondingly, the ratio of total gross borrowings to total net assets is 63.8%.
(3) Investment properties at CCT (excludes joint ventures) are all unencumbered except for CapitaGreen.
(4) Excludes borrowings of joint ventures.
(5) Ratio of interest expense (excludes amortisation and transaction costs) over weighted average gross borrowings (excludes borrowings of joint ventures).
(6) Ratio of EBITDA over finance costs includes amortisation and transaction costs (excludes borrowings of joint ventures).

Debt Maturity Profile

as at 30 Jun 2018



- Unsecured RCS bank loans due 2019 to 2022
- Unsecured CCT bank loans due 2019, 2022 and 2023
- 2.89% p.a. CCT fixed rate JPY bond swapped to S$148m MTN due 2019
- Secured CapitaGreen bank loan due 2020
- 2.70% p.a. CCT fixed rate HKD bond swapped to S$102m MTN due 2021
- 50% of OGS LLP secured bank loan due 2021
- 2.96% p.a. CCT fixed rate S$100m MTN due 2021
- 2.95% p.a. CCT fixed rate JPY bonds swapped to S$75m MTN due 2021
- 2.98% p.a. CCT fixed rate S$50m MTN due 2021
- 2.77% p.a. CCT fixed rate S$75m MTN due 2022
- Secured CapitaSpring bank loans due 2022
- 2.60% p.a. RCS fixed rate S$180m MTN due 2023
- 3.05% p.a. CCT fixed rate JPY bond swapped to S$100m MTN due 2023
- 3.17% p.a. CCT fixed rate S$300m MTN due 2024
- 3.327% p.a. CCT fixed rate S$200m MTN due 2025
- 3.20% p.a. RCS fixed rate S$165m MTN due 2025

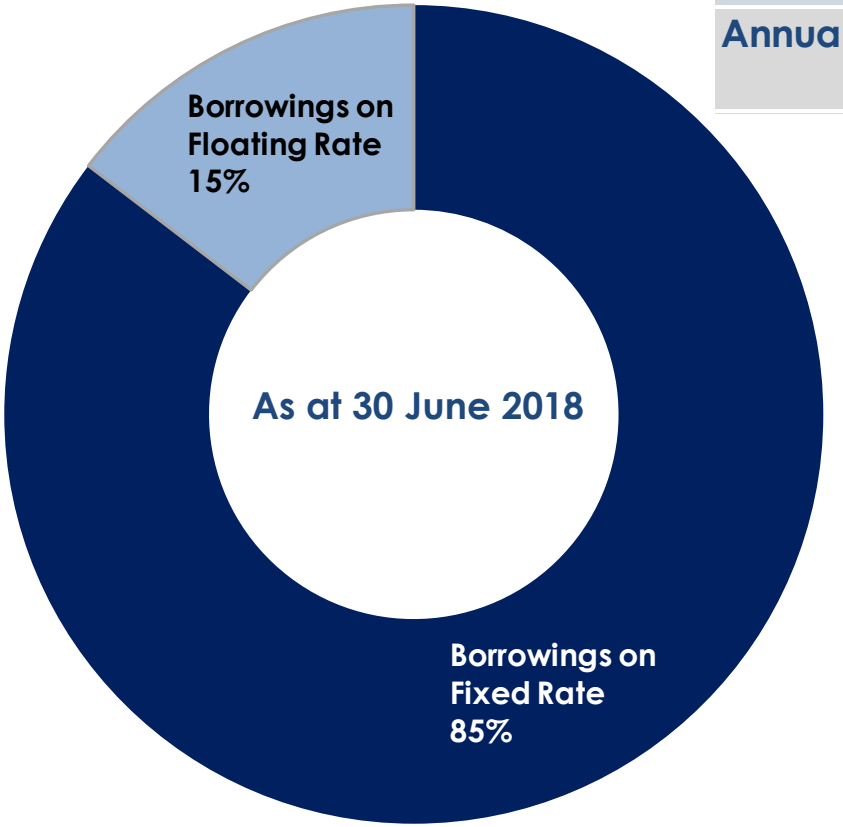
Notes:

(1) Includes EUR loan borrowing (S$532 million) due in 2019 and 2023 for the acquisition of Gallileo property.

(2) S$210 million of MSO Trust loan repaid.

85% of borrowings on fixed rate provides certainty of interest expense

Proforma impact on:	Assuming +0.5% p.a. increase in interest rate
Estimated additional Interest expense for FY 2018	+$3.2 million p.a.
Annualised 1H 2018 DPU	-0.09 cents (1% of annualised 1H2018 DPU)



7. Looking Ahead

Key focus

✓ Proactive portfolio and asset management

- Capitalise on rising office rents in Singapore market to optimise income for leases
- Actively reduce vacancy
- Gallileo contributing from 19 June 2018

✓ Further growth in Singapore with CapitaSpring

- Construction on track for completion in 1H 2021
- Call option[1] to acquire balance 55.0% interest in the commercial component currently not owned by CCT within five years from building's completion

✓ Continue to explore investments in Singapore and overseas [2]

Gallileo

Notes:

(1) Exercisable within 5 years after issue of temporary occupation permit (TOP) and price at market value. The purchase price must be higher than a base price calculated as the total development costs incurred by Glory Office Trust (GOT) on the commercial component less any net property income attributable to GOT compounded quarterly at 6.3% p.a..

(2) Develop depth in select gateway cities and between 10-20% of deposited property

Awards

Singapore Corporate Awards 2018

REITs and Business Trust category

- **Best Annual Report GOLD**

Building and Construction Authority Awards 2018

Universal Design (UD) Mark Design Gold^{PLUS} Award

- **CapitaSpring**

Highest accolade for UD for projects under development

Building and Construction Authority Awards 2018

Green Mark Pearl Award

- **Capital Tower**

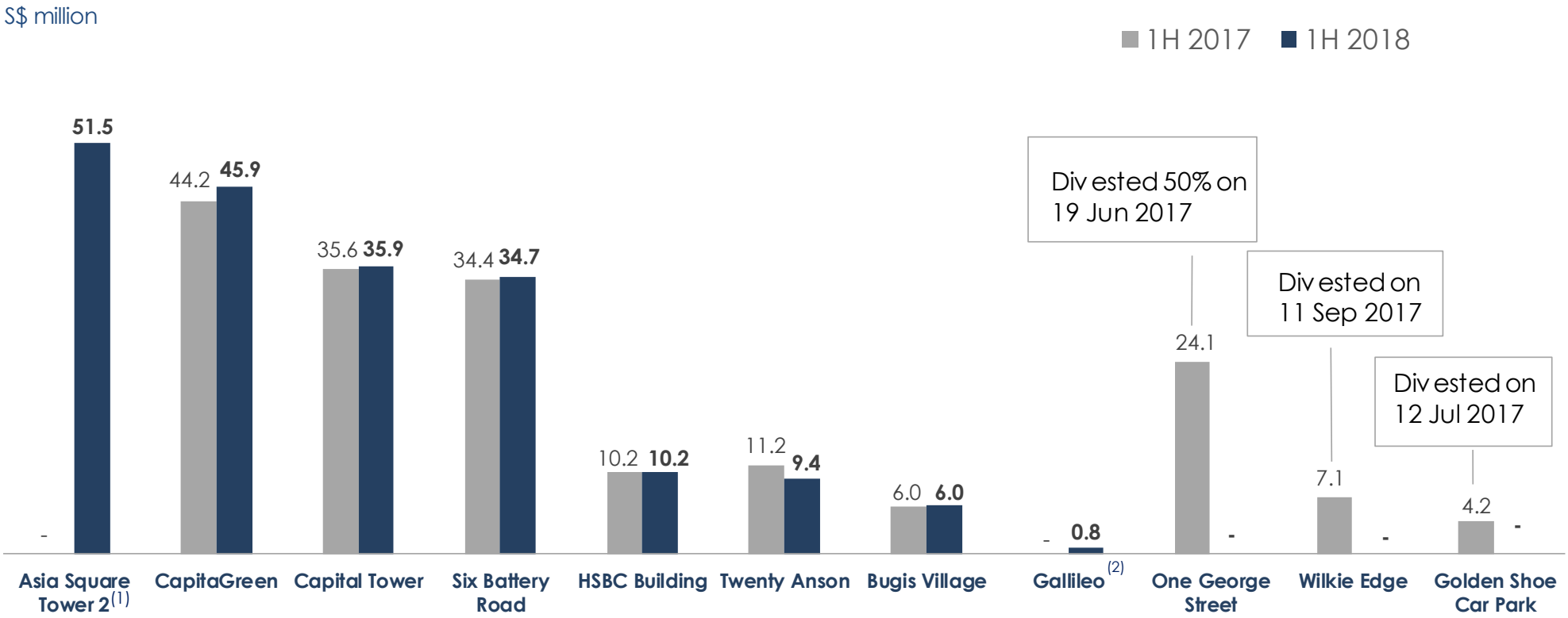
Awarded to building owners with minimum 50% of NLA that are GM certified under the GM occupant-centric schemes by their tenants within a base building which is GM Gold^{PLUS} or higher

8. Additional Information

Six Battery Road

1H 2018 Gross Revenue higher by 9.8% YoY

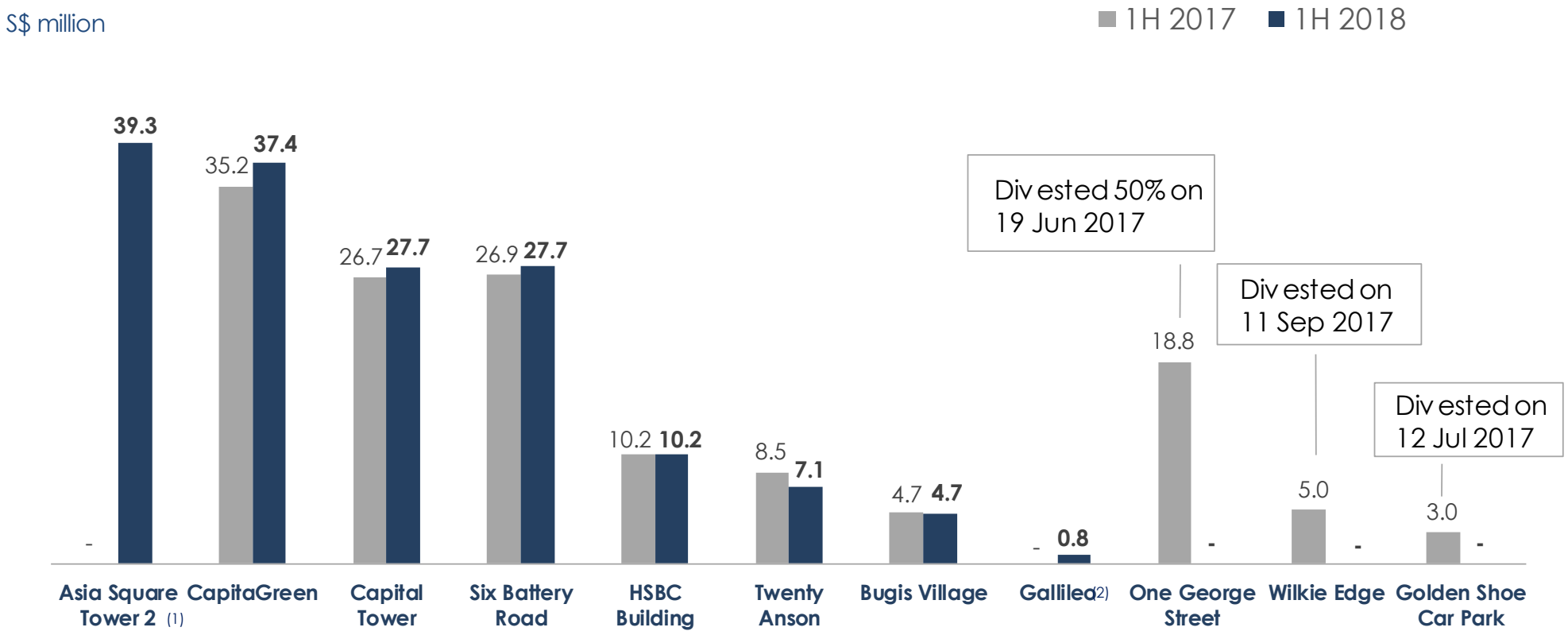
Higher gross revenue mainly contributed by acquisition of Asia Square Tower 2



Notes:
(1) AST2 contributed from 1 November 2017.
(2) CCT owns 94.9% of Gallileo which contributed revenue and income from 19 Jun 2018. The reported figure is on 100.0% basis.

1H 2018 Net Property Income higher by 11.5% YoY

Net property income lifted by acquisition of Asia Square Tower 2

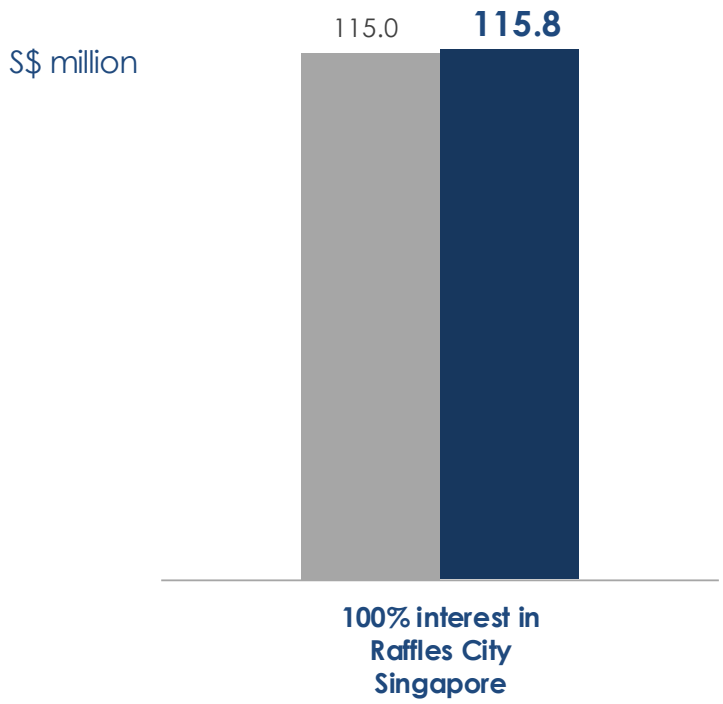


Note:
(1) AST2 contributed from 1 November 2017.
(2) CCT owns 94.9% of Gallileo which contributed revenue and income from 19 Jun 2018. The reported figure is on 100.0% basis.

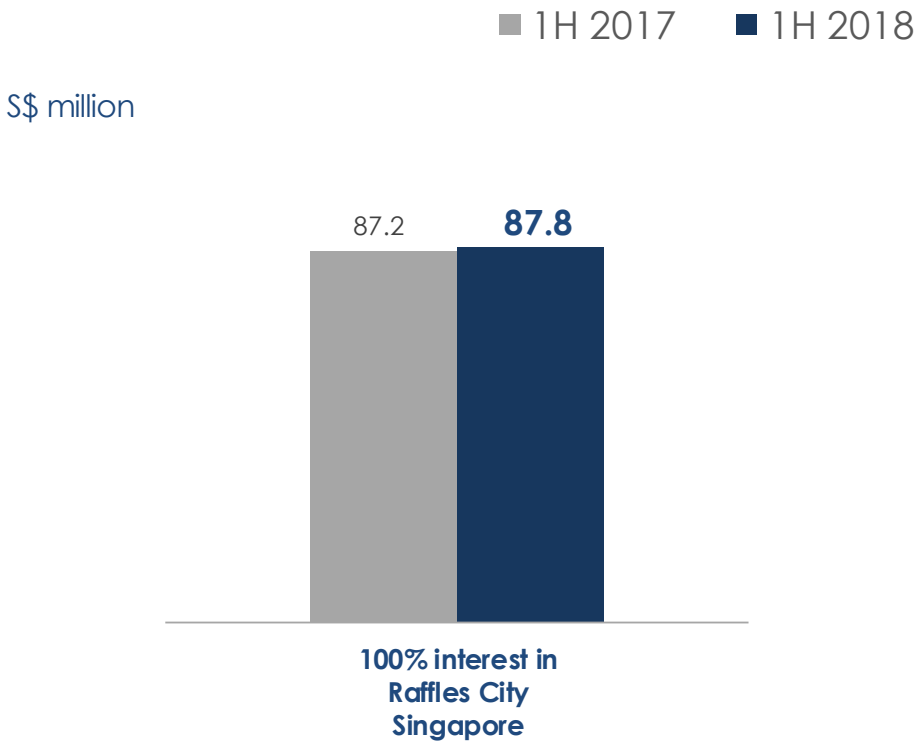
1H 2018 performance of Raffles City Singapore [1] (100.0% basis)

Higher performance mainly due to higher gross revenue

Revenue



Net Property Income

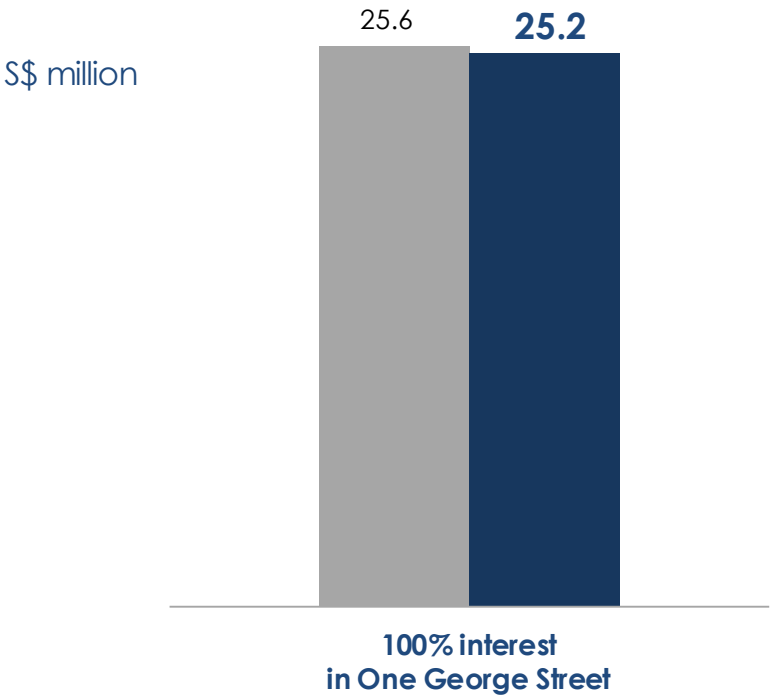


Note:
(1) CCT owns 60.0% interest in Raffles City Singapore.

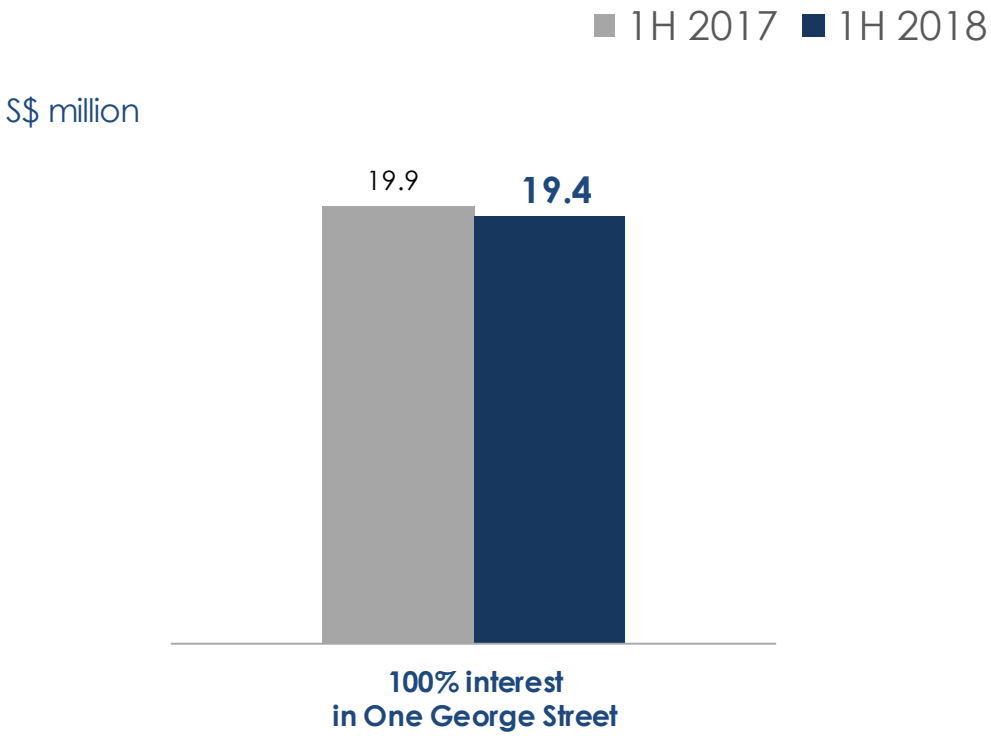
1H 2018 performance of One George Street [1] (100.0% basis)

Lower revenue mainly due to negative rental reversion

Revenue



Net Property Income



Note:
(1) CCT accounted for 50.0% of share of profit of OGS LLP with effect from 20 Jun 2017.

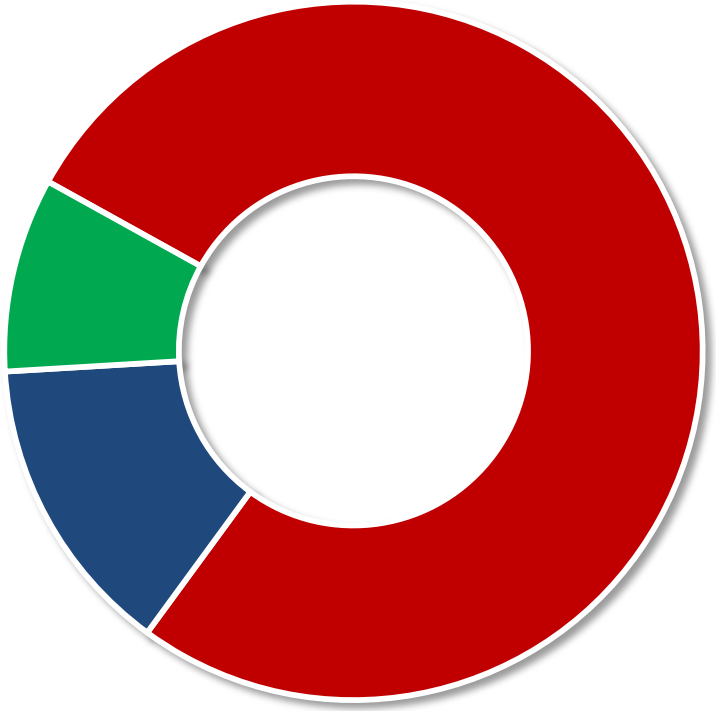
77% of gross rental income[1] contributed by office and 23% by retail and hotels & convention centre

CCT 1H 2018 income contribution by sector

Mainly from 60% interest in Raffles City

Hotels & Convention Centre, 9%

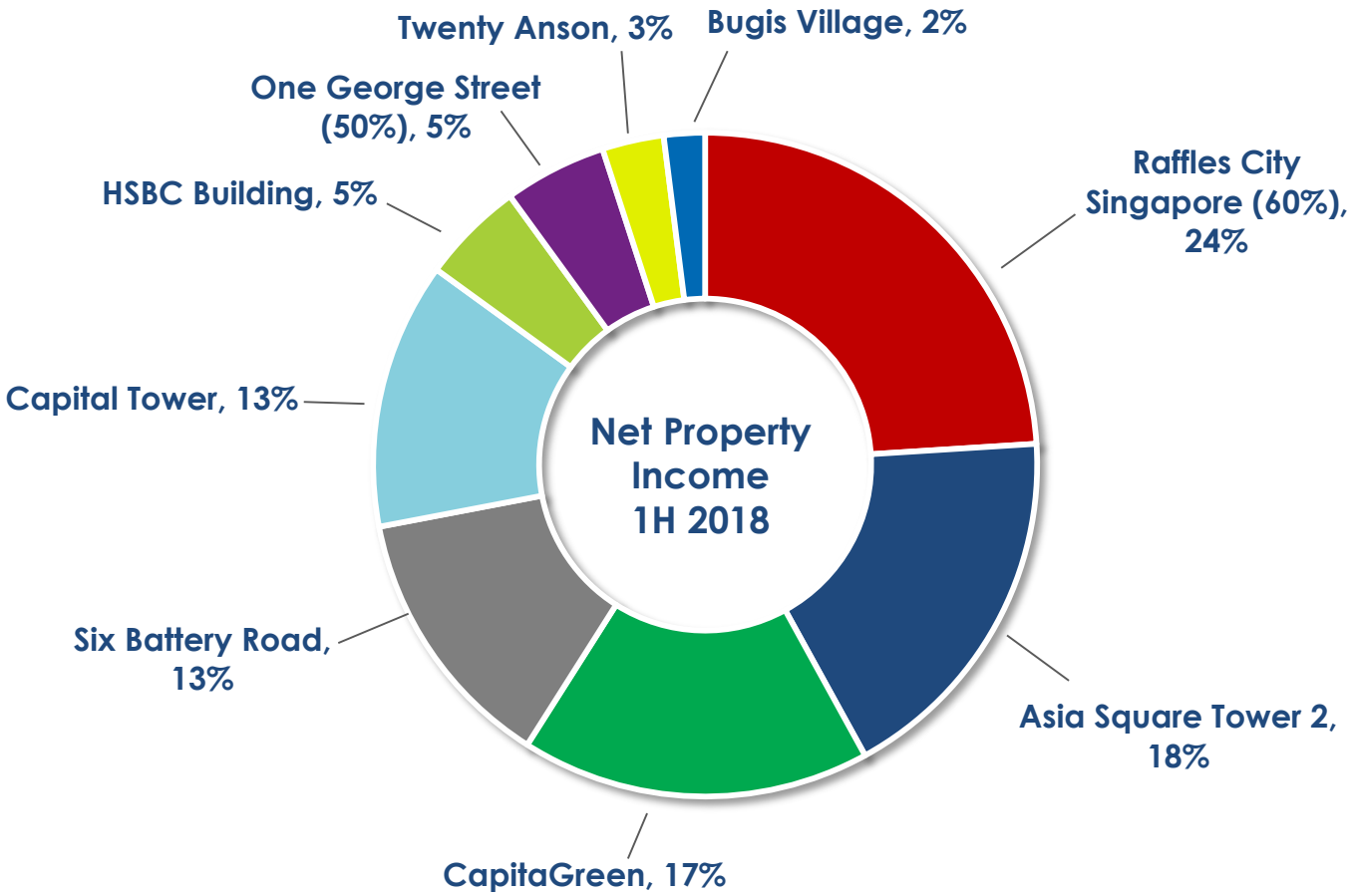
Master lease to hotel operator with about 75% of rent on fixed basis



Note:
(1) Based on gross rental income from 1 January 2018 to 30 June 2018; including gross rental income from CCT's 60.0% interest in Raffles City Singapore and 50.0% interest in One George Street; and excluding retail turnover rent.

Portfolio diversification with income contribution from 9 properties[1][2]

Raffles City Singapore and five Grade A offices contributed 90% of Portfolio NPI



Notes:

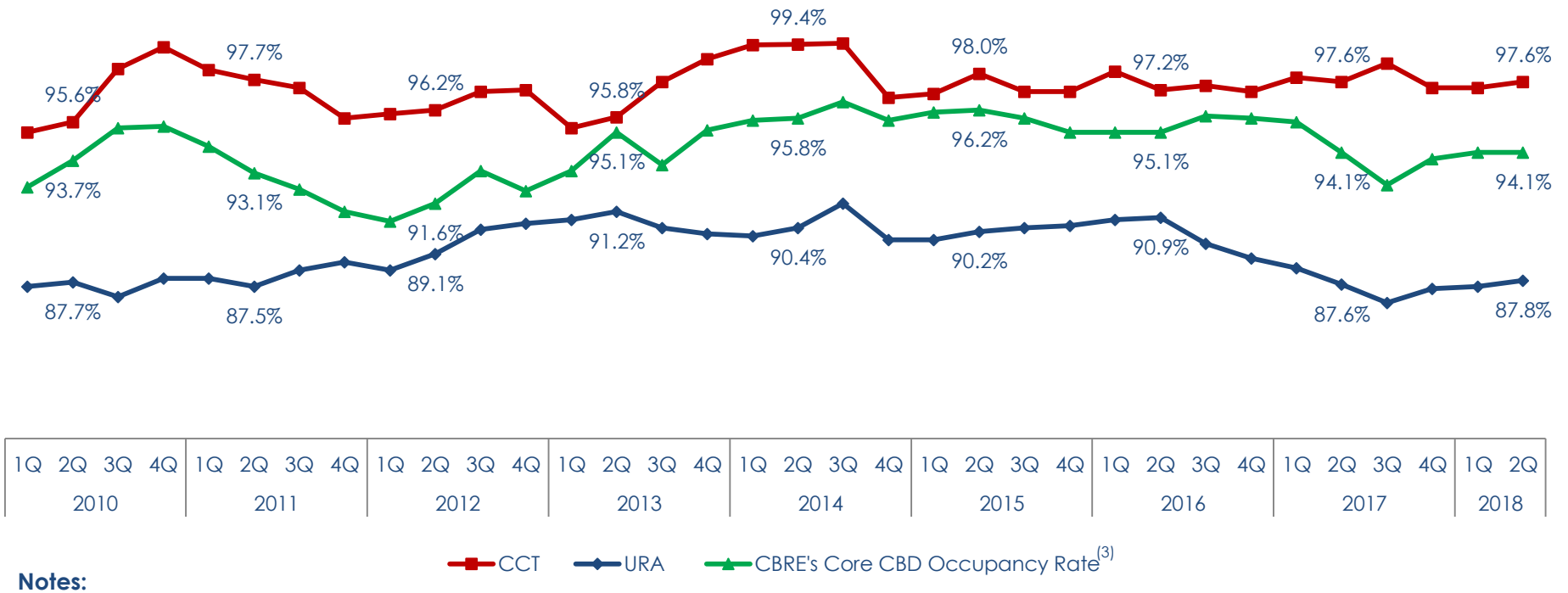
(1) Based on net property income from 1 January 2018 to 30 June 2018; including net property income from CCT's 60.0% interest in Raffles City Singapore and 50.0% interest in One George Street; and excluding retail turnover rent.

(2) Gallileo's NPI is about 0.3% of 1H 2018 portfolio NPI as it started contributing income from 19 June 2018.

CCT's Singapore portfolio occupancy of 97.6% is above market occupancy of 94.1%

Singapore	CCT Committed Occupancy[1]		Market Occupancy Level[2]	
	2Q 2018	1Q 2018	2Q 2018	1Q 2018
Grade A office	97.3%	97.0%	94.1%	94.2%
Portfolio	97.6%	97.3%	94.1%	94.1%

CCT's Committed Occupancy Since Inception



Notes:

(1) Excludes Gallileo

(2) Source: CBRE Pte. Ltd.

(3) Covers Raffles Place, Marina Centre, Shenton Way and Marina Bay

Portfolio committed occupancy rate[1] consistently above 90%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	1Q 2018	2Q 2018
Capital Tower	100.0	100.0	99.9	99.9	99.9	100.0	100.0	100.0	100.0	94.1	99.0	99.4	99.4	99.3
Six Battery Road	100.0	99.9	98.6	99.2	99.7	85.4	93.0	98.6	99.2	98.9	98.6	99.9	99.8	99.9
Bugis Village	95.3	99.1	96.6	93.8	93.4	98.8	97.1	97.2	94.8	100.0	97.2	100.0	100.0	100.0
HSBC Building	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Raffles City (60% interest)	99.5	99.3	99.9	99.3	99.1	98.9	100.0	100.0	100.0	99.2	97.8	98.3	98.4	98.3[2]
One George Street (50% interest)			100.0	96.3	100.0	93.3	92.5	95.5	100.0	98.2	96.5	98.0	98.4	98.0
Twenty Anson							100.0	98.1	97.8	97.9	91.7	92.6	94.3	95.8
CapitaGreen									69.3	91.3	95.9	100.0	99.1	99.1
Asia Square Tower 2[3]												90.5	90.8	91.9
Gallileo[4]														100.0
Portfolio Occupancy	**99.6**	**99.6**	**96.2**	**94.8**	**99.3**	**95.8**	**97.2**	**98.7**	**96.8**	**97.1**	**97.1**	**97.3**	**97.3**	**97.8**

Notes:

(1) For years 2004 to 2009, portfolio occupancy rate includes Starhub Centre and Robinson Point which were divested in 2010

For years 2004 to 2017, portfolio occupancy rate includes Golden Shoe Car Park which was divested in 2017

For years 2007 to 2017, portfolio occupancy rate includes Wilkie Edge which was divested in 2017

(2) Office occupancy is at 98.2% while retail occupancy is at 98.3%

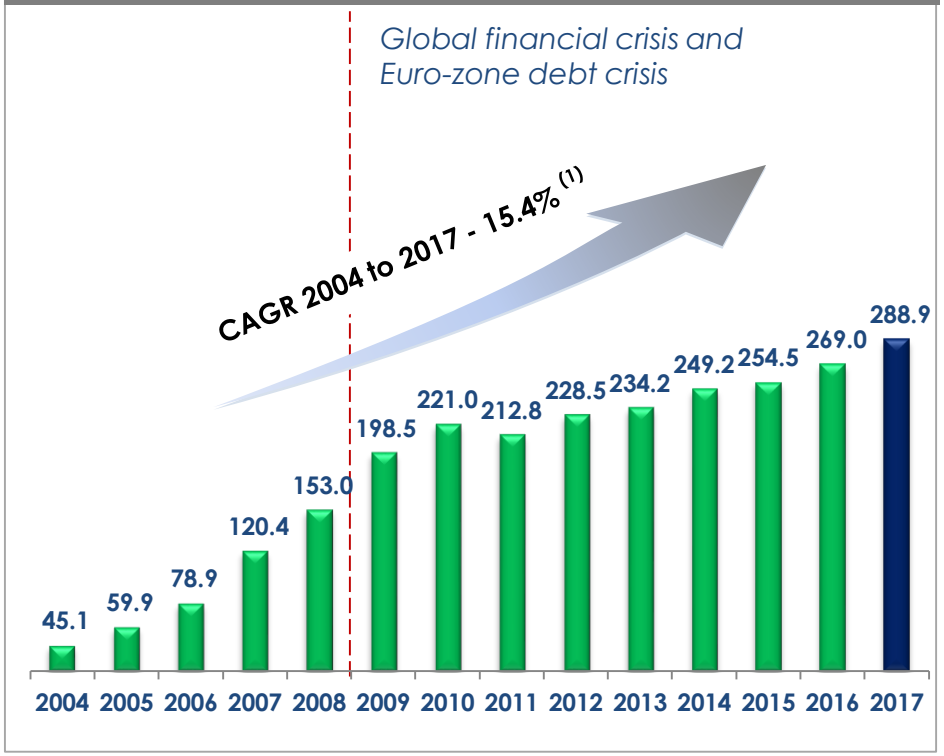
(3) Acquisition of Asia Square Tower 2 was completed on 1 November 2017

(4) Acquisition of Gallileo was completed on 18 June 2018

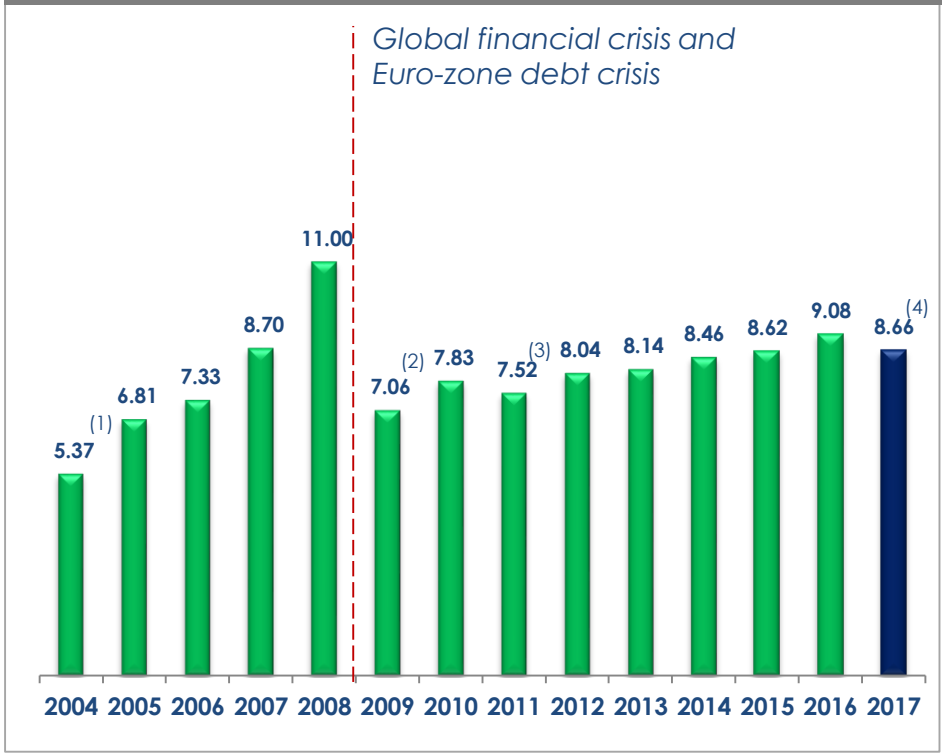
CCT delivered higher distribution YoY through property market cycles

Due to continual portfolio reconstitution including recycling of capital, AEIs, acquisitions, divestments and developments

Distributable Income (S$ million)



Distribution Per Unit (cents)



Notes:

(1) Annualised

(2) After taking into consideration the issue of rights units in July 2009

(3) Decline in 2011 DPU compared to 2010 was due to divestment of two properties in 2010, Robinson Point and StarHub Centre

(4) Issued 513,540,228 new units following the 166-for-1,000 rights issue at S$1.363 per rights unit in October 2017

Property details (1)

	Capital Tower	Asia Square Tower 2	CapitaGreen	Six Battery Road	Raffles City Singapore (100.0%)
Address	168 Robinson Road	12 Marina View	138 Market Street	6 Battery Road	250/252 North Bridge Road; 2 Stamford Road; 80 Bras Basah Road
NLA (sq ft)	738,000	779,000	702,000	495,000	808,000 (Office: 381,000, Retail: 427,000)
Leasehold expiring	31-Dec-2094	2-Mar-2107 (land lot only)	31-Mar-2073	19-Apr-2825	15-Jul-2078
Committed occupancy	99.3%	91.9%	99.1%	99.9%	98.3%
Valuation (30 Jun 2018)	S$1,381.0m	S$2,135.0m	S$1,638.0m	S$1,416.0m	S$3,298.0m (100.0%) S$1,978.8m (60.0%)
Car park lots	415	263	184	190	1,045

Property details (2)

	One George Street (100.0%)	Twenty Anson	HSBC Building	Bugis Village[1]	CapitaSpring (100.0%) [2]	Gallileo (100.0%) Acquired on 18 Jun 2018
Address	1 George Street	20 Anson Road	21 Collyer Quay	62 to 67 Queen St, 151 to 166 Rochor Road, 229 to 253 (odd nos only) Victoria St	86 & 88 Market Street	Gallusanlage 7/ Neckarstrasse 5, 60329 Frankfurt am Main, Germany
NLA (sq ft)	446,000	200,000	200,000	121,000	647,000	436,175
Leasehold expiring	21-Jan-2102	22-Nov-2106	18-Dec-2849	30-Mar-2088	31-Jan-2081	Freehold
Committed occupancy	98.0%	95.8%	100.0%	100.0%	About 24%	100.0%
Valuation (30 Jun 2018)	S$1,138.0m (100.0%) S$569.0m (50.0%)	Sale price: S$516.0 m	S$461.0m	Compensation sum: S$40.7m	S$1,050m (100.0%) S$472.5m (45.0%)	S$563.7m[3] (100.0%) S$535.0m[3] (94.9%)
Car park lots	178	55	55	NA	350	43

Notes:

(1) Authorities have exercised right for Bugis Village to be returned to the State on 1 April 2019 and compensation sum is confirmed to be S$40.7 million.

(2) CapitaLand, CCT and MEC have formed a joint venture to redevelop Golden Shoe Car Park as per announcement dated 13 July 2017.

(3) Based on exchange rate of EUR1 = S$1.56203

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Thank you

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