

NEWS RELEASE

CRCT's FY 2015 distributable income increases 10.3% year-on-year
Distribution per unit up 7.9%

Singapore, 4 February 2016 – CapitaLand Retail China Trust Management Limited (CRCTML), the manager of CapitaLand Retail China Trust (CRCT), announced today that it achieved distributable income of S\$89.2 million for the period from 1 January to 31 December 2015 (FY 2015), an increase of 10.3% over the S\$80.9 million for FY 2014. Distributable income of S\$21.8 million for the period from 1 October 2015 to 31 December 2015 (4Q 2015) was 6.5% higher than the S\$20.5 million for the same period last year (4Q 2014).

Distribution per unit (DPU) for FY 2015 was 10.60 cents, an increase of 7.9% over the 9.82 cents for FY 2014. DPU for 4Q 2015 was 2.59 cents, 4.4% higher than the 2.48 cents for 4Q 2014. Based on CRCT's closing price of S\$1.460 on 3 February 2016, the distribution yield for FY 2015 was 7.3%. Unitholders can expect to receive their DPU of 2.59 cents for 4Q 2015 along with their DPU of 2.64 cents for 3Q 2015, totalling 5.23 cents, on 30 March 2016. The book closure date is 16 February 2016.

Mr Victor Liew, Chairman of CRCTML, said: "In 2015, China's economy grew 6.9% year-on-year, and its retail sales expanded 10.7% to RMB30.1 trillion. China's slower growth is reflective of an economy undergoing transition, but it is expanding from a much larger base now and its growth is still considerably faster than those of most other economies. CRCT's family-oriented shopping malls are well-placed to benefit from China's growing urban population and rising retail sales as domestic consumption becomes the country's new growth engine."

Mr Tony Tan, CEO of CRCTML, said: "For FY 2015, CRCT's gross revenue crossed the RMB1.0 billion mark for the first time. Portfolio occupancy remained high at 95.1% as at 31 December 2015, while rental reversion for the full year was 8.1%. Annual tenants' sales increased 11.6% and shopper traffic rose 1.8% year-on-year."

"We continually refresh our mall offerings to stay relevant to our shoppers' evolving preferences and needs. For example, CapitaMall Xizhimen brought in the popular Jing Ge Steamboat to increase the variety of its F&B offerings, while CapitaMall Qibao introduced a new kids' education and entertainment tenant, Hapon Water Park, to enhance its appeal to young families in the vicinity."

“To improve sustainability and the shopping experience, CapitaMall Grand Canyon installed energy-saving LED lights in the common areas and upgraded its car park with new flooring. CapitaMall Wangjing is carrying out renovation works to rejuvenate its façade and is on track to unveil its new look by the first half of 2016. We will continue to strengthen our malls’ tenant mix and uplift the shopping experience through continual asset enhancement initiatives to remain relevant and attractive to the communities we serve.”

Distribution Reinvestment Plan

CRCTML has elected to apply the Distribution Reinvestment Plan (DRP) established on 21 March 2013 to the distributions for the period from 1 July to 31 December 2015. The plan, which is not mandatory, allows unitholders to receive distributions in the form of fully-paid new units in CRCT, instead of cash. Unitholders can allocate all or part of their unitholdings if they decide to participate.

Through the DRP, unitholders will be able to increase their CRCT holdings without incurring brokerage fees, stamp duties (if any) and other related costs. CRCT also benefits from unitholders’ participation in the plan as the cash, which would otherwise have been paid as distributions, can be retained to enlarge its working capital.

To encourage unitholders to participate in this round of DRP, CRCT will offer a 2.0% discount to the volume-weighted average trade price per unit of 10 market days up to the book closure date on 16 February 2016.

Summary of CRCT results

Periods: 1 October to 31 December (4Q) and 1 January to 31 December (FY)

	4Q 2015	4Q 2014	Change %	FY 2015	FY 2014	Change %
	Actual S\$’000	Actual S\$’000		Actual S\$’000	Actual S\$’000	
Gross revenue	56,238	52,689	6.7	220,334	203,262	8.4
Net property income	35,294	33,547	5.2	141,085	132,365	6.6
Income available for distribution	21,848	20,509	6.5	89,219	80,882	10.3
Distribution per unit (DPU) (cents)						
For the period	2.59	2.48	4.4	10.60	9.82	7.9
Annualised	10.28	9.84	4.5	10.60	9.82	7.9

	4Q 2015	4Q 2014	Change %	FY 2015	FY 2014	Change %
	Actual RMB’000	Actual RMB’000		Actual RMB’000	Actual RMB’000	
Gross revenue	253,268	252,282	0.4	1,005,035	987,574	1.8
Net property income	158,888	160,554	(1.0)	643,547	643,110	0.1

Revenue and net property income

In RMB terms

For FY 2015, gross revenue increased RMB17.5 million, or 1.8% over FY 2014. This was mainly due to rental growth from the multi-tenanted malls, partially offset by lower revenue from CapitaMall Minzhongleyuan which was impacted by the road closure for the construction of a new subway line, and from CapitaMall Wuhu where tenancy adjustments are being carried out to achieve stronger positioning and better trade mix. NPI increased 0.1% over FY 2014.

In SGD terms

Gross revenue for FY 2015 increased by S\$17.1 million, or 8.4% compared to FY 2014, while NPI grew 6.6% year-on-year to S\$141.1 million. This is largely due to a stronger 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 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 six of China's cities. The properties are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon, CapitaMall Anzhen and CapitaMall Shuangjing in Beijing; 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 December 2015, the total asset size of CRCT is approximately S\$2.6 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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