



For immediate release

NEWS RELEASE

CMT's 4Q 2018 distributable income grew 5.1% year-on-year

Singapore, 23 January 2019 – CapitaLand Mall Trust Management Limited (CMTML), the manager of CapitaLand Mall Trust (CMT), announced today that CMT has achieved a distributable income of S\$108.1 million for the period 1 October 2018 to 31 December 2018 (4Q 2018), an increase of 5.1% over the S\$102.9 million for the same period last year (4Q 2017).

Distribution per unit (DPU) for 4Q 2018 was 2.99 cents, 3.1% higher than the DPU of 2.90 cents for 4Q 2017. An advanced distribution of 1.43 cents per Unit for the period 1 October 2018 to 7 November 2018 had been paid on 30 November 2018¹. The balance distribution for 4Q 2018 of 1.56 cents per Unit for the period 8 November 2018 to 31 December 2018 will be paid this quarter.

For the period 1 January 2018 to 31 December 2018 (FY 2018), distributable income was S\$410.7 million, an increase of 3.8% over the S\$395.8 million for the same period last year (FY 2017). DPU for FY 2018 was 11.50 cents, 3.0% higher than FY 2017.

Based on CMT's closing price of S\$2.27 per unit on 22 January 2019, the annualised distribution yield for 4Q 2018 was 5.22%. The Books Closure Date is 31 January 2019 and the expected payment date for the distribution of 1.56 cents per Unit is on 28 February 2019.

Adj Professor Richard R. Magnus, Chairman of CMTML, said: "Through proactive asset and capital management, CMT has delivered another set of creditable results for FY 2018 despite challenges in the retail industry. The resilient performance is a testament to the quality of CMT's portfolio, which is underpinned by its attractive locations and diverse tenant mix. Cognisant of the challenges ahead – which include slowdown in the global and Singapore economies, uncertainty in the interest rate environment and competition from the completion of new shopping malls – we remain vigilant and will continually explore new ways to differentiate our malls from the competition and increase customer engagement."

Mr Tony Tan, CEO of CMTML, said: "In 2018, we rejuvenated CMT's portfolio by divesting Sembawang Shopping Centre and redeploying the proceeds into acquiring the remaining interest in Westgate – a higher-yielding quality asset. The equity fund raising exercise to partially finance the acquisition was more than 2.7 times covered, demonstrating investors' continued confidence in CMT."

¹ Due to the private placement of 134,089,000 new Units which raised S\$277.6 million on 8 November 2018.

“During 4Q 2018, we completed the asset enhancement initiatives at Tampines Mall and Westgate, which are targeted at expanding their retail offerings and improving comfort and accessibility for visitors. In the same quarter, Plaza Singapura welcomed NomadX, CapitaLand’s first multi-label concept store featuring digital sensors, ePayment systems and unmanned store technology. By immersing our physical retail space with digital technology, we are empowering our tenants to strengthen interactions with a new set of customers while getting to know our shoppers better. Through continual efforts to refresh CMT’s tenant mix and elevate the shopping experience, we ended the year with a high portfolio occupancy of 99.2%.”

“Funan continues its leasing momentum and is on track to open in 2Q 2019. Including leases under active negotiations, the leasing for Funan has reached more than 80%.”

Summary of CMT’s results

	4Q 2018	4Q 2017	Variance	FY 2018	FY 2017	Variance
Gross revenue (S\$’000)	180,464	172,402	4.7%	697,521	682,469	2.2%
Net property income (S\$’000)	124,425	119,258	4.3%	493,548	478,234	3.2%
Distributable income to Unitholders (S\$’000)	108,137 ¹	102,933 ²	5.1%	410,675 ³	395,824 ⁴	3.8%
Distribution per unit (cents)	2.99 ⁵	2.90	3.1%	11.50	11.16	3.0%
Annualised DPU (cents)	11.86	11.51	3.1%	11.50	11.16	3.0%
Annualised distribution yield (Based on closing unit price of S\$2.27 on 22 January 2019)	5.22%			5.07%		

¹ Advanced distribution income of S\$50.7 million (or DPU of 1.43 cents) for the period from 1 October 2018 to 7 November 2018 had been paid on 30 November 2018. The advanced distribution income comprised wholly taxable income of CMT and it included the release of S\$9.7 million of taxable income available for distribution previously retained in 1H 2018 to Unitholders. Prior to the completion of the acquisition of the balance 70.0% of the units in Infinity Mall Trust (IMT) which holds Westgate (Acquisition), CMT received capital distribution of S\$11.1 million from IMT, which had been retained for general corporate and working capital purposes.

² In 4Q 2017, CMT had released S\$7.6 million of its taxable income available for distribution to Unitholders. S\$4.8 million of tax-exempt income received from CapitaLand Retail China Trust (CRCT) had been retained for general corporate and working capital purposes.

³ For FY 2018, CMT received capital distribution and tax-exempt income distribution of S\$7.6 million from CRCT. In addition, prior to the completion of the Acquisition, CMT received capital distribution of S\$11.1 million from IMT. Both distributions had also been retained for general corporate and working capital purposes.

⁴ For FY 2017, capital distribution and tax-exempt income distribution of S\$17.2 million received from CRCT in FY 2017 had also been retained for general corporate and working capital purposes.

⁵ DPU of 2.99 cents comprised an advanced DPU of 1.43 cents for the period 1 October 2018 to 7 November 2018 which had been paid on 30 November 2018 and 1.56 cents for the period 8 November 2018 to 31 December 2018 which will be paid on 28 February 2019. 134,089,000 new Units were issued via a private placement which was completed on 8 November 2018. DPU of 1.56 cents for the period from 8 November 2018 to 31 December 2018 was based on an enlarged unit base.

Operational performance

For 4Q 2018, CMT achieved growth of 4.7% and 4.3% in gross revenue and net property income respectively year-on-year. The increase in gross revenue was mainly due to the completion of the acquisition of the remaining 70.0% interest in Westgate on 1 November 2018. In addition, higher gross rental income from IMM Building and Bedok Mall contributed to the increase in gross revenue. The increase was partially offset by lower gross revenue from mainly Sembawang Shopping Centre, which was divested in June 2018, and lower occupancy for JCube, Lot One Shoppers' Mall and Clarke Quay.

Proactive capital management

On 20 November 2018, CMT MTN Pte. Ltd. (CMT MTN), a wholly owned subsidiary of CMT, issued HK\$555.0 million fixed rate notes due 20 November 2025 through its S\$3.5 billion Multicurrency Medium Term Note Programme (MTN Programme) at 3.836% per annum. CMT MTN entered into a swap transaction to swap the HKD proceeds into Singapore dollar proceeds of S\$98,790,000 at a fixed interest rate of 3.248% per annum. The proceeds from this issuance have been used to refinance the existing bank borrowings of CMT Group.

As at 31 December 2018, CMT's average cost of debt and aggregate leverage were 3.1% and 34.2% respectively.

About CapitaLand Mall Trust (www.cmt.com.sg)

CMT is the first real estate investment trust (REIT) listed on Singapore Exchange Securities Trading Limited (SGX-ST) in July 2002. CMT is also the largest retail REIT by market capitalisation, S\$8.3 billion (as at 31 December 2018) in Singapore. CMT has been affirmed an 'A2' issuer rating by Moody's Investors Service on 28 August 2018. The 'A2' issuer rating is the highest rating assigned to a Singapore REIT.

CMT owns and invests in quality income-producing assets which are used, or predominantly used, for retail purposes primarily in Singapore. As at 31 December 2018, CMT's portfolio comprised a diverse list of close to 2,800 leases with local and international retailers and achieved a committed occupancy of 99.2%. CMT's 15 quality shopping malls, which are strategically located in the suburban areas and downtown core of Singapore, comprise Tampines Mall, Junction 8, Funan, IMM Building, Plaza Singapura, Bugis Junction, JCube, Raffles City Singapore (40.0% interest), Lot One Shoppers' Mall, 90 out of 91 strata lots in Bukit Panjang Plaza, The Atrium@Orchard, Clarke Quay, Bugis+, Bedok Mall and Westgate. CMT also owns 122.7 million units in CapitaLand Retail China Trust, the first China shopping mall REIT listed on SGX-ST in December 2006.

CMT is managed by an external manager, CapitaLand Mall 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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