

Financial Results (v11)

RELEASED

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COMPANY INFORMATION SECTION			
Announcement Type	<input checked="" type="radio"/> New Announcement <input type="radio"/> Amended Announcement		
Company Name	CAPITALAND MALAYSIA MALL TRUST		
Stock Name	CMMT		
Stock Code	5180		
Board	Main Market		

CONTACT DETAIL			
Contact Person	Designation	Contact No	Email Address
CAPITALAND MALAYSIA MALL TRUST		012-9764812	Khoo.MingSiang@capitaland.com

MAIN			
General Information			
Financial Year End	31 Dec 2016		
Quarter	1 Qtr		
Quarterly report for the financial period ended	31 Mar 2016		
The figures	have not been audited		
Remarks			
Please attach the full Quarterly Report here	No File Name		Size
	1	CMMT_1Q2016_Results.pdf	417.0KB

DEFAULT CURRENCY

Currency	Malaysian Ringgit (MYR)
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Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of the Key Financial Information for the financial period ended	31 Mar 2016			
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Revenue	93,643	80,983	93,643	80,983
2. Profit/(loss) before Tax	41,049	38,244	41,049	38,244
3. Profit/(loss) for the period	41,049	38,244	41,049	38,244
4. Profit/(loss) attributable to ordinary equity holders of the parent	41,049	38,244	41,049	38,244
5. Basic earnings/(loss) per share (Subunit)	2.03	2.15	2.03	2.15
6. Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per share attributable to ordinary equity holders of the parent (\$\$)	1.2799		1.2811	

Remarks		
In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:		
Country	Base unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Part A3 : ADDITIONAL INFORMATION (This Information is for Exchange's Internal Use only)				
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Gross interest income	1,469	1,142	1,469	1,142
2. Gross interest expense	14,265	10,567	14,265	10,567
Remarks				

CAPITALAND MALAYSIA MALL TRUST
CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31 MARCH 2016 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2015 (AUDITED) RM'000
Assets		
Plant and equipment	2,656	2,474
Investment properties	3,891,166	3,886,000
Total non-current assets	<u>3,893,822</u>	<u>3,888,474</u>
Trade and other receivables	18,408	16,367
Cash and cash equivalents	148,403	186,976
Total current assets	<u>166,811</u>	<u>203,343</u>
Total assets	<u>4,060,633</u>	<u>4,091,817</u>
Equity		
Unitholders' capital	2,152,844	2,153,529
Undistributed profit	481,525	521,265
Total unitholders' funds	<u>2,634,369</u>	<u>2,674,794</u>
Liabilities		
Borrowings	962,469	951,067
Tenants' deposits	56,448	58,031
Total non-current liabilities	<u>1,018,917</u>	<u>1,009,098</u>
Borrowings	307,352	307,297
Tenants' deposits	39,877	38,901
Trade and other payables	60,118	61,727
Total current liabilities	<u>407,347</u>	<u>407,925</u>
Total liabilities	<u>1,426,264</u>	<u>1,417,023</u>
Total equity and liabilities	<u>4,060,633</u>	<u>4,091,817</u>
Number of units in circulation ('000 units)	2,024,799	2,024,799
Net asset value ("NAV")		
- before income distribution	2,634,369	2,674,794
- after income distribution	2,591,443	2,594,005
NAV per unit (RM)		
- before income distribution	1.3011	1.3210
- after income distribution	1.2799	1.2811

The unaudited condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2015.

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER 31 MARCH		YEAR TO DATE 31 MARCH	
	2016 (UNAUDITED) RM'000	2015 (UNAUDITED) RM'000	2016 (UNAUDITED) RM'000	2015 (UNAUDITED) RM'000
Gross rental income	74,084	64,212	74,084	64,212
Car park income	6,424	5,279	6,424	5,279
Other revenue	13,135	11,492	13,135	11,492
Gross revenue	93,643	80,983	93,643	80,983
Maintenance expenses	(7,019)	(6,097)	(7,019)	(6,097)
Utilities	(13,580)	(11,394)	(13,580)	(11,394)
Other operating expenses ¹	(12,448)	(9,893)	(12,448)	(9,893)
Property operating expenses	(33,047)	(27,384)	(33,047)	(27,384)
Net property income	60,596	53,599	60,596	53,599
Interest income	1,469	1,142	1,469	1,142
Net investment income	62,065	54,741	62,065	54,741
Manager's management fee	(5,812)	(5,287)	(5,812)	(5,287)
Trustee's fee	(100)	(99)	(100)	(99)
Auditors' fee	(57)	(47)	(57)	(47)
Tax agent's fee	(9)	(9)	(9)	(9)
Valuation fee	(72)	(53)	(72)	(53)
Finance costs	(14,732)	(10,786)	(14,732)	(10,786)
Other non-operating expenses	(234)	(216)	(234)	(216)
	(21,016)	(16,497)	(21,016)	(16,497)
Profit before taxation	41,049	38,244	41,049	38,244
Taxation	-	-	-	-
Profit for the period	41,049	38,244	41,049	38,244
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	41,049	38,244	41,049	38,244
Distribution adjustments ²	1,973	1,930	1,973	1,930
Income available for distribution	43,022	40,174	43,022	40,174
Distributable income³	42,926	40,027	42,926	40,027
Realised	41,049	38,244	41,049	38,244
Unrealised ⁴	*	*	*	*
	41,049	38,244	41,049	38,244

* less than RM1,000

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(CONTINUED)

	CURRENT QUARTER 31 MARCH		YEAR TO DATE 31 MARCH	
	2016 (UNAUDITED)	2015 (UNAUDITED)	2016 (UNAUDITED)	2015 (UNAUDITED)
Earnings per unit (sen)⁵				
- before Manager's management fee (sen)	2.31	2.45	2.31	2.45
- after Manager's management fee (sen)	2.03	2.15	2.03	2.15
Distribution per unit ("DPU") (sen)	2.12	2.25	2.12	2.25
DPU (sen) – annualised	8.53	9.13	8.53	9.13

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2015.

1. Included in the other operating expenses are the following:

	CURRENT QUARTER 31 MARCH		YEAR TO DATE 31 MARCH	
	2016 (UNAUDITED) RM'000	2015 (UNAUDITED) RM'000	2016 (UNAUDITED) RM'000	2015 (UNAUDITED) RM'000
Allowance for impairment losses of trade receivables	(166)	(7)	(166)	(7)
Foreign exchange gain/(loss):				
- Unrealised	*	*	*	*
- Realised	(3)	(2)	(3)	(2)

* less than RM1,000

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(CONTINUED)

² Included in the distribution adjustments are the following:

	CURRENT QUARTER 31 MARCH		YEAR TO DATE 31 MARCH	
	2016 (UNAUDITED) RM'000	2015 (UNAUDITED) RM'000	2016 (UNAUDITED) RM'000	2015 (UNAUDITED) RM'000
Manager's management fee payable in units [*]	2,461	2,161	2,461	2,161
Depreciation	349	288	349	288
Amortisation of transaction costs on borrowings	357	197	357	197
Tax and other adjustments	(1,194)	(716)	(1,194)	(716)
	<u>1,973</u>	<u>1,930</u>	<u>1,973</u>	<u>1,930</u>

* This is calculated with reference to the net property income of all properties except for East Coast Mall which is payable in cash.

³ The difference between distributable income and income available for distribution is due to rollover adjustment for rounding effect of DPU.

⁴ This refers to unrealised profit, if any, which is not available for income distribution.

⁵ Earnings per unit ("EPU") is computed based on profit for the quarter/period divided by the weighted average number of units at the end of the quarter/period. The computation of EPU after Manager's management fee for the current quarter is set out in B12.

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE

	Unitholders' Capital RM'000	Undistributed (Loss)/ Profit Realised RM'000	Unrealised RM'000	Total Unitholders' Funds RM'000
As at 1 January 2015	1,832,286	23,721	431,451	2,287,458
Total comprehensive income for the period	-	38,244	-	38,244
Unitholders' transactions				
- Distribution paid to unitholders ¹	-	(77,919)	-	(77,919)
Decrease in net assets resulting from unitholders' transactions	-	(77,919)	-	(77,919)
As at 31 March 2015 (Unaudited)	1,832,286	(15,954)	431,451	2,247,783
As at 1 January 2016	2,153,529	18,925	502,340	2,674,794
Total comprehensive income for the period	-	41,049	-	41,049
Unitholders' transactions				
- Distribution paid to unitholders ²	-	(80,789)	-	(80,789)
- Placement expenses	(685)	-	-	(685)
Decrease in net assets resulting from unitholders' transactions	(685)	(80,789)	-	(81,474)
As at 31 March 2016 (Unaudited)	2,152,844	(20,815)	502,340	2,634,369

The unaudited condensed consolidated statement of changes in net asset value should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2015.

1. This refers to 2014 final income distribution of 4.38 sen per unit for the period from 1 July 2014 to 31 December 2014 paid on 27 February 2015.
2. This refers to 2015 final income distribution of 3.99 sen per unit for the period from 9 July 2015 to 31 December 2015 paid on 29 February 2016.

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	THREE MONTHS ENDED	
	31 MARCH	31 MARCH
	2016	2015
	(UNAUDITED)	(UNAUDITED)
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before taxation	41,049	38,244
Adjustments for:-		
Manager's management fee paid/payable in units	2,461	2,161
Depreciation	349	288
Finance costs	14,732	10,786
Interest income	(1,469)	(1,142)
Plant and equipment written off	27	-
Operating profit before changes in working capital	57,149	50,337
Changes in working capital:		
Trade and other receivables	(2,041)	(5,233)
Trade and other payables	611	(577)
Tenants' deposits	(607)	(49)
Net cash from operating activities	55,112	44,478
Cash Flows From Investing Activities		
Acquisition of plant and equipment	(557)	(247)
Capital expenditure on investment properties	(13,693)	(17,933)
Deposit paid for acquisition of investment properties	-	(54,000)
Interest received	1,469	1,142
Net cash used in investing activities	(12,781)	(71,038)
Cash Flows From Financing Activities		
Interest paid	(10,930)	(8,842)
Distribution paid to unitholders	(80,789)	(77,919)
Payment of financing expenses	(11)	(49)
Payment of placement expenses	(274)	-
Proceeds from interest bearing borrowings	11,100	110,500
Repayment of interest bearing borrowings	-	(50,100)
Net cash used in financing activities	(80,904)	(26,410)
Net decrease in cash and cash equivalents	(38,573)	(52,970)
Cash and cash equivalents at beginning of the period	180,236	149,771
Cash and cash equivalents at end of the period	141,663	96,801
Cash and cash equivalents at end of the period comprises:		
Deposits placed with licensed banks	108,939	85,594
Cash and bank balances	39,464	17,947
	148,403	103,541
Less: Pledged deposits	(6,740)	(6,740)
	141,663	96,801

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2015.

CAPITALAND MALAYSIA MALL TRUST

FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 and International Accounting Standards (“IAS”) 34

A1. Basis of Preparation

The condensed consolidated interim financial statements of the Group as at and for the first quarter ended 31 March 2016 comprise CMMT and its subsidiary. These interim financial statements have been prepared on the historical cost basis except for investment properties and financial instruments which are stated at fair value.

The condensed consolidated interim financial statements have been prepared in compliance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and with IAS 34: Interim Financial Reporting, Paragraph 9.44 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), provisions of the amended and restated trust deed dated 15 September 2015 (the “Trust Deed”) and the Securities Commission’s Guidelines on Real Estate Investment Trusts (the “REITs Guidelines”).

The condensed consolidated interim financial statements should be read in conjunction with the accompanying explanatory notes attached to the condensed consolidated interim financial statements and the audited consolidated financial statements of the Group for the year ended 31 December 2015.

A2. Changes in Accounting Policies

On 1 January 2016, the Group and CMMT adopted the following Amendments to MFRSs effective for annual periods beginning on or after 1 January 2016:

Amendments to MFRS 7, Financial Instruments: Disclosure (Annual Improvements 2012 – 2014 Cycle)
Amendments to MFRS 10, Consolidated Financial Statements, MFRS 12, Disclosure of Interest in Other Entities
Amendments to MFRS 101, Presentation of Financial Statements – Disclosure Initiative
Amendments to MFRS 116, Property, Plant and Equipment
Amendments to MFRS 127, Separate Financial Statements – Equity Method in Separate Financial Statements
Amendments to MFRS 134, Interim Financial Reporting (Annual Improvements 2012 – 2014 Cycle)

The adoption of the above Amendments to MFRSs does not have significant impact on the financial results of the Group and of CMMT.

A3. Audit Report of Preceding Financial Year

The audit report for the financial year ended 31 December 2015 was not qualified.

A4. Comment on Seasonality or Cyclicity of Operations

The business operations of the Group and of CMMT may be affected by seasonal or cyclical factors, including but not limited to changes in rental demand and supply of properties which depend on market conditions, economic cycle, financial performance of its tenants, availability of credit facilities and interest rate environment.

A5. Unusual Items Due To Their Nature, Size or Incidence

Nil.

A6. Changes in Estimates Of Amount Reported

Nil.

A7. Debt and Equity Securities

Save as disclosed in B8, there were no issuance, cancellation, repurchase, resale and repayment of equity securities in the current quarter.

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

A8. Income Distribution Policy

In line with the distribution policy as set out in the Trust Deed, the Manager will distribute at least 90.0% of its distributable income to its unitholders in each financial year. CMMT will make distributions to its unitholders on a semi-annual basis for each six-month period ending 30 June and 31 December of each year.

A9. Segmental Reporting

Segmental results for the quarter/period ended 31 March 2016 are as follows:

Business Segment	1Q / YTD 2016		
	Retail RM'000	Office RM'000	Total RM'000
Gross revenue	91,855	1,788	93,643
Net property income	59,414	1,182	60,596
Interest income			1,469
Unallocated expenses			(6,284)
Finance costs			(14,732)
Profit before taxation			41,049
Taxation			-
Profit for the period			41,049

A10. Valuation of Investment Properties

The investment properties are valued by independent professional valuers and the differences between the valuation and the carrying values of the respective investment properties are charged or credited to the profit or loss for the period in which they arise.

There was no valuation performed during the current quarter.

A11. Subsequent Events

Nil.

A12. Changes in Composition of the Trust

Nil.

A13. Changes in Contingent Liabilities and Contingent Asset

Nil.

A14. Capital Commitments

Capital commitments in relation to capital expenditure are as follows:

	RM'000
Contracted but not provided for	14,011

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

Part B - Additional Information Pursuant to Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of Performance

	1Q/YTD 2016 (Unaudited) RM'000	1Q/YTD 2015 (Unaudited) RM'000	Change %
(a) Breakdown of Gross Revenue			
Gurney Plaza	34,030	31,779	7.1
Sungei Wang Plaza	12,207	14,951	(18.4)
The Mines	20,186	20,952	(3.7)
Tropicana City Property	13,176	-	100.0
East Coast Mall	14,044	13,301	5.6
Total Gross Revenue	93,643	80,983	15.6
(b) Breakdown of Property Operating Expenses			
Gurney Plaza	10,385	10,142	2.4
Sungei Wang Plaza	4,445	4,417	0.6
The Mines	7,465	7,630	(2.2)
Tropicana City Property	5,501	-	100.0
East Coast Mall	5,251	5,195	1.1
Total Property Operating Expenses	33,047	27,384	20.7
(c) Breakdown of Net Property Income			
Gurney Plaza	23,645	21,637	9.3
Sungei Wang Plaza	7,762	10,534	(26.3)
The Mines	12,721	13,322	(4.5)
Tropicana City Property	7,675	-	100.0
East Coast Mall	8,793	8,106	8.5
Total Net Property Income	60,596	53,599	13.1

CAPITALAND MALAYSIA MALL TRUST

FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

B1. Review of Performance (cont'd)

Quarter Results (1Q 2016 vs 1Q 2015)

The Group recorded gross revenue of RM93.6 million in 1Q 2016, an increase of RM12.7 million or 15.6% over 1Q 2015. The increase was mainly driven by contribution from Tropicana City Property ("TCP") upon its acquisition in 3Q 2015 and better performance from Gurney Plaza and East Coast Mall ("ECM") on the back of higher rental rates achieved from new and renewed leases.

The above was offset mainly by lower contribution from Sungei Wang Plaza ("SWP"), largely due to negative rental reversions as SWP continues to be temporarily affected by the ongoing Mass Rapid Transit ("MRT") works and closure of BB Plaza. The lower revenue from The Mines ("TM") was mainly due to the absence of one-off income from utilities recovery in 1Q 2015.

Property operating expenses for 1Q 2016 were RM33.0 million, an increase of RM5.7 million or 20.7% over 1Q 2015. This was mainly due to TCP's operating expenses. Other malls' operating expenses remain consistent year-on-year.

The net property income for 1Q 2016 of RM60.6 million was 13.1% higher than 1Q 2015.

Manager's management fee was RM5.8 million, an increase of RM0.5 million or 9.9% over 1Q 2015 mainly due to the corresponding increase in net property income and asset base after the acquisition of TCP.

Finance costs for 1Q 2016 of RM14.7 million were RM3.9 million or 36.6% higher than 1Q 2015. The increase was mainly due to term loan being drawn down to part finance the acquisition of TCP and the additional revolving credit facilities being drawn down for capital expenditure. Average cost of debt for 1Q 2016 was 4.50% p.a. (1Q 2015: 4.39% p.a.).

CMMT has incurred RM5.2 million of capital expenditure during the quarter. TCP has commenced its asset enhancement works on the ground floor (adjacent to the office tower) while TM and TCP have started their network infrastructure works. During the quarter, the completed works are Phase 2 chiller replacement at TCP, upgrading of main atrium lighting and parking guidance system at ECM as well as upgrading of prayer room at TM.

Overall, distributable income to unitholders for 1Q 2016 was RM42.9 million, an increase of RM2.9 million or 7.2% against 1Q 2015.

Financial Year-to-date Results (YTD 2016 vs YTD 2015)

Review of financial year-to-date results is the same as above.

B2. Material Changes in Quarter Results

	Quarter ended 31 March 2016 RM'000	Quarter ended 31 December 2015 RM'000
Profit before taxation	41,049	46,682
Less: Fair value gain of investment properties	-	(6,107)
Profit before taxation, excluding fair value gain of investment properties	<u>41,049</u>	<u>40,575</u>

Other than the fair value gain of RM6.1 million resulting from the valuation as at 31 December 2015, there is no material change in the financial results of 1Q 2016 as compared to 4Q 2015.

CAPITALAND MALAYSIA MALL TRUST

FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

B3. Investment Objectives and Strategies

The investment objectives and strategies of the Group remain unchanged, i.e. to invest on a long term basis, in a portfolio of income-producing real estate primarily used for retail purposes and located primarily in Malaysia or such other non-real estate investments as may be permitted under the Trust Deed, the REITs Guidelines or by the Securities Commission of Malaysia, with a view to providing unitholders with long-term and sustainable distribution of income and potential capital growth.

B4. Commentary on Prospects

The Malaysian economy grew 5.0% in 2015 supported by the continued expansion of private consumption, albeit at a more moderate pace following higher costs of living arising from the implementation of the 6% GST and the depreciation of the ringgit. Despite the challenging operating landscape and global economic uncertainty, the Malaysian economy is expected to grow by 4.0% to 4.5% in 2016 (source: Bank Negara Malaysia Annual Report 2015).

Consumer and business sentiments are expected to remain cautious throughout 2016 as concerns over rising costs of living persist. The temporary impact of the ongoing MRT construction works on Sungei Wang Plaza's traffic is expected to be moderated by the stable performance of CMMT's underlying portfolio.

As more retail space is scheduled for completion in 2016, competition is expected to intensify. With a portfolio of five shopping malls and a complementary office block, CMMT's quality assets of predominantly necessity shopping malls provide income and geographical diversification to unitholders. Through proactive retail and asset management, the Manager is confident that CMMT is well positioned to sustain our performance through the different economic cycles.

B5. Profit Guarantee(s)

CMMT is not involved in any arrangement whereby it provides profit guarantee(s).

B6. Tax Expense

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967, effective from the Year of Assessment 2007, the total income of a REIT for a year of assessment will be exempted from income tax provided that the REIT distributes 90.0% or more of its total income for that year of assessment. If the REIT is unable to meet the 90.0% distribution criterion, the entire taxable income of the REIT for the year would be subject to income tax.

As CMMT intends to distribute at least 90.0% of its distributable income for the financial year ending 31 December 2016 to its unitholders, no provision for tax has been made for the current quarter.

B7. Status of Corporate Proposals

Nil

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (UNAUDITED)

B8. Borrowings and Debt Securities

	As at 31 March 2016 (Unaudited) RM'000	As at 31 December 2015 (Audited) RM'000
Long term borrowings		
Secured revolving credit	49,300	38,200
Secured term loans	918,430	918,430
Less: Unamortised transaction costs	(5,261)	(5,563)
	<u>962,469</u>	<u>951,067</u>
Short term borrowings		
Unsecured revolving credit	7,500	7,500
Unrated medium term notes	300,000	300,000
Less: Unamortised transaction costs	(148)	(203)
	<u>307,352</u>	<u>307,297</u>
Total borrowings	<u>1,269,821</u>	<u>1,258,364</u>

All the borrowings are denominated in Ringgit Malaysia.

During the quarter, additional revolving credit facilities were drawn down to fund the capital expenditure incurred by the properties.

As of to date, two out of five properties of the Group, namely Sungei Wang Plaza and East Coast Mall, remain unencumbered.

B9. Change in Material Litigation

Nil.

B10. Income Distribution

On 29 February 2016, CMMT paid its final income distribution of RM80.8 million or 3.99 sen per unit for the period from 9 July 2015 to 31 December 2015.

No income distribution was proposed for the current quarter as CMMT's distribution of income is paid on a half yearly basis.

Pursuant to Section 109D(2) of the Income Tax Act, 1967, the applicable final withholding tax on distributions of income which is tax exempt at CMMT level is as follows:

Resident unitholders:

- | | |
|--------------------------|--------------------------------------|
| (a) Corporate | Tax flow through, no withholding tax |
| (b) Other than corporate | Withholding tax at 10.0% |

Non-resident unitholders:

- | | |
|-----------------------------|--------------------------|
| (c) Corporate | Withholding tax at 24.0% |
| (d) Institutional investors | Withholding tax at 10.0% |
| (e) Individuals | Withholding tax at 10.0% |

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B11. Composition of Investment Portfolio as at 31 March 2016

As at 31 March 2016, CMMT's portfolio comprised the following shopping malls:

Investment properties	Cost of Investment ¹ RM'000	Net Book Value ² RM'000	Market Value RM'000	Market Value as % of NAV ³ %
Gurney Plaza	1,113,942	1,372,502	1,372,000	52.1
Sungei Wang Plaza	754,145	780,077	780,000	29.6
The Mines	577,422	700,543	700,000	26.6
Tropicana City Property	553,632	568,525	565,000	21.4
East Coast Mall	389,685	469,519	469,000	17.8
Total	3,388,826	3,891,166	3,886,000	

The market value of Sungei Wang Plaza, The Mines and East Coast Mall were stated at valuations conducted by PPC International Sdn. Bhd. as at 31 December 2015. The market value of Gurney Plaza was stated at valuation performed by Savills (Malaysia) Sdn. Bhd. as at 31 December 2015 while Tropicana City Property ("TCP") was stated at valuation performed by Henry Butcher Malaysia Sdn. Bhd. as at 31 December 2015.

¹ Cost of investment comprises purchase consideration and capital expenditure incurred from inception up to the end of the reporting date.

² Net book value comprises market value of the investment properties as at 31 December 2015 and subsequent capital expenditure incurred up to the reporting date.

³ This is computed based on market value of the investment properties over the NAV before income distribution of RM2,634,369,000 as at 31 March 2016. This is calculated in accordance with the REITs Guidelines.

B12. Changes in NAV, EPU, DPU and Market Price

	Quarter ended 31 March 2016	Quarter ended 31 December 2015
Number of units in circulation (units)	2,024,799,200	2,024,799,200
NAV before income distribution (RM'000)	2,634,369	2,674,794
NAV after income distribution (RM'000)	2,591,443	2,594,005
NAV per unit ¹ (RM)	1.2799	1.2811
Total comprehensive income (RM'000)	41,049	46,682
Weighted average number of units in issue (units)	2,024,799,200	2,024,799,200
EPU after manager's management fee (sen)	2.03	2.31
Distributable income (RM'000)	42,926	42,318
DPU (sen)	2.12	2.09
Market price (RM)	1.44	1.38
DPU yield (%)	1.47	1.51

¹ NAV per unit is arrived at by dividing the NAV after income distribution/distributable income with the number of units in circulation at the end of the period.

B13. Soft Commission Received By The Manager And Its Delegates

Nil.

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B14. Manager's Fee

For the quarter ended 31 March 2016, the Manager has accounted for a base fee of 0.29% per annum of the total asset value and a performance fee of 4.75% per annum of net property income. Total fees accrued to the Manager were as follows:

	1Q/YTD 2016 Actual (Unaudited) RM'000
Base management fee	2,934
Performance fee	2,878
Total fees	5,812

B15. Unitholdings of the Manager and Parties Related to the Manager

	No of units	Percentage of unitholdings	Market value³ at 31 March 2016
	units	%	RM
CMMT Investment Limited ¹	710,973,600	35.11	1,023,801,984
Menang Investment Limited ¹	28,400,600	1.40	40,896,864
Direct unitholdings of the Directors of the Manager:			
Mr Ng Kok Siong ²	100,000	0.01	144,000
Ms Low Peck Chen	12,000	0.00	17,280
Ms Tan Siew Bee	100,000	0.01	144,000
Mr Peter Tay Buan Huat ²	100,000	0.01	144,000
	739,686,200	36.54⁴	1,065,148,128

¹ An indirect wholly-owned subsidiary of CapitaLand Mall Asia Limited.

² Units held through nominees.

³ The market value of the units is computed based on the closing price of RM1.44 per unit as at 31 March 2016.

⁴ Approximation.

B16. Responsibility Statement and Statement by the Directors of the Manager

In the opinion of the Directors of the Manager, the quarterly condensed consolidated interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting and with IAS 34: Interim Financial Reporting, Paragraph 9.44 of the Listing Requirements of Bursa Securities, provisions of the Trust Deed and the REITs Guidelines so as to give a true and fair view of the financial position of the Group and of CMMT as at 31 March 2016 and of their financial performance and cash flows for the quarter ended on that date and duly authorised for release by the Board of Directors of the Manager on 14 April 2016.

BY ORDER OF THE BOARD

KHOO MING SIANG

COMPANY SECRETARY (MAICSA No. 7034037)

CapitaLand Malaysia Mall REIT Management Sdn. Bhd.

(formerly known as CapitaMalls Malaysia REIT Management Sdn. Bhd.) (819351-H)

(As Manager of CapitaLand Malaysia Mall Trust)

Kuala Lumpur

Date: 14 April 2016