


CapitaLand
Commercial Trust

CapitaLand Commercial Trust
Singapore’s First and Largest Commercial REIT

Annual General Meeting

19 April 2018

Important Notice

This presentation shall be read in conjunction with CCT's FY 2017 Financial Statements.

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.

Contents

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

1. 2017 Overview

Capital Tower, Singapore

FY2017: Positive financial results

	FY 2016	FY 2017	Change (%)
Distributable Income	$269.0 mil	**$288.9 mil**[1]	7.4
Distribution per Unit (DPU)	9.08¢	**8.66¢**[2]	(4.6)
No. of units in issue at period end (mil)	*2,964*	*3,608*	
Adjusted DPU *For information only*	8.25¢[3]	**8.66¢**	5.0
No. of units in issue at period end (mil)	*3,608*	*3,608*	
Adjusted Net Asset Value (NAV) per unit	$1.73	**$1.74**	0.6

Notes:

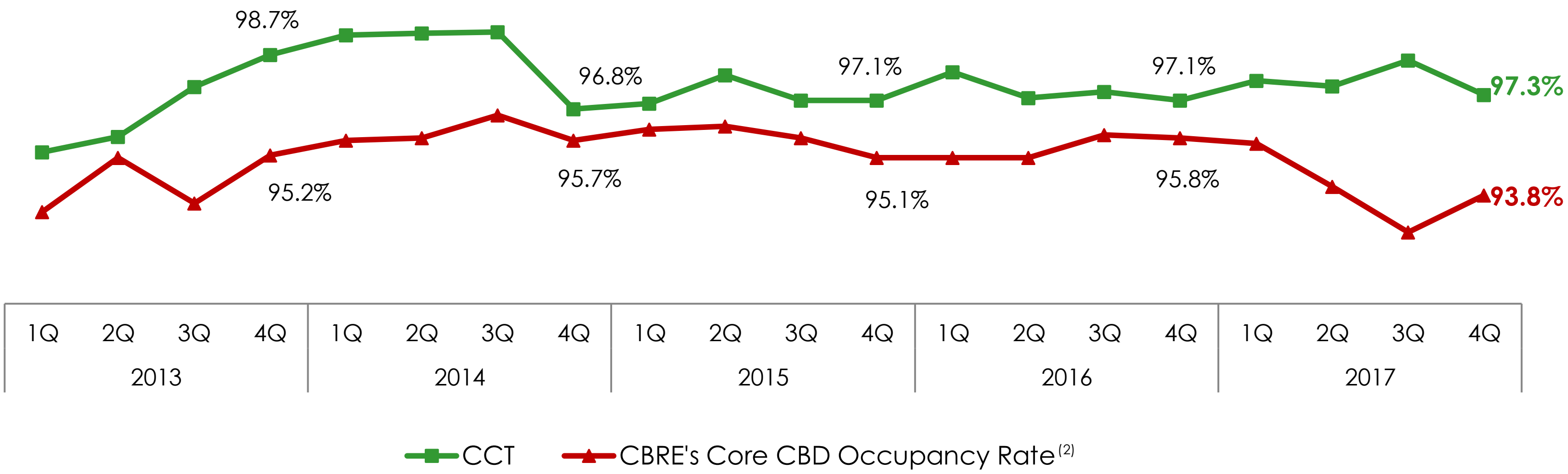
(1) Higher distributable income from MSO Trust which holds CapitaGreen and RCS Trust which holds Raffles City Singapore. Includes a top-up of S$4.4 million for the loss of distributable income arising from the divestments of One George Street (50% interest) and Wilkie Edge as well as a tax exempt distribution of S$8.0 million to offset the absence of contribution from AST2.

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

(3) Adjusted DPU for FY 2016 of 8.25 cents comprised actual 1H 2016 DPU of 4.39 cents announced on 26 July 2016 and adjusted 2H 2016 DPU of 3.86 cents, adjusted for the enlarged 3,608.1 million Units arising from new units issued for equity raised, conversion of convertible bonds and issuance of units for management fees in FY 2017.

CCT's committed occupancy consistently above market

	CCT's Committed Occupancy		Market Occupancy Level[1]	
	4Q 2017	4Q 2016	4Q 2017	4Q 2016
Office Portfolio Occupancy	97.3%	97.1%	93.8%	95.8%



Notes:
(1) Source: CBRE Pte. Ltd.
(2) Covers Raffles Place, Marina Centre, Shenton Way and Marina Bay

Value creation journey in 2017

Unlock value - Divestments

- One George Street (50.0% interest) at exit yield of 3.2%
- Wilkie Edge at exit yield of 3.4%
- Golden Shoe Car Park for redevelopment

Grow portfolio - Development

- Replicate success of CapitaGreen via redevelopment of Golden Shoe Car Park (45.0% interest)
- Value enhancement from car park (valued at S$141 million) to future integrated development (estimated development cost of S$1.82 billion)

Recycle capital - Acquisition

- Asia Square Tower 2 (excluding hotel premises) acquired at 3.6% entry yield
- Rights issue of S$700.0 million was 1.8x subscribed

Market capitalisation:

S$7.0 billion as at 31 Dec 2017

S$4.4 billion as at 31 Dec 2016

Deposited property value:

S$10.8 billion as at 31 Dec 2017

S$8.8 billion as at 31 Dec 2016

Asia Square Tower 2 acquisition extends CCT's presence to Marina Bay

✓ **Strategic addition of a premium Grade A and environmentally sustainable[1] property**

✓ **Agreed Property Value of S$2,094 million or S$2,689 per sq ft**

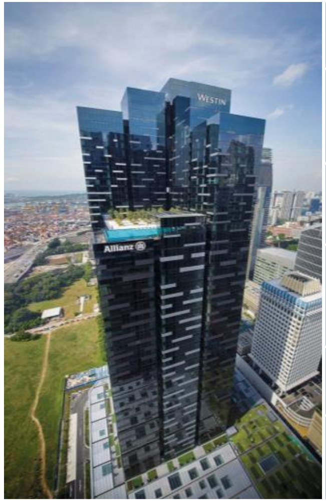
- Lower than independent valuation[2] of S$2,110 million or S$2,710 per sq ft

✓ **Augments portfolio for long term growth**

- Divestment proceeds redeployed to rejuvenate portfolio
- Potential NPI upside from higher occupancy

✓ **Enhances resilience, diversity and quality of CCT portfolio**

- Portfolio valuation increased from S$8.5 bil to S$10.4 bil
- Exposure to Grade A assets increased from 62.7% to 79.2%



Asia Square Tower 2
12 Marina View, Singapore 018961
NLA: 778,719 sq ft
Floor plate: 29,700 - 31,300 sq ft
Car Park Lots: 263
Bicycle Lots: 98
Committed Occupancy Rate as at 31 Dec 2017: 90.5%
Initial NPI Yield: 3.6% p.a.[3]

Notes:

(1) LEED Core & Shell Platinum certification by the U.S Green Building Council, BCA Green Mark Award (Platinum) and PUB Water Efficiency Building Gold Award

(2) Independent valuation by Knight Frank Pte Ltd as at 15 September 2017 based on capitalisation rate of 3.6% and discount rate of 7.0%

(3) Based on an annualised NPI for pro forma 1H 2017 and using the committed occupancy rate of 88.7% which includes signed leases with tenants that will commence on 1 March 2018 and the Agreed Property Value

CapitaLand Commercial Trust

Integrated development at 88 Market Street

Description	• 51-storey integrated development • Grade A office, serviced residence, 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

Target completion in 1H 2021

CapitaLand Commercial Trust

Joint venture to redevelop Golden Shoe Car Park

CCT holds 45.0% interest in the project - about 8% of deposited property(1)
- within 10% development limit

CapitaLand — 45% (S$819 mil)

CapitaLand Commercial Trust — 45% (S$819 mil)

MITSUBISHI ESTATE — 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 at Market Street

Notes:

(1) Deposited property is S$10,761.0 million including the valuation of investment properties as at 31 Dec 2017

(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..

Building name unveiled: "CapitaSpring"

Secured J.P. Morgan as anchor tenant and committed close to a quarter of office net lettable area

CapitaSpring at Market Street

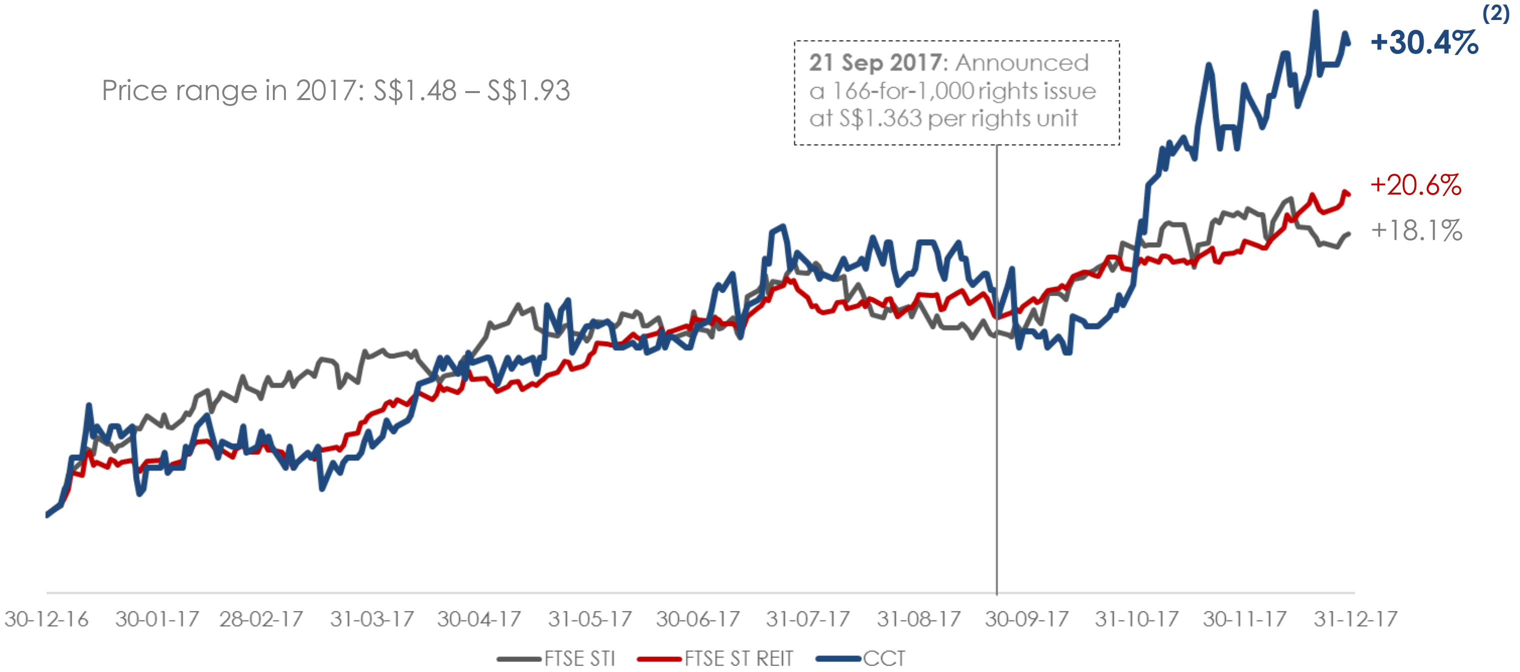
- "Capita" encompasses the lineage of CapitaLand and its credo "Building People. Building Communities." in this people-centric integrated development
- "Spring" inspired by the Green Oasis, a four-storey high botanical promenade located between the office and serviced residence floors
- The Green Oasis will become the central social space for placemaking and community activities

CapitaSpring

Retaining a key tenant within the portfolio

- Tenant since 2001
- J.P. Morgan to extend lease at Capital Tower and relocate to CapitaSpring after the development's completion
- Committed 155,000 sq ft or close to a quarter of CapitaSpring's 635,000 sq ft of office NLA

Unitholders who held CCT units in FY 2017 and subscribed to rights issue would have enjoyed a total return of 37.4%[(1)]



Notes:

(1) Total Return assuming subscription to rights issue: Calculated based on capital appreciation of rights units and existing units held from 31 December 2016 to 31 December 2017 plus FY 2017 DPU over the weighted average price of closing price as of 31 December 2016 and rights issue price.

(2) Capital appreciation in 2017: Calculated based on the difference between closing prices on 31 December 2016 and 2017, over closing price on 31 December 2016.

2. Financial Results and Capital Management

One George Street, Singapore

2017: Rejuvenating for growth

1H: Higher revenue and net property income due mainly to 100% contribution from CapitaGreen

2H: Marginally lower revenue and net property income due to divestments (50% One George Street, Wilkie Edge and Golden Shoe Car Park) but offset by higher revenue from CapitaGreen and contribution from Asia Square Tower 2

	1H 2017	1H 2016	Change (%)	2H 2017	2H 2016	Change (%)	FY 2017	FY 2016
Gross Revenue (S$ million)	**177.0**	134.4	31.7	**160.4**	164.1	(2.3)	**337.5**	298.6
Net Property Income (S$ million)	**139.0**	103.5	34.3	**126.5**	127.8	(1.0)	**265.5**	231.3
Distributable Income (S$ million)	**140.8**	129.9	8.3	**148.1**	139.1	6.5	**288.9**	269.0
Adjusted DPU (cents)	**4.56**(1)	4.39(2)	3.9	**4.10**(1)	3.86(2)	6.2	**8.66**	8.25

Notes:

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

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Healthy balance sheet

Aggregate leverage ratio [1]	Average cost of debt [2]	Average term to maturity
37.3%	**2.6% p.a.**	**3.9 years[3]**
2016: 37.8%	2016: 2.6% p.a.	2016: 3.2 years

Gross borrowings on fixed rate	Credit rating by Standard & Poor's
80%	**BBB+** with stable outlook
2016: 80%	2016: A- with stable outlook

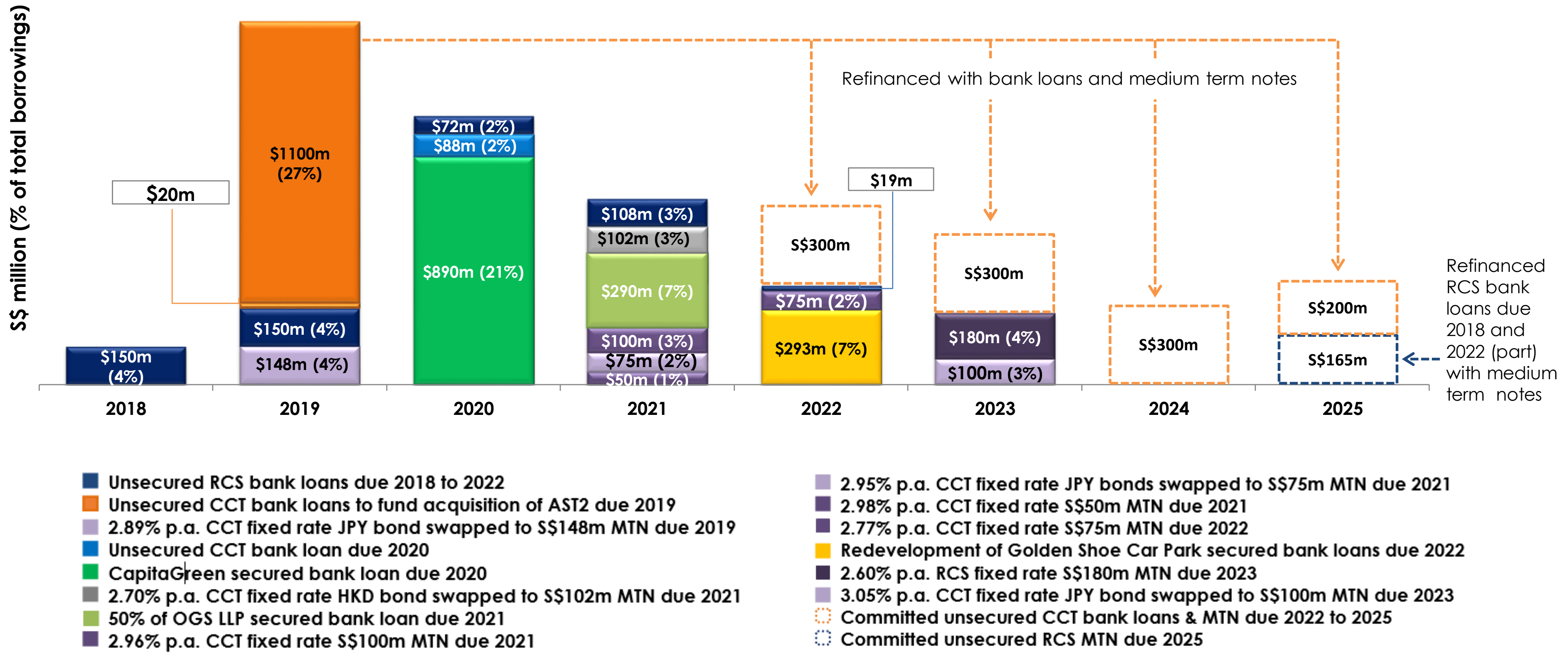
Notes:

(1) In accordance with Property Funds Appendix, CCT's proportionate share of its joint ventures borrowings and deposited property values are included when computing the aggregate leverage ratio.

(2) Ratio of interest expense over weighted average borrowings (excludes borrowings of joint ventures).

(3) Factoring refinancing of S$1.10 billion for Asia Square Tower 2's bank loans with S$600 million bank loans of 4-Year and 5-Year tenures and S$500 million 6-Year and 7-Year bonds, the pro forma average term to maturity will be 3.9 years.

Proactive capital management



3. Singapore Office Market - Riding the Rental Recovery

Raffles City Singapore

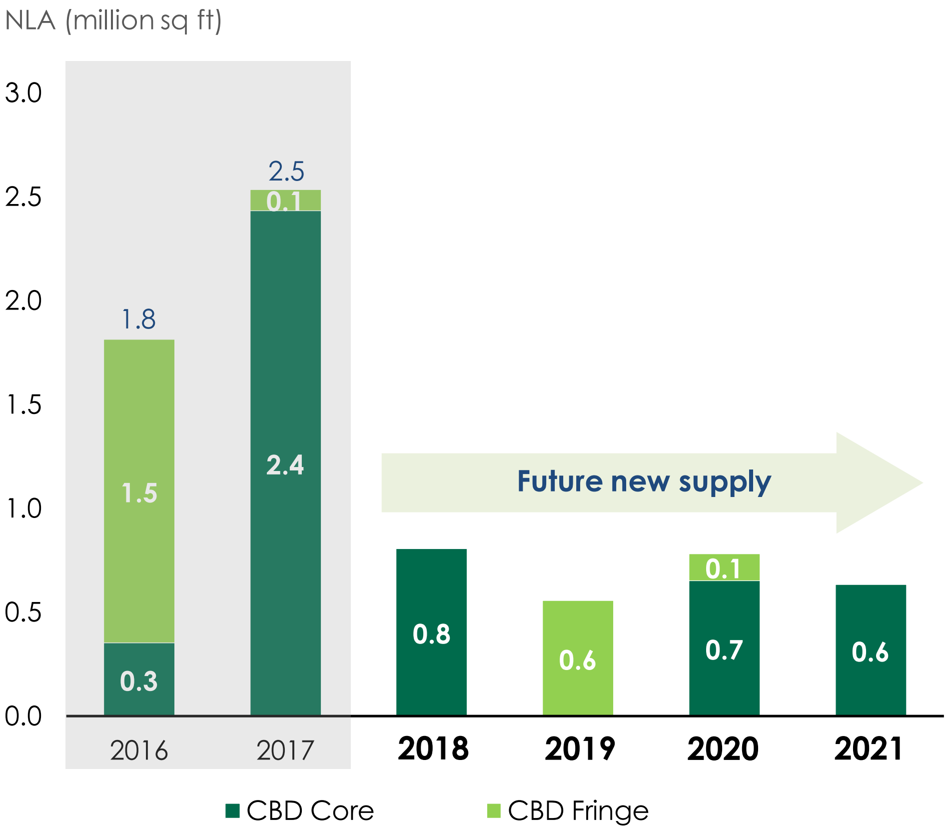
4Q 2017 committed rents above market but mostly lower than expiring

Impact of negative rental reversions of 2017 expiries will flow through to 2018

Building	Average Expired Rents (S$ psf)	Committed Rents[1] (S$ psf)	CBRE 4Q 2017 Grade A Office Market Rent (S$ psf)
Six Battery Road	12.77	10.69 – 13.50	9.40
One George Street	9.62	9.00 – 10.60	9.40

Note:
(1) Renewal/new leases committed in 4Q 2017

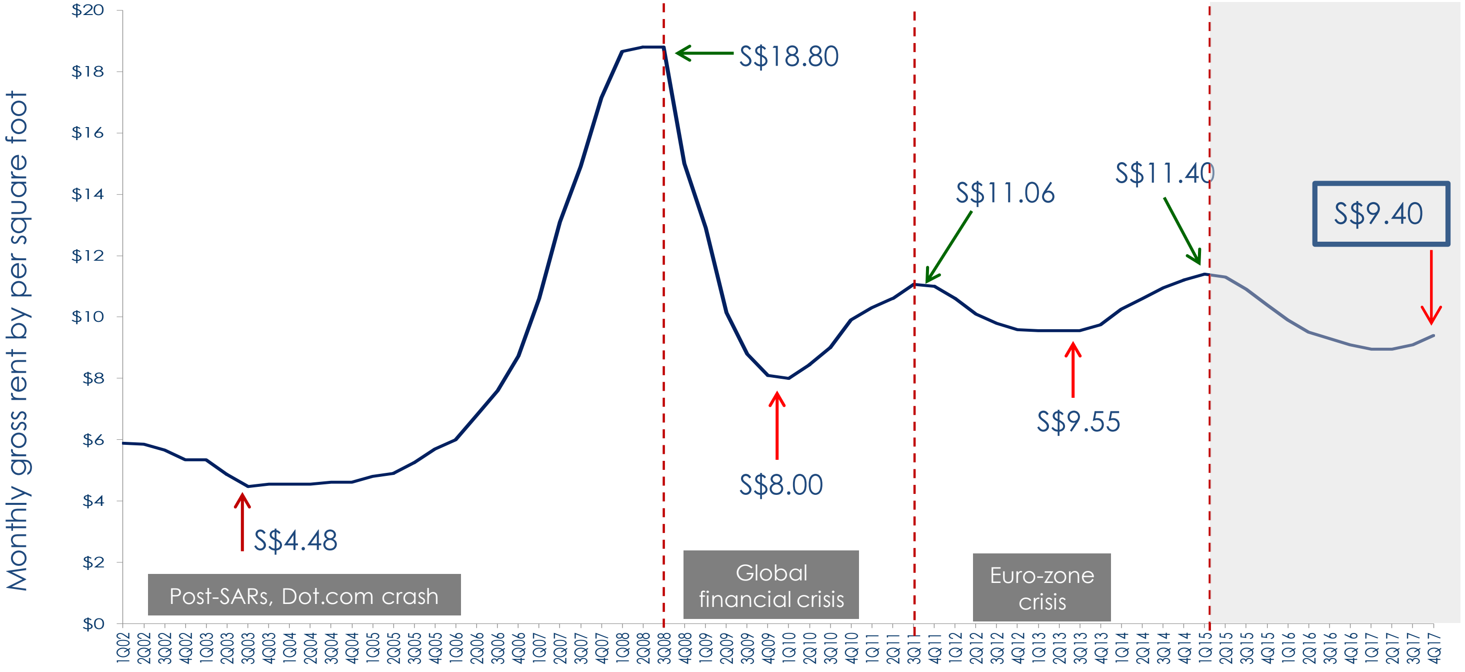
Annual new supply in CBD Core and Fringe to average 0.7 mil sq ft from 2018 to 2021



Central Area	Average annual net supply	Average annual net demand
2008 – 2017 (10-year cycle)	1.2 mil sq ft	0.7 mil sq ft
2013 – 2017 (5-year cycle post GFC)	1.0 mil sq ft	0.5 mil sq ft
2018 – 2021 (forecast new supply)	**0.7 mil sq ft**	N.A.

Grade A office market rent up 3.3% QoQ and YoY

%	4Q 15	1Q 16	2Q 16	3Q 16	4Q 16	1Q 17	2Q 17	3Q 17	4Q 17
Mthly rent (S$ / sq ft)	10.40	9.90	9.50	9.30	9.10	8.95	8.95	9.10	**9.40**
% change	- 4.6%	- 4.8%	- 4.0%	- 2.1%	- 2.2%	-1.6%	0.0%	1.7%	**3.3%**

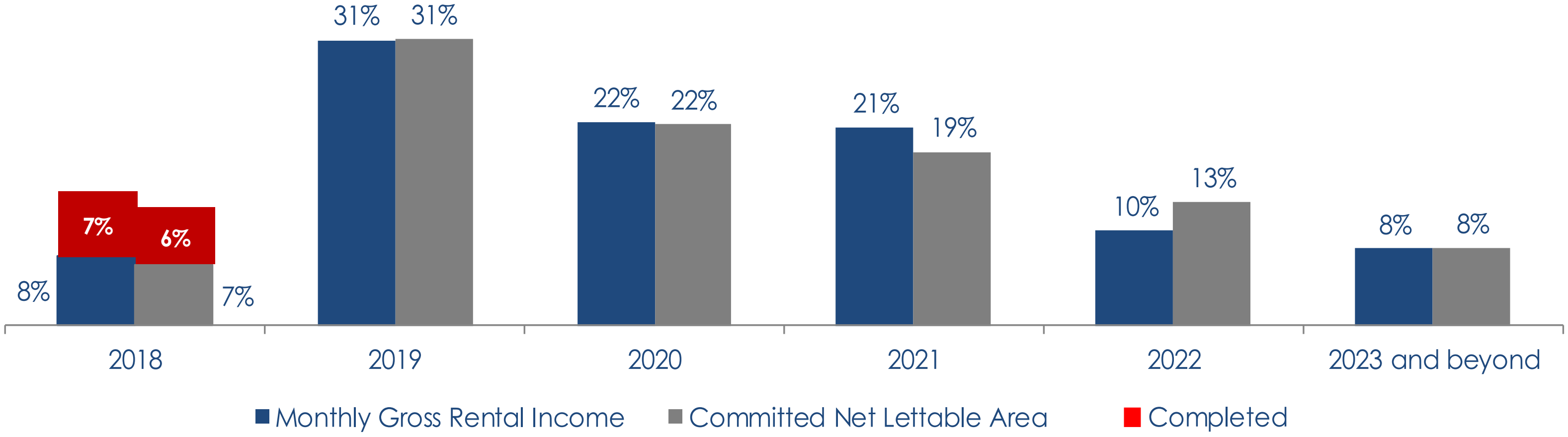


Source of data: CBRE Pte. Ltd. (figures as at end of each quarter).

Continue to maintain a balanced lease expiry profile

Almost half of 2018 expiring leases have been renewed/committed; already managing key tenant leases due in 2019

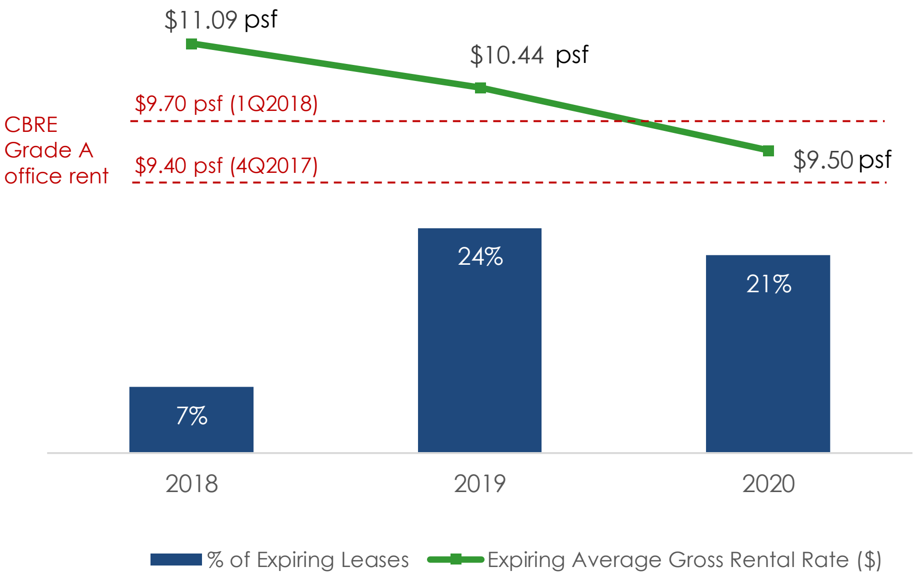
Office Lease Expiry Profile as at 31 December 2017



Leverage momentum of rising market rents

Focus on achieving optimal rents for upcoming expiries

Passing rents and lease expiries of six key buildings as a percentage of office portfolio gross rental income



4. Enhancing Efficiencies and Engaging Communities

Six Battery Road

Enhancing efficiencies and engaging community

1
Enhance operating efficiencies

2
Strengthen relationships and deepen community engagement

3
Transform spaces to create vibrancy

2017 accolades

CCT

Singapore Corporate Awards 2017 - REITs and Business Trusts category
- **Best Investor Relations GOLD**
- **Best Annual Report BRONZE**

Securities Investment Association of Singapore Singapore Corporate Governance Award 2017 - REITS & Business Trust category
- **Runner Up**

2017 Institutional Investor, The All-Asia Executive Team, Most Honoured Companies under Developed Markets – Small & Mid cap
- **Second in Singapore**

Centre for Governance, Institutions and Organisations (CGIO)

Singapore Governance and Transparency Index 2017 - REITS & Business Trust category
- **Second**

Property

1st Runner-Up
ASEAN Energy Awards 2017
– Retrofitted category
1st runner up – Six Battery Road

Building Construction Authority
Universal Design Mark Gold – Capital Tower

PUB - Water Efficiency Award 2017
Asia Square Tower 2

1. Enhance operating efficiencies

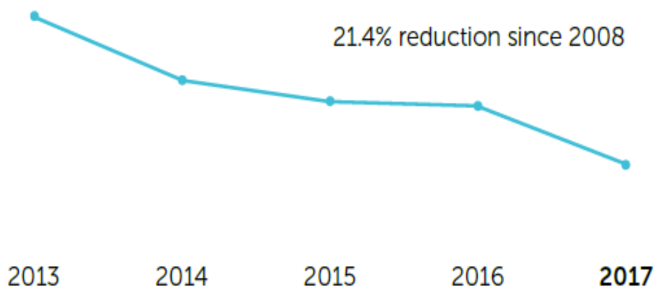
88% of CCT's certified properties are Green Mark Gold^{PLUS} and above

Building	Green Mark Award
Asia Square Tower 2	Platinum
Capital Tower	Platinum
CapitaGreen	Platinum
Six Battery Road	Platinum
Twenty Anson	Platinum
One George Street	Gold^{PLUS}
Raffles City Singapore	Gold^{PLUS}
HSBC Building	Certified
Six Battery Road Tenant Service Centre (upgraded from Gold^{PLUS})	Platinum (Office Interior)
CapitaGreen Tenant Service Centre	Platinum (Office Interior)
Building	**Other Awards**
CapitaGreen	UD Mark Platinum
	ASEAN Energy Efficiency Award
Asia Square Tower 2	LEED Core & Shell Platinum
	Water Efficiency Award
Capital Tower	UD Mark Gold
Six Battery Road	ASEAN Energy Efficiency Award

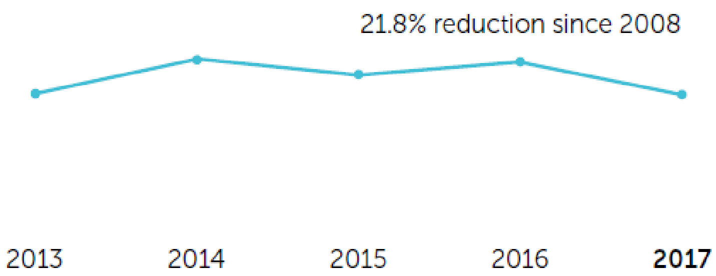
1. Enhance operating efficiencies (cont'd)

Achieved reductions in energy and water usage per sm; target 30% reductions by 2030

Energy Intensity[1]
(kWh/m²/month)
2008 as the base year



Water Intensity[1]
(m³/m²/month)
2008 as the base year



Note:
(1) Excludes CapitaGreen and Asia Square Tower 2

2. Strengthen relationships and deepen community engagement

CCT Eco Race 2017

380
participants

95
teams

S$46,000
raised from CCT Eco Race 2017 and other initiatives for Rainbow Centre Singapore – CCT's adopted charity for 2017 and a charity sponsored by Community Chest

2 race categories
Competitive and Fun Run

7 game challenges
to heighten environmental sustainability awareness and promote a healthy lifestyle

Partners
Building and Construction Authority, Fitness First, Health Promotion Board, National Environment Agency

Sponsors
CapitaLand Hope Foundation, The Ascott Limited

2. Strengthen relationships and deepen community engagement

Gifts of Joy 2017

Employees and tenants contributed gifts and coordinated a mini sports day for students at Rainbow Centre Margaret Drive Singapore

Kevin Chee, CEO of CCT engaging with a student at RCMD.

158 volunteers sign ups

4 game stations managed by tenant volunteers

367 beneficiaries at RCMD aged 7-18 years old

466 gifts bought and distributed

Other Initiatives

Tenant Treats

CCT delighted tenants with treats sourced from tenants and social enterprises

Tenants at Six Battery Road enjoying their Gula Melaka Pandan Cake.

HPB's Healthy Workplace Ecosystem

Partnered HPB to promote well-being in the workplace

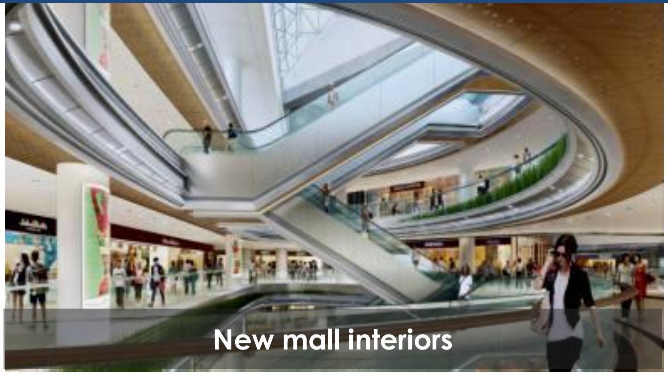
Earth Hour

WWF roving exhibitions at various CCT properties to raise awareness of climate change

WWF roving exhibition at CapitaGreen.

3. Transform spaces to create vibrancy

RAFFLES CITY SINGAPORE
Refresh and enhance the shopping experience

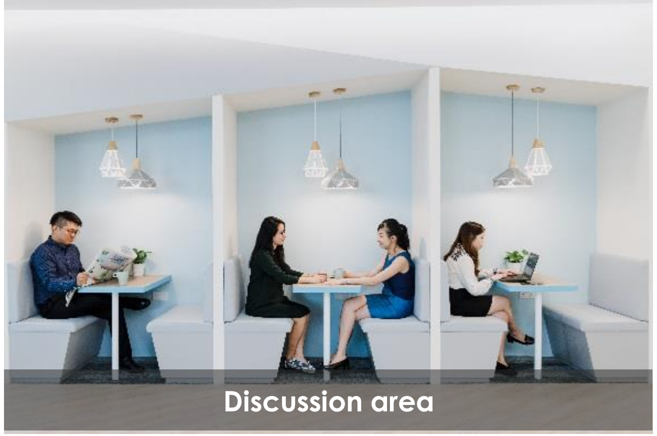


New mall interiors

New P.S. Café at level 3

OFFICE SUITES @ TWENTY ANSON
Fully furnished plug-and-work office suites, meeting facilities and collaborative spaces

Open area for collaboration

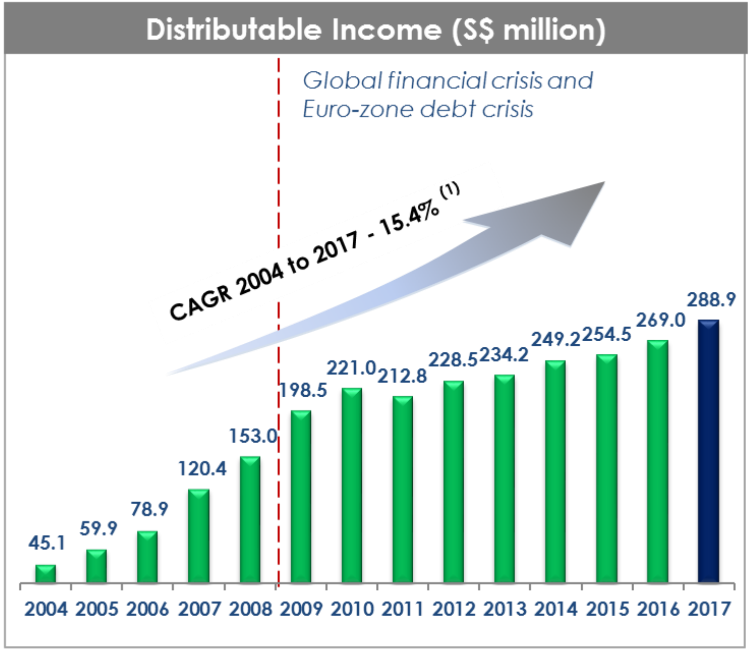


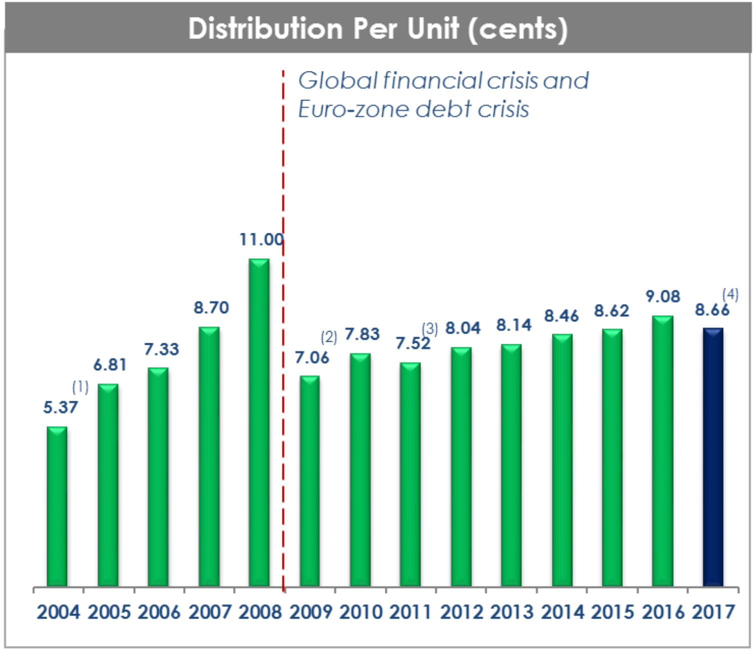
Discussion area

5. Positioning For Sustainable Growth

CCT delivered higher distribution YoY through property market cycles

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





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

CapitaLand Commercial Trust

Well positioned for growth

Asia Square Tower 2

CCT's current portfolio

- Ride on the office rental recovery with the leases expiring in 2018, 2019 and beyond
- Proactive capital management

Asia Square Tower 2

(excluding hotel premises)

- Improve occupancy from current level of 90.5%

CapitaSpring

(45.0% interest)

- Target completion in 1H 2021
- Call option to acquire balance 55.0% interest currently not owned by CCT within five years from building's completion

Other growth opportunities

- Deliver long-term sustainable distribution growth
- Singapore (predominantly) with some overseas exposure
- Focus on "core" assets in gateway cities
- Leverage CapitaLand's overseas platforms

CapitaSpring





CapitaLand Commercial Trust

Thank you, Valued Unitholders

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