



# CapitaLand Commercial Trust Singapore's First and Largest Commercial REIT

Presentation for investor meetings in Hong Kong

8 - 9 November 2016



# Important Notice

**This presentation shall be read in conjunction with CCT's 3Q 2016 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.



# Contents

	Slide No.
1. Highlights	04
2. Portfolio Value Creation	10
3. Asset enhancement initiative – Raffles City Singapore	21
4. Financial Results and Proactive Capital Management	27
5. Singapore Office Market	36
6. Summary	40
7. Additional Information	46

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



A low-angle photograph of the Capital Tower in Singapore, showing its distinctive tiered structure and glass facade against a blue sky with scattered white clouds. The tower's design features a series of horizontal setbacks, creating a stepped appearance. The glass reflects the sky, and the overall color palette is dominated by blues and greys.

# 1. Highlights

Capital Tower, Singapore



# Positive 3Q 2016 results

CapitaGreen contributing 100.0% to CCT since completing acquisition of remaining 60.0% of CapitaGreen on 31 Aug 2016

3Q 2016 distributable income

**S\$68.3 mil ▲ 8.1% YoY**

Estimated 3Q 2016 DPU<sup>(1)</sup>

**2.30 cents ▲ 7.5% YoY**

YTD Sep 2016 distributable income

**S\$198.2 mil ▲ 4.2% YoY**

Estimated YTD Sep 2016 DPU

**6.69 cents ▲ 3.7% YoY**

Note:  
(1) Estimated DPU for 3Q 2016 was computed on the basis that none of the convertible bonds due 12 Sep 2017 (CB 2017) is converted into CCT units. Accordingly, the actual quantum of DPU may differ if any of CB 2017 is converted into CCT units. The current conversion price of CB 2017 is S\$1.4816.

Assuming all the outstanding S\$175.0 million CB 2017 were converted, DPU for 3Q 2016 would be reduced by 0.08 cents (assuming no interest expense savings).



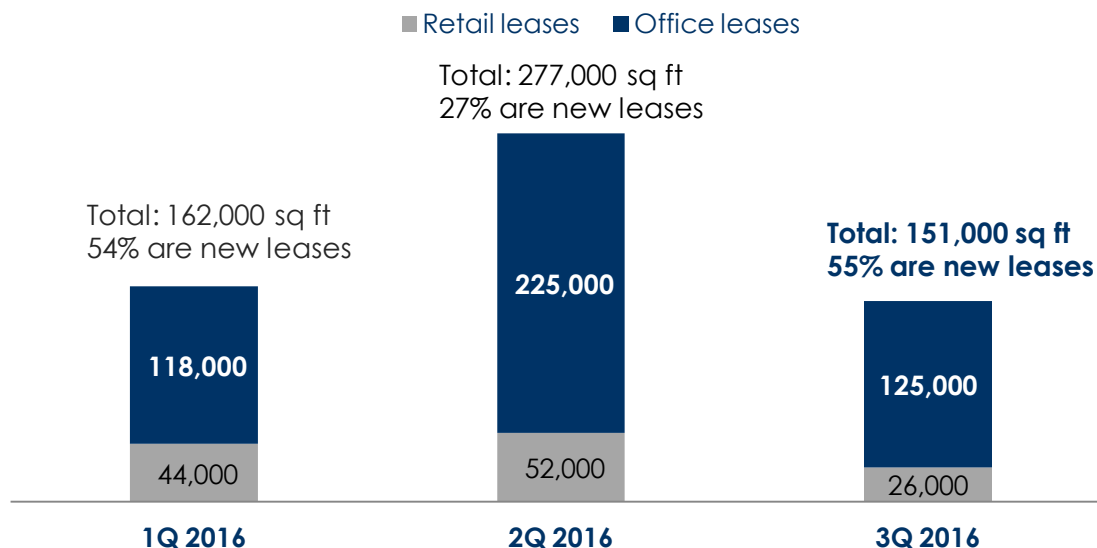


# Improved portfolio occupancy

## New leases and renewals (sq ft) <sup>(2)</sup>

**CCT portfolio committed occupancy as at 30 Sep 2016**  
**97.4%**

**Core CBD market occupancy<sup>(1)</sup>**  
**95.9%**



- New and renewed tenants in 3Q 2016 include:

Tenant	Trade Sector	Building
TSMP Law Corporation	Legal	Six Battery Road
ChemChina (Singapore) Pte. Ltd.	Energy and Commodities	Six Battery Road
Westmont Hospitality Investments Asia Pte. Ltd.	Financial Services	Six Battery Road
Scheuco Singapore Pte. Ltd.	Business Consultancy	Twenty Anson

**Notes:**

(1) Source: CBRE MarketView 3Q 2016

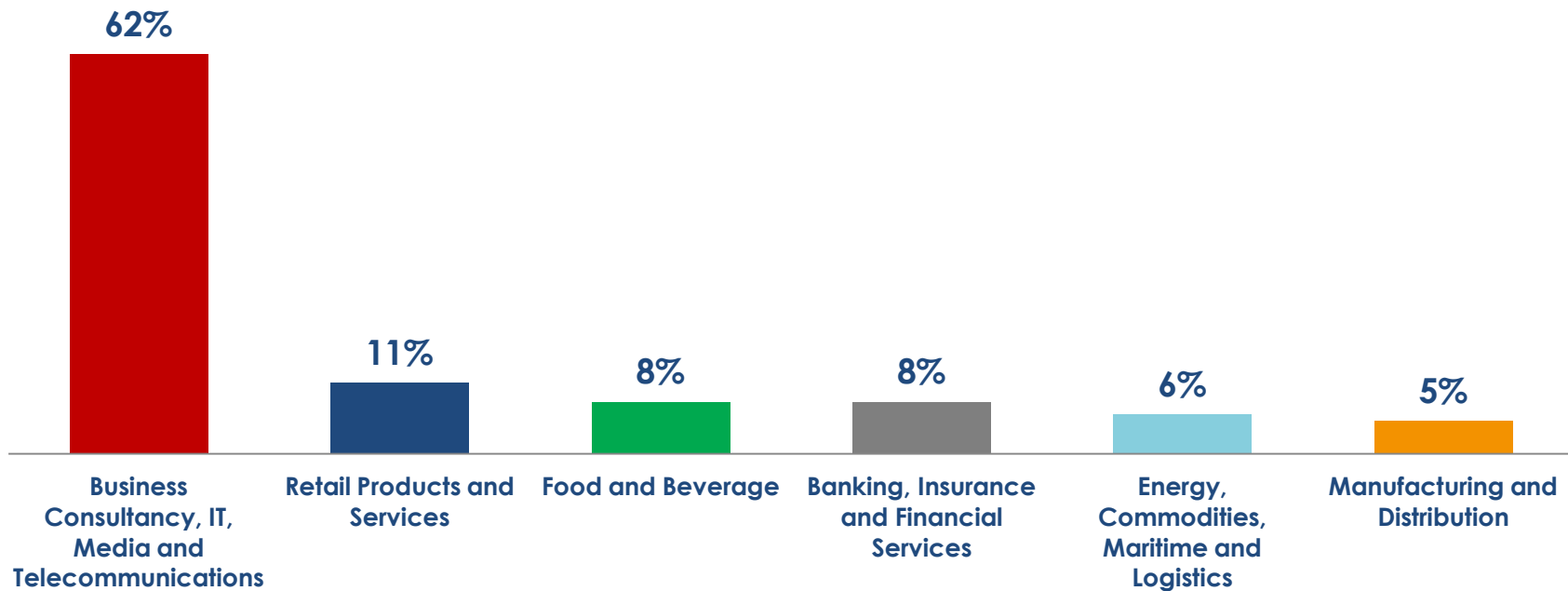
(2) Includes forward renewal of leases due in 2017. Based on net lettable area of new leases and renewals committed and using 100.0% basis for Raffles City Singapore





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

New leases are largely from the Business Consultancy, IT, Media and Telecommunications sector



**Note:**

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





# Value creation opportunity: GSCP redevelopment submitted for approval

Pending approvals and outcome of feasibility study; last day of operation on 31 July 2017



## Potential redevelopment

- Commercial GFA: One million sq ft
- Up to 280m above ground on par with the tallest buildings in the CBD

## Subject to approvals

- Rezoning – change of use from transport to commercial
- Payment of differential premium to be determined by the authorities

### Description of GSCP

10-storey building with retail and office space as well as car park facilities<sup>(1)</sup>

### Land area

64,296 sq ft (5,973 sq m)

#### Note:

(1) The Market Street Food Centre (MSFC) located on the second and third storeys of Golden Shoe Car Park have been granted to the Singapore Ministry of the Environment and Water Resources, free of rent, for use as a food centre.





# Rejuvenation of Raffles City Shopping Centre



Jointly owned by CCT and CMT, Raffles City Singapore has an office tower, a shopping mall and two hotels and a convention centre

Raffles City Shopping Centre will undergo interior rejuvenation works amounting S\$54.0 million from 3Q 2016 to 1Q 2018.

Works include –

- Refreshing the main entrance
- Refurbishing the mall interiors and upgrading the lift lobbies
- Revamping the Central Atrium at Level 3

Rationale:

To refresh the mall and enhance the shopping experience reinforcing Raffles City Shopping Centre's position as one of Singapore's top shopping destinations

## 2. Portfolio Value Creation

Capita Commercial  
Capita Mall  
Raffles City



# Creating value through portfolio strategy

## Flexibility to seize growth opportunities

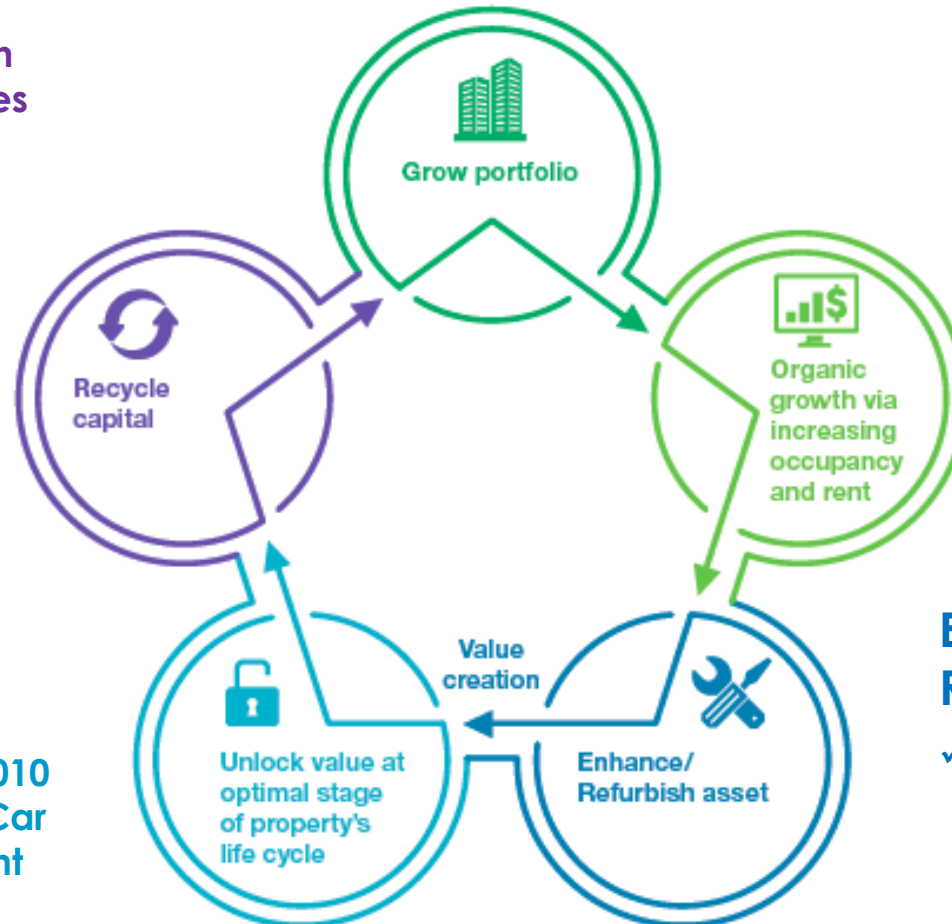
- ✓ Disciplined and sustainable acquisition of third-party properties
- ✓ Recycled sale proceeds for redevelopment into CapitaGreen
- ✓ Development (GSCP redevelopment submitted for approval)

## Unlock value

- ✓ Sale of two assets in 2010
- ✓ Sale of Market Street Car Park for redevelopment under MSO Trust

## Grow portfolio

- ✓ Acquired balance stake to own 100.0% of CapitaGreen in Aug 2016
- ✓ Acquired Twenty Anson in 2012



## Organic growth

- ✓ High portfolio occupancy
- ✓ Well spread portfolio lease profile with major leases expiring in 2019 and beyond
- ✓ Minimised leases due in 2017 and 2018 and focusing on tenant retention and attraction

## Enhance / Refurbish asset

- ✓ Achieved ROIs of 8.2% to 9.3% through asset enhancement initiatives (AEIs)

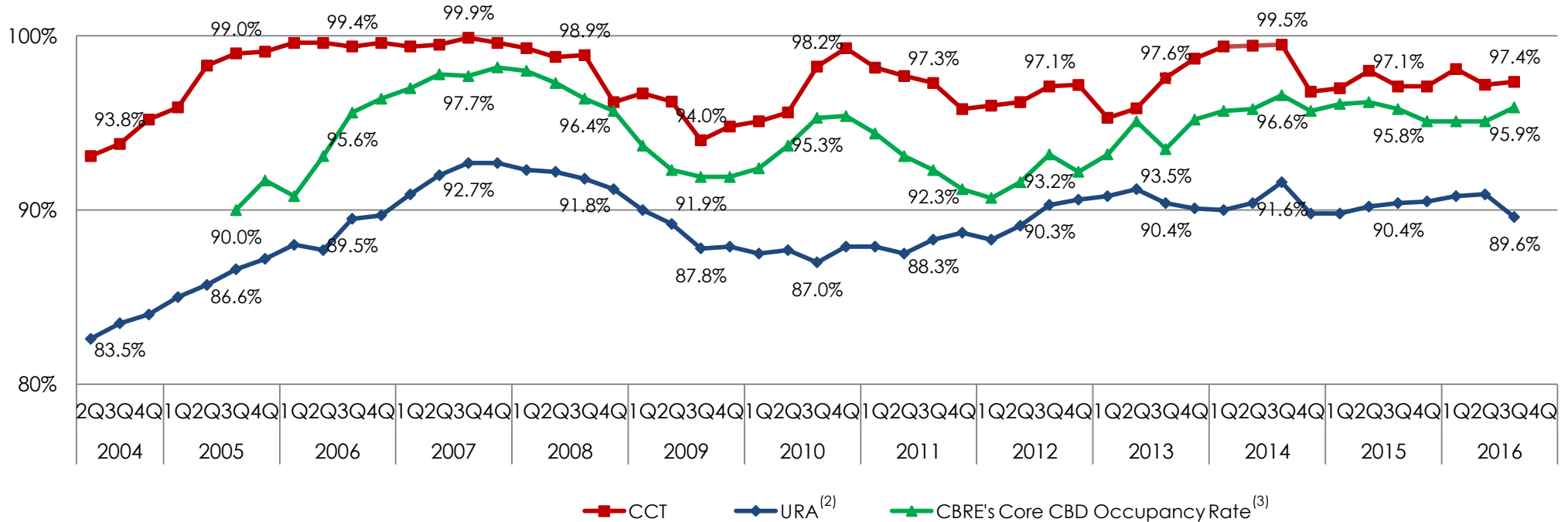




# CCT's portfolio occupancy of 97.4% is above market occupancy of 95.9%

	CCT Committed Occupancy		Market Occupancy Level <sup>(1)</sup>	
	3Q 2016	2Q 2016	3Q 2016	2Q 2016
Grade A office	96.9%	96.7%	95.9%	94.8%
Portfolio	97.4%	97.2%	95.9%	95.1%

CCT's Committed Occupancy Since Inception



**Notes:**

(1) Source: CBRE Pte. Ltd. Includes committed space from Guoco Tower (obtained temporary occupation permit in Sep 2016).

(2) Source: URA 3Q 2016

(3) Covers Raffles Place, Marina Centre, Shenton Way and Marina Bay, data only available from 3Q 2005 onwards

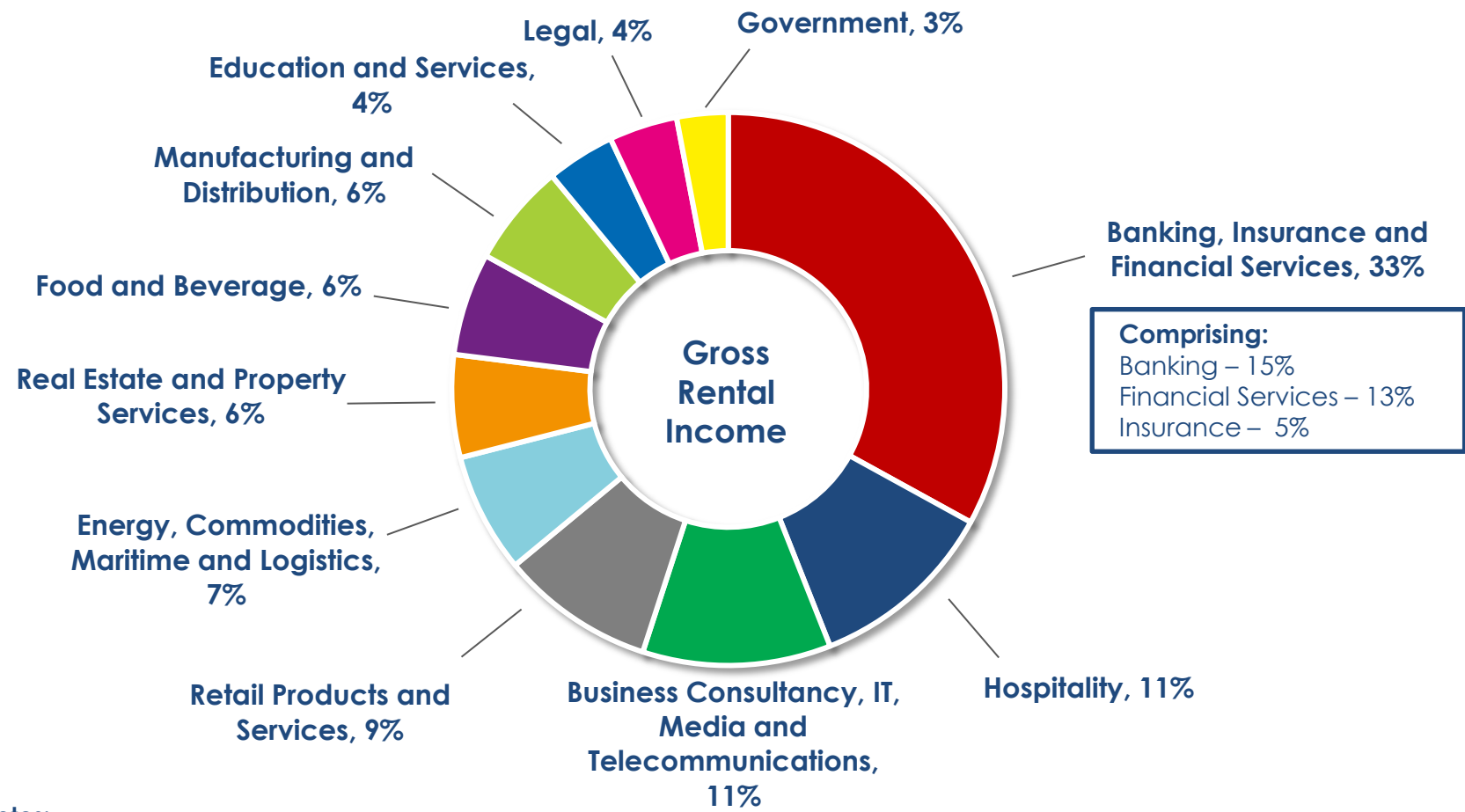
(4) CCT's interest in CapitaGreen was 40.0% from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016.





# Diverse tenant mix in CCT's portfolio<sup>(1)(2)</sup>

## Tenant mix in CCT portfolio

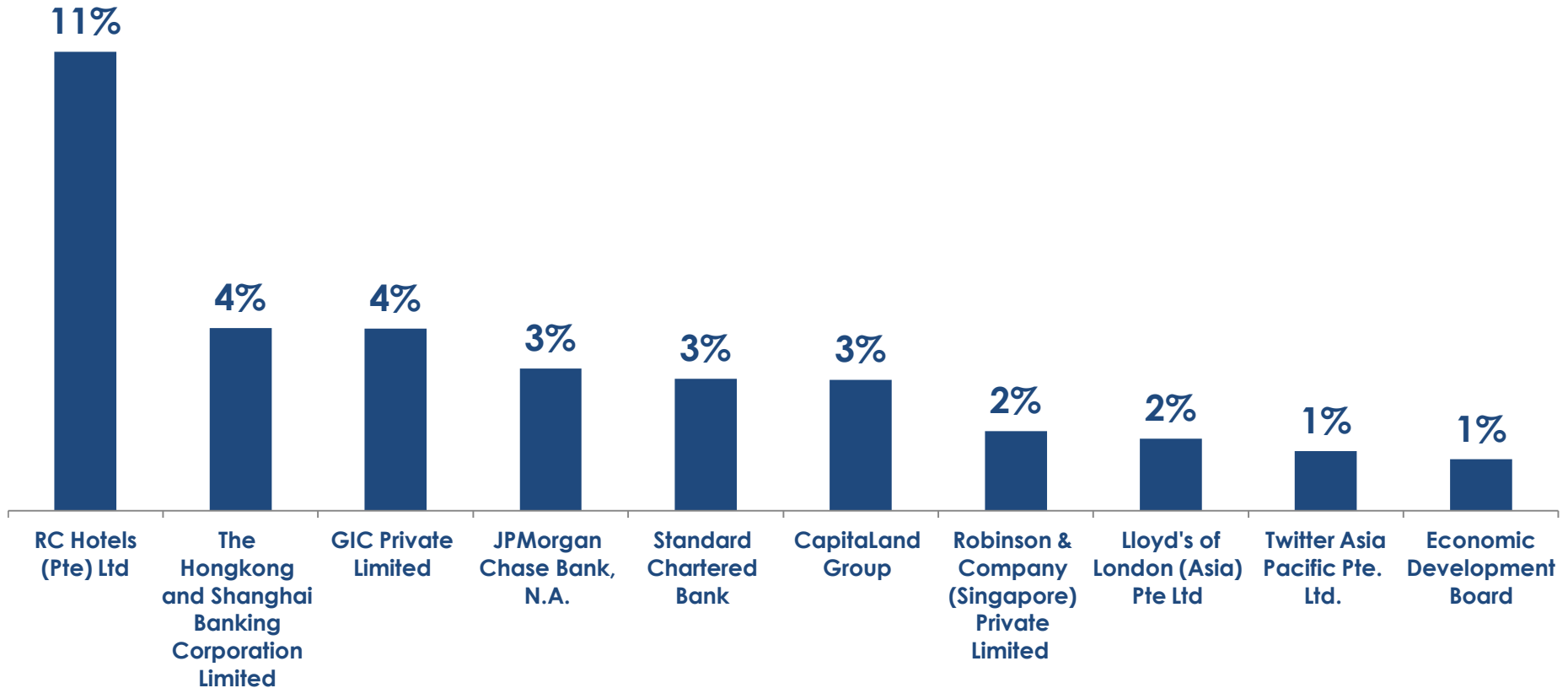


**Notes:**

- (1) Based on committed monthly gross rental income of tenants as at 30 Sep 2016, including CCT's 100.0% interest in CapitaGreen and 60.0% interest in Raffles City Singapore; and excluding retail turnover rent.
- (2) CCT's interest in CapitaGreen was 40.0% from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016.



# Top 10 tenants contribute 36% of monthly gross rental income<sup>(1)</sup>



## Notes:

(1) Based on monthly gross rental income of top ten tenants as at 30 Sep 2016, excluding retail turnover rent.

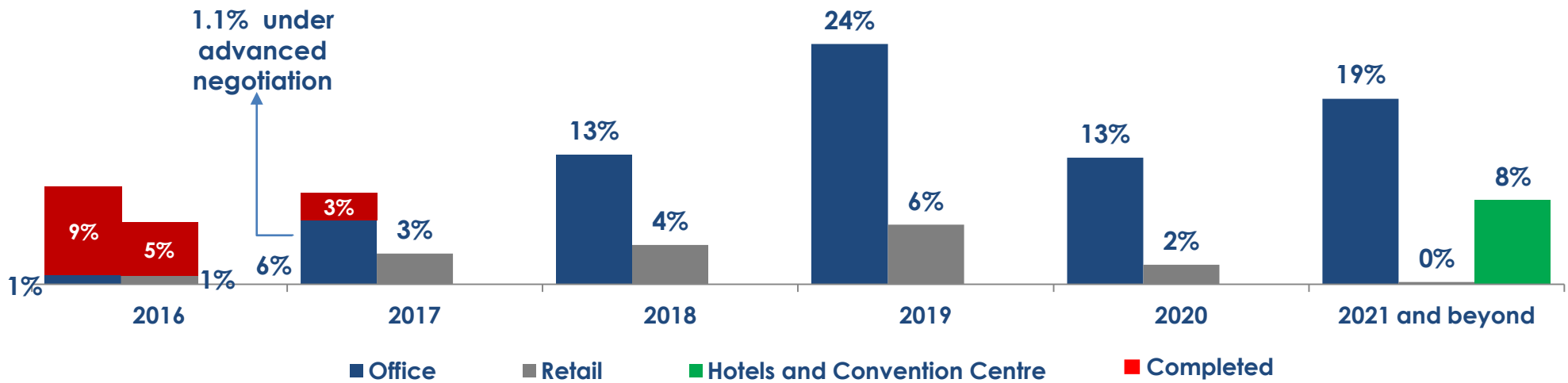
Total percentage may not add up due to rounding.

(2) CCT's interest in CapitaGreen was 40.0% from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016.



# Well spread portfolio lease expiry profile

Lease expiry profile as a percentage of committed monthly gross rental income<sup>(1)</sup>



**Portfolio WALE<sup>(2)</sup> by NLA as at end Sep 2016 = 6.8 years**

**Notes:**

(1) Excludes retail and hotel turnover rent

(2) WALE: Weighted Average Lease term to Expiry

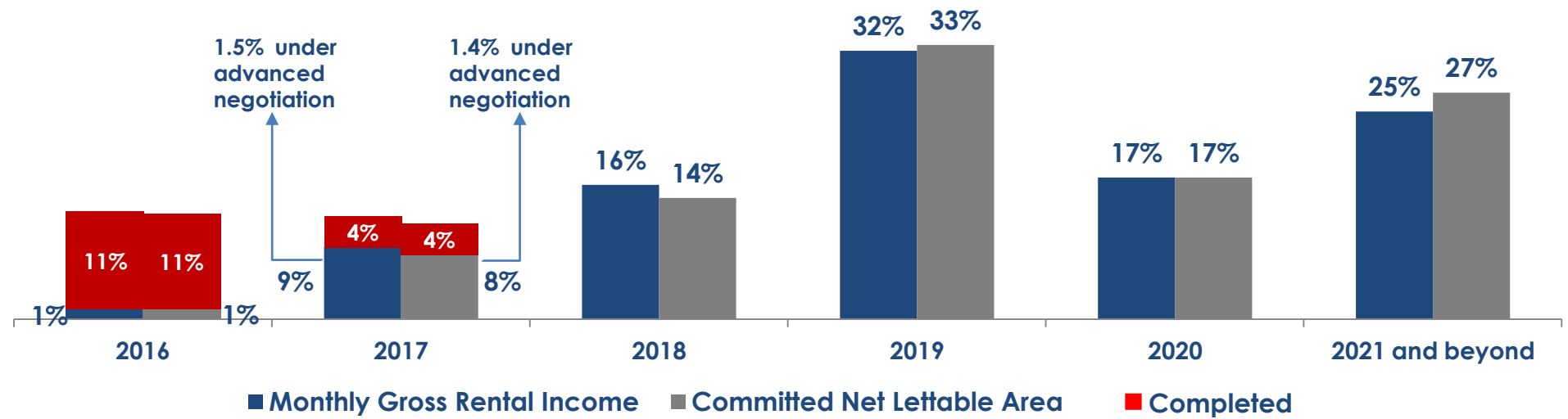
(3) CCT's interest in CapitaGreen was 40.0% from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016.





# Continuing with proactive lease management

## Mitigating office leasing risk by tenant retention and forward renewals



**Notes:**

- (1) Office lease expiry profile as at 30 Sep 2016
- (2) CCT's interest in CapitaGreen was 40% from 1 Jan 2016 to 31 Aug 2016 and 100% with effect from 1 Sep 2016.







# Achieving positive reversions and above market rents for office leases committed in 3Q 2016

Building	Average Expired Rents (\$\$ psf /mth)	Committed Rents <sup>(1)</sup> (\$\$ psf /mth)	Sub-Market	Market Rents of Comparative Sub-Market (\$\$ psf /mth)	
				Cushman & Wakefield <sup>(2)</sup>	Knight Frank <sup>(3)</sup>
Six Battery Road	11.12	10.75 – 13.00	Grade A Raffles Place	9.13	8.20 – 8.70
One George Street	8.68	8.00 – 9.90	Grade A Raffles Place	9.13	8.20 – 8.70

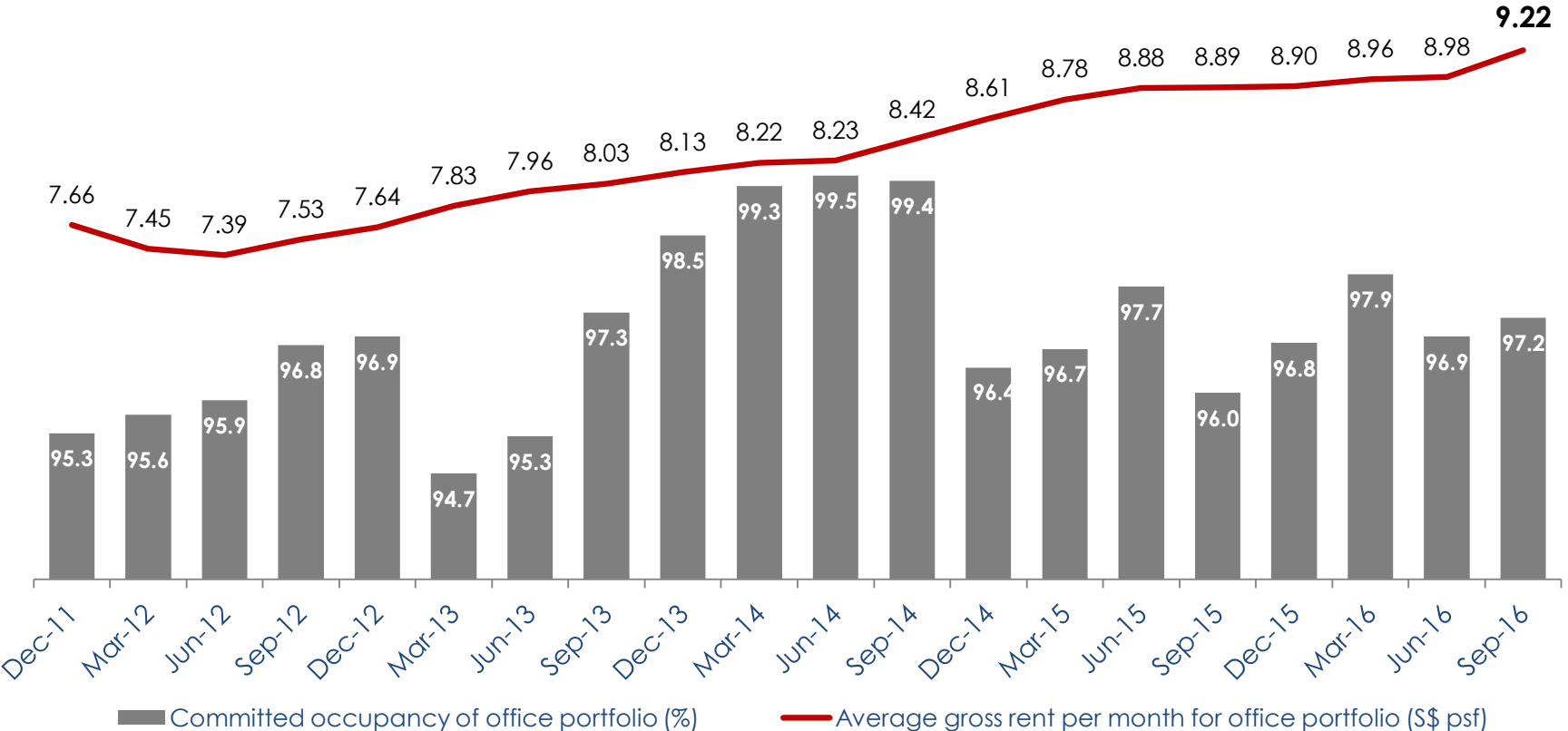
**Notes:**

- (1) Renewal/new leases committed in 3Q 2016
- (2) Source: Cushman & Wakefield 2Q 2016
- (3) Source: Knight Frank 3Q 2016; 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 3Q 2016 Grade A rent is S\$9.30 psf per month and they do not publish sub-market rents



# Monthly average office rent of CCT's portfolio<sup>(1)</sup> up by 2.7% QoQ

17 quarters of continuing growth in CCT's portfolio average office rent



**Notes:**

(1) Average gross rent per month for office portfolio (\$\$ psf) = 
$$\frac{\text{Total committed gross rent for office per month}}{\text{Committed area of office per month}}$$

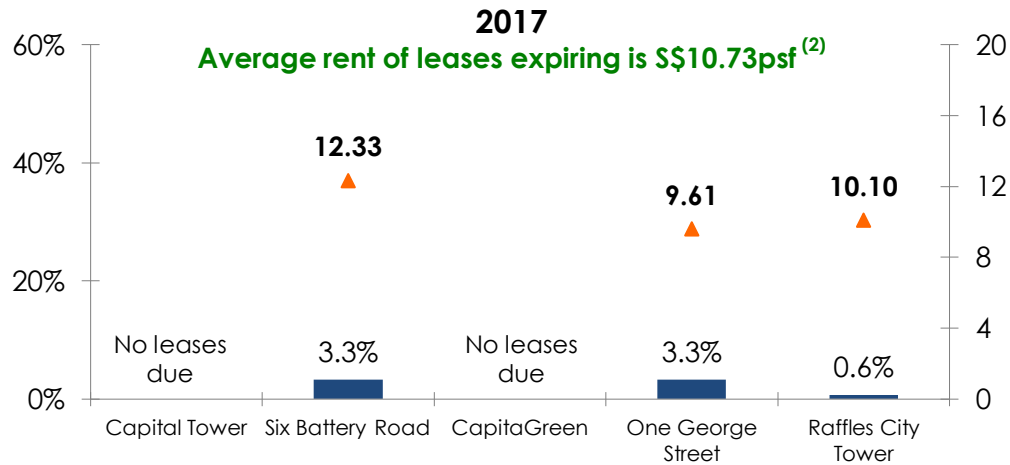
(2) CCT's interest in CapitaGreen was 40.0% from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016.





# Limited remaining expiries in 2017

3Q 2016 Industry Statistics<sup>(1)</sup> –  
Grade A Office Average Market Rent: S\$9.30 psf per month



Period	1H 2017		2H 2017	
	% of Expiring Leases	Rental Rates of Expiring Leases	% of Expiring Leases	Rental Rates of Expiring Leases
Six Battery Road	0.9%	S\$12.33	2.4%	S\$12.33
One George Street	0.5%	S\$10.79	2.8%	S\$9.43
Raffles City Tower	0.05%	S\$10.00	0.6%	S\$10.11
<b>Total / Weighted Average<sup>(3)</sup></b>	<b>1.45%</b>	<b>S\$11.66</b>	<b>5.8%</b>	<b>S\$10.52</b>

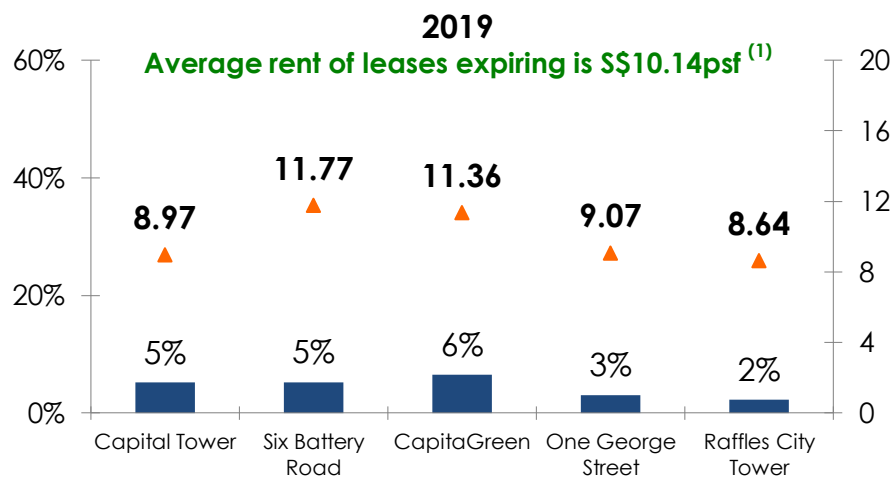
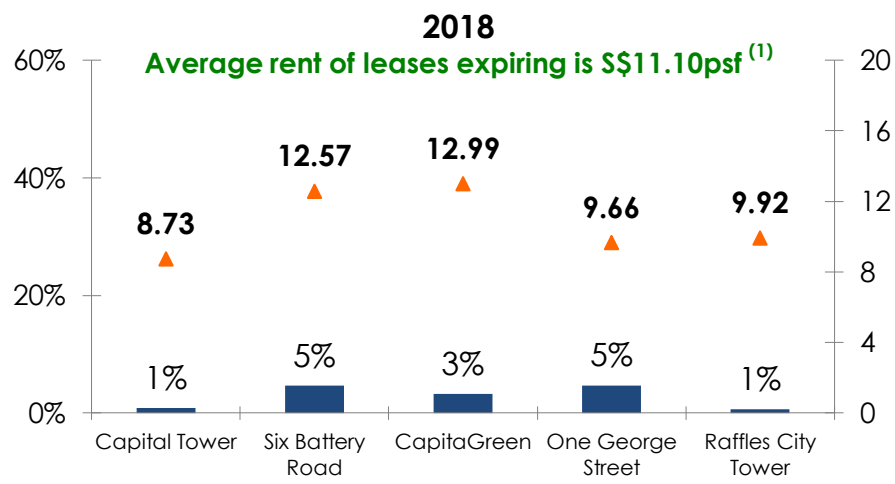
- ▲ Average monthly gross rental rate for expiring leases (S\$ psf / month)
- $\frac{\text{Monthly gross rental income for leases expiring at respective properties}}{\text{Monthly gross rental income for office portfolio}} \times 100\%$

**Notes:**

- (1) Source: CBRE Pte. Ltd. as at 3Q 2016
- (2) Four Grade A buildings and Raffles City Tower only
- (3) Total percentage may not add up due to rounding
- (4) CCT's interest in CapitaGreen was 100.0% as at 30 Sep 2016



# No significant new supply in Central Area expected in 2019 and 2020



- ▲ Average monthly gross rental rate for expiring leases (S\$ psf/month)
- $\frac{\text{Monthly gross rental income for leases expiring at respective properties}}{\text{Monthly gross rental income for office portfolio}} \times 100\%$

**Notes:**

- (1) Four Grade A buildings and Raffles City Tower only
- (2) CCT's interest in CapitaGreen was 100.0% as at 30 Sep 2016



# 3. Asset Enhancement Initiative – Raffles City Singapore





# Rejuvenation of Raffles City Shopping Centre

Raffles City Shopping Centre will undergo interior rejuvenation works amounting S\$54.0 million from 3Q 2016 to 1Q 2018. Works include –

- Refreshing the main entrance
- Refurbishing the mall interiors and upgrading the lift lobbies
- Revamping the Central Atrium at Level 3

## Rationale:

To refresh the mall and enhance the shopping experience reinforcing Raffles City Shopping Centre's position as one of Singapore's top shopping destinations





# Refresh the main entrance

Creating a strong sense of arrival with new entrance and extended canopy



Artist impression



# Refurbish mall interior

A new look with enhanced ceiling, flooring and lift lobbies



Artist impression





# Refurbish mall interior

New finishes at Momentum Court and upgraded water feature at Vitality Court



Artist impression





# Creation of level 3 centrepiece

Revamp of level 3 Central Atrium with new centrepiece as focal point

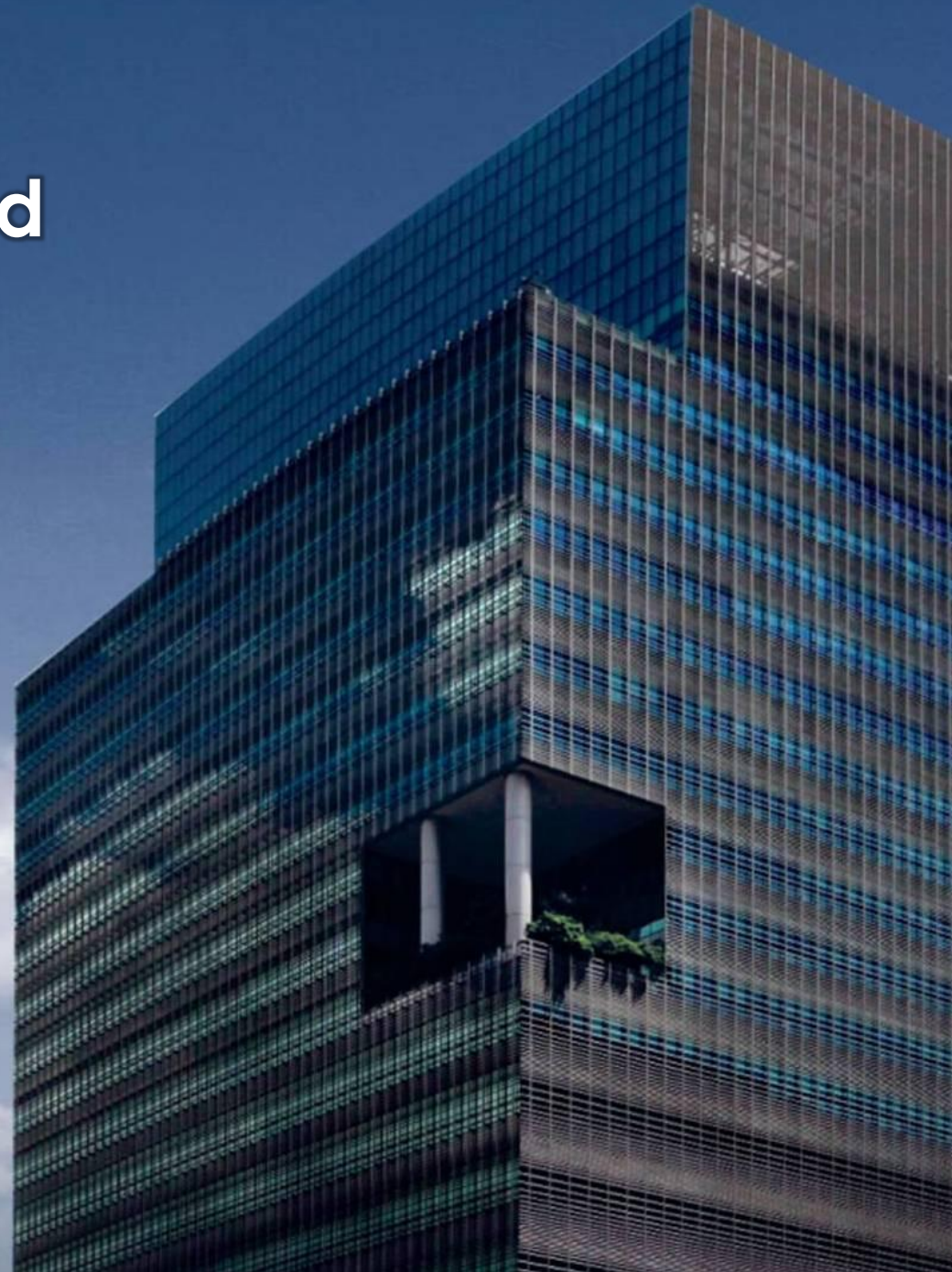


Artist impression



# 4. Financial Results and Proactive Capital Management

One George Street, Singapore





# 3Q 2016 DPU outperformed by 7.5% YoY

	3Q 2016	3Q 2015	Change (%)	Remarks
<b>Gross Revenue (\$\$ million)</b>	<b>74.4</b>	68.3	8.9	Please see note (1)
<b>Property Operating Expenses (\$\$ million)</b>	<b>(17.4)</b>	(15.7)	11.0	
<b>Net Property Income (\$\$ million)</b>	<b>57.0</b>	52.7	8.3	Please see note (1)
<b>Distributable Income (\$\$ million)</b>	<b>68.3</b>	63.2	8.1	Please see note (2)
<b>DPU (cents)</b>	<b>2.30</b>	2.14	7.5	Please see note (3)

**Notes:**

- (1) MSO Trust ceased to be CCT's joint venture after CCT completed the acquisition of 60.0% of CapitaGreen on 31 Aug 2016, and is now a wholly owned subsidiary of CCT. 3Q 2016 gross revenue and net property income include 100.0% of CapitaGreen's revenue of S\$7.0 million and net property income of S\$5.3 million for Sep 2016.
- (2) Higher distribution from joint ventures, RCS Trust and MSO Trust (from 1 Jul to 31 Aug 2016).
- (3) Estimated DPU for 3Q 2016 was computed on the basis that none of the convertible bonds due on 12 Sep 2017 (CB 2017) is converted into CCT units. Accordingly, the actual quantum of DPU may differ if any of CB 2017 is converted into CCT units. The current conversion price of CB 2017 is S\$1.4816.

Assuming all outstanding S\$175.0 million CB 2017 were converted, DPU for 3Q 2016 would be reduced by 0.08 cents (assuming no interest expense savings).



# YTD Sep 2016 DPU up 3.7% YoY

	YTD Sep 2016	YTD Sep 2015	Change (%)	Remarks
<b>Gross Revenue (\$\$ million)</b>	<b>208.9</b>	205.6	1.6	Please see note (1)
<b>Property Operating Expenses (\$\$ million)</b>	<b>(48.3)</b>	(45.1)	7.1	
<b>Net Property Income (\$\$ million)</b>	<b>160.5</b>	160.5	0.0	Please see note (1)
<b>Distributable Income (\$\$ million)</b>	<b>198.2</b>	190.3	4.2	Please see note (2)
<b>DPU (cents)</b>	<b>6.69</b>	6.45	3.7	Please see note (3)

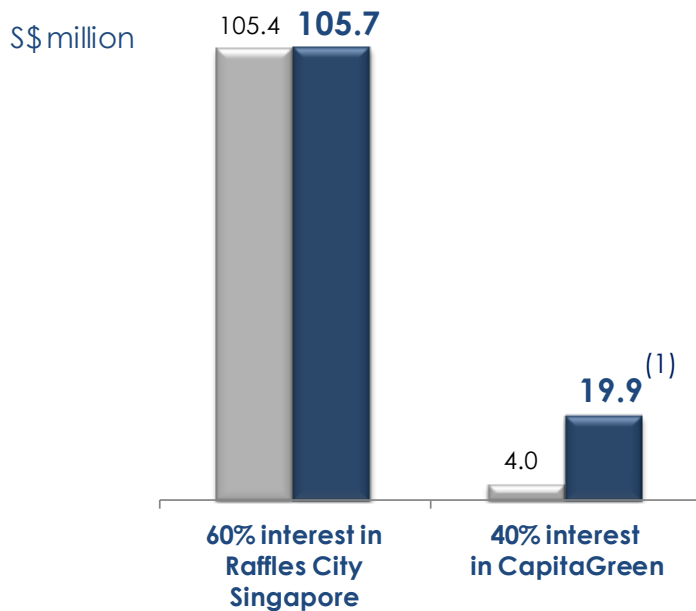
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- (1) MSO Trust ceased to be CCT's joint venture after CCT completed the acquisition of 60.0% of CapitaGreen on 31 Aug 2016, and is now a wholly owned subsidiary of CCT. YTD Sep 2016 gross revenue and net property income include 100.0% of CapitaGreen's revenue of S\$7.0 million and net property income of S\$5.3 million for Sep 2016.
- (2) Higher distribution from joint ventures, RCS Trust and MSO Trust (only for period from 1 Jan and 31 Aug 2016); Retained RCS Trust's distribution income of S\$0.9 million to be paid out in 4Q 2016.
- (3) Estimated DPU for YTD Sep 2016 was computed on the basis that none of the convertible bonds due on 12 Sep 2017 (CB 2017) is converted into CCT units. Accordingly, the actual quantum of DPU may differ if any of CB 2017 is converted into CCT units. The current conversion price of CB 2017 is S\$1.4816.

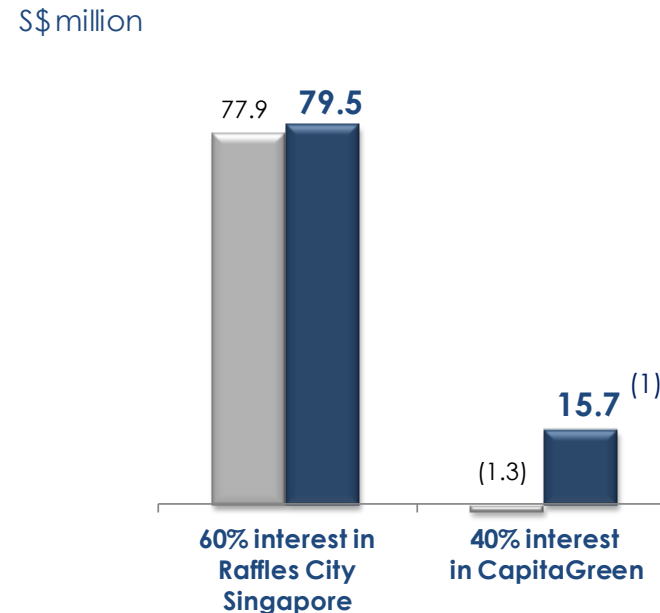
# YTD Sep 2016 performance of joint ventures

CapitaGreen's strong performance due to higher revenue occupancy in 2016

## Revenue



## Net Property Income



■ YTD Sep 2015 ■ YTD Sep 2016

**Note:**

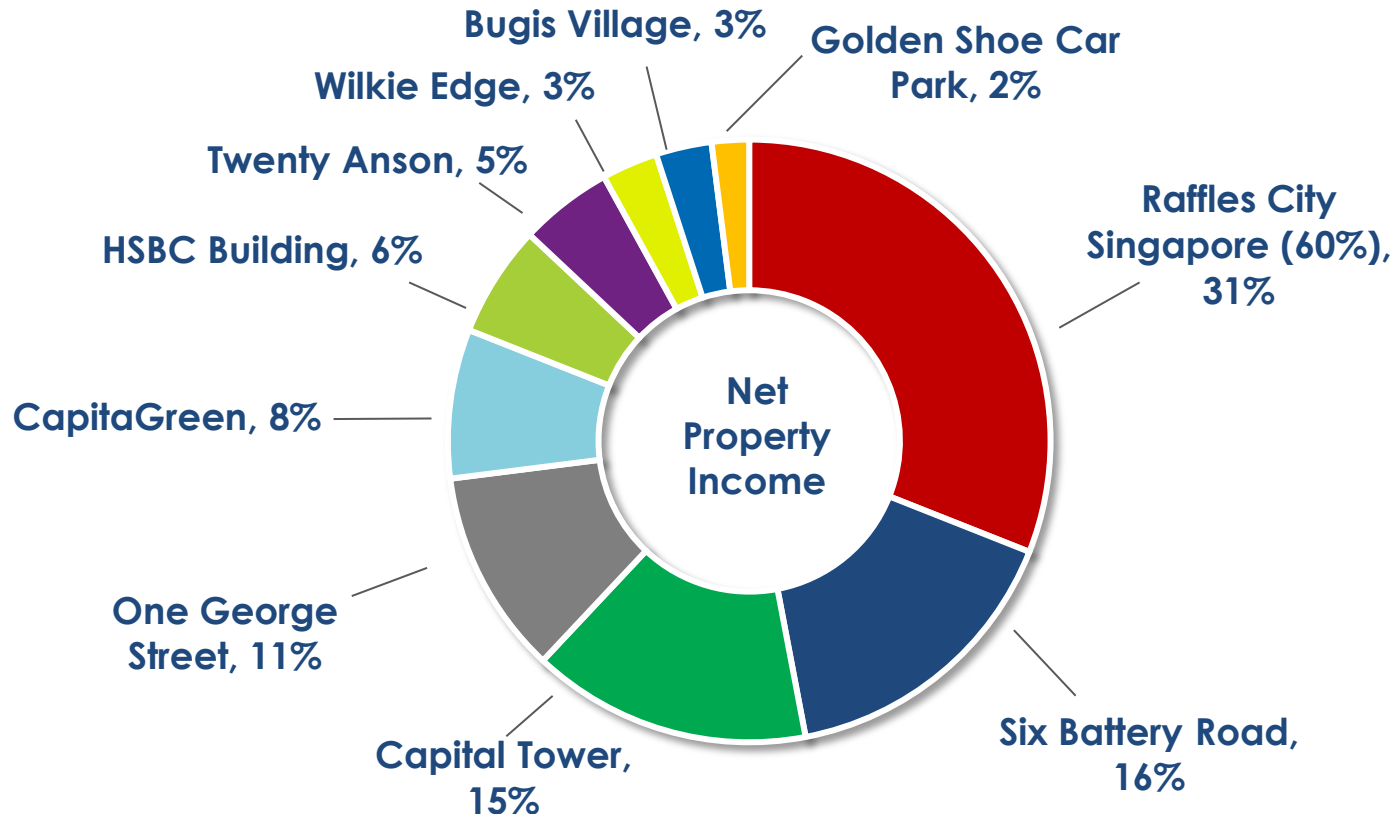
(1) CapitaGreen's revenue and net property income for the period 1 Jan to 31 Aug 2016 were accounted for on the basis of MSO Trust being a joint venture; MSO Trust ceased to be a joint venture on 31 Aug 2016 and is now a wholly owned subsidiary.





# Portfolio diversification with income contribution from 10 properties<sup>(1)</sup>

CapitaGreen contributed 8%<sup>(2)</sup> to portfolio NPI for year-to-date Sep 2016



Notes:

(1) For reference only: Based on respective properties' proportionate net property income contribution from 1 Jan 2016 to 30 Sep 2016. NPI from CCT's wholly owned properties was S\$155.2 million, while NPI from its 60.0% interest in Raffles City Singapore and corresponding interest in CapitaGreen was S\$79.5 million and S\$21.1 million respectively.

(2) CCT's interest in CapitaGreen was 40.0% from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016.



# Robust balance sheet

As at 30 Sep 2016

	S\$ million
Non-current Assets	7,849.55
Current Assets	146.18
<b>Total Assets</b>	<b>7,995.73</b>
Current Liabilities	270.40
Non-current Liabilities	2,548.70
<b>Total Liabilities</b>	<b>2,819.10</b>
<b>Net Assets</b>	<b>5,176.63</b>
<b>Unitholders' Funds</b>	<b>5,176.63</b>

**Units in issue ('000) 2,962,544**

	S\$ million
<b>Deposited Properties<sup>(1)</sup></b>	<b>8,681.39</b>

<b>Net Asset Value Per Unit</b>	<b>\$1.75</b>
<b>Adjusted Net Asset Value Per Unit (excluding distributable income)</b>	<b>\$1.72</b>

**Credit Rating**

**A-** by **S&P**

Outlook Stable

Note:

(1) Deposited properties for CCT Group includes CCT's 60.0% interest in RCS Trust



# Key financial ratios

	2Q 2016	3Q 2016	Remarks
Total Gross Debt <sup>(1)</sup>	S\$2,320.0m	<b>S\$3,283.3m</b>	<b>Increased</b> (Acquisition of CapitaGreen)
Aggregate Leverage <sup>(2)</sup>	29.8%	<b>37.8%</b>	<b>Increased</b> (Acquisition of CapitaGreen)
Unencumbered Assets as % of Total Assets <sup>(3)</sup>	100%	<b>80%</b>	<b>Decreased</b> (Acquisition of CapitaGreen)
Average Term to Maturity <sup>(4)</sup>	3.6 years	<b>3.5 years</b>	<b>Lower</b> (Passing of time)
Average Cost of Debt (p.a.) <sup>(5)</sup>	2.5%	<b>2.5%</b>	<b>Stable</b>
Interest Coverage <sup>(6)</sup>	7.2 times	<b>6.5 times</b>	<b>Lower</b> (Acquisition of CapitaGreen)

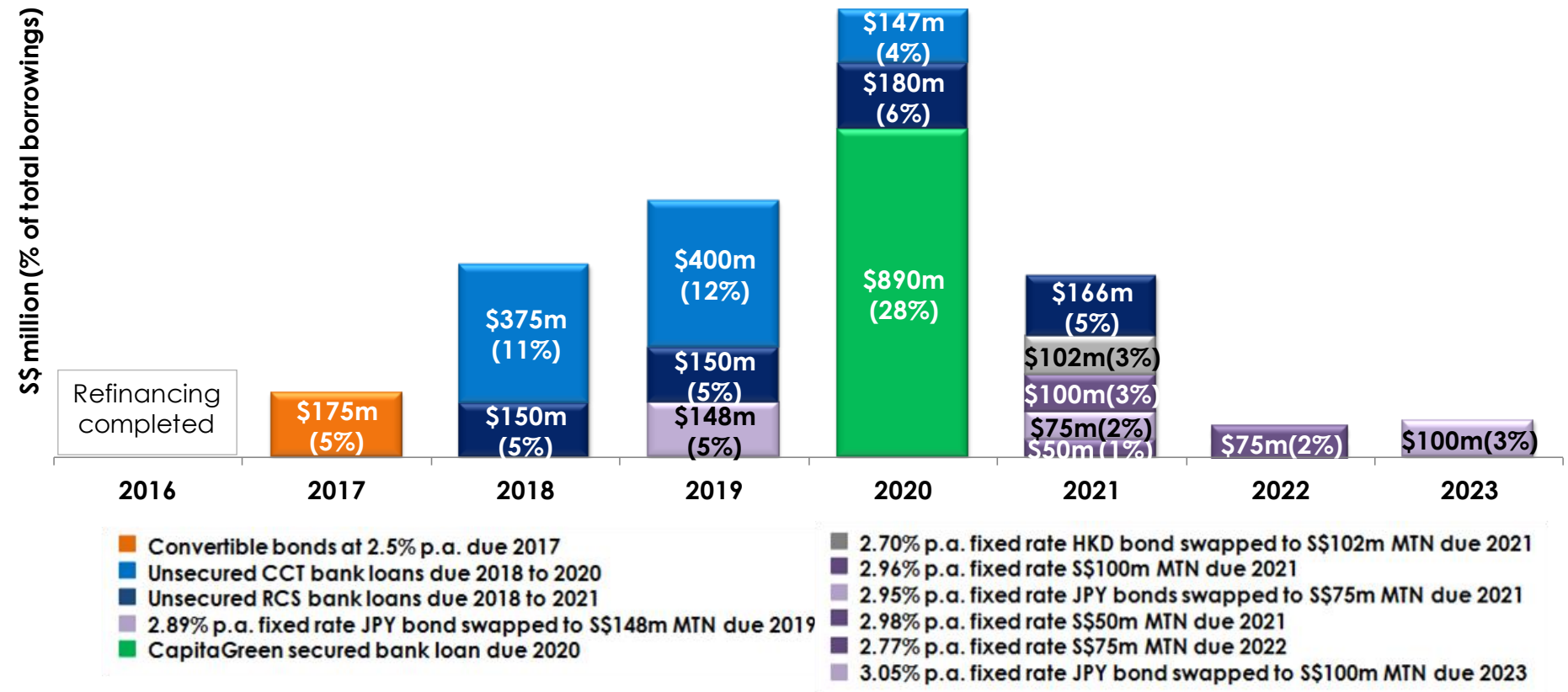
## Notes:

- (1) Total gross debt includes CCT's 60.0% interest of Raffles City Singapore borrowings and 100.0% interest of CapitaGreen borrowings.
- (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.
- (3) Investment properties at CCT are all unencumbered except for CapitaGreen.
- (4) Excludes borrowings of RCS Trust.
- (5) Ratio of interest expense over weighted average borrowings (excludes borrowings of RCS Trust).
- (6) Ratio of EBITDA over finance costs includes amortisation and transaction costs (excludes borrowings of RCS Trust).



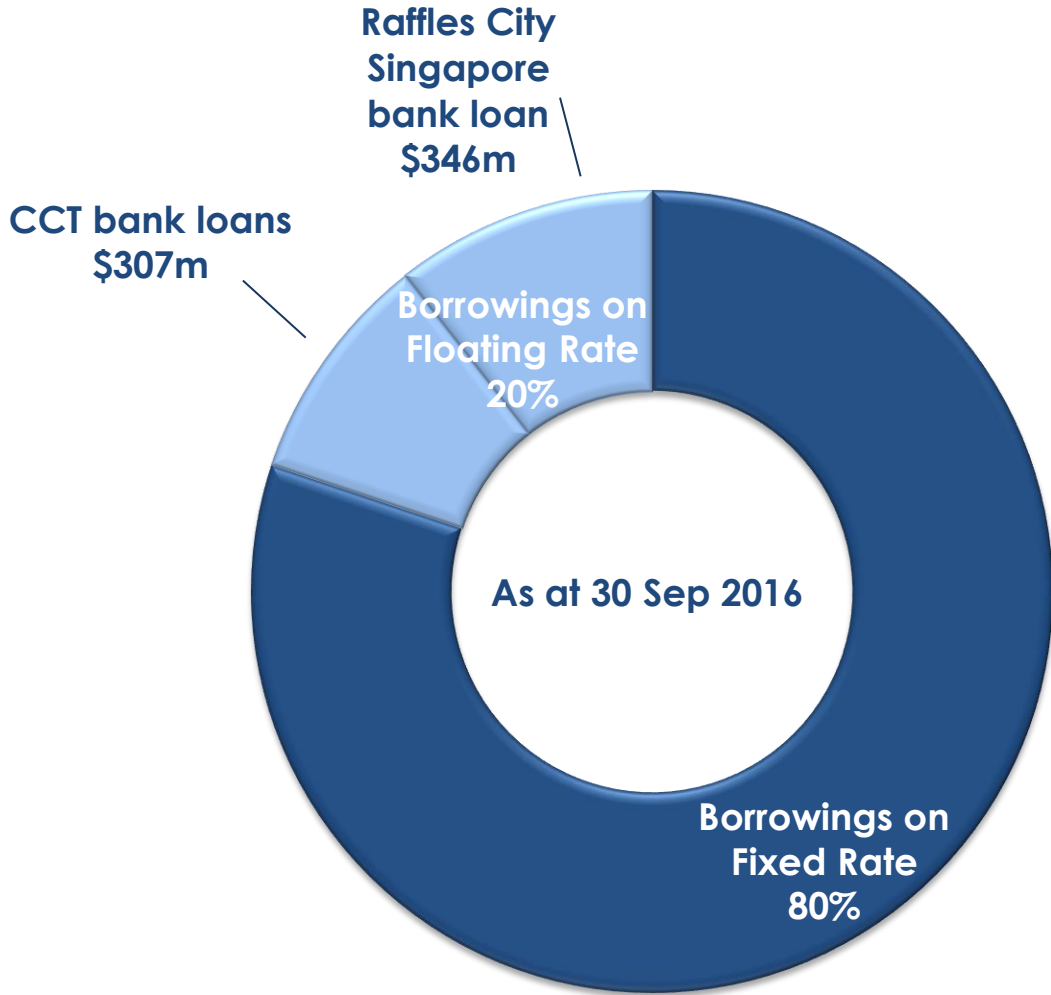
# Continuing to manage debt concentration and maturity

Debt Maturity Profile as at 30 Sep 2016





# 80% of borrowings on fixed rate provides certainty of interest expense





## 5. Singapore office market

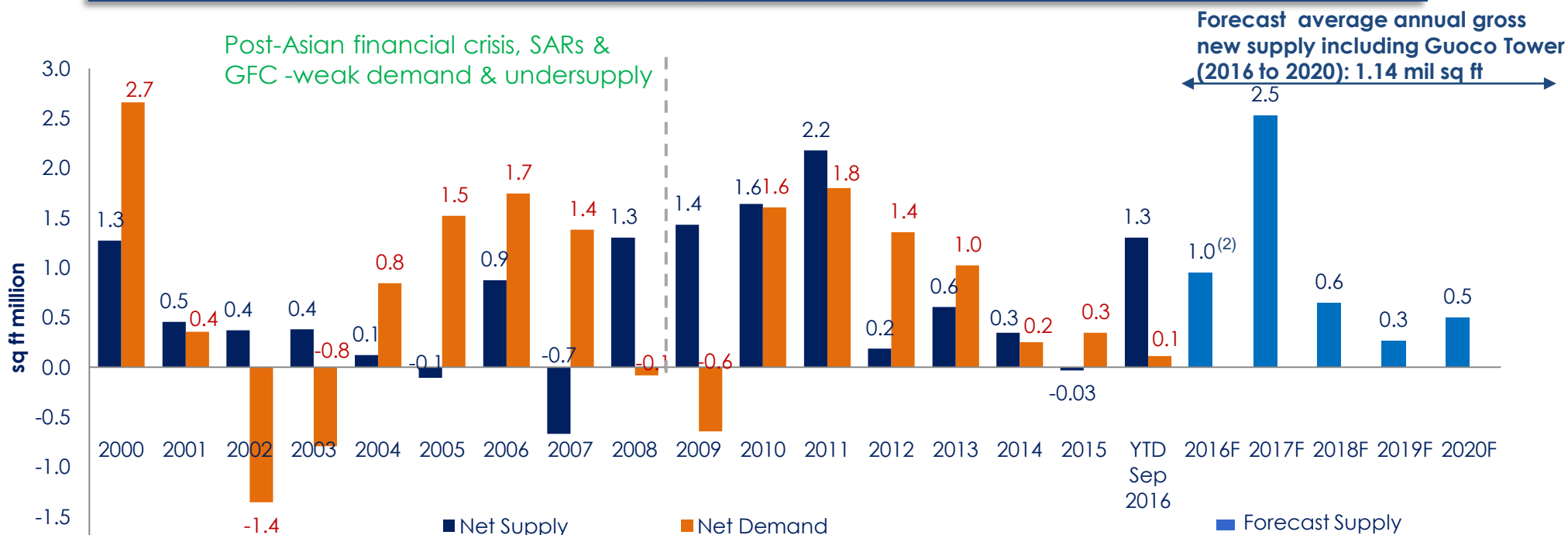


Wilkie Edge, Singapore



# Annual new supply to average 1.14 mil sq ft in 2016-2020; CBD Core occupancy at 95.9% as at end Sep 2016

## Singapore Private Office Space (Central Area) <sup>(1)</sup> – Net Demand & Supply



Periods	Average annual net supply <sup>(3)</sup>	Average annual net demand
2006 – 2015 (through 10-year property market cycles)	0.8 mil sq ft	0.9 mil sq ft
2011 – 2015 (five years period post GFC)	0.7 mil sq ft	1.0 mil sq ft
2016 – 2020 (forecast gross new supply including Guoco Tower)	1.14 mil sq ft	N.A.

Notes:

- (1) Central Area comprises 'The Downtown Core', 'Orchard' and 'Rest of Central Area'
- (2) Forecast 2016 gross new supply excluded Guoco Tower as TOP was obtained in Sep 2016 and reported committed space and space under negotiation was about 80%. Marina One's completion date was moved to 1Q 2017 and redevelopment of CPF Building added to 2020 (Source: The Business Times, 5 Oct 2016).
- (3) Supply is calculated as net change of stock over the quarter and may include office stock removed from market due to conversions or demolitions.
- (4) Source: Historical data from URA statistics as at 3Q 2016; Forecast supply from CBRE Pte. Ltd. as at 3Q 2016.

# Known Future Office Supply in Central Area (2016 – 2020 and beyond)

Expected completion	Proposed Office Projects	Location	NLA (sq ft)
4Q 2016	DUO (about 30% <sup>(1)</sup> pre-committed)	Bugis	570,000
4Q 2016	EON Shenton (Redevelopment of Marina House) (Strata Office)	Shenton Way	101,000
4Q 2016	GSH Building (Strata Office) (Remodeling of existing buildings)	Raffles Place	282,000
		<b>Subtotal (2016):</b>	<b>953,000</b>
1Q 2017	Marina One (more than 30% <sup>(2)</sup> pre-committed)	Marina Bay	1,876,000
1Q 2017	UIC Building	Shenton Way	278,000
2Q 2017	Crown @ Robinson (Strata Office)	Robinson Road	70,000
2017	Oxley Tower (Strata Office)	Shenton Way	112,000
		<b>Subtotal (2017):</b>	<b>2,335,000</b>
1Q 2018	Redevelopment of International Factors Building and Robinson Towers	Robinson Road	194,000
2Q 2018	Fraser's Tower	Shenton Way	645,000
		<b>Subtotal (2018):</b>	<b>839,000</b>
2019	Redevelopment of Funan DigitalLife Mall	Beach Road/Cityhall	204,000
		<b>Subtotal (2019):</b>	<b>204,000</b>
2020	Redevelopment of CPF Building <sup>(3)</sup>	Robinson Road	500,000
		<b>Subtotal (2020 and beyond):</b>	<b>500,000</b>
<b>TOTAL FORECAST SUPPLY (2016-2020 and beyond)</b>			<b>4,813,000</b>
<b>Total forecast supply excluding strata offices</b>			<b>4,248,000</b>

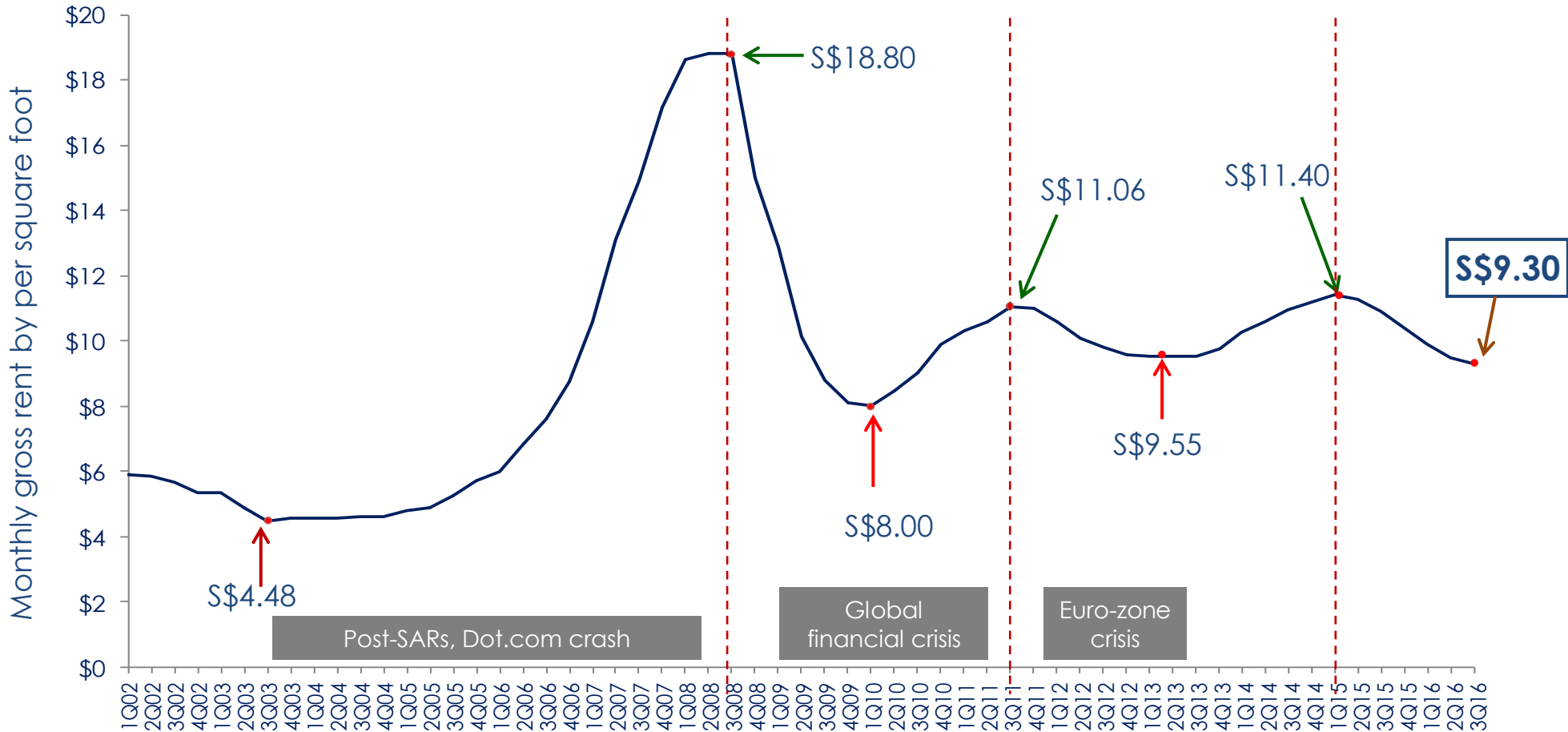
## Notes:

- (1) DUO's pre-commitment is about 30%, according to a Credit Suisse report dated 15 Sep 2015.
- (2) Signed leases, together with those under documentation, at Marina One is over 550,000sq ft (about 30% pre-leased) according to Business Times & Straits times reports dated 22 Jun 2016.
- (3) Ascendas-Singbridge's redevelopment of CPF Building to feature over 500,000sq ft of Grade A office space, according to Business Times & Today reports dated 5 Oct 2016.
- (4) Source: CBRE Pte. Ltd.



# Easing of Grade A office market rent decline in 3Q

	3Q 15	4Q 15	1Q 16	2Q 16	3Q 16
Mthly rent (S\$ / sq ft )	10.90	10.40	9.90	9.50	<b>9.30</b>
% change	-3.5%	- 4.6%	- 4.8%	- 4.0%	- 2.1%



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

# 6. Summary

Raffles City

Raffles City Singapore



# Next growth phase

Internal Growth	<ul style="list-style-type: none"> <li>✓ Additional income contribution from acquisition of 60.0% of CapitaGreen</li> </ul>
External Growth	<ul style="list-style-type: none"> <li>✓ Value creation opportunity through redevelopment:             <ul style="list-style-type: none"> <li>➤ Golden Shoe Car Park redevelopment submitted for approval</li> <li>➤ Subject to outcome of feasibility study including evaluation of various funding structures</li> </ul> </li> <li>Development capacity equivalent to 10%<sup>(1)</sup> of deposited property c. S\$868 million</li> </ul>
Retained tax-exempt income	<ul style="list-style-type: none"> <li>✓ Opportunistic acquisition of third party assets in Singapore</li> <li>✓ S\$17.3 million mainly from MRCB-Quill REIT</li> </ul>

**Note:**

- (1) Item 7.1 (d) of Property Funds Appendix: the total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10% of the property fund's deposited property. The total contract value of property development activities may exceed 10% of the property fund's deposited property (subject to a maximum of 25% of the property fund's deposited property) only if:
- (i) the additional allowance of up to 15% of the property fund's deposited property is utilised solely for the redevelopment of an existing property that has been held by the property fund for at least three years and which the property fund will continue to hold for at least three years after the completion of the redevelopment; and
  - (ii) the property fund obtains the specific approval of participants' at a general meeting for the redevelopment of the property.



# Accolades in 3Q

## CCT

- **Runner-up**  
Securities Investment Association of Singapore (SIAS)  
Most Transparent Company 2016 under REITs and Business Trust



## CapitaGreen

- **Winner**  
SGBC-BCA Sustainability Leadership Awards 2016 under the Commercial Category for Sustainability in Design & Performance



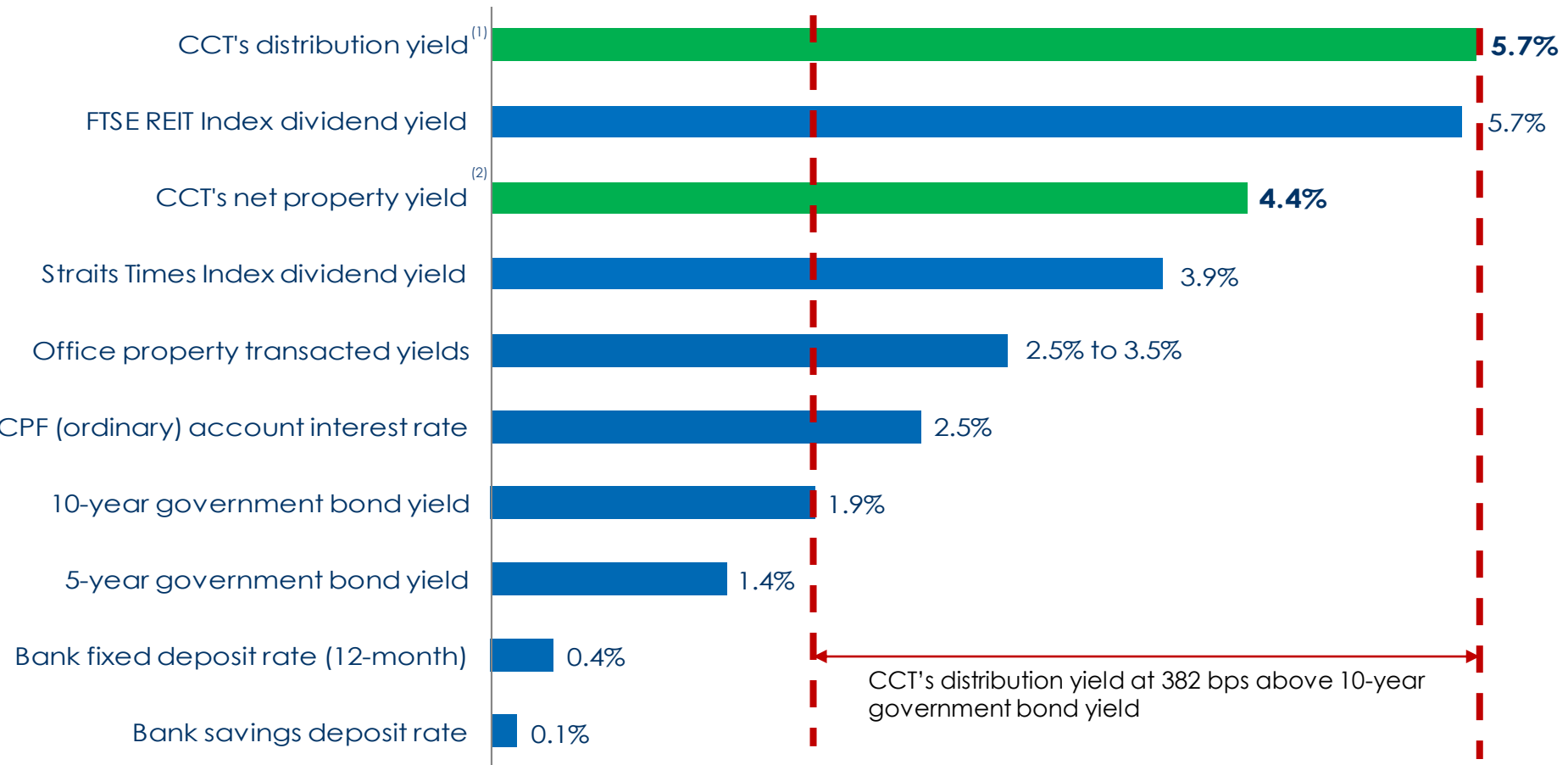
**Design & Performance**

- **1st Runner-Up**  
ASEAN Energy Awards 2016  
ASEAN Best Practices Awards for New and Existing Building Category





# CCT distribution yield at 382 bps above 10-year government bond yield

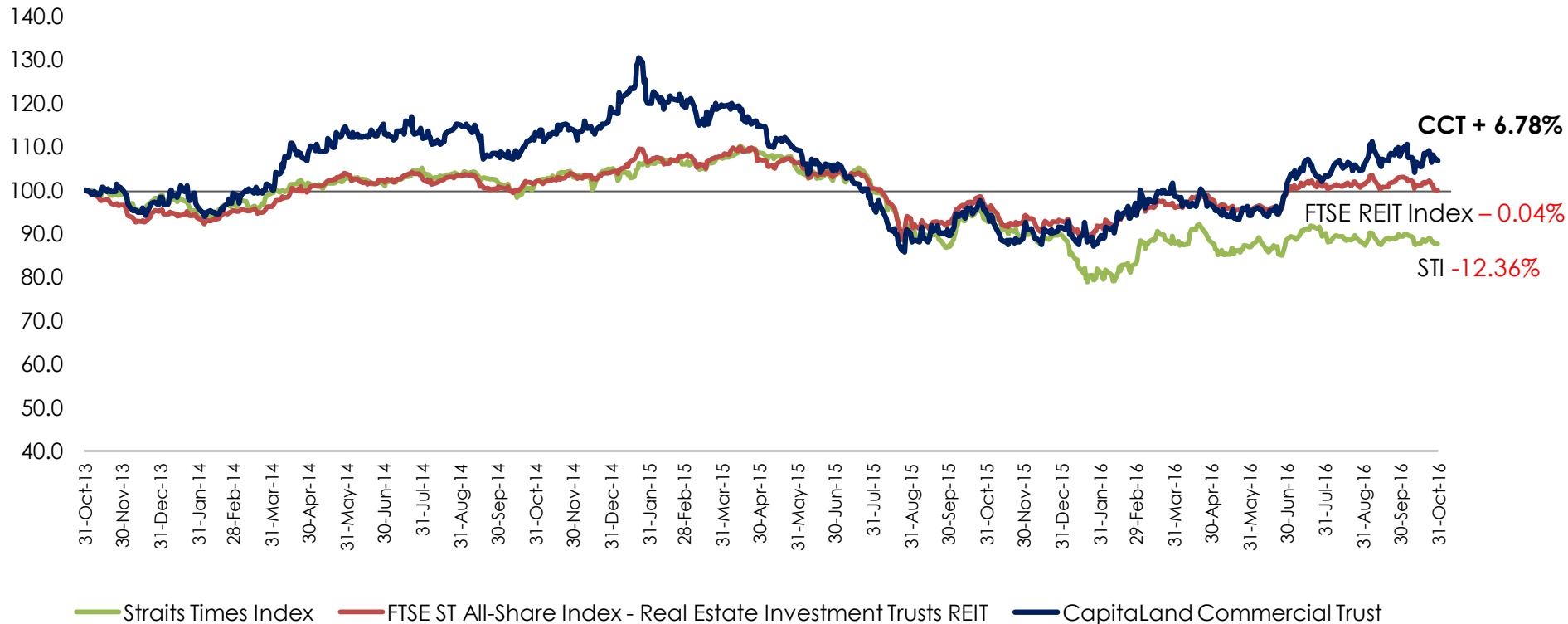


**Notes:**

- (1) CCT Group distribution yield is based on annualised YTD Sep 2016 DPU of 6.69 cents over closing price of S\$1.555 as at 18 Oct 2016.
- (2) CCT Group (including RCS Trust and CapitaGreen) net property yield based on annualised YTD Sep 2016 net property income and Jun 2016 valuation.
- (3) All information as at 30 Sep 2016 except for FTSE REIT Index, STI, 5-year and 10-year government bond yield which are as at 18 Oct 2016.  
Sources: Bloomberg, Monetary Authority of Singapore, Central Provident Fund, Singapore Government Securities, CBRE Pte. Ltd.



# CCT's trading performance over 3-year period (31 Oct 2013 to 31 Oct 2016)



Total return (Bloomberg as at 31 Oct 2016)	5-year	3-year	1-year	YTD Oct 2016
<b>CapitaLand Commercial Trust (CCT)</b>	<b>84.91%</b>	<b>26.25%</b>	<b>18.78%</b>	<b>24.06%</b>
FTSE ST All-Share Index - Real Estate Investment Trusts REIT (FTSE REIT Index)	65.80%	20.75%	10.50%	14.00%
Straits Times Index (STI)	15.82%	-2.89%	-2.51%	1.04%



# 7. Additional Information

Six Battery Road

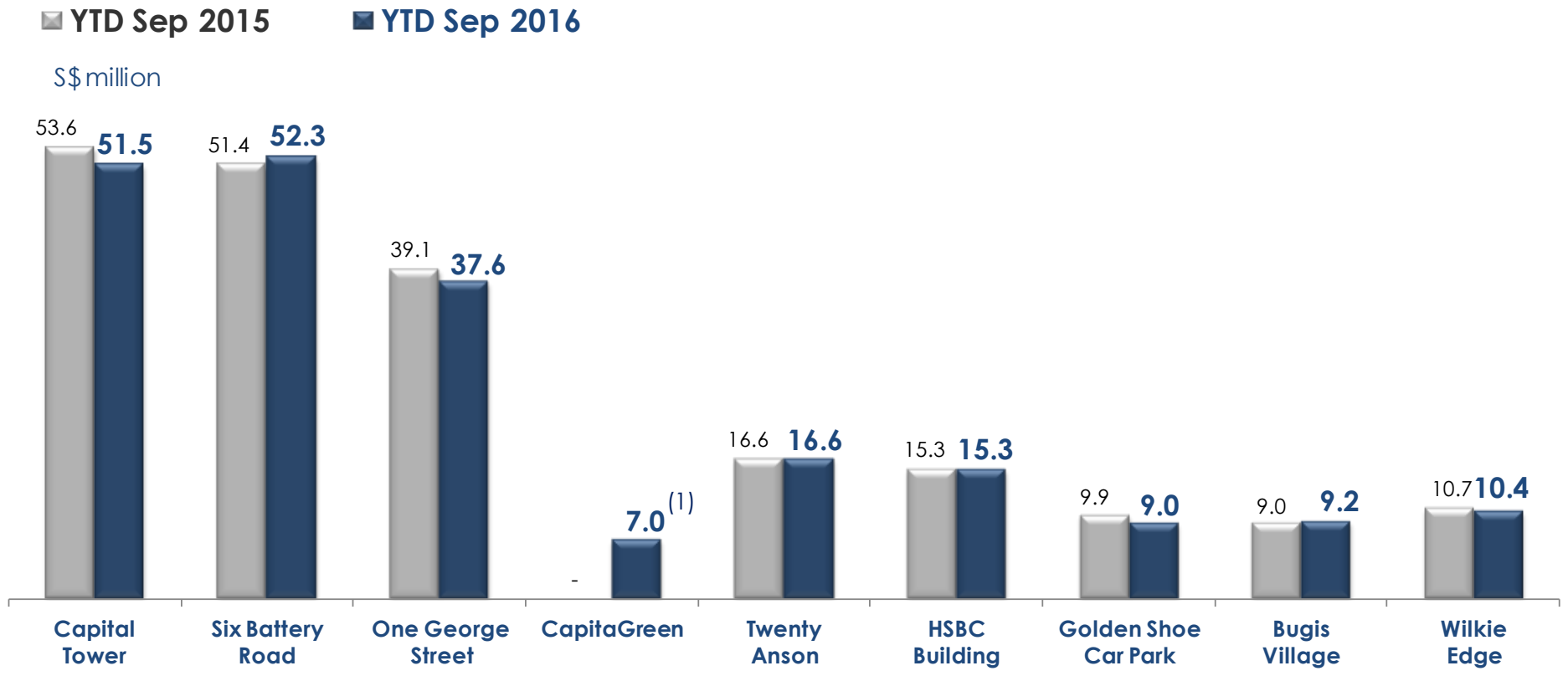






# YTD Sep 2016 gross revenue higher by 1.6% YoY

Higher gross revenue contributed by acquisition of 60.0% CapitaGreen

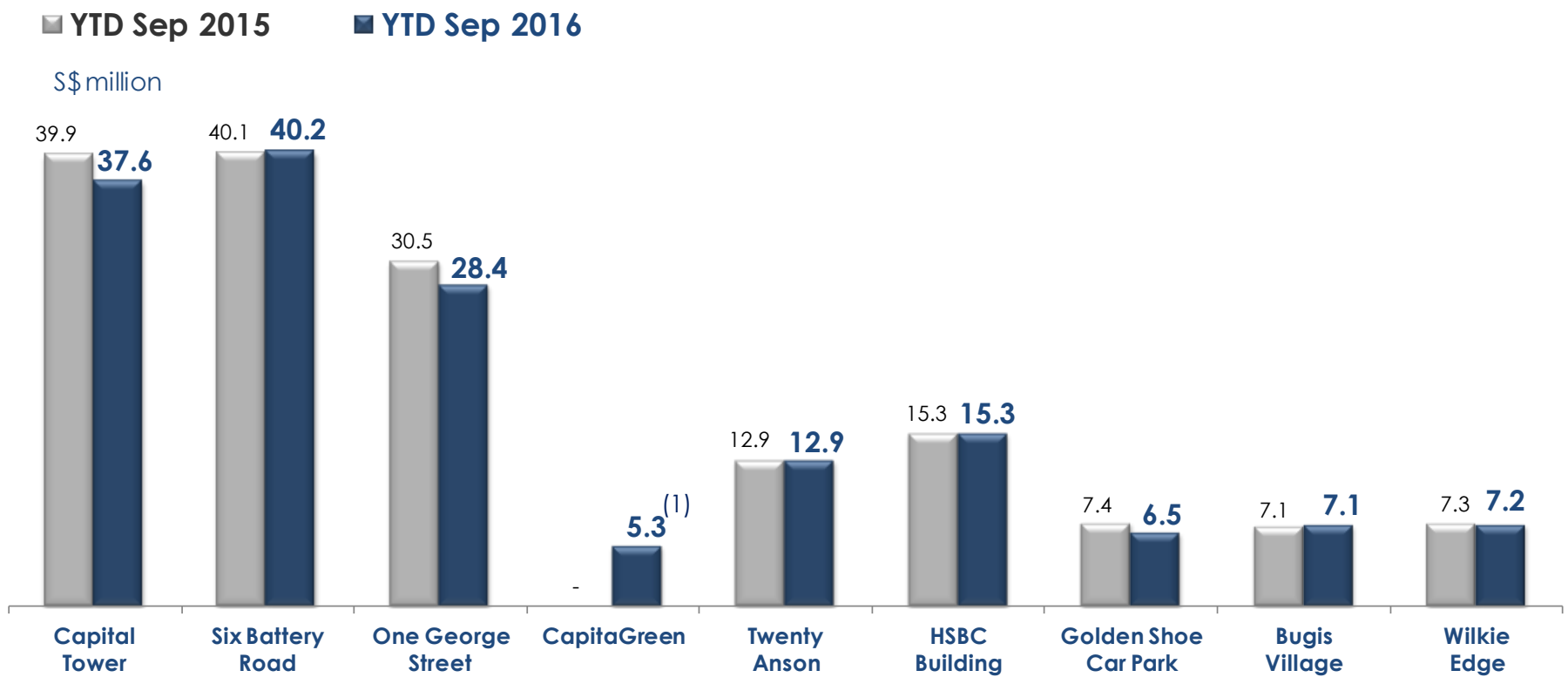


**Note:**  
 (1) CapitaGreen's revenue and net property income for the period 1 Jan to 31 Aug 2016 were accounted for on the basis of MSO Trust being a joint venture; MSO Trust ceased to be a joint venture on 31 Aug 2016 and is now a wholly owned subsidiary. Gross revenue shown for CapitaGreen is for Sep 2016.



# YTD Sep 2016 net property income stable YoY

Net property income lifted by acquisition of 60.0% CapitaGreen



**Note:**

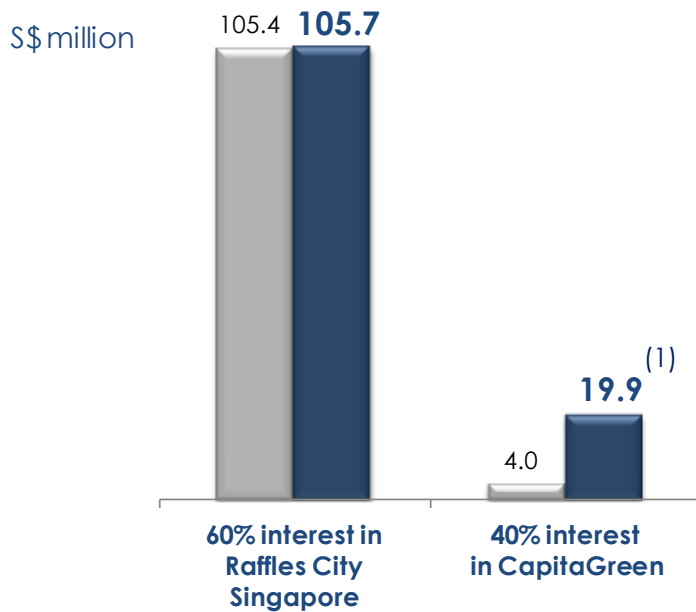
(1) CapitaGreen's revenue and net property income for the period 1 Jan to 31 Aug 2016 were accounted for on the basis of MSO Trust being a joint venture; MSO Trust ceased to be a joint venture on 31 Aug 2016 and is now a wholly owned subsidiary. Net property income shown for CapitaGreen is for Sep 2016.



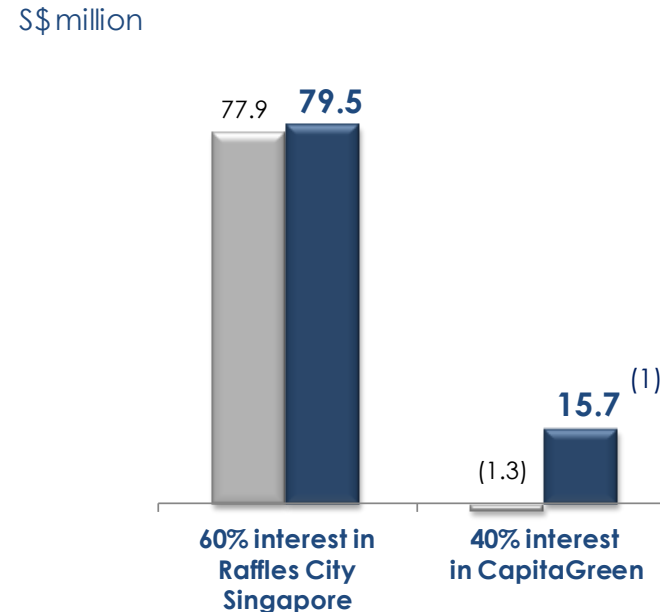
# YTD Sep 2016 performance of joint ventures

CapitaGreen's strong performance due to higher revenue occupancy in 2016

## Revenue



## Net Property Income



■ YTD Sep 2015 ■ YTD Sep 2016

### Note:

(1) CapitaGreen's revenue and net property income for the period 1 Jan to 31 Aug 2016 were accounted for on the basis of MSO Trust being a joint venture; MSO Trust ceased to be a joint venture on 31 Aug 2016 and is now a wholly owned subsidiary.



# Valuation of portfolio up 0.4%

Mainly due to higher net property income

Investment Properties	31-Dec-15	30-Jun-16	Variance	30-Jun-16
	\$m	\$m	%	Capital Value (\$ psf)
Capital Tower	1,317.0	1,319.0	0.2	1,787
Six Battery Road	1,358.0	1,365.0	0.5	2,762
One George Street	1,010.0	1,012.0	0.2	2,262
HSBC Building	452.0	455.0	0.7	2,270
Twenty Anson	431.0	431.0	-	2,086
Wilkie Edge	199.0	199.0	-	1,288
Golden Shoe Car Park	141.0	141.0	-	NM <sup>(1)</sup>
Bugis Village <sup>(2)</sup>	53.7	50.0	(6.9)	413
<b>Sub- Total</b>	<b>4,961.7</b>	<b>4,972.0</b>	<b>0.2</b>	
Raffles City (60%)	1,881.6	1,897.2	0.8	NM <sup>(1)</sup>
CapitaGreen (40%)	634.8	640.2 <sup>(3)</sup>	0.9	2,276
<b>Total</b>	<b>7,478.1</b>	<b>7,509.4</b>	<b>0.4</b>	

Notes:

- (1) NM indicates "Not Meaningful".
- (2) The valuation of Bugis Village takes into account the right of the President of the Republic of Singapore, as Lessor under the State Lease, to terminate the said Lease on 1 April 2019 upon payment of S\$6,610,208.53 plus accrued interest.
- (3) CapitaGreen's valuation was based on the average of two valuations as at 6 April 2016 by two independent valuers in relation to the proposed acquisition by CCT for the remaining 60% interest in CapitaGreen not owned by CCT.





# Assumptions are largely unchanged

- Office rent growth rates<sup>(1)</sup> assumed for discounted cash flow method remained at 3.8%<sup>(2)</sup> per annum over 10 years.
- Terminal yields<sup>(3)</sup> 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.

	Capitalisation Rates						Discount Rates					
	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Jun-16	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Jun-16
Capital Tower	4.00	3.75	3.75	3.85	3.85	<b>3.85</b>	7.50	8.00	8.00	7.50	7.25	<b>7.25</b>
Six Battery Road	4.00	3.75	3.75	3.75	3.75	<b>3.75</b>	7.50	8.00	8.00	7.50	7.25	<b>7.25</b>
One George Street	4.00	3.75	3.75	3.85	3.85	<b>3.85</b>	7.50	8.00	8.00	7.50	7.25	<b>7.25</b>
HSBC Building	4.00	3.75	3.75	3.85	3.85	<b>3.75</b>	7.50	8.00	8.00	7.50	7.25	<b>7.25</b>
Twenty Anson	NA	3.75	3.75	3.85	3.85	<b>3.85</b>	NA	8.00	8.00	7.50	7.25	<b>7.25</b>
Wilkie Edge	4.40	4.25	4.25	4.25	4.25	<b>4.25</b>	7.75	8.00	8.00	7.50	7.25	<b>7.50</b>
CapitaGreen <sup>(4)</sup>	NA	NA	NA	4.00	4.15	<b>4.15</b>	NA	NA	NA	7.25	7.25	<b>7.25</b>
Raffles City SG												
Office	4.50	4.25	4.25	4.25	4.25	<b>4.25</b>	7.50	7.50	7.35	7.50	7.25	<b>7.25</b>
Retail	5.40	5.40	5.25	5.25	5.25	<b>5.25</b>	7.75	7.80	7.65	7.50	7.50	<b>7.50</b>
Hotel	5.75	5.75	5.55	5.25	5.13	<b>5.14</b>	7.75	8.00	7.75	7.75	7.75	<b>7.40</b>

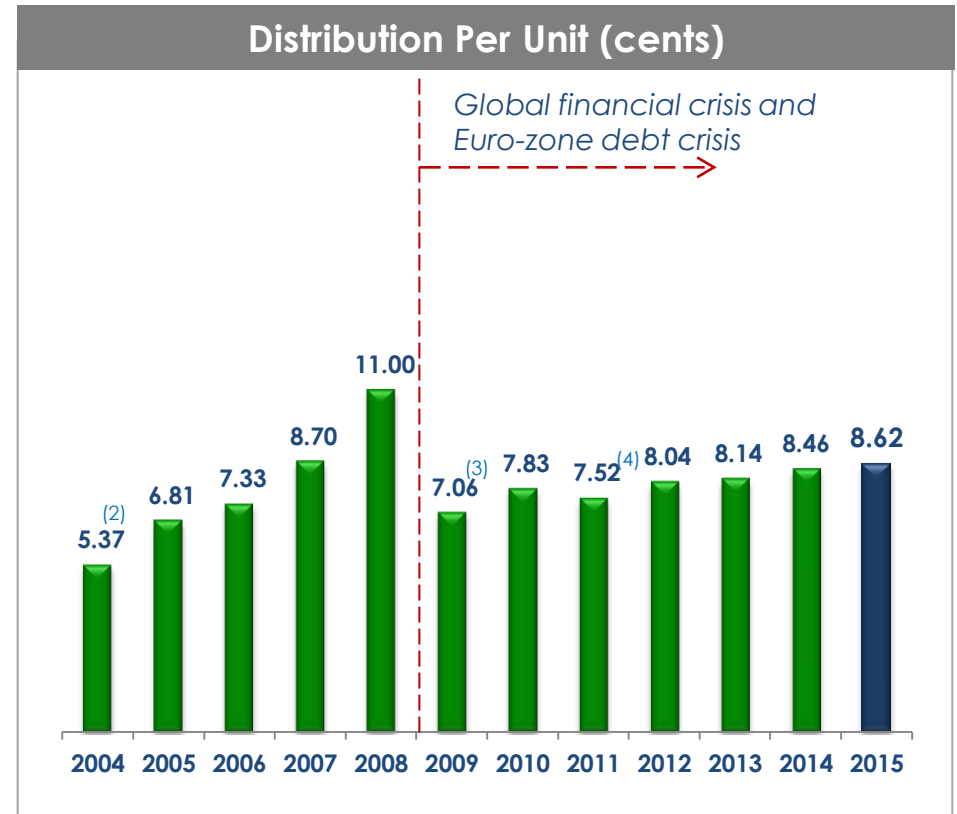
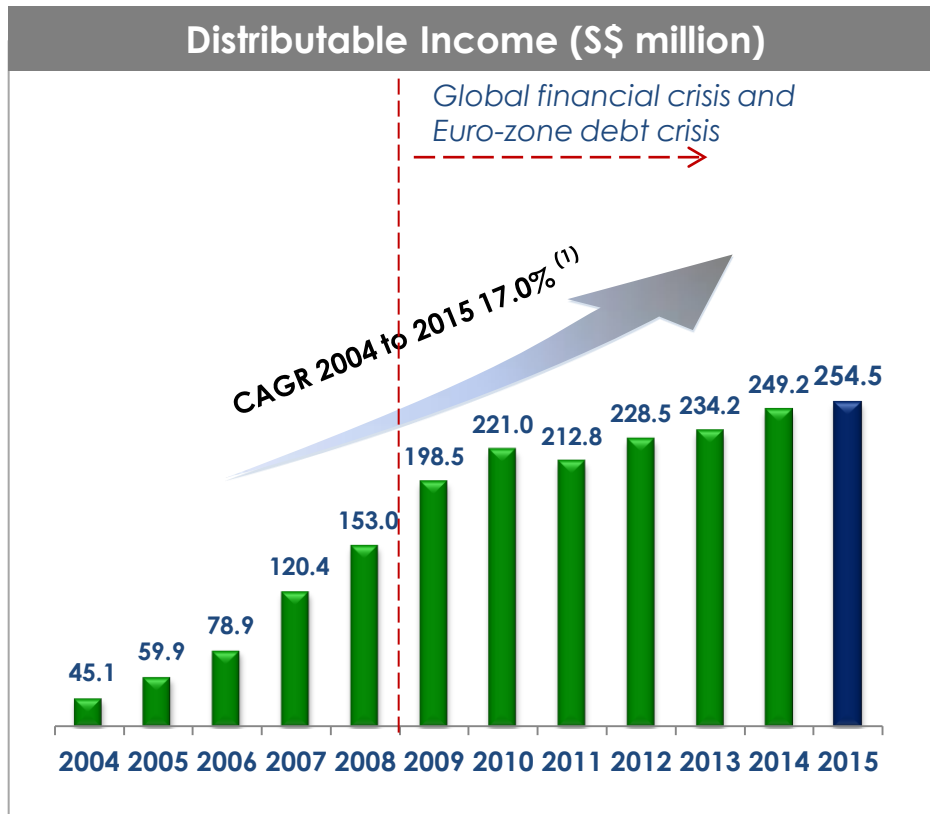
## Notes:

- (1) Excludes Golden Shoe Car Park and Bugis Village.
- (2) Calculated on a simple average basis
- (3) Excludes Bugis Village due to the right of the President of the Republic of Singapore, as Lessor under the State Lease, to terminate the said Lease on 1 April 2019 upon payment of S\$6,610,208.53 plus accrued interest.
- (4) CapitaGreen's valuation was based on the average of two valuations as at 6 April 2016 by two independent valuers in relation to the proposed acquisition by CCT for the remaining 60% interest in CapitaGreen not owned by CCT.
- (5) Knight Frank was the appointed valuer for Capital Tower, Six Battery Road, One George Street, HSBC Building, Twenty Anson, Raffles City Singapore (office and retail), while JLL was the appointed valuer for Wilkie Edge and Raffles City Singapore (Hotel)



# Established track record: CCT delivered higher returns YoY through property market cycles

Due to successful portfolio reconstitution strategy including recycling of capital, AEI, acquisition and development



**Notes:**

- (1) CAGR: Compounded Annual Growth Rate; After taking into consideration the issue of rights units in July 2009
- (2) Annualised
- (3) After taking into consideration the issue of rights units in July 2009
- (4) Decline in 2011 DPU compared to 2010 was due to divestment of two properties in 2010, Robinson Point and StarHub Centre



# CapitaLand Commercial Trust

## First and Largest Commercial REIT in Singapore (since 11 May 2004)

**S\$4.7b<sup>#</sup>**

Market Capitalisation

**10**

Properties in Singapore's Central Area

**S\$8.7b<sup>\*</sup>**

Deposited Properties

**About 4 million sq ft** NLA (100% basis)

**32%**

Owned by CapitaLand Group



Capital Tower



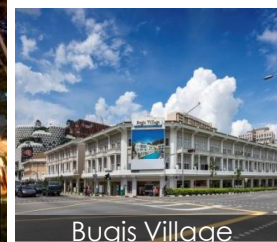
CapitaGreen (40% stake)



Raffles City Singapore (60% stake)



HSBC Building



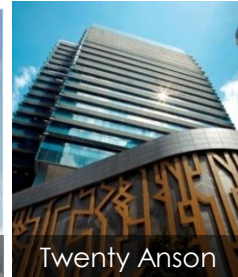
Bugis Village



Six Battery Road



One George Street



Twenty Anson



Wilkie Edge



Golden Shoe Car Park

<sup>#</sup> Market Capitalisation as at 31 Oct 2016

<sup>\*</sup> Deposited Properties as at 30 Sep 2016



# Owns 10 centrally-located quality commercial properties



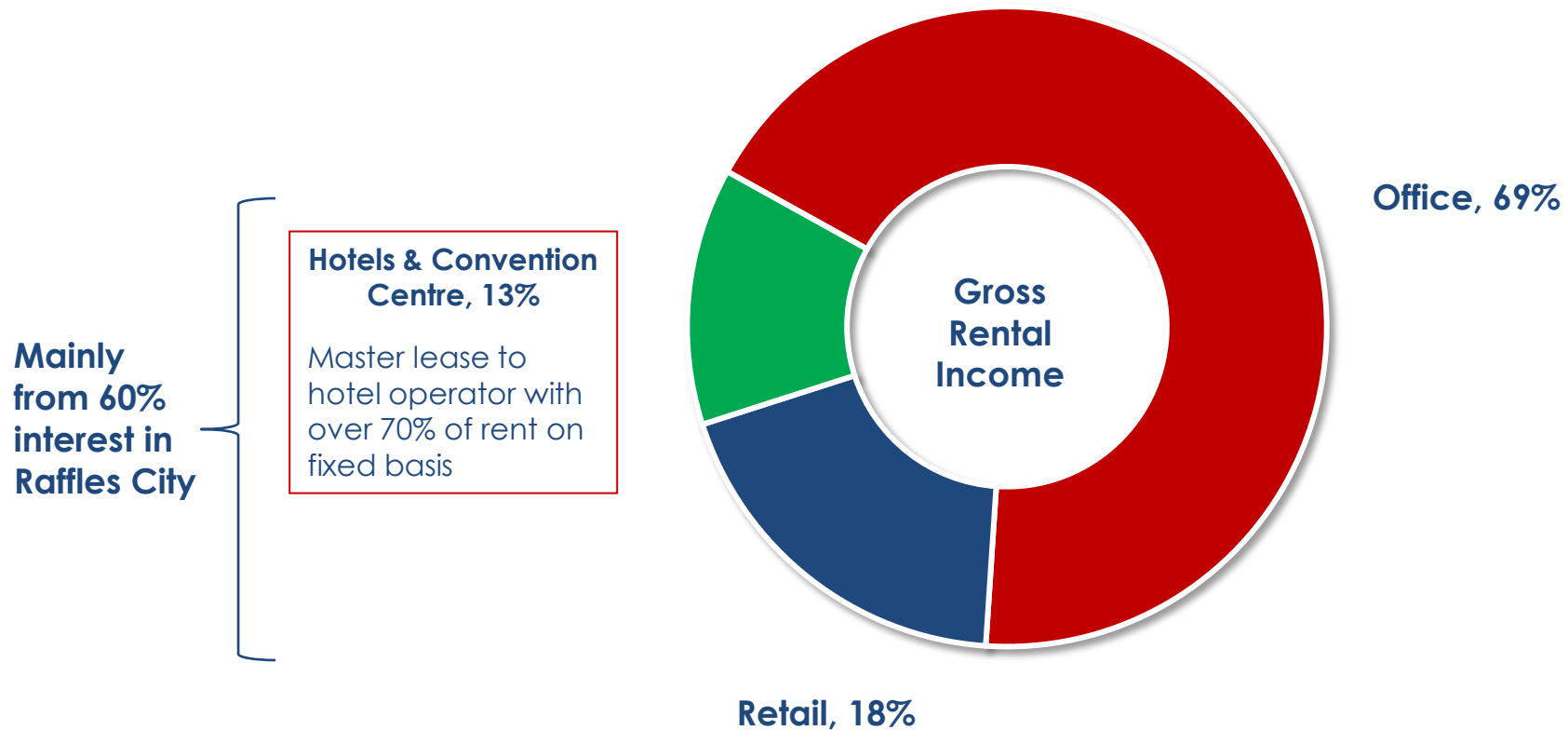
1. Capital Tower
2. Six Battery Road
3. One George Street
4. Raffles City Singapore (60.0% interest)
5. CapitaGreen
6. Twenty Anson
7. HSBC Building
8. Wilkie Edge
9. Bugis Village
10. Golden Shoe Car Park





# 69% of gross rental income<sup>(2)</sup> contributed by office and 31% by retail and hotel & convention centre

## CCT's income by sector



**Notes:**

- (1) CCT's interest in CapitaGreen was 40.0% from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016
- (2) Based on gross rental income from 1 Jan 2016 to 30 Sep 2016; including gross rental income from CCT's 60.0% interest in Raffles City Singapore and corresponding interest in CapitaGreen; and excluding retail turnover rent



# Portfolio committed occupancy rate<sup>(1)</sup> consistently above 90%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	1Q 2016	2Q 2016	3Q 2016
Capital Tower	100.0	100.0	99.9	99.9	99.9	100.0	100.0	100.0	100.0	94.1	98.1	98.7	98.7
Six Battery Road	100.0	99.9	98.6	99.2	99.7	85.4 <sup>(2)</sup>	93.0 <sup>(2)</sup>	98.6 <sup>(2)</sup>	99.2	98.9	99.4	99.8	97.4 <sup>(2)</sup>
Bugis Village	95.3	99.1	96.6	93.8	93.4	98.8	97.1	97.2	94.8	100.0	100.0	98.5	100.0
Golden Shoe Car Park	98.0	96.4	100.0	100.0	95.2	100.0	100.0	94.6	100.0	97.3	97.7	98.6	76.3
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
Raffles City (60% interest)	99.5	99.3	99.9	99.3	99.1	98.9	100.0	100.0	100.0	99.2	98.6	98.6	98.7
Wilkie Edge			52.5	77.9	98.4	98.4	93.9	99.6	100.0	100.0	95.0	95.0	100.0
One George Street			100.0	96.3	100.0	93.3	92.5	95.5	100.0	98.2	99.4	91.3	96.6
Twenty Anson							100.0	98.1	97.8	97.9	97.9	96.5	98.0
CapitaGreen <sup>(3)</sup>									69.3	91.3	92.8	94.6	94.9
<b>Portfolio Occupancy</b>	<b>99.6</b>	<b>99.6</b>	<b>96.2</b>	<b>94.8</b>	<b>99.3</b>	<b>95.8</b>	<b>97.2</b>	<b>98.7</b>	<b>96.8</b>	<b>97.1</b>	<b>98.1</b>	<b>97.2</b>	<b>97.4</b>

**Notes:**

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

(2) Six Battery Road's AEI was completed in Dec 2013. Currently, one and a half floors of vacant office space are undergoing upgrading

(3) CCT's interest in CapitaGreen was 40.0% from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016

# Successful portfolio reconstitution strategy has re-positioned CCT for further growth



**2005:**  
Acquired HSBC Building

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

**2007 - 2010:**  
Raffles City Singapore AEIs

**2008:**  
Acquired Wilkie Edge and One George Street

**2010:**  
Sale of Robinson Point and StarHub Centre

**2010 - 2013:**  
Six Battery Road AEI



**2011:**  
Entered into joint venture for redevelopment of Market Street Car Park into a Grade A office Building called CapitaGreen

**CCT owns 40.0% interest in CapitaGreen**



**2012:**  
Acquired Twenty Anson  
**2012 - 2014:**  
Raffles City Tower AEI

**2013 - 2015:**  
Capital Tower AEI



**18 Dec 2014:**  
Completion of CapitaGreen

**31 Aug 2016:**  
Acquired remaining 60.0% interest in CapitaGreen



# Value creation through AEs

Property	Six Battery Road	Raffles City Tower (100.0% interest)	Capital Tower
<b>Total AEI final / budget</b>	Final: S\$85.8m Budget: S\$92.0m	Final: S\$32.3m Budget: S\$34.7m	Final: S\$35.0m Budget: S\$40.0m
<b>Target return on investment</b>	8.1%	8.6%	7.8%
<b>Achieved return on investment</b>	8.6%	9.3%	8.2%
<b>Areas of work</b>	Upgrading of main lobby and upper floors' lift lobbies, restrooms and technical specifications, chiller replacement, increasing ceiling height of lettable area and installation of variable air volume boxes	Upgrading of main lobby, driveway, canopy, upper floors' lift lobbies, restrooms, creation of pantries and turnstiles installation	Upgrading of main and mezzanine lobbies, restrooms and technical specifications, chiller replacement and turnstiles installation
<b>AEI Period</b>	<b>COMPLETED</b> 4Q 2010 to 4Q 2013	<b>COMPLETED</b> 4Q 2012 to 2Q 2014	<b>COMPLETED</b> 4Q 2013 to 4Q 2015





# Commitment to environmental sustainability and improved energy efficiency



No.	CCT Properties	Green Mark Award
1	Six Battery Road	Platinum
2	Twenty Anson	Platinum
3	CapitaGreen	Platinum
4	Capital Tower	Platinum
5	One George Street	Gold <sup>PLUS</sup>
6	Golden Shoe Car Park	Gold <sup>PLUS</sup>
7	Raffles City Singapore	Gold
8	Wilkie Edge	Gold
9	HSBC Building	Certified
10	CapitaGreen Tenant Service Centre	Platinum (Office Interior)
10	Six Battery Road Tenant Service Centre	Platinum (Office Interior)



FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that CapitaLand Commercial Trust has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, FTSE4Good is an equity index series that is designed to facilitate investment in companies that meet globally recognised corporate responsibility standards. Companies in the FTSE4Good Index Series have met stringent environmental, social and governance criteria, and are positioned to capitalise on the benefits of responsible business practice.



# Property details (1)



	Capital Tower	CapitaGreen	Six Battery Road	One George Street	Raffles City Singapore (100%)
<b>Address</b>	168 Robinson Road	138 Market Street	6 Battery Road	1 George Street	250/252 North Bridge Road; 2 Stamford Road; 80 Bras Basah Road
<b>NLA (sq ft)</b>	742,000	704,000	494,000	447,000	805,000 (Office: 381,000, Retail: 424,000)
<b>Leasehold expiring</b>	31-Dec-2094	31-Mar-2073	19-Apr-2825	21-Jan-2102	15-Jul-2078
<b>Committed occupancy</b>	98.7%	94.9%	97.4%	96.6%	98.7%
<b>Valuation (30 Jun 2016)</b>	S\$1,319.0m	S\$1,600.5m	S\$1,365.0m	S\$1,012.0m	S\$3,162.0m (100.0%) S\$1,897.2m (60.0%)
<b>Car park lots</b>	415	180	190	178	1,045



# Property details (2)



	Twenty Anson	HSBC Building	Wilkie Edge	Bugis Village <sup>(1)</sup>	Golden Shoe Car Park
<b>Address</b>	20 Anson Road	21 Collyer Quay	8 Wilkie Road	62 to 67 Queen Street, 151 to 166 Rochor Road, 229 to 253 (odd nos only) Victoria Street	50 Market Street
<b>NLA (sq ft)</b>	206,000	200,000	155,000	121,000	47,000
<b>Leasehold expiring</b>	22-Nov-2106	18-Dec-2849	20-Feb-2105	30-Mar-2088	31-Jan-2081
<b>Committed occupancy</b>	98.0%	100.0%	100.0%	100.0%	76.3%
<b>Valuation (30 Jun 2016)</b>	S\$431.0 m	S\$455.0m	S\$199.0m	S\$50.0m	S\$141.0m
<b>Car park lots</b>	55	55	215	NA	1,053

**Note:**

(1) The leasehold title and the valuation take into account the right of the President of the Republic of Singapore, as Lessor under the State Lease, to terminate the State Lease on 1 Apr 2019 upon payment of S\$6,610,208.53 plus accrued interest.





**CapitaLand**  
Commercial Trust

# Thank you

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