



CapitaLand Retail China Trust

Financial Results for 1Q 2017

21 April 2017



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1Q 2017 Highlights

1Q 2017 Gross Revenue & NPI increased 13.4% & 15.1% y-o-y respectively

- **Delivering strong financial performance**
 - NPI in SGD terms grew 9.8% y-o-y
 - Distributable income increased 5.0% y-o-y
 - Excluding property tax impact, DPU would have grown 10.3% y-o-y
 - Annualised 1Q 2017 DPU yield of 7.3% as at 21 April 2017
 - Occupancy increased to 96.2%
- **Proactive Capital Management**
 - Healthy gearing of 36.4%
 - Secured refinancing for the loan expiring in June 2017
 - 87.5%¹ of borrowings are at fixed rate; 50% of non-RMB term loans are hedged

1. Excluding RMB denominated loan, Money Market Line and bridge term loan.

Financial Highlights



CapitaMall Wangjing, Beijing, China



1Q 2017 Net Property Income Grew 15.1%

	1Q 2017 ¹ Actual	1Q 2016 Actual	Change
Gross Revenue (RMB'000)	290,865	256,528	13.4%
NPI (RMB'000)²	194,896	169,394	15.1%
NPI (S\$'000)	40,303	36,692	9.8%
Distributable Income (S\$'000)	24,355	23,185	5.0%
DPU (Singapore cents)	2.74	2.71	1.1%
Annualised Distribution Yield (Based on unit price of S\$1.48 on 31 Mar 2017)	7.5%		
Annualised Distribution Yield (Based on unit price of S\$1.515 on 21 Apr 2017)	7.3%		

1. Includes contribution from CapitaMall Xinnan which was acquired on 30 September 2016.

2. NPI was impacted by higher property tax provision made at the Beijing malls, due to a change in property tax basis by the local tax authority with effect from 1 July 2016.



On a same property tax basis, 1Q 2017 NPI growth would be 22.8%

	1Q 2017 ¹	1Q 2016	Change
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NPI (RMB'mil)

NPI	194.9	169.4	15.1%
Impact of Additional Property Tax Provision	13.1 ²	-	NA
NPI (same property tax basis for Beijing Malls)	208.0	169.4	22.8%

DPU (Singapore Cents)

DPU	2.74	2.71	1.1%
Impact of Additional Property Tax Provision	0.25 ³	-	NA
DPU (same property tax basis for Beijing Malls)	2.99	2.71	10.3%

1. Includes CapitaMall Xinnan.

2. Impact takes into account savings from property management expenses.

3. Impact takes into account savings from property management expenses and income tax expense.



Healthy Balance Sheet

As at 31 Mar 2017	S\$'000		
Investment Properties	2,595,439	Net assets attributable to unitholders (S\$'000)	1,400,670
Other Assets	20,656		
Financial Derivatives Assets	1,326		
Cash & Cash Equivalents	131,383	Units In Issue ('000 units)	888,746
Total Assets	2,748,804	Net Asset Value (NAV) per unit	1.58
Interest-bearing Borrowings	988,152		
Deferred Tax Liabilities	236,463	Adjusted NAV per unit (net of distribution)	1.55
Financial Derivatives Liabilities	3,631		
Other Liabilities	100,537		
Total Liabilities	1,328,783		
Non-controlling Interest	19,351		



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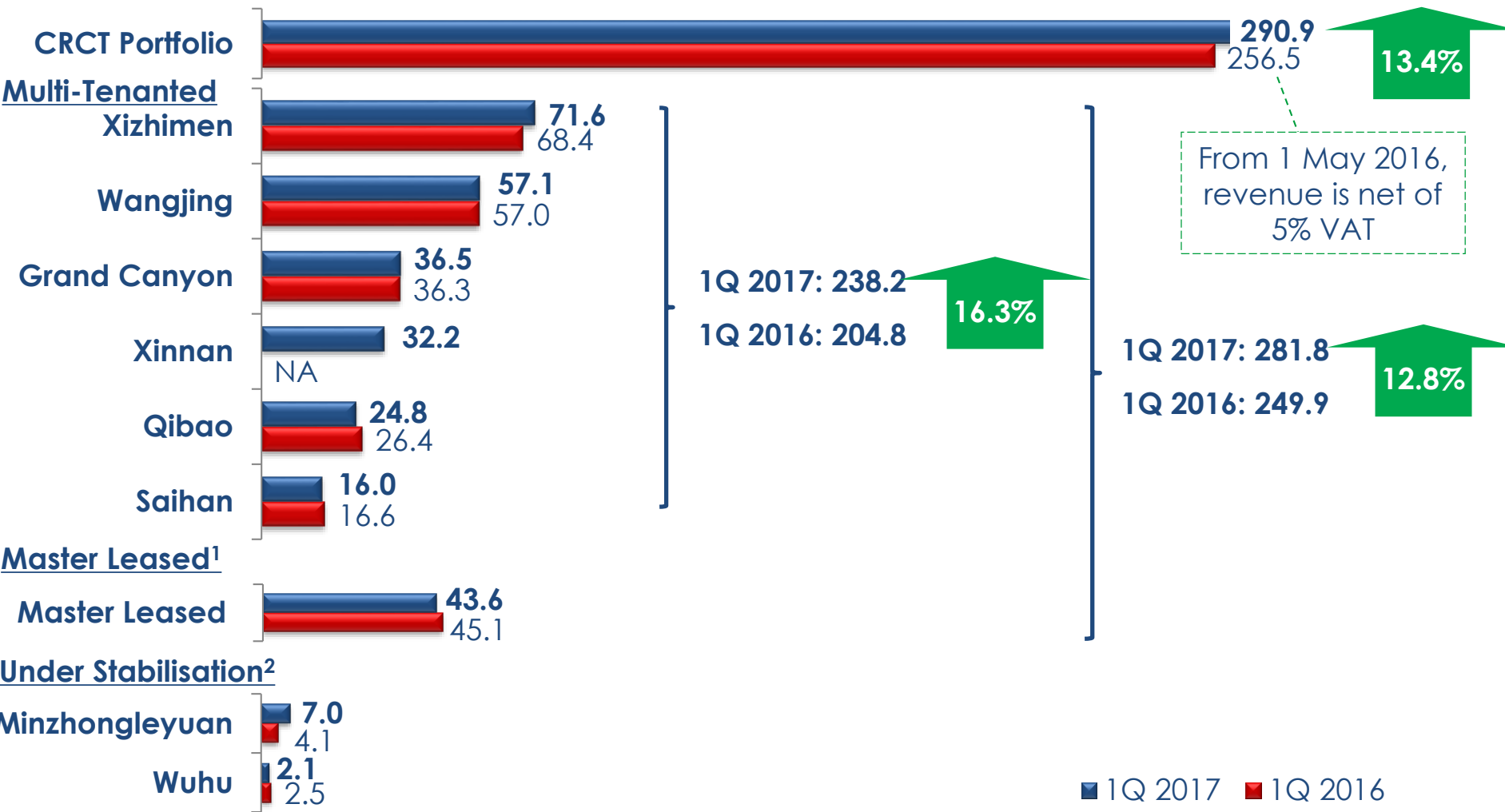
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Financial Results



Property Gross Revenue (in RMB'mil): 1Q 2017 vs 1Q 2016

Gross Revenue increased 13.4% y-o-y



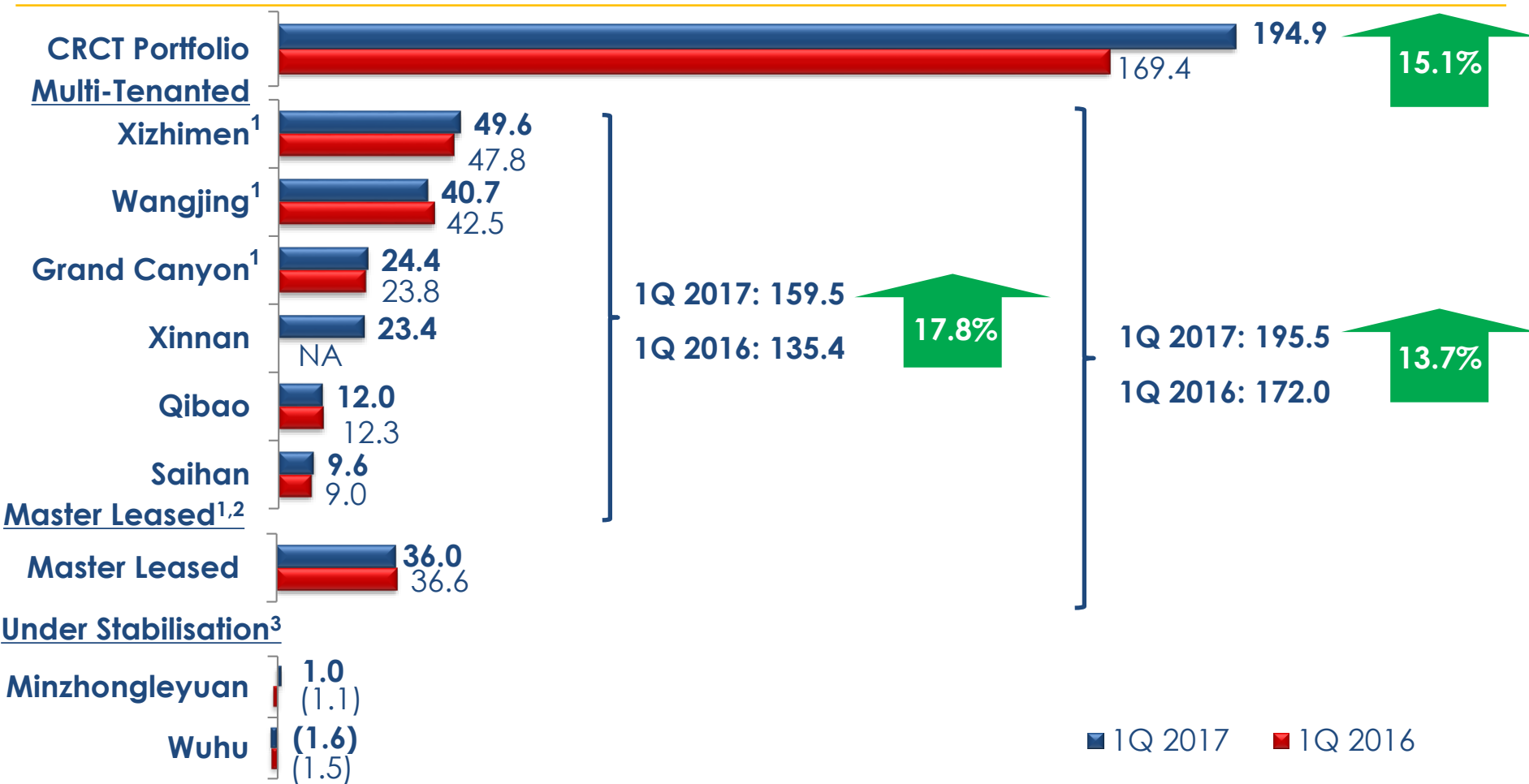
1. Master leased malls include CapitaMall Anzhen, CapitaMall Erqi and CapitaMall Shuangjing.

2. CapitaMall Minzhongleyuan was affected by the road closure at Zhongshan Avenue. On 28 December 2016, the road and metro Line 6 have reopened and commenced operations respectively. CapitaMall Wuhu is currently undergoing trade mix adjustments.



Net Property Income (in RMB'mil): 1Q 2017 vs 1Q 2016

Net Property Income increased 15.1% y-o-y

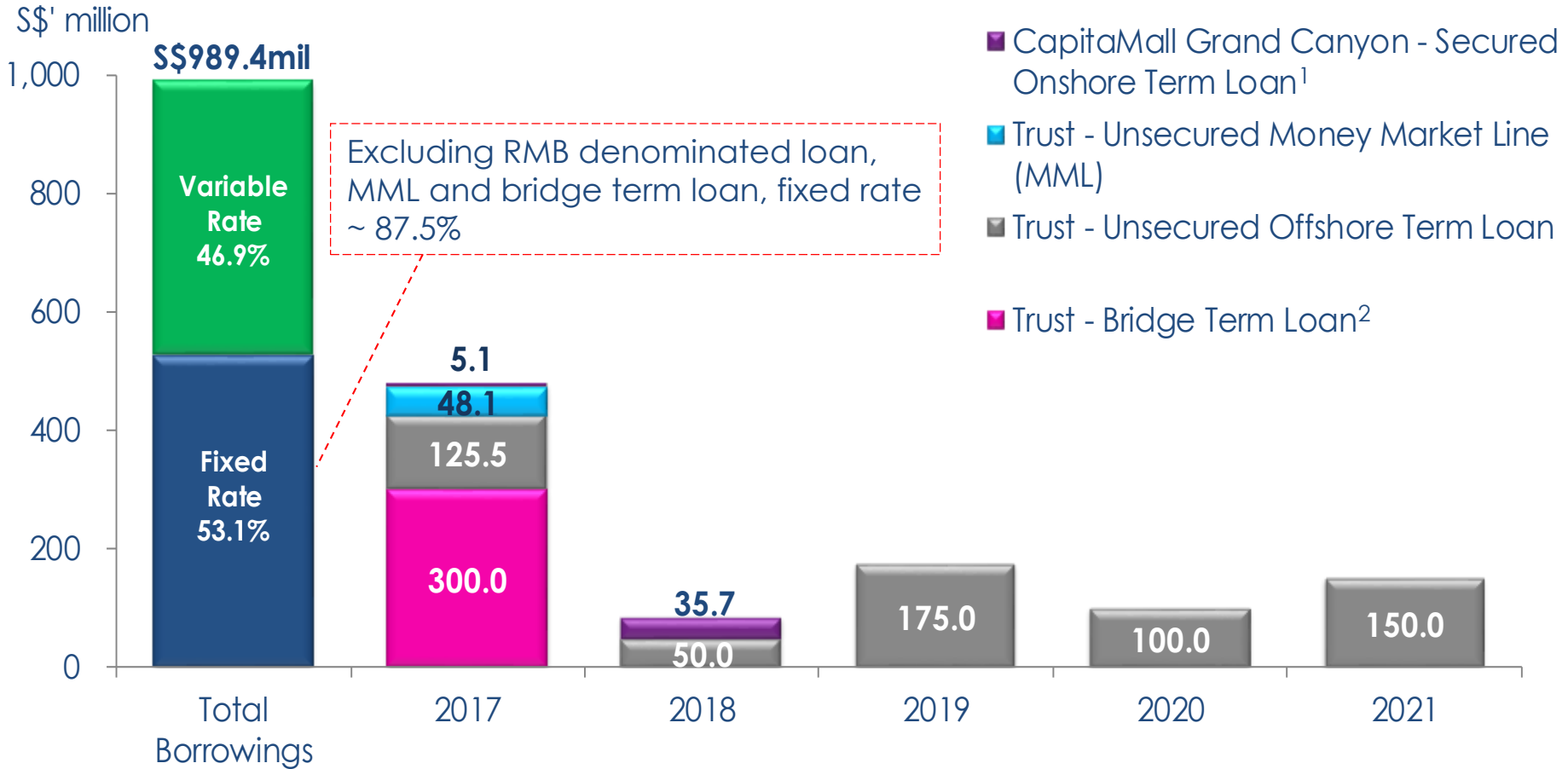


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Debt Maturity Profile (31 Mar 2017)

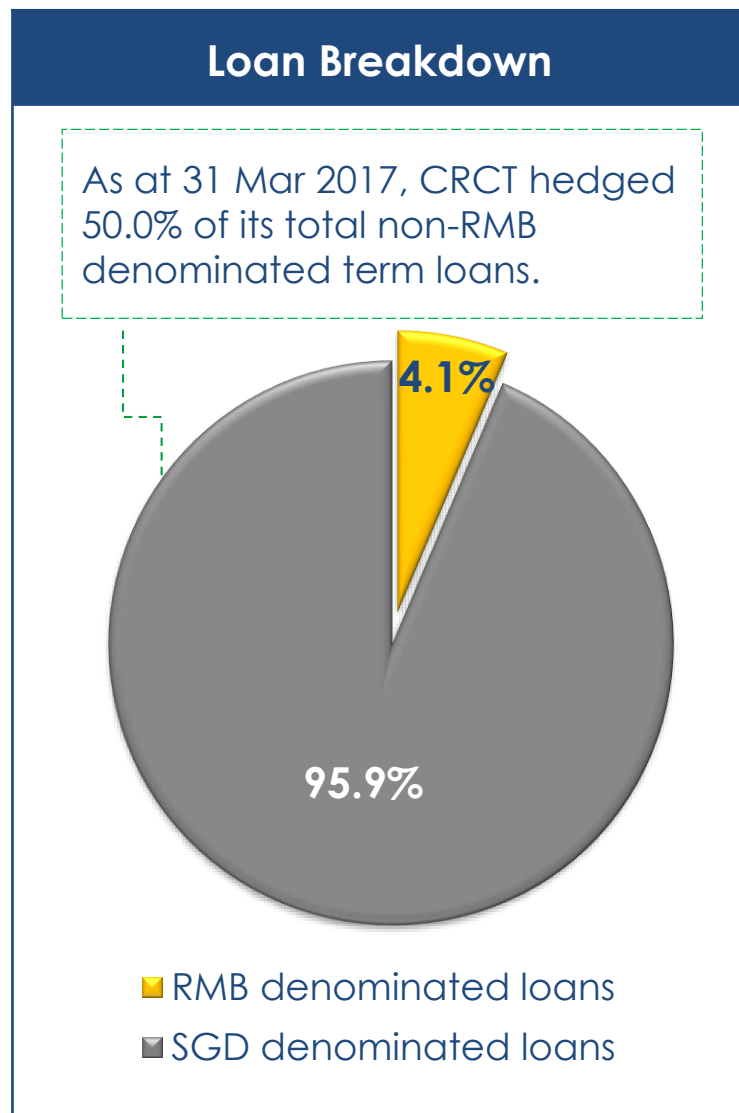


1. Amortisation repayment is S\$5.1 million in FY 2017. The outstanding loan balance will be fully repaid in Dec 2018.
 2. One-year bridge term loan to finance the acquisition of CapitaMall Xinnan on 30 Sep 2016.



Key Financial Indicators

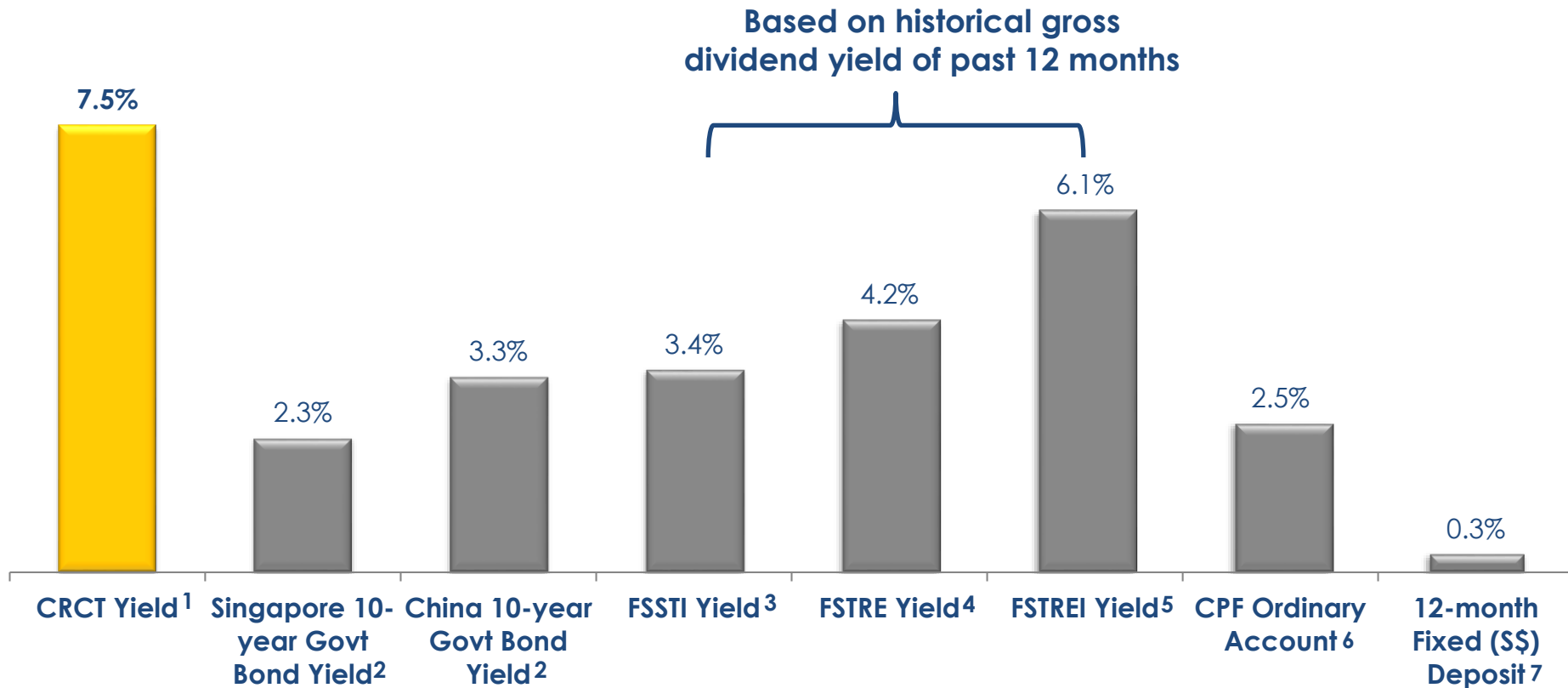
Gearing	Average Cost of Debt
36.4%	2.49%
31 Dec 2016: 35.3%	31 Dec 2016: 2.81%
Average Term to Maturity (Years)	Unencumbered Assets as % of Total Assets ¹
1.55	98.5%
31 Dec 2016: 1.84	31 Dec 2016: 97.9%
Interest Coverage	Net Debt / EBITDA
6.1x	6.6x
31 Dec 2016: 6.0x	31 Dec 2016: 7.7x



1. Negative pledge and non-disposal is allowed, subject to a ratio of the market value of the unencumbered assets and the unsecured borrowings of at least 2:1.



Comparative Yields



Sources: Bloomberg, CRCTML, CPF Board, Monetary Authority of Singapore

1. Based on 1Q 2017 annualised distribution per unit of 11.11¢ and the unit closing price of S\$1.48 on 31 March 2017.
2. Singapore Government 10-year and China Government 10-year bond yields as at 31 March 2017.
3. Average 12-month gross dividend yield of Straits Times Index stocks as at 31 March 2017.
4. Average 12-month gross dividend yield of Straits Times Real Estate Index as at 31 March 2017.
5. Average 12-month gross dividend yield of Straits Times REIT Index as at 31 March 2017.
6. Prevailing CPF-Ordinary Account savings rate.
7. Average 12-month S\$ fixed deposit savings rate as at March 2017.

Portfolio Update





Strong Portfolio Occupancy Rate

	31 Mar 16 ¹	30 Jun 16 ¹	30 Sep 16 ¹	31 Dec 16 ¹	31 Mar 17 ¹
Multi-Tenanted Malls					
CapitaMall Xizhimen	97.9%	99.2%	99.5%	97.8%	98.0%
CapitaMall Wangjing	99.2%	99.3%	97.6%	99.6%	99.5%
CapitaMall Grand Canyon	99.0%	98.4%	98.3%	96.6%	98.7%
CapitaMall Xinnan ²	-	-	-	98.2%	99.6%
CapitaMall Qibao	94.6%	94.7%	94.7%	94.1%	93.0%
CapitaMall Saihan	98.9%	98.5%	99.5%	100.0%	100.0%
Master-Leased Malls					
CapitaMall Anzhen	100.0%	100.0%	100.0%	100.0%	100.0%
CapitaMall Shuangjing	100.0%	100.0%	100.0%	100.0%	100.0%
CapitaMall Erqi	100.0%	100.0%	100.0%	100.0%	100.0%
Malls under Stabilisation					
CapitaMall Minzhongleyuan	68.1% ³	70.5% ³	80.1% ³	93.6% ⁴	92.6%
CapitaMall Wuhu ⁵	64.1%	63.7%	64.1%	64.4%	65.7%
CRCT Portfolio	94.6%	94.9%	95.2%	95.9%	96.2%

1. Based on committed leases.

2. CapitaMall Xinnan was acquired on 30 Sep 2016.

3. Impacted by road closure to facilitate the construction work of a new metro line.

4. On 28 Dec 2016, the road and Metro Line 6 have opened and commenced operations respectively.

5. CapitaMall Wuhu was impacted by the ongoing tenancy adjustments to achieve optimal trade mix.



Portfolio Rental Reversion in 1Q 2017

From 1 Jan to 31 Mar 2017

Property	No. of new leases/renewals	Area (sq m)	% of Total Net Lettable Area	Var. over last rental rate ^{1, 2, 3}
CapitaMall Xizhimen	38	3,148	6.3%	3.0%
CapitaMall Wangjing	25	849	1.6%	1.4%
CapitaMall Grand Canyon	30	2,630	5.8%	(7.0%) ⁴
CapitaMall Xinnan	16	1,706	4.7%	13.7%
CapitaMall Qibao	14	1,166	2.3%	7.7%
CapitaMall Saihan	55	3,328	10.7%	6.4%
CapitaMall Minzhongleyuan	14	2,554	11.0%	35.1%
Total	192	15,381	5.3%	3.6%⁵

1. Excluding gross turnover component, newly created units leased, short term renewals (< 1 year), units vacant for >=1 year and pre-terminated leases.
2. Including re-configured units.
3. Majority of leases have rental escalation clauses.
4. Due to new lease with a popular consumer electronics retailer.
5. Excluding the strategic initiative at CapitaMall Grand Canyon, rental reversion would have increased 5.3%.



Portfolio Lease Expiry (By Year)

As at 31 Mar 2017	No. of Leases ^{1,3}	Total Rental Income	
		RMB'000	% of total (Mar 2017) ²
2017	547	11,941	12.9%
2018	470	23,196	25.0%
2019	260	15,748	17.0%
2020	113	9,877	10.6%
2021	40	4,553	4.9%
Beyond 2021	73	27,491	29.6%
CRCT Portfolio		Weighted average lease term to expiry	
By Total Rent Income		5.8	
By Net Lettable Area		7.2	

1. Based on all committed leases as of 31 Mar 2017.
2. As percentage of total rental income of each mall for the month of Mar 2017.
3. Including CapitaMall Xinnan.



Portfolio Lease Expiry Profile for 2017

As at 31 Mar 2017	No. of Leases ¹	Net Lettable Area		Total Rental Income	
		Sq m	% of total (Mar 2017) ²	RMB'000	% of total (Mar 2017) ³
CapitaMall Xizhimen	78	4,169	8.3%	3,879	17.2%
CapitaMall Wangjing	58	2,111	3.9%	2,037	11.5%
CapitaMall Grand Canyon	49	1,583	3.5%	1,041	9.2%
CapitaMall Xinnan	81	5,023	13.9%	1,784	15.8%
CapitaMall Qibao	42	3,489	6.8%	1,152	15.1%
CapitaMall Saihan	62	2,579	8.3%	734	15.6%
CapitaMall Minzhongleyuan	161	7,767	33.6%	1,132	38.6%
CapitaMall Wuhu	15	2,822	7.9%	90	13.3%
CapitaMall Shuangjing	1	1,625	3.2%	92	2.9%

1. Based on all committed leases as of 31 Mar 2017.

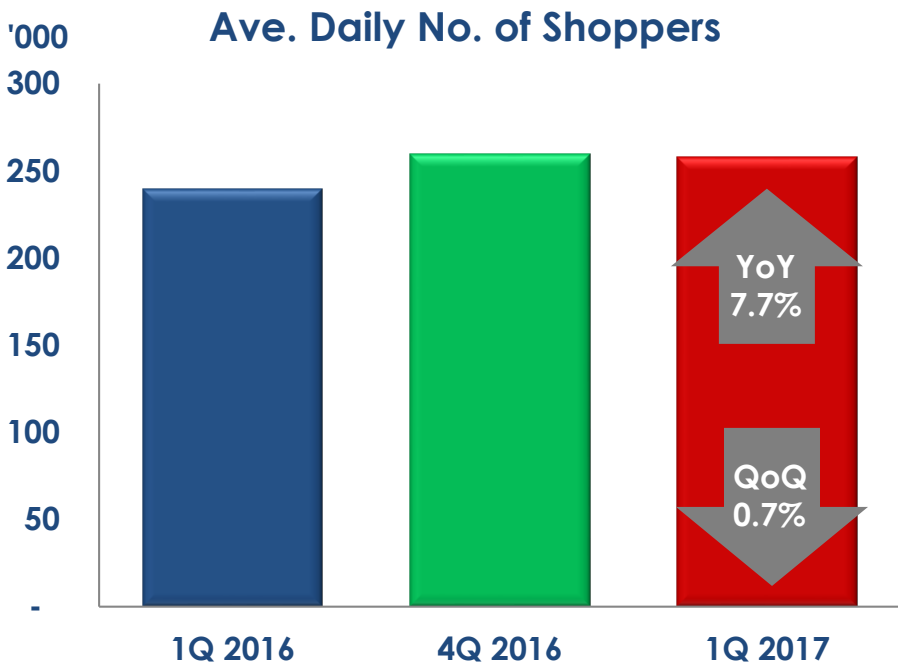
2. As a percentage of each mall's total net lettable area as at 31 Mar 2017.

3. As a percentage of total rental income of each mall for the month of Mar 2017.

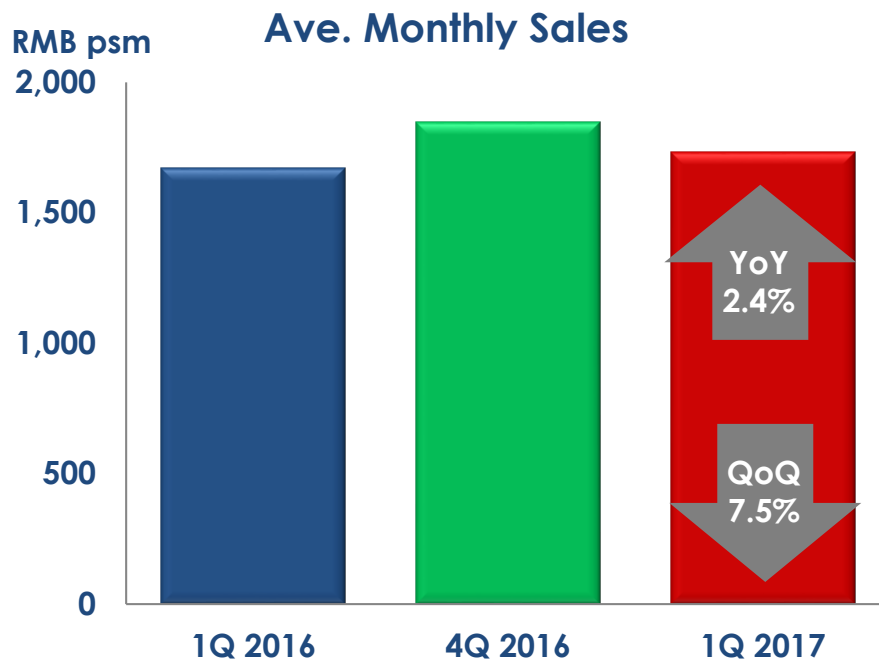


Portfolio Shopper Traffic & Tenants' Sales

Shopper Traffic^{1,2} (1Q 2017 vs 4Q 2016 & 1Q 2016)



Tenants' Sales^{1,2} (1Q 2017 vs 4Q 2016 & 1Q 2016)



1. Excluding 3 master leased malls.
2. Excluding CapitaMall Xinnan, on a same mall basis:
 - a. 1Q 2017 average daily shopper traffic is -1.6% YoY; -0.7% QoQ.
 - b. 1Q 2017 tenants' sales is +3.8% YoY; -6.3% QoQ.

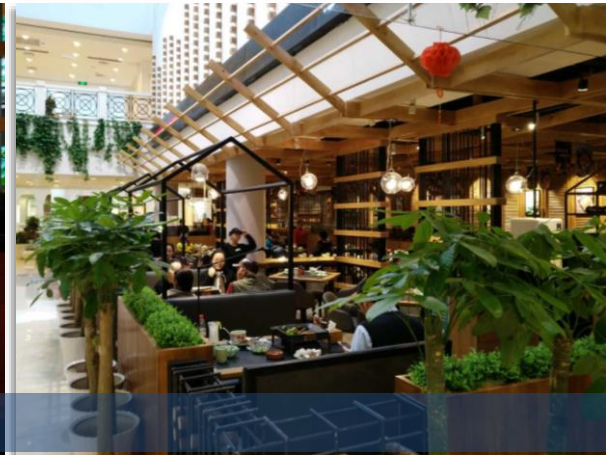
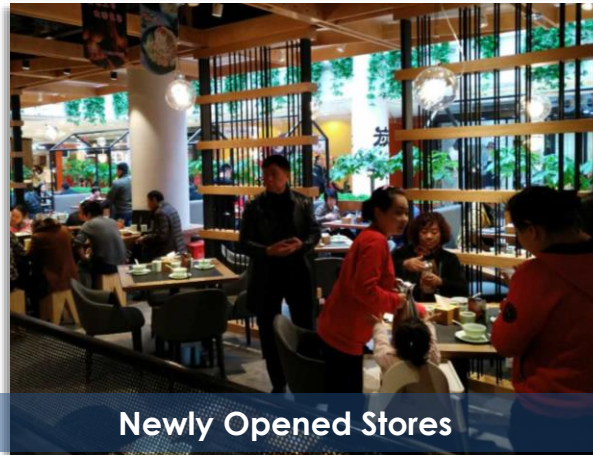
Proactive Asset Management





CapitaMall Minzhongleyuan – Gaining Traction Among Shoppers

Healthy shopper traffic and sales growth of >90% and >60% y-o-y respectively



Newly Opened Stores



CapitaMall Xinnan – Expanding Dining Options

- Reconfigured a large unit on level 4
- Brought in 2 popular new dining concepts
- Achieved strong rental reversion of >140%
- Target to open in 2Q 2017





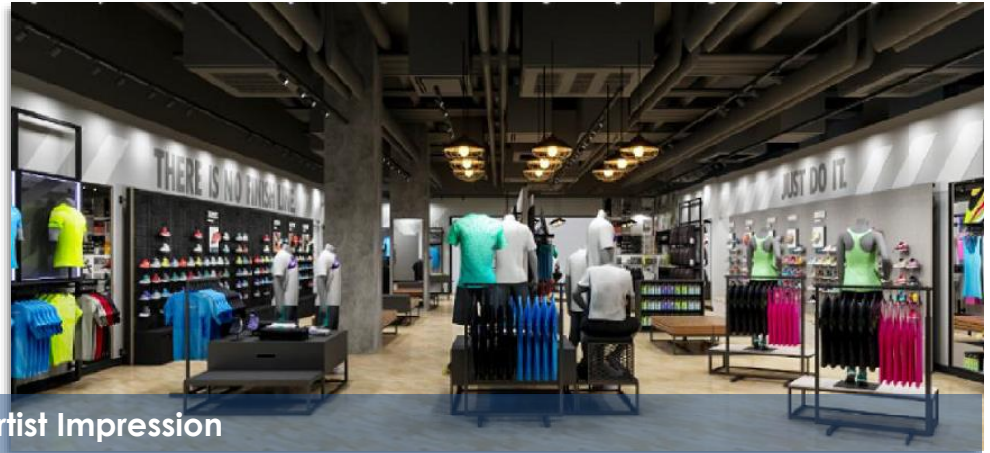
CapitaMall Grand Canyon – Driving Retail Space Efficiency

Converted underutilized common area to retail space

- Reconfigured common area on level 1 to 3 to retail space
- Created >600 sq m of leasable area
- Brought in popular fashion, sports and food & beverage retailers to drive traffic and diversify offerings
- Rental grew ~24% for the newly created area
- Target to open in 2Q and 3Q 2017



Artist Impression





CapitaMall Wangjing – Attracting Quality Retailer

Renowned international brand, Armani Exchange opened in Jan 2017



Moving Forward





Moving Forward

- **1Q 2017 China's GDP grew 6.9%* y-o-y, faster than expected**
- **1Q 2017 urban disposable income and expenditure increased 6.3%* and 5.4%* y-o-y respectively**
- **Staying ahead of the competition:**
 - Xizhimen and Wangjing – Rejuvenation to maintain their leadership positions
 - Xinnan – Enhance tenant mix and improve sales and cost efficiency
 - Minzhongleyuan – Improve occupancy and bring in quality tenants
 - Qibao – To expand our variety of education and children related offering
- **Wuhu – Ongoing trade mix adjustment to strengthen competitiveness**
- **Continue to seek acquisition opportunities to strengthen CRCT's portfolio**

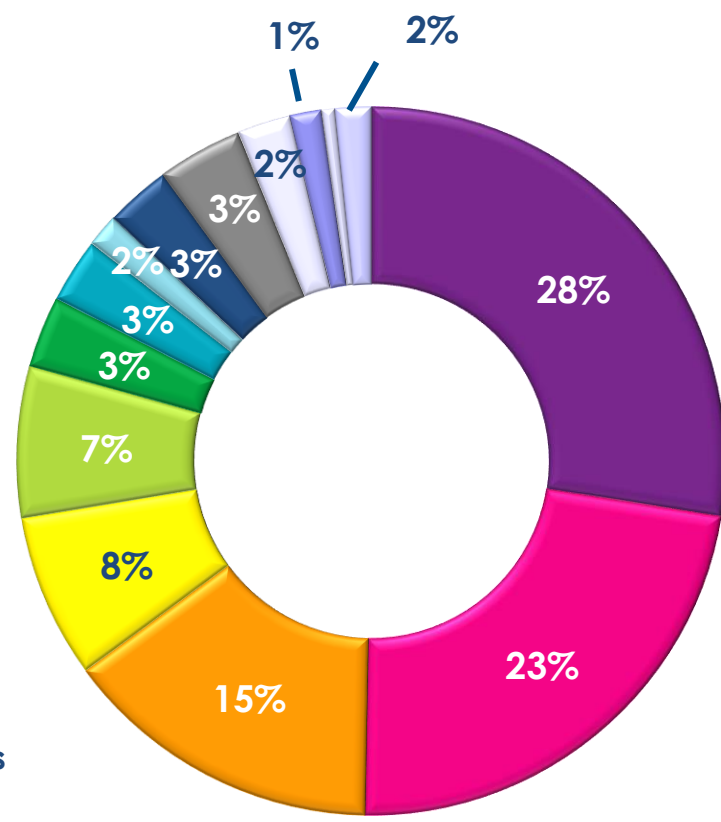
* Source: National Bureau of Statistics of China

Appendix

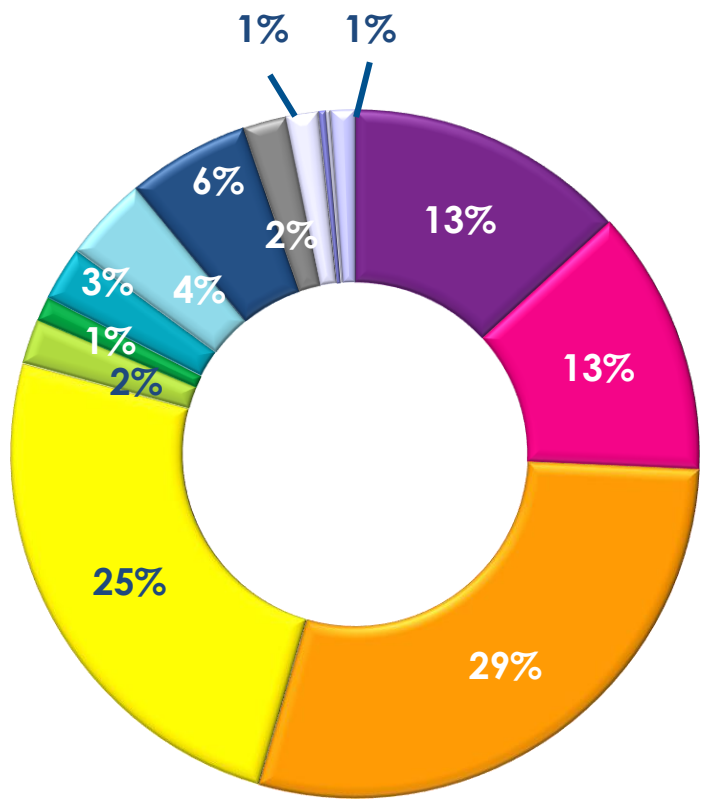


Diversified Trade Mix

By Total Rent¹



By Net Lettable Area²

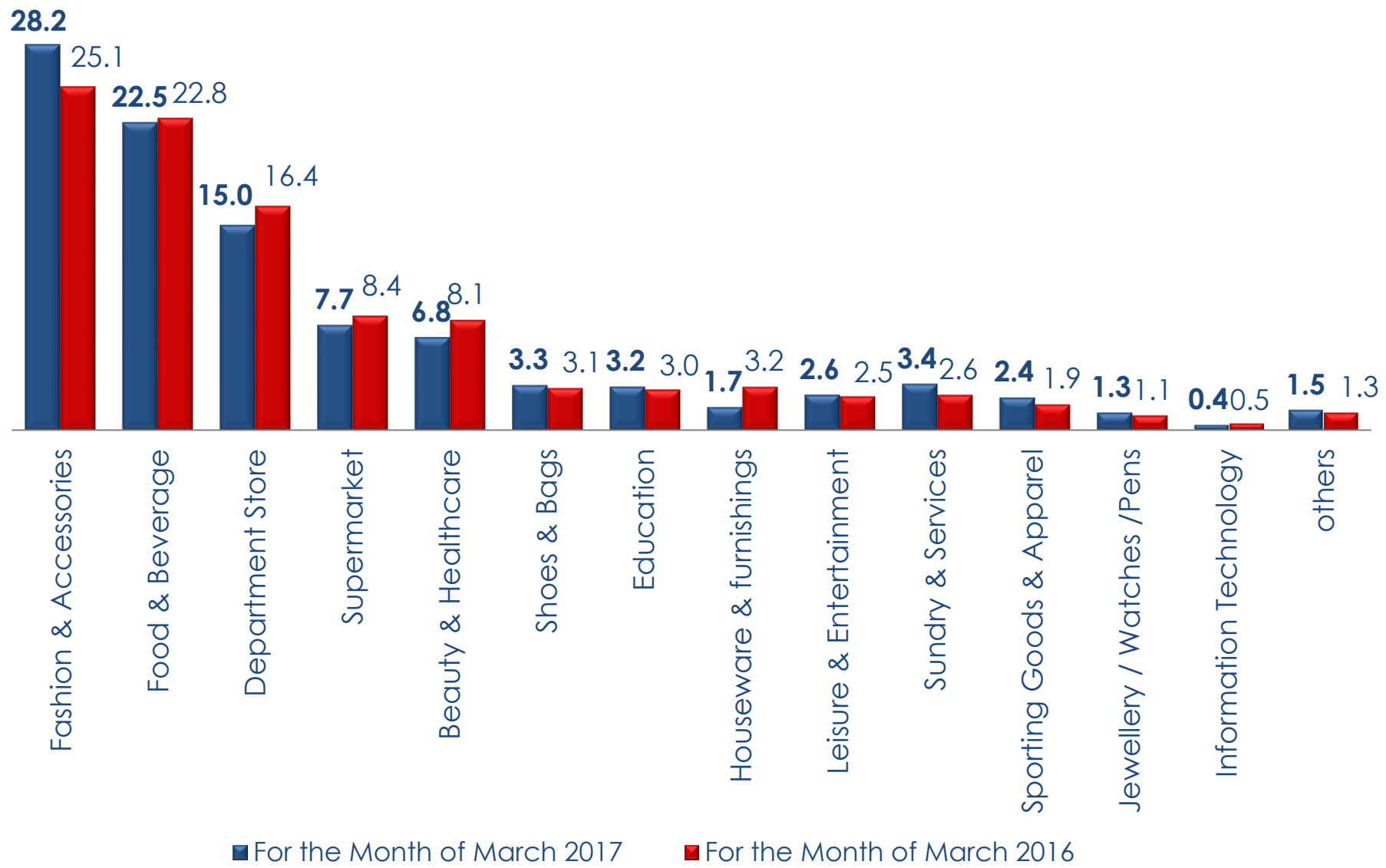


- Fashion & Accessories
- Food & Beverages
- Department Store
- Supermarket
- Beauty & Healthcare
- Shoes & Bags
- Education
- Houseware & furnishings
- Leisure & Entertainment
- Sundry & Services
- Sporting Goods & Apparel
- Jewellery / Watches / Pens
- Information & Technology
- others

1. For the month of Mar 2017.
 2. Percentage of committed NLA as at 31 Mar 2017.

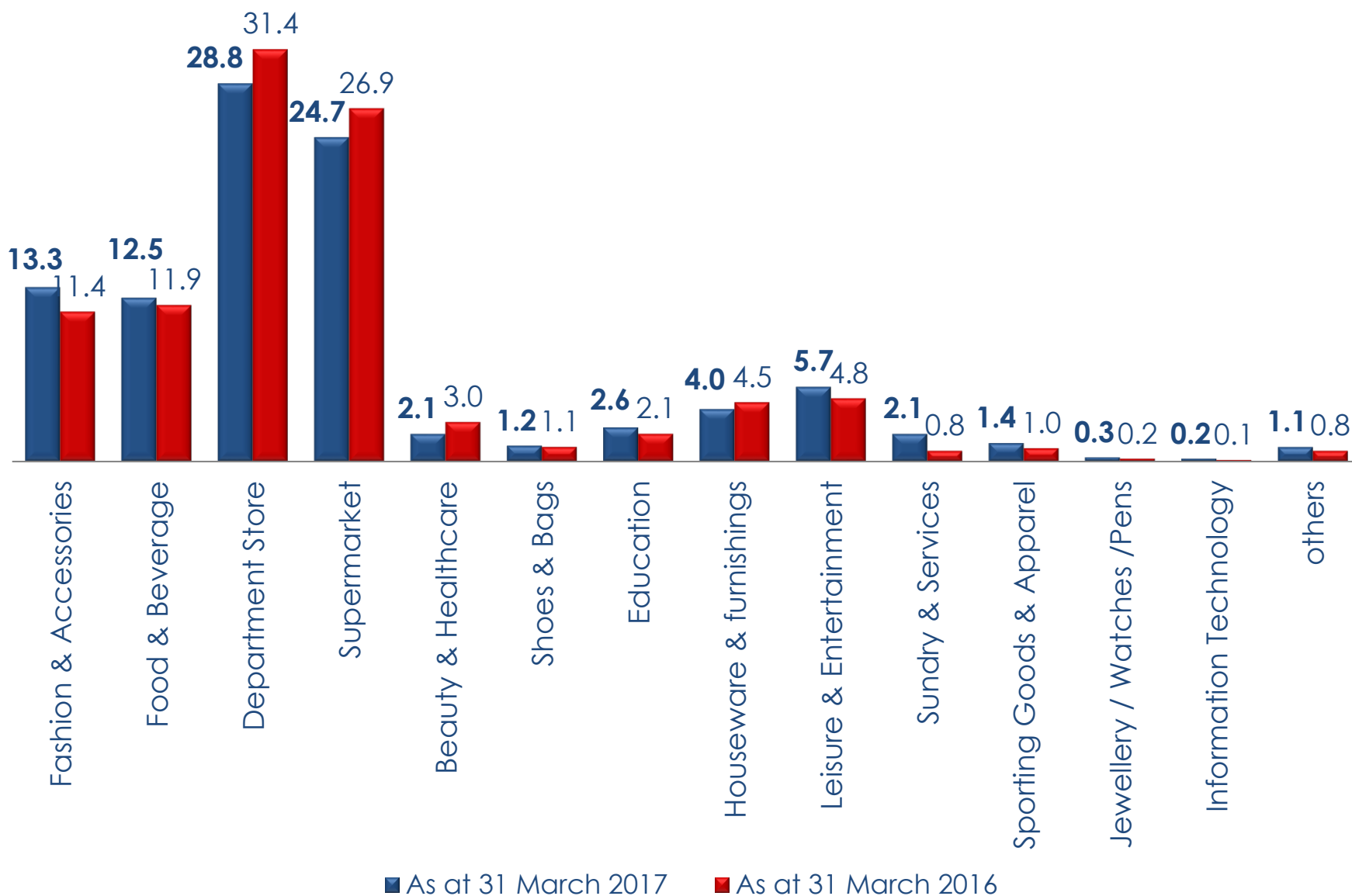


Trade Mix by Total Rental Income (%)





Trade Mix by Committed Net Lettable Area (%)





Portfolio at a Glance

(Multi-Tenanted Malls)

	CapitaMall Xizhimen 凯德MALL·西直门	CapitaMall Wangjing 凯德MALL·望京	CapitaMall Grand Canyon 凯德MALL·大峡谷	CapitaMall Xinnan 凯德广场·新南	CapitaMall Qibao 凯德七宝购物广场	CapitaMall Saihan 凯德MALL·赛罕	CapitaMall Minzhongleyuan 新民众乐园	CapitaMall Wuhu ¹ 凯德广场·芜湖
Location	Beijing	Beijing	Beijing	Chengdu	Shanghai	Hohhot	Wuhan	Wuhu
GFA² (sq m)	83,075	83,768	92,918	91,816	83,986	41,938	41,717	59,624
GRA² (sq m)	83,075	68,010	69,967	53,619	72,729	41,938	37,472	45,634
NLA² (sq m)	50,307	53,969	45,094	36,039	51,139	30,994	23,134	35,832
Land Use Right Expiry	23 Aug 2044 23 Aug 2054	15 May 2043 15 May 2053	29 Aug 2044 29 Aug 2054	17 Oct 2047	10 Mar 2043 ⁸	11 Mar 2041 20 Mar 2041	30 Jun 2044 ⁹ 15 Sep 2045	29 May 2044
Valuation³ (RMB mil)	2,951	2,285	2,068	1,527	495	445	525	207
NPI Yield on Valuation⁴	6.8%	7.2%	4.8%	6.2%	9.8%	8.7%	N.M. ⁵	N.M. ⁶
Number of Leases²	258	221	180	226	167	185	212	25
Committed Occupancy²	98.0%	99.5%	98.7%	99.6%	93.0%	100%	92.6%	65.7%
Shopper Traffic for YTD Mar (mil)	8.2	2.7	2.4	2.0	3.4	2.3	1.5	0.6 ⁷

1. CRCT has a 51.0% interest in CapitaMall Wuhu.

2. As at 31 Mar 2017.

3. As at 31 Dec 2016.

4. NPI yield is based on annualised YTD Mar 2017 NPI and valuation as at 31 Dec 2016.

5. CapitaMall Minzhongleyuan's NPI yield is not meaningful as it is recovering from a 2-year road closure to facilitate the construction of a new metro line. On 28 Dec 2016, the road and the new metro Line 6 have reopened and commenced operations respectively.

6. CapitaMall Wuhu's NPI yield is not meaningful as it is affected by the ongoing tenancy adjustments to achieve optimal tenant trade mix.

7. CapitaMall Wuhu is affected by the ongoing tenancy adjustments to achieve optimal tenant trade mix.

8. CapitaMall Qibao is indirectly held by CRCT under a master lease which expires in Jan 2024, with the right to renew for a further term of 19 years and 2 months.

9. The conserved building is under a lease from the Wuhan Cultural Bureau.

N.M. – Not meaningful



Portfolio at a Glance

(Master Leased Malls)

	CapitaMall Anzhen 凯德MALL·安贞	CapitaMall Erqi 凯德广场·二七	CapitaMall Shuangjing 凯德MALL·双井
Location	Beijing	Zhengzhou	Beijing
GFA ¹ (sq m)	43,443	92,356	49,463
GRA ¹ (sq m)	43,443	92,356	49,463
NLA ¹ (sq m)	43,443	92,356	51,193 ³
Land Use Right Expiry	7 Oct 2034 5 Mar 2042 3 Jun 2042	31 May 2042	10 Jul 2042
Valuation ² (RMB mil)	1001	631	573
NPI Yield on Valuation ²	6.6%	6.7%	6.4%
Number of Leases ¹	2	2	9
Committed Occupancy ¹	100.0%	100.0%	100.0%

1. As at 31 Mar 2017.

2. NPI yield is based on annualised YTD Mar 2017 NPI and valuation as at 31 Dec 2016.

3. Included the area zoned for civil defense but is certified for commercial use.



Thank You

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