



CAPITALAND COMMERCIAL TRUST

Second Quarter 2019 Financial Results – Additional Information

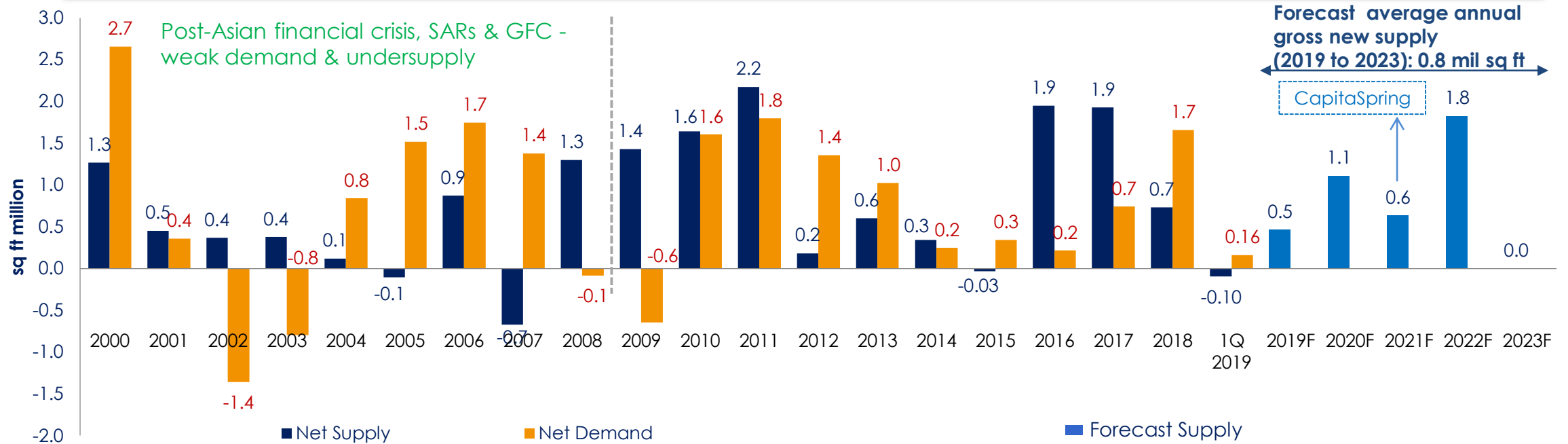
17 July 2019

The image shows a multi-story office building interior. The space is characterized by tall, slender, purple columns that curve slightly. Interspersed among these columns are large, spherical light fixtures with a faceted, crystalline design, emitting a soft purple glow. The architecture features glass railings on upper levels and a bright, open-plan layout. The overall aesthetic is clean, modern, and vibrant.

Singapore Office Market

Annual new supply to average 0.8 mil sq ft over 5 years; CBD Core occupancy at 95.8% as at end June 2019

Singapore Private Office Space (Central Area) ⁽¹⁾ – Net Demand & Supply



Periods	Average annual net supply ⁽²⁾	Average annual net demand
2009 – 2018 (through 10-year property market cycles)	1.1 mil sq ft	0.8 mil sq ft
2014 – 2018 (five-year period post GFC)	1.0 mil sq ft	0.6 mil sq ft
2019 – 2023 (forecast gross new supply)	0.8 mil sq ft	N.A.

Notes:

(1) Central Area comprises 'The Downtown Core', 'Orchard' and 'Rest of Central Area'

(2) Supply is calculated as net change of stock over the quarter and may include office stock removed from market due to conversions or demolitions.

(3) Source: Historical data from URA statistics as at 1Q 2019; Forecast supply from CBRE Research as at 1Q 2019.

Known future office supply in Central Area (2019 – 2022)

Expected completion	Proposed Office Projects	Location	NLA (sq ft)
2019	HD 139 (139 Cecil Street)	Shenton Way	84,000
2019	9 Penang Road (Park Mall Redevelopment) ⁽¹⁾	Orchard Road	381,000
		Subtotal (2019):	465,000
1Q 2020	Oxley@Raffles (Chevron House asset enhancement initiative)	Raffles Place	313,000
1H 2020	79 Robinson Road ⁽²⁾	Robinson Road	514,000
2Q 2020	Hub Synergy Point Redevelopment	Anson Road	128,000
2020	Afro-Asia I-Mark	Shenton Way	154,000
		Subtotal (2020):	1,109,000
1H 2021	CapitaSpring ⁽³⁾	Raffles Place	635,000
		Subtotal (2021):	635,000
2022	Land parcel at Central Boulevard (Central Boulevard Towers)	Raffles Place/Marina	1,260,000
2022	Guoco Midtown	City Hall	565,600
		Subtotal (2022):	1,825,600
TOTAL FORECAST SUPPLY (2019-2022)			4,034,600
Total forecast supply excluding strata offices			4,034,600

Notes:

- (1) According to The Straits Times dated 17 Apr 2019, the Park Mall Redevelopment is fully committed with UBS taking up 381,000 sq ft of NLA
- (2) According to BT Report dated 13 July 2018, about 50,000 sq ft has been committed.
- (3) CapitaSpring reported committed take-up by JPMorgan for 24% of the development's office NLA
- (4) Sources: CBRE Research and respective media reports



Frankfurt Office Market

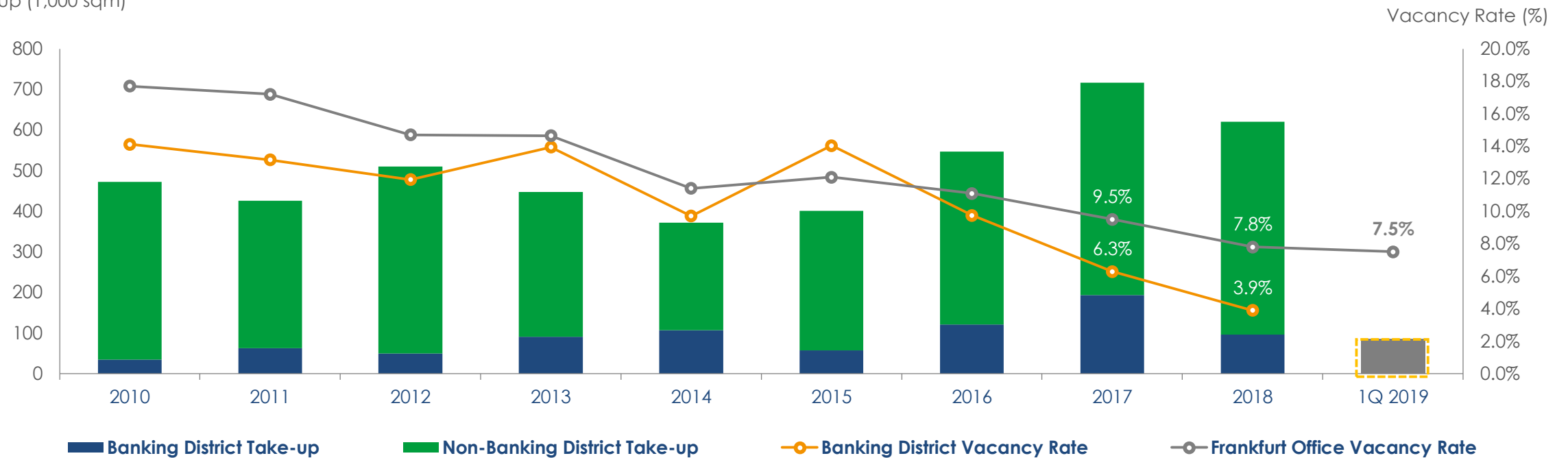
Take up and vacancy rate

Frankfurt property fundamentals sound; banking district vacancy rates declined from 6.3% in 2017 to 3.9% in 2018

Frankfurt Office and Banking District Take-up and Vacancy Rates

- Take-up in Frankfurt and Banking District registered significant increase in year 2017; the highest level since year 2000
- Vacancy rates have steadily declined to record lows of the past decade; overall vacancy rate for Frankfurt was 7.5% in 1Q 2019.

Take-up (1,000 sqm)



Note:

(1) Office take-up in Frankfurt for Q1 2019 was 85,300 sqm. Data for breakdown of banking and non-banking district was not available.

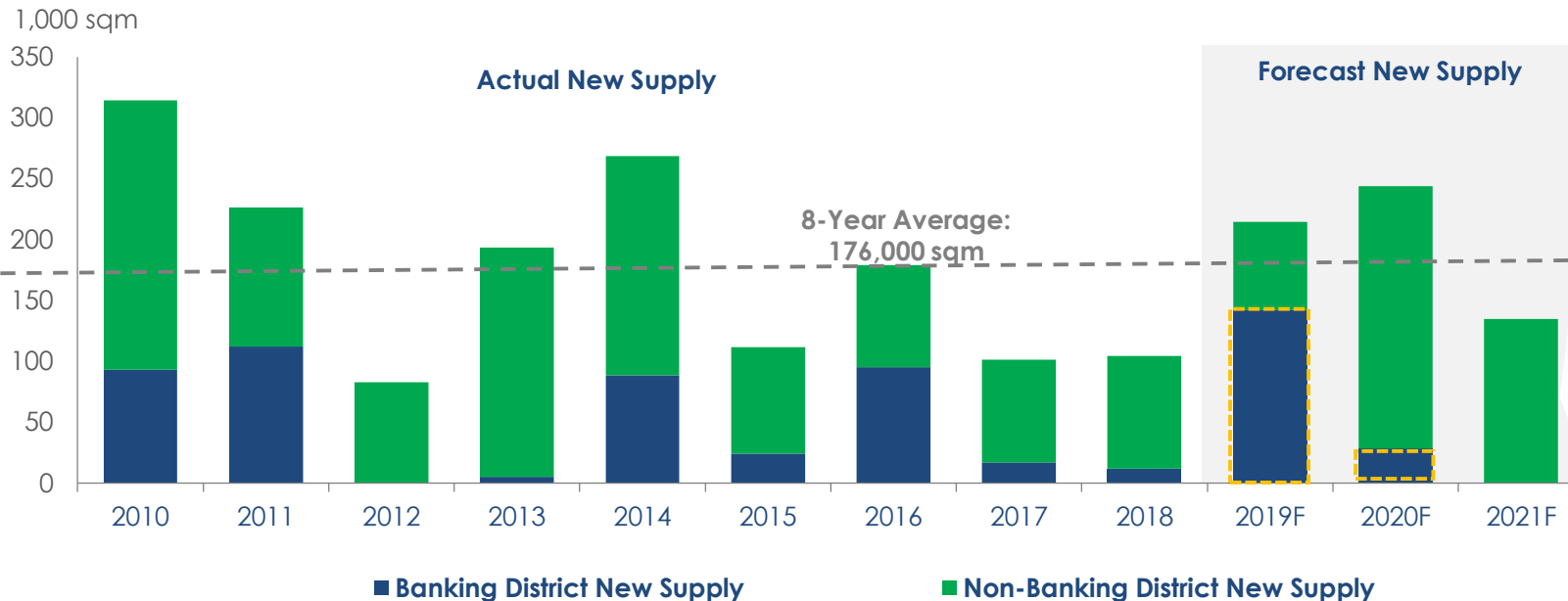
Source: Commissioned report by CCT from CBRE Research, Frankfurt Q4 2018

New supply

Relatively low levels of new office supply in Frankfurt

New Supply in Frankfurt (2019F to 2020F)

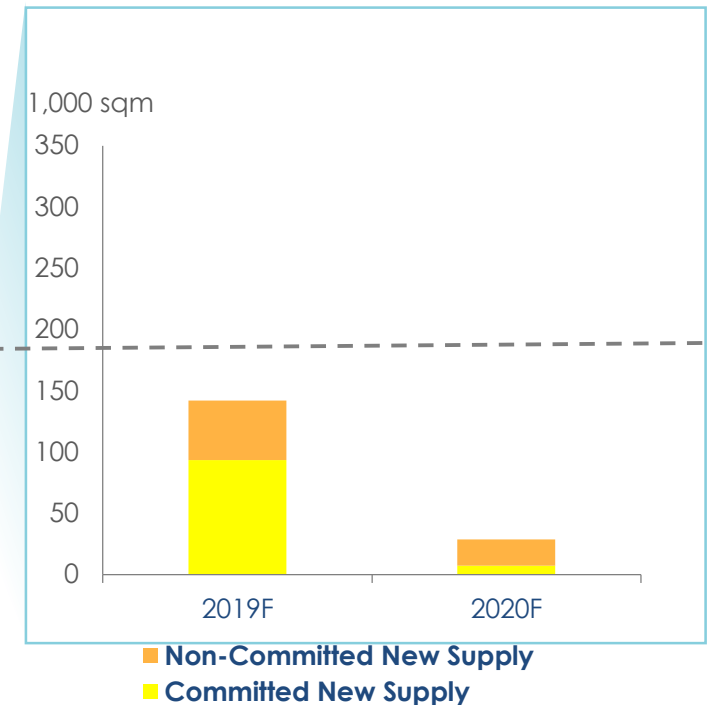
- Past year's completion volume far below 10-year average
- Future supply pipeline until 2019F at relatively low levels with good pre-letting; further decrease of available space expected



Source: Commissioned report by CCT from CBRE Research, Frankfurt Q4 2018

New Supply in Banking District (2019F to 2020F)

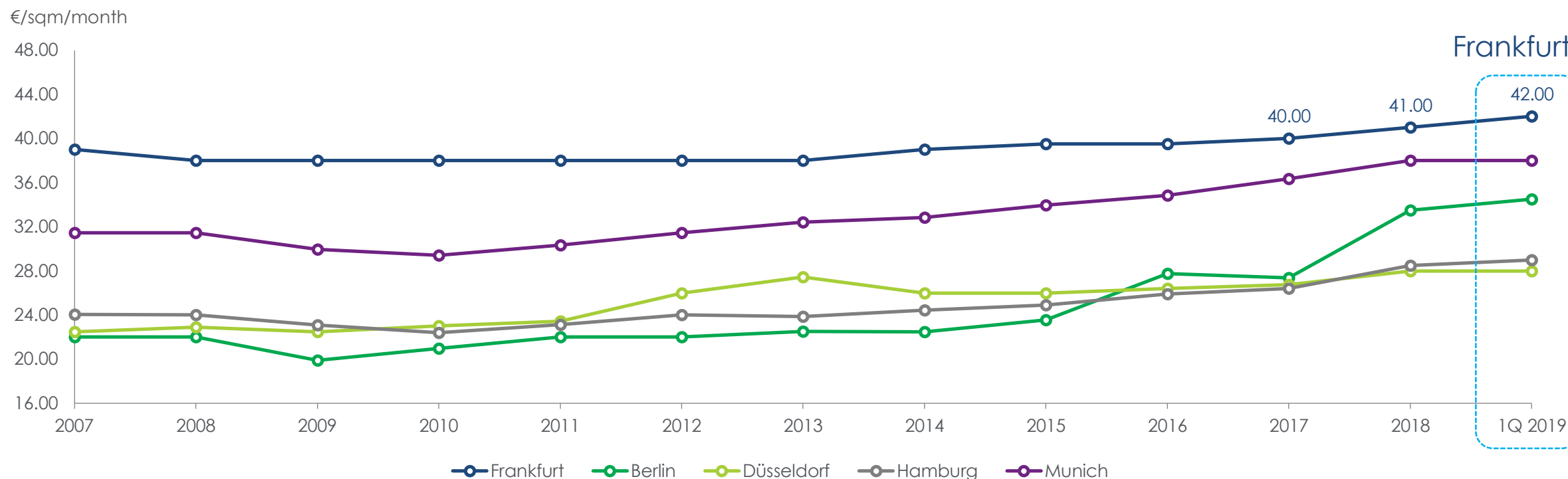
- About 59% of Banking District's new supply has been committed



Frankfurt office market rents

Frankfurt's office market is characterised by stable and resilient rents

- Frankfurt has the highest rent in comparison to major cities in Germany across the past 10 years
- Prime office rent in Frankfurt has been resilient through property cycles
- Positive supply-demand dynamics will support prime office rents in Frankfurt



Source: CBRE Research, Frankfurt Q1 2019

Additional Information

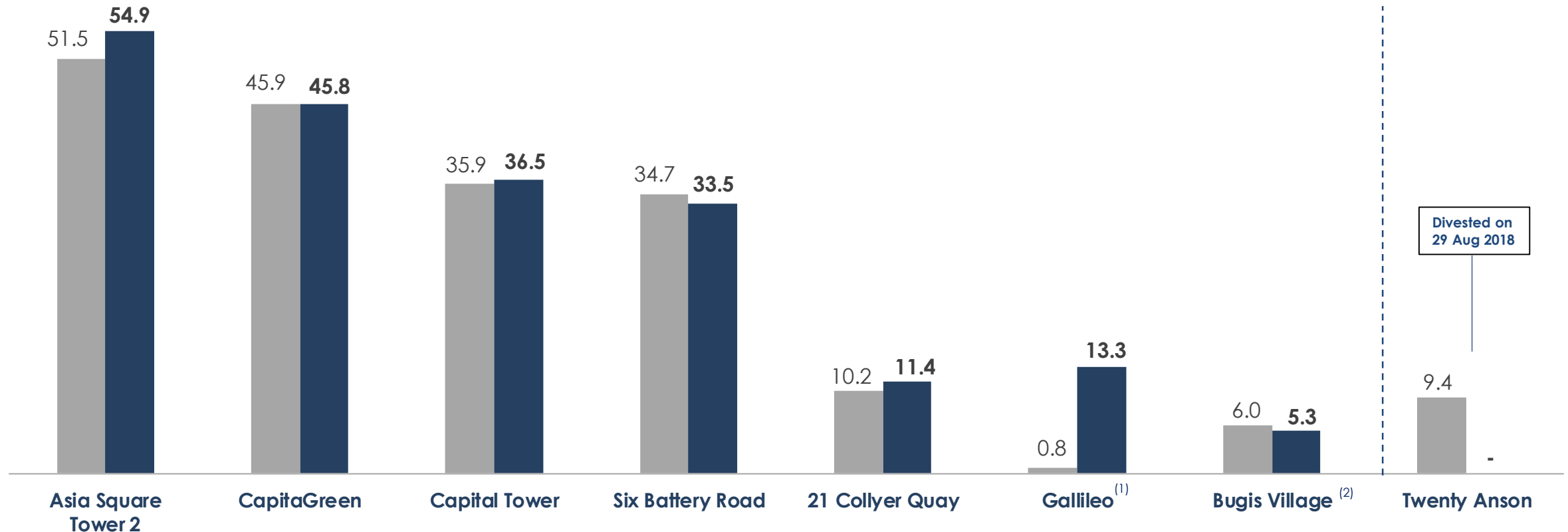


1H 2019 Gross Revenue higher by 3.2% YoY

Higher gross revenue mainly from Asia Square Tower 2, Gallileo and 21 Collyer Quay

S\$ million

■ 1H 2018 ■ 1H 2019



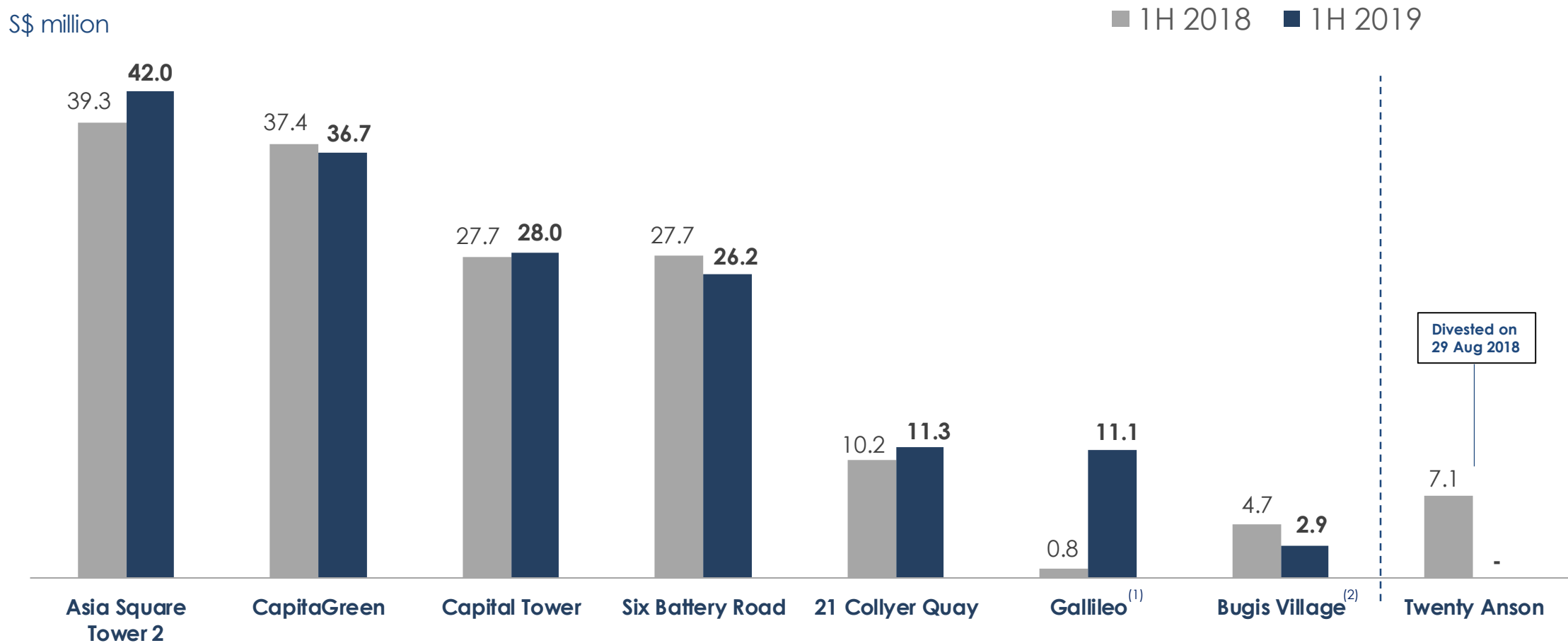
Notes:

(1) CCT owns 94.9% of Gallileo which contributed revenue and income from 19 June 2018. The reported figure is on 100.0% basis.

(2) Bugis Village returned to the State on 1 April 2019

1H 2019 Net Property Income higher by 2.1% YoY

Net property income lifted by Asia Square Tower 2, Gallileo and 21 Collyer Quay



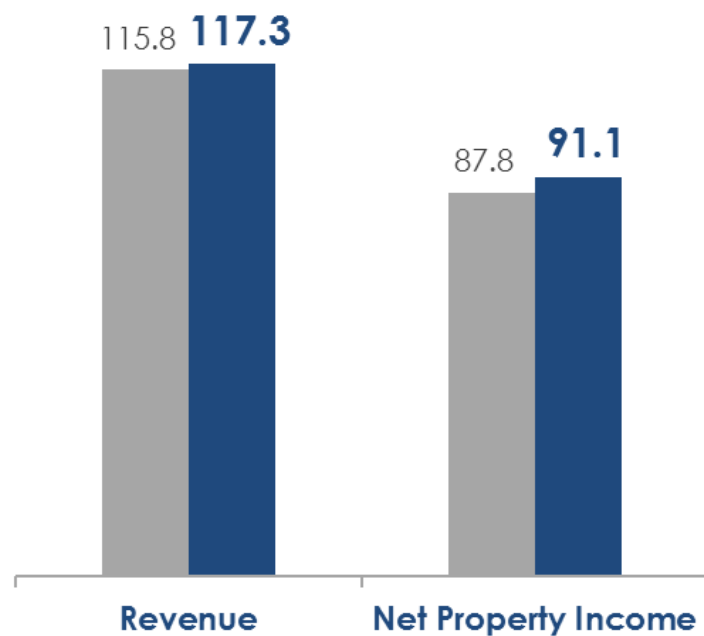
Notes:

(1) CCT owns 94.9% of Gallileo which contributed revenue and income from 19 June 2018. The reported figure is on 100.0% basis.

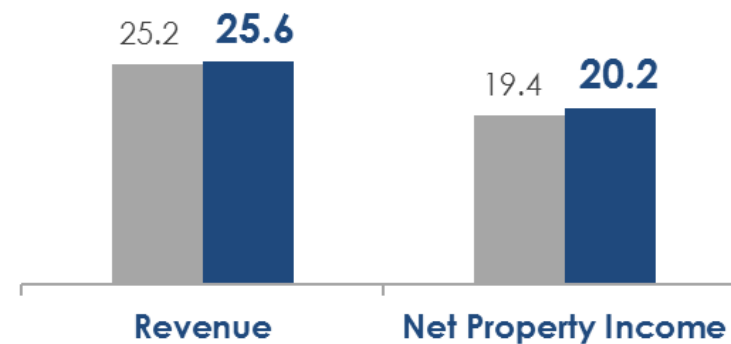
(2) Bugis Village returned to the State on 1 April 2019.

1H 2019 performance of joint ventures (100.0% basis)

Raffles City Singapore



One George Street



■ 1H 2018 (\$ million)

■ 1H 2019 (\$ million)

Notes:

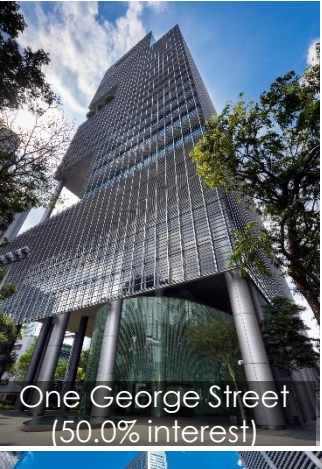
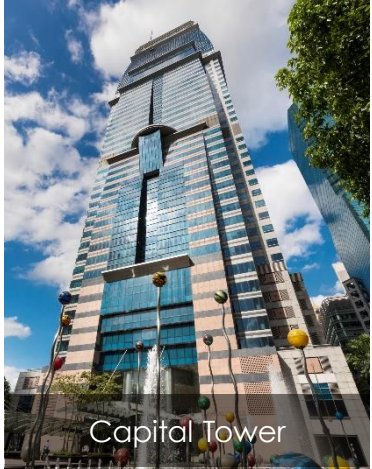
(1) CCT owns 60.0% interest in Raffles City Singapore.

(2) CCT owns 50.0% interest in OGS LLP

CCT is largest commercial REIT in Singapore by market cap, listed since May 2004



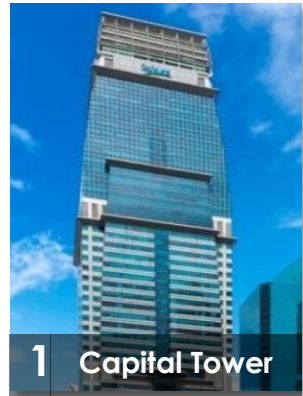
<p>S\$8.2b⁽¹⁾ Market Capitalisation</p>	<p>9 properties⁽²⁾ 8 properties in Singapore and one in Germany</p>	<p>625 Tenants</p>	<p>S\$11.3b⁽³⁾ Deposited Property</p>	<p>About 4.6 million sq ft⁽⁴⁾ NLA (100% basis)</p>
---	---	-------------------------------	---	--



Notes:
 (1) Market Capitalisation based on closing price of S\$2.18 per unit as at 16 July 2019
 (2) As at 30 June 2019
 (3) As at 30 June 2019
 (4) Excludes CapitaSpring, currently under development and targeted for completion in 1H 2021

Owens 8 centrally-located quality commercial properties in Singapore

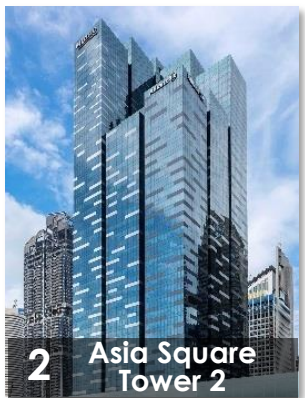
New integrated development, CapitaSpring in Raffles Place under construction



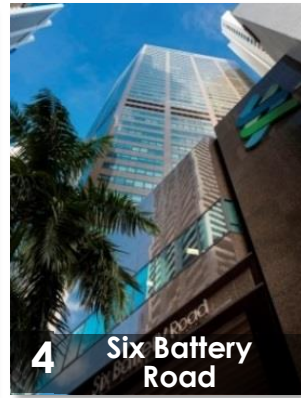
1 Capital Tower



3 CapitaGreen



2 Asia Square Tower 2



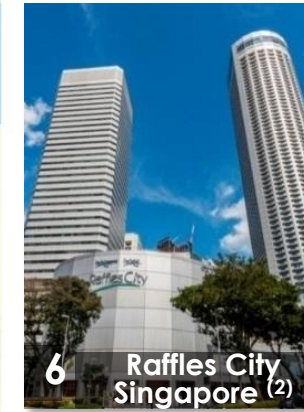
4 Six Battery Road



5 One George Street (1)



7 21 Collyer Quay (HSBC Building)



6 Raffles City Singapore (2)

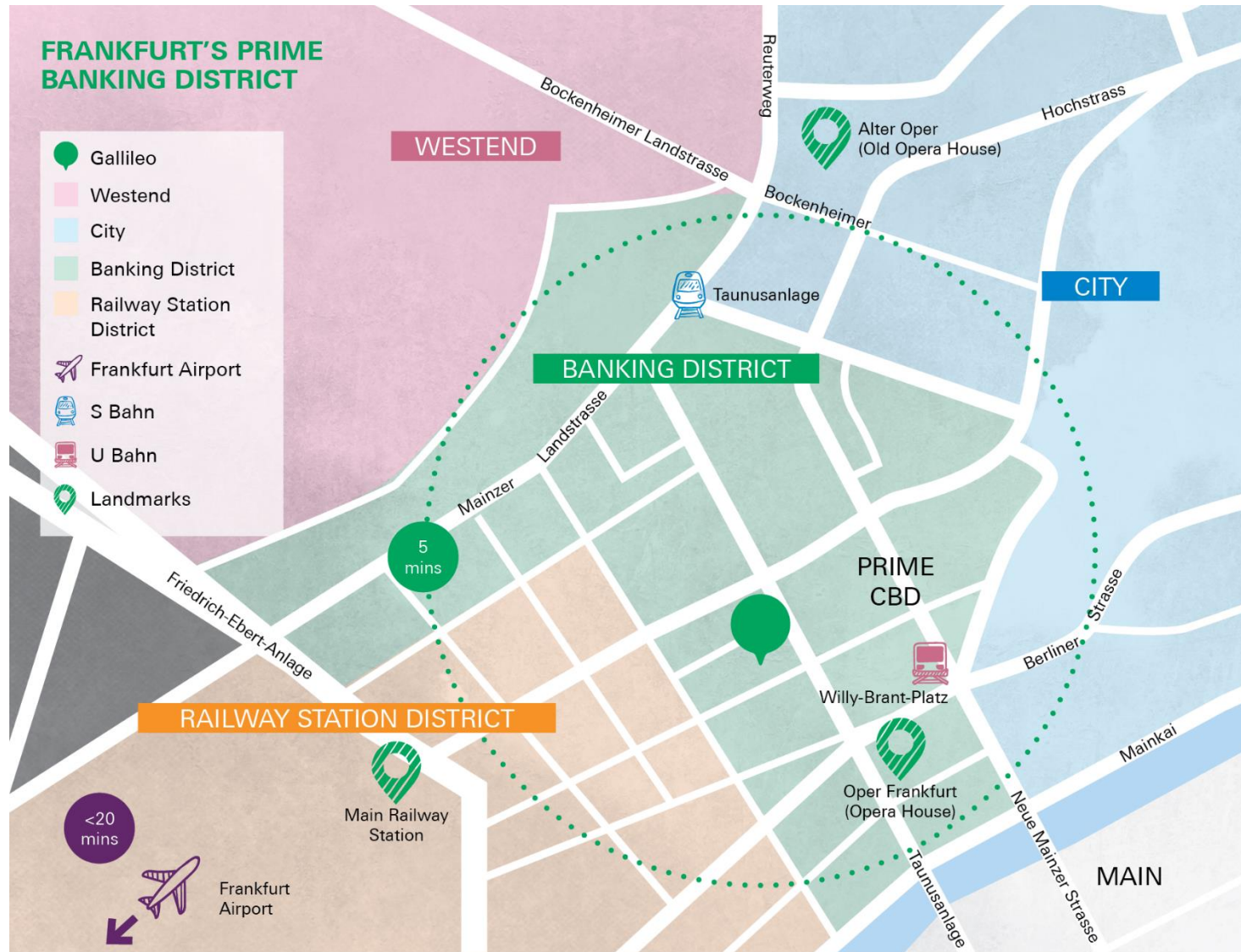


8 CapitaSpring (3)

Notes:

- (1) CCT has 50.0% interest in One George Street.
- (2) CCT has 60.0% interest in Raffles City Singapore.
- (3) CCT has 45.0% interest in CapitaSpring.

Gallileo located in Frankfurt's prime banking district



By Foot

(3-10 minutes)

- Willy-Brandt-Platz underground
- Main railway station
- Taunusanlage suburban railway stop

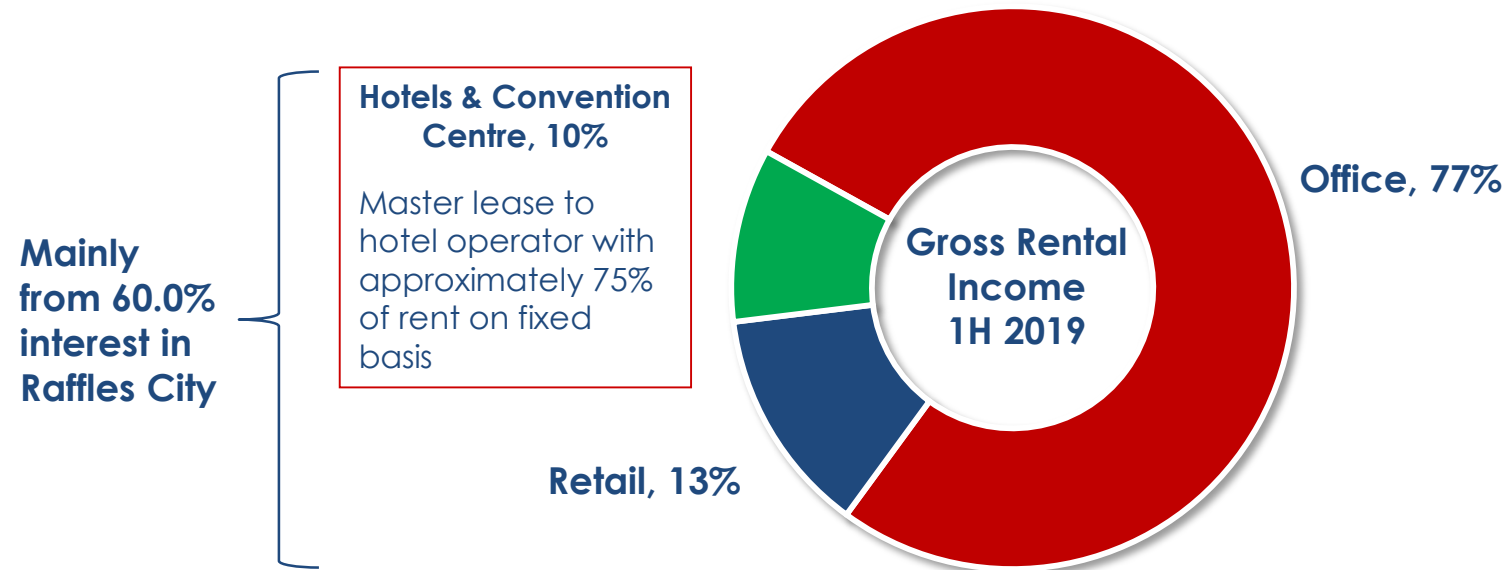
By Car

(3-20 minutes)

- Main railway station
- Airport

77% of gross rental income contributed by office and 23% by retail and hotel & convention centre

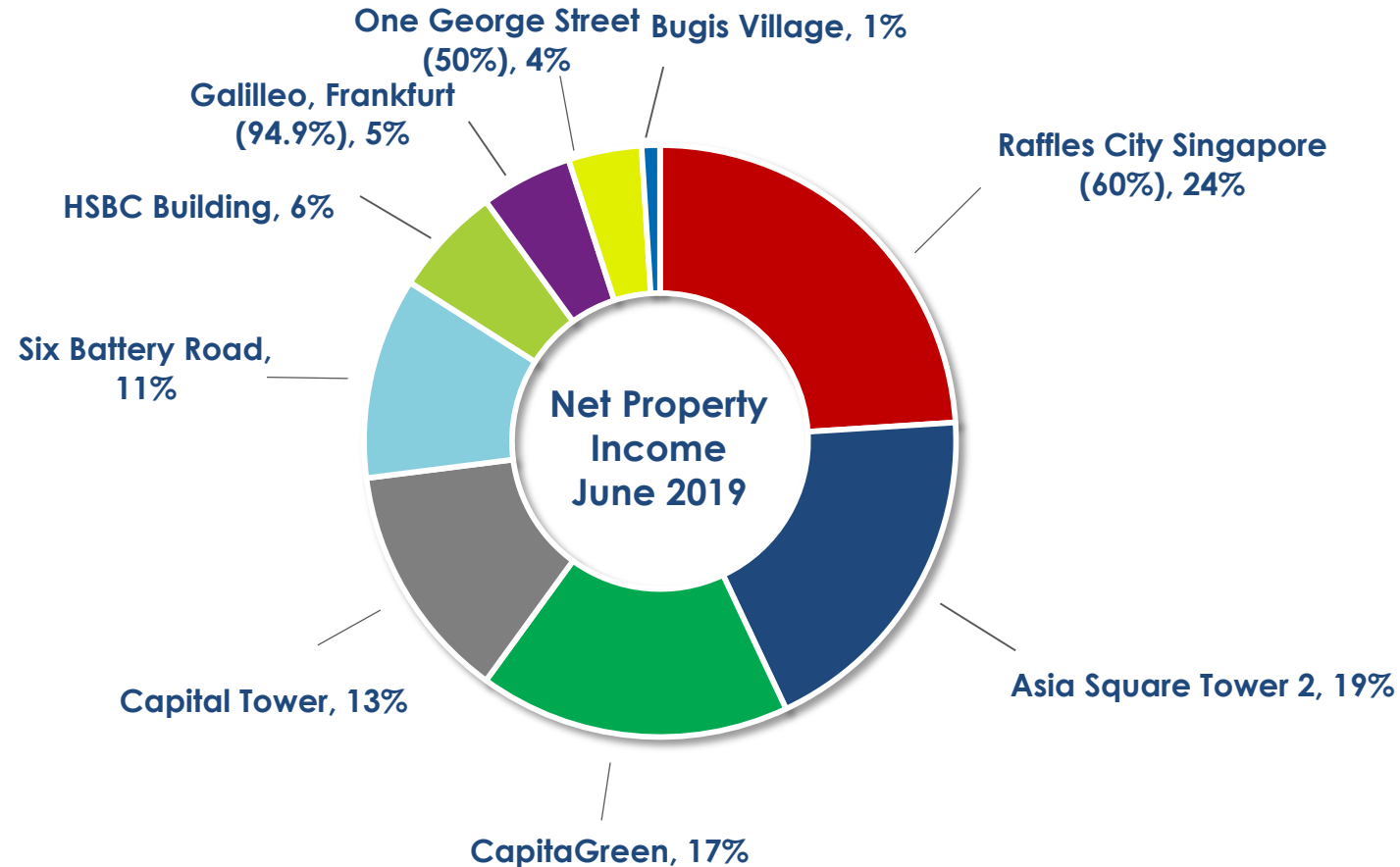
CCT's gross rental income contribution by sector



Based on gross rental income from 1 January 2019 to 30 June 2019; including contribution from CCT's 60.0% interest in Raffles City Singapore, 50.0% interest in One George Street; and 94.9% interest in Gallileo, Frankfurt; and excluding retail turnover rent

Portfolio diversification with income contribution from 9 properties

Raffles City Singapore and six Grade A offices contributed 93% of Portfolio NPI



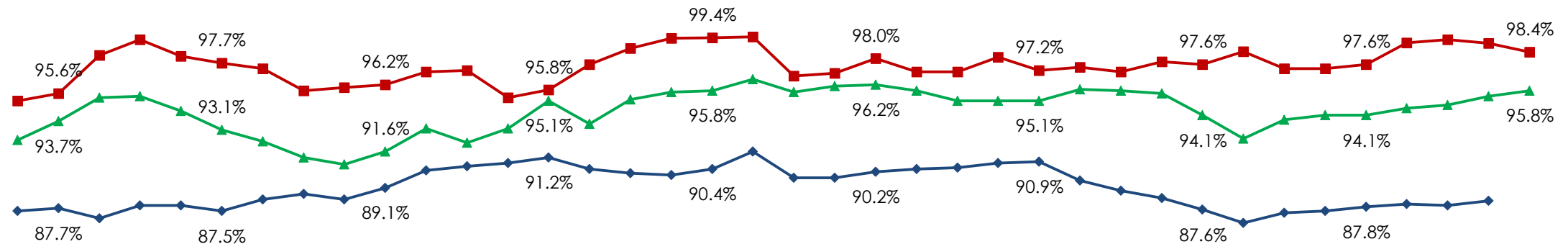
Based on net property income ("NPI") for June 2019; including NPI from CCT's 60.0% interest in Raffles City Singapore, 50.0% interest in One George Street and 94.9% interest in Galileo, Frankfurt; and excluding retail turnover rent

CCT's Singapore portfolio occupancy of 98.4% is above market occupancy of 95.8%



Singapore	CCT Committed Occupancy ⁽¹⁾		Market Occupancy Level ⁽²⁾	
	2Q 2019	1Q 2019	2Q 2019	1Q 2019
Grade A office	98.2%	98.9%	96.1%	95.2%
Portfolio	98.4%	99.1%	95.8%	95.4%

CCT's Committed Occupancy Since Inception



1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q																																																																																																																																																																																																																																																						
2010																												2011																												2012																												2013																												2014																												2015																												2016																												2017																												2018																												2019																											

■ CCT
 ◆ URA⁽³⁾
 ▲ CBRE's Core CBD Occupancy Rate⁽²⁾

Notes:

(1) Exclude Bugis Village and Gallileo, Frankfurt

(2) Source: CBRE 2Q 2019

(3) Source: URA. URA has not released Occupancy Index Figure for 2Q 2019

Portfolio committed occupancy rate consistently above 90%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	1Q 2019	2Q 2019
Capital Tower	100.0	100.0	99.9	99.9	99.9	100.0	100.0	100.0	100.0	94.1	99.0	99.4	99.7	99.7	99.7
Six Battery Road	100.0	99.9	98.6	99.2	99.7	85.4	93.0	98.6	99.2	98.9	98.6	99.9	100.0	97.6	97.2
21 Collyer Quay (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	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	97.8	98.3	99.6	99.6	99.5 ⁽²⁾
One George Street (50% interest)			100.0	96.3	100.0	93.3	92.5	95.5	100.0	98.2	96.5	98.0	97.8	98.7	97.6
CapitaGreen									69.3	91.3	95.9	100.0	99.7	99.7	100.0
Asia Square Tower 2 ⁽³⁾												90.5	98.1	98.1	95.8
Gallileo, Frankfurt (94.9% interest) ⁽⁴⁾													100.0	100.0	100.0
Portfolio Occupancy⁽¹⁾	99.6	99.6	96.2	94.8	99.3	95.8	97.2	98.7	96.8	97.1	97.1	97.3	99.4	99.1	98.6⁽¹⁾

Notes:


- (1) For years 2006 to 2009, portfolio occupancy rate includes Starhub Centre and Robinson Point which were divested in 2010
 For years 2006 to 2017, portfolio occupancy rate includes Golden Shoe Car Park which was divested in 2017
 For years 2008 to 2017, portfolio occupancy rate includes Wilkie Edge which was divested in 2017
 For years 2012 to 2018, portfolio occupancy rate includes Twenty Anson which was divested in 2018
 From 2Q2019, portfolio occupancy rate excludes Bugis Village which was returned to the State in April 2019
- (2) Office occupancy is at 99.3% while retail occupancy is at 99.6%
- (3) Acquisition of Asia Square Tower 2 was completed on 1 November 2017
- (4) Contribution from Gallileo, Frankfurt effective from 19 June 2018

CapitaSpring – new integrated development at Market Street

Description	51-storey integrated development comprising Grade A office, serviced residence with 299 rooms, 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 62 years)
Site Area	65,700 sq ft
Total GFA	1,005,000 sq ft
Office NLA	635,000 sq ft
Ancillary retail NLA	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



CapitaSpring drew down S\$35.0 million in 2Q 2019 – CCT's 45.0% share amounts to S\$15.8 million



CCT's 45% interest	CCT's 45% interest in Glory Office Trust and Glory SR Trust	Drawdown as at Jun 2019	Balance ⁽²⁾
Debt at Glory Office Trust and Glory SR Trust ⁽¹⁾	S\$531.0m	(S\$317.2m)	S\$213.8m
Equity inclusive of unitholder's loan	S\$288.0m	(S\$245.3m)	S\$42.7m
Total	S\$819.0m	(S\$562.5m)	S\$256.5m

CapitaSpring – Development remains on track for completion in 1H 2021

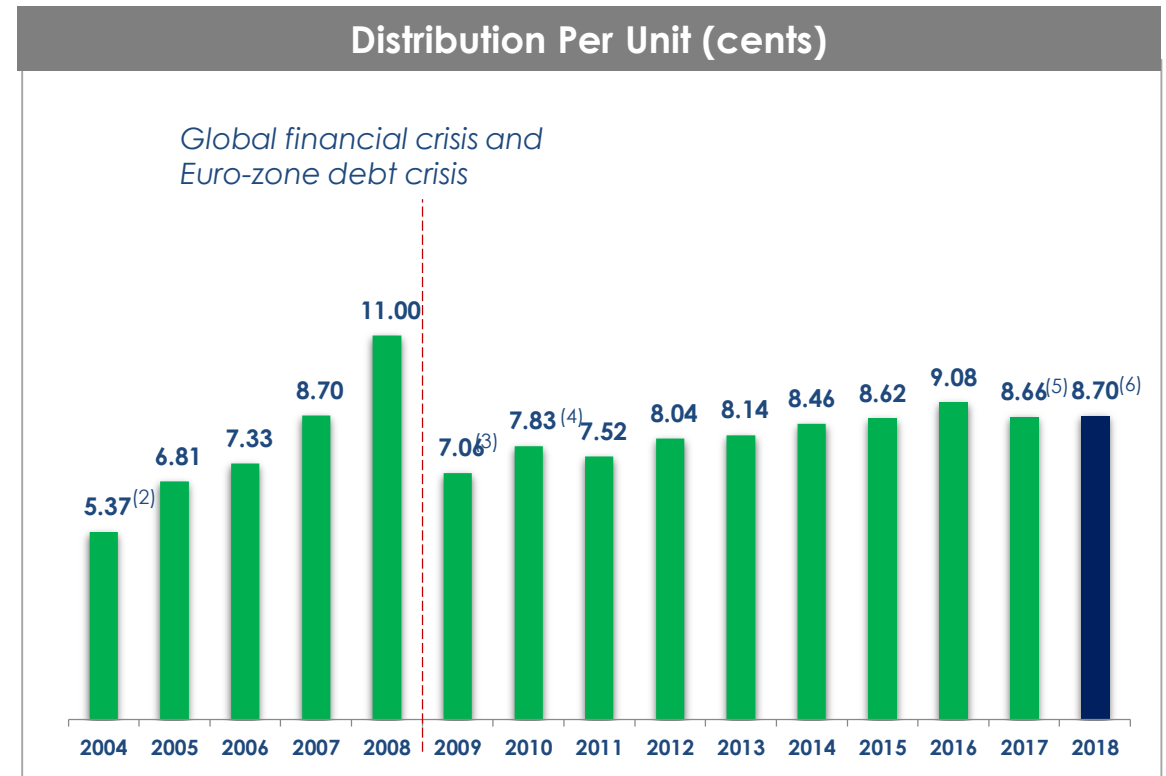
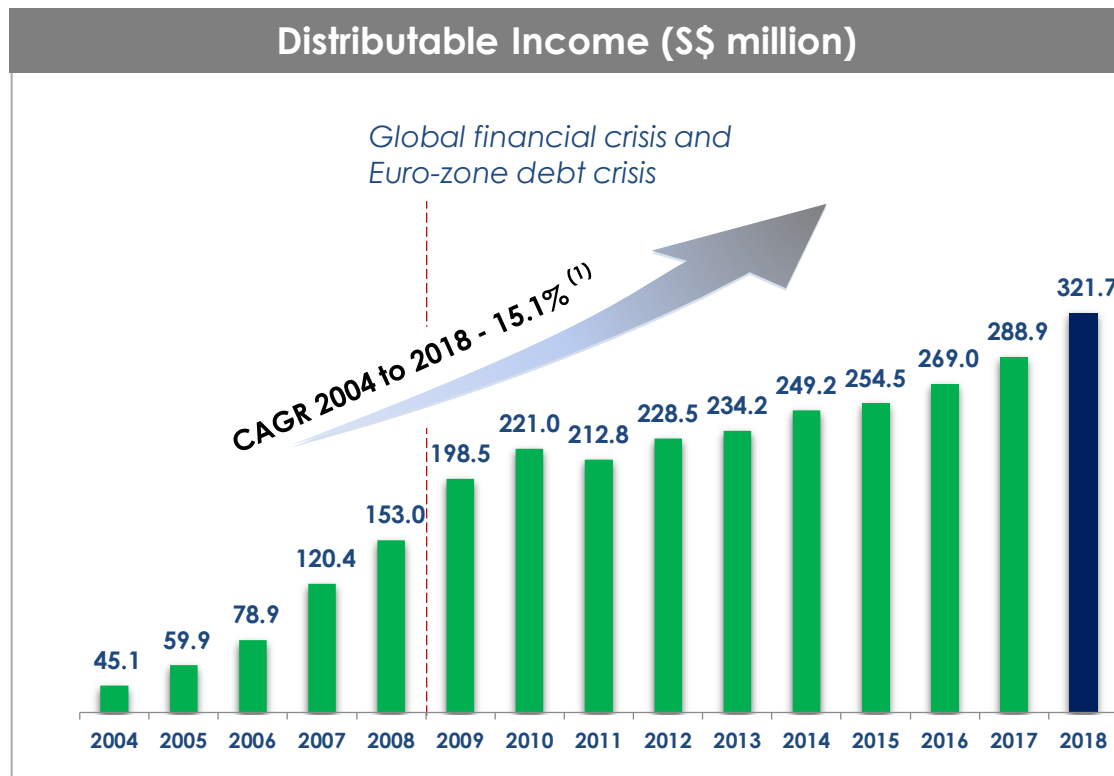
Notes:

(1) Glory Office Trust and Glory SR Trust have obtained borrowings amounting to S\$1,180.0m (100% interest)

(2) Balance capital requirement until 2021

CCT delivered higher distribution YoY through property market cycles

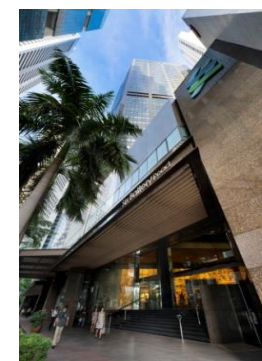
Due to continual portfolio reconstitution including recycling of capital, AEs, acquisitions, divestments and developments



Notes:

- (1) CAGR: Compounded annual growth rate
- (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
- (5) Issued 513,540,228 new units following the 166-for-1,000 rights issue at S\$1.363 per rights unit in October 2017
- (6) Issued 130 million new units following a private placement at S\$1.676 per unit in May 2018

Property details (1)



	Capital Tower	Asia Square Tower 2	CapitaGreen	Six Battery Road	Raffles City Singapore (100.0%)
Address	168 Robinson Road	12 Marina View	138 Market Street	6 Battery Road	250/252 North Bridge Road; 2 Stamford Road; 80 Bras Basah Road
NLA (sq ft)	734,000	778,000	701,000	494,000	808,800 (Office: 381,300, Retail: 427,500)
Leasehold expiring	31-Dec-2094	2-Mar-2107 (land lot only ⁽¹⁾)	31-Mar-2073	19-Apr-2825	15-Jul-2078
Committed occupancy	99.7%	95.8%	100.0%	97.2%	99.5%
Valuation (30 June 2019)	S\$1,390.0m	S\$2,182.0m	S\$1,643.0m	S\$1,435.0m	S\$3,340.0m (100.0%) S\$2,004.0m (60.0%)
Car park lots	415	263	184	190	1,045

Note:

(1) Excludes airspace and subterranean lots.

Property details (2)



	One George Street (100.0%)	21 Collyer Quay (HSBC Building)	CapitaSpring (100.0%) ⁽¹⁾	Gallileo (100.0%) Contribution from 19 Jun 2018
Address	1 George Street	21 Collyer Quay	86 & 88 Market Street	Gallusanlage 7/ Neckarstrasse 5, 60329 Frankfurt am Main, Germany
NLA (sq ft)	446,000	200,500	647,000	436,000
Leasehold expiring	21-Jan-2102	18-Dec-2849	31-Jan-2081	Freehold
Committed occupancy	97.6%	100.0%	About 24%	100.0%
Valuation (30 June 2019)	S\$1,141.0m (100.0%) S\$570.5m (50.0%)	S\$462.2m	S\$1,062m (100.0%) S\$477.9m (45.0%)	S\$553.8m ⁽²⁾ (100.0%) S\$525.5m ⁽²⁾ (94.9%)
Car park lots	178	55	350	43

Notes:

(1) CapitaLand, CCT and MEC have formed a joint venture to develop CapitaSpring.

(2) Valuations as at 31 December 2018 and 30 June 2019 for 100% interest in Gallileo, Frankfurt was EUR361.2 and EUR361.3 million respectively. The variance in S\$ was due to conversion rates used for the 31 December 2018 and 30 June 2019 valuation which were EUR1=S\$1.561 and EUR1=S\$1.533 respectively.



Thank you

For enquiries, please contact: Ms Ho Mei Peng , Head, Investor Relations, Direct: (65) 6713 3668

Email: ho.meipeng@capitaland.com

CapitalLand Commercial Trust Management Limited (<http://www.cct.com.sg>)

168 Robinson Road, #28-00 Capital Tower, Singapore 068912

Tel: (65) 6713 2888; Fax: (65) 6713 2999

