

# **CAPITAMALL TRUST**

*Singapore's First & Largest REIT*



**Annual General Meeting**  
**14 April 2010**



# Disclaimer

*This presentation may contain forward-looking statements that involve 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on CapitaMall Trust Management Limited's (as manager of CMT) (the "Manager") current view of future events.*

*The value of units in CMT ("Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.*

*The past performance of CMT is not necessarily indicative of the future performance of CMT.*

# Key Highlights for FY2009



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# Delivering in Challenging Times

**Economies Ended FY2009 on Firmer Footing  
than Expected at the Start of the Year**

- **Global recession in FY2009**
  - Straits Times Index fell 62.0% in Mar 2009 from peak in Oct 2007
  - FTSE ST REIT Index fell 74.8% in Mar 2009 from peak in Jun 2007
- **Massive fiscal intervention by worldwide governments helped economies to stabilise**
- **Singapore's economy contracted 2.0%**



# Successful Rights Issue

Completed rights issue in April 2009

Attractively priced at S\$0.82/unit  
to Unitholders; TERP<sup>(1)</sup> at S\$1.15/unit

1.16 times over-subscribed;  
strong support from Unitholders

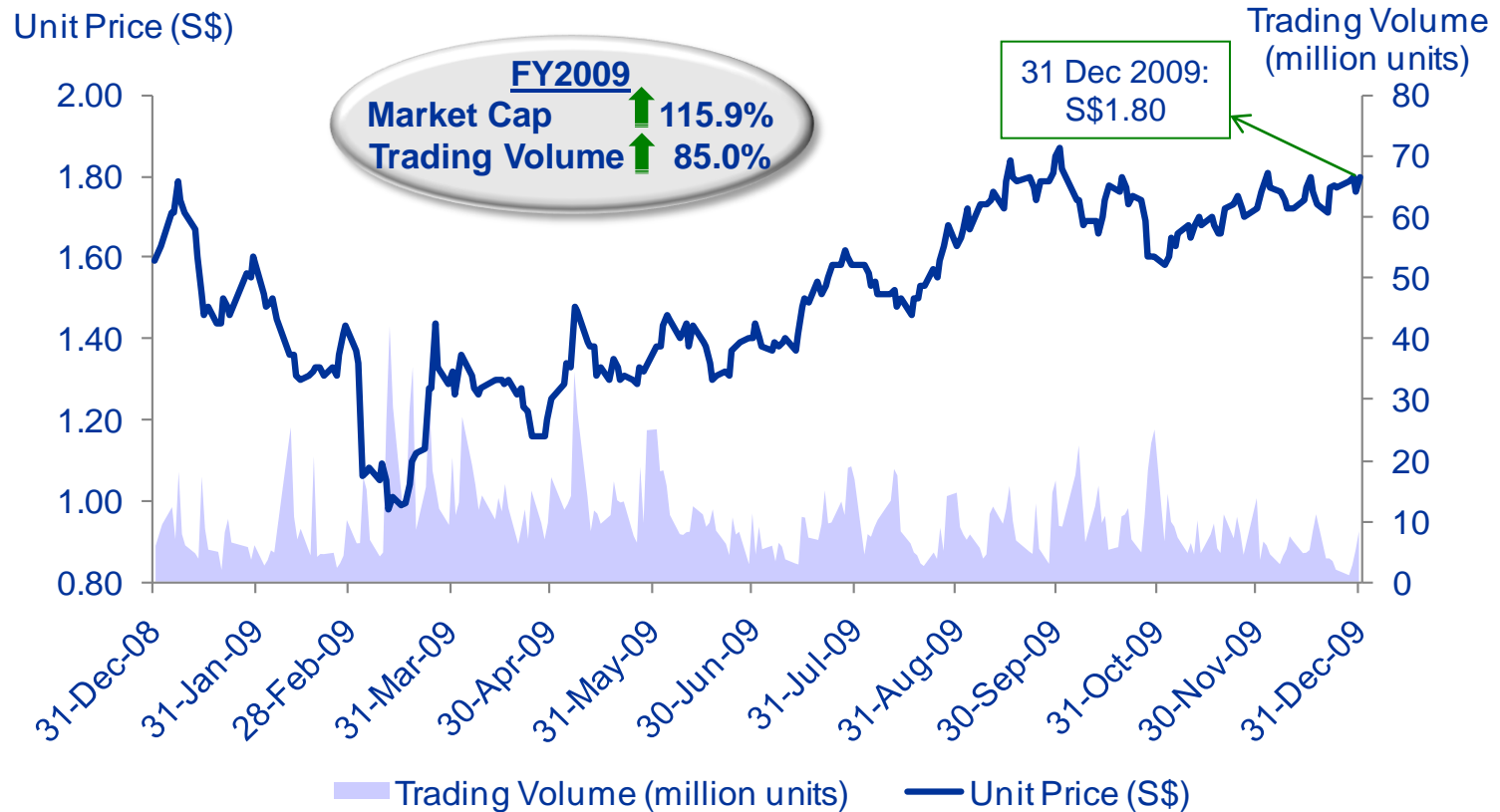
Strengthened balance sheet and  
enhanced financial flexibility

(1) TERP: Theoretical ex-rights price



# CMT Unit Price and Trading Volume 1 Jan 2009 to 31 Dec 2009

**Increase of 56.5% Compared to TERP<sup>(1)</sup> of S\$1.15**  
**Increase of 119.5% Compared to Rights Issue Price of S\$0.82**



Source: Bloomberg  
(1) TERP: Theoretical ex-rights price

# FY2009 Financial Review



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# Improved Financial Performance

**FY2009 Distributable Income Exceeds FY2008 by 18.3%**

	<b>FY2009</b>	<b>FY2008</b>	<b>Variance</b>	<b>Change</b>
<b>Net property income</b>	<b>S\$376.8m</b>	<b>S\$341.1m</b>	<b>S\$35.7m</b>	<b>10.4%</b>
<b>Distributable income</b>	<b>S\$282.0m</b>	<b>S\$238.4m</b>	<b>S\$43.6m</b>	<b>18.3%</b>
<b>Distribution per unit (DPU)</b>	<b>8.85¢</b>	<b>7.52¢<sup>(1)</sup></b>	<b>1.33¢</b>	<b>17.7%</b>
<b>Distribution yield</b> (Based on closing unit price of S\$1.82 on 13 April 2010)	<b>4.86%</b>	<b>4.13%</b>	<b>0.73%</b>	<b>17.7%</b>

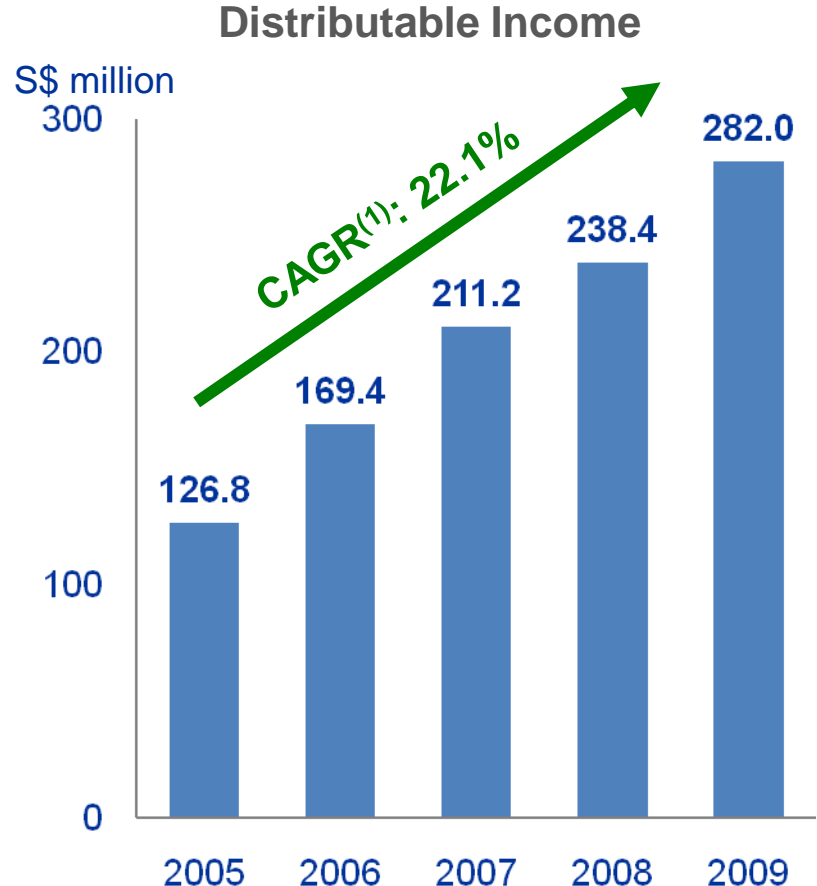
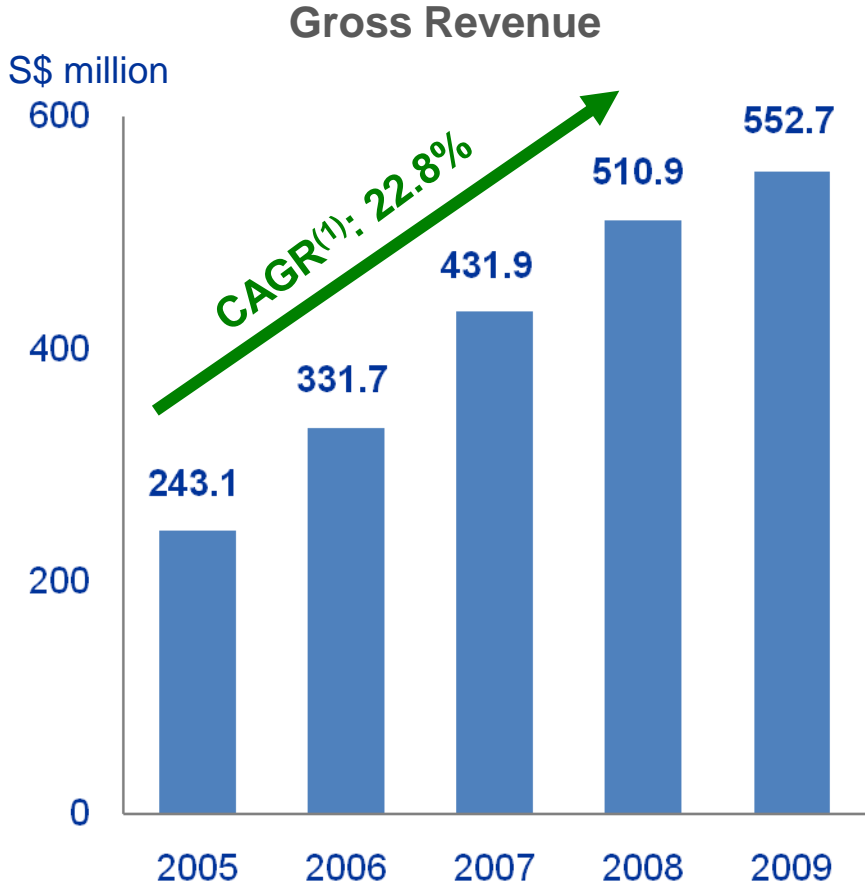
(1) For information only, the figures have been restated with the effects of Rights Issue and are computed based on the issued Units at end of period plus 1,502,358,923 Rights Units issued pursuant to the Rights Issue.





# Robust Financial Position

**Solid Financial Performance  
Over Time and Across Economic Cycles**

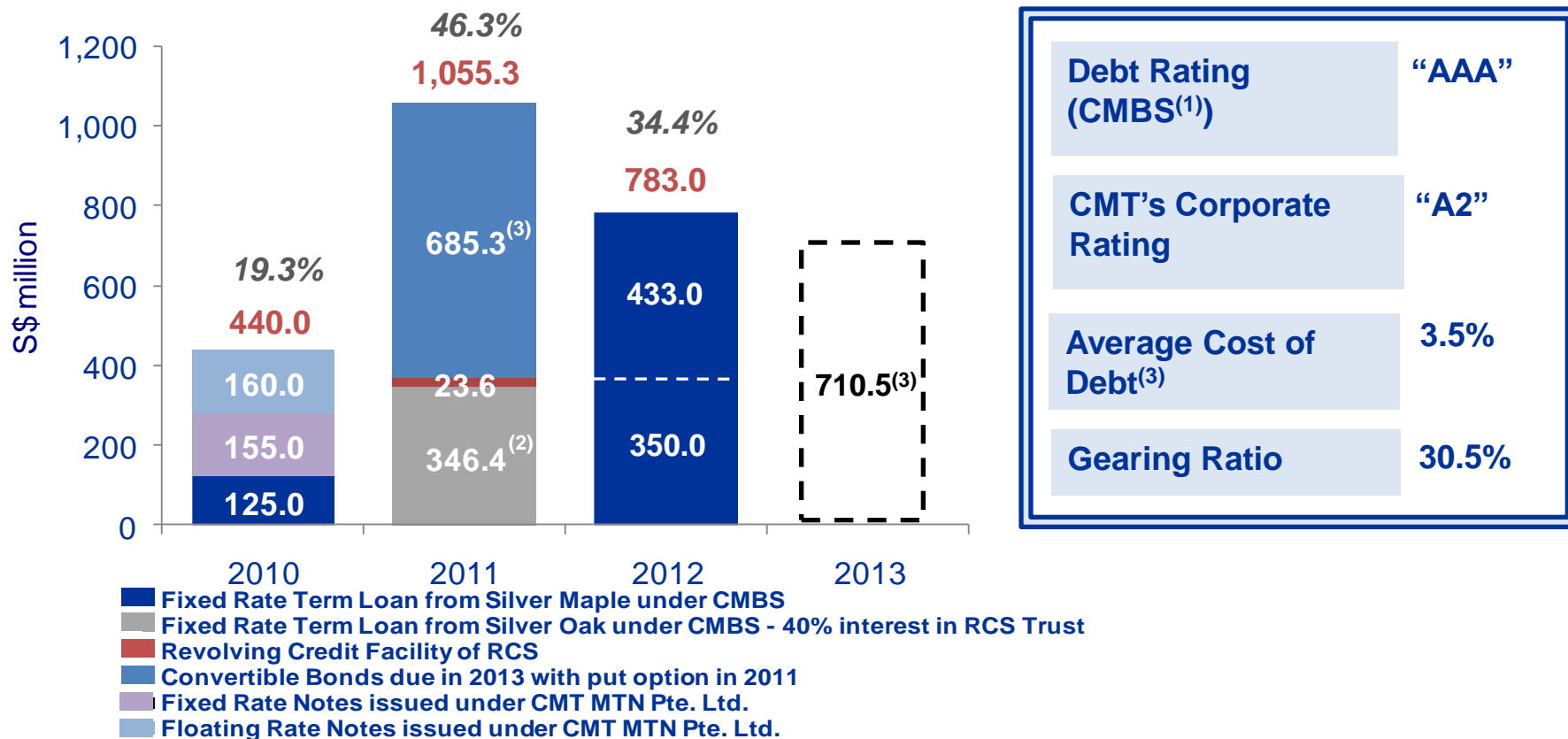


(1) CAGR: Compound average growth rate



# Debt Maturity Profile as at 31 Dec 2009

Extend Debt Tenor, Diversify Sources of Funding  
and More Unsecured Borrowings



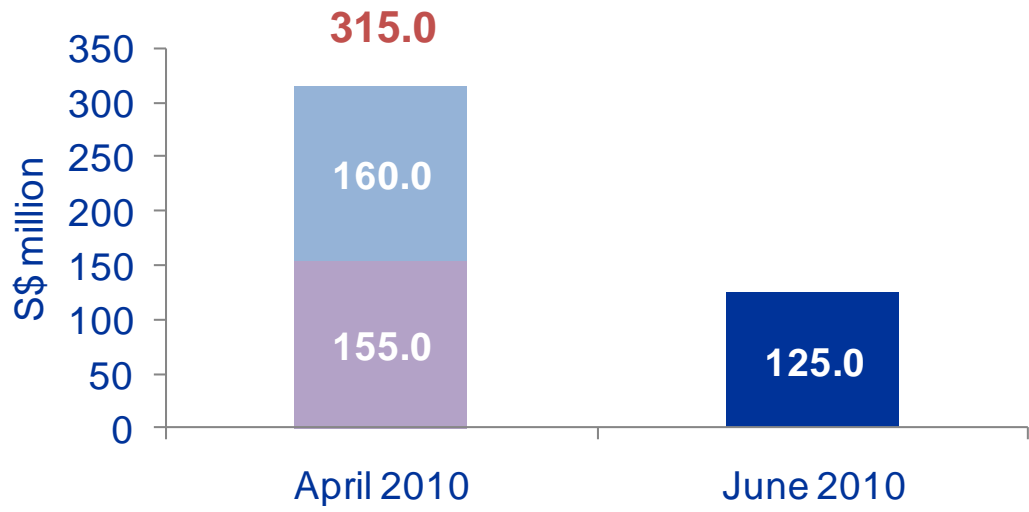
- (1) CMBS means Commercial Mortgage Backed Security.
- (2) CMT's 40% share of CMBS debt taken at RCS Trust level to part finance the Raffles City acquisition. Of the total CMBS of S\$866.0 million, S\$136.0 million (CMT's 40% share thereof is S\$54.4 million) is "AA" rated, the balance is "AAA" rated.
- (3) Includes S\$650.0 million Convertible Bonds (CB) with yield-to-maturity of 2.75%. The CB may be redeemed in whole or in part at the option of Bondholders on 2 July 2011 at 105.43% of the principal amount. The final redemption price upon maturity on 2 July 2013 is equal to 109.31% of the principal amount.



# Refinancing Due in 2010 Completed

**2010 Borrowings Refinanced at All-In Cost of Less than 4% p.a.**

- 5-year and 7-year MTN Notes of S\$200 million have been issued to partially refinance the borrowings due in 2010
- Issuance of US\$500 million 5-year MTN notes on 8 April 2010



■ Fixed Rate Notes issued under CMT MTN Pte. Ltd.  
■ Floating Rate Notes issued under CMT MTN Pte. Ltd.  
■ Fixed Rate Term Loan from Silver Maple under CMBS<sup>(1)</sup>

(1) CMBS: Commercial Mortgage Backed Security.

# FY2009 – Operations Review



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# Engaging Tenants

## Proactive Measures Taken to Help Tenants in a Difficult Year

- Full 40% property tax rebate for commercial landlords passed in full to CMT's tenants
- Worked proactively to help tenants survive the crisis:
  - Restructuring of leases, reviewing of space efficiency and marketing and promotional activities to drive sales at our malls
- Organised 5 *Biz+ Series* events
  - Talks, seminars and events that can improve and add value to tenants' businesses





# Close to 100% Occupancy Maintained Throughout 2009

	2002	2003	2004	2005	2006	2007	2008	2009
Tampines Mall	100.0%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Junction 8	100.0%	100.0%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%
Funan DigitaLife Mall	99.3%	99.3%	100.0%	99.4%	99.6%	99.7%	99.8%	99.3%
IMM Building <sup>(1)</sup>		98.5%	99.4%	99.0%	99.0%	99.9%	100.0%	99.7%
Plaza Singapura			100.0%	100.0%	100.0%	100.0%	99.8%	100.0%
Bugis Junction				100.0%	100.0%	100.0%	100.0%	100.0%
Others <sup>(2)</sup>				99.8%	100.0%	100.0%	100.0%	99.7%
Raffles City Singapore <sup>(1)</sup>					99.3%	100.0%	100.0%	100.0%
Lot One Shoppers' Mall						92.7% <sup>(3)</sup>	99.3%	99.9%
Bukit Panjang Plaza						99.9%	100.0%	99.8%
Rivervale Mall						100.0%	100.0%	100.0%
The Atrium@Orchard							98.0%	99.1%
<b>CMT Portfolio</b>	<b>99.8%</b>	<b>99.1%</b>	<b>99.8%</b>	<b>99.7%</b>	<b>99.5%</b>	<b>99.6%</b>	<b>99.7%</b>	<b>99.8%</b>

(1) Based on retail leases.

(2) Includes Hougang Plaza, Jurong Entertainment Centre (JEC) and Sembawang Shopping Centre (SSC). Years 2007 and 2008 exclude SSC which commenced major asset enhancement works in March 2007. Years 2008 and 2009 exclude JEC which has ceased operations for asset enhancement works.

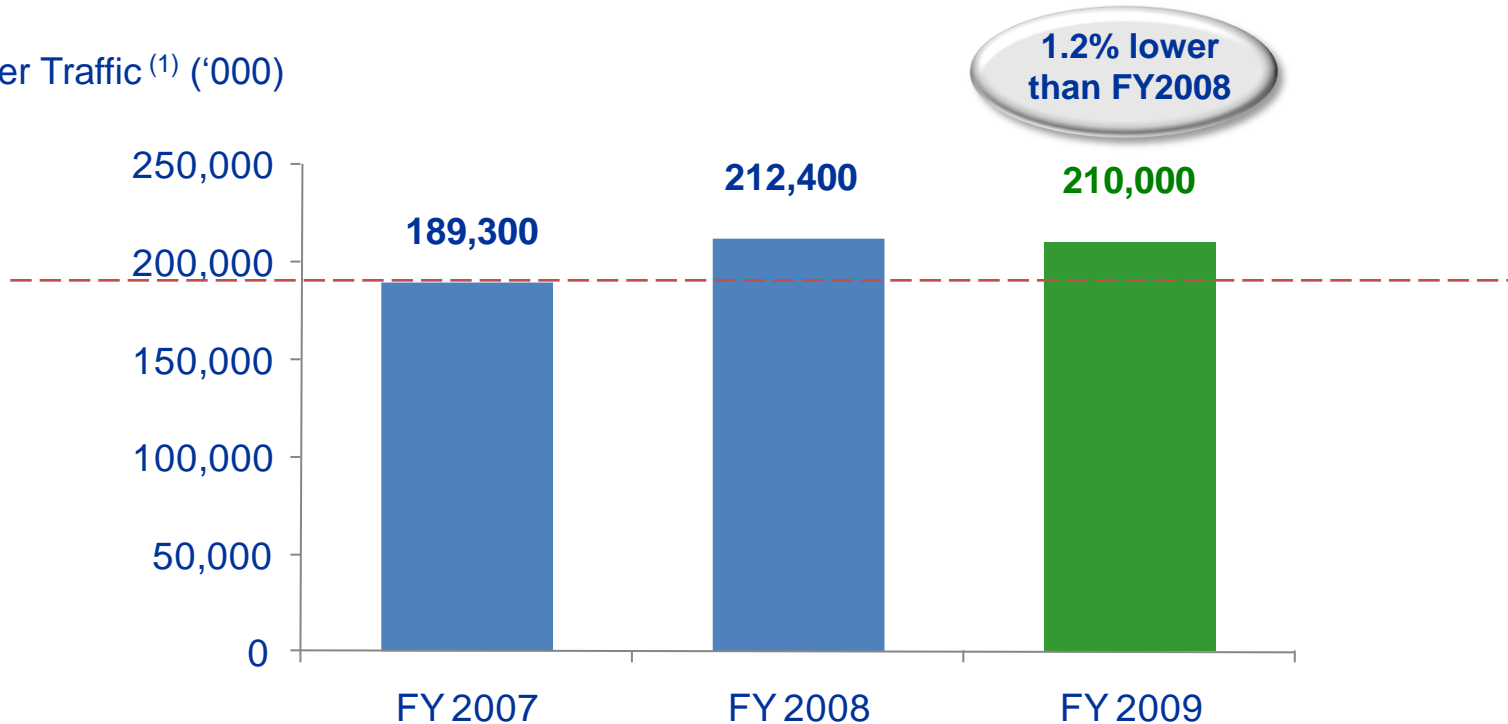
(3) Lower occupancy rate was due to asset enhancement works at Lot One Shoppers' Mall.



# Shopper Traffic Remained Strong in 2009

About 18 Million Shoppers Visit CMT's Malls Each Month

Shopper Traffic <sup>(1)</sup> ('000)



Source: CMTML

(1) For comparable basis, the chart includes the entire CMT's portfolio of malls, except Jurong Entertainment Centre which has ceased operations for asset enhancement works and the following for which traffic data was not available for the period: Hougang Plaza, Sembawang Shopping Centre and The Atrium@Orchard.





# Active Leasing Management

## Positive Renewals Achieved in Difficult Year

CMT Portfolio (Y/E Dec 31)	No. of Renewals / New Leases	Net Lettable Area		Increase in Current Rental Rates vs.	
		Area (Sq Ft)	% of Total NLA <sup>(1)</sup>	Forecast Rental Rates	Preceding Rental Rates <sup>(3)</sup> (typically committed 3 years ago)
2009	614	971,191	29.8	N.A. <sup>(2)</sup>	2.3%
2008	421	612,379	19.0	3.6%	9.6%
2007	385	806,163	25.6	5.8%	13.5%
2006	312	511,045	16.0	4.7%	8.3%
2005	189	401,263	23.2	6.8%	12.6%
2004	248	244,408	14.2	4.0%	7.3%
2003	325	350,743	15.6	6.2%	10.6%

(1) For IMM Building and Raffles City Singapore, only retail units were included into the analysis.

(2) Not applicable as there is no forecast for 2009.

(3) Preceding rental rate refers to rentals that were typically committed 3 years ago.



# Active Leasing Management

## Improving Renewal Rates Throughout 2009

CMT Portfolio (By Quarter) <sup>(1)</sup>	Number of Renewals/ New Leases	Net Lettable Area (Sq Ft)	Increase in Current Rental Rates vs Preceding Rental Rates (typically committed 3 years ago)
1Q 2009	125	169,233	1.3%
2Q 2009	197	223,728	1.6%
3Q 2009	163	209,554	2.3%
4Q 2009	129	368,676	3.4%
<b>FY2009</b>	<b>614</b>	<b>971,191</b>	<b>2.3%</b>

(1) Includes only retail leases, excluding The Atrium@Orchard and Jurong Entertainment Centre which has ceased operations for asset enhancement works.



# Active Leasing Management

**Gross Revenue Locked-in for FY2010 is About 77%<sup>(1)</sup>  
of FY2009 Gross Revenue**

## Portfolio Lease Expiry Profile<sup>(2)</sup>

As at 31 December 2009		Gross Rental Income for the month of December 2009	
Year of Expiry	Number of Leases	S\$'000	% of Total
2010	772	12,595	32.7
2011	635	10,014	26.0
2012	753	12,490	32.3
2013	103	1,957	5.1
2014 and beyond	28	1,485	3.9

(1) Based on actual revenue for FY2009 and revenue from committed leases (as at 31 December 2009) for the period 1 January 2010 to 31 December 2010. Assumptions: (i) The remaining leases due for renewal in 2010 are not renewed and left vacant; (ii) Includes CMT's 40% interest in Raffles City Singapore and (iii) Excludes Jurong Entertainment Centre (JEC) which has ceased operations for asset enhancement works.

(2) Includes CMT's 40% stake in Raffles City Singapore (office and retail components), Lot One Shoppers' Mall, Bukit Panjang Plaza and Rivervale Mall. Excludes JEC and units in Raffles City Singapore affected by asset enhancement works on Basement 1 and Basement 2 Link.



# Asset Enhancement Initiatives

## Enhancing Retail Space Productivity at Raffles City Singapore



- Reconfiguration of Basement 1 with incremental NLA of 4,105 sq ft
- New underground link at Basement 2 to provide connectivity between Esplanade and City Hall MRT Stations, with incremental NLA of 12,180 sq ft



### Value Creation

1	Capex	S\$33.2 million
2	Incremental Net Property Income	S\$2.7 million
3	Return on Investment	8.0%



To complete AEI by 4<sup>th</sup> quarter 2010



# Asset Enhancement Initiatives

## Creating a Unique Retail Offering with Jurong Entertainment Centre

### JURONG ENTERTAINMENT CENTRE

- Mall's net lettable area to double from 110,614 sq ft to 204,153 sq ft
- 24-hour through block link to allow longer operating hours for some tenants



### Value Creation

1	Capex	S\$200.3 million
2	Incremental Net Property Income	S\$16.1 million
3	Return on Investment	8.0%



To complete AEI by 1<sup>st</sup> quarter 2012



# Acquisition Track Record

## Growth Through Yield-Accretive Acquisitions

- IMM Building (S\$247 million)
- 27.2% stake in CapitaRetail Singapore (“CRS”)<sup>(1)</sup> (S\$58 million)
  - Lot One Shoppers’ Mall
  - Bukit Panjang Plaza (90 out of 91 strata lots)
  - Rivervale Mall
- Bugis Junction (S\$606 million<sup>(2)</sup>)
- Sembawang Shopping Centre (S\$78 million)
- Hougang Plaza<sup>(3)</sup> (S\$49 million)
- Jurong Entertainment Centre (S\$68 million)
- Remaining 72.8% stake in CRS<sup>(1)</sup> (S\$297 million)
  - Lot One Shoppers’ Mall
  - Bukit Panjang Plaza (90 out of 91 strata lots)
  - Rivervale Mall
- Clarke Quay<sup>(4)</sup> (S\$268 million)



### IPO

- Funan DigitalLife Mall
- Junction 8
- Tampines Mall
- Plaza Singapura (S\$710 million)
- 40.0% stake in Raffles City (S\$866 million)
- 20.0% stake in CapitaRetail China (S\$93 million)
- The Atrium@Orchard (S\$840 million)

(1) Through Class “E” bonds.  
 (2) Comprises purchase price of S\$581 million and a sum of S\$25 million paid to Seiyu (Singapore) Private Ltd (now known as BHG (Singapore) Pte. Ltd.) in respect to its surrender of 74,299 sq ft of net lettable area at Bugis Junction.  
 (3) 92.4% stake purchase; 100% of the strata area was acquired in June 2006.  
 (4) Subject to Unitholders’ approval.



# Market Review & Outlook



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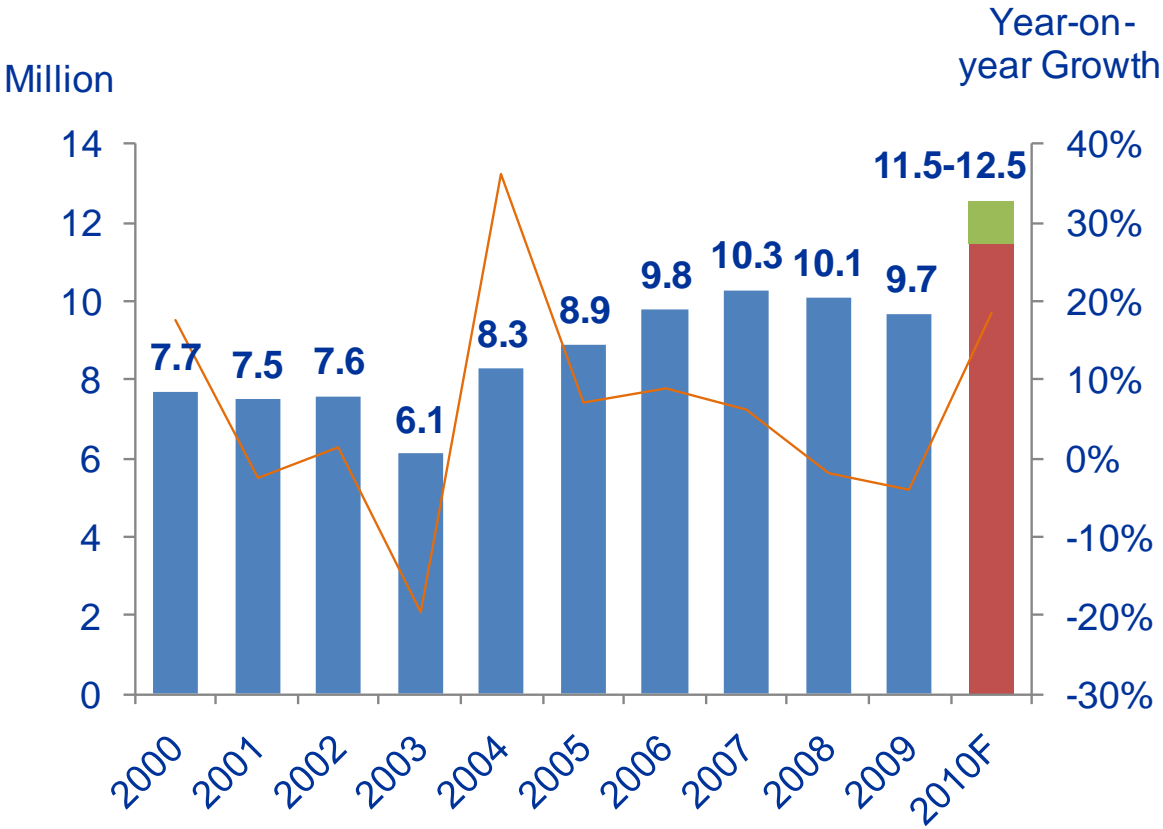




# Expected Pickup in Tourist Arrivals to Benefit Retail Sector

Expected Estimate of 12.5 Million Visitors in 2010 for Singapore

### Singapore Visitor Arrivals



Source: Singapore Tourism Board

### Tourist Attractions



*Integrated Resorts*



*Formula 1 Night Race*



*Youth Olympic Games*



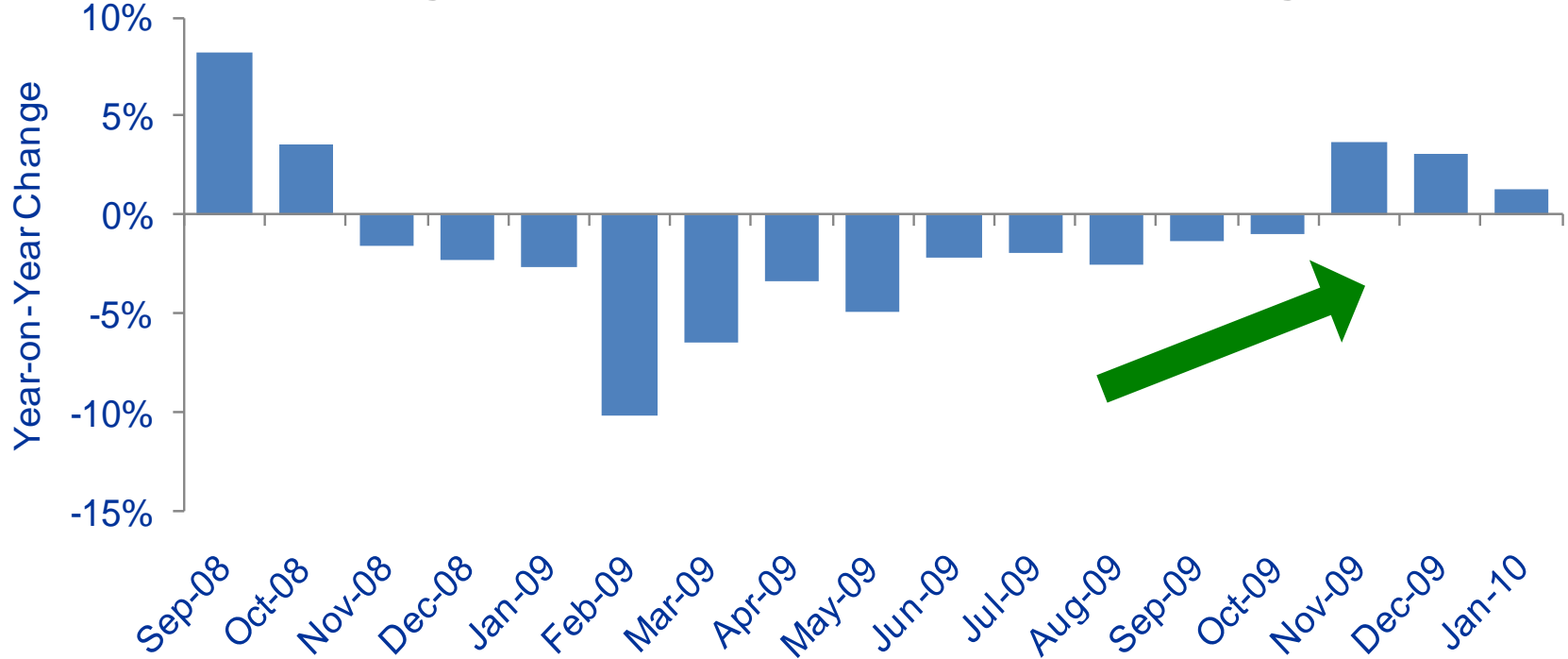


# Uptick in Consumer Sentiment

## Singapore Retail Sales (excluding motor vehicle sales, at current price)

- Month-on-month growth of 4.6% in Jan 2010 over Dec 2009
- Year-on-year growth of 1.3% in Jan 2010, the 3<sup>rd</sup> consecutive month of increase

### Singapore Retail Sales Index Year-on-Year Change



Source: Singapore Department of Statistics



# Outlook

## Resilient FY2009 performance

- Distributable income grew by 18.3% year-on-year
- Positive rental reversions and strong portfolio occupancy achieved despite a difficult year

## More optimistic market outlook

- Global economic recovery
- Uptick in consumer sentiment
- Recent uptrend of retail sales index bodes well for retail market

## Initiatives to sustain growth

- Active leasing management
- Embark on asset enhancement works for JEC and Raffles City Singapore
- Explore opportunities for yield-accretive acquisitions
- Prudent capital management; extend debt maturities, diversify sources of funding and increase unsecured debt



# Thank You