

NEWS RELEASE

CRCT's FY 2017 net property income increases 9.1%
***Acquisition of Rock Square will serve as a significant
growth driver going forward***

Singapore, 31 January 2018 – CapitaLand Retail China Trust Management Limited (CRCTML), the manager of CapitaLand Retail China Trust (CRCT), announced today that its registered net property income (NPI) of RMB730.6 million for the period 1 January 2017 to 31 December 2017 (FY 2017), 9.1% higher than the RMB669.8 million for the same period last year (FY 2016). The increase was driven mainly by the first full-year contribution from CapitaMall Xinnan, which was acquired on 30 September 2016, and rental growth from the other multi-tenanted malls.

In SGD terms, distributable income for FY 2017 grew 5.1% to S\$91.1 million. Total distribution per unit (DPU) for FY 2017 was 10.10 cents, 0.5% higher than FY 2016. Based on CRCT's closing price of S\$1.69 on 30 January 2018, the distribution yield for FY 2017 was 6.0%.

For the period 1 October to 31 December 2017 (4Q 2017), NPI was RMB161.4 million. In SGD terms, distributable income was S\$22.0 million. Including the advanced DPU of 1.54 cents paid on 21 December 2017 for the period 1 October 2017 to 6 December 2017, Unitholders will receive a total DPU of 2.37 cents for 4Q 2017. The balance DPU for the quarter of 0.83 cents will be paid out on 23 February 2018. The book closure date is 8 February 2018.

Mr Soh Kim Soon, Chairman of CRCTML, said: "In 2017, China's economy performed better than expected and consumption remains a key economic growth driver. We are positive that CRCT's portfolio of family-oriented shopping malls is well-placed to tap China's sustainable growth, rising disposable income and increasing consumer spend."

Mr Tan Tze Wooi, CEO of CRCTML, said: "CRCT has delivered a good set of results for FY 2017. This was underpinned by the contribution of CapitaMall Xinnan and the resilience of our core multi-tenanted malls, which have been keeping up with the changing needs of the population catchments through active lease management and keen shopper engagement."

"In the year, we strengthened the quality of our portfolio through our portfolio reconstitution strategy. We unlocked the value of master-leased CapitaMall Anzhen and acquired multi-tenanted Rock Square in Guangzhou, which has a longer balance tenure and stronger growth potential. The acquisition marks our diversification into another first-tier city, and creates new leasing synergies with the existing malls in our portfolio. Going forward, we expect Rock Square to be a significant driver of CRCT's growth. We are also making good progress in transforming the recovered space at CapitaMall Wangjing into higher-yielding specialty stores. Retailers have shown keen interest to showcase new and unique experiential retail concepts

at the recovered space, which is already more than 90% committed and on track to open progressively from 2Q 2018.”

“We remain focused in driving organic growth and extracting operational efficiencies through our proactive asset management approach. This is achieved through ongoing tenant mix adjustments and improved retail offerings and shopping environment to enhance the shopping experience. Looking ahead, we will continue to adopt a disciplined capital management approach and actively seek acquisition opportunities to create more value for Unitholders.”

Summary of CRCT results^{1,2}

Periods: 1 October to 31 December (4Q) and 1 January to 31 December (FY)

	4Q 2017	4Q 2016	Change %	FY 2017	FY 2016	Change %
	Actual S\$'000	Actual S\$'000		Actual S\$'000	Actual S\$'000	
Gross revenue ³	54,107	56,696	(4.6)	229,190	214,372	6.9
Net property income ³	32,987	34,779	(5.2)	149,212	139,738	6.8
Distributable amount to Unitholders	22,035 ⁴	20,623	6.8	91,136 ⁴	86,732	5.1
Distribution Per Unit (“DPU”) (cents)						
For the period	2.37 ^{4,5}	2.37	-	10.10 ^{4,5}	10.05	0.5
Annualised	9.40	9.43	(0.3)	10.10	10.05	0.5

	4Q 2017	4Q 2016	Change %	FY 2017	FY 2016	Change %
	Actual RMB'000	Actual RMB'000		Actual RMB'000	Actual RMB'000	
Gross revenue	264,810	275,420	(3.9)	1,122,164	1,027,473	9.2
Net property income	161,441	169,145	(4.6)	730,567	669,759	9.1

	1 Jan 2017 to 6 Dec 2017 ⁶	7 Dec 2017 to 31 Dec 2017	FY2017
	Actual S\$'000	Actual S\$'000	Actual S\$'000
Gross revenue ³	214,739	14,451	229,190
Net property income ³	140,220	8,992	149,212
Distributable amount to Unitholders	83,025	8,111 ⁴	91,136 ⁴
Distribution Per Unit (“DPU”) (cents)			
For the period	9.27	0.83 ⁴	10.10 ⁴

Footnotes:

- The financial results include contribution from CapitaMall Xinnan which was acquired on 30 September 2016.
- The financial results exclude CapitaMall Anzhen with effect from 1 July 2017 following the announcement on 27 July 2017 of the disposal of equity interest in CapitaRetail Beijing Anzhen Real Estate Co., Ltd (“Anzhen SPV”) which held CapitaMall Anzhen.
- Average exchange rate for RMB/SGD

4Q 2017	4Q 2016	Change %	FY 2017	FY 2016	Change %
0.204	0.206	(1.0)	0.204	0.209	(2.4)
- Includes partial distribution of the gain from the disposal of Anzhen SPV.
- The DPU includes 1.54 cents per unit for the period 1 October 2017 to 6 December 2017, calculated based on 901,833,901 Units and 0.83 cents per unit for the period from 7 December 2017 to 31 December 2017, calculated based on 966,225,901 Units after the private placement.
- Up to the period before the issuance of Units from private placement.

Revenue and net property income

In RMB terms

Gross revenue for FY 2017 increased by RMB94.7 million, or 9.2% over FY 2016. This was mainly due to the boost by the full-year contribution from CapitaMall Xinnan and rental growth from the other multi-tenanted malls. This was partially offset by lower revenue from CapitaMall Qibao and CapitaMall Wuhu, and the divestment of CapitaMall Anzhen with effect from 1 July 2017.

In SGD terms

Gross revenue increased by S\$14.8 million or 6.9%. The increase in SGD terms was lower due to the stronger SGD against RMB.

About CapitaLand Retail China Trust (www.crct.com.sg)

CRCT is the first China shopping mall Real Estate Investment Trust (REIT) in Singapore, with a portfolio of 10 income-producing shopping malls. Listed on the Singapore Exchange Securities Trading Limited on 8 December 2006, it is established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate used primarily for retail purposes and located primarily in China, Hong Kong and Macau.

The geographically diversified portfolio of quality shopping malls is located in seven of China's cities. The properties are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon and CapitaMall Shuangjing in Beijing; CapitaMall Xinnan in Chengdu, Sichuan Province; CapitaMall Qibao in Shanghai; CapitaMall Minzhongleyuan in Wuhan, Hubei Province; CapitaMall Erqi in Zhengzhou, Henan Province; CapitaMall Saihan in Hohhot, Inner Mongolia; and CapitaMall Wuhu in Wuhu, Anhui Province. As at 31 December 2017, the total asset size of CRCT is approximately S\$2.7 billion.

All the malls in the portfolio are positioned as one-stop family-oriented shopping, dining and entertainment destinations for the sizeable population catchment areas in which they are located, and are accessible via major transportation routes or access points. A significant portion of the properties' tenancies consists of major international and domestic retailers such as Beijing Hualian Group (BHG), Carrefour and Wal-Mart under master leases or long-term leases, which provide CRCT's unitholders with stable and sustainable returns. The anchor tenants are complemented by popular specialty brands such as Häagen-Dazs, innisfree, KFC, Nanjing Impressions, Nike, Pandora, Sephora, Starbucks, UNIQLO, Watsons and ZARA.

CRCT is managed by an external manager, CapitaLand Retail China Trust Management Limited, which is an indirect wholly-owned subsidiary of CapitaLand Limited, one of Asia's largest real estate companies headquartered and listed in Singapore.

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