

General Announcement::Quill Capita Trust Annual General Meeting Presentation Slides dated 30 April 2014

Issuer & Securities

Issuer/ Manager	CAPITACOMMERCIAL TRUST MANAGEMENT LIMITED
Securities	CAPITACOMMERCIAL TRUST - SG1P32918333 - C61U

Announcement Details

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Submitted By (Co./ Ind. Name)	Doris Lai
Designation	Company Secretary, CapitaCommercial Trust Management Limited (As manager of CapitaCommercial Trust)
Description (Please provide a detailed description of the event in the box below)	The attached presentation slides issued by Quill Capita Management Sdn Bhd, as manager of Quill Capita Trust, to the Bursa Malaysia Securities Berhad, are for information.
Attachments	QCT Corporation Presentation AGM 30 April 2014.pdf Total size =3072K

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General Announcement

Form Version 8.2 (Enhanced)

Submitted

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Submitted by QUILL CAPITA TRUST on 30/04/2014 05:00:55 PM

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Company Information	
Main Market Company	
New Announcement	
Submitting Investment Bank/Advisor (if applicable)	
Submitting Secretarial Firm (if applicable)	
* Company name	QUILL CAPITA TRUST
* Stock name	QCAPITA
* Stock code	5123
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Type * Announcement

Subject * OTHERS
(Note : INFORMATION ENTERED IN THE DESCRIPTION FIELD WILL BE DISPLAYED AS THE TITLE OF THE ANNOUNCEMENT IN BURSA MALAYSIA'S WEBSITE)Description *:-

(Note : Please enter the announcement description in this field and the announcement details in the Announcement Details/Table Section or attach the full announcement details as an attachment)

Quill Capita Trust - Annual General Meeting Presentation Slides

Announcement Details/Table Section :-

(This field is for the details of the announcement, if applicable)

Annual General Meeting presentation slides dated 30 April 2014 are attached for reference.

Attachment(s):- (please attach the attachments here)[Corporation Presentation - AGM 30.4.2014 \(final\).pdf](#)



Quill Capita Trust

2nd Annual General Meeting Presentation

30 April 2014

Important Notice

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in QCT. The past performance of QCT is not necessarily indicative of the future performance of QCT.

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 limitations) 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 and occupancy, 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 the manager's current view of future events.

The value of units in QCT (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. Investors have no right to request the manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the Main Board of Bursa Malaysia Securities Berhad. Listing of the Units on the Bursa Securities does not guarantee a liquid market for the Units.

The information in this Announcement must not be published outside Malaysia.

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Financial Highlights

- Financial Year Ended 31 December 2013



Quill Building 5 - IBM

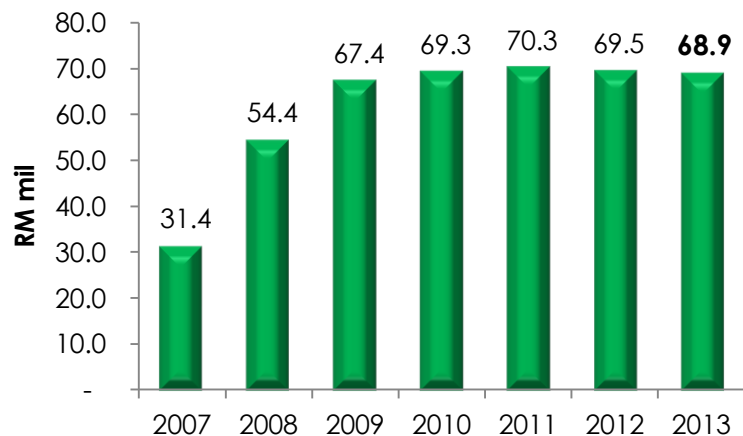
Stable FY 2013 DPU of 8.38 sen

(RM'000)	(Audited) FY 2012	(Audited) FY 2013	Variance
Gross Revenue	69,490	68,937	-0.8%
Net Property Income	54,207	53,193	-1.9%
Total Income for Distribution ¹	34,460	34,537	0.2%
EPU ²	8.83 sen	8.85 sen	0.2%
DPU ³	8.38 sen	8.38 sen	0%

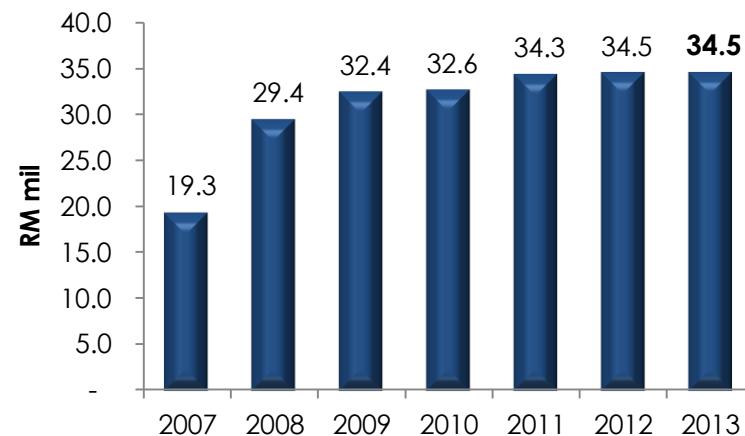
- 1 Total Income for Distributions refers to realised income after taxation (exclude gain from re-measurement of derivatives and revaluation surplus)
- 2 EPU refers to Realised Earnings Per Unit
- 3 DPU refers to Distribution Per Unit. DPU of 8.38 sen is 94.9% of realised EPU of 8.83 sen for FY 2012 and DPU of 8.38 sen is 94.7% of realised EPU of 8.85 sen for FY 2013

Delivering Solid Financial Performance Over The Years

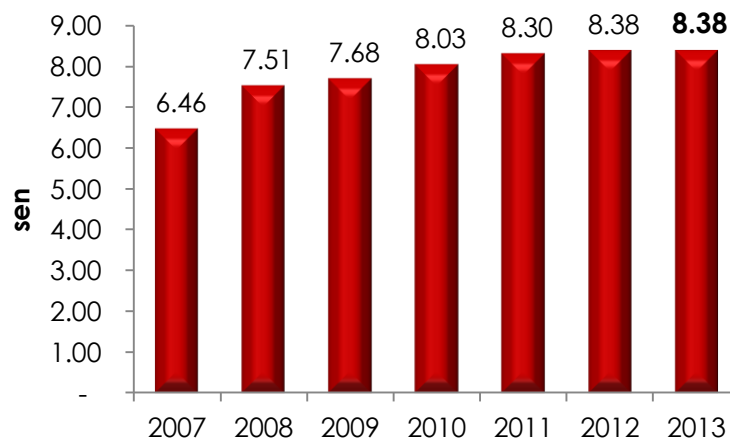
Gross Revenue CAGR⁽¹⁾: 12%



Distributable Income CAGR⁽¹⁾: 9%



Distribution Per Unit CAGR⁽¹⁾: 4%



Note:
(1) CAGR – Compound Annual Growth Rate

Total Assets – RM860.12 million

NAV per unit – RM1.3246 Increased by 0.9%

	FY2012 (RM'000)	FY2013 (RM'000)
Non Current Assets	820,517	826,592
Current Assets	39,697	33,528
Total Assets	860,214	860,120
Current Liabilities	136,654	17,016
Non Current Liabilities	194,711	309,644
Net Assets	528,849	533,460
No of Units	390,131	390,131
NAV per Unit (RM) <i>(after proposed final distribution)</i>	1.3128	1.3246

▲ 0.9%

Stable Financial Indicators

	FY2012	FY2013	
Total Debts (RM'000)	305,481	304,887	Improved
Gearing Ratio ¹	0.36x	0.35x	Improved
Net Debt / EBITDA ²	6.02x	5.68x	Stable
Interest Coverage ³	3.64x	3.64x	Stable
Average Term to Maturity (year) ⁴	2.54	3.61	Improved
Average Cost of Debt (p.a) ⁵	4.3%	4.3%	Stable

Notes:

1. Gearing ratio refers to Gross Debt over Total Assets.
2. EBITDA refers to Earnings before Interest Taxation Depreciation and Amortization
3. Interest coverage refers to year to date (YTD) EBITDA / YTD Interest Expense
4. Average Term to Maturity means weighted average time lapse to maturity
5. Average Cost of Debt is calculated based on YTD Interest Expense / Average Weighted Borrowing

Prudent Capital Management



Prudent Capital Management

- ✓ Completed refinancing for 2013
- ✓ No major refinancing until in September 2016
- ✓ Average debt to maturity extended to 3.6 years

Borrowing on fixed rate

100%

Total borrowings: RM307m

QCT's interest rate exposure has been 100% fixed since 4Q 2011.

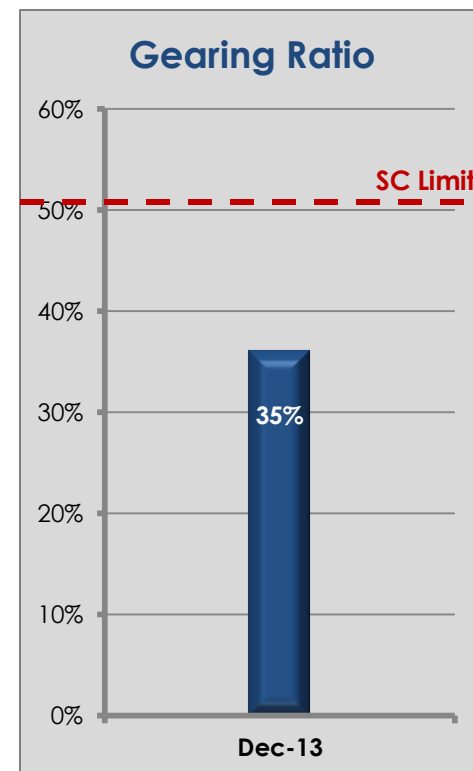
Average cost of debt

4.3%

Gearing level

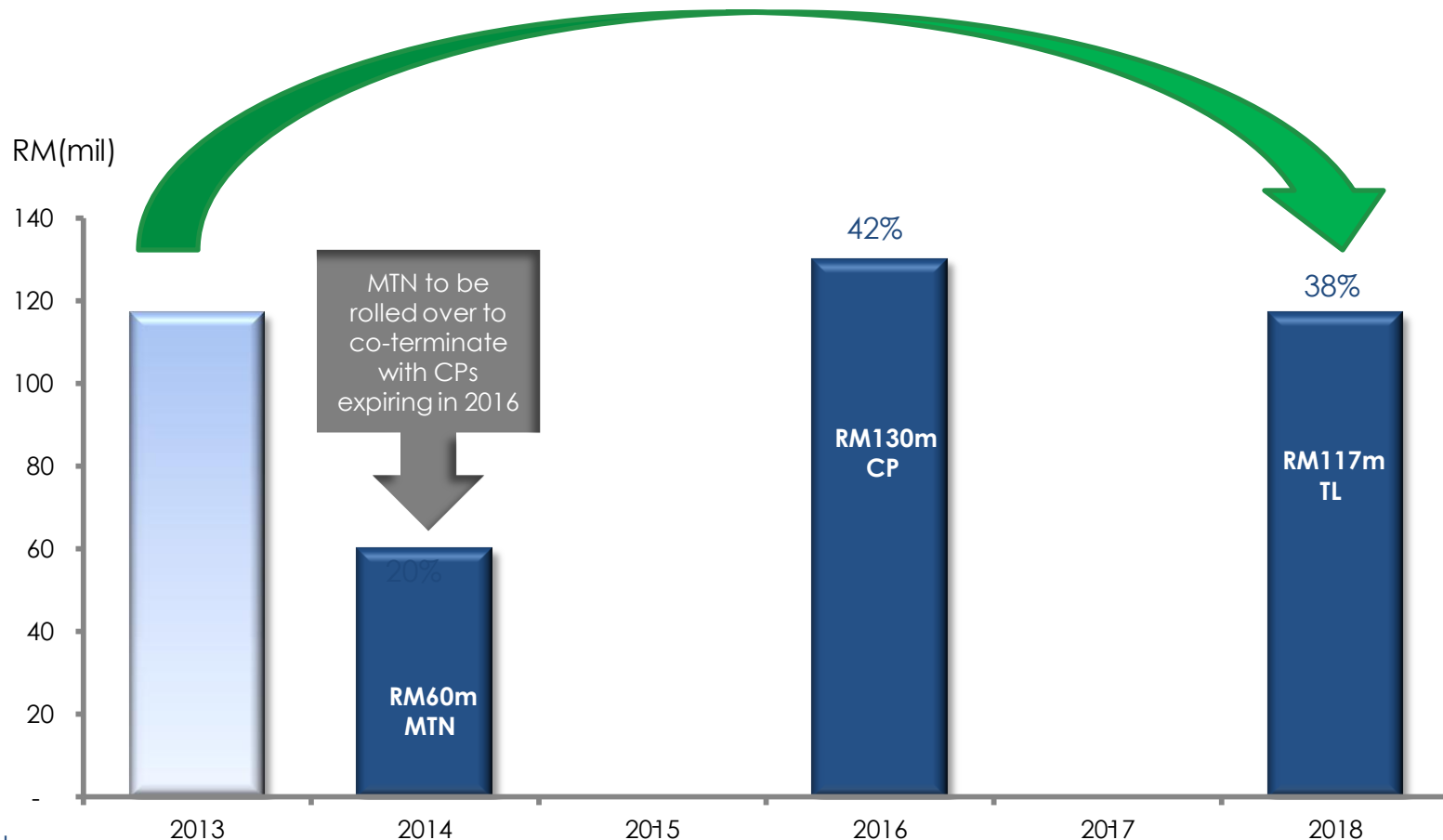
35%

Gearing level well below SC limit of 50%



Well Spread Debt Maturity Profile

Next Refinancing Due in September 2016
Average debt to maturity extended to 3.6 years



Notes:

1. MTN - Medium Term Notes
2. CP - Commercial Papers
3. TL - Term Loan

QCT Portfolio Update



Quill Building 3 - BMW

QCT Portfolio Update

Market Valuations As at 31 December 2013

Name of Properties	Net Book Value as at 31 Dec 2013 ^(a) (prior to Proposed Revaluation) (RM'000)	Market Valuation at as 31 Dec 2013 ^(b) (RM'000)	Surplus / (Deficit) incorporated into fund (RM'000)	% increase / (decrease)
Quill Building 1- DHL1 & Quill Building 4- DHL 2	125,000	125,000	-	-
Quill Building 2- HSBC	118,814	119,000	186	0.16%
Quill Building 3- BMW	73,028	73,060	32	0.04%
Wisma Technip	159,772	161,100	1,328	0.83%
Part of Plaza Mont' Kiara	110,000	110,000	-	-
Quill Building 5 – IBM	45,185	45,200	15	0.03%
Quill Building 8 – DHL (XPJ)	26,153	26,200	47	0.18%
Quill Building 10 – HSBC Section 13	26,500	26,500	-	-
Tesco Building, Penang	139,000	139,500	500	0.36%
Total	823,452	825,560	2,108	0.26%

(a) The Net Book Value of investment properties as at 31 December 2013 (prior to the Proposed Revaluation) comprise of the brought forward net book value as at 31 December 2012 together with asset enhancement related costs incurred during the year of RM2.95 million.

(b) The Properties were valued by Henry Butcher Malaysia Sdn Bhd, an independent firm of professional valuer, registered with the Board of Valuers, Appraisers & Estate Agents Malaysia.

QCT Portfolio Update

Resilient Performance of QCT Portfolio with 92% Average Occupancy Rate

NLA Renewal in 2013

29%

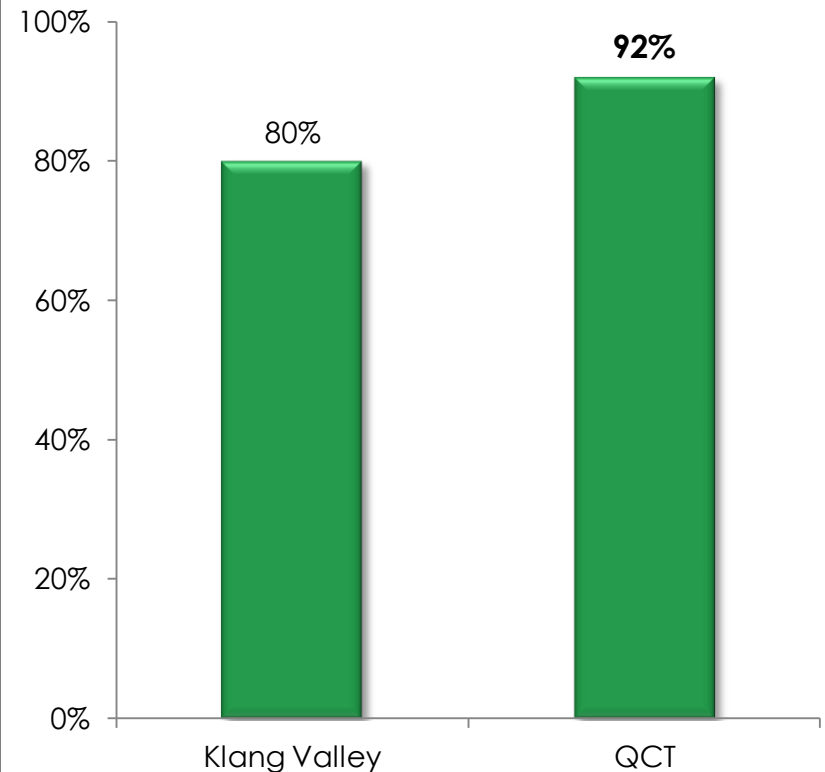
Of total leased NLA

Renewed

98%

Average Portfolio Rental Reversion

2%



Source:

Jones Lang Wootton, *The Malaysian Quarterly – Klang Valley*, 4Q 2013

Asset Management Strategies

Proactive Asset Management:

- ✓ Proactive tenant engagement for renewals
- ✓ Renewal ahead of lease expiry dates
- ✓ Spread out of tenancy expiry
- ✓ Regular communication with key strategic tenants
- ✓ Improve and maintain the quality of the properties

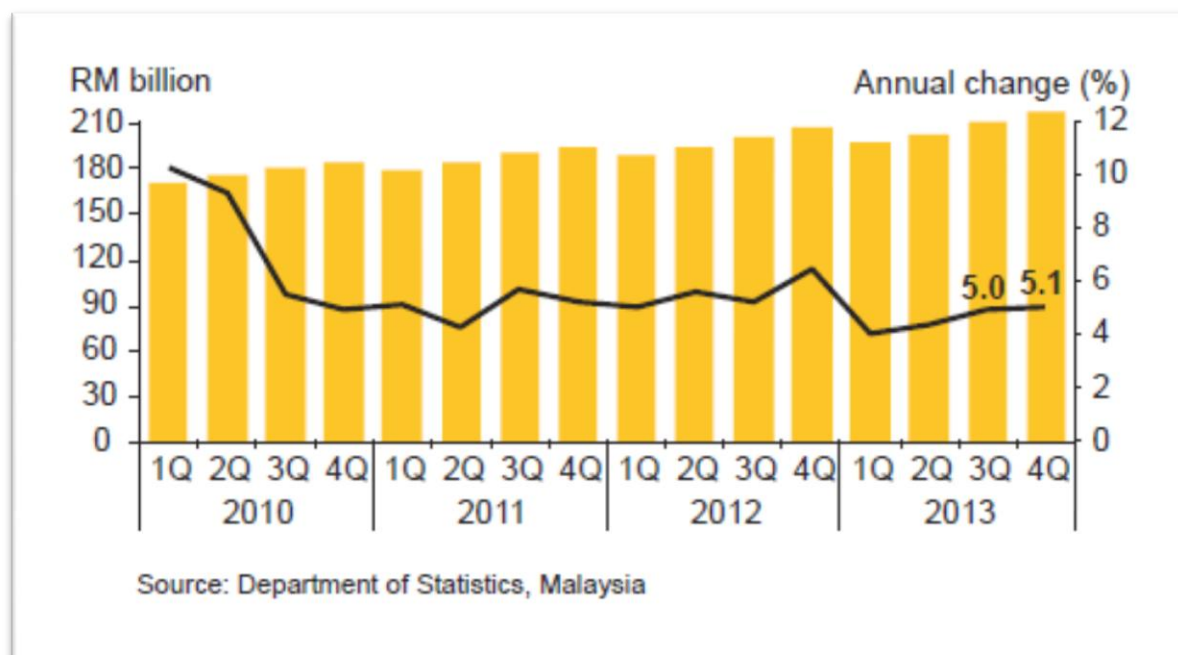
Malaysian Economy



Malaysian Economy Remains Resilient

Malaysia economy expanded by 5.1% y-o-y in 4Q 2013.
For the full year of 2013, the economy grew by 4.7%

Malaysia GDP(Quarterly)



	2014 target growth
Official forecast	4.5% - 5.5%
Consensus forecast	5.0%



Office Market Outlook

- Office market remains stable for Klang Valley
- Good grade dual compliant (MSC + GBI) buildings is expected to continue to be in demand
- Continued pressure on rental rates and occupancy rates
- Proactive measures by landlord to offer attractive incentives to retain existing tenants and attract new ones
- Concerted efforts by the Government via InvestKL to attract MNCs to set up their regional hubs in Kuala Lumpur are expected to help cushion the high level of office supply

Source: Knight Frank Real Estate Highlights – 1H & 2H 2013

Proposed Acquisition of Platinum Sentral



Quill Building 3 - BMW

Proposed Acquisition of Platinum Sentral

Platinum Sentral



Proposed Acquisition of Platinum Sentral

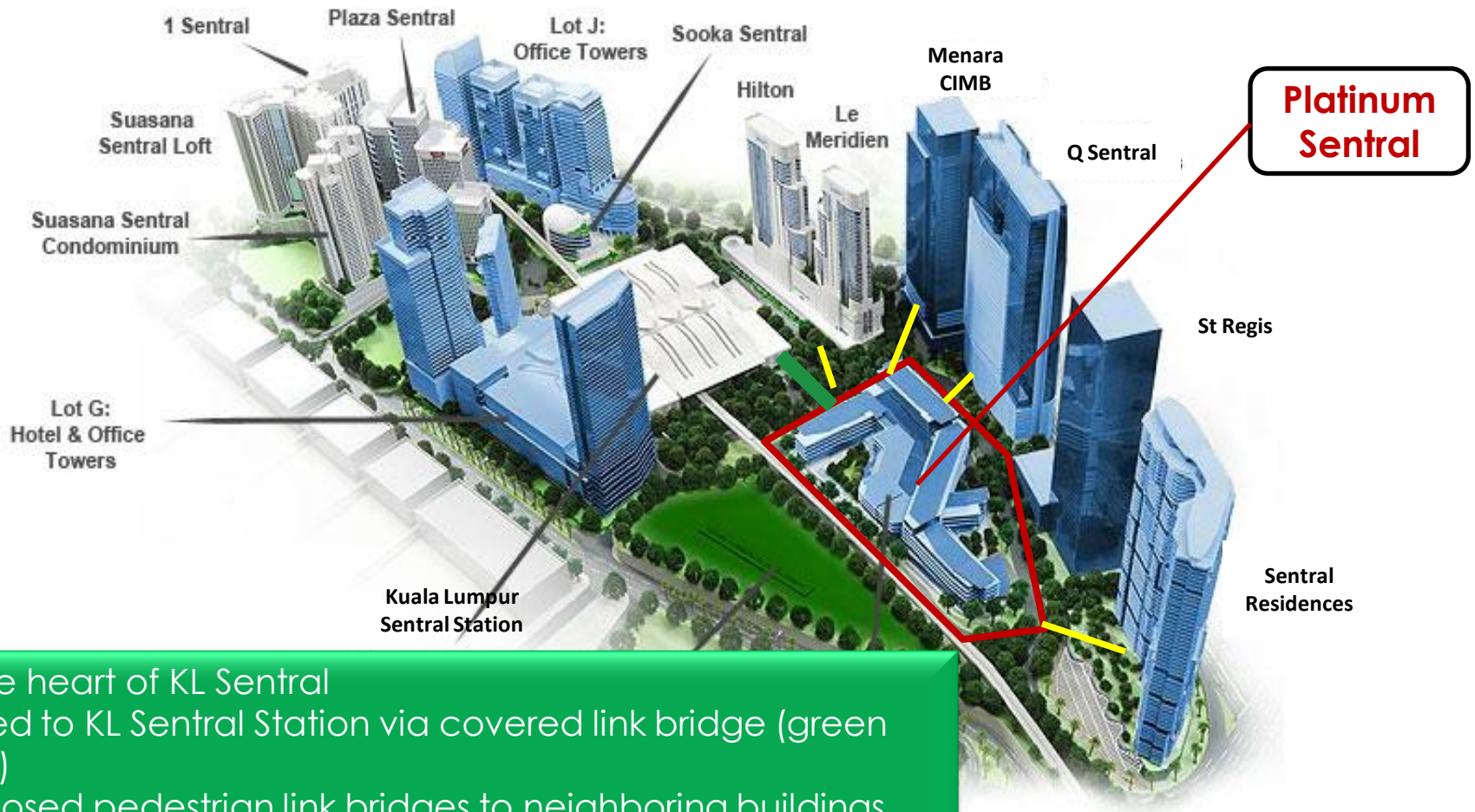
On 10 April 2014, QCT signed the Conditional Sales & Purchase Agreement with MRCB Properties Sdn Bhd to acquire Platinum Sentral for RM750.0 million

Description	5 blocks of 4 to 7 storey commercial building comprising office-cum retail space, a multi-purpose hall and 2 levels of car park together with 637 car park bays located within KL Sentral
Commencement of Operation	November 2011
Land Tenure	Freehold
NLA	475,857sf Office – 419,643 sf (88%) & Retail – 56,214 sf (12%)
Occupancy	97% (Office -100% , Retail – 77%)
Major tenant	▪ Small and Medium Enterprises Corporation Malaysia ▪ SBM Malaysia Sdn Bhd ▪ Suruhanjaya Pengangkutan Awam Darat ▪ The ICLIF Leadership and Governance Centre ▪ Lynas Malaysia Sdn Bhd



Proposed Acquisition of Platinum Sentral

Property Details - Location



- In the heart of KL Sentral
- Linked to KL Sentral Station via covered link bridge (green icon)
- Proposed pedestrian link bridges to neighboring buildings (yellow icons)

Proposed Acquisition of Platinum Sentral

Rationale for Acquisition :

In line with Investment Objective to Acquire Quality Assets

Location

Strategically located in the heart of KL Sentral

Excellent connectively



Green Mark Platinum (Provisional)

Reinforces QCT's profile as a commercial REIT with high quality specification buildings



Enhance QCT's Portfolio Profile

Office spaces leased to various reputable government-linked and multinational tenants, with long leases

High Occupancy

97%

Improved Earnings & Distribution Per Unit ("DPU")

A DPU accretive asset that generates stable and growing income stream

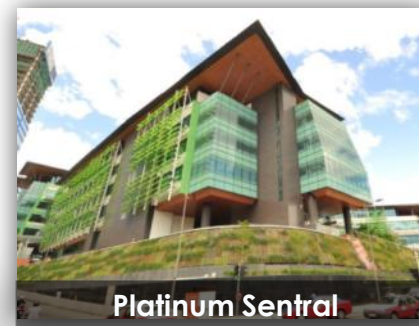


QCT's investment strategy :

To acquire and invest primarily in commercial properties primarily in Malaysia with a view to provide long-term growth and sustainable distribution of income to unitholders and to achieve long-term growth in the NAV per unit of QCT

Proposed Acquisition of Platinum Sentral

Rationale for Acquisition :
Strengthen QCT's position among the REITs in Malaysia



Portfolio Details			
	Existing Portfolio	Platinum Sentral	Enlarged Portfolio
NLA (sq ft)	1.28m	0.48m	1.76m
Valuation (RM)	825.56m ²	750.0m ³	1,575.56m
Occupancy ¹	92%	97%	93%
Total Asset (RM)	860.12 ⁴	750.0m	1,610.12m

¹ NLA and occupancy for existing portfolio are as at December 2013. NLA and occupancy for Platinum Sentral is at March 2014.

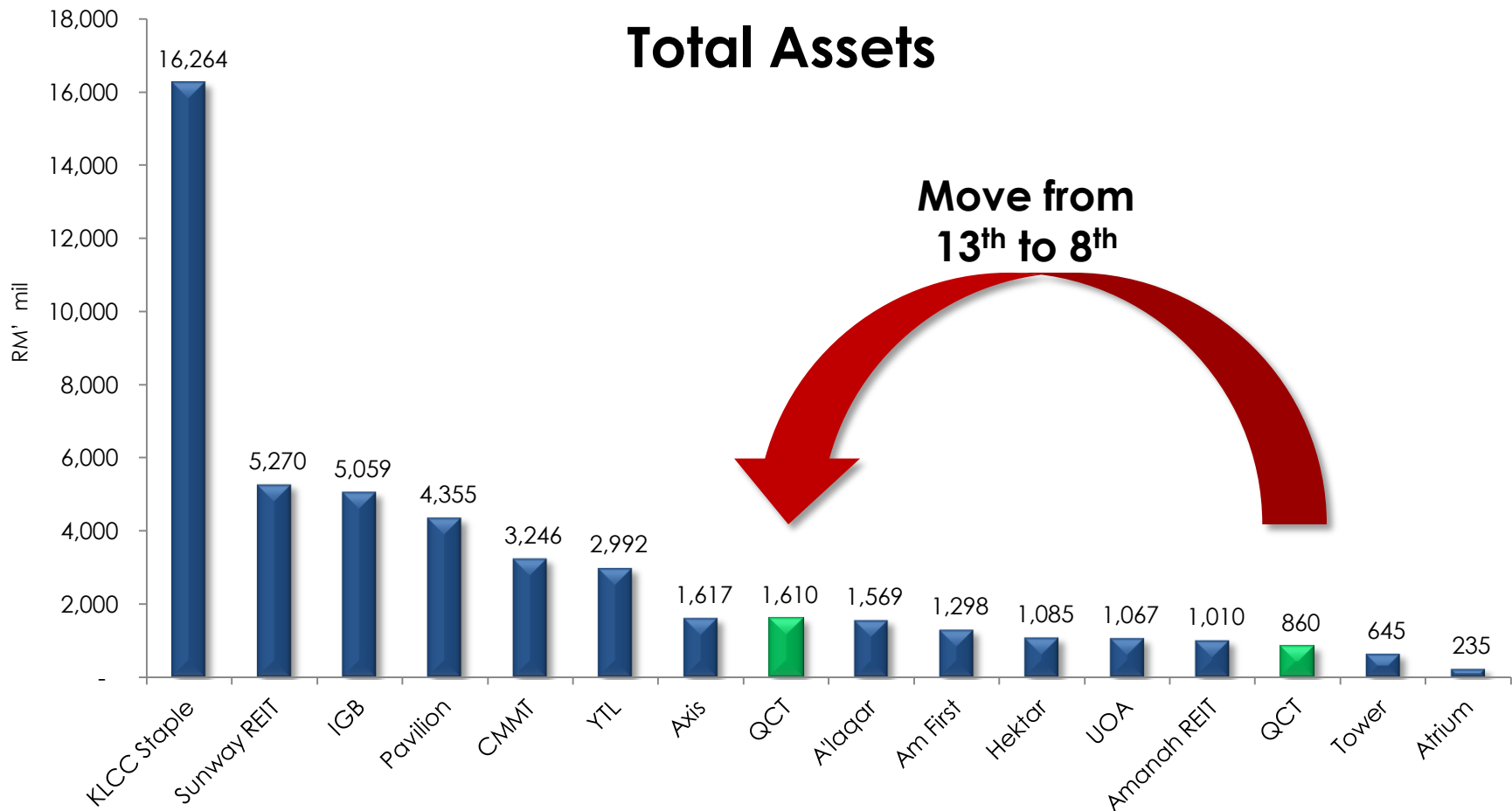
² The current market value of existing portfolio is valued by Henry Butcher Malaysia Sdn Bhd as at 31 December 2013.

³ Based on valuation report dated 10 April 2014 by CH Williams, Talhar & Wong.

⁴ Total asset as at 31 December 2013.

Proposed Acquisition of Platinum Sentral

Rationale for Acquisition :
Strengthen QCT's position among the REITs in Malaysia



Notes:

(1) Total Assets of the REITs are as at 31 December 2013.

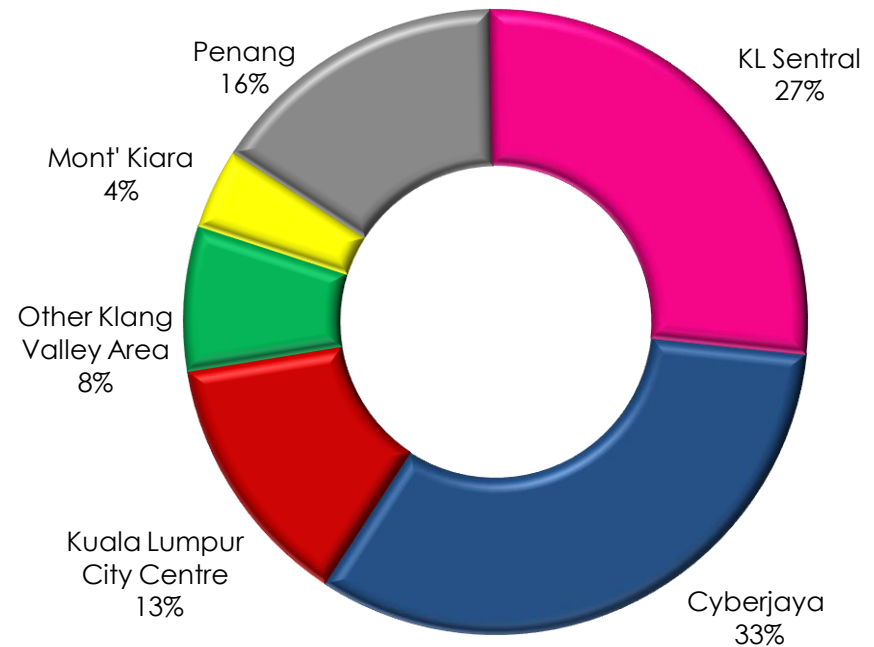
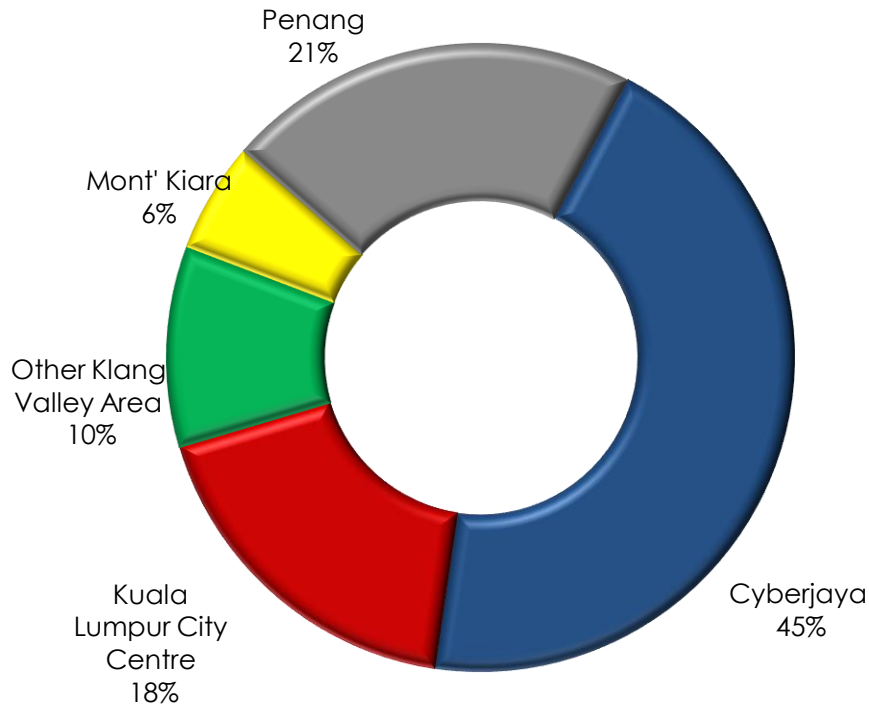
Proposed Acquisition of Platinum Sentral

Rationale for Acquisition :
Geographical and Income Diversification
Gain substantial foothold into KL Sentral

As at 31 Dec 2013

Post Acquisition of Platinum Sentral

By NLA



Notes:

(1) Other Klang Valley Area refers to Klang Valley generally excluding KL city centre, Mont' Kiara and KL Sentral

Quill Capita Trust Presentation*April 2014*

Rationale for Acquisition : Future Growth

- Upon completion of the Proposed Acquisition, MRCB will emerge as a major unitholder and strategic investor of QCT
- MRCB is a well known property company listed on the Bursa Malaysia and has a portfolio of quality commercial assets in Malaysia
- MRCB will grant a right of first refusal to QCT to purchase any office property in their portfolio
 - Growth pipeline for QCT

Proposed Acquisition of Platinum Sentral

Status

Signing Conditional Sales & Purchase Agreement with MRCB Properties Sdn Bhd to acquire Platinum Sentral	10 April 2014
Submission of valuation report to Securities Commission ("SC")	24 April 2014
Extraordinary General Meeting ("EGM")*	Mid 3Q 2014
Completion of exercise	4Q 2014

Note:

* Subject to obtaining the necessary approvals from SC and Bursa Malaysia

Corporate Social Responsibility

A nighttime photograph of a modern high-rise building, Plaza Mont Kiara, illuminated by warm lights. In the foreground, a large, active fountain with multiple jets of water is visible. The building's facade is white with many windows, some of which are lit up. A large Malaysian flag is displayed on the building's facade. The overall scene is vibrant and urban.

Philanthropy : QCM Supports the Welfare for Needy Children

On 29 November 2013, Quill Capita Management Sdn Bhd ("QCM"), the manager of QCT, donated RM96,300 in cash to **Agathians Shelter.**

This contribution was used for the purchase of a van to chauffeur its children to school and for curriculum activities.



Corporate Social Responsibility

Green Initiatives

Various QCT tenants pledged support and participated in **Earth Hour 2013**, a global campaign to increase the awareness of global warming, by switching off their building facade and non-essential lights for 10 hours

Date

23 March 2013, 8.30 pm
to
24 March 2013, 6.30 am



Conclusion



Year 2013 - Highlights

- Stable performance for FY 2013
 - ✓ Delivered DPU of 8.38 sens
 - ✓ Completed all refinancing due in 2013. Next major refinancing only due in 2016
- Completed renewals due in 2013 with 98% renewals successfully in place
- Proposed Acquisition of Platinum Sentral to strengthen QCT
 - ✓ Double asset based to approximately RM1.6 bil post acquisition
 - ✓ MRCB to give right of first refusal to QCT to purchase any office property in their portfolio – future growth for QCT with its pipeline of assets

Year 2014 Prospects – Continuing Strategies

- Proactive asset management strategies to focus on tenant relations and continuous building improvements
- Prudent capital management strategies
- Continue to explore yield accretive acquisition opportunities



SwireCapita
Trust

Thank you

For enquires, please contact:
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(Fax : 603-27888199)