



General Announcement

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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 : Corporate Presentation Slides dated 19 January 2015.

Announcement Details/Table Section :-

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

Corporate Presentation slides dated 19 January 2015 are attached for reference.

Attachment(s):- (please attach the attachments here)

Corporate Presentation-4Q2014(final).pdf



4th Quarter 2014 Financial Results

19 January 2015

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 Results



Quill Building 5 - IBM

Stable 4Q 2014 EPU

(RM'000)	(Audited) 4Q 2013	(Unaudited) 4Q 2014	Variance
Gross Revenue	17,308	18,183	+5.1%
Net Property Income	13,065	13,414	+2.7%
Net Income ¹	8,602	8,506	-1.1%
EPU ²	2.20 sen	2.18 sen	-1.1%

1 Net Income refers to realised income after taxation (exclude gain from re-measurement of derivatives and revaluation surplus)

2 EPU refers to Realised Earnings Per Unit

Maintains FY 2014 DPU of 8.38 sen

(RM'000)	(Audited) FY 2013	(Unaudited) FY 2014	Variance
Gross Revenue	68,937	70,249	+1.9%
Net Property Income	53,193	53,325	+0.3%
Total Income for Distribution ¹	34,537	34,163	-1.1%
EPU ²	8.85 sen	8.76 sen	-1.1%
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 94.7% of realised EPU of 8.85 sen for FY 2013 and DPU of 8.38 sen is 95.7% of realised EPU of 8.76 sen for FY 2014

Total Assets – RM868.37 million

NAV per unit – RM1.3874

	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	as at	as at	as at	as at
	31 Mar 14 (RM'000)	30 June14 (RM'000)	30 Sept14 (RM'000)	31 Dec 14 (RM'000)
Non Current Assets	826,757	829,044	830,433	838,942
Current Assets	34,173	43,989	16,543	29,431
Total Assets	860,930	873,033	846,976	868,373
Current Liabilities	13,138	14,838	12,115	14,505
Non Current Liabilities	322,771	324,541	308,385	312,617
Net Assets	525,021	533,654	526,476	541,251
No of Units	390,131	390,131	390,131	390,131
NAV per Unit (RM)	1.3458	1.3679	1.3495	1.3874

Market Valuation as at 31 December 2014

Name of Properties	Net Book Value as at 31 Dec 2014 ^(a) (prior to Proposed Revaluation) (RM'000)	Market Valuation as at 31 Dec 2014 ^(b) (RM'000)	Surplus / (Deficit) incorporated into fund (RM'000)	% increase / (decrease)
Quill Building 1- DHL1 & Quill Building 4- DHL 2	125,000	125,700	700	0.56
Quill Building 2- HSBC	119,030	119,100	70	0.06
Quill Building 3- BMW	73,076	74,400	1,324	1.81
Wisma Technip	166,944	169,000	2,056	1.23
Part of Plaza Mont' Kiara	110,000	111,700	1,700	1.55
Quill Building 5 – IBM	45,200	45,200	-	-
Quill Building 8 – DHL (XPJ)	26,330	26,400	70	0.27
Quill Building 10 – HSBC Section 13	26,500	26,500	-	-
Tesco Building, Penang	139,500	139,700	200	0.14
Total	831,580	837,700	6,120	0.74

(a) The Net Book Value of investment properties as at 31 December 2014 (prior to the Proposed Revaluation) comprise of the brought forward net book value as at 31 December 2013 together with asset enhancement related costs incurred during the year.

(b) The Properties were valued by DTZ Nawawi Tie Leung Property Consultants Sdn Bhd, an independent firm of professional valuer, registered with the Board of Valuers, Appraisers & Estate Agents Malaysia.

Stable Financial Indicators

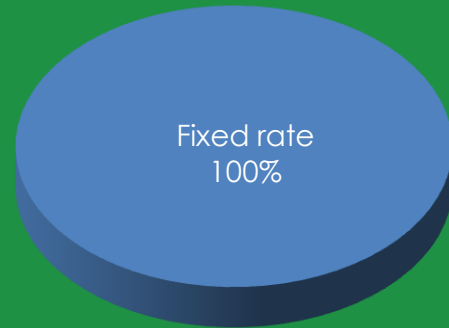
	Unaudited	Unaudited	Unaudited	Unaudited
	as at	as at	as at	as at
	31 Mar 14	30 Jun 14	30 Sept 14	31 Dec 14
Total Debts (RM'000)	318,400	319,846	303,665	305,113
Gearing Ratio ¹	0.37x	0.37x	0.36x	0.35x
Net Debt / EBITDA ²	6.52	5.89	6.07	4.66x
Interest Coverage ³	3.52x	3.53x	3.57x	4.49x
Average Term to Maturity (year) ⁴	3.17	2.92	2.58	2.45
Average Cost of Debt (p.a) ⁵	4.3%	4.3%	4.3%	4.4%

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

100% of borrowings on
fixed rate



Total average borrowings :
RM307m

Average cost of debt

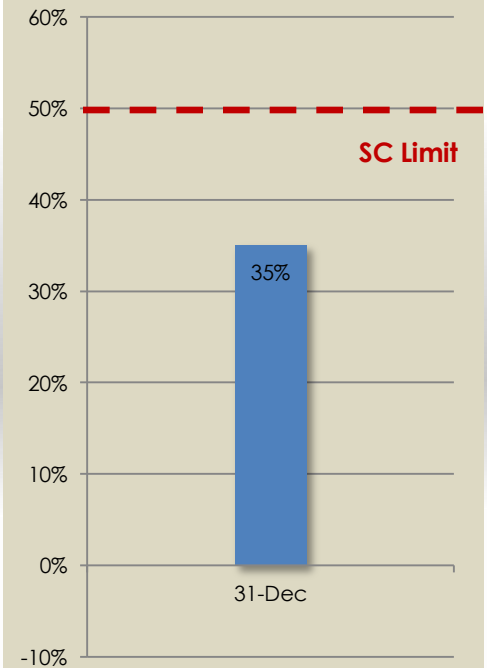
4.4%

Gearing level

35%

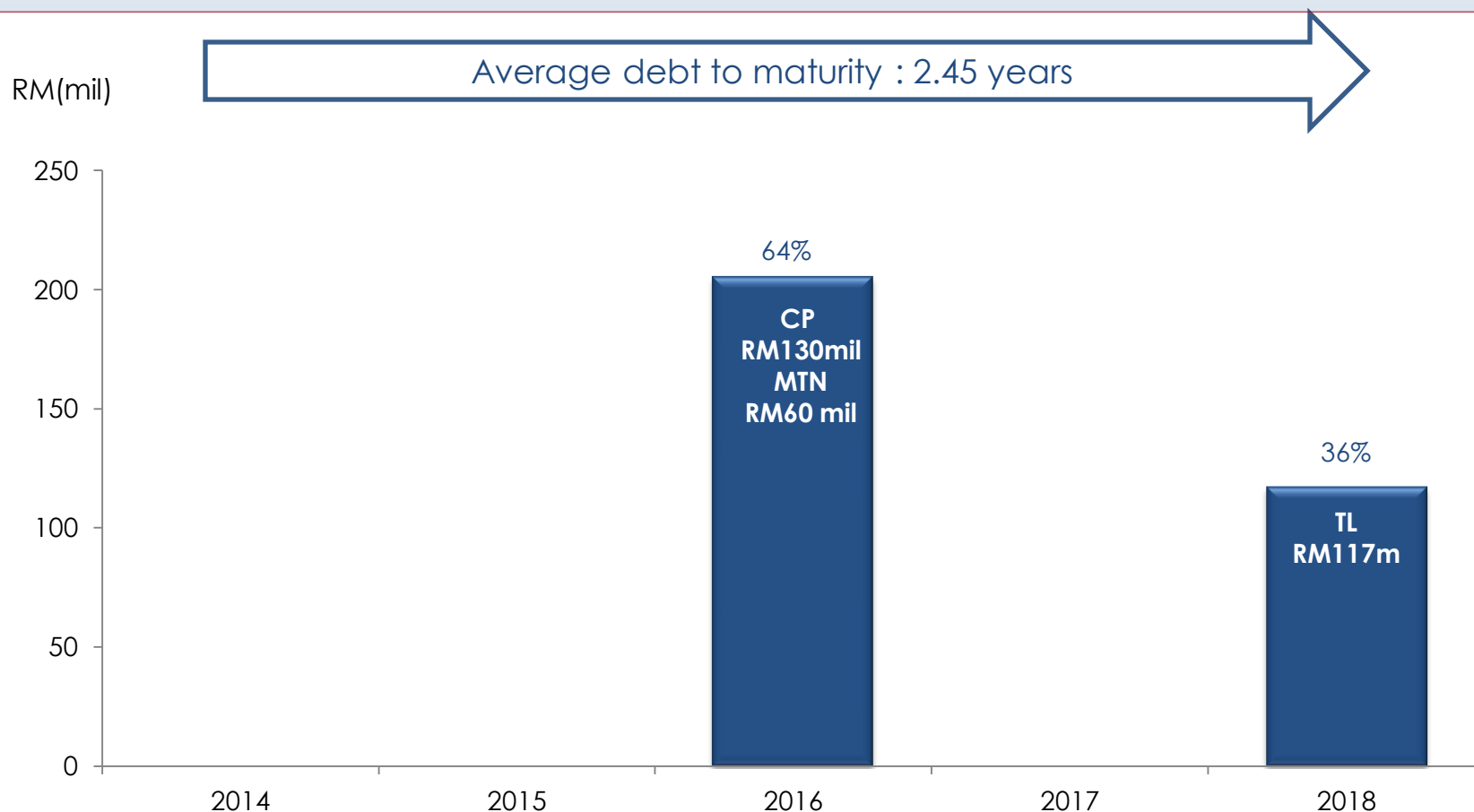
Well below SC limit of
50%

Gearing Ratio



Debt Maturity Profile

Next Refinancing Due in September 2016



Note;

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

Portfolio Update



Quill Building 3 - BMW

Portfolio of Quality Assets



Quill Building 1
- DHL 1



Quill Building 4
- DHL 2



Quill Building 2
- HSBC



Quill Building 3
- BMW



Quill Building 5
- IBM



Quill Building 8
- DHL (XPJ)



Part of Plaza
Mon't Kiara



Wisma Technip



Quill Building 10
- Section 13



TESCO Building
Penang

QCT

**10 Properties
RM837.7 mil**

**NLA of
1,289,751 sq ft**

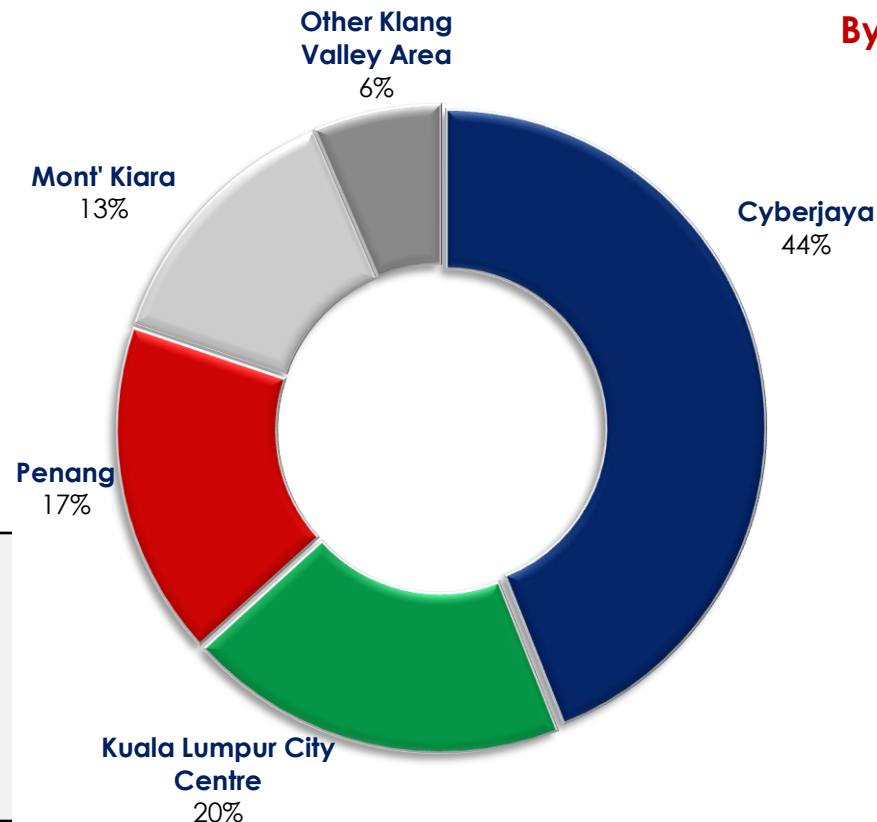
***Excluding car park
area**

Note: The current market value of the respective buildings were valued by DTZ Nawawi Tie Leung Property Consultants Sdn Bhd on 31 December 2014. The portfolio occupancy rate for QCT was 91% as at 31 December 2014.

Geographical Diversification

10 Properties well spread over Cyberjaya, Kuala Lumpur, Selangor and Penang

By Valuation



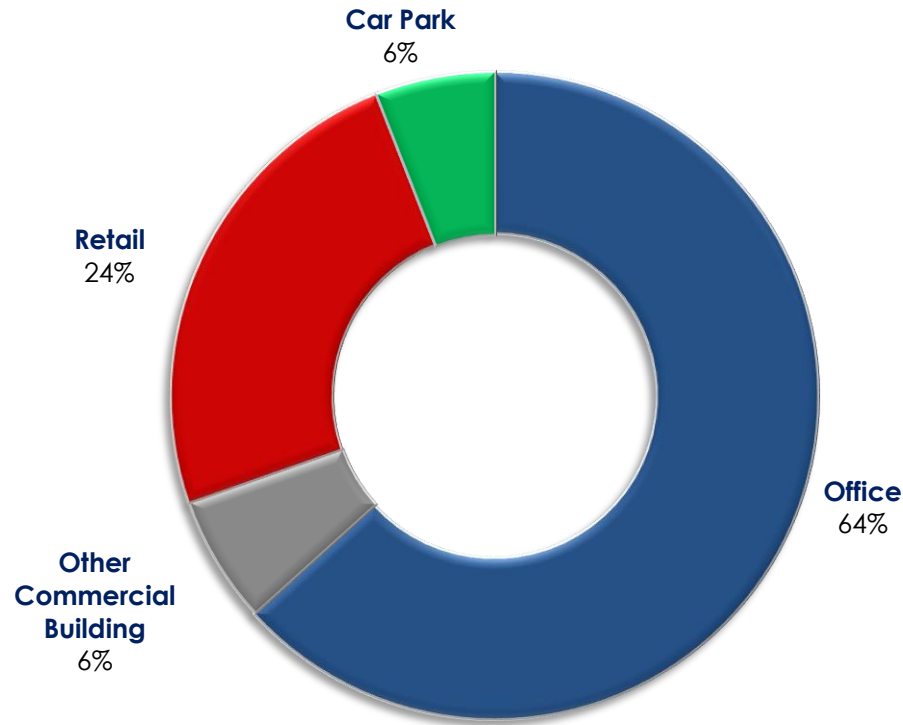
Klang Valley	39%
Cyberjaya	44%
Penang	17%

Notes:

- (1) Other Klang Valley Area refers to Klang Valley generally excluding KL city centre and Mont' Kiara. Klang Valley refers to Kuala Lumpur and Selangor State excluding Kuala Selangor, Sepang and Sabak Bernam
- (2) Based on valuation dated 31 December 2014

Diversified Segmental Contributions

By Valuation

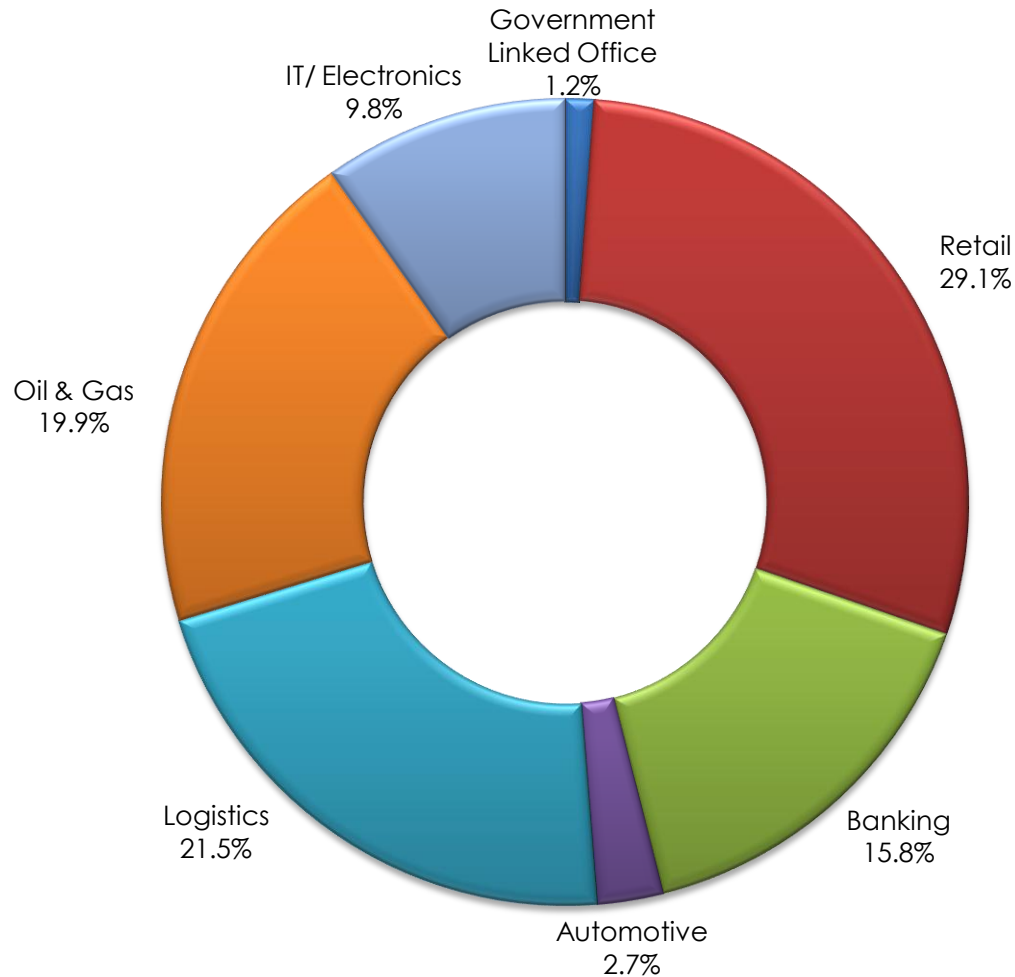


Notes:

- (1) Office comprises Quill Buildings (excluding Quill Building 8-DHL (XPJ) at Glenmarie, Shah Alam) and Wisma Technip
- (2) Retail refers to retail portion of Plaza Mont' Kiara & TESCO Building Penang
- (3) Car Park refers to car parking bays in Plaza Mont' Kiara
- (4) Other commercial building refers to Quill- Building 8- DHL (XPJ) at Glenmarie, Shah Alam
- (5) Based on valuation dated 31 December 2014

Well Balanced Tenancy Mix

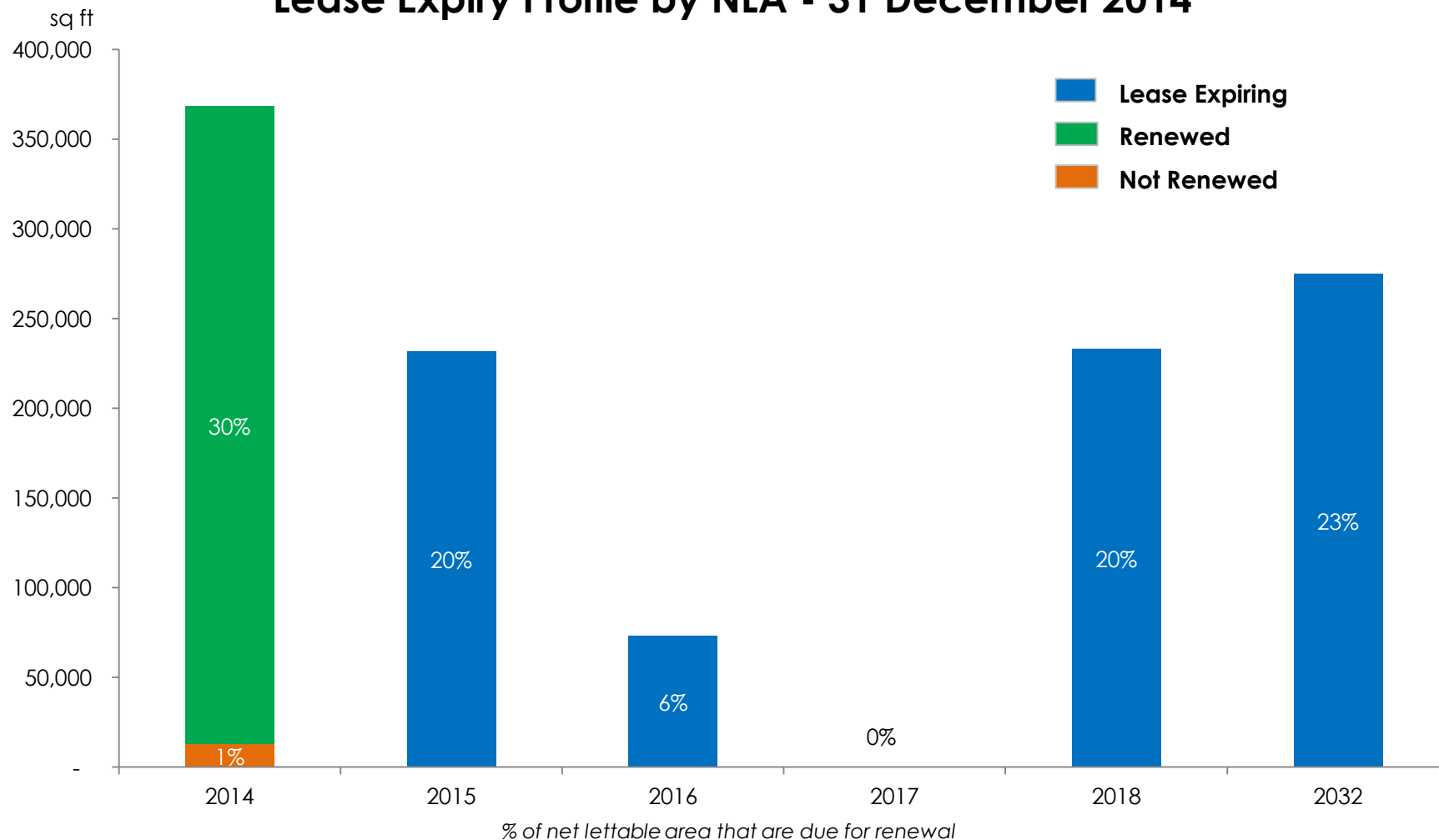
By Net Lettable Area



Lease Expiry Profile

– Leases Due in 2014 : 97% renewed

Lease Expiry Profile by NLA - 31 December 2014



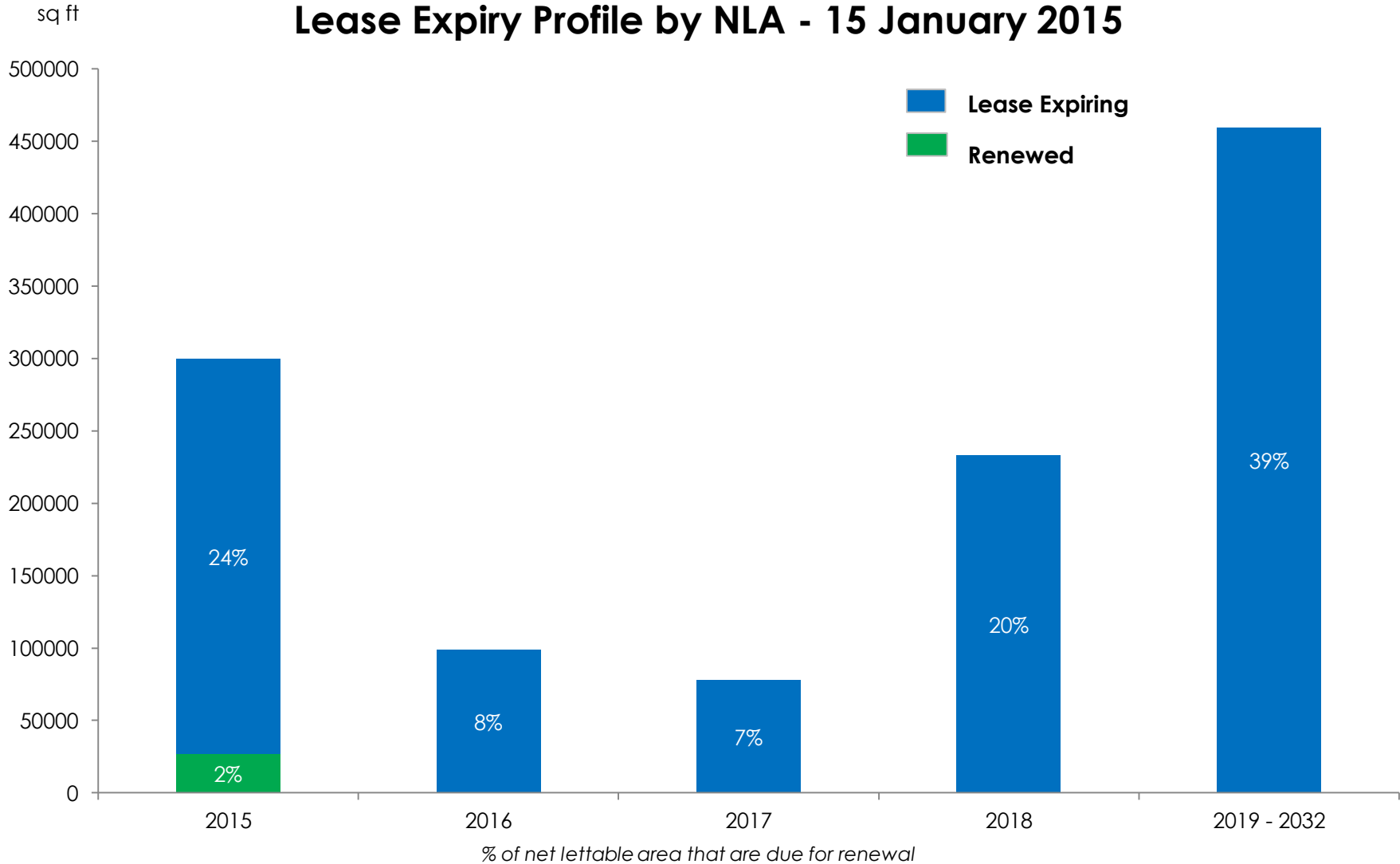
Note:


The balance of the 23% of net lettable area are due for renewal in 2032.

Lease Expiry Profile

- 26% of Total NLA Due in 2015

Lease Expiry Profile by NLA - 15 January 2015



- 
- KLCA & Cyberjaya Office Market Outlook
 - Penang Retail Market Outlook

❑ **Klang Valley office market remains resilient**

(extracted from the report prepared by DTZ Nawawi Tie Leung Property Consultants Sdn Bhd dated Dec 2014)

- Kuala Lumpur's office property market remained resilient in 2014 despite weakening market conditions.
- Average occupancy rate in the fourth quarter of 2014 remains soft at 83%, similar to the previous quarter and it is generally perceived as a tenants' market. Nevertheless, average rental rate was observed to increase to RM6.40 psf from around RM6.15 psf in the previous quarter. This is due to higher occupancy rate in a numbers of buildings, as well as increment of rates after refurbishment exercises.
- In terms of average capital value, the values of prime office buildings in 4Q 2014 was RM887 per sq ft. The recent transactions of office on an en-bloc basis indicated a range of price of between RM500 – RM1,600 per sq ft.

❑ **Growing demand in Cyberjaya**

(extracted from the report prepared by DTZ Nawawi Tie Leung Property Consultants Sdn Bhd dated Dec 2014)

- Cyberjaya has seen a growing demand in office market from both government and private establishments, besides IT-based MSC companies. With improved infrastructure, better facilities and amenities and sufficient residential provision, Cyberjaya would continue to be a competitive location for the office market in near and longer term although its MSC status is no longer a strong draw due to competitions from other Cyber centre locations.
- Currently, office stock in Cyberjaya stands at about 8.2 million sq ft.
- In terms of rental, it has remained stable at between RM3.25-RM5.00 per sq ft per month. As for the occupancy rate, the average occupancy rate has also remained at 76% although some new buildings are expected to struggle with occupancy and there is lesser spill over demand from Putrajaya next door.

□ **Prospect for retail sector in Penang is expected to be stable**

(extracted from the report prepared by DTZ Nawawi Tie Leung Property Consultants Sdn Bhd dated Dec 2014)

- According to the National Property Information Centre (NAPIC), retail stock in Penang stood at 17.4 million sq ft as of 2Q 2014. George Town holds the most numbers of malls of 20, providing 28% (4.9 million sq ft) of the overall stock, followed by Bukit Mertajam in Mainland that houses 17% or 3.0 million sq ft of the existing stock.
- The overall occupancy rate of shopping centres in Penang has been maintained at the 70% mark since 2009 despite the addition of major malls, such as Gurney Paragon and Aeon Mall Bukit Mertajam.
- In terms of future supply, the upcoming retail space is mostly located in Seberang Perai on the Mainland as this is the area where new residential developments have been mushrooming, spurred by the completion of the Sultan Abdul Halim Muadzam Shah Bridge or Penang Second Bridge.

Conclusion



In Summary

Maintains FY2014 DPU of 8.38 sen

- FY 2014 DPU has been maintained at 8.38 sen, similar to the FY2013 DPU of 8.38 sen
- Revaluation gains of RM6.1 million from investment properties
- Completed renewals due in 2014 with 97% renewals successfully in place

Year 2015 Prospects – Ongoing 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

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