



CapitaLand Commercial Trust

Singapore's First and Largest Commercial REIT

Annual General Meeting

18 April 2017



Important Notice

This presentation shall be read in conjunction with CCT's FY 2016 Financial Statements.

The past performance of CCT is not indicative of the future performance of CCT. Similarly, the past performance of CapitaLand Commercial Trust Management Limited, the manager of CCT is not indicative of the future performance of the Manager.

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*Any discrepancies in the tables and charts between the listed figures and totals thereof are due to rounding.

A low-angle photograph of the Capital Tower in Singapore, showing its distinctive stepped design and glass facade against a blue sky with scattered white clouds. The tower's structure is composed of several distinct sections, each with a different facade pattern, including a top section with a grid of windows and a middle section with a more uniform glass curtain wall.

1. 2016 Overview

Capital Tower, Singapore



2016: Moderate growth in GDP; pressure on rents continues

- Singapore 2016 GDP grew by 2.0% year-on-year (YoY) compared to 2015's 1.9%.

Singapore Gross Domestic Product Y-o-Y Change (%)



	1Q 2015	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016
—○— Y-o-Y (%)	2.7	2.0	1.8	1.8	1.9	1.9	1.2	2.9

- 2016 ended with declines in office market rents and capital values; occupancy stabilised

	4Q 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016	Change (4Q 2015 vs 4Q 2016)
Core CBD occupancy	95.1 %	95.1%	95.1%	95.9%	95.8 %	0.7%
Average Grade A monthly office rent	S\$10.40 psf	S\$9.90 psf	S\$9.50 psf	S\$9.30 psf	S\$9.10 psf	-12.5%
Average capital value	S\$2,800 psf	S\$2,700 psf	S\$2,700psf	S\$2,700 psf	S\$2,700 psf	-3.6%



2016: Positive results

Portfolio Performance	31 Dec 2015	31 Dec 2016	Change (%)
Portfolio occupancy	97.1	97.1	-
Tenant retention rate ⁽¹⁾	83%	62%	Not meaningful
Monthly average office rent	\$8.90	\$9.20	3.4%

Portfolio Performance	31 Dec 2015	31 Dec 2016 ⁽²⁾	Change (%)
Distributable Income	\$254.5 mil	\$269.0 mil	5.7%
Distribution per Unit	8.62 cents	9.08 cents	5.3%

Notes:

(1) Tenant retention rate =
$$\frac{\text{Net lettable area renewed in the subject year}}{\text{Total net lettable area due for renewal in the subject year}}$$

(2) Higher distribution from RCS Trust which holds Raffles City Singapore and MSO Trust which holds CapitaGreen

Transforming Value: CapitaGreen strengthens CCT's portfolio

Grade A Office Building valued at S\$1,603 million



Car Park valued at S\$53.3 million

Market Street Car Park redevelopment into Grade A office tower started in Feb 2012



CapitaGreen completed in Dec 2014 at a cost of S\$1.3 bil



CCT acquired remaining 60.0% interest in CapitaGreen on 31 Aug 2016 – now owns 100.0% of CapitaGreen and full contribution in FY 2017



Increased Grade A office space in CCT's portfolio by 21.2%

2.0 million sq ft to 2.4 million sq ft
 FY 2015 to FY 2016



Net property income contribution to CCT's portfolio based on proportionate interest

2.6% to 11.1%
 FY 2015 to FY 2016



MSO Trust contributed 85% of 0.46 cents DPU growth YoY





Accolades

CCT

- Inclusion in Straits Times Index, Mar 2016
- Inclusion in SGX Sustainability Leaders Index, May 2016



Most Committed to Corporate Governance

FinanceAsia 16th annual poll on "Asia's Best Managed Companies"



Runner-up

Securities Investment Association of Singapore (SIAS)
Most Transparent Company 2016 under REITs and Business Trust

CapitaGreen



Platinum

BCA Universal Design Mark



Design & Performance

Winner

SGBC-BCA Sustainability Leadership Awards 2016 under the Commercial Category for Sustainability in Design & Performance



1st Runner-Up

ASEAN Energy Awards 2016
ASEAN Best Practices Awards for New and Existing Building Category

2. Financial Results and Capital Management

One George Street, Singapore





FY 2016 DPU rose by 5.3% YoY

	FY 2016	FY 2015	Change (%)	Remarks
Gross Revenue (\$\$ million)	298.6	273.2	9.3	
Property Operating Expenses (\$\$ million)	(67.3)	(60.5)	11.3	Please see note (1)
Net Property Income (\$\$ million)	231.3	212.8	8.7	
Distributable Income (\$\$ million)	269.0	254.5	5.7	Please see note (2)
DPU (cents)	9.08	8.62	5.3	

Notes:

- (1) Increases largely due to CapitaGreen
- (2) Higher distribution from RCS Trust which holds Raffles City Singapore and MSO Trust which holds CapitaGreen



Balance sheet

Total Deposited Properties

S\$8.8 billion

Grew from S\$7.7 billion with higher capital values and 100.0% interest in CapitaGreen

Credit Rating

A-

With stable outlook by Standard & Poor's

Average Cost of Debt

2.6% per annum (p.a.)

Maintained a stable average cost of debt compared to 2.5% p.a. in 2015

Aggregate Leverage

37.8%

Increased from 29.5% in 2015 due to acquisition of 60.0% interest in MSO Trust which holds CapitaGreen

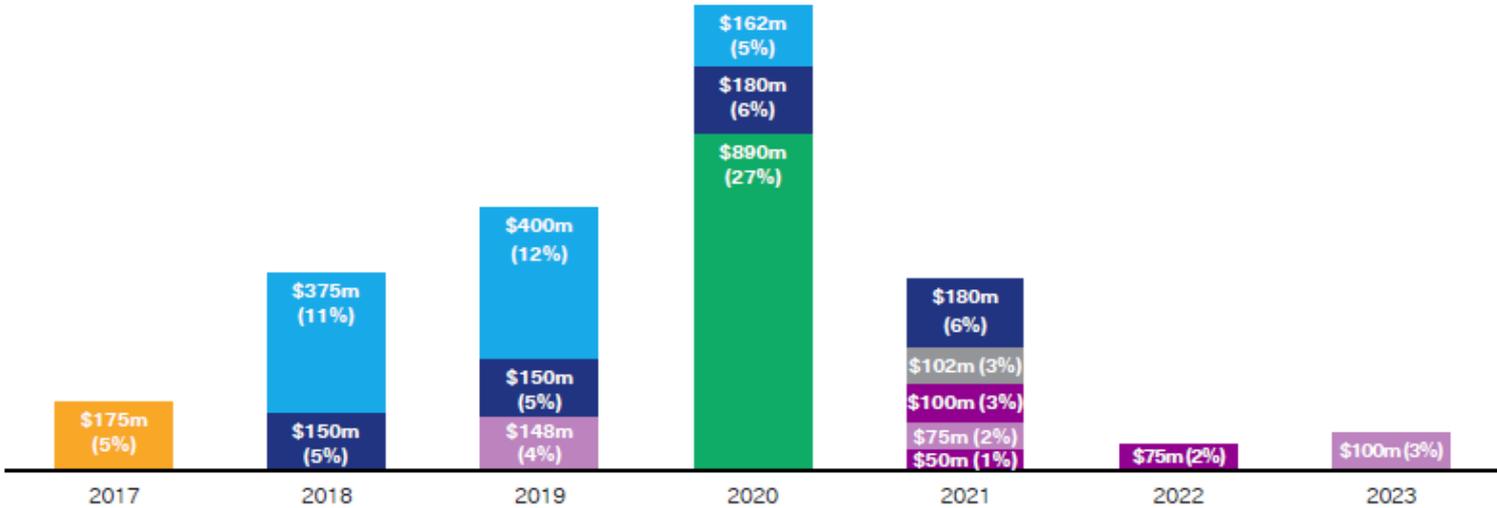


CCT's debt maturity profile (including CCT's 60% interest in RCS Trust)

80% of CCT's borrowings are on fixed interest rate

S\$ (% of total borrowings)

As at 31 December 2016



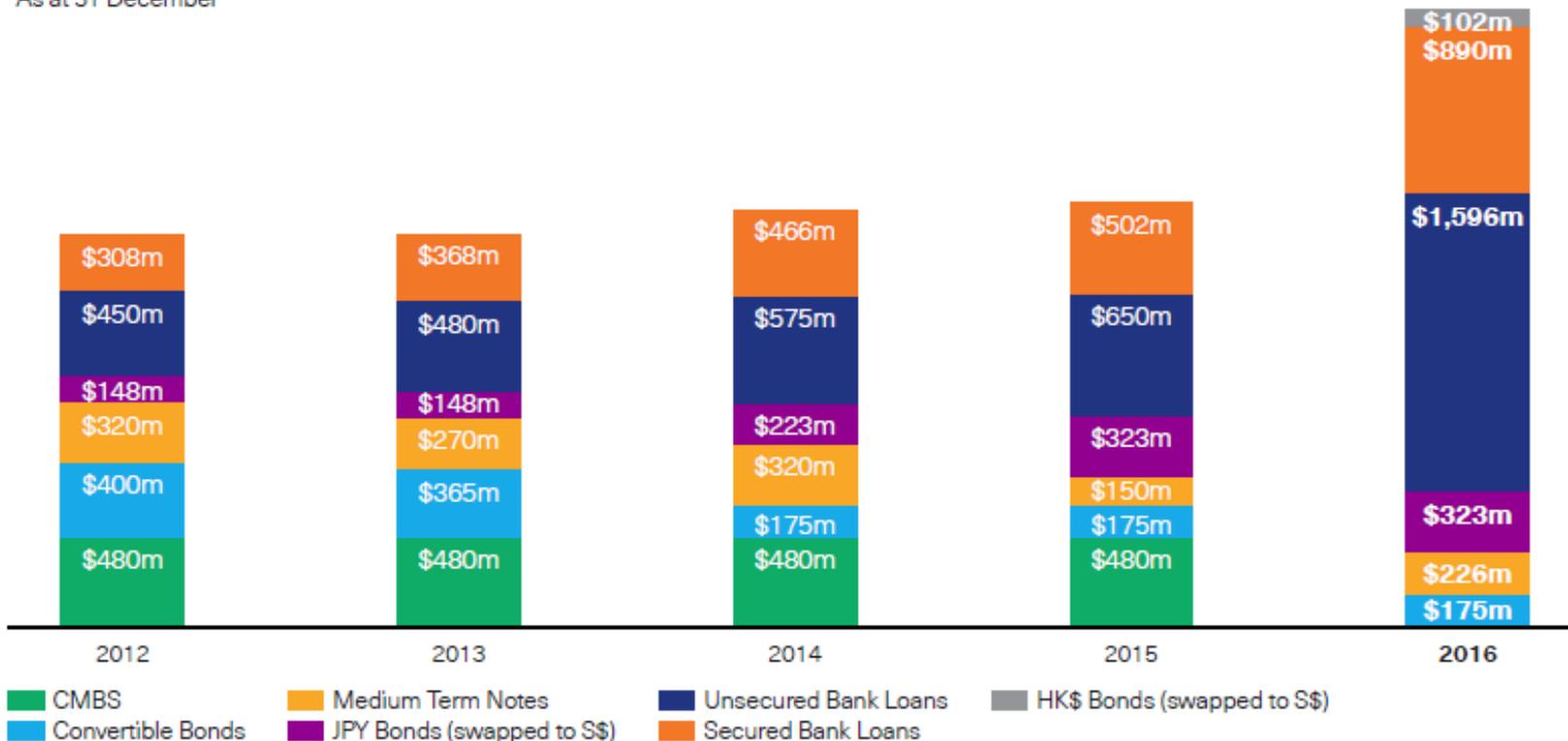
- Convertible bonds at 2.5% p.a. due 2017
- Unsecured CCT bank loans due 2018 to 2020
- Unsecured RCS bank loans due 2018 to 2021
- 2.89% p.a. fixed rate JPY bond swapped to S\$148m MTN due 2019
- CapitaGreen secured bank loan due 2020
- 2.70% p.a. fixed rate HK\$ bond swapped to S\$102m MTN due 2021
- 2.96% p.a. fixed rate S\$100m MTN due 2021
- 2.95% p.a. fixed rate JPY bonds swapped to S\$75m MTN due 2021
- 2.98% p.a. fixed rate S\$50m MTN due 2021
- 2.77% p.a. fixed rate S\$75m MTN due 2022
- 3.05% p.a. fixed rate JPY bond swapped to S\$100m MTN due 2023



Achieved diversification of funding sources

(S\$ million)

As at 31 December



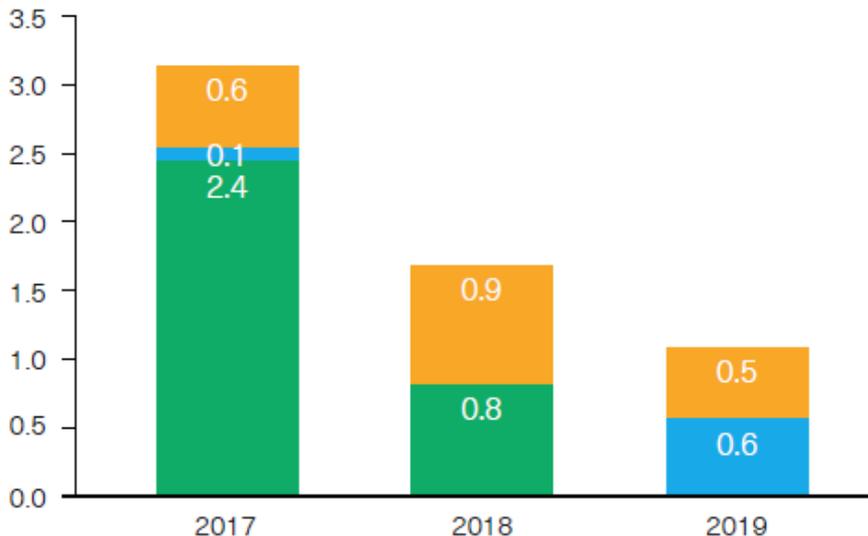
A low-angle photograph of the Raffles City Singapore building, showing its modern glass facade and a tall tower in the background. The sky is blue with some clouds. The building's name 'Raffles City' is prominently displayed in large, dark letters with a green underline on the lower part of the facade. Above it, 'CapitaMall Trust' and 'Capita Commercial Trust' are also visible in smaller letters.

3. Singapore Office Market. Positioning CCT for Sustainable Growth



Annual new supply in Core and Fringe CBD to average ~0.8 mil sq ft from 2017 to 2021

Island-wide future office supply NLA (million sq ft)



- Core CBD
- Fringe CBD
- Decentralised

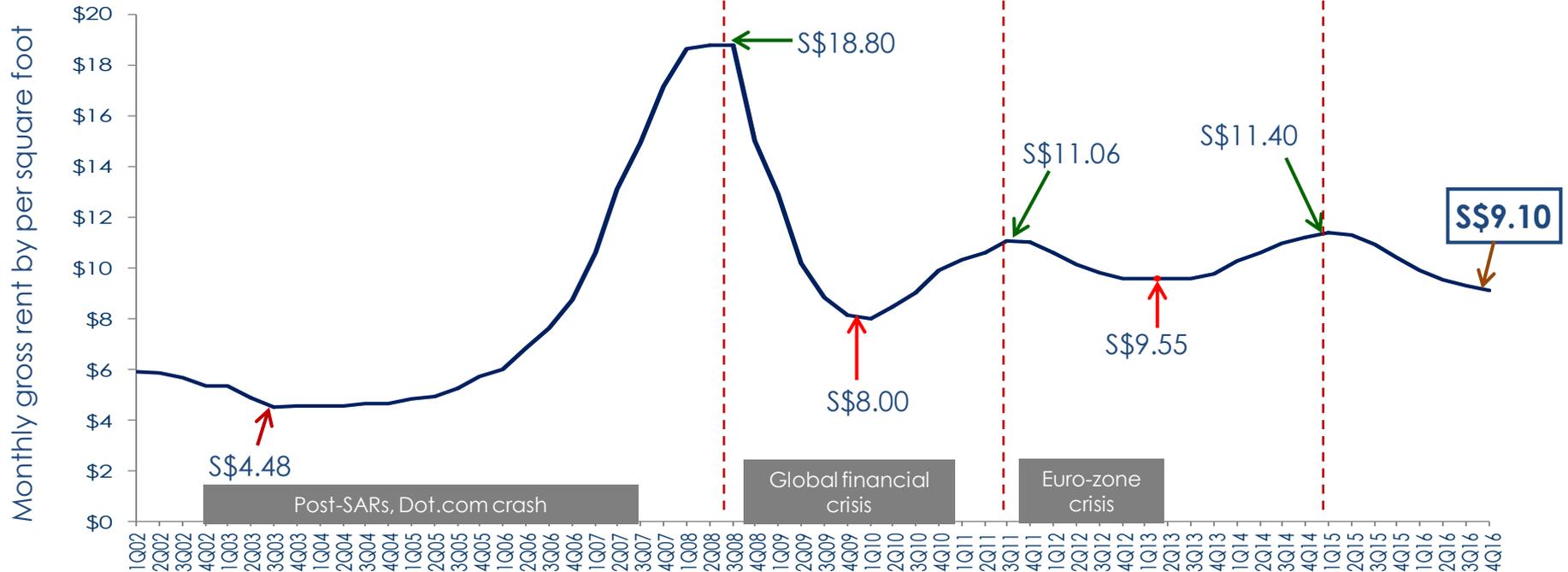
Source: CBRE Research

Periods / Central Area Information	Average annual net supply	Average annual net demand
2007 – 2016 (through 10-year property market cycles)	0.9 mil sq ft	0.7 mil sq ft
2012 – 2016 (five-year period post Global Financial Crisis)	0.6 mil sq ft	0.6 mil sq ft
2017 – 2021 (forecast gross new supply)	0.8 mil sq ft	N.A.



Grade A office market rent declined 12.5% YoY; and 20.2% since 1Q 2015

	4Q 14	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16	3Q 16	4Q 16
Mthly rent (\$\$ / sq ft)	11.20	11.40	11.30	10.90	10.40	9.90	9.50	9.30	9.10
% change	+2.3%	+1.8%	-0.9%	-3.5%	-4.6%	-4.8%	-4.0%	-2.1%	-2.2%



Source of data: CBRE Pte. Ltd. (figures as at end of each quarter).



Positive reversions for Grade A office renewals/new leases committed in FY 2016

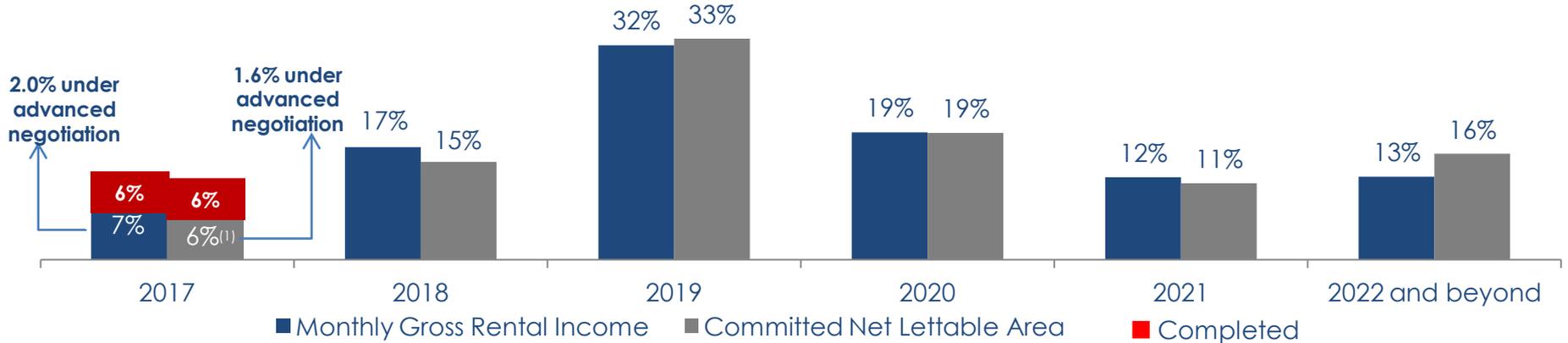
S\$ psf per month	Average Expired Rents	Committed Rents ⁽¹⁾	Sub-Market	Market Rents of Comparative Sub-Market	
				Cushman & Wakefield ⁽²⁾	Knight Frank ⁽³⁾
CapitaGreen	-	10.50 - 12.15	Premium Grade Raffles Place	S\$8.72 – S\$9.32	S\$8.70 – S\$10.10
Six Battery Road	11.12 – 12.28	10.21 – 13.00	Grade A Raffles Place	S\$8.72 – S\$9.32	S\$8.10 - S\$9.20
One George Street	8.68 – 9.95	8.00 – 10.20	Grade A Raffles Place	S\$8.72 – S\$9.32	S\$8.10 - S\$9.20
Capital Tower	NM	7.70 – 8.39	Tanjong Pagar	S\$7.65 – S\$7.74	7.60 – 8.30

- Notes:
- (1) Renewal/new leases committed in 1Q - 4Q 2016
 - (2) Source: Cushman & Wakefield 1Q - 4Q 2016
 - (3) Source: Knight Frank 1Q - 4Q 2016; based on leases of a whole floor office space on the mid-floor levels of office properties, and taking into account rent free period and other concessions
 - (4) For reference only: CBRE Pte. Ltd.'s 4Q 2016 Grade A rent is S\$9.10 psf per month and they do not publish sub-market rents



Half of 2017 expiring leases renewed

Mitigating office leasing risk by tenant retention and forward renewals



Note:

(1) Represents approximately 200,000 sq ft



Expiring rents of CCT's key buildings expected to be under pressure in 2017

CCT's Key Buildings' Expiring Profiles as a Percentage of Office Portfolio Committed Gross Rental Income

As at 31 December	2017		2018		2019	
	% of Expiring Leases	Expiring Average Gross Rental Rate (psf)	% of Expiring Leases	Expiring Average Gross Rental Rate (psf)	% of Expiring Leases	Expiring Average Gross Rental Rate (psf)
Capital Tower	No leases due	-	0.9%	\$8.73	5.3%	\$8.95
Six Battery Road	2.5%	\$12.38	4.7%	\$12.57	5.6%	\$11.78
CapitaGreen	No leases due	-	3.3%	\$12.99	6.5%	\$11.36
One George Street	2.2%	\$10.06	4.8%	\$9.65	2.9%	\$8.98
Raffles City Tower	0.6%	\$10.11	0.6%	\$9.92	2.3%	\$8.63



Positioning CCT for sustainable growth

1.

**Value Creation
through
Transforming Value**

A rejuvenated Raffles City to be unveiled in 2018



2.

**Enhancing
Operating
Efficiencies and
Stakeholder
Engagement**

CCT Eco Race 2016: One event. Multiple scores



3.

**Enhancing
Customer
Experience**

Just Use: Proprietary online concierge service



4.

**Meeting Needs
of the
“Future of Work”**

Coworking: Adding diversity and variety to the tenant mix





1. Value Creation through Transforming Value

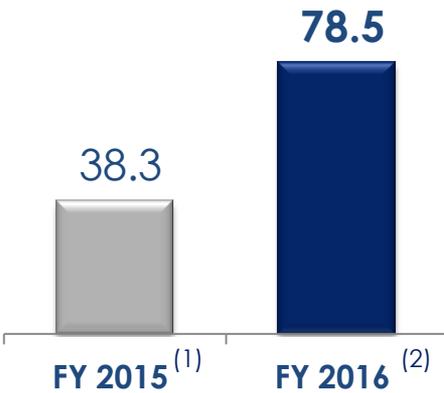
Higher contribution from CapitaGreen YoY based on 100% interest; full year contribution in FY 2017

Gross Revenue

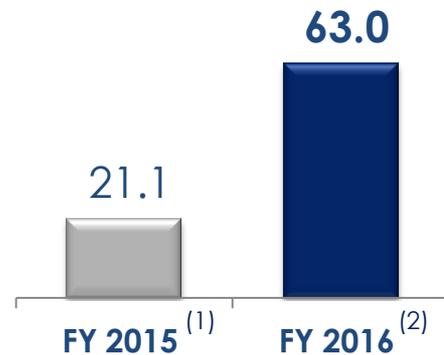
Net Property



S\$



S\$



CapitaGreen's NPI contribution for FY 2016 was 11%⁽³⁾

Notes:

- (1) Gross revenue and net property income of CapitaGreen included a non-recurring S\$11.0-million adjustment in 4Q 2015
- (2) Net property income of CapitaGreen included a one-off reversal of S\$1.8-million marketing commission in 4Q 2016
- (3) Based on CCT's 40.0% interest in MSO Trust which holds CapitaGreen from 1 Jan 2016 to 31 Aug 2016 and 100.0% with effect from 1 Sep 2016



1. Value Creation through Transforming Value (cont'd)

Raffles City Shopping Centre embarked on interior rejuvenation works amounting S\$54.0 million in 3Q 2016; the works are expected to complete in 1Q 2018

Refresh main entrance: Creating a strong sense of arrival with new entrance and extended canopy



Revamp level 3 Central Atrium: Create a new centrepiece as focal point



Rationale:

To refresh the mall and enhance the shopping experience reinforcing Raffles City Shopping Centre's position as one of Singapore's top shopping destinations

Refurbish mall Interior: New finishes at Momentum Court and upgraded water feature at Vitality Court



Refurbish mall Interior: A new look with enhanced ceiling and flooring





2. Enhancing operating efficiencies

67% of CCT's certified properties achieved Green Mark Gold^{PLUS} certification and above

	Green Mark Award
Capital Tower	Platinum
CapitaGreen	Platinum
Six Battery Road	Platinum
Twenty Anson	Platinum
Six Battery Road Tenant Service Centre (upgraded from Gold ^{PLUS})	Platinum (Office Interior)
CapitaGreen Tenant Service Centre	Platinum (Office Interior)
One George Street	Gold ^{PLUS}
Golden Shoe Car Park	Gold ^{PLUS}
Raffles City Singapore	Gold
Wilkie Edge	Gold
HSBC Building	Certified



FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that CapitaLand Commercial Trust has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



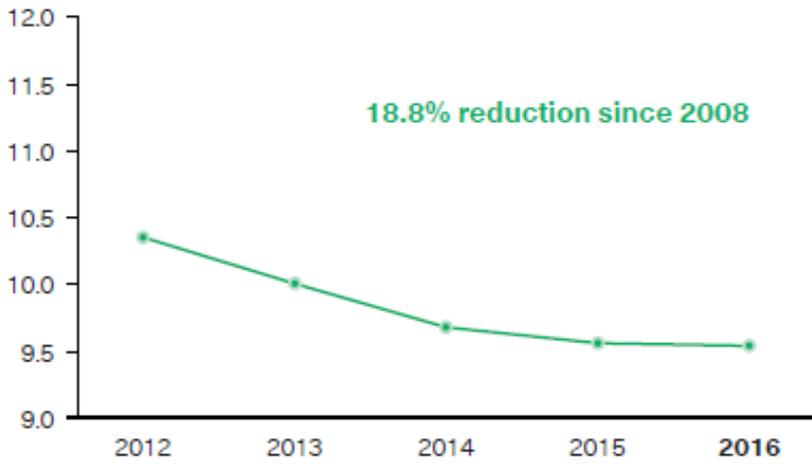


2. Enhancing operating efficiencies (cont'd)

Achieved reductions in energy and water usage psm (2008 as the base year); target of 20% by 2020

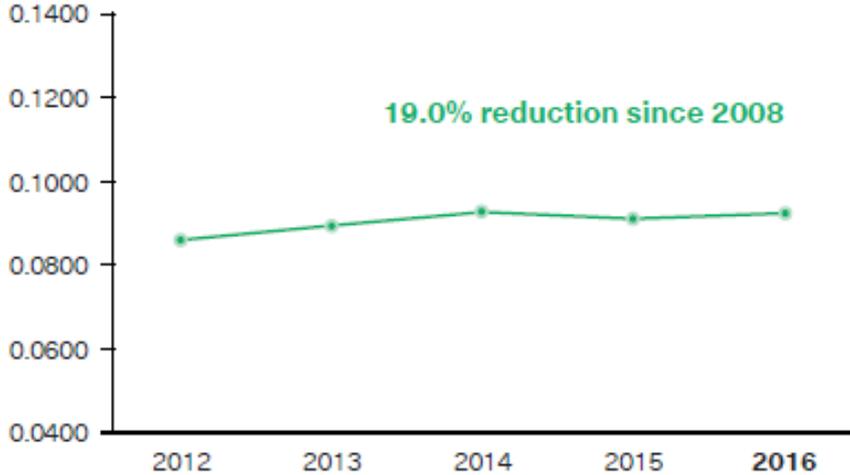
Energy Intensity¹ (kWh/m²/month)

2008 as the base year



Water Intensity¹ (m³/m²/month)

2008 as the base year



Note:

(1) Excludes CapitaGreen which was under stabilisation in 2016



2. Enhancing stakeholder engagement

Proactive stakeholder engagement with tenant and employee communities, supply chain, business partners and government agencies/NGOs to promote sustainable workplace practices through various initiatives and programmes.

Eco Race 2016: One event. Multiple scores.
Engaged various stakeholders to encourage green behaviour, charity and healthy living in the workplace



Green Journey Breakfast Talk:
Partnered BCA and tenants to promote green offices

E-waste management and recycling: Partnered supply chain to encourage E-waste recycling in the workplace

Recycle E-Waste!
For more information, visit www.ccl.com.sg/ewaste

Examples of E-Waste





2. Enhancing stakeholder engagement (cont'd)

Engaged employees, tenants and non-government organisations in various programmes to fulfil multiple objectives such as volunteerism, charity, healthy living and enhanced customer satisfaction

Gifts of Joy 2016: The Spirit of Giving Never Stops
Engaged employees and tenants to contribute, wrap and distribute gifts to underprivileged children and youths



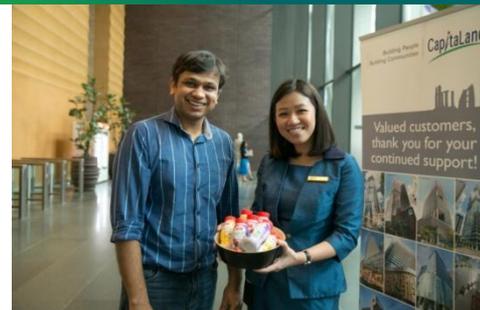
16% increase in gifts to **673**



50% increase in volunteers to **180**



Tenant Treats: Held twice a year, treats such as ice cream and yoghurt drinks handed out to CCT tenants during lunch time



CEO Breakfast Talk: Featured speakers from our tenants on current trending topics

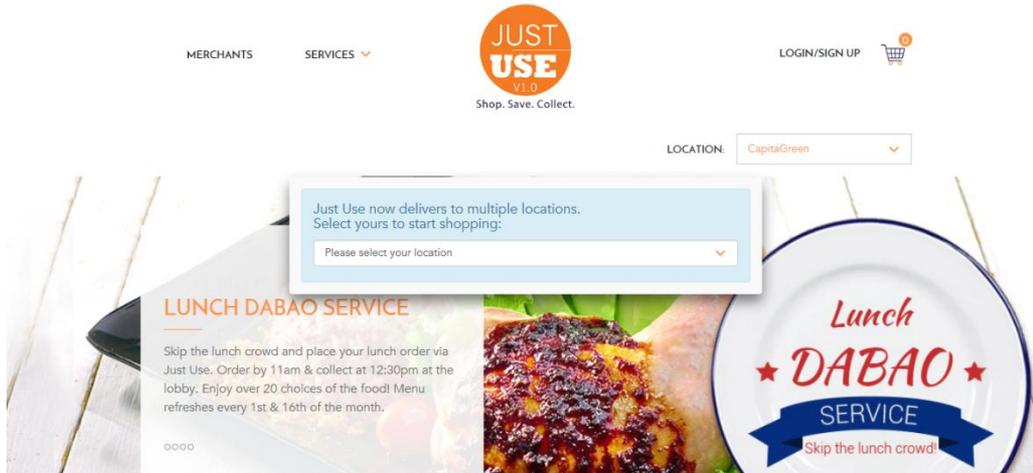


HPB's Healthy Workplace Ecosystem: Partnered HPB and tenant (Fitness First) to promote well-being in the workplace



3. Enhancing customer experience

Proprietary online concierge service that provides both the office and retail tenants with added value and convenience through an aggregated cross-selling model – a first among landlords in Singapore



The Customer Experience Management team with a satisfied user at the Just Use collection point at Capital Tower.

Just Use is a multi-service website that aggregates demand so that tenants can enjoy special bulk discounts and convenient access to a variety of goods and services without leaving the building. Order and pay securely online for multiple services anytime, anywhere!
SHOP for products and services, SAVE more with bulk purchases, COLLECT without leaving the building!



4. Meeting needs of the “Future of Work”

Evolving trend gaining popularity in Singapore; CCT is observing the contributions coworking makes to the tenant-ecosystem through the addition of diversity and variety of tenant-mix



CapitaLand formed a joint venture with Collective Works to establish a coworking space at Capital Tower



4. Future Value

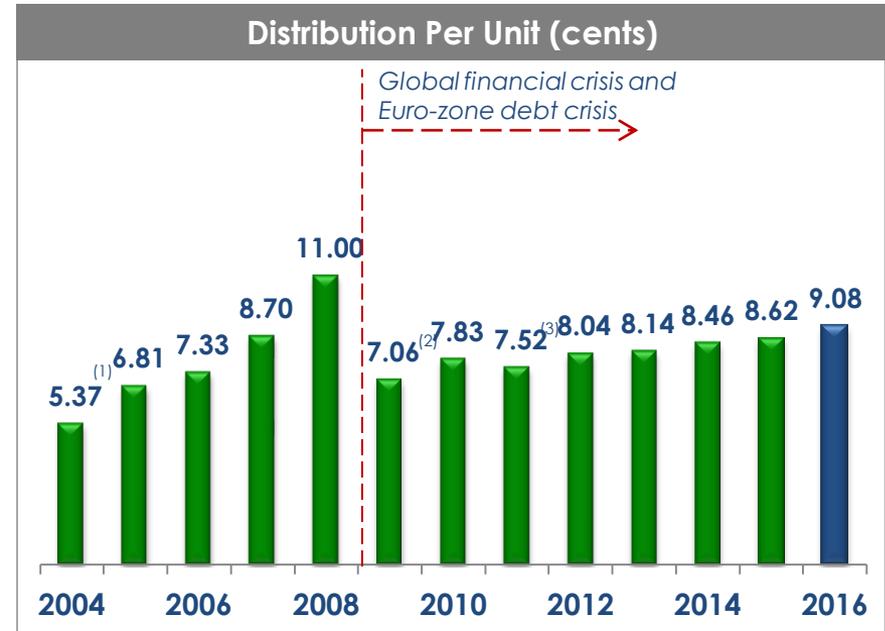
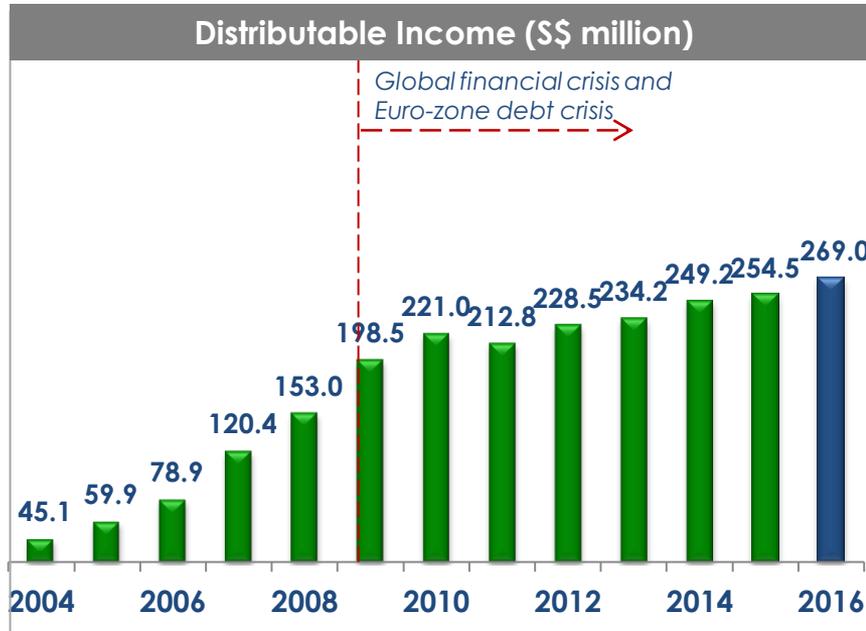


Wilkie Edge, Singapore



Established track record: CCT delivered higher returns YoY through property market cycles

Due to successful portfolio reconstitution strategy including recycling of capital, AEI, acquisition and development



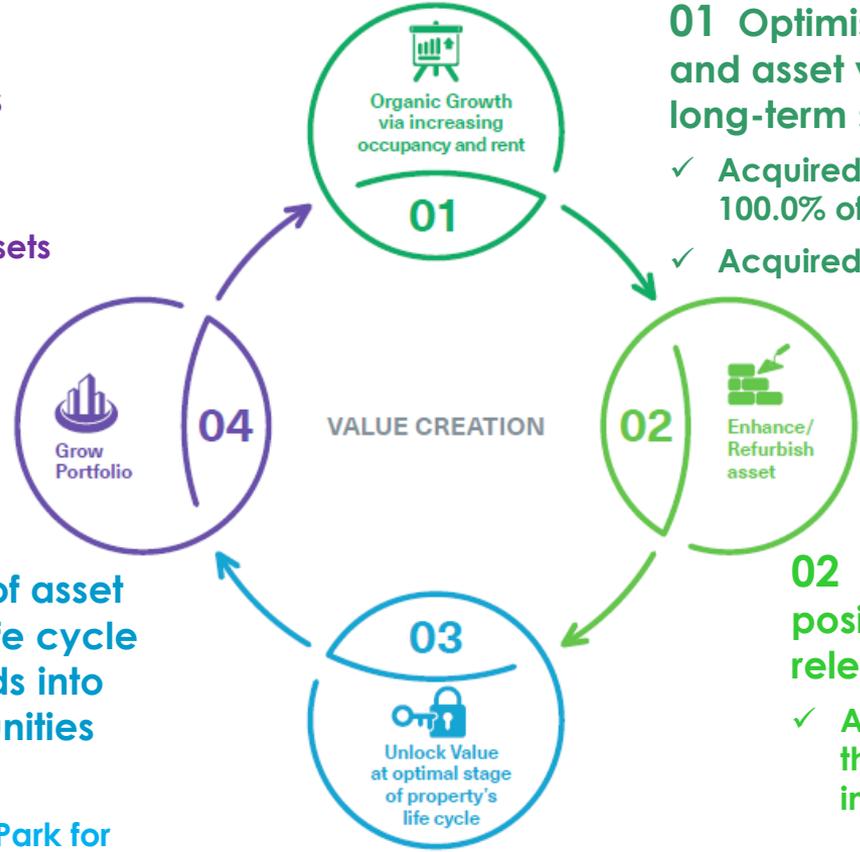
Notes:

- (1) Annualised
- (2) After taking into consideration the issue of rights units in July 2009
- (3) Decline in 2011 DPU compared to 2010 was due to divestment of two properties in 2010, Robinson Point and StarHub Centre

Value creation through portfolio reconstitution strategy

04 Identify quality assets and seize growth opportunities

- ✓ Acquire DPU-accretive assets
- ✓ Transform value through redevelopment



01 Optimise financial performance and asset value and ensure the long-term stability of the portfolio

- ✓ Acquired balance stake to own 100.0% of CapitaGreen in Aug 2016
- ✓ Acquired Twenty Anson in 2012

02 Add value and enhance positioning of asset to remain relevant and competitive

- ✓ Achieved ROIs of 8.2% to 9.3% through asset enhancement initiatives (AEIs)

03 Maximise value of asset at optimal stage of life cycle and recycle proceeds into other growth opportunities

- ✓ Sold two assets in 2010
- ✓ Sold Market Street Car Park for redevelopment under MSO Trust



Future Value: Proposed Golden Shoe Car Park Redevelopment as Catalyst for CCT's Future Growth

Pending approvals and outcome of feasibility study; last day of operation on 31 July 2017



Golden Shoe Car Park (GSCP) at 50 Market Street, Singapore 048940

Potential redevelopment

- Commercial GFA: One million sq ft
- Up to 280m above ground on par with the tallest buildings in the CBD

Subject to approvals

- Rezoning – change of use from transport to commercial
- Payment of differential premium to be determined by the authorities

Description of GSCP

10-storey building with retail and office space as well as car park facilities⁽¹⁾

Land area

64,296 sq ft (5,973 sq m)

Note:

(1) The Market Street Food Centre (MSFC) located on the second and third storeys of Golden Shoe Car Park have been granted to the Singapore Ministry of the Environment and Water Resources for use as a food centre.



Thank you, Valued Unitholders

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

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