

CapitaCommercial Trust First Half 2010 Results



21 July 2010



Important Notice

This presentation shall be read in conjunction with CCT's 2010 Second Quarter Unaudited Financial Statement Announcement.

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

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You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the CCT Manager on future events.



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1. First Half 2010 Highlights

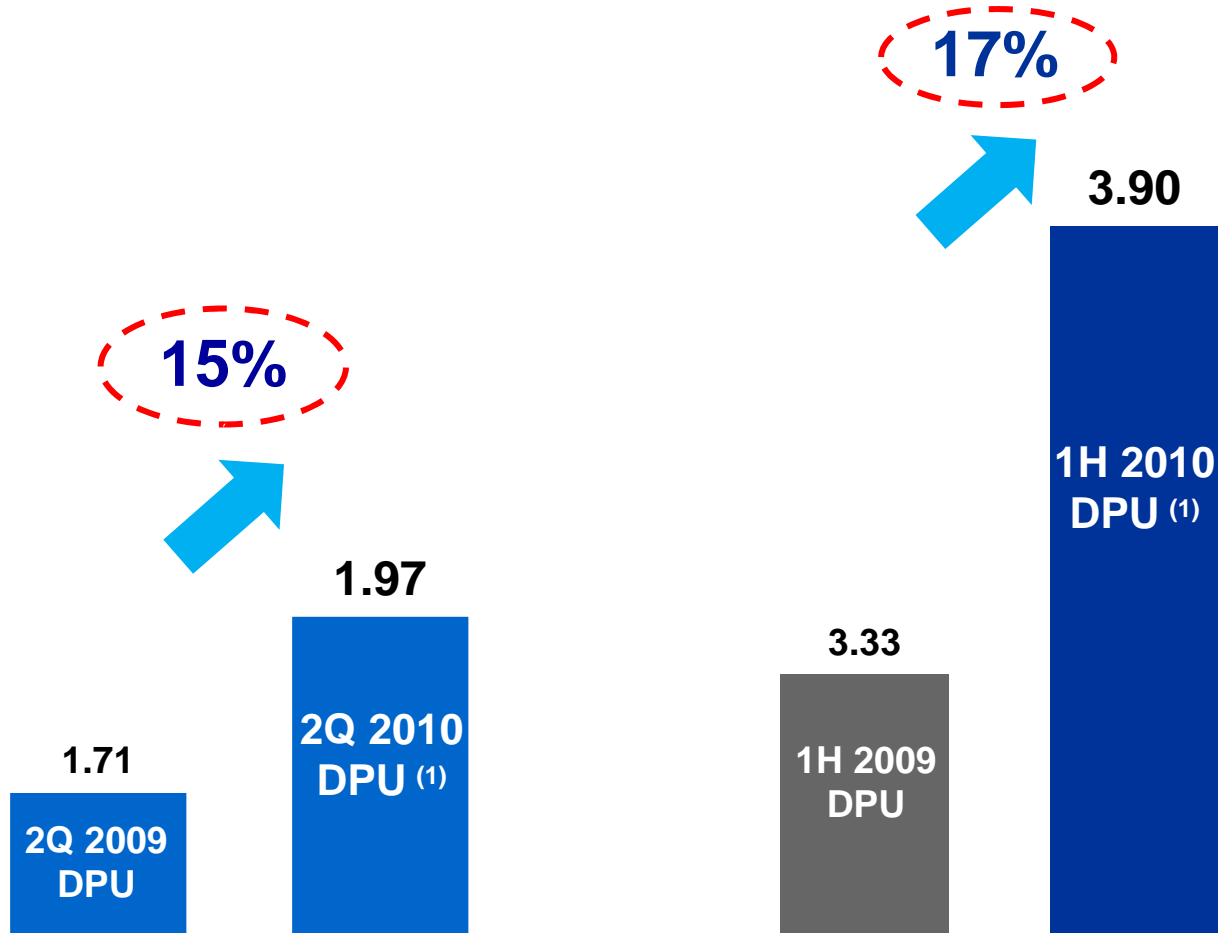


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1H 2010 DPU outperformed 1H 2009 by 17%

2Q 2010 DPU outperformed 2Q 2009 by 15%



Note:

- (1) 1H 2010 DPU is computed on the basis that none of the Convertible Bonds is converted into units. Accordingly, the actual quantum of DPU may differ if any of the Convertible Bonds is converted into units.



Outstanding performance of CCT's portfolio

- Increase in committed occupancy rates

	2Q 2010	1Q 2010
Portfolio	95.6%	95.1%
Grade A office	100.0%	99.1%

- Signed new leases and renewals of 277,000 sq ft in 2Q 2010 (422,000 sq ft in 1H 2010)
 - Tenants include:
 - Credit Agricole Corporate and Investment Bank (banking & financial services)
 - Accenture Pte Ltd (business consultancy)
 - Watson, Farley & Williams LLP (legal)
 - Northern Trust (banking & financial services)
 - EDHEC Risk Institute-Asia (financial research)
 - Key sectors: Banking & financial services, legal services



Sale of Starhub Centre for S\$380m



Starhub Centre

- **Signed S&P agreement with subsidiary of Frasers Centrepoint for sale at price of S\$380.0m or S\$1,357 psf by NLA**
- **Obtained Outline Planning Permission from the Urban Redevelopment Authority for change of use:**
 - from Commercial to Residential (maximum 80% of GFA) and Commercial
 - Gross plot ratio of +4.9 (no change)
- **Obtained in-principle approval for extension of lease from Singapore Land Authority to a fresh 99-year for a residential-commercial development**
- **Estimated gain of S\$113.3m**
 - 42.5% above June 2010 valuation of S\$266.7m⁽¹⁾
 - 42.8% above 2004 appraised value of S\$266.1m when acquired by CCT
- **Expected to complete in Sep 2010**
- **Sale proceeds will be used for growth opportunities and/or repay debt**

Note:

(1) Starhub Centre was valued on the basis of its existing use as an office building with a balance leasehold tenure of 84.59 years.



Enhance competitiveness of Six Battery Road



Six Battery Road

- **First operating office building in Singapore to attain 2010 Building and Construction Authority's Green Mark Platinum award**
- **Asset enhancement focus:**
 - Environmental sustainability
 - Technical efficiency
 - Aesthetic value
- **Cost of enhancement = S\$92m (disbursed over six years)**
- **Carry out works in phases till 2013**



Proactive capital management

- Issued S\$225.0m 2.7 per cent. convertible bonds due 2015
- Repurchased S\$190.0m of existing convertible bonds due 2013, and reduced outstanding amount to S\$180.0m

Result:

- **Refinancing well ahead of debt maturity dates**
- **Diversifying sources of funding and extend debt maturities**
- **Financial flexibility to respond quickly to investment opportunities**

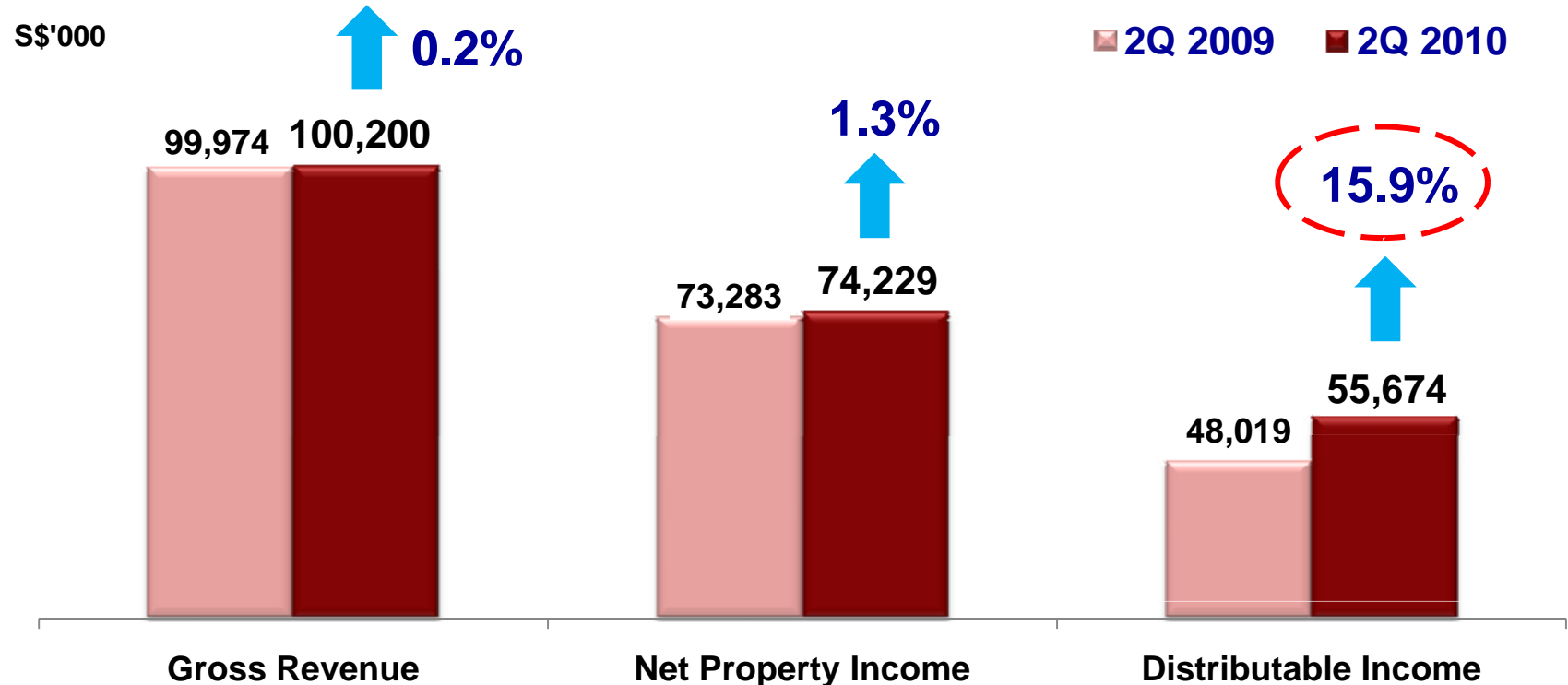
2. Solid Financial Results



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2Q 2010 – Net Property Income up by 1.3%; Distributable Income up by 15.9%



Higher income contribution due to positive rental reversions across most properties but offset partly by sale of Robinson Point.

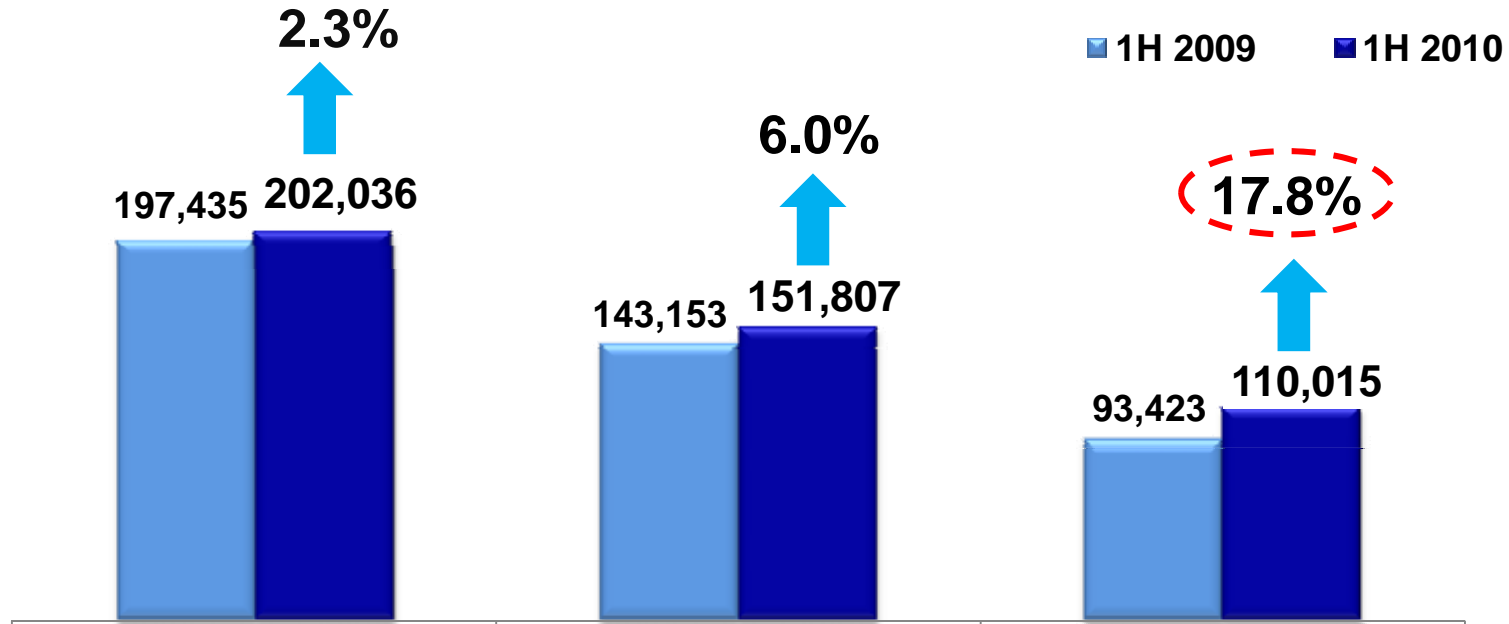
Reduced operating expenses due to lower property tax, but offset by higher marketing expenses.

Higher distribution income due to lower interest expense.



1H 2010 – Net Property Income up by 6.0%; Distributable Income up by 17.8%

S\$'000



Gross Revenue

Higher income contribution due to positive rental reversions and/or higher average occupancies.

Net Property Income

Reduced operating expenses primarily due to lower property tax and utilities but offset partially by higher maintenance and marketing expenses.

Distributable Income

Higher distribution income due to lower interest expense.



Distribution Details

Distribution Period	From 1 Jan 2010 to 30 Jun 2010
Estimated Distribution Per Unit ¹	Taxable - 3.90 cents

Distribution Timetable

Books Closure Date	Friday, 30 July 2010
Distribution Payment Date	Friday, 27 August 2010

Note:

- (1) The estimated DPU is computed on the basis that none of the Convertible Bonds is converted into units. Accordingly, the actual quantum of DPU may differ if any of the Convertible Bonds is converted into units.



No significant change in portfolio value

	Valuation as at 31 Dec 09 S\$m	Valuation as at 30 Jun 10 S\$m	Change %	30 Jun 10 (S\$psf)
Capital Tower	1,052.5	1,052.5	-	1,420
Six Battery Road	1,114.0	1,065.8	(4.3)	2,143
HSBC Building	299.8	313.7	4.6	1,565
Starhub Centre ⁽¹⁾	268.0	266.7	(0.5)	962
Bugis Village	64.3	62.5	(2.8)	510
Golden Shoe Car Park	102.6	102.6	-	NM
Market Street Car Park	49.3	47.0	(4.7)	NM
One George Street	896.0	896.8	0.1	2,002
Wilkie Edge	143.0	143.0	-	979
Subtotal	3,989.5	3,950.6	(1.0)	
Raffles City 60%	1,530.0	1,543.2	0.9	1,426
Portfolio ⁽²⁾	5,519.5	5,493.8	(0.5)	

Notes:

(1) Starhub Centre was valued on the basis of its existing use as an office building with a balance leasehold tenure of 84.59 years. On 16 July 2010, a sale and purchase agreement was entered with FCL Crystal Pte. Ltd. for the sale of Starhub Centre at the price of S\$380.0 million. The government authorities' in-principle approvals have been obtained to change its current commercial use to residential (60% to 80%) and commercial (20% to 40%), and to extend the lease to a fresh 99-year lease, subject to various conditions.

(2) Excluded Robinson Point which was divested on 19 April 2010.



Total Assets at S\$6.0B, Adj. NAV at S\$1.36

	30 Jun 10 S\$'000	31 Dec 09 S\$'000
Non-current assets	5,571,474	5,595,598
Current assets ¹	471,072	504,374
Total assets	6,042,546	6,099,972
Current liabilities ²	279,291	325,902
Non-current liabilities ³	1,815,426	1,817,661
Net assets	3,947,829	3,956,409
Unitholders' funds	3,947,829	3,956,409
NAV Per Unit	\$1.40	\$1.41
Adjusted NAV Per Unit⁴	\$1.36	\$1.37

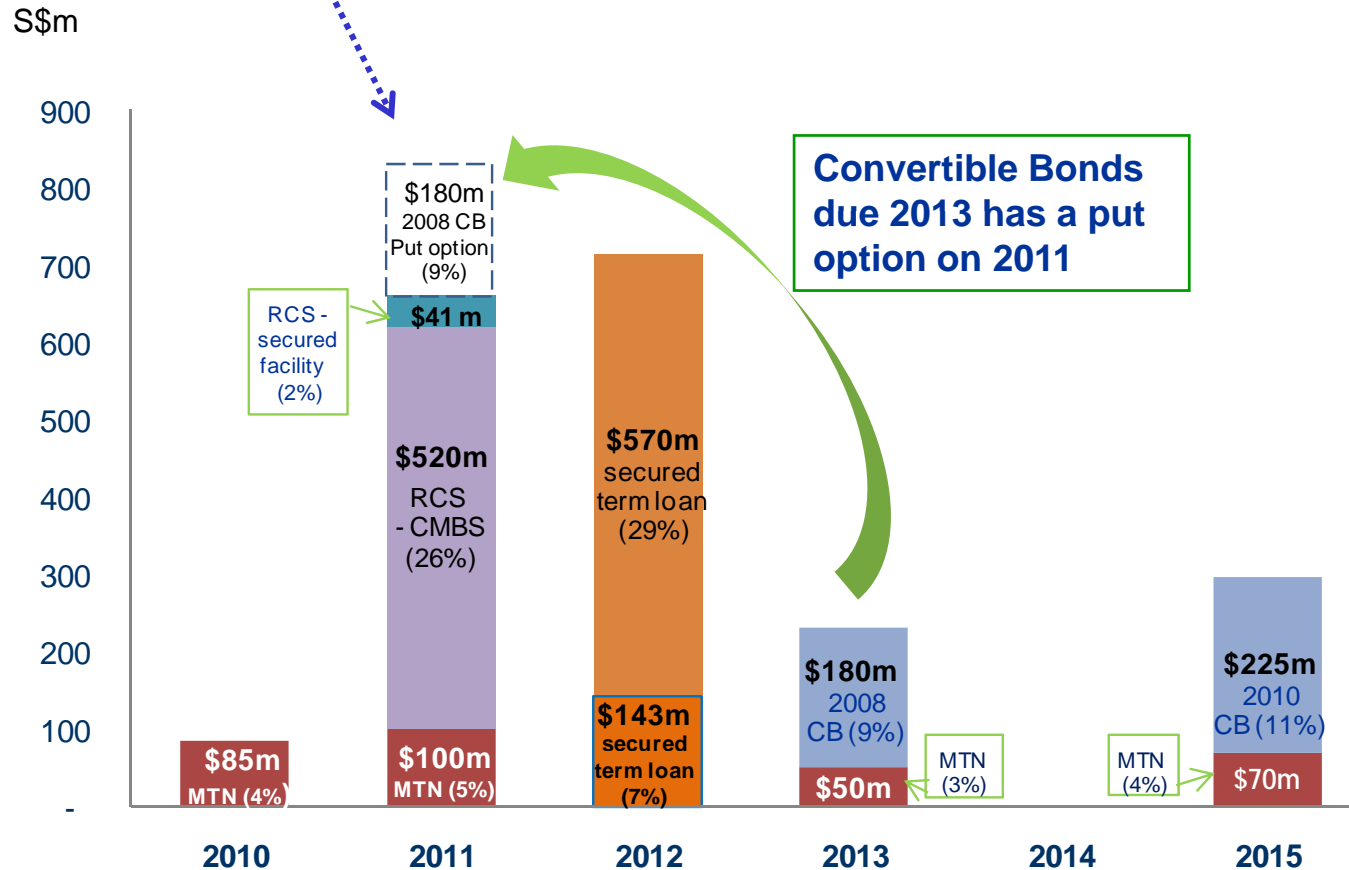
Notes: **Comparing Jun 10 against Dec 09**

- (1) Cash balance increased by S\$151.6 million primarily attributed to divestment of Robinson Point. This was offset by capital expenditure and repayment of debt, which led to a decrease in current assets by 6.6%.
- (2) Current liabilities decreased mainly due to repayment of \$150.0 million MTN but offset by higher trade and other creditors and reclassification of \$100.0 million MTN from non-current liabilities.
- (3) Non-current liabilities have decreased mainly due to reclassification of \$100 million MTN to current liabilities and repurchase of \$190 million CB due 2013 but offset by issuance of new \$70 million MTN and additional drawdown of \$6 million RCS loan and increase in other non-current liabilities.
- (4) Assuming the distribution income has been paid out to unitholders.



Refinancing well ahead of maturity, extending debt maturity

\$370m 2008 CB reduced to \$180m due to repurchase



As at 30 June 2010



Healthy financial indicators

	As at 30 Jun 10	As at 31 Mar 10	As at 31 Dec 09
Total debt (S\$'mil)	1,983.7	1,930.7	2,022.7
Gearing ratio¹	32.8%	32.2%	33.2%
Interest service coverage ratio²	3.8 times	3.6 times	3.3 times
Average cost of debt	3.7%	3.9%	3.9%
Average fixed rate term to expiry³	2.2 years	2.2 years	2.2 years
Average debt maturity to put⁴	2.1 years	1.7 years	1.9 years

Notes:

1. Ratio of borrowings over total deposited properties
2. Ratio of net investment income before interest and tax over interest expenses
3. Fixed rate loan portfolio average years to expiry date of loans/hedge
4. Average debt maturity to put based on put date of 2008 bonds on May 2011 and maturity date of borrowings



Enhanced financial flexibility

- Total number of unsecured assets : 7 out of 10
- Value of unsecured assets : S\$2.6 billion (47.0% of total value of investment properties)
- S\$1.7 billion untapped balance from S\$2.0 billion multicurrency medium term note programme



Six Battery Road



One George Street



Starhub Centre



Wilkie Edge



Bugis Village



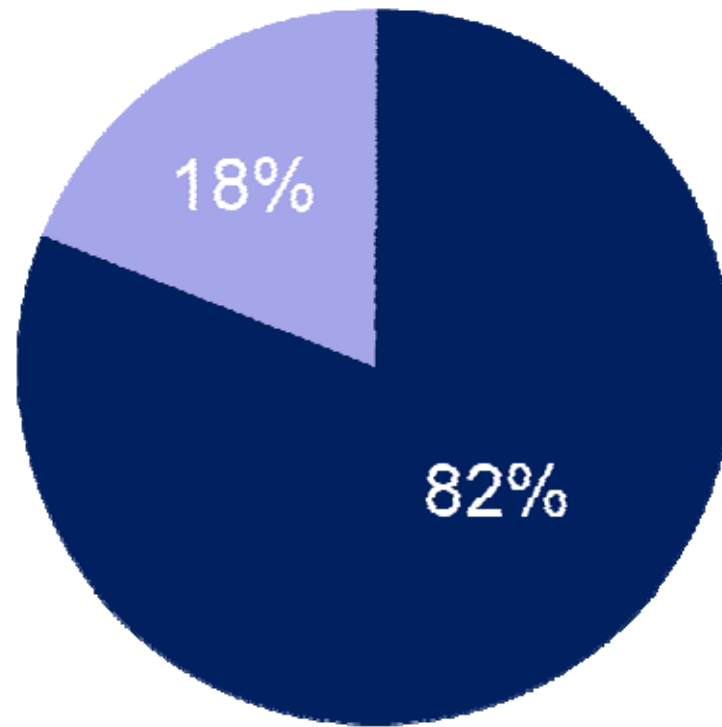
Golden Shoe Car Park



Market Street Car Park



Low Exposure to Interest Rate Risk



■ Borrowings on fixed rate ■ Borrowings on floating rate

3. Stable Portfolio



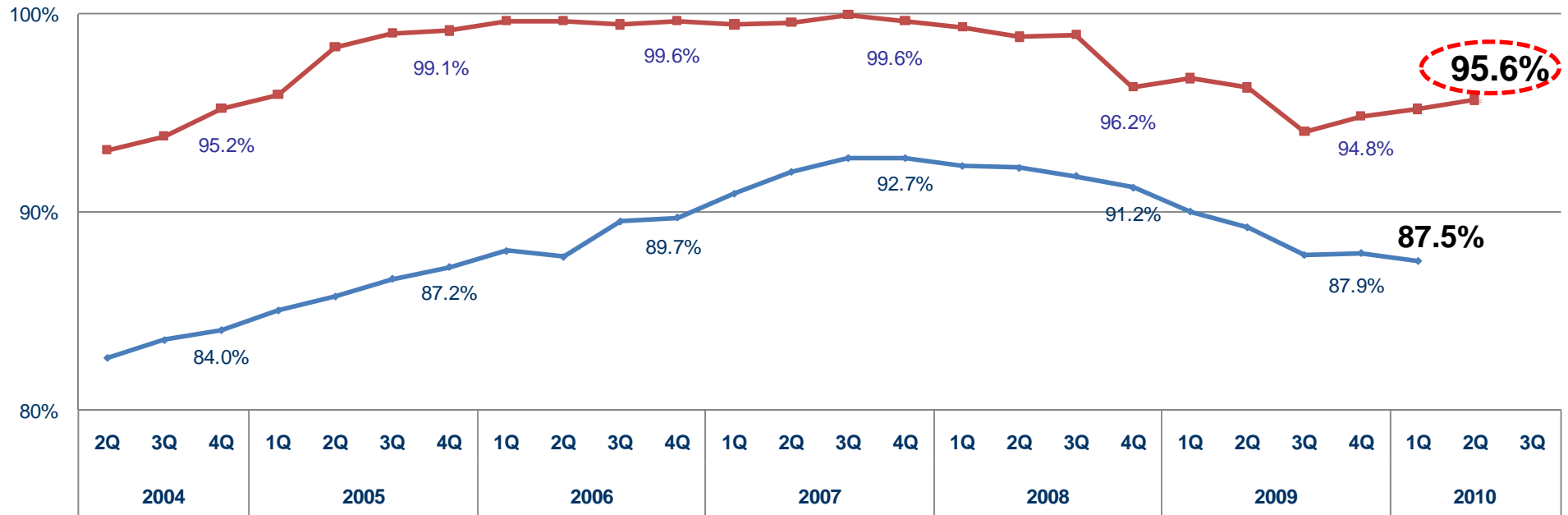
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CCT's Grade A offices at 100% occupancy

CCT Committed Occupancy level			Industry Statistics – Occupancy level		
Grade A office	2Q: 100%	1Q: 99.1%	Grade A office	2Q: 93.6%	1Q: 94.5%
Portfolio	2Q: 95.6%	1Q: 95.1%	Core CBD	2Q: 93.3%	1Q: 91.9%

CCT's Committed Occupancy Since Inception



Notes:

- (1) URA has not released Occupancy Index Figure for 2Q 2010
- (2) Data shown does not take into account the divestment of Starhub Centre

CCT Occupancy Rate

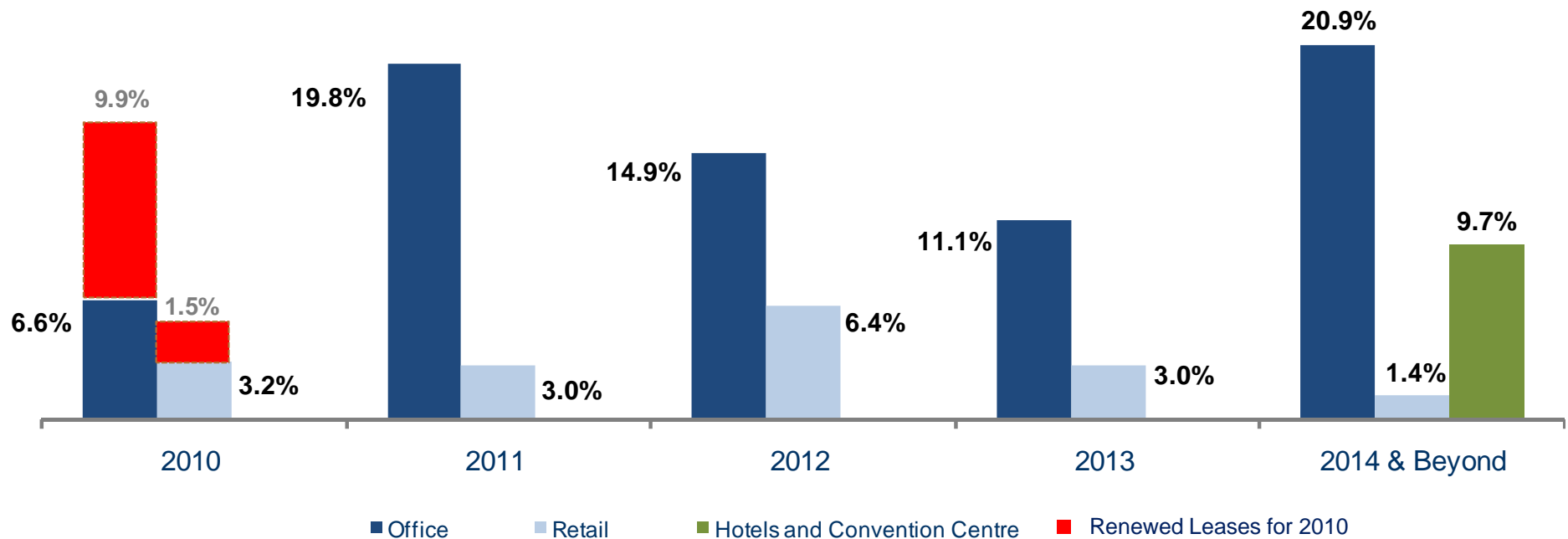
URA Occupancy Index

(1)



Well spread portfolio lease expiry profile

Leases up for renewal (by Monthly Gross Rental Income⁽¹⁾) as at 30 June 2010



Notes:

(1) Excludes turnover rent.

(2) Data shown does not take into account the divestment of Starhub Centre

Already secured renewals for more than 50% of leases expiring in 2010

Office leases expiring as a percentage of Monthly Office Gross Rental Income as at 30 June 2010



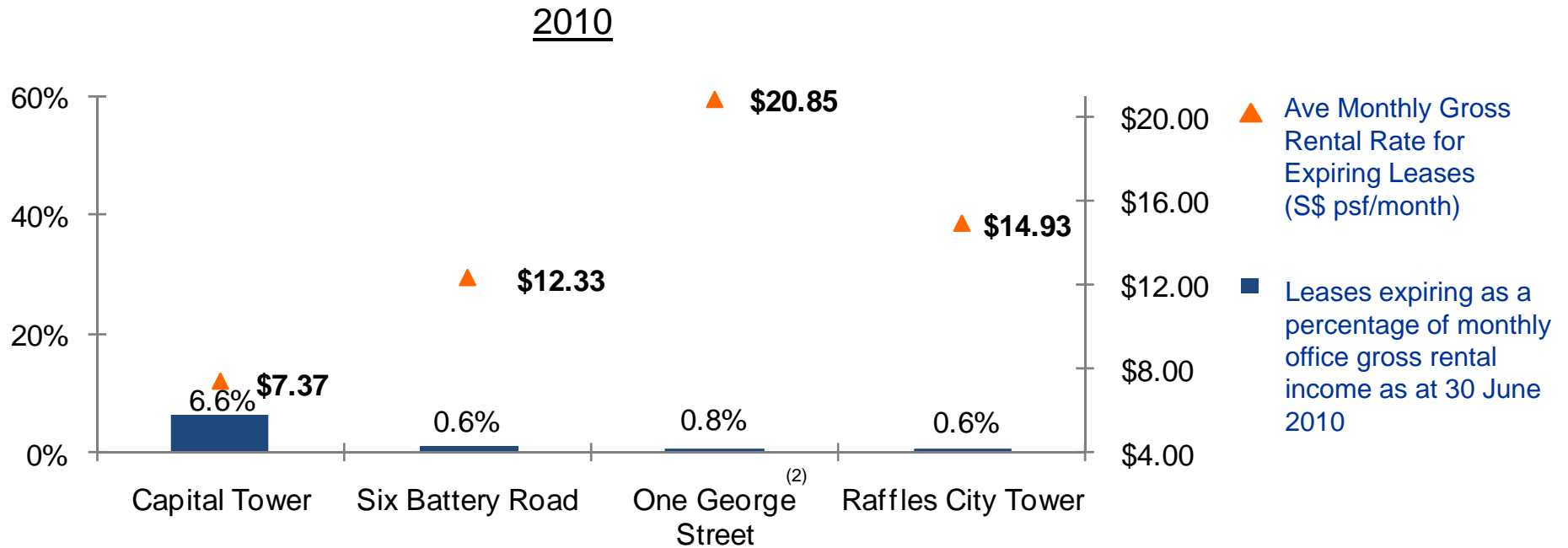
Average office portfolio rent as at 30 Jun 2010 is \$8.63 psf



2010 expiring leases mainly from Capital Tower

Average rent of office portfolio leases expiring in 2010 is \$8.08 psf

2Q 2010 Industry Statistics ⁽¹⁾ –
Grade A Office Average Market Rent: S\$8.45 psf
Prime Office Average Market Rent: S\$6.90 psf



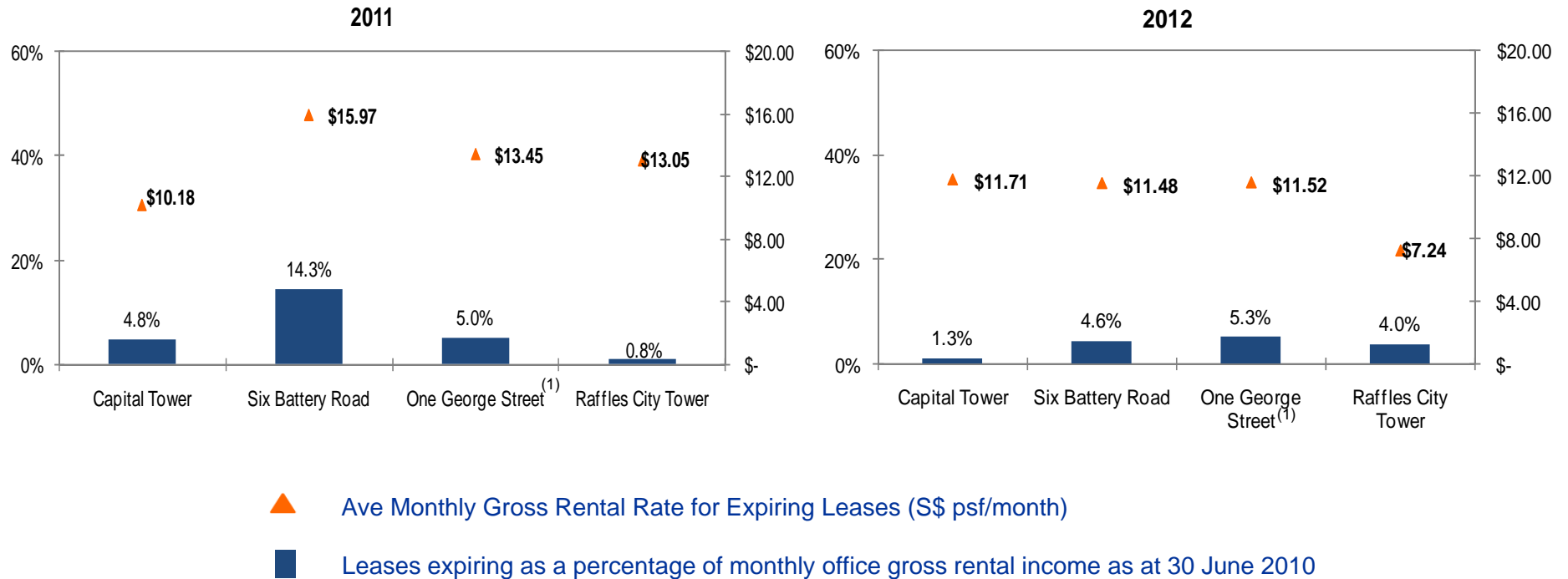
Notes:

(1)Source: CBRE (as at 2Q 2010)

(2)Has embedded yield protection of 4.25% p.a., based on purchase consideration of S\$1.165 billion until 10 July 2013 from CapitaLand. This eliminates downside rental risk for One George Street during the yield protection period, but allows CCT to benefit from any upside in rental reversion.



Positioning leasing strategy to benefit from office market recovery



Note:

- (1) Has embedded yield protection of 4.25% p.a., based on purchase consideration of S\$1.165 billion until 10 July 2013 from CapitaLand. This eliminates downside rental risk for One George Street during the yield protection period, but allows CCT to benefit from any upside in rental reversion.

4. Raffles City Asset Enhancement Initiative Update



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Raffles City Asset Enhancement Works on schedule

AEI Works	Status
Basement 2 Link to the New Esplanade Station (Circle Line) – Stage 1	<ul style="list-style-type: none">▪ TOP⁽¹⁾ obtained▪ Commenced trading in July 2010
Basement 1 Marketplace reconfiguration – Stage 1 and 2	<ul style="list-style-type: none">▪ To commence trading by August 2010
Basement 1 Marketplace reconfiguration – Stage 3	<ul style="list-style-type: none">▪ To commence trading in October 2010

(1) Refers to Temporary Occupation Permit.



Raffles City Singapore Stage 1 AEI completed

Basement 1



Basement 2





Value Creation of Planned Initiatives

86% of New AEI Space Committed

Basement 1 Marketplace Reconfiguration & Basement 2 Link

	Projected AEI Budget ⁽¹⁾ (\$ mil)	Original AEI Budget ⁽¹⁾ (\$ mil)	Variance
Total Gross Rent per annum	14.83	14.20	4.4% ↑
	Projected AEI Budget ⁽¹⁾ (\$ mil)	Original AEI Budget ⁽¹⁾ (\$ mil)	Variance (\$ mil)
Additional Gross Rental Revenue per annum	4.06	3.47	0.59
Estimated Net Property Income per annum	3.08	2.65	0.43
Total Project Cost	34.63 ⁽²⁾	33.23	1.40
Return On Investment	8.9%	8.0%	0.9% pt ↑
Increase in Capital Value @ 6.0%	51.30	44.17	7.13
Net Increase in Capital Value (net of project cost)	16.67	10.94	5.73

(1) Based on Manager's estimate using actual rent for units leased and budgeted rent for uncommitted units. Numbers presented above are based on 100% interest in Raffles City Singapore, CCT's share is only 60.0%.

(2) Revised total project cost.

5. Market Outlook



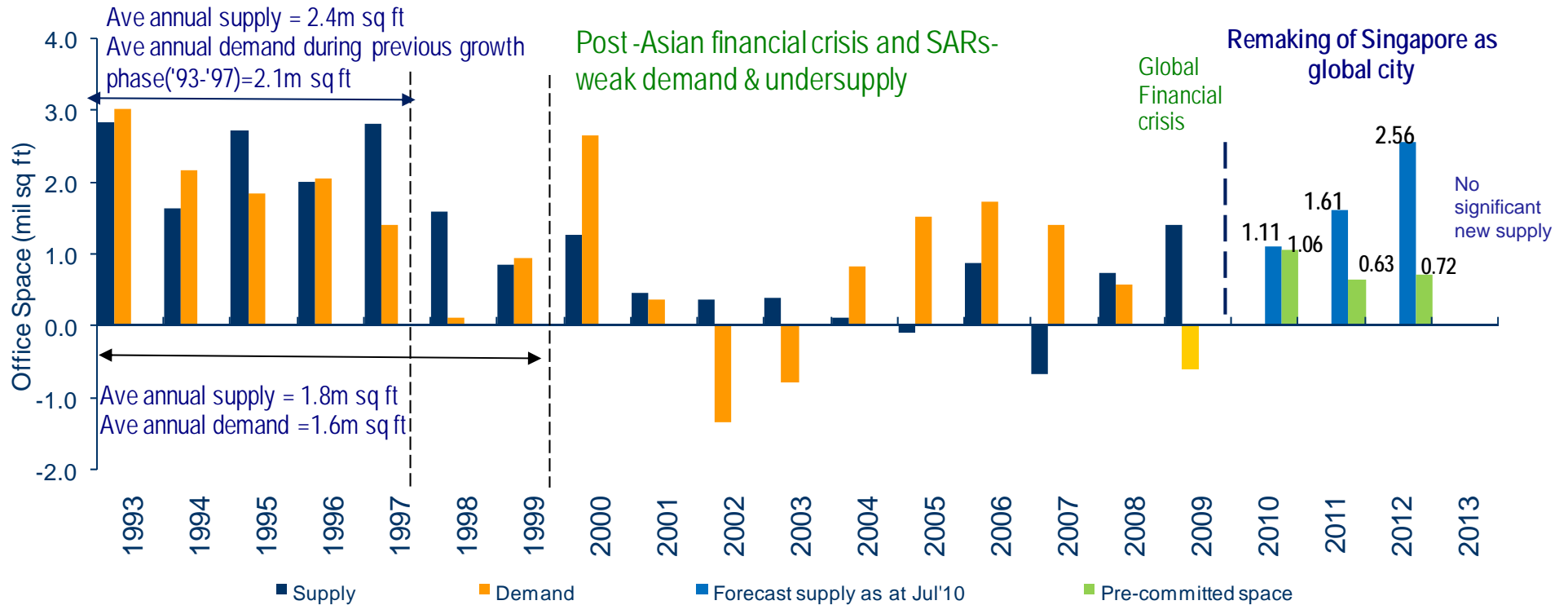
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95% of 2010 supply already pre-committed

32% of 2011 and 2012 supply pre-committed

Singapore Private Office Space (Central Area) -- Demand & Supply



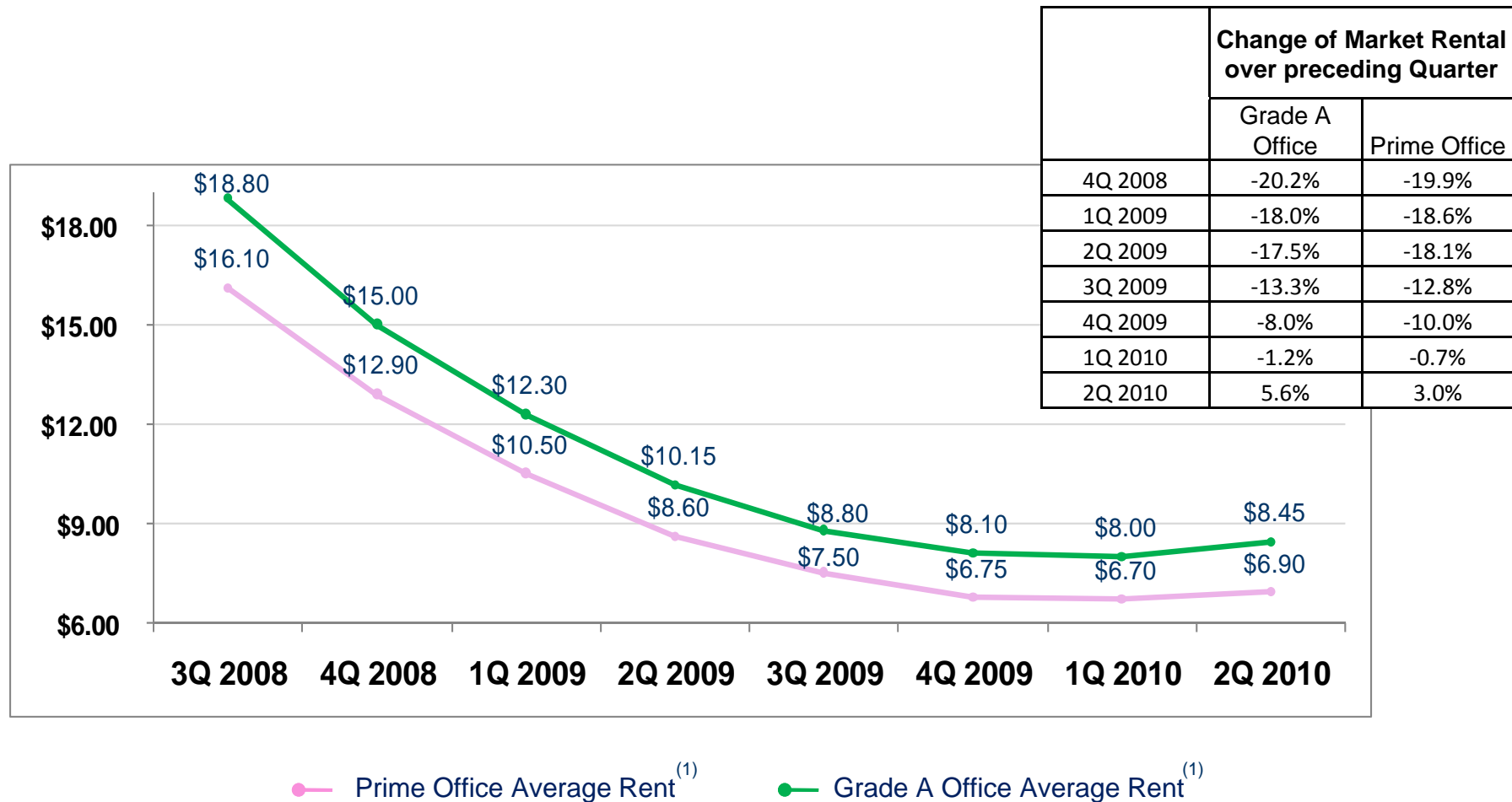
Note:

(1) Central Area comprises 'The Downtown Core', 'Orchard' and 'Rest of Central Area'

Source: Consensus Compiled from CBRE & JLL (Jul 10)



Office rents have turned around on the back of strong economic recovery and office demand



Note:

(1) Source for office market rent: CBRE (figures as at end of each quarter)



Exceptionally strong Singapore GDP growth in Q2; Anticipated slowdown in growth momentum for the rest of the year

Advance estimates of Singapore's forecast 2010 GDP : 13.0% to 15.0% (July 2010) revised upwards from 7.0% to 9.0% (April 2010)



Source: Ministry of Trade and Industry, 14 July 2010

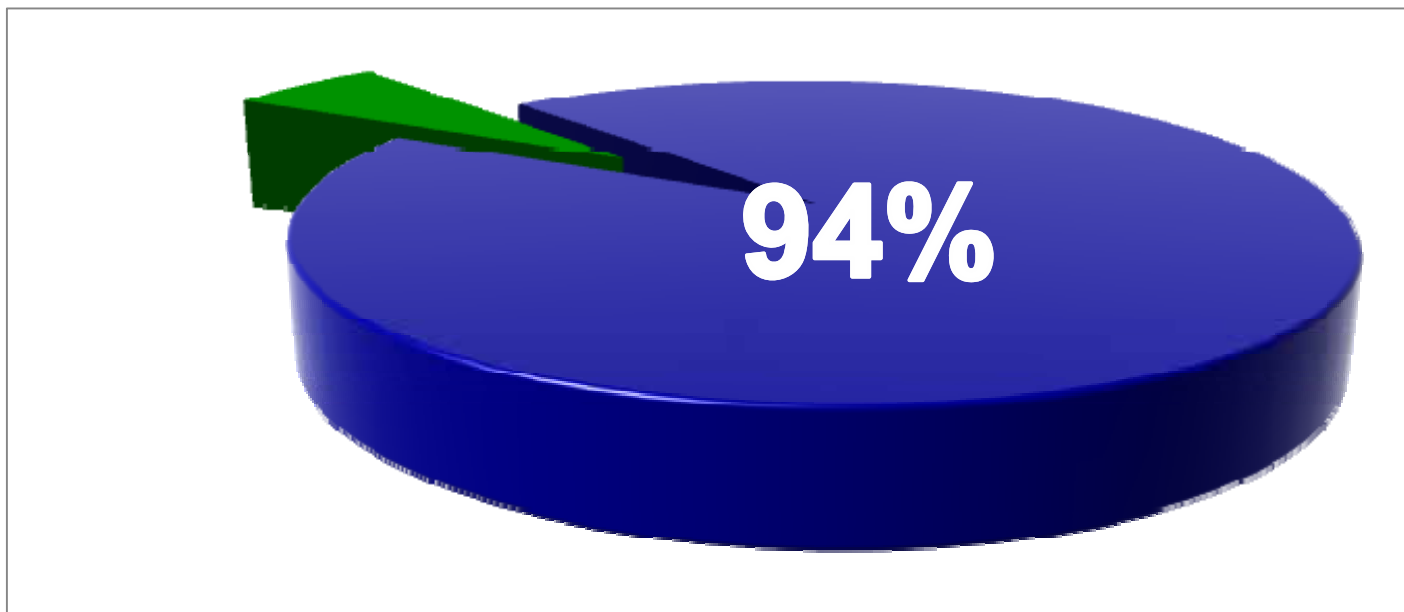
6. Summary



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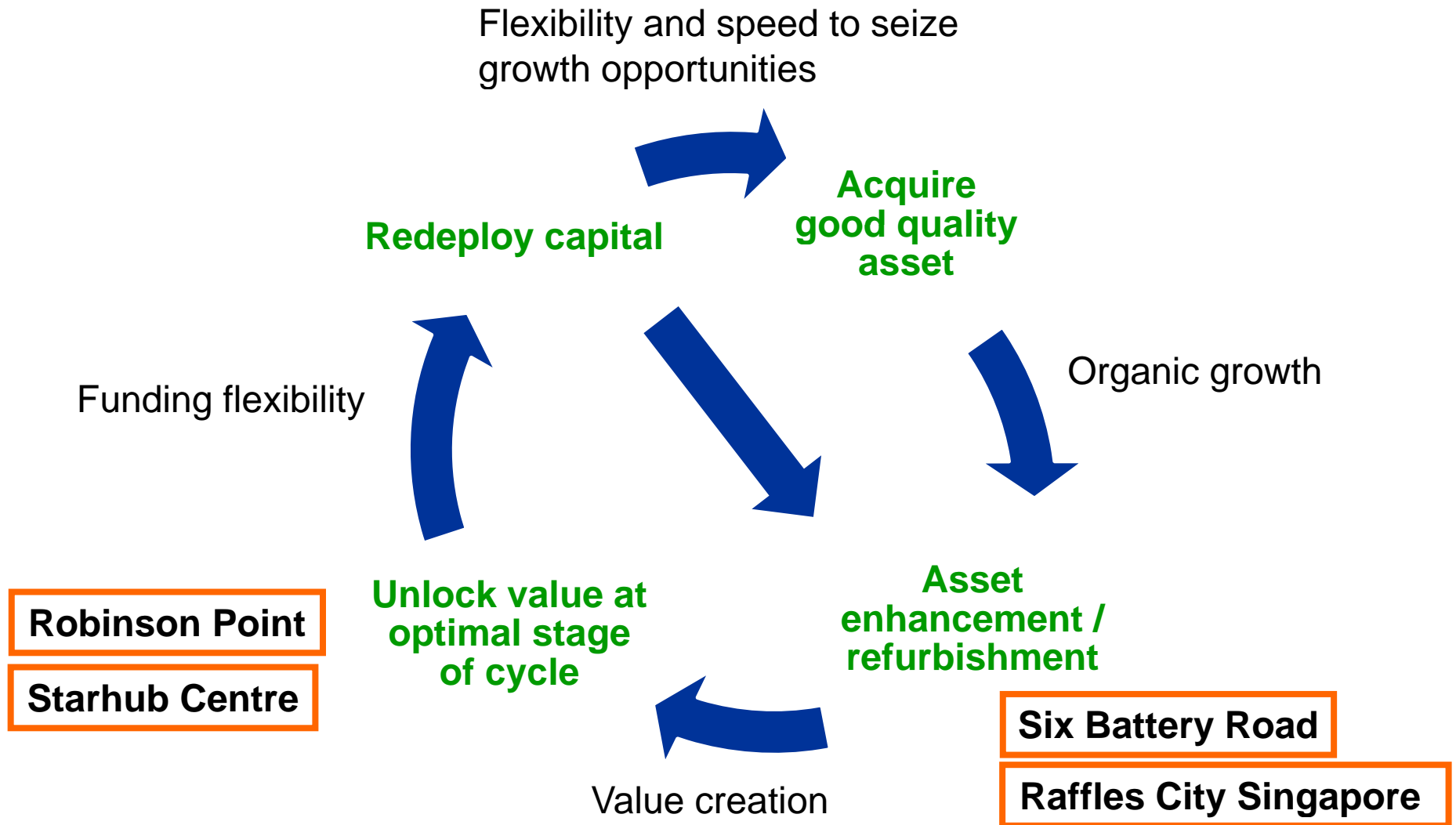


Secured 94% of 2009's Gross Rental Income for the year of 2010





Portfolio reconstitution strategy to further enhance asset quality



Supplementary Slides



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Singapore's First Listed Commercial REIT

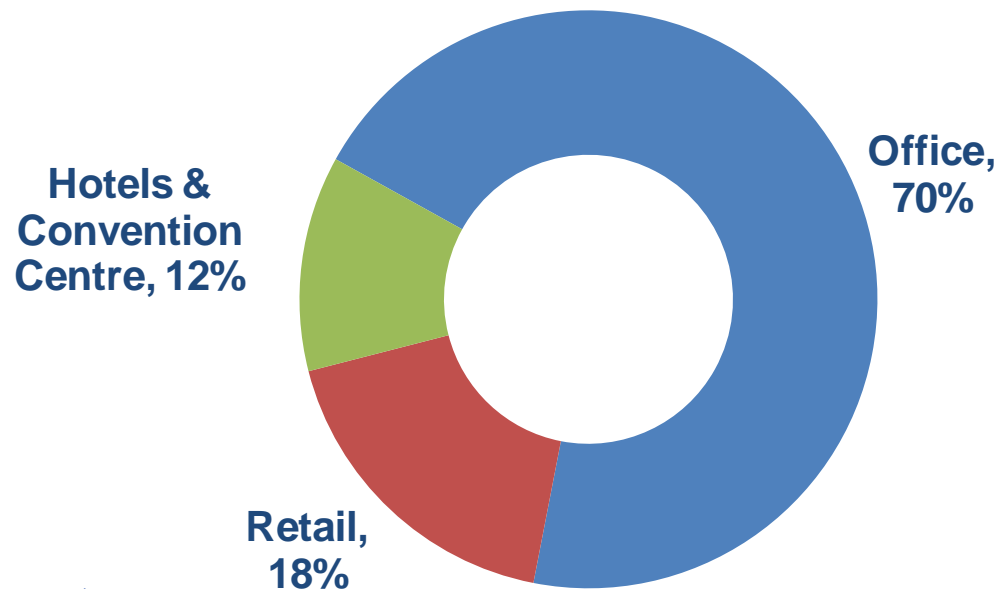
Listing	May 2004 on Singapore Exchange Securities Trading Limited
Portfolio - Singapore	10 premier commercial assets in the Central Area of Singapore (7% of total private stock)
Total Net Lettable Area	3.3 million sq ft
Total number of Tenants	More than 500 (office and retail)
Investments - Malaysia	30% stake in Quill Capita Trust who owns ten commercial properties in Kuala Lumpur, Cyberjaya and Penang 7.4% stake in Malaysia Commercial Development Fund Pte. Ltd.
Total assets	S\$6.0 billion (US\$4.4 billion) (as at 30 June 2010)
Market cap	S\$3.4 billion (US\$2.2 billion) Based on CCT's closing price of S\$1.22 on 30 June 2010 (last trading day of the month) and total units on issue, 2,818,970,812



Gross rental income⁽¹⁾ predominantly contributed by Grade A offices

CCT's focus is owning and investing in real estate and real estate-related assets, which are income-producing and used, or predominantly used, for commercial purposes.

Major usage mix for CCT properties
By Gross Rental Income for the month of June 2010^{(2) (3)}



Notes:

(1) Excludes retail turnover rent

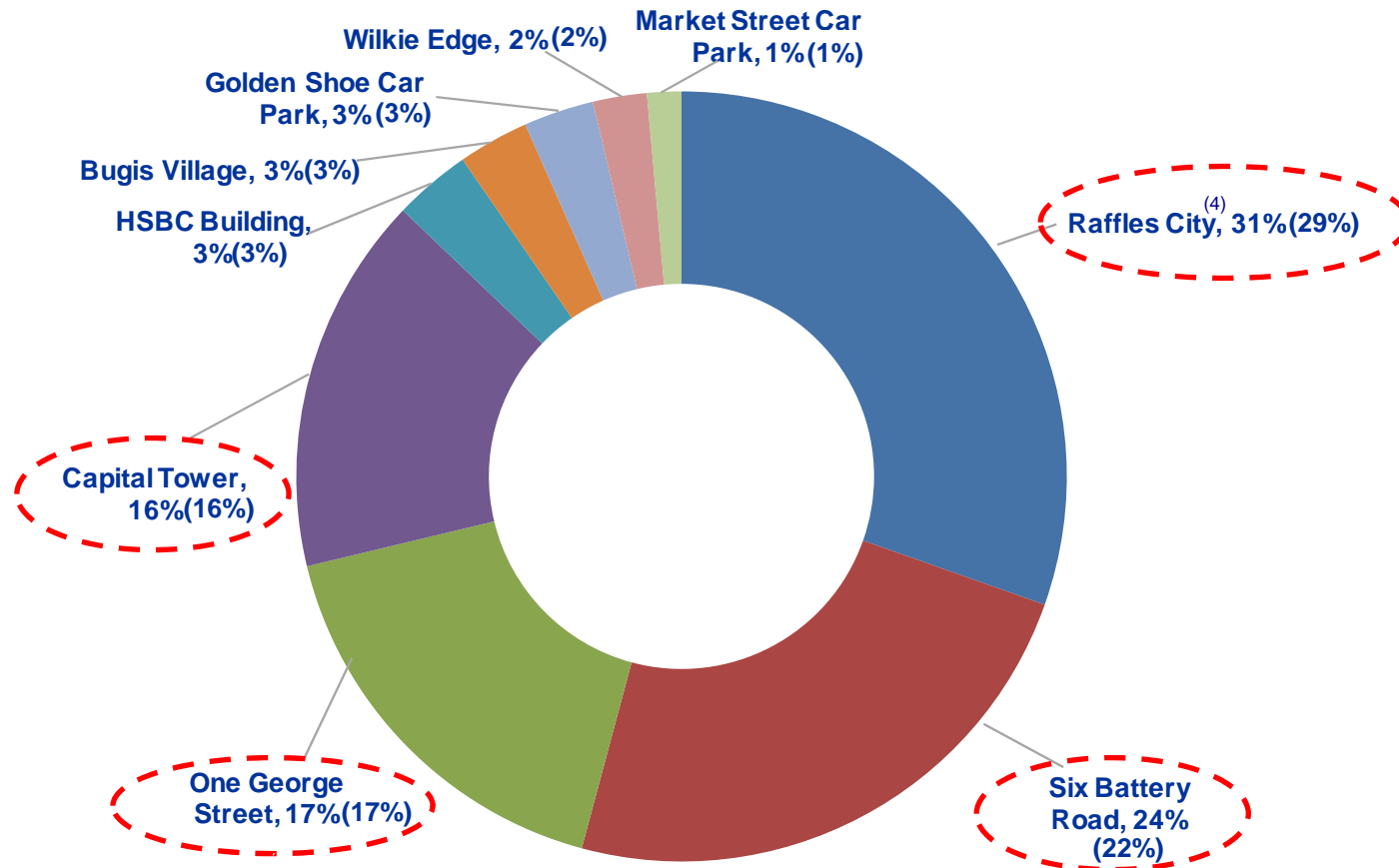
(2) Excludes Robinson Point as sale was completed on 19 April 2010

(3) Assuming divestment of Starhub Centre



Portfolio diversification⁽¹⁾ with focus on quality

**More than 80% of Net Property Income^{(2) (3)}
from Grade A offices and Raffles City**



Notes:

(1) Data shows information assuming the divestment of Starhub Centre. Data in parenthesis includes Starhub Centre.

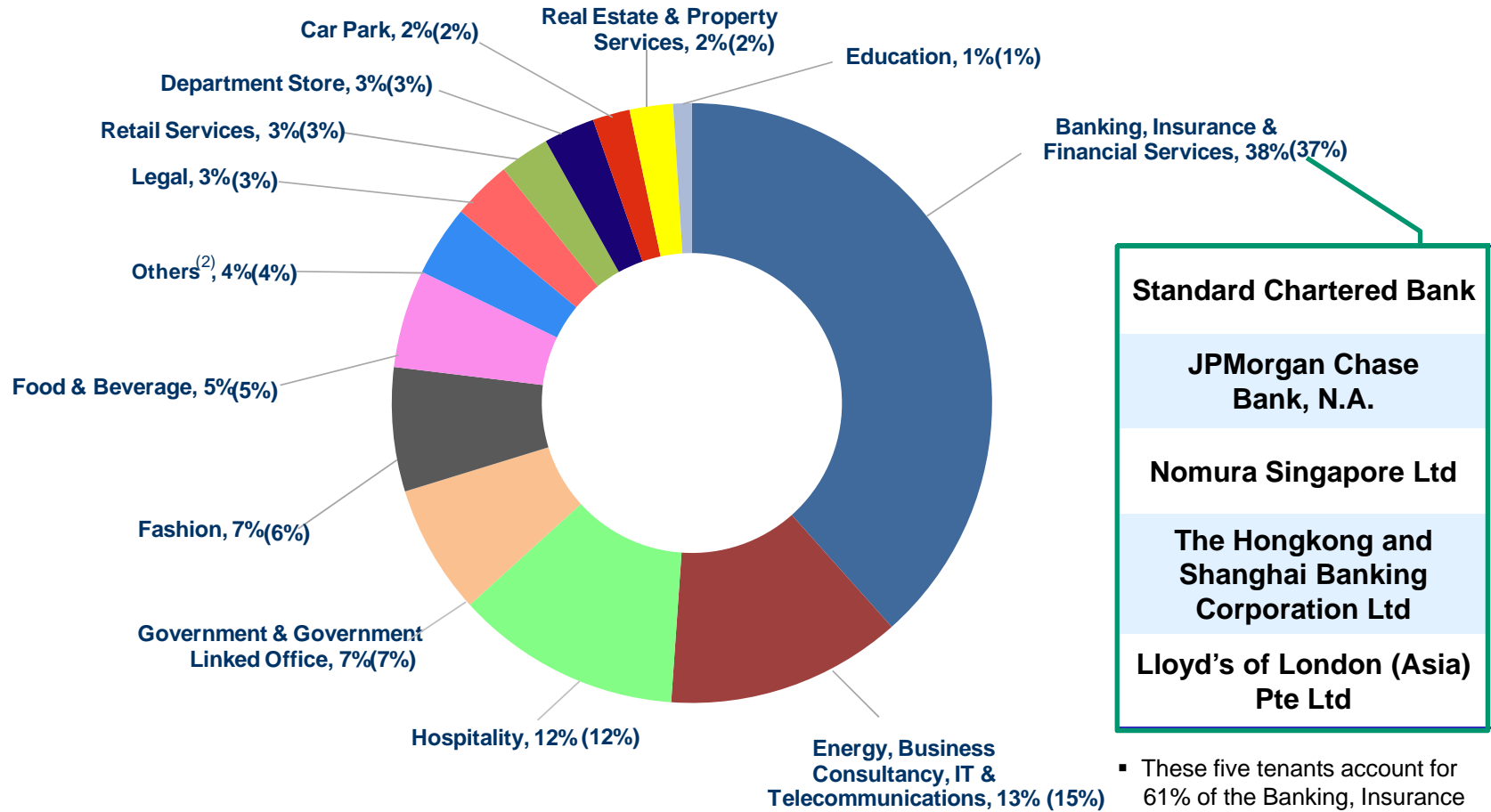
(2) For the period of 1 Jan 2010 to 30 Jun 2010

(3) Excludes Robinson Point as sale was completed on 19 April 2010

(4) Represents CCT's interest of 60.0% in Raffles City



Diverse tenant mix⁽¹⁾ in CCT's portfolio



Notes:

(1)Based on monthly gross rental income as at 30 Jun 2010 for the portfolio including car park income from Golden Shoe Car Park and Market Street Car Park. Data shows information assuming the divestment of Starhub Centre. Data in parenthesis includes Starhub Centre.

(2)Consists of other minor retail and office trades



Top ten blue-chip tenants⁽¹⁾ contribute about 47% of monthly gross rental income

Weighted Average Lease Term to Expiry (by floor area) for Top 10 Tenants as at 30 Jun 2010 = 5.5 years⁽²⁾

Portfolio with Starhub Centre		Portfolio without Starhub Centre	
RC Hotels Pte Ltd	12.1%	RC Hotels Pte Ltd	12.6%
Standard Chartered Bank	11.1%	Standard Chartered Bank	11.5%
Government of Singapore Investment Corporation Private Limited	4.5%	Government of Singapore Investment Corporation Private Limited	4.7%
JPMorgan Chase Bank, N.A.	4.4%	JPMorgan Chase Bank, N.A.	4.6%
Nomura Singapore Limited	3.4%	Nomura Singapore Limited	3.5%
The Hongkong and Shanghai Banking Corporation Ltd	2.7%	The Hongkong and Shanghai Banking Corporation Ltd	2.8%
BHP Billiton Marketing Asia Pte Ltd	2.5%	BHP Billiton Marketing Asia Pte Ltd	2.6%
Lloyd's of London (Asia) Pte Ltd	2.3%	Lloyd's of London (Asia) Pte Ltd	2.4%
Robinson & Company (Singapore) Private Limited	2.0%	Robinson & Company (Singapore) Private Limited	2.1%
WongPartnership LLP	1.9%	WongPartnership LLP	2.0%

Notes:

(1) Based on monthly gross rental income contribution as at 30 Jun 2010 (excluding retail turnover rent)

(2) Assuming the completion of the divestment of Starhub Centre, there is no material change to the Top Ten Tenants' WALE.



Committed occupancy rates above market levels

CCT Committed Occupancy level			Industry Statistics – Occupancy level		
Grade A office	2Q: 100%	1Q: 99.1%	Grade A office	2Q: 93.6%	1Q: 94.5%
Portfolio	2Q: 95.6%	1Q: 95.1%	Core CBD	2Q: 93.3%	1Q: 91.9%

	2004	2005	2006	2007	2008	2009	1Q 2010	2Q 2010
Capital Tower	94.5	100.0	100.0	100.0	99.9	99.9	99.9	100.0
Six Battery Road	97.5	99.5	100.0	99.9	98.6	99.2	99.7	100.0
Starhub Centre	98.1	100.0	100.0	99.0	93.1	68.2	68.2	67.7
Bugis Village	92.9	92.1	95.3	99.1	96.6	93.8	95.8	93.8
Golden Shoe Car Park	100.0	85.4	98.0	96.4	100.0	100.0	100.0	100.0
Market Street Car Park	100.0	0.0 ⁽¹⁾	95.6	95.4	82.8	100.0	100.0	100.0
HSBC Building		100.0	100.0	100.0	100.0	100.0	100.0	100.0
Raffles City			99.5	99.3	99.9	99.3	99.8	100.0
Wilkie Edge ⁽²⁾					52.5	77.9	77.9	78.0
One George Street					100.0	96.3	97.0	100.0
Portfolio Occupancy	95.2	99.1	99.6	99.6	96.2	94.8	95.1	95.6

Note:

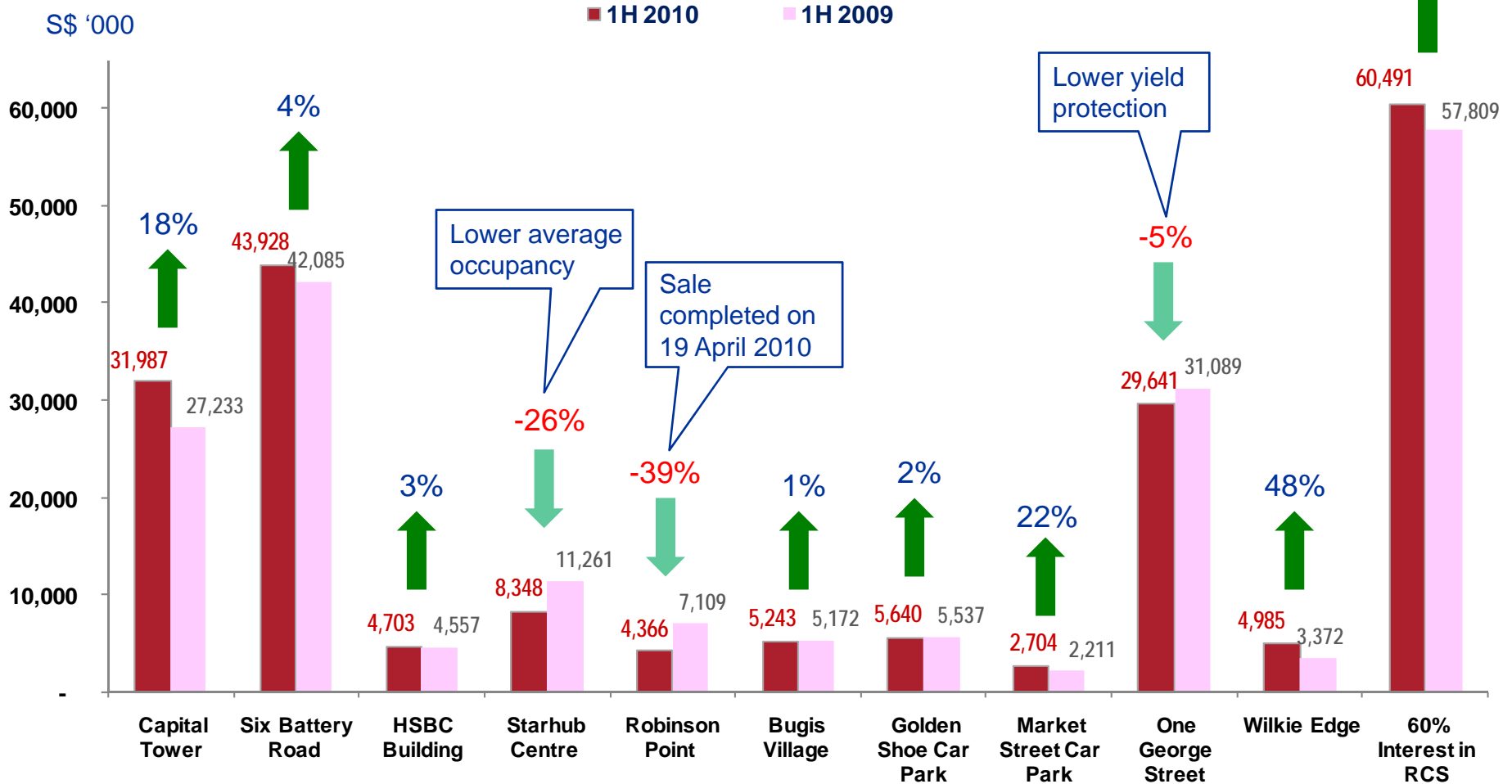
(1) Market Street Car Park's retail space was closed in November 2005 for asset enhancement work

(2) Wilkie Edge is a property legally completed in December 2008



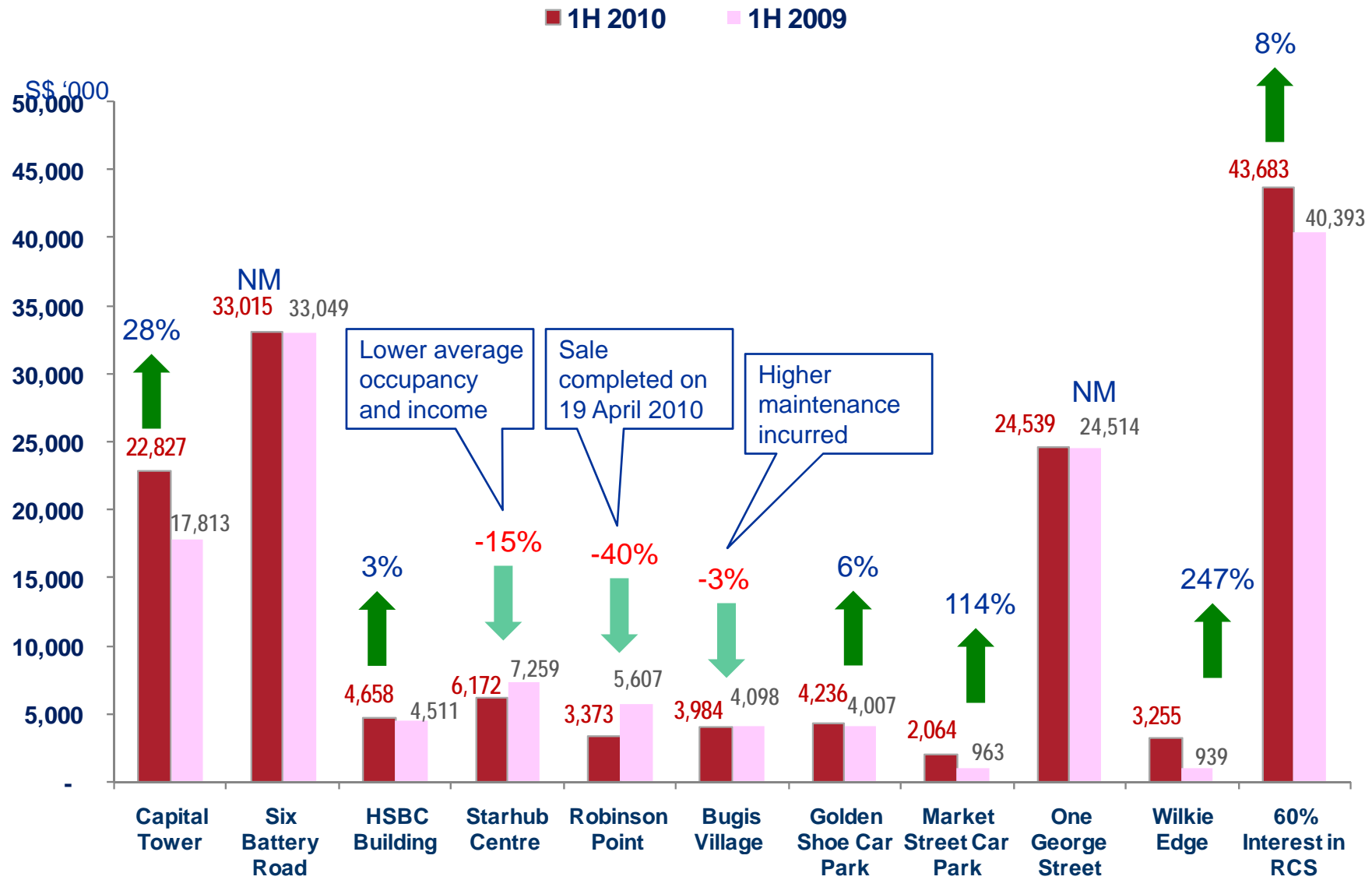
1H 2010 Gross Revenue – By Asset

Gross revenue up by 2.3%





1H 2010 Net Property Income - By Asset





Singapore office market outlook

Rents up in Q2 after a six-quarter decline

- **CBRE**

- Prime office rent: \$6.90 psf, up 3% q-o-q from \$6.70
- Grade A office rent: \$8.45 psf, up 5.6% q-o-q from S\$8.00
- Vacancy rate in core CBD was 6.7%, up 8.1% q-o-q

- **DTZ**

- Prime office rent: \$7.90 psf, up 1.3% q-o-q (Raffles Place area)
- Demand mainly due to businesses expanding and new set-ups

- **JLL**

- Grade A: \$7.95 psf, up 2.6% q-o-q from \$7.75
- Still lower than Hong Kong
- Rents in Central Hong Kong are 135% above those in Raffles Place (it was 66% in 2009)



Singapore ranked first in world competitiveness

- Singapore is 1st in world competitiveness
- Over 58 economies were analysed based on
 - Economic performance
 - Government efficiency
 - Business efficiency
 - Infrastructure

The top 10

IMD's World Competitiveness Yearbook 2010 ranking

RANK 2010	RANK 2009		SCORE 2010
1	3	Singapore	100
2	2	Hong Kong	99.4
3	1	US	99.1
4	4	Switzerland	96.1
5	7	Australia	92.2
6	6	Sweden	90.9
7	8	Canada	90.5
8	23	Taiwan	90.4
9	11	Norway	90.0
10	18	Malaysia	87.2

Source: *The Business Times*, "Resilient S'pore heads list for competitiveness", 20 May 2010



Details of known 2010 office supply in Central Area

Expected Completion	Development	Location	Net Floor Area (sf)	Pre-commitment level
Q3	Tokio Marine Centre (formerly Asia Chambers redevelopment)	McCallum Street / Shenton Way	114,000	55%
Q3	Marina Bay Financial Centre Tower 2 (Phase 1)	Marina Bay	1,000,000	100%
	<i>Sub-total</i>		1,114,000	95.4%

Notes:

- (1) 0.6m sq ft of space at Marina Bay Financial Centre has received temporary occupation permit and is included in existing supply;
- (2) 50 Collyer Quay's completion shifted to 2011

Source: CBRE , JLL & CapitaLand Research, July 2010



Details of known future office supply in Central Area for 2011 – 2012

Expected Completion	Development	Location	Net Floor Area (sf)	Pre-commitment level
Q1 2011	50 Collyer Quay	Collyer Quay	412,000	22%
Q1 2011	Ocean Financial Centre	Collyer Quay	850,000	63%
2011	1 Raffles Place (OUB Centre Tower 2)	Raffles Place	350,000	0%
	Sub-total		1,612,000	39%
2012	Asia Square (Marina View Tower 1 (only L6-L43 office))	Marina Bay	1,260,000	0%
2012	Marina Bay Financial Centre (Phase 2)	Marina Bay	1,300,000	55%
	Sub-total		2,560,000	28%
TOTAL FORECAST SUPPLY (2010 – 2012)			5,286,000	45.5%

Note:

(1) 0.7m sq ft supply from Asia Square (Marina View Tower 2) has been removed from consultant's forecast supply for 2012

Source: CBRE, JLL & CapitaLand Research, July 2010



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