

CapitaCommercial Trust 1Q 2011 Financial Results



19 April 2011



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This presentation shall be read in conjunction with CCT's First Quarter 2011 Unaudited Financial Statement Announcement.

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1. Financial Results





Achieved S\$52.1 million in distributable income

(S\$ '000)	1Q 2010	1Q 2011	Change %
Gross Revenue	101,836	91,015	(10.6)
Net Property Income	77,578	69,921	(9.9)
Distributable Income	54,341	52,117	(4.1)
Distribution Per Unit	1.93¢	1.84¢ ⁽¹⁾	(4.7)

Lesser rental income due to sale of assets, and lower revenue from Six Battery Road but offset by better performance from other existing properties

Mitigated by lower property operating expenses

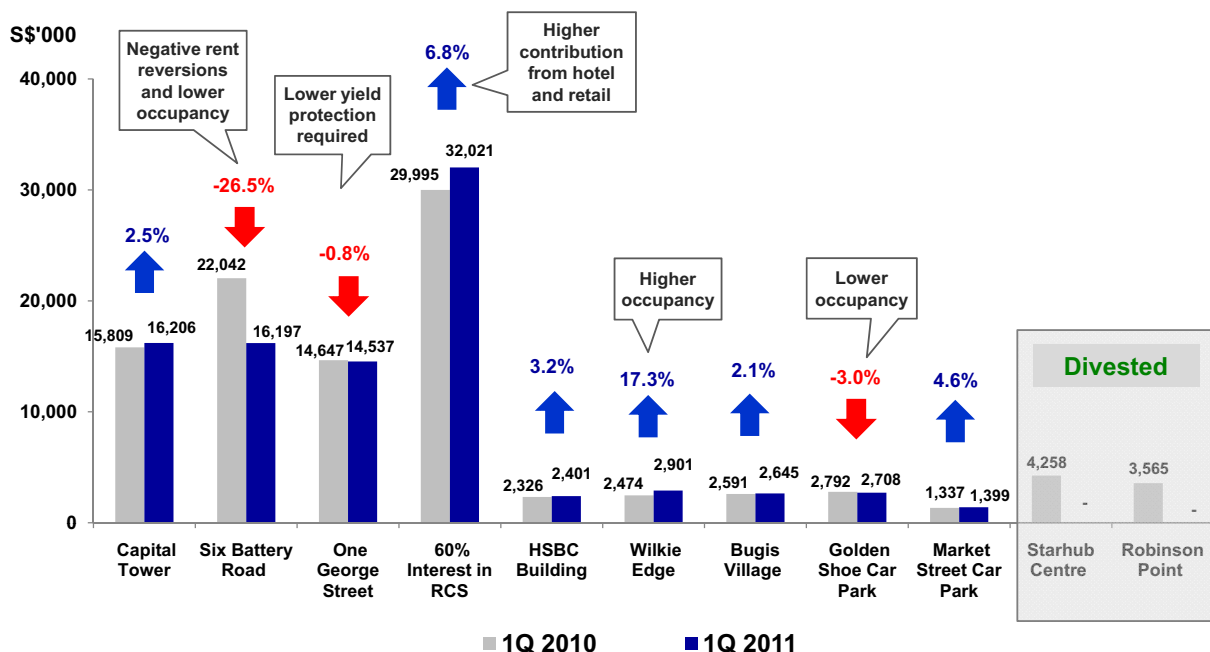
Mitigated by interest cost savings due to lower borrowings

Note:

(1) 1Q 2011 DPU was computed on the basis that none of the Convertible Bonds due 2013 and Convertible Bonds due in 2015 is converted into units. Accordingly, the actual quantum of DPU may differ if any of the Convertible Bonds is converted into units

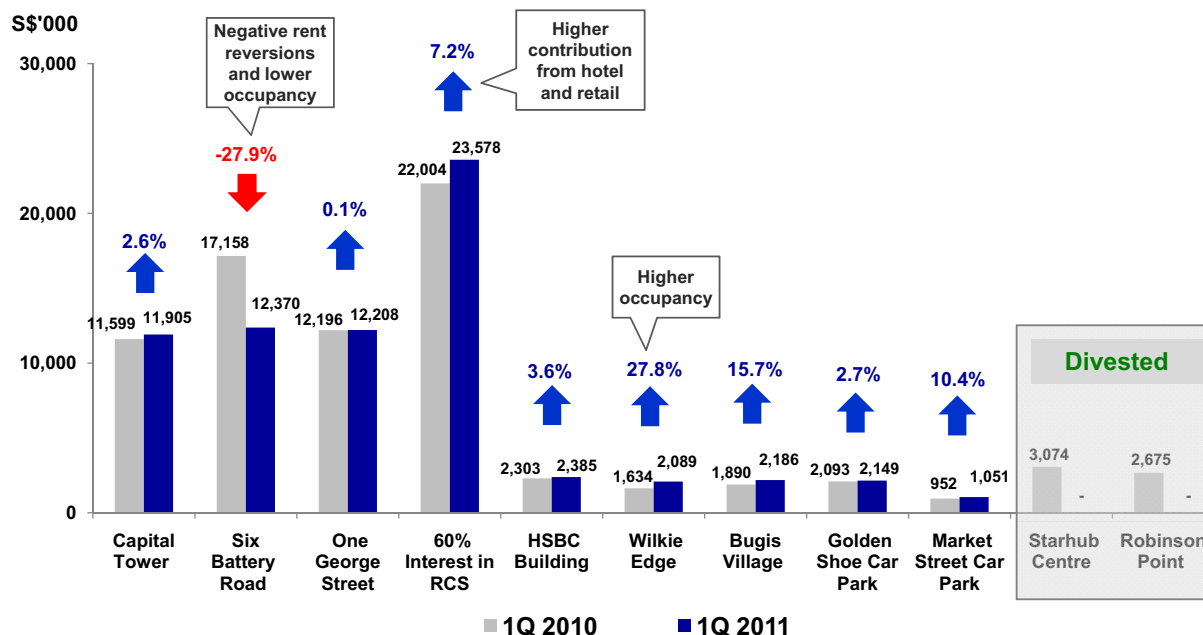


1Q 2011 gross revenue supported by strong performance from most existing properties





1Q 2011 net property income decline mitigated by savings in property expenses



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Healthy Balance Sheet Total Assets at S\$6.0b, Adj. NAV at S\$1.47

	31 Mar 11 S\$'000	31 Dec 10 S\$'000
Non-current assets	5,556,686	5,554,383
Current assets ¹	455,272	641,784
Total assets	6,011,958	6,196,167
Current liabilities ²	1,425,324	986,290
Non-current liabilities ³	373,775	936,136
Net assets	4,212,859	4,273,741
Unitholders' funds	4,212,859	4,273,741
NAV Per Unit ⁴	\$1.49	\$1.51
Adjusted NAV Per Unit	\$1.47	\$1.47

Notes: Comparing Mar 11 against Dec 10

- (1) Lower current asset due to cash used to repay S\$100m MTN in Jan 2011 and payment of 2H 2010 distributable income
- (2) Current liabilities higher mainly due to reclassification of S\$570.0 million term loan due March 2012 from non-current liabilities but offset by repayment of S\$100.0 million MTN in January 2011.
- (3) Non-current liabilities lower due to the reclassification of S\$570.0 million term loan due March 2012 to current liabilities.
- (4) NAV per unit was lower due to payment of 2H 2010 distributable income in February 2011

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Proactive capital management

Focus:

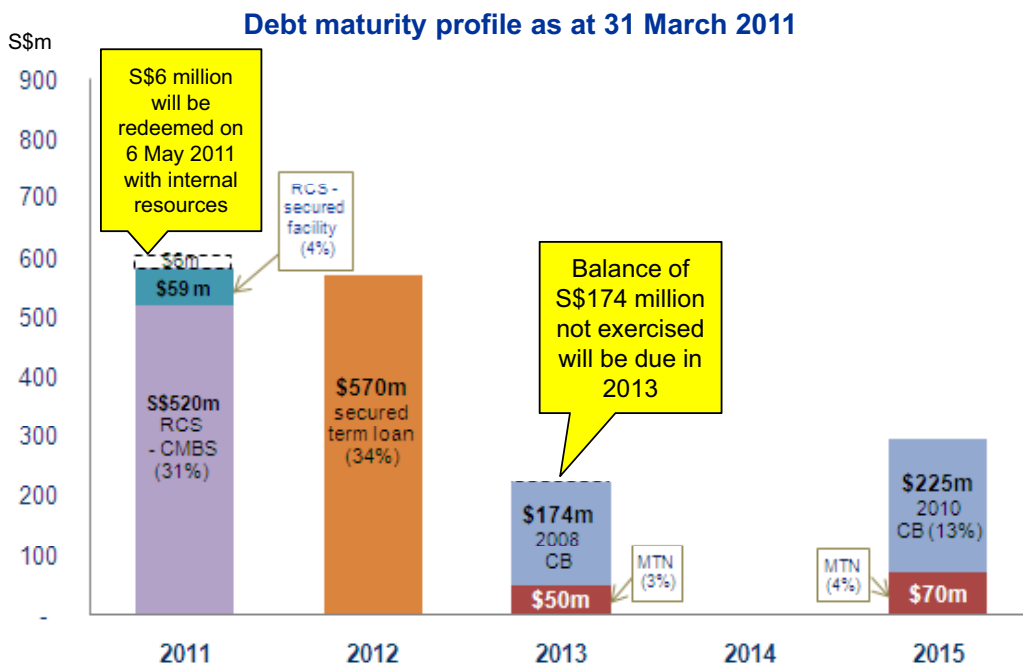
- Refinancing well ahead of debt maturity dates
- Diversifying sources of funding and extend debt maturities
- Financial flexibility to respond quickly to investment opportunities

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Put option exercised for S\$6 million of convertible bonds due 2013



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1Q 2011's financial indicators have generally improved or remained stable quarter-on-quarter

	1Q 2011	4Q 2010	Remarks
Total Gross Debts (S\$m)	1,673.4	1,771.6	Improved
Gearing Ratio	27.8%	28.6%	Improved
Net Debt/EBITDA	5.3 times ⁽¹⁾	4.7 times	-0.6 times (due to impact of lower YTD EBITDA)
Unencumbered Assets as % of Total Assets	54.6% ⁽¹⁾	56.0%	1.4% (due to lower cash included in unencumbered assets)
Average Term to Maturity	1.3 years	1.4 years	-0.1 years (due to passing of time)
Average Cost of Debt	3.6%	3.6%	Stable
Interest Coverage	4.1 times	3.8 times	Improved

Note:

(1) Cash was used to repay S\$100.0 million MTN debt and payment of 2H 2010 distribution income. This increased the Net Debt/EBITDA and Unencumbered Assets as % of Total Assets ratios.

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Further enhanced financial flexibility

- Total number of unsecured assets : 7 out of 9
- Value of unsecured assets : S\$2.7 billion (50.2% of total value of investment properties)
- S\$1.9 billion untapped balance from S\$2.0 billion multicurrency medium term note programme



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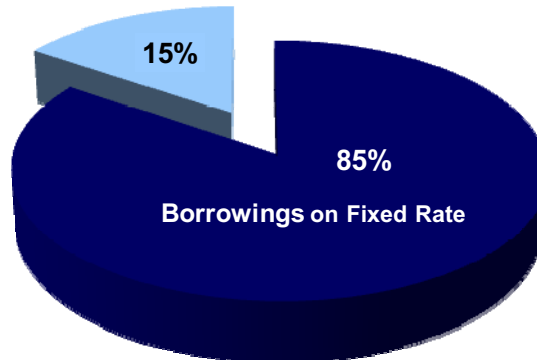




Fixed/Floating Interest Rate Profile

Low exposure to interest rate risk

Borrowings on Floating Rate



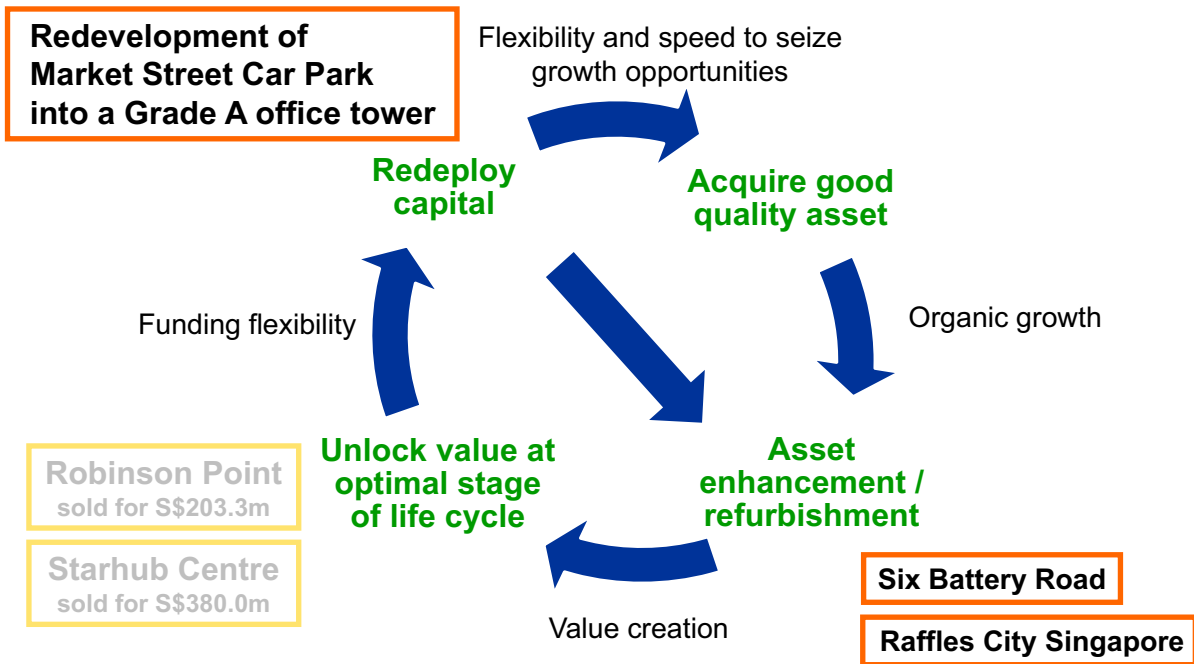
- Fixed rate borrowings is 85% - provides certainty of interest expense

2. Portfolio Reconstitution

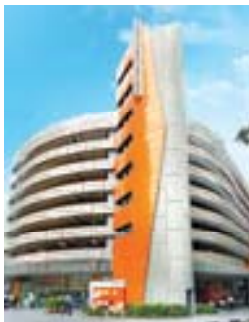




Portfolio reconstitution Redevelopment of Market Street Car Park



About Market Street Car Park



Property Factsheet (as at 31 Mar 2011)	
Address	146 Market Street, Singapore 048945
Site area	58,970 sq ft
Land title	Leasehold estate expiring 31 Mar 2073
Net lettable area	25,400 sq ft (excluding car park area)
Valuation	S\$48.6 million (as at 31 Dec 2010) <1% of CCT's portfolio valuation
Net property income	About 1% of portfolio
Committed occupancy	100%
Tenants	23
Car park lots	704 (2 nd to 8 th storeys)
Awards	Green Mark certified by Building and Construction Authority of Singapore



Enhancement in Land Use

- Land use restriction for Market Street Car Park zoned as “Transport Facilities” will be rezoned to “Commercial Use”
- The rezoning is subject to two conditions:
 - Payment by the lessee (CCT) of 100% of the **enhancement in land value** as assessed by the Chief Valuer in a spot valuation
 - **No extension** of the existing land lease (62 years)

2a) Rationale for redevelopment





Redevelopment rationale/considerations

In line with CCT's portfolio reconstitution strategy

- 1) Converting from car park to office use maximises land use for this prime site
- 2) Increase presence in Raffles Place area
- 3) Financial considerations

Market environment is compelling

- 4) No other Grade A office buildings in CBD completing in 2014
- 5) Office demand expected to increase on the back of economic growth
- 6) Positive trends in office rents



1) Proposed redevelopment for Market Street Car Park: An ultra-modern Grade A office tower



Image based on artist's impression only. Actual design may be subject to change without notification.

Design	Mr. Toyo Ito, internationally-acclaimed architect and winner of multiple awards, including the Royal Gold Medal by RIBA (Royal Institute of British Architects)
Tenure	99 years from 1 April 1974
Estimated GFA	887,000 sq ft (including bonus GFA)
Estimated NLA	720,000 sq ft
Typical floor plate	20,000 – 25,000 sq ft
Max. height control	245 m (same as new office buildings at Marina Bay)
No. of storeys	About 40
Target completion	Before end-2014



2) Enhance CCT's position as the dominant office owner in the Raffles Place area



Attractiveness of Market Street site

- In the heart of Singapore's Central Business District, and close to Marina Bay
- Excellent connectivity to public transportation network and amenities
- Island site with high visibility

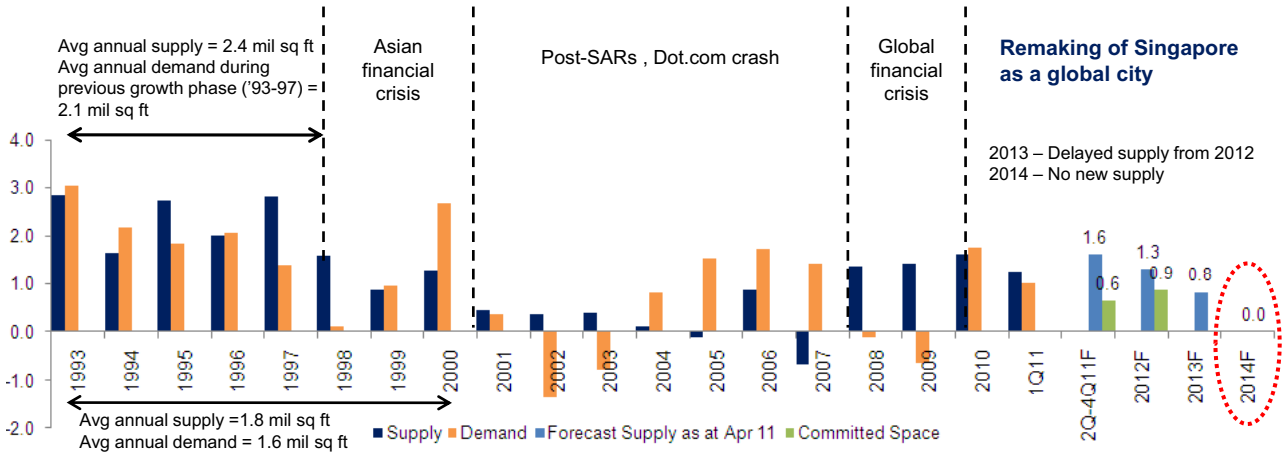


3) Financial feasibility of the project

<p>Estimated Total Project Development Cost (including differential premium based on unexpired land lease of 62 years and other costs)</p>	<p>S\$1.4 billion (c. S\$1,900 per square foot based on net lettable area)</p>
<p>Stabilised Yield</p>	<p>More than 6% per annum</p>



4) No other new office supply in 2014: Completion of redevelopment to meet demand



Notes:

- (1) Central Area comprises 'The Downtown Core', 'Orchard' and 'Rest of Central Area'
- (2) 2010 to 2012 supply has not taken into consideration the estimated 1.7 million square feet of office space that will be converted to residential use

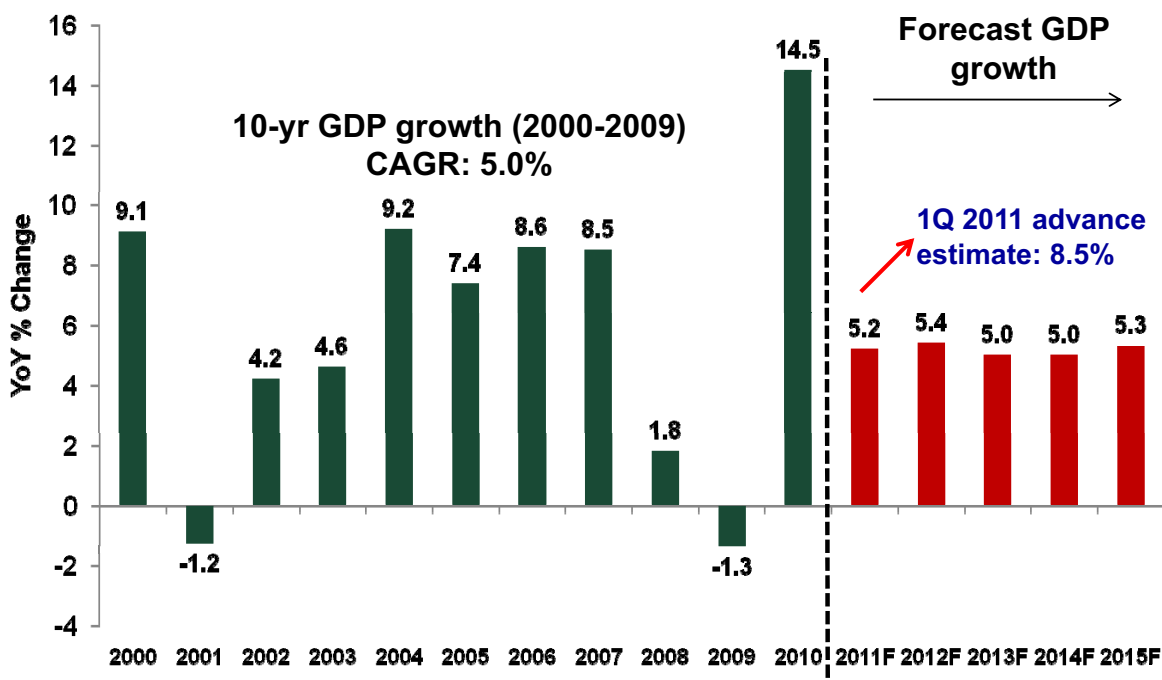
Source: Consensus Compiled from CBRE, JLL, Nomura (Jan '11), CLSA (Apr'11)

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5) Stable GDP growth expected to increase demand for office space



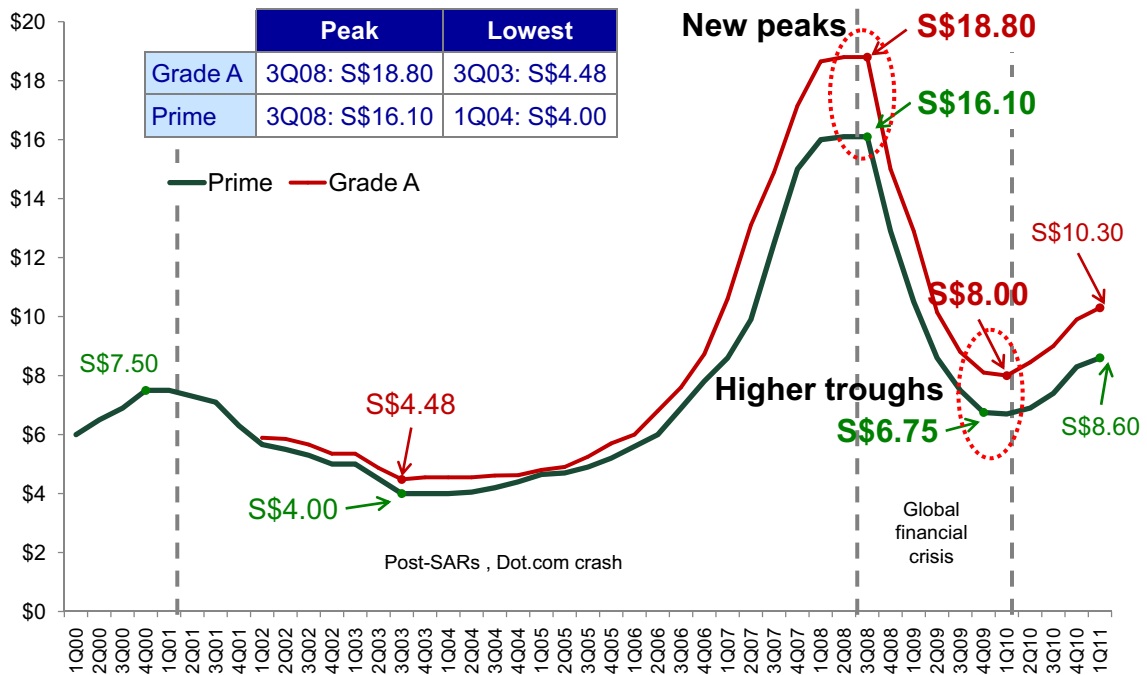
Source: Ministry of Trade and Industry, Bloomberg, Consensus Forecast (Apr 2010) for 2011-2012 Forecast, EIU for 2013-2015 Forecast

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6) Unprecedented highs achieved in 2008 due to lack of supply



*Note: No historical data for Grade A rents prior to 2002

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

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2b) Proposed joint venture



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Joint venture partner needed as total project cost exceeds 10% of CCT total assets

According to the Property Fund Guidelines issued by the Monetary Authority of Singapore,

- “The total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10% of the property fund’s deposited property [total asset size].”

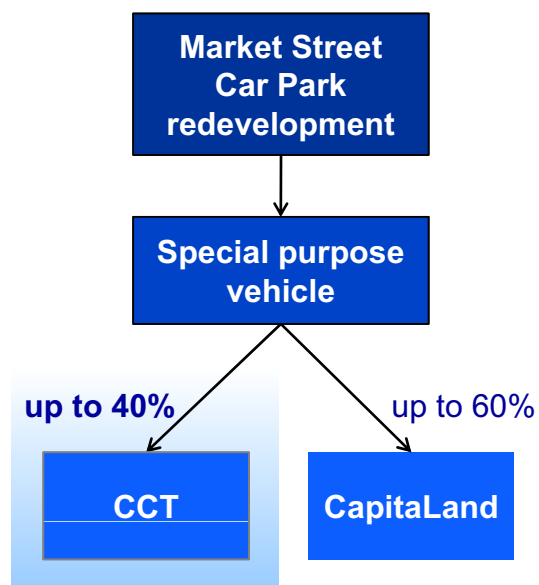
Estimated total project development cost	CCT’s total asset size as at 31 Mar 2011	10% of CCT’s total assets
S\$1.4 billion	S\$6.0 billion	S\$601 million



Proposed joint venture* with CapitaLand CCT to hold 40% in the special purpose vehicle

Benefits of the partnership

1. Financial strength
2. Commercial real estate value chain → strong track record in development, marketing & leasing to property management
3. Sponsor of CCT → alignment of interest



*Joint venture terms & conditions to be finalised.

CCT's capital commitment

Estimated total project development cost	S\$1.4 billion
CCT (40% stake)	S\$560 million

- S\$560 million to be funded in stages (from 2011 to 2015)
- 2011 commitment for CCT expected to be about S\$335 million
- CCT's pro forma gearing will not exceed **31%** (on project completion)

3. Asset Enhancement Update





Six Battery Road: Strong pre-commitment for upgraded space available in 2011

	Upgraded space targeted for handover in 2011	Pre-commitment for upgraded space in 2011	
Q1 2011	76,100 sq ft	48,800 sq ft	64%
Q4 2010 (projected)	65,600 sq ft	34,000 sq ft	52%
Upgrading Works		Commencement	Completion
Ground Floor (Phase 1) <ul style="list-style-type: none"> • Main Lobby & Concierge • Vertical Garden • Lift Lobbies • Turnstiles 		November 2010	March 2011 (Completed)
Basement "Green" Room		Q1 2011	Q2 2011
Driveway/Drop-off Point		Q2 2011	Q3 2011
Mechanical works <ul style="list-style-type: none"> • Chiller • Wind Turbine • Solar Light Tubes 		Q2 2011	Q1 2012
Upper Floors (in phases) <ul style="list-style-type: none"> • Lift lobbies & Restrooms • Variable air volume (VAV) & CO2 sensors • Increased ceiling height 		Q1 2011	Q4 2013

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Official opening of "Rainforest Rhapsody"

The first and largest indoor vertical garden in Singapore's CBD

Unveiled on 24 March 2011:

Positive feedback received from tenants on the revitalised lobby:

"The green wall is just spectacular – I couldn't take my eyes off it. Congratulations! It's so nice to walk in every morning and see that. The whole public area including the lift lobbies look and feel classy."

– Ms Molly Teo, Värde Partners Asia Pte Ltd

(Right) Unveiling of Rainforest Rhapsody with Guest-of-Honor Senior Minister of State Ms Grace Fu and renowned French botanist Dr Patrick Blanc, together with CCL CEO Mr Chong Lit Cheong and CCTML CEO Ms Lynette Leong



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4. Stable Portfolio



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Consistent portfolio performance

- **Portfolio committed occupancy rate at 98.2% as at 31 March 2011**
 - Slight decrease due to space taken out at Six Battery Road
- **Signed new office and retail leases and renewals of around 156,000 square feet from Jan – Mar 2011**
 - For 1Q 2011, tenants include:
 - JPMorgan Chase Bank, N.A. (Banking & Financial Services)
 - Mizuho Corporate Bank, Ltd.(Banking & Financial Services)
 - BlueCrest Capital Management (Singapore) Pte. Ltd. (Financial Services)
 - Mont D'or Petroleum Singapore Pte. Ltd. (Business Consultancy)
 - Key sectors of these new leases and renewals:
Banking & Financial Services

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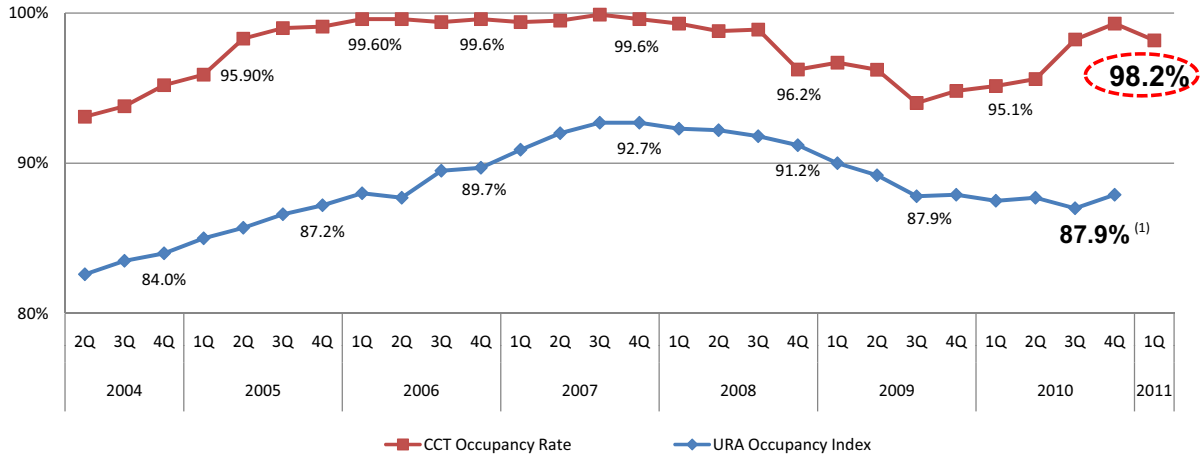
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CCT's Grade A offices and portfolio near 100% occupancy

	CCT Committed Occupancy Level				Industry Statistics Occupancy Level			
Grade A Office	1Q2011	98.1% ↓	4Q2010	99.9%	1Q2011	95.2% ↓	4Q2010	97.3%
Portfolio	1Q2011	98.2% ↓	4Q2010	99.3%	1Q2011	94.4% ↓	4Q2010	95.3%

CCT's Committed Occupancy Since Inception



Note:

(1) URA has not released Occupancy Index Figure for 1Q 2011

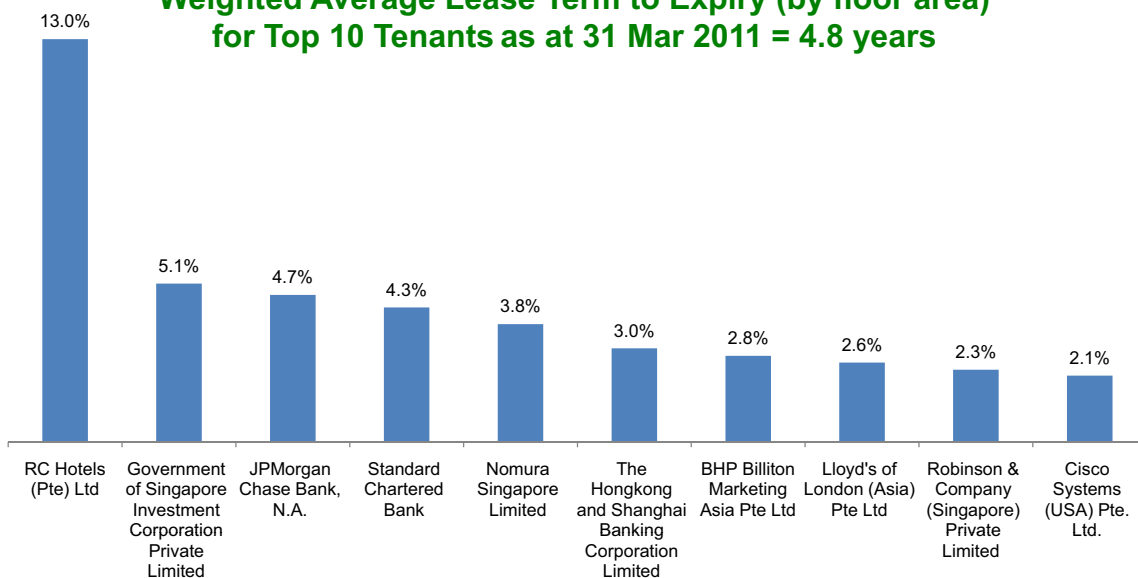
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Top ten blue-chip tenants⁽¹⁾ contribute about 44% of monthly gross rental income

Weighted Average Lease Term to Expiry (by floor area) for Top 10 Tenants as at 31 Mar 2011 = 4.8 years



Note:

(1) Based on gross rental income for Mar 2011 (excluding retail turnover rent).

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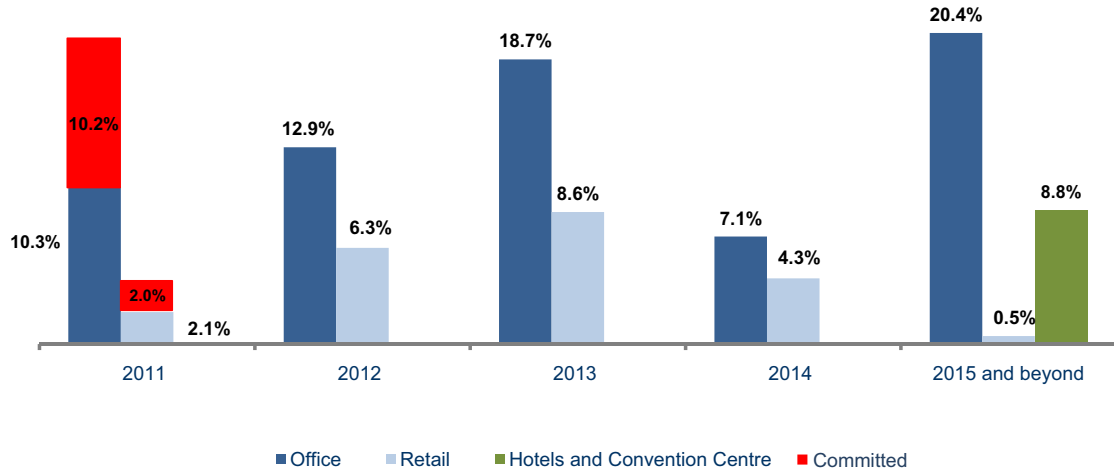
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Well spread portfolio lease expiry profile

Lease expiry profile as a percentage of monthly gross rental income⁽¹⁾ for March 2011



Note:

(1) Excludes turnover rent

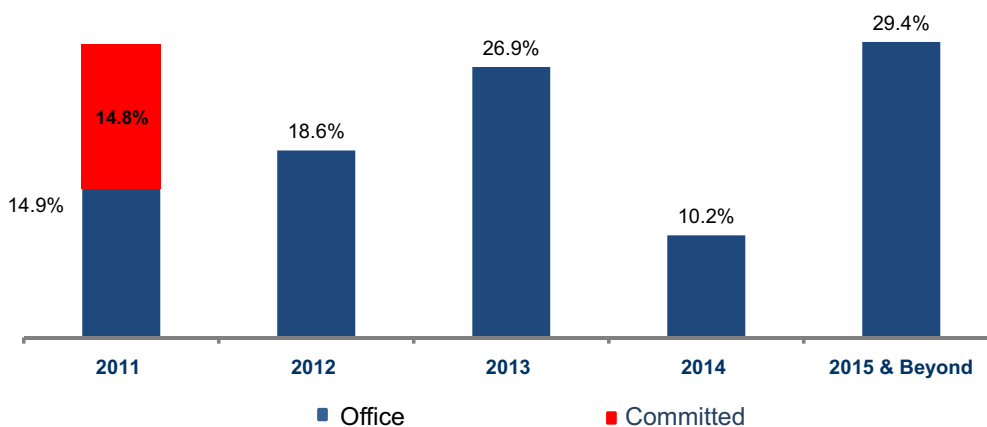
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Balance between extending office lease expiries and opportunity to capture market recovery

Office lease expiry profile as a percentage of monthly office gross rental income for March 2011



Average office portfolio rent as at 31 March 2011 is \$7.94 per square foot

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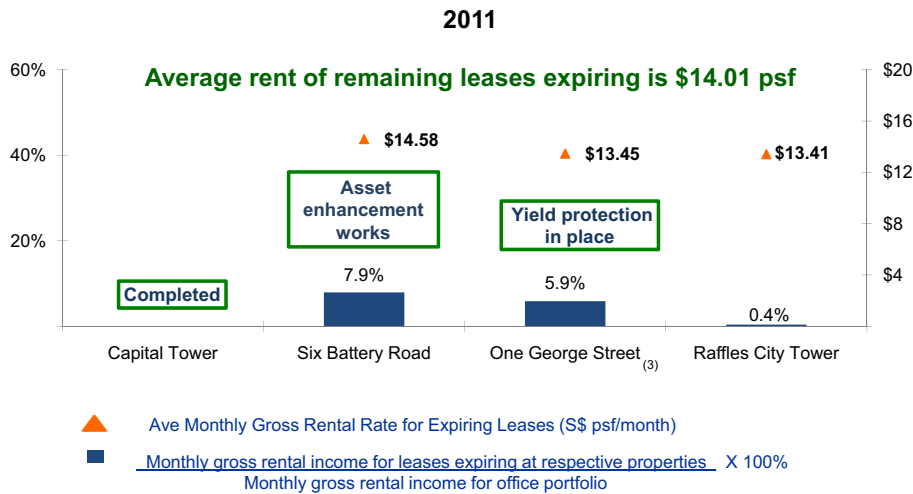
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Undertaken measures to mitigate risks

1Q 2011 Industry Statistics⁽¹⁾ –
 Grade A Office Average Market Rent: S\$10.30 psf
 Prime Office Average Market Rent: S\$ 8.60 psf

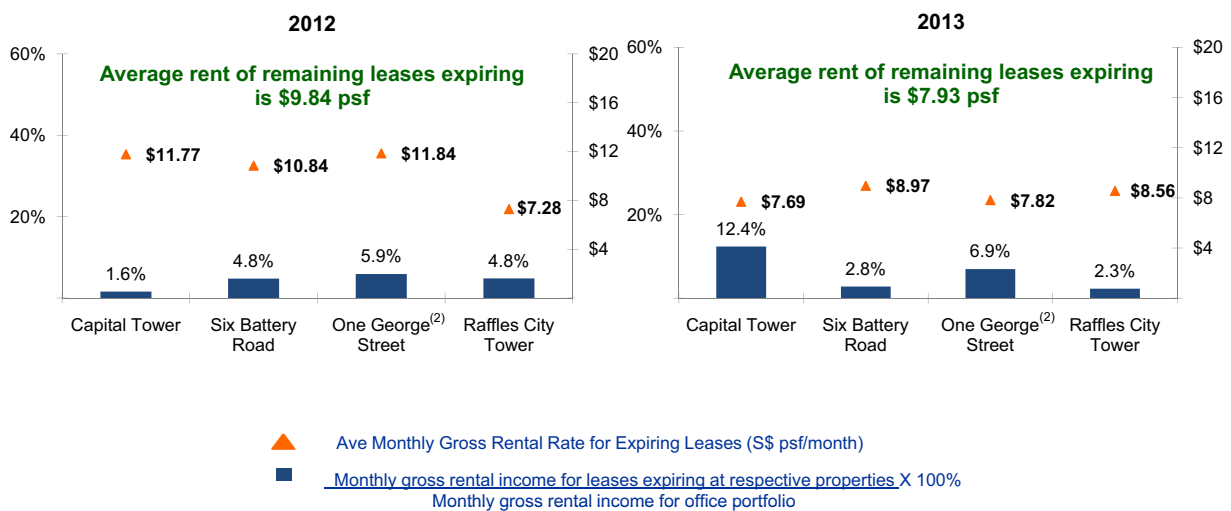


Notes:

- (1) Source: CBRE (as at 1Q 2011)
- (2) 3 Grade A buildings and Raffles City Tower only
- (3) 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 upon lease expiry



Notes:

- (1) 3 Grade A buildings and Raffles City Tower only
- (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.

5. Summary



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Summary

- **1Q 2011 distributable income down by 4.1%**
 - Due to sale of assets and negative rent reversion at Six Battery Road, mitigated by better performance of other properties and reduced operating expenses and cost
- **Portfolio reconstitution strategy**
 - Value creation through the redevelopment of Market Street Car Park
 - Asset enhancement initiative at Six Battery Road achieving credible pre-commitment and rental rates
- **Stable portfolio performance**
 - Committed occupancies higher than market levels
- **Continue to focus on investment opportunities in Singapore**
- **Continue to adopt proactive capital management**

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Supplementary Slides



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Singapore's First Listed Commercial REIT

Listing	May 2004 on Singapore Exchange Securities Trading Limited
Portfolio - Singapore	Nine quality commercial assets in the Central Area of Singapore <i>Three Grade A offices and one prime office, three mixed-use properties, and two multi-storey car parks in CBD</i>
Total Net Lettable Area	About 3 million sq ft
Total number of Tenants	More than 400 (office and retail)
Investments - Malaysia (less than 5% of total assets)	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\$4.8 billion) (as at 31 March 2011)
Market cap	S\$3.9 billion (US\$3.1 billion) Based on CCT's closing price of S\$1.39 on 31 March 2011 (last trading day of the month) and total units on issue 2,825,291,611.

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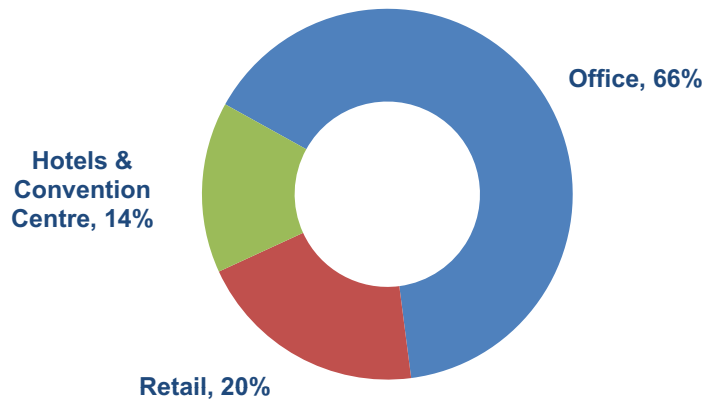
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Gross rental income⁽¹⁾ predominantly contributed by Grade A offices

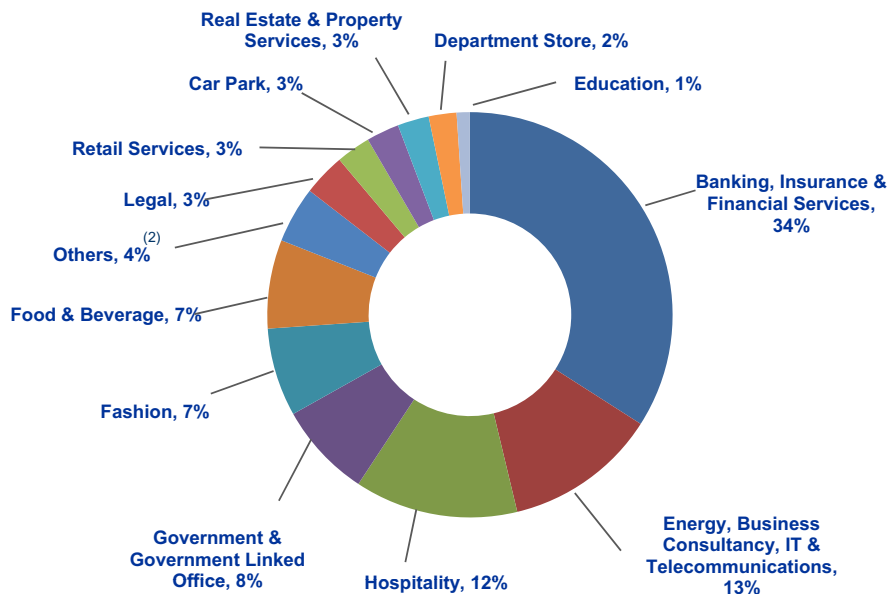
CCT's income contribution by sector for 1st Quarter 2011



Note:
(1) Excludes retail turnover rent



Diverse tenant mix⁽¹⁾ in CCT's portfolio



Notes:

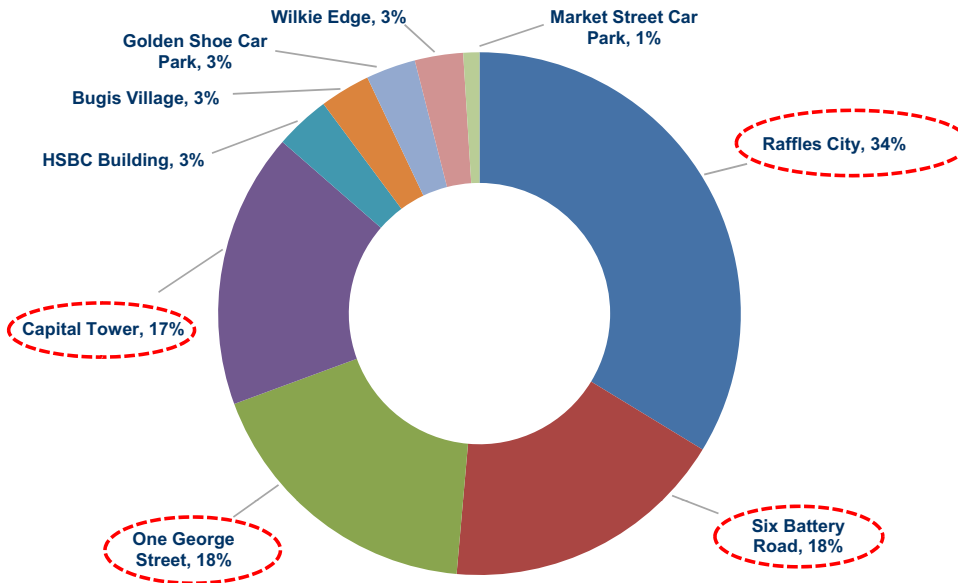
(1) Based on portfolio gross rental income for Mar 2011 including car park income from Golden Shoe Car Park and Market Street Car Park.

(2) Consists of other minor retail and office trades.



Portfolio diversification⁽¹⁾ with focus on quality

More than 80% of Net Property Income from Grade A offices and Raffles City⁽²⁾



Notes:

(1) For the period from 1 Jan to 31 Mar 2011

(2) Represents CCT's interest of 60% in Raffles City

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High portfolio committed occupancy rate

	CCT Committed Occupancy Level				Industry Statistics Occupancy Level			
	1Q2011	98.1% ↓	4Q2010	99.9%	1Q2011	95.2%	4Q2010	97.3%
Grade A Office	1Q2011	98.2% ↓	4Q2010	99.3%	1Q2011	94.4%	4Q2010	95.3%
Portfolio								

	2004	2005	2006	2007	2008	2009	2010	1Q 2011
Capital Tower	94.5	100	100	100	99.9	99.9	99.9	100
Six Battery Road	97.5	99.5	100	99.9	98.6	99.2	99.7	93.5
Bugis Village	92.9	92.1	95.3	99.1	96.6	93.8	93.4	93.7
Golden Shoe Car Park	100	85.4	98	96.4	100	100	95.2	92.7
Market Street Car Park	100	0.0 ⁽²⁾	95.6	95.4	82.8	100	100	100
HSBC Building		100	100	100	100	100	100	100
Raffles City			99.5	99.3	99.9	99.3	99.1	99.6
Wilkie Edge ⁽³⁾					52.5	77.9	98.4	97.4
One George Street					100	96.3	100	100
Portfolio Occupancy	95.2	99.1	99.6	99.6	96.2	94.8	99.3	98.2

Notes:

(1) For years 2004 to 2009, portfolio occupancy rate includes Starhub Centre and Robinson Point which were divested in 2010

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

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

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Property details (1)



	Capital Tower	Six Battery Road	One George Street	Raffles City
Address	168 Robinson Rd	6 Battery Rd	1 George Street	250/252 North Bridge Rd; 2 Stamford Rd; 80 Bras Basah Rd
NLA (sqm)	68,836	46,339	41,620	74,376 (Office: 35,334, Retail: 39,042)
Leasehold expiring	31-Dec-2094	19-Apr-2825	21-Jan-2102	15-Jul-2078
Committed occupancy	100%	93.5%	100%	99.6%
Valuation (31 Dec 10)	\$1,113.5m	\$1,115.0m	\$914.3m	\$1,615.8m (60%)
Car park lots	415	190	175	1,043

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Property details (2)



	HSBC Building	Wilkie Edge	Bugis Village ⁽¹⁾	Golden Shoe Car Park	Market Street Car Park
Address	21 Collyer Quay	8 Wilkie Road	62 to 67 Queen St, 151 to 166 Rochor Rd, 229 to 253 (odd nos only) Victoria St	50 Market Street	146 Market Street
NLA (sqm)	18,624	13,576	11,375	4,117	2,360
Leasehold expiring	18-Dec-2849	20-Feb-2105	30-Mar-2088	31-Jan-2081	31-Mar-2073
Committed occupancy	100%	97.4%	93.7%	92.7%	100%
Valuation (31 Dec 10)	\$345.8m	\$150.9m	\$62.4m	\$109.1m	\$48.6m
Car park lots	NA	215	NA	1,053	704

Note:

(1) The leasehold title and the valuation take into account the right of the President of the Republic of Singapore, as lessor under the State Lease, to terminate the State Lease on 1 April 2019 upon payment of S\$6,610,208.53 plus accrued interest.

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