



General Announcement

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Company Information

Main Market Company

New Announcement

Submitting Investment Bank/Advisor (if applicable)

Submitting Secretarial Firm (if applicable)

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Type * Announcement

Subject *: OTHERS
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Quill Capita Trust : Corporate Presentation Slides

Announcement Details/Table Section:-

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

Corporate presentation slides dated 28 January 2014 are as attached for reference.

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

[Corporation Presentation - 4Q2013 \(final\).pdf](#)

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4th Quarter 2013 Financial Results

28 January 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.

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The information in this Announcement must not be published outside Malaysia.

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Financial Results



Quill Building 5 - IBM

4Q 2013 EPU up 8.6% Year-on-Year

(RM'000)	(Unaudited) 4Q 2012	(Unaudited) 4Q 2013	Variance
Gross Revenue	17,132	17,308	1.0%
Net Property Income	13,014	13,065	0.4%
Net Income ¹	7,919	8,602	8.6%
EPU ²	2.03 sen	2.20 sen	8.6%

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 2013 DPU of 8.38 sen

(RM'000)	(Audited) FY 2012	(Unaudited) 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

Total Assets – RM860.12 million

NAV per unit – RM1.3674

	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	as at	as at	as at	as at
	31 Mar 13 (RM'000)	30 June 13 (RM'000)	30 Sep 13 (RM'000)	31 Dec 13 (RM'000)
Non Current Assets	820,748	820,975	821,368	826,592
Current Assets	22,507	33,750	21,420	33,528
Total Assets	843,255	854,725	842,788	860,120
Current Liabilities	129,500	130,851	9,646	17,016
Non Current Liabilities	193,516	194,741	310,925	309,644
Net Assets	520,239	529,133	522,217	533,460
No of Units	390,131	390,131	390,131	390,131
NAV per Unit (RM)	1.3335	1.3563	1.3386	1.3674

Market Valuation 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 as at 31 Dec 2013 ^(b) (RM'000)	Surplus / (Deficit) incorporated into fund (RM'000)	% increase / (decrease)
Quill Building 1- DHL1 & Quill Building 4- DHL 2	RM125,000	RM125,000	-	-
Quill Building 2- HSBC	RM118,814	RM119,000	RM186	0.16%
Quill Building 3- BMW	RM 73,028	RM 73,060	RM32	0.04%
Wisma Technip	RM159,772	RM161,100	RM1,328	0.83%
Part of Plaza Mont' Kiara	RM110,000	RM110,000	-	-
Quill Building 5 – IBM	RM 45,185	RM 45,200	RM15	0.03%
Quill Building 8 – DHL (XPJ)	RM 26,153	RM 26,200	RM47	0.18%
Quill Building 10 – HSBC Section 13	RM 26,500	RM 26,500	-	-
Tesco Building, Penang	RM139,000	RM139,500	RM500	0.36%
Total	RM823,452	RM825,560	RM2,108	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.

(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.

Stable Financial Indicators

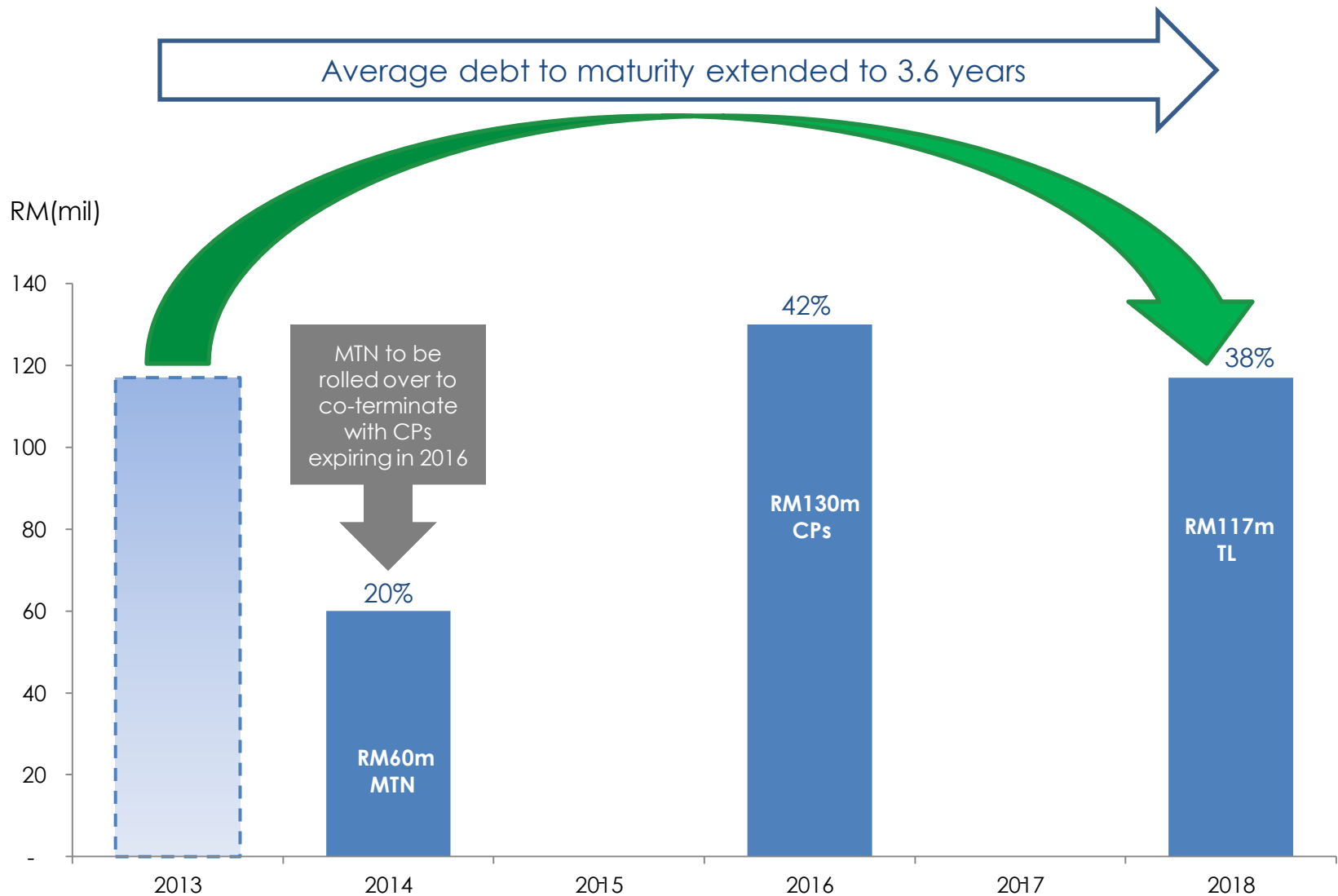
	Unaudited	Unaudited	Unaudited	Unaudited
	as at	as at	as at	as at
	31 Mar 13	30 Jun 13	30 Sept 13	31 Dec 13
Total Debts (RM'000)	304,362	305,649	303,606	304,887
Gearing Ratio ¹	0.36x	0.36x	0.36x	0.35x
Net Debt / EBITDA ²	6.16x	5.77x	5.91x	5.68x
Interest Coverage ³	3.54x	3.62x	3.66x	3.64x
Average Term to Maturity (year) ⁴	2.30	2.05	3.70	3.61
Average Cost of Debt (p.a) ⁵	4.3%	4.3%	4.3%	4.3%

Notes:

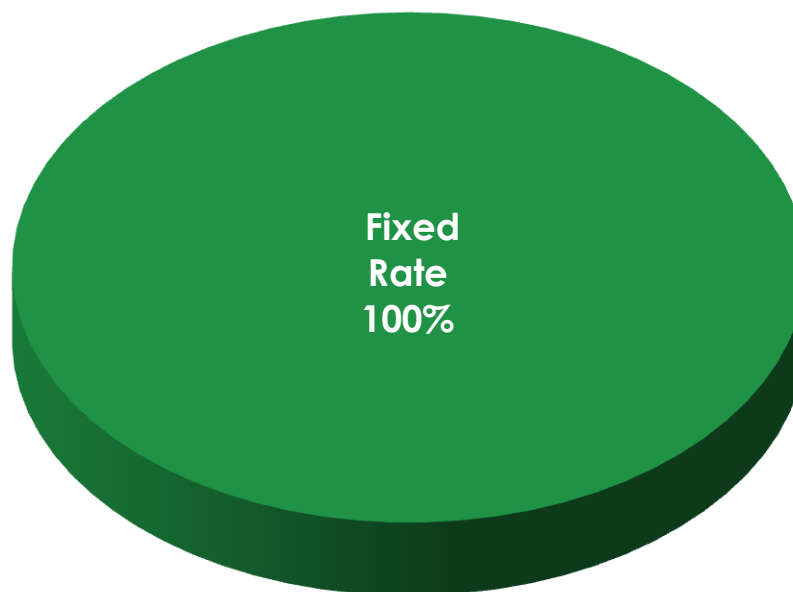
1. Gearing ratio refers to Gross Debt over Total Assets.
2. EBITDA refers to Earnings before Interest Taxation Depreciation and Amortization
3. Interest coverage refers to year to date (YTD) EBITDA / YTD Interest Expense
4. Average Term to Maturity means weighted average time lapse to maturity
5. Average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

Debt Profile

- Next Refinancing Due in September 2016



Low Interest Rate Risk - 100% Fixed Interest Rate as at 31 December 2013



Note :

- QCT's interest rate exposure has been 100% fixed since 4Q 2011. As at 31 December 2013, the average interest rate is 4.3% p.a.

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
RM825.56 mil**

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

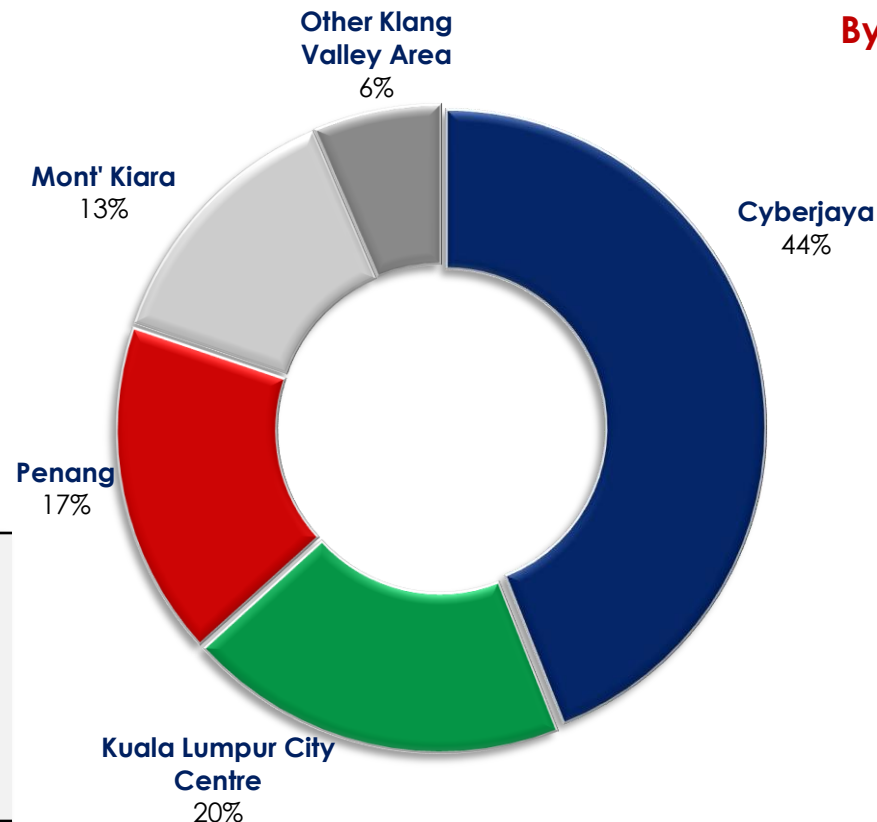
***Excluding car park
area**

Note: The current market value of the respective buildings were valued by Henry Butcher Malaysia Sdn Bhd on 31 December 2013. The portfolio occupancy rate for QCT was 92% as at 31 December 2013.

Geographical Diversification

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

By Valuation



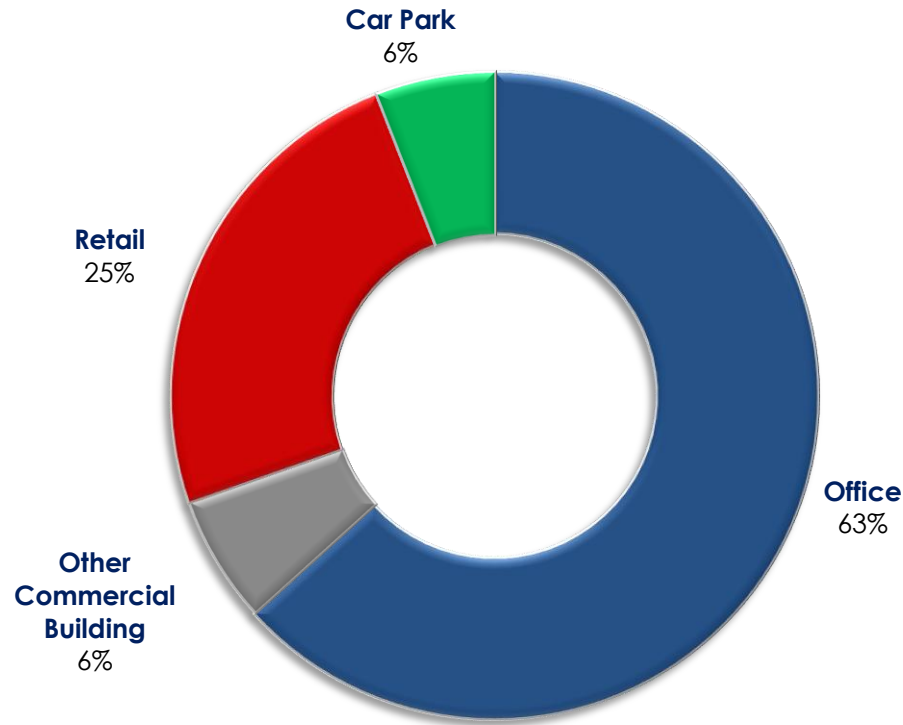
Klang Valley	39%
Cyberjaya	44%
Penang	17%

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 .

Diversified Segmental Contributions

By Valuation

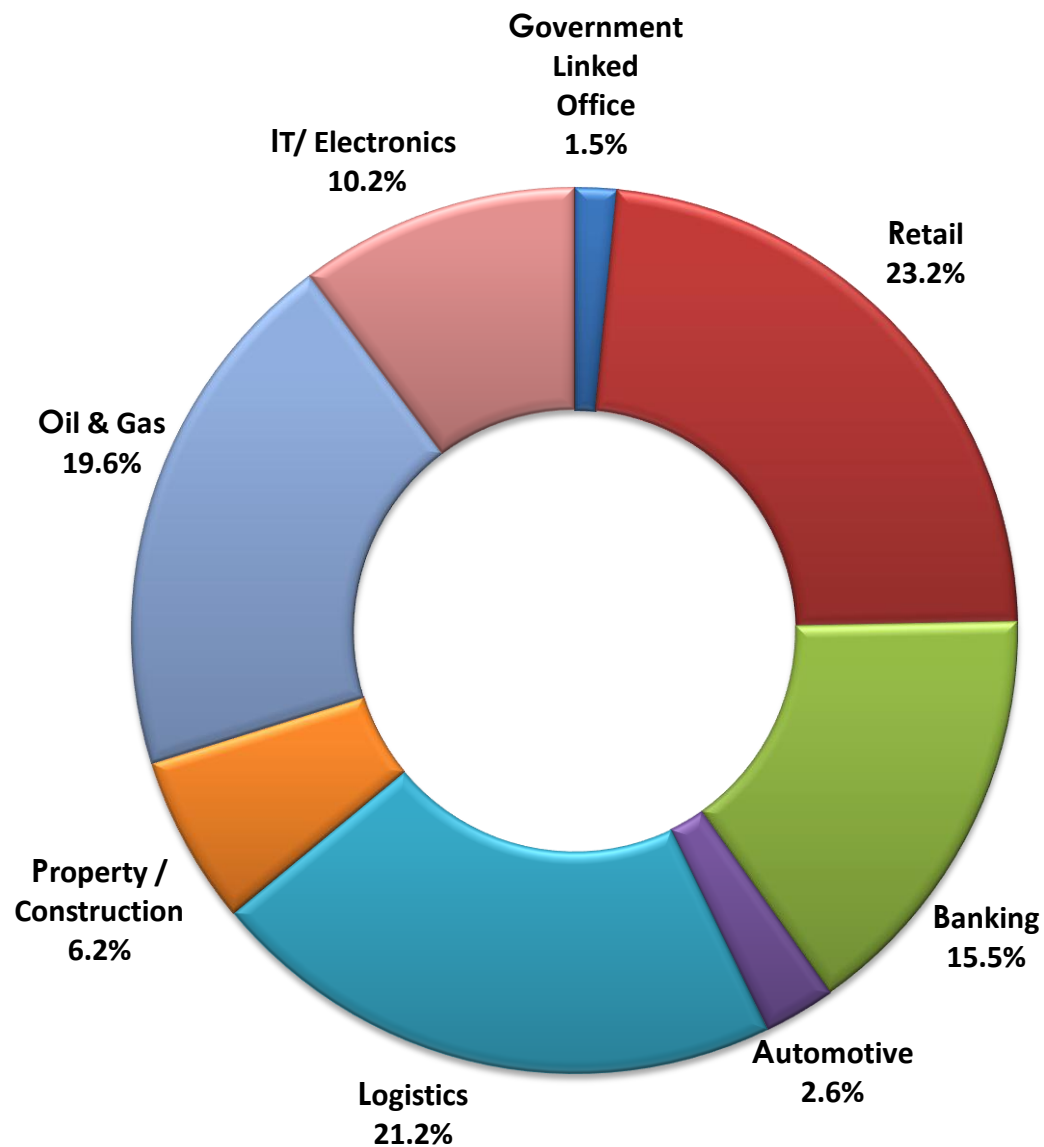


Notes:

- (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 2013

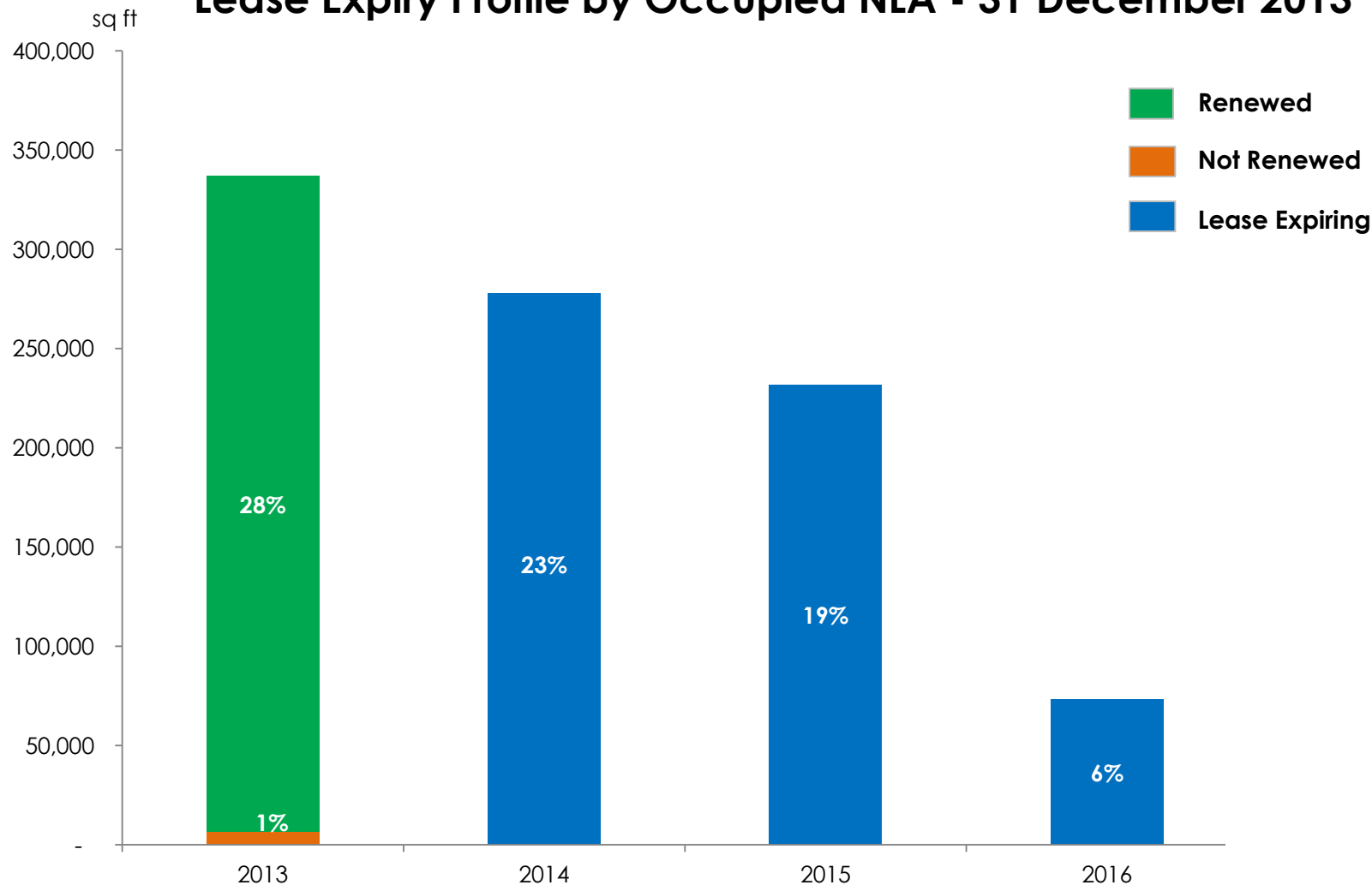
Well Balanced Tenancy Mix

By NLA



Lease Expiry Profile

Lease Expiry Profile by Occupied NLA - 31 December 2013



Note:

% of net lettable area that are due for renewal

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

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

❑ Demand for offices in Klang Valley remain stable

(extracted from the report prepared by Henry Butcher Malaysia Sdn Bhd dated 31 Dec 2013)

- The occupancy rate of purpose built offices in the Klang Valley remained fairly stable at 77.68% in Q3 2013 (2012: 77.58%).
- The office rental market in Klang Valley is generally stable for the first half of 2013. Average asking rentals of purpose-built offices in Kuala Lumpur remained between RM5.00 per sq. ft. and RM12.00 per sq. ft. Petronas Twin Towers (Tower 2) maintained the highest rental of between RM9.00 per sq. ft. to RM12.00 per sq. ft.
- The office sector has been challenging especially for smaller offices and older office buildings as new office developments have incorporated many new features e.g. MSC status, green features and larger floor plates. This is seen in the higher rental rate achieved by the newer office buildings and office buildings in prime locations.

❑ **Demand for offices in Klang Valley remain stable (cont'd)**

(extracted from the report prepared by Henry Butcher Malaysia Sdn Bhd dated 31 Dec 2013)

- The supply of office space in Kuala Lumpur City Centre will see a substantial increase upon the completion of major developments like KL Eco City, Tun Razak Exchange (TRX), Bukit Bintang Commercial Centre, Bandar Malaysia and Warisan Merdeka KL. The office market will face an oversupply situation once all these projects are completed together with other office developments which are currently under construction. Furthermore, these major developments are situated on large land parcels with a variety of facilities and amenities, which will make them more attractive to the office end-users and result in migration of businesses from older buildings to these newer higher quality buildings.

❑ **Rental rates stable in Cyberjaya**

(extracted from the report prepared by Henry Butcher Malaysia Sdn Bhd dated 31 Dec 2013)

- The total supply of purpose built offices in Putrajaya / Cyberjaya stood at 24.38 million sq. ft. as at Q3 2013, an increase of 4.9% from the year before. Putrajaya accounts for about 21.28 million sq. ft. (87.3% of total supply) whilst Cyberjaya contributes the remaining 3.1 million sq. ft. (12.7% of total supply). Nearly 90% of the office space (19.10 million sq. ft) in Putrajaya are government buildings.
- The overall occupancy rate of purpose-built office buildings within Cyberjaya in Q3 2013 has increased to 67.2% (2012: 50.3%). The occupancy rate of office space in Putrajaya has also increased about 1.9% to 95.2% in Q3 2013.

❑ Rental rates stable in Cyberjaya (cont'd)

(extracted from the report prepared by Henry Butcher Malaysia Sdn Bhd dated 31 Dec 2013)

- Rental rates of purpose built offices in both Putrajaya and Cyberjaya have been fairly stable for few years. Rental rates of purpose built offices in Putrajaya range between RM3.50 to RM5.20 per sq. ft. whilst rentals of offices in Cyberjaya are generally between RM4.00 to RM4.50 per sq. ft.
- Cyberjaya is expected to become a more vibrant and self-sustaining township upon the completion of few retail malls / commercial hubs and the realization of plans to expand the LRT/MRT and public bus services to a radius of 50km. These include the proposed MRT Line 3 (which extends the line from Selayang to Putrajaya) and the new transport terminal connecting the future Putrajaya Monorail extension. The improvement of accessibility, infrastructure and amenities is expected to attract more people to live and work in Cyberjaya, thus filling up offices, residential and commercial space.

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

(extracted from the report prepared by Henry Butcher Malaysia Sdn Bhd dated 31 Dec 2013)

- As at first half of 2012, the cumulative supply of retail space in Penang State amounted to 15.134 million sq. ft. There are total of eight (8) shopping centres, arcades and hypermarkets which are under construction within Penang and upon completion, there would be an additional 1.585 million sq. ft. of retail space.
- As at first half of 2012, the overall occupancy rate of shopping complex in Penang State was recorded at 69.0%, a slightly increase of 0.2 % from 2011's level.
- Rentals of retail space in shopping complexes in Penang were generally stable with minimal movement recorded in a few prime retail centres on the island. The monthly rental rates for the prime and secondary retail accommodation ranges between RM0.90 to RM35.00 per sq. ft. and RM0.60 to RM15.00 per sq. ft. respectively depending on the size and exact location of the retail outlets.

Conclusion



In Summary

4Q 2013 : Maintains FY2013 DPU of 8.38 sen

- FY 2013 DPU has been maintained at 8.38 sen, similar to the FY2012 DPU of 8.38 sen
- Revaluation gains of RM2.1 million from investment properties
- Completed renewals due in 2013 with 98% renewals successfully in place

Year 2013 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

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