



For immediate release

NEWS RELEASE

CMMT posts net property income of RM59.8 million for 2Q 2017
Distribution per unit of 2.06 sen for the quarter

Kuala Lumpur, 19 July 2017 – CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (CMRM), the manager of CapitaLand Malaysia Mall Trust (CMMT), announced today that CMMT registered net property income (NPI) of RM59.8 million for the quarter from 1 April to 30 June 2017 (2Q 2017), slightly lower than the RM60.0 million for the corresponding period last year (2Q 2016). This was largely due to lower contribution from the Klang Valley¹ shopping malls, which was mitigated by stronger performance from Gurney Plaza and East Coast Mall.

Distributable income for 2Q 2017 was RM41.9 million and distribution per unit (DPU) was 2.06 sen. The total DPU for the period from 1 January to 30 June 2017 (1H 2017) was 4.14 sen and the annualised DPU of 8.35 sen for 1H 2017 translates to an annualised distribution yield of 5.4%, based on CMMT's closing price of RM1.55 per unit on 18 July 2017. As CMMT's DPU is paid out on a half yearly basis, unitholders can expect to receive their 1H 2017 DPU on 25 August 2017.

Mr David Wong, Chairman of CMRM, said: “Lifted by stronger domestic demand, the Malaysian economy expanded 5.6% in the first quarter of 2017, and is projected to grow 4.3% to 4.8%² for the full year. However, retail sales in 1Q 2017 have yet to recover and have fallen by a further 1.2%³ year-on-year. In light of the prevailing cautious consumer sentiment and increasing competition brought on by new malls, the operating environment for the retail industry is expected to remain challenging. Despite this, we remain positive that our portfolio of well-diversified necessity malls will continue to deliver sustainable income distribution for unitholders in the long term.”

Ms Low Peck Chen, CEO of CMRM, said: “For the quarter under review, the increased contributions of Gurney Plaza and East Coast Mall helped to moderate the lower contributions from our Klang Valley malls, which have been impacted by increased competition in the area and higher costs of living. Amidst a challenging operating environment, all our malls achieved a committed occupancy level of above 90%, and on the whole, our portfolio occupancy stood at a healthy 95.8% as at 30 June 2017.”

¹ Made up of Sungei Wang Plaza, Tropicana City Mall and The Mines.

² Source: Bank Negara Malaysia.

³ Source: Retail Group Malaysia Industry Report June 2017.

"In 2Q 2017, our malls in Penang and Kuantan continued to draw interest from new-to-region brands. Food and beverage operators such as Doutor Coffee Japan and Original Cake have opened at Gurney Plaza, while Boat Noodle has commenced operations in East Coast Mall. These two malls will be embarking on asset enhancement initiatives to further enhance their attractiveness to shoppers."

"Our Klang Valley malls also welcomed new dining options, including the second Oliver Gourmet marketplace cum food hall at The Mines and a new Japanese restaurant opening next month at Tropicana City Mall. After the completion of reconfiguration works, Sungei Wang Plaza's concourse now offers more food and beverage options. To improve the mall's connectivity with the rest of the BBKLCC⁴ retail nodes, CMMT will jointly construct an elevated pedestrian bridge and external escalators on its side façade along Jalan Bulan 2. Targeted for completion in end-2018, the bridge and escalators are expected to improve Sungei Wang Plaza's accessibility."

"In addition, we continue to leverage on CapitaStar to improve shoppers' satisfaction. For instance, CapitaStar members can now use their STAR\$® to redeem free parking when they shop at CMMT malls⁵."

Summary of CMMT's results

	2Q 2017	2Q 2016	Change (%)	1H 2017	1H 2016	Change (%)
Gross revenue (RM '000)	91,814	92,009	(0.2)	184,258	185,652	(0.8)
Net property income (RM '000)	59,790	60,044	(0.4)	119,506	120,640	(0.9)
Distributable income (RM '000)	41,914	42,263	(0.8)	84,234	85,189	(1.1)
DPU (sen)						
For the period	2.06	2.08	(1.0)	4.14	4.20	(1.4)
Annualised DPU	8.26	8.37	(1.3)	8.35	8.45	(1.2)
Annualised distribution yield	5.3% ⁶	5.4% ⁷	N.M.	5.4% ⁶	5.4% ⁷	N.M.

N.M. – Not meaningful

⁴ BBKLCC refers to the shopping nodes in the Bukit Bintang and Kuala Lumpur City Centre areas as identified by Tourism Malaysia.

⁵ Excluding Sungei Wang Plaza.

⁶ Based on closing price of RM1.55 per unit on 18 July 2017.

⁷ Based on closing price of RM1.56 per unit on 18 July 2016.

About CapitaLand Malaysia Mall Trust (www.cmmt.com.my)

CapitaLand Malaysia Mall Trust (CMMT), listed on the Main Market of Bursa Malaysia Securities Berhad on 16 July 2010, is a shopping mall-focused real estate investment trust (REIT) in Malaysia with an income and geographically diversified portfolio of five shopping malls.

These quality assets are strategically located in key urban centres across Malaysia: Gurney Plaza in Penang; three in Klang Valley – a majority interest in Sungei Wang Plaza in Kuala Lumpur; Tropicana City Mall and Tropicana City Office Tower in Petaling Jaya; and The Mines in Seri Kembangan; and East Coast Mall in Kuantan, Pahang. The portfolio has a total net lettable area of over 3.1 million square feet (sq ft). As at 30 June 2017, the total asset size of CMMT is about RM4.1 billion.

CMMT is managed by CapitaLand Malaysia Mall REIT Management Sdn. Bhd. – a joint venture between CapitaLand Limited, one of Asia's largest real estate companies headquartered and listed in Singapore, and Malaysian Industrial Development Finance Berhad (MIDF).

IMPORTANT NOTICE

The past performance of CMMT is not indicative of the future performance of CMMT. Similarly, the past performance of CMRM (the Manager) is not indicative of the future performance of the Manager.

The value of units in CMMT 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. It is intended that holders of units may only deal in their units through trading on Bursa Malaysia Securities Berhad (Bursa Securities). Listing of the units on Bursa Securities does not guarantee a liquid market for the units.

This release 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 limitation) 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, 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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