



# CapitaLand Malaysia Mall Trust 1Q 2019 Financial Results

23 April 2019



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# Key Highlights



Gurney Plaza, Penang, Malaysia



# 1Q 2019 Highlights

- **Net Property Income (NPI)**

- 1Q 2019: RM52.8 million (1Q 2018: RM57.0 million), down 7.5% y-o-y
- Gurney Plaza, East Coast Mall and Tropicana City Office Tower achieved higher rental income that partially mitigated the lower contribution from Klang Valley<sup>1</sup> shopping malls.

- **Distribution Per Unit (DPU)**

- 1Q 2019: 1.71 sen (1Q 2018: 2.02 sen), down 15.3% y-o-y

- **Capital Management**

- 82% of borrowings are on fixed rate arrangement
- Healthy gearing at 33.8%
- Average cost of debt 4.47% per annum (4Q 2018: 4.46% per annum)

- **Operational Performance**

- Rental reversion of -11.8%
- Portfolio occupancy rate: 92.5%
- Shopper traffic: 13.8 million

<sup>1</sup> Made up of Sungei Wang, 3 Damansara and The Mines.

# Financial Results





# Distribution Statement – 2019 vs 2018

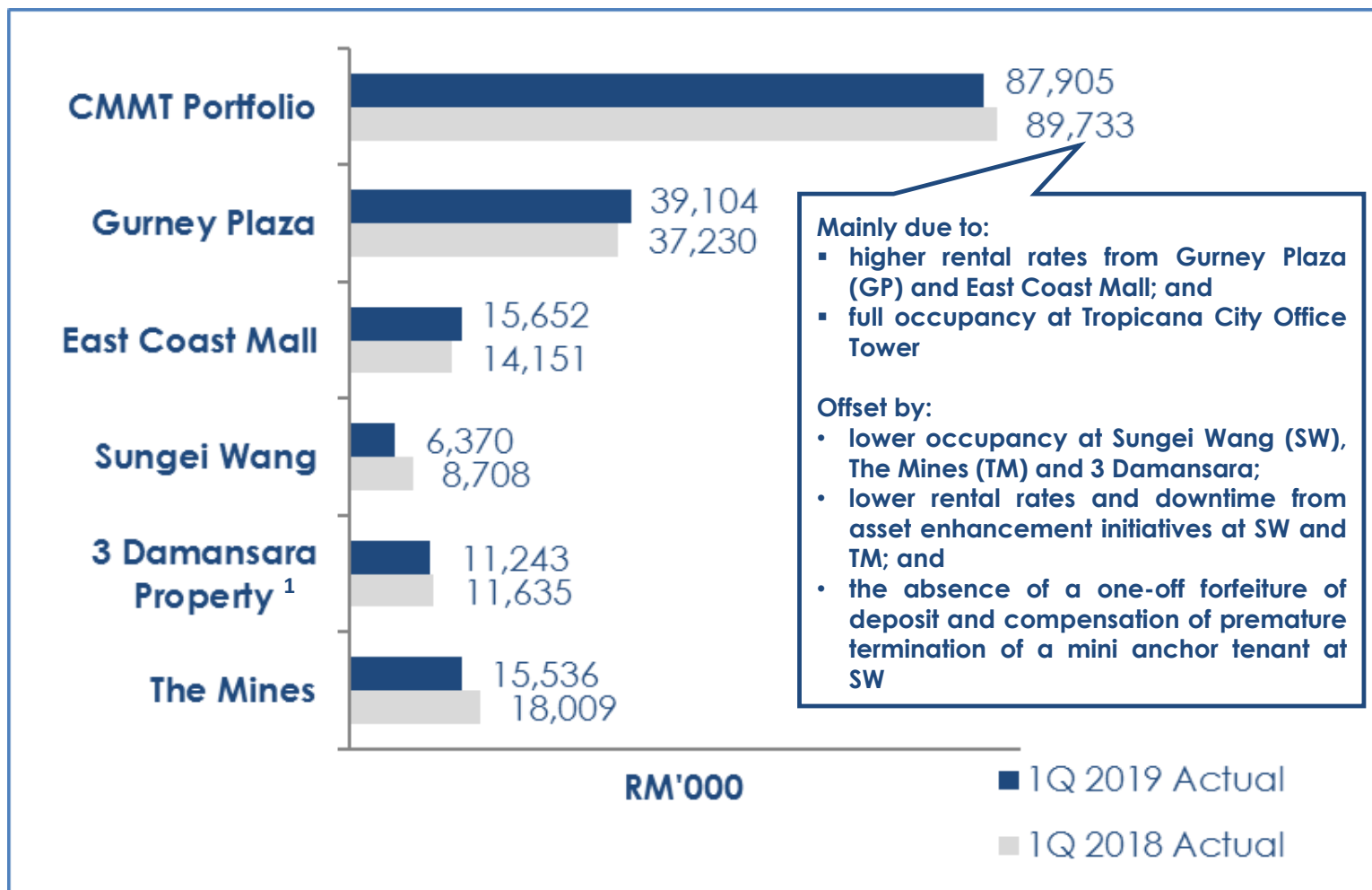
RM'000	1Q 2019 Actual (Unaudited)	1Q 2018 Actual (Unaudited)	Change %
Gross revenue	87,905	89,733	(2.0)
Less: Property operating expenses	(35,154)	(32,688)	7.5
<b>Net property income</b>	<b>52,751</b>	<b>57,045</b>	<b>(7.5)</b>
Interest income	913	1,292	(29.3)
<b>Net investment income</b>	<b>53,664</b>	<b>58,337</b>	<b>(8.0)</b>
Manager's management fee	(5,482)	(5,664)	(3.2)
Trust and other expenses	(524)	(462)	13.4
Finance costs	(15,178)	(14,958)	1.5
<b>Profit before taxation</b>	<b>32,480</b>	<b>37,253</b>	<b>(12.8)</b>
Taxation	-	-	-
<b>Profit for the period</b>	<b>32,480</b>	<b>37,253</b>	<b>(12.8)</b>
Distribution adjustments	2,553	4,110	(37.9)
<b>Income available for distribution</b>	<b>35,033</b>	<b>41,363</b>	<b>(15.3)</b>
Distributable income <sup>1</sup>	34,955	41,221	(15.2)
<b>DPU (sen)</b>	<b>1.71</b>	<b>2.02</b>	<b>(15.3)</b>

<sup>1</sup> The difference between distributable income and income available for distribution is due to rollover adjustment for rounding effect of DPU.



# 1Q 2019 Gross Revenue

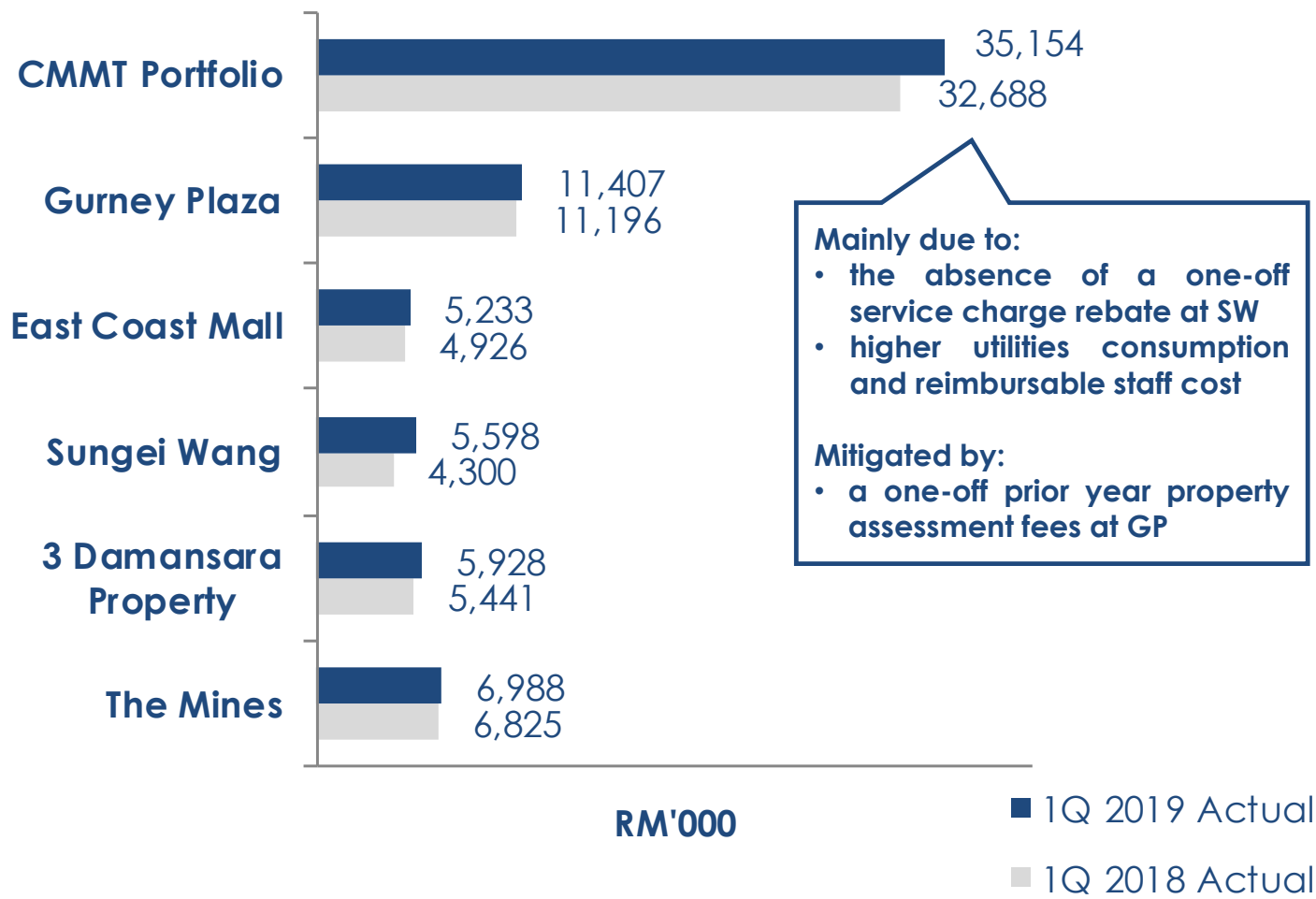
## - Decreased by 2.0% vs 2018



<sup>1</sup> 3 Damansara Property (3DP) consists of 3 Damansara and Tropicana City Office Tower.



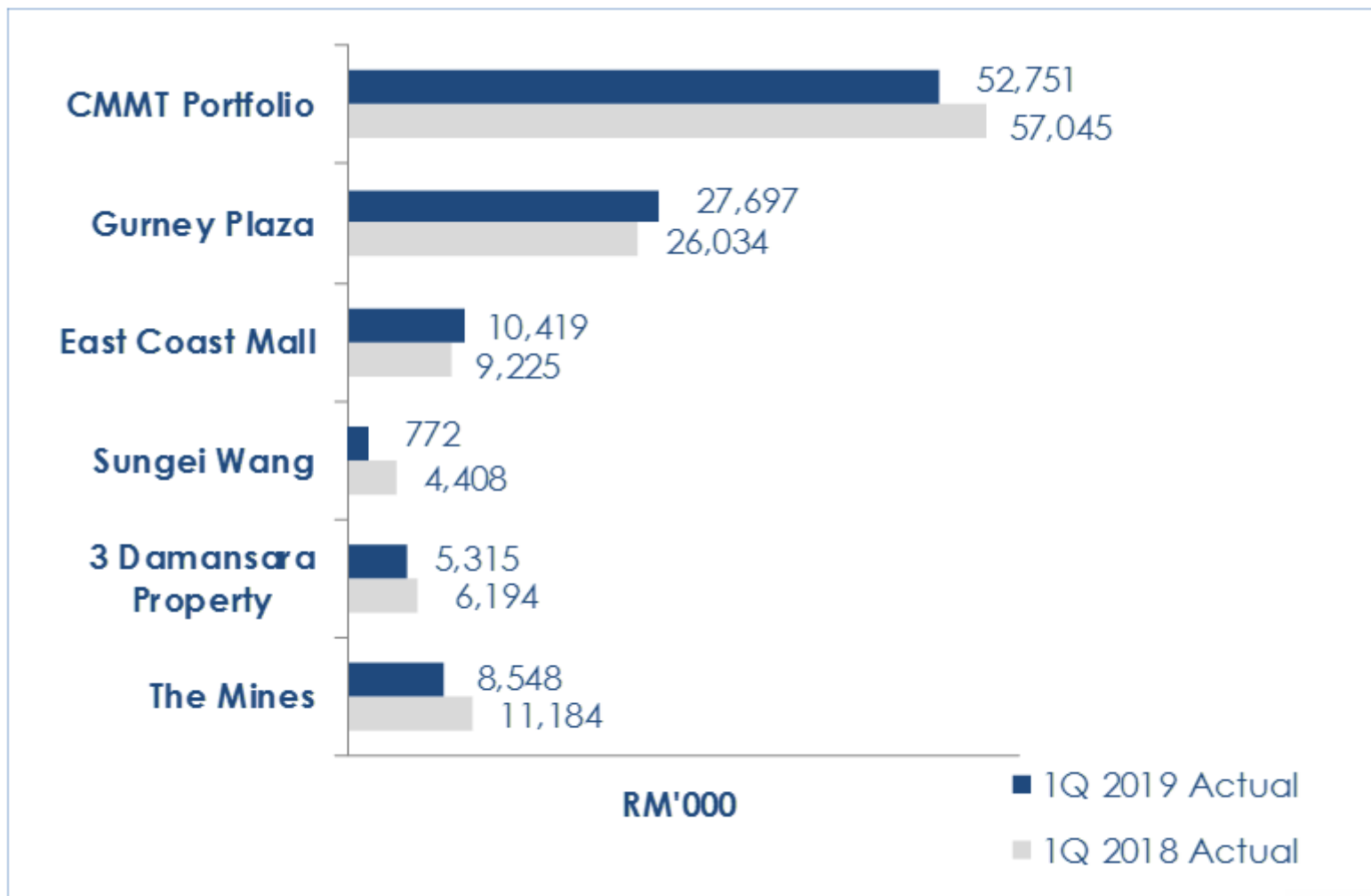
# 1Q 2019 Property Operating Expenses - Increased by 7.5% vs 2018





# 1Q 2019 Net Property Income

## - Decreased by 7.5% vs 2018





# 1Q 2019 DPU at 1.71 sen

	1Q 2019 Actual (Unaudited)	1Q 2018 Actual (Unaudited)	Change %
<b>Distributable Income (RM'000)</b>	34,955	41,221	(15.2)
<b>DPU (sen)</b>	1.71	2.02	(15.3)
<b>DPU (sen) - annualised</b>	6.94	8.19	(15.3)
<b>Distribution yield (%)</b> (Based on market price of RM1.11 on 29 March 2019 and RM1.08 on 30 March 2018)	6.25	7.58	N.M.
<b>Distribution yield (%)</b> (Based on market price of RM1.11 on 22 April 2019 and RM1.15 on 23 April 2018)	6.25	7.12	N.M.

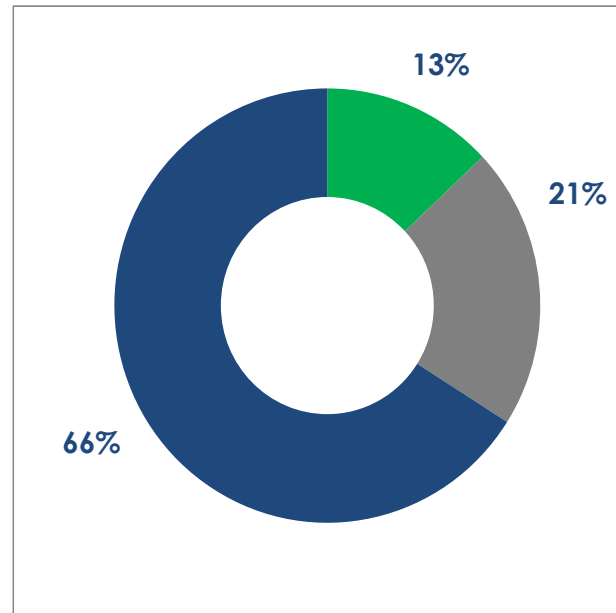
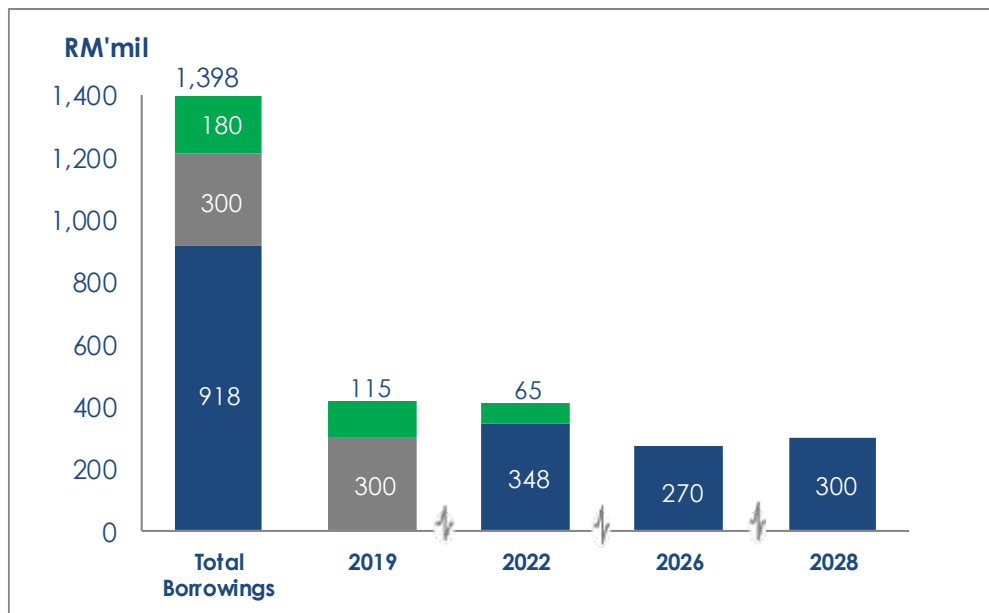
N.M. – Not meaningful



# Debt Profile (As at 31 March 2019)

## Well-Spread Debt Maturity Profile

## Diversified Sources of Funding



- Term Loan facilities
- Unrated Medium Term Notes
- Revolving Credit facilities



# Key Financial Indicators

	1Q 2019	4Q 2018
Unencumbered assets as % of total assets	29.1%	28.0%
Gearing ratio	33.8%	32.5%
Average cost of debt	4.47%	4.46%
Fixed:Floating rate debt ratio	82%:18%	87%: 13%
Net debt / EBITDA (times)	7.4	7.1
Interest coverage (times)	3.1	3.1
Average term to maturity (years)	4.4	4.8



# Balance Sheet

As at 31 March 2019	RM'mil
Non-current Assets	4,035
Current Assets	131
<b>Total Assets</b>	<b>4,166</b>
Current Liabilities	523
Non-current Liabilities	1,023
<b>Total Liabilities</b>	<b>1,546</b>
<b>Net Assets</b>	<b>2,620</b>
<b>Total Unitholders' Funds</b>	<b>2,620</b>
<b>Number of Units in Circulation (in million units)</b>	<b>2,044</b>

<b>NAV (RM'mil)</b>	
- before income distribution	2,620
- after income distribution	2,585
<b>NAV per unit (RM)</b>	
- before income distribution	1.28
- after income distribution	1.26

# Portfolio Highlights



The Mines, Selangor, Malaysia



# Rental Reversion

From 1 January 2019 to 31 March 2019 <sup>1</sup>	No. of new leases/renewals	Var. over preceding rental <sup>2, 3, 4</sup> (%)
Gurney Plaza	15	+1.5
East Coast Mall	7	-16.3 <sup>5</sup>
Sungei Wang	14	-15.9
3 Damansara	8	-9.4
The Mines	17	-18.9
<b>CMMT Portfolio (Retail)</b>	<b>61</b>	<b>-11.8</b>
Tropicana City Office Tower	0	-
<b>CMMT Portfolio (Retail + Office)</b>	<b>61</b>	<b>-11.8</b>

1. Excluding newly created and reconfigured units.

2. Excluding gross turnover rent component.

3. Majority of leases have rental escalation clause.

4. The % is computed based on the increase in the 1<sup>st</sup> year rental of the renewed term over last year rental of the preceding term.

5. The negative rental reversion was largely due to amalgamation of 2 units for a tenant.



# Portfolio Lease Expiry (By Year)

As at 31 March 2019	CMMT (Retail)		
	No of Leases <sup>1</sup>	Gross Rental Income RM'000	% of Total Gross Rental Income <sup>2</sup>
<b>2019</b>	581	8,082	37.5%
<b>2020</b>	385	7,885	36.6%
<b>2021</b>	260	4,903	22.8%
<b>Beyond 2021</b>	40	679	3.1%

As at 31 March 2019	CMMT (Office)		
	No of Leases <sup>1</sup>	Gross Rental Income RM'000	% of Total Gross Rental Income <sup>3</sup>
<b>2019</b>	2	109	20.4%
<b>2020</b>	1	226	42.3%
<b>Beyond 2020</b>	5	200	37.3%

1. Based on all committed leases as at 31 March 2019.

2. Based on committed gross rental income for CMMT (Retail) as at 31 March 2019.

3. Based on committed gross rental income for CMMT (Office) as at 31 March 2019.



# Portfolio Lease Expiry Profile for 2019

As at 31 March 2019	No. of Leases <sup>1</sup>	Net Lettable Area ("NLA")		Gross Rental Income ("GRI")	
		Sq ft	% of Total NLA <sup>1</sup>	RM'000	% of Total GRI <sup>1</sup>
Gurney Plaza	148	424,816	15.6%	3,431	15.5%
East Coast Mall	84	81,583	3.0%	1,211	5.5%
Sungei Wang	102	99,126	3.6%	591	2.7%
3 Damansara	94	154,053	5.7%	958	4.3%
The Mines	153	303,856	11.2%	1,891	8.6%
<b>CMMT (Retail)</b>	<b>581</b>	<b>1,063,434</b>	<b>39.1%</b>	<b>8,082</b>	<b>36.6%</b>
Tropicana City Office Tower	2	18,846	0.7%	109	0.5%
<b>CMMT Portfolio (Retail &amp; Office)</b>	<b>583</b>	<b>1,082,280</b>	<b>39.8%</b>	<b>8,191</b>	<b>37.1%</b>

1. Based on committed leases for CMMT Portfolio(Retail + Office) as at 31 March 2019.



# Occupancy Rate Remains Stable

	4Q 2018 31 December 18 <sup>1</sup>	1Q 2019 31 March 19 <sup>1</sup>
Gurney Plaza	99.9%	98.5%
East Coast Mall	99.0%	99.0%
Sungei Wang	75.3%	76.0%
3 Damansara <sup>2</sup>	90.6%	90.0%
The Mines	89.1%	88.2%
CMMT (Retail)	92.9%	92.2%
Tropicana City Office Tower <sup>2</sup>	100.0%	100.0%
CMMT Portfolio (Retail & Office)	93.2%	92.5%

1. Based on committed leases.

2. The occupancy of 3 Damansara Property is 91.8% as at 31 March 2019.

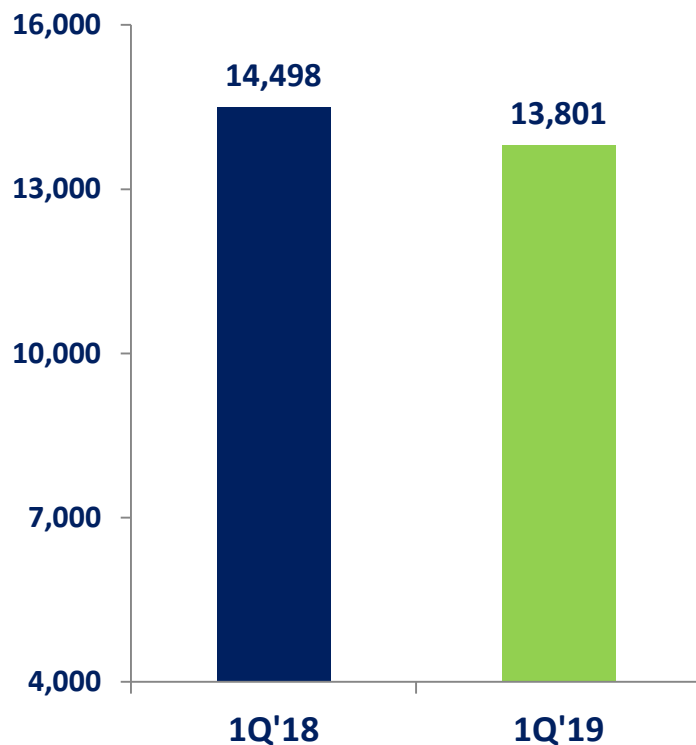


# Shopper and Vehicular Traffic

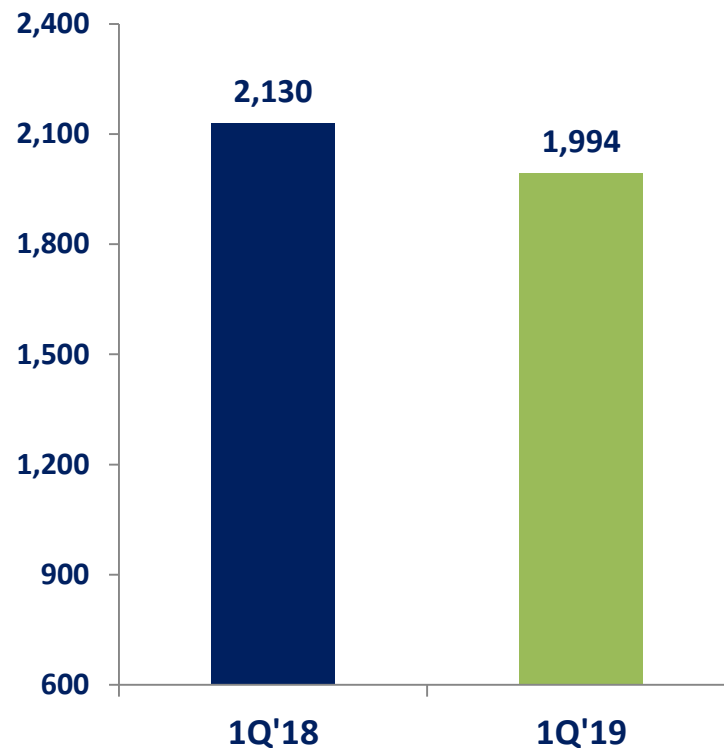
Shopper Traffic  
4.8 % lower than 1Q 2018

Vehicular Traffic  
6.4 % lower than 1Q 2018

**Shopper Traffic ('000)**



**Vehicular Traffic ('000)**



# New Initiatives & Improvement Works



East Coast Mall, Kuantan, Malaysia



# New Initiatives

## Cashless Parking

- East Coast Mall and all of CMMT's Klang Valley malls have implemented the cashless payment car park system to bring greater convenience to shoppers.



# New Initiatives

## Jumpa @ Sungei Wang

### Enhancement works in progress



### Selected Committed Tenants





# New Initiatives

## New Brands to CMMT

Gurney Plaza



**MEME XPRESS**

East Coast Mall



**& ARABICA**

Sungei Wang



**AR VENDING WARUNG**



**MUYOO**



**SCREENSHOT**



# New Initiatives

## New Brands to CMMT

### 3 Damansara



**MACAO IMPERIAL TEA**

### The Mines



**AYAM PENSET BEST**



**CELLORA**



**HERITAGE VILLAGE**



**THE COUCH POTATO**



**ALMARI**



# New Initiatives

## New Tenants

### Gurney Plaza



**JD SPORTS**



**CALVIN KLEIN**



**HONOR**



**MI**



**PUMA**



**MING XIANG TAI**



**HAAGEN-DAZS**



**EGGETTE LAB**



# New Initiatives

## New Tenants

### East Coast Mall



**PUMA**

### Sungei Wang



**JIANG NANYANG**



**YUBISO**

### 3 Damansara



**LIANG SANDWICH &  
AGES AGO**



**INSIDE SCOOP**



**XES OUTLET**

# Improvement Works

## Gurney Plaza

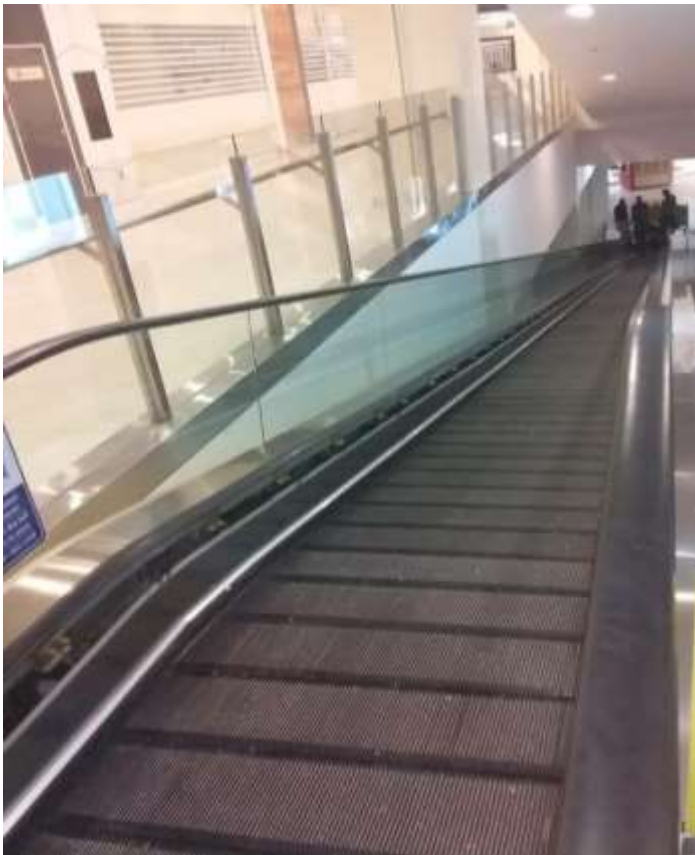
- Gurney Plaza's basement car park was repainted and the wayfinding signages were refreshed to enable shoppers to identify the parking zones easily.



# Improvement Works

## East Coast Mall

- Replacement of the travelator's step chain roller, handrail and track to improve efficiency



## Sungei Wang

- Upgraded the car park entry and exit signages in conjunction with implementation of cashless parking



# Marcom & Sustainability



## The Mines - School Holiday Carnival 2019





## Earth Hour 2019

- In conjunction with Earth Hour 2019, CMMT's initiatives included:
  - Green campaign video production
  - CapitaStar metal straw set redemption
  - CMMT malls' initiatives focused on reducing waste and education efforts



Recycling workshop at East Coast Mall



Gurney Plaza's tie-up to recycle used items



The Mines' Neon Dance session during lights off hour



# Thank You

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