

ACQUISITION OF PLAZA SINGAPURA



Extraordinary General Meeting

8 July 2004



Important Notice

This material or our presentation is for informational purposes only and should be read in conjunction with the circular issued by the Manager (as manager of CapitaMall Trust (“**CMT**”)) on 21 June 2004 (“**Circular**”).

The value of units in CMT and the income from them may fall as well as rise. Units in CMT are not obligations of, deposits in, or guaranteed by, CapitaMall Trust Management Limited (the “**Manager**” or “**CMTML**”) or any of its affiliates, nor DBS Bank Ltd (“**DBS Bank**”). An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of CMT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of CMT is not necessarily indicative of the future performance of CMT.

This material 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. **All relevant forecasts and return projections are based on a specified issue price per Unit and on the Manager’s assumptions as explained in the Circular.** You are advised to read the Circular carefully. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price higher or lower than the issue price range specified in the Circular. The major assumptions are certain expected levels of property rental income and property expenses over the relevant periods, which are considered by the Manager to be appropriate and reasonable as at the date of the Circular. The forecasted and projected financial performance of CMT is not guaranteed and there is no certainty that any of it can be achieved. Investors should read the whole of the Circular for details of the forecasts and projections and consider the assumptions used and make their own assessment of the future performance of CMT.

Summary of Approvals Sought

Resolutions

To seek unitholders' approval for:

- The Acquisition of Plaza Singapura (*Resolution 1 – Ordinary Resolution*);
- The offer and issue of up to 182,000,000 new Units for the purpose of the Equity Fund Raising and 147,000,000 Consideration Units in payment of the Units Component of the Purchase Price (*Resolution 2 – Extraordinary Resolution*);
- Supplementing the Trust Deed with the Issue Price Amendment (*Resolution 3 – Extraordinary Resolution*);
- Supplementing the Trust Deed with the Performance Fee Amendment (*Resolution 4 – Extraordinary Resolution*).

Resolution 1 – Ordinary Resolution The Acquisition of Plaza Singapura

Plaza Singapura Acquisition will Unitholder DPU

✓ *Proposed acquisition will increase DPU*

	2004 Forecast ⁽¹⁾			2005 Projection		
Issue Price	Before PS	After PS ⁽²⁾	Variance	Before PS	After PS ⁽²⁾	Variance
S\$1.45		8.95¢	4.2%		9.08¢	4.7%
S\$1.50		9.03¢	5.1%		9.16¢	5.7%
S\$1.55	8.59¢	9.11¢	6.1%	8.67¢	9.24¢	6.6%
S\$1.60		9.18¢	6.9%		9.31¢	7.4%
S\$1.65		9.25¢	7.7%		9.38¢	8.2%

(1) Annualised for the period August – December 2004

(2) Assumes gearing is increased to 31.3% and payment of performance component of Asset Management Fee in Units

Plaza Singapura Acquisition is Yield Accretive

2004 Annualised Distribution Yield (%)⁽¹⁾

Unit price	Current Forecast (8.59¢) ⁽²⁾	After Plaza Singapura ⁽³⁾	Variance
S\$1.50	5.73	6.02	5.1%
S\$1.55	5.54	5.88	6.1%
S\$1.60	5.37	5.74	6.9%
S\$1.63⁽⁴⁾ [Market Price]	5.27	5.66	7.4%
S\$1.65	5.21	5.61	7.7%
S\$1.70	5.05	5.48	8.5%
S\$1.75	4.91	5.36	9.2%

- (1) For the period Aug 04 – Dec 04
- (2) For Existing Properties
- (3) Gearing is increased to 31.3%
- (4) Price as at 18 June 2004

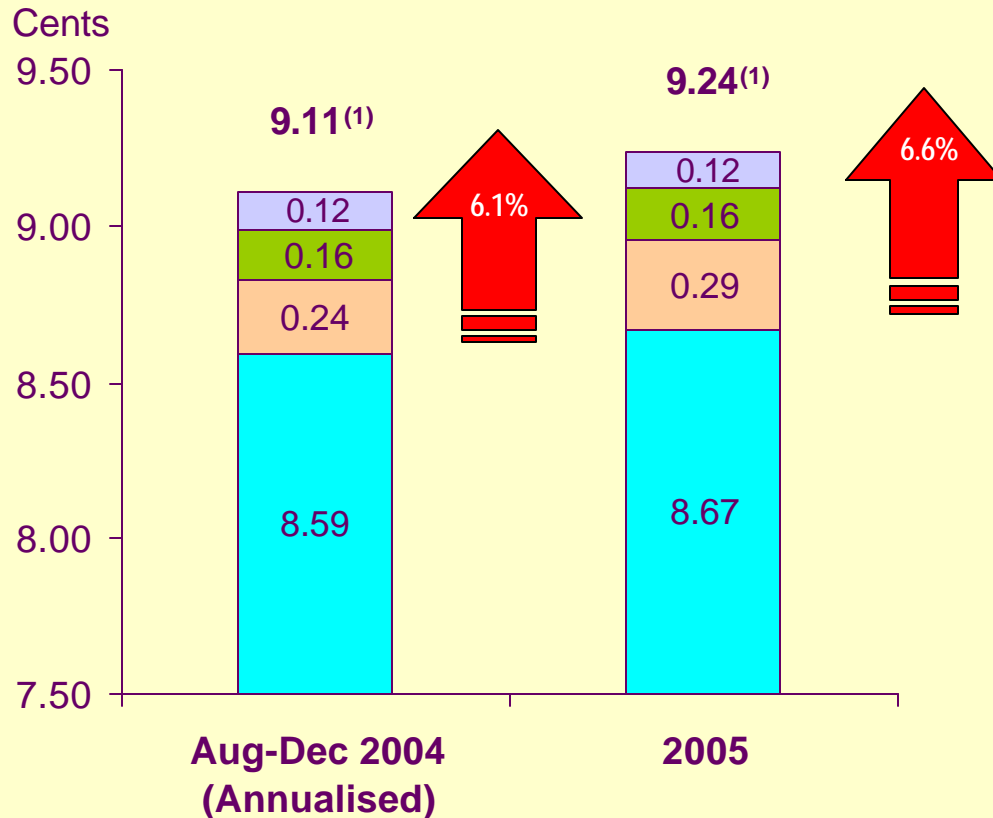
Plaza Singapura Acquisition is
“Yield Accretive”
 (i.e. higher return on equity)

Higher Distribution Per Unit ("DPU")

- ✓ *Attractive property yield*
- ✓ *Efficient capital structure*
- ✓ *Improved fee Structure*

**contributes
to**

Higher DPU



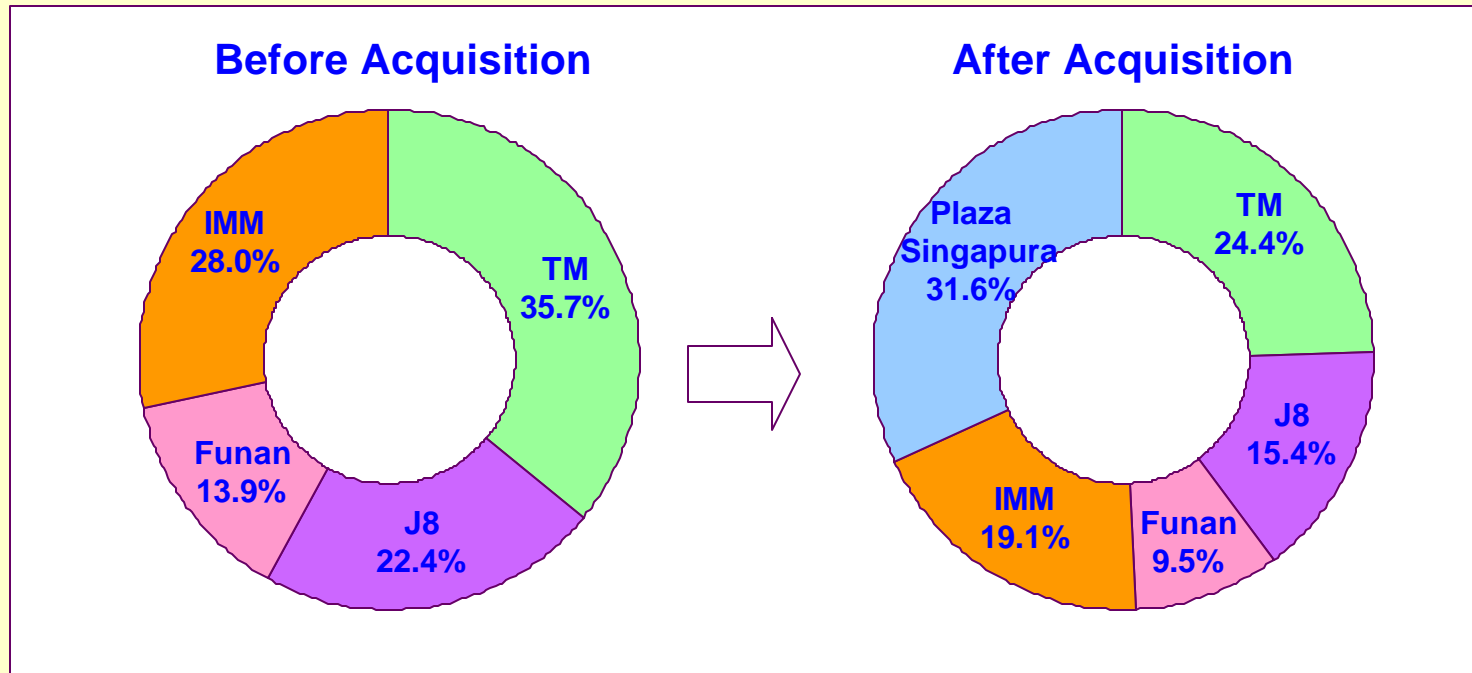
Sources of DPU improvement:

- With Asset Management fees in units
- With increased Gearing
- With Acquisition
- Existing Properties

(1) Assumes Issue Price of \$1.55

Greater Income Diversification

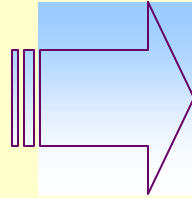
- ✓ ***CMT will have an enlarged portfolio of assets in which no more than 31.6% of the total net property income will be derived from any one property, down from 35.7% prior to the acquisition.***



Improved Liquidity

**CMT's asset size
increases from S\$1.39bn
to S\$2.1bn**

**CMT's weighting in
MSCI-Singapore Free
Index envisaged to rise
from current 0.8%**



***Liquidity
enhancement will
attract more
institutional and
retail investors***

Stronger Geographical Diversification

- ✓ *The acquisition will allow CMT to diversify its portfolio of properties and cater to different tenancy demands in different parts of Singapore*

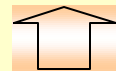


Plaza Singapura - Potential for Improvement

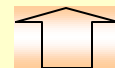
Proposed Scheme

- ✓ Reconfigure retail units to improve marketability & rental potential
- ✓ Improve existing tenancy mix
- ✓ Create new retail units and kiosks at common areas
- ✓ Convert ancillary areas into productive retail space

Opportunities for growth through optimising the usage of retail space of Plaza Singapura



Gross Revenue



Net Property Income

Plaza Singapura – Potential Rent Upside

Per Sq Ft	Tampines Mall	Junction 8	Plaza Singapura
Level 1 ⁽¹⁾	\$26.35	\$24.31	\$18.44
Level 2 ⁽¹⁾	\$17.23	\$16.44	\$13.38
Level 4 ⁽¹⁾	\$15.33	\$13.08	\$8.21

Ave Rent (as at 30 Apr 04)	\$11.11	\$10.15	\$8.59
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Rental on levels 1,2 & 4 on average over **18% lower than similar floors in Tampines Mall & Junction 8**

(1) Specialty units lesser than 6,000 sq ft

Step-Up Leases

✓ *Growth in Revenue with Step-Up Leases*

	Existing Properties	Plaza Singapura	Existing Properties & Plaza Singapura
No. of Leases with Step-Up Rent	434	196	630
Total No. of Leases	937	205	1,142
Percentage of Leases	46.3%	95.6%	55.2%

Step-up Growth on Committed Leases		
Year	2004	2005
Existing Properties ⁽¹⁾	0.30% ⁽²⁾	1.35% ⁽²⁾
With Plaza Singapura ⁽¹⁾	0.72%	3.00%

More Growth in Revenue with Step-Up Leases of Plaza Singapura

(1) As a percentage of annualised April 2004 total revenue

(2) Lower growth due to no step-up for majority of IMM leases pending asset enhancement works. Excluding IMM, growth for 2004 and 2005 would be 0.40% and 1.78% respectively.

Plaza Singapura – Fact Sheet

Gross Floor Area	764,342 sft								
Net Lettable Area	486,113 sft								
Occupancy (as at 30 Apr 04)	99.7%								
Number of leases (as at 30 Apr 04)	205								
Major tenants	<table> <tr> <td>Carrefour</td> <td>Spotlight</td> </tr> <tr> <td>Golden Village</td> <td>Best Denki</td> </tr> <tr> <td>Yamaha</td> <td>Kopitiam</td> </tr> <tr> <td>Marks & Spencer</td> <td>John Little</td> </tr> </table>	Carrefour	Spotlight	Golden Village	Best Denki	Yamaha	Kopitiam	Marks & Spencer	John Little
Carrefour	Spotlight								
Golden Village	Best Denki								
Yamaha	Kopitiam								
Marks & Spencer	John Little								
Car parking lots	694								
Title	Freehold								
Net Property Income									
Forecast Aug-Dec 2004	\$17.76 million								
Projection 2005	\$43.29 million								
Valuation (30 April 2004)	\$710.00 million or \$1,460 psft NLA								

Plaza Singapura - Financial Information

- ✓ **Plaza Singapura's property yield is higher than the implied property yield of existing CMT properties of 5.3% ⁽¹⁾**
- ✓ **Plaza Singapura's financials are as follows :-**

	Forecast 1 Aug 04 – 31 Dec 04 ⁽²⁾ S\$' mil	Projection Full year 2005 S\$' mil
Gross Revenue	23.75	59.12
Less property expense	5.99	15.83
Net property income	17.76	43.29
Property yield on Purchase Price ⁽³⁾	5.98% ⁽⁵⁾	6.10%
Property yield on Total Acquisition Cost ⁽⁴⁾	5.77% ⁽⁵⁾	5.87%

(1) Based on trading price of \$1.63 as at 18 June 2004

(2) Assuming that (i) the Acquisition is completed on 1 August 2004 and (ii) only the net property income of Plaza Singapura from 1 August 2004 to 31 December 2004 will be accruing to CMT

(3) Based on purchase price of \$710.00 mil

(4) Based on the total estimated acquisition costs of S\$736.95 mil

(5) Annualised figure

Plaza Singapura - Competitive Strengths



Strategic location

- Enjoys direct link to Dhoby Ghaut MRT station, which is the interchange for the North-South MRT Line, North-East MRT Line and the upcoming Circle MRT Line
 - Close proximity to new SMU campus at Bras Basah
-



Freehold tenure

- Located on valuable freehold land in prime Orchard Road area
-



Large trade area

- Serves a large trade area encompassing established residential areas in central region including Orchard, River Valley and Bukit Timah
-



High occupancy

- Occupancy rate of 99.7% as at 30 April 2004
 - Reflects strong tenant demand and provides opportunities to enhance tenancy mix and retail offering
-



Diverse tenant base

- Large tenant base of more than 200 leases as at 30 April 2004
- Diverse mix of popular international and local retailers
- Key tenants include Carrefour, Golden Village, Spotlight, Yamaha, Best Denki, Kopitiam, John Little and Marks & Spencer

Resolution 2 – Extraordinary Resolution The Issue of New Units in CMT

Total Cost (incl. financing)

	S\$ Million
Purchase Price	710.00
Stamp Duty	21.30
Acquisition Fee to CMTML (0.5%)(1)	3.55
Due Diligence & Legal Fee	2.10
Total Acquisition Cost	736.95
Issue/Circular Expenses	1.50
Equity Underwriting/Selling Expenses	5.00
Debt Underwriting/Issue Expenses	2.00
Total Amount to be Raised	745.45

(1) Only half of the 1% Acquisition Fee is charged by the Manager

Plaza Singapura - Indicative Financing Structure

**Total Purchase Price
& Expenses**

S\$745.45 m

**Funded
by**

i) Consideration Units
(147 mil units)

S\$213.15 m⁽¹⁾

+

ii) Debt Financing

S\$277.00 m

+

iii) Equity Fund Raising
(up to 182 mil units)⁽¹⁾

S\$255.30 m⁽²⁾

(1) Assumes Issue Price of S\$1.45 and number of new Units will be reduced if issue price is higher than S\$1.45

(2) CapitaLand Group has committed to take up all its entitlement under the “1-for-10” preferential offering

Proposed Issue of up to 182m New Units

Placement of up to 182.0⁽¹⁾ million new Units to be **fully underwritten by DBS Bank**

1) Preferential Offering
Up to 90.8 million new units

- “1-for-10” preferential offering to existing Singapore Registered Unitholders on a non-renounceable basis
- **Books Closure Date, expected to be 16 July 2004 at 5pm**
- CapitaLand undertakes to subscribe for its preferential Units (29.3 million)

2) Placement
Up to 91.2⁽¹⁾ million new units

- (a) ATM offering of new Units to the public in Singapore (on a “first-come, first-served” basis); and
- (b) a Private Placement of new Units to retail and institutional investors.

(1) Based on issue price of S\$1.45 and number of new Units will be reduced if issue price is higher than S\$1.45

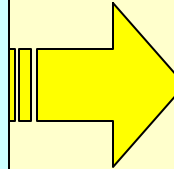
Proposed Issue (cont'd)

- ✓ Cumulative distribution for income earned between 1 Jan 2004 to the day prior to the issue of the new units (no later than 31 Aug 2004).
- ✓ The proposed capital raising will only occur after the approval of the unitholders is obtained at the EGM.
- ✓ The Manager intends to issue the new Units close to the trading price (less the accrued cumulative distribution). The price of the new Units will be determined nearer to the commencement of the Equity Fund Raising.
- ✓ New Units issued are not expected to dilute existing Unitholder's DPU.

Financing Plan - Debt

It is contemplated that borrowings of S\$277 mil will be incurred, increasing gearing from 27.8% to 31.3%. The current bridge loan of S\$56 mil for IMM land premium will be refinanced. In addition, a Revolving Credit Facility of S\$38 mil will be incorporated, to finance future asset enhancement works.

- ✓ Interest Rate Swap Agreement for \$277 million at 2.4% p.a. for 3 years entered into by CCL to be novated to CMT
- ✓ All-in interest rate not more than 2.9% p.a.



- ✓ **Optimise capital structure** by increasing gearing up to approximately 31.3% (within the 35% limit)
- ✓ **Generate a higher return on equity** for Unitholders

Debt Profile After Additional Borrowings

Amount	S\$90 ⁽¹⁾ mil (12.5%)	S\$172 mil (23.8%)	S\$335 mil (46.4%)	S\$125 mil (17.3%)
Tenor (remaining)	<1 year	3 years	5 years	6 years
Expiry	Revolving Credit Facility	2007	2009	2010

(1) Only S\$28mil has been drawn down as at 31 May 2004

Resolution 3 – Extraordinary Resolution Supplementing the Trust Deed with the Issue Price Amendment

Consideration Units to be the Same Price as New Units



Supplementing the Trust Deed to permit Consideration Units to be issued at the **same price** as that for the issue of New Units under the equity fund raising.

Current Trust Deed	Calculation Method
Consideration Units	10-day Volume Weighted Average Price
New Units	Price not more than 5% discount to weighted average price for a full market day

May Lead to Different Prices

Resolution 4 – Extraordinary Resolution Supplementing the Trust Deed with the Performance Fee Amendment

Performance Component in Cash or Units



Supplementing the Trust Deed to give the manager discretion to elect to receive the performance component of its asset management fee in units (**based on market price**) or cash in respect of Plaza Singapura and all future acquisitions for the remaining period ending 16 July 2007

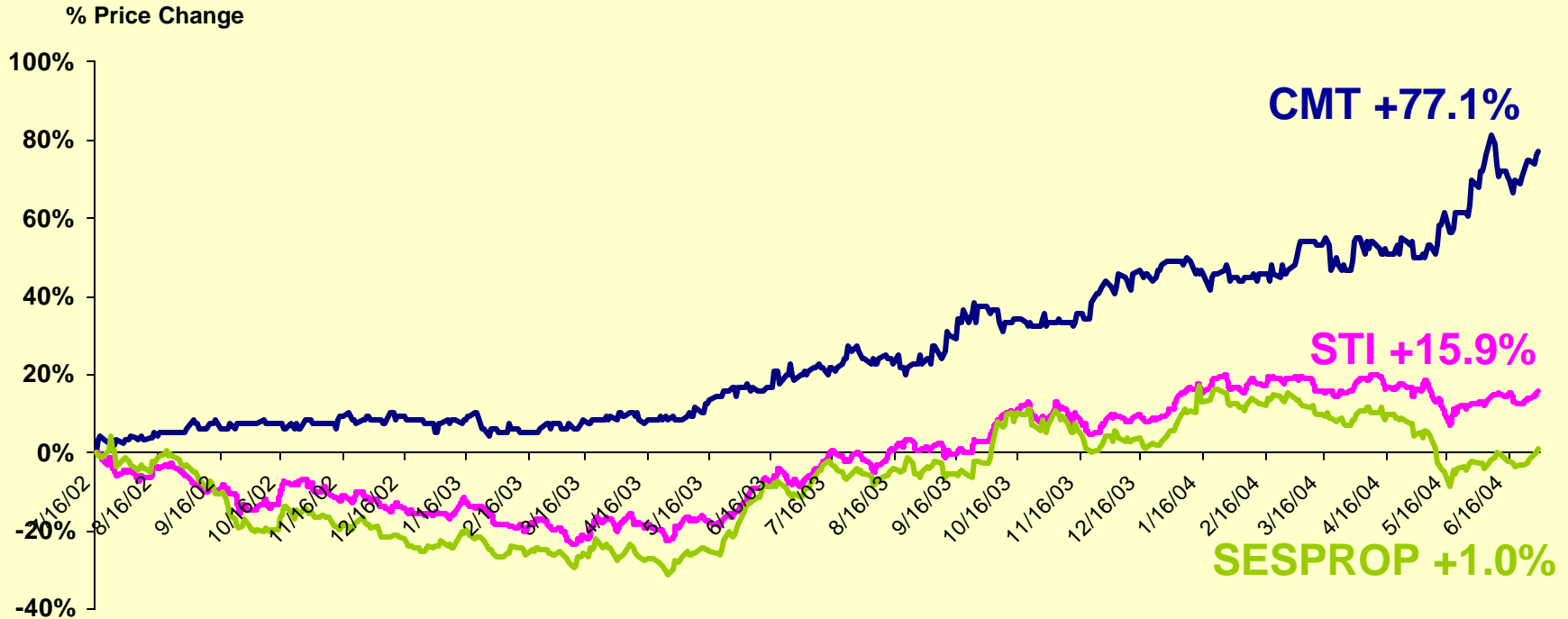
Current Trust Deed	Calculation Method
	2.85% of Gross Revenue
Tampines Mall, Junction 8, Funan	IPO price of \$0.96 per unit
IMM and future acquisition	Paid in Cash

Change in Trust Deed provides the Manager the flexibility in structuring acquisitions and achieve optimal returns for unitholders

Track Record and Performance

Track Record of Strong Total Returns

Unit Price Performance since IPO (July 2002)



Source: Bloomberg from July 16 2002 to July 5 2004

Note: STI = Straits Times Index, SESPROP = Singapore Property Equities Index

Track Record

- Outperformed broader equity market indices
- Outperformed forecast DPU
- Low volatility
- Capital growth of 77% since IPO
- Delivered distribution yield of more than 12% (based on IPO price)
- Total Returns of 89% since IPO

Delivering Performance

- The Manager remains committed to exceeding expectations.
- Unitholders' are urged to use CMT's past performance as an indication of management's commitment to delivering on the proposed outcome of the acquisition
- Examples of how the Manager has delivered performance:
 - Exceeded 2002 IPO Forecast DPU by 8%, and 2003 IPO Forecast DPU by 15%
 - Capital appreciation of 77.1% from listing to 5 July 2004
 - Delivering expansion growth via acquisition of IMM Building in July 2003 and CRS investment in Dec 2003
 - Delivering sustainable growth and value through asset enhancements
 - Achieving sustainable cost savings through economies of scale
 - Established industry best practice standards in retail management
 - Included in MSCI Singapore Free Index, GPR and EPRA/NAREIT
 - Voted in Finance Asia poll as Top 10 best companies in Singapore for Best Managed Company, Best Corporate Governance and Most Committed to Strong Dividend Policy
- More than 98% of income is secured through base rent and less than 2% tied to Gross Turnover Rent, which provides a stable income source
- In-built annual growth of about 2-3% through step up rental

Timetable

Key Dates & Time

Last date for lodging Proxy Forms	6 July 2004, Tuesday
EGM	8 July 2004, Thursday
If approvals sought at EGM are obtained:	
Last day of trading on “cum basis” for Preferential Offering	13 July 2004, Tuesday
BCD for Preferential Offering	16 July 2004, Friday
Commencement of Equity Fund Raising	no later than early Aug 2004
BCD for Cumulative Distribution	no later than early Aug 2004
Completion of Acquisition	no later than early Aug 2004
Payment of Cumulative Distribution	no later than end Aug 2004

Thank You

Contact Information



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ACQUISITION OF PLAZA SINGAPURA



Extraordinary General Meeting

8 July 2004



Resolution 1 – Ordinary Resolution To Approve the Acquisition

Resolution 2 – Extraordinary Resolution

To approve the offer and issue of up to 182,000,000 new Units for the purpose of the Equity Fund Raising and 147,000,000 Consideration Units in payment of the Units Component of the Purchase Price

Resolution 3 – Extraordinary Resolution
To approve the supplementing of the Trust Deed
with the Issue Price Amendment

Resolution 4 – Extraordinary Resolution

To approve the supplementing of the Trust Deed
with the Performance Fee Amendment
