



NEWS RELEASE

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For Immediate Release

CMT 1H2004 Distribution Exceeds Forecast¹ by 7.7%

Tenancy remix, asset enhancements and yield accretive acquisitions drive growth

Singapore, 14 July 2004 – CapitaMall Trust Management Limited (“CMTML”), the manager of CapitaMall Trust (CMT), is pleased to announce a distributable income of S\$41.8 million for the period from 1 January 2004 to 30 June 2004, an increase of more than S\$2.3 million over the forecast of S\$39.4 million¹. The resulting distribution per unit in CMT (“DPU”) for the said period is 4.60¢ (annualised 9.25¢), which is 7.7% higher than the forecast DPU of 4.30¢¹ (annualised 8.59¢). With this DPU, the annualised distribution yield of units in CMT (“Units”) is 5.4%, based on the trading price of S\$1.70 per Unit as at the close of trading on 13 July 2004.

In conjunction with the proposed equity fund raising exercise to raise funds for the acquisition of Plaza Singapura and in lieu of the scheduled distribution in respect of CMT’s distributable income for the period from 1 January 2004 to 30 June 2004, CMTML intends to declare a distribution of CMT’s distributable income for the period from 1 January 2004 to the day immediately prior to the date on which new units will be issued under the equity fund raising (the “Cumulative Distribution”). The expected completion date for the equity fund raising as well as the acquisition of Plaza Singapura is early August 2004. The estimated DPU under the Cumulative Distribution ranges from 5.36¢ to 5.68¢, and will be no less than 5.36¢. The Cumulative Distribution is expected to be paid by end-August 2004.

Gross revenue for the period was S\$75.3 million, an increase of S\$4.2 million or 5.9% from the forecast¹. Net property income has also increased for all the properties in CMT’s portfolio. The improved revenue was mainly due to higher rentals achieved by CMT’s malls on new and renewal leases, income from new space created at Junction 8 and Tampines Mall, and shorter vacancy periods.

¹ Based on the forecast set out in the CMT circular dated 11 June 2003 (“Circular”) and subsequently updated in CMT’s offer information statement dated 9 December 2003 (“OIS”), as well as the assumptions set out in the Circular and OIS.

Said Mr Hsuan Owyang, Chairman and Director of CMTML, “We are pleased that CMT’s unit price has appreciated 77% since its IPO two years ago. The increase in DPU, which accounts for almost half of its unit price appreciation, is due to management’s proactive asset management, innovative asset enhancement strategy and yield accretive acquisitions. The remaining growth in the unit price is the result of lower yield expectations by investors as they get more familiar with REITs as investment instruments in Singapore. Looking ahead, we are confident of delivering sustainable distributions to unitholders.”

Added Mr Pua Seck Guan, CEO of CMTML, “Whilst proactive management of our assets generates an average of 3% increase per annum in revenue through rent renewals, it is our tenancy remix and asset enhancement initiatives which are the main drivers of growth. Taking Junction 8 as an example, only 24% of the rental improvements were due to upward lease renewals, while 76% were due to reconfiguration of existing units and asset enhancement initiatives which benefit the tenants. When completed, the asset enhancement initiatives will yield an additional annual rental of S\$6.5 million which accounts for over 20% of the current annual rental at Junction 8. This is a testament of our ability to add value to our assets.”

CMTML has demonstrated that a rigorous asset enhancement plan which has been properly implemented can increase the value of net lettable area at CMT’s malls. Moving forward, CMTML will continue to ensure sustainable growth by rejuvenating the tenant mix at each of CMT’s malls, and by continually injecting fresh ideas and novel concepts to remain relevant to consumers’ needs.

Proposed Acquisition of Plaza Singapura

CMTML has already obtained unitholders’ approval for the proposed acquisition of Plaza Singapura, a prime freehold mall located along the Orchard Road shopping belt. The acquisition is yield accretive for unitholders, and is expected to further increase DPU.

About CapitaMall Trust

CMT is the first listed REIT in Singapore. Launched in 2002, it invests in quality income-producing retail properties in Singapore. Income is mainly derived from rental payments received from a diverse range of over 900 leases from local and international tenants. It currently has a portfolio of four major shopping malls in both the suburban and city areas - Tampines Mall, Junction 8 Shopping Centre, Funan The IT Mall and IMM Building. Plans are underway for the acquisition of Plaza Singapura, a shopping mall catering to basic shopping needs, located along the prime Orchard Road shopping belt.

CMT is managed by an external manager, CMTML, which is an indirect wholly-owned subsidiary of CapitaLand Limited, one of the largest listed real estate companies in Southeast Asia.

Visit CMT's website at www.capitamall.com for more details.

Important Notice

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, CMTML or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request CMTML to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "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. All forecasts and projections are based on CMTML's assumptions as explained in the Circular and the OIS. Yields will vary accordingly for investors who purchase Units in the secondary market at a market price higher or lower than the price stated in this press release. Any forecast 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 any relevant circulars or offer information statements for details of such forecasts and projections and consider the assumptions used and make their own assessment of the future performance of CMT.

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