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CAPITAMALL TRUST

2004 THIRD QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

CapitaMall Trust ("CMT") was established under a trust deed dated 29 October 2001 entered into between CapitaMall Trust Management Limited (as manager of CMT) (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (as trustee of CMT) (the "Trustee"), as amended.

CMT was originally held privately under a private trust until 15 July 2002 and was subsequently listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

As at 31 December 2002, CMT held 3 properties, Tampines Mall, Junction 8 and Funan The IT Mall. CMT acquired IMM Building on 26 June 2003. On 17 December 2003, CMT invested S\$58 million in the Class E Bonds of CapitaRetail Singapore Limited, which owns CapitaRetail BPP Trust (owner of 90 strata units in Bukit Panjang Plaza), CapitaRetail Lot One Trust (owner of Lot One Shoppers' Mall) and CapitaRetail Rivervale Trust (owner of Rivervale Mall). CMT acquired its fifth property, Plaza Singapura, on 2 August 2004.

For a meaningful analysis/comparison of the actual results against the forecast as stated in the Plaza Singapura Circular dated 20 July 2004, please refer to paragraph 9 specifically.

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1(a)(i) Income statement (3Q 2004 vs 3Q 2003)

	3Q 2004 ²	3Q 2003 ²	Increase / (Decrease)
	S\$'000	S\$'000	%
Gross rental income	43,392	32,434	33.8
Car park income	1,446	1,098	31.7
Other income	2,305	1,576	46.3
Gross revenue	47,143	35,108	34.3
Property management fees	(1,768)	(1,310)	35.0
Property tax	(4,129)	(1,486)	177.9
Other property operating expenses ¹	(10,015)	(9,393)	6.6
Property operating expenses	(15,912)	(12,189)	30.5
Net property income	31,231	22,919	36.3
Interest income	1,207	11	NM
Asset management fees	(3,037)	(2,066)	47.0
Trust expenses	(678)	(244)	177.9
Administrative expenses	(3,715)	(2,310)	60.8
Net investment income before finance costs and tax	28,723	20,620	39.3
Finance costs	(4,742)	(2,602)	82.2
Net investment income before tax	23,981	18,018	33.1
Taxation	NA	NA	NA
Net investment income after tax	23,981	18,018	33.1

The review of the performance can be found in paragraph 8.

Footnotes :

1. Included as part of the other property operating expenses are the following:

	3Q 2004	3Q 2003	Increase / (Decrease)
	S\$'000	S\$'000	%
<i>Depreciation and amortisation</i>	159	6	NM
<i>Allowance for doubtful debts and bad debts written off</i>	63	35	80.0
<i>Assets written off</i>	-	4	NA

2. Plaza Singapura was acquired on 2 August 2004.

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Income statement (YTD Sep 2004 vs YTD Sep 2003)

	YTD Sep ² 2004 S\$'000	YTD Sep ² 2003 S\$'000	Increase / (Decrease) %
Gross rental income	112,468	73,729	52.5
Car park income	3,912	3,307	18.3
Other income	6,048	3,786	59.7
Gross revenue	122,428	80,822	51.5
Property management fees	(4,531)	(3,090)	46.6
Property tax	(10,448)	(2,437)	328.7
Other property operating expenses ¹	(28,690)	(19,735)	45.4
Property operating expenses	(43,669)	(25,262)	72.9
Net property income	78,759	55,560	41.8
Interest income	3,791	54	NM
Asset management fees	(7,684)	(4,714)	63.0
Trust expenses	(1,494)	(714)	109.2
Administrative expenses	(9,178)	(5,428)	69.1
Net investment income before finance costs and tax	73,372	50,186	46.2
Finance costs	(10,276)	(6,151)	67.1
Net investment income before tax	63,096	44,035	43.3
Taxation	NA	NA	NA
Net investment income after tax	63,096	44,035	43.3

The review of the performance can be found in paragraph 8.

Footnotes :

1. *Included as part of the other property operating expenses are the following:*

	YTD Sep 2004 S\$'000	YTD Sep 2003 S\$'000	Increase / (Decrease) %
<i>Depreciation and amortisation</i>	495	18	NM
<i>Allowance for doubtful debts and bad debts written off</i>	168	140	20.0
<i>Assets written off (primarily escalators {2004} and carpark systems {2003})</i>	633	412	53.6

2. *Plaza Singapura and IMM Building were acquired on 2 August 2004 and 26 June 2003 respectively.*

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1(a)(ii) Distribution statement (3Q 2004 vs 3Q 2003)

	3Q 2004 S\$'000	3Q 2003 S\$'000	Increase / (Decrease) %
Net investment income after tax	23,981	18,018	33.1
Net effect of non-tax deductible / (chargeable) items (Note A)	2,344	397	490.4
Taxable income available for distribution to unitholders	26,325	18,415	43.0
<i>Note A</i>			
<i>Non-tax deductible / (chargeable) items</i>			
- Asset management fees (performance component)	1,548	959	61.4
- Trustee's fees	163	98	66.3
- Other items	633	(660)	NM
<i>Net effect of non-tax deductible / (chargeable) items</i>	<i>2,344</i>	<i>397</i>	<i>490.4</i>

Distribution statement (YTD Sep 2004 vs YTD Sep 2003)

	YTD Sep 2004 S\$'000	YTD Sep 2003 S\$'000	Increase / (Decrease) %
Net investment income after tax	63,096	44,035	43.3
Net effect of non-tax deductible / (chargeable) items (Note A)	5,012	2,023	147.8
Taxable income available for distribution to unitholders	68,108	46,058	47.9
<i>Note A</i>			
<i>Non-tax deductible / (chargeable) items</i>			
- Asset management fees (performance component)	3,871	2,419	60.0
- Trustee's fees	375	246	52.4
- Other items	766	(642)	NM
<i>Net effect of non-tax deductible / (chargeable) items</i>	<i>5,012</i>	<i>2,023</i>	<i>147.8</i>

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1(b)(i) Balance sheet

As at 30 Sep 2004 vs 31 Dec 2003

	30 Sep 2004 S\$'000	31 Dec 2003 S\$'000	Increase / (Decrease) %
Non-current assets			
Plant & equipment ¹	402	228	76.3
Investment properties ¹	2,053,488	1,240,000	65.6
Investment in securities	58,000	58,000	-
Total non-current assets	2,111,890	1,298,228	62.7
Current assets			
Trade & other receivables ²	10,096	3,819	164.4
Cash & cash equivalents ³	34,839	49,403	(29.5)
Total current assets	44,935	53,222	(15.6)
Less current liabilities			
Trade & other payables ¹	50,012	34,793	43.7
Provision for taxation	367	367	-
Total current liabilities	50,379	35,160	43.3
Net current (liabilities)/assets ⁴	(5,444)	18,062	NM
Less non-current liabilities			
Interest-bearing borrowings ⁵	660,000	325,000	103.1
Other non-current liabilities ¹	24,200	18,847	28.4
Total non-current liabilities	684,200	343,847	99.0
Net assets	1,422,246	972,443	46.3
Unitholders' funds	1,422,246	972,443	46.3

Footnotes:

- 1. The increase is mainly due to the acquisition of Plaza Singapura.*
- 2. The increase is mainly due to the acquisition of Plaza Singapura, interest receivable for CMT's investment in Class E bonds of CapitaRetail Singapore Limited and capitalisation of certain related financing costs on the additional borrowings of S\$335.0 million.*
- 3. This includes the distributable income of S\$19.0 million for 2 August 2004 to 30 September 2004 which will be distributed in 2005 and S\$38.0 million for the period 26 June 2003 to 31 December 2003 which was distributed in February 2004.*
- 4. Net current liabilities as at 30 September 2004 arise mainly due to distribution of 0.81 cents for the period 1 July 2004 to 1 August 2004.*
- 5. The increase is mainly due to additional borrowing taken on 2 August 2004 to part finance the acquisition of Plaza Singapura and the payment of the upfront land premium of IMM Building.*

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1(b)(ii) Aggregate amount of borrowings and debt securities

	30 Sep 2004 S\$'000	31 Dec 2003 S\$'000
Secured borrowings		
Amount repayable after one year	660,000	325,000

Details of any collateral

As security for the borrowings, CMT has granted in favour of the lender the following:

- (i) a mortgage over each of the properties
- (ii) an assignment and charge of the rental proceeds and tenancy agreements of units in the properties
- (iii) an assignment of the insurance policies relating to the properties
- (iv) an assignment of the agreements relating to the management of the properties
- (v) a charge creating a fixed and floating charge over certain assets of CMT relating to the properties

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1(c) Cash flows statement (3Q 2004 vs 3Q 2003)

	3Q 2004 ¹ S\$'000	3Q 2003 ¹ S\$'000
Operating activities		
Net investment income before tax	23,981	18,018
Adjustments for interest income, finance costs, depreciation and amortisation, asset management fee paid in units, provision/write-off of doubtful/bad debts & write-off of assets	5,287	3,592
Change in working capital	(2,455)	7,697
Cash generated from operating activities	26,813	29,307
Investing activities		
Interest received	2,577	11
Purchase of investment property, plant and equipment and subsequent expenditure	(497,030)	(9,671)
Cash flows from investing activities	(494,453)	(9,660)
Financing activities		
Proceeds from issue of new units	238,140	-
Payment of issue and financing expenses	(5,834)	(4,173)
Proceeds from interest bearing borrowings	335,000	-
Repayment of short-term borrowings	(55,703)	-
Distribution to unitholders ²	(49,097)	(26,785)
Interest paid	(2,564)	(2,641)
Cash flows from financing activities	459,942	(33,599)
Decrease in cash and cash equivalent	(7,698)	(13,952)
Cash and cash equivalent at beginning of period	42,537	57,822
Cash and cash equivalent at end of period	34,839	43,870

Footnotes :

1. *Plaza Singapura was acquired on 2 August 2004.*
2. *For 3Q 2004, refers to distribution income for the period 1 January 2004 to 1 August 2004 paid in August 2004.*
For 3Q 2003, refers to distribution income for 1 January 2003 to 25 June 2003 paid in July 2003.

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Cash flows statement (YTD Sep 2004 vs YTD Sep 2003)

	YTD Sep ¹ 2004 S\$'000	YTD Sep ¹ 2003 S\$'000
Operating activities		
Net investment income before tax	63,096	44,035
Adjustments for interest income, finance costs, depreciation and amortisation, asset management fee paid in units, provision/write-off of doubtful/bad debts & write-off of assets	11,642	9,083
Change in working capital	720	20,251
Cash generated from operating activities	75,458	73,369
Investing activities		
Interest received	2,596	55
Payment of upfront land premium	(55,703)	-
Purchase of investment property, plant and equipment and subsequent expenditure	(508,854)	(268,364)
Cash flows from investing activities	(561,961)	(268,309)
Financing activities		
Proceeds from issue of new units	238,140	128,186
Payment of issue and financing expenses	(5,970)	(9,437)
Proceeds from interest bearing borrowings	335,000	125,000
Distribution to unitholders ²	(87,070)	(51,748)
Interest paid	(8,161)	(6,160)
Cash flows from financing activities	471,939	185,841
Decrease in cash and cash equivalent	(14,564)	(9,099)
Cash and cash equivalent at beginning of period	49,403	52,969
Cash and cash equivalent at end of period	34,839	43,870

Footnotes:

- Plaza Singapura and IMM Building were acquired on 2 August 2004 and 26 June 2003 respectively.*
- For YTD Sep 2004, comprise distribution income for the period 26 June 2003 to 31 December 2003 paid in February 2004 and the distribution income for the period 1 January 2004 to 1 August 2004 paid in August 2004.
For YTD Sep 2003, comprise distribution income for the period 16 July 2002 to 31 December 2002 paid in February 2003 and the distribution income for the period 1 January 2003 to 25 June 2003 paid in July 2003.*

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1(d)(i) **Statement of changes in unitholders' funds (3Q 2004 vs 3Q 2003)**

As at 30 Sep 2004 vs 30 Sep 2003

	3Q 2004 S\$'000	3Q 2003 S\$'000
Balance as at beginning of period	975,618	901,489
Operations		
Net investment income after tax	23,981	18,018
Net increase in net assets resulting from operations	23,981	18,018
Unitholders' transactions		
Creation of units		
- proceeds from placement ¹	238,140	-
- consideration paid in units ²	238,140	-
- management fee paid in units	1,260	789
Issue expenses ³	(5,796)	400
Distribution to unitholders ⁴	(49,097)	(26,785)
Net increase/(decrease) in net assets resulting from unitholders' transactions	422,647	(25,596)
Balance as at end of period	1,422,246	893,911

Footnotes:

1. 147.0 million new units were issued via a capital raising exercise on 2 August 2004 to part finance the acquisition of Plaza Singapura.
2. 147.0 million new units were issued on 2 August 2004 as consideration to part finance the acquisition of Plaza Singapura.
3. For 3Q 2004, comprise mainly underwriting and selling commissions and other issue/circular expenses relating to the capital raising exercise for the acquisition of Plaza Singapura.
For 3Q 2003, refer to reversal of professional fees which are not required.
4. For 3Q 2004, refers to distribution for the period 1 January 2004 to 1 August 2004 paid in August 2004.
For 3Q 2003, refers to distribution for the period 1 January 2003 to 25 June 2003 paid in July 2003.

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Statement of changes in unitholders' funds (YTD Sep 2004 vs YTD Sep 2003)

As at 30 Sep 2004 vs 30 Sep 2003

	YTD Sep 2004 S\$'000	YTD Sep 2003 S\$'000
Balance as at beginning of period	972,443	761,220
Operations		
Net investment income after tax	63,096	44,035
Net appreciation on revaluation of investment property	-	15,583
Net increase in net assets resulting from operations	63,096	59,618
Unitholders' transactions		
Creation of units		
- proceeds from placement ¹	238,140	128,186
- consideration paid in units ²	238,140	-
- management fee paid in units	3,359	2,195
Issue and financing expenses ³	(5,862)	(5,560)
Distribution to unitholders ⁴	(87,070)	(51,748)
Net increase in net assets resulting from unitholders' transactions	386,707	73,073
Balance as at end of period	1,422,246	893,911

Footnotes:

- 1. New units of 147.0 million and 119.8 million were issued via capital raising exercises on 2 August 2004 and 26 June 2003 to part finance the acquisition of Plaza Singapura and IMM Building respectively.*
- 2. 147.0 million new units were issued on 2 August 2004 as consideration to part finance the acquisition of Plaza Singapura.*
- 3. Comprise mainly underwriting and selling commissions and other issue/circular expenses relating to the capital raising exercises for the acquisition of Plaza Singapura on 2 August 2004 (for YTD Sep 2004) and IMM Building on 26 June 2003 (for YTD Sep 2003).*
- 4. For YTD Sep 2004, comprise distribution income for the period 26 June 2003 to 31 December 2003 paid in February 2004 and the distribution income for the period 1 January 2004 to 1 August 2004 paid in August 2004.
For YTD Sep 2003, comprise distribution income for the period 16 July 2002 to 31 December 2002 paid in February 2003 and the distribution income for the period 1 January 2003 to 25 June 2003 paid in July 2003.*

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1(d)(ii) Details of any change in the units (3Q 2004 vs 3Q 2003)

	3Q 2004 Units	3Q 2003 Units
Balance as at beginning of period	907,530,087	859,718,671
Issue of new units :		
- As payment of asset management fees ¹	754,597	647,588
- For acquisition of Plaza Singapura ²	294,000,000	-
Balance as at end of period	1,202,284,684	860,366,259

Footnotes:

1. These are the performance component of the asset management fees for 2Q 2004 and 2Q 2003 which were issued in August 2004 and July 2003 respectively.
2. These were the new units issued to part finance the acquisition of Plaza Singapura on 2 August 2004.

1(d)(ii) Details of any change in the units (YTD Sep 2004 vs YTD Sep 2003)

	YTD Sep 2004 Units	YTD Sep 2003 Units
Balance as at beginning of period	906,063,427	738,560,948
Issue of new units :		
- As payment of asset management fees ¹	2,221,257	2,005,311
- For acquisition of Plaza Singapura ²	294,000,000	-
- For acquisition of IMM Building ³	-	119,800,000
Balance as at end of period	1,202,284,684	860,366,259

Footnotes:

1. For YTD Sep 2004, comprise performance component of the asset management fees for 4Q 2003, 1Q 2004 and 2Q 2004 which were issued in February 2004, April 2004 and August 2004 respectively.
For YTD Sep 2003, comprise performance component of the asset management fees for 4Q 2002, 1Q 2003 and 2Q 2003 which were issued in January 2003, April 2003 and July 2003 respectively.
2. New units issued to part finance the acquisition of Plaza Singapura on 2 August 2004.
3. New units issued to part finance the acquisition of IMM Building on 26 June 2003.

2 Whether the figures have been audited, or reviewed and in accordance with which standard (eg. the Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

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4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been complied

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with the audited financial statements for the year ended 31 Dec 2003.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Nil

6 Earnings per unit ("EPU") and distribution per unit ("DPU") for the financial period (3Q 2004 vs 3Q 2003)

In computing the EPU, the weighted average number of units in issue as at the end of each period is used for the computation. The diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the period.

In computing the DPU, the number of units as at end of each period is used.

	1 Jul – 1 Aug 2004	2 Aug – 30 Sep 2004	3Q 2004	3Q 2003
Weighted average number of units in issue	907,530,087	1,197,359,531	1,096,549,289	860,169,167
Earnings per unit ("EPU")				
Based on the weighted average number of units in issue	0.78¢	1.41¢	2.19¢	2.09¢
Based on fully diluted basis	0.78¢	1.41¢	2.19¢	2.09¢
Number of units in issue at end of period	907,530,087	1,202,284,684	NM	860,366,259
Distribution per unit ("DPU")				
Based on the number of units in issue at end of period	0.81¢	1.57¢	2.38¢	2.14¢

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	1 Jan – 1 Aug 2004	2 Aug – 30 Sep 2004	YTD Sep 2004
Weighted average number of units in issue	906,996,344	1,197,359,531	970,579,523
Earnings per unit (“EPU”)			
Based on the weighted average number of units in issue	5.09¢	1.41¢	6.50¢
Based on fully diluted basis	5.09¢	1.41¢	6.50¢
Number of units in issue at end of period	907,530,087	1,202,284,684	NM
Distribution per unit (“DPU”)			
Based on the number of units in issue at end of period	5.41¢	1.57¢	6.98¢

	1 Jan – 25 Jun 2003	26 Jun – 30 Sep 2003	YTD Sep 2003
Weighted average number of units in issue	739,367,447	860,145,946	782,268,706
Earnings per unit (“EPU”)			
Based on the weighted average number of units in issue	3.41¢	2.18¢	5.63¢
Based on fully diluted basis	3.41¢	2.18¢	5.63¢
Number of units in issue at end of period	739,918,671	860,366,259	NM
Distribution per unit (“DPU”)			
Based on the number of units in issue at end of period	3.62¢	2.24¢	5.86¢

7 Net asset value (“NAV”) backing per unit based on issued units at the end of the period

	30 Sep 2004	31 Dec 2003
NAV per unit	\$1.18	\$1.07
Adjusted NAV per unit (excluding the distributable income)	\$1.17	\$1.03

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8 **Review of the performance**

	3Q 2004	3Q 2003	2Q 2004	YTD Sep 2004	YTD Sep 2003
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Income statement</u>					
Gross revenue	47,143	35,108	37,735	122,428	80,822
Property operating expenses	(15,912)	(12,189)	(13,579)	(43,669)	(25,262)
Net property income	31,231	22,919	24,156	78,759	55,560
Interest income	1,207	11	1,193	3,791	54
Administrative expenses	(3,715)	(2,310)	(2,719)	(9,178)	(5,428)
Finance costs	(4,742)	(2,602)	(2,791)	(10,276)	(6,151)
Net investment income before tax	23,981	18,018	19,839	63,096	44,035

	3Q 2004	3Q 2003	2Q 2004	YTD Sep 2004	YTD Sep 2003
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Distribution statement</u>					
Net investment income before tax	23,981	18,018	19,839	63,096	44,035
Net effect of non-tax deductible / (chargeable) items	2,344	397	1,314	5,012	2,023
Taxable income available for distribution to unitholders	26,325	18,415	21,153	68,108	46,058
Distribution per unit (in cents)					
For the period	2.38¢	2.14¢	2.33¢	6.98¢	5.86¢
Annualised	9.47¢	8.49¢	9.37¢	9.32¢	7.83¢

3Q 2004 vs 3Q 2003

Gross revenue for 3Q 2004 was S\$47.1 million, an increase of S\$12.0 million or 34.3% from 3Q 2003. This was mainly due to gross revenue of S\$9.1 million from Plaza Singapura for 2 August 2004 to 30 September 2004. All other malls also achieved higher revenue against same period last year due to higher rental income on new and renewal leases as well as income from newly created retail areas at Junction 8 and Tampines Mall.

Property operating expenses for 3Q 2004 was S\$15.9 million, an increase of S\$3.7 million or 30.5% from 3Q 2003. This was mainly due to expenses of S\$2.3 million for Plaza Singapura since it was acquired on 2 August 2004 and higher property tax incurred by the other malls compared to same period last year where there were rebates granted.

Interest income for 3Q 2004 of S\$1.2 million was due to interest earned on the investment in Class E bonds of CapitaRetail Singapore Limited.

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Administrative expenses for 3Q 2004 were S\$3.7 million or an increase of S\$1.4 million over the same period last year. This was due mainly to an increase in asset management fees as a result of higher revenue and increase in property value.

Finance costs at S\$4.7 million was S\$2.1 million higher than 3Q 2003. This was due to the interest and related financing costs on the additional borrowings of S\$335.0 million taken up on 2 August 2004 to part finance the acquisition of Plaza Singapura and payment of the upfront land premium of IMM Building.

3Q 2004 vs 2Q 2004

Gross revenue for 3Q 2004 showed an increase of S\$9.4 million or 24.9% compared to 2Q 2004 due mainly to the acquisition of Plaza Singapura on 2 August 2004. Similarly, property operating expenses was S\$2.3 million higher or an increase of 17.2% over the last quarter. Hence, net property income increased by S\$7.1 million or 29.3%.

Administrative expenses for 3Q 2004 were higher by S\$1.0 million due mainly to higher asset management fees arising from higher revenue generated and higher property value.

Finance costs of S\$4.7 million were S\$2.0 million higher than 2Q 2004 due to interest and related financing costs on additional borrowings of S\$335.0 million taken up on 2 August 2004 to part finance the acquisition of Plaza Singapura.

YTD Sep 2004 vs YTD Sep 2003

Gross revenue for YTD Sep 2004 was S\$122.4 million, an increase of S\$41.6 million or 51.5% over the same period last year. The higher revenue was mainly due to Plaza Singapura (S\$9.1 million) and 9 months contribution of S\$37.2 million from IMM Building this year against S\$12.1 million for 26 June 2003 to 30 September 2003. Higher rental income from the other malls and rental income from new retail areas created at Junction 8 and Tampines Mall also contributed to the increase in gross revenue.

Property operating expenses for the period was S\$43.7 million, an increase of S\$18.4 million or 72.9% compared with YTD Sep 2003. The higher operating expenses were mainly due to Plaza Singapura (S\$2.3 million) and full 9 months expenses of S\$16.6 million for IMM Building this year against S\$5.6 million for 26 June 2003 to 30 September 2003.

YTD Sep 2004 interest income was S\$3.8 million, an increase of S\$3.7 million over the corresponding period in 2003 due to interest earned on investment in Class E bonds of CapitaRetail Singapore Limited.

Administrative expenses of \$9.2 million for YTD Sep 2004 were S\$3.8 million higher than last year due mainly to increase in asset management fees as a result of higher revenue and higher property value.

Finance costs were S\$10.3 million for the period, S\$4.1 million higher than last year due to additional borrowings of S\$335.0 million taken up on 2 August 2004 to part finance the acquisition of Plaza Singapura and refinance the payment of the upfront land premium of IMM Building. The loan of S\$125.0 million to part finance the acquisition of the IMM Building was only taken up in June 2003.

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9 Variance between the forecast or prospectus statement (if disclosed previously) and the actual results

Income statement (Actual vs Forecast)

9(i)	Actual 2 Aug – 30 Sep 2004 S\$'000	Forecast ¹ 2 Aug – 30 Sep 2004 S\$'000	Increase / (Decrease) %
Gross rental income	31,741	31,415	1.0
Car park income	1,108	949	16.8
Other income	1,683	1,028	63.7
Gross revenue	34,532	33,392	3.4
Property management fees	(1,298)	(1,235)	5.1
Property tax	(3,018)	(2,667)	13.2
Other property operating expenses	(7,202)	(7,428)	(3.0)
Property operating expenses	(11,518)	(11,330)	1.7
Net property income	23,014	22,062	4.3
Interest income	790	835	(5.4)
Asset management fees	(2,390)	(2,038)	17.3
Trust expenses	(715)	(312)	129.2
Administrative expenses	(3,105)	(2,350)	32.1
Net investment income before finance costs and tax	20,699	20,547	0.7
Finance costs	(3,759)	(5,122)	(26.6)
Net investment income before tax	16,940	15,425	9.8
9(ii) <u>Distribution statement</u>			
Net investment income before tax	16,940	15,425	9.8
Net effect of non-tax deductible / (chargeable) items	2,034	2,745	(25.9)
Taxable income available for distribution to unitholders	18,974	18,170	4.4
Distribution per unit (in cents)			
For the period	1.57¢	1.51¢	4.0
Annualised	9.58¢	9.21¢	4.0

Footnote:

1. Forecast is based on the forecast shown in Plaza Singapura Circular dated 20 July 2004 pro-rated for 2 August 2004 to 30 September 2004.

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	Actual 2 Aug - 30 Sep 2004 S\$'000	Forecast ¹ 2 Aug - 30 Sep 2004 S\$'000	Increase / (Decrease) %
9(iii) <u>Breakdown of gross revenue</u>			
Tampines Mall	7,710	7,852	(1.8)
Junction 8	5,805	5,288	9.8
Funan The IT Mall	3,777	3,574	5.7
IMM Building	8,177	7,557	8.2
Plaza Singapura	9,063	9,121	(0.6)
Gross revenue	34,532	33,392	3.4

Footnote:

1. Forecast is based on the forecast shown in Plaza Singapura Circular dated 20 July 2004 pro-rated for 2 August 2004 to 30 September 2004.

	Actual 2 Aug - 30 Sep 2004 S\$'000	Forecast ¹ 2 Aug - 30 Sep 2004 S\$'000	Increase / (Decrease) %
9(iv) <u>Breakdown of net property income</u>			
Tampines Mall	5,885	5,454	7.9
Junction 8	3,713	3,487	6.5
Funan The IT Mall	2,360	2,098	12.5
IMM Building	4,286	4,204	2.0
Plaza Singapura	6,770	6,819	(0.7)
Net property income	23,014	22,062	4.3

Footnote:

1. Forecast is based on the forecast shown in Plaza Singapura Circular dated 20 July 2004 pro-rated for 2 August 2004 to 30 September 2004.

9(v) **Review of the performance**

Gross revenue for the period from 2 August 2004 to 30 September 2004 was S\$34.5 million, an increase of S\$1.1 million or 3.4% from the forecast for the same period. The higher revenue was mainly due to higher rental rates achieved on new and renewal leases and other income.

Property operating expenses was S\$11.5 million, a marginal increase of S\$0.2 million from forecast. This was due mainly to higher property tax which was partially mitigated by lower other property expenses.

Finance costs, which included amortised cost of raising debt, were lower than forecast by S\$1.4 million because certain related cost of raising debt on the additional borrowings of S\$335.0 million were capitalized and amortised instead of being charged to the income statement immediately as per the forecast.

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10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Singapore economy registered growth of 12.5% in 2Q04, higher than the 7.5% in 1Q04. Total demand increased by 22.7% in 2Q04 compared with the 16% gain for the last quarter. External demand increased by 26% compared with 15% gain last quarter while gain for domestic demand at 13% for this quarter is lower than the 17.6% registered for the last quarter.

All major sectors, except construction, registered positive growth in 2Q04. Retail sales, excluding motor vehicles, grew by 9.3% this quarter compared with last quarter's growth of 2.9%. Growth rate of 37.6% was observed for hotel and restaurants, due to improvements in visitor arrivals and improving domestic consumer sentiments.

In consideration of the strong growth and favorable external factors, MTI has revised 2004 GDP growth forecast upwards to 8.0 – 9.0% from last quarter's forecast of 5.5 - 7.5%. The retail property market is expected to remain resilient this year with rentals expected to be stable, with possible rental hike expected for better managed malls.

Outlook for 2004

Given the actual performance for the first 9 months ended 30 September 2004, the Manager of CMT is confident to deliver the 2004 annualised distribution per unit forecast of 9.21 cents (as stated in the Offer Information Statement dated 20 July 2004) for the period after the acquisition of Plaza Singapura with potential upside, barring unforeseen circumstances.

11 Distributions

11(a) Current financial period

Any distributions declared for the current financial period?	Nil
Name of distribution	: NA
Distribution type	: NA
Distribution rate	: NA
Par value of units	: NA
Tax rate	: NA
Remarks	: Distribution of 5.41 cents per Unit for the period from 1 January 2004 to 1 August 2004 were distributed on 27 August 2004

11(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period?	Nil
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11(c) Date payable

NA

11(d) Book closure date

NA

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12 If no distribution has been declared/recommended, a statement to that effect

No distribution has been declared/recommendeded.

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 other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD
CAPITAMALL TRUST MANAGEMENT LIMITED
(as Manager of CapitaMall Trust)

Jessica Lum
Company Secretary
19 October 2004