



NEWS RELEASE

20 April 2004
For Immediate Release

CMT 1Q2004 Distribution Exceeds Forecast¹ by 5.9%

***Strong renewal rents secured at 7.7% above budget,
underpinning CMT's future growth***

Singapore, 20 April 2004 – CapitaMall Trust Management Limited (CMTML), the manager of CapitaMall Trust (CMT), is pleased to announce a distributable income of S\$20.6 million to CMT unitholders for the period of 1 January to 31 March 2004, an increase of close to S\$1.0 million over the forecast of S\$19.7 million¹. Distribution Per Unit (DPU) for the period is 2.27¢ (annualised 9.10¢), 5.9% higher than the forecast DPU of 2.15¢¹ (annualised 8.59¢). With this DPU, the annualised distribution yield is 6.28%, based on the trading price of S\$1.45 as at 16 April 2004.

Given the DPU achieved in 1Q2004, the manager is confident of delivering on the 2004 DPU forecast of 8.59¢² with potential upside, barring any unforeseen circumstances.

Changes in Tax Treatment for REIT Investments benefit CMT Unitholders

In the 2004 Budget statement made on 27 February 2004, the Government announced that tax exemptions apply to all listed REITs, including CMT. All distributions made by CMT to individuals³ who hold CMT as investment assets, will now be exempted from tax.

Said Mr Pua Seck Guan, CEO of CMTML, 'Since the Budget 2004 announcement, CMT's unit price has been trading between S\$1.41 and S\$1.49. This translates to an attractive tax exempt net yield of 5.8% to 6.1% for the retail investor. This is also particularly appealing to high net worth individuals as these investors now do not have to pay the 22% tax rate on the distribution received. Additionally, unitholders can also

¹ The forecast is based on management's quarterly forecast. This together with the next 9 months' forecast, is the forecast shown in the Circular dated 11 June 2003 and subsequently updated in the Offer Information Statement dated 9 December 2003.

² As shown in the Circular dated 11 June 2003 and subsequently updated in the Offer Information Statement

expect potential upside via asset enhancements, higher renewal rents and step-up rentals. These measures establish the platform for CMT's future growth."

CMT's Growth Strategy

CMT's three-pronged approach, namely lease renewals, step-up rentals and asset enhancement initiatives have helped in the growth of CMT, to the extent that new leases for the period have been renewed at 7.7% above forecast⁴. In the coming years, the three-pronged approach will continue to help drive CMT's growth. It has demonstrated that a deliberate asset enhancement plan can increase the value of net lettable area (NLA) at the malls. CMT will continue to ensure sustainable growth by rejuvenating the tenant mix at each of its malls, and by continually injecting new ideas and new concepts so as to stay relevant to the consumers' needs.

New Initiatives for CMT Malls

At Funan The IT Mall (Funan) asset enhancement works include a new façade and tenant remixing. As a result, a rejuvenated Funan has seen close to 100% occupancy, with renewal rents at 10.6% above forecast⁴. As a result of the asset enhancement activities, tenants in the IT peripherals and electronics trade businesses will be attracted to Funan.

At Junction 8, leasing activities for Phase 2A of the enhancement works fronting the mall, have commenced. To date, close to 80% or 24,000 sq ft of the transferred NLA under this phase has been committed at an average rental of approximately S\$21.00 per sq ft per month. Major tenants who have signed on include Thai Express, Yoshinoya and Café Cartel as well as the newly retrofitted Coffee Bean & Tea Leaf, BreadTalk and Baleno. Target completion of Phase 2A is scheduled for the third quarter of 2004. Phase 2B which entails more retail units on level 2, at the far end of the mall, will be completed by end 2004.

As a prelude to the actual asset enhancement works scheduled for early 2005, IMM has signed on new F & B tenants including Kopitiam and Banquet, who will occupy a combined area of approximately 18,000 sq ft of space at the mall. Moreover, more food choices will be made available with the addition of food kiosks on level 1 which are expected to be completed by end May 2004. The decantation of secondary-corridor retail spaces on level 2 made possible the addition of these food kiosks which

³ Except units held through a partnership

⁴ Forecast rents are for the purpose of the forecast shown in the IMM Circular dated 11 June 2003 and subsequently updated in the Offer Information Statement dated 9 December 2003.

command an average rental of approximately S\$33.00 per sq ft per month, more than four times the current rental rate of level 2 spaces prior to decantation. Rental from the new food kiosks is expected to generate incremental revenue of S\$0.5 million per annum. This phase of asset enhancements will see a new retail podium take shape on the existing open car park space on level 1 and the carpark space will be relocated to level 5.

URA's approval for Junction 8 Office Block

The Urban Redevelopment Authority (URA) of Singapore has given their approval for CMT to retain the existing office block at Junction 8. With URA's consent, the entire 70,000sq ft of gross floor area may be offered to non-profit organizations at a minimal service and maintenance charge, with rentals waived.

About CapitaMall Trust

CMT is the first listed real estate investment trust (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 has a portfolio of four major shopping malls in both the suburban and city areas - Tampines Mall, Junction 8, Funan The IT Mall and IMM.

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

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

Issued by CapitaMall Trust Management Limited

For media enquiries, please contact:
Julie Ong, DID: 68233541; Email: julie.ong@capitaland.com.sg

For analyst enquiries, please contact:
Janice Tan, DID: 62396856; Email: janice.tan@capitaland.com.sg