



News Release

27 January 2005
For Immediate Release

CMT's 2H2004¹ Distribution Exceeds Forecast² by 6.4%
Annualised 2H2004¹ DPU 15% Higher than 2H2003³
Unitholders to Receive Quarterly Distributions

Plans to grow asset size to S\$4-\$5 billion in the next 3 years

Singapore, 27 January 2005 – CapitaMall Trust Management Limited (“CMTML”), the manager of CapitaMall Trust (“CMT”), is pleased to announce a distributable income of S\$49.0 million to unitholders for the period from 2 August 2004 to 31 December 2004. This is an increase of S\$2.9 million over the forecast² of S\$46.1 million. Distribution Per Unit (“DPU”) for the period is 4.07 cents (annualised 9.80 cents), which is 6.4% higher than the forecast² DPU of 3.82 cents (annualised 9.21cents). When compared against the corresponding period last year, from 26 June 2003 to 31 December 2003, DPU registered an increase of 15% from 8.53 cents (annualised) to 9.80 cents (annualised). Given this DPU, the annualised distribution yield of units in CMT (“Units”) is 5.24%, based on the closing price of S\$1.87 per unit on 26 January 2005.

Gross Revenue for the period was S\$89.3 million, an increase of S\$4.7 million or 5.6% over the forecast². All malls across the portfolio performed better than forecast², with Junction 8 delivering a stellar increase of 16% or S\$2.1 million, as a result of the higher rental achieved from the early completion of asset enhancement works. Net Property Income also exceeded forecast² across the portfolio, presenting an increase of S\$2.6 million or 4.7% over the forecast². The better performance for the entire portfolio is largely attributed to the higher revenue achieved on new and renewed leases, asset enhancement initiatives, and other income.

¹ For the period from 2 August to 31 December 2004. Plaza Singapura acquisition was completed on 2 August 2004.

² The forecast is based on management’s forecast in Plaza Singapura Circular dated 20 July 2004

³ For the period from 26 June to 31 December 2003. IMM acquisition was completed on 26 June 2003.

**Summary of CMT Results
(2 August 2004 to 31 December 2004)**

	Actual	Forecast ²	Variance	
			Amount	%
Gross Revenue (S\$'000)	89,343	84,638	4,705	5.6%
Net Property Income (S\$'000)	58,465	55,844	2,621	4.7%
Distributable Income to Unitholders (S\$'000)	48,971	46,063	2,908	6.4%
Distribution Per Unit (cents) For the period 2 Aug 2004 to 31 Dec 2004	4.07¢	3.82¢	0.25¢	6.4%
Annualised	9.80¢	9.21¢	0.59¢	6.4%
Distribution Yield S\$1.87 per unit (closing as at 26 Jan 2005)	5.24%	4.93%	0.31%	6.4%

Mr Hsuan Owyang, Chairman of CMTML, said, "CMT has continued to outperform forecast and deliver increased returns to unitholders. For unitholders who have held CMT units since 1 January 2004, they would have enjoyed a total return of 37% to date. For those who held CMT units since its IPO in July 2002, investment in CMT would have provided a total return of 117% to date. CMT's ability to deliver sustainable distributions to unitholders is underpinned by the management's competency in continuously adding value to the assets through proactive asset management, an active leasing strategy and innovative asset enhancements. With these established and strong platforms in place, CMT is well-positioned to secure future yield accretive acquisitions."

Mr Pua Seck Guan, CEO of CMTML, said, "2004 has been a remarkable year for CMT. The acquisition of Plaza Singapura, has increased our market capitalisation to S\$2.3 billion, making CMT the largest REIT in Singapore. The completion of major enhancement works at Tampines Mall, Junction 8, and Funan The IT Mall, together with the introduction of new retail ideas and concepts, have increased the valuation⁴ of these properties by close to 20% or S\$188 million. Innovative marketing and promotional programs at the malls have also resulted in increased shopper traffic across our property portfolio. For 2005, apart from the organic growth built into the portfolio through step-up

⁴ Valuation of Tampines Mall, Junction 8 and Funan The IT Mall as at 1 December 2004 versus the valuation as at 31 October 2003.

rentals, unitholders can expect to enjoy the full impact of the increased revenue stream from the newly completed shop space created through decantation at Junction 8.

He added, "Further revenue growth can be expected from the asset enhancement initiatives planned at IMM. In addition, ongoing rental renewals, as well as the proactive management of tenancy mix at each mall will be further growth drivers. We will also actively pursue yield accretive acquisitions locally to grow our property portfolio to reach an asset size of S\$4-5 billion in the next three years."

Unitholders to Receive Quarterly Distributions

Currently, CMT issues distributions to unitholders bi-annually. On 28 February 2005, unitholders will be receiving the distributable income for the period 2 August 2004 to 31 December 2004 at a DPU of 4.07 cents. Following this distribution, CMT will be making quarterly distributions. Unitholders can expect to receive the first distribution for the period from 1 January 2005 to 31 March 2005 in May 2005.

Mr Pua Seck Guan, CEO of CMTML, said, "The increased distribution frequency will benefit all unitholders. They will enjoy a more regular income stream from their investments in CMT, thus providing them with enhanced unitholder value."

Malls Update and Future Plans

At Tampines Mall, the Open Landscape Garden on Level 4 was completed on schedule and officially opened on 19 November 2004. The plaza, which comes complete with a children's playground, stage facilities, and promotional space, has been extremely popular with shoppers and families. Since its opening, the plaza has been the venue of choice for many organisations to hold various community events for the residents in the vicinity. To facilitate the shoppers who park at Tampines Mall, an electronic car-park guidance system has been installed so as to provide clear information on the availability of car-park lots on each level and at each section. Plans are also underway to reconfigure the Basement 1 food kiosks area to improve the space efficiency. Enhancement works are expected to start in third quarter 2005 and is expected to be completed by fourth quarter 2005.

Phase 2B enhancement works at Junction 8, which focuses on sports, electronics and young fashion labels, was completed on schedule in November 2004. Most tenants under Phase 2B have commenced trading and they include Mac@Juzz1 which retails

Apple products, Sony Gallery, Royal Sporting House, 77th Street, POA, 37 Degrees, and Cedele by The Bakery Depot.

We have also reached an in-principle agreement with National Council of Social Service (NCSS) to take up the entire office block at Junction 8 with a total Gross Floor Area of approximately 70,000 sq feet. The Net Lettable Area (NLA) at the office block was previously transferred to higher yielding spaces on Basement 1, Level 1 and Level 2 of the shopping mall.

To further increase the range and variety of product offerings at Funan The IT Mall, a thematic zone will be introduced on Level 5, with a focus on digital and electronic devices. The 5,600 sq feet zone will comprise open-concept shoptlets and kiosks, providing shoppers with interactive and hands-on experience during product launches. Target shoppers are those between 15 to 30 years old. Tenants in this zone will retail gaming devices and products, MP3 gadgets, and other DIY accessories. The creation of this exciting niche area is expected to help draw traffic to the upper floors of the mall. To date, more than 50% of the leasable area has been committed. Enhancement work is scheduled to commence in first quarter 2005, and is expected to be completed by second quarter 2005.

At Funan The IT Mall, we are also embarking on escalator works from Basement 3 to Level 1 to enhance accessibility of shoppers from the car-park to the mall. Work is expected to commence in first quarter 2005 and is scheduled to be completed by third quarter 2005.

At IMM, four sets of travellators were installed to provide a seamless experience to shoppers with trolleys all the way from Level 1 to the car-park on Level 5. We are also in the final stages of planning for Phase 2 enhancement works, which includes the building of a new extension annex.

Confident of Delivering 2005 Forecast DPU

CMT is well-positioned for further growth in 2005. The official Government Gross Domestic Product (GDP) growth forecast for 2005 is 3 - 5% and this provides an encouraging base for the continued improvement in the retail property market. We will continue to focus on maintaining the high occupancy rates at each mall and executing planned asset enhancement initiatives. We will further strengthen tenancy mix, actively

manage operational costs, and explore yield accretive acquisitions with long term growth potential. The manager is confident of delivering the 2005 forecast⁵ annualised DPU of 9.34 cents per unit, barring any unforeseen circumstances.

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 1000 leases from local and international tenants. It currently has a portfolio of five major shopping malls in both the suburban and city areas – Tampines Mall, Junction 8, Funan The IT Mall, IMM Building, and Plaza Singapura. With a market capitalisation of S\$2.3 billion as at 26 January 2005, it is currently Singapore's largest REIT.

CMT is managed by an external manager, CMTML, which is an indirect wholly-owned subsidiary of CapitaLand, one of the largest listed real estate companies in 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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⁵ The forecast is based on management's forecast in Plaza Singapura Circular dated 20 July 2004.