



## News Release

29 October 2007

For Immediate Release

### **CMT Private Placement To Raise No Less Than S\$350 million**

***New Units at Issue Price of between S\$3.63 to S\$3.70 per unit***

**Singapore, 29 October 2007** – CapitaMall Trust Management Limited (“**CMTML**”), the manager of CapitaMall Trust (“**CMT**”), is pleased to announce that it proposes to issue New Units, through a private placement (the “**Private Placement**”) at an issue price (the “**Issue Price**”) of between S\$3.63 and S\$3.70 per New Unit (the “**Issue Price Range**”), to raise gross proceeds of S\$350.0 million. The New Units are to be placed by Joint Lead Managers and Underwriters, DBS Bank Limited (“**DBS**”) and UBS AG (acting through its business group, UBS Investment Bank (“**UBS**”). In the event of a favourable response for the New Units, additional New Units may be issued to raise a further S\$150.0 million, bringing the total gross proceeds to be raised to up to S\$500.0 million. Following the Private Placement, CMT’s gearing is expected to be reduced from approximately 40.7% to 32.9%. The Private Placement is also not expected to have any dilutive impact on distribution per unit to Unitholders.

Mr Pua Seck Guan, Chief Executive Officer of CMTML, said, “The proposed private placement of New Units to quality long term institutional investors is expected to reduce CMT’s gearing, which will not only further enhance our debt capacity but also provide greater financial flexibility to pursue yield accretive acquisition opportunities in Singapore. In addition, the added financial capability will put us in good stead to maintain our 20.0% stake in CapitaRetail China Trust, which recently announced the proposed acquisition of the prime Xizhimen Mall in Beijing. Together with our quality portfolio which offers strong organic growth and substantial value creation opportunities, we are confident that the Private Placement will receive strong support from local and international institutional investors.”

## Private Placement

Based on the top-end and bottom end of the Issue Price Range, at an Issue Price of S\$3.70 per unit and S\$3.63 per unit respectively, a maximum of 135.1 million New Units and 137.7 million New Units will be issued. The actual Issue Price and offering size will be determined following an accelerated book building process by agreement between CMTML and the Joint Lead Managers and Underwriters commencing today.

## Use of Proceeds

The net proceeds from the Private Placement of up to approximately S\$492.7 million will be used to repay short-term borrowings of S\$453.6 million. The remaining balance of the net proceeds will be utilised for working capital and asset enhancement purposes. The short term borrowings to be repaid comprise:

1. **S\$292.1 million** incurred for the acquisition of a 72.8% of Interest in the Class E Bonds issued by CapitaRetail Singapore Limited (“**CRS**”) in June 2007. CRS holds three prime suburban malls in Singapore, namely Lot One Shoppers’ Mall, 90 out of 91 strata lots of Bukit Panjang Plaza and Rivervale Mall.
2. **S\$93.3 million** incurred for the acquisition of a 20.0% stake in CapitaRetail China Trust (“**CRCT**”) in November 2006. CMT acquired 95.1 million units in CRCT, at an aggregate committed capital of S\$93.3 million amounting to a 20.0% interest in CRCT. CRCT, the first pure-play China retail real estate investment trust was listed on the Securities Exchange of Singapore on 8 December 2006.
3. **S\$68.2 million** incurred to fund various on-going asset enhancement initiatives within the CMT portfolio.

The final utilisation of the net proceeds will depend on the actual amount of gross proceeds raised under the Private Placement.

## Status and Listing of the New Units

The New Units to be issued under the Private Placement will rank *equal* in all respects with the then existing units of CMT and will qualify for any distributions which may be paid for the period from the day the New Units are issued to 31 December 2007, as well as distributions thereafter.

CMT's policy is to distribute its distributable income on a quarterly basis to Unitholders. The next distribution was originally scheduled to take place in respect of CMT's third quarter distributable income for the period 1 July 2007 to 30 September 2007 (the "**Scheduled Distribution**"). However, in conjunction with the Private Placement, CMTML intends to declare, in lieu of the Scheduled Distribution, a distribution of CMT's distributable income for the period from 1 July 2007 to the day immediately prior to the date on which New Units are issued under the Private Placement. The next distribution thereafter will comprise CMT's distributable income for the period from the day that New Units are issued pursuant to the Private Placement to 31 December 2007. Quarterly distributions will resume thereafter.

#### **About CapitaMall Trust ([www.capitamall.com](http://www.capitamall.com))**

CMT is the first Real Estate Investment Trust (REIT) listed on Singapore Exchange Securities Trading Limited (Singapore Exchange) in July 2002. CMT is also the largest REIT by market capitalisation and asset size in Singapore, with a market capitalisation and asset size of approximately S\$5.9 billion and S\$5.8 billion respectively as at 29 October 2007. CMT has been assigned an "A2" rating with a stable outlook by Moody's Investor Services. The "A2" rating is the highest rating assigned to a Singapore REIT.

CMT owns and invests in quality income-producing assets which are used, or predominantly used, for retail purposes primarily in Singapore. As at 30 September 2007, CMT Group's portfolio comprised a diverse list of over 1,800 leases with local and international retailers and achieved a committed occupancy of close to 100.0%. CMT Group's 13 quality retail malls, which are strategically located in the suburban areas and Downtown Core of Singapore, include Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Plaza Singapura, Hougang Plaza, Sembawang Shopping Centre, Jurong Entertainment Centre, Bugis Junction, 40.0% interest in Raffles City Singapore, Lot One, Bukit Panjang Plaza and Rivervale Mall. CMT also has a 20.0% stake in CapitaRetail China Trust, the first pure-play China retail REIT listed on the Singapore Exchange in December 2006.

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.

## **IMPORTANT NOTICE**

The past performance of CapitaMall Trust (“**CMT**”) is not indicative of the future performance of CMT. Similarly, the past performance of the CapitaMall Trust Management Limited (the “**Manager**”) is not indicative of the future performance of the Manager.

The value of units in CMT (“**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that holders of Units (“**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.

This release may contain forward-looking statements that involve assumptions, 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 developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), 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 the current view of management on future events.

Neither this Announcement nor any copy or portion of it may be sent or taken, transmitted or distributed, directly or indirectly, into the United States, Japan or Canada. It is not an offer of securities for sale in the United States. The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) and, accordingly may not be offered or sold within the United States or to, or for the benefit of,

U.S. persons (as defined in Regulation S under the Securities Act), except in certain transactions exempt from the registration requirements of the Securities Act.

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**Issued by CapitaMall Trust Management Limited**

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