



News Release

22 July 2005
For Immediate Release

CMT signs conditional agreement to buy Parco Bugis Junction

Asset size grows to S\$3 billion with another yield accretive acquisition

Singapore, 22 July 2005 – The Board of Directors of CapitaMall Trust Management Limited (“CMTML”), the manager of CapitaMall Trust (“CMT”), wishes to announce that HSBC Institutional Trust Services (Singapore) Limited, as trustee of CMT, has today entered into a conditional sale and purchase agreement with BCH Retail Investment Pte Ltd (BCH Retail), an indirectly-owned associate of CapitaLand, in respect of the acquisition by CMT of Parco Bugis Junction at a purchase price of S\$580.8 million. Parco Bugis Junction, located in the city centre, is the retail portion within the integrated mixed development of Bugis Junction comprising retail, office and hotel components. This acquisition is expected to be yield accretive to CMT’s unitholders. The transaction, for which various funding options are currently being explored, is targeted for completion by November 2005.

With an entry property yield of 5.0%, the acquisition provides yield accretion to unitholders when compared to CMT’s implied property yield of approximately 4.0%, based on CMT’s closing unit price of S\$2.51 as at 21 July 2005. The stabilised property yield for Parco Bugis Junction is expected to be 5.3% by 2006.

Mr Hsuan Owyang, Chairman of CMTML, said, “The yield accretive acquisition of Parco Bugis Junction boosts not only our asset size from S\$2.4 billion to S\$3 billion, but will also bring us closer to our vision to grow our portfolio to S\$4-S\$5 billion in the next three years. The acquisition also reinforces our position as the largest real estate investment trust by market capitalisation in Singapore, with a market capitalisation of over S\$3 billion as at 21 July 2005. Going forward, we will continue to focus on the acquisition of quality assets with growth potential, so as to deliver stable distributions and sustainable total returns to unitholders.”

Mr Pua Seck Guan, CEO of CMTML, said, “Parco Bugis Junction is a premier mall strategically located in the heart of Singapore’s art, entertainment cum educational hub, and

well-supported by a good transport network. With the opening of the new National Library today and the planned opening of the Singapore Management University, both of which are located in close proximity, the increased shoppers' traffic and buzz created in the area are expected to benefit the mall. The acquisition will provide a continuous pipeline of value adding opportunities within the portfolio, harnessed through leveraging on our proactive asset and retail management capabilities, thus driving growth for our unitholders over the longer term."

Valuation and Conditions for Acquisition

CMTML had commissioned an independent valuation by CB Richard Ellis, who has endorsed the valuation of the property at S\$580.8 million. The completion of the acquisition is subject to a number of conditions being met, including approval from CMT's unitholders at an extraordinary general meeting and the approval by the shareholders of Keppel Land Limited (an indirect shareholder of BCH Retail) at a general meeting, if required by the relevant authorities.

Parco Bugis Junction

Completed in 1995, Parco Bugis Junction is the retail component within the integrated mixed development of Bugis Junction, and is flanked by the commercial Bugis Junction Towers and the five-star Inter-Continental Hotel Singapore. Situated in the central part of Singapore, it is strategically located above the Bugis Mass Rapid Transit ("MRT") station, with direct connectivity from the basement level of the mall to the MRT. It is also well served by major bus routes along the four surrounding roads, namely North Bridge Road, Victoria Street, Bugis Street and Middle Road.

Parco Bugis Junction comprises five levels (including one basement level) and features Singapore's first air-conditioned shopping streets. With a diverse tenant base of more than 180 leases, the mall currently enjoys full occupancy and is anchored by Seiyu departmental store and Shaw Theatres.

With the new main National Library located next door opening today, and the emergence of education institutions such as the Singapore Management University and LaSalle-SIA in the vicinity, the property has growth potential and value. In addition, the Bugis district has been earmarked by the Government as the city's new art and entertainment hub.

Parco Bugis Junction has clinched many awards since its opening. Some of the accolades include:

- “Best Shopping Experience – Shopping Centre” in 1996 & 1997 (Singapore Tourism Board)
- “Best Decorated Building Award” in 2000 & 2001 (Singapore Tourism Board)
- “Best Christmas Shopping Experience” in 2003 & 2004 (The Association of Shopping Centres Singapore)
- “Merit Award (Community Service)” in MAXI Awards 2003 (International Council of Shopping Centres)
- “Excellent Efforts in Mall Maintenance” in 2004 (Singapore Retailers Association)

Summary of Property Details

Tenure	99 years wef 10 September 1990
Current Gross Floor Area (sq ft)	578,312
Net Lettable Area (sq ft) (As at 30 June 2005)	430,314 (including Seiyu’s master lease of 245,914 sq ft)
Number of Tenants	More than 180
Major Tenants	Seiyu, Shaw Theatres, Virtual Land, Live PowerHub and Kinokuniya Bookstore
Occupancy Rate (As at 30 June 2005)	100%
Carpark Lots (Under MCST)	648
Valuation (As at 18 July 2005)	S\$580.8 million

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 1,000 leases from local and international tenants. It currently has a portfolio of seven quality shopping malls in both the suburban and city areas – Tampines Mall, Junction 8, Funan DigitaLife Mall, IMM Building, Plaza Singapura, Hougang Plaza and Sembawang Shopping Centre. With a market capitalisation of over S\$3 billion as at 21 July 2005, it is currently Singapore’s largest REIT by market capitalisation.

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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