



## News Release

25 April 2006

For Immediate Release

### **CMT Achieves 10.02%<sup>1</sup> Higher First Quarter<sup>2</sup> 2006 Distribution per Unit**

*Hougang Plaza granted Outline Permission to increase plot ratio from 1.4 to 3.0*

*CMT receives "A2" rating from Moody's – Highest rating for Singapore listed REIT*

**Singapore, 25 April 2006** – CapitaMall Trust Management Limited ("CMTML"), the manager of CapitaMall Trust ("CMT"), is pleased to announce a distributable income<sup>3</sup> of S\$37.6 million to unitholders of CMT ("Unitholders") for the First Quarter<sup>2</sup> 2006. The distributable income<sup>3</sup> of S\$37.6 million is based on 90% of CMT's taxable income available for distribution to Unitholders of S\$41.8 million. For the full financial year ending 31 December 2006, CMT is committed to distribute 100% of its taxable income available for distribution to Unitholders.

Distributable income<sup>3</sup> increased S\$0.09 million over the forecast distributable income<sup>4</sup> of S\$37.5 million for First Quarter<sup>2</sup> 2006. If it is based on 100% of CMT's taxable income available for distribution to Unitholders, the increase over the forecast distributable income<sup>6</sup> is S\$ 4.3 million.

Distribution Per Unit in CMT ("DPU") for the First Quarter<sup>2</sup> 2006, based on distributable income<sup>3</sup>, is 2.72 cents (11.04 cents on an annualised basis). When compared against the First Quarter<sup>5</sup> in 2005, the DPU registered an increase of 10.2% from 10.02 cents (annualised) to 11.04 cents (annualised).

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<sup>1</sup> Annualised Distribution per Unit for the period from 1 January 2006 to 31 March 2006 versus the annualised Distribution per Unit for the period from 1 January 2005 to 31 March 2005.

<sup>2</sup> For the period from 1 January 2006 to 31 March 2006.

<sup>3</sup> For the 1st quarter ended 31 March 2006, the distributable income to Unitholders is based on 90% of CMT's taxable income available for distribution to Unitholders. CMT is nonetheless committed to distribute 100% of its taxable income available for distribution to Unitholders for the full financial year ending 31 December 2006.

<sup>4</sup> Based on the forecast and projection, together with the accompanying assumptions, in the CMT Circular dated 18 October 2005.

<sup>5</sup> For the period 1 January 2005 to 31 March 2005.

## Summary of CMT Results

(1 January 2006 to 31 March 2006)

	Actual	Forecast <sup>1</sup>	Variance	
			Amount	%
Gross Revenue (S\$'000)	76,682	72,614	4,068	5.6
Net Property Income (S\$'000)	51,394	47,578	3,816	8.0
Taxable Income Available for Distribution (S\$'000)	41,758	37,490	4,268	11.4
Distributable Income to Unitholders (S\$'000)	37,582	37,490	92	0.3
<b>Taxable Income available for Distribution Per Unit (cents)</b>				
For the period 1 Jan to 31 Mar 2006	3.02¢	2.71¢	0.31	11.4
<b>Annualised</b>	<b>12.27¢</b>	<b>11.00¢</b>	<b>1.27</b>	<b>11.4</b>
<b>Distribution Per Unit (cents)</b>				
For the period 1 Jan to 31 Mar 2006	2.72¢	2.71¢	0.01	0.3%
<b>Annualised</b>	<b>11.04¢</b>	<b>11.00¢</b>	<b>0.04</b>	<b>0.3%</b>
<b>Distribution Yield</b>				
- S\$2.37 per unit (closing as at 31 Mar 2006)	<b>4.66%</b>	<b>4.64%</b>	<b>0.02%</b>	<b>0.3%</b>
- S\$2.34 per unit (closing as at 24 Apr 2006)	<b>4.72%</b>	<b>4.70%</b>	<b>0.02%</b>	<b>0.3%</b>

Given the First Quarter<sup>2</sup> 2006 annualised DPU of 11.04 cents, based on distributable income<sup>3</sup>, the annualised distribution yield of units in CMT ("Units") is 4.72%, based on the closing price of S\$2.34 per Unit on 24 April 2006. The Books Closure Date is on 5 May 2006, and Unitholders can expect to receive their First Quarter<sup>2</sup> 2006 distribution of 2.72 cents per unit on 30 May 2006.

CMT is committed to distribute 100% of its taxable income available for distribution for the full financial year ending 31 December 2006 and remains confident of delivering its 2006 forecast DPU<sup>6</sup> of 11.04 cents to Unitholders. At IMM Building ("IMM"), the rescheduling of the asset enhancement initiative from 2005 to March 2006 to encompass a larger scope of work has resulted in higher income in the First Quarter<sup>2</sup> 2006. This is due to the rental income stream from tenants who would have otherwise been affected by the works. As CMT embarks on the construction of the two-storey retail extension block at IMM, vacancy voids and interest servicing costs, which will be incurred for the financing of the asset enhancement works, will have a varying impact on operational costs in the coming quarters in 2006. As such, the First Quarter<sup>2</sup> 2006 distribution income is based on 90% of CMT's taxable income available for distribution to Unitholders. The retained taxable income will

provide a sustainable pool of funds which will help negate the impact of the fluctuating operational cash flows, thereby providing Unitholders with stable 2006 quarterly distributions.

CMT's gross revenue for First Quarter<sup>2</sup> 2006 was S\$76.7 million. This is an increase of S\$4.1 million or 5.6% over the forecast gross revenue<sup>6</sup> for First Quarter<sup>2</sup> 2006. Gross revenue at all malls across CMT's portfolio performed better than forecast<sup>6</sup>. CMT's net property income for First Quarter<sup>2</sup> 2006 also exceeded the forecast net property income<sup>6</sup> for First Quarter<sup>2</sup> 2006 with an 8% increase of S\$3.8 million. Rental renewal rates for the First Quarter<sup>2</sup> 2006 registered robust growth of 10.1% over preceding rental rates and 9.0% over forecast rental rates<sup>6</sup>.

Mr Hsuan Owyang, Chairman of CMTML, said, "We are pleased that CMT has once again exceeded forecasts to deliver higher returns to Unitholders. Moody's assignment of an "A2" rating to CMT is the highest rating ever assigned to a Singapore listed REIT. This is a strong testament to our leadership position, as the largest REIT by market capitalisation and asset size in Singapore, which is well supported by a portfolio of quality assets with a good level of tenant diversification. The rating also reflects CMT's track record in successfully executing asset enhancements as well as our ability to consistently outperform DPU forecasts. Going forward, we will continue to actively pursue yield accretive acquisitions to grow our asset size in Singapore to S\$5-S\$6 billion by 2008."

Mr Pua Seck Guan, CEO of CMTML, said, "The successful increase in Hougang Plaza's plot ratio from 1.4 to 3.0 is yet another testimony of our ability to identify quality assets with value creation opportunities as well as our proactive asset management skillset. This follows the earlier Outline Permission granted by the Urban Redevelopment Authority to convert 47,267 square feet of residential GFA to retail GFA at Sembawang Shopping Centre. Yield accretive acquisitions, innovative asset management and proactive leasing will remain as core components of DPU growth for CMT. The proposed 40% interest in Raffles City, a prime integrated development located in the Central Business District, will increase CMT's asset size significantly from S\$3.4 billion to S\$4.3 billion. It will also provide a continuous pipeline of value adding opportunities within CMT's portfolio so as to deliver stable distributions and sustainable total returns to Unitholders."

### **Hougang Plaza Granted Outline Planning Permission to Increase Plot Ratio from 1.4 to 3.0**

We are pleased to announce that the Urban Redevelopment Authority has granted CMT an Outline Planning Permission to increase the plot ratio of Hougang Plaza from 1.4 to 3.0 for full residential development or mixed development. The current Gross Floor Area ("GFA") of approximately 79,648 square feet ("sq ft") will be increased to approximately 171,141 sq ft. In view of this approval,

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<sup>6</sup> Forecast rental rates for the period 1 January 2006 to 31 March 2006 is the basis for the forecast shown in the CMT Circular dated 18 October 2005.

CMTML will re-evaluate the proposed asset enhancement plans for Hougang Plaza, so as to maximise returns to Unitholders.

Separately, CMT had entered into Sale and Purchase agreements to acquire the remaining 3.3% of the total share values in **Hougang Plaza** for approximately S\$5.25 million. Following the expected completion in May 2006, CMT will own 100% of Hougang Plaza.

### **Moody's Investor Service ("Moody's") Assigns "A2" Rating to CMT**

Moody's has for the first time assigned a corporate family rating of "A2" to CMT with a stable rating outlook. In accordance with Moody's global rating methodology for REITs and other commercial property firms (Rating Methodology: REITs and Other Commercial Property Firms, January 2006), CMT's market position, portfolio diversity, asset quality, debt to maturity profile, earnings growth and return on assets are consistent with a rating profile of "A" or better. Please refer to Moody's Press Release dated 25 April 2006 for more details.

### **Update on IMM**

At **IMM**, construction of the two-storey retail extension block on the open-air carpark space has commenced. The newly created carpark on Level 5 to replace the open-air carpark is now fully operational. An electronic carpark guidance system has also been installed to provide shoppers who drive with greater convenience. Construction of the retail extension block is on schedule and Level 1 of the extension annex is expected to be completed by third quarter 2006.

### **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 nine quality shopping malls in both the suburban and city areas – Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Plaza Singapura, Hougang Plaza Units, Sembawang Shopping Centre, Jurong Entertainment Centre and Bugis Junction. With a market capitalisation of approximately S\$3.2 billion as at 24 April 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](http://www.capitamall.com) for more details.

## 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.

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**Issued by CapitaMall Trust Management Limited**

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