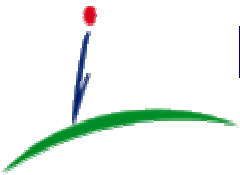


# Acquisition of 40% Interest in Raffles City



***Extraordinary General Meeting***

13 July 2006



# Important Notice

THIS PRESENTATION IS AVAILABLE ONLY TO PERSONS WHO ARE NON-U.S. PERSONS, PERSONS WITH ADDRESSES OUTSIDE THE U.S. AND CANADA, AND TO EXISTING UNITHOLDERS IN JAPAN.

The information contained in this presentation is for information purposes only and does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in CapitaMall Trust ("CMT", and units in CMT, "Units") in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever.

The past performance of the Units and CapitaMall Trust Management Limited (the "CMT Manager") is not indicative of the future performance of CMT and the CMT Manager. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of CMT.

The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the CMT 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 CMT Manager redeem or purchase their Units while the Units are listed. 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.

A circular dated 26 June 2006 (the "Unitholders' Circular") setting out the details of the proposed equity fund raising and the proposed acquisition of Raffles City (as defined in the Unitholders' Circular), together with the notice of an extraordinary general meeting of the holders of Units ("Unitholders"), has been despatched to Unitholders. This presentation is qualified in its entirety by, and should be read in conjunction with, the full text of the Unitholders' Circular. Terms not defined in this presentation adopt the meanings in the Unitholders' Circular.

An offer information statement and a wrap-around document (together, the "Circular") in relation to the offer of new Units ("New Units") will also be made available if an offer is made subsequent to approval by the Unitholders of the proposed acquisition of Raffles City and the equity fund raising. Any such Circular is expected to be available and a copy may be obtained on request, subject to availability, from such underwriters as may be (if and when available) appointed for the equity fund raising. Any decision to purchase or subscribe for New Units should be made solely on the basis of information contained in the Circular and no reliance should be placed on any information other than that contained in the Circular.

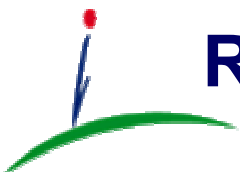
This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the CMT Manager's current view of future events. All forecasts are based on a specified illustrative range of issue prices per Unit and on the CMT Manager's assumptions as explained in the Unitholders' Circular. You are advised to read the Unitholders' Circular carefully. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price higher or lower than the issue price range specified in the Unitholders' Circular. The major assumptions are certain expected levels of property rental income and property expenses over the relevant periods, which are considered by the CMT Manager to be appropriate and reasonable as at the date of the Unitholders' Circular. The forecast financial performance of CMT is not guaranteed and there is no certainty that it can be achieved. Investors should read the whole of the Unitholders' Circular for details of the forecasts and projections and consider the assumptions used and make their own assessment of the future performance of CMT.

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# Summary of Approvals Sought

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# Resolutions

To seek unitholders' approval for:



## ***Resolution 1 – Extraordinary Resolution***

The acquisition of Raffles City through a joint ownership vehicle with CapitaMall Trust (“CMT”) holding an interest of 40.0% and CapitaCommercial Trust (“CCT”) holding an interest of 60.0%, together with an accompanying amendment to the trust deed for the purpose of fixing a common basis of fees payable to the CMT Manager and CCT Manager, in relation to Raffles City;



## ***Resolution 2 – Extraordinary Resolution***

The issue of New Units so as to raise gross proceeds of up to an aggregate of S\$420.0 million for the purpose of the Equity Fund Raising (subject to and contingent upon the passing of Resolution 1);



# Resolutions (Continued)



## ***Resolution 3 – Ordinary Resolution***

The placement of New Units to CapitaLand Limited (“CapitaLand”) and its subsidiaries (including the CMT Manager) (the “CapitaLand Group”) as part of the Equity Fund Raising as would be required to maintain their pre-placement unitholdings, in percentage terms (subject to and contingent upon the passing of Resolution 1 and Resolution 2);



## ***Resolution 4 – Ordinary Resolution***

The placement of New Units to the directors of the CMT Manager and their immediate family members who hold Units, as would be required to maintain their pre-placement unitholdings, in percentage terms (subject to and contingent upon the passing of Resolution 1 and Resolution 2);



## ***Resolution 5 – Extraordinary Resolution***

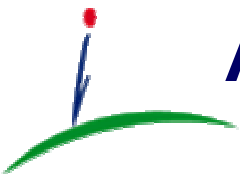
The amendment to the Trust Deed for the purpose of rationalising the mode and basis of payment of the asset management fee, the acquisition fee and the divestment fee payable to the CMT Manager.

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# **Resolution 1 – Extraordinary Resolution**

The Joint Acquisition of Raffles City

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# Acquisition of 40% Interest in Raffles City



## RAFFLES CITY ('RC')

*One of Singapore's prime landmark integrated developments*

**Raffles City Shopping Centre  
("RC Shopping Centre")**

**4-storey shopping complex with  
301,824 sq ft of retail NLA<sup>1</sup>**



**Raffles City Tower  
("RC Office Tower")**

**42-storey office tower with  
379,801 sq ft of office NLA<sup>1</sup>**



**Swissôtel The Stamford**

**73-storey premier  
hotel with 1,263 rooms**



**Raffles The Plaza**

**28-storey premier  
hotel with 769 rooms**



**Raffles City Convention Centre  
(the "Convention Centre")**

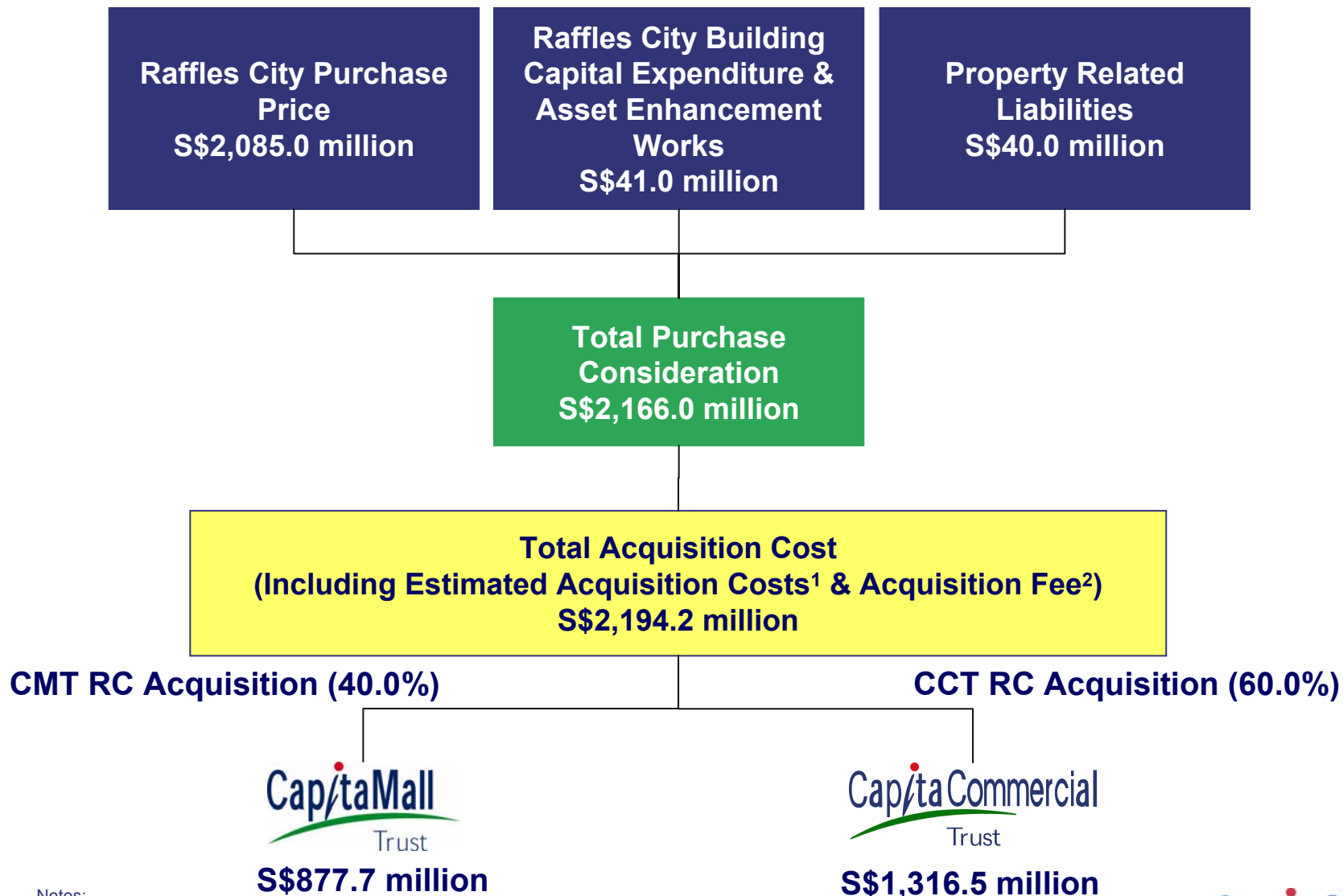
**>70,000sq ft of meeting space  
including 3 ballrooms & 15  
primary meeting rooms**



Note:

<sup>1</sup> NLA represents net lettable area, as at 31 March 2006.

# Proposed Acquisition Structure



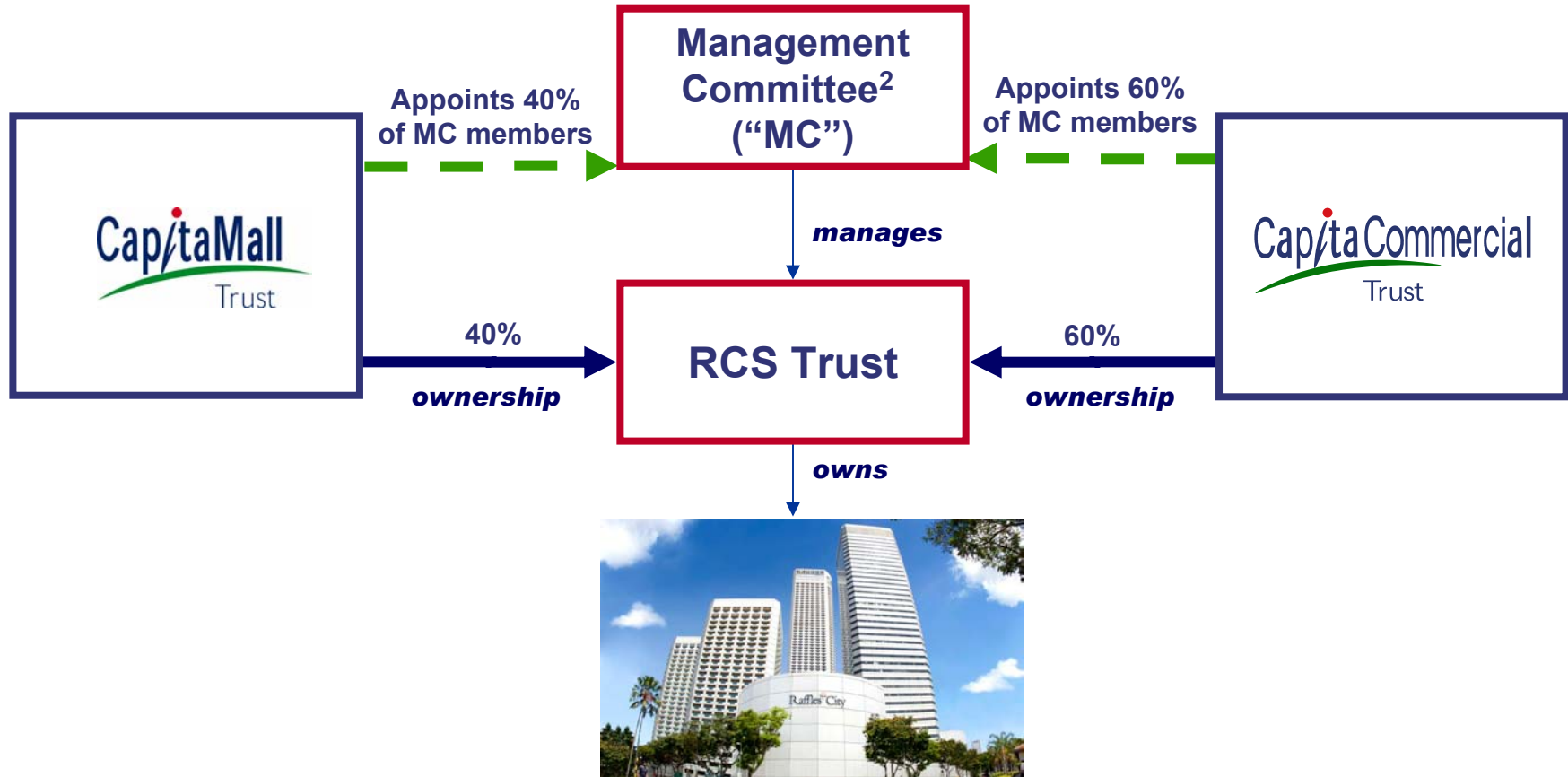
Notes:

1. Estimated professional and other fees and expenses incurred by CMT and CCT in connection with the Acquisition
2. The acquisition fees payable to the CMT Manager and the CCT Manager



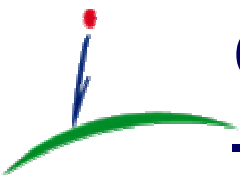
# Joint Ownership Structure

## Proposed Acquisition and Joint Ownership of Raffles City<sup>1</sup>



### Notes:

- 1 The proposed acquisition of Raffles City which is to be made through a joint ownership vehicle in the form of an unlisted special purpose sub-trust ("RCS Trust"), with CMT holding an interest of 40% and CapitaCommercial Trust ("CCT") holding an interest of 60%.
- 2 The management of the RCS Trust will be carried out by a MC comprising representatives appointed by CMT and CCT in proportion to their interests in the RCS Trust.

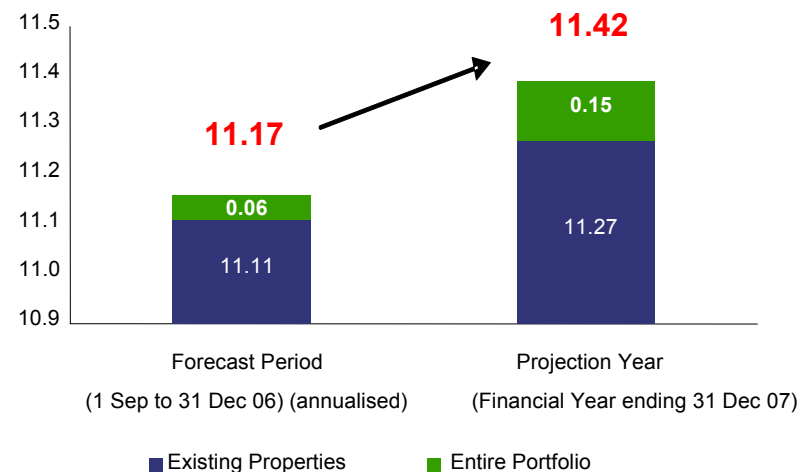


# CMT RC Acquisition is Overall Yield Accretive

## – Scenario A<sup>1</sup>

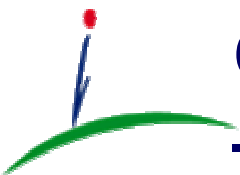
| Issue Price per Unit | Forecast Period<br>(1 September - 31 December 2006) (annualised) <sup>2</sup> |   | Projection Year<br>(Financial year ending 31 December 2007) |  |
|----------------------|---|---|---|--|
|                      | Existing Properties   | Existing Properties and CMT RC Acquisition (% increase) | Existing Properties   | Existing Properties and Target Property (% increase) |
| S\$2.20              | <b>11.11¢</b>   | 11.17¢<br>+0.5%   | <b>11.27¢</b>   | 11.42¢<br>+1.3%                                      |
| S\$2.30              |   | 11.23¢<br>+1.1%   |   | 11.48¢<br>+1.9%                                      |
| S\$2.40              |   | 11.29¢<br>+1.6%   |   | 11.53¢<br>+2.3%                                      |
| S\$2.50              |   | 11.34¢<br>+2.1%   |   | 11.58¢<br>+2.8%                                      |

**Forecast and Projected DPU**  
**Scenario A: Assuming Issue Price of S\$2.20 per New Unit and CMT's Gearing Level is increased to approx. 37.1%**



**Notes:**

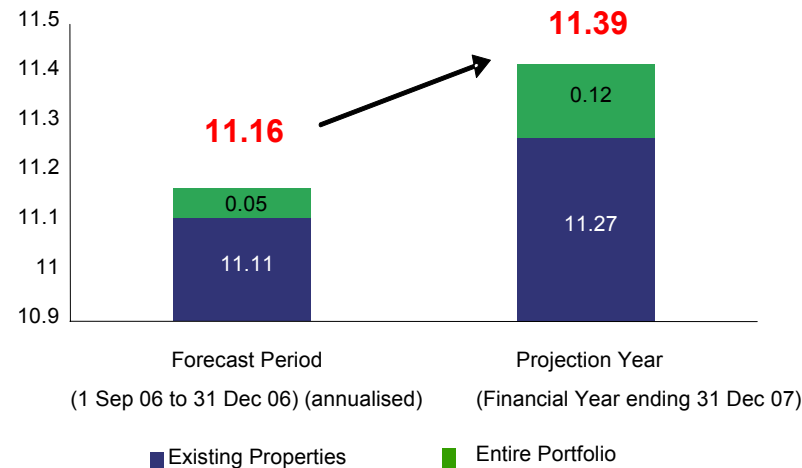
- Assuming that CMT's Gearing Level is increased to approximately 37.1% after the completion of the CMT RC Acquisition and payment of CMT RCS Management Fee in the form of Units, based on the forecast, together with the accompanying assumptions, in the Unitholders' Circular
- The forecast and projected DPU will vary to the extent that the New Units are issued on a date other than 1 September 2006



# CMT RC Acquisition is Overall Yield Accretive – Scenario B<sup>1</sup>

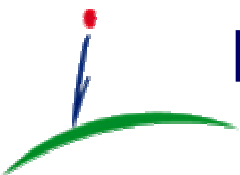
| Issue Price per Unit | Forecast Period<br>(1 September - 31 December 2006) (annualised) <sup>2</sup> |   | Projection Year<br>(Financial year ending 31 December 2007) |  |
|----------------------|---|---|---|--|
|                      | Existing Properties   | Existing Properties and CMT RC Acquisition (% increase) | Existing Properties   | Existing Properties and Target Property (% increase) |
| S\$1.90              |   | 11.16¢<br>+0.5%   |   | 11.39¢<br>+1.1%                                      |
| S\$2.00              | 11.11¢  | 11.21¢<br>+0.9%   | 11.27¢  | 11.43¢<br>+1.4%                                      |
| S\$2.10              |   | 11.25¢<br>+1.3%   |   | 11.47¢<br>+1.8%                                      |
| S\$2.20              |   | 11.29¢<br>+1.6%   |   | 11.51¢<br>+2.1%                                      |

**Forecast and Projected DPU**  
**Scenario B: Assuming Issue Price of S\$1.90 per New Unit and CMT's Gearing Level is increased to approx. 41.1%**



Notes:

- Assuming that CMT's Gearing Level is increased to approximately 41.1% after the completion of the CMT RC Acquisition and payment of CMT RCS Management Fee in the form of Units, based on the forecast, together with the accompanying assumptions, in the Unitholders' Circular
- The forecast DPU will vary to the extent that the New Units under the Equity Fund Raising are issued on a date other than 1 September 2006

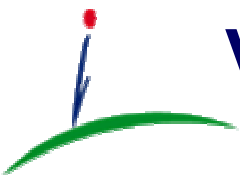


# Raffles City – Financial Information<sup>1</sup>

| <b>CMT's 40% interest<br/>in Raffles City</b> | <b>Forecast Period<br/>(1 Sep 06 – 31 Dec 06)<br/>(S\$million)</b> | <b>Projection Year<br/>(Financial Year Ending 31 Dec 07)<br/>(S\$million)</b> |
|---|--|---|
| <b>Gross Rental Income</b>                    | 19.8   | 61.5  |
| <b>Less Property Operating<br/>Expenses</b>   | (5.6)  | (17.2)  |
| <b>Net Property Income</b>                    | 14.2   | 44.3  |
| <b>Property Yield <sup>2</sup></b>            | 4.9% <sup>3</sup>  | 5.1%  |

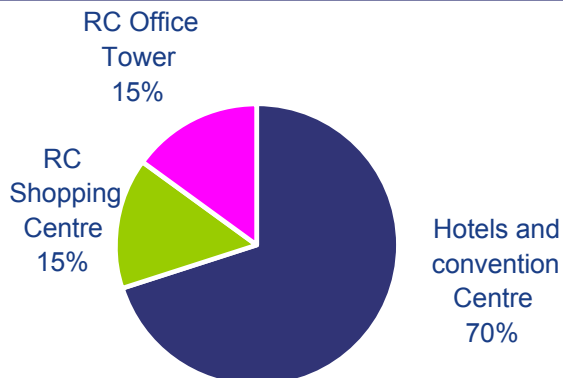
Notes:

- 1 Based on the forecast, together with the accompanying assumptions, in the Unitholders' Circular.
- 2 Based on CMT's 40% share of the Total Purchase Consideration of approximately S\$866.4 million.
- 3 Annualised figure.

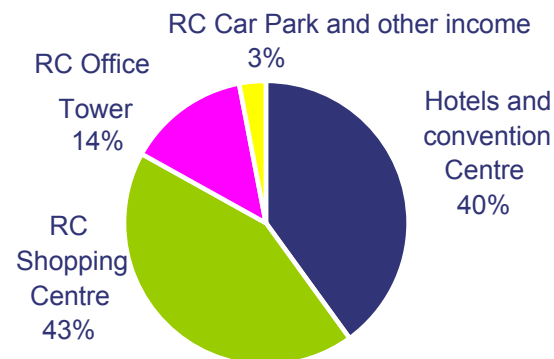


# Value Creation Opportunities at Raffles City

## Estimated Breakdown by GFA <sup>1</sup>



## Estimated Breakdown by NPI <sup>2</sup>

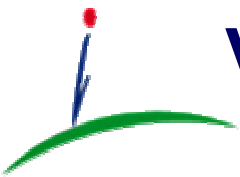


Note:

1 Area occupied by carpark is excluded in the computation of GFA under the current planning guideline

2 Based on the projected Net Property Income of Raffles City for the Projection Year 2007

- In view of inequitable contributions from various components, further improvements can be made through reconfiguration to optimise usage mix at Raffles City, by converting lower yielding spaces into higher yielding areas
- Asset enhancement currently undertaken at RC Shopping Centre, which will add approx. 53,000 sq ft to its Basement 1, is a good example of how better utilisation of space can be achieved through pro-active asset management



# Value Creation Opportunities at Raffles City

## Pro-active Tenant Remixing

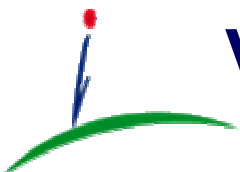
- Opportunities to enhance existing retail offerings at RC Shopping Centre and improve marketing activities to attract higher shopper traffic and generate higher retail sales for tenants
- Improving facilities and amenities of RC Office Tower will potentially retain existing tenants and attract new quality tenants

## Enhanced Average Rental Rates

- RC Shopping Centre commands an average monthly rental of approx. S\$13.80 per sq ft <sup>1</sup>
- RC Office Tower current asking rent ranges from S\$7.00 to S\$7.50 per sq ft per month, comparable to the asking rent of prime office space in the City Hall/ Beach Road micro-market
- Opportunities to enhance average rentals through leveraging on combined tenant network of CMT and CCT

Note:

<sup>1</sup> As at 31 March 2006



# Value Creation Opportunities at Raffles City

## Growth Opportunity in the Hotels and Convention Centre Lease

- **Long-term master lease to RC Hotels<sup>1</sup>**
  - For 20 years to 2016, with option to renew for further 20 years
- **Cash flow stability**
  - Step-up minimum rent and service charge projected to contribute at least 70% of the gross rental income from the lease to RC Hotels
- **Good organic growth**
  - Step-up minimum rent structure and variable rent structure pegged to hotels and convention space gross operating revenue

## Rental Components<sup>2</sup> of Master Lease

|                      |   |  |
|----------------------|---|--|
| <b>Minimum Rent</b>  | <b>Vary from S\$26 million to S\$44 million</b> |  |
| <b>Variable Rent</b> | <b>Nov 05 – Nov 06</b>                          | <b>9.5% of gross operating revenue</b>   |
|                      | <b>Nov 06 – Nov 11</b>                          | <b>8.5% of gross operating revenue up to S\$250 million and 13% of gross operating revenue over S\$250 million</b> |

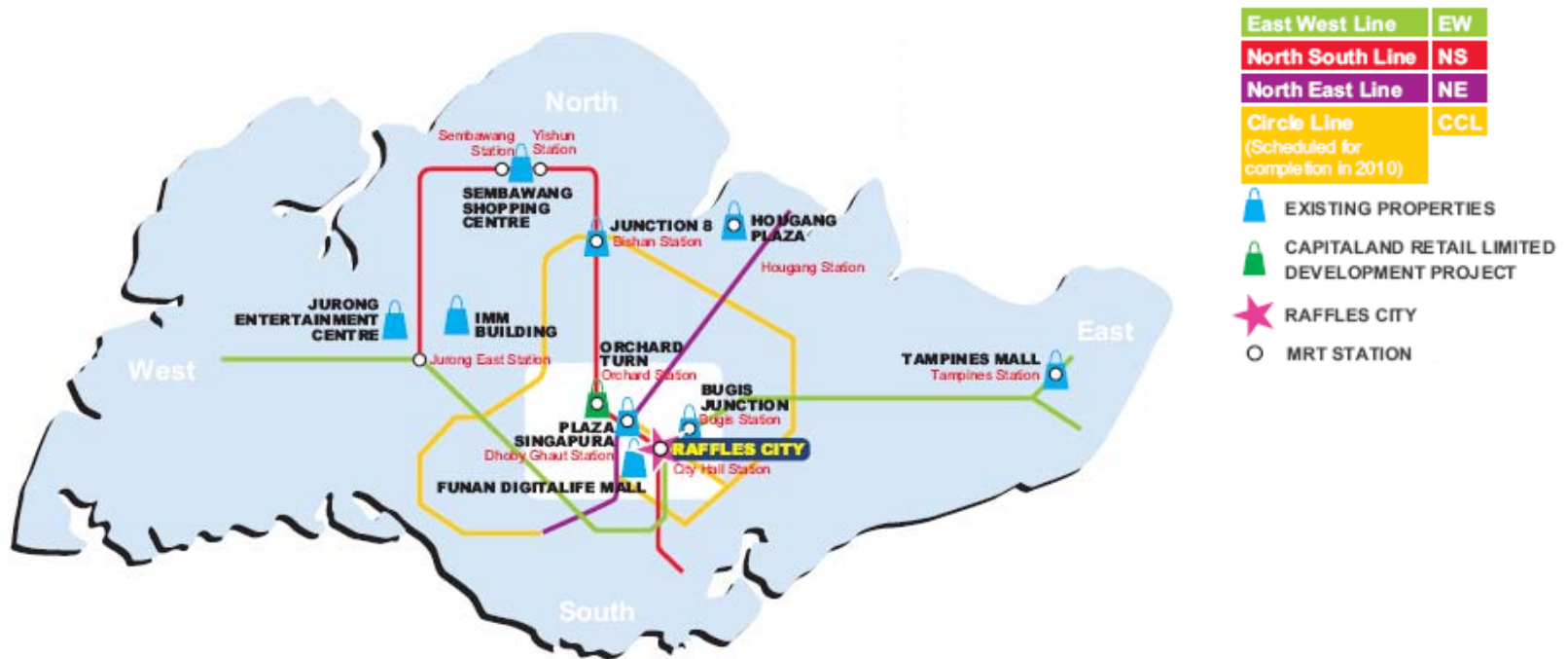
Note:

1 RC Hotels (Pte) Ltd, an indirect subsidiary of Colony Capital, LLC

2 Inclusive of a service charge component

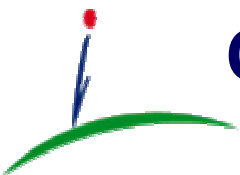
# Competitive Strengths of Raffles City

## Strategic location with excellent connectivity



- City Hall MRT station is one of Singapore's four major MRT interchange stations
- Direct connectivity to future Esplanade MRT Station on the Circle Line, expected to be fully operational by 2010
- Tremendous traffic flow from the current two train lines and future Circle Line
- New underground network linking Raffles City to the Esplanade MRT expected to increase traffic flow





# Competitive Strengths of Raffles City

## Integrated development

- Synergies drawn from integrated development components
- Value creation opportunities through optimising office, retail, hotels and convention centre mix

## Diverse tenant base

- Large and diversified tenant base
  - 49 office leases
  - 144 retail leases
  - One long-term hotel lease
- Diverse and complementary tenant mix
  - International and national retail brand names

## High occupancy <sup>1</sup>

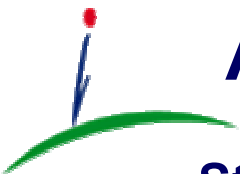
- Close to 100% occupancy for both retail and office components

## Government Tourism Initiative

- Commitment to transform Singapore into a major tourism hub by 2015
- Well-positioned to benefit from increase in tourist arrivals and tourism receipts with its strategic location

Note:

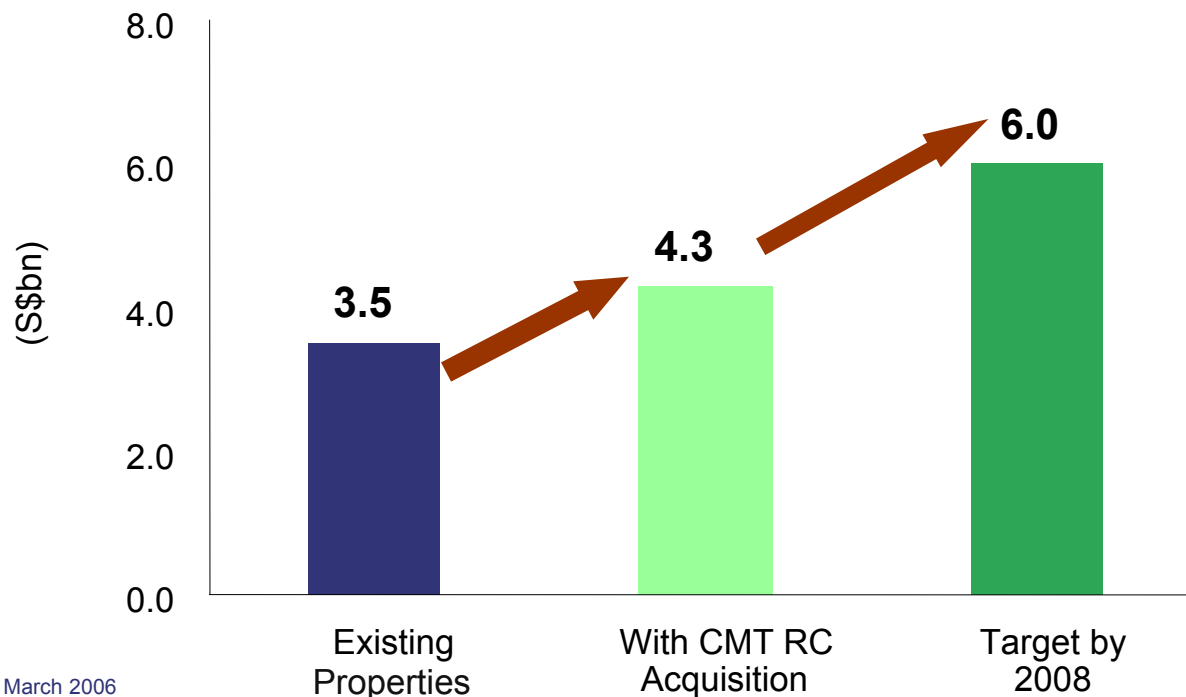
<sup>1</sup> Office and retail as at 31 March 2006



# Asset Size Growth

## Strengthens CMT's position as the largest REIT in Singapore

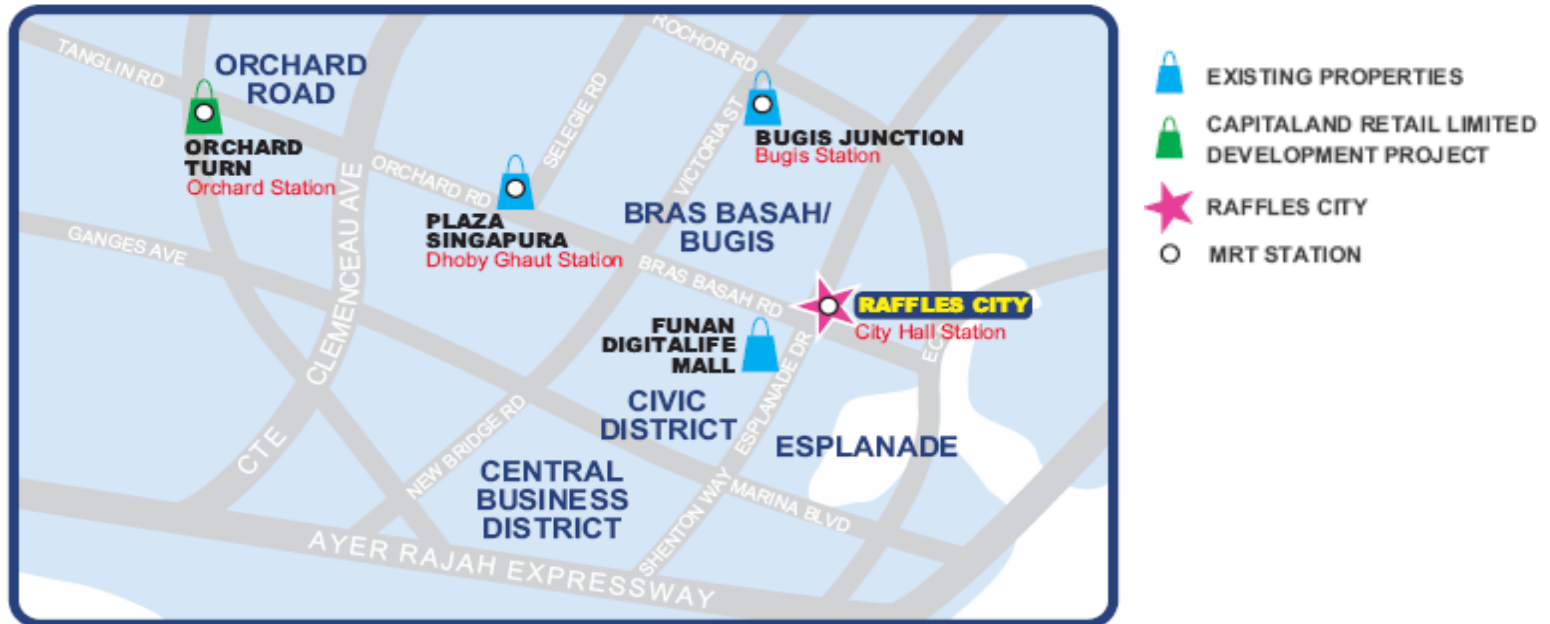
- With the inclusion of the CMT RC Acquisition, CMT's total deposited property will increase from S\$3.5bn<sup>1</sup> to S\$4.3bn
- CMT RC Acquisition is in line with the CMT Manager's vision to grow asset size in Singapore to between S\$5.0bn and S\$6.0bn by 2008



Note:

1 As at 31 March 2006

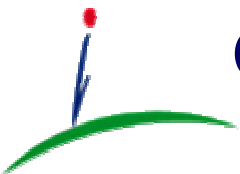
# Strengthens Retail Foothold in the Downtown Core of Singapore



- CMT currently owns three prime retail assets in the Downtown Core, Funan Digitalife Mall (“Funan”), Plaza Singapura and Bugis Junction, the latter two of which are strategically located with direct connectivity to MRT stations
- Inclusive of Raffles City, CMT will own and manage 1.48 million sq ft of urban retail<sup>1</sup> NLA with 739 leases

Note:

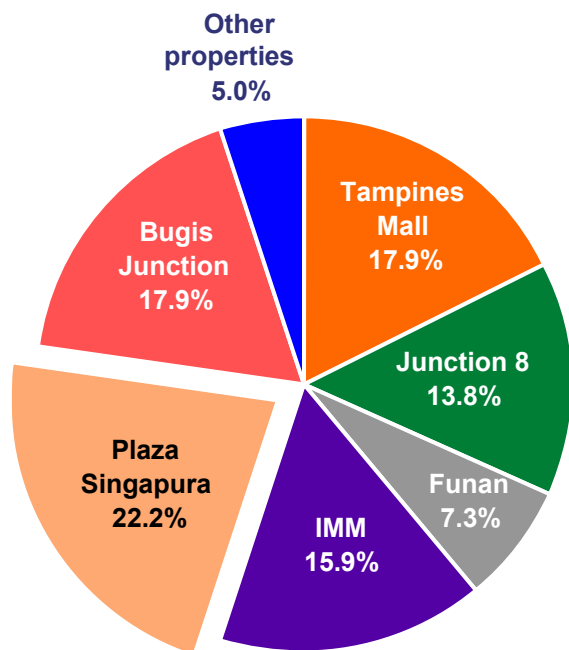
<sup>1</sup> Comprising Funan, Plaza Singapura, Bugis Junction and Raffles City Shopping Centre



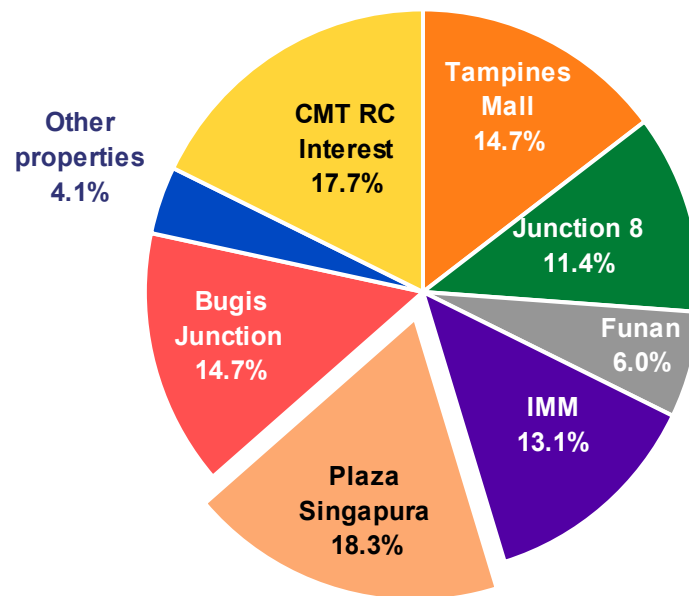
# Greater Income Diversification

Total Net Property Income contribution from any single property decreases from 22.2% to no more than 18.3%

Existing Properties <sup>1</sup>

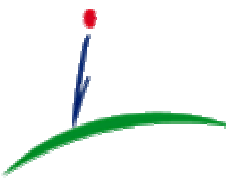


Existing Properties and CMT RC Acquisition <sup>1</sup>



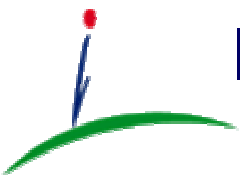
Note:

<sup>1</sup> For the projection year ending 31 Dec 2007



# Further Geographical and Segmental Diversification

- Caters to different tenancy demands in various parts of Singapore
- Increases participation in the retail markets comprising Singapore's central residential areas, visitors to the Orchard Road shopping belt and workers in the CBD
- Increases penetration into the upper-mid retail market segment in Singapore with four urban malls
- Enlarges and diversifies CMT's network of retailers



# Increased Free Float and Liquidity

**Access to a larger investor base because of its increased free float, liquidity and potentially higher index contribution**

CMT's total assets increases from approx. S\$3.5bn<sup>1</sup> to approx. S\$4.3bn, reinforcing its position as the largest Singapore REIT

CMT's weightings in MSCI Index and STI Index are envisaged to rise



- ✓ **Increased asset size for greater economies of scale**
- ✓ **Liquidity enhancement with larger tradable volume**
- ✓ **Potentially higher index weightage contribution**

Note:  
As at 31 March 2006

# Collaboration with CCT

CapitaMall

Trust

- Largest retail mall owner in Singapore with approx. 2.4 million sq ft of NLA
- Owns nine quality, urban and suburban retail malls in Singapore
- Track record of value creation through various asset enhancement initiatives

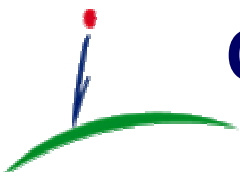


**Asset and  
property  
management  
synergies**

CapitaCommercial

Trust

- Largest office REIT owner in Singapore with approx. 2.0 million sq ft of NLA
- Owns eight top quality office and car park properties in Singapore, including the iconic Capital Tower and 6 Battery Road



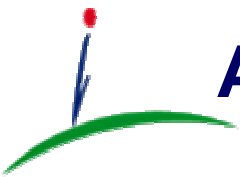
# Common RCS Management Fee Structure

| <b>CMT's Existing Management Fee</b>                  | <b>Proposed RCS Trust Management Fee</b>                        |
|---|---|
| <b>0.25% Property Value<br/>+ 2.85% Gross Revenue</b> | <b>0.25% Deposited Property<br/>+ 4.00% Net Property Income</b> |

## Rationale for Fee Rationalisation

- Common basis of fee structure for RCS Trust by CMT Manager and CCT Manager
- Alignment of interest with Unitholders
- Overall management fee quantum to CMT Manager is on a similar level to the existing fee structure





## Additional Points to Note

- In the event that CMT Unitholders do not approve the proposed acquisition of a 40% interest in Raffles City, CCT would, subject to the approval by their Unitholders, own 100% of Raffles City
- CMT's proposed acquisition of a 40% interest in Raffles City is subject to the approval by CCT's Unitholders' for the proposed acquisition of a 60% interest in Raffles City

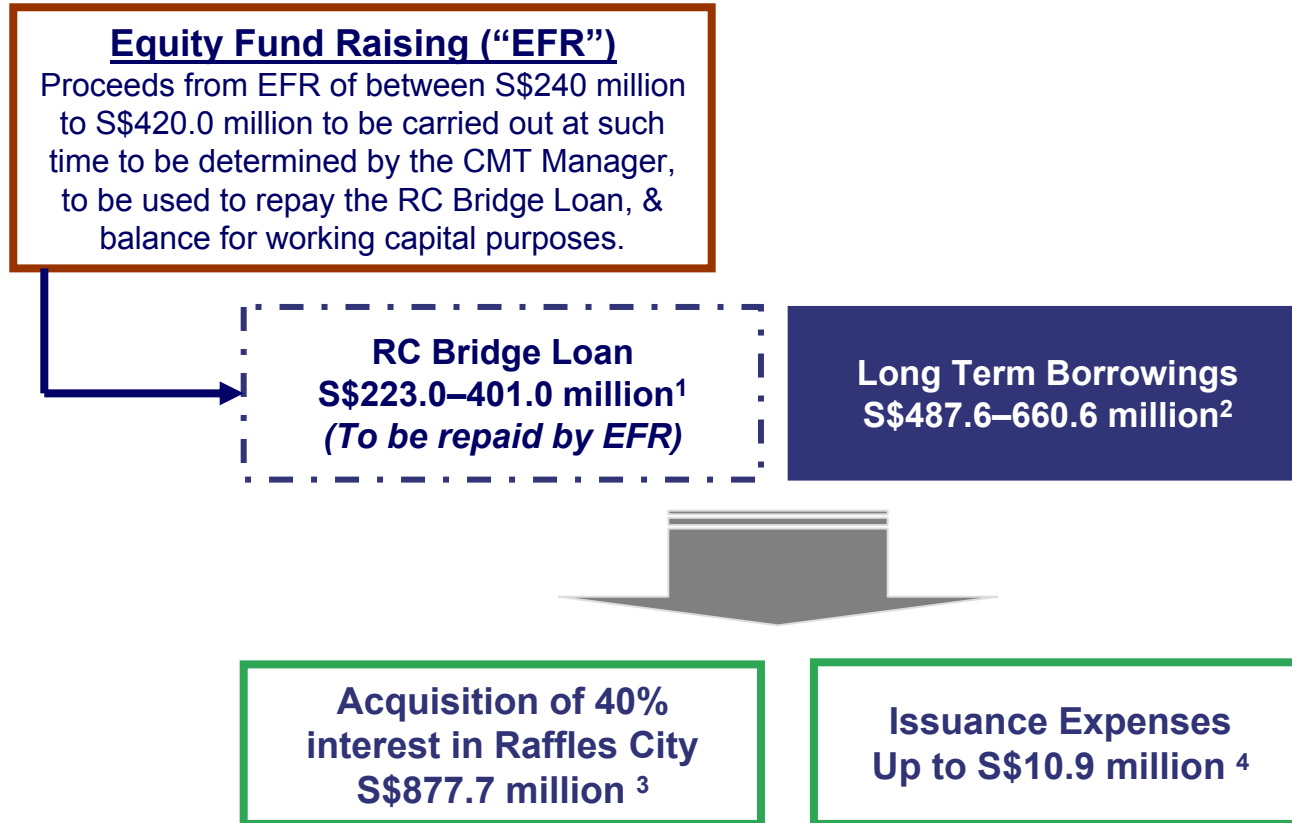
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# **Resolution 2 – Extraordinary Resolution**

The Issue of New Units in CMT

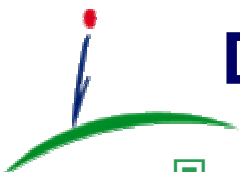
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# Proposed Financing Structure



Notes:

- 1 The RC Bridge loan will be repaid with the proceeds to be raised from the Equity Fund Raising to be carried out at such time to be determined by the CMT Manager
- 2 Out of the S\$487.6–660.6 million, approximately S\$346.6 million will be taken at the RCS Trust’s level in the form of a secured term loan facility of up to five years
- 3 Being CMT’s 40% share of the total acquisition cost of S\$2,194.2 million for Raffles City, comprising purchase consideration, the acquisition fees payable to the CMT Manager and the CCT Manager as well as the estimated professional and other fees and expenses incurred by CMT and CCT in connection with the Acquisition
- 4 Estimated issuance expenses in connection with the RC Bridge Loan and Long Term Borrowings



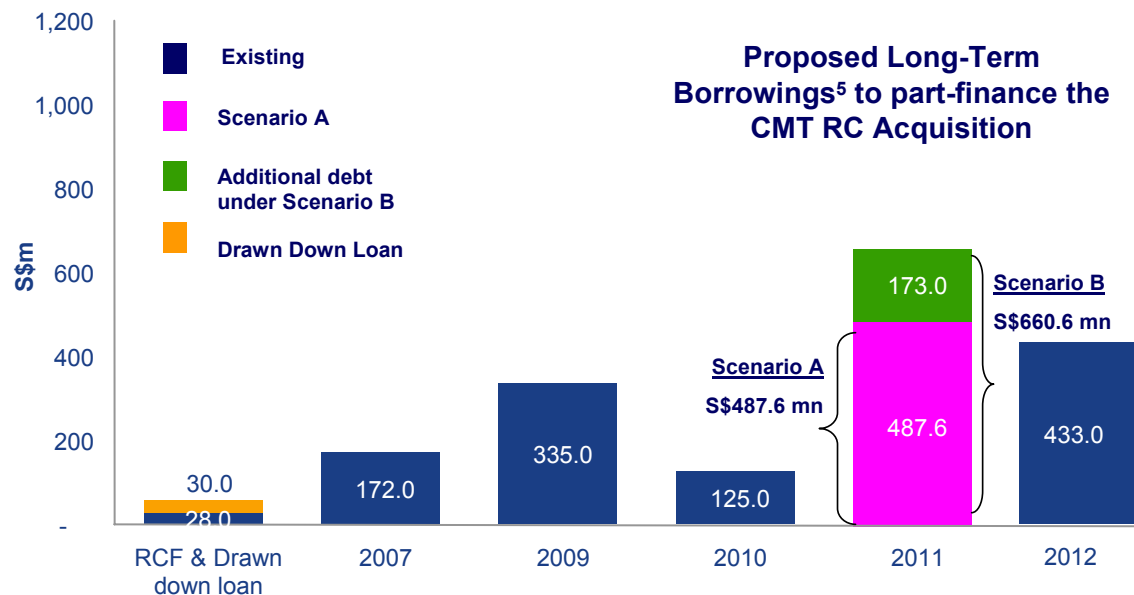
# Detailed Financing Plan

- RC Bridge Loan constitutes part of definitive financing plan to complete the CMT RC Acquisition
- Staggered timing for the Equity Fund Raising between CMT & CCT ensures the successful completion of the Raffles City acquisition and provides CMT with timing flexibility

| Sources of Fund      | Details   |
|----------------------|---|
| Long Term Borrowings | <ul style="list-style-type: none"><li>Between S\$487.6 million and S\$660.6 million of which,<ul style="list-style-type: none"><li>- S\$346.6 million will be taken at the RCS Trust's level; and</li><li>- the balance amount of between S\$141.0 million and S\$314.0 million will be funded, initially, by the CMT total loan facilities, which will subsequently be converted into a long-term loan facility in February 2007</li></ul></li></ul> |
| RC Bridge Loan       | <ul style="list-style-type: none"><li>Range from approx. S\$223.0 million to S\$401.0 million, which will be repaid with the proceeds to be raised from the Equity Fund Raising</li></ul>   |

# Debt Financing

## Efficient debt structure with maturity up to 2012



- ✓ Existing Debt Rating
  - AAA by Fitch and Standard & Poor’s
  - Aaa by Moody’s
- ✓ Existing Interest service ratio of 5.6 times
- ✓ “A2” corporate rating with stable outlook by Moody’s
- ✓ Average Interest Costs to increase from 3.1% to approx. 3.3%<sup>4</sup> post-CMT RC Acquisition

### Debt Profile (in percentage terms)

|            |      |       |       |      |       |       |
|------------|------|-------|-------|------|-------|-------|
| Scenario A | 3.6% | 10.7% | 20.8% | 7.8% | 30.2% | 26.9% |
| Scenario B | 3.3% | 9.6%  | 18.8% | 7.0% | 27.3% | 24.3% |

### Scenario A<sup>2</sup>

- █ Gearing increases from current approx. 32.4%<sup>1</sup> to approx. 37.1%
- █ Weighted average debt term to expiry of 4.36 years<sup>5</sup>

### Scenario B<sup>3</sup>

- █ Gearing increases from current approx. 32.4%<sup>1</sup> to approx. 41.1%
- █ Weighted average debt term to expiry of 4.42 years<sup>5</sup>

Note:

1. As at 1 June 2006

2. Assuming New Units are issued at a price of S\$2.20 per unit

3. Assuming New Units are issued at a price of S\$1.90 per unit

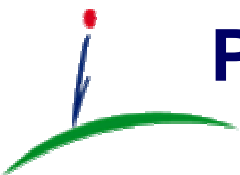
4. Assuming an interest rate of 4.2% for the debt taken at RCS Trust Level and 4.5% for the remaining debt taken at CMT Level, to part finance the CMT RC Acquisition

5. Assuming Long Term Borrowings of a 5-year tenure

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**Resolution 3 – Ordinary Resolution**  
Proposed Placement to the CapitaLand Group

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# Proposed Placement to the CapitaLand Group

## Proposed Placement to the CapitaLand Group

- The CMT Manager may issue New Units to the CapitaLand Group as part of the Equity Fund Raising, as would be required to maintain the CapitaLand Group's pre-placement unitholding, in percentage terms
- Depending on level of demand for New Units by other investors under the Equity Fund Raising, the CapitaLand Group's unitholdings in CMT, may in percentage terms, to be diluted

## Rationale for Proposed Placement to the CapitaLand Group

- ☑ Size of CapitaLand Group's strategic unitholdings in CMT provides stability to CMT
- ☑ Clear signal to market of CapitaLand's commitment to the Acquisition and the Equity Fund Raising
- ☑ Manage market risk to ensure certainty of funding

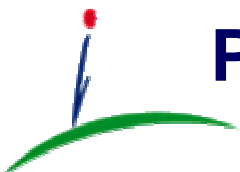
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# **Resolution 4 – Ordinary Resolution**

Proposed Placement to the Directors

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# Proposed Placement to the Directors

## Proposed Placement to the Directors

- Approval for the placement of New Units under the Equity Fund Raising to each of the Directors of the CMT Manager and his immediate family who hold units, so as to maintain his pre-placement unitholding in percentage terms

## Rationale for Proposed Placement to the Directors:

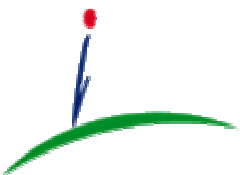
- A Director of the CMT Manager and his immediate family members should not be treated differently from any other Unitholder, and should be given the opportunity to apply for additional New Units should the Equity Fund Raising include the Private Placement, if any, since the other Unitholders may also apply for additional New Units under the Private Placement, if any

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# **Resolution 5 –Extraordinary Resolution**

Proposed CMT Manager Fees Supplement  
to the Trust Deed

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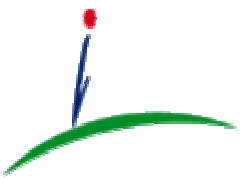


# Proposed CMT Manager Fees Supplement to the Trust Deed

## Proposed Update to the Fee Structure of the CMT Manager

- The fees that the CMT Manager is presently entitled to under the Trust Deed generally relate to Real Estate which is owned, acquired or divested by CMT
- To supplement the Trust Deed for the purpose of updating the fee structure of the CMT Manager to cover all forms of Authorised Investments

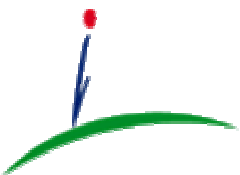
| <b>Per Annum</b>                       | <b>CMT's Existing Fee Structure<br/><i>(Generally relate to Real Estate owned, acquired or divested by CMT)</i></b> | <b>CMT's New Fee Structure<br/><i>(To cover all forms of Authorised Investments)</i></b> |
|--|---|--|
| <b>Management Fee</b><br>- Real Estate | <b>0.25% Property Value</b>   | <b>0.25% Deposited Property</b>  |
|  | <b>+ 2.85% Gross Revenue</b>  | <b>+ 2.85% Gross Revenue</b>   |
| <b>- Authorised Investments</b>        |   | <b>0.50% Investment Value</b>  |
| <b>Acquisition Fee</b>                 | <b>1.00% Purchase Price</b>   | <b>1.00% Purchase Price</b>  |
| <b>Divestment Fee</b>                  | <b>0.50% of Sale Price</b>  | <b>0.50% of Sale Price</b>   |



# Proposed CMT Manager Fees Supplement to the Trust Deed

## Rationale for Proposed Update to the Fee Structure of the CMT Manager

- As the Singapore REIT market develops, REIT may diversify their investment portfolio beyond traditional real property into other investments, such as real estate-related assets, debt securities, listed shares, government securities, and cash and cash equivalent items, as permitted by the Property Funds Guidelines
- More closely align the interest of the CMT Manager with the interest of CMT and its Unitholders; better align the CMT Manager's fee structure with current S-REIT market practice and increases the flexibility of CMT in terms of investment opportunities
- The CMT Manager will not charge any Management Fee in relation to Authorised Investments which are wholly managed by a wholly owned subsidiary of CapitaLand to avoid any double charging of fees by the CapitaLand Group



# Proposed CMT Manager Fees Supplement to the Trust Deed

## Proposed Amendment to form of Payment of Management Fee

- Supplement to provide the CMT Manager the flexibility to receive, at its election, its Management Fee wholly in Units or wholly in cash or in a combination of both<sup>1</sup>

## Rationale for Proposed Amendment to form of Payment of Management Fee:

- Added flexibility to structure payment of its Management Fee to be in line with its pro-active asset and retail management strategy
- Such flexibility will allow the CMT Manager to mitigate any potential revenue loss during period of carrying various asset enhancement initiatives
- To the extent CMT Manager chooses to receive the Management Fee in Units, CMT Manager's interest will be further aligned with those of the Unitholders

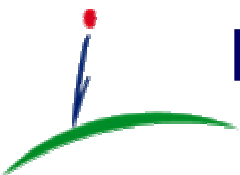
Note:

<sup>1</sup> Save that in respect of Tampines Mall, Junction 8 and Funan, such flexibility shall be available only for the period commencing on the day falling 60 months after 17 July 2002, being the date CMT was first listed on the SGX-ST

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# **Key Dates & Time**

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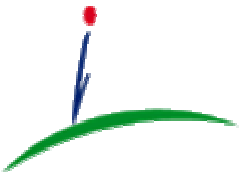
# Key Dates and Times

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|                               |   |
|-------------------------------|---|
| EGM                           | 13 July 2006 at 1:00pm  |
| Completion of the acquisition | 45 days after date of the sale and purchase agreement or 31 August 2006, whichever is later |

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**If the approvals sought at the EGM are obtained, the CMT Manager will work with the Joint Lead Managers and Underwriters to determine the most appropriate time to launch the Equity Fund Raising**



***THE END***