



NEWS RELEASE

17 January 2003

CapitaMall Trust gives notice of interest to purchase IMM Building

Singapore, 17 January 2003 – CapitaMall Trust's (CMT) trustee has given notice of its interest in considering the purchase of IMM Building. The current estimated acquisition cost of the property of S\$262.6 million comprises the property price of S\$247.4 million, stamp duty and CapitaLand Commercial Limited's (CCL) transactional costs, but has not yet taken into account an acquisition fee payable to the manager of CMT, as well as professional and other fees and expenses, and any fund raising costs.

Based on the latest available audited financial statements, IMM Building has generated strong net property income for financial year 2002 and hence attractive yield. This translates to a property yield higher than CMT's current implied property yield of 6.6% (based on today's price of S\$1.05 per unit at the close of market).

Located near the Jurong East MRT station and bus interchange, the 5-storey IMM Building is a retail, office and warehouse complex. More than 80% of its gross rental income is derived from its retail space, which is predominantly on Levels 1, 2 and 3. It is one of the leading shopping malls in western Singapore serving large, densely populated HDB heartlands in Jurong, Bukit Batok and Clementi where there are relatively few shopping malls. With the inclusion of IMM Building, CMT will enlarge its portfolio of suburban malls, broaden its earnings base for sustainable income growth, and have a presence in the western, central and eastern parts of Singapore. The IMM Building also has a tremendous potential for growth through asset enhancement.

CapitaMall Trust Management Limited's CEO Pua Seck Guan said : " The acquisition of IMM Building is yield accretive and will increase returns for unitholders. CMT's IPO in July last year had received positive investor interest with a five time subscription rate. We are confident of strong support from institutional and retail investors for this transaction."

Under this transaction, CCL has entered into a conditional put and call option to acquire IMM Building from International Merchandise Mart Ltd on 20 December 2002, and CCL has in turn granted a right of first refusal to CMT to acquire the property. The completion of the acquisition is still subject to a number of conditions being met, which includes approval from CMT unitholders at an extraordinary general meeting, securing sufficient financing, and completion of due diligence for the property. The transaction is targeted for completion by end May 2003.

About IMM Building

The 1,424,722 sq ft (gross floor area) IMM Building enjoys convenient accessibility due to its prime location near the Jurong East MRT station and bus interchange, and caters to the western suburbs of Singapore.

In 2000, IMM Building underwent a major revamp to reposition itself as a family entertainment and lifestyle centre. A diverse tenant mix includes the immensely popular Giant hypermarket (89,836 sq ft), leading electronics store Best Denki (24,672 sq ft) and Daiso, a trendy Japanese discount store (26,198 sq ft). These anchors, together with over 100 specialty shops dealing in furniture and home appliances, provide the mall with a competitive point of difference to attract shoppers island-wide. The retail space at IMM Building is almost fully occupied.

The property's market valuation as at 31 May 2002 by Knight Frank Pte Ltd is S\$280 million.

About CapitaMall Trust

The launch of CMT by CapitaLand Limited in July 2002 marked the establishment of the first listed real estate investment trust (Reit) in Singapore. CMT currently consists of three major shopping malls - Tampines Mall, Junction 8 Shopping Centre and Funan The IT Mall. The total net lettable area of the three malls is in excess of 800,000 sq ft with more than 420 individual leases.

CMT's principal investment strategy is to invest in real estate in Singapore that is income producing and which is substantially used for retail purposes. The manager plans to achieve additional net property income growth and enhance the value of CMT's real property portfolio through active management of its properties, besides asset enhancements and identifying and acquiring suitable and attractive malls in Singapore.

CapitaMallTrust Management Limited is an indirectly wholly-owned subsidiary of CapitaLand Limited, one of the largest listed real estate companies in Asia.

Visit www.capitamall.com for more details.

Issued by CapitaMall Trust Management Limited

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