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For Immediate Release

Distributions to unitholders expected to increase by over 6.1%¹ with Plaza Singapura acquisition

EGM to be convened to seek approval for acquisition

Singapore, 21 June 2004 – CapitaMall Trust Management Limited (“CMTML”), as manager of CapitaMall Trust (“CMT”), is seeking unitholders’ approval for the proposed acquisition of Plaza Singapura (the “Acquisition”), a prime freehold shopping mall located along the Orchard Road shopping belt. Upon completion of the Acquisition and the proposed funding arrangements therefor (see below), unitholders can expect a higher distribution per unit (“DPU”) of 9.11¢¹ in 2004 (annualised based on CMTML’s forecast for the period from 1 August 2004 to 31 December 2004), and 9.24¢ in 2005. This is an increase of 6.1% over the forecast DPU of 8.59¢² for 2004 (annualised based on CMTML’s forecast for the period from 1 August 2004 to 31 December 2004) generated by CMT’s existing portfolio of four malls.

CMTML is issuing the Circular to unitholders to inform them about the extraordinary general meeting (the “EGM”) which will be convened to consider, among others, the Acquisition. The EGM will be held on 8 July 2004 at 3.00 p.m., at 168 Robinson Road, Capital Tower, Level 9, STI Auditorium.

¹ Based on the assumption that the issue price of the new units to be issued under a proposed equity fund raising exercise for partially funding the Acquisition (see below) is S\$1.55 per unit and on the other assumptions as set out in the circular dated 21 June 2004 (the “Circular”) to be issued today in connection with the extraordinary general meeting of unitholders proposed to be convened for the purpose of considering, among others, the Acquisition.

² Based on the assumptions as set out in the Circular.

The total acquisition cost of Plaza Singapura, which includes stamp duty and certain other fees, is estimated to be S\$736.95 million. The completion of the Acquisition is subject to a number of conditions being met, including obtaining unitholders' approvals at the EGM for:

- the acquisition of Plaza Singapura;
- an issue of up to 182,000,000 new units (the "Equity Fund Raising") to partly finance the Acquisition as well as an issue of 147,000,000 new units (the "Consideration Units") as partial consideration for the Acquisition;
- the proposed supplement to CMT's trust deed to allow CMTML to issue new units as partial consideration for the purchase of a property by CMT at the same issue price per unit as that for an issue of new units under an equity fund raising exercise carried out in conjunction with such a purchase; and
- the proposed supplement to CMT's trust deed to grant CMTML the right to irrevocably elect to receive its performance fees in respect of Plaza Singapura and each additional property which may be acquired by CMT in the future in the form of units or cash for the remainder of the 60-month period from 17 July 2002 to 16 July 2007.

Funding Plans for the Acquisition

CMTML intends to finance the Acquisition through a combination of funds from the Equity Fund Raising and additional borrowings:

- ***Equity Fund Raising***

The proposed Equity Fund Raising will be lead managed and underwritten by DBS Bank Ltd and will comprise:

- (i) a preferential offering of up to 90.8 million new units to Singapore registered unitholders on a non-renounceable basis of 1 new unit for every 10 existing units held as at the relevant books closure date (the "Preferential Offering"); and
- (ii) an offering of up to 91.2 million new units by way of:
 - (a) an offering to retail investors in Singapore through the automated teller machines of DBS Bank Ltd on a "first-come, first-served" basis (the "ATM Offering"); and
 - (b) a private placement of new units to retail and institutional investors (the "Private Placement").

DBS Bank has been appointed as the lead manager and underwriter for the Equity Fund Raising as well as the placement agent and sole bookrunner for the Private Placement. UBS AG acting through its business group UBS Investment Bank will, through a separate arrangement with DBS Bank Ltd, participate as the co-placement agent and sub-underwriter for the Private Placement.

The price of the new units proposed to be issued under the Equity Fund Raising will be determined nearer to the date of commencement thereof.

CMTML has sought and obtained a waiver from Rule 812(1) of the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST") so that restricted places listed thereunder (such as the directors of CMTML, their immediate family and Substantial Unitholders³) that are Singapore registered unitholders can participate in the Preferential Offering (the "Preferential Offering Waiver"). The waiver also allows the directors of CMTML and their immediate family to apply for new units under the ATM Offering (the "ATM Offering Waiver").

Approval in-principle has been obtained from the SGX-ST for the listing and quotation on the main board of the SGX-ST of the new units proposed to be issued under the Equity Fund Raising and the Consideration Units. The SGX-ST's in-principle approval is not an indication of the merits of the Equity Fund Raising, the new units to be issued thereunder, the Consideration Units, CMT, the Preferential Offering Waiver, the ATM Offering Waiver or the Acquisition.

- ***Additional Borrowings***

CMTML currently proposes that CMT incurs additional borrowings of S\$335 million at an interest rate of not more than 2.9% per annum, comprising S\$277 million for financing the Acquisition and S\$58 million for refinancing a bridging loan earlier taken to pay the upfront land premium for IMM Building. These additional borrowings will increase CMT's gearing from 27.8% to 31.3%, still well within the gearing limit for unrated debt of 35.0% allowed for property funds by the Monetary Authority of Singapore ("MAS").

In lieu of the scheduled distribution in respect of CMT's distributable income for the period from 1 January 2004 to 30 June 2004, CMT intends to declare a distribution of

³ Persons with an interest in one or more units constituting not less than 5.0% of all outstanding units.

CMT's distributable income for the period from 1 January 2004 to the day immediately prior to the date on which new units are issued under the Equity Fund Raising. The distribution is expected to be paid by end-August 2004. The expected completion date for the Equity Fund Raising as well as the Acquisition is early August 2004.

CMTML's CEO Pua Seck Guan said, "The acquisition of Plaza Singapura is yield accretive and will increase returns to unitholders. Existing unitholders are given an opportunity to increase their holdings in CMT through the 1-for-10 preferential offering. In addition, the issuance of new units will improve the liquidity of CMT and enlarge its investor base. This bigger free float will increase CMT's weighting in the MSCI Singapore Free Index. With this acquisition, CMT will entrench its position as the dominant retail property REIT in Singapore, with an asset base of more than S\$2.1 billion."

Key Benefits to Unitholders

Yield accretion — Unitholders will enjoy a higher DPU due to the yield-accretive nature of the acquisition. This increase in DPU results from:

- the acquisition of Plaza Singapura at an attractive price relative to the cash flows that it generates; and
- the improvement of CMT's capital structure through optimising its mix of equity and debt financing.

Valuable fit to manager's investment strategy — Plaza Singapura, as the "Suburban Mall of Orchard Road", focuses on basic consumer goods and services. Like CMT's other properties, it enjoys close proximity to an MRT station. Also, Plaza Singapura enjoys a secure and stable income stream based on more than 200 leases.

Income diversification — The acquisition will reduce risk by improving diversification of CMT's income stream. After the Acquisition, no more than 31.6% of the total net property income will be derived from any one property, compared with 35.7% prior to the Acquisition.

Geographical diversification — Plaza Singapura is strategically located in the prime Orchard Road area. It enjoys high connectivity via public transportation to most parts of the island and is close to the new Singapore Management University campus expected

to be ready by 2005. With its addition to CMT's portfolio, CMT will tap into the retail market comprising the residential areas in Singapore's central region (including Orchard Road, River Valley and Bukit Timah), visitors to the Orchard Road shopping belt and workers in the Central Business District.

Opportunities for growth through active asset management — CMTML intends to enhance Plaza Singapura and its performance (and thereby improve its gross revenue and net property income) by implementing a pro-active asset management and leasing policy. CMTML believes there are opportunities to improve the efficiency and rental potential of Plaza Singapura, These include reconfiguring, converting or creating certain retail space to achieve better marketability and higher potential, as well as improving existing tenancy mix to achieve higher rental.

Increased liquidity and economies of scale — Other benefits to unitholders include the expected improvement in trading liquidity with the new units proposed to be issued under the Equity Fund Raising, which will increase the free float of units on the SGX-ST. The enlarged CMT property portfolio following the acquisition will also enable unitholders to benefit in the long term from CMTML's ability to generate cost synergies and enjoy economies of scale.

Tax-exempt distributions for individuals

Distributions made to individuals⁴, irrespective of their nationality or tax residence status, who hold the units as investment assets will be tax exempt, following new rulings announced by the Singapore Government in its 2004 Budget.

About Plaza Singapura, the “Suburban Mall of Orchard Road”

Plaza Singapura is a one-stop shopping centre catering to the day-to-day shopping, dining and entertainment needs of a wide cross section of the population. It is directly linked to the Dhoby Ghaut MRT interchange, the designated node interchange for the North-South MRT Line, the North-East MRT Line and the upcoming Circle Line (expected to be ready by 2010).

Plaza Singapura enjoys a freehold status and has a net lettable area of approximately 486,113 sq ft. In 2003, after a major refurbishment and repositioning exercise, it

⁴ Except in respect of units held by individuals through a partnership.

attracted new anchor tenants like Carrefour hypermart, Marks & Spencer, John Little, Spotlight and Best Denki. The mall is almost fully leased and sees a pedestrian traffic of approximately 1.3 million a month.

About CapitaMall Trust

CMT is the first listed 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 900 leases from local and international tenants. It currently has a portfolio of four major shopping malls in both the suburban and city areas — Tampines Mall, Junction 8 Shopping Centre, Funan The IT Mall and IMM Building.

CMT is managed by an external manager, CMTML, which is an indirect wholly-owned subsidiary of CapitaLand Limited, one of the largest listed real estate companies in Southeast Asia.

Visit CMT's website at www.capitamall.com for more details.

Important Notice

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, 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 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 the assumption that the issue price of each new unit to be issued under the Equity Fund Raising is S\$1.60 and CMTML's other assumptions as set out in the Circular. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price higher or lower than the assumed issue price. The 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 the Circular for details of the forecasts and projections and consider the assumptions used and make their own assessment of the future performance of CMT.

Issued by CapitaMall Trust Management Limited

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For enquiries, please contact:

Analyst Contact

Jack Lam
DID: (65) 6826 5543
Email: jack.lam@capitaland.com.sg

Media Contact

Julie Ong
DID: (65) 6823 3541
Email: julie.ong@capitaland.com.sg