



NEWS RELEASE

25 October 2002

### CMT net distributable income exceeds forecast by 5% since SGX debut

Singapore, 25 October 2002 - CapitaMall Trust Management Limited ("CMTML"), the manager of CapitaMall Trust ("CMT"), is pleased to announce that the total net property income has gone up to S\$47.2 million, exceeding the 2002 year-to-date forecast<sup>(1)</sup> by 1.7%. This led to an increase in net distributable income to unitholders by 5% to S\$11 million. Based on the issue price of S\$0.96, the annualised pre-tax distribution yield has risen to 7.41% from 7.06%.

#### Summary of CMT Results

(reporting period 29 October 2001 to 30 September 2002)<sup>(2)</sup>

|  | Actual | Forecast <sup>(1)</sup> | Change (%) |
|--|--------|-------------------------|------------|
| Gross revenue (S\$'000)                                | 66,036 | 64,470                  | 2.4        |
| Net property income (S\$'000)                          | 47,242 | 46,465                  | 1.7        |
| Distributable income to post-IPO unitholders (S\$'000) | 11,030 | 10,505                  | 5.0        |
| Distribution per unit (cents)                          | 1.49   | 1.42                    | 5.0        |
| Annualised distribution yield                          |        |                         |            |
| - based on S\$0.96 (IPO issue price)                   | 7.41%  | 7.06%                   | 5.0        |
| - based on S\$1.02 (closing price on 24 Oct 02)        | 6.98%  | 6.65%                   | 5.0        |

This better than expected result can largely be attributed to the continuing strong rental growth in expiring leases across the portfolio with the manager achieving a 26% average increase over preceding rents for the period May 2002 to September 2002.

CMTML's CEO Pua Seck Guan said, "Since listing in July, we have continued to proactively manage our properties to deliver sustainable income growth to unitholders. In doing so, we strive to provide our shoppers with retail experiences that match or exceed their expectations so that our tenants can benefit from their spending. CMT's result is a positive sign for year-end distributions and clearly demonstrates that we have been successful in executing our strategies."

#### Footnotes:

(1) Forecast extracted from the offering circular dated 28 Jun 2002 and extrapolated for 9 months.

(2) CMT's first financial period is from the date of incorporation to 31 Dec 2002. The acquisition of the properties was only completed on 28 Dec 2001 and hence the income derived from the properties was effectively from 29 Dec 2001 onwards.

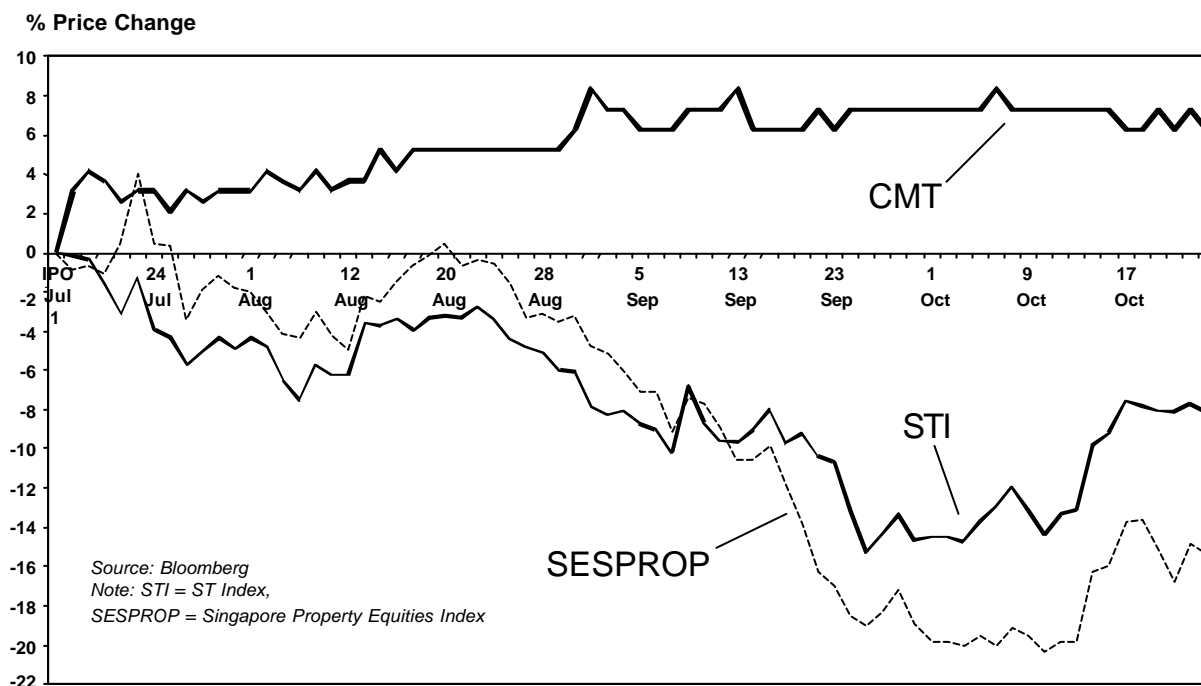
## Performance Well Rated

Earlier today, CMT marked another milestone by being the first listed Singapore real estate equity to receive a corporate credit rating by Standard and Poor's ("S&P"). The global ratings agency assigned a strong corporate credit rating of single 'A' minus ("A-") to CMT in recognition of the strength of its quality property portfolio and its conservative finances. These are supported by the malls' diverse tenant mix, the manager's active management of maturing leases and its prudent growth strategy, and the Trust's continuous modest debt usage.

The rating is added assurance for investors, including CPF members who were last month given the green light by the CPF Board to use up to 35% of their CPFIS-Ordinary Account savings to invest in CMT.

Earlier in February 2002, the S\$200 million debt securities of CMT was rated 'AAA' by all three credit rating agencies, Standard & Poor's, Moody's Investors Services and Fitch, Inc. This reflects the strong underlying cashflow from CMT to service its debt.

CMT's trading performance to-date has demonstrated low price volatility and has outperformed other broader indices like the ST Index and the Singapore Property Equities Index (see "Securities Comparative Performance" graph).



## **Future Growth Driven by Quality Management**

The manager, CMTML, is on track with the asset enhancement plans scheduled to commence at Junction 8 and Tampines Mall. This will involve decanting low yielding space on the malls' higher levels to allow more prime lettable space to be created on the ground floor. In addition, the manager is continuously looking into other income generating initiatives to further enhance the performance of the malls and improve the mall retail mix.

CMT directly benefits from CapitaLand's integrated real estate model that combines the expertise of asset management and retail property management to produce optimal results for investors. The Trust's performance leverages on the pro-active and strategic retail management by CapitaLand Retail Management Pte Ltd ("CRM"), a subsidiary of CapitaLand Commercial Limited. It manages the largest portfolio of retail space in Singapore, with seven major shopping centres comprising approximately 1.8 million square feet of nett lettable area. CRM is able to benefit from economies of scale across its portfolio. It constantly strives to establish industry best practice in retail management including collection of tenant turnover data, inclusion of annual rent increases in lease agreements, creation of prime lettable area and the introduction of visual merchandising display guidelines for new shops.

Looking forward, CMTML expects to deliver above 2002 forecasts stated earlier in the CMT Offering Circular dated 28 June 2002, barring any unforeseen circumstances.

## **About CapitaMall Trust**

The launch of CMT by CapitaLand Limited in July 2002 marked the establishment of the first listed real estate investment trust 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.

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

Visit [www.capitmall.com](http://www.capitmall.com) for more details.

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