

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**



**2006 FULL YEAR UNAUDITED  
FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**TABLE OF CONTENTS**

<b>Item No.</b>	<b>Description</b>	<b>Page No.</b>
-	<b>Summary of CCT Results</b>	2
-	Introduction	3
1(a)	Statement of Total Return & Distribution Statement	4 – 7
1(b)(i)	Balance Sheet	8 – 9
1(b)(ii)	Aggregate Amount of Borrowings and Debt Securities	9 – 10
1(c)	Cash Flow Statement	11 – 13
1(d)	Statement of Changes in Unitholders' Funds	13 – 14
1(e)	Details of Any Change in the Units	15
2 & 3	Audit Statement	15
4 & 5	Changes in Accounting Policies	16
6	Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")	16 – 17
7	Net Asset Value Per Unit	17
8	Review of the Performance	18 – 20
<b>9</b>	<b>Variance from Previous Forecast / Prospect Statement</b>	<b>21 – 23</b>
10	Outlook & Prospects	24
11,12 & 16	Distributions	25 – 26, 28
13 & 14	Segmental Information	27 – 28
15	Breakdown of Gross Revenue and Net Income	28
16	Breakdown of Total Distribution	28

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**SUMMARY OF CCT RESULTS (1 September 2006 to 31 December 2006)**

	FY 2006	1 September 2006 to 31 December 2006		
	Actual S\$'000	Actual S\$'000	Forecast <sup>1</sup> S\$'000	Favourable / (Unfavourable)
Gross Revenue	152,229	72,601	70,117	3.5%
Net Property Income	112,188	52,620	50,866	3.4%
Distributable Income	78,872	37,340	34,170	9.3%
<b>Distribution Per Unit (cents)</b>				
<b>For the year/period Annualised</b>	<b>7.33¢ 7.33¢</b>	<b>2.70¢ 8.08¢</b>	<b>2.47¢<sup>2</sup> 7.39¢<sup>2</sup></b>	<b>9.3% 9.3%</b>

**Footnotes**

- (1) The forecast for the period 1 September 2006 to 31 December 2006 is the forecast shown in the CCT Circular to unitholders dated 15 August 2006 ("CCT Circular") for the equity fund raising to acquire Raffles City.
- (2) In the CCT Circular, the DPU is calculated based on an assumed issue price of S\$1.65 cents per unit for the equity fund raising to acquire Raffles City. With the actual issue price of new units at S\$1.68 cents per unit, the DPU is calculated based on the actual number of new units issued.

**For a meaningful analysis/comparison of the actual results against the forecast as stated in the CCT Circular dated 15 August 2006, please refer to Section 9 of this Announcement.**

**DISTRIBUTION AND BOOK CLOSURE DATE**

Distribution	From 1 September 2006 to 31 December 2006
Distribution Type	i) Taxable income ii) Tax-exempt income
Distribution Rate	i) Taxable income distribution 2.673 cents per unit ii) Tax-exempt income distribution 0.027 cents per unit
Books Closure Date	5 February 2007
Payment Date	28 February 2007

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

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**INTRODUCTION**

CapitaCommercial Trust (CCT) was established under a Trust Deed dated 6 February 2004 entered into between CapitaCommercial Trust Management Limited (as manager of CCT) (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (as trustee of CCT), as amended by the first supplemental deed dated 15 July 2005, the second supplemental deed dated 20 April 2006 and the third supplemental deed dated 11 August 2006.

All the units were listed on Singapore Exchange Securities Trading Limited (the "SGX-ST") since the commencement of "when issued" trading in the Units on 11 May 2004. The Units began trading on a "ready" basis on the SGX-ST on 17 May 2004.

CCT acquired and added HSBC Building to its portfolio on 29 April 2005.

On 12 April 2006, CCT invested in 100% of the junior bonds worth RM45 million (about S\$20 million) issued by Aragorn ABS Berhad ("Aragorn"), a special purpose vehicle in an asset-backed securitisation structure which owns Wisma Technip, a prime office asset in Malaysia. Hence, Aragorn is accounted for as a wholly-owned subsidiary of CCT.

On 13 July 2006, the unitholders of CCT approved the 60% joint acquisition of Raffles City with CapitaMall Trust and RCS Trust was constituted on 18 July 2006. The acquisition of Raffles City took place on 1 September 2006.

On 14 December 2006, CCT accepted the offer from CapitaLand Commercial and Integrated Development Limited and invested RM65.9 million (S\$28.8 million) to subscribe for 71.6 million units in Quill Capita Trust ("QCT"). With this 30% stake in QCT, CCT is a substantial unitholder of QCT. The QCT units were listed on Bursa Malaysia on 8 January 2007.

As at 31 December 2006, CCT's portfolio comprised Capital Tower, 6 Battery Road, HSBC Building, Starhub Centre, Robinson Point, Bugis Village, Golden Shoe Car Park, Market Street Car Park, 60% joint venture interest in RCS Trust and 100% junior bonds of Aragorn.

With effect from 1 July 2005, the distributable income to unitholders has increased to 100% of the taxable income available for distribution to unitholders. Prior to that, the distributable income to unitholders was based on 95% of taxable income.

Group results are after consolidating Aragorn and including its proportionate interest (60%) in RCS Trust on a line-by-line basis.

In the Trust results, the coupon income from Aragorn and the distribution income on a declared basis from RCS Trust are accounted for as "Investment Income".

**CAPITACOMMERCIAL TRUST**  
**2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND**  
**DISTRIBUTION ANNOUNCEMENT**

**1(a)(i) Statement of Total Return & Distribution Statement (4Q 2006 vs 4Q 2005)**  
(For a review of the performance, please refer to paragraph 8 on page 18-20)

	Group			Trust		
	4Q 2006 S\$'000	4Q 2005 S\$'000	Change %	4Q 2006 S\$'000	4Q 2005 S\$'000	Change %
<b>Statement of Total Return</b>						
Gross rental income	50,531	26,142	93.3	26,943	26,142	3.1
Car park income	3,626	2,509	44.5	2,938	2,509	17.1
Other income	2,212	1,120	97.5	1,511	1,120	34.9
<b>Gross revenue</b>	<b>56,369</b>	<b>29,771</b>	<b>89.3</b>	<b>31,392</b>	<b>29,771</b>	<b>5.4</b>
Property management fees	(1,656)	(583)	184.0	(658)	(583)	12.9
Property tax	(4,305)	(1,728)	149.1	(2,175)	(1,728)	25.9
Other property operating expenses <sup>1</sup>	(9,631)	(6,758)	42.5	(5,346)	(6,758)	(20.9)
<b>Property operating expenses</b>	<b>(15,592)</b>	<b>(9,069)</b>	<b>71.9</b>	<b>(8,179)</b>	<b>(9,069)</b>	<b>(9.8)</b>
<b>Net property income</b>	<b>40,777</b>	<b>20,702</b>	<b>97.0</b>	<b>23,213</b>	<b>20,702</b>	<b>12.1</b>
Interest income	305	232	31.5	156	232	(32.8)
Investment income <sup>2</sup>	-	-	-	11,644	-	Nm
Gain/(Loss) from re-measurement of derivatives <sup>3</sup>	(3,060)	1,050	(391.4)	(3,060)	1,050	(391.4)
Manager's management fees	(3,157)	(1,487)	112.3	(1,645)	(1,487)	10.6
Trust expenses	88	244	(63.9)	506	244	107.4
Borrowing costs	(12,072)	(4,199)	187.5	(6,075)	(4,199)	44.7
<b>Net income</b>	<b>22,881</b>	<b>16,542</b>	<b>38.3</b>	<b>24,739</b>	<b>16,542</b>	<b>49.6</b>
Net appreciation on revaluation of investment properties <sup>4</sup>	235,873	5,562	4,140.8	183,838	5,562	3,205.2
<b>Total return for the period before tax</b>	<b>258,754</b>	<b>22,104</b>	<b>1,070.6</b>	<b>208,577</b>	<b>22,104</b>	<b>843.6</b>
Income tax	22 <sup>5</sup>	- <sup>6</sup>	Nm	- <sup>6</sup>	- <sup>6</sup>	-
<b>Total return for the period after tax</b>	<b>258,776</b>	<b>22,104</b>	<b>1,070.7</b>	<b>208,577</b>	<b>22,104</b>	<b>843.6</b>

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**Distribution Statement**

	Group			Trust		
	4Q 2006 S\$'000	4Q 2005 S\$'000	Change %	4Q 2006 S\$'000	4Q 2005 S\$'000	Change %
<b>Net income</b>	<b>22,881</b>	<b>16,542</b>	<b>38.3</b>	<b>24,739</b>	<b>16,542</b>	<b>49.6</b>
Net tax adjustments <sup>7</sup>	5,277	(735)	(818.0)	3,496	(735)	(575.6)
Other adjustment <sup>8</sup>	77	-	Nm	-	-	Nm
<b>Taxable income available for distribution to unitholders</b>	<b>28,235</b>	<b>15,807</b>	<b>78.6</b>	<b>28,235</b>	<b>15,807</b>	<b>78.6</b>
<b>Distributable income to unitholders</b>	<b>28,235</b>	<b>15,807</b>	<b>78.6</b>	<b>28,235</b>	<b>15,807</b>	<b>78.6</b>

**Footnotes**

(1) Included as part of the other property operating expenses are the following:

	Group			Trust		
	4Q 2006 S\$'000	4Q 2005 S\$'000	Change %	4Q 2006 S\$'000	4Q 2005 S\$'000	Change %
Depreciation and amortisation*	245	65	276.9	201	65	209.2
Allowance for doubtful debts and bad debts written off	23	-	Nm	-	-	-

\* Amortisation refers to the amortisation of tenancy works.

(2) Investment income relates to the income from the investment in junior bonds of Aragorn and distribution income from CCT's 60% interest in RCS Trust.

(3) Gain/(Loss) from the re-measurement of fair values of interest rate swaps.

(4) For details, to refer to the review of performance on page 20 paragraph 8(i).

(5) The income tax provision is based on the relevant tax rates applicable to the subsidiary.

(6) No income tax provision on the Trust as the distributable income to unitholders is based on 100% of the taxable income available for distribution to unitholders.

(7) Included in the net tax adjustments are the following:

	Group			Trust		
	4Q 2006 S\$'000	4Q 2005 S\$'000	Change %	4Q 2006 S\$'000	4Q 2005 S\$'000	Change %
Non-tax deductible/(chargeable) items :						
Manager's management fee payable in units (for RCS Trust)	1,513	-	Nm	-	-	-
Trustee's fees	120	67	79.1	78	67	16.4
(Gain)/Loss from re-measurement of derivatives	3,060	(1,050)	(391.4)	3,060	(1,050)	(391.4)
Temporary differences and other tax adjustments	584	248	135.5	358	248	44.4
<b>Net tax adjustments</b>	<b>5,277</b>	<b>(735)</b>	<b>(818.0)</b>	<b>3,496</b>	<b>(735)</b>	<b>(575.6)</b>

(8) This relates to the undistributed profit of the subsidiary.

Nm – not meaningful

**CAPITACOMMERCIAL TRUST**  
**2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND**  
**DISTRIBUTION ANNOUNCEMENT**

**1(a)(ii) Statement of Total Return & Distribution Statement (FY 2006 vs FY 2005)**  
**(For a review of the performance, please refer to paragraph 8 on page 18-20)**

	Group			Trust		
	FY 2006 S\$'000	FY 2005 S\$'000	Change %	FY 2006 S\$'000	FY 2005 S\$'000	Change %
<b>Statement of Total Return</b>						
Gross rental income	137,380	100,179	37.1	104,852	100,179	4.7
Car park income	11,935	9,844	21.2	10,953	9,844	11.3
Other income	6,407	5,108	25.4	5,405	5,108	5.8
<b>Gross revenue</b>	<b>155,722</b>	<b>115,131</b>	<b>35.3</b>	<b>121,210</b>	<b>115,131</b>	<b>5.3</b>
Property management fees	(3,990)	(2,451)	62.8	(2,554)	(2,451)	4.2
Property tax	(11,158)	(7,723)	44.5	(8,305)	(7,723)	7.5
Other property operating expenses <sup>1</sup>	(25,906)	(20,705)	25.1	(20,130)	(20,705)	(2.8)
<b>Property operating expenses</b>	<b>(41,054)</b>	<b>(30,879)</b>	<b>33.0</b>	<b>(30,989)</b>	<b>(30,879)</b>	<b>0.4</b>
<b>Net property income</b>	<b>114,668</b>	<b>84,252</b>	<b>36.1</b>	<b>90,221</b>	<b>84,252</b>	<b>7.1</b>
Interest income	1,115	682	63.5	942	682	38.1
Investment income <sup>2</sup>	-	-	-	15,908	-	Nm
Gain/(Loss) from re-measurement of derivatives <sup>3</sup>	(5,600)	1,244	(550.2)	(5,600)	1,244	(550.2)
Manager's management fees	(7,833)	(5,623)	39.3	(5,836)	(5,623)	3.8
Trust expenses	(1,544)	(2,644)	(41.6)	(1,063)	(2,644)	(59.8)
Borrowing costs	(30,461)	(16,004)	90.3	(22,137)	(16,004)	38.3
<b>Net income</b>	<b>70,345</b>	<b>61,907</b>	<b>13.6</b>	<b>72,435</b>	<b>61,907</b>	<b>17.0</b>
Net appreciation on revaluation of investment properties <sup>4</sup>	356,538	5,562	6,310	304,503	5,562	5,375
<b>Total return for the year before tax</b>	<b>426,883</b>	<b>67,469</b>	<b>532.7</b>	<b>376,938</b>	<b>67,469</b>	<b>458.7</b>
Income tax	(47) <sup>5</sup>	(292) <sup>6</sup>	(83.9)	- <sup>6</sup>	(292) <sup>6</sup>	100.0
<b>Total return for the year after tax</b>	<b>426,836</b>	<b>67,177</b>	<b>535.4</b>	<b>376,938</b>	<b>67,177</b>	<b>461.1</b>

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**Distribution Statement**

	Group			Trust		
	FY 2006 S\$'000	FY 2005 S\$'000	Change %	FY 2006 S\$'000	FY 2005 S\$'000	Change %
<b>Net income</b>	<b>70,345</b>	<b>61,907</b>	<b>13.6</b>	<b>72,435</b>	<b>61,907</b>	<b>17.0</b>
Net tax adjustments <sup>7</sup>	8,757	(573)	(1,628.3)	6,437	(573)	(1,223.4)
Other adjustment <sup>8</sup>	(230)	-	Nm	-	-	-
<b>Taxable income available for distribution to unitholders</b>	<b>78,872</b>	<b>61,334</b>	<b>28.6</b>	<b>78,872</b>	<b>61,334</b>	<b>28.6</b>
<b>Distributable income to unitholders<sup>9</sup></b>	<b>78,872</b>	<b>59,872</b>	<b>31.7</b>	<b>78,872</b>	<b>59,872</b>	<b>31.7</b>

**Footnotes**

(1) Included as part of the other property operating expenses are the following:

	Group			Trust		
	FY 2006 S\$'000	FY 2005 S\$'000	Change %	FY 2006 S\$'000	FY 2005 S\$'000	Change %
Depreciation and amortisation*	448	247	81.4	394	247	59.6
Allowance for doubtful debts and bad debts written off	23	(5)	560.0	-	(5)	100.0

\* Amortisation refers to the amortisation of tenancy works.

(2) Investment income relates to the income from the investment in junior bonds of Aragorn and distribution income from CCT's 60% interest in RCS Trust.

(3) Gain/(Loss) from the re-measurement of fair values of interest rate swaps.

(4) For details, to refer to the review of performance on page 20 paragraph 8(i).

(5) The income tax provision is based on the relevant tax rates as applicable to the subsidiary.

(6) The income tax provision on the Trust was based on 5% of taxable income for the period 1 January 2005 to 30 June 2005 withheld and not distributed to unitholders. With effect from 1 July 2005, there would not be income tax provision on the Trust as the distributable income to unitholders is based on 100% of the taxable income available for distribution to unitholders.

(7) Included in the net tax adjustments are the following:

	Group			Trust		
	FY 2006 S\$'000	FY2005 S\$'000	Change %	FY 2006 S\$'000	FY 2005 S\$'000	Change %
Non-tax deductible/(chargeable) items :						
Manager's management fee paid and payable in units (for RCS Trust)	1,996	-	Nm	-	-	-
Trustee's fees	341	261	30.7	285	261	9.2
(Gain)/Loss from re-measurement of derivatives	5,600	(1,244)	(550.2)	5,600	(1,244)	(550.2)
Temporary differences and other adjustments	820	410	100.0	552	410	34.6
Net tax adjustments	8,757	(573)	(1,628.3)	6,437	(573)	(1,223.4)

(8) This relates to the undistributed profit of the subsidiary.

(9) The distributable income to unitholders is based on 95% of the taxable income available for distribution to unitholders for the period 1 January 2005 to 30 June 2005 and 100% of the taxable income available for distribution to unitholders from 1 July 2005.

Nm – not meaningful

**CAPITACOMMERCIAL TRUST**  
**2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND**  
**DISTRIBUTION ANNOUNCEMENT**

**1(b)(i) Balance Sheet as at 31 December 2006 vs 31 December 2005**

	Group			Trust		
	Dec 2006 S\$'000	Dec 2005 S\$'000	Change %	Dec 2006 S\$'000	Dec 2005 S\$'000	Change %
<b>Non-current assets</b>						
Plant and equipment	876	294	198.0	303	294	3.1
Investment properties	3,814,839 <sup>1</sup>	2,076,100	83.8	2,404,000 <sup>2</sup>	2,076,100	15.8
Investment in subsidiary <sup>3</sup>	-	-	-	19,698	-	Nm
Investment in associate <sup>4</sup>	28,819	-	Nm	28,819	-	Nm
Investment in joint venture <sup>5</sup>	-	-	-	788,332	-	Nm
<b>Total non-current assets</b>	<b>3,844,534</b>	<b>2,076,394</b>	<b>85.2</b>	<b>3,241,152</b>	<b>2,076,394</b>	<b>56.1</b>
<b>Current assets</b>						
Trade and other receivables	5,300	1,518	249.1	12,987	1,518	755.5
Derivative asset <sup>6</sup>	-	1,244	(100.0)	-	1,244	(100.0)
Cash and cash equivalents <sup>7</sup>	41,923	64,197	(34.7)	16,322	64,197	(74.6)
<b>Total current assets</b>	<b>47,223</b>	<b>66,959</b>	<b>(29.5)</b>	<b>29,309</b>	<b>66,959</b>	<b>(56.2)</b>
<b>Total assets</b>	<b>3,891,757</b>	<b>2,143,353</b>	<b>81.6</b>	<b>3,270,461</b>	<b>2,143,353</b>	<b>52.6</b>
<b>Current liabilities</b>						
Trade and other payables	37,351	20,794	79.6	21,154	20,794	1.7
Derivative liability <sup>6</sup>	4,356	-	Nm	4,356	-	Nm
Short-term borrowings	89,500	76,000	17.8	89,500	76,000	17.8
Provision for taxation	712	666	6.9	666	666	-
<b>Total current liabilities</b>	<b>131,919</b>	<b>97,460</b>	<b>35.4</b>	<b>115,676</b>	<b>97,460</b>	<b>18.7</b>
<b>Non-current liabilities</b>						
Long-term borrowings	1,126,537 <sup>8</sup>	580,042	94.2	580,042	580,042	-
Other non-current liabilities	20,016	9,505	110.6	11,709	9,505	23.2
Deferred tax liabilities	871	-	Nm	-	-	-
<b>Total non-current liabilities</b>	<b>1,147,424</b>	<b>589,547</b>	<b>94.6</b>	<b>591,751</b>	<b>589,547</b>	<b>0.4</b>
<b>Total liabilities</b>	<b>1,279,343</b>	<b>687,007</b>	<b>86.2</b>	<b>707,427</b>	<b>687,007</b>	<b>3.0</b>
<b>Net assets</b>	<b>2,612,414</b>	<b>1,456,346</b>	<b>79.4</b>	<b>2,563,034</b>	<b>1,456,346</b>	<b>76.0</b>
Represented by:						
<b>Unitholders' funds<sup>9</sup></b>	<b>2,612,414</b>	<b>1,456,346</b>	<b>79.4</b>	<b>2,562,034</b>	<b>1,456,346</b>	<b>76.0</b>



**CAPITACOMMERCIAL TRUST**  
**2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND**  
**DISTRIBUTION ANNOUNCEMENT**

---

**Footnotes**

- (1) The increase is due to the consolidation of investment property owned by Aragorn, the proportionate consolidation of CCT's 60% joint venture interest in RCS Trust which owns Raffles City and the increase in property values based on the independent market valuation of the properties.
- (2) The increase is due to the increase in property values based on the independent market valuation of the properties.
- (3) This relates to the investment in junior bonds in Aragorn.
- (4) This relates to the investment in Quill Capita Trust for 71.6 million units at RM0.92 per unit.
- (5) This relates to CCT's 60% joint venture interest in RCS Trust.
- (6) This relates to the fair value of the interest rate swaps.
- (7) The cash and cash equivalent is lower due to the investment in junior bonds in Aragorn, the payment of distributable income for the financial period 1 January 2006 to 31 August 2006 on 26 September 2006 and the investment in Quill Capita Trust.
- (8) This includes RM70 million (approximately S\$29.7 million) of net borrowings incurred by Aragorn and proportionate consolidation of CCT's 60% interest (S\$516.4 million) in the net borrowings incurred by RCS Trust.
- (9) The increase is mainly due to the net appreciation on revaluation in property values based on independent market valuations dated 1 June 2006 and again on 1 December 2006, the issue of new units to part finance the acquisition of Raffles City, the issue of new units in payment of the acquisition fee paid for acquiring Raffles City and the issue of new units in payment of the manager's management fees for Raffles City.

**1(b)(ii) Aggregate amount of borrowings and debt securities**

	Group			Trust		
	Dec 2006 S\$'000	Dec 2005 S\$'000	Change %	Dec 2006 S\$'000	Dec 2005 S\$'000	Change %
<b>Secured borrowing</b>						
Amount repayable after one year	1,129,531	580,042	94.7	580,042	580,042	-
Less: Fees and expenses incurred for debt raising exercise amortised over the tenor of secured loan	(2,994)	-	NM	-	-	-
	1,126,537	580,042	94.2	580,042	580,042	-
<b>Unsecured borrowing</b>						
Amount repayable in one year or less, or on demand	89,500	76,000	17.8	89,500	76,000	17.8
	1,216,037	656,042	85.4	669,542	656,042	2.1

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

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**Details of any collaterals**

As security for the secured long term borrowings of S\$580.0 million, CCT has granted in favour of the lender the following:

- (i) a mortgage over the Initial Investment Properties<sup>1</sup>;
- (ii) an assignment of the insurance policies relating to the Initial Investment Properties;
- (iii) an assignment of all the rights, interest and title of CCT in relation to each of the Share Sale and Purchase Agreements and Property Sale and Purchase Agreements;
- (iv) an assignment of the agreements relating to the management of the Initial Investment Properties;
- (v) an assignment and charge of the rental proceeds and tenancy agreements of units in the Initial Investment Properties; and
- (vi) a fixed and floating charge over certain assets of CCT relating to the Initial Investment Properties.

As security for the secured long term borrowings of S\$866.0 million (CCT's 60% interest is S\$519.6 million), RCS Trust has granted in favour of the lender the following:

- (i) a mortgage over Raffles City which comprises Raffles City Tower, Raffles City Shopping Centre, Swissotel The Stamford, Raffles The Plaza and the Raffles City Convention Centre;
- (ii) an assignment of the insurance policies relating to Raffles City;
- (iii) an assignment of the agreements relating to the management of Raffles City;
- (iv) an assignment and charge of the rental proceeds and tenancy agreements of units in Raffles city; and
- (v) a fixed and floating charge over certain assets of RCS Trust relating to Raffles City.

As security for the secured long term borrowings of RM70.0 million (approximately S\$29.9 million), Aragorn has granted in favour of the lender the following:

- (i) a fixed legal charge over Wisma Technip;
- (ii) debenture over all assets of Aragorn;
- (iii) charge/assignment of the bank accounts; and
- (iv) an assignment over the rights, title interest and benefits in the tenancy agreements and existing contracts, warranties and guarantees pertaining to Wisma Technip.

As security for the short term borrowings of S\$76.0 million, CCT has granted in favour of the lender the legal assignment of the rental lease agreement of HSBC Building.

**Footnote**

- (1) Initial Investment Properties refer to Capital Tower, 6 Battery Road, Starhub Centre, Robinson Point, Bugis Village, Golden Shoe Car Park and Market Street Car Park.

**CAPITACOMMERCIAL TRUST**  
**2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND**  
**DISTRIBUTION ANNOUNCEMENT**

**1(c)(i) Cash flow statement (4Q 2006 vs 4Q 2005)**

	<b>Group</b>	
	<b>4Q 2006</b> S\$'000	<b>4Q 2005</b> S\$'000
<b>Operating activities</b>		
Total return for the period before tax	258,754	22,104
<b>Adjustment for</b>		
Interest income	(305)	(232)
Depreciation of plant and equipment	82	36
Amortisation of tenancy works	163	29
Amortisation of rent incentives	181	(801)
Allowance for doubtful debts	23	-
Manager's management fees paid in units	1,513	-
Borrowing costs	12,072	4,199
(Gain)/Loss from re-measurement of derivatives	3,060	(1,050)
Net appreciation on revaluation of investment properties	(235,873)	(5,562)
Foreign exchange difference	(98)	-
<b>Operating income before working capital changes</b>	<b>39,572</b>	<b>18,723</b>
Changes in working capital		
Trade and other receivables	811	829
Trade and other payables	5,257	2,066
Security deposits	1,625	(306)
<b>Cash generated from operations activities</b>	<b>47,265</b>	<b>21,312</b>
<b>Investing activities</b>		
Interest received	296	232
Investment in QCT	(28,819)	-
Capital expenditure on investment properties	(8,906)	(2,589)
Purchase of plant and equipment	(95)	-
<b>Cash flows from investing activities</b>	<b>(37,524)</b>	<b>(2,357)</b>
<b>Financing activities</b>		
Proceeds from interest bearing borrowings	13,500	-
Issue expenses	(563)	-
Borrowing costs paid	(12,726)	(4,118)
<b>Cash flows from financing activities</b>	<b>211</b>	<b>(4,118)</b>
<b>Decrease in cash and cash equivalents</b>	<b>9,952</b>	<b>14,837</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>31,971</b>	<b>49,360</b>
<b>Cash and cash equivalents at end of period</b>	<b>41,923</b>	<b>64,197</b>

**CAPITACOMMERCIAL TRUST**  
**2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND**  
**DISTRIBUTION ANNOUNCEMENT**

**1(c)(ii) Cash flow statement (FY 2006 vs FY 2005)**

	<b>Group</b>	
	<b>FY 2006</b> S\$'000	<b>FY 2005</b> S\$'000
<b>Operating activities</b>		
Total return for the year before tax	426,883	67,469
<b>Adjustment for</b>		
Interest income	(1,115)	(682)
Depreciation of plant and equipment	204	151
Amortisation of tenancy works	250	96
Amortisation of rent incentives	724	(422)
Allowance for doubtful debts	23	(5)
Gain on disposal of assets	(5)	-
Manager's management fees paid in units	1,996	-
Borrowing costs	30,461	16,004
(Gain)/Loss from re-measurement of derivatives	5,600	(1,244)
Net appreciation on revaluation of investment properties	(356,538)	(5,562)
Foreign exchange difference	(1,086)	-
<b>Operating income before working capital changes</b>	<b>107,397</b>	<b>75,805</b>
Changes in working capital		
Trade and other receivables	(6,970)	(218)
Trade and other payables	(19,458)	3,325
Security deposits	3,119	803
<b>Cash generated from operations activities</b>	<b>84,088</b>	<b>79,715</b>
<b>Investing activities</b>		
Interest received	1,101	702
Investment in QCT	(28,819)	-
Capital expenditure on investment properties	(25,190)	(5,338)
Net cash outflow on purchase of investment properties	(1,302,145)	(147,000)
Purchase of plant and equipment	(259)	(15)
<b>Cash flows from investing activities</b>	<b>(1,355,312)</b>	<b>(151,651)</b>

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

	<b>Group</b>	
	<b>FY 2006</b> S\$'000	<b>FY 2005</b> S\$'000
<b>Financing activities</b>		
Proceeds from issue of new units	803,199	78,872
Interest bearing borrowings	563,556	76,000
Issue expenses	(13,121)	(2,059)
Distribution to unitholders	(73,494)	(61,291)
Borrowing costs paid	(31,190)	(15,643)
<b>Cash flows from financing activities</b>	<b>1,248,950</b>	<b>75,879</b>
<b>Decrease in cash and cash equivalents</b>	<b>(22,274)</b>	<b>3,943</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>64,197</b>	<b>60,254</b>
<b>Cash and cash equivalents at end of the year</b>	<b>41,923</b>	<b>64,197</b>

**1(d)(i) Statement of changes in unitholders' funds (4Q 2006 vs 4Q 2005)**

	<b>Group</b>		<b>Trust</b>	
	<b>4Q 2006</b> S\$'000	<b>4Q 2005</b> S\$'000	<b>4Q 2006</b> S\$'000	<b>4Q 2005</b> S\$'000
<b>Balance as at beginning of period</b>	<b>2,352,325</b>	<b>1,434,242</b>	<b>2,353,088</b>	<b>1,434,242</b>
<b>Operations</b>				
Net increase in net assets resulting from operations	258,776	22,104	208,577	22,104
<b>Unitholders' transactions</b>				
Creation of new units:				
- Manager's management fee	484	-	484	-
Issue expenses	885	-	885	-
Translation reserve	(56)	-	-	-
<b>Net increase/(decrease) in net assets resulting from unitholders' transactions</b>	<b>1,313</b>	<b>-</b>	<b>1,369</b>	<b>-</b>
<b>Total increase/(decrease) in net assets</b>	<b>260,089</b>	<b>22,104</b>	<b>209,946</b>	<b>22,104</b>
<b>Balance as at end of period</b>	<b>2,612,414</b>	<b>1,456,346</b>	<b>2,563,034</b>	<b>1,456,346</b>

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**1(d)(ii) Statement of changes in unitholders' funds (FY 2006 vs FY 2005)**

	Group		Trust	
	FY 2006 S\$'000	FY 2005 S\$'000	FY 2006 S\$'000	FY 2005 S\$'000
<b>Balance as at beginning of the year</b>	<b>1,456,346</b>	<b>1,373,647</b>	<b>1,456,346</b>	<b>1,373,647</b>
<b>Operations</b>				
Net increase in net assets resulting from operations	426,836	67,177	376,938	67,177
<b>Unitholders' transactions</b>				
Creation of new units:				
- Equity fund raising	803,199	78,872	803,199	78,872
- Acquisition fee	12,996	-	12,996	-
- Manager's management fee	484	-	484	-
Issue expenses	(13,435)	(2,059)	(13,435)	(2,059)
Translation reserve	(518)	-	-	-
Distribution to unitholders	(73,494)	(61,291)	(73,494)	(61,291)
<b>Net increase in net assets resulting from unitholders' transactions</b>	<b>729,232</b>	<b>15,522</b>	<b>729,750</b>	<b>15,522</b>
<b>Total increase in net assets</b>	<b>1,156,068</b>	<b>82,699</b>	<b>1,106,688</b>	<b>82,699</b>
<b>Balance as at end of the year</b>	<b>2,612,414</b>	<b>1,456,346</b>	<b>2,563,034</b>	<b>1,456,346</b>

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

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**1(e)(i) Details of any change in the units (4Q 2006 vs 4Q 2005)**

	Trust	
	4Q 2006 Units	4Q 2005 Units
<b>Balance as at beginning of period</b>	<b>1,382,157,962</b>	<b>896,270,700</b>
Issue of new units:		
- in settlement of the manager's management fee in relation to CCT's 60% interest in Raffles City through RCS Trust	231,549	-
<b>Balance as at end of period</b>	<b>1,382,389,511</b>	<b>896,270,700</b>

**1(e)(ii) Details of any change in the units (FY 2006 vs FY 2005)**

	Trust	
	FY 2006 Units	FY 2005 Units
<b>Balance as at beginning of period</b>	<b>896,270,700</b>	<b>839,116,700</b>
Issue of new units:		
- part settlement for the purchase of Raffles City	478,968,977	-
- in settlement of the acquisition fee for acquiring Raffles City	6,918,285	-
- in settlement of the manager's management fee in relation to CCT's 60% interest in Raffles City through RCS Trust	231,549	
- part settlement for the purchase of HSBC Building	-	57,154,000
<b>Balance as at end of period</b>	<b>1,382,389,511</b>	<b>896,270,700</b>

**2 Whether the figures have been audited, or reviewed and in accordance with which standard (eg. The Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)**

The figures have not been audited nor reviewed by our auditors.

**3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)**

Not applicable.

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been complied**

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with the audited financial statements for the year ended 31 December 2005.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Nil.

**6 Earnings per unit ("EPU") and distribution per unit ("DPU") for the financial period**

**Earnings per unit**

In computing the EPU, the weighted average number of units for the period is used for the computation.

	Group		Trust	
	4Q 2006	4Q 2005	4Q 2006	4Q 2005
Weighted average number of units for the period	1,382,341,691	896,270,700	1,382,341,691	896,270,700
<b>Earnings per unit (EPU)</b>				
Based on the weighted average number of units for the period	1.66¢	1.85¢	1.79¢	1.85¢
Based on fully diluted basis	1.66¢	1.85¢	1.79¢	1.85¢

	Group		Trust	
	FY 2006	FY 2005	FY 2006	FY 2005
Weighted average number of units for the year	1,058,647,346	877,793,516	1,058,647,346	877,793,516
<b>Earnings per unit (EPU)</b>				
Based on the weighted average number of units for the year	6.64¢	7.02¢	6.84¢	7.02¢
Based on fully diluted basis	6.64¢	7.02¢	6.84¢	7.02¢

The diluted EPU is the same as the basic EPU as there are no significant dilutive instruments in issue during the period.



**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**Distribution per unit**

In computing the DPU, the number of units as at the end of each period is used for the computation. The DPU for the Group and Trust are the same.

	<b>4Q 2006</b>	<b>1 Jan 06 to 31 Aug 06</b>	<b>1 Sep 06 to 31 Dec 06</b>	<b>FY 2006</b>
Number of units in issue as at end of period	1,382,389,511	896,270,700	1,382,389,511	1,382,389,511
<b>Distribution per unit (DPU)</b> Based on the number of units in issue as at end of period	2.04¢	4.63¢	2.70¢	7.33¢

	<b>4Q 2005</b>	<b>1 Jan 05 to 28 Apr 05</b>	<b>29 Apr 05 to 31 Dec 05</b>	<b>FY 2005</b>
Number of units in issue as at end of period	896,270,700	839,116,700	896,270,700	896,270,700
<b>Distribution per unit (DPU)</b> Based on the number of units in issue as at end of period	1.76¢	2.15¢	4.66¢	6.81¢

**7 Net asset value (“NAV”) backing per unit based on issued units at the end of the period**

	<b>Group</b>	
	<b>31 Dec 2006</b>	<b>31 Dec 2005</b>
NAV per unit	S\$1.89	S\$1.62
Adjusted NAV per unit (excluding the distributable income to unitholders)	S\$1.86	S\$1.59

	<b>Trust</b>	
	<b>31 Dec 2006</b>	<b>31 Dec 2005</b>
NAV per unit	S\$1.85	S\$1.62
Adjusted NAV per unit (excluding the distributable income to unitholders)	S\$1.83	S\$1.59

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**8 Review of the performance**

		<b>Group</b>			
		<b>4Q 2006</b>	<b>4Q 2005</b>	<b>FY 2006</b>	<b>FY 2005</b>
		S\$'000	S\$'000	S\$'000	S\$'000
<b>8(i)</b>	<b><u>Statement of Total Return</u></b>				
	Gross revenue	56,369	29,771	155,722	115,131
	Property operating expenses	(15,592)	(9,069)	(41,054)	(30,879)
	Net property income	40,777	20,702	114,668	84,252
	Interest income	305	232	1,115	682
	Gain/(Loss) from re-measurement of derivatives	(3,060)	1,050	(5,600)	1,244
	Manager's management fees	(3,157)	(1,487)	(7,833)	(5,623)
	Trust expense	88	244	(1,544)	(2,644)
	Borrowing costs	(12,072)	(4,199)	(30,461)	(16,004)
	<b>Net income</b>	<b>22,881</b>	<b>16,542</b>	<b>70,345</b>	<b>61,907</b>
	Net appreciation on revaluation of investment properties	235,873	5,562	356,538	5,562
	<b>Total return for the period/year before income tax</b>	<b>258,754</b>	<b>22,104</b>	<b>426,883</b>	<b>67,469</b>
	Income tax	22	-	(47)	(292)
	<b>Total return for the period/year after income tax</b>	<b>258,776</b>	<b>22,104</b>	<b>426,836</b>	<b>67,177</b>

**Distribution Statement**

<b>Net income</b>	<b>22,881</b>	<b>16,542</b>	<b>70,345</b>	<b>61,907</b>
Net tax adjustments	5,277	(735)	8,757	(573)
Adjustment	77	-	(230)	-
Taxable income available for distribution to unitholders	28,235	15,807	78,872	61,334
<b>Distributable income to unitholders</b>	<b>28,235</b>	<b>15,807</b>	<b>78,872</b>	<b>59,872</b>
Earnings per unit (cents)	1.66¢	1.85¢	6.64¢	7.02¢
Distribution per unit (cents)	2.04¢	1.76¢	7.33¢	6.81¢

## **CAPITACOMMERCIAL TRUST 2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT**

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### **Review of performance 4Q 2006 vs 4Q 2005**

Gross revenue for 4Q 2006 was higher than 4Q 2005 by S\$26.6 million or 89.3%. This was mainly due to the consolidation of gross revenue of approximately S\$1.3 million from Aragorn (subscription of 100% of the junior bonds was made in April 2006), the consolidation of CCT's 60% interest in the gross revenue of RCS Trust of approximately S\$23.7 million, the higher car park income and other income. This was partially offset by lower rental income from the retail space at Golden Shoe Car Park due to the on-going asset enhancement works.

Property operating expenses were higher in 4Q 2006 by S\$6.5 million or 71.9%. This was mainly due to the consolidation of property operating expenses from Aragorn and CCT's 60% interest in the property operating expenses of RCS Trust, higher property tax and utility costs and partly offset by lower maintenance cost incurred for the CCT properties.

Trust expenses were lower in 4Q 2006 by S\$0.2 million or 63.9% due to lower professional fees. Borrowing costs were higher in 4Q 2006 by S\$7.9 million or 187.5% due mainly to the consolidation of additional borrowings for Aragorn (RM70 million) and RCS Trust (CCT's 60% interest amounting to S\$519.6 million) and higher interest costs arising from the S\$250.3 million term loan which was reverted to floating rate in March 2006. Interest rate swap contracts for S\$390 million had been put in place to fix the interest costs for periods of between 5 to 7 years, thus extending the weighted average term to expiry to 4.4 years as at 31 December 2006. This would result in an average all-in interest rate of 3.8%.

Gain/loss from the re-measurement of derivatives relates to the fair value of the interest rate swaps which amounted to an unrealised loss of S\$3.1 million.

### **Review of performance FY 2006 vs FY 2005**

Gross revenue for FY 2006 was higher than FY 2005 by S\$40.6 million or 35.3%. This was mainly due to the additional gross revenue derived from the acquisition of HSBC Building (acquisition was completed in April 2005), the consolidation of the gross revenue from Aragorn (subscription of the junior bonds was made in April 2006) and RCS Trust (with CCT holding 60% interest and acquisition was completed in September 2006) as well as higher rental income, car park income and tenant recoveries from the CCT properties. This was partially offset by lower gross rental income from the retail space at Golden Shoe Car Park and Market Street Car Park due to the asset enhancement works.

Property operating expenses were higher for FY 2006 by S\$10.2 million or 33.0% due to the consolidation of Aragorn and RCS Trust (with CCT's 60% interest), higher property tax and utility costs incurred. This was partly offset by lower maintenance cost incurred for the CCT properties.

Interest income was higher for FY 2006 by S\$0.4 million or 63.5% due to higher cash on hand and higher deposit rates. Trust expenses were lower for FY 2006 by S\$1.1 million or 41.6% due to lower professional fees and unitholders' expenses.

Borrowing costs were higher for FY 2006 by \$14.5 million or 90.3% due to the additional borrowings of S\$89.5 million incurred by CCT, consolidation of additional borrowings for Aragorn (RM70 million) and RCS Trust (CCT's 60% interest amounting to S\$519.6 million) as well as higher interest costs due to the S\$250.3 million term loan which reverted to floating rate in March 2006.

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

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**Net appreciation on revaluation of investment properties**

**The net appreciation on revaluation of investment properties is a non-tax chargeable item and has no impact on the taxable income or distributable income to unitholders.**

In accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore, valuations of investment properties are to be conducted at least once in every 12 months or where there is an equity fund raising exercise, a valuation of all the real estate assets is required, unless such assets have been previously valued not more than six months ago (based on the date of the last valuation report). Any increase or decrease in value is credited or charged to the Statement of Total Return as net appreciation or depreciation on revaluation of investment properties.

In relation to the fund raising exercise for the acquisition of Raffles City, valuations of the CCT properties as of 1 June 2006 were procured because the date of the last valuation of the real estate assets of CCT is 1 December 2005. The valuations of the CCT properties were conducted by CB Richard Ellis on 1 June 2006 using the Investment Method, Discounted Cash Flow Analysis and Direct Comparison Approach.

The CCT properties were valued at S\$2,202.0 million as at 1 June 2006. With the book value at S\$2,081.3 million, this gave rise to a net appreciation on revaluation of investment properties of S\$120.7 million which was added to the Statement of Total Return.

As at 1 December 2006, independent valuations were conducted by CB Richard Ellis for the CCT properties and Raffles City using the Investment Method, Discounted Cash Flow analysis and Direct Comparison Approach; and Knight Frank (Ooi & Zaharin Sdn Bhd) for Wisma Technip, using the Investment Method and Direct Comparison Approach.

The portfolio was valued at S\$3,814.8 million as at 1 December 2006. The total book value prior to the revaluation was S\$3,578.1 million and this included the valuation of the CCT properties as at 1 June 2006, the acquisition cost of Wisma Technip by Aragorn (held through the subscription of 100% junior bonds of Aragorn), CCT's share of the acquisition cost of Raffles City and capital expenditure incurred. With this revaluation, additional net appreciation of S\$235.9 million (net of deferred tax liability at subsidiary level) was added to the Statement of Total Return.

The total net appreciation on revaluation of investment properties added to the Statement of Total Return for FY 2006 was S\$356.5 million.

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**9 Variance between the forecast or prospectus statement (if disclosed previously) and the actual results**

**9(i) Statement of Total Return (Actual vs Forecast)**

	Group		Adjusted Group <sup>1</sup>		
	FY 2006	FY 2006	1 Sep 2006 to 31 Dec 2006		
	Actual S\$'000	Actual S\$'000	Actual S\$'000	Forecast <sup>2</sup> S\$'000	Change %
Gross rental income	137,380	134,411	65,136	63,840	2.0
Car park income	11,935	11,723	4,782	4,329	10.5
Other income	6,407	6,095	2,683	1,948	37.7
<b>Gross revenue</b>	<b>155,722</b>	<b>152,229</b>	<b>72,601</b>	<b>70,117</b>	<b>3.5</b>
Property management fees	(3,990)	(3,754)	(2,068)	(1,991)	3.9
Property tax	(11,158)	(10,931)	(5,735)	(5,495)	4.4
Other property operating expenses	(25,906)	(25,356)	(12,178)	(11,765)	3.5
<b>Property operating expenses</b>	<b>(41,054)</b>	<b>(40,041)</b>	<b>(19,981)</b>	<b>(19,251)</b>	<b>3.8</b>
<b>Net property income</b>	<b>114,668</b>	<b>112,188</b>	<b>52,620</b>	<b>50,866</b>	<b>3.4</b>
Interest income	1,115	1,086	391	47	731.9
Investment income <sup>1</sup>	-	982	441	449	(1.8)
Loss from re-measurement of derivatives	(5,600)	(5,600)	(6,511)	-	Nm
Manager's management fees	(7,833)	(7,832)	(3,944)	(3,864)	2.1
Trust expenses	(1,544)	(1,158)	154	(574)	(126.8)
Borrowing costs	(30,461)	(29,551)	(15,185)	(15,424)	(1.5)
<b>Net income</b>	<b>70,345</b>	<b>70,115</b>	<b>27,966</b>	<b>31,500</b>	<b>(11.2)</b>
Net tax adjustments	8,757	8,757	9,374	2,670	251.1
Other adjustment	(230)	-	-	-	-
<b>Taxable income available for distribution to unitholders</b>	<b>78,872</b>	<b>78,872</b>	<b>37,340</b>	<b>34,170</b>	<b>9.3</b>
<b>Distributable Income to unitholders</b>	<b>78,872</b>	<b>78,872</b>	<b>37,340</b>	<b>34,170</b>	<b>9.3</b>
<b>Distribution per unit (in cents)</b>					
<b>For the year/period</b>	<b>7.33¢</b>	<b>7.33¢</b>	<b>2.70¢</b>	<b>2.47¢<sup>3</sup></b>	<b>9.3</b>
<b>Annualised</b>	<b>7.33¢</b>	<b>7.33¢</b>	<b>8.08¢</b>	<b>7.39¢<sup>3</sup></b>	<b>9.3</b>

**Footnotes**

- (1) Adjusted Group results are after including CCT's proportionate interest (60%) in RCS Trust on a line-by-line basis and the results of Aragorn is accounted for as "Investment Income".
- (2) The forecast for the period 1 September 2006 to 31 December 2006, is the forecast shown in the CCT Circular dated 15 August 2006 for the equity fund raising to acquire Raffles City.
- (3) In the CCT Circular, the DPU is calculated based on an assumed issue price of S\$1.65 cents per unit for the equity fund raising to acquire Raffles City. With the actual issue price of new units at S\$1.68 cents per unit, the DPU is calculated based on the actual number of new units issued.

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**9(ii) Breakdown of total gross revenue (by property)**

	<b>Adjusted Group<sup>1</sup></b>			
	<b>FY 2006</b>	<b>1 Sep 2006 to 31 Dec 2006</b>		
	<b>Actual S\$'000</b>	<b>Actual S\$'000</b>	<b>Forecast<sup>2</sup> S\$'000</b>	<b>Change %</b>
Capital Tower	42,446	14,068	13,982	0.6
6 Battery Road	32,411	11,196	11,000	1.8
HSBC Building	8,379	2,822	2,822	-
Starhub Centre	12,809	4,272	4,228	1.0
Robinson Point	6,304	2,141	2,128	0.6
Bugis Village	8,335	2,867	2,543	12.7
Golden Shoe Car Park	7,421	2,627	2,359	11.4
Market Street Car Park	3,105	1,589	1,331	19.4
<b>Sub-Total</b>	<b>121,210</b>	<b>41,582</b>	<b>40,393</b>	<b>2.9</b>
60% Interest in Raffles City	31,019	31,019	29,724	4.4
<b>Total gross revenue</b>	<b>152,229</b>	<b>72,601</b>	<b>70,117</b>	<b>3.5</b>

**Footnotes**

- (1) Adjusted Group results are after including CCT's proportionate interest (60%) in RCS Trust on a line-by-line basis and the results of Aragorn is accounted for as "Investment Income".
- (2) The forecast for the period 1 September 2006 to 31 December 2006, is the forecast shown in the CCT Circular dated 15 August 2006 for the equity fund raising to acquire Raffles City.

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

**9(iii) Breakdown of net property income (by property)**

	<b>Adjusted Group<sup>1</sup></b>			
	<b>FY 2006</b>	<b>1 Sep 2006 to 31 Dec 2006</b>		
	<b>Actual S\$'000</b>	<b>Actual S\$'000</b>	<b>Forecast<sup>2</sup> S\$'000</b>	<b>Change %</b>
Capital Tower	30,159	10,267	10,013	2.5
6 Battery Road	24,105	8,425	8,053	4.6
HSBC Building	8,307	2,812	2,812	-
Starhub Centre	9,831	3,066	3,078	(0.4)
Robinson Point	4,374	1,440	1,478	(2.6)
Bugis Village	6,563	2,216	1,913	15.8
Golden Shoe Car Park	5,080	1,640	1,570	4.5
Market Street Car Park	1,802	787	622	26.5
<b>Sub-Total</b>	<b>90,221</b>	<b>30,653</b>	<b>29,539</b>	<b>3.8</b>
60% Interest in Raffles City	21,967	21,967	21,327	3.0
<b>Total net property income</b>	<b>112,188</b>	<b>52,620</b>	<b>50,866</b>	<b>3.4</b>

**Footnotes**

(1) Adjusted Group results are after including CCT's proportionate interest (60%) in RCS Trust on a line-by-line basis and the results of Aragorn is accounted for as "Investment Income".

(2) The forecast for the period 1 September 2006 to 31 December 2006, is the forecast shown in the CCT Circular dated 15 August 2006 for the equity fund raising to acquire Raffles City.

**Review of the performance**

Gross revenue was higher than the forecast by S\$2.5 million or 3.5% due mainly to the contribution from increased rental income, car park income and other income. Actual property operating expenses were higher than forecast by S\$0.7 million or 3.8% due to higher property tax, maintenance cost, marketing expenses as well as the write off of unamortised tenancy cost of Starhub Centre.

The trust expenses were lower than forecast by S\$0.7 million or 126.8% mainly due to the lower professional fee and unitholders' expenses incurred. Borrowing costs were lower than forecast by S\$0.2 million or 1.5% due mainly to the lower interest costs for the borrowings of RCS Trust.

The net tax adjustment included the add-back of the loss from measurement of derivatives which was a non-tax deductible item.

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

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**10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may effect the group in the next reporting period and the next 12 months**

The Singapore economy continued to grow at a healthy pace in the last quarter of 2006. Advanced estimates by the Ministry of Trade and Industry showed that real GDP rose by 5.9% in the quarter compared to the same period last year. On a quarter-to-quarter seasonally adjusted annualised basis, real GDP grew by 7.6%, following a 5.6% gain in the preceding quarter. For the whole of 2006, the economy is estimated to have grown by 7.7% in real terms, surpassing last year's 6.4% expansion.

After three consecutive years of strong growth, the Government has forecast that GDP growth is expected to slow to between 4% and 6% in 2007. This forecast is generally in-line with private sector economists' forecasts of around 5% growth for 2007.

The office market continued to strengthen further in 2006 extending gains registered in 2005. Demand for office space was fuelled by the banking and financial institutions, logistics firms, oil companies and IT firms which expanded their operations and headcounts as businesses and the economy improve.

According to CB Richard Ellis ("CBRE"), occupancy rate of Grade A office space remained high at 99.2% despite the 760,000 sq ft of new office space entering to the market in the fourth quarter of 2006. Total take-up for Grade A office space stood at 1.744 million sq ft for the whole of 2006, representing almost five times the annual demand registered in 2005. The tight supply pipeline has also resulted in high level of pre-letting to large office space occupiers.

With the intense competition for office space, particularly prime space, upward rental adjustments became more frequent and vacant space was immediately committed by new tenants. Based on CBRE's research, average prime office rents rose 50.2% to S\$7.81 psf per month while average Grade A rents rose 53.1% to S\$8.73 psf per month in 2006. In 2007, property consultants expect office rents to reach new highs due to surging demand from expanding firms and the tight supply situation which is likely to perpetuate for the next three years.

**Outlook for 2007**

The manager of CCT expects to perform better than the forecast distribution of 7.60 cents per unit for the projection year 1 January 2007 to 31 December 2007 as shown in the CCT Circular dated 15 August 2006 for the equity fund raising to acquire Raffles City and adjusted for the actual number of new units issued based on an issue price of S\$1.68 per unit.



**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

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**11 Distributions**

**11(a) Current financial period**

Any distributions declared for the current financial period? Yes.

Name of distribution Distribution for the period from 1 September 2006 to 31 December 2006

Distribution type i) Taxable income  
ii) Tax-exempt income

Distribution rate iii) Taxable income distribution - 2.673 cents per unit  
iv) Tax-exempt income distribution - 0.027 cents per unit

Par value of units Not meaningful

Tax rate Taxable income distribution  
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 20%.

Tax-exempt income distribution  
Tax-exempt income distribution is exempt from tax in the hands of all unitholders. Tax-exempt income relates to the net income from the investment in junior bonds of Aragorn ABS Berhad.

Books closure date 5 February 2007

Date payable 28 February 2007

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

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**11(b) Corresponding period of the preceding financial period**

Any distributions declared for the corresponding period of the immediate preceding financial periods? Yes.

Name of distribution	Distribution for the period from 1 July 2005 to 31 December 2005
Distribution type	Income
Distribution rate	3.57 cents per unit
Par value of units	Not meaningful
Tax rate	<p><u>Taxable income distribution</u>  Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.</p> <p>Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 20%.</p>
Books closure date	6 February 2006
Date paid	28 February 2006

**12 If no distribution has been declared/recommended, a statement to that effect**  
NA

**CAPITACOMMERCIAL TRUST**  
**2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND**  
**DISTRIBUTION ANNOUNCEMENT**

**13 Segmented revenue and results for business or geographical segments (of the group)**

The Group's business is investing in office buildings (Capital Tower, 6 Battery Road, Starhub Centre, Robinson Point, HSBC Building, Wisma Technip), car park buildings (Golden Shoe Car Park and Market Street Car Park) and mixed use development (Bugis Village and CCT's 60% interest in Raffles City). All the existing properties are located in Singapore except for Wisma Technip which is located in Kuala Lumpur, Malaysia.

<b>By business segments</b>	<b>FY 2006</b> S\$'000	<b>FY 2005</b> S\$'000	<b>Change</b> %
Office buildings <sup>1</sup>	105,842	96,181	10.0
Car Park buildings <sup>2</sup>	10,526	11,229	(6.3)
Mixed-use development <sup>3</sup>	39,354	7,721	409.7
<b>Total gross revenue</b>	<b>155,722</b>	<b>115,131</b>	<b>35.3</b>

**Footnotes**

- (1) The higher gross revenue from office buildings was partly due to the consolidation of gross revenue of approximately S\$3.5 million from Wisma Technip (held through the subscription of 100% of the junior bonds of Aragorn).
- (2) The lower gross revenue from the car park buildings was due to the lower rental income from the retail space at both Market Street Car Park and Golden Shoe Car Park due to the asset enhancement works.
- (3) The higher gross revenue from mixed-use development was mainly due to the consolidation of gross revenue of approximately S\$31.0 million from CCT's 60% interest in RCS Trust.

<b>By business segments</b>	<b>FY 2006</b> S\$'000	<b>FY 2005</b> S\$'000	<b>Change</b> %
Office buildings <sup>1</sup>	79,256	70,331	12.7
Car Park buildings <sup>2</sup>	6,882	7,933	(13.2)
Mixed-use development <sup>3</sup>	28,530	5,988	376.5
<b>Total net property income</b>	<b>114,668</b>	<b>84,252</b>	<b>36.1</b>

**Footnotes**

- (1) The higher net property income from office buildings was partly due to the consolidation of net property income of approximately S\$2.5 million from Wisma Technip (held through the subscription of 100% of the junior bonds of Aragorn).
- (2) The lower net property income from the car park buildings was due to the lower rental income from the retail space at both Market Street Car Park and Golden shoe Car Park due to the asset enhancement works.
- (3) The higher net property income from mixed-use development was mainly due to the consolidation of net property income of approximately S\$22.0 million from CCT's 60% interest in RCS Trust.

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

<b>By geographical segments</b>	<b>FY 2006 S\$'000</b>	<b>FY 2005 S\$'000</b>	<b>Change %</b>
Singapore	152,229	115,131	32.2
Malaysia	3,493	-	Nm
<b>Total gross revenue</b>	<b>155,722</b>	<b>115,131</b>	<b>35.3</b>

<b>By geographical segments</b>	<b>FY 2006 S\$'000</b>	<b>FY 2005 S\$'000</b>	<b>Change %</b>
Singapore	112,188	84,252	33.2
Malaysia	2,480	-	Nm
<b>Total net property income</b>	<b>114,668</b>	<b>84,252</b>	<b>36.1</b>

**14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Refer to the review of actual performance on page 21 (paragraph 9).

**15 Breakdown of gross revenue and net income**

	<b>FY 2006 S\$'000</b>	<b>FY 2005 S\$'000</b>	<b>Change %</b>
Gross revenue reported for first half year	60,768	56,238	8.1
Net income for first half year	36,533	29,217	25.0
Gross revenue reported for second half year	94,954	58,893	61.2
Net income for second half year	33,812 <sup>1</sup>	32,690	3.4

**Footnote**

(1) The net income for second half year includes the loss from re-measurement of derivatives amounting to approximately \$5.6 million. This loss from re-measurement of derivatives was a non-tax deductible item and added back under net tax adjustment for the determination of the distributable income to unitholders.

**16 Breakdown of the total distribution for the financial year ended 31 December 2006**

	<b>FY 2006 S\$'000</b>	<b>FY 2005 S\$'000</b>
In respect of the period:		
1 September 2006 to 31 December 2006 <sup>1</sup>	-	-
1 January 2005 to 31 August 2006	41,497	-
1 July 2005 to 31 December 2005	31,997	-
1 January 2005 to 30 June 2005	-	27,810

**Footnote**

(1) Refer to distributions on page 25 (paragraph 11(a))

**CAPITACOMMERCIAL TRUST  
2006 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND  
DISTRIBUTION ANNOUNCEMENT**

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This release 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. 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 companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, 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 current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

By Order of the Board  
CapitaCommercial Trust Management Limited  
(Company registration no. 200309059W)  
As Manager of CapitaCommercial Trust

Michelle Koh  
Company Secretary  
26 January 2007