



**2008 FULL YEAR UNAUDITED
FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

TABLE OF CONTENTS

Item No.	Description	Page No.
-	Summary of CCT GROUP Results	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	10 – 11
1(c)	Cash Flow Statement	12 – 13
1(d)	Statement of Changes in Unitholders' Funds	14 – 15
1(e)	Details of Any Change in the Units	16
2 & 3	Audit Statement	16
4 & 5	Changes in Accounting Policies	17
6	Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")	17 – 18
7	Net Asset Value Per Unit	18
8	Review of the Performance	19 – 21
9	Variance from Previous Forecast / Prospect Statement	21 – 23
10	Outlook & Prospects	24
11 & 12	Distributions	25 – 26
13 & 14	Segmental Information	27 – 28
15 & 16	Breakdown of Gross Revenue & Net Income	28

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

SUMMARY OF CCT GROUP RESULTS

	FY 2007	FY 2008	1 July 2008 to 31 December 2008		
	Actual S\$'000	Actual S\$'000	Actual S\$'000	Forecast ¹ S\$'000	Favourable / (Unfavourable)
Gross Revenue	240,078	335,285	189,700	184,388	2.9%
Net Property Income	173,996	233,471	132,321	130,793	1.2%
Distributable Income	120,422	153,047	81,129	78,343	3.6%
Distribution Per Unit (cents) For the Period Annualised	8.70¢ 8.70¢	11.00¢ 11.00¢	5.81¢² 11.56¢	5.61¢ 11.16¢	3.6% 3.6%

Footnotes:

- (1) The forecast is based on the forecast shown in the circular to unitholders dated 9 June 2008 ("CCT Circular") for the proposed acquisition of 1 George Street, Singapore for 1 July 2008 to 31 December 2008 and pro-rated from 11 July 2008 to 31 July 2008.
- (2) The above estimated DPU is computed on the basis of the number of units in CCT ("Units") in issue as at 31 December 2008 and that none of the S\$370.0 million convertible bonds due 2013 (the "Convertible Bonds") are converted into Units before the book closure date. Accordingly, the actual quantum of DPU may differ from the above estimated DPU if any of the Convertible Bonds are converted into Units before the book closure date.

For a meaningful analysis/comparison of the actual results against the forecast as stated in the CCT Circular dated 9 June 2008, please refer to Section 9 of this Announcement.

DISTRIBUTION AND BOOKS CLOSURE DATE

Distribution	From 1 July 2008 to 31 December 2008
Distribution Type	i) Taxable income ii) Tax-exempt income
Distribution Rate	i) Taxable income distribution 5.75 cents per unit ii) Tax-exempt income distribution 0.06 cents per unit
Books Closure Date	2 February 2009
Payment Date	27 February 2009

CAPITACOMMERCIAL TRUST

2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

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) (the “CCT Trustee”), as amended by the first supplemental deed dated 15 July 2005, the second supplemental deed dated 20 April 2006, the third supplemental deed dated 11 August 2006, the fourth supplemental deed dated 31 October 2007 and the first amending and restating deed dated 26 March 2008.

As at 31 December 2008, CCT’s Singapore portfolio consists of Capital Tower, 6 Battery Road, HSBC Building, Raffles City (through its 60% stake in RCS Trust), Starhub Centre, Robinson Point, Bugis Village, Golden Shoe Car Park, Market Street Car Park, 1 George Street, and Wilkie Edge (completion of purchase on 2 December 2008). CCT has a wholly-owned subsidiary, CCT MTN Pte. Ltd. (“CCT MTN”), to provide treasury services, including on-lending the proceeds from the issuance of notes under an unsecured multi-currency medium term note programme to CCT.

In Malaysia, CCT has a 30% stake in Quill Capita Trust (“QCT”) as well as a 7.4% stake (with commitment of US\$20 million) in the Malaysia Commercial Development Fund (“MCDF”). QCT is a Malaysia-listed real estate investment trust focused on acquiring and investing in commercial properties in Malaysia. MCDF is an investment fund to invest in real estate development properties primarily in Kuala Lumpur and the Klang Valley, with a projected gross development value of more than US\$1 billion (about S\$1.51 billion).

On a recurring basis, as the results of QCT are not expected to be announced in time for inclusion in CCT Group results for the same calendar quarter, CCT Group will equity account the results of QCT based on a 3-month lag time.

CCT Group results are after consolidating CCT MTN, equity accounting the interest in QCT and including its proportionate interest (60%) in RCS Trust on a line-by-line basis.

In the Trust results, the distributable income on a declared basis from RCS Trust and QCT are accounted for as “Investment Income”.

CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

1(a)(i) **Statement of Total Return & Distribution Statement (4Q 2008 vs 4Q 2007)**
(For a review of the performance, please refer to paragraph 8 on page 19-20)

	Group			Trust		
	4Q 2008 S\$'000	4Q 2007 S\$'000	Change %	4Q 2008 S\$'000	4Q 2007 S\$'000	Change %
Statement of Total Return						
Gross rental income	83,769	55,716	50.3	54,233	31,005	74.9
Car park income	4,208	4,085	3.0	3,413	3,334	2.4
Other income	9,187	2,227	312.5	8,436	1,631	417.2
Gross revenue	97,164	62,028	56.6	66,082	35,970	83.7
Property management fees	(2,605)	(1,754)	48.5	(1,433)	(752)	90.6
Property tax	(11,825)	(5,704)	107.3	(8,424)	(3,083)	173.2
Other property operating expenses ¹	(17,125)	(10,169)	68.4	(10,416)	(5,952)	75.0
Property operating expenses	(31,555)	(17,627)	79.0	(20,273)	(9,787)	107.1
Net property income	65,609	44,401	47.8	45,809	26,183	75.0
Interest income	66	318	(79.2)	58	203	(71.4)
Investment income	-	-	-	14,181 ²	16,776 ³	(15.5)
(Loss)/Gain from re-measurement of derivatives	(12,522) ⁴	1,357 ⁵	(1,022.8)	(12,522) ⁴	1,357 ⁵	(1,022.8)
Impairment of investment in Associate	-	-	-	(4,960.0) ⁶	-	Nm
Manager's management fees	(3,750)	(3,744)	0.2	(1,891)	(2,030)	(6.8)
Trust expenses	(11,761)	(2,731)	330.6	(11,537)	(2,308)	399.9
Borrowing costs ⁷	(28,920)	(12,570)	130.1	(23,095)	(6,928)	233.4
Loss on disposal of subsidiary ⁸	-	(241)	(100.0)	-	-	Nm
Net income before share of profit of associate	8,722	26,790	(67.4)	6,043	33,253	(81.8)
Share of profit of associate (net of tax)	1,206	7,725	(84.4)	-	-	-
Net income	9,928	34,515	(71.2)	6,043	33,253	(81.8)
Net change in fair value of investment properties	(241,807)	575,617	(142.0)	(208,361)	493,107	(142.3)
Total return for the period before tax	(231,879)	610,132	(138.0)	(202,318)	526,360	(138.4)
Income tax	-	447 ⁹	(100.0)	-	-	Nm
Total return for the period after tax	(231,879)	610,579	(138.0)	(202,318)	526,360	(138.4)
Distribution Statement						
Total return for the period before tax	(231,879)	610,132	(138.0)	(202,318)	526,360	(138.4)
Net tax adjustments ¹⁰	269,840	(579,781)	(146.5)	240,282	(493,895)	(148.7)
Other adjustments ¹¹	3	1,991	(99.8)	-	(123)	(100.0)
Income available for distribution to unitholders	37,964	32,342	17.4	37,964	32,342	17.4

CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

Footnotes

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

	Group			Trust		
	4Q 2008 S\$'000	4Q 2007 S\$'000	Change %	4Q 2008 S\$'000	4Q 2007 S\$'000	Change %
Depreciation	192	173	11.0	89	112	(20.5)
Allowance for doubtful debts and bad debts written off	115	58	98.3	115	58	98.3

- (2) This relates to the income distribution from RCS Trust.
- (3) This relates to the income distribution from RCS Trust and also interest income from investment in junior bonds of Aragorn ABS Berhad ("Aragorn"), the special purpose vehicle which was used to own Wisma Technip which has been divested in Oct 2007.
- (4) This relates to the loss on the re-measurement of fair values of interest rate swaps.
- (5) This relates to the gain from the re-measurement of fair values of interest rate swaps
- (6) This relates to impairment on investment in QCT based on market price of the units on 31 Dec 08.
- (7) Included in borrowing costs are the following :

	Group			Trust		
	4Q 2008 S\$'000	4Q 2007 S\$'000	Change %	4Q 2008 S\$'000	4Q 2007 S\$'000	Change %
Interest cost	20,901	12,393	68.7	15,350	6,908	122.2
Amortisation and transaction costs ^{7a}	8,019	177	4,430.5	7,745	20	38,625.0
Total	28,920	12,570	130.1	23,095	6,928	233.4

- 7a) Higher amortisation and transaction costs were incurred in 2008 following issuance of S\$335.0 million fixed rate notes, S\$650.0 million term loan and S\$370.0 million convertible bonds.
- (8) This relates to the disposal of Aragorn, a subsidiary
- (9) The income tax provision is based on the relevant tax rates applicable to the subsidiary.
- (10) Included in the net tax adjustments are the following:

	Group			Trust		
	4Q 2008 S\$'000	4Q 2007 S\$'000	Change %	4Q 2008 S\$'000	4Q 2007 S\$'000	Change %
Non-tax deductible/(chargeable) items :						
Manager's management fee payable in units	2,851	1,714	66.3	992	-	Nm
Trustee's fees	210	165	27.3	159	115	38.3
Net change in fair value of investment properties	241,807	(575,617)	(142.0)	208,361	(493,107)	(142.3)
(Gain)/Loss from re-measurement of derivatives	12,522	(1,357)	(1,022.8)	12,522	(1,357)	(1,022.8)
Impairment of investment in Associate	-	-	Nm	4,960	-	Nm
Amortisation and transaction costs	4,059	148	2,642.6	3,784	-	Nm
Temporary differences and other tax adjustments	8,391	(4,834)	(273.6)	9,504	454	1,993.4
Net tax adjustments	269,840	(579,781)	(146.5)	240,282	(493,895)	(148.7)

- (11) This relates to the undistributed loss of the subsidiary, CCT MTN, and the net distributed income from the Associate, QCT for 2007.

CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

1(a)(ii) Statement of Total Return & Distribution Statement (FY 2008 vs FY 2007)
(For a review of the performance, please refer to paragraph 8 on page 19-20)

	Group			Trust		
	FY 2008 S\$'000	FY 2007 S\$'000	Change %	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Statement of Total Return						
Gross rental income	296,645	215,448	37.7	184,966	117,798	57.0
Car park income	16,317	15,984	2.1	13,218	13,053	1.3
Other income	22,323	8,646	158.2	19,725	6,279	214.1
Gross revenue	335,285	240,078	39.7	217,909	137,130	58.9
Property management fees	(9,102)	(6,961)	30.8	(4,593)	(2,864)	60.4
Property tax	(42,353)	(21,068)	101.0	(29,006)	(11,316)	156.3
Other property operating expenses ¹	(50,359)	(38,053)	32.3	(31,747)	(22,520)	41.0
Property operating expenses	(101,814)	(66,082)	54.1	(65,346)	(36,700)	78.1
Net property income	233,471	173,996	34.2	152,563	100,430	51.9
Interest income	1,092	1,224	(10.8)	1,038	414	150.7
Investment income	319 ²	-	Nm	62,127 ³	55,967 ³	11.0
Other income	-	428 ⁴	(100.0)	-	428 ⁴	(100.0)
Gain/(Loss) from re-measurement of derivatives	4,688 ⁵	(6,121) ⁶	(176.6)	4,688 ⁵	(6,121) ⁶	(176.6)
Impairment of investment in Associate	-	-	-	(13,925) ⁷	-	Nm
Manager's management fees	(16,305)	(13,646)	19.5	(8,965)	(7,085)	26.5
Trust expenses	(15,169)	(5,823)	160.5	(14,764)	(4,777)	209.1
Borrowing costs ⁸	(84,062)	(49,293)	70.5	(61,249)	(25,792)	137.5
Loss on disposal of subsidiary	-	(241) ⁹	(100.0)	-	-	-
Net income before share of profit of associate	124,034	100,524	23.4	121,513	113,464	7.1
Share of profit of associate (net of tax)	3,877	8,982	(56.8)	-	-	-
Net income	127,911	109,506	16.8	121,513	113,464	7.1
Gain on sale of investment property	-	625 ¹⁰	(100.0)	-	-	-
Net change in fair value of investment properties	203,798	1,305,837	(84.4)	164,094	1,135,910	(85.6)
Total return for the year before tax	331,709	1,415,968	(76.6)	285,607	1,249,374	(77.1)
Income tax	(35) ¹¹	(73) ¹²	(52.1)	(35) ¹¹	-	Nm
Total return for the year after tax	331,674	1,415,895	(76.6)	285,572	1,249,374	(77.1)
Distribution Statement						
Total return for the year before tax	331,709	1,415,968	(76.6)	285,607	1,249,374	(77.1)
Net tax adjustments ¹³	(181,505)	(1,298,541)	(86.0)	(132,477)	(1,128,952)	(88.3)
Other adjustments	2,843 ¹⁴	2,995 ¹⁵	(5.1)	(83) ¹⁴	-	Nm
Income available for distribution to unitholders	153,047	120,422	27.1	153,047	120,422	27.1

CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

Footnotes

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

	Group			Trust		
	FY 2008 S\$'000	FY 2007 S\$'000	Change %	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Depreciation	648	442	46.6	332	218	52.3
Allowance for doubtful debts and bad debts written off	213	58	267.2	213	58	267.2

(2) This relates to the residual interest from a subsidiary, Aragorn.

(3) This relates to the income distribution from RCS Trust and QCT, and interest income from investment in junior bonds of Aragorn.

(4) This relates to the net proceeds received from liquidation of subsidiaries

(5) This relates to the net gain on the re-measurement of fair values of interest rate swaps and the derivative liability arising on the convertible bonds.

(6) This relates to loss from the re-measurement of fair values of interest rate swaps.

(7) This relates to impairment on investment in QCT based on market price of the units on 31 Dec 08.

(8) Included in borrowing costs are the following :

	Group			Trust		
	FY 2008 S\$'000	FY 2007 S\$'000	Change %	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Interest cost	66,818	48,386	38.1	44,818	25,697	74.4
Amortisation and transaction costs ^{8a}	17,244	907	1,801.2	16,431	95	17,195.8
Total	84,062	49,293	70.5	61,249	25,792	137.5

(8a) Higher amortisation and transaction costs is incurred in 2008 following issuance of S\$335.0 million fixed rate notes, S\$650.0 million term loan and S\$370.0 million convertible bonds.

(9) This relates to the disposal of Aragorn, a subsidiary.

(10) Gain on sale of investment property held by Aragorn, a subsidiary.

(11) Tax provision is made on the foreign interest income which has been remitted back to Singapore. No further income tax provision for the Trust is made as the distributable income to unitholders is based on 100% of taxable income available for distribution to unitholders.

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

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

	Group			Trust		
	FY 2008 S\$'000	FY 2007 S\$'000	Change %	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Non-tax deductible/(chargeable) items :						
Manager's management fee payable in units (for RCS Trust)	9,240	6,561	40.8	1,900	-	Nm
Trustee's fees	781	572	36.5	578	386	49.7
Net change in fair value of investment properties	(203,798)	(1,305,837)	(84.4)	(164,094)	(1,135,910)	(85.6)
Net proceeds from liquidation of subsidiaries	-	(428)	(100.0)	-	(428)	(100.0)
Loss/(Gain) from re- measurement of derivatives	(4,688)	6,121	(176.6)	(4,688)	6,121	(176.6)
Impairment of investment in Associate	-	-	Nm	13,925	-	Nm
Amortisation and transaction costs	10,187	591	1,623.7	9,370	-	Nm
Temporary differences and other tax adjustments	6,773	(6,121)	(210.7)	10,532	879	1,098.2
Net tax adjustments	(181,505)	(1,298,541)	(86.0)	(132,477)	(1,128,952)	(88.3)

(14) This relates to the undistributed profit of the subsidiary, CCT MTN, and the net distributed income from the associate, QCT.

(15) This relates to the net loss of Aragorn and the gross distributed income received from QCT.

CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

1(b)(i) Balance Sheet as at 31 December 2008 vs 31 December 2007

	Group			Trust		
	Dec-08 S\$'000	Dec-07 S\$'000	Change %	Dec-08 S\$'000	Dec-07 S\$'000	Change %
Non-current assets						
Plant and equipment	1,267	1,094	15.8	605	596	1.5
Investment properties	6,710,600 ¹	5,109,950	31.3	5,093,600 ¹	3,558,350	43.1
Investment in subsidiary ²	-	-	Nm	-	-	Nm
Investment in associate ³	63,886 ³	64,605	(1.1)	44,925 ³	58,850	(23.7)
Investment in joint venture	-	-	Nm	801,886 ⁴	794,692	0.9
Other investment	10,212 ⁵	7,763	31.5	10,212 ⁵	7,763	31.5
Other asset	-	54,947 ⁶	(100.0)	-	54,947 ⁶	(100.0)
Total non-current assets	6,785,965	5,238,359	29.5	5,951,228	4,475,198	33.0
Current assets						
Trade and other receivables	18,743 ⁷	4,890	283.3	27,749 ⁷	10,246	170.8
Cash and cash equivalents	66,683 ⁸	35,484	87.9	62,232 ⁸	27,800	123.9
Total current assets	85,426	40,374	111.6	89,981	38,046	136.5
Total assets	6,871,391	5,278,733	30.2	6,041,209	4,513,244	33.9
Current liabilities						
Trade and other payables	96,811 ⁹	47,481	103.9	70,185 ⁹	25,197	178.5
Derivative liabilities ¹⁰	26,140	10,478	149.5	26,140	10,478	149.5
Short-term borrowings ¹¹	696,042	162,100	329.4	696,042	162,100	329.4
Provision for taxation	702	666	5.4	702	666	5.4
Total current liabilities	819,695	220,725	271.4	793,069	198,441	299.6
Non-current liabilities						
Long-term borrowings ¹²	1,514,830	1,097,456	38.0	645,624	580,042	11.3
Long-term borrowings from subsidiary	-	-	Nm	335,000	-	Nm
Debt securities ¹³	350,700	-	Nm	350,700	-	Nm
Other non-current liabilities	31,275 ¹⁴	22,930	36.4	21,049 ¹⁴	11,843	77.7
Total non-current liabilities	1,896,805	1,120,386	69.3	1,352,373	591,885	128.5
Total liabilities	2,716,500	1,341,111	102.6	2,145,442	790,326	171.5
Net assets	4,154,891	3,937,622	5.5	3,895,767	3,722,918	4.6
Represented by:						
Unitholders' funds	4,154,891	3,937,622	5.5	3,895,767	3,722,918	4.6

CAPITACOMMERCIAL TRUST

2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

Footnotes

- (1) The increase is primarily due to net increase in property values (between December 2007 and December 2008) based on the independent market valuations of the properties and acquisition of One George Street and Wilkie Edge.
- (2) This relates to the 100% investment in CCT MTN of \$1.
- (3) This relates to the 30% investment in QCT.
- (4) This relates to the 60% joint venture interest in RCS Trust.
- (5) This relates to the investment in MCDF.
- (6) This relates to progress payments for Wilkie Edge. It has been reclassified as an Investment Property on completion of the purchase in December 2008.
- (7) Included in the Trade and other receivables is the income support of S\$12.0 million due from the Guarantor ("CapitalLand Commercial Limited") in relation to 1 George Street.
- (8) The increase in cash and cash equivalents is due mainly to interim cash surplus reserved for income distribution.
- (9) The increase in Trade and other payables is due mainly to increase in interest accruals as a result of higher borrowings as compared to 31 December 2007.
- (10) This relates to the fair value of the interest rate swaps.
- (11) Increase in Short-term borrowings is due mainly to the \$580.0 million Silver Loft loan which has been reclassified as due within 12 months. As announced on 6 January 2009, CCT has entered into a facility agreement with DBS Bank Ltd, Standard Chartered Bank, United Overseas Bank Limited and The Bank of Tokyo-Mitsubishi UFJ, Ltd for a secured three-year term loan of up to S\$580 million to refinance the CMBS under Silver Loft.
- (12) Increase in due to additional borrowings from issuance of S\$335.0 million fixed rate notes, S\$650.0 million term loan, offset partially by the decrease in S\$580.0 million Silver Loft loan which has been reclassified as due within 12 months.
- (13) This relates to the debt portion of the S\$370.0 million convertible bonds issued.
- (14) Increase is due mainly to the tenants security deposits arising from the acquisition of 1 George Street and Wilkie Edge and new leases for other properties.

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

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

	Group			Trust		
	Dec-08 S\$'000	Dec-07 S\$'000	Change %	Dec-08 S\$'000	Dec-07 S\$'000	Change %
Secured borrowings						
Amount repayable after one year	1,185,800	1,099,642	7.8	650,000	580,042	12.1
Less: Unamortised portion of fees and expenses incurred for debt raising exercise	(5,971)	(2,186)	173.1	(4,377)	-	Nm
	1,179,829	1,097,456	7.5	645,623	580,042	11.3
Amount repayable within one year	656,042	76,000	763.2	656,042	76,000	763.2
Total	1,835,871	1,173,456	56.4	1,301,665	656,042	98.4
Unsecured borrowings						
Amount repayable after one year	691,665	-	Nm	691,665	-	Nm
Less: Unamortised portion of fees and expenses incurred for debt raising exercise	(5,964)	-	Nm	(5,964)	-	Nm
	685,701	-	Nm	685,701	-	Nm
Amount repayable in one year or less, or on demand	40,000	86,100	(53.5)	40,000	86,100	(53.5)
Total	725,701	86,100	742.9	725,701	86,100	742.9
Grand total	2,561,572	1,259,556	103.4	2,027,366	742,142	173.2

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 Properties¹;
- (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.

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
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

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, Fairmont Hotel 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 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.

As security for the secured long term borrowings of S\$650.0 million, CCT has granted in favour of the lenders the following:

- (i) a mortgage over 1 George Street;
- (ii) an assignment of the insurance policies relating to 1 George Street;
- (iii) an assignment of all the rights, benefit, title and interest of CCT in relation to Property Sale Agreements and Tenancy Agreements (including Net Sale Proceeds and Rental Proceeds) and the Accounts relating to 1 George Street;
- (iv) an assignment of all the rights, benefit, title and interest of CCT in relation to the Net Property Yield Guarantee relating to 1 George Street;
- (v) a fixed and floating charge over all assets in connection with 1 George Street.

CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

1(c)(i) Cash flow statement (4Q 2008 vs 4Q 2007)

	Group	
	4Q 2008 S\$'000	4Q 2007 S\$'000
Operating activities		
Total return for the period before tax	(231,879)	610,132
Adjustments for		
Allowance for doubtful receivables	115	58
Amortisation of lease incentives	438	104
Borrowing costs	28,920	12,570
Depreciation of plant and equipment	193	173
Foreign exchange difference	-	(2,167)
Interest income	(66)	(318)
(Gain)/Loss on re-measurement of derivatives	12,521	(1,357)
Manager's management fees payable in units	2,852	1,714
Share of profit of associate	(1,207)	(7,725)
Loss on disposal of subsidiary	-	241
Net change in fair value of investment properties	241,807	(575,617)
Operating income before working capital changes	53,694	37,808
Changes in working capital		
Trade and other receivables	(7,032)	1,262
Trade and other payables	24,005	9,329
Security deposits	363	1,066
Cash generated from operations activities	71,030	49,465
Investing activities		
Capital expenditure on investment properties	(9,590)	(20,647)
Investment in MCDF	-	(4,922)
Interest received	76	372
Progress payment on Wilkie Edge	(87,382)	(52,327)
Purchase of plant and equipment	(416)	(510)
Cash flows from investing activities	(97,312)	(78,034)
Financing activities		
Borrowing costs paid	(22,434)	(12,264)
Proceeds from interest bearing borrowings	43,000	-
Repayment of interest bearing borrowings	-	(10,389)
Cash flows from financing activities	20,566	(22,653)
Decrease in cash and cash equivalents	(5,716)	(51,222)
Cash and cash equivalents at beginning of period	72,399	86,706
Cash and cash equivalents at end of period	66,683	35,484

CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

1(c)(ii) Cash flow statement (FY 2008 vs FY 2007)

	Group	
	FY 2008 S\$'000	FY 2007 S\$'000
Operating activities		
Total return for the period before tax	331,709	1,415,968
Adjustments for		
Allowance for doubtful receivable	213	58
Amortisation of lease incentives	523	465
Borrowing costs	84,062	49,293
Depreciation of plant and equipment	648	442
Foreign exchange difference	570	(381)
Gain on sale of investment property	-	(625)
Loss on disposal of subsidiary	-	241
Interest income	(1,092)	(1,224)
(Gain)/Loss on re-measurement of derivatives	(4,688)	6,121
Manager's management fees payable in units	9,240	6,561
Net change in fair value of investment properties	(203,798)	(1,305,837)
Share of profit of associate	(3,877)	(8,982)
Operating income before working capital changes	213,510	162,100
Changes in working capital		
Trade and other receivables	(14,607)	425
Trade and other payables	32,194	13,253
Security deposits	14,884	1,981
Cash generated from operations activities	245,981	177,759
Tax paid	-	(119)
Cash generated from operations activities	245,981	177,640
Investing activities		
Capital expenditure on investment properties	(32,748)	(43,821)
Investment in QCT	-	(29,886)
Investment in MCDF	(2,448)	(7,763)
Interest received	1,112	1,206
Distribution received from associate	2,345	1,125
Net cash inflow from sale of investment properties	-	52,665
Net cash outflow from purchase of investment properties (including acquisition costs)	(1,166,054)	-
Progress payment on purchase of Wilkie Edge	(130,082)	(54,947)
Purchase of plant and equipment	(822)	(660)
Cash flows from investing activities	(1,328,697)	(82,081)
Financing activities		
Borrowing costs paid	(77,340)	(48,572)
Distribution to unitholders	(133,845)	(95,849)
Issue expenses	-	(288)
Proceeds from interest bearing borrowings	1,041,200	42,711
Repayment of interest bearing borrowings	(86,100)	-
Proceeds from issuance of convertible bonds	370,000	-
Cash flows from financing activities	1,113,915	(101,998)
Increase/(Decrease) in cash and cash equivalents	31,199	(6,439)
Cash and cash equivalents at beginning of year	35,484	41,923
Cash and cash equivalents at end of year	66,683	35,484

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

1(d)(i) Statement of changes in unitholders' funds (4Q 2008 vs 4Q 2007)

	Group		Trust	
	4Q 2008 S\$'000	4Q 2007 S\$'000	4Q 2008 S\$'000	4Q 2007 S\$'000
Balance as at beginning of period	4,382,760	3,326,394	4,093,988	3,194,922
Operations				
Net (decrease)/increase in net assets resulting from operations	(231,879)	610,579	(202,318)	526,360
Unitholders' transactions				
Creation of new units:				
- Acquisition fee	1,370	-	1,370	-
- Manager's management fee	2,727	1,636	2,727	1,636
Net increase in net assets resulting from unitholders' transactions	4,097	1,636	4,097	1,636
Movement in translation reserve				
Share of reserves of associates	-	(345)	-	-
Translation reserve	(87)	(642)	-	-
Net increase in net assets resulting from movement in translation reserves	(87)	(987)	-	-
Total (decrease)/increase in net assets	(227,869)	611,228	(198,221)	527,996
Balance as at end of period	4,154,891	3,937,622	3,895,767	3,722,918

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

1(d)(ii) Statement of changes in unitholders' funds (FY 2008 vs FY 2007)

	Group		Trust	
	FY 2008 S\$'000	FY 2007 S\$'000	FY 2008 S\$'000	FY 2007 S\$'000
Balance as at beginning of year	3,937,622	2,612,414	3,722,918	2,563,034
Operations				
Net increase in net assets resulting from operations	331,674	1,415,895	285,572	1,249,374
Unitholders' transactions				
Creation of new units:				
- Acquisition fee	13,020	-	13,020	-
- Manager's management fee	8,102	6,359	8,102	6,359
Distributions to unitholders	(133,845)	(95,849)	(133,845)	(95,849)
Net decrease in net assets resulting from unitholders' transactions	(112,723)	(89,490)	(112,723)	(89,490)
Movement in translation reserve				
Share of reserves of associates	98	(802)	-	-
Translation reserve	(1,780)	(395)	-	-
Net decrease in net assets resulting from movement in translation reserves	(1,682)	(1,197)	-	-
Total increase in net assets	217,269	1,325,208	172,849	1,159,884
Balance as at end of year	4,154,891	3,937,622	3,895,767	3,722,918

Convertible Bonds

CCT has issued the following convertible bonds which remained outstanding as at 31 December 2008:

- S\$370.0 million of Convertible Bonds due in 2013 which are convertible by holders into units of CCT at any time on or after 21 May 2008 at the adjusted conversion price of \$2.6033 per unit;

There has been no conversion of any of the above convertible bonds since the date of their issue.

Assuming the bonds are fully converted based on the conversion price, the number of new units to be issued would be 138,255,736, representing 9.9% of the total number of CCT units in issue as at 31 December 2008.

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

1(e)(i) Details of any change in the units (4Q 2008 vs 4Q 2007)

	Group and Trust	
	4Q 2008 Units	4Q 2007 Units
Balance as at beginning of period	1,393,357,852	1,384,094,924
Issue of new units:		
- in settlement of the acquisition fee for acquiring Wilkie Edge	1,862,258	-
- in settlement of the manager's management fee in relation to CCT's 60% interest in Raffles City through RCS Trust	1,373,763	597,445
- in settlement of the manager's management fees in relation to Wilkie Edge and 1 George Street	645,277	-
Balance as at end of period	1,397,239,150	1,384,692,369

1(e)(ii) Details of any change in the units (FY 2008 vs FY 2007)

	Group and Trust	
	FY 2008 Units	FY 2007 Units
Balance as at beginning of year	1,384,692,369	1,382,389,511
Issue of new units:		
- in settlement of the acquisition fee for acquiring 1 George Street	6,123,199	-
- in settlement of the acquisition fee for acquiring Wilkie Edge	1,862,258	-
- in settlement of the manager's management fee in relation to CCT's 60% interest in Raffles City through RCS Trust	3,897,960	2,302,858
- in settlement of the manager's management fee in relation to Wilkie Edge and 1 George Street	663,364	-
Balance as at end of year	1,397,239,150	1,384,692,369

2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. 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
2008 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 2007

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/year is used for the computation.

	Group		Trust	
	4Q 2008	4Q 2007	4Q 2008	4Q 2007
Weighted average number of units for the period	1,395,123,348	1,384,439,104	1,395,123,348	1,384,439,104
Earnings per unit (EPU)				
Based on the weighted average number of units for the period	(16.62)¢	44.10¢	(14.5)¢	38.02¢
Based on fully diluted basis	(16.62)¢	44.10¢	(14.5)¢	38.02¢

	Group		Trust	
	FY 2008	FY 2007	FY 2008	FY 2007
Weighted average number of units for the year	1,389,003,136	1,383,615,784	1,389,003,136	1,383,615,784
Earnings per unit (EPU)				
Based on the weighted average number of units for the period	23.88¢	102.33¢	20.56¢	90.30¢
Based on fully diluted basis	21.86¢	102.33¢	18.75¢	90.30¢

For the purpose of calculating the diluted EPU, the weighted average number of units in issue is adjusted to take into account the dilutive effect arising from full conversion of convertible bonds to units, with the potential units weighted for the period outstanding.

**CAPITACOMMERCIAL TRUST
2008 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.

	4Q 2008	4Q 2007	FY 2008	FY 2007
Number of units in issue as at end of period/year	1,397,239,150	1,384,692,369	1,397,239,150	1,384,692,369
Distribution per unit (DPU)				
Based on the weighted number of units in issue during the period/year	2.71¢ ¹	2.33¢	11.00¢ ¹	8.70¢

Footnote:

- (1) The above estimated DPU is computed on the basis of the weighted number of units in CCT ("Units") in issue during the period/year and that none of the S\$370.0 million convertible bonds due 2013 (the "Convertible Bonds") is converted into Units. Accordingly, the actual quantum of DPU may differ from the above estimated DPU if any of the Convertible Bonds are converted into Units before the book closure date.

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

	Group		Trust	
	31-Dec-08	31-Dec-07	31-Dec-08	31-Dec-07
NAV per unit	S\$2.97	S\$2.84	S\$2.79	S\$2.69
Based on fully diluted basis	S\$2.78	S\$2.84	S\$2.61	S\$2.69
Adjusted NAV per unit (excluding the distributable income to unitholders)	S\$2.92	S\$2.80	S\$2.73	S\$2.64
Adjusted NAV per unit (excluding the distributable income to unitholders) based on fully diluted basis	S\$2.72	S\$2.80	S\$2.55	S\$2.64

For the purpose of calculating the diluted NAV per unit, the number of units at the end of the period is adjusted to take into account the dilutive effect arising from full conversion of convertible bonds to units at the end of the period.

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

8 Review of the performance

	Group			
	4Q 2008 S\$'000	4Q 2007 S\$'000	FY 2008 S\$'000	FY 2007 S\$'000
Statement of Total Return				
Gross revenue	97,164	62,028	335,285	240,078
Property operating expenses	(31,555)	(17,627)	(101,814)	(66,082)
Net property income	65,609	44,401	233,471	173,996
Interest income	66	318	1,092	1,224
Investment income	-	-	319	-
Other income	-	-	-	428
Gain/(Loss) from re-measurement of derivatives	(12,522)	1,357	4,688	(6,121)
Manager's management fees	(3,750)	(3,744)	(16,305)	(13,646)
Trust expenses	(11,761)	(2,731)	(15,169)	(5,823)
Borrowing costs	(28,920)	(12,570)	(84,062)	(49,293)
Loss on disposal of subsidiary	-	(241)	-	(241)
Net income before share of profit of associate	8,722	26,790	124,034	100,524
Share of profit of associate (net of tax)	1,206	7,725	3,877	8,982
Net income	9,928	34,515	127,911	109,506
Gain on sale of investment property	-	-	-	625
Net change in fair value of investment properties	(241,807)	575,617	203,798	1,305,837
Total return for the period/year before income tax	(231,879)	610,132	331,709	1,415,968
Income tax	-	447	(35)	(73)
Total return for the period/year after income tax	(231,879)	610,579	331,674	1,415,895
Distribution Statement				
Total return for the period/year before income tax	(231,879)	610,132	331,709	1,415,968
Net tax adjustments	269,840	(579,781)	(181,505)	(1,298,541)
Other adjustments	3	1,991	2,843	2,995
Income available for distribution to unitholders	37,964	32,342	153,047	120,422
Distributable income to unitholders	37,964	32,342	153,047	120,422
Earnings per unit (cents)	(16.62)¢	44.10¢	23.88¢	102.33¢
Distribution per unit (cents)	2.71¢ ¹	2.33¢	11.00¢ ¹	8.70¢

Footnote:

- (1) The above estimated DPU is computed on the basis of the weighted number of units in CCT ("Units") in issue during the period/year and that none of the S\$370.0 million convertible bonds due 2013 (the "Convertible Bonds") is converted into Units. Accordingly, the actual quantum of DPU may differ from the above estimated DPU if any of the Convertible Bonds are converted into Units before the book closure date.

CAPITACOMMERCIAL TRUST

2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

Review of performance 4Q 2008 vs 4Q 2007

Gross revenue of S\$97.2 million for 4Q 2008 was higher than 4Q 2007 by S\$35.1 million or 56.6%. This was due to the acquisition of 1 George Street, on 11 July 2008 as well as higher rental income for the remaining properties.

Property operating expenses of S\$31.6 million were higher in 4Q 2008 by S\$13.9 million or 79.0%. This was mainly due to the acquisition of 1 George Street, on 11 July 2008 and higher property tax, utility costs and maintenance costs incurred for the remaining properties.

Trust expenses of S\$11.8 million were higher in 4Q 2008 by S\$9.0 million or 330.6% mainly due to consultancy fees and expenses incurred for the MSCP redevelopment project which has been aborted in view of the significant size of the project taking into account the uncertain market outlook, tight credit conditions and high redevelopment cost.

Borrowing costs of S\$28.9 million were higher in 4Q 2008 by S\$16.4 million or 130.1% due mainly to increase in borrowings from the issuance of S\$335.0 million fixed rate notes, S\$650.0 million term loan, S\$370.0 million convertible bonds, and amortisation cost on the upfront fees & expenses incurred on the convertible bonds.

Review of performance FY 2008 vs FY 2007

Gross revenue of S\$335.3 million for FY 2008 was higher than FY 2007 by S\$95.2 million or 39.7%. This was mainly due to the acquisition of 1 George Street on 11 July 2008 as well as higher rental income for the remaining properties.

Property operating expenses of S\$101.8 million for FY 2008 were higher than FY 2007 by S\$35.7 million or 54.1%. This was mainly due to the acquisition of 1 George Street on 11 July 2008 and higher property tax, marketing fees, property management fees and utility costs incurred for the remaining properties.

Investment income of S\$0.3 million relates to the residual interest from Aragorn.

Trust expenses of S\$15.2 million were higher in FY 2008 by S\$9.3 million or 160.5% mainly due to consultancy fees and expenses incurred for the MSCP redevelopment project which has been aborted.

Borrowing costs of S\$84.1 million were higher in FY 2008 by S\$34.8 million or 49.3% due mainly to increase in borrowings from the issuance of S\$335.0 million fixed rate notes, S\$650.0 million term loan, S\$370.0 million convertible bonds, and amortisation cost on the upfront fees & expenses incurred on the convertible bonds.

Net change in fair value of investment properties

The net change in fair value 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 once every year. 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.

As at 1 December 2008, independent valuations were conducted by Jones Lang LaSalle Property Consultants Pte Ltd and Knight Frank Pte Ltd for the CCT properties and Raffles City respectively, adopting the Investment Method (also known as the Capitalization of Income Approach) and Discounted Cash Flow analysis as the main methods of valuation with the Direct Comparison Approach as a check against the derived values.

The portfolio, comprising Capital Tower, 6 Battery Road, 1 George Street, HSBC Building, Starhub Centre, Robinson Point, Wilkie Edge, Bugis Village, Golden Shoe Car Park, Market Street Car Park, CCT's 60% interest in Raffles City, was revalued at S\$6,710.0 million on 1 December 2008. The total book value of the portfolio prior to the revaluation was S\$6,952.4 million on 1 June 2008. The net loss in fair value of investment properties of S\$241.8 million was deducted from the Statement of Total Return in 2H 2008. Taking into account the fair value gain in investment

CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT

properties for 1H 2008 of S\$445.6 million, the net change in fair value of investment properties is a gain of S\$204.8 million for the full year.

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

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

	1 July 2008 to 31 December 2008			FY 2008
	Actual S\$'000	Forecast¹ S\$'000	Change %	Actual S\$'000
Gross rental income	163,495	161,423	1.3	296,645
Car park income	8,346	7,305	14.3	16,317
Other income	17,859	15,660	14.0	22,323
Gross revenue	189,700	184,388	2.9	335,285
Property management fees	(5,100)	(4,911)	3.8	(9,102)
Property tax	(23,216)	(22,652)	2.5	(42,353)
Other property operating expenses	(29,063)	(26,032)	11.6	(50,359)
Property operating expenses	(57,379)	(53,595)	7.1	(101,814)
Net property income	132,321	130,793	1.2	233,471
Interest income	208	10	1,980.0	1,092
Investment income	-	-	Nm	319
Other income	-	-	Nm	-
Loss from re-measurement of derivatives	(9,984)	-	Nm	4,688
Manager's management fees	(8,221)	(8,723)	(5.8)	(16,305)
Trust expenses	(14,178)	(2,217)	539.5	(15,169)
Borrowing costs	(54,422)	(57,750)	(5.8)	(84,062)
Net income before share of profit of associate	45,724	62,113	(26.4)	124,034
Share of profit of associate (net of tax)	2,186	1,427	53.2	3,877
Net income	47,910	63,540	(24.6)	127,911
Net change in fair value of investment properties	(241,807)	-	Nm	203,798
Total return for the period/ year before income tax	(193,897)	63,540	(405.2)	331,709
<u>Distribution Statement</u>				
Total return for the period before tax	(193,897)	63,540	(405.2)	331,709
Net tax adjustments	273,218	13,376	1,942.6	(181,505)
Other adjustments	1,808	1,427	26.7	2,843
Income available for distribution to unitholders	81,129	78,343	3.6	153,047
Distribution per unit (in cents)				
For the period	5.81¢²	5.61¢	3.6	11.00¢
Annualised	11.56¢²	11.16¢	3.6	11.00¢

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

Footnotes

- (1) The forecast is based on the forecast shown in the circular to unitholders dated 9 June 2008 (“CCT Circular”) for the proposed acquisition of 1 George Street, Singapore for 1 July 2008 to 31 December 2008 and pro-rated from 11 July 2008 to 31 July 2008.
- (2) The above estimated DPU is computed on the basis of the weighted number of units in CCT (“Units”) in issue for the period/year and that none of the S\$370.0 million convertible bonds due 2013 (the “Convertible Bonds”) is converted into Units. Accordingly, the actual quantum of DPU may differ from the above estimated DPU if any of the Convertible Bonds are converted into Units before the book closure date.

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

	Group		
	1 July 2008 to 31 December 2008		
	Actual	Forecast¹	Change
	S\$'000	S\$'000	%
Capital Tower	24,563	24,431	0.5
6 Battery Road	40,830	39,782	2.6
1 George Street	30,518	30,506	0.04
HSBC Building	4,508	4,508	-
Starhub Centre	9,467	9,506	(0.4)
Robinson Point	6,693	6,585	1.6
Bugis Village	4,971	4,930	0.8
Golden Shoe Car Park	5,629	5,466	3.0
Market Street Car Park	2,406	1,418	69.7
Wilkie Edge	162	538	(69.9)
Sub-Total	129,747	127,670	1.6
60% Interest in Raffles City	59,953	56,719	5.7
Total gross revenue	189,700	184,389	2.9

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

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

	Group		
	1 July 2008 to 31 December 2008		
	Actual S\$'000	Forecast¹ S\$'000	Change %
Capital Tower	13,894	13,613	2.1
6 Battery Road	31,565	31,124	1.4
1 George Street	23,539	23,539	-
HSBC Building	4,465	4,465	-
Starhub Centre	6,524	6,523	0.0
Robinson Point	4,787	4,543	5.4
Bugis Village	3,851	3,848	0.1
Golden Shoe Car Park	3,909	3,835	1.9
Market Street Car Park	1,255	537	133.7
Wilkie Edge	(1,637)	(1,308)	25.2
Sub-Total	92,152	90,719	1.6
60% Interest in Raffles City	40,169	40,074	0.24
Total net property income	132,321	130,793	1.2

Footnotes

- (1) The forecast is based on the forecast shown in the circular to unitholders dated 9 June 2008 ("CCT Circular") for the proposed acquisition of 1 George Street, Singapore for 1 July 2008 to 31 December 2008 and pro-rated from 11 July 2008 to 31 July 2008.

Review of the performance for the period 1 July 2008 to 31 December 2008

Gross revenue of S\$189.7 million was higher than forecast by S\$5.3 million or 2.9% on a portfolio basis. This was mainly due to higher average occupancy and rental rates and also increase in car park and other income.

Actual property operating expenses of S\$57.4 million were higher than forecast by S\$3.8 million or 7.1% due to higher property tax, utilities, maintenance and marketing & promotion expenses.

The trust expenses of S\$14.2 million were higher than forecast by S\$12.0 million or 539.5% mainly due to consultancy fees and expenses incurred for the MSCP redevelopment project which has been aborted and also higher professional fees and unitholders' expenses incurred.

Borrowing costs of S\$54.4 million were lower than forecast by S\$3.3 million or 5.8% due mainly to lower average cost of funds than forecast.

The net tax adjustment of S\$273.2 million included the net change in fair value of investment properties, add-back of the amortisation and transaction costs relating to the debt issuances and convertible bonds and the management fees paid in units (for RCS Trust and Wilkie Edge) as well as deduction of the gain from measurement of derivatives which were non-tax deductible items.

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

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 advance estimates by the Ministry of Trade and Industry ("MTI") showed that real GDP declined 2.6% on a year-on-year basis in 4Q 2008, following a 0.3% decline in the preceding quarter. On a quarter-on-quarter seasonally adjusted annualised basis, real GDP declined by 12.5%, representing the greatest quarterly contraction since the MTI started compiling these figures in 1976. As a result of the worse-than-expected 2008 GDP growth figures, the Ministry has cut its GDP growth forecast for 2009 to between -2% to 1%.

Mirroring the economic figures, the Singapore office market suffered its sharpest quarterly correction in rents on record, ending the recent up cycle which peaked in 3Q 2008. The extraordinary pace of growth for prime office rents in the past three years (24% in 2005, 53% in 2006 and 96% in 2007 respectively) was not sustained. Industry sources reported that prime office rents fell by almost 20% quarter-on-quarter and 14.0% year-on-year in 4Q 2008 to S\$12.90 psf per month. Grade A rents declined 12.5% year-on-year to an average of S\$15.00 psf per month in 4Q 2008 compared to S\$17.15 per month at end 2007.

Office rentals are likely to fall further in 2009 as the global economy contracts and businesses being under pressure to contain costs. However, the Manager expects CCT's office properties to at least maintain its current performance as the Manager projects to continue to experience positive rental reversions in 2009 given that the average rental of CCT's office properties is still below market.

Notwithstanding the economic contraction, the average vacancy rate of Grade A office space in Singapore dipped in 4Q 2008 to 0.9% from 1.2% in 3Q 2008 according to recent industry statistics. CCT's portfolio has also remained resilient with vacancy rates of its Grade A properties remaining low at 0.4% as at end of the quarter. However, the market conditions are likely to become more challenging going forward and the Manager of CCT will continue to focus on its asset management strategy of maintaining high occupancy through proactive tenant retention and lease management.

With the worsening financial markets and deteriorating US economy, the US Fed has since September 2008 lowered its key interest rates in addition to providing various stimulus packages. In line with the US, the Singapore base rates have also declined in 4Q 2008 especially on the longer end. Liquidity however remains tight with flight to quality and higher borrowing premiums. The Manager of CCT will continue to appropriately hedge CCT's exposure to volatility in interest costs and with the successful refinancing of the S\$580 million CMBS that is due in March 2009, about S\$2.7 billion worth of property assets will be released from encumbrance, thereby significantly improving the financial flexibility of the portfolio. Under the tight credit condition, the ability to refinance the S\$580.0 million CMBS also demonstrates the confidence in CCT's assets and management.

Outlook for 2009

The ensuing financial year of 2009 will be a challenging year, with the government revising its GDP growth downwards from earlier estimates. The strategy of the Manager of CCT is to focus on organic growth through proactive asset management to maintain high portfolio occupancy, and maintaining sound financials through prudent capital management such as hedging of exposures to cost volatilities, and cash conservation by controlling discretionary operating expenses and capital expenditures. As at the date of this announcement, we expect to be able to deliver the 2009 forecast DPU of 12.34 cents as stated in the circular to unitholders dated 9 June 2008.

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

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 July 2008 to 31 December 2008

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

Distribution rate i) Taxable income distribution – 5.75 cents per unit
ii) Tax-exempt income distribution – 0.06 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 18%.

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 and income distribution received from Quill Capita Trust.

Books closure date 2 February 2009

Date paid 27 February 2009

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

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 September 2007 to 31 December 2007

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

Distribution rate i) Taxable income distribution – 4.15 cents per unit
ii) Tax-exempt income distribution – 0.32 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 18%.

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 and income distribution received from Quill Capita Trust.

Books closure date 1 February 2008

Date paid 29 February 2008

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

NA

CAPITACOMMERCIAL TRUST
2008 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, 1 George Street, 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, Wilkie Edge 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. Wisma Technip was divested on 3 September 2007 and this is not included in FY 2008 business segment.

By business segments	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Office buildings ¹	191,847	114,613	67.4
Car park buildings ²	15,976	16,798	(4.9)
Mixed-use development ³	127,462	108,667	17.3
Total gross revenue	335,285	240,078	39.7

Footnotes

- (1) The higher gross revenue in FY 2008 was due mainly to the acquisition of 1 George Street.
- (2) The lower gross revenue in FY 2008 from car park buildings was due to Market Street Car Park which has been affected by the initial redevelopment plan.
- (3) The higher gross revenue in FY 2008 from Mixed-use development buildings is due to the improved business after the completion of AEI works in late December 2007 for RCS.

By business segments	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Office buildings ¹	135,749	83,040	63.5
Car park buildings ²	10,670	12,554	(15.0)
Mixed-use development ³	87,052	78,402	11.0
Total net property income	233,471	173,996	34.2

Footnotes

- (1) The higher net property income in FY 2008 was due mainly to the acquisition of 1 George Street.
- (2) The lower net property income in FY 2008 from Car park buildings was due to Market Street Car Park which has been affected by the initial redevelopment plan.
- (3) The higher net property income FY 2008 from Mixed-use development buildings was due to the improved business after the completion of AEI works in late December 2007 for RCS.

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

By geographical segments	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Singapore	335,285	236,527	41.8
Malaysia	-	3,551	(100.0)
Total gross revenue	335,285	240,078	39.7

By geographical segments	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Singapore	233,471	171,476	36.2
Malaysia	-	2,520	(100.0)
Total net property income	233,471	173,996	34.2

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 19 (paragraph 8).

15 Breakdown of gross revenue and net income

	FY 2008 S\$'000	FY 2007 S\$'000	Change %
Gross revenue reported for first half year	145,585	117,400	24.0
Net income for first half year	80,001	51,918	54.1
Gross revenue reported for second half year	189,700	122,678	54.6
Net income for second half year	47,910	58,213	(17.7)

16 Breakdown of the total distribution for the financial year ended 31 December 2008

	FY 2008 S\$'000	FY 2007 S\$'000
In respect of the period:		
1 July 2008 to 31 December 2008 ¹	-	-
1 January 2008 to 30 June 2008	71,949	-
1 July 2007 to 31 December 2007	61,896	-
1 January 2007 to 30 June 2007	-	58,524
1 September 2006 to 31 December 2006	-	37,325
1 January 2006 to 31 August 2006	-	41,497
1 July 2005 to 31 December 2005	-	31,997

Footnote

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

**CAPITACOMMERCIAL TRUST
2008 FULL YEAR UNAUDITED FINANCIAL STATEMENT AND
DISTRIBUTION ANNOUNCEMENT**

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
20 January 2009