



NEWS RELEASE

For Immediate Release

19 April 2011

CCT achieved distributable income of S\$52.1 million in 1Q 2011

Proposed joint venture with CapitaLand to redevelop Market Street Car Park into an ultra-modern Grade A office tower

Singapore, 19 April 2011 – CapitaCommercial Trust Management Limited, the Manager of CapitaCommercial Trust (CCT or Trust), wishes to announce a distributable income of S\$52.1 million for the financial quarter ended 31 March 2011 (1Q 2011). This represents a decline of 4.1% when compared with the distributable income of S\$54.3 million reported in the first quarter of 2010. The decline was mainly attributed to the reduction in rental income arising from the sale of Starhub Centre and Robinson Point, in line with the Trust's portfolio reconstitution strategy. It is also due to lower revenue contribution from Six Battery Road because of expected vacancies to facilitate the asset enhancement works and negative rent reversions given lower market rental rates compared with the expired rentals. This reduction was mitigated by better performance from the other properties and reduced operating expenses. Distribution per unit (DPU) achieved for 1Q 2011 is 1.84 cents, which is 4.7% lower than 1.93 cents reported in 1Q 2010. Based on the closing price of S\$1.42 per unit on 18 April 2011, CCT's distribution yield is 5.3%.

The Trust's unaudited Consolidated Financial Statements for 1Q 2011 are available on its website (www.cct.com.sg) and on SGXNet (www.sgx.com).

Summary of CCT's 1Q 2011 Results

	1Q 2011	1Q 2010	Change (%)
Gross Revenue (S\$'000)	91,015	101,836	(10.6)
Net Property Income (S\$'000)	69,921	77,578	(9.9)
Distributable Income (S\$'000)	52,117	54,341	(4.1)
Distribution Per Unit			
- For the period	1.84¢ ⁽¹⁾	1.93¢	(4.7)

Mr. Richard Hale, Chairman of the Manager, said, "In line with market expectations, negative rent reversions will occur for most of the leases expiring this year. These leases were predominantly signed during the peak of the previous cycle in 2008, while current office market rentals though increasing have not recovered to that level yet. We will continue our proactive leasing and cost management strategies to mitigate the expected fall in distributable income. The execution of our portfolio reconstitution strategy is well underway. Following the completion of Six Battery Road's phase one asset enhancement works, we have achieved credible pre-commitment and rental rates. We also plan to redevelop the strategically located Market Street Car Park into an ultra-modern Grade A office tower. As the Trust has a development limit of 10% (S\$601.2 million) of its asset size, we will require a joint venture partner for the redevelopment and we intend to partner CapitaLand. In anticipation of limited new office supply in the Central Business District (CBD) in 2014, the new office tower is expected to be completed before end-2014 and generate higher value for the Trust and long-term returns to unitholders."

Ms. Lynette Leong, Chief Executive Officer of the Manager, said, "Our financial performance this quarter is within market expectations. The portfolio continues to perform well, except for Six Battery Road which contributed lower revenue due to expected vacancies to facilitate the asset enhancement works and negative rent reversions given lower market rental rates compared with the expired rentals. Nevertheless, office market rentals have been rising since second quarter 2010 and are expected to continue to grow. We are paying close attention to the management of expenses and have reduced interest cost by repaying the S\$100.0 million medium-term notes that was due in January 2011. Our gearing ratio at 27.8% gives us a good debt capacity and financial flexibility to seize investment opportunities to further grow the Trust."

"We continue to adopt a proactive approach towards managing our capital. Together with the manager of CapitaMall Trust, we are in discussions with banks on the refinancing of Raffles City's commercial mortgage backed securities that will be maturing in the third quarter of this year. We expect to complete the refinancing ahead of maturity."

Consistently strong portfolio performance

The Trust's portfolio committed occupancy level is at 98.2%. This is higher than the current market occupancy level of 94.4% for the core CBD area. For 1Q 2011, our properties achieved rentals within the range of office market rentals which registered averages of \$10.30 and \$8.60 per square foot per month for Grade A and prime offices respectively. The Trust continues to attract and retain reputable

tenants; major leases signed this quarter include JPMorgan Chase Bank, N.A., Mizuho Corporate Bank, Ltd., and BlueCrest Capital Management (Singapore) Pte. Ltd.

Six Battery Road: Increase in pre-commitment for upgraded space

Phase one of the asset enhancement work at Six Battery Road has been completed culminating in the official opening of its indoor vertical garden, the largest in an office building in Singapore's CBD, on 24 March 2011.

The office space expected to be upgraded in 2011 has been increased from 65,600 square feet to 76,100 square feet, resulting in earlier pre-marketing and realisation of potentially better rentals for the upgraded space. Of this, 64% (or 48,800 square feet) has been pre-leased to new and existing tenants.

Portfolio reconstitution opportunity: proposed redevelopment of Market Street Car Park

Market Street Car Park (the Property) was the first multi-storey public car park built in 1964 to serve the parking needs of the financial district, as part of Singapore's urbanisation programme then. Presently, the redevelopment of the Property into a new Grade A office tower will ensure that its land use is maximised to serve the growing needs of tenants for premium office space in the CBD.

The Trust has obtained provisional permission for the proposed redevelopment from Urban Redevelopment Authority and recently received an indication from Singapore Land Authority of the differential premium which would be payable for the Property's change of land use based on the unexpired land lease of 62 years. Including this figure, the total project cost for the redevelopment of the Property into an ultra-modern, Grade A office tower is estimated to be S\$1.4 billion. The redevelopment is considered financially viable with the stabilised yield from the completed development expected to exceed 6% per annum. The estimated total project development cost of S\$1,900 per square foot (on net lettable area basis) is also considerably lower than the recently transacted prices of Grade A office buildings. Hence, the redevelopment will generate higher value for the Trust, which is in line with the Manager's portfolio reconstitution strategy. Funding of the redevelopment will be through the Trust's internal cash resources and debt, keeping pro forma gearing below 31% which still gives it financial flexibility to seek other acquisition opportunities for further growth.

The design of the new office tower is being led by the internationally-acclaimed, award-winning Japanese architect, Mr Toyo Ito. The project is estimated to provide a gross floor area (GFA) of 887,000 square feet (including bonus GFA) with floor plates of 20,000 to 25,000 square feet. Scheduled

for completion before the end of 2014, the completed Grade A office tower will soar to a height of 245 metres, well above the height of the surrounding buildings, and be an exciting addition to the skyline of Singapore's CBD.

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About CapitaCommercial Trust (www.cct.com.sg)

CapitaCommercial Trust is Singapore's first listed commercial REIT with a market capitalisation of S\$4.0 billion based on the last traded price of S\$1.42 per unit on 18 April 2011. CCT aims to own and invest in real estate and real estate-related assets which are income producing and used, or predominantly used, for commercial purposes. The total asset size of CCT is S\$6.0 billion as at 31 March 2011, comprising a portfolio of nine prime properties in Singapore, as well as investments in Malaysia. The properties in Singapore are Capital Tower, Six Battery Road, One George Street, HSBC Building, Raffles City (60% interest through RCS Trust), Bugis Village, Wilkie Edge, Golden Shoe Car Park and Market Street Car Park.

In addition, CCT is a substantial unitholder of Quill Capita Trust with 30% unitholdings and has taken a 7.4% stake in the Malaysia Commercial Development Fund Pte. Ltd. (MCDF). Quill Capita Trust is a commercial REIT listed on Bursa Malaysia Securities Berhad, with a portfolio of ten commercial properties in Kuala Lumpur, Cyberjaya and Penang. MCDF is CapitaLand's first and largest Malaysia private real estate fund with a focus on real estate development properties primarily in Kuala Lumpur and the Klang Valley, Malaysia.

Effective from 18 September 2009, CCT is a constituent of FTSE4Good Index Series (FTSE4Good), a series of benchmark and tradable indices derived from the globally recognised FTSE Global Equity Index Series. FTSE4Good is designed to track the performance of companies meeting international corporate responsibility standards and forms the basis for over 70 different funds and investment products.

CCT is managed by an external manager, CapitaCommercial Trust Management Limited, which is an indirect wholly-owned subsidiary of CapitaLand Limited, one of the largest real estate companies in Southeast Asia by market capitalisation.

Issued by CapitaCommercial Trust Management Limited

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The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

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The past performance of CCT is not necessarily indicative of the future performance of CCT.