



CapitaMall
Trust



RETHINKIT
DIFFERENTLY

REPORT TO UNITHOLDERS 2004

CONTENTS

RETHINKITDIFFERENTLY

REGENERATEIT	02
RECREATEIT	04
RETRANSFORMIT	06
REMODELIT	08
REVALUEIT	10
REDEFINEIT	12

RESHAPEIT

CORPORATE PROFILE	15
FINANCIAL HIGHLIGHTS	16
LETTER TO UNITHOLDERS	18
LETTER TO UNITHOLDERS (CHINESE)	22
MILESTONES	24
MARKET OVERVIEW	26

REIMAGINEIT

ORGANISATION STRUCTURE	30
CORPORATE INFORMATION	31
THE BOARD OF DIRECTORS	32
THE MANAGEMENT TEAM	34
THE PROPERTY MANAGEMENT TEAM	36
THE CENTRE MANAGEMENT TEAM	37

REENHANCEIT

PORTFOLIO ANALYSIS	40
TAMPINES MALL	46
JUNCTION 8	50
FUNAN THE IT MALL	54
IMM BUILDING	58
PLAZA SINGAPURA	62

REASSUREIT

CORPORATE GOVERNANCE	68
INVESTOR RELATIONS & FINANCIAL CALENDAR	76

REAFFIRMIT

EMBRACING THE COMMUNITY	80
HUMAN RESOURCES	81

REGROWIT

FINANCIAL PERFORMANCE REVIEW	84
FINANCIAL STATEMENTS	87
UNITHOLDERS STATISTICS	127
ADDITIONAL INFORMATION	130

We are continually working to strengthen our reputation for being not only the first Real Estate Investment Trust (REIT) in Singapore but also a consistent high performer. We achieve this by constantly re-evaluating our acquisition and investment strategy, adopting a creative approach to identify new sources of income, and transforming challenges into changes for the better. Through innovative asset enhancements, adopting a proactive leasing strategy, yield-accretive acquisitions, and through rethinking it differently, CapitaMall Trust aims to implement innovative solutions so as to create value and maximise total return to Unitholders.

CAPITAMALL TRUST'S EDGE?

WE SEE THINGS DIFFERENTLY,
which is why we continue to set the standard for the retail experience. In the process, we are pushing the limits to define what a REIT can be.

Maximising the Core: We make the most of the organic growth factors which create a stable and sustainable platform for growth.

At CapitaMall Trust (CMT), we believe that active and innovative management of our malls is essential to maximise their appeal to our tenants, shoppers and Unitholders. This is achieved through asset enhancements and tenancy remix, thus improving their performance. It is a strategy that is already showing its true potential as a driver of future growth through increased sales for tenants, which translates into increased lease renewals, improved rental rates and new income streams.

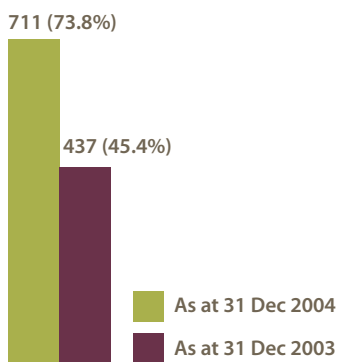
Step-up Rent: The rental increments built into step-up leases typically provide an organic growth of 2-3 percent annually. As at 31 December 2004, a total of 711 tenants or 73.8 percent of the total number of tenants (excluding office and warehouse) are on the step-up rental structure, an increase of 274 tenants or 62.7 percent over 2003.

Gross Turnover (GTO) Rent: GTO rent, which is usually tied to no more than 1 percent of our tenants' sales, serves as a management tool which helps us understand the sales of our tenants. Besides providing us with key information to develop customised marketing and promotions at the malls, this rental structure also aligns our interests with those of our tenants. As at 31 December 2004, 71.5 percent of the total number of tenants (excluding office and warehouse) are on this rental structure, accounting for about 2.2 percent of the revenue for 2004.

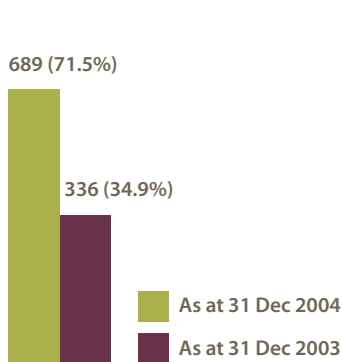
Improved Rental Rates: With the improved rental rates and step-up rent providing intrinsic growth, CMT has established a stable growth platform for future years. Rental rates for renewed and new leases concluded in 2004 reflected an increase of 4.0 percent from forecast rents for 2004 and 7.3 percent over preceding rents.

Non-rental Income: This includes income from car parks, vending machines, casual leasing, services provided at customer service counters and advertisement panel spaces. In 2004, further improvement in this form of revenue was achieved through advertising on escalators, link bridges, in lifts and other areas. Non-rental income contributed 8.1 percent of revenue for 2004.

NUMBER (PERCENTAGE¹) OF TENANTS WITH STEP-UP RENTAL



NUMBER (PERCENTAGE¹) OF TENANTS PAYING GROSS TURNOVER RENT



¹ Taken as a percentage of total number of tenants (excluding office and warehouse).

SUMMARY OF RENEWALS/NEW LEASES FROM 1 JANUARY TO 31 DECEMBER 2004 (EXCLUDING NEWLY CREATED UNITS)

	NO. OF RENEWALS/NEW LEASES IN FY 2004	INCREASE /(DECREASE) IN CURRENT RENTAL RATES AS COMPARED TO FORECAST RENTAL RATES ¹ AND PRECEDING RENTAL RATES	
		FORECAST RENTAL RATES ¹	PRECEDING RENTAL RATES
Tampines Mall	66	1.8%	5.5%
Junction 8	10	1.3%	3.1%
Funan The IT Mall	31	3.8%	3.9%
IMM Building ²	112	5.8%	10.0%
Plaza Singapura ³	29	9.6%	6.8%
CMT PORTFOLIO	248	4.0%	7.3%

¹ Forecast rental rates for the period 1 January 2004 to 1 August 2004 is the basis for forecast shown in the CMT Circular dated 11 June 2003 and the forecast rental rates for the period 2 August 2004 to 31 December 2004 is the basis for forecast shown in the CMT Circular dated 20 July 2004.

² Only renewal of retail units were taken into account.

³ Plaza Singapura was acquired on 2 August 2004. The figures in this table for Plaza Singapura relate to the period from 2 August 2004 to 31 December 2004.



Link bridge at Plaza Singapura



Newly created retail space at Tampines Mall

Creating Unique Experiences: Changing conventional retailing requires an organisation capable of challenging conventional wisdom.

Our aim is to take the ordinary and develop it into something extraordinary, something unique. We look below the surface of our properties to unearth their true potential, engaging our communities with innovative shopping, dining and leisure combinations.

Alignment of Tenancy Mix with Market Trends:

We aim to generate the highest possible shopper traffic by ensuring a good mix of attractive and popular retail outlets in our malls. This helps to maximise the sales of our tenants, which in turn translates into improved rental income from tenants. When handphone penetration rates increased in Singapore, all three local telecommunication providers were brought into Tampines Mall to meet the needs of the shoppers. A Halal food court was also introduced at IMM Building to cater to the growing number of Muslim shoppers at the mall. Similarly, when we spotted a growing trend towards 'lifestyle' shopping, Funan The IT Mall was repositioned from its previous 'IT' focus through the introduction of more lifestyle tenants such as F&B outlets and a supermarket to embrace a larger pool of shoppers.

New Retail Concepts: We continually seek out new and exciting retail concepts to rejuvenate the malls. We have introduced to the portfolio new retailers with new concepts, which are generating fresh excitement and positive sales. These include restaurants such as Din Tai Fung (a famous Taiwanese dumpling restaurant) which previously had a presence only in the Orchard Road area, as well as nail spa concepts, open concept telecommunication shops, games arcade centres and a rooftop landscape plaza.

Enhancing Shoppers' Experience:

We strive to make the shoppers' experience at our malls pleasant, comfortable, and exciting. Some of the initiatives undertaken to achieve this include the installation of travellators to improve connectivity between floors, fitting lift lobbies with plasma television sets, upgrading restroom facilities, installation of the electronic car park guidance system, and the creation of alfresco dining areas. Other initiatives include creating baby nursing rooms, children's playground, and also a rooftop landscape plaza for shoppers to take a rest.

Innovations in Marketing and Promotion:

We place strong emphasis on the marketing and promotion of our malls and developing customised and creative marketing plans for them to attract more shoppers and increase sales. Successful events held include the 'Three-Hour Sale', the three-week 'Monstrous Sale', the 'Most Beautiful Mum & Grandma' competition and the 'Baby Bonanza'.

Attractive Shop Fronts and Visual Merchandising:

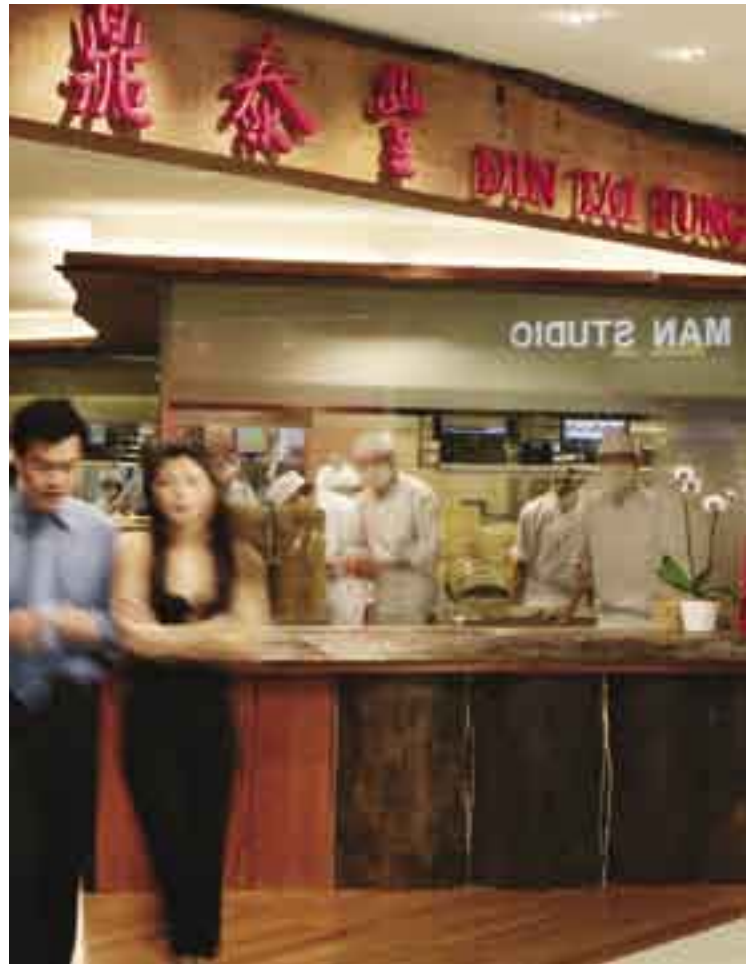
We continue to be at the forefront of innovation in developing programmes and initiatives in support of our retailers and shoppers. Our group tenancy design and coordination team works closely with our tenants to improve their shop fronts and visual merchandising, thus positively complementing our leasing initiatives.

"I would like to compliment the Management on the new look and transformation of IMM Building. You have made great improvements to enhance the shopping experience. My family loves shopping there every weekend. Well done! You have certainly brightened the shopping experience in the west."

Frequent shopper at IMM Building



Travellators to enhance shoppers' experience



Taiwan's famous dumpling restaurant, Din Tai Fung, at Junction 8



Refreshing restroom concept at Plaza Singapura



Alfresco dining at Tampines Mall rooftop landscape plaza

Innovation and Creativity: We strive to stay ahead of consumer trends by constantly reinventing the retail experience to generate continuous growth.

We are able to see possibilities beyond the ordinary. By identifying new ways in which we can attract and retain customers, and exploring different ways of developing our spaces, we strive to enrich the retail environment and maximise the attractiveness of our malls to shoppers, retailers – and ultimately investors.

Asset Enhancements: We have demonstrated that deliberate asset planning can enhance the value of Net Lettable Area (NLA) at the malls to further propel growth. Our innovative track record of increasing yield and productivity of our retail space includes the following:

1. Decantation

We identify lower yielding spaces and transform them into higher yielding spaces. At Junction 8, approximately 50,000 sq ft of NLA was decanted to create additional retail spaces.

2. Reconfiguration

We constantly seek to maximise returns through reconfiguring retail spaces to achieve higher productivity. This includes sub-division of bigger retail units into a number of smaller retail units, maximising the use of common areas,

such as the introduction of kiosks along bridge space, and converting equipment areas into leasable space.

3. Upgrading of Amenities to Complement Leasing Efforts

We recognise the importance of meeting the needs of shoppers and tenants as they determine our success. Setting design guidelines and standards for shop front designs, creating better shopper circulation, upgrading restroom areas and integrating play and rest areas within the mall's compounds, are all part of our efforts to cater to the needs of our shoppers and tenants. These initiatives provide more reasons for shoppers to shop at our malls and hence increase the attractiveness of our malls to existing and potential tenants.

“Apart from the malls being very well managed, the Management is also very proactive in acting on tenants’ feedback. I must add that shopper traffic has improved, especially after the upgrading.”

Mr Loo Leong Thye, Chief Executive, Challenger Technologies Limited



Open concept food kiosks at IMM Building



New extension at Junction 8



Open concept kiosk along bridge space at Funan The IT Mall

retransformit



Tampines Mall rooftop landscape plaza

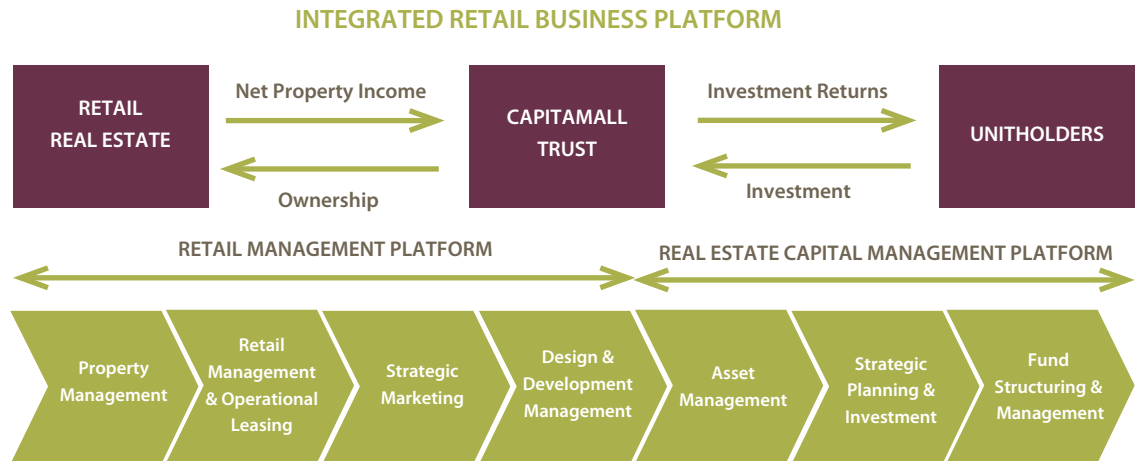
Building on Strengths: Our good track record stems from leveraging on CapitaLand's integrated retail business platform which encompasses retail management and fund management expertise, a unique combination in Asia.

The Manager has instituted a disciplined approach to mall management through Asset Control Groups where assets performance is monitored on a regular basis. The efforts of the Property Manager, are also constantly assessed to ensure that set targets are met.

Integrated Retail Business Platform

The Manager works closely with the Property Manager and is focused pro-actively on:

- formulating medium and long-term strategies and initiatives to deliver higher returns
- enhancing the shopper experience to attract and retain increased traffic
- reviewing space usage to optimise income
- managing and monitoring rental arrears to minimise bad debts
- managing projects to ensure timely completion within budgets
- managing property expenses to maximise net property income
- addressing all key operational issues to ensure alignment with the manager's strategies
- managing lease renewals and new leases diligently in order to minimise rental voids
- continued alignment of tenancy mix with market trends





Tenancy mix aligned with market trends



Coveted Assets: Central to our growth is our ability to identify attractive properties to add to our portfolio and further enhance their values.

CapitaMallTrust (CMT) malls are becoming more valuable and coveted everyday. In the last two years, new properties have provided valuable diversification to our initial portfolio and we continue to seek yield-accretive acquisitions and explore asset enhancements to generate an even higher yield.

Yield-Accretive Acquisition of Plaza Singapura:

The acquisition of Plaza Singapura in 2004 was an important step in allowing CMT to continue to deliver improved returns and growth for investors, as it offers yield accretion, competitive strengths, diversification, growth potential and improved liquidity. With the addition of Plaza Singapura, acquired at a price of S\$710.0¹ million, CMT has reduced the total net property income derived from any one property to no more than 30.2 percent, down from 34.7 percent for the same period (from 2 August to 31 December 2004) if Plaza Singapura had not been acquired. Portfolio size has also increased from S\$1.4 billion (valuation of four existing properties as at 10 June 2004) prior to the acquisition of Plaza Singapura to S\$2.1 billion after the acquisition. In addition, for 2004, annualised Distribution Per Unit (DPU) forecast was raised from 8.59 cents to an annualised 9.21 cents.

CMT Portfolio: At the end of 2004, with the acquisition of Plaza Singapura and the completion of the various enhancement

works at our malls, the five properties in our portfolio had a property valuation of S\$2.2 billion, or 80.2 percent more than the valuation of our portfolio as at 31 December 2003. Excluding Plaza Singapura, the valuation of the four properties increased by 20.8 percent from approximately S\$1.2 billion as at 31 December 2003 to approximately S\$1.5 billion as at 31 December 2004.

Investment in CapitaRetail Singapore Limited (CRS):

CMT has a 27.2 percent (S\$58.0 million) stake in CRS (a private fund sponsored by CapitaLand Limited) through its Class E bonds issued by CRS. The CRS portfolio consists of three properties, Lot One Shoppers' Mall, Bukit Panjang Plaza and Rivervale Mall. The first targeted minimum coupon rate of 8.2 percent per annum was received by CMT in August 2004. Valuation of the three properties increased from S\$488.7 million (as at 18 September 2003) in 2003 to S\$540.0 million (as at 1 December 2004) in 2004 and CMT has the first right of refusal to purchase the properties.

¹ Valuation as at 30 April 2004 determined by CB Richard Ellis (Pte) Ltd and CB Richard Ellis (C) Pty Ltd, using the Capitalisation of Income Approach, Discounted Cash Flow Analysis and Direct Comparison Method.



Underground link to the MRT station at Plaza Singapura



Lot One Shoppers' Mall



Rivervale Mall



Bukit Panjang Plaza

Sustainable Growth: Through successful execution of our strategy, we have consistently exceeded our distribution forecasts and delivered good total returns to Unitholders.

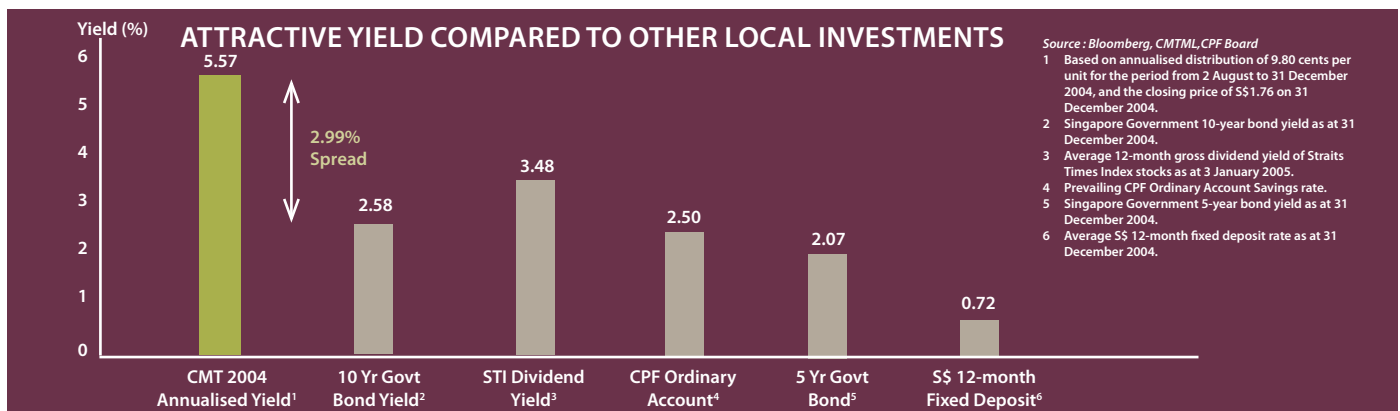
CapitaMall Trust (CMT) malls are much more than a portfolio of extraordinary shopping malls. An essential component of CMT's growth strategy has been our ability to combine sound risk management with dynamic solutions resulting in the effective execution of our business plans so as to deliver stable Distribution Per Unit (DPU) growth and attractive yield to Unitholders.

Unit Price Performance: CMT's unit price appreciated strongly during the financial year 2004, from the closing price of S\$1.43 on 31 December 2003 to the closing price of S\$1.76 on 31 December 2004. This translated to a gain of 23.1 percent, outperforming established market indices such as the Straits Times Index (STI) and the Singapore Property Equities Index (SESPROP), which recorded gains of 17.1 percent and 18.2 percent respectively during the year. The weighted average closing price for the year was approximately S\$1.58. In addition, trading liquidity also improved significantly in 2004, averaging around 25.6 million units a month compared to 21.8 million units a month in 2003. Overall, CMT's strong trading performance is testament to investors' confidence in its attractiveness as an investment product, which offers opportunities for capital growth on top of attractive and stable distribution income.

Attractive Yield and Total Return: CMT provides attractive income yield and total return as compared to other local investment instruments. As at 31 December 2004, CMT's annualised DPU yield was 5.57¹ percent. This was 299 basis points above the 10-year government bond yield of 2.58 percent on the same day.

Unitholders who held CMT units for the period from 1 January 2004 to 31 December 2004 would have received a total return of 29.7² percent, consisting of capital appreciation of 23.1 percent and a distribution yield of 6.6 percent. Unitholders who held CMT units for the period from the listing of CMT on 17 July 2002 to 31 December 2004 would have received a total return of 105.1³ percent, consisting of capital appreciation of 83.3 percent and a distribution yield of 21.8 percent.

¹ Based on annualised DPU of 9.80 cents for the period from 2 August to 31 December 2004 and the closing unit price of S\$1.76 as at 31 December 2004.
² Based on total actual DPU of 9.48 cents for the financial year ended 31 December 2004, the closing unit price of S\$1.43 on 31 December 2003 and the closing price of S\$1.76 as at 31 December 2004.
³ Based on total actual DPU of 20.9 cents since the listing of CMT on 17 July 2002 and the Initial Public Offering price of CMT units of S\$0.96.



redefineit

CMT UNIT PRICE	
PERFORMANCE FOR 2004	
31 December 2003 closing	S\$ 1.43
31 December 2004 closing	1.76
Highest	1.76
Lowest	1.36
Weighted Average Closing	1.58
Trading Volume for 2004	307.5 million units

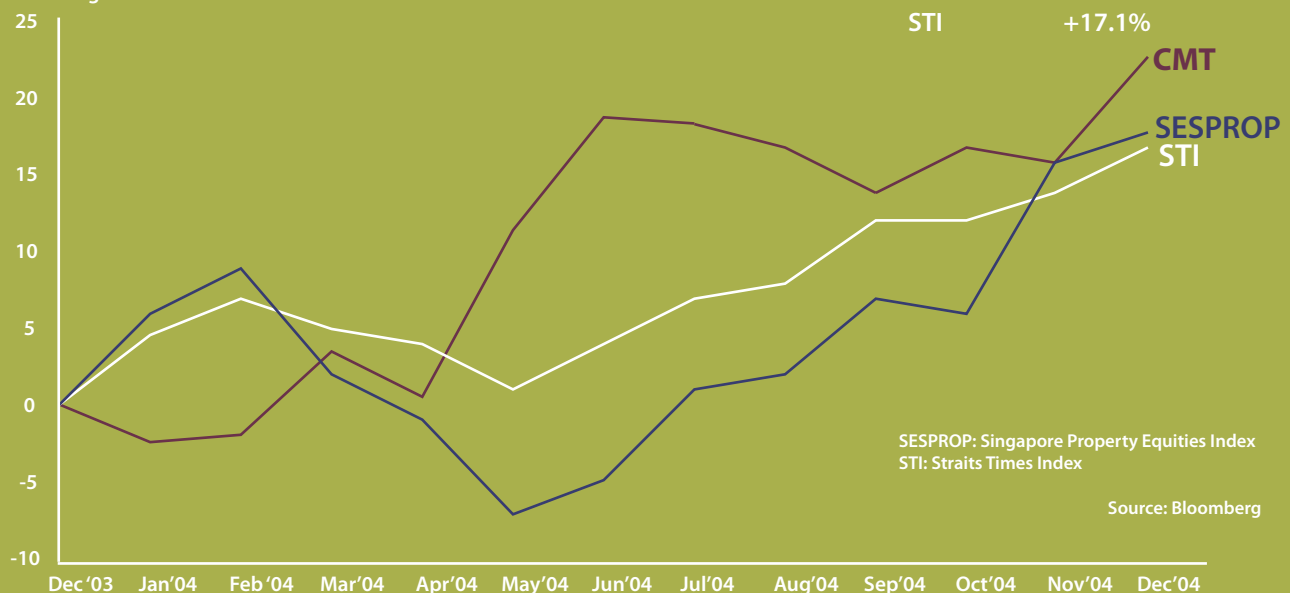
CONSISTENTLY OUTPERFORMED DISTRIBUTION PER UNIT (DPU) FORECASTS

FORECAST	ORIGINAL FORECAST (ANNUALISED)	REVISED FORECAST (ANNUALISED)	ACTUAL DPU (ANNUALISED)	VARIANCE FROM FORECAST
2002	6.78¢ ¹	NA	7.35¢	+ 8.4%
1 January 2003 to 25 June 2003	6.96¢ ²	NA	7.51¢	+ 7.9%
26 June 2003 to 31 December 2003	(Full Year)	8.04¢ ⁴	8.53¢	+ 6.1%
1 January 2004 to 1 August 2004	8.14¢ ³	8.59¢ ⁵	9.25¢	+ 7.7%
2 August 2004 to 31 December 2004	(Full Year)	9.21¢ ⁶	9.80¢	+ 6.4%

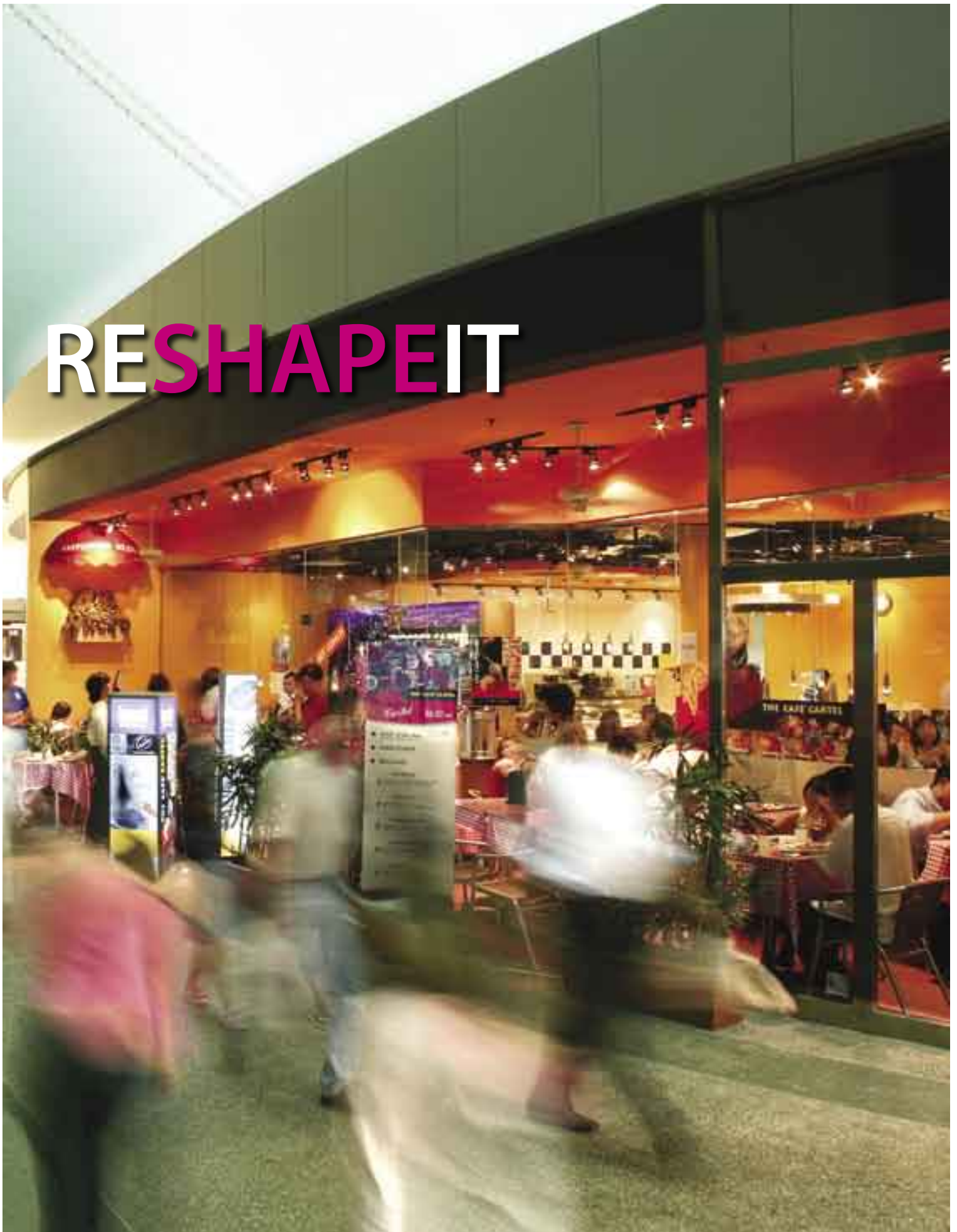
- 1 Annualised forecast based on the forecast, together with the accompanying assumptions, in the CMT Offering Circular dated 28 June 2002.
- 2 Based on the forecast, together with the accompanying assumptions, in the CMT Offering Circular dated 28 June 2002.
- 3 Based on the forecast, together with the accompanying assumptions, in the CMT Circular dated 11 June 2003.
- 4 Based on the forecast, together with the accompanying assumptions, in the CMT Circular dated 11 June 2003, for all the properties, excluding Plaza Singapura, for the period from June to December 2003, pro-rated for the period 26 June to 31 December 2003.
- 5 Based on the forecast, together with the accompanying assumptions, in the CMT Circular dated 11 June 2003 (and subsequently updated in the CMT Offer Information Statement dated 9 December 2003) for all the properties, excluding Plaza Singapura, for the financial year ended 31 December 2004, pro-rated for the period from 1 January to 1 August 2004.
- 6 Based on the forecast, together with the accompanying assumptions, in the CMT Circular dated 20 July 2004, for all the properties including Plaza Singapura, for the period 1 August to 31 December 2004, pro-rated for the period from 2 August to 31 December 2004.

CMT OUTPERFORMS MARKET

% Change In
Closing Price/Index Value



RESHAPE IT



Café Cartel at Tampines Mall

CAPITAMALL TRUST (CMT) is the first listed Real Estate Investment Trust (REIT) in Singapore. Launched in July 2002, this vehicle invests in quality income-producing retail properties in Singapore. Income is mostly derived from rental payments received from a diverse range of local and international tenants. CMT's portfolio is made up of five major shopping malls located primarily in suburban areas, as well as an investment in the Class E Bonds issued by a private retail property fund, CapitaRetail Singapore Limited, whose investments are in three other suburban malls.

As at 31 December 2004, CMT has consistently outperformed distribution forecasts, achieving a total return of 105.1¹ percent since listing.

CMT is managed by an external manager, CapitaMall Trust Management Limited, which is an indirect wholly-owned subsidiary of CapitaLand Limited, one of the largest listed property companies in Asia.

CMT will continue to explore yield-accretive acquisitions and investments as well as constantly pioneer new streams of income sources to maximise returns to Unitholders.

¹ Based on total actual DPU of 20.9 cents since the listing of CMT on 17 July 2002 and the Initial Public Offering price of CMT units of S\$0.96.

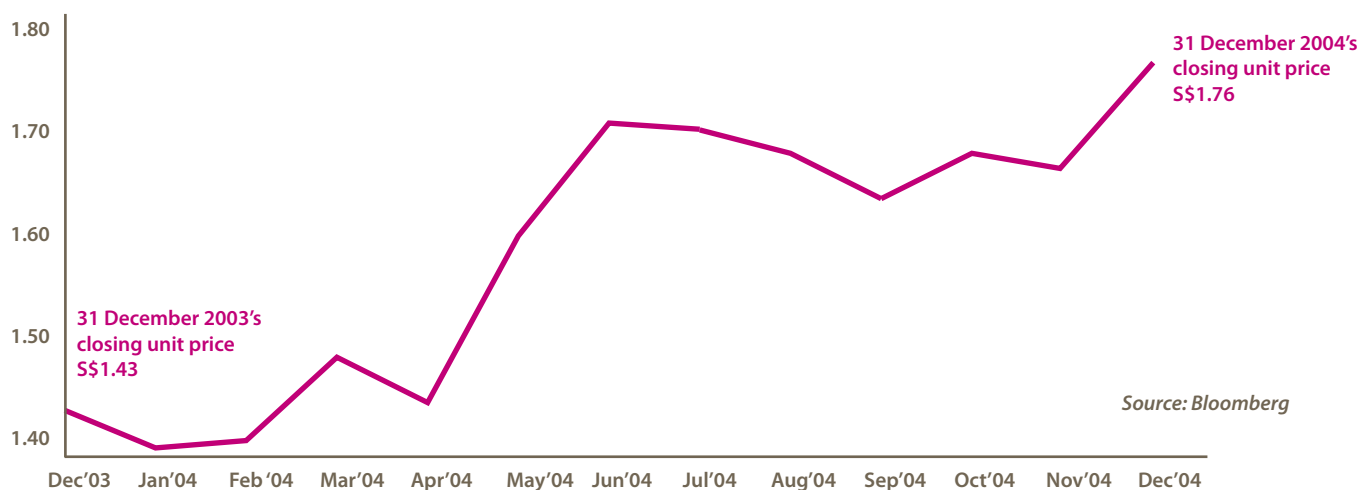
Financial Highlights

	1 JANUARY 2004 TO 1 AUGUST 2004			2 AUGUST 2004 TO 31 DECEMBER 2004		
	ACTUAL	FORECAST ¹	VARIANCE	ACTUAL	FORECAST ²	VARIANCE
Gross revenue	S\$87.9 m	S\$83.1m	+ 5.7%	S\$89.3 m	S\$84.6 m	+ 5.6%
Net property income	S\$55.7 m	S\$54.9m	+ 1.5%	S\$58.5 m	S\$55.8 m	+ 4.7%
Distributable income	S\$49.1 m	S\$46.1m	+ 6.7%	S\$49.0 m	S\$46.1 m	+ 6.4%
Distribution per unit (DPU)	5.41 ¢	5.07¢	+ 6.8%	4.07 ¢	3.82 ¢	+ 6.4%
Annualised DPU	9.25 ¢	8.59¢	+ 7.7%	9.80 ¢	9.21 ¢	+ 6.4%
Annualised distribution yield	5.47% ³	5.08% ³	+ 7.7%	5.57% ⁴	5.23% ⁴	+ 6.4%

CMT CLOSING UNIT PRICE

(31 Dec 2003 - 31 Dec 2004)

Unit Price (S\$)



FROM 31 DECEMBER 2003 TO 31 DECEMBER 2004	
Total Return ⁵	29.7%
Distribution Yield ⁶	6.6%
Capital Appreciation ⁷	23.1%

- Based on the forecast, together with the accompanying assumptions, shown in the CMT Circular dated 11 June 2003 (and subsequently updated in the CMT Offer Information Statement dated 9 December 2003) for all the properties excluding Plaza Singapura for the financial year ended 31 December 2004, pro-rated for the period from 1 January to 1 August 2004.
- Based on the forecast, together with the accompanying assumptions, shown in the CMT Circular dated 20 July 2004 for all the properties for the period from 1 August to 31 December 2004, pro-rated for the period from 2 August to 31 December 2004.
- Based on the unit closing price per unit of S\$1.69 as at 1 August 2004.
- Based on the unit closing price per unit of S\$1.76 as at 31 December 2004.
- Sum of distribution yield and capital appreciation as defined in footnotes 6 and 7 respectively.
- Based on total actual distribution per unit of 9.48 cents for the financial year ended 31 December 2004, and the closing unit price of S\$1.43 on 31 December 2003.
- Based on the closing unit price of S\$1.43 on 31 December 2003 and the closing unit price of S\$1.76 on 31 December 2004.

AS AT 31 DECEMBER	2004	2003	2002
Portfolio Property Valuation	S\$2,235.0 m	S\$1,240.0 m	S\$935.0 m
CMT Portfolio Committed Occupancy Rate ¹	99.8%	99.1%	99.8%
BALANCE SHEET AS AT 31 DECEMBER			
Total Assets	S\$2,349.8 m	S\$1,351.5 m	S\$990.2 m
Unitholders' Funds	S\$1,610.7 m	S\$972.4 m	S\$761.2 m
Total Borrowings	S\$660.0 m	S\$325.0 m	S\$200.0 m
Market Capitalisation ²	S\$2,117.6 m	S\$1,295.7 m	S\$745.9 m
Net Asset Value per Unit	S\$1.34	S\$1.07	S\$1.03
FINANCIAL RATIOS AS AT 31 DECEMBER			
Earnings per Unit (1 January to 31 December)	8.70 ¢	7.68 ¢	6.21 ¢
Distribution per Unit (1 January to 31 December)	9.48 ¢	8.03 ¢	6.16 ¢
Net Tangible Asset per Unit	S\$1.34	S\$1.07	S\$1.03
Borrowings to Total Assets ³	28.7%	24.7%	20.7%
Interest Cover (Times)	7.2	8.0	8.5
Management Expense Ratio ⁴	1.1%	1.0%	0.8%

1 Excluding office and warehouse space in IMM Building. Committed occupancy rate for the CMT portfolio would be 87.5% as at 31 December 2003 and 89.9% as at 31 December 2004, taking into account the office and warehouse space in IMM Building.

2 Based on closing unit price of S\$1.76 as at 31 December 2004 (31 December 2003 : S\$1.43 ; 31 December 2002 : S\$1.01).

3 Total assets excluding distributable income.

4 Refers to the expenses of the Trust excluding property expenses and interest expense expressed as a percentage of weighted average net assets.



HSUAN OWYANG
CHAIRMAN

PUA SECK GUAN
CHIEF EXECUTIVE OFFICER

“The potential for the growth of REITs in Asia looks very promising. In view of this, CMT’s values remain compelling and will continue to attract liquidity in light of our solid track record and sound fundamentals.”

**MR HSUAN OWYANG, CHAIRMAN,
CAPITAMALL TRUST MANAGEMENT LIMITED**

On behalf of the Board of CapitaMall Trust Management Limited (CMTML), the Manager of CapitaMall Trust (CMT), we present the report of CMT for the year ended 31 December 2004.

FINANCIAL PERFORMANCE

During 2004, on the back of the country's strong economic showing, with Gross Domestic Product (GDP) growth of 8.4¹ percent, the fastest pace in four years, we saw greater demand for retail space and more positive business sentiments among retailers. These improving economic conditions, increased visitor arrivals, and higher levels of domestic consumer confidence contributed to sustained occupancy and growth in rental rates in our malls in 2004.

CMT has continued to outperform forecast and deliver increased returns to Unitholders. Unitholders who have held CMT units since 1 January 2004 will have enjoyed a total return of 29.7² percent as at 31 December 2004. For unitholders who have invested in CMT since our Initial Public Offering (IPO) in July 2002 they would have enjoyed a total return of 105.1³ percent as at 31 December 2004. In 2004, CMT's performance again exceeded forecast, returning to Unitholders a total Distribution Per Unit (DPU) of 9.48 cents, 18.1 percent above the total DPU payout

of 8.03 cents for the financial period ended 31 December 2003.

This result is mainly due to the addition of Plaza Singapura to CMT's portfolio on 2 August 2004, the receipt of interest income from CMT's investment in Class E bonds issued by CapitaRetail Singapore Limited, and a full year's contribution from IMM Building (IMM) this year. Higher rental income on new and renewed leases from the other malls and rental income from new retail areas created at Junction 8 and Tampines Mall also contributed to an increase in gross revenue.

CMT's ability to deliver sustainable distributions to Unitholders is underpinned by management's success in continuously adding value to our assets through pro-active asset management, active leasing strategies and innovative asset enhancement initiatives. Strong renewals and tenant take-up rates, coupled with the organic growth built into our portfolio through step-up rent, provide a good foundation for sustainable growth.

¹ Source: Ministry of Trade and Industry.

² Based on total actual DPU of 9.48 cents from 1 January 2004 to 31 December 2004, the closing unit price of S\$1.43 on 31 December 2003 and the closing price of S\$1.76 as at 31 December 2004.

³ Based on total actual DPU of 20.9 cents since the listing of CMT on 17 July 2002 and the IPO price of CMT units of S\$0.96.

KEY DEVELOPMENTS

Yield-Accretive Acquisition of Plaza Singapura

In August 2004, CMT made a S\$710.0 million acquisition of Plaza Singapura. This acquisition was an important step in allowing CMT to continue to deliver improved returns and growth for investors, as it offered yield accretion, competitive strengths, diversification benefits, growth potential and improved liquidity in CMT units.

With the addition of Plaza Singapura, CMT has reduced the total net property income derived from any one property to no more than 30.2 percent, down from 34.7 percent for the same period (from 2 August to 31 December 2004) if Plaza Singapura had not been acquired. In addition, with its well-balanced tenant mix, Plaza Singapura has increased the diversification of CMT's portfolio of properties and its ability to cater to different tenancy demands in different parts of Singapore.

Increased Liquidity and Market Capitalisation

With 294.0 million new units issued in August 2004 to partly finance the acquisition of Plaza Singapura, CMT enjoyed improved liquidity and an increase in market capitalisation. As at 31 December 2004, CMT's market capitalisation stood at over S\$2.1 billion¹. Inclusion in European Public Real Estate (EPRA) / National Association of Real Estate Investment Trusts (NAREIT) Global Real Estate Index and its sub-indices and Morgan Stanley Capital International Inc. (MSCI) Standard Index Series also increased liquidity as these prestigious investment indices are widely referred to by international fund managers as performance benchmarks in the selection and monitoring of investments.

Asset Enhancement Initiatives at the Malls

We are constantly reviewing the concepts, tenant mix and layouts of our shopping malls. Our ongoing pro-active approach to managing our malls provided the foundation for CMT's performance in 2004. CMT achieved close to 100 percent retail occupancy and an improvement of 45.7 percent in total net property income over 2003.

At Tampines Mall, installation of new escalators at Lobby A and travellators at Lobby B from Basement 1 to 3 has improved shoppers' traffic. All new tenants which have been introduced throughout the year have since commenced business. They currently occupy areas created from both new and reconfigured spaces. Construction of a rooftop landscape plaza on Level 4 was completed in end October. This plaza is built with family activities in mind, as it comes complete with a playground and stage facilities, which allows it to be the venue for various outdoor community events.

We have converted relatively lower yielding office space in Junction 8 into higher yielding retail space. A new zone, which focuses on sports, electronics and young fashion labels, was also completed in 2004 and all units are fully leased as at 31 December 2004.

Asset enhancements undertaken during the year have given Funan The IT Mall a totally new and refreshing façade with escalators providing direct access from the street level to the upper levels. To increase the 'Digital flavour' of the mall, a free wireless internet access service (Wi-Fi) was launched on 25 September 2004, thus providing greater convenience to the IT-savvy shoppers who frequent the mall.

There is now an increased variety of food choices at IMM with the opening of two new foodcourts occupying a combined area of approximately 17,500 sq ft. Installation of travellators was completed in November 2004. Phase 2 enhancement works is targeted to commence in 2005.

In 2005, apart from the organic growth built into the portfolio through step-up rent, Unitholders can expect to enjoy the full impact of the increased revenue stream from the newly completed retail space created through decantation at Junction 8. Further revenue growth can also be expected from the asset enhancement initiatives planned at IMM. In addition, ongoing rental renewals and the pro-active management of tenancy mix will be further growth drivers for each mall.

Increased Value of Property Portfolio

Following the acquisition of Plaza Singapura, the portfolio size increased by 80.2% from S\$1.2 billion (as at 31 December 2003) to S\$2.2 billion (as at 31 December 2004). This increase is also partly attributable to the value created by the asset enhancement initiatives at the malls.

INVESTOR RELATIONS AND CORPORATE GOVERNANCE

CMT was honoured to win the 'Most Transparent Company' Award, under the new REITs category, at the Securities Investors Association (Singapore) (SIAS) Investors' Choice Awards held in September 2004. This prestigious award, for which we were nominated by analysts, fund managers and the media, recognises the timeliness, clarity and comprehensiveness of the information we disclose. Additionally, in a poll conducted

¹ Based on CMT's closing unit price of S\$1.76 on 31 December 2004.

by Finance Asia, CMT was voted amongst the top ten best companies in the categories of 'Best Managed Companies (Singapore)', 'Best Corporate Governance (Singapore)' and 'Most Committed to Strong Dividends Policy (Singapore)'. Maintaining open and timely communication with our investors is very important. We are very encouraged by this recognition of our efforts and remain committed to upholding a high level of corporate governance and transparency for CMT.

LOOKING FORWARD

Vision to Grow Asset Size to S\$4-S\$5 Billion

CMT is well-positioned to secure yield-accretive acquisitions and we will actively pursue opportunities to grow our property portfolio to an asset size of S\$4-5 billion within the next three years.

Quarterly Distributions Currently, CMT issues distributions to Unitholders twice a year. On 28 February 2005, Unitholders received the distributable income for the period 2 August 2004 to 31 December 2004 at a DPU of 4.07 cents. Following this distribution, CMT will be making quarterly distributions. The increased distribution frequency will benefit all Unitholders who will enjoy a more regular income stream from their investments in CMT, thus providing them with enhanced unitholder value. Unitholders can expect to receive the first distribution for the period from 1 January 2005 to 31 March 2005 in May 2005.

¹ The forecast is based on the forecast, with the accompanying assumptions, in the CMT Circular dated 20 July 2004.

Budget Changes Set to Enhance Real Estate Investment Trust (REIT)

In the Government's Budget announcement on 18 February 2005, a compelling package of incentives was unveiled. These incentives will, among other things, encourage the further expansion of the REIT market in Singapore and attract more foreign investment capital for REITs here. These measures include:

1. Waiving stamp duty (typically around 3 percent of property value) for the purchase of properties by REITs, for a five-year period; and
2. Halving the withholding tax on REIT distributions received by foreign institutional/corporate investors to 10 percent from 20 percent, for a five-year period.

These measures augur well for the future of Singapore's real estate markets as a whole and the further development of REIT markets in Singapore. CMT is well-positioned to benefit from this. The official Government GDP growth forecast for 2005 is 3-5 percent and this provides an encouraging base for the continued improvement in the retail property market.

Inclusion in the Straits Times Index (STI)

With effect from 18 March 2005, CMT will be included as one of the 50 component stocks of the STI, the primary

Singapore equity market barometer. This will enhance CMT's profile and increase its trading liquidity, as the STI and its component stocks are widely tracked by the investment community.

2005 OBJECTIVES

We will continue to focus on maintaining the high occupancy rates at each mall and executing planned asset enhancement initiatives. In addition, we will further strengthen tenancy mix, actively manage operational costs, and explore yield-accretive acquisitions with long-term growth potential. The Manager is confident of delivering the 2005 forecast annualised DPU of 9.34¹ cents per unit, barring any unforeseen circumstances.

ACKNOWLEDGEMENTS

We would like to thank our Unitholders, business partners, customers, including tenants and shoppers, and all employees for their contributions to our performance. With the continued support of all stakeholders, CMT aims to sustain our growth momentum and deliver our forecast DPU for 2005.



HSUAN OWYANG
CHAIRMAN



PUA SECK GUAN
CHIEF EXECUTIVE OFFICER

11 March 2005

致单位持 有者信函

我们谨代表嘉茂信托 (CapitaMall Trust) 的管理机构嘉茂信
托管理有限公司 (CapitaMall Trust Management Limited)
的董事会,提呈嘉茂信托截至 2004 年 12 月 31 日的报告。

财务表现

在2004年期间,基于我国经济的强劲表现,国内生产总值取得4年来最快速的增长,达到8.4%¹增幅。我们感到市场对零售面的需求递增,零售商对商业的前景也更加乐观。由于上述经济环境的改善、游客的增加以及国内消费者信心的提升,我们的购物广场在2004年的租用率和租金率的增长得以持续。

嘉茂信托的表现持续比预测来得好,从而为嘉茂信托单位持有者(单位持有者)提供更高的回报。如自2004年1月1日起持有嘉茂信托单位的人士,至2004年12月31日将可享有29.7%²的总回报率;自2002年7月嘉茂信托首次公开献售 (Initial Public Offering) 起投资于嘉茂信托的单位持有者,至2004年12月31日则可享有105.1%³的总回报率。嘉茂信托在2004年的表现再度超出预测,并归还单位持有者每单位分发金(Distribution Per Unit)总额9.48分,比截至2003年12月31日财政期的8.03分单位分发金总额高出18.1%。

上述业绩主要可归因嘉茂信托于2004年8月2日收购的狮城大厦,投资于CapitaRetail Singapore Limited 发行的 E 级债券之利息收入,以及本年度来自IMM大厦的全年收益。总收益增加的其它因素尚有:经由其它购物广场的新租约和更新租约所取得的租金收入增长以及碧山第8站和淡滨尼广场新增零售面积的租金收入。

由于管理层能够通过主动的资产管理方式、积极的租赁策略和革新的资产增值计划成功提升资产价值,因此嘉茂信托有能力派发可持续的分发金给单位持有者。强劲的更新租约率和租用率,加上我们的产业组合通过租金递升率所带来的定额增长,为持续的增长奠定了良好的基础。

年度主要发展

收购提供利润增长的狮城大厦

2004年8月,嘉茂信托以7.1亿新元收购狮城大厦。此收购行动至关重要,由于此资产能提供利润增长、竞争优势、产业组合多元化的利益、增长潜能及提高嘉茂信托单位的流通性,因此嘉茂信托得以继续为投资者提供更好的回报和增长。

收购狮城大厦之后,嘉茂信托把产业总收入净额中任何一项产业所占的比例降至不超过30.2%;若未收购狮城大厦,同期(2004年8月2日至12月31日)的比例将是34.7%。此外,由于狮城大厦拥有均衡而多样化的租户类型,嘉茂信托产业组合得以进一步多元化,它在新加坡各处满足不同租赁要求的能力也有所提高。

提高流通性和市场资本值

嘉茂信托于2004年8月发行了2.9亿个新单位为收购狮城大厦提供部分融资,此举提高了嘉茂信托单位的流通性及其市场资本值。截至2004年12月31日,嘉茂信托的市场资本值超过21亿新元⁴。嘉茂信托获选加入欧洲公营产业(European Public Real Estate)/全国产业投资信托协会(National Association of Real Estate Investment Trusts)的全球产业指数及其次级指数以及摩根士丹利资本国际(Morgan Stanley Capital International Inc.)标准指数系列,也进一步提高了其流通性。国际基金管理机构在进行投资选择和监察时,一般以上述具权威性的投资指数为参考基准。

购物广场的资产增值计划

我们不断检讨嘉茂信托购物广场的概念、租户类型和规划。我们持续采取主动的广场管理方式,从而为2004年嘉茂信托的表现奠定了基础。嘉茂信托取得近100%的租用率,产业总收入净额也比2003年增加了45.7%。

我们在淡滨尼广场大厅A安装了新的自动扶梯,并在大厅B地下1层至地下3层装置了自动扶梯,这两项新设施提高了广场的人流量。全年引进的新租户也已经开张营业,目前他们正使用新的或改建后的面积。4楼天台园景广场的建设工程也已经于10月底竣工。它的设计以家庭活动为主题,其中附设儿童游乐场和舞台设施,可作为各种户外社区活动的举办地点。

我们也把碧山第8站相对低收益的办公室楼面改建成较高收益的零售楼面。着重于运动、电子器材和青春时尚品牌的新购物区已于2004年竣工,截至2004年12月31日,所有商铺已全部租出。

在该年进行的资产增值计划也使得福南科技与资讯广场的门面焕然一新,入口处还装置了自动扶梯以方便顾客从街道层直通楼上各层。为使该广场带有“数码特色,我们于2004年9月25日推出免费的无线上网服务(Wi-Fi),让熟谙资讯科技的常客在购物时能随时上网。

自从两家食阁开张后,IMM大厦为顾客提供更多的美食选择。这两家食阁占地共约17,500平方英尺。自动扶梯已于2004年11月安装完成。第二期资产增值计划工程预计于2005年动工。

在2005年,除了经由产业组合的租金递升制所带来的定额增长之外,单位持有者可期待在碧山第8站重新规划后享有新零售面积所带来的较高收益。我们预计IMM大厦的资产增值计划也将会带来更多收益。此外,持续进行的租约更新和租户类型的主动管理方式也将带动各家购物广场取得进一步的增长。

提高产业组合的价值

在收购了狮城大厦之后,我们的产业组合价值从12亿新元(截至2003年12月31日)增至22亿新元

1 资料来源:新加坡贸工部。

2 依据2004年1月1日至2004年12月31日的每单位实际分发金总额9.48分、2003年12月31日的单位闭市价1.43新元以及2004年12月31日的单位闭市价1.76新元。

3 依据2002年7月17日嘉茂信托上市以来的每单位实际分发金总额20.9分以及嘉茂信托单位的首次公开献售价0.96新元。

4 以2004年12月31日嘉茂信托单位闭市价1.76新元为准。

(截至2004年12月31日),增幅高达80.2%。产业组合增值的一部分是来自各购物广场资产增值计划所创造的价值。

投资者关系与企业管治

在2004年9月在新加坡证券投资者协会 (Securities Investors Association (Singapore)) 举行的‘投资者之选’颁奖礼上,嘉茂信托荣获新设的产业投资信托组最透明公司奖。我们是经由分析师、基金管理机构和媒体提名参赛,能获得这个备受推崇的奖项意味着我们在发布信息方面的及时性、清晰度和全面性均受到肯定。此外,根据《金融亚洲》(Finance Asia) 进行的一项调查,嘉茂信托被票选为‘管理最佳的公司(新加坡)’、‘最佳企业管治(新加坡)’和‘最致力推行丰厚股息政策(新加坡)’各组的十大最佳公司之一。与我们的投资者保持公开而及时的联系至关重要。我们的努力得到认可令我们深感鼓舞,嘉茂信托承诺持续保持高水平的企业管治和透明度。

展望前景

致力将资产价值提升至 40至50 亿新元的远见
嘉茂信托已为收购可提供利润增长的产业做好准备,我们将积极寻找各种收购机会,从而在未来 3 年内将我们的产业组合扩大至40至50亿新元的规模。

一年派发四次分派金

目前,嘉茂信托每年派发两次分派金给单位持有者。于2005年2月28日,单位持有者已接获为2004年8月2日至2004年12月31日这段时期派发的每单位分派金4.07分。这之后,嘉茂信托将改为一年派发四次分派金。增加派发分派金的次数将能让所有单位持有者从嘉茂信托的投资中获得更稳定的定期收益,从而为他们提供更佳的单位价值。单位持有者预计可于2005年5月接获2005年1月1日至2005年3月31日的首季分派金。

财政预算的改革将促进产业投资信托的发展

政府在 2005 年 2 月 18 日宣布的财政预算中,披露将推出一个引人注目的配套。这些奖励措施的其中一个作用是刺激新加坡产业投资信托市场和进一步扩大其范围,以吸引更多外国资金注入本地产业投资信托市场。这些措施包括:

1. 产业投资信托收购产业可豁免印花税(一般约等于产业价值的 3%),为期5年;以及
2. 外国机构/公司投资者接获产业投资信托分派金的预扣税减半的优惠,即从20%减至10%,为期5年。

上述措施对新加坡整体产业市场的未来和产业投资信托市场的进一步发展十分有利。嘉茂信托将可从中获利。政府对2005年国内生产总值的正式预测是3至5%,这一鼓舞人心的信息是零售产业市场持续增长的基础。

加入海峡时报指数 (Straits Times Index)

自2005年3月18日起,嘉茂信托将成为组成海峡时报指数的 50 只股票之一。海峡时报指数是新加坡股票市场的指标,由于该指数及其组成股票备受投资界关注,因此加入此指数将能提高嘉茂信托的能见度和流通性。

2005年目标

我们将持续着重于维持各购物广场的高租用率,并落实各项资产增值计划。此外,我们将进一步加强租户类型的多样化,积极管理营运成本,并寻找机会收购具有提高利润和长期增长潜能的产业。在无任何不可预测的情况下,嘉茂信托管理层自信能够实现2005年的预测,即常年每单位派发分派金 9.34 分¹。

鸣谢

我们谨此感谢单位持有者、商业伙伴、包括租户和顾客在内的客户,以及全体雇员对我们的表现所作出的贡献。在所有相关人士的持续支持之下,嘉茂信托将致力保持增长势头,并落实我们对 2005 年每单位分派金的预测。

主席
欧阳熹

总裁
潘锡源

2005 年 3 月 11 日

¹ 此预测是根据志期 2004 年 7 月 20 日嘉茂信托通函中的预测及其假设。

Milestones 2004

“This was yet another eventful year for CMT, in particular the acquisition of Plaza Singapura. We remain committed to actively pursuing similar yield-accretive acquisitions to grow CMT’s property portfolio.”

**MR LIEW MUN LEONG, DEPUTY CHAIRMAN,
CAPITAMALL TRUST MANAGEMENT LIMITED**

JANUARY

- CMT was included in the European Public Real Estate (EPRA) / National Association of Real Estate Investment Trusts (NAREIT) Global Real Estate Index (and its sub-indices), an international real estate equity benchmark.
- The Manager announced CMT’s results for the period from 26 June to 31 December 2003: CMT’s distributable income exceeded distribution forecast for the same period by 6.7 percent.
- CMT accepted an offer from Jurong Town Council allowing it to pay, in lieu of the annual rent payable, an upfront land premium of S\$55.7 million for a tenure of 45 years in respect of IMM Building.

FEBRUARY

- The Government announced in its 2004 Budget Statement that distributions from REITs received by individuals (all nationalities) will be exempted from tax, except where the distributions are derived through a partnership in Singapore or from the carrying on of a trade, business or profession.

APRIL

- In a poll conducted by Finance Asia, CMT was voted amongst the top ten best companies in the categories of ‘Best Managed Companies (Singapore)’, ‘Best Corporate Governance (Singapore)’ and ‘Most Committed to Strong Dividends Policy (Singapore)’.

- The Manager announced CMT results for the period 1 January to 31 March 2004: CMT’s distributable income exceeded the distribution forecast for the same period by 4.9 percent.

MAY

- The Manager announced that CMT has entered into a conditional ‘put and call’ option agreement with CapitaLand Commercial Limited, now known as CapitaLand Commercial and Integrated Development Limited (CCID), for the acquisition of Plaza Singapura.
- CMT was added to the Morgan Stanley Capital International (MSCI) Standard Index Series, an international equity benchmark widely used by institutional investors.



JUNE

- A face-lift for the annex block at Funan The IT Mall was completed. This included a glass façade with escalators linking Level 1 to 3.

JULY

- During an Extraordinary General Meeting on 8 July 2004, Unitholders passed, inter alia, an extraordinary resolution to acquire Plaza Singapura from CCID.
- The Manager announced CMT results for the period from 1 January to 30 June 2004: CMT's distributable income exceeded the distribution forecast for the same period by 6.1 percent.
- 294.0 million new units were issued to partly-fund the acquisition of Plaza Singapura at a price of S\$710.0 million: the public ATM offering of 31.0 million new units was fully subscribed within 20 minutes; and the private placement was over seven times subscribed.

AUGUST

- The acquisition of Plaza Singapura was completed.

SEPTEMBER

- CMT won the 'Most Transparent Company' Award, REITs category, Securities Investors Association (Singapore) (SIAS) Investors' Choice Award.
- Installation of new escalators at Lobby A and travellators at Lobby B from Basements 1 to 3 was completed at Tampines Mall.
- Two new food courts run by popular operators Kopitiam and Banquet commenced operations at IMM Building.

OCTOBER

- The Manager announced CMT results for the period from 2 August to 30 September 2004: CMT's distributable income exceeded the distribution forecast for the same period by 4.4 percent.
- Construction of the rooftop landscape plaza with playground and stage facilities was completed at Tampines Mall.

NOVEMBER

- Installation of travellators from Levels 1 to 5 was completed at IMM Building.

DECEMBER

- Phase 2 of asset enhancement works at Junction 8 was completed, creating approximately 50,000 sq ft of new retail space from decanted office block.

Market Overview

SINGAPORE'S ECONOMY IN 2004

Riding on the exceptional uptrend in the global economic environment in 2004, Singapore emerged strongly from an uncertain 2003 due to the global economic repercussions of the war in Iraq and the outbreak of Severe Acute Respiratory Syndrome (SARS).

Increases in both external and domestic demand helped to propel full-year Gross Domestic Product (GDP) growth to 8.4 percent, miles ahead of 2003's slight 1.4 percent pick up; a level of expansion not seen since the 9.6 percent growth reported in 2000. With respect to each quarter of the year, year-on-year growths were 7.9 percent, 12.3 percent, 7.2 percent and 6.5 percent, respectively. The economic expansion was also a wide-based one, experienced across all major economic sectors with the exception of the construction industry.

Reflecting the upbeat mood, Singapore's main stock market barometer, the Straits Times Index, climbed 17.1 percent to end the year at 2,066 points, the highest year-end finish in five years.

The vibrant economic conditions translated into strong employment creation, stemming the tide of retrenchments in recent times. By end-2004, the official preliminary estimate of the unemployment rate (seasonally adjusted) dropped to 3.7 percent from 4.6 percent a year ago. Income prospects also improved in tandem with improving labour demand.

With improved business conditions and employment prospects, total retail sales and total catering sales in 2004 rose by 12.4 percent and 6.4 percent, respectively, over the sales figures for the financial year ended 31 December 2003.

The Great Singapore Sale held in June and July was undoubtedly the retail highlight of the year, with retailers in general benefiting greatly from the strong return of consumer confidence and recovery in tourist arrivals on the back of the global economic revival. A survey by the Singapore Retailers Association revealed that the majority of retailers achieved higher sales during this year's event than last year's.

RETAIL PROPERTY SECTOR IN 2004

The property market as a whole benefited from the economic revival, with major sectors including residential, commercial and

industrial ending the year with a brighter note compared to a year ago.

The retail property sector was no exception. In fact, the prime retail space segment, which has shown exceptional resilience in the face of tough economic conditions in recent years, began to perk up as early as the second half of 2003.

The brightening outlook in the retail industry and improved consumer sentiments spurred the entry of many new local and international retailers and concepts into the market. Aggressive expansions by existing players to maintain or strengthen market share further added to the keen demand for prime retail space, and lent support to occupancy and rental rates.

Market reports indicate that island-wide prime retail rents grew by some 1-3 percent on average during 2004 and prime retail malls generally continued to maintain high occupancies exceeding 95 percent. Retail mall owners also benefited from the fact that there were no major completions of new retail space in 2004. In fact, the stock of private retail space in Singapore fell marginally by 1.4 percent (or some 300,000 sq ft) during the year.

Part of the space reduction can be explained by the current spate of redevelopment and refurbishment activities undertaken by building owners to improve the attractiveness of their centres to shoppers and retailers. Centres undergoing revamps include Clarke Quay, Centrepoint and Marina Square.

The Government launched the Warehouse Retail Scheme (WRS) in April 2004. WRS allows large-scale retailers to co-locate headquarters, logistics and retail functions in one centralised location on industrial land. In other words, new formats such as warehouse outlets and 'big box' retailing can now take place within industrial or warehouse developments, albeit only in outlying areas. In essence, such formats are, therefore, expected to complement, and not compete with, conventional retail developments.

The new scheme has generated keen interest among industry players and, if properly developed, can lead to innovative retail concepts that will improve the depth of the retail industry and offer shoppers more options and experiences. At the same time, property developers and owners will also benefit from additional business opportunities.

Asia has truly become the new hotspot for REITs and real estate investments.

OUTLOOK FOR 2005

While global economic growth is expected to moderate somewhat in 2005, it is nonetheless projected to be better than that seen between 2001 and 2003. Possible risk factors include a slowdown in the global semiconductor cycle, concerns over a potential hard landing for the Chinese economy and rising oil prices.

On the domestic front, the Government currently expects 2005 GDP growth to be within a more moderate, but still healthy band of 3-5 percent, in anticipation of lower external demand. Nonetheless, it expects the recent improvement in the employment situation and higher asset prices to sustain domestic consumption. This will provide support for the retail industry.

We are similarly optimistic on our outlook for the retail property sector. Recent history has shown that the sector rests on strong fundamentals that are resilient to economic volatilities, and 2005 should be no exception. We foresee tenant demand for prime retail space will remain strong on the back of good consumer confidence.

In addition, the tight supply of prime retail space will also help to support occupancies and rents. According to official statistics, the total new supply of private sector retail space in 2005 is expected to be below 250,000 sq ft (about the size of a typical mid-scale mall), or around 1.1 percent of total current stock.

REIT INDUSTRY

2004 witnessed tremendous growth in the Singapore REIT industry. There were two new listings, CapitaCommercial Trust and Suntec REIT, and by year end the total market capitalisation of Singapore-listed REITs crossed S\$7 billion, nearly tripling that as at end 2003.

The growth of the industry has been phenomenal, considering that REITs only made their debut in Singapore with the S\$708 million listing of CMT as recently as July 2002. The market capitalisation of CMT has grown to more than S\$2 billion since then.

In the Government's Budget announcement on 18 February 2005, an attractive package of incentives was unveiled that will, among other things, encourage the further expansion of the



REIT market in Singapore and attract more foreign investment capital for REITs here. These measures include:

1. Waiving stamp duty (typically around 3 percent of property value) for the purchase of properties by REITs, for a five-year period; and
2. Halving the withholding tax on REIT distributions received by foreign institutional/corporate investors to 10.0 percent from 20.0 percent, for a five-year period.

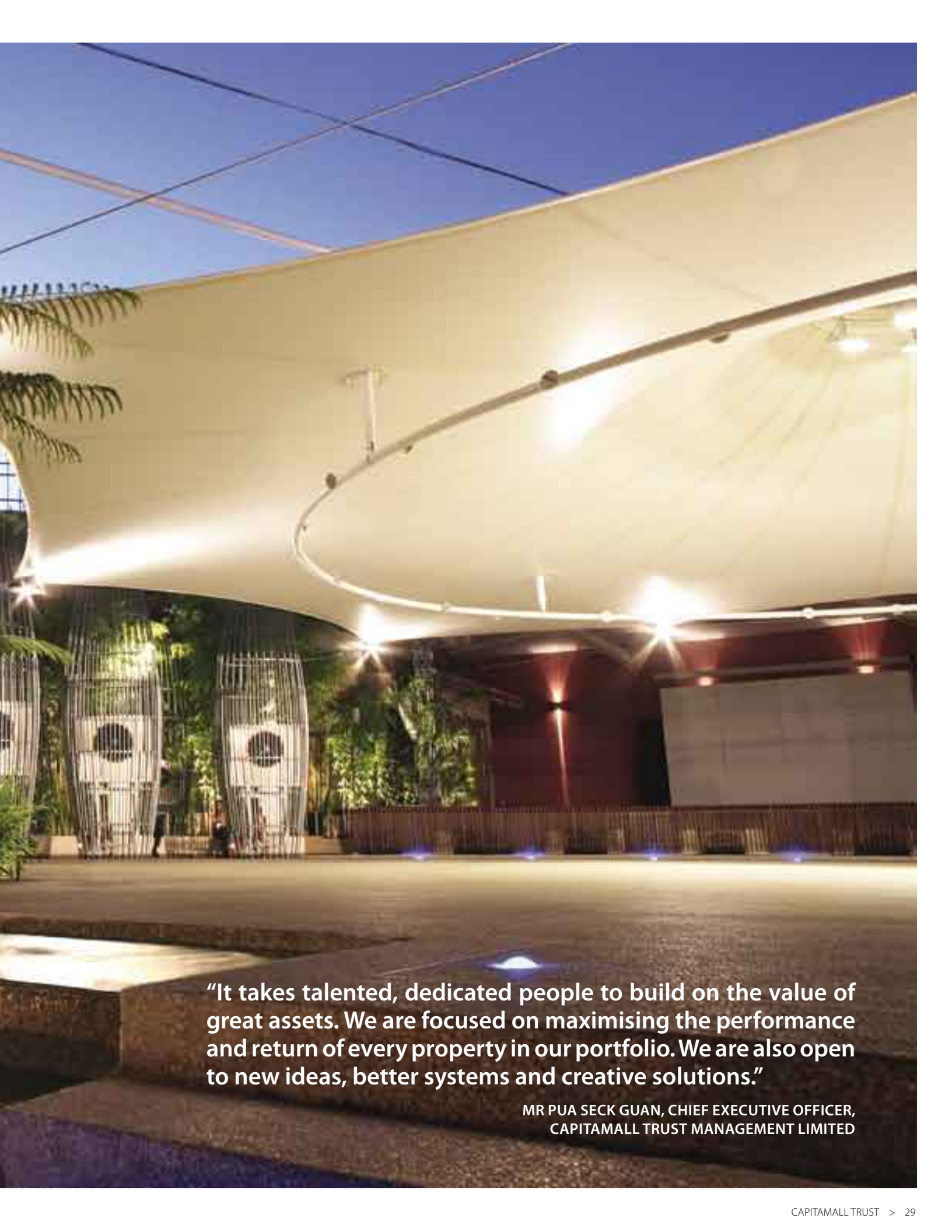
Asia has truly become a new hotspot for REITs and real estate investments. After Japan and Korea's foray into the REITs market in 2001 and Singapore following suit in 2002, Hong Kong announced its entry into the REIT market in December 2004 in a big way with the approximately US\$3 billion IPO of The Link REIT, the largest-ever in the world. Though its listing was halted pending the resolution of certain litigation matters, we do not expect this incident to delay the eventual take-off of the Hong Kong REIT market for long.

Elsewhere, there have also been promising developments in relation to the advancement of REITs in Malaysia, Thailand, India and Taiwan, among others. Last, but certainly not least, there is currently tremendous international interest in the huge and largely untapped property market in China, which is increasingly opening up to foreign investors. All these augur well for the future of Asian real estate markets as a whole and the further development of REIT markets across Asia.



REIMAGINE IT

State-of-the art open atrium stage at rooftop landscape plaza at Tampines Mall

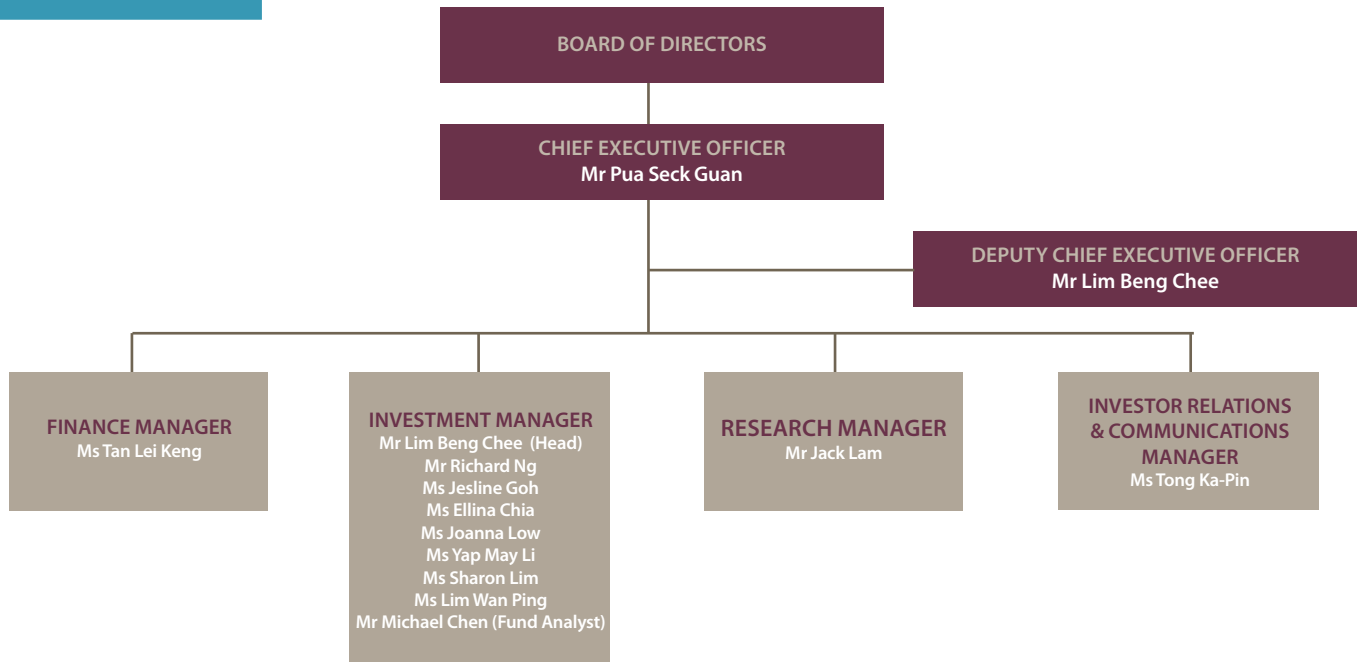


“It takes talented, dedicated people to build on the value of great assets. We are focused on maximising the performance and return of every property in our portfolio. We are also open to new ideas, better systems and creative solutions.”

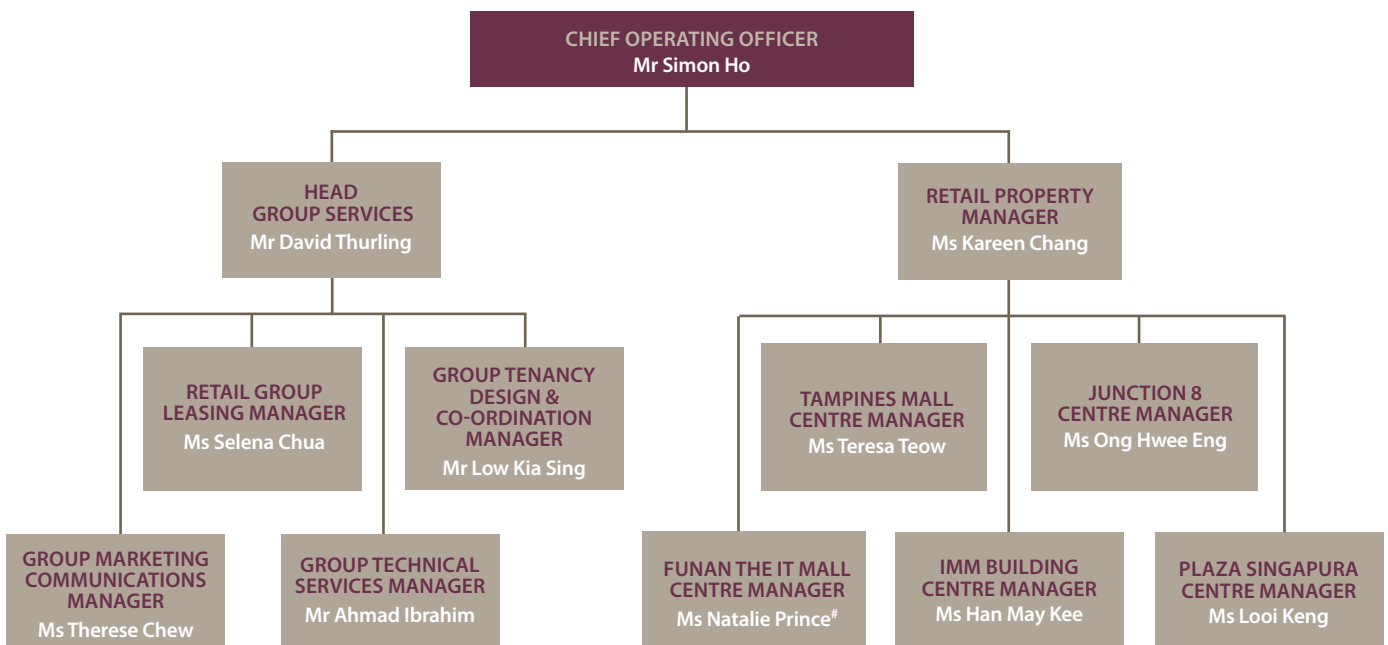
**MR PUA SECK GUAN, CHIEF EXECUTIVE OFFICER,
CAPITAMALL TRUST MANAGEMENT LIMITED**

Organisation Structure

CAPITAMALL TRUST MANAGEMENT LIMITED



CAPITALAND RETAIL MANAGEMENT PTE LTD



Replacement for Mr Chew Hock Chye with effect from 1 October 2004.

CAPITAMALL TRUST

REGISTERED ADDRESS

HSBC Institutional Trust Services
(Singapore) Limited
21 Collyer Quay
#14-01 HSBC Building
Singapore 049320
Phone: +65 6534 1900
Fax: +65 6533 1077

WEBSITE ADDRESS

www.capitamall.com
Email: ask-us@capitamall.com.sg

TRUSTEE

HSBC Institutional Trust Services
(Singapore) Limited
21 Collyer Quay
#10-01 HSBC Building
Singapore 049320
Phone: +65 6534 1900
Fax: +65 6533 1077

AUDITOR

KPMG
Certified Public Accountants
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
Phone: +65 6213 3388
Fax: +65 6225 0984
Partner-In-Charge : Leong Kok Keong
(Since financial period ended
31 December 2002)

UNIT REGISTRAR

Lim Associates (Pte) Ltd
10 Collyer Quay
#19-08 Ocean Building
Singapore 049315
Phone: +65 6536 5355
Fax: +65 6536 1360

THE MANAGER

REGISTERED ADDRESS

CapitaMall Trust Management Limited
39 Robinson Road
#18-01 Robinson Point
Singapore 068911
Phone: +65 6536 1188
Fax: +65 6536 3884

DIRECTORS OF THE MANAGER

Mr Hsuan Owyang
Chairman & Non-Executive Director

Mr Liew Mun Leong
Deputy Chairman & Non-Executive Director

Mr James Glen Service
Independent Non-Executive Director

Mr David Wong Chin Huat
Independent Non-Executive Director

Mr Pua Seck Guan
Chief Executive Officer & Executive Director

Mr Hiew Yoon Khong
Non-Executive Director

Mr Lui Chong Chee
Non-Executive Director

Mr Kee Teck Koon
Non-Executive Director

Mr S. Chandra Das
Non-Executive Director

Mr Chay Wai Chuen
(Alternate to Mr S. Chandra Das)
Non-Executive Director

EXECUTIVE COMMITTEE

Mr Liew Mun Leong
Mr Lui Chong Chee
Mr Kee Teck Koon
Mr Pua Seck Guan

AUDIT COMMITTEE

Mr Hsuan Owyang
Mr James Glen Service
Mr David Wong Chin Huat
Mr Lui Chong Chee

CORPORATE DISCLOSURE COMMITTEE

Mr Hsuan Owyang
Mr Liew Mun Leong
Mr Lui Chong Chee
Mr Kee Teck Koon

COMPANY SECRETARY

Ms Michelle Koh

The Board of Directors



DAVID WONG CHIN HUAT

JAMES GLEN SERVICE

HSUAN OWYANG

LIEW MUN LEONG

PUA SECK GUAN

MR HSUAN OWYANG
CHAIRMAN & INDEPENDENT
NON-EXECUTIVE DIRECTOR
(SINCE 18 OCTOBER 2001)

With more than 50 years of experience in both the public and private sectors, Mr Owyang's portfolio includes chairmanship of the Housing and Development Board from 1983 to 1998, the Institute of Policy Studies from 1989 to 2004 and the East Asian Institute management board since 1997. He has also been a pro-Chancellor of Nanyang Technological University since 1995. In recognition of Mr Owyang's numerous contributions, he was conferred the Distinguished Alumni Award by the Harvard Club of Singapore in 1987 and was awarded the Meritorious Service Medal by the Singapore Government in 1993.

MR LIEW MUN LEONG
DEPUTY CHAIRMAN &
NON-EXECUTIVE DIRECTOR
(SINCE 5 JUNE 2002)

Mr Liew is President and Chief Executive Officer of CapitaLand Limited and Deputy Chairman of The Ascott Group Limited, Raffles Holdings Limited and CapitaCommercial Trust Management Limited. He has more than 27 years' local and international experience in the construction and real estate industries in Singapore and overseas. He led and participated in a number of public sector infrastructural development projects in Singapore, including the development and construction of Changi International Airport.

Mr Liew is currently Chairman of the Board of Governors of Temasek Polytechnic, Deputy

Chairman of the Civil Aviation Authority of Singapore, and a Board member of the Public Utilities Board. From 1997 to 1998, he was President of the International Organisation for Standardisation (ISO). Mr Liew graduated from the University of Singapore with a civil engineering degree in 1970. He also serves as a member of the Council on Corporate Disclosure and Governance.

MR JAMES GLEN SERVICE
INDEPENDENT NON-EXECUTIVE DIRECTOR
(SINCE 17 OCTOBER 2001)

Mr Service has 20 years of experience in fund management and property trusts. He is the Executive Chairman of JG Service Pty Limited, a specialist property consulting company. Mr Service is also Chairman of Australand Wholesale Investments Limited and ACTEW Corporation Limited, among others. He is an independent Non-Executive Director of Australand Holdings Limited, a subsidiary of CapitaLand, which is listed on the Australian Stock Exchange. Mr Service was awarded the honour of Officer in the General Division for the Order of Australia in 2004, a Silver Jubilee Medal in 1975 and Canberra Citizen of the Year 2001. Mr Service is a Fellow of the Chartered Institute of Secretaries, a Life Fellow of the Australian Institute of Building and a Fellow of the Australian Society of Certified Practising Accountants.

MR DAVID WONG CHIN HUAT
INDEPENDENT NON-EXECUTIVE DIRECTOR
(SINCE 17 JANUARY 2003)

Mr Wong, a senior partner of Ramdas and Wong, has been a lawyer in private practice with more than 30 years' experience in real estate, banking, consumer finance and corporate law. He currently serves

as a member of the Public Service Commission and the Singapore Labour Foundation. He is also the Chairman of the Bedok Citizens' Consultative Committee. A Justice of the Peace, he was awarded the Public Service Star (BBM) in 1991. Mr Wong holds a Master of Laws degree from the University of London, UK and a Bachelor of Laws degree from the University of Singapore.

MR PUA SECK GUAN
CHIEF EXECUTIVE OFFICER &
EXECUTIVE DIRECTOR
(SINCE 17 OCTOBER 2001)

Mr Pua is the Chief Executive Officer of CapitaMall Trust Management Limited. Since his appointment in October 2001, he has been responsible for the management of CMT. With over 15 years of real estate experience, including property investment, development and management, Mr Pua assumed the dual portfolio of Managing Director of Retail in 2002 and was concurrently appointed Deputy Chief Executive Officer of CapitaLand Commercial and Integrated Development Limited (formerly known as CapitaLand Commercial Limited). Prior to this, Mr Pua was also responsible for developing the property fund management business of CapitaLand Limited. Before joining CapitaLand Limited, Mr Pua held senior positions with Lend Lease Asia Holding Pte Ltd and Singapore-listed Hotel Properties Ltd. Mr Pua has a Master of Science degree in Civil Engineering from the Massachusetts Institute of Technology, USA and a Bachelor of Science degree in Building (First Class Honours) from the National University of Singapore.



S. CHANDRA DAS

KEE TECK KOON

HIEW YOON KHONG

LUI CHONG CHEE

CHAY WAI CHUEN

MR HIEW YOON KHONG
NON-EXECUTIVE DIRECTOR
(SINCE 1 MARCH 2002)

Mr Hiew is currently the Chief Executive Officer of Mapletree Investments Pte Ltd and the Managing Director, Private Equity Funds Investments of Temasek Holdings (Private) Limited. Prior to these appointments, Mr Hiew held various senior positions in the CapitaLand Group. He joined Pidemco Land Limited as Chief Financial Officer in 1996 and was Chief Financial Officer of CapitaLand Limited following the merger of Pidemco Land and DBS Land in 2000. In February 2002, he was made the Chief Executive Officer of CapitaLand Commercial and Integrated Development Limited (formerly known as CapitaLand Commercial Limited) as well as CapitaLand Financial Limited. Prior to joining CapitaLand Limited, Mr Hiew held various positions in the areas of corporate finance, management consultancy and project financing over a ten-year period. He holds a Master of Arts in Economics from the University of Warwick, UK and a Bachelor of Arts degree in Economics from the University of Portsmouth, UK.

MR LUI CHONG CHEE
NON-EXECUTIVE DIRECTOR
(SINCE 28 NOVEMBER 2001)

Mr Lui is a Non-Executive Director and serves as a member of the Audit Committee of CapitaMall Trust Management Limited. Mr Lui is the Chief Financial Officer of CapitaLand Limited and a Director of Australand Holdings Limited, CapitaCommercial Trust Management Limited and Raffles Holdings Limited. Prior to joining CapitaLand Limited, Mr Lui was a Managing Director at Citicorp Investment Bank (Singapore) Limited where he had to oversee all fixed income securities, financial advisory and equity

related transactions. He has 15 years of experience in investment banking, including origination and implementation of capital market fund-raising exercises, mergers and acquisitions and financial advisory transactions in Singapore. Mr Lui holds a Master of Business Administration in Finance and International Economics and a Bachelor of Science degree in Business Administration (magna cum laude) from New York University, USA.

MR KEE TECK KOON
NON-EXECUTIVE DIRECTOR
(SINCE 2 APRIL 2003)

Mr Kee is currently the Vice Chairman of CapitaLand Commercial and Integrated Development Limited (formerly known as CapitaLand Commercial Limited) and CapitaLand Retail Limited and is also the Chief Executive Officer of CapitaLand Financial Limited. He was the Managing Director and the Chief Executive Officer of The Ascott Group Limited from November 2000 to 1 April 2003. Between 1996 and 2000, he was the Managing Director and Chief Executive Officer of Somerset Holdings Limited and also Executive Vice President at Pidemco Land Limited. Prior to that, Mr Kee held senior management appointments with several other organisations. He started his career in 1979 with the Singapore Armed Forces and the Ministry of Defence where he remained until 1991. Mr Kee is also the Vice Chairman of the governing council of the Singapore Institute of Management. He holds a Master of Arts in Engineering Science from Oxford University, UK.

MR S. CHANDRA DAS
NON-EXECUTIVE DIRECTOR
(SINCE 5 JUNE 2002)

Mr Das is currently the Chairman of NTUC Fairprice Co-operative Ltd and Southern African Investments

Pte Limited, a subsidiary of Temasek Holdings (Private) Limited. He is also the Managing Director of NUR Investment & Trading Pte Limited and a Director of the following public listed companies: Nera Telecommunications Limited, Nera Electronics Limited, Yeo Hiap Seng Limited and The Ascott Group Limited. He was the Chairman of the Trade Development Board from 1983 to 1986. He served as a Member of Parliament from 1980 to 1996. Mr Das was awarded the President's Medal by the Singapore Australian Business Council in 2000 and the Distinguished Service Medal by the National Trades Union Congress in 2001. He holds a Bachelor of Arts degree in Economics (Honours) from the University of Singapore and a Certificate in Education from the former Singapore Teachers' Training College.

MR CHAY WAI CHUEN
NON-EXECUTIVE DIRECTOR
(ALTERNATE TO MR S. CHANDRA DAS)
(SINCE 20 FEBRUARY 2003)

Mr Chay is the General Manager of Logistics and Investments at NTUC FairPrice Co-operative Ltd and Chief Executive Officer of Grocery Logistics of Singapore Pte Ltd. He is also Director of NTUC Choice Homes and has been Member of Parliament since 1988 and a member of the Public Accounts Committee of Parliament for the past 10 years. Mr Chay started his career in 1979 as an economist at the Monetary Authority of Singapore and has held key roles in several local and regional organisations, prior to joining NTUC. Mr Chay holds a Master of Development Economics degree from Sussex University, UK and a Master of International Economics from the University of Singapore.

The Management Team

(CapitaMall Trust Management Limited – CMTML)



TONG KA-PIN

LIM BENG CHEE

PUA SECK GUAN

TAN LEI KENG

RICHARD NG

JACK LAM

CHIEF EXECUTIVE OFFICER

MR PUA SECK GUAN

Refer to description under the section on The Board of Directors.

DEPUTY CHIEF EXECUTIVE OFFICER (WITH EFFECT FROM 30 MARCH 2005) INVESTMENT MANAGER (HEAD)

MR LIM BENG CHEE

Beng Chee has more than five years of real estate investment and asset management experience. Prior to joining CMTML as an Investment Manager, he was part of the team to operate and create property funds sponsored by CapitaLand Limited. He also held the portfolio of Acting Finance Manager from 16 March 2004 to 17 June 2004. Beng Chee holds a Master of Business Administration (Accountancy) from the Nanyang Technological University of Singapore and a Bachelor of Arts degree in Physics (Honours) from the Oxford University, UK.

FINANCE MANAGER

MS TAN LEI KENG

Lei Keng was appointed Finance Manager on 18 June 2004 and is responsible for the sourcing and management of funds for CapitaMall Trust (CMT). She also provides support in areas of treasury, accounting, compliance and all finance-related matters in line with CMT's investment strategy and its mall portfolio

management with focus on driving revenue and delivering investment returns for CMT. Prior to joining CMTML, Lei Keng had extensive regional experience in finance with locally-listed as well as American-listed companies. She holds a Master of Business Administration degree from the University of South Florida and a Bachelor of Accountancy degree from the University of Singapore.

INVESTOR RELATIONS & COMMUNICATIONS MANAGER

MS TONG KA-PIN

Ka-Pin is responsible for the strategic communication with CMT's Unitholders and key stakeholders through various communication platforms and for providing CMTML's management with regular feedback from the investment community. Prior to joining CMTML, she was the Investor Relations Manager with United Overseas Bank Limited. She holds a Master of Commerce degree in Advanced Finance from the University of New South Wales, Australia and a Bachelor of Arts (Economics & Mathematics) degree from the National University of Singapore.

RESEARCH MANAGER

MR JACK LAM

Jack is responsible for various research initiatives that provide key market information and performance benchmarks for the

management and analysis work of CMT and its property portfolio. He also coordinates various types of consumer research for the malls. He was previously with the Singapore office of property consultants, Cushman & Wakefield, as Head of Advisory Services. He holds a Master of Business Administration degree in Finance (with distinction) from the University of Leeds, UK and a Bachelor of Engineering (Civil) degree from the National University of Singapore.

INVESTMENT MANAGERS

The Investment Managers' main responsibility lies in implementing and monitoring the CMT's strategy at a property level. This involves working hand-in-hand with the Property Manager to ensure that the property business plans are executed diligently. Other parts of their role include advising on asset enhancement initiatives within the existing portfolio and identifying and evaluating potential acquisitions or divestments.

MR RICHARD NG

Richard was a Manager of Investments and Asset Management for CapitaLand Commercial and Integrated Development Limited (CCID) (formerly known as CapitaLand Commercial Limited), before joining CMTML. He has over 12 years of real estate experience including property investment, asset management, property development, property management



YAP MAY LI

JOANNA LOW

ELLINA CHIA

JESLINE GOH

SHARON LIM

LIM WAN PING

MICHAEL CHEN

and marketing. He holds a Master of Science (Real Estate) degree and a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore .

MS JESLINE GOH

Jesline has over eight years of experience in investment and corporate finance. Prior to joining CMTML, she was part of the team in CapitaLand to create new property funds and evaluate new investment opportunities in real estate and related products. Jesline is a Chartered Financial Analyst and holds a First Class Honours Bachelor’s degree in Business Administration from the National University of Singapore.

MS JOANNA LOW

Prior to joining CMTML, Joanna served as an Asset Analyst with Lend Lease Asia Holding Pte Ltd where she was actively involved in analytical work on new investment opportunities. Joanna holds a Master of Commerce degree in Advanced Finance from the University of New South Wales, Australia and a Bachelor of Business from Queensland University of Technology.

MS SHARON LIM

Sharon has experience in property business development, sales & marketing and asset management activities in Australia, the

Philippines and Singapore. Prior to joining CMTML, she was a Project Manager with the investment arm of the New South Wales Department of Housing in Australia. She holds a Master of Business Administration degree and a Bachelor of Business degree with distinction from the Royal Melbourne Institute of Technology, Australia.

MS ELLINA CHIA

Ellina has over eight years of real estate experience in lease administration, investment and asset management. Whilst at CapitaLand, she was seconded to Lend Lease Japan for 18 months to work on the acquisition of non-performing loans. She holds a Bachelor of Business (Honours) degree, specialising in Marketing, from Nanyang Technological University of Singapore.

MS YAP MAY LI

May Li has close to seven years’ experience in both the public and private sectors, with expertise in financial analysis, IT project management, policy planning and business process reengineering. She holds a Bachelor of Business Administration (Honours) degree from the National University of Singapore and is a Chartered Financial Analyst.

MS LIM WAN PING

Prior to joining CMTML, Wan Ping has close to 2

years of experience as a Financial Analyst with American Express Int’l Inc, and over four years of real estate experience in research, strategic planning and the investigation of overseas investment opportunities with GIC Real Estate Pte Ltd. She is a Chartered Financial Analyst and holds a First Class Honours Bachelor of Science (Real Estate) degree from the National University of Singapore.

**FUND ANALYST
MR MICHAEL CHEN**

Michael is responsible for developing and maintaining financial and asset models to analyse the performance of CMT at the property level, as well as preparing asset reports on the properties. In addition, he assists the Investment Managers in the acquisition of new properties. Michael holds a Bachelor of Business Management (cum laude) degree majoring in Finance from the Singapore Management University.

The Property Management Team

(CapitaLand Retail Management Pte Ltd - CRMPL)



LOW KIA SING

SELENA CHUA

SIMON HO

DAVID THURLING

KAREEN CHANG

THERESE CHEW

IBRAHIM AHMAD

CHIEF OPERATING OFFICER **MR SIMON HO**

Simon joined CRMPL in 2004 and is responsible for managing the operations of the 10 retail malls in Singapore as well as operations of its regional retail portfolio in Japan, Malaysia and China. He works closely with CRMPL's asset management and investment teams to ensure that asset plans are executed diligently and that asset returns are optimised. He joined the CapitaLand Group in 1996 and for eight years was actively involved in growing the Group's serviced residence business in The Ascott Group. Simon holds a Master of Real Estate degree as well as a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore.

HEAD, GROUP SERVICES **MR DAVID THURLING**

David heads CRMPL's Group Services Division which provides strategic and value-add services to the malls' leasing, marketing communications and technical services' teams. He joined CRMPL in 2004 as Senior Vice-President overseeing the Retail Development of VivoCity which, when completed in 2006, will be the largest and one of the most iconic retail mall in Singapore. David has worked in retail-property development and management for more than 18 years with leading Australian and Asian based property groups including CFS Gandel (Australia), Jones Lang LaSalle (Indonesia) Colliers International (Australia), and the Lippo Group (Indonesia). Most recently, David was a Director of specialist property consultant TRP (Australia) providing consultancy services to leading Australian retail developers/managers such as Grocon, Coles Myer, MAB Corporation, ISPT, Mirvac and ING Real Estate. He graduated from the Royal Melbourne Institute of Technology, Australia.

RETAIL PROPERTY MANAGER **MS KAREEN CHANG**

Kareen is responsible for the profitability of CapitaMall Trust (CMT). Essentially this involves overseeing the centre managers with a view to maximising rental income and minimising expenses. This, in part, is achieved through active asset management and leveraging on the economies of scale derived across the CRMPL portfolio. Kareen has over 10 years of experience in retail operations and property management. She holds a Master of Business Administration (Strategic Marketing) degree from The University of Hull and is also an Accredited Shopping Centre Manager (ASM) of the International Council of Shopping Centres, USA.

GROUP LEASING MANAGER **MS SELENA CHUA**

Selena oversees all the leasing activities of CMT's assets, ensuring gross rental income meets or exceeds the budget and achieving optimal occupancy rates. This includes lease administration, key tenant relationships as well as planning and implementation of the leasing strategy relating to tenancy mix. Supporting medium to short-term asset enhancement plans and strategic marketing plans are also part of her key functions. Selena has more than 10 years of retail leasing and operations experience. Prior to joining CCID in 1999, she was the Leasing Manager of Scotts Shopping Centre and was also with CB Richard Ellis (Pte) Ltd's Retail Department for 4 years. She holds a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore.

GROUP MARKETING COMMUNICATIONS **MANAGER** **MS THERESE CHEW**

Therese is responsible for attracting shoppers to CMT malls and driving tenants' sales turnover. This is largely achieved through innovative advertising

and promotions, events and public relations. She also focuses on delivering non-traditional income, which has proven to be an area of significant opportunity across the malls. Therese has over 13 years of experience in the field of marketing and communications, in Singapore and regionally. She holds a Master of Arts in Mass Communications from Oklahoma City University, USA and a Bachelor of Commerce (Marketing) degree from Curtin University of Technology, Australia.

GROUP TECHNICAL SERVICES MANAGER **MR IBRAHIM AHMAD**

Ibrahim works closely with consultants, operations managers and centre managers to implement the company's Facility Management Policy and Standard Operating Procedures. He specialises in optimisation of equipment performance, services contract procurement and preventive and predictive maintenance planning. He is also actively involved in the various asset enhancement initiative at the malls. Ibrahim has over 20 years of experience in the construction industry as well as retail property management. He holds a Bachelor of Science (Real Estate Management) degree from the Oxford Brookes University, UK.

GROUP TENANCY DESIGN & COORDINATION MANAGER **MR LOW KIA SING**

Kia Sing's primary responsibility is the review and approval of designs for shop layouts in the shopping malls under CMT. He also develops retail design and merchandising guidelines to ensure that high standards of design, layout and visual merchandising are maintained in the malls. He is also involved in the conceptualisation of asset enhancement initiatives and feasibility studies. Kia Sing has over four years of experience in design and architecture. He holds a Master in Architecture degree and a Bachelor of Arts degree (Architectural Studies) from the National University of Singapore.

The Centre Management Team

Tampines Mall Team



DANNY CHAN TERESA TEOW JUNE ANG JACLYN CHAN

Junction 8 Team



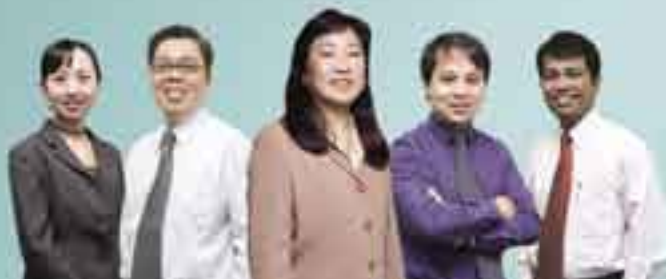
JUDY WEE IVAN KOH ONG HWEE ENG CHRISTOPHER ANG PANG CHEE SENG

Funan The IT Mall Team



ROY LAI DEBORAH TAN NATALIE PRINCE CHEW HOCK CHYE ROY SIM

IMM Building Team



VENESSA KOH JEFFREY TEO HAN MAY KEE DANZEL FOO MUSTAFA BIN ABDUL

Plaza Singapura Team



BERNADETTE GAN EDDIE WONG LOOI KENG LIM KIM LOON

CMT MALL CENTRE MANAGERS

MS TERESA TEOW (TAMPINES MALL)

MS ONG HWEE ENG (JUNCTION 8)

MR CHEW HOCK CHYE (FUNAN THE IT MALL, TO 30 SEPTEMBER 2004)

MS NATALIE PRINCE (FUNAN THE IT MALL, FROM 1 OCTOBER 2004)

MS HAN MAY KEE (IMM BUILDING)

MS LOOI KENG (PLAZA SINGAPURA)

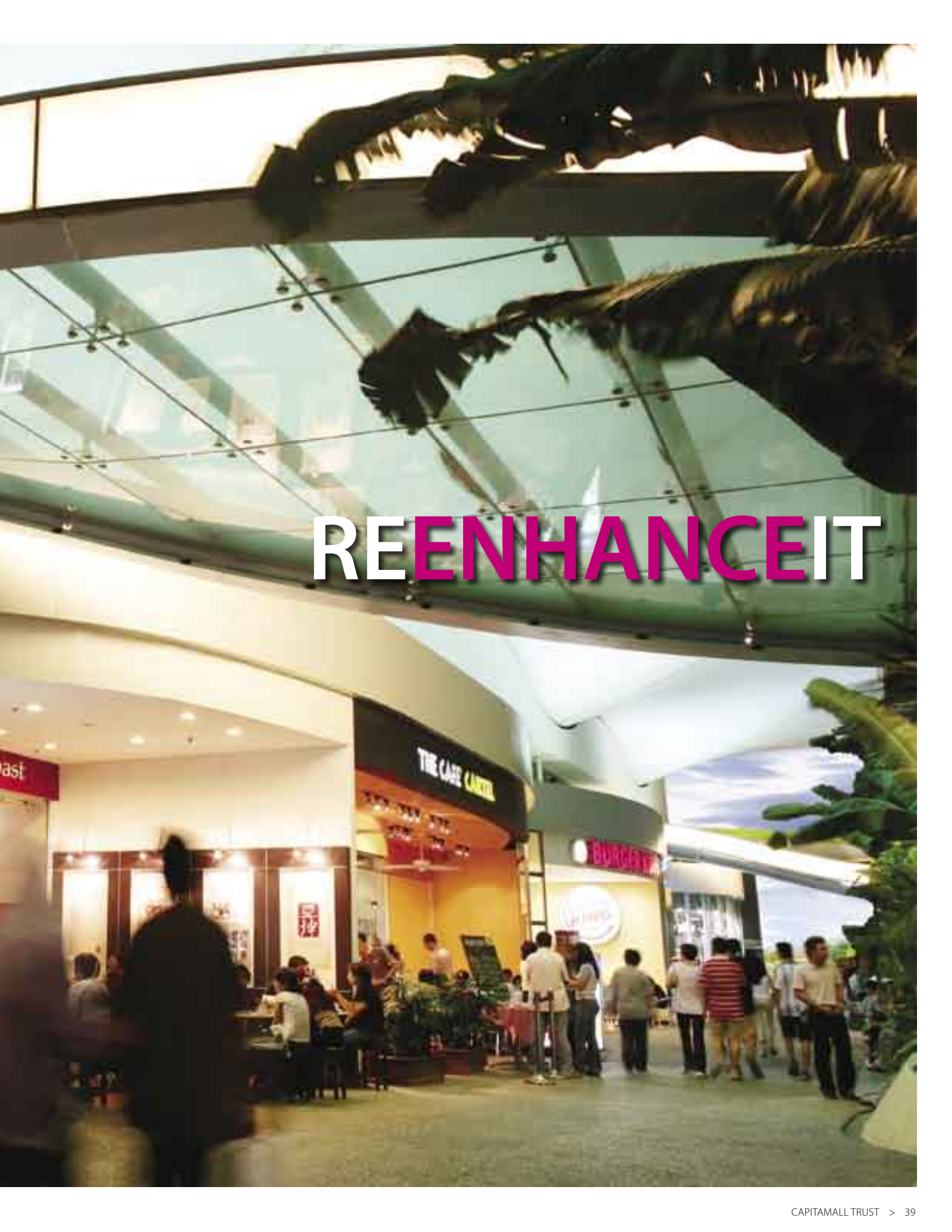
The main responsibility of the centre management teams is to optimise the operational and financial performance of the malls which they manage through developing and delivering the business plans and budgets. The centre management teams also handle the crucial day-to-day operations of the mall and form the backbone of our collective efforts to achieve superior returns for Unitholders.



“The pro-active management of our leases and the successful execution of asset enhancement initiatives have enhanced the performance and value of our malls. These will remain key components of our strategy to provide sustainable growth to Unitholders going forward.”

**MR LIM BENG CHEE, DEPUTY CHIEF EXECUTIVE OFFICER,
CAPITAMALL TRUST MANAGEMENT LIMITED**

Newly created retail space at Tampines Mall



REENHANCEIT

Portfolio Analysis

The CapitaMall Trust (CMT) portfolio comprises Tampines Mall, Junction 8, Funan The IT Mall, IMM Building and Plaza Singapura totalling 2,205,990 sq. ft. of Net Lettable Area as at 31 December 2004. The portfolio's income stream is well supported by a large and diverse pool of more than 1,240 committed leases with gross rental income of S\$162.8 million for the year ended 31 December 2004.



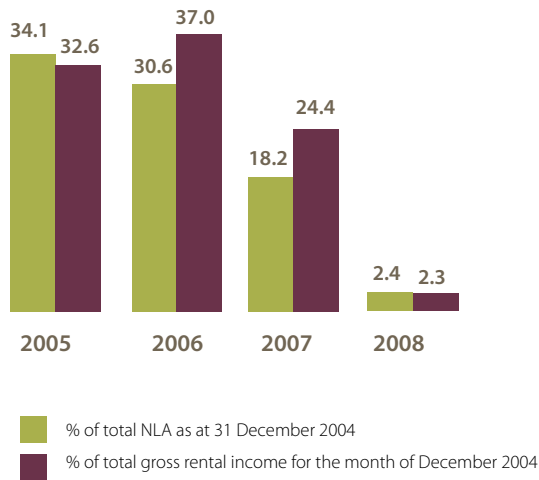
PORTFOLIO AT A GLANCE



PROPERTY	TAMPINES MALL	JUNCTION 8	FUNAN THE IT MALL	IMM BUILDING	PLAZA SINGAPURA
ADDRESS	4 Tampines Central 5 Singapore 529510	9 Bishan Place Singapore 579837	109 North Bridge Road Singapore 179097	2 Jurong East Street 21 Singapore 609601	68 Orchard Road Singapore 238839
NET LETTABLE AREA (SQ FT) <small>(as at 31 December 2004)</small>	318,190	240,468	271,659	Retail: 400,729 Non-Retail: 487,996	486,948
NUMBER OF TENANTS <small>(as at 31 December 2004)</small>	164	168	155	Retail: 246 Non-Retail: 285	227
CAR PARK LOTS <small>(as at 31 December 2004)</small>	636	305	333	1,200 (cars) 110 (lorries/heavy vehicles)	699
NLA PER CAR PARK LOT (SQ FT) <small>(as at 31 December 2004)</small>	500	788	816	334 (retail only)	697
TITLE	Leasehold tenure of 99 years with effect from 1 September 1992	Leasehold tenure of 99 years with effect from 1 September 1991	Leasehold tenure of 99 years with effect from 12 December 1979	Leasehold tenure of 60 years with effect from 23 January 1989	Freehold
PURCHASE PRICE	S\$409.0 million	S\$295.0 million	S\$191.0 million	S\$247.4 million	S\$710.0 million
MARKET VALUATION <small>(as at 1 December 2004)</small>	S\$548.0 million	S\$396.0 million	S\$202.0 million	S\$352.0 million	S\$737.0 million
OCCUPANCY RATE <small>(as at 31 December 2004)</small>	100.0%	99.5%	99.9%	Retail: 99.4% Non-Retail: 54.8%	100.0%
SHOPPER TRAFFIC FOR 2004	18.8 million	15.8 million	8.0 million	15.4 million	16.8 million
MAJOR TENANTS	Isetan, NTUC Fairprice, Golden Village, Courts and Yamaha Music	Seiyu, NTUC Fairprice, Golden Village, Best Denki and Food Junction	Challenger, Food Junction, V.Hive, South Asia Computer and Harvey Norman	Giant, Daiso, Best Denki, Kopitiam and Yunnan Garden	Carrefour, Golden Village, Spotlight, Yamaha Music and Best Denki

Portfolio Analysis

PORTFOLIO LEASE EXPIRY PROFILE



GEOGRAPHICAL LOCATION

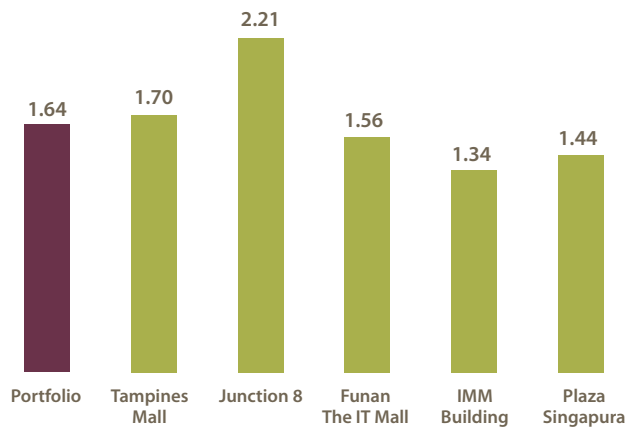
The prime locality of the five malls capitalises on the traffic flow from the Mass Rapid Transit (MRT) stations which are located either beside or near to the malls. With IMM Building (IMM) in the west of Singapore, Junction 8 in the north, Tampines Mall in the east, Funan The IT Mall in the city area and Plaza Singapura in Orchard Road, CMT is poised to capture most regional segments of the Singapore population.

LEASE EXPIRY PROFILE

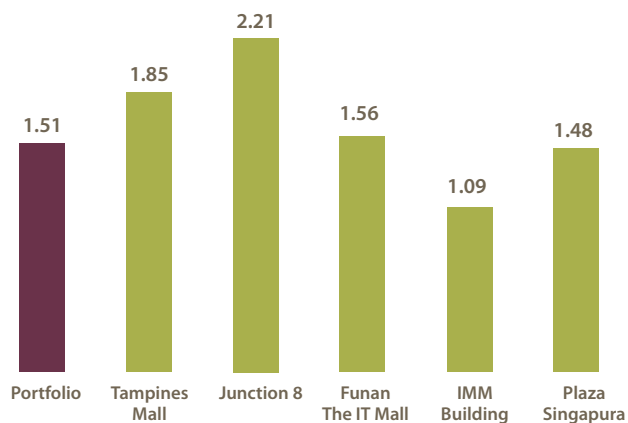
Most of the anchor tenants have a lease term of five to seven years. The three-year lease term for specialty retail tenants, which is consistent with the general practice in the Singapore property market, exposes CMT to certain risks as a result of the significant rate of lease expiration. With a pro-active leasing strategy, these risks can be mitigated. Based on the committed leases as at 31 December 2004, 87.0¹ percent of gross rental revenue for the financial year ended 31 December 2004 has been locked in for 2005. As at 31 January 2005, 17.2 percent of leases (based on NLA) due for renewal in 2005 have been renewed. This places CMT in a good position to meet expectations.

¹ For the purpose of comparison, gross rental revenue for Plaza Singapura for the period 1 January 2004 to 1 August 2004 is included.

**WEIGHTED AVERAGE EXPIRY BY RENTAL INCOME IN YEARS
(AS AT 31 DECEMBER 2004)**



**WEIGHTED AVERAGE EXPIRY BY NET LETTABLE AREA IN YEARS
(AS AT 31 DECEMBER 2004)**



TOP TEN TENANTS

Gross rental income is well distributed amongst the different tenants, with Cold Storage (Singapore) (1983) Pte Ltd making the highest contribution of 3.6 percent. Additionally, the top 10 tenants, who occupy 31.1 percent of the total NLA, contribute no more than 21.7 percent of gross rental income of the entire portfolio.

TOP TEN TENANTS

	% OF TOTAL GROSS RENTAL INCOME ¹	% OF TOTAL NLA ²
Cold Storage (Singapore) (1983) Pte Ltd ³	3.6	7.0
Golden Village Multiplex Pte Ltd	3.3	5.9
Carrefour Singapore Pte Ltd	3.0	4.6
Best Denki (S) Pte Ltd	2.4	3.4
NTUC Fairprice Co-operative Ltd	2.3	3.0
G2000 Apparel (S) Pte Ltd	1.8	0.6
Isetan (Singapore) Ltd	1.7	2.5
McDonald's Restaurants Pte Ltd	1.4	0.7
Yamaha Music (Asia) Pte Ltd	1.1	2.0
Kopitiam Investment Pte Ltd	1.1	1.4
Ten largest tenants by total gross rental income	21.7	31.1
Other tenants & vacant units	78.3	68.9

¹ Total gross rental income for the month of December 2004.

² As at 31 December 2004.

³ Including Cold Storage, Giant, Guardian, 7-Eleven and Photo Finish.

Portfolio Analysis

ANALYSIS BY GROSS REVENUE AND NET PROPERTY INCOME

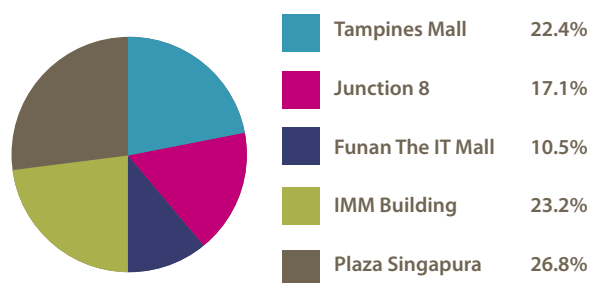
With the addition of Plaza Singapura, income contribution from the malls is generally better distributed, with Plaza Singapura contributing the largest share of 30.2 percent of the portfolio Net Property Income (NPI) for the period from 2 August to 31 December 2004. The even distribution of income sources produces a more stable and secured portfolio.

All properties have contributed positively to the bottom line and exceeded the forecast NPI¹, a result of asset enhancements and the Manager's pro-active approach to leasing.

¹ As forecasted, together with the accompanying assumptions, in the CMT Circular dated 11 June 2003 (and updated in the CMT Offer Information Statement dated 9 December 2003) and CMT Circular dated 20 July 2004.

GROSS REVENUE BREAKDOWN BY PROPERTY

FOR THE PERIOD
2 AUGUST TO 31 DECEMBER 2004



GROSS REVENUE

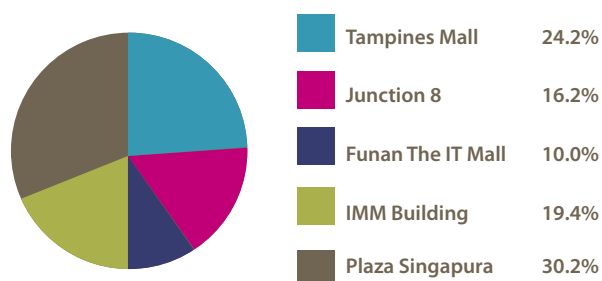
1 JANUARY TO 1 AUGUST 2004
ACTUAL VS FORECAST¹

2 AUGUST TO 31 DECEMBER 2004
ACTUAL VS FORECAST²

	ACTUAL	VS FORECAST ¹	ACTUAL	VS FORECAST ²
Tampines Mall	28.2	26.8	20.0	19.7
Junction 8	18.2	17.2	15.2	13.1
Funan The IT Mall	12.5	12.4	9.4	9.0
IMM Building	29.0	26.7	20.8	19.2
Plaza Singapura	-	-	23.9	23.6
Total	87.9	83.1	89.3	84.6

NET PROPERTY INCOME BREAKDOWN BY PROPERTY

FOR THE PERIOD
2 AUGUST TO 31 DECEMBER 2004



NET PROPERTY INCOME

1 JANUARY TO 1 AUGUST 2004
ACTUAL VS FORECAST¹

2 AUGUST TO 31 DECEMBER 2004
ACTUAL VS FORECAST²

	ACTUAL	VS FORECAST ¹	ACTUAL	VS FORECAST ²
Tampines Mall	19.9	19.6	14.2	13.6
Junction 8	11.8	11.8	9.5	8.6
Funan The IT Mall	7.8	7.7	5.8	5.3
IMM Building	16.2	15.8	11.3	10.7
Plaza Singapura	-	-	17.7	17.6
Total	55.7	54.9	58.5	55.8

¹ Based on the forecast, together with the accompanying assumptions, shown in the CMT Circular dated 11 June 2003 (and subsequently updated in the CMT Offer Information Statement dated 9 December 2003) for all the properties excluding Plaza Singapura for the financial year ended 31 December 2004, pro-rated for the period from 1 January to 1 August 2004.

² Based on the forecast, together with the accompanying assumptions, shown in the CMT Circular dated 20 July 2004 for all the properties for the period from 1 August to 31 December 2004, pro-rated for the period from 2 August to 31 December 2004.

TRADE SECTOR ANALYSIS

A good spread in the trade mix ensures that CMT is not overly reliant on any one particular segment of the retail sector. At present, Food & Beverage (F&B) outlets/food courts are the top contributors to the total gross rental income, contributing 22.2 percent to the total gross rental income and accounting for 15.0 percent of the total NLA. These F&B outlets provide affordable meals to shoppers in a pleasant environment, thus encouraging repeat visits by shoppers to our shopping malls.

INCREASING PROPERTY VALUE THROUGH ASSET ENHANCEMENT

2004 saw the completion of all asset enhancement work in Junction 8. Approximately 50,000 sq. ft. of new retail space was completed. This initiative will add approximately S\$4.9 million per annum of incremental NPI to the portfolio.

Tampines Mall enjoyed the fruits of the asset enhancement work that was undertaken over two years and completed at the end of 2004. The additional NPI generated is approximately S\$1.5 million per annum.

Phase 1 of the asset enhancement works in IMM Building was undertaken and completed in 2004, providing an incremental NPI of S\$0.8 million per annum on a stabilised basis.

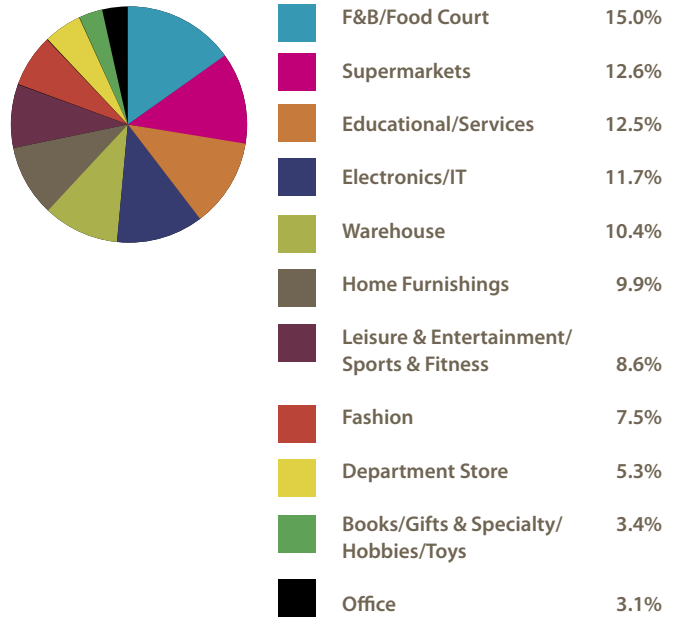
In total, the additional NPI generated from various works undertaken at the aforementioned malls will amount to approximately S\$7.2 million per annum on a stabilised basis. This partially contributed to an increase in property valuation for these three assets by S\$249.0 million or 23.8 percent from the financial year ended 31 December 2003.

YIELD-ACCRETIVE ACQUISITION

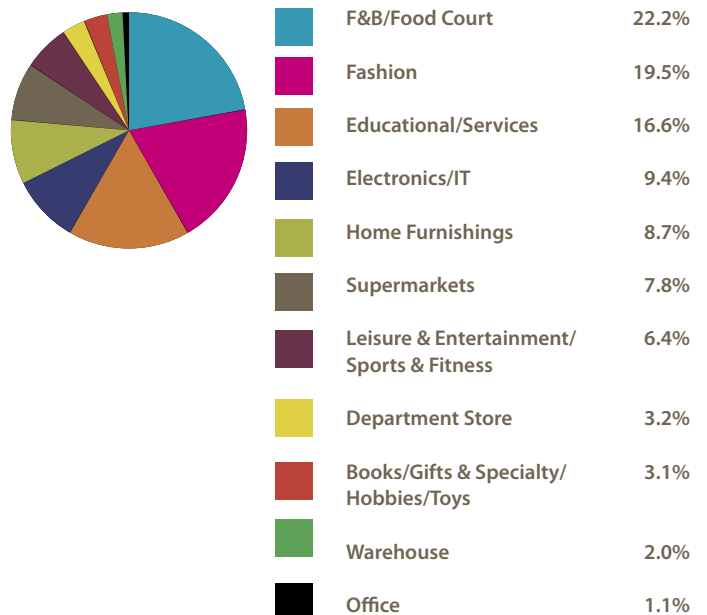
In 2004 CMT acquired Plaza Singapura, a freehold property located in Orchard Road, on top of Dhoby Ghaut MRT station. Dhoby Ghaut MRT station has two train lines running through it. The acquisition was yield-accretive and also further reduces CMT's dependency of income on any one mall.

The acquisition added another S\$17.7 million to the NPI of the portfolio from 2 August to 31 December 2004. The Manager will continue to pursue other acquisitions that will be yield-accretive to the portfolio.

TRADE SECTOR ANALYSIS BY NET LETTABLE AREA (as at 31 December 2004)



TRADE SECTOR ANALYSIS BY GROSS RENTAL INCOME (for the month of December 2004)





Tampines Mall

“The Management is very responsive and has taken the trouble to put in the right trade mix, thereby increasing the traffic to the malls.”

MR CHARLES WONG, DIRECTOR,
CHARLES AND KEITH

Tampines Mall

TAMPINES MALL PROPERTY INFORMATION

NET LETTABLE AREA (as at 31 December 2004)	318,190 sq. ft.
NUMBER OF TENANTS (as at 31 December 2004)	164
CAR PARK LOTS (as at 31 December 2004)	636
TITLE	Leasehold tenure of 99 years with effect from 1 September 1992
PURCHASE PRICE	S\$409.0 million
MARKET VALUATION (as at 1 December 2004)	S\$548.0 million
OCCUPANCY RATE (as at 31 December 2004)	100.0%
SHOPPER TRAFFIC FOR 2004	18.8 million

Tampines Mall is one of Singapore’s leading suburban malls, strategically located next to Tampines MRT station and the Tampines bus interchange in the high-density residential area of Tampines regional town in the east. It offers a varied and exciting mix of shopping, dining and entertainment under one roof for consumers residing in the eastern and north-eastern regions of Singapore.

Positioned for the middle-income segment of the retail market, it is a prime suburban mall with two basement levels of car park space and a tenant base of more than 160 on five levels of retail space including Basement 1. The shopping centre has over 700,000 people residing in its main catchment area, which accounts for approximately 75 percent of its customer base, and sees an average of over 50,000 shoppers passing through its doors every day.

ASSET ENHANCEMENTS

Tampines Mall has undergone a major revamp in the last year. A rooftop landscape plaza on Level 4 was officially opened on 19 November 2004. This provides a new venue for exciting events, concerts and weekly lifestyle activities and helps to channel shopper traffic to the upper floors of the mall. The centrepiece of the terrace is an event plaza which comes complete with a stage fitted with high-tech equipment including plasma television sets, a motorised projector screen and a 12-channel lighting controller. It also boasts a playground and a sheltered alfresco dining area for the indoor restaurants such as Pastamania and Ajisen.

To enhance the overall retail experience and ease connectivity from the basement car parks to the retail levels, travellers have been added from Basement 1 to 3. A parking guidance system was also installed in December 2004. By the second quarter of 2005, all eight lift lobbies will be fitted with 42” plasma TVs to entertain shoppers while they wait for the lifts.

TENANCY MIX

In 2004, we added a number of well-established and popular tenants such as Hello! Shop and Popular Book Store to cater to the demands of our shoppers.

TAMPINES MALL LEASE EXPIRY PROFILE



■ % of total NLA as at 31 December 2004
■ % of total gross rental income for the month of December 2004

Tampines Mall

The objective for Tampines Mall is to optimise its financial performance and strengthen its market positioning as the leading suburban mall in the east and north-eastern regions, as well as to continuously enhance customers' retail shopping experience.

As part of our continuous efforts to strengthen the retail mix at the mall, a one-stop beauty hub will be created at Level 3 in the second quarter of 2005. This will provide a comprehensive range of beauty and wellness services for both men and women including spa, hairdressing, slimming & body care, beauty & face treatments.

To optimise usage of the prime retail space at Basement 1 and increase property yield, the current food kiosks at Basement 1 will be given a face-lift in the third quarter of 2005. A new marketplace concept will be created to accommodate a greater variety of food kiosks for both dining-in and take-away. Din Tai Fung, the popular Taiwanese dumpling restaurant, which will commence operations in second quarter 2005, will further increase the F&B offerings at the mall.

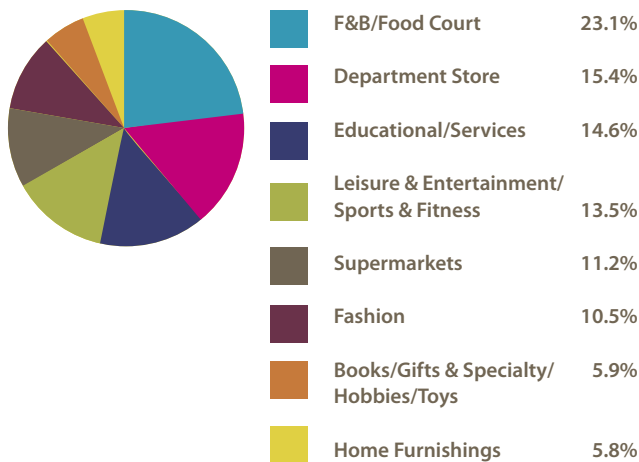
ADVERTISING & PROMOTIONS

Tampines Mall had a comprehensive programme of activities and promotions throughout the year designed to increase sales and traffic. In addition to the various events for traditional festivities, it hosted 'Disney On Ice', 'Shrek Meet & Greet', 'Little Stars of CapitaLand', 'Care Bears In Wonderland' and 'Garfield Meet & Greet'. For the first time, a Hari Raya Bazaar was organised and the mall was the first stop-off for the 'Baby Bonanza', an event organised in collaboration with MediaCorp Channel 8 held at all CMT's malls, with over 1,000 parents turning up with their babies and toddlers.

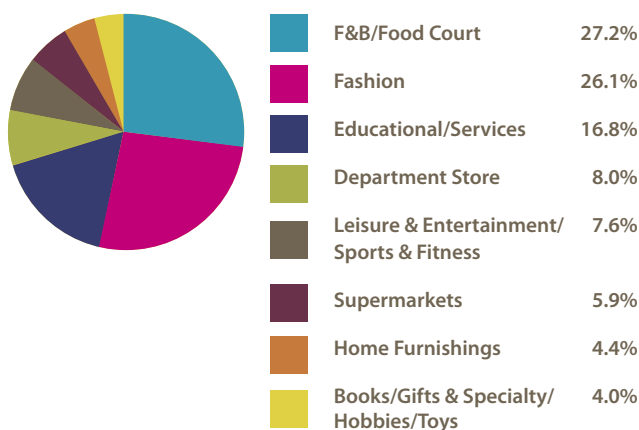
November saw the opening of the Level 4 rooftop landscape plaza which is an exceptional new venue for events. Over 300 guests, including tenants, sponsors, media, record companies and staff, together with their families, attended a 'Picnic under the Stars' launch party. Later in the month, Tampines Mall sponsored and hosted the two-day 'Spirit of the Enterprise' event, organised by Temasek Secondary School, in which over 200 students from eight schools banded together in an attempt to pit their entrepreneurial skills against each other and to raise money for the Straits Times School Pocket Money Fund.

Another event saw over 1000 fans turning up to see Jolin Tsai at her first local autograph and 'Meet the Fans' session. That particular weekend saw a shopper traffic increase of over 10 percent compared to the previous year. More live radio broadcasts, autograph-signing sessions and band performances can be expected in 2005.

TRADE SECTOR ANALYSIS FOR TAMPINES MALL BY NET LETTABLE AREA (as at 31 December 2004)



TRADE SECTOR ANALYSIS FOR TAMPINES MALL BY GROSS RENTAL INCOME (for the month of December 2004)





hello! Shop



Busy weekend crowd



Basement open concept restaurants



Alfresco dining



E-Zone



Junction 8

“A forward looking, aggressive and innovative management that constantly looks into positioning its retail mix to meet with the changing lifestyles and trends of shoppers. POPULAR is indeed very happy to be tenants in CMT’s well-managed malls, enjoying great support from the various departments.”

MS JO LEE, DIVISIONAL DIRECTOR,
RETAIL OPERATIONS, POPULAR HOLDINGS LIMITED

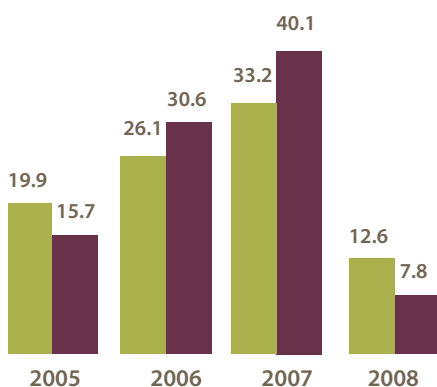
JUNCTION 8 PROPERTY INFORMATION

NET LETTABLE AREA (as at 31 December 2004)	240,468 sq. ft.
NUMBER OF TENANTS (as at 31 December 2004)	168
CAR PARK LOTS (as at 31 December 2004)	305
TITLE	Leasehold tenure of 99 years with effect from 1 September 1991
PURCHASE PRICE	S\$295.0 million
MARKET VALUATION (as at 1 December 2004)	S\$396.0 million
OCCUPANCY RATE (as at 31 December 2004)	99.5%
SHOPPER TRAFFIC FOR 2004	15.8 million

Junction 8 is located in the high-density residential area of Bishan and is well-served by both Bishan MRT and the Bishan bus interchange. This prime suburban mall incorporates two basement car park levels and five retail storeys including Basement 1. The shopping centre has more than 800,000 people residing in its main catchment area, which accounts for approximately 63 percent of its customer base.

Positioned for the middle-income and family-oriented segments of the retail market, the mall targets residents in surrounding housing estates, office workers within the vicinity and students from nearby schools. However, its excellent accessibility by public transport extends its reach beyond this. With the completion of its asset enhancement works, the new Raffles Junior College just a stone’s throw away and the planned National Library Board in the vicinity, Junction 8 is poised to capture even more shoppers and anchor its positioning as a ‘one-stop’ shopping, dining and entertainment destination.

JUNCTION 8 LEASE EXPIRY PROFILE



■ % of total NLA as at 31 December 2004
■ % of total gross rental income for the month of December 2004

ASSET ENHANCEMENTS

The asset enhancement initiatives at Junction 8 were successfully completed by December 2004 with 100.0 percent of the newly created or reconfigured units leased as at 31 December 2004. All the tenants which includes Din Tai Fung, The Coffee Bean & Tea Leaf, Swensen’s, Bread Talk, Pastamania, Sony Gallery, POA and Cedele, have commenced trading.

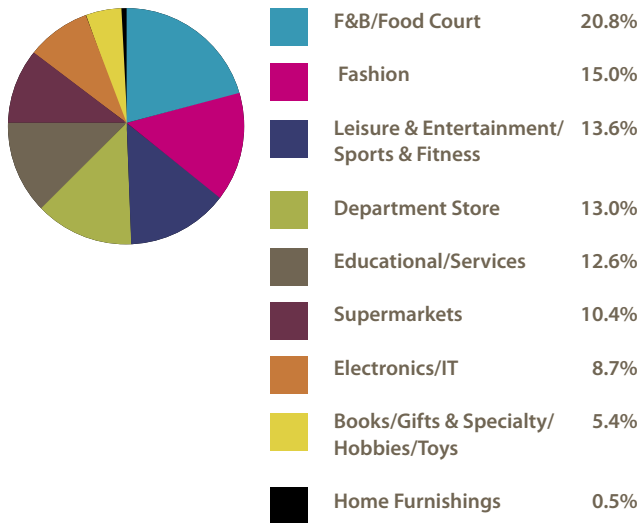
TENANCY MIX

Tenant mix was further diversified during the year with new tenants such as Kiddy Palace, Ness, Valentino Rudy, Swensen’s, Thai Express and Café Cartel. A new Teen Zone and an all-new rooftop plaza on Level 3 were created to attract more teenagers and young adults. The mall is now synonymous with the younger crowd as a ‘happening’ place for celebrity appearances.

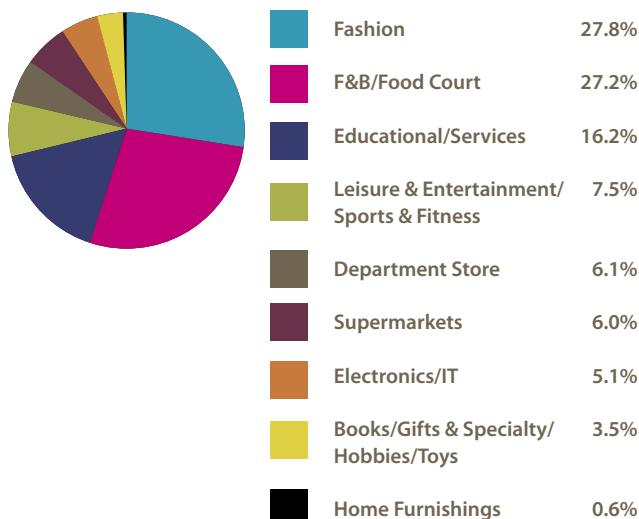
Junction 8

The objective for Junction 8 is to optimise its financial performance and strengthen its market positioning as the leading suburban mall in the central region of Singapore as well as to continuously enhance the customers' retail experience.

TRADE SECTOR ANALYSIS FOR JUNCTION 8 BY NET LETTABLE AREA (as at 31 December 2004)



TRADE SECTOR ANALYSIS FOR JUNCTION 8 BY GROSS RENTAL INCOME (for the month of December 2004)



ADVERTISING & PROMOTIONS

In spite of the major works ongoing for most of 2004, aggressive thematic promotions and artistes' appearances brought excitement to the shoppers at Junction 8. The iconic 'Most Beautiful Mum and Grandma' contest this year reached out to the whole of Singapore with the introduction of zonal categorisation.

In December, a promotional event was introduced to educate shoppers on the new look and orientation of Junction 8 after the 'makeover'. With a three-week 'Monstrous Sale' and late-night shopping to end the year, about 11 percent more shoppers patronised the mall as compared to December 2003.

2005 marks a fresh beginning for the revamped Junction 8. New ideas and innovative concepts will be injected to the iconic events, and shoppers can also look forward to the return of family favourites, 'Community Sunday' and 'Entrepreneur Market'. Together with larger-scale festive promotions, Junction 8 will continue to be one of the top shopping destinations for people from all walks of life.

VALUE CREATION AT JUNCTION 8

PHASE 1 AND 2	BUDGET	ESTIMATED STABILISED BASIS
Gross revenue per annum (net of rental loss from decanted space)	S\$5.5 million	S\$7.0 million
Net property income per annum	S\$3.9 million	S\$4.9 million
Return on investment	14.1%	17.7%
Capital value (assumed at 7% capitalisation rate)	S\$55.7 million	S\$70.0 million
Capital expenditure	S\$27.7 million	S\$27.7 million
Net increase in value	S\$28.0 million	S\$42.3 million



NTUC Fairprice



24-hour walkway



New extension



Apple Centre



Cedele by Bakery Depot



Funan The IT Mall

Funan The IT Mall

“Creative marketing and branding strategies of the shopping malls further reflect on the CMT’s leadership in the retail property arena and it adds a differentiating value to Guardian in our consideration of key retail sites.”

MR VICTOR CHIA, GENERAL MANAGER,
HEALTH & BEAUTY, GUARDIAN

FUNAN THE IT MALL PROPERTY INFORMATION

NET LETTABLE AREA (as at 31 December 2004)	271,659 sq. ft.
NUMBER OF TENANTS (as at 31 December 2004)	155
CAR PARK LOTS (as at 31 December 2004)	333
TITLE	Leasehold tenure of 99 years with effect from 12 December 1979
PURCHASE PRICE	S\$191.0 million
MARKET VALUATION (as at 1 December 2004)	S\$202.0 million
OCCUPANCY RATE (as at 31 December 2004)	99.9%
SHOPPER TRAFFIC FOR 2004	8.0 million

Funan The IT Mall is a specialised mall offering a wide range of IT and electronic products as well as a suite of complementary F&B and lifestyle products. Its location within the Central Business District coupled with a unique mix of retail offerings make it one of the nation’s premier destinations for IT and electronic products, attracting shoppers from all over Singapore including tourists.

It has three basement car park levels, a food court at Basement 1 and six retail storeys. It used to attract primarily professionals, managers, executives and business people. Since more lifestyle retail trades have been introduced to Funan The IT Mall, it is now seeing more shoppers who are increasingly attracted by the wide and genuine product range and retail offerings. This, coupled with innovative promotions and events, resulted in Funan The IT Mall welcoming over 8.0 million shoppers in the financial year ended 31 December 2004, representing a significant increase over the 5.6 million shoppers in the financial year ended 31 December 2003.

FUNAN THE IT MALL LEASE EXPIRY PROFILE



■ % of total NLA as at 31 December 2004
■ % of total gross rental income for the month of December 2004

ASSET ENHANCEMENTS

2004 saw the completion of the refurbishment of the annex block fronting North Bridge Road. The full-glass façade offers a refreshing look to Funan The IT Mall, giving tenants more prominence as well as providing shoppers with an alternative and more direct access from the street level to the upper levels of the mall and capturing higher pedestrian flow along North Bridge Road. Funan The IT Mall also became the first mall in Singapore to provide free ‘WIFI’ hotspot access to shoppers. This has enhanced convenience to shoppers and reinforced its position as a digital lifestyle mall.

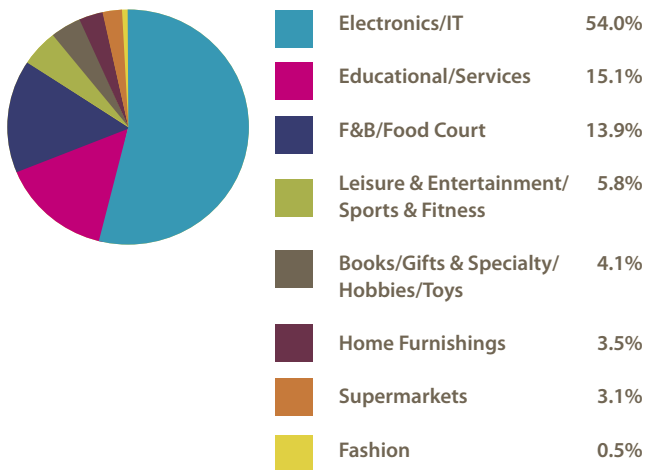
To expand retail floor space, we also introduced open concept kiosk-type tenants, namely Digital Asia, SingTel IDEAS and MC2, along the bridge space which also enliven the shopping experience within the mall.

There are further plans in 2005 to improve the retail offerings as well as shoppers’ experience in Funan The IT Mall. To extend its retail offering to attract the young and IT savvy crowd, Funan

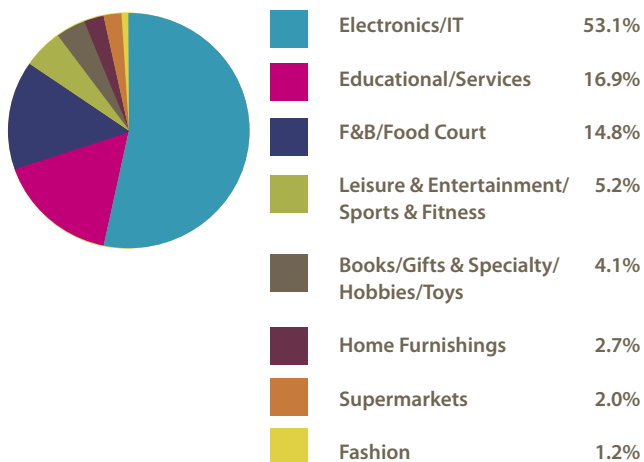
Funan The IT Mall

The objective for Funan The IT Mall is to drive up shopper traffic and sales through quality promotions, events and publicity so as to position Funan The IT Mall as a premier one-stop destination for all IT and digital needs.

TRADE SECTOR ANALYSIS FOR FUNAN THE IT MALL BY NET LETTABLE AREA (as at 31 December 2004)



TRADE SECTOR ANALYSIS FOR FUNAN THE IT MALL BY GROSS RENTAL INCOME (for the month of December 2004)



The IT Mall plans to introduce a new thematic zone on Level 5 with a focus on digital and electronic devices, including gaming devices and products, MP3 players and other Do-it-Yourself accessories. In addition, accessibility from the car parks to the mall will be improved by introducing continuous connectivity via escalators up to the lift lobby at Level 1.

TENANCY MIX

Funan The IT Mall is transforming itself into a one-stop destination for families, offering an all-round suite of products with a focus on digital lifestyle catering to all age groups.

With the continuing efforts to refine and strengthen the retail mix at Funan The IT Mall, many F&B and lifestyle shops such as Delifrance and Royal Sporting House were introduced in 2004. In addition, the expansion of South Asia Computer, specialising in IT peripheral goods, broadened the range of offerings. It is the mall's aim to bring in more such IT peripheral tenants as well as a wider range of electronic equipments and gadgets.

ADVERTISING & PROMOTIONS

In 2004, Funan The IT Mall continued to focus on building its position as a premier IT and digital destination, by hosting product launches, roadshows and gaming challenges in the main atrium. These included the national launch of Counterstrike Condition Zero and Xbox Halo 2 games. Events such as the 3D2N Funan Cyber Game Challenge 04 and SingTel Extreme League online gaming challenge were well received by the gaming community and received extensive media coverage, thereby increasing awareness of the mall amongst the teenage community.

The Funan 2-day Mega Sales, held in June and December, were once again a crowd-puller. These events were heavily publicised and featured the signature 'S\$1 Deals' for which Funan The IT Mall has become popular. Huge discounts were featured, including iPod and PS2 at just S\$50 each, which attracted hordes of people and resulted in an increase of approximately 57 percent in shopper traffic.

Some key value-add services were also introduced to entice shoppers and improve the customer shopping experience. In addition to Global Refund service and free unlimited WiFi services, a computer trade-in service provided shoppers with an avenue to trade-in old IT equipment in exchange for the mall's shopping vouchers.



Open concept kiosk along bridge space



Launch of Xbox



Ya Kun Kaya Toast



Good mix of tenants



IMM Building

“I am impressed by the management and staff. They are innovative, forward looking and dynamic in the management and leasing of their shopping malls.”

MR ALDEN TAN, MANAGING DIRECTOR,
KOPITIAM INVESTMENT PTE LTD

IMM Building

IMM BUILDING PROPERTY INFORMATION

NET LETTABLE AREA (as at 31 December 2004)	Retail: 400,729 sq. ft. Non-Retail: 487,996 sq.ft.
NUMBER OF TENANTS (as at 31 December 2004)	Retail: 246 Non-Retail: 285
CAR PARK LOTS (as at 31 December 2004)	1,200 (cars) 110 (lorries/ heavy vehicles)
TITLE	Leasehold tenure of 60 years with effect from 23 January 1989
PURCHASE PRICE	S\$247.4 million
MARKET VALUATION (as at 1 December 2004)	S\$352.0 million
OCCUPANCY RATE (as at 31 December 2004)	Retail: 99.4% Non-Retail: 54.8%
SHOPPER TRAFFIC FOR 2004	15.4 million

IMM Building (IMM) is a unique suburban 5-storey shopping mall that houses retail shops, offices and warehouses under one roof. It is located in the high-density residential area of Jurong East and in close proximity to major office and industrial developments like the International Business Park. It provides a valuable diversification to CMT's portfolio of properties which are located in the central, northern and eastern parts of Singapore.

The mall has an open car park on the ground floor, five levels of covered car park and an open car park at roof level. Currently, shoppers enjoy free car parking facilities at IMM as well as a free shuttle bus service connecting to Jurong East, Clementi and Boon Lay MRT stations. The mall is also just 5 minutes' walk away from Jurong East MRT station and bus interchange.

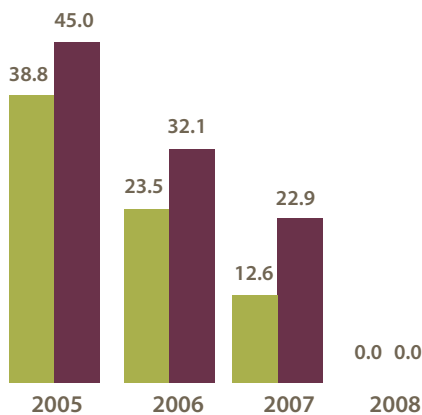
ASSET ENHANCEMENTS

12 new food kiosks serving a range of savouries, for example Anderson's of Denmark, Shihlin Snacks (Taiwanese snacks) and Fei Siong (local snacks), were introduced in 2004. Additionally, Kopitiam and Bagus (a Halal food court) joined the F&B operators in the mall.

To improve the connectivity between the floors, travellers connecting Level 1 to Level 5 were introduced in November 2004.

Meanwhile, plans to refurbish the rest of the mall are in progress and are targeted to commence in 2005.

IMM BUILDING LEASE EXPIRY PROFILE

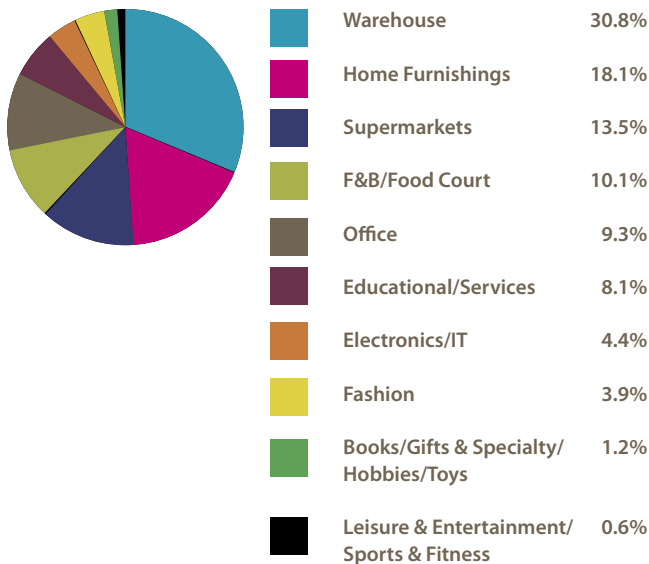


■ % of total NLA as at 31 December 2004
■ % of total gross rental income for the month of December 2004

IMM BUILDING

The objective for IMM Building is to optimise its financial performance and strengthen its market positioning as the leading suburban mall in the west and northwest regions of Singapore as well as to continuously enhance the customers' retail experience.

TRADE SECTOR ANALYSIS FOR IMM BUILDING BY NET LETTABLE AREA (as at 31 December 2004)



TENANCY MIX

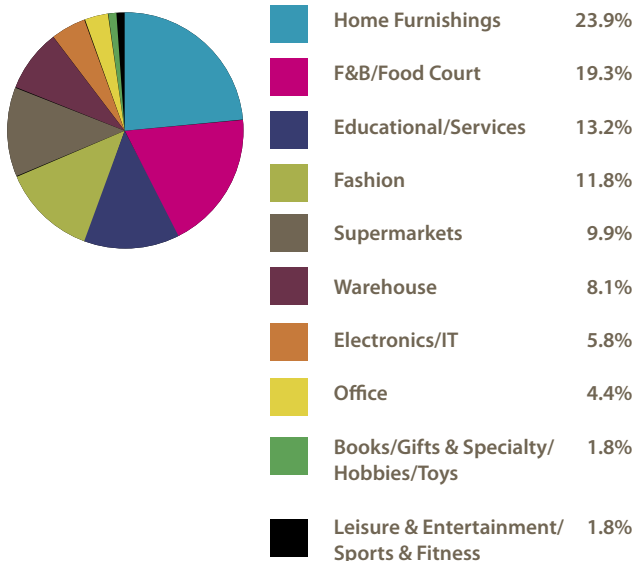
IMM offers a wide tenant mix covering furniture, interior design, home furnishings and renovation, bridal, lifestyle, fashion, services and food. Major anchor tenants include Giant hypermarket, Best Denki, Daiso discount store, Kopitiam and Bagus food courts.

ADVERTISING & PROMOTIONS

Sales-related, centre-wide promotions, coupled with mass appeal weekend celebrity appearances, movie launches, TV and radio station roadshows, attracted more new shoppers to IMM from across the island and provided more entertainment for the regular residents in the west. In the financial year ended 31 December 2004, an attractive monthly gifts redemption programme and innovative advertising and promotion campaigns drew in an additional 1.3 million shoppers compared to the financial year ended 31 December 2003 - breaking the record for the highest shopper traffic at IMM for the past three years.

In April 2004, the '3 Hour Sale' drove over approximately 30 percent increase in shopper traffic to IMM and most tenants enjoyed a tremendous increase in sales.

TRADE SECTOR ANALYSIS FOR IMM BUILDING BY GROSS RENTAL INCOME (for the month of December 2004)



Iconic events such as the Classic Mom Contest in May, Children's Day and Good Home & Great Food promotion in October attracted families to IMM. This translated into an increase of over 17 percent in shopper traffic and a 30.0 percent increase in sales reported by tenants during the promotional periods.

With more new ideas injected to the iconic and festive events, tenants can look forward to more sales-effective campaigns while shoppers will continue to discover more ground-breaking and refreshing activities at IMM.



Bagus by Banquet



Kopitiam Cafe



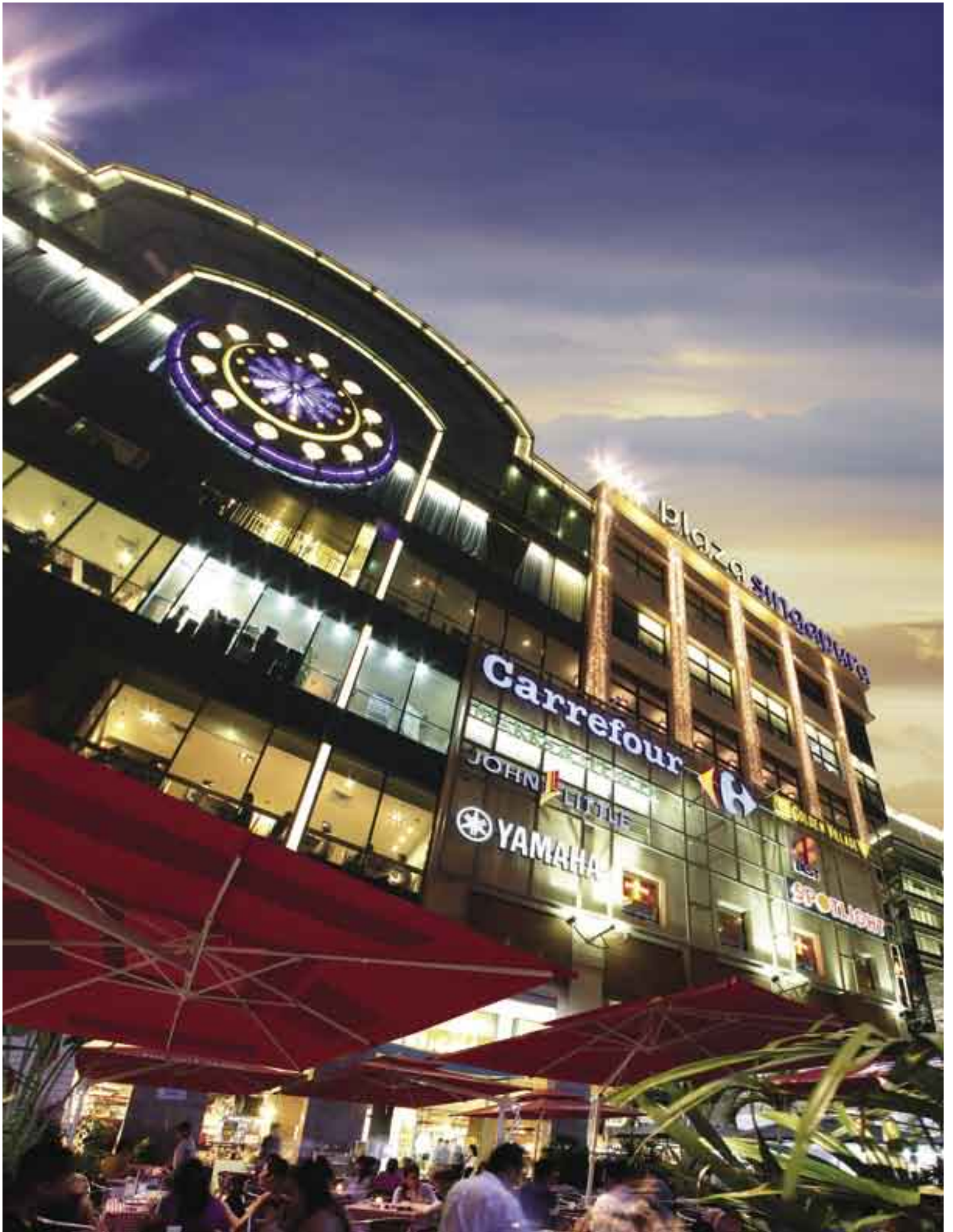
Open concept kiosks and Giant hypermarket



Newly installed travellators



Indoor playground on Level 2



Plaza Singapura

“Sales and shopper traffic have increased at Junction 8, Tampines Mall and Plaza Singapura due to the asset enhancement works. Great working relationship with the management.”

MR TAN YEW KIAT, DIRECTOR,
BYSI ASIA CLOTHINGS CO. PTE LTD

Plaza Singapura

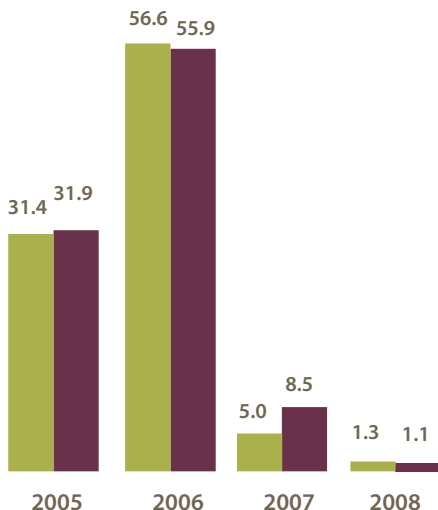
PLAZA SINGAPURA PROPERTY INFORMATION

NET LETTABLE AREA (as at 31 December 2004)	486,948 sq. ft.
NUMBER OF TENANTS (as at 31 December 2004)	227
CAR PARK LOTS (as at 31 December 2004)	699
TITLE	Freehold
PURCHASE PRICE	S\$710.0 million
MARKET VALUATION (as at 1 December 2004)	S\$737.0 million
OCCUPANCY RATE (as at 31 December 2004)	100.0%
SHOPPER TRAFFIC FOR 2004	16.8 million

Plaza Singapura is one of the largest shopping malls along the Orchard Road shopping belt. This prime freehold property has nine levels (including two basements) and accommodates a hypermarket, a cineplex, two department stores and a variety of retail and F&B outlets. In addition, it has a multi-storey car park which is easily accessed at every level from Level 2 to Level 7. Its broad-based market positioning as well as strong focus on basic consumer goods and services differentiate it from other major malls along Orchard Road that tend to have a greater focus on non-essential and higher-end goods and services.

Plaza Singapura is directly linked at Basement 2 to the Dhoby Ghaut MRT station, which is the interchange between the North-South MRT Line and the North-East MRT Line. The Circle MRT Line, which is currently under construction, will also be connected to this station. Additionally, Plaza Singapura is in close proximity to the Singapore Management University's new campus at Bras Basah, which is expected to be ready by end 2005.

PLAZA SINGAPURA LEASE EXPIRY PROFILE



■ % of total NLA as at 31 December 2004
■ % of total gross rental income for the month of December 2004

ASSET ENHANCEMENTS

The focus of asset enhancement works in 2004 was to reconfigure certain retail units to achieve higher rental yields as well as to create new retail units and kiosks at common areas. The information counter at Level 1 was relocated to Basement 2 and the existing space was leased to Chomel.

In 2005, works in the pipeline include subdivision of retail space at Level 6 and Basement 1 to cater to F&B and specialty tenants and conversion of non-retail spaces into leasable areas. Other initiatives to enhance shoppers' experience include air-conditioning the toilets and improving the ventilation at the front plaza.

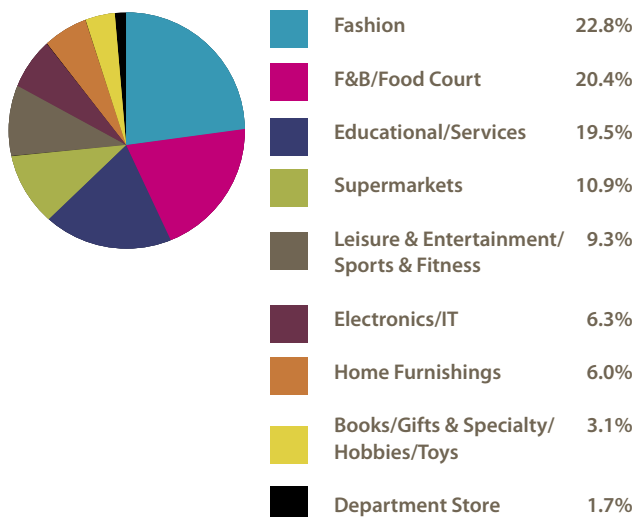
Plaza Singapura

The objective for Plaza Singapura is to optimise its financial performance and strengthen its broad based market positioning as a one-stop shopping, dining and entertainment mall targeting a wide cross-section of the population, including families, working adults and youths.

TRADE SECTOR ANALYSIS FOR PLAZA SINGAPURA BY NET LETTABLE AREA (as at 31 December 2004)



TRADE SECTOR ANALYSIS FOR PLAZA SINGAPURA BY GROSS RENTAL (for the month of December 2004)



TENANCY MIX

Plaza Singapura enjoys a broad tenancy profile with national and chain retailers dominating the specialty mix. Its major tenants include Carrefour hypermarket, Marks & Spencer, John Little, Golden Village cineplex, Spotlight, Yamaha music school, Kopitiam food court and Best Denki.

ADVERTISING & PROMOTIONS

For the first time the mall paid tribute to mothers-to-be, with a new event, the 'Most Beautiful Mum-To-Be' competition in May, the first competition of its kind in Singapore. Shopper traffic went up by close to 10 percent for that month. Over 30 tenants participated by giving in-house promotions to tie in with the event.

Continuing with the non-conventional theme, Plaza Singapura also played host to record-breaking events to attract shoppers such as the Singapore Food Festival with the longest satay event, Fujitsu Cold Challenge, Movie Marathon and the Double A Record-Breakers Challenge. These attracted considerable media attention and shopper traffic to the mall, reinforcing Plaza Singapura as a popular one-stop shopping and lifestyle destination.



Red Earth open concept kiosk



Kopitiam foodcourt



Open concept cafes on link bridges



Tasty Japanese snacks



Yoshinoya fastfood restaurant

“Our responsibility is to manage our assets and create long-term value for the benefit of Unitholders while at the same time nurturing our people, remaining good corporate citizens in our communities and upholding the highest standards of accountability.”

**MR SIMON HO, CHIEF OPERATING OFFICER,
CAPITALAND RETAIL MANAGEMENT PTE LTD**



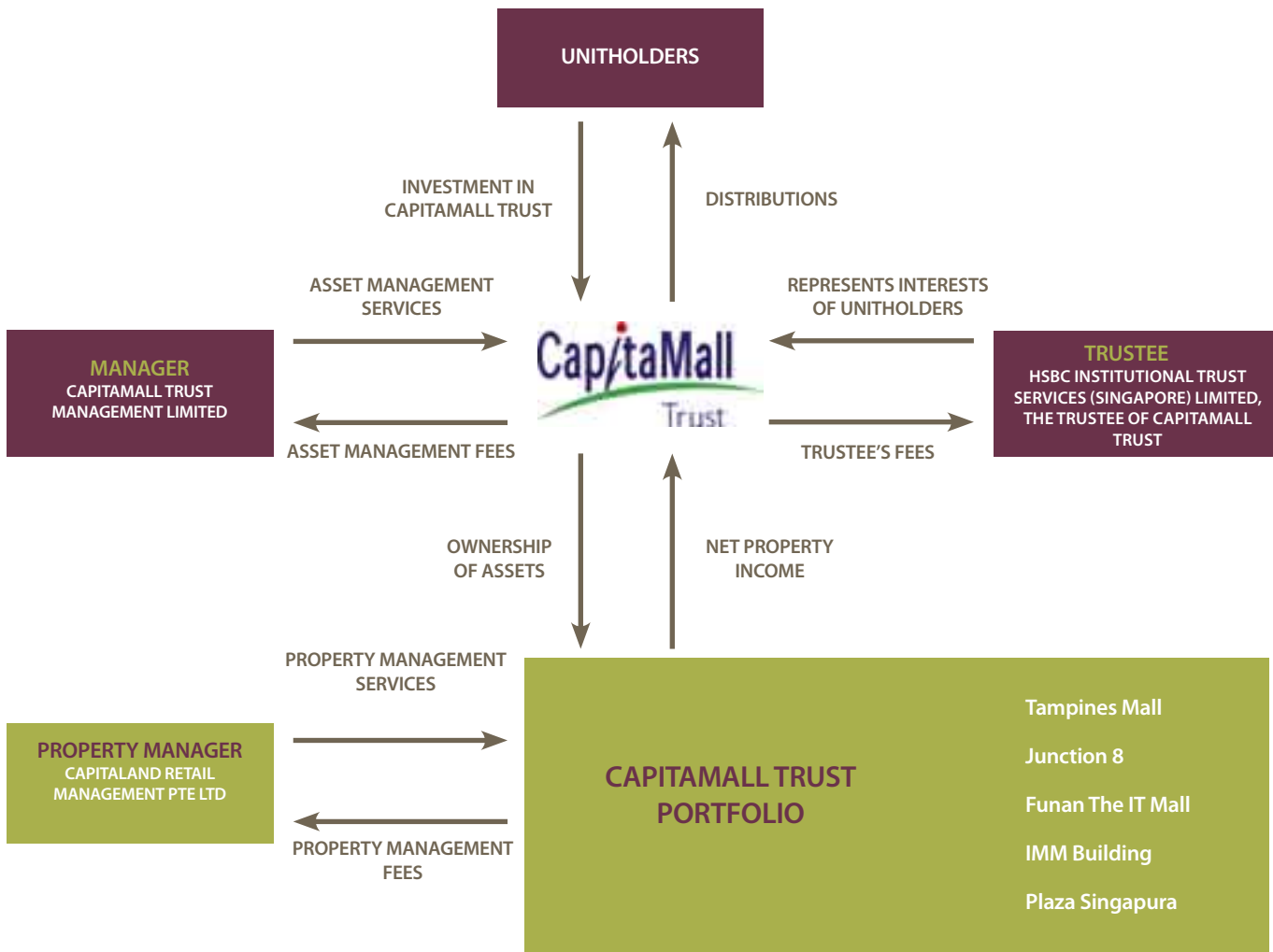
Rooftop landscape plaza at Tampines Mall



REASSUREIT

Corporate Governance

CAPITAMALL TRUST STRUCTURE



Good corporate governance has always been CapitaMall Trust's (CMT) priority and will remain at the top of the Manager's agenda. The Manager's prime responsibilities lie in managing the assets and liabilities of CMT for the benefit of Unitholders, and it will endeavour to continue enhancing returns to Unitholders.

THE MANAGER OF CMT

CapitaMall Trust Management Limited, as manager of CMT (Manager), has general powers of management over the assets of CMT.

The Manager's main responsibility is to manage CMT's assets and liabilities for the benefit of Unitholders. The Manager manages the assets of CMT with a focus on generating sustainable rental income and enhancing their values. The terms of appointment of the Manager are governed by the trust deed dated 29 October 2001 constituting CMT (Trust Deed).

The primary role of the Manager is to set the strategic direction of CMT and make recommendations to HSBC Institutional Trust Services (Singapore) Limited (Trustee) as trustee of CMT on the acquisition, divestment or enhancement of the assets of CMT in accordance with its stated investment strategy. The research, evaluation and analysis required for this purpose is co-ordinated and carried out by the Manager.

Other functions and responsibilities of the Manager include:

- Using its best endeavours to carry on and conduct its business in a proper and efficient manner and to conduct all transactions with, or for, CMT at arm's length;
- Preparing property plans on a regular basis which may contain proposals and forecasts on net income, capital expenditure, sales and valuations, explanation of major variances to previous forecasts, written commentary on key issues and underlying assumptions on inflation, moving annual turnover, occupancy costs and any other relevant assumptions;
- Ensuring compliance with the applicable provisions of the Companies Act and the Securities and Futures Act of Singapore, as well as other relevant legislation, the Listing Manual (Listing Manual) of Singapore Exchange Securities Trading Limited (SGX-ST), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS), the Trust Deed, the tax ruling issued by the Inland Revenue Authority of Singapore on the taxation of CMT and its Unitholders and all relevant contracts;
- Attending to all communications with Unitholders; and

Corporate Governance

- Supervising the Property Manager, CapitalLand Retail Management Pte Limited, which performs the day-to-day property management functions (including leasing, accounting, marketing, promotion and property management) at the CMT malls namely, Tampines Mall, Junction 8, Funan The IT Mall, IMM Building and Plaza Singapura pursuant to the property management agreements.

As CMT is externally managed by the Manager, it has no personnel. All Directors and employees of the Manager are remunerated by the Manager, and not CMT.

BOARD OF DIRECTORS OF THE MANAGER

The Board of Directors of the Manager (Board) is responsible for the overall management of the Manager and CMT, including establishing goals for management and monitoring the achievement of these goals.

All Board members participate in matters relating to corporate governance, business operations and risks, financial performance and the nomination and review of Directors. The Board has established a framework for management of the Manager and CMT, including a system of internal controls and a business risk management process.

The Board meets to review the Manager's key activities, including its business strategies for CMT. Board meetings are scheduled in advance, and are held at least once every quarter, to deliberate on the strategic policies of CMT, including any significant acquisitions and disposals, the annual budget, review the performance of the business, and approve the release of the quarterly and full-year results. Additional Board meetings are held, where necessary, to address significant transactions or issues.

The Board has adopted a set of internal controls which sets out approval limits for capital expenditure, investments and divestments, bank borrowings and cheque signatories' arrangements at Board level. Approval sub-limits are also provided at management level to facilitate operational efficiency.

Changes to regulations and accounting standards are monitored closely. To keep pace with regulatory changes, where these changes have an important bearing on CMT and its disclosure obligations, the Directors are briefed by management either during Board meetings or at specially convened sessions. Management also provides the Board with complete and adequate information in a timely manner through regular updates on financial results, market trends and business developments.

Presently, the Board consists of nine members of which three are Independent Non-executive Directors. The Chairman of the Board is Hsuan Owyang. The sole Executive Director is Pua Seck Guan, the Chief Executive Officer.

The composition of the Board is determined using the following principles:

- The Chairman of the Board should be an Independent Non-executive Director;
- The Board should comprise Directors with a broad range of commercial experience, including expertise in funds management, the property industry and in the banking and legal fields; and
- The Board should comprise at least three Independent Directors.

The composition of the Board is reviewed regularly to ensure that the Board has the appropriate size and mix of expertise and experience.

Four Board meetings were held during the year.

The positions of Chairman and Chief Executive Officer are held by two persons in order to maintain an effective oversight.

The Chairman ensures that the members of the Board work together with management with integrity, competency and moral authority, and engages management in constructive debate on strategy, business operations and enterprise risks. The Chief Executive Officer has full executive responsibilities over the business directions and operational decisions of managing CMT.

The majority of the Board members are non-executive with one-third of the Board being independent of management. This enables management to benefit from their external and objective perspective of issues that are brought before the Board. It also enables the Board to interact and work with management through a healthy exchange of ideas and views to help shape the strategic process. This, together with a clear separation of the roles of the Chairman and the Chief Executive Officer, provides a healthy professional relationship between the Board and management with clarity of roles and robust deliberation on the business activities of CMT.

Newly appointed Directors are given briefings by management on the business activities of CMT and its strategic directions.

The Board will take independent professional advice when it deems necessary for the proper and efficient discharge of its responsibilities. The Company Secretary will give the Board the necessary assistance and is also responsible for ensuring that Board procedures are followed and that the applicable laws and regulations are complied with. In addition, the Company Secretary will also attend all board meetings.

The Board has established various committees to assist it in discharging its responsibilities. These committees are listed below.

EXECUTIVE COMMITTEE

The Executive Committee operates under delegated authority from the Board. This committee oversees the day-to-day activities of the Manager on behalf of the Board. The members of the Executive Committee are Liew Mun Leong, Lui Chong Chee, Kee Teck Koon and Pua Seck Guan.

AUDIT COMMITTEE

The Audit Committee is appointed by the Board from among the Directors of the Manager and is composed of four members, the majority of whom (including the Chairman of the committee) are Independent Directors. The members are Hsuan Owyang, James Glen Service, David Wong Chin Huat and Lui Chong Chee.

The Audit Committee has a set of terms of reference defining its scope of authority which include, in relation to its management of CMT:

- Monitoring and evaluating the effectiveness of the internal control process through reviewing internal and external audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by management;
- Reviewing the quality and reliability of information prepared for inclusion in the financial reports and approving the financial statements and the audit report before recommending to the Board for approval;
- Monitoring the procedures established to regulate Related Party Transactions (as defined below), including ensuring compliance with the provisions of the Listing Manual relating to transactions between CMT and an 'interested person', and provisions of the Property Funds Guidelines of the CIS Code (Property Funds Guidelines) relating to transactions between CMT and an 'interested party';
- Approving the appointment and re-appointment of external auditors and reviewing the adequacy of existing audits in respect of cost, scope and performance;
- Reviewing the independence and objectivity of the external auditors and non-audit services provided by the external auditors and confirming that they would not, in the Audit Committee's opinion, impair the independence of the auditors; and
- Monitoring the procedures in place to ensure compliance with applicable legislation, the Listing Manual and the Property Fund Guidelines.

The Audit Committee plans to meet with the internal and external auditors, without the presence of management, at least once a year.

The Audit Committee has also conducted a review of all non-audit services provided by the auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the auditors.

Four Audit Committee meetings were held during the year.

Corporate Governance

CORPORATE DISCLOSURE COMMITTEE

The Corporate Disclosure Committee operates under the delegated authority of the Board. This committee reviews corporate disclosure matters relating to CMT, including announcements to the SGX-ST, and pursues best practices in terms of transparency. The members of this committee are Hsuan Owyang, Liew Mun Leong, Lui Chong Chee and Kee Teck Koon.

INTERNAL CONTROLS

The Manager has put in place a system of internal controls of procedures and processes to safeguard CMT's assets, Unitholders' interests and to manage risk.

The internal audit function of the Manager is supported by CapitalLand's Internal Audit Department (CLIA). CLIA plans its internal audit schedules in consultation with, but independent of, management and its plan is submitted to the Audit Committee for approval at the beginning of the year. The Audit Committee must also meet with the CLIA team at least once a year, without the presence of management.

A majority of the CLIA staff are members of the Singapore branch of the Institute of Internal Auditors, Inc. (IIA), which has its headquarters in the USA. CLIA subscribes to, and is guided by, the Standards for the Professional Practice of Internal Auditing developed by the IIA and has incorporated these standards into its audit practices.

The standards set by the IIA cover requirements in respect of the following:

- Independence;
- Professional proficiency;
- Scope of work;
- Performance of audit work; and
- Management of the Internal Audit Department.

To ensure that the internal audits are performed by competent professionals, CLIA recruits and employs suitably qualified staff. In order that their technical knowledge remains current and relevant, CLIA identifies and provides training and development

opportunities to its staff. The internal audit function provided by CLIA has incorporated the auditing developed by the IIA into its audit practices and meets with the standards set by the IIA.

The Board is satisfied that the Manager's internal controls are adequate, based on the reports from the CLIA team and external auditors.

DEALINGS WITH RELATED PARTIES REVIEW PROCEDURES FOR RELATED PARTY TRANSACTIONS

In general, the Manager has established internal control procedures to ensure that transactions involving the Trustee, and a related party of the Manager (Related Party Transactions) are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties. In addition, the following procedures will be followed:

- Transactions (either individually or as part of a series) equal to or exceeding S\$100,000 in value but below 3.0 percent of CMT's net tangible assets will be subject to review by the Audit Committee at regular intervals;
- Transactions (either individually or as part of a series) equal to or exceeding 3.0 percent, but below 5.0 percent of CMT's net tangible assets, will be subject to the review and approval of the Audit Committee. Such approval shall only be given if the transactions are on arm's length commercial terms and consistent with similar types of transactions undertaken by the Trustee, with third parties which are unrelated to the Manager; and
- Transactions (either individually or as part of a series) equal to or exceeding 5.0 percent of CMT's net tangible assets will be reviewed and approved by the Audit Committee who may as it deems fit request advice on the transaction from independent sources or advisors, including the obtaining of valuations from professional valuers.

Where matters concerning CMT relate to transactions entered into, or to be entered into, by the Trustee for and on behalf of CMT with a related party of the Manager, the Trustee is required

to ensure that such transactions are conducted at arm's length in accordance with the applicable requirements of the Property Funds Guidelines and/or the Listing Manual relating to the transaction in question. Further, the Trustee, has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party Transaction. If the Trustee is to sign any contract with a related party of the Trustee or the Manager, the Trustee will review that contract to ensure that it complies with applicable requirements relating to interested party transactions in the Property Funds Guidelines and the provisions of the Listing Manual relating to interested person transactions as well as other guidelines as may from time to time be prescribed by the SGX-ST or other relevant authority to apply to real estate investment trusts.

ROLE OF THE AUDIT COMMITTEE FOR RELATED PARTY TRANSACTIONS

All Related Party Transactions are subject to regular periodic reviews by the Audit Committee.

The Manager's internal control procedures are intended to ensure that Related Party Transactions are conducted at arm's length and on normal commercial terms and are not prejudicial to Unitholders' interests. The Manager maintains a register to record all Related Party Transactions which are entered into by CMT (and the basis, including the quotations obtained to support such basis, on which they are entered into). The Manager then incorporates into its internal audit plan a review of all Related Party Transactions entered into by CMT. The Audit Committee reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with.

The Audit Committee periodically reviews Related Party Transactions to ensure compliance with the internal control procedures and the relevant provisions of the Listing Manual and the Property Funds Guidelines. The review includes the examination of the nature of the transaction and its supporting documents or such other data deemed necessary by the Audit Committee.

If a member of the Audit Committee has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction.

The aggregate value of Related Party Transactions (equal to or exceeding S\$100,000 each in value) conducted during the financial year are disclosed in this Annual Report (see page 130).

DEALING WITH CONFLICTS OF INTEREST

The following procedures have been established to deal with potential conflicts of interest which the Manager (including its Directors, executive officers and employees) may encounter in managing CMT:

- All executive officers of the Manager will be employed by the Manager.
- All resolutions at meetings of the Board of Directors of the Manager in relation to matters concerning CMT must be decided by a majority vote of the Directors, including at least one Independent Director.
- If the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CMT with an affiliate of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CMT, has a *prima facie* case against the party allegedly in breach under such agreements, the Manager is obliged to pursue the appropriate remedies under such an agreement. The Directors of the Manager will have a duty to ensure that the Manager complies with the aforesaid. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of CMT with an affiliate of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against an affiliate of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such affiliate.

Corporate Governance

Additionally, the Trustee has been granted a right of first refusal by Capitaland Commercial and Integrated Development Limited (CCID) (formerly known as Capitaland Commercial Limited) over all retail income producing properties with certain specified characteristics which may in the future be identified and targeted for acquisition by CCID or any of its subsidiaries.

RISK ASSESSMENT AND MANAGEMENT

The Manager's focus on risk management recognises that risk management is, *prima facie*, an issue for management. The risk management framework supports this focus but provides a structured context for those personnel to undertake a half-yearly review of the past performance of, and to profile the current and future risks facing, their areas of responsibility.

This risk information is consolidated and used as key input into the corporate strategy sessions attended by management and the Property Manager. Such sessions are held on a quarterly basis to review CMT's strategic direction in detail and include specific focus on the identification of key business and financial risks which could prevent CMT from achieving its objectives. Management is then required to ensure that appropriate controls are in place to effectively manage those risks, and such risks and controls are monitored by the Board on a quarterly basis. The internal audit plan is developed in conjunction with the risk management programme and is focused on ensuring the operation of internal controls and assessing the effectiveness and efficiency of the control environment.

In addition, the Board requires that each major proposal submitted to the Board for decision is accompanied by a comprehensive risk assessment and, where required, management's proposed mitigation strategies.

COMMUNICATIONS WITH UNITHOLDERS

In line with CMT's disclosure obligations, the Board's policy is to inform Unitholders of all major developments that impact CMT. During the year, a continuous disclosure process was in place to ensure that compliance with such obligations was constantly adhered to.

CMT believes that it should engage in regular, effective, unbiased and transparent communication with Unitholders. Communications channels with Unitholders are made accessible via:

- Summary financial reports and annual reports;
- Notices of, and explanatory memoranda for, extraordinary general meetings;
- Press releases on major developments of the Company;
- Disclosures to the SGX-ST;
- Other announcements, as appropriate; and
- CMT's website at www.capitamall.com

CMT has, in the past year, been included in the European Public Real Estate (EPRA) / National Association of Real Estate Investment Trusts (NAREIT) Global Real Estate Index and its sub-indices and the Morgan Stanley Capital International (MSCI) Standard Index, which are widely tracked and referred to by international fund managers as performance benchmarks in the selection and monitoring of investments. CMT had previously been included in the prestigious Global Property Research's GPR 250 index and the GPR General Index. Most recently, CMT was also included as one of the 50 component stocks of the Straits Time Index (STI), the primary Singapore equity market barometer.

The Manager considers meetings with local and foreign fund managers an integral part of the investor relations' component of its responsibilities. During the year under review, the Manager met with institutional investors in Singapore, Hong Kong, Japan, United Kingdom, United States, various European cities and Australia. The purpose of these meetings was to update potential and current Unitholders on the developments that have taken place with regard to CMT. CMT also participates in various conferences locally and in the region as part of its efforts to build interest in the REIT market for the region. The Manager will continue to pursue opportunities to educate and keep retail investors informed of the latest developments in the REIT industry.

Unitholders and potential stakeholders have access to CMT's website for information on CMT's major developments,

descriptions of CMT's properties, announcements and other corporate information. Real-time information on CMT's share price is also made available on the site. In addition, members of the public can pose questions on the 'Ask Us' section of the CMT website and have their queries addressed accordingly. Also available on the website is an archive of CMT's announcements, press releases, annual reports and operational details. The latest information is posted on the website as soon as it is released to the SGX-ST and the media.

The Manager believes that contributions from each Director can be reflected in ways other than attendances at Board and committee meetings. A Director of the Manager would have been appointed on the principles outlined earlier in this Statement and his ability to contribute to the proper guidance of the Manager in its management of CMT.

DEALINGS IN SECURITIES

The Manager has voluntarily issued guidelines to its Directors and employees which prohibit them from dealing in CMT units while in possession of price-sensitive information and during the two weeks before and up to (and including) the date of announcement of CMT's results (quarterly as well as full year). Under these guidelines, Directors and employees have been directed to refrain from dealing in CMT units on short-term considerations.

CAPITAMALL TRUST MANAGEMENT LIMITED BOARD COMPOSITION AND COMMITTEES

The matrix of the Board members' participation on the various Board committees is as follows.

BOARD MEMBERS	AUDIT COMMITTEE	EXECUTIVE COMMITTEE	CORPORATE DISCLOSURE COMMITTEE
Hsuan Owyang	C		C
Liew Mun Leong		C	M
James Glen Service	M		
David Wong Chin Huat	M		
Pua Seck Guan		M	
Hiew Yoon Khong			
Lui Chong Chee	M	M	M
Kee Teck Koon		M	M
S. Chandra Das			
Chay Wai Chuen (Alternate to S. Chandra Das)			

Key: C – Chairman, M - Member

Investor Relations & Financial Calendar

CapitaMall Trust's (CMT) commitment to excellent investor relations was recognised when it won the 'Most Transparent Company' Award at the Securities Investors Association Singapore (SIAS) Investors' Choice Awards held in September 2004, nominated by analysts, fund managers and the media. This new REITs category was introduced in 2004 and the winner was selected based on criteria which included timeliness, clarity and comprehensiveness of information disclosed. In addition, CMT was also ranked amongst the top 10 for "Most Committed to Strong Dividend Policy (Singapore)" and "Best Corporate Governance (Singapore)" by Finance Asia Awards 2004.

As Real Estate Investment Trusts (REITs) have only a history of less than three years in Singapore, they are still a relatively unfamiliar investment product to many investors in Singapore. CapitaMall Trust Management Limited (CMTML), the Manager of CMT, recognises that education of the broader Singapore investment community remains an integral function of its investor relations activities. Result announcement briefings are conducted every half-yearly for analysts and the media. These communication sessions provide an opportunity for management to update on CMT's performance and strategies going forward. It also provides a two-way communication platform for the analysts and media to clarify queries and for management to seek feedback from the investment community.



With approximately 35 percent of CMT's shares held by institutional investors, the Manager invests time in meeting local and foreign fund managers regularly through one-on-one or group meetings, conference calls, luncheons, and overseas roadshows. During the year, the management met institutional investors from Singapore, Hong Kong, Japan, United Kingdom, United States (US), various European cities and Australia. Mall tours were also conducted for both Unitholders and potential Unitholders who were keen to see the properties in CMT's portfolio. To further broaden our investor base, management also attends local and overseas conferences and seminars to reach out to potential investors and to increase awareness for CMT.

This has always been a relationship-oriented business. We approach investor relations the same way we build relationships with our retailers and partners. Close and constant communication is the key to building an open and lasting relationship.

There has been substantial interest from US and Australian institutional funds with the increasing mandate for them to invest in Asian REITs. This increased attention is also attributed to CMT's inclusion in the past year in the European Public Real Estate (EPRA) / National Association of Real Estate Investment Trusts (NAREIT) Global Real Estate Index and its sub-indices and the Morgan Stanley Capital International (MSCI) Standard Index, which are widely tracked and referred to by international fund managers as performance benchmarks in the selection and monitoring of investments. CMT had previously been included in the prestigious Global Property Research GPR 250 Index and the GPR General Index.

Moving forward, investor relations will continue to be an integral function of the Manager's time to articulate CMT's growth strategy to both current and potential Unitholders in Singapore and overseas. The Manager will also seek to uphold the highest level of corporate governance and transparency standards by providing the investment community with clear, concise and timely information.

FINANCIAL CALENDAR 2005 – 2006 (TENTATIVE)

April 2005

First Quarter 2005 Results Announcement

May 2005

First Quarter 2005 Distribution to Unitholders

July 2005

Half-Year 2005 Results Announcement

August 2005

Second Quarter 2005 Distribution to Unitholders

October 2005

Third Quarter 2005 Results Announcement

November 2005

Third Quarter 2005 Distribution to Unitholders

January 2006

Full Year 2005 Results Announcement

February 2006

Fourth Quarter 2005 and Final Distribution to Unitholders

UNITHOLDER ENQUIRIES

If you have any enquiries or would like to find out more about CMT, please contact us:

The Manager

Ms Tong Ka-Pin

Investor Relations & Communications Manager

Phone: +65 6536 1188

Fax: +65 6536 3884

Email: ask-us@capitamall.com.sg

Website: www.capitamall.com

The Unitholder Registrar

Lim Associates (Pte) Ltd

10 Collyer Quay

#19-08 Ocean Building

Singapore 049315

Phone: +65 6536 5355

Fax: +65 6536 1360

Website: www.boardroomlimited.com

THE UNITHOLDER DEPOSITORY

For depository-related matters such as change of details pertaining to Unitholders' investment records, please contact:

The Central Depository (Pte) Limited

4 Shenton Way

#02-01 SGX Centre 2

Singapore 068807

Tel: +65 6535 7511

Fax: +65 6535 0775

Email: cdp@sgx.com

Website: www.cdp.com.sg



New extension at Junction 8



REAFFIRMIT

Embracing The Community

Numerous charitable organisations have benefited from our various fund-raising efforts. We are also active in organising community projects and collaborating with community groups and government agencies to promote public awareness on various social issues.

CHARITABLE ACTIVITIES

A heart-warming activity embraced by IMM Building (IMM) was the 'Charity Marathon Carwash' event organised by Capital Radio 95.8FM to raise funds for Yong En Care Centre. With the support of the team at IMM, more than S\$31,000 was raised in 36 hours.

Tampines Mall was also proud to be the host of yet more meaningful events for worthy causes such as shows for kids from the Methodist Children's Home and KK Hospital and a carol concert by the Muscular Dystrophy Association of Singapore.

To join in the Christmas spirit of giving, Plaza Singapura has been the host for the Boys' Brigade 'Charity Gift Box' for the past three years. Shoppers were encouraged to contribute food and funds to the needy through the Boys' Brigade at one of their satellite collection points at Plaza Singapura.

COMMUNITY EVENTS

IMM, working with Singapore Workforce Development Agency and South West Community Development Council (CDC), organised 'The Learning Satellites' in November 2004. The event focused on encouraging lifelong learning for residents at South West constituency, aiming to educate them on skills upgrading and changing job seekers' mindsets. The event attracted as many as 2,000 job seekers.

In the spirit of cultivating entrepreneurship amongst students, Junction 8 hosted the 'Little Entrepreneurs' programme which was organised by Central CDC and MediaCorp Channel 8. Under this programme, students set up booths to retail consumer items. The funds raised from the sale were in aid of charitable organisations and the participating schools' funds.

We believe in being good corporate citizens. We want to be good neighbours, and we look to each mall's management team to determine the appropriate ways to connect with their local community.

Junction 8 was not the only mall working actively with the schools. In November, Tampines Mall, in collaboration with Temasek Secondary School and seven other schools from the East Zone, organised 'Spirit Of Enterprise' where more than 200 students set up 20 booths to test their retailing abilities. The event was graced by the Member of Parliament of East Coast GRC, Mr Abdullah Tarmugi.

Not all community efforts were within the confines of the shopping centres. During the year, Junction 8 arranged for the all-time favourite cartoon characters, Garfield and Pokemon, to cheer up sick children who were recuperating at KK Women's and Children's Hospital.



Spirit of the Enterprise at Tampines Mall



Garfield at KK Women's and Children's Hospital

It is only through the contributions of an excellent team of competent and committed people that CapitaMall Trust (CMT) can continue to sustain our growth and increase value for all our stakeholders. Thus, leveraging on CapitaLand's Human Resource (HR) platform, the Manager and Property Manager have placed great emphasis on the development of our people to maintain and enhance their level of competence.

We offer a diverse range of in-house and external courses for our managers, executives and non-executives to acquire not only relevant centre management knowledge but also soft skills such as fostering employee motivation, promoting team creativity and influencing others positively.

ASSISTANT CENTRE MANAGER (ACM) PROGRAMME

The ACM programme is a systematic training programme for Centre Manager designates. It spans a period of three to six months, covering training in a full spectrum of centre management functions such as leasing, marcom, operations, finance, projects and HR. The programme begins with an overview of CMT's strategy and business plans, as well as the roles and responsibilities of a Centre Manager. This is followed by in-depth briefings and hands-on practice in marcom, leasing and operations. At the mall level, trainees are provided with on-the-job experience in simulated activities such as fire drill, building inspection, electrical shutdown, and tenancy fit-out. The programme includes briefings on asset enhancement initiatives, preparation and analysis of profit & loss statements, financial forecasts, budgets and various other relevant financial reports. External training is also introduced to give trainees professional guidance in people management, financial management and IT skills.

ON-THE-JOB TRAINING (OJT)

In 2004, two OJT programmes were launched - one for Customer Service Assistants and another for Technicians. OJT is a flexible, company-based training programme. The aim is to provide customised and directly relevant training to staff to enhance their

competency at work and to ensure standardised work processes for the same job function across all malls. It is an effective way to provide training for operational staff who would otherwise find it difficult to find time because of shift work. In addition to in-house OJT programmes, training by external providers is also built-in to beef up core competencies in customer service for Customer Service Assistants and facilities management for Technicians.

STUDY TOURS

A study trip to Australia covering Sydney and Melbourne was organised for a group of 15 participants from CapitaLand Retail Management Pte Ltd and CapitaMall Trust Management Limited. The objective of the study trip was to expose our staff to various aspects of retail businesses overseas.

The key highlight of the trip was a guided tour to a host of retail malls in the respective cities where participants were briefed on the various aspects of retail management – marketing strategies, shop front & interior designs, innovative shopping experiences & promotions, retail concepts etc. Upon return from the trip, participants made a presentation to their colleagues on their key learning experiences and suggested best practices which we can adopt for our malls.



Focus on customer service skills



“Our understanding of the fundamentals of real estate forms the foundation of our financial performance.”

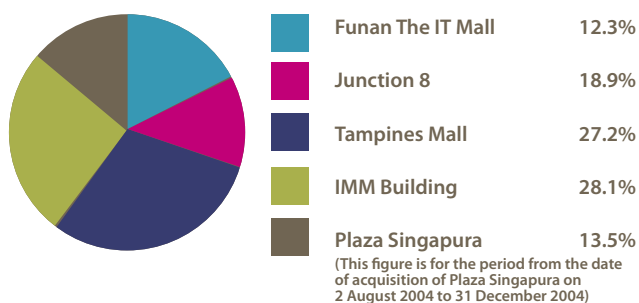
**MS TAN LEI KENG, FINANCE MANAGER,
CAPITAMALL TRUST MANAGEMENT LIMITED**



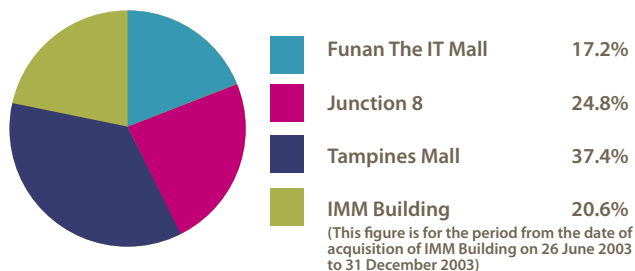
REGROWIT

Financial Performance Review

GROSS REVENUE BY PROPERTY



FY2004: S\$177.2 million



FY2003: S\$117.0 million

PERFORMANCE REVIEW

2004 has been another exciting year for CapitaMall Trust (CMT). CMT continued with its acquisition strategy and increased its portfolio from four to five properties with the acquisition of Plaza Singapura on 2 August 2004. CMT is the largest listed REIT on the SGX-ST with a market capitalisation of over S\$2.1 billion as at 31 December 2004. With the completion of several asset enhancement initiatives in Junction 8, Tampines Mall and IMM Building (IMM), and the successful re-positioning of Funan The IT Mall, amidst the recovering economy, CMT was able to improve on its performance over 2003.

This stellar performance is attributed to the following strategies adopted by the Manager :

- Identifying and acquiring yield-accretive investments;
- Adopting pro-active asset management and leasing strategies; and
- Creating value through innovative asset enhancement initiatives.

REVENUE

Gross revenue for 2004 was S\$177.2 million, an increase of S\$60.2 million or 51.5 percent over S\$117.0 million for the financial year ended 31 December 2003. The higher revenue was mainly due to the maiden contribution from Plaza Singapura of S\$23.9 million for the period from 2 August to 31 December 2004 and the full year contribution of S\$49.8 million from IMM this year against S\$24.1 million for the period from 26 June 2003 to 31 December 2003. Higher rental income from the other malls and rental income from new retail areas created at Junction 8 and Tampines Mall also contributed to the higher gross revenue.

NET PROPERTY INCOME

As a result of the higher gross revenue, net property income of S\$114.2 million was S\$35.8 million or 45.7 percent higher than S\$78.4 million for the financial year ended 31 December 2003. Similarly, this was mainly due to the maiden contribution from Plaza Singapura of S\$17.7 million for the period from 2 August to 31 December 2004 and full year contribution of S\$27.6 million from IMM Building this year against S\$12.5 million for the period from 26 June 2003 to 31 December 2003. Higher rental income from the other malls also translated into improved net property income.

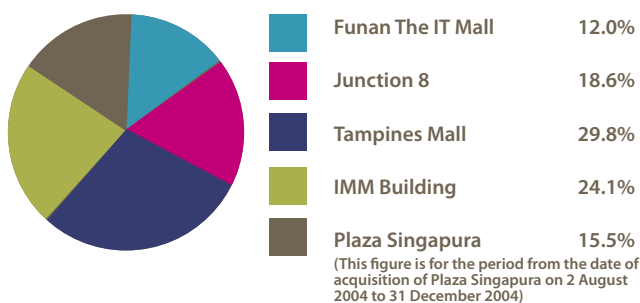
DISTRIBUTIONS

For 2004, CMT made distribution of 5.41 cents per unit for the period from 1 January 2004 to 1 August 2004 and 4.07 cents per unit for the period from 2 August 2004 to 31 December 2004. In the financial year ended 31 December 2003, CMT distributed 3.62 cents per unit for the period from 1 January 2003 to 25 June 2003, and 4.41 cents per unit for the period 26 June 2003 to 31 December 2003. Overall, the total distribution for the financial year ended 31 December 2004 of 9.48 cents per unit was an increase of 18.1 percent over the total distribution for the financial year ended 31 December 2003 of 8.03 cents per unit.

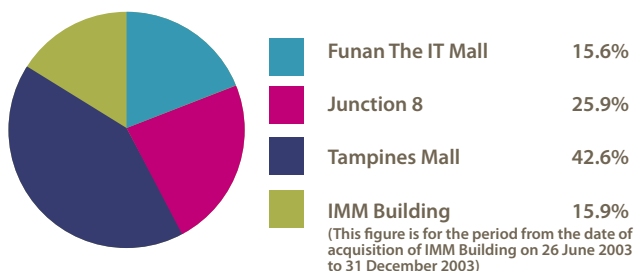
ASSETS

The total assets as at 31 December 2004 were S\$2,349.8 million compared with S\$1,351.5 million as at 31 December 2003. The increase of S\$998.3 million was mainly due to the acquisition of Plaza Singapura and the increase in property valuations for the other properties.

NET PROPERTY INCOME BY PROPERTY

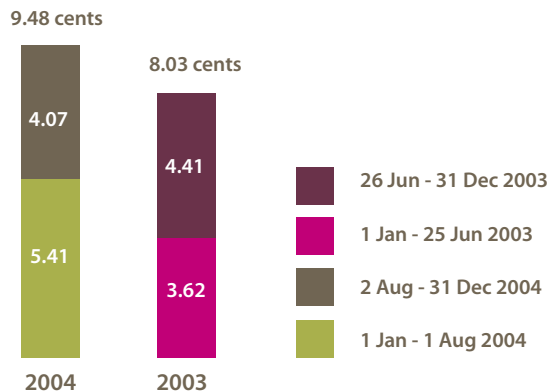


FY2004: S\$114.2 million



FY2003: S\$78.4 million

DISTRIBUTION PER UNIT



Financial Performance Review

BORROWINGS AND GEARING

CMT's total borrowings stood at S\$660.0 million as at 31 December 2004, an increase of S\$335.0 million compared to S\$325.0 million as at 31 December 2003. The increased borrowings were mainly due to the debt financing for the acquisition of Plaza Singapura and the payment of upfront land premium for IMM. As a result, CMT's gearing increased to 28.7 percent as at 31 December 2004 from 24.7 percent as at 31 December 2003.

UNITHOLDERS' FUNDS

Unitholders' funds increased to S\$1,610.7 million as at 31 December 2004 from S\$972.4 million as at 31 December 2003. The increase of S\$638.3 million was mainly attributed to the issuance of new units to fund the acquisition of Plaza Singapura. Another contributing factor was the revaluation surplus of S\$159.7 million from the properties.

As a result of the above, CMT's Net Asset Value (NAV) per unit increased to S\$1.34 compared to S\$1.07 as at 31 December 2003. After adjusting for the distribution to be made, the adjusted NAV per unit stands at S\$1.30 as at 31 December 2004 against S\$1.03 as at 31 December 2003.

CASHFLOW

Operating cashflow increased to S\$116.9 million in the financial year ended 31 December 2004 from S\$82.7 million in the financial year ended 31 December 2003. This was mainly due to initial contributions from Plaza Singapura in 2004. As at 31 December 2004, the value of cash and cash equivalents stood at S\$47.2 million against S\$49.4 million as at 31 December 2003 mainly due to asset enhancement expenditures.

SOURCES OF FUNDING

CMT obtains funding through a special purpose vehicle, Silver Maple Investment Corporation Ltd (Silver Maple). Under the

facility agreement between Silver Maple and CMT, Silver Maple has granted CMT a total facility of S\$704.0 million in the financial year ended 31 December 2004, an increase of S\$355.0 million over the S\$349.0 million for the financial year ended 31 December 2003. This comprises a S\$632.0 million term loan and a S\$72.0 million revolving credit facility.

As at 31 December 2004, CMT has drawn down S\$632.0 million of the term loan and S\$28.0 million of the revolving credit facility.

MATURITY PROFILE

	S\$ MILLION	% OF DEBT
After 1 year but within 5 years	172.0	26.1
After 5 years	488.0	73.9

The loan maturity profile has improved compared to that for the financial year ended 31 December 2003 mainly due to the new borrowings undertaken to fund the acquisition of Plaza Singapura and the payment of upfront land premium for IMM.

INTEREST RATE PROFILE

In view of the increasing interest rate environment, CMT has locked in most of its borrowings at fixed rates. As at 31 December 2004, CMT has locked in 95.8 percent of its borrowings in fixed rate and the remaining 4.2 percent in floating rate.

INTEREST COVER RATIO (ICR)

The ICR for the financial year ended 31 December 2004 was 7.2 times compared to 8.0 times for the financial year ended 31 December 2003. This was mainly due to the increased borrowings to fund the acquisition of Plaza Singapura and the payment of upfront land premium for IMM Building.