



# HARNESSING

OUR

ABILITIES

REPORT TO UNITHOLDERS  
**2008**

# CORPORATE PROFILE

CAPITAMALL TRUST (CMT) IS THE FIRST REAL ESTATE INVESTMENT TRUST (REIT) LISTED ON SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (SGX-ST) IN JULY 2002. CMT IS ALSO THE LARGEST REIT BY MARKET CAPITALISATION AND ASSET SIZE IN SINGAPORE, WITH A MARKET CAPITALISATION AND ASSET SIZE OF APPROXIMATELY S\$2.7 BILLION AND S\$7.5 BILLION RESPECTIVELY AS AT 31 DECEMBER 2008.

CMT owns and invests in quality income-producing assets which are used, or predominantly used, for retail purposes primarily in Singapore. As at 31 December 2008, CMT's portfolio comprised a diverse list of over 2,300 leases with local and international retailers and achieved an average committed occupancy of close to 100.0%. CMT's portfolio comprises 14 quality retail properties which are strategically located in the suburban areas and downtown core of Singapore - Tampines Mall, Junction 8, Funan DigitaLife Mall, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, Jurong Entertainment Centre, Hougang Plaza, Raffles City Singapore (40.0% interest), Lot One Shoppers' Mall, Bukit Panjang Plaza (90 out of 91 strata lots), Rivervale Mall and The Atrium@Orchard.

CMT also owns approximately 20% stake in CapitaRetail China Trust, the first pure-play China retail REIT listed on the SGX-ST in December 2006 sponsored by CapitaLand Limited (CapitaLand), one of Asia's largest real estate companies.

CMT has been assigned an 'A2' rating by Moody's Investors Service. The 'A2' rating is the highest rating assigned to a Singapore REIT. CMT is the only REIT constituent of the Straits Times (ST) Index and is also a constituent of various key global indices which include the FTSE4Good Global Index, FTSE/ASEAN Index, FTSE European Public Real Estate Association (EPRA)/National Association of Real Estate Investment Trusts (NAREIT) Global Real Estate Index, FTSE ST Index and its sub-indices, Global Property Research (GPR) General Index and its sub-indices, GPR 250 Index and its sub-indices, GPR 250 REIT Index and its sub-indices, Morgan Stanley Capital International (MSCI) Singapore Standard, MSCI World Standard Index, Standard and Poors (S&P) BMI Global Index, S&P Global Property and S&P Global REIT Index.

CMT is managed by an external manager, CapitaMall Trust Management Limited, which is an indirect wholly-owned subsidiary of CapitaLand.

# VISION

**C**REATING VALUE

**M**AXIMISING RETURNS

**T**RANSFORMING EXPERIENCES

CapitaMall Trust's vision embraces all our stakeholders. We rely on the continued and combined support of our Unitholders, business partners, tenants, shoppers and employees to achieve this vision and, in return, share with them the fruits of our success.

# MISSION

TO DELIVER STABLE DISTRIBUTIONS  
AND SUSTAINABLE TOTAL RETURNS  
TO UNITHOLDERS.

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# PSTABILITYCAPABILITY

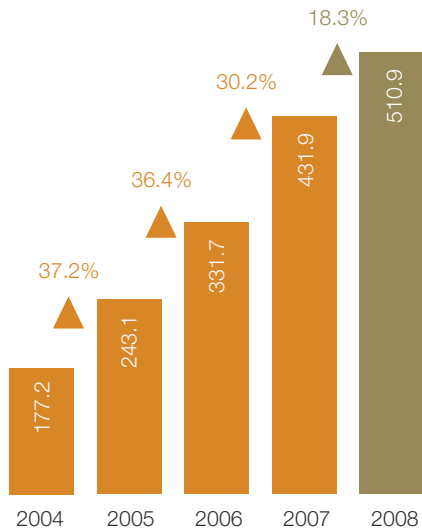
STABLE+ABILITY FUNDAMENTALS, WELL-FOUNDED, SUSTAIN THE STABILITY OF CMT. ENDOWED WITH A QUALITY RESILIENT PORTFOLIO, CMT'S WELL-ROUNDED STRATEGY AND WELL-PLANNED EXECUTION EFFECTIVELY DELIVERED A STABLE SET OF RESULTS TO UNITHOLDERS IN 2008.

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# FINANCIAL HIGHLIGHTS

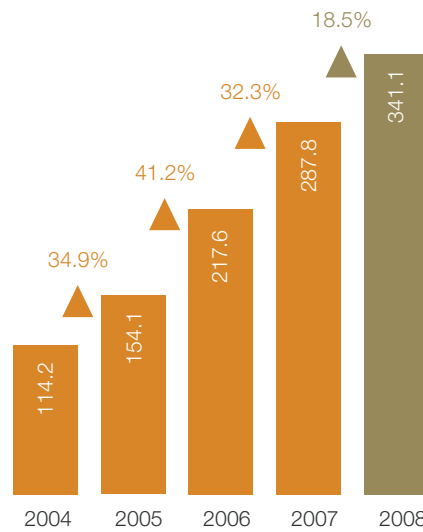
## GROSS REVENUE

(S\$ MILLION)



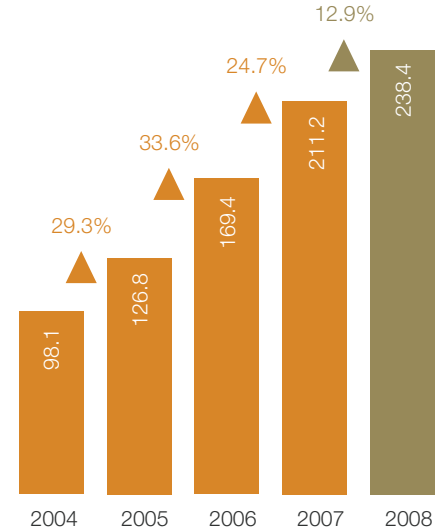
## NET PROPERTY INCOME

(S\$ MILLION)



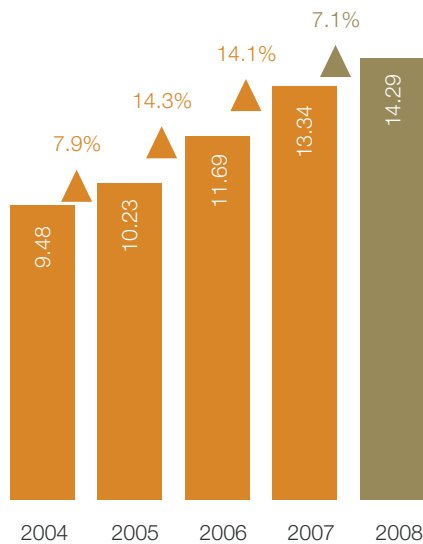
## DISTRIBUTABLE INCOME

(S\$ MILLION)



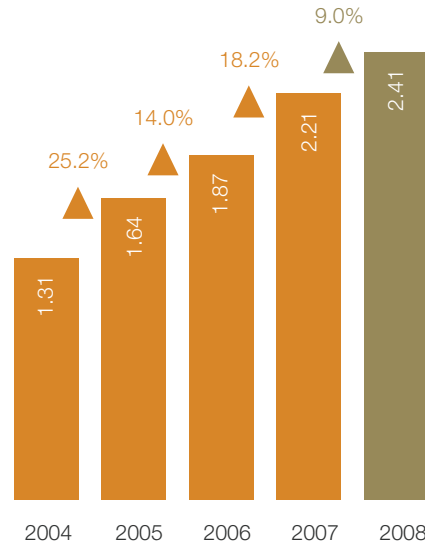
## DISTRIBUTION PER UNIT (DPU)

(S\$ CENTS)



## NET ASSET VALUE PER UNIT<sup>1</sup>

(S\$)



<sup>1</sup> Excludes outstanding distributable income as at end of each period.

# FINANCIAL HIGHLIGHTS

	2004	2005	2006	2007	2008
	TRUST & ITS ASSOCIATE <sup>1</sup>	TRUST & ITS ASSOCIATE <sup>2</sup>	TRUST & ITS INVESTEES <sup>3</sup>	GROUP <sup>4</sup>	GROUP <sup>5</sup>
<b>Selected Statement of Total Return and Distribution Data</b>					
Gross Rental Income (S\$ million)	162.8	223.5	307.3	399.2	473.6
Car Park Income (S\$ million)	5.7	7.6	8.9	12.0	13.7
Other Income (S\$ million)	8.7	12.0	15.5	20.7	23.6
<b>Gross Revenue (S\$ million)</b>	<b>177.2</b>	<b>243.1</b>	<b>331.7</b>	<b>431.9</b>	<b>510.9</b>
Net Property Income (S\$ million)	114.2	154.1	217.6	287.8	341.1
Distributable Income (S\$ million)	98.1	126.8	169.4	211.2	238.4
<b>Selected Balance Sheet Data</b>					
Total Assets (S\$ million)	2,361.7	3,483.6	4,811.3	5,957.3	7,509.0
Total Borrowings <sup>6</sup> (S\$ million)	660.0	1,093.0	1,695.2	2,052.2	3,216.4
Net Asset Value Per Unit <sup>7</sup> (S\$)	1.31	1.64	1.87	2.21	2.41
Unitholders' Funds (S\$ million)	1,622.5	2,283.9	2,975.8	3,721.8	4,079.6
Market Capitalisation <sup>8</sup> (S\$ million)	2,117.6	3,090.5	4,543.8	5,751.9	2,650.3
Portfolio Property Valuation (S\$ million)	2,235.0	3,365.0	4,575.1	5,777.9	7,174.0
<b>Key Financial Ratios</b>					
Earnings Per Unit <sup>9</sup> (cents)	25.37	33.24	29.17	38.52	33.70
Distribution Per Unit (cents)	9.48	10.23	11.69	13.34	14.29
Borrowings to Total Assets <sup>10</sup> (Gearing)	28.5%	31.6%	35.6%	34.7%	43.2%
Interest Cover (Times)	7.2	6.0	5.0	4.2	3.4
Management Expense Ratio <sup>11</sup> (%)	1.1%	0.9%	0.9%	0.7%	0.7%

1 As at 31 December 2004, the Trust and its associate include accounting of its associate, CapitaRetail Singapore Limited (CRS).

2 As at 31 December 2005, the Trust and its associate include accounting of its associate, CRS.

3 As at 31 December 2006, the Trust and its investees include proportionate consolidation of the 40.0% interest in Raffles City Singapore (RCS), through the RCS Trust, the special purpose vehicle that holds RCS, and equity accounting of its associate, CRS.

4 As at 31 December 2007, CMT Group includes the proportionate consolidation of the 40.0% interest in RCS, through the RCS Trust, the special purpose vehicle that holds RCS, consolidation of 100.0% interest in CRS (with effect from 1 June 2007) and CMT MTN Pte. Ltd. (CMT MTN) (with effect from 13 April 2007) and equity accounting of its associate, CapitaRetail China Trust (CRCT).

5 As at 31 December 2008, CMT Group includes the proportionate consolidation of the 40.0% interest in RCS, through the RCS Trust, the special purpose vehicle that holds RCS, consolidation of 100.0% interest in CRS and CMT MTN and equity accounting of its associate, CRCT.

6 Excludes unamortised transaction costs. As at 31 December 2008, the total borrowings include S\$650.0 million Convertible Bonds. The final redemption price upon maturity on 2 July 2013 is equal to 109.31% of the principal amount. The Convertible Bonds may be redeemed in whole or in part, at the option of the bondholder on 2 July 2011 at 105.43% of the principal amount.

7 Excludes outstanding distributable income as at end of each period.

8 Based on the closing unit price of S\$1.76 on 31 December 2004, S\$2.24 on 30 December 2005, S\$2.91 on 29 December 2006, S\$3.46 on 31 December 2007 and S\$1.59 on 31 December 2008.

9 With the introduction of Financial Reporting Standards (FRS) 40: Investment Property with effect from 1 January 2007, Earnings Per Unit (EPU) are computed based on total return for the period after tax. Prior to this, EPU were computed based on net income after tax. Comparative EPU have been restated to be consistent with the presentation.

10 Total assets excluding outstanding distributable income as at end of each period.

11 Refers to the expenses of the Trust excluding property expenses and interest expense but including performance component of CapitaMall Trust Management Limited management fees, expressed as a percentage of weighted average net assets.

# LETTER TO UNITHOLDERS

"WE REMAIN COMMITTED TO DISTRIBUTE 100.0% OF OUR DISTRIBUTABLE INCOME TO UNITHOLDERS AND ARE CONFIDENT OF SUCCESSFULLY RIDING THROUGH THE UNPRECEDENTED TIMES AHEAD WITH THE CONTINUED SUPPORT OF ALL OUR STAKEHOLDERS."

"我们将继续致力于将100.0%的可分配收益分配给我们的单位持有人,并有信心,在同盟伙伴一如既往的大力支持下,我们定能成功渡过前所未有的严峻时期。"

LIM BENG CHEE  
Chief Executive Officer

林明志  
总裁



JAMES KOH CHER SIANG  
Chairman

许慈祥  
董事长

CapitaMall Trust (CMT) delivered a good set of results to Unitholders in 2008 despite the fast deteriorating global economic conditions. Singapore was not spared from the unprecedented financial crisis. The country entered into technical recession in the second half of 2008 and registered an economic growth of a mere 1.1% for 2008, compared to 7.8% in 2007.

## **GOOD SET OF RESULTS**

Notwithstanding a weakening local consumer sentiment, CMT registered a distributable income of S\$238.4 million in 2008, a year-on-year increase of 12.9%. Correspondingly, CMT's distribution per unit of 14.29 cents for 2008 was 7.1% higher than 2007. Asset enhancements and active leasing continued to be the core growth drivers for CMT in 2008.

Towards end-2008, Lot One Shoppers' Mall (Lot One) welcomed shoppers with its four-storey retail extension measuring approximately 16,500 square feet (sq ft) which houses more than 50 new tenants. Separately, Sembawang Shopping Centre (SSC) re-opened its doors to shoppers in December 2008 following major redevelopment works. The latter mall's layout was enhanced and over 42,000 sq ft of Gross Floor Area (GFA) was decanted from residential GFA to create more prime retail space. The completion of these two major enhancement projects, together with other works undertaken at Bugis Junction and Plaza Singapura, will create an incremental annual net property income of approximately S\$10.0 million.

CMT completed the acquisition of The Atrium@Orchard (Atrium) at a purchase price of S\$839.8 million in August 2008. Atrium, a mixed-use development comprising two Grade-A office towers and a small retail

component, is adjacent to Plaza Singapura, another CMT property. Both Atrium and Plaza Singapura are strategically sited along the Orchard Road retail belt and above the Dhoby Ghaut Mass Rapid Transit (MRT) train interchange station, which is one of only two interchange stations in the central business district with three train lines - currently two train lines and the impending Circle Line which will be progressively operational from mid-2009. Over the longer term, the acquisition of Atrium is expected to provide a significant value creation opportunity, as the future planned integration of Atrium and Plaza Singapura will create a combined prime frontage of approximately 170 metres. The combined retail net lettable area of the two developments will be over 600,000 sq ft, making it one of the largest retail developments along Orchard Road.

On the leasing front, rental renewal rates for 2008 registered a moderate growth of 9.6% over preceding rental rates, which translates to an average annual growth rate of 3.1% over a typical three-year lease term.

The gross retail turnover of CMT's portfolio of tenants grew 5.8% in 2008 versus 2007. Majority of retail trades continued to fare well, although there were some signs of weakening in discretionary spending towards end-2008. As CMT's largely suburban retail properties are strategically located near MRT/Light Rail Transit (LRT) stations and bus interchanges with captive population catchments, most of these properties continue to register a high monthly footfall of between 2.0 million and 3.0 million and enjoy close to 100.0% occupancy.

## **LOOKING AHEAD**

The global macro-economic environment is

expected to remain weak in 2009. Singapore's Ministry of Trade and Industry (MTI) expects a sharper downturn this year and forecasts that Singapore's gross domestic product growth is likely to be -5.0% to -2.0% in 2009<sup>1</sup>.

To ride through the turbulent times ahead, we will focus on proactive asset management, strategic tenant engagement and prudent capital management in 2009.

1. CMT has a portfolio of well-located retail properties with strong captive markets. More importantly, 78.6%<sup>2</sup> of the malls in the portfolio cater to consumers' basic necessity needs, for which sales are expected to remain healthy. In addition, based on past statistics, suburban retail rental rates have shown to be fairly resilient to economic slowdown.
2. Based on committed leases as at 31 December 2008, gross rental revenue locked-in for 2009 would comprise approximately 87%<sup>3</sup> of 2008's total gross revenue.

While we have confidence in the quality of our portfolio, we will continue to prepare ourselves to weather the storm ahead. Driving shopper traffic to our properties to help our tenants grow sales remains one of our top priorities. We also need to stay vigilant and be nimble to align the trade mix promptly with the fast changing environment.

## **WORKING IN UNISON WITH OUR TENANTS**

Our strong and established relationships with our tenants set us apart from our peers during these trying times. We will continue to stay close to our tenants, understand their business issues, work with them to improve their business viability and focus on growing sales together. Over the past six years, we have built a comprehensive database of our tenants' sales and now have a clear understanding of the sustainable occupancy costs<sup>4</sup> for each and every trade.

Regardless of the state of the economy, there will be certain tenants who ride the various economic cycles better than others. Similarly, our statistics suggest that some trades are performing better during the current crisis. For the weaker tenants, we have in place a slew of customised measures to help them ride through the challenging period ahead. The Singapore Government had announced in its 2009 Budget a 40.0% property tax rebate to commercial landlords. We are pleased to inform that the Board has endorsed the full pass through of this rebate to our tenants.

## **PRUDENT CAPITAL MANAGEMENT**

On 9 February 2009, CMT announced the fully underwritten renounceable 9-for-10 rights issue to raise gross proceeds of approximately S\$1.23 billion (Rights Issue) at an issue price of

<sup>1</sup> Based on MTI's announcement on 26 February 2009.

<sup>2</sup> Based on committed gross revenue of Tampines Mall, Junction 8, IMM Building, Plaza Singapura, Bugis Junction, SSC, Hougang Plaza, Lot One, Bukit Panjang Plaza and Rivervale Mall for the month of December 2008.

<sup>3</sup> Based on committed leases as at 31 December 2008 and assuming (i) all leases due for renewal in 2009 are not renewed and left vacant; and (ii) all variable income including gross turnover rent, carpark income and other income are zero. Excludes CMT's 40.0% interest in Raffles City Singapore.

<sup>4</sup> Occupancy cost is defined as total rental over gross sales turnover of tenants.

S\$0.82 per new unit in CMT. The gross proceeds will be used principally to repay borrowings due in 2009. The Rights Issue is expected to reduce CMT's gearing<sup>5</sup> from 43.2% as at 31 December 2008 to 29.1%<sup>6</sup>, strengthen CMT's balance sheet and credit profile, and enhance its financial flexibility to capitalise on opportunities. Moody's Investors Service has affirmed CMT's corporate rating of 'A2', which is the highest amongst Singapore Real Estate Investment Trusts (REITs).

The Rights Issue was attractively priced at a discount of 43.4% to the closing unit price of S\$1.45<sup>7</sup> per unit in CMT on 6 February 2009. This translates to a yield of 10.2%<sup>8</sup>, which represents an all-time high yield spread of over 800 basis points for CMT over the 10-year Singapore Government bond. The Rights Issue was approved at the Extraordinary General Meeting on 2 March 2009 and the Rights Units are expected to commence trading on Singapore Exchange Securities Trading Limited on 3 April 2009.

## ACKNOWLEDGEMENTS

Mr Wen Khai Meng, Mr Pua Seck Guan and Mr Hsuan Owyang stepped down as Non-Executive Director, Executive Director and Chief Executive Officer, and Chairman of the Board as at 24 November 2008, 1 November 2008 and 1 January 2009 respectively. We would like to thank Mr Wen, Mr Pua and Mr Owyang for their invaluable contributions. In particular, we wish to express our deep appreciation to Mr Owyang and Mr Pua, who have provided guidance and leadership respectively, to CMT since its inception in 2002.

We would also like to thank our Board of Directors, staff, Unitholders, business partners, customers, tenants and shoppers for their commitment and strong support in 2008.

## UPHOLDING THE FUNDAMENTALS OF A REIT

As Singapore's first and largest REIT by market capitalisation and asset size, we believe that it is important to uphold the fundamentals of a REIT - to provide stable and sustainable income to Unitholders. We remain committed to distribute 100.0% of our distributable income to Unitholders and are confident of successfully riding through the unprecedented times ahead with the continued support of all our stakeholders.



**LIM BENG CHEE**  
Chief Executive Officer



**JAMES KOH CHER SIANG**  
Chairman

9 March 2009

<sup>5</sup> The ratio of the value of total borrowings and deferred payments (if any) to the value of the gross assets of CMT and its subsidiaries (CMT Group), including all its authorised investments held or deemed to be held upon the trust, under the trust deed dated 29 October 2001 as amended, varied, or supplemented from time to time.

<sup>6</sup> Assuming the borrowings are repaid immediately after completion of the Rights Issue and after adjustment for the S\$15.0 million revolving credit facility (RCF) repaid on 3 February 2009 and the S\$15.0 million RCF expected to be repaid in March 2009.

<sup>7</sup> The closing unit price of S\$1.45 per unit on 6 February 2009 was the last trading day of CMT's units prior to the announcement of the Rights Issue.

<sup>8</sup> Based on pro forma distribution per unit of 8.40 cents for Full Year 2008 after the Rights Issue, divided by the Rights Issue price of S\$0.82 per unit.

# 致：单位持有人

在2008年，尽管全球经济形势快速恶化，嘉茂信托仍然业绩出色。这场史无前例的经济危机中，新加坡亦不能幸免。整个国家于2008年下半年陷于技术性衰退，与2007年全年经济增长率7.8%，相比，2008年增长率仅为1.1%。

## 出色的业绩

尽管本地消费疲软，嘉茂信托2008年仍取得2.4亿新元的可分配收益，同比增长12.9%；相应地，2008年嘉茂信托的每单位分发金为14.29分，也比2007年增长7.1%。2008年，资产增值和积极拓展租赁业务是嘉茂信托取得增长的核心驱动力。

2008年底，第一乐广场的四层新扩展区喜迎顾客。该区域约16,500平方英尺，新增50多家租户。此外，三巴旺购物中心在完成重建工程后也于2008年12月重新开业。我们对三巴旺购物中心的布局进行了改进，将42,000多平方英尺的住宅建筑面积改造成优质的零售空间。这两大重点提升项目的完成，加上在白沙浮广场和狮城大厦进行的其他工程，将会带来每年约1,000万新元的净物业收入增长。

2008年8月，嘉茂信托以8.4亿新元的收购价完成对The Atrium@Orchard (Atrium)的收购。Atrium是一个由两座A级写字楼和一个小型零售区组成的混合功能开发项目，与嘉茂信托的另一产业——狮城大厦相邻。Atrium和狮城大厦均位于乌节

路购物带和多美歌地铁转换站之上，有着重要的战略位置。多美歌地铁转换站是中心商业区仅有的两个转换站之一，将会有三条地铁线。这三条铁路线包括目前正在使用的两条线，以及预计将于2009年中逐步投入运营的地铁环线。从长远来看，收购Atrium可望提供一个创造重大价值的机会，因为按照规划，Atrium将与狮城大厦合并，共同打造一条长约170米的临街立面。两座建筑物整合后，可出租净零售面积将超过600,000平方英尺，从而成为乌节路上最大的购物中心之一。

在租赁业务方面，2008年的续租率与前一年相比取得9.6%的平缓增长，即一般三年租期的年平均增长率为3.1%。2008年嘉茂信托租户的总零售额比2007年增长了5.8%。虽然接近2008年底时消费者的开支出现有所缩减的迹象，但大多数零售商的经营均顺利。由于嘉茂信托拥有的郊区零售物业大部分都靠近人流集中的地铁和/或轻轨车站以及巴士转换站，地理位置显要，因此大多数物业的人流量继续保持在每月200万到300万之间，出租率也是高达近100.0%。

## 展望未来

预计2009年全球宏观经济环境依然疲软。新加坡贸易与工业部预测今年的经济衰退将更为严重，并预测2009年新加坡国内生产总值的增长率可能介于-5.0%到-2.0%之间<sup>1</sup>。为渡过眼前的困境，2009年我们将专注于积极的资产管理、战略性租户合作以及审慎的资本管理。

<sup>1</sup> 根据2009年2月26日贸易及工业部公告。

## 致：单位持有人

1. 嘉茂信托拥有一系列位置优越且市场吸引力高的零售物业。更重要的是，物业组合中78.6%<sup>2</sup>的购物中心定位于满足消费者购买基本必需品需要，因此这些购物中心的销售可望保持健康发展。此外，根据以往的统计数据，市郊的零售业租金水平对经济衰退已表现出相当大的弹性。
2. 根据截至2008年12月31日已承诺的租赁合同，2009年已锁定的租金总收入约达到2008年毛收入总额的87%<sup>3</sup>。

我们对自身资产组合的品质充满信心，我们将做好准备应对当前的经济危机。为此，我们的首要任务之一，仍然是吸引消费者进入我们的购物中心，帮助租户提高销售额。同时，我们也需要保持警惕，及时调整业态组合，使其与瞬息万变的外部环境相适应。

### 与租户进行密切合作

与租户之间长久和稳固的合作关系，是我们和同行竞争者在困难时期的最大区别。我们将一如既往地与客户保持紧密的合作关系，了解他们的经营问题，协助他们提高业务生存能力，并共同专注于提高销售。在过去的六年当中，我们已建立起一个有关租户销售

的综合数据库，所以我们现在对各业态的可持续租用成本<sup>4</sup>有着清晰的认识。无论经济形势如何，总会有一些租户比其他人更易于安稳渡过各个经济周期。同样地，我们的统计数据表明，在当前的危机中，某些行业的表现更为出色。对于实力较弱的租户，我们准备了一系列特定措施，帮助他们渡过眼前的困难时期。新加坡政府已在其2009年预算案中宣布为商家提供40.0%的产业税回扣。而我们的董事会已通过将此回扣金全部让租户们受益。

### 审慎的资本管理

2009年2月9日，嘉茂信托宣布通过以每10个单位配9个单位的方式，以每单位0.82新元的发行价格配售附加新单位，以筹集约12.3亿新元的资金（配售新单位）。该资金将主要用于偿还2009年到期的借款。配售新单位预计将使嘉茂信托的资本负债率<sup>5</sup>从截至2008年12月31日的43.2%降至29.1%<sup>6</sup>，从而有助于加强嘉茂信托的资产负债表和信用地位，并提高嘉茂信托财务灵活性以把握资本机遇。穆迪投资者服务公司（Moody's Investors Service）已给予嘉茂信托‘A2’的企业评级，该评级是新加坡房地产投资信托（REIT）业内所获得的最高级别。

2 根据2008年12月份以下购物中心已承诺的总收入：淡滨尼广场、碧山第八站、IMM大厦、狮城大厦、白沙浮广场、三巴旺购物中心、后港大厦、第一乐广场、武吉班让大厦及滨河方广场。

3 根据截至2008年12月31日的已承诺租约，假定(i)2009年所有到期的租约期满不续租，物业空置；(ii)包括销售提成租金、停车费收入及其他收入在内的所有可变收入均为零。不含嘉茂信托持有新加坡莱佛士城的40.0%股权。

4 租用成本定义为总租金除以总营业额。

5 根据2001年10月29日订立及不时予以修订、变更或补充的信托契约，总借款和延期付款（如有）的价值与嘉茂信托及其相关公司总资产价值的比率，包括其所持有或被视为信托持有的所有授权投资。

6 假设借款在配售新单位之后立即偿付，以及对2009年2月3日偿还的1,500万新元循环贷款和定于2009年3月偿还的1,500万新元循环贷款进行调整之后。

配售新单位的价格颇具吸引力,比嘉茂信托2009年2月6日的收市价格 - 1.45<sup>7</sup>新元低了43.4%。

这表现为10.2%<sup>8</sup>的收益率,即嘉茂信托的收益比10年期新加坡政府债券高出800个基点。配售新单位在2009年3月2日召开的特别股东大会上获得批准,预计将于2009年4月3日在新加坡证券交易所开始交易。

### 鸣谢

别于2008年11月24日、2008年11月1日及2009年1月1日卸下非执行董事、执行董事兼总裁和董事长的职务。在此,我们谨向温先生、潘先生以及欧阳先生作出的宝贵贡献表示感谢;我们特别要感谢欧阳先生和潘先生自2002年任职以来为嘉茂信托的发展提供的卓越指导和领导。我们还要感谢董事、全体员工、单位持有人、业务伙伴、客户、租户及消费者在2008年给予我们的贡献和鼎力支持。

### 秉持房地产投资信托的基本原则

作为新加坡首个,同时也是新加坡市值和资产规模最大的房地产投资信托公司,我们坚信,秉持房地产投资信托的基本原则的重要性,即为单位持有人提供可持续的稳定收入。我们将继续致力于将100.0%的可分配收益分配给我们的单位持有人,并有信心,在全体同盟伙伴一如既往的大力支持下,我们定能成功渡过前所未有的严峻时期。



林明志  
总裁



许慈祥  
董事长

2009年3月9日

7 2009年2月6日的每单位收市价为1.45新元,是宣布配售新单位之前嘉茂信托最后一个交易日的价格。

8 根据配售新单位之后2008年全年每股8.40分的预计分派金,除以每股0.82新元的配售新单位价格。

# MILESTONES IN 2008



## JANUARY

- > CMT's distributable income exceeds distribution forecast<sup>1</sup> for the period 7 November 2007 to 31 December 2007 by 38.1%.

## FEBRUARY

- > CMT paid a distribution per unit of 2.34 cents to Unitholders for the period 7 November 2007 to 31 December 2007.

## APRIL

- > CMT's distributable income exceeds distribution forecast<sup>2</sup> for the period 1 January 2008 to 31 March 2008 by 3.0%.
- > CMT announced the successful issuance of S\$155.0 million 3.25% Fixed Rate Notes Due 2010 pursuant to the S\$1.0 billion unsecured Multicurrency Medium Term Note Programme.
- > CMT announced the successful issuance of S\$160.0 million Floating Rate Notes Due 2010 pursuant to the S\$1.0 billion unsecured Multicurrency Medium Term Note Programme.

## MAY

- > CMT announced the successful issuance of S\$80.0 million 2.8% Fixed Rate Notes Due 2009 pursuant to the S\$1.0 billion unsecured Multicurrency Medium Term Note Programme.

- > CMT entered into a sale and purchase agreement with the Government of the Republic of Singapore acting through its agent, the Singapore Land Authority, to acquire The Atrium@Orchard (Atrium) at a purchase price of S\$839.8 million. Concurrently, CMT announced the proposed issuance of S\$650.0 million secured Convertible Bonds due 2013 to partially finance the acquisition of Atrium.

- > CMT paid a distribution per unit of 3.48 cents to Unitholders for the period 1 January 2008 to 31 March 2008.

## JUNE

- > CMT was voted amongst the top ten best companies in the categories of 'Best Managed Company (Singapore)', 'Best Corporate Governance (Singapore)', 'Best Investor Relations (Singapore)', and 'Most Committed to a Strong Dividend Policy (Singapore)' at the Finance Asia Awards 2008.

## JULY

- > CMT successfully closed the S\$650.0 million secured Convertible Bonds due 2013 on 2 July 2008. The Convertible Bonds were admitted to the Official List of the Singapore Exchange Securities Trading Limited (SGX-ST) with effect from 9 a.m. on 3 July 2008.
- > CMT's distributable income exceeded distribution forecast<sup>3</sup> for the period 1 April 2008 to 30 June 2008 by 1.7%.

*Left*  
The Atrium@  
Orchard

*Right*  
Basement 1 of Lot  
One Shoppers' Mall

<sup>1</sup> Based on forecast, together with accompanying assumptions shown in CMT Offer Information Statement (OIS) dated 29 August 2006 (in respect of malls held by CMT), as well as the forecast, together with accompanying assumptions shown in the joint announcement with CapitaCommercial Trust (CCT) on 9 November 2007 (in respect of the Raffles City Singapore Trust (RCS Trust)).

<sup>2</sup> Based on forecast, together with accompanying assumptions as shown in the announcement of CMT on 22 January 2008.

<sup>3</sup> Based on forecast, together with accompanying assumptions shown in announcement of CMT on 22 January 2008 (in respect of malls held by CMT), as well as the forecast, together with accompanying assumptions shown in the joint announcement with CCT on 9 June 2008 (in respect of the RCS Trust).



Left  
Sembawang  
Shopping Centre

Right  
Splash Park at  
Sembawang  
Shopping Centre

### AUGUST

- > CMT completed the acquisition of Atrium.
- > CMT paid a distribution per unit of 3.52 cents to Unitholders for the period 1 April 2008 to 30 June 2008.

### SEPTEMBER

- > CMTML announced the resignation of Pua Seck Guan from the Board of CMTML as Chief Executive Officer, Director and Member of the Executive Committee with effect from 1 November 2008. Concurrently, CMTML announced the appointment of Lim Beng Chee to the Board of CMTML as Chief Executive Officer, Director and Member of the Executive Committee with effect from 1 November 2008.

### OCTOBER

- > CMT won “Most Transparent Company - REITs Category” at the Securities Investors Association (Singapore) Investors’ Choice Awards 2008 for the fifth consecutive year.
- > CMT’s distributable income exceeded distribution forecast<sup>3</sup> for the period 1 July 2008 to 30 September 2008 by 2.8%.

### NOVEMBER

- > CMT won “Best Investor Relations by a CEO – Pua Seck Guan” at the IR Magazine South East Asia Awards 2008.

- > CMTML announced the resignation of Wen Khai Meng from the Board of CMTML as Non-Executive Alternate Director to Kee Teck Koon and the appointment of Lui Chong Chee to the Board of CMTML as Non-Executive Director with effect from 24 November 2008.
- > CMT paid a distribution per unit of 3.64 cents to Unitholders for the period 1 July 2008 to 30 September 2008.

### DECEMBER

- > CMTML announced the resignation of Hsuan Owyang from the Board of CMTML and relinquishment of his position as Non-Executive Chairman of the Board, Audit Committee and Corporate Disclosure Committee and appointment of James Koh Cher Siang to the Board of CMTML as Non-Executive Chairman of the Board, Audit Committee and Corporate Disclosure Committee with effect from 1 January 2009.
- > Lot One Shoppers’ Mall saw the completion of the retail units at its new four-storey retail extension block. With over 50 newly-created shops, it will add an annual incremental Net Property Income (NPI) of S\$5.2<sup>4</sup> million to the CMT portfolio.
- > Sembawang Shopping Centre commenced operations following the completion of major redevelopment works at a cost of S\$68.4 million. The property will add an annual incremental NPI of S\$3.2<sup>4</sup> million to the CMT portfolio.

<sup>4</sup> Compares NPI before and after Asset Enhancement Initiatives.

# OPERATIONS REVIEW

## (1) STRATEGIC ACQUISITION

On 15 August 2008, CMT acquired The Atrium@Orchard (Atrium) at a purchase price of S\$839.8 million. Atrium and Plaza Singapura are strategically sited along the Orchard Road belt and above the Dhoby Ghaut Mass Rapid Transit (MRT) train interchange station, which is one of only two interchange stations in the central business district with three train lines – currently two train lines and the impending Circle Line which will be progressively operational from mid-2009. This strategic acquisition, when amalgamated with Plaza Singapura, will create a combined prime frontage of approximately 170 metres along Orchard Road.

The acquisition of Atrium also presents an opportunity to enhance the asset by expanding the retail footprint on level 1 and converting office space to retail space on levels 2 and 3. On completion of the Asset Enhancement Initiatives (AEI), the retail Net Lettable Area (NLA) for Atrium is projected to increase from 16,254 Square Feet (sq ft) to over 170,000 sq ft. Together with Plaza Singapura, the combined retail NLA will be over 600,000 sq ft. The AEI plan is subject to approval by the relevant authorities and the timing of the works is subject to market conditions.

## (2) KEY AEI

2008 saw the completion of several AEI.

At Plaza Singapura, a mini-anchor tenant's space on level 3 was reconfigured to accommodate new specialty tenants. As a result, the AEI will contribute an additional Net Property Income (NPI) of approximately S\$0.6<sup>1</sup> million per annum.

AEI on levels 2 and 3 of Bugis Junction were carried out in second quarter 2008 and completed at end-2008. In total, the AEI will contribute an additional NPI of approximately S\$0.9<sup>1</sup> million per annum.

Most of the AEI at Lot One Shoppers' Mall (Lot One) were completed as at end-2008. The works included the decantation of space previously occupied by the National Library Board, which was relocated to another level occupying an area classified for Civic and Community Institution use.

Lot One saw an increase in NLA of approximately 16,500 sq ft due to the addition of a four-storey extension. The basement was also reconfigured, the

food court was relocated to level 4 and the supermarket was relocated to the space previously occupied by the food court. New Food & Beverage (F&B) and specialty shops were introduced at the reconfigured space relinquished by the supermarket.

At the same time, the four-storey extension will include the creation of a rooftop garden plaza which encompasses wet and dry play areas as well as a television room for the young which will be completed by second quarter 2009. Sheltered walkways were also constructed from Choa Chu Kang MRT/Light Rail Transit train stations and MRT bus interchange to the mall to enhance the connectivity for shoppers.

In total, the AEI created over 50 new shops. New tenants include Courts, MOS Burger, SK Jewellery, Dian Xiao Er, Cotton On, New York New York and Samsonite. The works created an additional NPI of approximately S\$5.2<sup>1</sup> million per annum.

Sembawang Shopping Centre (SSC) opened its doors to shoppers in the northern region of Singapore on 22 December 2008 in time for the Christmas and New Year periods.

The AEI consisted of the decantation of 42,610 sq ft of residential gross floor area to basement 1 and levels 1 and 2. Less prime space on levels 3 and 4 were also shifted to basement 1 and levels 1 and 2. As part of the AEI, a roof-top landscaped plaza featuring a large playground with interactive water features was created and opened to the public in February 2009.

Key tenants in SSC include Giant, Daiso, Kopitiam, Esprit, Challenger, Popular, Starbucks, MOF and The Body Shop. The AEI will add an additional NPI of S\$3.2<sup>1</sup> million.

Following the successful completion of phase 1 AEI at Raffles City Singapore (RCS) in fourth quarter 2007, phase 2 AEI followed and was completed in November 2008. Under this phase, the outdoor refreshment area of Starbucks was enlarged and a new restaurant facing Bras Basah Road was created. The new restaurant, Double Bay Australian Dining and Bar, is popular with customers for its fine Aussie food and ambience. Phase 2 AEI added 3,724 sq ft of NLA and brought about an additional NPI of over S\$0.8<sup>1</sup> million.

<sup>1</sup> Compares NPI before and after AEI.

### (3) LEASE RENEWALS AND NEW LEASES

In 2008, average renewal/replacement rental rates for retail leases in every asset of CMT's portfolio outperformed its forecast rental rates as well as preceding rental rates. On a portfolio basis, these rates exceeded forecast rental rates and preceding rental rates by 3.6%<sup>1</sup> and 9.6% respectively, which translates to an annual average growth rate of 3.1% over a typical three-year lease term.

<sup>1</sup> Based on forecast, together with accompanying assumptions shown in announcement of CMT on 22 January 2008 (in respect of malls held by CMT), as well as the forecast, together with accompanying assumptions shown in the joint announcement with CapitaCommercial Trust (CCT) on 9 June 2008 (in respect of the RCS Trust).

### SUMMARY OF RENEWALS/NEW LEASES

PROPERTY	NO. OF RENEWALS/NEW LEASES <sup>1</sup>	RETENTION RATE	NET LETTABLE AREA		INCREASE/(DECREASE) IN RENEWAL RENTAL RATES VS		% AVERAGE GROWTH RATE PER YEAR <sup>6</sup>
			AREA (SQ FT)	% TOTAL NLA	% FORECAST RENTAL RATES <sup>4</sup>	% PRECEDING RENTAL RATES <sup>5</sup>	
Tampines Mall	61	82.0%	91,383	27.9%	2.5%	8.7%	2.8%
Junction 8	50	84.0%	56,909	23.1%	1.1%	7.1%	2.3%
Funan DigitalLife Mall	40	72.5%	42,853	14.4%	1.3%	9.8%	3.2%
IMM Building <sup>2</sup>	16	81.3%	18,536	4.6%	4.1%	8.5%	2.8%
Plaza Singapura	67	74.6%	165,391	33.2%	5.3%	11.8%	3.8%
Bugis Junction	29	65.5%	40,095	9.5%	0.3%	10.2%	3.3%
Other Assets <sup>3</sup>	14	100.0%	13,322	7.4%	2.5%	5.4%	1.8%
Lot One Shoppers' Mall	33	81.8%	45,184	20.9%	1.4%	7.9%	2.6%
Bukit Panjang Plaza	30	90.0%	25,493	17.2%	1.7%	7.0%	2.3%
Rivervale Mall	23	78.3%	27,366	33.6%	8.7%	12.3%	3.9%
<b>CMT Portfolio excluding Raffles City Singapore</b>	<b>363</b>	<b>79.5%</b>	<b>526,532</b>	<b>18.6%</b>	<b>2.8%</b>	<b>9.3%</b>	<b>3.0%</b>
Raffles City Singapore <sup>7</sup>	58	65.5%	85,847	21.4%	6.9%	10.7%	3.4%
<b>CMT Portfolio including Raffles City Singapore</b>	<b>421</b>	<b>77.6%</b>	<b>612,379</b>	<b>19.0%</b>	<b>3.6%</b>	<b>9.6%</b>	<b>3.1%</b>

<sup>1</sup> Includes only retail leases. Excludes Atrium and SSC.

<sup>2</sup> Includes only renewal of retail units.

<sup>3</sup> Includes Jurong Entertainment Centre (JEC) and Hougang Plaza (HP), excluding SSC which commenced major AEI in March 2007. JEC ceased operations on 1 November 2008 pending for AEI.

<sup>4</sup> Based on forecast, together with accompanying assumptions shown in announcement of CMT on 22 January 2008 (in respect of malls held by CMT), as well as the forecast, together with accompanying assumptions shown in the joint announcement with CCT on 9 June 2008 (in respect of the RCS Trust).

<sup>5</sup> Preceding rental rate refers to rentals that were typically committed three years ago.

<sup>6</sup> Based on compounded average growth rate per year.

<sup>7</sup> Includes only retail leases from Raffles City Shopping Centre (RCSC).

### (4) LEASE EXPIRY PROFILE

#### Portfolio Lease Expiry

Our specialty tenants typically have a three-year lease term, while anchor tenants have a five to seven year lease term. The portfolio lease expiry profile remained well spread out as at 31 December 2008, with 27.4%<sup>2</sup> and 36.9%<sup>2</sup> of the leases by committed gross rental income due for renewal in 2009 and 2010 respectively.

### PORTFOLIO LEASE EXPIRY PROFILE BY YEAR

AS AT 31 DECEMBER 2008

	NO. OF LEASES	GROSS RENTAL INCOME % OF TOTAL <sup>2</sup>
2009	684	27.4%
2010	859	36.9%
2011	606	25.0%
2012	163	7.9%
2013 and Beyond	17	2.8%

<sup>1</sup> Excludes JEC which ceased operations on 1 November 2008 pending for AEI and includes CMT's 40.0% interest in RCS (only retail and office leases, excluding hotel lease).

<sup>2</sup> As percentage of total committed gross rental income for the month of December 2008 and excludes gross turnover rental.

## LEASE EXPIRY PROFILE FOR 2009

AS AT 31 DECEMBER 2008

PROPERTY	NO. OF LEASES	NET LETTABLE AREA <sup>1</sup>	GROSS RENTAL INCOME <sup>2</sup> % OF TOTAL
Tampines Mall	44	12.4%	21.7%
Junction 8	56	29.0%	28.6%
Funan DigiLife Mall	81	34.5%	38.7%
IMM Building <sup>3</sup>	208	23.5%	38.1%
Plaza Singapura	78	43.4%	39.3%
Bugis Junction	61	17.6%	23.7%
Other Assets <sup>4</sup>	9	35.7%	21.0%
Lot One Shoppers' Mall	14	13.1%	10.3%
Bukit Panjang Plaza	18	8.6%	11.3%
Rivervale Mall	19	28.2%	29.8%
The Atrium@Orchard	5	8.1%	9.9%
<b>CMT Portfolio excluding Raffles City Singapore</b>	<b>593</b>	<b>23.8%</b>	<b>27.3%</b>
Raffles City Singapore <sup>5</sup>	91	38.0%	28.3%
<b>CMT Portfolio including Raffles City Singapore<sup>5</sup></b>	<b>684</b>	<b>24.9%</b>	<b>27.4%</b>

1 As percentage of total NLA for respective properties.

2 As percentage of total committed gross rental income for each respective property for the month of December 2008 and excludes gross turnover rental.

3 Includes warehouse and office leases.

4 Comprising SSC and HP, excluding JEC which ceased operations on 1 November 2008 pending for AEI.

5 Includes CMT's 40.0% interest in RCS (only retail and office leases, excluding hotel lease).

## (5) TOP TEN TENANTS

CMT's gross rental income contribution is well-distributed within its portfolio of over 2,300<sup>1</sup> leases. As at 31 December 2008, no single tenant contributes more than 3.3% of total gross rental. Collectively, the ten largest tenants accounted for about 23.7% of the portfolio gross rental income.

1 Includes RCS leases.

## TOP TEN TENANTS<sup>1</sup>

TENANT	TRADE SECTOR	% OF CMT PORTFOLIO BY GROSS RENT
RC Hotels (Pte) Ltd	Hotel	3.3%
Cold Storage Singapore (1983) Pte Ltd	Supermarket/Services/Warehouse	3.0%
BHG (Singapore) Pte. Ltd	Department store	2.9%
NTUC Fairprice Co-operative Ltd	Supermarket/Food Court/Services	2.5%
Barclays Capital	Office	2.5%
Wing Tai Holdings Ltd	Fashion/Food & Beverage	2.3%
Temasek Holdings Pte Ltd	Office	2.2%
Kopitiam Investment Pte Ltd	Food Court/Food & Beverage	1.9%
Golden Village Multiplex Pte Ltd	Leisure & Entertainment	1.7%
Best Denki (S) Pte Ltd	Electronics/Warehouse	1.4%

1 Includes CMT's 40.0% interest in RCS. Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.

## (6) TRADE SECTOR ANALYSIS

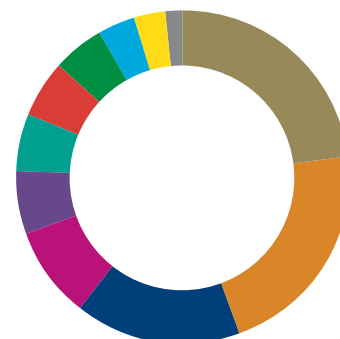
F&B outlets/food courts remained the largest contributor to gross rental income and NLA, at 23.1% and 15.2% of the total portfolio respectively. The fashion trade is the second largest contributor to gross rental income at 21.5%, while occupying only 8.7% of the NLA. The portfolio is well diversified and relies on many different trade sectors for rental income.

**TRADE SECTOR BY NET LETTABLE AREA<sup>1</sup>**  
AS AT 31 DECEMBER 2008



Food & Beverage/Food Court	15.2 %
Office	14.3 %
Services/Educational	11.5 %
Warehouse	11.2 %
Department Store	8.7 %
Fashion	8.7 %
Supermarket	8.5 %
Leisure and Entertainment/Sports & Fitness	7.7 %
Electronics	7.0 %
Home Furnishings	4.1 %
Books/Gifts & Specialty/Hobbies/Toys	3.1 %

**TRADE SECTOR BY GROSS RENT<sup>1,2</sup>**  
AS AT 31 DECEMBER 2008



Food & Beverage/Food Court	23.1 %
Fashion	21.5 %
Services/Educational	16.1 %
Office	9.0 %
Leisure and Entertainment/Sports & Fitness	6.0 %
Electronics	5.6 %
Department Store	5.4 %
Supermarket	5.2 %
Home Furnishings	3.4 %
Books/Gifts & Specialty/Hobbies/Toys	3.1 %
Warehouse	1.6 %

<sup>1</sup> Includes CMT's 40.0% interest in Raffles City (only retail and office leases, excluding hotel lease) and excludes JEC.

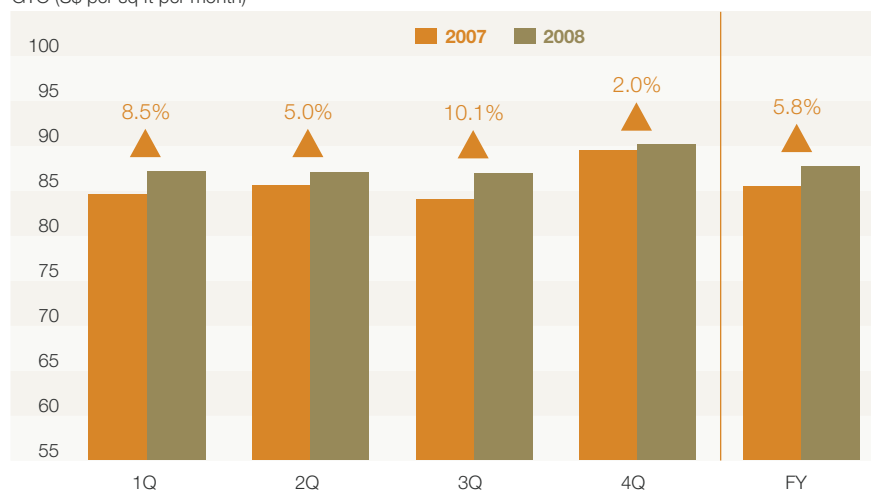
<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.

## (7) PORTFOLIO GROSS RETAIL TURNOVER

The Gross Turnover (GTO) of our retail tenants increased by 5.8% in 2008 compared to 2007. However, the increase in GTO slowed down in fourth quarter 2008 to 2.0% as compared to the earlier quarters' increase of 5.0% to 10.1%.

## PORTFOLIO GROSS RETAIL TURNOVER 2008 VS 2007<sup>1</sup>

GTO (\$ per sq ft per month)

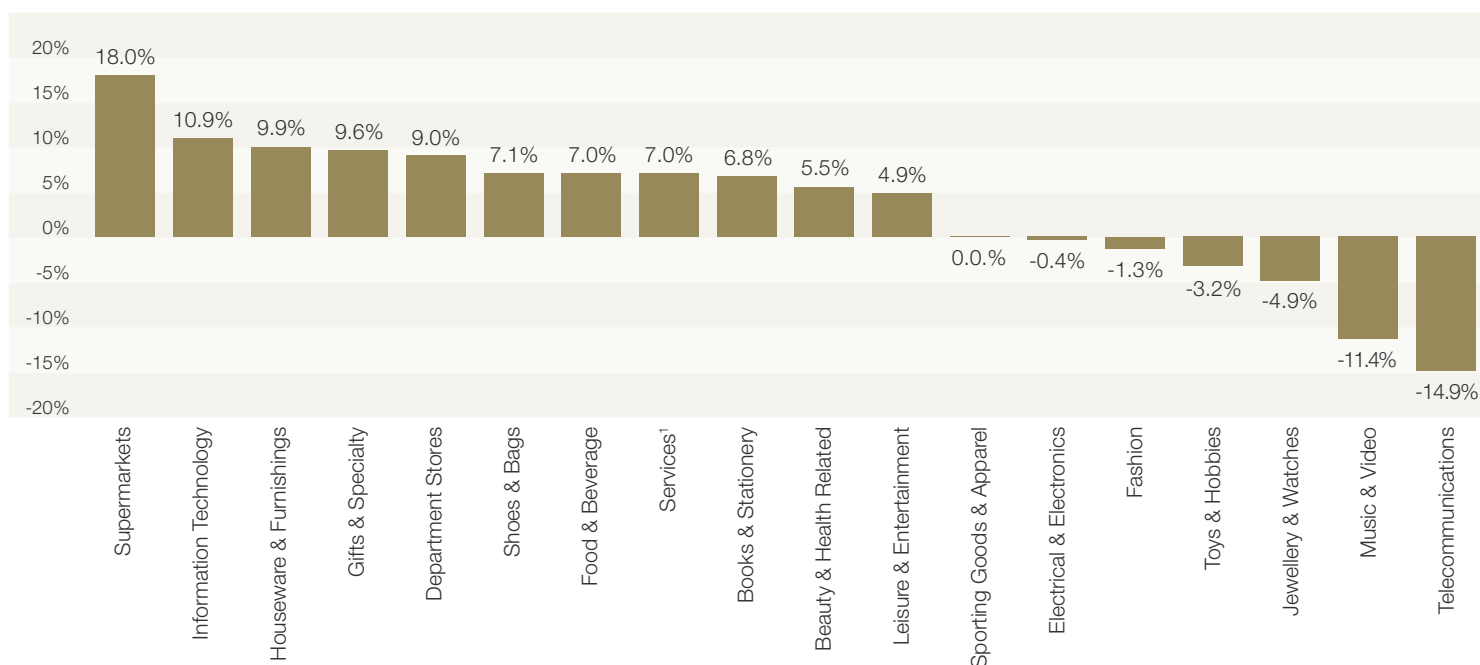


<sup>1</sup> Excludes SSC, JEC, HP and Atrium.

## (8) RETAIL SALES PERFORMANCE BY TRADE

Majority of the trades performed well in 2008 vis-à-vis 2007. Key necessity trades like supermarkets, department stores and F&B registered a growth of 18.0%, 9.0% and 7.0% respectively in 2008 compared to 2007.

## RETAIL SALES PERFORMANCE OF CMT PORTFOLIO BY TRADE CATEGORY

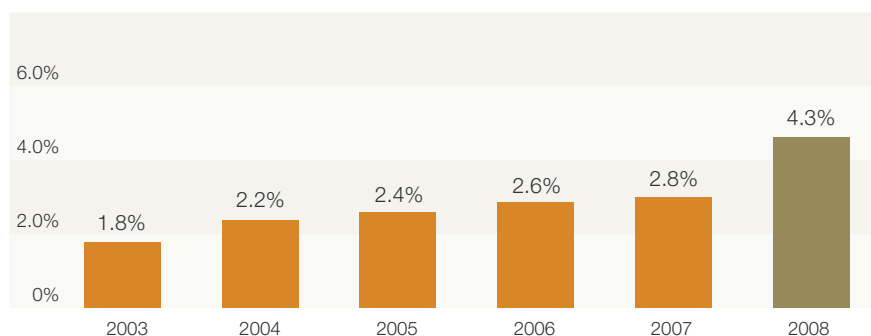


<sup>1</sup> Services include convenience store, bridal shop, optical, film processing, florist, magazine store, pet shop/grooming, travel agency, cobbler/locksmith, laundry and clinics.

## (9) GTO RENT VERSUS TOTAL GROSS REVENUE

On a portfolio basis, the GTO rent from 2003 to 2008 comprises only 1.8% to 4.3% of the total gross revenue, reflecting that our downside risk of gross revenue derived from GTO rent in uncertain times is relatively low.

## PERCENTAGE OF GTO RENT OVER TOTAL GROSS REVENUE



## (10) OCCUPANCY COST

The portfolio occupancy cost remains healthy at 16.1%<sup>1</sup>. This shows that our tenants have been able to generate brisk sales and are doing well in general.

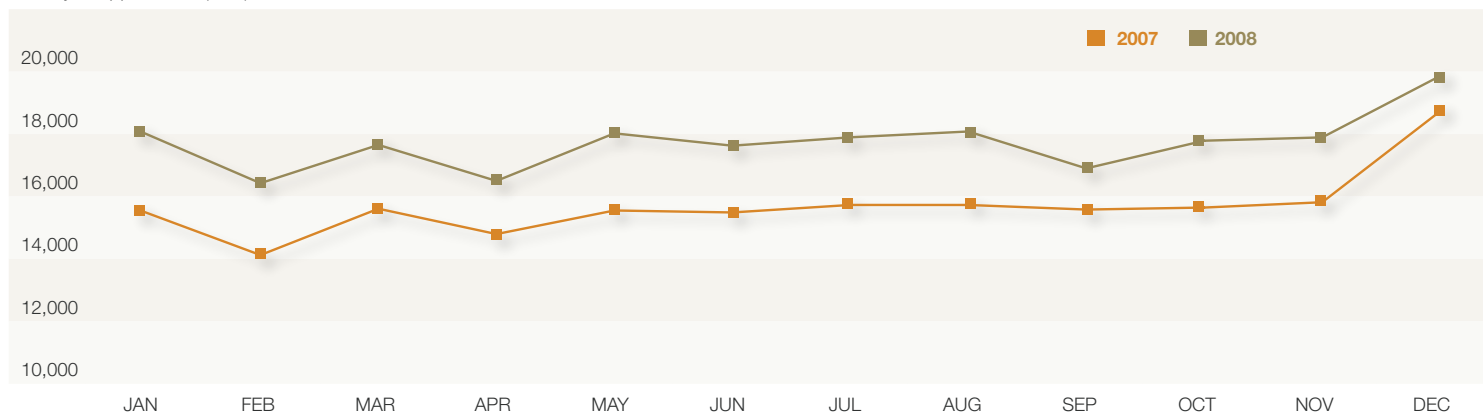
<sup>1</sup> Based on GTO figures submitted by tenants in Tampines Mall, Junction 8, Funan DigitalLife Mall (Funan), IMM Building (IMM), Plaza Singapura, Bugis Junction, RCSC, Lot One, Bukit Panjang Plaza (BPP) and Rivervale Mall for 2008.

## (11) SHOPPER TRAFFIC<sup>1</sup>

The shopper traffic for the portfolio increased from 189.3 million in 2007 to 212.4 million in 2008. This is a result of AEI and active management of the retail trade mix within each property to provide a positive shopping experience for our shoppers.

## MONTHLY SHOPPER TRAFFIC

Monthly Shopper Traffic ('000)



<sup>1</sup> Based on properties with traffic counter system, includes Tampines Mall, Junction 8, Funan, IMM, Plaza Singapura, Bugis Junction, RCSC, Lot One, BPP and Rivervale Mall.

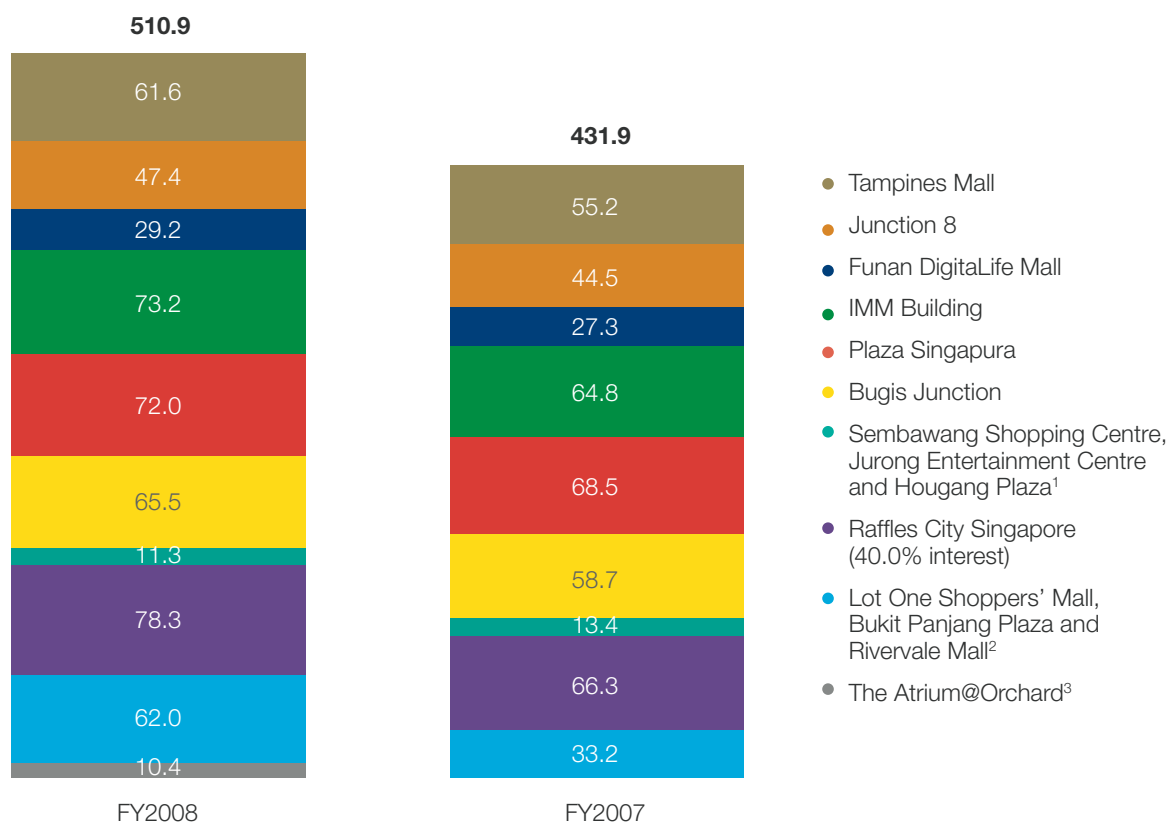
# FINANCIAL REVIEW

## (1) REVENUE

Gross revenue for the Financial Year (FY) 2008 was S\$510.9 million, an increase of S\$79.0 million or 18.3% over S\$431.9 million for FY2007. This was mainly due to an increase in revenue of S\$28.8 million from the three properties (namely Lot One Shoppers' Mall (Lot One), Bukit Panjang Plaza and Rivervale Mall) under CapitaRetail Singapore Limited (CRS) which contributed 12 months of revenue in FY2008 compared with seven months of revenue in FY2007 as the acquisition of the balance 72.8% of the Class E Bonds in CRS was completed on 1 June 2007.

In addition, gross revenue from The Atrium@Orchard (Atrium), which was acquired on 15 August 2008, accounted for a further S\$10.4 million. The other CMT malls accounted for another S\$27.8 million increase in revenue mainly due to higher rents from new and renewed leases as well as higher revenue from Tampines Mall, IMM Building (IMM), Plaza Singapura and Bugis Junction following the completion of Asset Enhancement Initiatives (AEI). CMT's 40.0% interest in Raffles City Singapore (RCS) through the RCS Trust, the special purpose vehicle that holds RCS, accounted for another S\$12.0 million increase in revenue.

## GROSS REVENUE BY PROPERTY (\$ MILLION)



<sup>1</sup> Jurong Entertainment Centre (JEC) ceased operations on 1 November 2008 pending for AEI. Sembawang Shopping Centre (SSC) re-opened in December 2008 after the completion of its major AEI.

<sup>2</sup> The acquisition of the balance 72.8% of the Class E Bonds in CRS was completed on 1 June 2007.

<sup>3</sup> Acquired on 15 August 2008.

## GROSS REVENUE

PROPERTY	FY2008	FY2007	VARIANCE	
	S\$'000	S\$'000	S\$'000	%
Tampines Mall	61,591	55,229	6,362	11.5%
Junction 8	47,403	44,548	2,855	6.4%
Funan DigitaLife Mall	29,218	27,378	1,840	6.7%
IMM Building	73,196	64,750	8,446	13.0%
Plaza Singapura	72,012	68,494	3,518	5.1%
Bugis Junction	65,536	58,690	6,846	11.7%
Sembawang Shopping Centre, Jurong Entertainment Centre and Hougang Plaza <sup>1</sup>	11,344	13,356	(2,012)	(15.1)%
Raffles City Singapore (40.0% interest)	78,251	66,265	11,986	18.1%
Lot One Shoppers' Mall, Bukit Panjang Plaza and Rivervale Mall <sup>2</sup>	61,988	33,150	28,838	87.0%
The Atrium@Orchard <sup>3</sup>	10,362	-	10,362	N.M.
<b>Total</b>	<b>510,901</b>	<b>431,860</b>	<b>79,041</b>	<b>18.3%</b>

1 JEC ceased operations on 1 November 2008 pending for AEI. SSC re-opened in December 2008 after the completion of its major AEI.

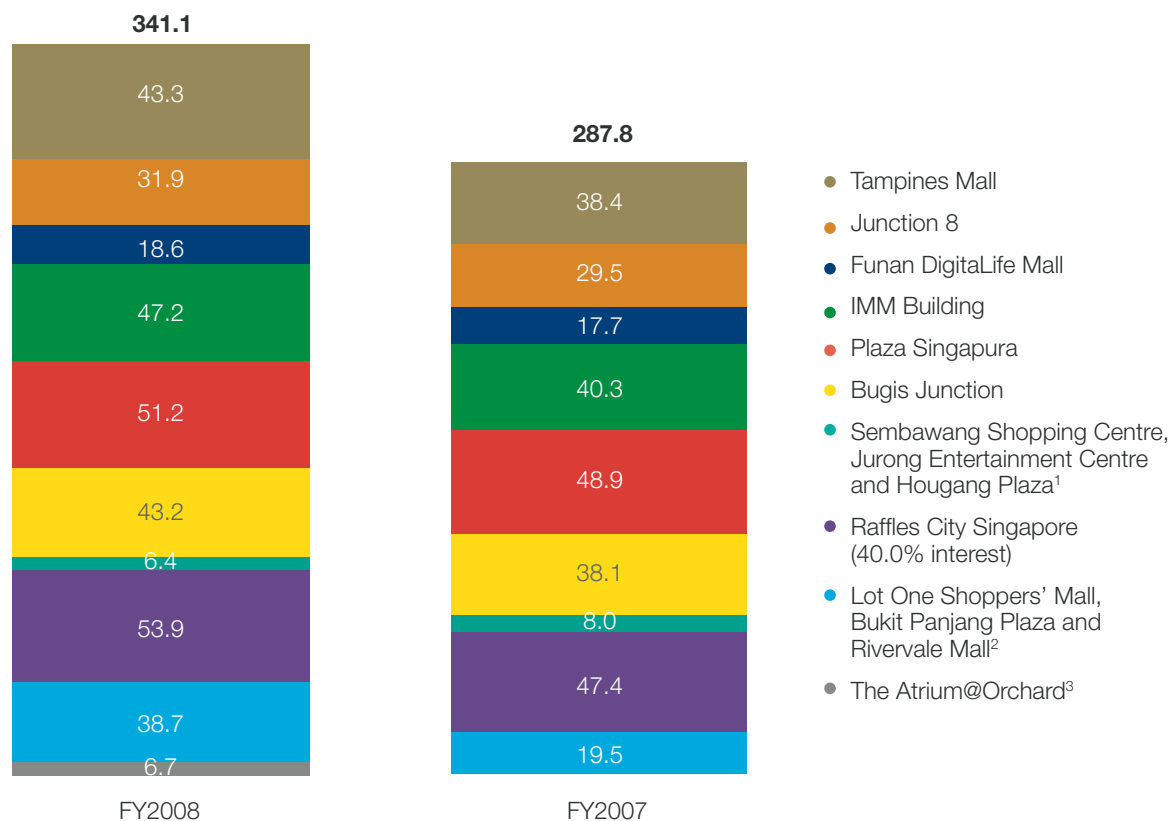
2 The acquisition of the balance 72.8% of the Class E Bonds in CRS was completed on 1 June 2007.

3 Acquired on 15 August 2008.

## (2) NET PROPERTY INCOME

As a result of the higher gross revenue, Net Property Income (NPI) of S\$341.1 million was S\$53.3 million or 18.5% higher than the S\$287.8 million for the FY ended 31 December 2007. Similarly, this was mainly due to the increase of S\$19.2 million from the full year contribution from the three malls under CRS against seven months of contribution in FY2007. Atrium accounted for S\$6.7 million and CMT's 40.0% interest in RCS contributed about S\$6.6 million of the increase in NPI.

### NET PROPERTY INCOME BY PROPERTY (\$ MILLION)



<sup>1</sup> JEC ceased operations on 1 November 2008 pending for AEI. SSC re-opened in December 2008 after the completion of its major AEI.

<sup>2</sup> The acquisition of the balance 72.8% of the Class E Bonds in CRS was completed on 1 June 2007.

<sup>3</sup> Acquired on 15 August 2008.

## NET PROPERTY INCOME

PROPERTY	FY2008	FY2007	VARIANCE	
	S\$'000	S\$'000	S\$'000	%
Tampines Mall	43,259	38,452	4,807	12.5%
Junction 8	31,924	29,558	2,366	8.0%
Funan DigiLife Mall	18,568	17,659	909	5.1%
IMM Building	47,228	40,279	6,949	17.2%
Plaza Singapura	51,171	48,909	2,262	4.6%
Bugis Junction	43,170	38,098	5,072	13.3%
Sembawang Shopping Centre, Jurong Entertainment Centre and Hougang Plaza <sup>1</sup>	6,422	7,967	(1,545)	(19.4)%
Raffles City Singapore (40.0% interest)	53,939	47,364	6,575	13.9%
Lot One Shoppers' Mall, Bukit Panjang Plaza and Rivervale Mall <sup>2</sup>	38,704	19,489	19,215	98.6%
The Atrium@Orchard <sup>3</sup>	6,745	-	6,745	N.M.
<b>Total</b>	<b>341,130</b>	<b>287,775</b>	<b>53,355</b>	<b>18.5%</b>

1 JEC ceased operations on 1 November 2008 pending for AEI. SSC re-opened in December 2008 after the completion of its major AEI.

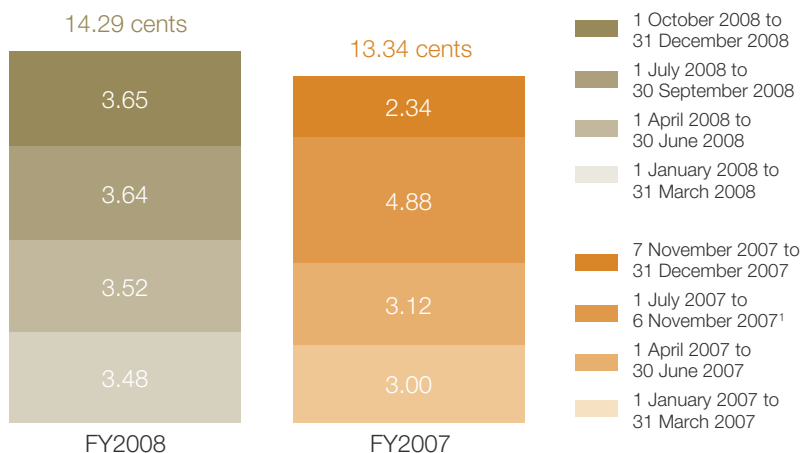
2 The acquisition of the balance 72.8% of the Class E Bonds in CRS was completed on 1 June 2007.

3 Acquired on 15 August 2008.

### (3) DISTRIBUTIONS

For FY2008, CMT declared distributions of 14.29 cents which comprised 3.48 cents, 3.52 cents, 3.64 cents and 3.65 cents for the periods 1 January 2008 to 31 March 2008, 1 April 2008 to 30 June 2008, 1 July 2008 to 30 September 2008 and 1 October 2008 to 31 December 2008 respectively. For FY2007, CMT distributed 13.34 cents which comprised 3.00 cents, 3.12 cents, 4.88 cents and 2.34 cents for the periods 1 January 2007 to 31 March 2007, 1 April 2007 to 30 June 2007, 1 July 2007 to 6 November 2007 and 7 November 2007 to 31 December 2007 respectively. Overall, the total distribution of 14.29 cents per unit for FY2008 was an increase of 7.1% over the total distribution of 13.34 cents per unit for the FY2007.

### DISTRIBUTION PER UNIT



1 In conjunction with a private placement of 97.0 million new units in CMT on 7 November 2007, the Manager declared cumulative distributable income for the period from 1 July 2007 to 6 November 2007.

## (4) ASSETS

As at 31 December 2008, the total assets for CMT Group were S\$7,509.0 million compared with S\$5,957.3 million as at 31 December 2007. The increase of S\$1,551.7 million was mainly due to the acquisition of Atrium at a purchase price of S\$839.8 million on 15 August 2008, the capital expenditure capitalised of S\$223.1 million, revaluation surplus of S\$323.2 million and the increase in cash and cash equivalents of S\$99.4 million.

## VALUATION AND VALUATION CAPITALISATION RATE

PROPERTY	PREVIOUS VALUATION <sup>1</sup> S\$ MILLION	VALUATION 2008 <sup>2</sup> S\$ MILLION	VARIANCE S\$ MILLION	VALUATION 2008 <sup>2</sup> S\$ PER SQ FT NET LETTABLE AREA	VALUATION 2008 <sup>2</sup> CAPITALISATION RATE <sup>3</sup>
Tampines Mall	720.0	775.0	55.0	2,362	5.65%
Junction 8	521.0	585.0	64.0	2,371	5.65%
Funan DigitalLife Mall	304.5	341.0	36.5	1,145	5.85%
IMM Building	600.0	658.0	58.0	1,401 <sup>6</sup>	Retail - 6.50% Office - 6.75% Warehouse - 7.75%
Plaza Singapura	922.0	1,000.0	78.0	2,010	5.40%
Bugis Junction	720.0	798.0	78.0	1,897	5.65%
Other Assets <sup>4</sup>	233.5	310.0	76.5	941 <sup>7</sup>	5.90 - 6.00%
<b>CMT before Raffles City Singapore (40.0% interest), CRS Portfolio and The Atrium@Orchard</b>	<b>4,021.0</b>	<b>4,467.0</b>	<b>446.0</b>	<b>1,776<sup>7</sup></b>	<b>N.A.</b>
Raffles City Singapore (40.0% interest)	1,034.4	1,078.0	43.6	N.M. <sup>8</sup>	Retail - 5.50% Office - 4.50% Hotel - 5.75%
<b>CMT before CRS Portfolio and The Atrium@Orchard</b>	<b>5,055.4</b>	<b>5,545.0</b>	<b>489.6</b>	<b>1,776<sup>9</sup></b>	<b>N.A.</b>
Bukit Panjang Plaza	251.0	256.0	5.0	1,725	5.75%
Lot One Shoppers' Mall	385.5	433.0	47.5	2,000	5.65%
Rivervale Mall	86.0	90.0	4.0	1,103	6.00%
<b>Total CMT Portfolio excluding The Atrium@Orchard</b>	<b>5,777.9</b>	<b>6,324.0</b>	<b>546.1</b>	<b>1,771<sup>9</sup></b>	<b>N.A.</b>
The Atrium@Orchard <sup>5</sup>	-	850.0	850.0	2,275	Retail - 5.40% Office - 4.40%
<b>Total CMT Portfolio</b>	<b>5,777.9</b>	<b>7,174.0</b>	<b>1,396.1</b>	<b>1,830<sup>9</sup></b>	<b>N.A.</b>

1 Valuation as at 1 December 2007.

2 Valuation as at 1 December 2008.

3 Capitalisation rate adopted by the independent valuers to derive the market values of each property.

4 Comprising SSC, Hougang Plaza (HP) and JEC.

5 Atrium was acquired on 15 August 2008.

6 Valuation per sq ft based on the retail portion of IMM only.

7 Valuation per sq ft excludes JEC which ceased operations on 1 November 2008 pending for AEI.

8 Not meaningful because RCS comprises retail, office, hotels and convention centre.

9 Valuation per sq ft excludes JEC and RCS.

# RISK AND CAPITAL MANAGEMENT

## **(1) RISK MANAGEMENT**

### **Operational Risk**

To mitigate and manage the operational risk, CMT Group has integrated risk management into the day-to-day activities in all functions. These include planning and control systems, Group-wide guidelines, information technology systems, and operational reporting and monitoring procedures involving the executive management committee and Board of Directors. The risk management system is regularly monitored and examined to ensure its effectiveness.

The risk management framework is designed to ensure that operational risks are anticipated so that appropriate processes and procedures can be put in place to prevent, manage and mitigate these risks.

### **Investment Risk**

One of the main sources of growth for CMT Group is the acquisition of properties. The risk involved in such investment activities is managed through a rigorous set of investment criteria which includes yield accretion, rental sustainability, growth potential, CMT's portfolio fit and market catchment. The key financial projection assumptions are reviewed and sensitivity analyses are conducted on key variables.

The potential risks associated with proposed acquisitions are identified at evaluation stage. This enables us to determine actions that need to be taken to manage or mitigate risks as early as possible.

### **Interest Rate Risk**

The Group's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. CMT Group proactively seeks to minimise the level of interest rate risk by locking in most of its borrowings at fixed interest rates. As at 31 December 2008, the risk is minimal as 88.7% of its borrowings are on fixed rate basis, or has been hedged to fixed rates.

### **Currency Risk**

As the assets of CMT Group are currently based in Singapore, there is little or no foreign exchange exposure from operations. CMT borrows in Singapore Dollars from a special purpose vehicle, Silver Maple Investment Corporation Ltd (Silver Maple).

RCS Trust for which CMT has a 40.0% interest, borrows in Singapore Dollars from another special purpose vehicle, Silver Oak Ltd (Silver Oak). Both Silver Maple and Silver Oak issued foreign denominated notes at floating rates and are able to obtain attractive spreads by borrowing from the overseas markets. They were swapped into fixed rates and Singapore Dollars.

At CapitaRetail Singapore Limited (CRS) level, the foreign exchange risk from the foreign currency denominated term loan has been hedged by cross currency swaps. There is no foreign exchange risk from the S\$1.0 billion unsecured Multicurrency Medium Term Note Programme (CMT MTN Programme) as the loans to CMT are in Singapore Dollars.

### **Credit Risk**

Credit risk is the potential earnings volatility caused by tenants' inability and/or unwillingness to fulfill their contractual lease obligations. There is a stringent collection policy in place to ensure that credit risk is minimised. Other than the collection of security deposits, which amounts to an average of three months' rental in the form of cash or bankers' guarantee, we also have a vigilant monitoring system and a set of procedures on debt collection. Debtors turnover of CMT Group as at 31 December 2008 of 3.3 days has marginally improved compared with 3.8 days as at 31 December 2007.

### **Liquidity Risk**

CMT Group actively monitors its cash flow position to ensure that there are sufficient liquid reserves in terms of cash and credit facilities to finance its operation.

### **Financing Risk**

The Singapore Real Estate Investment Trust (SREIT) sector is estimated to have total refinancing needs of more than S\$4.5 billion in 2009. In recent periods, loans backed by real estate have become increasingly difficult to obtain, and where obtainable, rates have increased and terms have become more onerous, as compared with recent prior years due to the current financial crisis. This has largely been the result of a series of events affecting the credit markets, as well as the significant losses incurred by many financial institutions over the past years and continuing uncertainties surrounding the values of synthetic financial instruments cumulating into a systemic liquidity and credit crunch.

# RISK AND CAPITAL MANAGEMENT

These circumstances have materially impacted liquidity in the debt markets, making financing terms for borrowers less attractive, and in certain cases have resulted in the unavailability of certain types of debt financing. Most SREITs have traditionally tapped the Commercial Mortgage Backed Securities (CMBS) and Multicurrency Medium Term Note programmes (MTN) for their funding needs and have enjoyed a low credit spread. However, CMBS and MTN issuance has not been available since end-2007 and third quarter 2008 respectively and the aforesaid funding markets remain closed to date. CMT will continue to proactively manage its capital structure with the aim to lengthen its debt maturity to better match its long term investment profile.

## (2) CAPITAL MANAGEMENT

### Cash Management

CMT Group takes a proactive role in monitoring its cash and liquid reserves to ensure adequate funding is available for distribution to the Unitholders as well as to meet any short term liabilities.

### Funding And Borrowings

Under the facility agreement between Silver Maple and CMT, Silver Maple has granted CMT a total facility of S\$1,243.0 million which is made up entirely of term loans. As at 31 December 2008, CMT has fully drawn down the facility.

In July 2008, CMT issued S\$650.0 million in principal amount of Convertible Bonds due in 2013 which carry a coupon interest at 1.0% per annum to partially finance the acquisition of The Atrium@ Orchard (Atrium).

During FY2008, CMT has taken unsecured term loans of S\$395.0 million from CMT MTN Pte. Ltd. to refinance short term borrowings; and part finance Asset Enhancement Initiatives (AEI) and the acquisition of Atrium. CMT MTN Pte. Ltd. is a wholly-owned subsidiary of CMT which provides treasury services, including on-lending to CMT the proceeds from issuances of notes under the unsecured CMT MTN Programme. As at 31 December 2008, CMT MTN issued S\$395.0 million notes through its CMT MTN Programme which was on-lent to CMT.

As at 31 December 2008, CMT has drawn down S\$230.0 million from the unsecured credit facilities, of which S\$150.0 million was used to repay CMT MTN notes due on 12 December 2008.

Total borrowings of CMT level stood at S\$2,518.0 million as at 31 December 2008.

At CRS level, the secured term loan facility drawn down refers to the S\$350.0 million facilities granted under the facility agreement dated 22 February 2008, comprising a term loan amounting to S\$320.0 million (denominated partly in Singapore Dollars and partly in United States Dollars) and Revolving Credit Facilities (RCF) of S\$30.0 million. S\$320.0 million term loans were drawn down on 27 February 2008 to finance the redemption of Class A to D Bonds and repay its RCF. As at 31 December 2008, CRS has drawn down S\$21.2 million of the RCF.

	<b>S\$ Million</b>
Term loan from Silver Maple	1,243.0
Convertible Bonds (CB)	650.0 <sup>1</sup>
Unsecured loans from CMT MTN	395.0
Unsecured credit facilities	230.0
<b>Total borrowings at CMT level</b>	<b>2,518.0</b>
Term loans and RCF at CRS	341.2 <sup>2</sup>
Term loans and RCF at RCS Trust level from Silver Oak	357.2 <sup>3</sup>
<b>Total borrowings at CMT group</b>	<b>3,216.4</b>

<sup>1</sup> Based on the principal amount of the CB due 2013. The final redemption price upon maturity on 2 July 2013 is equal to 109.31% of the principal amount. The CB may be redeemed in whole or in part, at the option of the bondholder on 2 July 2011 at 105.43% of the principal amount.

<sup>2</sup> The term loans have been translated at the exchange rate in accordance with the cross currency swap agreement.

<sup>3</sup> CMT's 40.0% interest in RCS Trust.

CMT has a 40.0% interest in RCS Trust. Under the facility agreement between Silver Oak and RCS Trust, Silver Oak has granted a total facility of S\$1,030.0 million consisting of a S\$866.0 million term loan and a S\$164.0 million RCF. RCS Trust has drawn down the S\$866.0 million term loan in September 2006 and as at 31 December 2008, S\$27.0 million has been drawn down from the RCF. CMT Group's 40.0% interest amounts to S\$346.4 million and S\$10.8 million in term loans and RCF respectively.

In summary, the total borrowings of CMT Group as at 31 December 2008 was S\$3,216.4 million. CMT Group's gearing as at 31 December 2008 was 43.2% compared to 34.7% as at 31 December 2007, mainly due to the increase in borrowings as explained above as well as the increase in total asset value over the same period.

The loan maturity profile for CMT Group as at 31 December 2008 was as follows:

#### CMT GROUP - MATURITY PROFILE FY2008



	S\$ Million	% of Debt
● Within 1 year	986.2	30.7%
● After 1 year but within 5 years	2,230.2	69.3%

## KEY STATISTICS

### CMT (EXCLUDING 40.0% SHARE IN RCS TRUST & 100.0% SHARE IN CRS)

3.5 TIMES  
INTEREST COVER<sup>1,2</sup>

3.2%  
AVERAGE COST OF DEBT<sup>2</sup>

"AAA"  
DEBT RATING (CMBS<sup>3</sup>)

"A2"  
CMT'S CORPORATE RATING<sup>4</sup>

### CMT GROUP (INCLUDING 40.0% SHARE IN RCS TRUST & 100.0% SHARE IN CRS)

3.4 TIMES  
INTEREST COVER<sup>2,5</sup>

43.2%  
GEARING RATIO

3.4%  
AVERAGE COST OF DEBT<sup>2</sup>

1 Based on the net income before tax (excluding net change in fair value of financial derivatives and investment properties), and interest expense (excluding cost of raising debt) at the trust level for the period 1 October 2008 to 31 December 2008.

2 Includes S\$650.0 million Convertible Bonds (CB) with yield-to-maturity of 2.75%.

3 CMBS means Commercial Mortgage Backed Security.

4 Moody's has affirmed a corporate family rating of "A2" with a negative outlook to CMT on 10 February 2009.

5 Based on the net income before tax (excluding net change in fair value of financial derivatives and investment properties), and interest expense (excluding cost of raising debt) at the group level for the period 1 January 2008 to 31 December 2008.

Average cost of borrowing for CMT Group for FY2008 has decreased to 3.4% per annum compared with 3.5% per annum in FY2007 mainly due to the low effective interest rate of 2.75% for the S\$650.0 million CB due in 2013. In addition, the debts for the CRS portfolio were refinanced at 2.95% on 27 February 2008 which was lower than the previous rate of 4.2%.

In line with CMT Group's strategy of constantly reviewing its capital structure to ensure capital efficiency and better position itself to ride through the current financial uncertainties, it was announced on 9 February 2009 the Rights Issue to raise approximately S\$1.23 billion. The proceeds, which will be predominantly used to repay borrowings due in 2009, will reduce CMT Group's gearing<sup>1</sup> from 43.2% as at 31 December 2008 to 29.1%<sup>2</sup>. The Rights Issue was approved by Unitholders at the Extraordinary General Meeting on 2 March 2009. CMT Group will continue to proactively manage its capital structure with the aim to lengthen CMT Group's debt maturity to better match its long term investment profile.

## Cash Flow And Liquidity

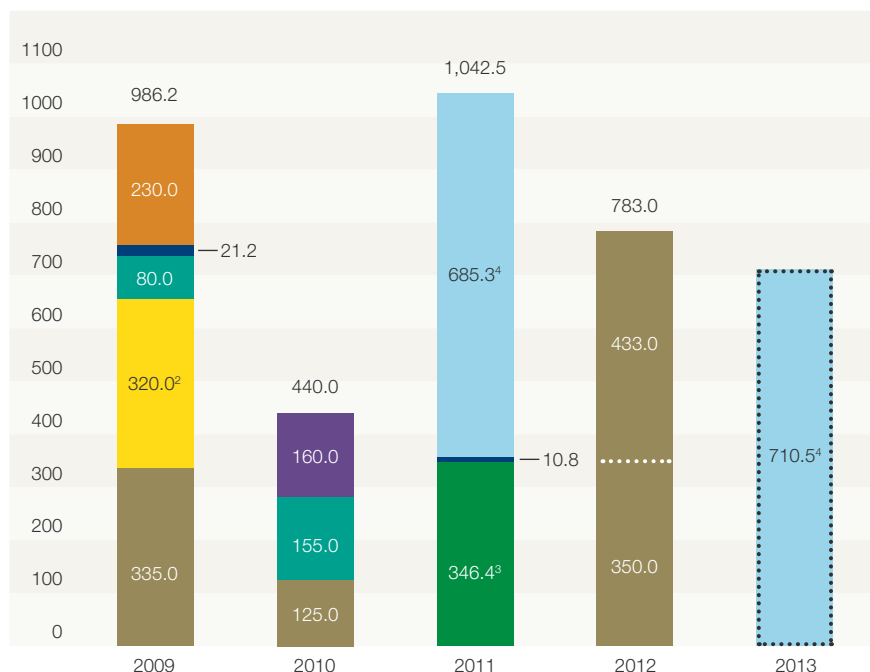
Operating net cash flow for FY2008 was S\$347.8 million. This was an increase of S\$39.7 million over the operating cash flow of S\$308.1 million in the preceding FY. The increase was mainly due to the full year contribution from CMT's 100.0% interest in CRS, the acquisition of Atrium and higher revenue from other CMT malls due to higher rents from new and renewal leases as well as the completion of AEI.

## Operating Activities

NPI for FY2008 grew 18.5% or S\$53.3 million from S\$287.8 million in the preceding year to S\$341.1 million. This was largely due to CMT Group's ability to execute its asset management, leasing and asset enhancement strategies successfully.

## DEBT MATURITY PROFILE BEFORE PROPOSED RIGHTS ISSUE AS AT 31 DECEMBER 2008

- Fixed Rate Term Loan from Silver Maple under CMBS<sup>1</sup>
- Short Term Borrowings of CMT
- RCF of CRS/RCS
- Fixed Rate Term Loan from Silver Oak under CMBS<sup>1</sup> – 40.0% interest in RCS Trust
- Convertible Bonds (CB) Due 2013
- Term Loan
- Fixed Rate Notes issued under CMT MTN Pte. Ltd.
- Floating Rate Notes issued under CMT MTN Pte. Ltd.



1 CMBS means Commercial Mortgage Backed Security.

2 Term loan due August 2009.

3 CMT's 40.0% share of CMBS debt taken at RCS Trust level to part finance the Raffles City Singapore acquisition. Of the total CMBS of S\$866.0 million, S\$136.0 million (our 40.0% share thereof is S\$54.4 million) is "AA" rated, the balance is "AAA" rated.

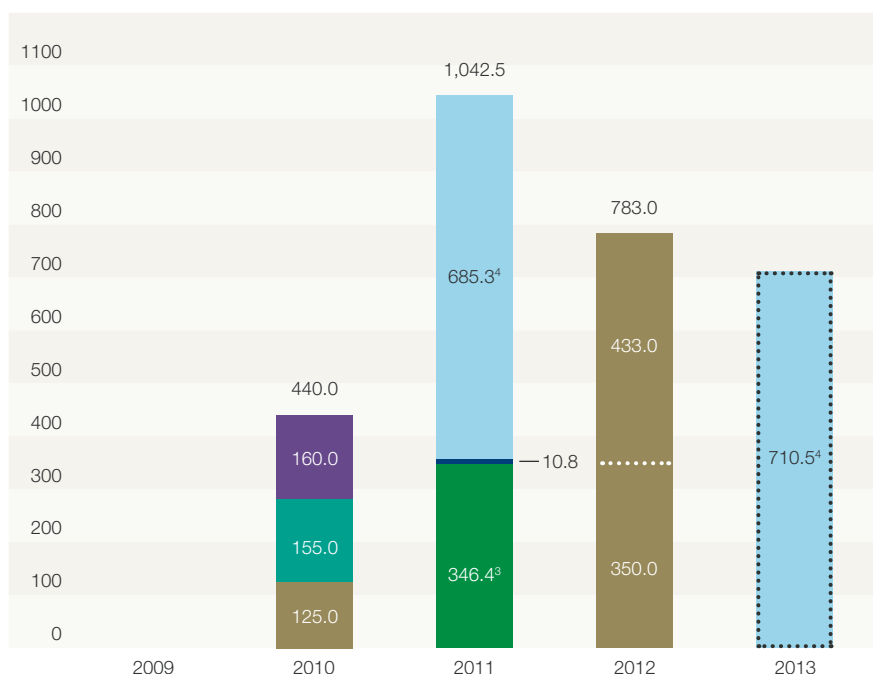
4 The principal amount of the CB due 2013 is S\$650.0 million. The final redemption price upon maturity on 2 July 2013 is equal to 109.31% of the principal amount. The CB may be redeemed in whole or in part, at the option of the bondholders on 2 July 2011 at 105.43% of the principal amount.

1 The ratio of the value of total borrowings and deferred payments (if any) to the value of the gross assets of CMT and its subsidiaries (CMT Group), including all its authorised investments held or deemed to be held upon the trust, under the trust deed dated 29 October 2001 as amended, varied, or supplemented from time to time.

2 Assuming the borrowings are repaid immediately after completion of the Rights Issue and after adjustment for the S\$15.0 million revolving credit facility (RCF) repaid on 3 February 2009 and the S\$15.0 million RCF expected to be repaid in March 2009.

## DEBT MATURITY PROFILE AFTER PROPOSED RIGHTS ISSUE<sup>1</sup>

- Fixed Rate Term Loan from Silver Maple under CMBS<sup>2</sup>
- Fixed Rate Term Loan from Silver Oak under CMBS<sup>2</sup> – 40% interest in RCS Trust
- Convertible Bonds (CB) Due 2013
- Fixed Rate Notes issued under CMT MTN Pte. Ltd.
- Floating Rate Notes issued under CMT MTN Pte. Ltd.



<sup>1</sup> Based on debt profile as at 31 December 2008.

<sup>2</sup> CMBS means Commercial Mortgage Backed Security.

<sup>3</sup> CMT's 40.0% share of CMBS debt taken at RCS Trust level to part finance the Raffles City Singapore acquisition. Of the total CMBS of S\$866.0 million, S\$136.0 million (our 40.0% share thereof is S\$54.4 million) is "AA" rated, the balance is "AAA" rated.

<sup>4</sup> The principal amount of the CB due 2013 is S\$650.0 million. The final redemption price upon maturity on 2 July 2013 is equal to 109.31% of the principal amount. The CB may be redeemed in whole or in part, at the option of the bondholders on 2 July 2011 at 105.43% of the principal amount.

## Investing Activities

CMT Group continued with the acquisition strategy and increased the number of properties in the portfolio from 13 to 14 with the acquisition of Atrium. With the new acquisition and AEI carried out in the portfolio, CMT Group was able to improve its FY2008 NPI over FY2007.

## Financing Activities

CMT Group constantly monitors its cash position and level of borrowings with the view of strengthening its capital structure and competitive position in light of the challenging market in FY2009.

## Cash And Cash Equivalents

As at 31 December 2008, the value of cash and cash equivalents of CMT Group stood at S\$168.4 million compared with S\$68.9 million as at 31 December 2007. This is mainly due to the balance from the S\$230.0 million RCF drawn down (net of S\$150.0 million notes paid on 12 December 2008) for working capital purposes.

## (3) ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice (RAP) 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore, and the applicable requirements of the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) and the provisions of the Trust Deed.

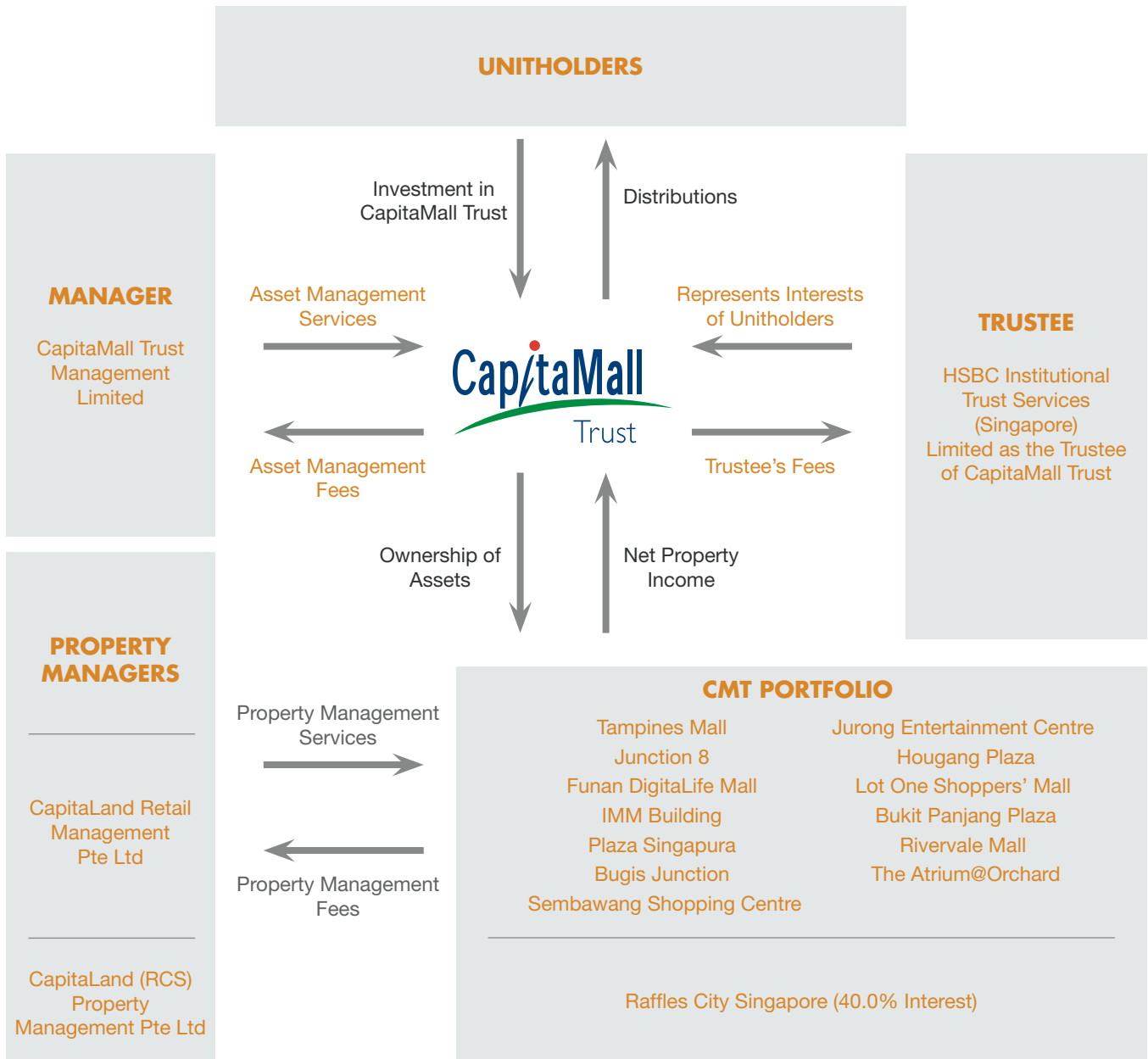
# STABILITY CAPABILITY CAPABILITY MARKET

CAPABLE+ABILITY LEADERS, WELL-PLACED, DRIVE CMT TO GREATER HEIGHTS WITH THEIR ASTUTE FORESIGHT. MORE IMPORTANTLY, IT IS THEIR COMPETENCIES AND EXPERIENCE THAT ALLOW THEM TO IDENTIFY AND CAPITALISE ON OPPORTUNITIES AMIDST CHALLENGES THAT INSTALLS CMT ON FIRM GROUNDS.

SUSTAINABILITY ACC  
S ACCOUNTABILITY S  
F SCALABILITY PROFIT  
Y PROFITABILITY STABIL

# TRUST STRUCTURE

## CAPITAMALL TRUST STRUCTURE



# BOARD OF DIRECTORS



*Sitting Left To Right*

**JAMES GLEN SERVICE**  
Independent Non-Executive Director

**JAMES KOH CHER SIANG**  
Chairman & Independent Non-Executive Director

**LIEW MUN LEONG**  
Deputy Chairman & Non-Executive Director

**S. CHANDRA DAS**  
Non-Executive Director

*Standing Left To Right*

**LUI CHONG CHEE**  
Non-Executive Director

**LIM BENG CHEE**  
Chief Executive Officer & Executive Director

**DAVID WONG CHIN HUAT**  
Independent Non-Executive Director

**KEE TECK KOON**  
Non-Executive Director

**OLIVIER LIM TSE GHOW**  
Non-Executive Director

**JAMES KOH CHER SIANG**  
**Chairman & Independent**  
**Non-Executive Director**  
(Since 1 January 2009)

Mr James Koh is the Chairman as well as a Non-Executive Independent Director on the Board of CapitaMall Trust Management Limited (CMTML). Mr Koh is also the Chairman of CMTML's Audit and Corporate Disclosure Committees.

Concurrently, Mr Koh is a Non-Executive Independent Director on the Board of CapitaLand Limited (CapitaLand) since 1 July 2005 and was last elected as Director at CapitaLand's Annual General Meeting on 28 April 2006. He is also Chairman of CapitaLand's Risk Committee and Corporate Disclosure Committee, a Member of CapitaLand's Audit Committee, and a Director of CapitaLand Hope Foundation.

Mr Koh is presently Chairman of Housing & Development Board and Singapore Deposit Insurance Corporation Limited. He sits on the Boards of Singapore Airlines Limited, UOL Group Limited and Hotel Plaza Limited (all listed on the SGX-ST). He is also a Director of Singapore Co-operation Enterprise.

From 1997 to 2005, Mr Koh served as Chief Executive Officer of the Inland Revenue Authority of Singapore. In that capacity, he was both Commissioner of Inland Revenue and Commissioner of Charities. Prior to these appointments, Mr Koh was the Permanent Secretary of National Development, the then Ministry of Community Development, and Ministry of Education. Mr Koh has substantial experience in public administration having served in the Ministries of Finance, National Development, Community Development, Education and the Prime Minister's Office. He was awarded the Public Administration Medal (Gold) in 1983 and the Meritorious Service Medal in 2002.

Mr Koh is a graduate of the University of Oxford, United Kingdom with a Bachelor of Arts (Honours) in Philosophy, Political Science and Economics. He also holds a Master of Arts from the University of Oxford, United Kingdom, and a Master in Public Administration from Harvard University, United States of America.

**LIEW MUN LEONG**  
**Deputy Chairman & Non-Executive Director**  
(Since 5 June 2002)

Mr Liew Mun Leong is the Deputy Chairman as well as a Non-Executive Director on the Board of CMTML. Mr Liew is also the Chairman of CMTML's Executive Committee and a Member of CMTML's Corporate Disclosure Committee.

Mr Liew is President and CEO of CapitaLand Group. He joined the Pidemco Land Board as Director on 1 January 1997. Pidemco Land merged with DBS Land to form CapitaLand in November 2000. Mr Liew continued to serve on the CapitaLand Board and was last re-elected as Director at CapitaLand's Annual General Meeting on 27 April 2007. He also serves on CapitaLand's Investment Committee, Nominating Committee, Corporate Disclosure Committee and Finance and Budget Committee.

Mr Liew is Chairman of CapitaLand Residential Singapore Pte Ltd, CapitaLand China Holdings Pte Ltd, CapitaLand Commercial Limited, CapitaLand Retail Limited, CapitaLand Financial Limited and CapitaLand ILEC Pte. Ltd. He is Deputy Chairman of The Ascott Group Limited as well as the Deputy Chairman of CapitaCommercial Trust Management Limited (the manager of CapitaCommercial Trust listed on the SGX-ST), CapitaRetail China Trust Management Limited (the manager of CapitaRetail China Trust listed on the SGX-ST) and Ascott Residence Trust Management Limited (the manager of Ascott Residence Trust listed on the SGX-ST). He is a Director of CapitaLand Hope Foundation, the Group's philanthropic arm. Mr Liew also chairs the Civil Aviation Authority of Singapore.

In 2006, Mr Liew was named Outstanding CEO of the Year in the Singapore Business Awards. In 2007, he was conferred the CEO of the Year award (for firms with market value of S\$500 million or more) in The Business Times' Singapore Corporate Awards. In 2008, Mr Liew was named Asia's Best Executive of 2008 (Singapore) by Asiamoney and Best CEO in Asia (Property) by Institutional investor.

Mr Liew graduated from the University of Singapore with a Civil Engineering degree and is a registered professional civil engineer.

## LIM BENG CHEE

### **Chief Executive Officer & Executive Director** (Since 1 November 2008)

Mr Lim Beng Chee is the Chief Executive Officer and Executive Director on the Board of CMTML. Mr Lim is also a Member of CMTML's Executive Committee.

Concurrently, Mr Lim is the Chief Executive Officer of CapitaLand Retail Limited (CRTL) and Non-Executive Director of CapitaRetail China Trust Management Limited (CRCTML) (the manager of CapitaRetail China Trust which is listed on SGX-ST).

Mr Lim has more than nine years of real estate investment and asset management experience. Mr Lim previously held positions within the CapitaLand Group, including CEO of CRCTML, Deputy CEO of CRTL and Deputy CEO of CMTML. Earlier, he was part of the team sponsored by CapitaLand to create and operate property funds such as CapitaLand China Residential Fund, CapitaRetail Japan Fund, CapitaRetail China Incubator Fund and CapitaRetail China Development Funds. Mr Lim also played an instrumental role in the creation and listing of CapitaRetail China Trust, Singapore first pure-play China retail real estate investment trust.

Mr Lim holds a Master of Business Administration (Accountancy) from the Nanyang Technological University of Singapore and a Bachelor of Arts in Physics (Honours) from the University of Oxford, United Kingdom.

## JAMES GLEN SERVICE

### **Independent Non-Executive Director** (Since 18 October 2001)

Mr James Glen Service is an Independent Non-Executive Director on the Board of CMTML and a Member of CMTML's Audit Committee.

In addition, Mr Service is the Executive Chairman of JG Service Pty Limited, a specialist property consulting company. Mr Service is also Chairman of ACTEW Corporation Limited, among others. He is the independent Deputy Chairman of Australand Holdings Limited, a subsidiary of CapitaLand, which is listed on the Australian Stock Exchange.

He is a former Group Chairman of Advance Bank, a former Director of Challenger Financial Services Group Ltd., and a former National President of the Property Council of Australia.

Mr Service has 20 years of experience in fund management and property trusts. He 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, a Fellow of the Australian Society of Certified Practising Accountants and a Member of the Institute of Chartered Accountants.

## DAVID WONG CHIN HUAT

### **Independent Non-Executive Director** (Since 17 January 2003)

Mr David Wong is an Independent Non-Executive Director on the Board of CMTML and a Member of CMTML's Audit Committee.

Mr Wong is also currently a Non-Executive Director of ComfortDelgro Corporation Limited, SBS Transit Ltd and Asia Enterprises Holding Limited.

A senior partner of Ramdas and Wong, Mr Wong has been a lawyer in private practice with more than 30 years' experience in real estate, banking, consumer finance and corporate law. He presently serves as a member of the Public Service Commission and the Singapore Labour Foundation and was also the Chairman of the Bedok Citizens' Consultative Committee from 1989 till 2007. A Justice of the Peace, he was awarded the Public Service Star (BBM) in 1991 and the BBM(L) in 2005.

Mr Wong is a graduate of the University of Singapore, with a Bachelor of Laws. He also holds a Master of Laws from the University of London.

## S. CHANDRA DAS

### **Non-Executive Director** (Since 5 June 2002)

Mr S. Chandra Das is a Non-Executive Director on the Board of CMTML.

Mr Das is also a Non-Executive Director of Ascott Residence Trust Management Limited (the manager of Ascott Residence Trust listed on the SGX-ST). He is concurrently the Managing Director of NUR Investment & Trading Pte Ltd and Singapore's Non-Resident Ambassador to Turkey. He has over 36 years of experience primarily in companies involved in the trading and manufacturing industries. Currently, Mr Das hold Directorships in various private and public listed companies. He also serves as Pro-Chancellor of Nanyang Technological University.

Previously, Mr Das was a Non-Executive Director of The Ascott Group Limited from 1999 to 2008. He served as the Singapore Trade Representative to the USSR from 1970 to 1971, Chairman of the Trade Development Board from 1983 to 1986 and Chairman of NTUC Fairprice Co-operative Ltd from 1993 to 2005. He was also a Member of Parliament in Singapore from 1980 to 1996.

Mr Das has been conferred numerous awards, such as the President's Medal by the Singapore Australian Business Council in 2000, and the Distinguished Service (Star) Award by National Trades Union Congress in 2005.

Mr Das received his Bachelor of Arts (Honours) from the University of Singapore in 1965.

**OLIVIER LIM TSE GHOW**  
**Non-Executive Director**  
(Since 1 July 2005)

Mr Olivier Lim is a Non-Executive Director on the Board of CMTML and a Member of CMTML's Audit, Executive and Corporate Disclosure Committees.

Concurrently, Mr Lim is the Group Chief Financial Officer of CapitaLand. He is also a Non-Executive Director of CapitaCommercial Trust Management Limited (the manager of CapitaCommercial Trust listed on the SGX-ST), CapitaRetail China Trust Management Limited (the manager of CapitaRetail China Trust listed on the SGX-ST) and Australand Holdings Limited, and a Director of The Ascott Group Limited.

Prior to joining CapitaLand, he was Director and Head of the Real Estate Unit, Corporate Banking in Citibank Singapore. He has more than 19 years of work experience in diverse areas including corporate banking, investment banking, corporate finance and real estate financial products.

In 2007, Mr Lim was named Chief Financial Officer of the Year (for firms with market value of S\$500 million or more) in The Business Times' Singapore Corporate Awards.

Mr Lim holds a First Class Honours degree in Civil Engineering from the Imperial College of Science, Technology and Medicine, United Kingdom.

**KEE TECK KOON**  
**Non-Executive Director**  
(Since 2 April 2003)

Mr Kee Teck Koon is a Non-Executive Director on the Board of CMTML and a Member of CMTML's Executive and Corporate Disclosure Committees.

Mr Kee is the Chief Investment Officer of CapitaLand. He is also a Non-Executive Director of CapitaCommercial Trust Management Limited (the manager of CapitaCommercial Trust listed on the SGX-ST), and CapitaRetail China Trust Management Limited (the manager of CapitaRetail China Trust listed on the SGX-ST). Between April 2003 and February 2007, he was responsible for overseeing the CapitaLand's Financial, Commercial and Retail businesses. Prior to that, he was the Managing Director and CEO of The Ascott Group Limited from November 2000 to April 2003. Mr Kee has 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 holds a Master of Arts in Engineering Science from the University of Oxford, United Kingdom.

**LUI CHONG CHEE**  
**Non-Executive Director**  
(since 24 November 2008)

Mr Lui Chong Chee is a Non-Executive Director on the Board of CMTML.

Concurrently, Mr Lui is the CEO of CapitaLand Financial Limited. He is also Chairman of Australand Holdings Limited and a Non-Executive Director of CapitaCommercial Trust Management Limited (the manager of CapitaCommercial Trust listed on the SGX-ST), CapitaRetail China Trust Management Limited (the manager of CapitaRetail China Trust listed on the SGX-ST) and Ascott Residence Trust Management Limited (the manager of Ascott Residence Trust listed on the SGX-ST).

Mr Lui previously held various positions within the CapitaLand Group, including Chief Financial Officer of CapitaLand and Chief Executive Officer of CapitaLand Residential Limited. Prior to joining CapitaLand, Mr Lui was the Managing Director of Citigroup Investment Bank (Singapore) Limited.

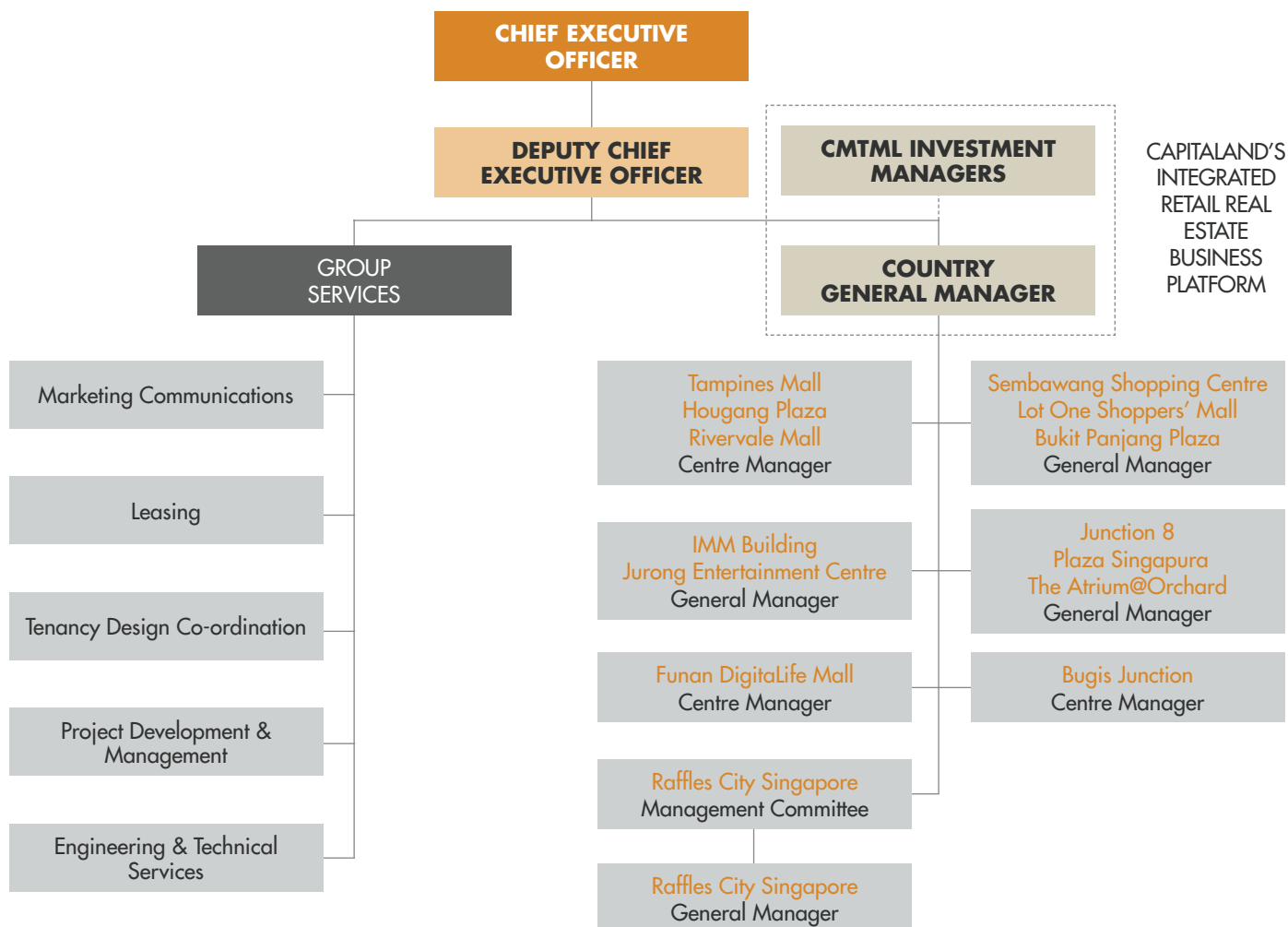
Mr Lui holds a Master of Business Administration in Finance and International Economics as well as a Bachelor of Science in Business Administration (Magna Cum Laude) from New York University, United States of America.

# ORGANISATION STRUCTURE

## CAPITAMALL TRUST MANAGEMENT LIMITED (CMTML)



## CAPITALAND RETAIL MANAGEMENT PTE LTD (CRMPL)



# TRUST MANAGEMENT TEAM (CMTML)

## LIM BENG CHEE

### Chief Executive Officer and Executive Director

Please refer to description under the section on The Board of Directors.

## TAN LEI KENG

### Head, Finance

Lei Keng is responsible for the sourcing and management of funds for 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 a 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 from the University of South Florida and a Bachelor of Accountancy from the University of Singapore.

## FINANCE TEAM MEMBERS

### CINDY CHEW

#### Deputy Head, Finance

### OH SOK CHENG

### SHARON LAM

### AUDREY TAN

Cindy, Sok Cheng, Sharon and Audrey are managers from CapitaLand Retail Limited, actively supporting the financial reporting function of the Trust.

## TONG KA-PIN

### Head, Investor Relations and Corporate Communications

Ka-Pin has more than eight years of investor relations/corporate communications experience. She is responsible for building relations and facilitating strategic communication with CMT's unitholders, potential investors, analysts and the media through various communication platforms. Prior to joining CMTML, she was the Investor Relations Manager with United Overseas Bank Limited. Ka-Pin holds a Master of Commerce (Advanced Finance) from the University of New South Wales, Australia and a Bachelor of Arts (Economics & Mathematics) from the National University of Singapore.

## JESLINE GOH

### Head, Investment and Asset Management

Jesline has over 12 years of experience in investment and corporate finance of which, more than six years were in real estate investment management, financing, and asset management. In addition to over-seeing the asset management function, she is responsible for sourcing, structuring and negotiating investment opportunities for CMT, as well as strategic capital management. Jesline is a Chartered Financial Analyst and holds a Bachelor of Business Administration (First Class Honours) from the National University of Singapore.

## RICHARD NG

### Head, Asset Management

Richard has over 16 years of real estate experience including property investment, asset management, property development and property management. He was part of the team that launched CMT in 2002. He has also previously covered the Russian and Malaysian markets. He holds a Master of Science (Real Estate) and a Bachelor of Science (Estate Management) (Honours) from the National University of Singapore.

## LOOI KENG

### Manager, Asset Management

Looi Keng has over 18 years of real estate experience. Her extensive experience ranges from managing public housing, private residential, commercial, industrial to retail properties. Prior to joining CMTML, she was the Centre Manager of Tampines Mall and Plaza Singapura, where she was responsible for the day-to-day management of the malls. She holds a Bachelor of Science (Estate Management) from the National University of Singapore and has completed the Executive Development Program at The University of Chicago School of Business.

## ELLINA CHIA

### Manager, Asset Management

Ellina has over 12 years of real estate experience in lease administration, investment and asset management. She also previously managed a private equity fund which invests solely in Japan retail properties. Prior to joining CMTML, she was seconded to Lend Lease Japan for eighteen months to work on the acquisition of non-performing loans. She holds a Bachelor of Business (Marketing) (Honours) from the Nanyang Technological University, Singapore.

# TRUST MANAGEMENT TEAM (CMTML)

## **BELINA LOW**

### **Manager, Asset Management**

Belina has over ten years of real estate experience in resort property sales, retail leasing and retail marketing communications. Prior to joining CMTML, she was Head of Marketing Communications, Singapore of CRMPL. She holds a Bachelor of Science in Business Administration from the University of Wales.

## **MARJORIE ONG**

### **Manager, Asset Management**

Marjorie has over eight years of real estate experience including land-use planning, research, and asset management with the public and private sectors. She holds a Master in Design Studies (Distinction), specialising in real estate and urban development, from Harvard University, and a Master in Architecture from the National University of Singapore.

## **HO YI SIONG**

### **Manager, Investment and Asset Management**

Yi Siong has over six years of experience in corporate finance and was actively involved in equity fund raising for listed companies and REITs. He holds a Bachelor in Business Studies (Banking) (Honours) from the Nanyang Technological University, Singapore.

## **ROY LIM**

### **Manager, Investment and Asset Management**

Roy has one year of real estate experience in investment and asset management. Prior to joining CMTML, he worked in the public sector in the fields of creative industries and law. He holds a Master in Engineering from the University of Cambridge, United Kingdom.

## **LIM CHAI HOON**

### **Manager, Corporate Planning and Research**

Chai Hoon has over seven years of real estate experience in property valuation and research. Prior to joining CMTML, she was a Research Manager of CapitaLand Limited. She holds a Bachelor of Science (Real Estate) (Honours) from the National University of Singapore.

## **LEE XIN RUI**

### **Senior Executive, Investment and Asset Management**

Xin Rui has over three years of real estate experience and holds a Bachelor of Social Science in Economics (Honours) from the National University of Singapore.

## **ZHENG HAN**

### **Senior Executive, Investment and Asset Management**

Zheng Han has over two years of real estate experience and holds a Bachelor of Engineering (Mechanical Engineering) (Honours) from the National University of Singapore.

# PROPERTY MANAGEMENT TEAM (CRMPL)

## **SIMON HO**

### **Deputy Chief Executive Officer**

Simon joined CRMPL in 2004 and has more than twenty years of experience in real estate investment and management. He is responsible for managing the operations of eighteen retail properties in Singapore as well as the operations of CRMPL's regional retail portfolio in China, India, Japan and Malaysia. He works closely with CMTML's asset management and investment teams to ensure that asset plans are executed diligently and that asset returns are optimised. Simon holds a Master of Real Estate and a Bachelor of Science (Estate Management) (Honours) from the National University of Singapore.

## **TERESA TEOW**

### **General Manager, Singapore and Head, Leasing & Marketing Communications, Singapore**

Teresa has more than twenty years of experience in real estate management and currently oversees the operations of eighteen retail properties in Singapore. She is responsible to deliver investment returns as well as achieve operational efficiency of the malls. She also leads the Singapore Leasing and Marketing Communications teams. Teresa holds a Bachelor of Business (Business Administration) degree from the Royal Melbourne Institute of Technology, Australia.

## **CAROL TAN**

### **Head, Tenancy Design & Co-ordination, Singapore**

Carol is responsible for the review and approval of designs for shop fitouts in the shopping malls owned by CMT. She also develops retail design and merchandising guidelines to ensure that high standards of design, layout and visual merchandising are maintained in the malls and, is also involved in the conceptualisation of asset enhancement initiatives and feasibility studies. Carol has over ten years of experience in retail design and project management. She holds an Industrial Technical Certificate in Mechanical Engineering Drawing & Design from Singapore Technical Institute and a Certificate for Management Studies from the Singapore Institute of Management.

## **TOH KIM SAI**

### **Head, Project Development & Management, Singapore**

Kim Sai is responsible for all asset enhancement projects at CMT malls. He also assists the regional retail project teams in China, India and Japan to create greater asset value through design and project management. A former ASEAN Scholar, he holds a Bachelor of Arts (Architectural Studies) and Bachelor of Architecture (Honours) from the National University of Singapore, and a Master of Science (Management of Technology) from the Massachusetts Institute of Technology, USA. He is a certified Project Management Professional by the Project Management Institute, USA and has completed the Executive Development Program at Wharton, University of Pennsylvania, USA.

## **CHOW CHEE KHANG**

### **Head, Engineering & Technical Services**

Chee Khang oversees the review of mechanical and electrical services designs, as well as cost and time control in the various asset enhancement initiatives at the malls. He also develops design guidelines to ensure that services designs are complied with. He works closely with the centre management teams to implement facility management policies, which include standard operation procedures, optimisation of equipment, maintenance planning, bulk procurement, technical training and use of latest technology products. He has over nineteen years of experience in the field of mechanical & electrical services in Singapore and regionally.

PSTABILITYCAPABILITY  
ACAPABILITYMARKET  
MARKETABILITYACC

MARKET+ABILITY VISIONS, WELL-ALIGNED, FORM THE BUILDING BLOCK OF OUR CLOSE PARTNERSHIPS WITH OUR TENANTS AND SHOPPERS. IT IS ONLY WITH THE UNWAVERING SUPPORT AND VOTE OF CONFIDENCE FROM OUR PARTNERS THAT HAVE EMPOWERED CMT TO EFFECTIVELY MANAGE ITS PORTFOLIO AND RELENTLESSLY IMPLEMENT INNOVATIVE IDEAS AT THE PROPERTIES.

SACCOUNTABILITYS  
FSCALABILITYPROFIT  
YPROFITABILITYSTABIL

# MARKETING & PROMOTIONS



*Left*  
'Team Singapore Flag Presentation Ceremony' for the 2008 Beijing Olympics and Paralympics at Plaza Singapura

*Right*  
'X-ploring Garden Crawlies @CapitaLand Malls'

## PORTFOLIO-WIDE ACTIVITIES

In 2008, CMT continued its focus on creating portfolio synergies by implementing strategic group marketing campaigns with the aim of increasing shopper traffic and driving tenants' sales.

CapitaCard, a credit and debit card loyalty programme that aims to retain and encourage repeat shopper spending at the malls, has grown its membership base significantly to over 118,000 as at 31 December 2008. CapitaCard not only gives card members instant cash rebates, it also provides a suite of VIP treats such as complimentary parking, as well as dedicated reserved car park lots at Junction 8, Plaza Singapura and Tampines Mall, if they meet the spending criteria.

As an extension of our loyalty programme, there is also a CapitaGift Card, a disposable stored value VISA card, which can be loaded in value ranging from S\$20 to S\$999, and can be used at any local retailer that accepts VISA. Other than the standard CapitaGift Card, a variety of 'Limited Edition' designed CapitaGift Cards were also launched as collectibles. The 'Limited Edition Olympic VISA' CapitaGift Cards were highly sought after in 2008.



CMT malls soaked in the celebration of the Beijing Olympics 2008 with the 'Get in the Games @CapitaLand Malls' campaign, where Plaza Singapura had the honour of hosting the 'Team Singapore Flag Presentation Ceremony' for the 2008 Beijing Olympics and Paralympics.

Riding on the inaugural 'Formula One Night Race' craze in Singapore, we embarked on the 'Blaze The Race @CapitaLand Malls' campaign with hobby car race competitions and replicas of Lenovo racing cars on display at the malls. Shoppers at Funan DigiLife Mall (Funan), Plaza Singapura and Raffles City Shopping Centre (RCSC) also got the opportunity to compete with AT&T Williams's racer, Nico Rosberg, on simulator driving machines.

For the first time in Asia, giant robotic insects, each 40 times its actual size, made their appearances at IMM Building (IMM), Junction 8 and Plaza Singapura in 'X-ploring Garden Crawlies @CapitaLand Malls'. The exhibition accompanied by a series of fun and educational insect-related activities saw over 2.8 million visitors thronging the three malls from 29 May to 11 June.



## MALL-CENTRED ACTIVITIES

In addition to the gamut of portfolio-wide marketing efforts ranging from character shows, movie tie-ups to celebrity appearances, each mall also develops its own calendar of promotion activities that builds on its unique brand positioning to appeal to its target shoppers.

For the first time, Plaza Singapura partnered key tenant Carrefour to organise a 'Japanese and Korean Food Fiesta' which featured an assortment of Japanese and Korean snacks and confectionery that spread over 3,600 square feet in the atrium. The hugely successful event was accompanied by the invigorating drummers and 500 cosplay enthusiasts who launched their 'World Cosplay Summit Performances' at the mall. The event garnered much publicity in major newspapers and shopper traffic increased by 11.0% over the same period last year.

Bugis Junction celebrated the Lunar New Year with the 'Kungfu Dunk' movie tie-up. The festivities comprised activities relating to the movie's basketball theme with the appearance of Taiwan superstar Jay Chou at the mall. The slew of exciting events helped Bugis Junction record its highest monthly shopper traffic of 3.5 million in August. Throughout the year, iconic events such as 'FashionFest's Code JEANius', 'Glam Couple Contest', 'FoodFest (Taiwan Street Food)' created much hype and attracted interest from both shoppers and the media.

RCSC threw an exclusive 'By-invitation Only' party on 26 March to celebrate the completion of the mall's Phase 1 asset enhancement works. Held at the new elevated atrium, 'The Time Has Come For A Brand New Look' party included a fashion show styled by 21 local fashion editors and renowned fashion stylists, as well as a sampling of the new food and beverage options available at RCSC. During the Singapore Fashion Festival (SFF), RCSC presented 'Asia WOW', a dramatic fashion show that featured original creations by four Asian designers. Fashion tenants also presented a medley of their Spring/Summer 2008 collections as part of the event.

As an ardent supporter of the arts, RCSC showcased 'Festival Maze – disSPACEments' during the Singapore Arts Festival. Shoppers were entertained by a series of 'Arts On The Move' performances, while patrons of the festival enjoyed exclusive privileges at participating stores by flashing their ticket stubs. RCSC was awarded 'Friend of the Arts' by Singapore's Ministry of Information, Communications and the Arts under its Patrons of the Arts Programme.

IMM hosted its inaugural 'More Fashionable Fashion Show' during the SFF, where models decked out in tenants' latest styles and accessories strutted down a 30-metre long runway at the new extension block on Level 1. Shopper traffic at the mall increased 12.0% during this period compared to the same time last year.

*Left*

Appearance of Taiwan superstar, Jay Chou, at Bugis Junction

*Right*

'The Time Has Come For A Brand New Look' party at RCSC



Top Left  
 'Mid Autumn Fair'  
 at Junction 8



Top Right  
 'Circo Nuovo' at  
 Tampines Mall

Junction 8 held its iconic 'Most Beautiful Mum' contest and annual 'Late Night Shopping' event in the course of the year. The 'Mid Autumn Fair' held at its main atrium also received overwhelming response, with kiosk tenants netting in excess of S\$1.0 million in gross sales over two weeks.

Tampines Mall held its first ever fashion promotion to showcase a wide range of fashion choices available at the mall. Shoppers were entertained with catwalk shows and given the opportunity to own the season's apparel at attractive prices. In June, the mall hosted 'Circo Nuovo', Australia's answer to 'Cirque Du Soleil', which thrilled and mesmerised the audience with their acrobatics and hilarious antics.

Bottom Right  
 'World Cyber  
 Games' at Funan  
 DigitaLife Mall

Following the success of the 'Midnite Madness Sale' in 2007, Bukit Panjang Plaza ran the campaign again in 2008. Over 80.0% of the tenants participated in the centre-wide event by offering fantastic deals to shoppers. Shopper traffic during the day of the sale soared to almost 54,000, a 22.0% increase over average daily shopper traffic.

Funan hosted numerous national gaming events in 2008 to strengthen its positioning as Singapore's leading gaming and information technology destination. These included the annual 'The Newspaper Cyber Challenge', Land Transport Authority's 'VR-10 returns', 'Inter-School e-Gaming Challenge' for the 4th year running, as well as the exclusive 'International World Cyber Games' (WCG) and 'WCG Funan league' for the Asian region. Funan also hosted the launch of 'Ninja Gaiden II' by Xbox 360, 'SPORE' by Electronic Arts and 'Grand Theft Auto 4' by Rockstar Games.



# TENANTS SPEAK



“CapitaLand Retail is renowned for planning and creating attractive retail malls. The company has a well-organised management system and a proactive, responsible and helpful management team. We are always impressed with the marketing strategies that they create and successfully execute, which shows they really understand customers’ needs. We would like to take this opportunity to say “Thank You” and are proud to be part of the team.”

**MR KENICHI TAKAHASHI**  
Executive Chairman & Chief Executive Officer,  
Japan Foods Holding Ltd



“NTUC FairPrice has enjoyed a long-standing partnership with the management of CapitaLand Retail since CapitaMall Trust was first listed in 2002. Through the years, we have forged a strong and supportive partnership with the team. Their professionalism, creativity and dynamism have made them a trusted leader in the retail industry. We look forward to building on our excellent partnership with CapitaLand Retail so that together, we can continue to provide a happy and pleasant shopping experience for our customers.”

**MR SEAH KIAN PENG**  
Managing Director, Group Business,  
NTUC FairPrice Co-operative Pte Ltd



“Over the years, Eu Yan Sang has developed a strong working relationship with CapitaLand Retail. As tenants, we appreciate landlords who have a good understanding of the retail environment. More importantly, the management team at CapitaLand Retail makes an effort to continuously engage with us. Consequently, we have enjoyed the working relationship and strongly believe that with our combined efforts, we will continue to grow and embrace the challenges ahead.”

**MR RICHARD EU YEE MING**  
Group Chief Executive Officer,  
Eu Yan Sang International Ltd



“Courts has enjoyed a long and successful partnership with CapitaLand Retail and its dynamic team. Beyond the obvious value-add which their expertise brings to retail developments and mall enhancements, they are strategically aligned with their customers, bringing consumer insight, international networking and business building ideas to the table in a holistic partnership that goes the extra mile.”

**MR TERRY O'CONNOR**  
Chief Executive Officer,  
Courts (Singapore) Ltd



“Crystal Jade Culinary Concepts Holding has been a long time partner of CapitaLand Retail. It has been an extremely enjoyable and rewarding journey working with a professional management team. The team has been able to identify with Crystal Jade’s mission, provide the necessary support and we look forward to extending this mutually gratifying relationship with CapitaLand Retail.”

**MR IP YIU TUNG**  
**Chairman/Managing Director,**  
**Crystal Jade Culinary Concepts Holding**



“The Thai Express Group of restaurants’ business has grown extensively over the past few years. CapitaLand Retail has certainly played a key role in supporting our rapid growth. We have enjoyed an excellent working relationship with the management team, and our close partnership is very much centred on mutual respect, trust and excellence. In view of the trying times ahead, having a trusted and understanding partner who can work with you is really what matters most.”

**MR IVAN LEE**  
**Chief Executive Officer,**  
**Thai Express Group**



“Over the years, Aussino Group Ltd has built up an excellent relationship with CapitaLand Retail both in Singapore and other overseas markets. The team is equipped with in-depth knowledge and a strong understanding of the retail industry, and continuously raises the standards for retail mall management and shopping experience in the region. Aussino looks forward to further build on and enhance the long standing partnership with CapitaLand Retail.”

**MS SCHNABEL TAN**  
**Director of Operations,**  
**Aussino Group Ltd**



“Pet Lovers Centre has benefited significantly from CapitaLand Retail’s expertise and inputs on retail management. We firmly believe that a mall’s success is very much dependent on the quality of its management. Under CapitaLand Retail’s management, we have experienced average malls transformed into great shopping destinations. CapitaLand Retail will always be our trusted long term growth partner.”

**MR NG WHYE HOE**  
**Managing Director,**  
**Pet Lovers Centre**

# SHOPPERS SPEAK



“Although there are many shopping malls in Singapore, IMM is our preferred mall. We like IMM in many ways. The wide array of offerings cater to both my wife and my shopping needs, and more importantly, we can do our grocery shopping together! These reasons keep us coming back even though we do not reside in this area.”

**Mr Yeoh Jeok Thean and wife at IMM BUILDING**



“A trip to the mall, at least once a week, is essential to us. We get our basic necessities, do our shopping and dine here. Other than the usual activities, we especially appreciate some of these specialty shops, such as Mothercare and Toy”R”Us, at Tampines Mall. This is definitely a weekly affair that we are set to keep!”

**Mdm Raihanah and family at TAMPINES MALL**



“This is a mall that we keep coming back to either buy basic necessities or just to shop around. We especially like the new wing that was added as we now have more shopping options. Thank you CapitaMall Trust, we look forward to more of such extensions and the arrival of more new exciting shops!”

**Ms Judy Oh, sister and daughter at JUNCTION 8**



“The mall provides us with a one-stop shopping cum entertainment experience! The varied shops here give us the convenience of shopping for books, clothes and groceries, enjoy a good Japanese, Western or Chinese meal and even catch a movie. We certainly look forward to our visits here!”

**Ms Lim Zhi Wei and friend at PLAZA SINGAPURA**



“Nothing equals this mall when it comes to shopping for IT products. More than the wide variety of brands and the comprehensiveness of the range of products available, we especially enjoy the ambience of the mall. That explains why we keep coming back to shop! Kudos to CapitaMall Trust for doing a good job on running the mall!”

**Mr Michael Wanatirta and father at FUNAN DIGITALIFE MALL**



“This is certainly a heartland mall with something for everyone. Be it grocery shopping at NTUC or shopping for toys at Kiddy Palace, there is seldom a dull moment here. With the recent renovation completed, we enjoy our visits to the mall even more now. It is natural that my kids often pester me to bring them here!”

**Ms Gracy and children at LOT ONE SHOPPERS' MALL**



“We like Bugis Junction because it is convenient and provides a good variety of everything at relatively affordable prices. We like to organise our outings here as there is something for everyone. There is never a dull moment here!”

**Ms Chen Huan and friends at BUGIS JUNCTION**



“Raffles City Shopping Centre is really the place to be for me. Not only am I spoilt for choice when I am here for a meal with my friends after a long day at work, the variety of merchandise and brands here also means that I could either shop for necessities or for a new wardrobe anytime.”

**Ms May Puan at RAFFLES CITY SHOPPING CENTRE**

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SUSTAIN+ABILITY RESPONSIBILITY, WELL-ACKNOWLEDGED, TAKES CENTRE STAGE IN CMT'S BUSINESS DECISION-MAKING. BY CLEARLY DEFINING OUR CORPORATE SOCIAL RESPONSIBILITY GOALS, IN THE AREAS OF CARING FOR OUR COMMUNITY, SOCIETY AND THE ENVIRONMENT, CMT CONTINUES TO WORK WITH OUR STAKEHOLDERS TO CHAMPION MUTUALLY BENEFICIAL INITIATIVES.

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# CORPORATE SOCIAL RESPONSIBILITY

“CMT IS COMMITTED TO BEING A RESPONSIBLE CORPORATE CITIZEN AND PURSUES GOOD SUSTAINABLE BUSINESS PRACTICES AND STANDARDS THAT POSITIVELY IMPACT ITS BUSINESS, THE COMMUNITY AND THE ENVIRONMENT.”



*Left*  
‘More Little Story Tellers’ at IMM Building

*Right*  
Community aerobics session at Bukit Panjang Plaza

## CARING FOR OUR COMMUNITY

CMT makes a conscious effort to actively engage the community where it operates by supporting charitable, educational and social activities to promote an all-inclusive society. The malls are not merely vibrant shopping destinations, but are also centres of activity that serve as gathering hubs for shoppers and residents.

Throughout 2008, CMT collaborated with many government agencies, grassroot organisations and schools to host civic and community events at our malls. IMM Building (IMM) held a celebrity fund-raising auction to raise funds for Make-A-Wish Foundation. IMM also hosted the ‘More Little Story Tellers’ event during the June school holidays, where more than 300 children contributed to a drama piece which created a new record for ‘Most Number of Children Contributing to a Storybook.’

Separately, in support of the People’s Association, Bukit Timah Citizens’ Consultative Committee and neighbouring old folk’s homes, IMM celebrated the Chinese New Year festive season by bringing together the elderly and the younger generation to promote social interaction and encourage family bonding. Another

charity initiative, ‘More Toys’, was also organised to encourage shoppers to donate their toys to children’s charities, such as the Children’s Cancer Foundation, Spastic Children’s Association of Singapore, Down Syndrome Association, Chen Su Lan Methodist Children’s Home and Make-A-Wish Foundation.

In support of the Breast Cancer Foundation, Bugis Junction hosted ‘Glow In Pink!’ presented by Yeo’s to educate the public about breast cancer. The event was graced by local artiste, Koh Chieng Mun, who shared her personal experience as a cancer survivor. Over at Bukit Panjang Plaza, the mall kick-started a weekly community aerobics session at its rooftop landscaped garden to promote healthy living amongst its residents. At Tampines Mall, Le Shepherd Education Centre and YMCA organised a fund-raising event for the under-privileged communities through the sale of crafts and balloon sculptures.

Beyond reaching out to the community via various types of activities, CMT continued to explore ways to make its malls more accessible and people friendly. In 2008, a Real-Time Location System (RTLS) pilot project using Radio-Frequency Identification (RFID) technology was launched in



collaboration with the Building and Construction Authority (BCA) at Plaza Singapura.

Shoppers with limited mobility, such as the disabled or aged, can request for a tag that comes attached with a tracking device when shopping at Plaza Singapura. In times of distress or if assistance is required, the emergency button on the tag can be activated to alert the security personnel at the mall. In addition, selected handicap toilets at Plaza Singapura were fitted with radio frequency control that allows exclusive access to shoppers with the RFID Tag.

## CARING FOR OUR ENVIRONMENT

Sustainable environmental practices and community conscious designs are cornerstones to CMT's success in effective asset management. CMT's efforts at engaging the community, through thoughtful designs and space planning, bore fruit when Plaza Singapura and IMM were both awarded the Bronze award in the Universal Design Awards for Built Environment from the BCA. The award recognises initiatives and efforts taken to create a seamlessly accessible built environment that can be used by people of different ages and abilities.

CMT continued to adopt CapitaLand Limited (CapitaLand)'s Environmental Policy and remains committed to improving its retail environment. The implementation of the Green Building Guidelines remains an important component in CMT's

environment sustainability practices. We continue to explore efficient use of resources to reduce wastage and ensure compliance with relevant environment legislation by aligning the processes in our properties to international acceptable criteria for environmental management.

## Energy Efficiency

2008 was a milestone year for CMT as we successfully launched the Environmental Tracking System (ETS) across our properties. ETS is an environmental early warning system, which allows us to track utility consumption and waste disposal patterns, monitor carbon emission of our properties and benchmark usage at the various properties.

The ETS empowers us to deliver better results on our key performance indicators required for the 'ISO 14000' certification, a prestigious international certification for environmental management systems, which we achieved in December 2007. Beyond conserving energy and minimising pollution, the ETS provides dollar savings as a result of improved efficiency in energy and water conservation.

To date, we have enjoyed good energy efficiency through continuous efforts in fine-tuning our operational procedures and improving our building system. We continue to look beyond conventional energy efficiency practices and explore more innovative ways of minimising energy use. We are

*Left*

Mr Mah Bow Tan, Minister for National Development, presents Universal Design Awards for Built Environment to Mr Abdul Rahman Bin Zaraz, IMM Building's Operations Manager

*Right*

Building a Greener Future Umbrella and CapitaLand Green-Shopping Bag



Left  
Recycling bins at  
CapitaLand Malls

Right  
'Sniff the Greens'  
programme at Plaza  
Singapura

reviewing different avenues such as adaptive comfort zones, bio-climate approach, and renewable sources of energy. For example, most of our malls are fitted with outdoor temperature sensors that balance the indoor temperature controlled by the central air conditioning system. These adaptive temperature control systems provide optimal levels of thermal comfort to the occupants indoors without unnecessary over-cooling, thereby reducing energy usage and utilities cost.

### Water Conservation

Many of our malls have been awarded the 'Water Efficient Building' certificate by the Public Utilities Board, Singapore as a result of their active water conservation efforts, which includes the installation of water saving devices and the use of 'NEWater' (recycled water that has been purified). The properties include Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM, Plaza Singapura, Bugis Junction, Lot One Shoppers' Mall, Bukit Panjang Plaza and Rivervale Mall. The property management team remains vigilant towards water conservation and continues to seek new ways to reduce water usage.

### Waste Disposal

In 2007, CMT kicked off a rigorous waste disposal and recycling program at our properties to collect and recycle three basic classes of waste (paper, plastic and metal). In 2008, the recycling initiative was taken one notch higher by launching the 'Building a Greener Future

at CapitaLand Malls' programme. An initiative under the CapitaLand Retail Care+ Series, the programme is part of our corporate social responsibility objective to raise environmental awareness and encourage our shoppers to adopt a greener way of life so as to leave a "green legacy" for future generations.

The programme includes a series of green initiatives and interactive edu-tainment activities organised at CMT malls for shoppers to learn practical ways to protect our environment. The official launch of 'Building a Greener Future at CapitaLand Malls', which was graced by Dr Yaacob Ibrahim, Singapore's Minister for the Environment & Water Resources, was held at Raffles City Singapore on 15 May 2008. Participating tenants' outlets gave away over 100,000 CapitaLand Green-Shopping Bag in place of the regular shopping bags, and shoppers received a 'Building a Greener Future' umbrella when they carried the CapitaLand Green-Shopping Bag on three or more occasions. In addition, shoppers got 50.0% off their beverage at participating coffee joints when they bring their own mug!

Separately, Plaza Singapura initiated the 'Sniff the Greens' programme, where primary schools' students were invited to a guided tour, on a quarterly basis, to learn about the environmentally-friendly attributes that support energy conservation and efficiency within a built environment.



Bugis Junction hosted the 'Gaia Life Challenge' by NRP Marketing MediaCorp in search of the most eco-friendly individual. Three finalists, with good eco-friendly practices, participated in the challenge to live the Gaia life for 24 hours in specially constructed perspex rooms housed in Bugis Square. The winner took home S\$10,000.

### Environmental Initiatives

CMT takes a holistic approach towards environmental conservation and using our resources efficiently. We are committed to maintain high performance at our properties while upholding our green goals. We take pride in being an eco-conscious member of the community and will persevere to achieve best practices in environmentally friendly building management through ongoing staff training, onsite monitoring and regular internal audits. We aim to continue to motivate our vendors and contractors to join us in our green initiatives by setting exemplary environmental practices.

## BUILDING AWARDS

### BUGIS JUNCTION

#### Water Efficient Building Award 2008

Public Utilities Board

### IMM BUILDING

#### Bronze Award

#### Universal Design Awards 2008

Building and Construction Authority

#### Water Efficient Building Award 2008

Public Utilities Board

### JUNCTION 8

#### Water Efficient Building Award 2008

Public Utilities Board

### LOT ONE SHOPPERS' MALL

#### Winner

#### 3rd South West District Public Health Awards 2008

#### Clean, Dry & Sparkling Public Toilets

South West Community Development Council & National Environment Agency

### PLAZA SINGAPURA

#### Bronze Award

#### Universal Design Awards 2008

Building and Construction Authority

### RIVERVALE MALL

#### Water Efficient Building Award 2008

Public Utilities Board

Top

'Gaia Life Challenge' at Bugis Junction

# PEOPLE & TALENT DEVELOPMENT

“PEOPLE ARE OUR GREATEST ASSET AND IT IS THEIR PASSION, PROFESSIONALISM, TALENT AND COMMITMENT THAT FORM THE BACKBONE OF OUR SUCCESS. RECOGNISING THAT PEOPLE MAKE THE ULTIMATE DIFFERENCE IN THE SUCCESS OF OUR BUSINESS, WE ARE ALWAYS ON THE LOOK OUT FOR OUTSTANDING TALENTS TO JOIN OUR COMPANY.”



Top  
Group photo of Greater  
China study trip.

## **NURTURING OUR TALENTS**

While bringing in the best people is an important first step in our talent management strategy, bringing out the best in them is equally important. Our employee value proposition is to provide ample opportunities for personal and career growth.

Our core in-house training and talent development initiatives, including the Assistant Centre Manager (ACM) programme and On-the-Job-Training (OJT), are essential to our talent development strategy. The ACM programme prepares Centre Management-Designates to assume leadership and management roles at our malls. OJT provides technical staff with the opportunity to upgrade and enhance their skills whilst at work.

We also work closely with CapitaLand Institute of Management and Business to provide our people with a wide range of professional and personal development curriculum, including internal and external training on communication, innovation and business management.

Members of our senior management team with proven track record and leadership potential are also provided with the opportunity to attend executive development programmes such as the CapitaLand Leadership Development Programme, which is facilitated by CapitaLand's senior management and

leading professors from the Chicago Graduate School of Business, and other overseas graduate school executive programmes.

In addition, annual overseas study trips are organised for staff to provide them with greater insights into the retail real estate business, and upcoming retail trends and concepts in various countries. In 2008, an eight-day Greater China study trip to HongKong, Macau and Shenzhen was conducted for 37 staff.

## **BUILDING A DYNAMIC, MULTI-SKILLED TEAM**

In line with our employee value proposition to grow and develop our people, staff are given the opportunity for inter-mall or inter-function rotation so as to widen their knowledge base. Selected top performers are given overseas posting opportunities to further expand their global insight.

## **CARING FOR OUR PEOPLE'S TOTAL WELL BEING**

A wide variety of workplace wellness initiatives were conducted in 2008. These included talks and workshops on 'Eating Right', 'Positive Parenting', as well as comprehensive health screening tests.

## **ENGAGING OUR PEOPLE**

We believe that it is important to cultivate an open work culture that facilitates communication and teamwork, and promotes the open exchange of ideas. Regular staff communication sessions are conducted by senior management to reach out to all staff. During these sessions, senior management shares on key financial results and strategic business thrusts, and engages staff in an open exchange of ideas to facilitate business improvements. To foster stronger team spirit, interactive social and recreational events, which included outdoor team building activities, football tournaments and even a durian party, were organised.

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**ACCOUNT+ABILITY** STAKEHOLDERS, WELL-INFORMED, CONNOTE CMT'S COMMITMENT TO STRONG CORPORATE GOVERNANCE AND GOOD INVESTOR RELATIONS PRACTICES. YEAR-ON-YEAR, CMT STRIVES TOWARDS ENHANCING ITS CORPORATE TRANSPARENCY STANDARDS TO DELIVER TIMELY, CONCISE AND ACCURATE INFORMATION TO THE INVESTMENT COMMUNITY.

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# CORPORATE GOVERNANCE

“WITH STRONG CORPORATE GOVERNANCE AS A TOUCHSTONE, WE ENDEAVOUR TO CONTINUE ENHANCING RETURNS TO UNITHOLDERS.”

## OUR ROLE

Our primary role as the manager of CMT (Manager) is to set the strategic direction of CMT and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CMT (Trustee), 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 us as the Manager. We are also responsible for the risk management of CMT.

As the Manager of CMT, we have general powers of management over the assets of CMT. Our primary responsibility is to manage the assets and liabilities of CMT for the benefit of Unitholders. We do this with a focus on generating rental income and enhancing asset value over time so as to maximise the returns from the investments, and ultimately the distributions and total return to Unitholders.

Our internal review procedures encompass proactive measures for avoiding situations of conflict and potential conflicts of interest, including prioritising the interests of Unitholders over the Manager's and ensuring that applicable laws and regulations are complied with, so that Unitholders' interests are best served at all times.

Our other functions and responsibilities as the Manager of CMT include:

- > Using our best endeavours to carry on and conduct CMT's business in a proper and efficient manner and to conduct all transactions with, or on behalf of, CMT at arm's length.
- > Preparing property plans on an annual basis for review by our Directors, including forecasts on revenue, net income and capital expenditure, explanation of major variances, to previous years' numbers, written commentary on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions. These plans explain the performance of CMT's assets.

- > Ensuring compliance with relevant laws and regulations, including the Listing Manual of the SGX-ST (Listing Manual), the CIS Code issued by the Monetary Authority of Singapore (MAS) and the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of CMT and its Unitholders.
- > Attending to all regular communications with Unitholders.
- > Supervising CapitaLand Retail Management Pte Ltd (CRMPL) (Property Manager), which performs the day-to-day property management functions (including leasing, accounting, marketing, promotion, coordination, project management and property management) for the CMT malls namely, Tampines Mall, Junction 8, Funan DigitaLife Mall, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, Hougang Plaza, Jurong Entertainment Centre, Lot One Shoppers' Mall, Bukit Panjang Plaza, Rivervale Mall and The Atrium@Orchard pursuant to the property management agreements signed for each mall. With regard to Raffles City Singapore (RCS), which is held by CMT and CapitaCommercial Trust (CCT) in the proportions of 40.0% and 60.0% respectively, the Property Manager holds 40.0% interest in CapitaLand (RCS) Property Management Pte. Ltd. which provides property management services to RCS. CapitaLand Commercial Management Pte Ltd, which is the property manager of the properties owned by CCT, holds the other 60.0%. As a result of its interest in CapitaLand (RCS) Property Management Pte. Ltd., the Property Manager is able to play a key role in directing the property management function for RCS.

CMT, constituted as a trust, is externally managed by the Manager and therefore has no personnel of its own. The Manager appoints experienced and well-qualified management to run its day-to-day operations. All Directors and employees of the Manager are remunerated by the Manager and not CMT.

CapitaMall Trust Management Limited (CMTML) is appointed as the Manager of CMT in accordance with the terms of the Trust Deed dated 29 October 2001 as amended by the First Supplemental Deed dated 26 December 2001, the Second Supplemental Deed dated 28 June 2002, the Amending and Restating Deed dated 29 April 2003, the Fourth Supplemental Deed dated 18 August 2003, the Second Amending and Restating Deed dated 9 July 2004, the Sixth Supplemental Deed dated 18 March 2005, the Seventh Supplemental Deed dated 21 July 2005, the Eighth Supplemental Deed dated 13 October 2005, the Ninth Supplemental Deed dated 20 April 2006, the Third Amending and Restating Deed dated 25 August 2006, the Eleventh Supplemental Deed dated 15 February 2007, the Twelfth Supplemental Deed dated 31 July 2007 and the Thirteenth Supplemental Deed dated 20 May 2008 (collectively, the Trust Deed). The Trust Deed outlines certain circumstances under which the Manager can be removed, by notice in writing given by the Trustee, in favour of a corporation appointed by the Trustee upon the occurrence of certain events, including by a resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

## OUR CORPORATE GOVERNANCE CULTURE

Strong corporate governance has always been our priority as the Manager. We recognise that an effective corporate governance culture is critical to our performance and, consequently, to the success of CMT. As such, corporate governance will always be at the top of our agenda.

## OUR ACHIEVEMENTS

Our commitment towards strong corporate governance was affirmed with CMT winning the 'Most Transparent Company' Award (REITs category) at the Securities Investors Association Singapore (SIAS) Investors' Choice Awards for the fifth consecutive year in 2008. CMT was also voted 5<sup>th</sup> in categories of Best Corporate Governance (Singapore) and Most Committed To A Strong Dividend Policy (Singapore), 8<sup>th</sup> in Best Managed Company (Singapore) and 10<sup>th</sup> in Best Investor Relations (Singapore) in the Finance Asia Awards 2008. CMT was also the winner of Best

Investor Relations by a CEO in the IR Magazine Awards 2008 (South East Asia).

We are committed to high standards of corporate governance and transparency in our management of CMT, and operate in the spirit of the Code of Corporate Governance 2005 (Code) in the discharge of our responsibilities as the Manager in our dealings with Unitholders and the other stakeholders. The following paragraphs describe our corporate governance policies and practices in 2008 as the Manager of CMT, with specific references to the Code. They encompass proactive measures adopted by us for avoiding situations of conflict and potential conflict of interest, including prioritising the interests of Unitholders over the Manager's and ensuring that applicable laws and regulations are complied with. For ease of reference, the relevant provisions of the Code under discussion are identified in italics.

## (A) BOARD MATTERS

### The Board's Conduct Of Affairs

#### Principle 1:

*Every company should be headed by an effective Board to lead and control the company. The Board works with Management to achieve this and the Management remains accountable to the Board.*

The Board of Directors of the Manager (the Board) is responsible for the overall management and governance of the Manager and CMT, in the best interests and for the benefit of Unitholders.

The Board provides leadership to the Manager, sets strategic directions and oversees competent management of CMT, including necessary financial and human resources, to meet its objectives. The Board establishes goals for management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risk, and compliance with applicable laws. It also sets the disclosure and transparency standards for CMT and ensures that obligations to Unitholders and other stakeholders are understood and met.

Each Director must act honestly, with due care and diligence, and in the best interests of Unitholders. This obligation ties in with the Manager's prime responsibility in managing the assets and liabilities

of CMT for the benefit of Unitholders. Decisions are taken objectively in the interests of CMT. The Manager has adopted guidelines, details of which are set out on page 66 for Interested Party Transactions (as defined herein) and dealing with conflicts of interest.

The Board meets regularly to discuss and review the Manager's key activities, including its business strategies and policies 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, review the annual budget, review the performance of the business, review the financial performance of the Manager and CMT and approve the release of the quarterly and full-year results. The Board also reviews the risks to the assets of CMT and acts upon any comments from the auditors of CMT. Additional Board meetings are held, where necessary, to address significant transactions or issues. The Articles of Association of the Manager permit Board meetings to be held by way of teleconference and videoconference.

In the discharge of its functions, the Board is supported by specialty Board committees that provide independent oversight of management, and which also serve to ensure that there are appropriate checks and balances. These Board committees are the Audit Committee, Executive Committee and Corporate Disclosure Committee. Each of these Board committees operate under delegated authority from the Board. Other committees may be formed as dictated by business imperatives and/or to promote operational efficiency.

The number of Board and committee meetings held in the year, as well as the attendance of their membership, are set out on page 60.

Information on the Audit Committee can be found in the section 'Audit Committee' below. The Executive Committee oversees the day-to-day activities of the Manager on behalf of the Board including, to:

- > Approve or make recommendations to the Board on new investments, acquisitions, financing offers and banking facilities.
- > Approve or make recommendations to the Board on divestments and write-offs of property assets/ equity stakes.

- > Approve specific budgets for capital expenditure for development projects, acquisitions and enhancements/ upgrading of properties.
- > Review management reports and operating budgets.
- > Award contracts for development projects.
- > Recommend changes to the financial limits for investment, etc.
- > Report to the Board on decisions made by the Executive Committee.
- > Perform such other functions as varied or delegated by the Board.

The members of the Executive Committee also meet informally during the course of the year.

The Corporate Disclosure Committee reviews corporate disclosure matters relating to CMT, including announcements to the SGX-ST, and pursues best practices in terms of transparency.

The Board has adopted a set of internal controls which sets out approval limits for, amongst others, capital expenditure, new investments and divestments, operating of bank accounts, bank borrowings and cheque signatories' arrangements at Board level. Apart from matters that specifically require the Board's approval – such as the issue of new Units, income distributions and other returns to Unitholders – the Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to Board committees. Appropriate delegation of authority and approval sub-limits are also provided at management level to facilitate operational efficiency.

The Manager issues formal letters upon appointment of new Directors. Newly appointed Directors are briefed on the business activities of CMT, its strategic directions and policies, the regulatory environment in which CMT operates, the Manager's corporate governance practices, and their statutory and other duties and responsibilities as Directors. Directors are routinely updated on developments and changes in the operating environment, including revisions to accounting standards, and laws and regulations affecting the Manager and/or CMT. Directors are also encouraged to participate in industry conferences, seminars or any training programme in connection with their duties.

## Board Composition and Guidance

### Principle 2:

*There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision-making.*

Currently, the Board consists of nine Directors of whom three are Independent Non-Executive Directors.

The majority of the Board members are Non-Executive with one-third of the Board being independent. Non-Executive Directors actively participate in setting and developing strategies and goals for management, and reviewing and assessing management's performance. 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. Coupled with a clear separation of the roles of the Chairman and the Chief Executive Officer, this provides a healthy professional relationship between the Board and management with clarity of roles and robust deliberation on the business activities of CMT.

A Director is considered independent if he has no relationship with the Manager or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interests of CMT. The Chairman of the Board, Hsuan Owyang<sup>1</sup>, James Glen Service and David Wong Chin Huat are considered to be Independent Directors.

The Board is of the view that its current composition comprises persons who, as a group, provide the necessary core competencies and that the current Board size is appropriate, taking into consideration the nature and scope of CMT's operations.

The profiles of the Directors are set out on pages 32 to 35 of this Report.

## Chairman and Chief Executive Officer

### Principle 3:

*There should be clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.*

The roles of Chairman and Chief Executive Officer are separate and the positions are held by two separate persons. This is to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The division of responsibilities between the Chairman and the Chief Executive Officer facilitates effective oversight and a clear segregation of duties. The Chairman and the Chief Executive Officer are not related to each other.

The Chairman leads the Board to ensure the effectiveness on all aspects of its role and sets its agenda. He ensures that the members of the Board receive accurate, clear and timely information, facilitates the contribution of Non-Executive Directors, encourages constructive relations between Executive Directors, Non-Executive Directors and management, ensures effective communication with Unitholders and promotes a high standard of corporate governance.

The Chairman also ensures that the Board works together with management with integrity, competency and moral authority, and to engage 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.

## Board Membership and Board Performance

### Principle 4:

*There should be a formal and transparent process for the appointment of new directors to the Board.*

### Principle 5:

*There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.*

<sup>1</sup> Resigned with effect from 1 January 2009. James Koh Cher Siang has been appointed with effect from 1 January 2009 in place of Hsuan Owyang.

As the Manager is not itself a listed entity, the Manager does not consider it necessary for the Board to establish a nominating committee as it believes that the performance of the Manager, and hence, its Board, is reflected in the long term success of CMT. Thus, the Board performs the functions that such a committee would otherwise perform, namely, it administers nominations to the Board, reviews the structure, size and composition of the Board, and reviews the independence of Board members. Directors of the Manager are not subject to periodic retirement by rotation.

The composition of the Board is reviewed regularly to ensure that the Board has the appropriate size and mix of expertise and experience. In particular, the Manager strives to ensure the Board as a whole has the requisite blend of background, experience and knowledge in business, finance and management skills critical to CMT's businesses, and that each Director with his special contribution brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made. A Director with multiple board representations is expected to ensure that sufficient attention is given to the affairs of the Manager and CMT.

The composition of the Board, including the selection of candidates for new appointments to the Board as part of the Board's renewal process, 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.
- > At least one-third of the Board should comprise Independent Directors.

The selection of candidates is evaluated taking into account various factors including the current and mid-term needs and goals of CMT, and hence, the Manager, as well as the relevant expertise of the candidates and their potential contributions. Candidates may be put forward or sought through contacts and recommendations.

The independence of each Director is reviewed upon appointment, and thereafter annually, by the Board.

Reviews of Board performance as appropriate are informal. Renewal or replacement of Board members do not necessarily reflect their contributions to date, but may be driven by the need to position and shape the Board in line with the medium term needs of CMT and its business.

The financial indicators, set out in the Code as guides for the evaluation of the Board and its Directors, are in the Manager's opinion more of a measurement of management's performance and therefore less applicable to Directors. In any case, such financial indicators provide a snapshot of CMT's performance, and do not fully measure the sustainable long term wealth and value creation of CMT. The Manager believes that Board performance and that of individual Board members would perhaps be better reflected in, and evidenced by, proper guidance, diligent oversight and able leadership, and the support that it lends to management in steering CMT in the appropriate direction, and the long term performance of CMT whether under favourable or challenging market conditions. This is ultimately reflected in safeguarding the interests of CMT and maximising Unitholder value.

Contributions by an individual Board member can also take other forms, including providing objective perspectives of issues, facilitating business opportunities and strategic relationships, and accessibility to management outside of a formal environment of Board and/or Board committee meetings.

The matrix of Board members' participation and attendance record at meetings of the Board and the specialty Board committees during the financial year is provided below. This also reflects a Board member's additional responsibilities and special focus on the respective Board committees.

## **Board and Board Committees Composition**

Five Board meetings were held in 2008. The tables contain the attendance record of Directors at Board meetings and committee meetings during the year, and details of their memberships in the Board and committees.

**COMPOSITION**

<b>BOARD MEMBERS</b>	<b>AUDIT COMMITTEE</b>	<b>EXECUTIVE COMMITTEE</b>	<b>CORPORATE DISCLOSURE COMMITTEE</b>
Hsuan Owyang <sup>1</sup>	C		C
Liew Mun Leong		C	M
Pua Seck Guan <sup>2</sup>		M	
Lim Beng Chee <sup>3</sup>		M	
James Glen Service	M		
David Wong Chin Huat	M		
S. Chandra Das			
Kee Teck Koon		M	M
Olivier Lim Tse Ghow	M	M	M
Wen Khai Meng <sup>4</sup> (Alternate to Kee Teck Koon)			
Lui Chong Chee <sup>5</sup>			

Denotes: C – Chairman, M – Member

1 Resigned with effect from 1 January 2009 (James Koh Cher Siang has been appointed with effect from 1 January 2009 in place of Hsuan Owyang).

2 Resigned with effect from 1 November 2008.

3 Appointed with effect from 1 November 2008.

4 Resigned with effect from 24 November 2008.

5 Appointed with effect from 24 November 2008.

**MEETING ATTENDANCE**

<b>BOARD MEMBERS</b>	<b>BOARD NO. OF MEETINGS HELD: 5</b>	<b>AUDIT COMMITTEE NO. OF MEETINGS HELD: 4</b>
Hsuan Owyang <sup>1</sup>	5	4
Liew Mun Leong	5	N.A.
Pua Seck Guan <sup>2</sup>	5	N.A.
Lim Beng Chee <sup>3</sup>	N.A.	N.A.
James Glen Service	5	4
David Wong Chin Huat	5	4
S. Chandra Das	5	N.A.
Kee Teck Koon	5	N.A.
Olivier Lim Tse Ghow	4	2
Wen Khai Meng <sup>4</sup> (Alternate to Kee Teck Koon)	N.A.	N.A.
Lui Chong Chee <sup>5</sup>	N.A.	N.A.

1 Resigned with effect from 1 January 2009 (James Koh Cher Siang has been appointed with effect from 1 January 2009 in place of Hsuan Owyang).

2 Resigned with effect from 1 November 2008.

3 Appointed with effect from 1 November 2008.

4 Resigned with effect from 24 November 2008.

5 Appointed with effect from 24 November 2008.

## **Access to Information and Accountability**

### **Principle 6:**

*In order to fulfil their responsibilities, Board members should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.*

### **Principle 10:**

*The Board should present a balanced and understandable assessment of the company's performance, position and prospects.*

Management provides the Board with complete and adequate information in a timely manner. This is done through regular updates on financial results, market trends and business developments. Changes to regulations, policies and accounting standards are also monitored closely. To keep pace with regulatory changes, where these changes have an important and significant bearing on CMT and its disclosure obligations, the Directors are briefed by management during Board meetings, at specially convened sessions or via circulation of Board papers. Information provided to the Board include explanatory background relating to matters to be brought before the Board, budgets, forecasts and management accounts. In relation to budgets, any material variance between projections and actual results are disclosed and explained.

The Secretary of the Manager works with the Chairman and management to ensure that Board papers and agenda are provided to each Director in advance of Board meetings so that they can familiarise themselves with the matters prior to the Board meetings. Senior executives who can provide additional insights into matters to be discussed are requested to also attend the Board meetings so as to be at hand to answer questions. Board meetings are usually half-a-day affairs and include presentations by senior executives, external consultants and experts on strategic issues relating to specific business areas.

The Board has separate and independent access to the Manager's senior management and the Secretary, and vice versa. The Secretary will give the Board the necessary assistance and is also responsible for assisting the Chairman in ensuring that Board procedures are followed and that the applicable laws and regulations are complied with.

Under the direction of the Chairman, the Secretary's responsibilities include ensuring good information flows within the Board and its committees and between senior management and Non-Executive Directors as well as facilitating orientation and assisting with professional development as required. The Secretary attends Board meetings and committee meetings to take minutes. The appointment and removal of the Secretary is a Board reserved matter.

Where necessary, the Manager will, upon the request of Directors (whether as a group or individually), provide them with independent professional advice, at the Manager's expense, to enable them to discharge their duties. The Secretary assists the Directors in obtaining such advice.

The Manager has implemented quarterly financial reporting for CMT since inception. Financial results and other price sensitive public announcements are presented in a balanced and understandable assessment of CMT's performance, position and prospects. The Manager also provides the Directors with management accounts on a monthly basis to enable Directors to keep abreast of CMT's financial performance, position and prospects.

## **(B) REMUNERATION MATTERS**

### **Procedures for Developing Remuneration Policies**

#### **Principle 7:**

*There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.*

### **Level and Mix of Remuneration**

#### **Principle 8:**

*The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.*

**Disclosure on Remuneration****Principle 9:**

*Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration in the company's annual report. It should provide disclosure in relation to its remunerative policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.*

The remuneration of Directors and staff of the Manager is paid by the Manager, and not by CMT.

The Manager adopts the remuneration policies and practices of its holding company, CapitaLand Limited (CL), which has a remuneration committee that determines and recommends to the CL board of directors, the framework of remuneration, terms of engagement, compensation and benefits for senior executives of the CL Group, which include the Chief Executive Officer of the Manager and members of its senior management team. It is hence not necessary for the Manager to have a remuneration committee.

Since CMT does not bear the remuneration of the Manager's Board and staff, the Manager does not consider it necessary to include a report on remuneration of its Directors (other than as set out below) and its key executives.

The remuneration of Directors for FY2008 is shown in the table below. The Chief Executive Officer and representatives of CL on the Board of the Manager do not receive directors' fees. Non-Executive Directors have no service contracts with the Manager. They receive a basic fee, an additional fee for serving on any of the committees and an attendance fee for participation in meetings of the Board and any of the committees, project meetings and verification meetings. In determining the quantum of such fees, factors such as frequency of meetings, time spent and responsibilities of directors are taken into account. The Chairman and members of the Audit Committee receive additional fees to take into account the nature of their responsibilities and the greater frequency of meetings.

<b>BOARD MEMBERS</b>	<b>FY2008 DIRECTOR'S FEES<sup>1</sup></b>	<b>FY2007 DIRECTOR'S FEES<sup>1</sup></b>
Hsuan Owyang <sup>2</sup>	S\$115,000	S\$117,000
Liew Mun Leong	-	-
Pua Seck Guan <sup>3</sup>	-	-
Lim Beng Chee <sup>4</sup>	-	-
James Glen Service	S\$92,700	S\$87,700
David Wong Chin Huat	S\$69,000	S\$69,000
S. Chandra Das	S\$46,000	S\$44,000
Kee Teck Koon	-	-
Olivier Lim Tse Ghow	-	-
Wen Khai Meng <sup>5</sup> (Alternate to Kee Teck Koon)	-	-
Lui Chong Chee <sup>6</sup>	-	-

<sup>1</sup> Including additional fees of S\$2,000 (local director) and S\$5,000 (foreign director) per meeting attendance and including additional fees of S\$1,700 per meeting attendance via teleconference or videoconference.

<sup>2</sup> Resigned with effect from 1 January 2009 (James Koh Cher Siang has been appointed with effect from 1 January 2009 in place of Hsuan Owyang).

<sup>3</sup> Resigned with effect from 1 November 2008.

<sup>4</sup> Appointed with effect from 1 November 2008.

<sup>5</sup> Resigned with effect from 24 November 2008.

<sup>6</sup> Appointed with effect from 24 November 2008.

## (C) ACCOUNTABILITY AND AUDIT

### Audit Committee

#### Principle 11:

*The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.*

The Audit Committee is established by the Board from among the Directors of the Manager and comprises four members, all non-executive, the majority of whom (including the Chairman of the Audit Committee) are independent.

The Manager is of the view that the Audit Committee members have the relevant expertise to discharge the functions of an Audit Committee.

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

- > Monitoring and evaluating the effectiveness of the Manager's internal control process (including financial, operational and compliance controls and risk management policies and systems) 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.
- > Reviewing the adequacy and effectiveness of the internal audit function.
- > Monitoring the procedures established to regulate Interested Party Transactions (as defined below), including ensuring compliance with Chapter 9 of the Listing Manual on interested person transactions, transactions between CMT and an 'interested person', and compliance with the provisions of the Property Funds Guidelines of the CIS Code (the Property Funds Guidelines) relating to transactions between CMT and an 'interested party'.
- > Reviewing the appointment and re-appointment of auditors (including remuneration and terms of engagement) before recommending them to the

Board for approval and reviewing the adequacy of existing audits in respect of cost, scope and performance.

- > Reviewing the scope and results of the audit and its cost effectiveness, and 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.
- > Monitoring the procedures in place to ensure compliance with applicable legislation, the Listing Manual and the Property Funds Guidelines.

The Audit Committee is authorised to investigate any matters within its terms of reference. The Audit Committee has full access to and co-operation of the management and the internal auditors and has full discretion to invite any executive director or officer to attend its meetings. The internal auditors and CMT's external auditors, have unrestricted access to the Audit Committee. Reasonable resources have been made available to the Audit Committee to enable it to discharge its duties.

The Audit Committee meets CMT's external auditors, and with the internal auditors, without the presence of management, at least annually.

In its review of the audited financial statements for FY2008, the Audit Committee discussed with management and external auditors the accounting principles that were applied. Based on the review and discussions with management and the external auditors, the Audit Committee is of the view that the financial statements are fairly presented, and conform to generally accepted accounting principles in all material aspects.

The Audit Committee has also conducted a review of all non-audit services provided by the external auditors during the financial year and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The non-audit fee paid and payable to the external auditors for FY2008 amount to S\$145,000.

Audit Committee meetings are generally held after the end of every quarter of every financial year. Four Audit Committee meetings were held during the year.

## Internal Controls

### Principle 12:

*The Board should ensure that Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.*

## Internal Audit

### Principle 13:

*The company should establish an internal audit function that is independent of the activities it audits.*

The Audit Committee reviews, at least once a year, the effectiveness of the Manager's material internal controls, including financial, operational and compliance controls, and risk management, taking into account recommendations from CMT's external auditors and internal auditors. Material non-compliance and internal control weaknesses noted during the audit are reported to the Audit Committee. The Board is satisfied that the Manager's internal controls are adequate.

The Manager has in place an internal audit function supported by CapitaLand's Internal Audit Department (CLIA) in relation to CMT since inception. 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 United States. 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.
- > 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 standards developed by the IIA into its audit practices and meets with the standards set by the IIA.

CLIA is headed by a senior manager, who reports directly to the Audit Committee on audit matters and to the Chief Executive Officer of the Manager on administrative matters. The Audit Committee reviews the internal audit reports and activities on an on-going basis. The Audit Committee also reviews and approves the annual internal audit plan with respect to CMT. The Audit Committee is of the view that the internal audit department is adequately resourced to perform its functions and have, to the best of its ability, maintained its independence from the activities that it audits.

## (D) COMMUNICATION WITH UNITHOLDERS

### Principle 14:

*Companies should engage in regular, effective and fair communication with shareholders.*

### Principle 15:

*Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the Company.*

The Listing Manual requires that a listed entity disclose to the market matters that could, or might be expected to, have a material effect on the price of the entity's securities. In line with CMT's disclosure obligations, the Board's policy is to inform Unitholders, in a timely manner, 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. The Manager communicates information on CMT to Unitholders and the investing community through announcements that are released to the SGX-ST via SGXNET. Such announcements include the quarterly and full-year results, material transactions, and other developments relating to the CMT requiring disclosure under the corporate disclosure policy of the SGX-ST. Communication channels with Unitholders are also made accessible via:

- > Media and Analysts' briefings (with 'LIVE' webcast available for viewing on CMT's website).

- > One-on-one/group meetings or conference calls, investor luncheons, local/overseas roadshows and conferences.
- > Annual Reports.
- > Press releases on major developments of CMT.
- > Notices of, and explanatory memoranda for, extraordinary general meetings (EGMs).
- > CMT's website at [www.capitamall.com](http://www.capitamall.com) (Email alerts option is available to subscribers who wish to be notified of newly posted announcements/press releases/presentations/publications).

During the "LIVE" webcast of Media and Analysts' briefings, viewers are also given the opportunity to send in their queries online. The queries received are responded to the Manager during the Webcast's question and answer segment, time permitting. The Manager will then separately address the queries not addressed during the webcast.

CMT is the only Singapore REIT included in the Straits Times Index (STI), the primary Singapore equity market barometer. It is also included in other key indices such as the FTSE4Good Global Index, FTSE/ASEAN Index, FTSE European Public Real Estate Association (EPRA) /NAREIT Global Real Estate Index, FTSE STI, FTSE Straits Times All Share Index, FTSE ST Financials Index, FTSE ST Real Estate Index, FTSE ST REIT, Global Property Research (GPR) General Index, GPR General ex-US Index, GPR General Far East Index, GPR General Far East ex-Japan Index, GPR General Singapore Index, GPR General Quoted Index, GPR General Quoted ex-US Index, GPR General Quoted Far East Index, GPR General Quoted Far East ex-Japan Index, GPR General Quoted Singapore Index, GPR 250 Index, GPR 250 ex-US Index, GPR 250 Asia Index, GPR 250 Asia ex-Japan Index, GPR 250 Asia Pacific Index, GPR 250 Asia Pacific ex-Japan Index, GPR 250 South-Eastern Asia Index, GPR 250 Singapore Index, GPR 250 REIT Index, GPR 250 REIT ex-US Index, GPR 250 REIT Asia Index, GPR 250 REIT Asia ex-Japan Index, GPR 250 REIT Asia Pacific Index, GPR 250 REIT Asia Pacific ex-Japan Index, GPR 250 REIT South-Eastern Asia Index, GPR 250 REIT Singapore Index, Morgan Stanley Capital International (MSCI) Singapore Standard, MSCI World Standard Index, Standard and Poor's (S&P) BMI Global index, S&P Global Property and S&P Global REIT index – all of which are widely tracked and referred to by international fund managers as performance benchmarks in the selection and monitoring of investments.

With majority of Units held by institutional investors, the Manager considers meetings with local and foreign fund managers an integral part of investor relations.

During the year under review, the Manager met with institutional investors from Singapore, Hong Kong, Japan, the United Kingdom, the United States, Canada, various European countries and Australia. These meetings and roadshows with investors enabled the Manager to update potential and current Unitholders on CMT's significant developments and its medium to long term strategies. CMT also participates in various local and overseas conferences as part of its efforts to build interest in the Singapore REIT market. The Manager will continue to pursue opportunities to educate and keep retail investors informed of the latest developments in the Singapore REIT industry, through relevant seminars and conferences.

Unitholders and potential stakeholders have 24-hour access to CMT's website for information on CMT's major developments, property descriptions, announcements and other corporate information. CMT's unit price information (20 minutes lag-time) is also made available on the website. In addition, the public can pose questions via a dedicated 'Ask Us' email address, 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 on the SGX-ST and the media.

All Unitholders are sent a copy of the CMT Annual Report. As and when an EGM of the Unitholders is to be held, each Unitholder is sent a copy of a circular to Unitholders which contains details of the matters to be proposed for Unitholders' consideration and approval. The notice of EGM which sets out all items of business to be transacted at the EGM, is also announced on SGXNET and advertised in the newspapers. Members of the Board, the Manager's senior management and the external auditors of CMT are in attendance at EGMs, and Unitholders are given the opportunity to air their views and ask questions regarding the matters to be tabled at the EGM. Resolutions put to the EGMs are separate unless they are interdependent and linked, and the reasons and material implications are explained. A Unitholder is allowed to appoint one or two proxies to attend and vote at EGMs meetings in his/her stead.

## (E) ADDITIONAL INFORMATION

### Dealings With Interested Parties

#### Review Procedures for Interested Party Transactions

In general, the Manager has established internal control procedures to ensure that all future transactions involving the Trustee and a related party of the Manager (Interested 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 respect of such transactions, the Manager would have to demonstrate to the Audit Committee that the transactions are undertaken on normal commercial terms which may include obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining valuations from independent valuers (in accordance with the Property Funds Guidelines).

In addition, the following procedures will be followed:

- > Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding S\$100,000 in value, but below 3.0% of CMT's net tangible assets, will be subject to review and approval by the Audit Committee.
- > Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 3.0%, but below 5.0% of CMT's net tangible assets, will be subject to the review and approval of the Audit Committee.
- > Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 5.0% of CMT's net tangible assets will be reviewed and approved by the Audit Committee which may as it deems fit request advice on the transaction from independent sources or advisors, including the obtaining of valuations from professional valuers. Further, under the Listing Manual and the Property Funds Guidelines, such transactions would have to be approved by the Unitholders of CMT at a meeting of Unitholders.

- > Audit Committee's 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.

Where matters concerning CMT relate to transactions entered into, or to be entered into, by the Trustee for and on behalf of CMT with an interested party of the Manager, the Trustee is required to ensure that such transactions are conducted on normal commercial terms, and will not be prejudicial to the interest of CMT and the Unitholders, and 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 an interested party of the Manager. If the Trustee is to sign any contract with a related party of the Manager, the Trustee will review the contract to ensure that it complies with applicable requirements relating to interested party transactions in the Property Funds Guidelines (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as other guidelines as may from time to time be prescribed by the MAS and the SGX-ST or other relevant authority to apply to REITs.

#### Role of the Audit Committee for Interested Party Transactions

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

The Manager's internal control procedures are intended to ensure that Interested 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 Interested 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 Interested Party Transactions entered into by CMT. The Audit Committee reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor Interested Party Transactions have been complied with. In addition, the Trustee will

also review such audit reports to ascertain that the Property Funds Guidelines have been complied with.

The Audit Committee periodically reviews Interested 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.

Details of all Interested Party Transactions (equal to or exceeding S\$100,000 each in value) entered into by CMT during the financial year are disclosed on page 171 of this Report.

#### **Dealings 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:

- > The Manager will be a dedicated manager to CMT and will not manage any other REIT or be involved in any other real property business.
- > 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.
- > In respect of matters in which CL and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by CL and/or its subsidiaries to the Board will abstain from voting.
- > 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 agreements. 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.

- > The Board shall include at least two Independent Directors.

The Directors of the Manager are under a fiduciary duty to CMT to act in its best interests in relation to decisions affecting CMT when they are voting as members of the Board. In addition, the Directors and executive officers of the Manager are expected to act with integrity and honesty at all times.

Additionally, the Trustee has been granted a right of first refusal by CapitalLand Retail Limited (CRTL) over all retail income-producing properties located in Singapore with certain specified characteristics which may in the future be identified and targeted for acquisition by CRTL or any of its subsidiaries.

Under the Trust Deed, in respect of voting rights where the Manager would face a conflict between its own interest and that of the Unitholders, the Manager shall cause such voting rights to be exercised according to the discretion of the Trustee.

#### **RISK ASSESSMENT AND MANAGEMENT OF BUSINESS RISK**

Effective risk management is a fundamental part of CMT's business strategy. Recognising and managing risk is central to the business and to protecting Unitholders' interests and value. CMT operates within overall guidelines and specific parameters set by the Board. Each transaction is comprehensively analysed to understand the risk involved. Responsibility for

managing risk lies initially with the business unit concerned, working within the overall strategy outlined by the Board.

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 regularly 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 regular 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.

The Board generally meets quarterly, or more often if necessary to review the financial performance of the Manager and CMT against a previously approved budget. The Board also reviews the risks to the assets of CMT and acts upon any comments by the auditors of CMT. In assessing business risk, the Board considers the economic environment and the property industry risk. The Board and its Executive Committee review and approve all investment decisions. Management meets regularly to review the operations of the Manager and CMT and discuss continuous disclosure issues.

The Manager has determined that significant risk for CMT will most likely arise when making property investment decisions. Accordingly, the Manager has established procedures to be followed when making such decisions. In accordance with this policy, the Board requires comprehensive due diligence to be carried out in relation to the proposed investment and

a suitable determination is made as to whether the anticipated return on investment is appropriate, having regard to the level of risk.

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.

## **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 material unpublished price-sensitive information and during the period commencing from (i) two weeks before the release of CMT's quarterly results and (ii) one month before the release of CMT's full-year results to the date of the release of the relevant results to the SGX-ST. Under these guidelines, Directors and employees have been directed to refrain from dealing in CMT units on short-term considerations. They are also made aware of the applicability of the insider trading laws at all times.

## **WHISTLE-BLOWING**

The Audit Committee has put in place procedures to provide employees of the Manager with well defined and accessible channels to report on suspected fraud, corruption, dishonest practices or other similar matters relating to CMT and the Manager, and for the independent investigation of any reports by employees and appropriate follow up action. The aim of the whistle-blowing policy is to encourage the reporting of such matters in good faith, with the confidence that employees making such reports will be treated fairly, and to the extent possible, be protected from reprisal. On an ongoing basis, the whistle blowing policy is covered during staff training to promote fraud awareness.

# INVESTOR AND MEDIA RELATIONS

In 2008, CMT continued to uphold its firm commitment towards strong corporate governance and good investor relations practices. CMT was commended for its consistent efforts when it won the 'Most Transparent Company' Award (Real Estate Investment Trusts category) at the Securities Investors Association (Singapore) Investors' Choice Awards for the fifth consecutive year. CMT also won 'Best Investor Relations by a CEO – Mr Pua Seck Guan' at the IR Magazine Awards 2008 (South East Asia) and was ranked amongst the top ten businesses in the FinanceAsia Awards 2008 (Singapore) in the categories of 'Best Corporate Governance', 'Best Investor Relations', 'Best Managed Company' and 'Most Committed to Strong Dividend Policy'.

Throughout the year, CMT's management spent a considerable amount of time communicating with the investment and media communities. In addition to hosting combined media-cum-analysts' briefing for Half-Year and Full-Year Financial Results, CMT's management regularly touch-base with existing and potential investors via one-on-one/group meetings or conference calls, or by attending local and overseas conferences, post-results investors lunch/tea sessions and non-deal roadshows.

Tours of CMT's properties were also conducted for analysts, investors and media upon request.

On 17 July 2008, CMT raised its corporate governance standards further with a 'LIVE' webcast of its Half-Year Financial Results briefing. Viewers of the webcast could also send in questions online to be addressed by CMT's management team on the spot.

CMT remains the largest real estate investment trust by asset size (S\$7.5 billion) and market capitalisation (S\$2.7 billion) in Singapore as at 31 December 2008. Its annual trading liquidity continues to be on an uptrend since its listing, registering an increase of 27.3% from approximately 1.1 billion units in 2007 to 1.4 billion units in 2008.

Amidst the current uncertain global economic climate, it is critical for our stakeholders to receive transparent, timely and accurate information to facilitate their evaluation process and make informed decisions. On this front, CMT's management will continue to strive towards enhancing good investor relations practices, corporate governance and transparency levels for CMT.

## TRADING DATA BY YEAR

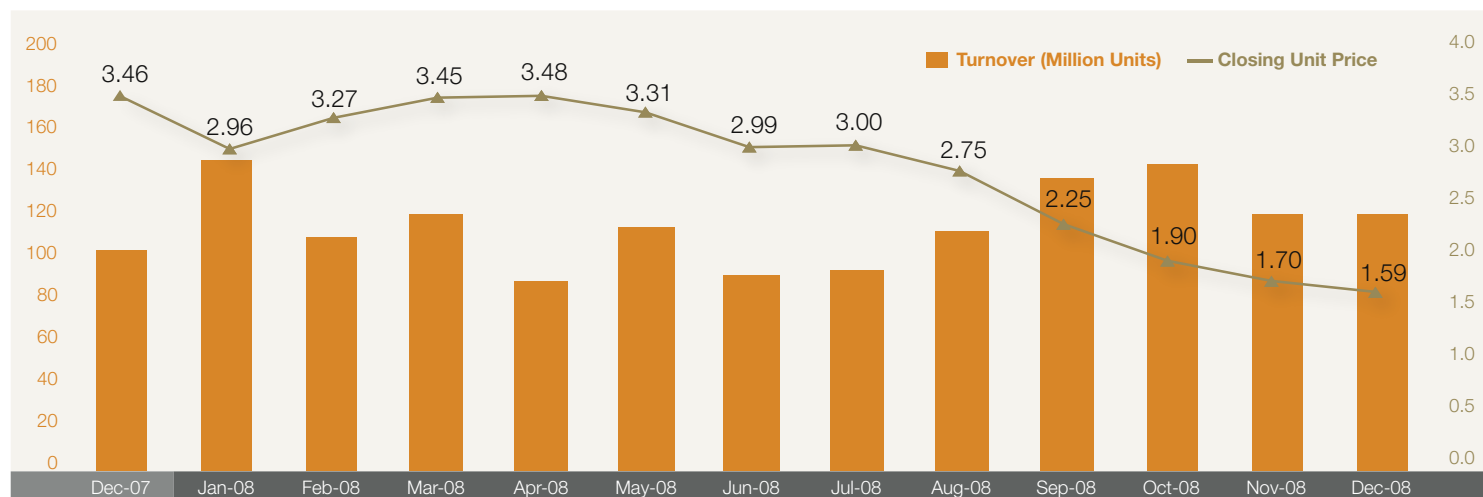
UNIT PRICE (S\$)	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008
Highest	1.06	1.43	1.76	2.66	2.93	4.32	3.75
Lowest	0.98	1.00	1.36	1.73	2.01	2.76	1.38
Average Closing	1.02	1.17	1.58	2.25	2.40	3.64	2.78
Last Done	1.01	1.43	1.76	2.24	2.91	3.46	1.59
Turnover (Million Units)	97.5	261.4	307.5	353.7	549.6	1,111.6	1,380.6

<sup>1</sup> CMT commenced trading on 17 July 2002.

## CMT MONTHLY TRADING PERFORMANCE IN 2008

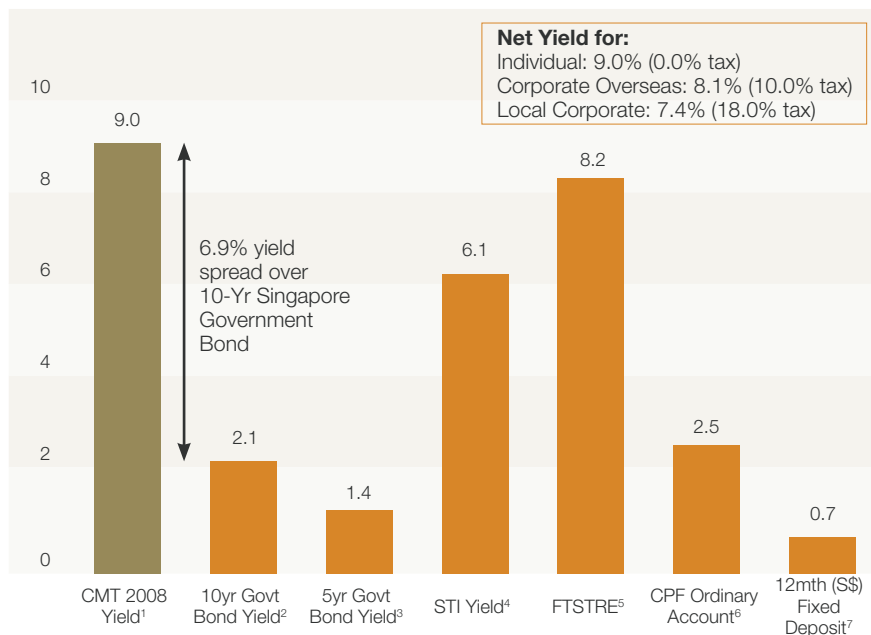
Turnover (million units)

Month-End Closing Unit Price (S\$)



## COMPARATIVE YIELDS

AS AT 31 DECEMBER 2008



Source: Bloomberg, CapitaMall Trust Management Limited (CMTML), Central Provident Fund (CPF) Board

- 1 Based on the actual distribution per unit of 14.29 cents for the period 1 January 2008 to 31 December 2008 and the year end unit closing price of S\$1.59 on 31 December 2008.
- 2 10-Year Singapore Government Bond yield as at 31 December 2008.
- 3 5-Year Singapore Government Bond yield as at 31 December 2008.
- 4 Average 12-month gross dividend yield of ST Index stocks as at 31 December 2008.
- 5 Average 12-month gross dividend yield of ST Real Estate Index as at 31 December 2008.
- 6 Prevailing CPF Ordinary Account savings rate.
- 7 Average 12-month S\$ fixed deposit savings rate as at 31 December 2008.

## AWARDS & ACCOLADES 2008

- > **Winner, Most Transparent Company Award (REITs Category)**  
SIAS Investors' Choice Awards, Securities Investors Association (Singapore)
- > **5<sup>th</sup> (Most Committed To A Strong Dividend Policy, Singapore Category), Asia's Best Managed Companies**  
FinanceAsia
- > **5<sup>th</sup> (Best Corporate Governance, Singapore Category)**  
**Asia's Best Managed Companies**  
FinanceAsia
- > **8<sup>th</sup> (Best Managed Company, Singapore Category)**  
**Asia's Best Managed Companies**  
FinanceAsia
- > **10<sup>th</sup> (Best Investor Relations, Singapore Category)**  
**Asia's Best Managed Companies**  
FinanceAsia
- > **Winner, Best Investor Relations by a CEO - Pua Seck Guan**  
IR Magazine Awards 2008 (South East Asia)

## CONSTITUENT OF KEY INDICES

FTSE4Good Global Index  
 FTSE/ASEAN Index  
 FTSE EPRA<sup>1</sup>/NAREIT<sup>2</sup> Global Real Estate Index  
 FTSE Straits Times (ST) Index  
 FTSE ST All Share Index  
 FTSE ST Financials Index  
 FTSE ST Real Estate Index  
 FTSE ST REIT<sup>3</sup>

GPR<sup>4</sup> General Index  
 GPR<sup>4</sup> General ex-US Index  
 GPR<sup>4</sup> General Far East Index  
 GPR<sup>4</sup> General Far East ex-Japan Index  
 GPR<sup>4</sup> General Singapore Index  
 GPR<sup>4</sup> General Quoted Index  
 GPR<sup>4</sup> General Quoted ex-US Index  
 GPR<sup>4</sup> General Quoted Far East Index  
 GPR<sup>4</sup> General Quoted Far East ex-Japan Index  
 GPR<sup>4</sup> General Quoted Singapore Index

GPR<sup>4</sup> 250 Index  
 GPR<sup>4</sup> 250 ex-US Index  
 GPR<sup>4</sup> 250 Asia Index  
 GPR<sup>4</sup> 250 Asia ex-Japan Index  
 GPR<sup>4</sup> 250 Asia Pacific Index  
 GPR<sup>4</sup> 250 Asia Pacific ex-Japan Index  
 GPR<sup>4</sup> 250 South-Eastern Asia Index  
 GPR<sup>4</sup> 250 Singapore Index

GPR<sup>4</sup> 250 REIT Index  
 GPR<sup>4</sup> 250 REIT ex-US Index  
 GPR<sup>4</sup> 250 REIT Asia Index  
 GPR<sup>4</sup> 250 REIT Asia ex-Japan Index  
 GPR<sup>4</sup> 250 REIT Asia Pacific Index  
 GPR<sup>4</sup> 250 REIT Asia Pacific ex-Japan Index  
 GPR<sup>4</sup> 250 REIT South-Eastern Asia Index  
 GPR<sup>4</sup> 250 REIT Singapore Index

MSCI<sup>5</sup> Singapore Standard  
 MSCI<sup>5</sup> World Standard Index

S&P<sup>6</sup> BMI Global index  
 S&P<sup>6</sup> Global Property  
 S&P<sup>6</sup> Global REIT index

ST Index

- 1 European Public Real Estate Association
- 2 National Association of Real Estate Investment Trusts
- 3 Real Estate Investment Trust
- 4 Global Property Research
- 5 Morgan Stanley Capital International
- 6 Standard & Poor's

## FINANCIAL CALENDAR

	2008	2009 (TENTATIVE)
First Quarter Results Announcement	22 April 2008	April 2009
First Quarter Distribution to Unitholders	29 May 2008	May 2009
Second Quarter Results Announcement	17 July 2008	July 2009
Second Quarter Distribution to Unitholders	27 August 2008	August 2009
Third Quarter Results Announcement	21 October 2008	October 2009
Third Quarter Distribution to Unitholders	27 November 2008	November 2009
Full Year Results Announcement	22 January 2009	January 2010
Final Distribution to Unitholders	27 February 2009	February 2010

## INVESTOR RELATIONS & MEDIA ACTIVITIES

23 January	Post-1Q 2008 Results Investors' Lunch hosted by Macquarie
14 February	Analysts' lunch cum mall tour at Bugis Junction, Singapore
2 & 3 April	Credit Suisse Asian Investment Conference 2008 (Hong Kong)
28 & 29 April	Citigroup Asia Pacific Property Conference 2008 (Singapore)
22 May	The Atrium@Orchard (Atrium) Acquisition Media & Analysts' Briefing
3 June	Atrium Acquisition Investors' Tea Session hosted by UBS
24 & 25 June	Real Estate Investment World Asia 2008 Exhibition (Singapore)
17 July	Half-Year 2008 Results Media & Analysts' Briefing cum 'LIVE' Webcast Post-Half-Year 2008 Results Investors' Tea Session hosted by Credit Suisse
16 & 17 August	Invest Fair 2008 (Singapore)
9 September	Post-Atrium Acquisition Investors' Property Tour cum Tea Session hosted by Deutsche
21 October	3Q 2008 Results Media & Analysts' Briefing cum 'LIVE' Webcast Post-3Q 2008 Results Investors' Lunch hosted by JP Morgan
6 & 7 November	JP Morgan Non-deal Hong Kong Roadshow
14 November	HSBC Non-deal Edinburgh Roadshow
17 & 18 November	Macquarie Emerging Leaders Conference (London)
20 & 21 November	Macquarie Emerging Leaders Conference (New York)

## UNITHOLDER ENQUIRIES

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

### THE MANAGER

Investor Relations and Corporate Communications  
Tel: (65) 6536 1188  
Fax: (65) 6536 3884  
Email: ask-us@capitamall.com  
Website: www.capitamall.com

### THE UNITHOLDER REGISTRAR

Boardroom Corporate and Advisory Services Pte. Ltd.  
3 Church Street #08-01  
Samsung Hub  
Singapore 049483  
Tel: (65) 6536 5355  
Fax: (65) 6536 1360  
Website: www.boardroomlimited.com

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

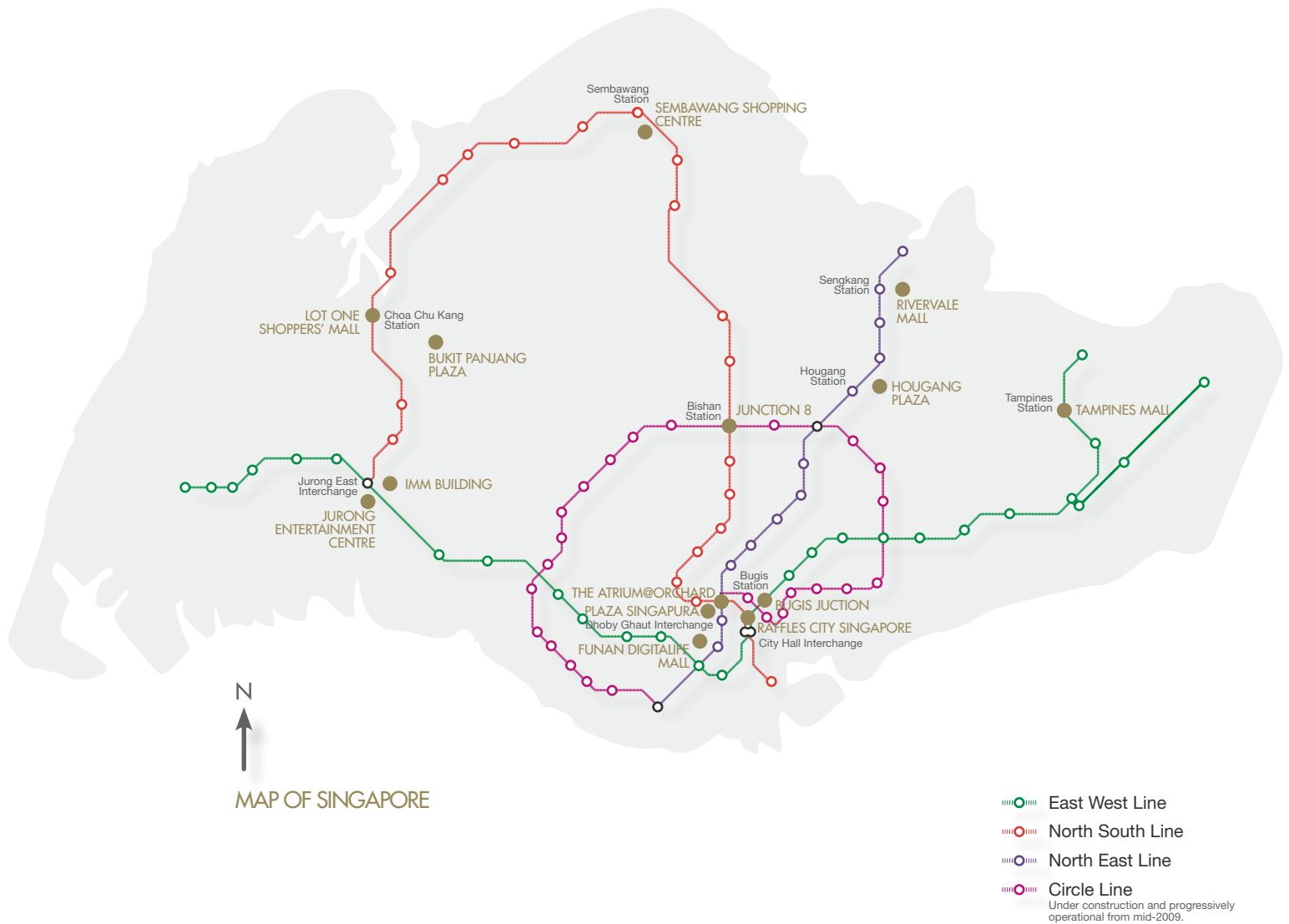
PSTABILITYCAPABILITY  
ACAPABILITYMARKET  
USUSTAINABILITYACC  
SACCOUNTABILITYS  
F**SCALEABILITY**PROFIT

**SCALE+ABILITY** PORTFOLIO, WELL-BALANCED, UNDERSCORES THE SCALABILITY OF CMT'S OPERATIONS. THE MULTIPLIER EFFECT THAT COMES WITH AN IN-DEPTH UNDERSTANDING OF OUR TENANTS, COUPLED WITH THE FLEXIBILITY TO QUICKLY ALIGN WITH THE NEEDS OF THE MARKET, MAKE CMT RESILIENT.

YPROFITABILITYSTABIL

# DIVERSIFIED PORTFOLIO

CMT's portfolio of 14 quality properties are well-diversified in the suburban areas and downtown core of Singapore. The portfolio includes Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, Jurong Entertainment Centre, Hougang Plaza, Raffles City Singapore (40.0% interest), Lot One Shoppers' Mall, Bukit Panjang Plaza, Rivervale Mall and The Atrium@Orchard. These largely suburban properties are strategically located close to public transportation nodes such as Mass Rapid Transit (MRT)/Light Rail Transit (LRT) train stations and bus interchanges with captive population catchments.



# PORTFOLIO SUMMARY

	TAMPINES MALL	JUNCTION 8	FUNAN DIGITALIFE MALL	IMM BUILDING	PLAZA SINGAPURA	BUGIS JUNCTION	SEMBAWANG SHOPPING CENTRE
NET LETTABLE AREA (SQ FT) AS AT 31 DECEMBER 2008	328,062	246,721	297,740	Retail: 407,264 Others: 533,168 Total: 940,432	497,435	420,745	128,685
NUMBER OF TENANTS AS AT 31 DECEMBER 2008	173	163	188	Retail: 241 Non-Retail: 85 Warehouse: 287	224	231	76
CAR PARK LOTS AS AT 31 DECEMBER 2008	632	324	337	1,313 (cars) 92 (heavy vehicles)	699	643	161
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 30 + 30 years with effect from 23 January 1989	Freehold	Leasehold tenure of 99 years with effect from 10 September 1990	Leasehold tenure of 999 years with effect from 26 March 1885
PURCHASE PRICE (S\$ MILLION)	409.0	295.0	191.0	247.4	710.0	605.8 <sup>1</sup>	78.0
MARKET VALUATION (S\$ MILLION) AS AT 1 DECEMBER 2008	775.0	585.0	341.0	658.0	1,000.0	798.0	137.0
GROSS REVENUE (S\$ MILLION)	61.6	47.4	29.2	73.2	72.0	65.5	← 11.3 →
NET PROPERTY INCOME (S\$ MILLION)	43.3	31.9	18.6	47.2	51.2	43.2	← 6.4 →
COMMITTED OCCUPANCY AS AT 31 DECEMBER 2008	100.0%	100.0%	99.8%	Retail: 100.0% Others: 98.3% Total: 99.0%	99.8%	100.0%	N.A. <sup>2</sup>
SHOPPER TRAFFIC FOR 2008 (MILLION)	25.2	29.3	9.8	17.8	23.4	37.1	N.A. <sup>2</sup>
KEY TENANTS	NTUC FairPrice, Isetan, Golden Village, Kopitiam and Courts	NTUC FairPrice, BHG, Best Denki, Food Junction and Golden Village	Challenger, Harvey Norman, South Asia Computer, Food Junction and Royal Sporting House	Giant, Best Denki, Kopitiam, Daiso and Bagus	Carrefour, Golden Village, Best Denki, Yamaha Music School and Spotlight	BHG, Food Junction, Cold Storage, Virtualand and Shaw Cinemas	Giant, Kopitiam, Daiso, Challenger, and Esprit Outlet

1 Comprises purchase price of S\$580.8 million paid for the acquisition of Bugis Junction in October 2005, and a sum of S\$25.0 million paid to Seiyu (Singapore) Private Limited (now known as BHG (Singapore) Pte. Ltd.) in respect of its surrender of 74,299 sq ft of NLA at Bugis Junction.

2 Not applicable as Sembawang Shopping Centre's major Asset Enhancement Initiatives (AEI) were completed in late December 2008.

3 Figures as at 31 October 2008 as Jurong Entertainment Centre (JEC) ceased operations on 1 November 2008 pending for AEI.

4 Not available as shopper traffic count system was not set-up.

5 Lower than 2007 shopper traffic due to major AEI done in 2008.

6 Retail tenants only.

JURONG ENTERTAINMENT CENTRE	HOUANG PLAZA	RAFFLES CITY SINGAPORE	LOT ONE SHOPPERS' MALL	BUKIT PANJANG PLAZA	RIVERVALE MALL	THE ATRIUM@ ORCHARD
110,764 <sup>3</sup>	70,095	Retail: 401,166 Office: 380,194 Total: 781,360	216,982	148,432	81,564	Retail: 16,254 Office: 357,354 Total: 373,608
36 <sup>3</sup>	9	Retail: 199 Office: 50	149	114	69	Retail: 7 Office: 13
220 <sup>3</sup>	154	1,059	318	328	178	106
Leasehold tenure of 99 years with effect from 1 March 1991	Leasehold tenure of 99 years with effect from 1 March 1991	Leasehold tenure of 99 years with effect from 16 July 1979	Leasehold tenure of 99 years with effect from 1 December 1993	Leasehold tenure of 99 years with effect from 1 December 1994	Leasehold tenure of 99 years with effect from 6 December 1997	Leasehold tenure of 99 years with effect from 15 August 2008
68.0	49.1	866.4 (40.0% interest) 2,166.0 (100% interest)	243.8	161.3	65.2	839.8
123.0	50.0	1,078.0 (40.0% interest) 2,695.0 (100% interest)	433.0	256.0	90.0	850.0
		78.3 (40.0% interest)		62.0		10.4
		53.9 (40.0% interest)		38.7		6.7
100.0% <sup>3</sup>	100.0%	Retail: 100.0% Office: 99.7% Total: 99.9%	99.3%	100.0%	100.0%	Retail: 85.2% Office: 98.6% Total: 98.0%
6.5 <sup>3</sup>	N.A. <sup>4</sup>	34.3	16.1 <sup>5</sup>	12.7	6.7	N.A. <sup>4</sup>
Kopitiam, K-Box, Shaw Cinemas, Fuji Ice Palace and Morris Allen <sup>3</sup>	K-Box, Kopitiam, Novena Furnishing Centre and Shop N Save	Robinson & Company, Wing Tai Retail, Ossia International, Jay Gee Enterprises and Food Junction <sup>6</sup>	NTUC FairPrice, Food Junction, BHG, New York New York and Shaw Cinemas	NTUC FairPrice, Kopitiam, Harvey Norman, Jean Yip and KFC	NTUC FairPrice, NTUC Foodfare, Shop-In, United Overseas Bank and McDonald's	Barclays, Temasek Holdings, MTV Asia, HSBC and TCC – The Coffee Connoisseur



# TAMPINES MALL

JUNCTION 8  
FUNAN  
DIGITALIFE  
MALL

## CENTRE MANAGEMENT

MELISSA ANG Centre Manager  
JESSICA LEE Senior Leasing Executive  
DENNIS CHEONG Marcom Manager  
EDDIE LIM Operations Manager

**OBJECTIVES** The objectives for Tampines Mall are to continuously optimise its financial performance, strengthen its market positioning as the leading suburban mall serving the eastern and northeastern regions of Singapore, and to provide one of the best shopping experiences to its visitors.

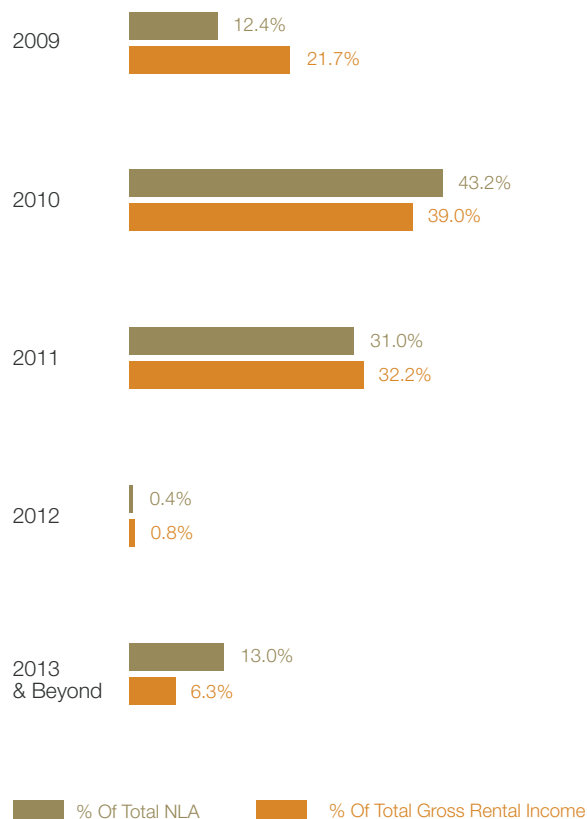
**MALL DESCRIPTION** Tampines Mall, located in the eastern part of Singapore, is one of Singapore's leading suburban malls. It is situated in the densely populated residential area of Tampines, the first and most developed regional centre in Singapore and is strategically located next to the Tampines MRT train station and bus interchange.

The mall has five retail levels, including a basement level. Tampines Mall's varied mix of shopping, dining and entertainment options appeal to middle-income consumers residing around Tampines regional centre, as well as those living in the eastern and northeastern regions of Singapore, who are able to visit the mall easily due to its excellent accessibility by public transport. Key tenants include NTUC FairPrice (supermarket), Isetan (department store), Golden Village (cineplex), Kopitiam (food court) and Courts (electronics store).

**TAMPINES MALL  
PROPERTY INFORMATION**

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	328,062 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	173
<b>Car Park Lots</b> As at 31 December 2008	632
<b>Title</b>	Leasehold tenure of 99 years with effect from 1 September 1992
<b>Purchase Price</b>	S\$409.0 million
<b>Valuation</b> As at 1 December 2008	S\$775.0 million
<b>Gross Revenue</b> For the year ended 31 December 2008	S\$61.6 million
<b>Net Property Income</b> For the year ended 31 December 2008	S\$43.3 million
<b>Committed Occupancy</b> As at 31 December 2008	100.0%
<b>Shopper Traffic In 2008</b>	25.2 million
<b>Key Tenants</b>	NTUC FairPrice, Isetan, Golden Village, Kopitiam and Courts

**LEASE EXPIRY PROFILE  
AS AT 31 DECEMBER 2008<sup>1,2</sup>**

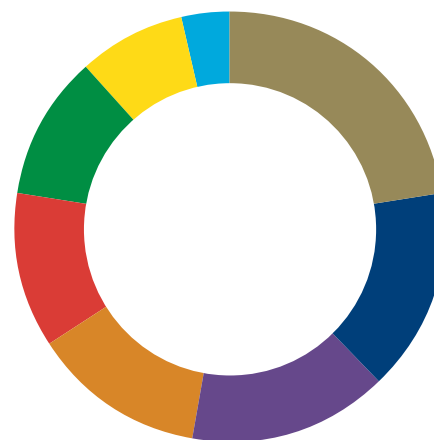


**TRADE SECTOR ANALYSIS BY  
GROSS RENTAL INCOME  
FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>**



Fashion	27.2 %
Food & Beverage/Food Court	26.7 %
Services/Educational	18.0 %
Leisure & Entertainment/Sports & Fitness	8.8 %
Supermarket	5.9 %
Department Store	5.7 %
Books/Gifts & Specialty/Hobbies/Toys	5.1 %
Home Furnishings	2.6 %

**TRADE SECTOR ANALYSIS BY  
NET LETTABLE AREA  
AS AT 31 DECEMBER 2008<sup>1</sup>**



Food & Beverage/Food Court	22.7 %
Services/Educational	15.3 %
Leisure & Entertainment/Sports & Fitness	15.0 %
Fashion	13.0 %
Department Store	11.6 %
Supermarket	10.8 %
Books/Gifts & Specialty/Hobbies/Toys	8.0 %
Home Furnishings	3.6 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# JUNCTION 8

FUNAN  
DIGITALIFE  
MALL  
IMM  
BI  
SINGAPORE

## CENTRE MANAGEMENT

PAULINE YEH General Manager  
IVY ANG Assistant Centre Manager  
IRENE LEE Leasing Manager  
SUSAN LIM Marcom Manager  
PIERCE CHAN Operations Manager

**OBJECTIVES** The objectives for Junction 8 are to continuously optimise its financial performance, strengthen its market positioning as the leading suburban mall in the central region of Singapore, and to provide one of the best shopping experiences to its visitors.

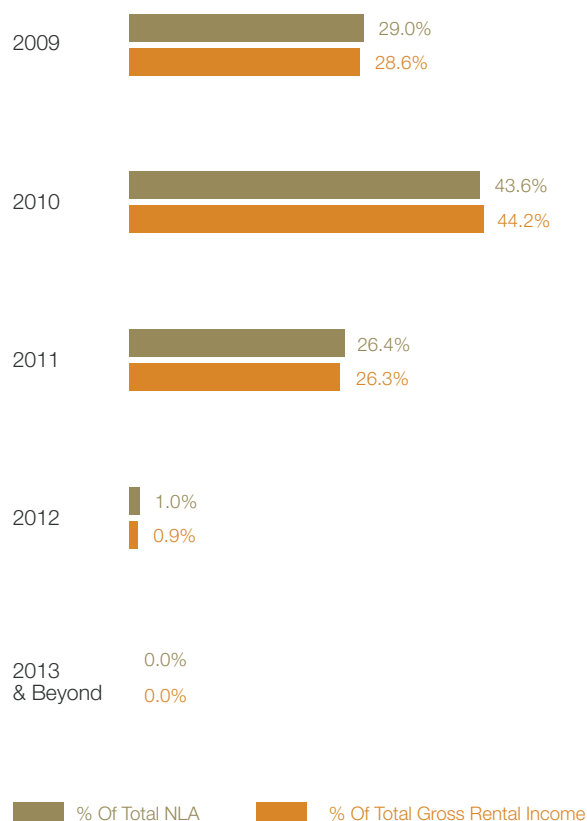
**MALL DESCRIPTION** Junction 8 is located in the densely populated residential area of Bishan. The mall is well-served by the existing Bishan MRT train station and bus interchange, as well as the new Bishan Circle Line station slated to be opened in mid-2009. The prime suburban mall comprises two levels of basement car park and five retail floors, including a basement level.

The mall's immediate catchments are residents from the surrounding housing estates, office workers within the vicinity and students from nearby schools. Its excellent accessibility by public transport extends its reach beyond its immediate catchments. Junction 8 is positioned as a one-stop shopping, dining and entertainment destination catering largely to the middle-income families. Key tenants include NTUC FairPrice (supermarket), BHG (department store), Best Denki (electronics store), Food Junction (food court) and Golden Village (cineplex).

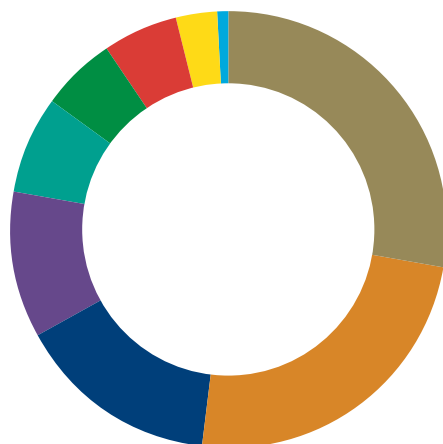
## JUNCTION 8 PROPERTY INFORMATION

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	246,721 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	163
<b>Car Park Lots</b> As at 31 December 2008	324
<b>Title</b>	Leasehold tenure of 99 years with effect from 1 September 1991
<b>Purchase Price</b>	S\$295.0 million
<b>Valuation</b> As at 1 December 2008	S\$585.0 million
<b>Gross Revenue</b> For the year ended 31 December 2008	S\$47.4 million
<b>Net Property Income</b> For the year ended 31 December 2008	S\$31.9 million
<b>Committed Occupancy</b> As at 31 December 2008	100.0%
<b>Shopper Traffic In 2008</b>	29.3 million
<b>Key Tenants</b>	NTUC FairPrice, BHG, Best Denki, Food Junction and Golden Village

## LEASE EXPIRY PROFILE AS AT 31 DECEMBER 2008<sup>1,2</sup>

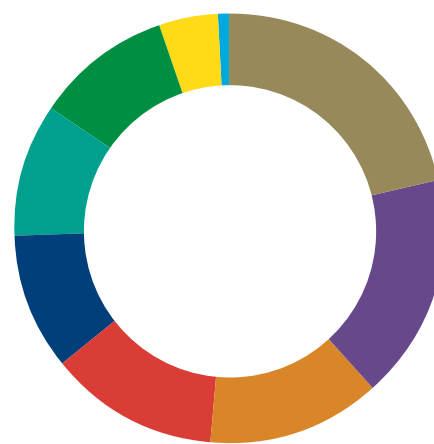


## TRADE SECTOR ANALYSIS BY GROSS RENTAL INCOME FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>



Food & Beverage/Food Court	27.8 %
Fashion	24.3 %
Services/Educational	15.1 %
Leisure & Entertainment/Sports & Fitness	10.7 %
Electronics	7.3 %
Supermarket	5.6 %
Department Store	5.5 %
Books/Gifts & Specialty/Hobbies/Toys	2.9 %
Home Furnishings	0.8 %

## TRADE SECTOR ANALYSIS BY NET LETTABLE AREA AS AT 31 DECEMBER 2008<sup>1</sup>



Food & Beverage/Food Court	21.6 %
Leisure & Entertainment/Sports & Fitness	17.0 %
Fashion	13.0 %
Department Store	12.8 %
Services/Educational	10.2 %
Electronics	10.1 %
Supermarket	10.1 %
Books/Gifts & Specialty/Hobbies/Toys	4.6 %
Home Furnishings	0.6 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# FUNAN DIGITALIFE MALL

IMM  
BUILDING  
PLAZA  
SINGAPORE

**CENTRE MANAGEMENT**  
 JEFFREY GOH Centre Manager  
 JAY WEE Leasing Manager  
 ZEN LEE Marcom Manager  
 FONG LIE LING Operations Manager

**OBJECTIVES** The objectives for Funan DigitalLife Mall (Funan) are to continuously optimise its financial performance, strengthen its market positioning as the premier one-stop destination for all Information Technology (IT), digital, gaming and lifestyle needs, and to provide one of the best shopping experiences to its visitors.

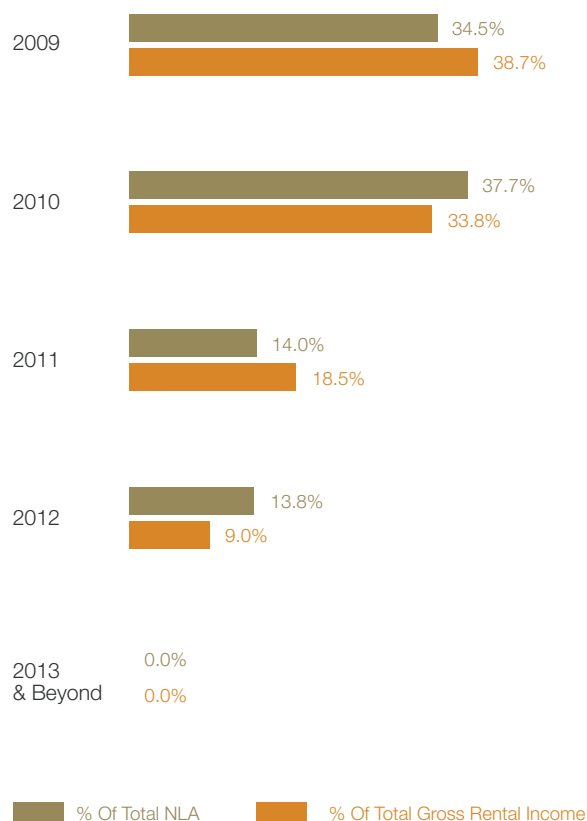
**MALL DESCRIPTION** Funan enjoys an excellent location in the downtown core and tourist belt of Singapore. It is within walking distance to the City Hall MRT interchange train station and the Clarke Quay MRT train station. It is also in close proximity to riverside Food and Beverage (F&B) and entertainment precincts such as Clarke Quay and Boat Quay.

Funan's unique mix of reputable retailers which provide genuine products and quality customer service makes it one of Singapore's choice destinations for IT, gaming, digital and lifestyle products; popular with Professionals, Managers, Executives, Businessmen (PMEBs) and tourists alike. Key tenants include Challenger (digital and electronics store), Harvey Norman (electronics store), South Asia Computer (computer store), Food Junction (food court) and Royal Sporting House (sports and fitness store).

**FUNAN DIGITALIFE MALL  
PROPERTY INFORMATION**

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	297,740 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	188
<b>Car Park Lots</b> As at 31 December 2008	337
<b>Title</b>	Leasehold tenure of 99 years with effect from 12 December 1979
<b>Purchase Price</b>	S\$191.0 million
<b>Valuation</b> As at 1 December 2008	S\$341.0 million
<b>Gross Revenue</b> For the year ended 31 December 2008	S\$29.2 million
<b>Net Property Income</b> For the year ended 31 December 2008	S\$18.6 million
<b>Committed Occupancy</b> As at 31 December 2008	99.8%
<b>Shopper Traffic In 2008</b>	9.8 million
<b>Key Tenants</b>	Challenger, Harvey Norman, South Asia Computer, Food Junction and Royal Sporting House

**LEASE EXPIRY PROFILE  
AS AT 31 DECEMBER 2008<sup>1,2</sup>**

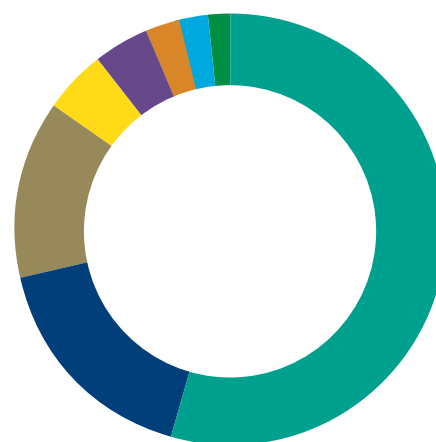


**TRADE SECTOR ANALYSIS BY  
GROSS RENTAL INCOME  
FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>**



● Electronics	52.3 %
● Services/Educational	19.0 %
● Food & Beverage/Food Court	13.9 %
● Books/Gifts & Specialty/Hobbies/Toys	4.6 %
● Leisure & Entertainment/Sports & Fitness	4.1 %
● Fashion	3.3 %
● Home Furnishings	1.7 %
● Supermarket	1.1 %

**TRADE SECTOR ANALYSIS BY  
NET LETTABLE AREA  
AS AT 31 DECEMBER 2008<sup>1</sup>**



● Electronics	54.5 %
● Services/Educational	17.1 %
● Food & Beverage/Food Court	13.2 %
● Books/Gifts & Specialty/Hobbies/Toys	4.9 %
● Leisure & Entertainment/Sports & Fitness	4.1 %
● Fashion	2.3 %
● Home Furnishings	2.3 %
● Supermarket	1.6 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# IMM BUILDING

**OBJECTIVES** The objectives for IMM Building (IMM) are to continuously optimise its financial performance, strengthen its market positioning as the leading suburban mall in the western and north-western regions of Singapore, and to provide one of the best shopping experiences to its visitors.

**MALL DESCRIPTION** IMM is located in the densely populated residential area of Jurong East and is in close proximity to major office and industrial developments such as the International Business Park. The mall is also just a five-minute walk away from the Jurong East MRT interchange train station and bus interchange.

The five-storey mixed development comprises retail, office and warehouse. It has a multi-storey car park with five levels of covered and one level of open-air car park space. Currently, shoppers enjoy free car parking for the first three hours. The mall provides a free shuttle bus service plying between the mall and Jurong East MRT train station. The free shuttle bus service is also available on weekdays during lunch hour to and from the International Business Park. Key tenants include Giant (hypermarket), Best Denki (electronics store), Kopitiam (food court), Daiso (value store) and Bagus (halal food court).

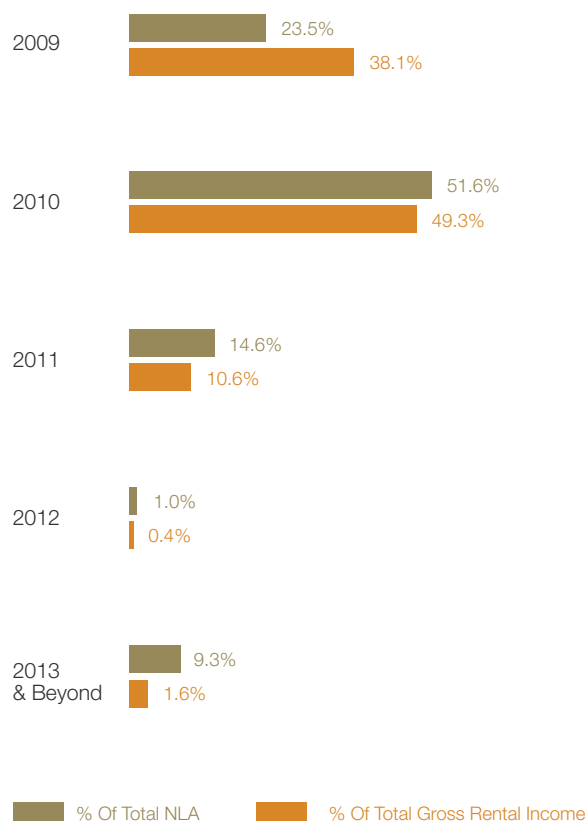
## CENTRE MANAGEMENT

CALLIE YAH General Manager  
 YVONNE THAM Leasing Manager  
 MAGGIE CHUA Marcom Manager  
 ABDUL RAHMAN BIN ZARAZ Operations Manager

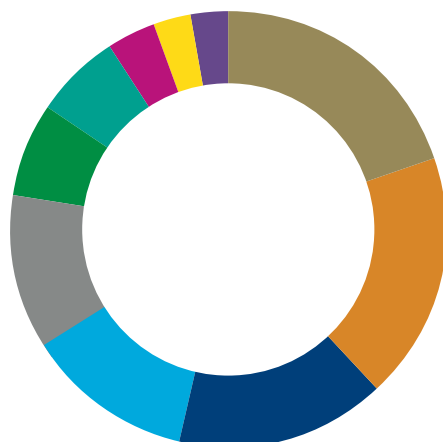
## IMM BUILDING PROPERTY INFORMATION

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	Retail : 407,264 sq ft Others : 533,168 sq ft Total : 940,432 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	Retail : 241 Non-Retail : 85 Warehouse : 287
<b>Car Park Lots</b> As at 31 December 2008	1,313 (cars) 92 (heavy vehicles)
<b>Title</b>	Leasehold tenure of 30+30 years with effect from 23 January 1989
<b>Purchase Price</b>	S\$247.4 million
<b>Valuation</b> As at 1 December 2008	S\$658.0 million
<b>Gross Revenue</b> For the year ended 31 December 2008	S\$73.2 million
<b>Net Property Income</b> For the year ended 31 December 2008	S\$47.2 million
<b>Committed Occupancy</b> As at 31 December 2008	Retail : 100.0% Others : 98.3% Total : 99.0 %
<b>Shopper Traffic In 2008</b>	17.8 million
<b>Key Tenants</b>	Giant, Best Denki, Kopitiam, Daiso and Bagus

## LEASE EXPIRY PROFILE AS AT 31 DECEMBER 2008<sup>1,2</sup>

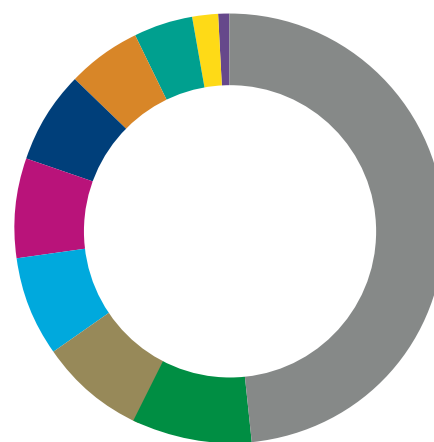


## TRADE SECTOR ANALYSIS BY GROSS RENTAL INCOME FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>



Food & Beverage/Food Court	19.8 %
Fashion	18.4 %
Services/Educational	15.5 %
Home Furnishings	12.4 %
Warehouse	11.4 %
Supermarket	7.2 %
Electronics	6.3 %
Office	3.5 %
Books/Gifts & Specialty/Hobbies/Toys	2.9 %
Leisure & Entertainment/Sports & Fitness	2.6 %

## TRADE SECTOR ANALYSIS BY NET LETTABLE AREA AS AT 31 DECEMBER 2008<sup>1</sup>



Warehouse	48.6 %
Supermarket	8.5 %
Food & Beverage/Food Court	8.4 %
Home Furnishings	7.5 %
Office	7.4 %
Services/Educational	7.0 %
Fashion	5.5 %
Electronics	4.5 %
Books/Gifts & Specialty/Hobbies/Toys	1.8 %
Leisure & Entertainment/Sports & Fitness	0.8 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# PLAZA SINGAPURA

BUGIS  
JUNCTION  
SEBANGAWANG  
SHOPPING CENTRE

## CENTRE MANAGEMENT

PAULINE YEH General Manager  
 CARIE YIP Assistant Centre Manager  
 LUN HWEE HSIEN Leasing Manager  
 JUNE ANG Marcom Manager  
 LIM CHUN LEONG Operations Manager

**OBJECTIVES** The objectives for Plaza Singapura are to continuously optimise its financial performance, strengthen its market positioning as the one-stop family mall with unique trades along Orchard Road, and to provide one of the best shopping experiences to its visitors.

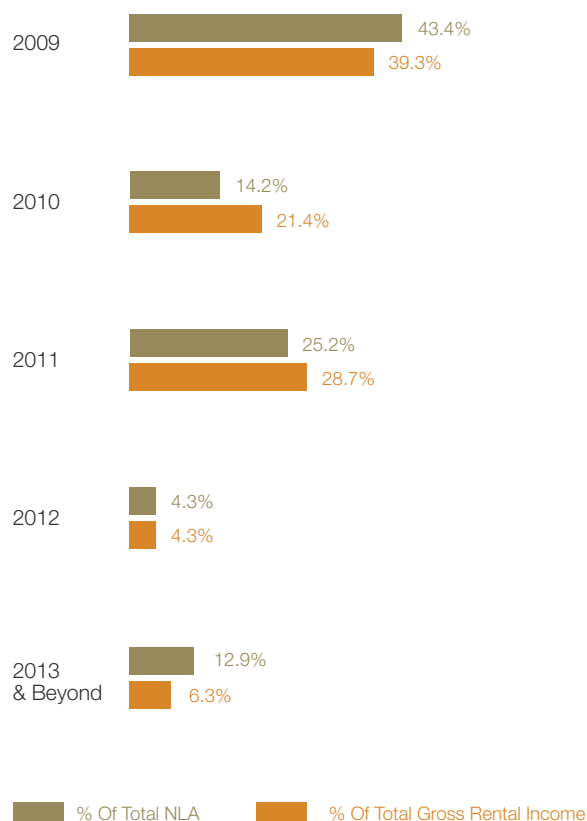
**MALL DESCRIPTION** Plaza Singapura is one of the largest retail malls located along Orchard Road, Singapore's main shopping street. This prime freehold property enjoys direct connectivity to the Dhoby Ghaut MRT interchange train station, which connects three main train lines, including the upcoming Circle Line which is expected to commence operations in 2010. Plaza Singapura is also located within the Civic and Cultural District, in close proximity to the National Library, Singapore Management University and National Museum of Singapore.

Plaza Singapura's broad-based market positioning, coupled with its strong focus on basic consumer goods and services, differentiates itself from other malls along Orchard Road. Key tenants include Carrefour (hypermarket), Golden Village (cinema), Best Denki (electronics store), Yamaha Music School and Spotlight (home-furnishing). Plaza Singapura has nine levels of retail, including two basement levels. In addition, it has a multi-storey car park which is easily accessible from levels 2 to 7.

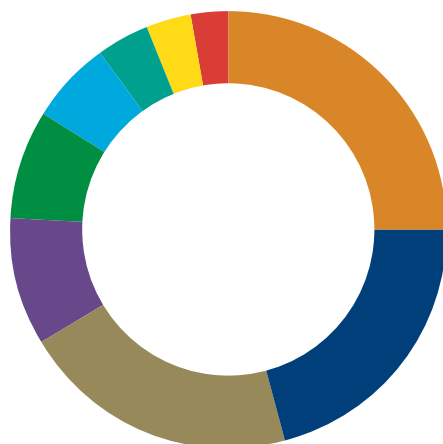
**PLAZA SINGAPURA  
PROPERTY INFORMATION**

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	497,435 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	224
<b>Car Park Lots</b> As at 31 December 2008	699
<b>Title</b>	Freehold
<b>Purchase Price</b>	S\$710.0 million
<b>Valuation</b> As at 1 December 2008	S\$1.0 billion
<b>Gross Revenue</b> For the year ended 31 December 2008	S\$72.0 million
<b>Net Property Income</b> For the year ended 31 December 2008	S\$51.2 million
<b>Committed Occupancy</b> As at 31 December 2008	99.8%
<b>Shopper Traffic In 2008</b>	23.4 million
<b>Major Tenants</b>	Carrefour, Golden Village, Best Denki, Yamaha Music School and Spotlight

**LEASE EXPIRY PROFILE  
AS AT 31 DECEMBER 2008<sup>1,2</sup>**

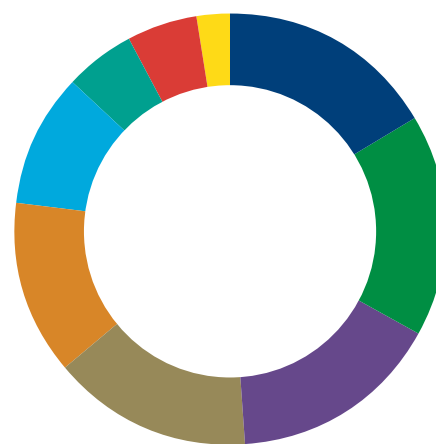


**TRADE SECTOR ANALYSIS BY  
GROSS RENTAL INCOME  
FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>**



Fashion	25.2 %
Services/Educational	20.8 %
Food & Beverage/Food Court	20.5 %
Leisure & Entertainment/Sports & Fitness	9.6 %
Supermarket	7.8 %
Home Furnishings	6.2 %
Electronics	4.0 %
Books/Gifts & Specialty/Hobbies/Toys	3.2 %
Department Store	2.7 %

**TRADE SECTOR ANALYSIS BY  
NET LETTABLE AREA  
AS AT 31 DECEMBER 2008<sup>1</sup>**



Services/Educational	16.6 %
Supermarket	16.5 %
Leisure & Entertainment/Sports & Fitness	15.8 %
Food & Beverage/Food Court	15.0 %
Fashion	13.1 %
Home Furnishings	10.2 %
Electronics	5.2 %
Department Store	5.1 %
Books/Gifts & Specialty/Hobbies/Toys	2.5 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# BUGIS JUNCTION

SEMBAWANG  
SHOPPING  
CENTRE

## CENTRE MANAGEMENT

PAULINE TAN Centre Manager

FOO CHAI HONG Leasing Manager

CHRISTOPHER ANG Marcom Manager

CHEE HIANG CHUAN Operations Manager

**OBJECTIVES** The objectives for Bugis Junction are to continuously optimise its financial performance, strengthen its market positioning as the young, hip and trendy mall in the downtown core of Singapore, and to provide one of the best shopping experiences to its visitors.

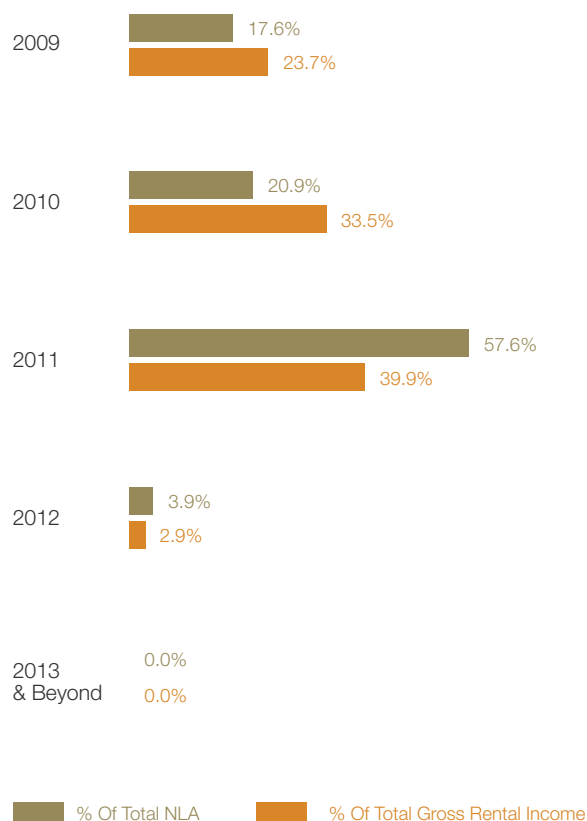
**MALL DESCRIPTION** Bugis Junction is located in the heart of Singapore's Civic and Cultural District, and is flanked by the InterContinental Singapore and an office tower. The mall enjoys direct connectivity to Bugis MRT train station from the basement level and is in close proximity to the National Library, Singapore Management University and LASALLE College of the Arts.

Bugis Junction is positioned as a modern fashion, dining and entertainment destination mall targeted at young adults and PMEBs. The mall has five retail levels, including a basement level. Key tenants include BHG (department store), Food Junction (food court), Cold Storage (supermarket), Virtualand (arcade) and Shaw Cinemas (cineplex).

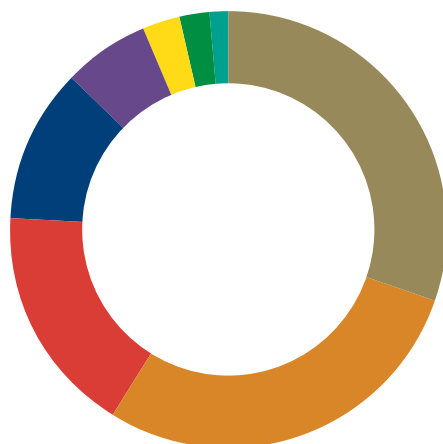
## BUGIS JUNCTION PROPERTY INFORMATION

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	420,745 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	231
<b>Car Park Lots</b> As at 31 December 2008	643
<b>Title</b>	Leasehold tenure of 99 years with effect from 10 September 1990
<b>Purchase Price</b>	S\$605.8 million
<b>Valuation</b> As at 1 December 2008	S\$798.0 million
<b>Gross Revenue</b> For the year ended 31 December 2008	S\$65.5 million
<b>Net Property Income</b> For the year ended 31 December 2008	S\$43.2 million
<b>Committed Occupancy</b> As at 31 December 2008	100.0%
<b>Shopper Traffic In 2008</b>	37.1 million
<b>Key Tenants</b>	BHG, Food Junction, Cold Storage, Virtualand and Shaw Cinemas

## LEASE EXPIRY PROFILE AS AT 31 DECEMBER 2008<sup>1,2</sup>

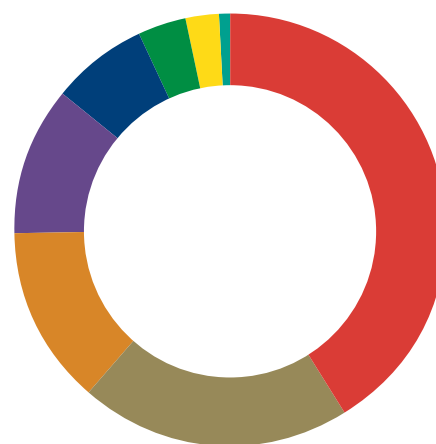


**TRADE SECTOR ANALYSIS BY  
GROSS RENTAL INCOME**  
FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>



Food & Beverage/Food Court	30.3 %
Fashion	28.8 %
Department Store	16.9 %
Services/Educational	11.3 %
Leisure & Entertainment/Sports & Fitness	6.5 %
Books/Gifts & Specialty/Hobbies/Toys	2.7 %
Supermarket	2.2 %
Electronics	1.3 %

**TRADE SECTOR ANALYSIS BY  
NET LETTABLE AREA**  
AS AT 31 DECEMBER 2008<sup>1</sup>



Department Store	41.3 %
Food & Beverage/Food Court	20.3 %
Fashion	13.3 %
Leisure & Entertainment/Sports & Fitness	11.2 %
Services/Educational	7.1 %
Supermarket	3.5 %
Books/Gifts & Specialty/Hobbies/Toys	2.7 %
Electronics	0.6 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# SEMBAWANG SHOPPING CENTRE

## CENTRE MANAGEMENT

CHEW HOCK CHYE General Manager  
 CLARA SIOW Assistant Centre Manager  
 RACHEL LOH Leasing Manager  
 DOREEN YEO Marcom Manager  
 WONG YEAP WAI Operations Manager

**OBJECTIVES** The objectives for Sembawang Shopping Centre (SSC) are to continuously optimise its financial performance, establish its market positioning as the key suburban mall in the northern part of Singapore, and to provide one of the best shopping experiences to its visitors.

**MALL DESCRIPTION** SSC is located in close proximity to the Sembawang and Yishun MRT train stations. Closed for redevelopment from 2007, SSC re-opened in December 2008 to welcome visitors with its one-stop family-oriented necessity shopping. The mall houses four levels of retail, including a basement level, as well as three floors of car park. The mall provides free shuttle bus service which plies between the mall and Khatib, Yishun and Sembawang MRT train stations. The free shuttle bus service is also available on weekdays during lunch hour to and from the nearby industrial parks.

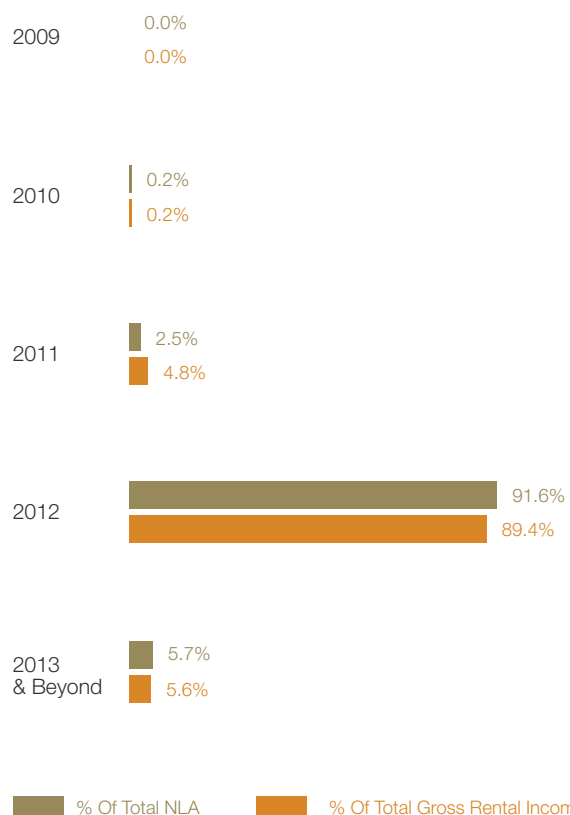
SSC's immediate catchment comprises residents from the surrounding estates, uniformed personnel from military camps and workers from the nearby industrial parks. Key tenants include Giant (hypermarket), Kopitiam (food court), Daiso (value store) and Challenger (digital and electronics store) and Esprit Outlet.

## SEMBAWANG SHOPPING CENTRE PROPERTY INFORMATION

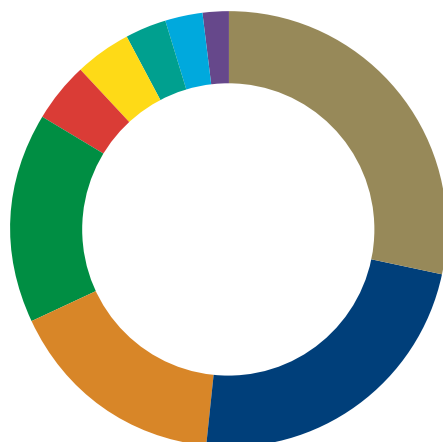
<b>Net Lettable Area (NLA)</b> As at 31 December 2008	128,685 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	76
<b>Car Park Lots</b> As at 31 December 2008	161
<b>Title</b>	Leasehold tenure of 999 years with effect from 26 March 1885
<b>Purchase Price</b>	S\$78.0 million
<b>Valuation</b> As at 1 December 2008	S\$137.0 million
<b>Committed Occupancy</b> As at 31 December 2008	N.A. <sup>1</sup>
<b>Shopper Traffic In 2008</b>	N.A. <sup>1</sup>
<b>Key Tenants</b>	Giant, Kopitiam, Daiso, Challenger and Esprit Outlet

<sup>1</sup> Not applicable as Sembawang Shopping Centre's major Asset Enhancement Initiatives (AEI) were completed in late December 2008.

## LEASE EXPIRY PROFILE AS AT 31 DECEMBER 2008<sup>1,2</sup>

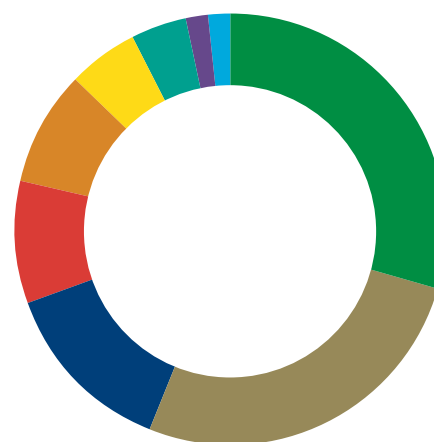


## TRADE SECTOR ANALYSIS BY GROSS RENTAL INCOME FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>



Food & Beverage/Food Court	28.6 %
Services/Educational	23.2 %
Fashion	16.3 %
Supermarket	15.7 %
Department Store	4.3 %
Books/Gifts & Specialty/Hobbies/Toys	4.2 %
Electronics	3.2 %
Home Furnishings	2.6 %
Leisure & Entertainment/Sports & Fitness	1.9 %

## TRADE SECTOR ANALYSIS BY NET LETTABLE AREA AS AT 31 DECEMBER 2008<sup>1</sup>



Supermarket	29.5 %
Food & Beverage/Food Court	26.7 %
Services/Educational	13.4 %
Department Store	9.2 %
Fashion	8.6 %
Books/Gifts & Specialty/Hobbies/Toys	5.3 %
Electronics	4.0 %
Leisure & Entertainment/Sports & Fitness	1.7 %
Home Furnishings	1.6 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# HOUGANG PLAZA

RAFFLES CITY SINGAPORE MALL

**CENTRE MANAGEMENT**  
 MELISSA ANG Centre Manager  
 SABRINA LAI Assistant Centre Manager  
 JESSICA LEE Senior Leasing Executive  
 DENNIS CHEONG Marcom Manager  
 EDDIE LIM Operations Manager

**OBJECTIVE** The objective for Hougang Plaza is to continuously optimise its financial performance through tenancy remixing and asset enhancements.

**MALL DESCRIPTION** Hougang Plaza is strategically located in Hougang Central and is in close proximity to the Hougang MRT train station and bus interchange. The three-storey mall is positioned as a neighbourhood mall catering to the basic shopping and entertainment needs of the residents in the vicinity.

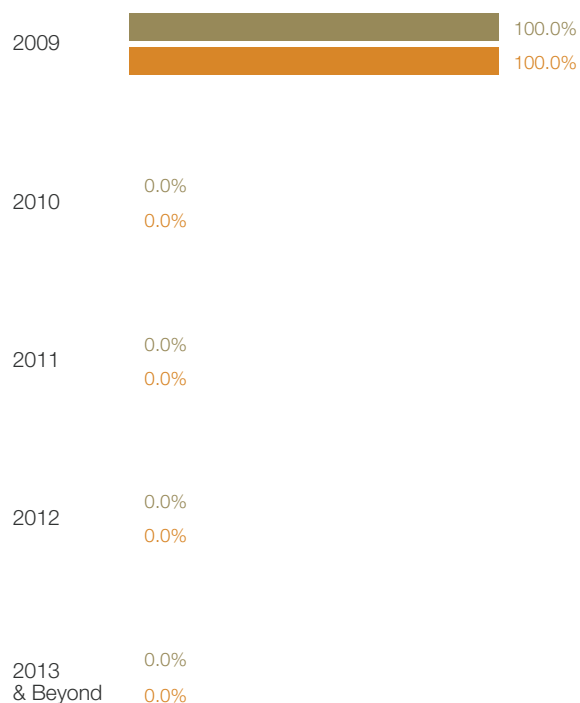
Major tenants at Hougang Plaza include K-Box (karaoke), Kopitiam (food court), Novena Furnishing Centre and Shop N Save (supermarket). There are also pushcarts and promotional space vendors that add variety to the existing tenant mix, providing more options to shoppers.

## HOUGANG PLAZA PROPERTY INFORMATION

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	70,095 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	9
<b>Car Park Lots</b> As at 31 December 2008	154
<b>Title</b>	Leasehold tenure of 99 years with effect from 1 March 1991
<b>Purchase Price</b>	S\$49.1 million
<b>Valuation</b> As at 1 December 2008	S\$50.0 million
<b>Committed Occupancy</b> As at 31 December 2008	100.0%
<b>Shopper Traffic In 2008</b>	N.A. <sup>1</sup>
<b>Key Tenants</b>	K-Box, Kopitiam, Novena Furnishing Centre and Shop N Save

<sup>1</sup> Not available as shopper traffic count system was not set-up

## LEASE EXPIRY PROFILE AS AT 31 DECEMBER 2008<sup>1,2</sup>



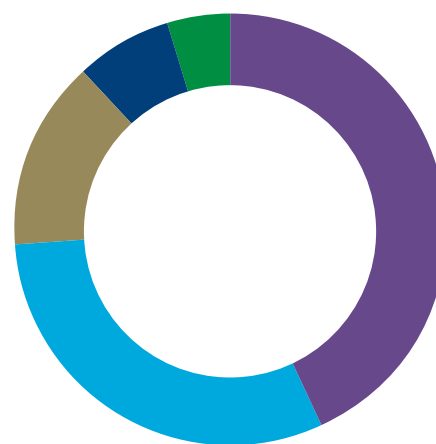
■ % Of Total NLA    ■ % Of Total Gross Rental Income

### TRADE SECTOR ANALYSIS BY GROSS RENTAL INCOME FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>



● Food & Beverage/Food Court	31.9 %
● Leisure & Entertainment/Sports & Fitness	30.1 %
● Home Furnishings	18.8 %
● Services/Educational	10.2 %
● Supermarket	9.0 %

### TRADE SECTOR ANALYSIS BY NET LETTABLE AREA AS AT 31 DECEMBER 2008<sup>1</sup>



● Leisure & Entertainment/Sports & Fitness	43.2 %
● Home Furnishings	30.7 %
● Food & Beverage/Food Court	14.3 %
● Services/Educational	7.3 %
● Supermarket	4.5 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# RAFFLES CITY SINGAPORE

LOT ONE SHOPPERS'

## CENTRE MANAGEMENT

JOANNA LOW General Manager  
 EUGENIE YAP Deputy General Manager & Head, Leasing  
 POON CHIEW FOO Deputy General Manager & Head, Property Services  
 PHYLLIS GOH Head, Marcom

**OBJECTIVES** The objectives for Raffles City Singapore are to optimise the financial performance of the property and to strengthen its market position as the leading integrated asset in Singapore's downtown core, leveraging on the complementary mix of office, retail, hotel and convention centre.

**PROPERTY DESCRIPTION** Raffles City Singapore is a prime landmark integrated development and one of the largest developments in Singapore. The mixed-use development comprises: 42-storey Raffles City Tower, four-storey Raffles City Shopping Centre, 73-storey Swissôtel The Stamford and 28-storey twin tower Fairmont Singapore and Raffles City Convention Centre.

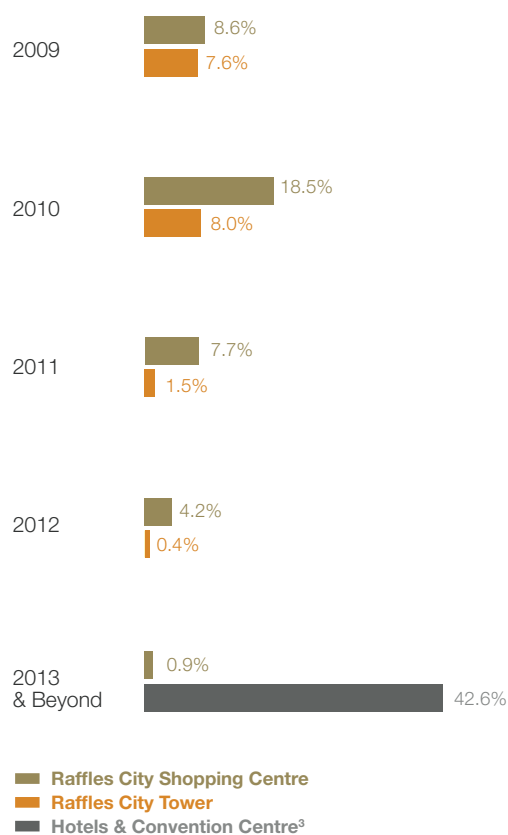
CapitaCommercial Trust (CCT) and CMT jointly own the integrated development through the RCS Trust, the special purpose vehicle that holds Raffles City. RCS Trust was constituted on 18 July 2006 and is 60.0% owned by CCT and 40.0% owned by CMT.

Raffles City Singapore is located within Singapore's Central Business District and the Civic and Cultural District. The building is directly connected to the City Hall MRT interchange train station and the proposed Esplanade MRT train station on the Circle Line, expected to be fully operational by 2010.

## RAFFLES CITY SINGAPORE PROPERTY INFORMATION

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	Retail : 401,166 sq ft Office : 380,194 sq ft Total : 781,360 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	Retail : 199 Office : 50
<b>Car Park Lots</b> As at 31 December 2008	1,059
<b>Title</b>	Leasehold tenure of 99 years with effect from 16 July 1979
<b>Purchase Price</b>	S\$866.4 million (40.0% interest)
<b>Valuation</b> As at 1 December 2008	S\$1,078.0 million (40.0% interest)
<b>Gross Revenue</b> For the year ended 31 December 2008	S\$78.3 million (40.0% interest)
<b>Net Property Income</b> For the year ended 31 December 2008	S\$53.9 million (40.0% interest)
<b>Committed Occupancy</b> As at 31 December 2008	Retail : 100.0% Office : 99.7% Total : 99.9%
<b>Shopper Traffic In 2008</b>	34.3 million
<b>Key Retail Tenants</b>	Robinson & Company, Wing Tai Retail, Ossia International, Jay Gee Enterprises and Food Junction

## RAFFLES CITY SINGAPORE LEASE EXPIRY PROFILE BY GROSS RENTAL INCOME FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>

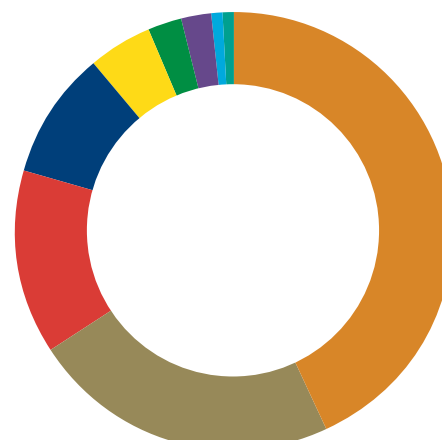


## RAFFLES CITY SINGAPORE MAJOR USAGE MIX BY GROSS RENTAL INCOME FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>



● Retail	43.0 %
● Hotel & Convention Centre	40.1 %
● Office	16.9 %

## RAFFLES CITY SHOPPING CENTRE TRADE SECTOR ANALYSIS BY GROSS RENTAL INCOME AS AT 31 DECEMBER 2008<sup>1,2</sup>



● Fashion	43.3 %
● Food & Beverage/Food Court	22.9 %
● Department Store	13.6 %
● Services/Educational	9.5 %
● Books/Gifts & Specialty/Hobbies/Toys	4.8 %
● Supermarkets	2.4 %
● Leisure & Entertainment/Sports & Fitness	2.1 %
● Home Furnishings	0.8 %
● Electronics	0.6 %

1 Based on committed leases as at 31 December 2008.

2 Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.

3 The hotels and convention centre master lease at Raffles City is on a 20-year lease commencing from 7 November 1996.



# LOT ONE SHOPPERS' MALL

## CENTRE MANAGEMENT

**CHEW HOCK CHYE** General Manager  
**ANDREW YONG** Assistant Centre Manager  
**RACHEL LOH** Leasing Manager  
**DOREEN YEO** Marcom Manager  
**SHIRLEY LIM** Operations Manager

**OBJECTIVES** The objectives for Lot One Shoppers' Mall (Lot One) are to continuously optimise its financial performance and strengthen its market positioning as a one-stop family shopping destination in the north-western region of Singapore.

**MALL DESCRIPTION** Lot One is situated in the heart of Choa Chu Kang housing estate. The mall is well-connected by major arterial roads and is next to the Choa Chu Kang MRT/LRT train stations and bus interchange. The six-storey retail mall enjoys a large shopper catchment, comprising residents in Choa Chu Kang, Bukit Panjang, Bukit Batok and Upper Bukit Timah precincts, uniformed personnel from military camps in the vicinity and students from nearby schools.

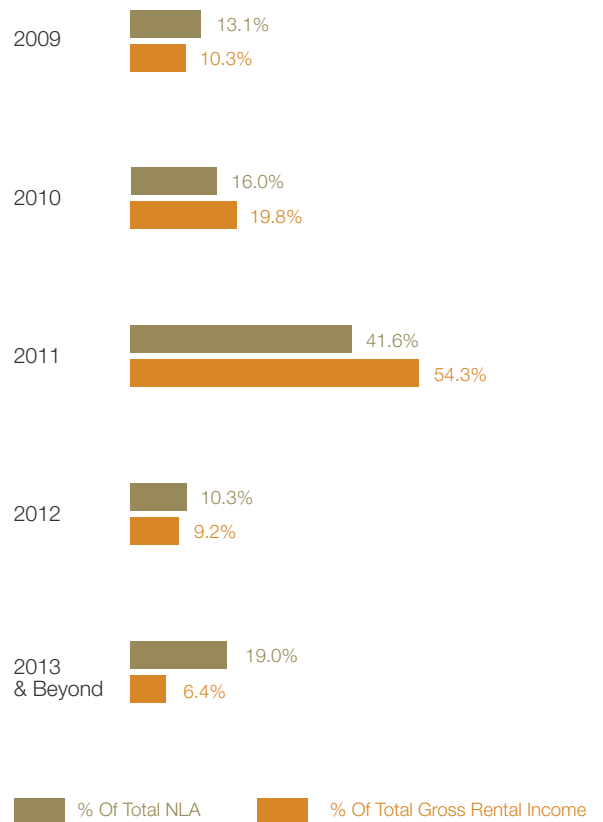
Positioned to appeal to middle-income families, key tenants include NTUC FairPrice (supermarket), Food Junction (food court), BHG (department store), New York New York (restaurant) and Shaw Cinemas (cinplex).

**LOT ONE SHOPPERS' MALL  
PROPERTY INFORMATION**

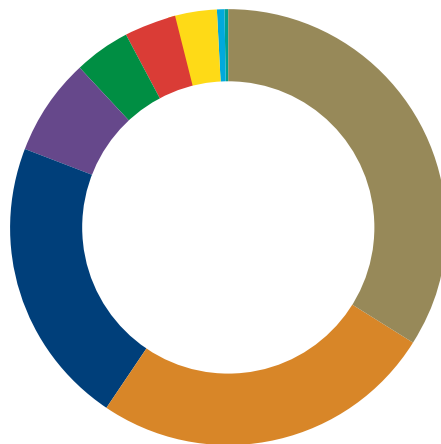
<b>Net Lettable Area (NLA)</b> As at 31 December 2008	216,982 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	149
<b>Car Park Lots</b> As at 31 December 2008	318
<b>Title</b>	Leasehold tenure of 99 years with effect from 1 December 1993
<b>Purchase Price</b>	S\$243.8 million
<b>Valuation</b> As at 1 December 2008	S\$433.0 million
<b>Committed Occupancy</b> As at 31 December 2008	99.3%
<b>Shopper Traffic In 2008</b>	16.1 million <sup>1</sup>
<b>Major Tenants</b>	NTUC FairPrice, Food Junction, BHG, New York New York and Shaw Cinemas

<sup>1</sup> Lower than 2007 shopper traffic due to major AEI done in 2008.

**LEASE EXPIRY PROFILE  
AS AT 31 DECEMBER 2008<sup>1,2</sup>**

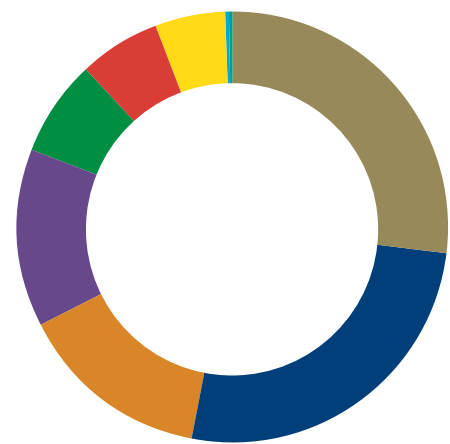


**TRADE SECTOR ANALYSIS BY  
GROSS RENTAL INCOME  
FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>**



● Food & Beverage/Food Court	34.0 %
● Fashion	25.7 %
● Services/Educational	21.3 %
● Leisure & Entertainment/Sports & Fitness	7.1 %
● Supermarket	4.4 %
● Department Store	3.7 %
● Books/Gifts & Specialty/Hobbies/Toys	3.2 %
● Home Furnishings	0.4 %
● Electronics	0.2 %

**TRADE SECTOR ANALYSIS BY  
NET LETTABLE AREA  
AS AT 31 DECEMBER 2008<sup>1</sup>**



● Food & Beverage/Food Court	27.2 %
● Services/Educational	25.9 %
● Fashion	14.5 %
● Leisure & Entertainment/Sports & Fitness	13.5 %
● Supermarket	7.0 %
● Department Store	6.3 %
● Books/Gifts & Specialty/Hobbies/Toys	5.1 %
● Home Furnishings	0.3 %
● Electronics	0.2 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# BUKIT PANJANG PLAZA

## CENTRE MANAGEMENT

**CHEW HOCK CHYE** General Manager  
**MUSTAFA BIN ABDUL RAHIM** Assistant Centre Manager  
**RACHEL LOH** Leasing Manager  
**DOREEN YEO** Marcom Manager  
**JEFFREY LOW** Operations Manager

**OBJECTIVES** The objectives for Bukit Panjang Plaza (BPP) are to continuously optimise its financial performance, strengthen its market positioning as the value dining and lifestyle destination which appeals to families and residents in the western region of Singapore.

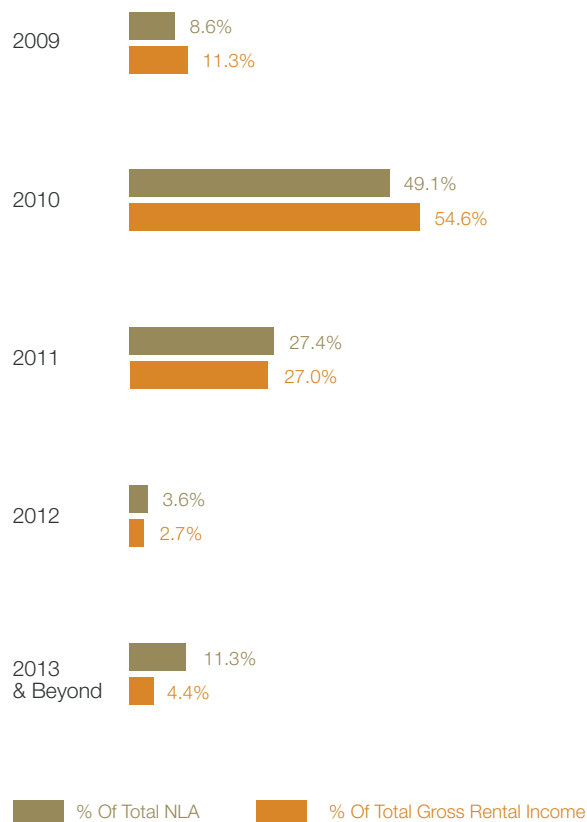
**MALL DESCRIPTION** BPP is located in the high density residential area of Bukit Panjang New Town. The four-storey mall, with two levels of basement car park, is strategically located between Bukit Panjang and Senja LRT train stations. It is also conveniently situated adjacent to Bukit Panjang bus interchange.

The mall is positioned as a neighbourhood mall catering to families and residents living in the vicinity. BPP's primary catchment region comprises residents from Bukit Panjang, Cashew Park, Chestnut Drive and Hillview estates. The mall's secondary catchment extends to Teck Whye, Choa Chu Kang and Upper Bukit Timah. Key tenants include NTUC FairPrice (supermarket), Kopitiam (food court), Harvey Norman (electronics store), Jean Yip (beauty salon) and KFC.

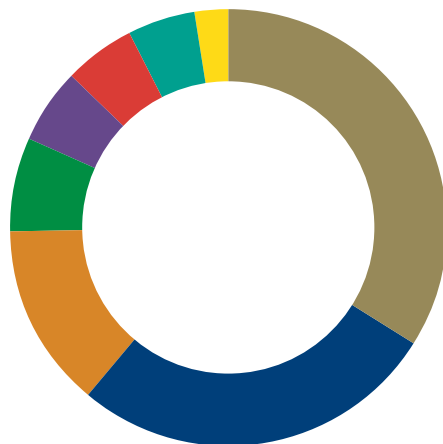
**BUKIT PANJANG PLAZA  
PROPERTY INFORMATION**

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	148,432 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	114
<b>Car Park Lots</b> As at 31 December 2008	328
<b>Title</b>	Leasehold tenure of 99 years with effect from 1 December 1994
<b>Purchase Price</b>	S\$161.3 million
<b>Valuation</b> As at 1 December 2008	S\$256.0 million
<b>Committed Occupancy</b> As at 31 December 2008	100.0%
<b>Shopper Traffic In 2008</b>	12.7 million
<b>Major Tenants</b>	NTUC FairPrice, Kopitiam, Harvey Norman, Jean Yip and KFC

**LEASE EXPIRY PROFILE  
AS AT 31 DECEMBER 2008<sup>1,2</sup>**



**TRADE SECTOR ANALYSIS BY  
GROSS RENTAL INCOME  
FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>**



Food & Beverage/Food Court	33.9 %
Services/Educational	27.4 %
Fashion	13.7 %
Supermarket	6.8 %
Leisure & Entertainment/Sports & Fitness	5.7 %
Department Store	5.2 %
Electronics	4.9 %
Books/Gifts & Specialty/Hobbies/Toys	2.4 %

**TRADE SECTOR ANALYSIS BY  
NET LETTABLE AREA  
AS AT 31 DECEMBER 2008<sup>1</sup>**



Food & Beverage/Food Court	27.7 %
Services/Educational	25.9 %
Electronics	11.7 %
Supermarket	10.6 %
Department Store	8.2 %
Fashion	6.6 %
Leisure & Entertainment/Sports & Fitness	5.1 %
Books/Gifts & Specialty/Hobbies/Toys	4.2 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# RIVERVALE MALL

THE ATRIUM@  
ORCHARD  
TAMPINES  
JUN  
TUNAN

## CENTRE MANAGEMENT

MELISSA ANG Centre Manager  
SABRINA LAI Assistant Centre Manager  
JESSICA LEE Senior Leasing Executive  
DENNIS CHEONG Marcom Manager  
EDDIE LIM Operations Manager

**OBJECTIVE** The objective for Rivervale Mall is to continuously optimise its financial performance through tenancy remixing and asset enhancements.

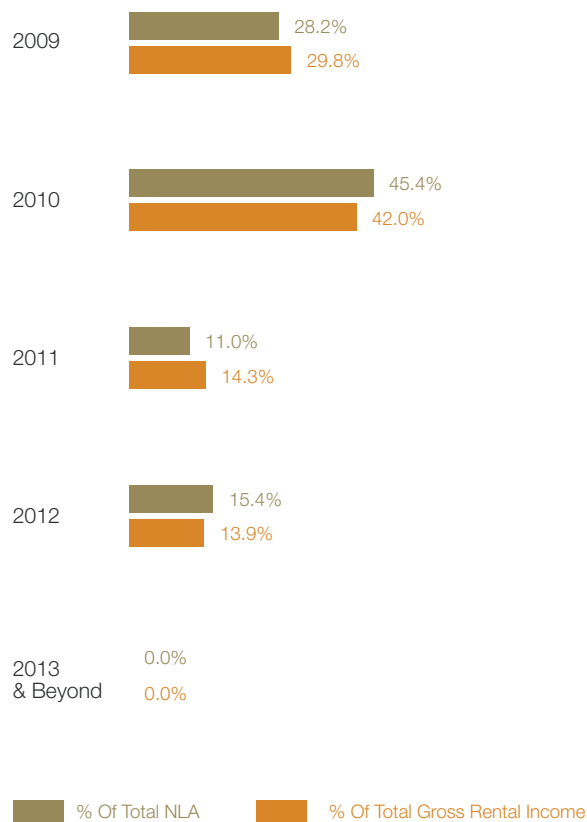
**MALL DESCRIPTION** Rivervale Mall is a three-storey retail mall located at the junction of Rivervale Drive and Rivervale Crescent in Sengkang New Town. The mall is conveniently located next to the Rumbia LRT train station, which is linked to the Sengkang MRT train station. A free shuttle bus service provided by the mall also plies the Sengkang and Punggol routes at regular intervals.

With its accessible location, Rivervale Mall is a popular and convenient shopping destination for residents living within the vicinity. Key tenants include NTUC FairPrice (supermarket), NTUC Foodfare (food court), Shop-In (department store), United Overseas Bank and McDonald's. The tenant mix will be further strengthened by the opening of Daiso (value store) in September 2009.

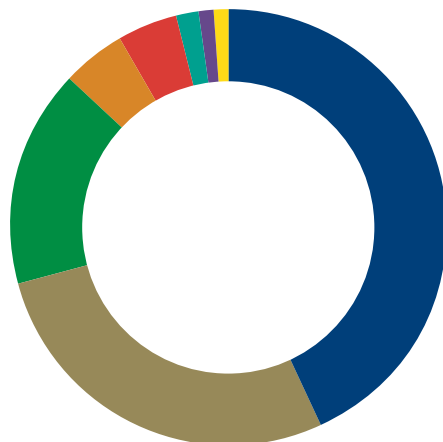
## RIVERVALE MALL PROPERTY INFORMATION

<b>Net Lettable Area (NLA)</b> As at 31 December 2008	81,564 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	69
<b>Car Park Lots</b> As at 31 December 2008	178
<b>Title</b>	Leasehold tenure of 99 years with effect from 6 December 1997
<b>Purchase Price</b>	S\$65.2 million
<b>Valuation</b> As at 1 December 2008	S\$90.0 million
<b>Committed Occupancy</b> As at 31 December 2008	100.0%
<b>Shopper Traffic In 2008</b>	6.7 million
<b>Key Tenants</b>	NTUC FairPrice, NTUC Foodfare, Shop-In, United Overseas Bank and McDonald's

## LEASE EXPIRY PROFILE AS AT 31 DECEMBER 2008<sup>1,2</sup>

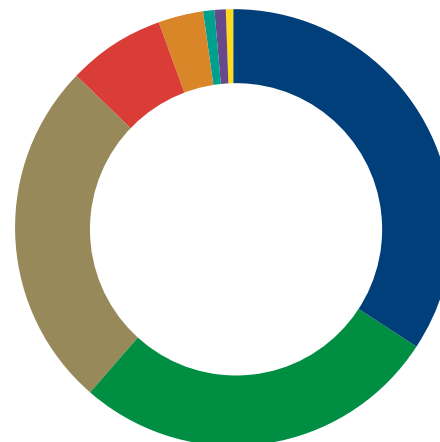


## TRADE SECTOR ANALYSIS BY GROSS RENTAL INCOME FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>



Services/Educational	43.2 %
Food & Beverage/Food Court	27.8 %
Supermarket	16.2 %
Fashion	4.6 %
Department Store	4.4 %
Electronics	1.8 %
Leisure & Entertainment/Sports & Fitness	1.1 %
Books/Gifts & Specialty/Hobbies/Toys	0.9 %

## TRADE SECTOR ANALYSIS BY NET LETTABLE AREA AS AT 31 DECEMBER 2008<sup>1</sup>



Services/Educational	34.2 %
Supermarket	27.2 %
Food & Beverage/Food Court	25.9 %
Department Store	7.4 %
Fashion	3.1 %
Electronics	1.0 %
Leisure & Entertainment/Sports & Fitness	0.7 %
Books/Gifts & Specialty/Hobbies/Toys	0.5 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# THE ATRIUM@ ORCHARD

TAMPINES  
MALL  
JUNCTION 8

## CENTRE MANAGEMENT

PAULINE YEH General Manager

CARIE YIP Assistant Centre Manager

LUN HWEE HSIEN Leasing Manager

JUNE ANG Marcom Manager

LIM CHUN LEONG Operations Manager

**OBJECTIVES** The objectives for The Atrium@Orchard (Atrium) are to maximise its financial performance and yield, whilst strengthening its market positioning as the prime mixed-use development with prime frontage of about 170 metres along Orchard Road when integrated with Plaza Singapura.

**MALL DESCRIPTION** Atrium is currently a mixed-use development comprises two Grade-A office towers, ground floor retail spaces and two levels of basement carpark. The development enjoys direct connectivity to the Dhoby Ghaut MRT interchange train station, which connects three main train lines, including the upcoming Circle Line which is expected to commence operations in 2010. Atrium is also located within the Civic and Cultural District, in close proximity to the National Library, Singapore Management University and National Museum of Singapore. Upon the completion of the AEI, the retail NLA for Atrium is expected to increase from 16,254 sq ft to over 170,000 sq ft.

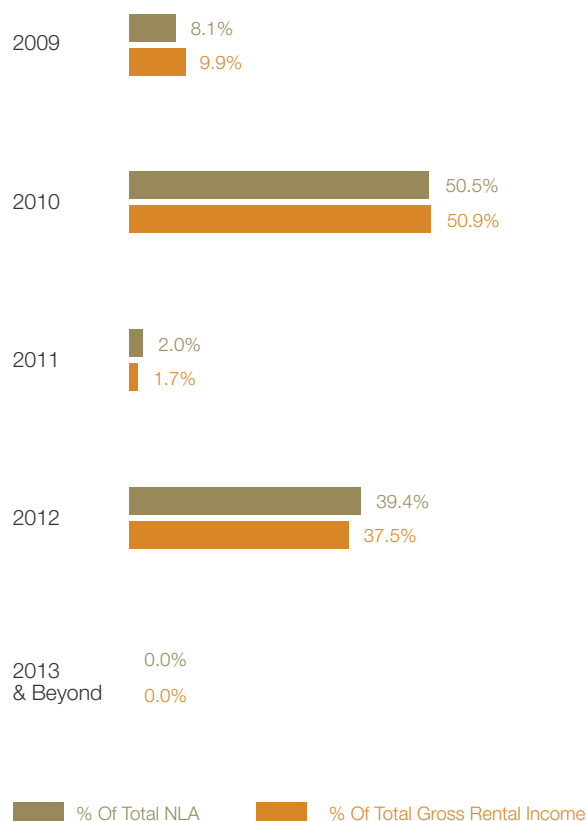
Existing retail tenants on the ground floor include TCC – The Coffee Connoisseur, Sakae Sushi and Pondok Jawa Timur. Shoppers can look forward to a wider variety of retail and dining offerings on level 1 with the proposed AEI.

## THE ATRIUM@ORCHARD PROPERTY INFORMATION

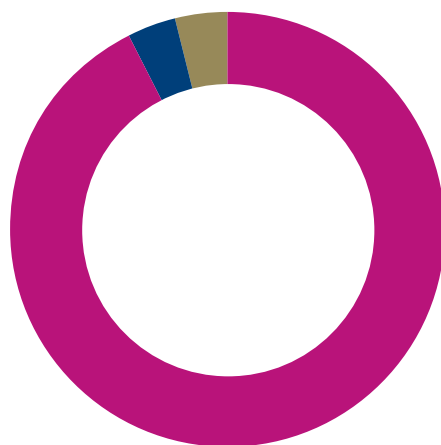
<b>Net Lettable Area (NLA)</b> As at 31 December 2008	Retail : 16,254 sq ft Office : 357,354 sq ft Total : 373,608 sq ft
<b>Number Of Tenants</b> As at 31 December 2008	Retail : 7 Office : 13
<b>Car Park Lots</b> As at 31 December 2008	106
<b>Title</b>	Leasehold tenure of 99 years with effect from 15 August 2008
<b>Purchase Price</b>	S\$839.8 million
<b>Valuation</b> As at 1 December 2008	S\$850.0 million
<b>Gross Revenue</b> For the year ended 31 December 2008	S\$10.4 million <sup>1</sup>
<b>Net Property Income</b> For the year ended 31 December 2008	S\$6.7 million <sup>1</sup>
<b>Committed Occupancy</b> As at 31 December 2008	Retail : 85.2% Office : 98.6% Total : 98.0%
<b>Shopper Traffic In 2008</b>	N.A. <sup>2</sup>
<b>Key Tenants</b>	Barclays, Temasek Holdings, MTV Asia, HSBC and TCC – The Coffee Connoisseur

<sup>1</sup> Atrium acquisition was completed on 15 August 2008.  
<sup>2</sup> Not available as shopper traffic count system was not set-up.

## LEASE EXPIRY PROFILE AS AT 31 DECEMBER 2008<sup>1,2</sup>

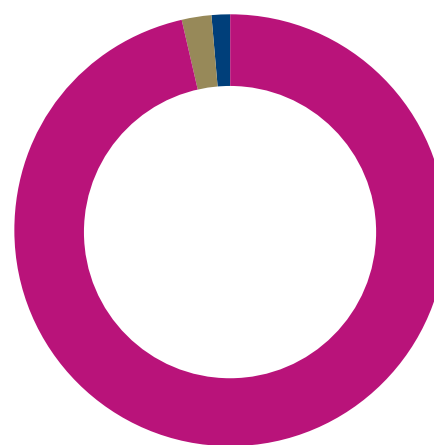


### TRADE SECTOR ANALYSIS BY GROSS RENTAL INCOME FOR THE MONTH OF DECEMBER 2008<sup>1,2</sup>



Office	92.5 %
Services/Educational	3.8 %
Food & Beverage/Food Court	3.7 %

### TRADE SECTOR ANALYSIS BY NET LETTABLE AREA AS AT 31 DECEMBER 2008<sup>1</sup>



Office	96.4 %
Food & Beverage/Food Court	2.4 %
Services/Educational	1.2 %

<sup>1</sup> Based on committed leases as at 31 December 2008.

<sup>2</sup> Based on committed gross rental income for the month of December 2008 and excludes gross turnover rental.



# JURONG ENTERTAINMENT CENTRE

HOUGANG PLAZA

## CENTRE MANAGEMENT

CALLIE YAH General Manager  
 ELSIE GOH Assistant Centre Manager  
 INDRA FANTA Leasing Manager  
 MAGGIE CHUA Marcom Manager  
 DESMOND NG Operations Manager

SIN

**OBJECTIVES** The objectives for Jurong Entertainment Centre (JEC) are to continuously optimise its financial performance, strengthen its market positioning as a one-stop shopping, dining and entertainment centre, and to provide one of the best shopping experiences to its visitors.

**MALL DESCRIPTION** JEC is a five-storey shopping cum entertainment complex situated in the heart of Jurong East Central. The mall is connected via a covered walkway to the Jurong East MRT train station and bus interchange. It is located next to the Jurong Regional Library and close to JTC Summit and the International Business Park. JEC comprised four levels of retail and entertainment spaces and basement car park.

JEC ceased operations on 1 November 2008 in preparation for proposed major refurbishment works. However, the proposed asset enhancement works have since been put on hold in view of the current high construction cost. The planned works at JEC will be announced at an appropriate time.

# CAPITARETAIL CHINA TRUST



CMT owns 122.7 million units or approximately 20% stake in CapitaRetail China Trust (CRCT).

CRCT is the first pure-play China retail Real Estate Investment Trust (REIT) listed on Singapore Exchange Securities Trading Limited on 8 December 2006. It is established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate used primarily for retail purposes and located in the People's Republic of China (China), Hong Kong and Macau. Its portfolio currently comprises eight malls, including Xizhimen Mall, Wangjing Mall, Jiulong Mall and Anzhen Mall in Beijing, Qibao Mall in Shanghai, Zhengzhou Mall in Zhengzhou, Henan Province, Saihan Mall in Huhhot, Inner Mongolia, and Xinwu Mall in Wuhu, Anhui Province. As at 31 December 2008, the total asset size of CRCT was approximately S\$1.3 billion.

All the malls are uniquely positioned as one-stop family-oriented shopping, dining and entertainment destinations for the sizeable population catchment areas in which they are located, and are accessible via major transportation routes or access points. A significant portion of the malls' tenants consists of major international and domestic retailers such as Wal-Mart, Carrefour and the Beijing Hualian Group under master leases or long-term leases, which provide Unitholders with stable and sustainable returns. The

anchor tenants are complemented by popular specialty brands such as Sport 100, Esprit, Watsons, KFC, Pizza Hut and Colour Jeans.

CRCT is provided with long-term growth potential from its rights of first refusal to purchase assets held by CapitaLand-sponsored private funds, CapitaRetail China Development Funds I and II, CapitaRetail China Incubator Fund, as well as CapitaLand Retail Limited, the retail real estate business unit of CapitaLand.

CRCT recorded a Distribution Per Unit (DPU) of 7.53 cents for 2008, which is 12.1% higher than the DPU for 2007.

CMT invested in CRCT as a long term strategic investor. In the current weak equity market, CRCT closed its unit price at S\$0.60 as at 31 December 2008. The fair value of the investment is less than 1.0% of CMT Group's total asset size.

China is currently one of the fastest growing economies in the world predominantly due to its attractive economic fundamentals and reforms introduced over the past three decades. With strong economic growth forecast, the outlook for the retail real estate market in China remains positive. The strategic long-term investment in CRCT is expected to provide CMT's Unitholders with an opportunity to enjoy the tremendous growth without drastically changing its risk profile.

*Top Row,  
Left to Right*  
Xizhimen Mall,  
Beijing  
Xinwu Mall,  
Wuhu  
Zhengzhou Mall,  
Zhengzhou  
Qibao Mall,  
Shanghai

*Bottom Row,  
Left to Right*  
Anzhen Mall,  
Beijing  
Wangjing Mall,  
Beijing  
Saihan Mall,  
Huhhot  
Jiulong Mall,  
Beijing

PSTABILITYCAPABILITY  
ACAPABILITYMARKET  
USUSTAINABILITYACCO  
SACCOUNTABILITYS  
FSCALABILITYPROFIT  
Y**PROFITABILITY**STAB

**PROFIT+ABILITY** RESULTS, WELL-PRESERVED, UNDERPINS THE SUSTAINED PROFITABILITY OF CMT. STRONG FUNDAMENTALS, PROACTIVE CAPITAL AND RISK MANAGEMENT AND CORE COMPETENCIES DIFFERENTIATE CMT FROM THE PACK.

# FINANCIAL STATEMENTS

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Notes To The Financial Statements

# REPORT OF THE TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”) is under a duty to take into custody and hold the assets of CapitaMall Trust (the “Trust”) and its subsidiaries (the “Group”) in trust for the holders (“Unitholders”) of units in the Trust (the “Units”). In accordance with, *inter alia*, the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes and the Listing Manual (collectively referred to as the “laws and regulations”), the Trustee shall monitor the activities of CapitaMall Trust Management Limited (the “Manager”) for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 29 October 2001 (as amended) (the “Trust Deed”) between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report which shall contain the matters prescribed by the laws and regulations as well as the recommendations of the Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of the Certified Public Accountants of Singapore and the provisions of the Trust Deed.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements, set out on pages 109 to 168, comprising the Balance Sheets, Statements of Total Return, Distribution Statements, Statements of Movements in Unitholders’ Funds, Portfolio Statements, Cash Flow Statements and Notes to the Financial Statements, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed, laws and regulations and otherwise in accordance with the provisions of the Trust Deed.

**For and on behalf of the Trustee,  
HSBC Institutional Trust Services (Singapore) Limited**



**Johannes Van Verre**  
*Director*

**Singapore**  
9 February 2009

# STATEMENT BY THE MANAGER

In the opinion of the directors of CapitaMall Trust Management Limited, the accompanying financial statements set out on pages 109 to 168 comprising the Balance Sheets, Statements of Total Return, Distribution Statements, Statements of Movements in Unitholders' Funds, Portfolio Statements, Cash Flow Statements and a summary of significant accounting policies and other explanatory notes of CapitaMall Trust and its subsidiaries (the "Group") and of the Trust, are drawn up so as to present fairly, in all material respects, the financial position of the Group and of the Trust as at 31 December 2008, the total return, distributable income, movements in Unitholders' funds and cash flows of the Group and of the Trust for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

**For and on behalf of the Manager,  
CapitaMall Trust Management Limited**



**Lim Beng Chee**  
*Director*

**Singapore**  
9 February 2009

# INDEPENDENT AUDITORS' REPORT

UNITHOLDERS OF CAPITAMALL TRUST

(ESTABLISHED IN THE REPUBLIC OF SINGAPORE PURSUANT TO A TRUST DEED DATED 29 OCTOBER 2001 (AS AMENDED))

We have audited the accompanying financial statements of CapitaMall Trust (the "Trust") and its subsidiaries (the "Group"), which comprise the Balance Sheets and Portfolio Statements of the Group and the Trust as at 31 December 2008, and the Statements of Total Return, Distribution Statements, Statements of Movements in Unitholders' Funds and Cash Flow Statements of the Group and the Trust for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 109 to 168.

## *Manager's responsibility for the financial statements*

The Manager of the Trust is responsible for the preparation and fair presentation of these financial statements in accordance with Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## *Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager of the Trust, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## *Opinion*

In our opinion, the consolidated financial statements of the Group and the financial statements of the Trust present fairly, in all material respects, the financial position of the Group and of the Trust as at 31 December 2008, the total return, distributable income, movements in Unitholders' funds and cash flows of the Group and the Trust for the year then ended in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.



**KPMG LLP**

*Public Accountants and  
Certified Public Accountants*

**Singapore**

9 February 2009

# BALANCE SHEETS

AS AT 31 DECEMBER 2008

	NOTE	GROUP		TRUST	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Non-current assets</b>					
Plant and equipment	3	2,165	1,375	1,403	935
Investment properties	4	7,174,000	5,777,900	5,317,000	4,021,000
Subsidiaries	5	–	–	356,220	356,220
Associate and joint venture	6	143,919	98,053	665,351	623,012
Deferred tax asset	13	1,774	–	–	–
		7,321,858	5,877,328	6,339,974	5,001,167
<b>Current assets</b>					
Inventories		179	182	–	–
Trade and other receivables	7	13,806	10,840	23,964	22,907
Financial derivatives	8	4,793	–	–	–
Cash and cash equivalents	9	168,355	68,918	141,424	35,493
		187,133	79,940	165,388	58,400
<b>Current liabilities</b>					
Trade and other payables	10	119,821	93,362	87,467	65,337
Current portion of security deposits		37,016	23,431	29,221	16,863
Interest-bearing borrowings	11	987,930	150,000	645,000	150,000
Current tax payable		1,552	1,018	–	–
		1,146,319	267,811	761,688	232,200
<b>Net current liabilities</b>		(959,186)	(187,871)	(596,300)	(173,800)

The accompanying notes form an integral part of these financial statements.

# BALANCE SHEETS

AS AT 31 DECEMBER 2008

	NOTE	GROUP		TRUST	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Non-current liabilities</b>					
Interest-bearing borrowings	11	1,576,923	1,892,949	1,220,786	1,240,251
Convertible bonds	12	592,042	–	592,042	–
Non-current portion of security deposits		68,793	70,720	51,177	55,666
Financial derivatives	8	45,308	3,797	34,059	–
Deferred tax liability	13	–	177	–	–
		2,283,066	1,967,643	1,898,064	1,295,917
<b>Net assets</b>		4,079,606	3,721,814	3,845,610	3,531,450
Represented by:					
<b>Unitholders' funds</b>		4,079,606	3,721,814	3,845,610	3,531,450
<b>Units in issue ('000)</b>	14	1,666,831	1,662,393	1,666,831	1,662,393
		\$	\$	\$	\$
<b>Net asset value per unit</b>		2.44	2.24	2.30	2.12

The accompanying notes form an integral part of these financial statements.

# STATEMENTS OF TOTAL RETURN

YEAR ENDED 31 DECEMBER 2008

	NOTE	GROUP		TRUST	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Gross revenue	15	510,901	431,860	370,662	332,445
Property operating expenses	16	(169,771)	(144,085)	(122,175)	(111,520)
<b>Net property income</b>		341,130	287,775	248,487	220,925
Interest income	17	1,881	1,066	22,081	13,160
Investment income	18	–	–	46,442	36,333
Asset management fees	19	(31,020)	(25,512)	(22,614)	(19,552)
Professional fees		(1,990)	(991)	(1,526)	(699)
Trustee's fees		(815)	(874)	(527)	(659)
Audit fees		(377)	(260)	(262)	(180)
Other expenses		(1,255)	(970)	(1,052)	(896)
Finance costs	20	(102,531)	(72,335)	(74,032)	(50,180)
<b>Net income before share of profit of associate</b>		205,023	187,899	216,997	198,252
Share of profit of associate		8,384	39,653	–	–
<b>Net income</b>		213,407	227,552	216,997	198,252
Net change in fair value of financial derivatives		25,545	–	25,545	–
Net change in fair value of investment properties		323,227	381,170	273,509	271,752
<b>Total return for the year before income tax</b>		562,179	608,722	516,051	470,004
Income tax expense	21	(1,277)	(775)	–	–
<b>Total return for the year</b>		560,902	607,947	516,051	470,004
<b>Earnings per unit (cents)</b>	22				
Basic		33.70	38.52	31.00	29.78
Fully diluted		31.70	38.52	29.13	29.78

The accompanying notes form an integral part of these financial statements.

# DISTRIBUTION STATEMENTS

YEAR ENDED 31 DECEMBER 2008

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Amount available for distribution to Unitholders at beginning of year	39,801	52,933	39,801	52,933
Net income before share of profit of associate	205,023	187,899	216,997	198,252
Net tax adjustments (Note A)	27,141	17,982	21,360	12,938
Distribution income from associate	7,180	3,109	–	–
Interest income from associate	–	2,063	–	–
Net (profit)/loss from subsidiaries	(987)	137	–	–
	238,357	211,190	238,357	211,190
Amount available for distribution to Unitholders	278,158	264,123	278,158	264,123
Distribution to Unitholders during the year:				
Distribution of 3.35 cents per unit for period from 1/10/2006 to 31/12/2006	–	(52,305)	–	(52,305)
Distribution of 3.00 cents per unit for period from 1/1/2007 to 31/3/2007	–	(46,877)	–	(46,877)
Distribution of 3.12 cents per unit for period from 1/4/2007 to 30/6/2007	–	(48,789)	–	(48,789)
Distribution of 4.88 cents per unit for period from 1/7/2007 to 6/11/2007	–	(76,351)	–	(76,351)
Distribution of 2.34 cents per unit for period from 7/11/2007 to 31/12/2007	(38,900)	–	(38,900)	–
Distribution of 3.48 cents per unit for period from 1/1/2008 to 31/3/2008	(57,883)	–	(57,883)	–
Distribution of 3.52 cents per unit for period from 1/4/2008 to 30/6/2008	(58,583)	–	(58,583)	–
Distribution of 3.64 cents per unit for period from 1/7/2008 to 30/9/2008	(60,620)	–	(60,620)	–
	(215,986)	(224,322)	(215,986)	(224,322)
Amount available for distribution to Unitholders at end of the year	62,172	39,801	62,172	39,801

## Note A – Net tax adjustments comprise:

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Non-tax deductible/(chargeable) items:				
- asset management fees paid/payable in units	14,187	12,650	9,294	8,277
- trustee's fees	661	783	527	659
- amortisation of transaction costs on borrowings	13,789	–	13,247	–
- other items	2,475	4,568	2,263	4,021
Tax deductible item:				
- capital allowances/balancing allowances	(3,971)	(19)	(3,971)	(19)
Net tax adjustments	27,141	17,982	21,360	12,938

The accompanying notes form an integral part of these financial statements.

# STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

YEAR ENDED 31 DECEMBER 2008

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Net assets at beginning of the year</b>	3,721,814	2,975,814	3,531,450	2,925,628
<b>Operations</b>				
Total return for the year	560,902	607,947	516,051	470,004
<b>Hedging reserve</b>				
Effective portion of changes in fair value of cash flow hedges	(8,629)	1,917	(259)	–
<b>Movement in foreign currency translation reserve</b>	7,145	318	–	–
<b>Movement in general reserve</b>	6	–	–	–
<b>Unitholders' transactions</b>				
Creation of units				
- contributions on placements	–	352,110	–	352,110
- asset management fees paid/payable in units	9,294	8,277	9,294	8,277
- units issued in respect of CapitaRetail Singapore Limited ("CRSL")'s acquisition fees	–	1,334	–	1,334
- units issued in respect of RCS Trust's asset management fees	4,797	4,236	4,797	4,236
Issue expenses (Note 23)	263	(5,817)	263	(5,817)
Distribution to Unitholders	(215,986)	(224,322)	(215,986)	(224,322)
Net (decrease)/increase in net assets resulting from Unitholders' transactions	(201,632)	135,818	(201,632)	135,818
<b>Net assets at end of the year</b>	<b>4,079,606</b>	<b>3,721,814</b>	<b>3,845,610</b>	<b>3,531,450</b>

The accompanying notes form an integral part of these financial statements.

# PORTFOLIO STATEMENTS

AS AT 31 DECEMBER 2008

## Group

DESCRIPTION OF PROPERTY	TENURE OF LAND	TERM OF LEASE	REMAINING TERM OF LEASE	LOCATION	EXISTING USE	COMMITTED OCCUPANCY RATES AS AT 31 DECEMBER		AT VALUATION		PERCENTAGE OF TOTAL NET ASSETS	
						2008 %	2007 %	2008 \$'000	2007 \$'000	2008 %	2007 %
<i>Investment properties in Singapore</i>											
Tampines Mall	Leasehold	99 years	83 years	4 Tampines Central 5, Singapore	Commercial	100.0	100.0	775,000	720,000	19.0	19.3
Junction 8	Leasehold	99 years	82 years	9 Bishan Place, Singapore	Commercial	100.0	100.0	585,000	521,000	14.3	14.0
Funan DigitalLife Mall	Leasehold	99 years	70 years	109 North Bridge Road, Singapore	Commercial	99.8	99.7	341,000	304,500	8.4	8.2
IMM Building	Leasehold	60 years	40 years	2 Jurong East Street 21, Singapore	Commercial Warehouse	99.1 98.1	100.0 94.7	658,000	600,000	16.1	16.1
Plaza Singapura	Freehold	-	-	68 Orchard Road, Singapore	Commercial	99.8	100.0	1,000,000	922,000	24.5	24.8
Hougang Plaza	Leasehold	99 years	81 years	1189 Upper Serangoon Road, Singapore	Commercial	100.0	100.0	50,000	50,500	1.2	1.4
Sembawang Shopping Centre	Leasehold	999 years	875 years	604 Sembawang Road, Singapore	Commercial	NA <sup>1</sup>	NA <sup>1</sup>	137,000	94,000	3.4	2.5
Balance carried forward								3,546,000	3,212,000	86.9	86.3

The accompanying notes form an integral part of these financial statements.

# PORTFOLIO STATEMENTS

AS AT 31 DECEMBER 2008

DESCRIPTION OF PROPERTY	TENURE OF LAND	TERM OF LEASE	REMAINING TERM OF LEASE	LOCATION	EXISTING USE	COMMITTED OCCUPANCY RATES AS AT 31 DECEMBER		AT VALUATION		PERCENTAGE OF TOTAL NET ASSETS	
						2008 %	2007 %	2008 \$'000	2007 \$'000	2008 %	2007 %
<i>Investment properties in Singapore</i>											
Balance brought forward								3,546,000	3,212,000	86.9	86.3
Jurong Entertainment Centre	Leasehold	99 years	81 years	2 Jurong East Central 1, Singapore	Commercial	NA <sup>2</sup>	100.0	123,000	89,000	3.0	2.4
Bugis Junction	Leasehold	99 years	81 years	200 Victoria Street, Singapore	Commercial	100.0	100.0	798,000	720,000	19.6	19.4
The Atrium@Orchard <sup>3</sup>	Leasehold	99 years	99 years	60A & 60B Orchard Road, Singapore	Commercial	98.0	–	850,000	–	20.8	–
Bukit Panjang Plaza	Leasehold	99 years	85 years	1 Jelebu Road, Singapore	Commercial	100.0	99.9	256,000	251,000	6.3	6.7
Lot One Shoppers' Mall	Leasehold	99 years	84 years	21 Choa Chu Kang Avenue 4, Singapore	Commercial	99.3	92.7	433,000	385,500	10.6	10.4
Rivervale Mall	Leasehold	99 years	88 years	11 Rivervale Crescent, Singapore	Commercial	100.0	100.0	90,000	86,000	2.2	2.3
40.0% interest in Raffles City	Leasehold	99 years	70 years	250 & 252 North Bridge Road, 2 Stamford Road and 80 Bras Basah Road, Singapore	Retail Office Hotel	100.0 99.7 NA <sup>4</sup>	100.0 98.7 NA <sup>4</sup>	1,078,000	1,034,400	26.4	27.8
<b>Investment properties, at valuation</b>								7,174,000	5,777,900	175.8	155.3
<b>Investment in associate (Note 6)</b>								143,919	98,053	3.5	2.6
<b>Other assets and liabilities (net)</b>								7,317,919	5,875,953	179.3	157.9
<b>Net assets</b>								(3,238,313)	(2,154,139)	(79.3)	(57.9)
								4,079,606	3,721,814	100.0	100.0

The accompanying notes form an integral part of these financial statements.

# PORTFOLIO STATEMENTS

AS AT 31 DECEMBER 2008

## Trust

DESCRIPTION OF PROPERTY	TENURE OF LAND	TERM OF LEASE	REMAINING TERM OF LEASE	LOCATION	EXISTING USE	OCCUPANCY RATES AS AT 31 DECEMBER		AT VALUATION		PERCENTAGE OF TOTAL NET ASSETS	
						2008 %	2007 %	2008 \$'000	2007 \$'000	2008 %	2007 %
<i>Investment properties in Singapore</i>											
Tampines Mall	Leasehold	99 years	83 years	4 Tampines Central 5, Singapore	Commercial	100.0	100.0	775,000	720,000	20.1	20.4
Junction 8	Leasehold	99 years	82 years	9 Bishan Place, Singapore	Commercial	100.0	100.0	585,000	521,000	15.2	14.8
Funan DigitalLife Mall	Leasehold	99 years	70 years	109 North Bridge Road, Singapore	Commercial	99.8	99.7	341,000	304,500	8.9	8.6
IMM Building	Leasehold	60 years	40 years	2 Jurong East Street 21, Singapore	Commercial Warehouse	99.1 98.1	100.0 94.7	658,000	600,000	17.1	17.0
Plaza Singapura	Freehold	-	-	68 Orchard Road, Singapore	Commercial	99.8	100.0	1,000,000	922,000	26.0	26.1
Hougang Plaza	Leasehold	99 years	81 years	1189 Upper Serangoon Road, Singapore	Commercial	100.0	100.0	50,000	50,500	1.3	1.4
Sembawang Shopping Centre	Leasehold	999 years	875 years	604 Sembawang Road, Singapore	Commercial	NA <sup>1</sup>	NA <sup>1</sup>	137,000	94,000	3.6	2.7
Balance carried forward								3,546,000	3,212,000	92.2	91.0

The accompanying notes form an integral part of these financial statements.

# PORTFOLIO STATEMENTS

AS AT 31 DECEMBER 2008

DESCRIPTION OF PROPERTY	TENURE OF LAND	TERM OF LEASE	REMAINING TERM OF LEASE	LOCATION	EXISTING USE	OCCUPANCY RATES AS AT 31 DECEMBER		AT VALUATION		PERCENTAGE OF TOTAL NET ASSETS	
						2008 %	2007 %	2008 \$'000	2007 \$'000	2008 %	2007 %
<i>Investment properties in Singapore</i>											
Balance brought forward								3,546,000	3,212,000	92.2	91.0
Jurong Entertainment Centre	Leasehold	99 years	81 years	2 Jurong East Central 1, Singapore	Commercial	NA <sup>2</sup>	100.0	123,000	89,000	3.2	2.5
Bugis Junction	Leasehold	99 years	81 years	200 Victoria Street, Singapore	Commercial	100.0	100.0	798,000	720,000	20.7	20.4
The Atrium@Orchard <sup>3</sup>	Leasehold	99 years	99 years	60A & 60B Orchard Road, Singapore	Commercial	98.0	-	850,000	-	22.1	-
<b>Investment properties, at valuation</b>								5,317,000	4,021,000	138.2	113.9
<b>Investment in subsidiaries, associate and joint venture (Notes 5 &amp; 6)</b>								1,021,571	979,232	26.6	27.7
<b>Other assets and liabilities (net)</b>								6,338,571	5,000,232	164.8	141.6
<b>Net assets</b>								(2,492,961)	(1,468,782)	(64.8)	(41.6)
								3,845,610	3,531,450	100.0	100.0

NA Not Applicable

1 Occupancy rate is not applicable as Sembawang Shopping Centre major asset enhancement initiatives were completed in late December 2008.

2 Occupancy rate is not applicable as Jurong Entertainment Centre was closed in November 2008 for asset enhancement works.

3 On 15 August 2008, CMT has completed the acquisition of The Atrium@Orchard located at Nos. 60A & 60B Orchard Road, Singapore 238890 and 238891 respectively.

4 The two hotels are on a long term master lease to RC Hotels (Pte) Ltd.

The accompanying notes form an integral part of these financial statements.

# PORTFOLIO STATEMENTS

AS AT 31 DECEMBER 2008

On 1 December 2008, independent valuations of Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Hougang Plaza, Sembawang Shopping Centre, Jurong Entertainment Centre and Bugis Junction were undertaken by CB Richard Ellis (Pte) Ltd ("CBRE") while the independent valuations of Plaza Singapura and The Atrium@Orchard were undertaken by Knight Frank Pte Ltd ("Knight Frank"). The Manager believes that the independent valuers have appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuations were based on investment method and discounted cash flow approaches for Knight Frank and capitalisation and discounted cash flow approaches for CBRE. The valuations adopted were \$775,000,000, \$585,000,000, \$341,000,000, \$658,000,000, \$1,000,000,000, \$50,000,000, \$137,000,000, \$123,000,000, \$798,000,000 and \$850,000,000 for Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Plaza Singapura, Hougang Plaza, Sembawang Shopping Centre, Jurong Entertainment Centre, Bugis Junction and The Atrium@Orchard respectively. The net change in fair value of the properties has been taken to the Statement of Total Return.

On 1 December 2008, independent valuation of Raffles City was undertaken by Knight Frank. The Manager believes that the independent valuer has appropriate professional qualifications and recent experience in the location and category of the property being valued. The valuation was based on investment method and discounted cash flow approaches. The valuation adopted was \$2,695,000,000 and the Trust's proportionate interest in the property value is \$1,078,000,000. The net change in fair value of the property has been taken to the Statement of Total Return.

On 1 December 2008, independent valuations of Bukit Panjang Plaza, Lot One Shoppers' Mall and Rivervale Mall were undertaken by Knight Frank. The Manager believes that the independent valuer has appropriate professional qualifications and recent experience in the location and category of the property being valued. The valuations were based on investment method and discounted cash flow approaches. The valuations adopted were \$256,000,000, \$433,000,000 and \$90,000,000 for Bukit Panjang Plaza, Lot One Shoppers' Mall and Rivervale Mall respectively. The net change in fair value of the properties has been taken to the Statement of Total Return.

The carrying amounts of Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Hougang Plaza, Sembawang Shopping Centre, Jurong Entertainment Centre, Bugis Junction, Bukit Panjang Plaza, Lot One Shoppers' Mall and Rivervale Mall as at 31 December 2007 were based on independent valuations undertaken by Knight Frank. The carrying amounts of Plaza Singapura and Raffles City as at 31 December 2007 were based on independent valuations undertaken by CBRE. Except for Sembawang Shopping Centre, the valuations were based on investment method and discounted cash flow approaches for Knight Frank and capitalisation and discounted cash flow approaches for CBRE. For Sembawang Shopping Centre, Knight Frank has used residual land value and discounted cash flow methodology.

Investment properties comprise commercial properties that are leased to external customers. Generally, the leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with the lessee. Contingent rents recognised in the Statement of Total Return of the Group and in the Statement of Total Return of the Trust amounted to \$30,614,000 (2007: \$19,876,000) and \$17,500,000 (2007: \$10,891,000) respectively.

The accompanying notes form an integral part of these financial statements.

# CASH FLOW STATEMENTS

YEAR ENDED 31 DECEMBER 2008

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Operating activities</b>				
Net income	213,407	227,552	216,997	198,252
Adjustments for:				
Asset management fees paid/payable in units	14,187	12,650	9,294	8,277
Depreciation and amortisation	1,020	1,663	628	1,460
Finance costs	102,531	72,335	74,032	50,180
Interest income	(1,881)	(1,066)	(22,081)	(13,160)
Investment income	–	–	(46,442)	(36,333)
Asset written off	10	–	10	–
Receivables written off	34	13	33	21
Share of profit of associate	(8,384)	(39,653)	–	–
Operating income before working capital changes	320,924	273,494	232,471	208,697
Changes in working capital:				
Inventories	3	(15)	–	–
Trade and other receivables	(4,618)	5,032	(2,501)	5,983
Trade and other payables	21,101	19,108	19,775	9,975
Security deposits	11,332	10,460	7,543	9,242
Income tax refund	–	55	–	–
Income tax paid	(864)	–	–	–
<b>Cash flows from operating activities</b>	<b>347,878</b>	<b>308,134</b>	<b>257,288</b>	<b>233,897</b>
<b>Investing activities</b>				
Capital expenditure on investment properties	(224,491)	(114,180)	(173,751)	(88,556)
Distribution received from associate	7,180	3,109	7,180	6,533
Interest received	1,881	3,592	25,694	38,137
Investment income received	–	–	35,547	(80)
Investment in associate	(37,543)	–	(37,543)	–
Net cash outflow on purchase of investment property (including acquisition charges) (see Note A below)	(847,250)	–	(847,250)	–
Net cash outflow on purchase of subsidiary (including acquisition charges) (see Note B below)	–	(274,482)	–	(296,806)
Proceeds from sale of plant and equipment	–	2	–	2
Purchase of plant and equipment	(1,440)	(820)	(833)	(681)
<b>Cash flows from investing activities</b>	<b>(1,101,663)</b>	<b>(382,779)</b>	<b>(990,956)</b>	<b>(341,451)</b>
Balance carried forward	(753,785)	(74,645)	(733,668)	(107,554)

The accompanying notes form an integral part of these financial statements.

# CASH FLOW STATEMENTS

YEAR ENDED 31 DECEMBER 2008

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Balance brought forward	(753,785)	(74,645)	(733,668)	(107,554)
<b>Financing activities</b>				
Distribution to Unitholders	(215,986)	(224,322)	(215,986)	(224,322)
Interest paid	(80,891)	(79,179)	(58,354)	(53,486)
Payment of issue and financing expenses	(14,112)	(7,449)	(11,061)	(7,264)
Proceeds from interest-bearing borrowings	1,014,543	841,333	662,543	830,338
Proceeds from issuance of convertible bonds	650,000	–	650,000	–
Proceeds from issue of new units	–	352,110	–	352,110
Repayment of interest-bearing borrowings	(500,332)	(786,131)	(187,543)	(786,131)
<b>Cash flows from financing activities</b>	<b>853,222</b>	<b>96,362</b>	<b>839,599</b>	<b>111,245</b>
<b>Net increase in cash and cash equivalents</b>	<b>99,437</b>	<b>21,717</b>	<b>105,931</b>	<b>3,691</b>
Cash and cash equivalents at beginning of the year	68,918	47,201	35,493	31,802
<b>Cash and cash equivalents at end of the year (Note 9)</b>	<b>168,355</b>	<b>68,918</b>	<b>141,424</b>	<b>35,493</b>

Note:

**(A) Net Cash Outflow on Purchase of Investment Property (including acquisition charges)**

Net cash outflow on purchase of investment property (including acquisition charges) is set out below:

	GROUP AND TRUST 2008 \$'000
Investment properties	839,800
Plant and equipment	–
Cash and cash equivalents	326
Other assets	–
Trade and other payables	–
Security deposits	(326)
Net identifiable assets and liabilities acquired	839,800
Acquisition charges	10,005
Cash acquired	(326)
Less: Accruals	(989)
Less: Rental income collected by vendor on behalf of the Trust	(1,240)
Net cash outflow	847,250

The accompanying notes form an integral part of these financial statements.

# CASH FLOW STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## **(B) Net Cash Outflow on Purchase of Subsidiary (including acquisition charges)**

The effect of acquisition of subsidiary is set out below:

	<b>2007</b>
	<b>\$'000</b>
Investment properties	710,000
Plant and equipment	103
Other assets	1,305
Cash and cash equivalents	22,324
Trade and other payables	(18,558)
Income tax payable	(341)
Security deposits	(12,708)
Borrowings	(300,695)
Net identifiable assets and liabilities	401,430
72.8% of net identifiable assets and liabilities acquired	292,121
Acquisition charges	6,019
Purchase consideration paid in units	(1,334)
Cash consideration paid, satisfied in cash	296,806
Cash acquired	(22,324)
Net cash outflow	274,482

Pre-acquisition carrying amounts were determined based on applicable Financial Reporting Standard immediately before the acquisition. The values of assets, liabilities and contingent liabilities recognised on acquisition are at their estimated fair values.

On 1 June 2007, the Group acquired the remaining 72.8% share in Secured Fixed Rate Class E Bond and attached Redeemable Preference Shares in CapitaRetail Singapore Limited ("CRSL") for a cash consideration of \$296,806,000. In the 7 months to 31 December 2007, CRSL contributed a total return of \$2,429,000 to the consolidated statement of total return for the year. If the acquisition had occurred on 1 January 2007, the Group revenue would have been \$455,591,000 and total return for the year would have been \$608,909,000.

## **(C) Significant Non-Cash Transaction**

During the financial year, 6,176,275 (2007: 4,210,988) units were issued or will be issued as payment for the asset management fees payable in units, amounting to a value of \$14,091,000 (2007: \$12,513,000).

The accompanying notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 9 February 2009.

## 1. GENERAL

CapitaMall Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 29 October 2001 (as amended) (the "Trust Deed") between CapitaMall Trust Management Limited (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust in trust for the holders ("Unitholders") of units in the Trust (the "Units").

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 17 July 2002 ("Listing Date") and was included under the Central Provident Fund ("CPF") Investment Scheme on 13 September 2002.

The principal activity of the Trust is to invest in income producing real estate, which is used or substantially used for retail purposes with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. The principal activities of the subsidiaries, associate and joint venture are set out in Notes 5 and 6.

The consolidated financial statements relate to the Trust and its subsidiaries (the "Group") and the Group's interest in its associate and joint venture.

The Trust has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures of these services are as follows:

### 1.1 Property management fees

Under the Property Management Agreements, property management fees are charged as follows:

- (a) 2.00% per annum of the gross revenue of the properties;
- (b) 2.00% per annum of the net property income of the properties; and
- (c) 0.50% per annum of the net property income of the properties, in lieu of leasing commissions.

The property management fees are payable quarterly in arrears.

### 1.2 Asset management fees

Pursuant to the Trust Deed, the asset management fees shall not exceed 0.70% per annum of the Deposited Property or such higher percentage as may be fixed by an Extraordinary Resolution at a meeting of Unitholders. Deposited Property refers to all the assets of the Trust, including all its Authorised Investments (as defined in the Trust Deed) for the time being held or deemed to be held upon the trusts of the Trust Deed.

Subsequent to 1 October 2006, the Trust Deed was amended such that the asset management fees comprise:

- (a) in respect of Authorised Investments which are in the form of real estate, a base component of 0.25% per annum of Deposited Property and a performance component of 2.85% per annum of gross revenue of the Trust for each financial year; and
- (b) in respect of all other Authorised Investments which are not in the form of real estate, 0.5% per annum of the investment value of the Authorised Investment, unless such Authorised Investment is an interest in a property fund (either a real estate investment trust or private property fund) wholly managed by a wholly-owned subsidiary of CapitaLand Limited, in which case no asset management fee shall be payable in relation to such Authorised Investment.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

When the asset management fees are paid in the form of units, the Manager shall be entitled to receive such number of units as may be purchased for the relevant amount of the base component at the market price (as defined in the Trust Deed).

The base component is:

- (a) (for the 60-month period from the Listing Date), paid in cash to the Manager in respect of Tampines Mall, Junction 8 and Funan Digitalife Mall; and
- (b) ((after 60 months following the Listing Date), in respect of Tampines Mall, Junction 8 and Funan Digitalife Mall) and all other Authorised Investments which are in the form of real estate paid to the Manager in the form of cash and/or units (as the Manager may elect).

The performance component is:

- (a) (for the 60-month period from the Listing Date) paid in the form of units to be issued to the Manager in respect of Tampines Mall, Junction 8 and Funan Digitalife Mall and thereafter, in the form of cash or in the form of units or a combination of both (as the Manager may elect); and
- (b) in respect of all other Authorised Investments which are in the form of real estate acquired by the Trust paid to the Manager in the form of cash, in the form of units or a combination of both (as the Manager may elect).

When the performance component is paid in the form of units, the Manager shall be entitled to receive such number of units as may be purchased for the relevant amount of the management fee at:

- (a) (in respect of Tampines Mall, Junction 8 and Funan Digitalife Mall), for the 60-month period from the Listing Date at an issue price of \$0.96 per unit, unless the market price (as defined in the Trust Deed) at the time of issue exceeds \$2.00 or more per unit, in which event, the units will be issued at a 25% discount from that market price; and
- (b) (in respect of Tampines Mall, Junction 8 and Funan Digitalife Mall (after 60 months following the Listing Date)), IMM Building, Plaza Singapura, Hougang Plaza, Sembawang Shopping Centre, Jurong Entertainment Centre, Bugis Junction, and any other property to be acquired by the Trust the market price.

The asset management fees are payable quarterly in arrears.

## 1.3 *Trustee's fees*

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.10% per annum of the Deposited Property (subject to a minimum sum of \$6,000 per month) payable out of the Deposited Property of the Trust. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

The Trustee's fees are payable quarterly in arrears.

## 2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### 2.1 *Basis of preparation*

The financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore, and the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed.

The financial statements are prepared on the historical cost basis, except for investment properties, derivative financial instruments and certain financial assets and financial liabilities which are measured at fair value.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

The financial statements are presented in Singapore dollars, which is the Group's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The preparation of financial statements in conformity with RAP 7 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in the following notes:

- Note 4 – Valuation of investment properties
- Note 25 – Valuation of financial instruments

The accounting policies set out below have been applied consistently by the Group. The accounting policies used by the Group have been applied consistently to all periods presented in these financial statements.

## **2.2 Consolidation**

### ***Subsidiaries***

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

### ***Associate and joint venture***

Associate is an entity in which the Group has a significant influence, but not control, over the financial and operating policies. In the financial statements of the Group, the interest in an associate is accounted for using the equity method. The consolidated financial statements include the Group's share of the income and expenses of the associate, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payment on behalf of the associate.

Joint venture is an entity over whose activities the Trust has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. In the financial statements of the Group, the interest in joint venture is accounted for by including its proportionate share of the jointly-controlled entity's assets, liabilities, income and expenses with the similar item, line by line, in its financial statements. The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint venture, share of the income and expenses of the joint venture, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

### ***Transactions eliminated on consolidation***

Intra-group balances, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## **Accounting for subsidiaries, associate and joint venture by the Trust**

Investments in subsidiaries, associate and joint venture are stated in the Trust's balance sheet at cost less accumulated impairment losses.

### **2.3 Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in the Statement of Total Return as incurred.

Depreciation is provided on a straight-line basis so as to write off items of plant and equipment, and major components that are accounted for separately, over their estimated useful lives as follows:

Furniture, fittings and equipment	-	2 to 5 years
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Gains or losses arising from the retirement or disposal of plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Total Return on the date of retirement or disposal.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

### **2.4 Investment properties**

Investment properties are properties held either to earn rental income or capital appreciation or both. Investment properties are accounted for as non-current assets and are stated at initial cost on acquisition and at fair value thereafter. The cost of a purchased property comprises its purchase price and any directly attributable expenditure. Transaction costs shall be included in the initial measurement. Fair value is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following events:

- in such manner and frequency required under the CIS Code issued by MAS; and
- at least once in each period of 12 months following the acquisition of each parcel of real estate property.

Any increase or decrease on revaluation is credited or charged to the Statement of Total Return as a net change in fair value of the investment properties.

When an investment property is disposed of, the resulting gain or loss recognised in the Statement of Total Return is the difference between net disposal proceeds and the carrying amount of the property.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above. For income tax purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## **2.5 Foreign currency transactions**

Transactions in foreign currencies are translated to the respective functional currencies of the Group at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined.

Foreign currency differences arising on retranslation are recognised in the Statement of Total Return, except for differences arising on the retranslation of monetary items that in substance form part of the Group's net investment in a foreign operation, available-for-sale equity instruments and financial liabilities designated as hedges of the net investment in a foreign operation.

## **2.6 Financial instruments**

### ***Non-derivative financial instruments***

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, trade and other payables, interest-bearing borrowings and security deposits.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and bank deposits.

### ***Derivative financial instruments and hedging activities***

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through the Statement of Total Return. Multiple embedded derivatives in a single instrument are treated as a single compound embedded derivative if they share the same underlying risk exposures, are interdependent of each other and are not readily separable.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the Statement of Total Return when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

### ***Cash flow hedges***

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in Unitholders' funds to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the Statement of Total Return.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. If the forecast transaction is no longer expected to occur, any related cumulative gain or loss is recognized in the Statement of Total Return. When the hedged item is a non-financial asset, the amount recognised in Unitholders' funds is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in Unitholders' funds is transferred to the Statement of Total Return in the same period that the hedged item affects the Statement of Total Return.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## *Economic hedges*

Hedge accounting is not applied to derivative instruments that economically hedge monetary assets and liabilities denominated in foreign currencies. Changes in the fair value of such derivatives are recognised in the Statement of Total Return.

## *Separable embedded derivatives*

Changes in the fair value of separable embedded derivatives are recognised in the Statement of Total Return.

## **Convertible bonds**

The convertible bonds comprise a liability for the interest and principal amount and a derivative liability. The derivative liability is recognised at fair value at inception. The carrying amount of the convertible bonds at initial recognition is the difference between the gross proceeds from the convertible bonds issue and the fair value of the derivative liability. Any directly attributable transaction costs are allocated to the convertible bonds and derivative liability in proportion to their initial carrying amounts.

Subsequent to initial recognition, the convertible bonds are measured at amortised cost using effective interest method. The derivative liability is measured at fair value through the Statement of Total Return.

## **Impairment of financial assets**

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the Statement of Total Return.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the Statement of Total Return.

## **Intra-group financial guarantees**

Financial guarantees are classified as financial liabilities.

Financial guarantees are recognised initially at fair value. Subsequent to initial measurement, the financial guarantees are stated at the higher of the initial fair value less cumulative amortisation and the amount that would be recognised if they were accounted for as contingent liabilities. When financial guarantees are terminated before their original expiry date, the carrying amount of the financial guarantees is transferred to the Statement of Total Return.

## **2.7 Impairment – non-financial assets**

The carrying amounts of the Group's non-financial assets other than investment properties and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated at each balance sheet date.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

An impairment loss is recognised in the Statement of Total Return whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the Statement of Total Return unless it reverses a previous revaluation, credited to Unitholders' funds, in which case it is charged to Unitholders' funds. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

## **2.8 Interest-bearing borrowings**

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Total Return over the period of the borrowings on an effective interest basis.

## **2.9 Unitholders' funds**

Unitholders' funds are classified as equity. Incremental cost, directly attributable to the issuance of additional units in the Trust are deducted directly against Unitholders' funds.

## **2.10 Revenue recognition**

### ***Rental income from operating leases***

Rental income receivable under operating leases is recognised in the Statement of Total Return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rentals are recognised if there are uncertainties due to the possible return of amounts received.

### ***Car park income***

Car park income is recognised on a time apportionate basis.

### ***Interest income***

Interest income is recognised as it accrues, using the effective interest method.

### ***Investment income***

Investment income is recognised when the right to receive distribution income from associate and joint venture is established.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## **2.11 Expenses**

### ***Property operating expenses***

Property operating expenses consist of quit rents, property taxes, utilities, property management fees, property management reimbursements, advertising and promotion, maintenance and other property outgoings in relation to investment properties where such expenses are the responsibility of the Group.

Property management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1.1.

### ***Asset management fees***

Asset management fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1.2.

### ***Trustee's fees***

The Trustee's fees are recognised on an accrual basis using the applicable formula stipulated in Note 1.3.

## **2.12 Finance costs**

Finance costs comprise interest expense on borrowings and convertible bonds, amortisation of borrowings and convertible bonds related transaction costs and accretion of convertible bonds interest which are recognised in the Statement of Total Return using the effective interest method over the period of borrowings and the convertible bonds. Finance costs also include gain / loss on remeasurement of financial derivatives.

## **2.13 Income tax expense**

Income tax expense comprises current and deferred tax. Income tax is recognised in the Statement of Total Return except to the extent that it relates to items directly related to Unitholders' funds, in which case it is recognised in Unitholders' funds.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Inland Revenue Authority of Singapore (the "IRAS") has issued a tax ruling on the income tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90.0% of the taxable income of the Trust, the Trustee is not subject to tax on the taxable income of the Trust. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions. This treatment is known as the tax transparency treatment.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

Individuals and qualifying Unitholders, i.e. companies incorporated and tax resident in Singapore, Singapore branches of foreign companies that have obtained waiver from the IRAS from tax deducted at source in respect of the distributions from the Trust, and bodies of persons registered or constituted in Singapore, are entitled to gross distributions from the Trust. For distributions made to foreign non-individual Unitholders, the Trustee is required to withhold tax at the rate of 10.0%. For other types of Unitholders, the Trustee is required to withhold tax at the prevailing corporate tax rate on the distributions made by the Trust. Such other types of Unitholders are subject to tax on the regrossed amounts of the distributions received but may claim a credit for the tax deducted at source at the prevailing corporate tax rate by the Trustee.

The Trust has a distribution policy to distribute at least 90.0% of its taxable income, other than gains from the sale of real estate properties that are determined by the IRAS to be trading gains. For the taxable income that is not distributed, referred to as retained taxable income, tax will be assessed on the Trustee. Where such retained taxable income is subsequently distributed, the Trustee need not deduct tax at source.

## 2.14 Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

## 3. PLANT AND EQUIPMENT

	FURNITURE, FITTINGS AND EQUIPMENT	
	2008	2007
	\$'000	\$'000
<b>Group</b>		
<b>Cost</b>		
At 1 January	2,360	1,439
Additions	1,440	820
Disposals	(106)	(2)
Assets written off	(10)	–
Assets acquired through acquisition of a subsidiary	–	103
At 31 December	3,684	2,360
<b>Accumulated depreciation</b>		
At 1 January	985	551
Charge for the year	640	434
Disposals	(106)	–
At 31 December	1,519	985
<b>Carrying amount</b>		
At 1 January	1,375	888
At 31 December	2,165	1,375

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

	FURNITURE, FITTINGS AND EQUIPMENT	
	2008 \$'000	2007 \$'000
<b>Trust</b>		
<b>Cost</b>		
At 1 January	1,702	1,023
Additions	833	681
Disposals	(106)	(2)
Assets written off	(10)	–
At 31 December	2,419	1,702
<b>Accumulated depreciation</b>		
At 1 January	767	515
Charge for the year	355	252
Disposals	(106)	*
At 31 December	1,016	767
<b>Carrying amount</b>		
At 1 January	935	508
At 31 December	1,403	935

\* Less than \$1,000

## 4. INVESTMENT PROPERTIES

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
At 1 January	5,777,900	4,575,080	4,021,000	3,668,680
Acquisition of investment properties	839,800	–	839,800	–
Acquired through acquisition of a subsidiary	–	710,000	–	–
Acquisition charges capitalised	10,005	6,541	10,005	–
Capital expenditure capitalised	223,068	105,109	172,686	80,568
	6,850,773	5,396,730	5,043,491	3,749,248
Net change in fair value of investment properties	323,227	381,170	273,509	271,752
At 31 December	7,174,000	5,777,900	5,317,000	4,021,000

The investment properties have been mortgaged to secure credit facilities for the Trust and the Group (Note 11) and as security for the convertible bonds of the Trust (Note 12).

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

Investment properties are stated at fair value based on valuations performed by independent professional valuers. In determining the fair value, the valuers have used valuation methods which involve certain estimates. The Manager is of the view that the valuation methods and estimates are reflective of the current market condition. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yield, terminal yield and discount rate.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

## 5. SUBSIDIARIES

	TRUST	
	2008 \$'000	2007 \$'000
Unquoted equity at cost	143,140	143,140
Loan to subsidiaries	213,080	213,080
	<u>356,220</u>	<u>356,220</u>

Details of the subsidiaries are as follows:

NAME OF SUBSIDIARIES	PLACE OF INCORPORATION/ BUSINESS	EFFECTIVE EQUITY INTEREST HELD BY THE TRUST	
		2008 %	2007 %
CapitaRetail Singapore Limited <sup>1</sup>	Singapore	100.0	100.0
CMT MTN Pte. Ltd. <sup>1</sup>	Singapore	100.0	100.0

<sup>1</sup> Audited by KPMG Singapore

### **CapitaRetail Singapore Limited**

The Trust has invested \$213,000,000 (2007: \$213,000,000) in the Junior Bond ("Junior Bond") (2007: Secured Fixed Rate Class E Bond ("Class E Bonds")) and 852 (2007: 852) attached Redeemable Preference Shares in CapitaRetail Singapore Limited ("CRSL"), representing 100.0% (2007: 100.0%) of the Junior Bond (2007: Class E Bonds) and Redeemable Preference Shares, respectively, issued by CRSL.

The principal activity of CRSL is that of an investment holding company. CRSL is a special purpose vehicle, whose main objectives are to own all the issued units in CapitaRetail BPP Trust ("CRBPPT"), CapitaRetail Lot One Trust ("CRLot") and CapitaRetail Rivervale Trust ("CRRT"), obtain borrowings and issue bonds to extend mortgage loans to CRBPPT, CRLot and CRRT. CRBPPT, CRLot and CRRT in turn own Bukit Panjang Plaza, Lot One Shoppers' Mall and Rivervale Mall (collectively, "CRSL Properties") respectively.

On 28 February 2008, the Class E Bonds were fully redeemed, funded through the issuance of the Junior Bonds.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

The salient terms of the Junior Bonds are as follows:

- (i) Junior Bonds issued by the CRSL are constituted by the Junior Bonds Trust Deed dated 27 February 2008;
- (ii) Junior Bonds bear an interest rate of 15% per annum, payable quarterly in arrears. In the event of failure to pay the 15% interest on Junior Bonds, the rights of holder of Junior Bonds to unpaid interest will be extinguished and such failure does not constitute an event of default;
- (iii) The payment of interest on Junior Bonds is subordinated to the payment of interest on the term loans and revolving credit facility;
- (iv) The redemption of Junior Bonds are subordinate to the payment of the term loans and revolving credit facility; and
- (v) Junior Bonds mature in 2018.

Junior Bonds are secured on the following:

- (i) Second ranking debentures creating fixed and floating charges over the assets of CRSL and its subsidiaries;
- (ii) Second floating charge over the bank and other operating accounts of CRSL;
- (iii) Second assignment of the rights, title and interest of the subsidiaries in the following:
  - Property management agreements relating to CRSL Properties;
  - Tenancy and tenancy-related agreements and other sale and purchase agreements relating to the CRSL Properties; and
  - Insurances effected over CRSL Properties;
- (iv) Second ranking mortgages over each of the CRSL Properties.

The salient terms of the Class E Bonds are as follows:

- (i) Class E Bonds bear interest at the fixed rate of 10.0% per annum, payable semi-annually in arrears. In the event of failure to pay 10.0% per annum interest on Class E Bonds, the rights of holders of Class E Bonds to unpaid interest will be extinguished and such failure does not constitute an event of default;
- (ii) the payment of interest on Class E Bonds is subordinated to other classes of the Bonds (Class A to Class D); and
- (iii) the redemption of Class E Bonds is subordinated to other classes of the Bonds (Class A to Class D).

The Redeemable Preference Shares in connection with Junior Bond (2007: Class E Bonds) have limited voting rights under certain prescribed circumstances (other than those conferred by law). The holders of Redeemable Preference Shares shall be entitled to, amongst others, the following:

- (i) "Special Preferential Dividend" based on the sale price of the units or property (as the case may be) less liabilities of CRSL and expenses when any properties or units in the property trusts (namely, CRBPPT, CRL0T and CRRT) are sold; and
- (ii) each preference share shall be redeemed by CRSL on redemption date as defined. The redemption amount shall be based on the aggregate of the par value of redeemable preference shares, outstanding special preferential dividend, net asset value of CRSL and any insurance proceeds less expenses.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## **CMT MTN Pte. Ltd.**

On 23 January 2007, CMT MTN Pte. Ltd. ("CMT MTN"), a wholly-owned subsidiary comprising of \$1 of 1 ordinary share was incorporated. The principal activity of this subsidiary is provision of treasury services, including on lending to the Trust the proceeds from issuances of notes under an unsecured multicurrency medium term note programme.

The Trust has provided a loan to CMT MTN amounting to \$80,000 (2007: \$80,000) which is non-trade in nature, unsecured and interest-free. The settlement of the amount is neither planned nor likely to occur in the foreseeable future. As this amount is, in substance, part of the Trust's net investment in CMT MTN, it is stated at cost.

## **6. ASSOCIATE AND JOINT VENTURE**

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Investment in joint venture	–	–	534,515	529,719
Investment in associate	143,919	98,053	130,836	93,293
	143,919	98,053	665,351	623,012

Details of the associate and joint venture are as follows:

NAME OF ASSOCIATE AND JOINT VENTURE	PLACE OF CONSTITUTION/ INCORPORATION/ BUSINESS	EFFECTIVE EQUITY INTEREST HELD BY THE TRUST	
		2008 %	2007 %
<b>Associate</b>			
CapitaRetail China Trust <sup>1</sup>	Singapore	20.0	20.0
<b>Joint venture</b>			
RCS Trust <sup>1</sup>	Singapore	40.0	40.0

<sup>1</sup> Audited by KPMG Singapore

### **Associate**

#### **CapitaRetail China Trust**

CapitaRetail China Trust ("CRCT") is a real estate investment trust constituted in Singapore by a trust deed dated 23 October 2006 (as amended). CRCT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 8 December 2006. CRCT is established with the objective of investing on a long term basis in a divested portfolio of income producing real estate and primarily for retail purposes and located primarily in the People's Republic of China.

On a recurring basis, as the results of CRCT are not expected to be announced in sufficient time to be included in the Group's results for the same calendar quarter, the Group will equity account the results of CRCT based on a 3 month lag time.

The fair value of both the Group's and the Trust's investment in CRCT is \$73,623,000 and \$204,465,000 as at 31 December 2008 and 31 December 2007, respectively.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## **Joint Venture**

### **RCS Trust**

RCS Trust is an unlisted special purpose trust established under a trust deed ("RCS Trust Trust Deed") dated 18 July 2006 entered into between HSBC Institutional Trust Services (Singapore) Limited as trustee-manager of RCS Trust ("RCS Trust Trustee-Manager"), HSBC Institutional Trust Services (Singapore) Limited as trustee of CapitaCommercial Trust ("CCT"), the Trustee, CapitaCommercial Trust Management Limited (as Manager of CCT) and the Manager. RCS Trust is 40.0% owned by the Trust and 60.0% owned by CCT.

RCS Trust has entered into several service agreements in relation to management of the trust and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement, property management fees are charged as follows:

- (i) 2.00% per annum of the property income of the property; and
- (ii) 2.50% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

(b) Asset management fees

Pursuant to the RCS Trust Trust Deed, the asset management fees comprise a base component of 0.25% per annum of the value of Deposited Property of RCS Trust and a performance component of 4.00% per annum of the net property income of RCS Trust, including all its Authorised Investments for the time being held or deemed to be held upon the trusts of the RCS Trust Trust Deed.

The asset management fees shall be paid entirely in the form of units or, with the unanimous approval of the Manager and CapitaCommercial Trust Management Limited (as Manager of CCT), either partly in units and partly in cash or wholly in cash.

The asset management fees are payable quarterly in arrears.

(c) Trustee-Manager's fees

Pursuant to the RCS Trust Trust Deed, the Trustee-Manager's fees shall not exceed 0.10% per annum of the value of Deposited Property of RCS Trust, as defined in the RCS Trust Trust Deed (subject to a minimum sum of \$15,000 per month), payable out of the Deposited Property of RCS Trust. The RCS Trust Trustee-Manager is also entitled to reimbursement of expenses incurred in the performance of its duties under the RCS Trust Trust Deed.

The Trustee-Manager's fees are payable quarterly in arrears.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

The summarised financial information relating to the associate is not adjusted for the percentage of ownership held by the Group. The summarised financial information of the joint venture represents the Group's share.

The financial information of the associate and the Trust's interests in the joint venture are as follows:

	ASSOCIATE		JOINT VENTURE	
	2008 <sup>1</sup> \$'000	2007 <sup>2</sup> \$'000	2008 \$'000	2007 \$'000
<b>Assets and Liabilities</b>				
Non-current assets			1,078,441	1,034,732
Current assets			6,410	7,293
<b>Total assets</b>	<b>1,227,131</b>	<b>828,144</b>	<b>1,084,851</b>	<b>1,042,025</b>
Non-current liabilities			362,954	352,334
Current liabilities			17,745	14,736
<b>Total liabilities</b>	<b>499,374</b>	<b>336,221</b>	<b>380,699</b>	<b>367,070</b>
<b>Results</b>				
Revenue	96,659	62,471	78,286	66,685
Expenses			(44,808)	(38,506)
Revaluation surplus			26,470	112,698
<b>Total return for the year</b>	<b>47,840</b>	<b>50,401</b>	<b>59,948</b>	<b>140,877</b>
The Group's share of joint venture capital commitment			23,361	12,636

1 As the results of CRCT for the fourth quarter ended 31 December 2008 are not announced in sufficient time to be included in the Group's results for the same calendar quarter, the assets and liabilities recorded were based on CRCT's unaudited financial statements and distribution announcement for the third quarter ended 30 September 2008 dated 29 October 2008. The financial results recorded were based on CRCT's unaudited financial statement and distribution announcements for the period from 1 October 2007 to 30 September 2008.

2 As the results of CRCT for the fourth quarter ended 31 December 2007 are not announced in sufficient time to be included in the Group's results for the same calendar quarter, the financial information recorded was based on CRCT's unaudited financial statements and distribution announcements for the third quarter ended 30 September 2007 dated 23 October 2007.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## 7. TRADE AND OTHER RECEIVABLES

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Trade receivables	4,656	4,442	3,313	3,469
Deposits	6,353	4,288	4,299	2,997
Prepayments	348	358	176	174
Interest receivable	–	–	5,514	9,127
Amount due from related parties	127	220	9,525	5,888
Other receivables	2,322	1,532	1,137	1,252
	13,806	10,840	23,964	22,907

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied tenants. These tenants comprise retailers engaged in a wide variety of consumer trades. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, the Manager believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

The maximum exposure to credit risk for trade receivables at the reporting date (by type of consumers) is:

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Retail customers	4,492	4,313	3,182	3,374
Warehouse	68	75	69	75
Office	96	54	62	20
	4,656	4,442	3,313	3,469

The Group's most significant tenant, accounts for \$337,000 (2007: \$191,000) of the trade receivables carrying amount as at the balance sheet date.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## Impairment losses

The ageing of receivables at the reporting date is:

	GROUP		TRUST	
	GROSS \$'000	IMPAIRMENT LOSSES \$'000	GROSS \$'000	IMPAIRMENT LOSSES \$'000
<b>2008</b>				
Not past due	3,541	–	2,554	–
Past due 31 – 60 days	803	–	637	–
Past due 61 – 90 days	237	–	65	–
Over 90 days	75	–	57	–
	4,656	–	3,313	–

## 2007

Not past due	3,396	–	2,736	–
Past due 31 – 60 days	802	–	620	–
Past due 61 – 90 days	98	–	19	–
Over 90 days	146	–	94	–
	4,442	–	3,469	–

The change in impairment loss in respect of trade receivables during the year is as follows:

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
As at 1 January	–	15	–	–
Allowance utilised during the year	–	(15)	–	–
As at 31 December	–	–	–	–

The Manager believes that no impairment allowance is necessary in respect of the remaining trade receivables as these receivables are mainly arising from tenants that have good records with the Group and have sufficient security deposits as collateral.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## 8. FINANCIAL DERIVATIVES

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current asset</b>				
Cross currency swap	4,793	–	–	–
<b>Non-current liabilities</b>				
Cross currency interest rate swaps	–	4,467	–	–
Interest rate swaps	11,508	(670)	259	–
Derivative liability portion of convertible bonds	33,800	–	33,800	–
	45,308	3,797	34,059	–

### **Cross currency swap**

On 27 February 2008, the Group has entered into a cross currency swap contract with the effect of swapping US dollars with floating rate interest obligations to Singapore dollars with floating rate interest obligations based on 3 month SOR. Under the swap agreement, the swap matures on 27 August 2009. At 31 December 2008, the Group had a cross currency swap with a notional contract amount of USD138,000,000.

### **Interest rate swaps**

The Group entered into contracts to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to the agreed notional principal amounts of the term loans (2007: Class C & D Bonds). Under the swap agreement, the swap matures on 27 August 2014 (2007: 27 February 2009). At balance sheet date, the Group has an interest rate swap with a notional contract amount of \$320,000,000 (2007: \$116,000,000).

The interest rate swaps for the Class C & D Bonds were terminated on 27 February 2008 resulting from the redemption of Class C & D Bonds.

The Group has designated the interest rate swaps of notional \$320,000,000 and cross currency swap as cash flow hedges.

On 22 October 2008, the Trust has entered into an interest rate swap contract to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts on the \$60,000,000 CMT MTN Floating Rate Notes. Under the swap agreement, the swap matures on 30 April 2010. At balance sheet date, the Trust has an interest rate swap with a notional contract amount of \$60,000,000. The Group has designated the interest rate swap as a cash flow hedge.

### **Cross currency interest rate swaps**

The Group had on 27 February 2008 terminated the cross currency interest rate swaps as a result of the early redemption of Class A to B Bonds. The cross currency interest rate swap contracts had the effect of swapping Euro dollar bonds with floating rate interest obligations to Singapore dollar bonds with fixed rate interest obligations based on 3 month EURIBOR. Under the swap agreements, the swaps mature on the legal final maturity date of Class A to B Bonds, which is on 27 February 2009 or the date that the Class A to B Bonds are redeemed in full, whichever is earlier.

At 31 December 2008, the Group has cross currency interest rate swap with notional contract amounts of €Nil (2007: €81,000,000).

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## Derivative liability portion of convertible bonds

The changes in fair value of the derivative liability portion of the convertible bonds are recognised in the Statement of Total Return.

The following table indicates the periods in which the cash flows associated with financial derivatives that are cash flow hedges are expected to impact the Statement of Total Return:

	CARRYING AMOUNT \$'000	CONTRACTUAL CASH FLOWS \$'000	CASH FLOWS		
			WITHIN 1 YEAR \$'000	WITHIN 1 TO 5 YEARS \$'000	MORE THAN 5 YEARS \$'000
<b>Group</b>					
<b>2008</b>					
Cross currency swaps	4,793	5,050	5,050	–	–
Interest rate swaps	(11,508)	(12,007)	(4,463)	(7,229)	(315)
	(6,715)	(6,957)	587	(7,229)	(315)
<b>2007</b>					
Cross currency interest rate swaps	(4,467)	(2,930)	(2,528)	(402)	–
Interest rate swaps	670	1,239	1,069	170	–
	(3,797)	(1,691)	(1,459)	(232)	–
<b>Trust</b>					
<b>2008</b>					
Interest rate swap	(259)	(261)	(285)	24	–

## 9. CASH AND CASH EQUIVALENTS

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Cash at bank and in hand	19,118	19,731	8,264	5,976
Fixed deposits with financial institutions	149,237	49,187	133,160	29,517
	168,355	68,918	141,424	35,493

The weighted average effective interest rates relating to cash and cash equivalents at the balance sheet date for the Group and Trust are 0.61% (2007: 1.2%) and 0.66% (2007: 1.6%) per annum respectively. Interest rates reprice at intervals of 1 month.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## 10. TRADE AND OTHER PAYABLES

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Trade payables and accrued operating expenses	93,904	70,430	71,592	48,509
Amounts due to related parties (trade)	8,692	9,383	5,631	7,483
Deposits and advances	10,074	11,794	7,548	9,080
Interest payables	7,151	1,755	2,696	265
	119,821	93,362	87,467	65,337

Included in amounts due to related parties is an amount due to the Manager of \$3,439,000 (2007: \$3,062,000) and an amount due to the property manager of \$1,795,000 (2007: \$3,876,000). Included in trade payables and accrued operating expenses is an amount due to the Trustee of \$268,000 (2007: \$328,000).

## 11. INTEREST-BEARING BORROWINGS

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current liabilities</b>				
Term loans (secured)	658,402	–	335,000	–
Unamortised transaction cost	(1,672)	–	–	–
	656,730	–	335,000	–
Revolving credit facility (secured)	21,200	–	–	–
Revolving credit and bridge loan facilities (unsecured)	230,000	–	230,000	–
Term loans (unsecured)	80,000	150,000	80,000	150,000
	987,930	150,000	645,000	150,000
<b>Non-current liabilities</b>				
Secured bonds	–	288,394	–	–
Unamortised transaction cost	–	(253)	–	–
	–	288,141	–	–
Term loans (secured)	1,254,400	1,589,400	908,000	1,243,000
Unamortised transaction cost	(3,277)	(4,207)	(2,214)	(2,749)
	1,251,123	1,585,193	905,786	1,240,251
Revolving credit facility (secured)	10,800	19,615	–	–
Term loans (unsecured)	315,000	–	315,000	–
	1,576,923	1,892,949	1,220,786	1,240,251
<b>Total interest-bearing borrowings</b>	<b>2,564,853</b>	<b>2,042,949</b>	<b>1,865,786</b>	<b>1,390,251</b>
Maturity of interest-bearing borrowings:				
- Within 1 year	987,930	150,000	645,000	150,000
- After 1 year but within 5 years	1,576,923	1,892,999	1,220,786	1,240,251
	2,564,853	2,042,949	1,865,786	1,390,251

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## Terms and debt repayment schedule

Terms and conditions of outstanding interest-bearing borrowings are as follows:

	NOMINAL INTEREST RATE %	YEAR OF MATURITY	2008		2007	
			FACE VALUE \$'000	CARRYING AMOUNT \$'000	FACE VALUE \$'000	CARRYING AMOUNT \$'000
<b>Group</b>						
<u>Secured</u>						
SGD fixed rate term loan	3.13 – 3.84	2012	783,000	780,786	783,000	780,251
SGD fixed rate term loan	3.35	2009	335,000	335,000	335,000	335,000
SGD fixed rate term loan	2.76	2010	125,000	125,000	125,000	125,000
Floating rate term loans	SGD SOR <sup>1</sup> + 0.30 LIBOR <sup>2</sup> + 0.30	2009	323,402	321,730	–	–
SGD floating rate revolving credit facilities	SGD SOR <sup>1</sup> + 0.30	2009	21,200	21,200	–	–
Floating rate Class A and B Bonds	EURIBOR <sup>3</sup> + 0.45 – 0.79	2009	–	–	172,394	172,141
Fixed rate Class C and D Bonds	3.18 – 3.73	2009	–	–	116,000	116,000
SGD fixed rate term loan	4.17 – 4.21	2011	346,400	345,337	346,400	344,942
SGD floating rate revolving credit facility	1.82 – 2.36	2011	10,800	10,800	–	–
SGD floating rate revolving credit facility	SGD SOR <sup>1</sup> + 1.18	2009	–	–	19,615	19,615
<u>Unsecured</u>						
SGD fixed rate term loan	3.02	2008	–	–	150,000	150,000
SGD fixed rate term loan	3.25	2010	155,000	155,000	–	–
SGD fixed rate term loan	2.80	2009	80,000	80,000	–	–
SGD floating rate term loan	SGD SOR <sup>1</sup> + 1.65	2010	160,000	160,000	–	–
SGD floating rate revolving credit and bridge loan facilities	3.13 – 4.68	2009	230,000	230,000	–	–
			2,569,802	2,564,853	2,047,409	2,042,949

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

	NOMINAL INTEREST RATE %	YEAR OF MATURITY	2008		2007	
			FACE VALUE \$'000	CARRYING AMOUNT \$'000	FACE VALUE \$'000	CARRYING AMOUNT \$'000
<b>Trust</b>						
<u>Secured</u>						
SGD fixed rate term loan	3.13 – 3.84	2012	783,000	780,786	783,000	780,251
SGD fixed rate term loan	3.35	2009	335,000	335,000	335,000	335,000
SGD fixed rate term loan	2.76	2010	125,000	125,000	125,000	125,000
<u>Unsecured</u>						
SGD fixed rate term loan	3.02	2008	–	–	150,000	150,000
SGD fixed rate term loan	3.25	2010	155,000	155,000	–	–
SGD fixed rate term loan	2.80	2009	80,000	80,000	–	–
SGD floating rate term loan	SGD SOR <sup>1</sup> + 1.65	2010	160,000	160,000	–	–
SGD floating rate revolving credit and bridge loan facilities	3.13 – 4.68	2009	230,000	230,000	–	–
			1,868,000	1,865,786	1,393,000	1,390,251

1 SGD SOR – Singapore Dollar Swap Offer Rate

2 LIBOR – London Interbank Offered Rate

3 EURIBOR – Euro Interbank Offered Rate

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

The following are the expected contractual undiscounted cash outflows of financial liabilities including interest payments and excluding the impact of netting agreements:

	CARRYING AMOUNT \$'000	CONTRACTUAL CASH FLOWS \$'000	CASH FLOWS		
			WITHIN 1 YEAR \$'000	WITHIN 1 TO 5 YEARS \$'000	MORE THAN 5 YEARS \$'000
<b>Group</b>					
<b>2008</b>					
<b>Non-derivative financial liabilities</b>					
<u>Secured</u>					
SGD fixed rate term loans	1,586,123	1,743,666	386,498	1,357,168	–
Convertible bonds	592,042	739,756	6,500	733,256	–
Floating rate term loans	321,730	328,587	328,587	–	–
SGD floating rate revolving credit facilities	32,000	32,718	21,568	11,150	–
<u>Unsecured</u>					
SGD fixed rate term loans	235,000	242,079	85,823	156,256	–
SGD floating rate term loan	160,000	167,272	5,473	161,799	–
SGD floating rate revolving credit and bridge loan facilities	230,000	231,401	231,401	–	–
Trade and other payables	119,821	119,821	119,821	–	–
Security deposits	105,809	105,809	37,016	68,793	–
	3,382,525	3,711,109	1,222,687	2,488,422	–
<b>2007</b>					
<b>Non-derivative financial liabilities</b>					
<u>Secured</u>					
Floating rate Class A and B Bonds	172,141	187,982	9,326	178,656	–
Fixed rate Class C and D Bonds	116,000	120,804	4,145	116,659	–
SGD fixed rate term loans	1,585,193	1,799,806	56,141	1,743,665	–
Revolving credit facility	19,615	20,258	556	19,702	–
<u>Unsecured</u>					
SGD fixed rate term loan	150,000	154,294	154,294	–	–
Trade and other payables	93,362	93,362	93,362	–	–
Security deposits	94,151	94,151	23,431	70,720	–
	2,230,462	2,470,657	341,255	2,129,402	–

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

	CARRYING AMOUNT \$'000	CONTRACTUAL CASH FLOWS \$'000	CASH FLOWS		
			WITHIN 1 YEAR \$'000	WITHIN 1 TO 5 YEARS \$'000	MORE THAN 5 YEARS \$'000
<b>Trust</b>					
<b>2008</b>					
<b>Non-derivative financial liabilities</b>					
<u>Secured</u>					
SGD fixed rate term loans	1,240,786	1,358,164	372,023	986,141	–
Convertible bonds	592,042	739,756	6,500	733,256	–
<u>Unsecured</u>					
SGD fixed rate term loans	235,000	242,079	85,823	156,256	–
SGD floating rate term loan	160,000	167,272	5,473	161,799	–
SGD floating rate revolving credit and bridge loan facilities	230,000	231,401	231,401	–	–
Trade and other payables	87,467	87,467	87,467	–	–
Security deposits	80,398	80,398	29,221	51,177	–
	2,625,693	2,906,537	817,908	2,088,629	–
<b>2007</b>					
<b>Non-derivative financial liabilities</b>					
<u>Secured</u>					
SGD fixed rate term loans	1,240,251	1,399,828	41,665	1,358,163	–
<u>Unsecured</u>					
SGD fixed interest rate loans	150,000	154,294	154,294	–	–
Trade and other payables	65,337	65,337	65,337	–	–
Security deposits	72,529	72,529	16,863	55,666	–
	1,528,117	1,691,988	278,159	1,413,829	–

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

The interest-bearing borrowings comprise the following:

## **(1) Secured term loans of the Trust**

The secured term loans and revolving credit facility drawn down by the Trust were granted by a special purpose company, Silver Maple Investment Corporation Ltd ("Silver Maple").

Under the facility agreement between Silver Maple and the Trustee, Silver Maple has granted the Trust a total term loan facility of \$1,243.0 million (2007: \$1,243.0 million).

The total facility drawn down by the Trust from Silver Maple as at 31 December 2008 is \$1,243.0 million (2007: \$1,243.0 million), consisting of:

- (i) \$433.0 million (2007: \$433.0 million) term loan at a fixed interest rate of 3.13% (2007: 3.13%) per annum, fully repayable on 30 April 2014. Under the facility agreement, the Trust has to prepay the loan in full on 31 October 2012, failing which the interest rate of 1.00% (2007: 1.00%) above the SIBOR repriced every three months, will be applicable for the period from 31 October 2012 to 30 April 2014;
- (ii) \$125.0 million (2007: \$125.0 million) term loan at a fixed interest rate of 2.76% (2007: 2.76%) per annum, fully repayable on 26 December 2011. Under the facility agreement, the Trust has to prepay the loan in full on 26 June 2010, failing which the interest rate of 2.91% (2007: 2.91%) above the SIBOR repriced every three months, will be applicable for the period from 26 June 2010 to 26 December 2011;
- (iii) \$335.0 million (2007: \$335.0 million) term loan at a fixed interest rate of 3.35% (2007: 3.35%) per annum for the period from 2 August 2007 to 2 August 2009. The term loan is fully repayable on 2 February 2011. Under the facility agreement, the Trust has to prepay the loan in full on 2 August 2009, failing which the interest rate of 0.87% above the SIBOR repriced every three months, will be applicable for the period from 2 August 2009 to 2 February 2011;
- (iv) \$350.0 million (2007: \$350.0 million) term loan at a fixed interest rate of 3.84% (2007: 3.84%) per annum, fully repayable on 30 April 2014. Under the facility agreement, the Trust has to prepay the loan in full on 31 October 2012, failing which the interest rate of 1.00% (2007: 1.00%) above the SIBOR repriced every three months, will be applicable for the period from 31 October 2010 to 30 April 2014; and

as security for credit facilities granted by Silver Maple to the Trust, the Trust has granted in favour of Silver Maple the following:

- (i) a mortgage over certain properties ("Properties");
- (ii) an assignment and charge of the rental proceeds and tenancy agreements of units in the Properties;
- (iii) an assignment of the insurance policies relating to the Properties;
- (iv) an assignment of the agreements relating to the management of the Properties; and
- (v) a charge creating a fixed and floating charge over certain assets of the Trust relating to the Properties.

Silver Maple has secured a \$2.0 billion (2007: \$2.0 billion) Medium Term Note Programme ("MTN Programme"). Under this MTN Programme, Silver Maple may, subject to compliance with all relevant laws, regulations and directives, from time to time issue fixed or floating interest rate notes (the "Notes"). The maximum aggregate principal amount of the Notes to be issued shall be \$2.0 billion. The Notes will be secured by the Notes Debentures (which are made from time to time between Silver Maple and the Notes Trustee to create fixed and floating charges over the assets of Silver Maple).

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

To fund the loans to the Trust of \$1,243.0 million (2007: \$1,243.0 million) fixed rate term loans, Silver Maple has raised funds through the following:

- (i) US\$255.5 million (2007: US\$255.5 million) Floating Rate Notes at floating interest rate of 0.24% (2007: 0.24%) above the US dollar LIBOR repriced every three months, for the period from 31 October 2005 to 31 October 2012. In the event that the Floating Rate Notes are not redeemed by Silver Maple on 31 October 2012, interest will accrue at the rate of 1.0% (2007: 1.0%) above the US dollar LIBOR repriced every three months, for the period from 31 October 2012 to date of redemption on 30 April 2014;
- (ii) US\$72.1 million (2007: US\$72.1 million) Floating Rate Notes at floating interest rate of 0.62% (2007: 0.62%) above the US dollar LIBOR repriced every three months, for the period from 26 June 2003 to 26 June 2010. In the event that the Floating Rate Notes are not redeemed by Silver Maple on 26 June 2010, interest will accrue at the rate of 2.30% (2007: 2.30%) above the US dollar LIBOR repriced every three months, for the period from 26 June 2010 to date of redemption on 26 December 2011;
- (iii) US\$195.5 million (2007: US\$195.5 million) Floating Rate Notes at floating interest rate of 0.32% (2007: 0.32%) above the US dollar LIBOR repriced every three months, for the period from 2 August 2004 to 2 February 2011. In the event that the Floating Rate Notes are not redeemed by Silver Maple on 2 August 2009, interest will accrue at the rate of 0.80% (2007: 0.80%) above the US dollar LIBOR repriced every three months, for the period from 2 August 2009 to date of redemption on 2 February 2011;
- (iv) €175.0 million (2007: €175.0 million) Floating Rate Notes at floating interest rate of 0.16% (2007: 0.16%) above the EURIBOR repriced every three months for the period from 26 February 2007 (date of first issue of Floating Rate Notes) to 31 October 2012. In the event that the Floating Rate Notes are not redeemed by Silver Maple on 31 October 2012, interest will accrue at the rate of 1.0% (2007: 1.0%) above 3 month EURIBOR, for the period from 31 October 2012 to date of redemption on 30 April 2014.

## (2) Unsecured term loans of CMT MTN

The Group has a \$1,000,000,000 Multicurrency Medium Term Note Programme (“CMT MTN Programme”) under CMT MTN. Under the CMT MTN Programme, CMT MTN may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in series or tranches in Singapore dollars, United States dollars or any other currency (the “CMT MTN Notes”).

Each series or tranche of notes may be issued in various amounts and tenors, and may bear fixed, floating or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the CMT MTN Programme.

The notes shall constitute direct, unconditional, unsecured and unsubordinated obligations of CMT MTN ranking *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future unsecured obligations at CMT MTN. All sum payable in respect of the notes will be unconditionally and irrevocably guaranteed by the Trustee.

The total facility drawn down by the Trust from CMT MTN as at 31 December 2008 is \$395.0 million (2007: \$150.0 million), consisting of:

- (i) \$155.0 million (2007: Nil) Fixed Rate Notes Due 2010. The CMT MTN Notes will mature on 1 April 2010 and will bear an interest rate of 3.25% per annum payable semi-annually in arrears.
- (ii) \$160.0 million (2007: Nil) Floating Rate Notes Due 2010. The CMT MTN Notes will mature on 30 April 2010 and will bear an interest rate equal to the sum of 1.65% per annum and 6-month SGD SOR payable semi-annually in arrears.
- (iii) \$80.0 million (2007: Nil) Fixed Rate Notes Due 2009. The CMT MTN Notes will mature on 8 May 2009 and will bear an interest rate of 2.80% per annum payable semi-annually in arrears.

CMT MTN has on-lent the proceeds from the issuance of the CMT MTN Notes to the Trust, who will in turn use such proceeds to refinance short term borrowings and to finance asset enhancement works of the Trust.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

### **(3) Unsecured revolving credit and bridge loan facilities of the Trust**

During the financial year, the Trust was granted unsecured revolving credit and bridge loan facilities amounting to \$230.0 million (2007: \$450.0 million). The total unsecured revolving credit and bridge loan facilities drawn down by the Trust as at the balance sheet date is \$230.0 million (2007: Nil).

### **(4) Secured facilities of CRSL**

The secured facilities drawn down by CRSL refers to the S\$350.0 million facilities granted under the facility agreement dated 22 February 2008, comprising a term loan facility of \$320.0 million and revolving credit facility of \$30.0 million ("CRSL Loans"), both commencing from the initial drawdown date of 27 February 2008.

The total facilities drawn down by CRSL as at 31 December 2008 is S\$344,602,000 (2007: Nil), consisting of:

- (a) term loans of S\$125,075,000 and US\$138,000,000 which are fully repayable on 27 August 2009 and bear interest at 0.30% per annum above SGD SOR and LIBOR respectively. Interest reprice every three months;
- (b) revolving credit facility of S\$21,200,000 which is fully repayable on 27 August 2009 and bear interest at 0.30% per annum above SGD SOR. Interest reprice every one, two, three or six months, or any other shorter period.

On 27 February 2008, the secured term loans were used to finance the redemption of Class A to D Bonds and certain revolving credit facilities ("CRSL Bonds and RCF").

The CRSL loans are secured on the following:

- (i) First ranking debentures creating fixed and floating charges over the assets of CRSL and its subsidiaries;
- (ii) First floating charge over the bank and other operating accounts of CRSL;
- (iii) First assignment of the rights, title and interest of the subsidiaries in the following:
  - Property management agreements relating to the CRSL Properties;
  - Tenancy and tenancy-related agreements and other sale and purchase agreements relating to the CRSL Properties; and
  - Insurances effected over the CRSL Properties;
- (iv) Mortgages over each of the CRSL Properties.

The salient terms of the Class A to D Bonds which had been redeemed on 27 February 2008 are as follows:

- (i) Class A to E Bonds Due 2009 issued by CRSL are constituted by a Bonds Trust Deed dated 17 December 2003 (as amended and restated by the Amendment and Restatement Bonds Trust Deed Agreement dated 27 February 2004 and Supplemental Bonds Trust Deed dated 20 February 2008 (the "Bonds Trust Deed"));
- (ii) Class A and Class B Bonds are issued in bearer form and in denominations of €100,000 each. Class C and Class D Bonds are issued in bearer forms and in denominations of \$250,000 each;
- (iii) Class A and B Bonds bear interest at a floating rate of an aggregate of the EURIBOR rate and 0.45% per annum and an aggregate of the EURIBOR rate and 0.79% per annum respectively;
- (iv) Class C and D Bonds bear interest at a fixed rate of 3.18% and 3.73% per annum respectively;

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

- (v) Interests on Class A to D Bonds are payable semi-annually on 27 February and 27 August each year, in arrears; and
- (vi) Unless previously redeemed and cancelled upon the occurrence of certain events (as stipulated in the Bonds Trust Deed), Class A to D Bonds shall be redeemed on 27 August 2009. Under the facility agreement, CRSL has the option to redeem the Class A to D Bonds from 27 February 2008. In the event that CRSL opts not to fully redeem the Class A to D Bonds on 27 February 2008, interest rate of 3.13% to 6.00% will be applicable for the period from 27 February 2008 to 27 August 2009.

## **(5) Secured term loans of RCS Trust**

The secured term loans drawn down by the Group included a 40.0% share in the term loans drawn under the term loan facilities of \$866.0 million granted to RCS Trust by a special purpose company, Silver Oak Ltd ("Silver Oak"). Under the facility agreement between Silver Oak and the RCS Trust Trustee-Manager, Silver Oak has granted RCS Trust a five-year facility comprising the term loan facility of \$866.0 million (2007: \$866.0 million) and revolving credit facility of \$164.0 million (2007: \$164.0 million) commencing from initial drawn down date of 13 September 2006.

The term loan facility drawn down by RCS Trust as at 31 December 2008 is \$866.0 million (2007: \$866.0 million), consisting of:

- (i) \$670.0 million (2007: \$670.0 million) term loan at a fixed interest rate of 4.17% (2007: 4.17%) per annum, fully repayable on 13 September 2011;
- (ii) \$60.0 million (2007: \$60.0 million) term loan at a fixed interest rate of 4.21% (2007: 4.21%) per annum, fully repayable on 13 September 2011; and
- (iii) \$136.0 million (2007: \$136.0 million) term loan at a fixed interest rate of 4.21% (2007: 4.21%) per annum, fully repayable on 13 September 2011.

The term loan facilities were used to finance the acquisition of Raffles City.

As at 31 December 2008, RCS Trust has drawn down \$27,000,000 (2007: \$Nil) from the revolving credit facility granted by Silver Oak.

As security for the facilities granted by Silver Oak to the RCS Trust Trustee-Manager, the RCS Trust Trustee-Manager has granted in favour of Silver Oak the following:

- (i) a mortgage over Raffles City;
- (ii) an assignment of the insurance policy relating to Raffles City;
- (iii) an assignment of the agreements relating to the management of Raffles City;
- (iv) an assignment and charge of the rental proceeds and tenancy agreements of units in Raffles City; and
- (v) a fixed and floating charge over certain assets of RCS Trust relating to Raffles City.

To fund the term loans to RCS Trust amounting to \$866.0 million (2007: \$866.0 million), Silver Oak has raised funds through issuance of the following Floating Rate Notes (collectively, the "Notes"):

- (i) US\$427,000,000 Class A1 Secured Floating Rate Notes at floating interest rate of 0.19% above the LIBOR repriced every three months, for the period from 13 September 2006 to 13 September 2011. In the event that the Class A1 Floating Rate Notes are not redeemed by Silver Oak on 13 September 2011, interest will accrue at the rate of 1.19% above the US dollar LIBOR repriced every three months, for the period from 13 September 2011 to date of redemption on 13 September 2013;

# NOTES TO THE FINANCIAL STATEMENTS

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- (ii) €30,000,000 Class A2 Floating Rate Notes at floating interest rate of 0.23% above the EURIBOR repriced every three months, for the period from 13 September 2006 to 13 September 2011. In the event that the Class A2 Floating Rate Notes are not redeemed by Silver Oak on 13 September 2011, interest will accrue at the rate of 1.23% above the EURIBOR repriced every three months, for the period from 13 September 2011 to date of redemption on 13 September 2013; and
- (iii) US\$86,500,000 Class B Floating Rate Notes at floating interest rate of 0.28% above the US dollar LIBOR repriced every three months, for the period from 13 September 2006 to 13 September 2011. In the event that the Class B Floating Rate Notes are not redeemed by Silver Oak on 13 September 2011, interest will accrue at the rate of 1.28% above the US dollar LIBOR repriced every three months, for the period from 13 September 2011 to date of redemption on 13 September 2013.

As security for the Notes, Silver Oak has created a fixed and floating charge over the assets of RCS Trust in favour of the Silver Oak Notes' Trustee under the Notes Debenture. The proceeds from the issue of the Notes were approximately \$866,000,000.

The Group's 40% share of term loans and the amount drawn down under revolving credit facility are \$346,400,000 (2007: \$346,400,000) and \$10,800,000 (2007: Nil) respectively.

## 12. CONVERTIBLE BONDS

	GROUP AND TRUST	
	2008	2007
	\$'000	\$'000
Proceeds from issuance of convertible bonds	650,000	–
Transaction costs	(11,324)	–
Net proceeds	638,676	–
Derivative liability portion of convertible bonds	(59,345)	–
Amortisation of issue expenses	1,960	–
Accreted interests	10,751	–
	592,042	–

On 2 July 2008, the Trust issued \$650.0 million principal amount of Convertible Bonds (the "Convertible Bonds") due 2013 which carry a coupon interest at 1.0% per annum. The Convertible Bonds are convertible by bondholders into Units at a conversion price of \$4.36 at any time on and after 11 August 2008 up to 3.00 p.m. on 22 June 2013 (at the place where the certificate evidencing such Convertible Bonds is deposited for conversion), provided that during the period commencing from 11 August 2008 and ending on 1 January 2009, the conversion right may only be exercised upon the occurrence of one or more specified events. The Trustee has the option to pay cash in lieu of issuing new Units on conversion of any Convertible Bonds.

The Convertible Bonds may be redeemed in whole or in part, at the option of the bondholder on 2 July 2011 at 105.43% of the principal amount together with any accrued (if any) interest up to the date of redemption.

The Convertible Bonds may also be redeemed, in whole, or in part, at the option of the Trustee on or at any time after 2 July 2011 but not less than 7 business days prior to 2 July 2013 (subject to the satisfaction of certain conditions).

Unless previously redeemed by the bondholders on 2 July 2011 or by the Trustee at any time on or after 2 July 2011 and not less than 7 business days prior to 2 July 2013, the final redemption date of the Convertible Bonds is 2 July 2013. The redemption price upon maturity is equal to 109.31% of the principal amount, together with any accrued interest (if any) up to the final redemption date.

# NOTES TO THE FINANCIAL STATEMENTS

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## 13. DEFERRED TAX

	AS AT 1 JANUARY \$'000	ACQUISITION OF SUBSIDIARY \$'000	RECOGNISED IN STATEMENT OF TOTAL RETURN \$'000	RECOGNISED IN UNITHOLDERS' FUNDS \$'000	AS AT 31 DECEMBER \$'000
<b>Group</b>					
<b>2008</b>					
<b>Deferred tax asset</b>					
Financial derivatives	(177)	–	121	1,830	1,774
<b>2007</b>					
<b>Deferred tax liability</b>					
Financial derivatives	–	202	153	(178)	177

## 14. UNITS IN ISSUE

	TRUST	
	2008 \$'000	2007 \$'000
<b>Units in issue:</b>		
At 1 January	1,662,393	1,561,441
Units created:		
- equity fund raising	–	97,000
- asset management fees paid in units	2,797	2,427
- settlement of asset management fees in relation to the Trust's 40.0% interest in Raffles City through RCS Trust	1,641	1,202
- as payment of acquisition fees	–	323
At 31 December	1,666,831	1,662,393
<b>Units to be issued:</b>		
- asset management fees payable in units	1,738	582
Total issued and issuable units at 31 December	1,668,569	1,662,975

Each unit in the Trust represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust;

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

- Attend all Unitholders meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth in number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- One vote per unit.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request the Manager to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable for indemnifying the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

## 15. GROSS REVENUE

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Gross rental income	473,587	399,209	343,071	306,215
Car park income	13,738	11,997	9,415	8,872
Others	23,576	20,654	18,176	17,358
	510,901	431,860	370,662	332,445

## 16. PROPERTY OPERATING EXPENSES

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Land rental	148	169	148	169
Property tax	48,549	39,667	34,115	30,419
Utilities	31,377	25,106	23,444	19,934
Property management fees	19,090	15,633	13,848	11,877
Property management reimbursements	21,952	19,226	16,297	15,018
Advertising and promotion	14,830	14,547	11,441	11,283
Maintenance	30,621	26,061	20,994	20,138
Others	3,204	3,676	1,888	2,682
	169,771	144,085	122,175	111,520

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## 17. INTEREST INCOME

	GROUP		TRUST	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Interest income:				
- associate	-	-	-	2,063
- subsidiary	-	-	20,398	10,615
- financial institution	1,881	1,066	1,683	482
	1,881	1,066	22,081	13,160

## 18. INVESTMENT INCOME

	GROUP		TRUST	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Distribution income from:				
- joint venture	-	-	39,262	33,223
- associate	-	-	7,180	3,110
	-	-	46,442	36,333

## 19. ASSET MANAGEMENT FEES

Included in the asset management fees is an aggregate of \$8,478,000 (2007: \$8,277,000) relating to management fees paid/payable in units of the Trust that have been or will be issued to the Manager as payment of the performance component of management fees.

Asset management fees for RCS Trust of \$4,893,000 (2007: \$4,373,000) are paid in units.

## 20. FINANCE COSTS

	GROUP		TRUST	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Interest paid/payable:				
- subsidiaries	-	-	13,277	255
- term loans	76,656	54,317	41,792	39,593
- secured bonds	2,104	7,563	-	-
- convertible bonds	3,304	-	3,304	-
- revolving credit and bridge loan facilities	1,642	8,631	1,180	8,367
- (gain)/loss on remeasurement of financial derivatives	670	(850)	-	-
- realised (gain)/loss on financial derivatives	869	(579)	18	-
	85,245	69,082	59,571	48,215
Accreted interest of convertible bonds	10,751	-	10,751	-
Amortisation of transaction costs	4,823	1,757	2,496	518
Others	1,712	1,496	1,214	1,447
	102,531	72,335	74,032	50,180

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## 21. INCOME TAX EXPENSE

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<b>Current tax expense</b>				
Current year	314	622	-	-
Underprovision in prior years	1,084	-	-	-
	1,398	622	-	-
<b>Deferred tax expenses</b>				
Movement in temporary difference	(121)	153	-	-
Income tax expense	1,277	775	-	-
<b>Reconciliation of effective tax rate</b>				
Net income	213,407	227,552	216,997	198,252
Tax calculated using Singapore tax rate of 18% (2007: 18%)	38,413	40,959	39,059	35,685
Non-tax chargeable items	(502)	-	-	-
Non-tax deductible items	5,198	3,442	3,845	2,330
Income not subject to tax	(22)	(6,206)	-	-
Tax transparency	(42,904)	(38,015)	(42,904)	(38,015)
Underprovision in prior years	1,084	-	-	-
Others	10	595	-	-
	1,277	775	-	-

## 22. EARNINGS PER UNIT

### (a) Basic earnings per unit

The calculation of basic earnings per unit is based on the weighted average number of units during the year and total return for the year.

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Total return for the year	560,902	607,947	516,051	470,004

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

	TRUST	
	NUMBER OF UNITS	
	2008	2007
	'000	'000
Issued units at beginning of the year	1,662,393	1,561,441
Effect of creation of new units:		
- equity fund raising	-	14,616
- issued as satisfaction of acquisition fee	-	172
- issued as satisfaction of asset management fees in relation to the Trust's 40.0% interest in Raffles City through RCS Trust	812	662
- issued and issuable as payment of asset management fees paid in units	1,375	1,386
Weighted average number of units at the end of the year	1,664,580	1,578,277

## (b) Fully diluted earnings per unit

In calculating diluted earnings per unit, the total return for the year and weighted average number of units during the year are adjusted for the effects of all dilutive potential units:

	GROUP		TRUST	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Total return for the year	560,902	607,947	516,051	470,004
Impact of conversion of the dilutive potential units	(9,530)	-	(9,530)	-
Adjusted total return for the year	551,372	607,947	506,521	470,004

	TRUST	
	NUMBER OF UNITS	NUMBER OF UNITS
	2008	2007
	'000	'000
Weighted average number of units used in calculation of basic earnings per unit	1,664,580	1,578,277
Weighted average number of unissued units from convertible bonds	74,541	-
Weighted average number of units in issue (diluted)	1,739,121	1,578,277

Diluted earnings per unit for 2007 is the same as the basic earnings per unit as there are no dilutive instruments in issue in 2007.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## 23. ISSUE EXPENSES

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Underwriting and selling commissions	(251)	5,633	(251)	5,633
Professional fees	(12)	110	(12)	110
Miscellaneous expenses	–	74	–	74
	(263)	5,817	(263)	5,817

These expenses are deducted directly against the Unitholders' funds.

## 24. RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals or other entities. The Manager, Project Manager (CapitaLand Retail Project Management Pte Ltd), Manager of the Trust (CapitaMall Trust Management Limited), and Property Manager of RCS Trust (CapitaLand (RCS) Property Management Pte Ltd) are indirect wholly-owned subsidiaries of a substantial Unitholder of the Trust.

In the normal course of the operations of the Trust, asset management fees and trustee's fees have been paid or are payable to the Manager and Trustee respectively. The property management fees and property management reimbursement are payable to the Property Manager.

During the financial year, other than those disclosed elsewhere in the financial statements, there were the following significant related party transactions, which were carried out in the normal course of business on arm's length commercial terms:

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Asset enhancement works and consultancy fees paid/payable to a related company of the Manager	1,894	3,348	1,299	2,222
Rental and related income received/receivable from related companies of the Manager	295	502	282	486
Underwriting, advisory and acquisition fees paid/payable to the Manager	8,398	1,334	8,398	1,334

## 25. FINANCIAL RISK MANAGEMENT

### *Capital management*

The Board of the Manager proactively reviews the Group's and the Trust's capital and debt management cum financing policy regularly so as to optimise the Group's and the Trust's funding structure. The Board also monitors the Group's and the Trust's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

# NOTES TO THE FINANCIAL STATEMENTS

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The Trust and its subsidiaries are subject to the aggregate leverage limit as defined in the Property Fund Guidelines of the CIS code. The CIS code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 35.0% of the fund's deposited property. The aggregate leverage of a property fund may exceed 35.0% of the fund's deposited property (up to a maximum of 60.0%) only if a credit rating of the property fund from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. The property fund should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of the fund's deposited property.

The Trust has maintained its corporate rating of 'A2'. The Group and the Trust have complied with the Aggregate Leverage limit of 60.0% during the financial year. There were no changes in the Group's approach to capital management during the financial year.

## **Overview of risk management**

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Manager continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how the Manager monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

## **Credit risk**

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The Manager has established credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with tenants.

The Manager establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to the individually significant exposure.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have sound credit ratings. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

At 31 December 2008 and 2007, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the balance sheet.

## **Liquidity risk**

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations.

## **Market risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## **Foreign currency risk**

The Group is exposed to foreign currency risk on interest-bearing borrowings that are denominated in a currency other than the functional currency of the Group. The currency giving rise to this risk is USD (2007: Euro). The Group hedges this risk by entering into a cross currency swap (2007: cross currency interest rate swaps).

A cross currency swap which is denominated in USD, has been entered into to manage the foreign exchange risks. At 31 December 2008, the Group has a cross currency swap with a notional contract amount of US\$138,000,000 which matures on 27 August 2009.

Cross currency interest rate swaps, which were denominated in Euro, were entered into to manage the foreign exchange risks in the previous financial year. The Group had cross currency interest rate swaps with total notional contract amount of €81,000,000. The cross currency interest rate swaps were terminated on 27 February 2008 following the redemption of Class A & B Bonds.

## **Sensitivity analysis**

A 10.0% strengthening of Singapore dollar against the following foreign currencies at the reporting date would increase/(decrease) the Unitholders' Funds and the Statement of Total Return as at 31 December 2008 by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant.

	STATEMENT OF TOTAL RETURN \$'000	UNITHOLDERS' FUND \$'000
<b>Group</b>		
<b>2008</b>		
US dollar	–	(181)
<b>2007</b>		
EURO	–	(71)

A 10% weakening of Singapore dollar against the above currencies would have had an equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

## **Interest rate risk**

The Group's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates.

At 31 December 2008, the Group has interest rate swaps with total notional contract amount of \$380,000,000 (2007: \$116,000,000) whereby the Group has agreed with counterparties to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to the agreed notional principal amounts of the secured and unsecured term loans.

At 31 December 2007, the Group had cross currency interest rate swaps with total notional contract amount of €81,000,000 whereby the Group paid fixed interest rates of 3.79% and 4.05% and received variable rates equal to the EURIBOR and margin of 0.45% and 0.79% respectively. The swaps were terminated on 27 February 2008 when the Class A and B Bonds were redeemed on the same date.

The net fair value of the above swaps at 31 December 2008 is \$6,715,000 (2007: \$3,797,000) comprising assets of \$4,793,000 (2007: \$670,000) and liabilities of \$11,508,000 (2007: \$4,467,000).

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## *Sensitivity analysis*

An increase of 100 basis points (bp) in interest rate at the reporting date would increase/(decrease) Statement of Total Return and Unitholders' Funds by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	STATEMENT OF TOTAL RETURN \$'000	UNITHOLDERS' FUNDS \$'000
<b>Group</b>		
<b>2008</b>		
Interest-bearing borrowings (floating rate)	(4,900)	–
Interest rate swaps	3,182	18,057
	(1,718)	18,057
<b>2007</b>		
Cross currency interest rate swaps	1,772	852
Interest-bearing borrowings (floating rate)	(1,968)	–
Interest rate swaps	*	–
	(196)	852

\* Less than \$1,000

A decrease of 100 bp in interest rate at the reporting date would have had an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

## ***Estimation of fair values***

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group.

### ***Derivative financial instruments***

The fair value of interest rate swaps, cross currency swap and derivative liability portion of the convertible bonds are based on broker quotes/third party quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

### ***Non-derivative financial liabilities***

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## *Intra-group financial guarantees*

The value of financial guarantees provided by the Trust to its subsidiaries is determined by reference to the difference in the interest rates, by comparing the actual rates charged by the bank with these guarantees made available, with the estimated rates that the banks would have charged had these guarantees not been available.

## *Other financial assets and liabilities*

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

## **Interest rates used in determining fair values**

The interest rates used to discount estimated cash flows, where applicable, are based on the forward yield curve at 31 December plus an adequate constant credit spread, and are as follows:

	2008	2007
	%	%
Security deposits	3.3	3.3 – 3.6
Interest-bearing borrowings	1.45 – 3.98	2.3 – 3.3
Convertible bonds	3.98	–

The aggregate net fair values of recognised financial assets and liabilities which are not carried at fair value in the balance sheets at 31 December are represented in the following table:

	2008		2007	
	CARRYING AMOUNT \$'000	FAIR VALUE \$'000	CARRYING AMOUNT \$'000	FAIR VALUE \$'000
<b>Group</b>				
<b>Financial liabilities</b>				
Security deposits	68,793	64,447	70,720	68,273
Interest-bearing borrowings	1,406,123	1,418,530	1,851,193	1,882,010
Convertible bonds	592,042	718,267	–	–
	<u>2,066,958</u>	<u>2,201,244</u>	<u>1,921,913</u>	<u>1,950,283</u>
Unrecognised loss		<u>(134,286)</u>		<u>(28,370)</u>

# NOTES TO THE FINANCIAL STATEMENTS

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	2008		2007	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
	\$'000	\$'000	\$'000	\$'000
<b>Trust</b>				
<b>Financial liabilities</b>				
Security deposits	51,177	47,940	55,666	53,879
Interest-bearing borrowings	1,060,786	1,049,626	1,390,251	1,402,213
Convertible bonds	592,042	718,267	–	–
	<u>1,704,005</u>	<u>1,815,833</u>	<u>1,445,917</u>	<u>1,456,092</u>
Unrecognised loss		<u>(111,828)</u>		<u>(10,175)</u>

## 26. SEGMENT REPORTING

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on its management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue, interest-bearing borrowings and expenses, related assets and expenses.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

### **Business segments**

The Group is in the business of investing in the following shopping malls, which are considered to be the main business segments: Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Plaza Singapura, Bugis Junction, The Atrium@Orchard, other investment properties, subsidiaries portfolio and the Group's 40.0% share in RCS Trust – Raffles City.

### **Geographical segments**

Geographical segment reporting has not been prepared because all the malls are located in Singapore.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

## Business segments

	TAMPINES MALL \$'000	JUNCTION 8 \$'000	FUNAN DIGITALIFE MALL \$'000	IMM BUILDING \$'000	PLAZA SINGAPURA \$'000	BUGIS JUNCTION \$'000	THE ATRIUM @ ORCHARD \$'000	OTHER INVESTMENT PROPERTIES <sup>1</sup> \$'000	SUBSIDIARIES PORTFOLIO <sup>2</sup> \$'000	40.0% INTEREST IN RCS TRUST - RAFFLES CITY <sup>3</sup> \$'000	TOTAL \$'000
<b>2008</b>											
Gross rental income	56,349	43,015	25,661	68,847	67,323	62,538	9,747	9,591	56,063	74,453	473,587
Car park income	2,403	1,376	1,856	704	2,295	-	85	696	2,257	2,066	13,738
Others	2,839	3,012	1,701	3,645	2,394	2,998	530	1,057	3,668	1,732	23,576
Gross revenue	61,591	47,403	29,218	73,196	72,012	65,536	10,362	11,344	61,988	78,251	510,901
Segment net property income	43,259	31,924	18,568	47,228	51,171	43,170	6,745	6,422	38,704	53,939	341,130
Interest income											1,881
Unallocated expenses											(137,988)
Share of profit of associate											205,023
Net income											8,384
Net change in fair value of financial derivatives											213,407
Net change in fair value of investment properties	50,259	60,596	(33,988)	47,764	72,934	55,920	-	20,024	23,248	26,470	25,545
Total return for the year before income tax											323,227
Income tax expense											562,179
<b>Total return for the year</b>											(1,277)
											560,902

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

## Business segments

	TAMPINES MALL \$'000	JUNCTION 8 \$'000	FUNAN DIGITALIFE MALL \$'000	IMM BUILDING \$'000	PLAZA SINGAPURA \$'000	BUGIS JUNCTION \$'000	OTHER INVESTMENT PROPERTIES <sup>1</sup> \$'000	SUBSIDIARIES PORTFOLIO <sup>2</sup> \$'000	40.0% INTEREST IN RCS TRUST - RAFFLES CITY <sup>3</sup> \$'000	TOTAL \$'000
<b>2007</b>										
Gross rental income	50,556	40,314	23,995	61,096	63,977	55,050	11,227	29,883	63,111	399,209
Car park income	2,346	1,339	1,878	131	2,309	-	869	1,310	1,815	11,997
Others	2,327	2,895	1,505	3,523	2,208	3,640	1,260	1,957	1,339	20,654
Gross revenue	55,229	44,548	27,378	64,750	68,494	58,690	13,356	33,150	66,265	431,860
Segment net property income	38,452	29,558	17,659	40,279	48,909	38,098	7,967	19,489	47,364	287,775
Interest income										1,066
Unallocated expenses										(100,942)
Share of profit of associate										187,899
Net income										39,653
Net change in fair value of financial derivatives										227,552
Net change in fair value of investment properties										-
Total return for the year before income tax	54,414	30,242	37,298	25,109	78,230	35,314	11,146	(3,281)	112,698	381,170
Income tax expense										608,722
<b>Total return for the year</b>										(775)
										607,947

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

## Business segments

	TAMPINES MALL \$'000	JUNCTION 8 \$'000	FUNAN DIGITALIFE MALL \$'000	IMM BUILDING \$'000	PLAZA SINGAPURA \$'000	BUGIS JUNCTION \$'000	THE ATRIUM @ ORCHARD \$'000	OTHER INVESTMENT PROPERTIES' \$'000	SUBSIDIARIES PORTFOLIO <sup>2</sup> \$'000	40.0% INTEREST IN RCS TRUST - RAFFLES CITY <sup>3</sup> \$'000	TOTAL \$'000
Segment assets	776,565	586,156	341,947	660,356	1,001,510	798,540	850,688	310,543	811,400	1,084,851	7,222,556
Investment in associate											143,919
Unallocated assets											142,516
Total assets											<u>7,508,991</u>

## 2008

### Assets and liabilities

Segment liabilities	20,346	17,257	13,588	34,005	25,781	26,508	5,491	16,732	783,868	380,699	1,324,275
Unallocated liabilities:											
- interest-bearing borrowings											1,470,786
- interest payables											2,696
- asset management fees payable											3,439
- convertible bonds											592,042
- derivative liability											34,059
- others											2,088
Total liabilities											<u>2,105,110</u>
											<u>3,429,385</u>

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

## Business segments

	TAMPINES MALL \$'000	JUNCTION 8 \$'000	FUNAN DIGITALIFE MALL \$'000	IMM BUILDING \$'000	PLAZA SINGAPURA \$'000	BUGIS JUNCTION \$'000	THE ATRIUM @ ORCHARD \$'000	OTHER INVESTMENT PROPERTIES <sup>1</sup> \$'000	SUBSIDIARIES PORTFOLIO <sup>2</sup> \$'000	40.0% INTEREST IN RCS TRUST - RAFFLES CITY <sup>3</sup> \$'000	TOTAL \$'000
Depreciation of plant and equipment	48	38	18	100	40	73	1	37	73	212	640
Plant and equipment:											
- Capital expenditure	234	207	11	137	116	98	5	25	287	320	1,440
Investment properties:											
- Capital expenditure	4,741	3,404	70,488	10,236	5,066	22,080	195	56,476	33,252	17,130	223,068
Receivables written off	15	-	4	14	-	-	-	-	1	-	34

## 2008

### Other segmental information

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

## Business segments

	TAMPINES MALL \$'000	JUNCTION 8 \$'000	FUNJAN DIGITALIFE MALL \$'000	IMM BUILDING \$'000	PLAZA SINGAPURA \$'000	BUGIS JUNCTION \$'000	OTHER INVESTMENT PROPERTIES <sup>1</sup> \$'000	SUBSIDIARIES PORTFOLIO <sup>2</sup> \$'000	40.0% INTEREST IN RCS TRUST - RAFFLES CITY <sup>3</sup> \$'000	TOTAL \$'000
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## 2007

### Assets and liabilities

Segment assets	721,248	521,951	305,357	602,393	923,767	720,565	234,215	723,401	1,036,626	5,789,523
Investment in associate										98,053
Unallocated assets										69,692
Total assets										5,957,268

Segment liabilities	16,730	15,738	12,600	31,878	21,421	24,704	10,694	490,520	367,070	991,355
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### Unallocated liabilities:

- interest-bearing borrowings										1,240,251
- interest payables										265
- asset management fees payable										3,062
- current tax payable										1,018
- others										(497)

### Total liabilities

	1,244,099
	2,235,454

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

## Business segments

	TAMPINES MALL \$'000	JUNCTION 8 \$'000	FUNAN DIGITALIFE MALL \$'000	IMM BUILDING \$'000	PLAZA SINGAPURA \$'000	BUGIS JUNCTION \$'000	OTHER INVESTMENT PROPERTIES <sup>1</sup> \$'000	SUBSIDIARIES PORTFOLIO <sup>2</sup> \$'000	40.0% INTEREST IN RCS TRUST - RAFFLES CITY <sup>3</sup> \$'000	TOTAL \$'000
2007										
<b>Other segmental information</b>										
Depreciation of plant and equipment	28	30	15	75	26	42	36	32	150	434
Plant and equipment:										
- Capital expenditure	46	7	58	266	196	101	7	37	102	820
Investment properties:										
- Capital expenditure	10,586	1,758	7,202	16,891	8,770	19,687	15,674	9,239	15,302	105,109
Receivables written off	-	13	-	-	5	3	-	(8)	-	13

1 Other investment properties comprise Sembawang Shopping Centre, Hougang Plaza and Jurong Entertainment Centre.

2 Subsidiaries portfolio comprises Bukit Panjang Plaza, Lot One Shoppers' Mall and Rivervale Mall under CRSL and CMT MTN.

3 The joint acquisition of Raffles City through RCS Trust by CMT (40.0%) and CCT (60.0%) was completed on 1 September 2006.

# NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

## 27. COMMITMENTS

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Capital commitments:				
- contracted but not provided for	63,871	129,369	37,535	88,940
- authorised but not contracted for	36,486	67,461	20,913	53,170
	100,357	196,830	58,448	142,110

The Group leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	GROUP		TRUST	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Within 1 year	434,029	385,018	323,078	285,133
After 1 year but within 5 years	444,108	493,034	310,573	358,347
More than 5 years	6,847	4,273	949	3,571
	884,984	882,325	634,600	647,051

## 28. CONTINGENT LIABILITY

Pursuant to the tax transparency ruling from IRAS, the Trustee has provided a tax indemnity for certain types of tax losses, including unrecovered late payment penalties, that may be suffered by IRAS should IRAS fail to recover from Unitholders tax due or payable on distributions made to them without deduction of tax, subject to the indemnity amount agreed with the IRAS. This indemnity is applicable to distributions made out of the Trust's income for the period from the date of the listing of the Trust to 1 August 2004. The amount of indemnity, as agreed with IRAS for any one year is limited to the higher of \$500,000 or 1.0% of the taxable income of the Trust for that year. Each yearly indemnity has a validity period of the earlier of seven years from the end of the relevant year of assessment and three years from the termination of the Trust.

## 29. FINANCIAL RATIOS

	2008 %	2007 %
Expenses to weighted average net assets <sup>1</sup>		
- including performance component of Manager's management fees	0.70	0.69
- excluding performance component of Manager's management fees	0.45	0.43
Portfolio turnover rate <sup>2</sup>	—	—

<sup>1</sup> The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Trust, excluding property expenses and finance costs.

<sup>2</sup> The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

# UNITHOLDERS STATISTICS

## STATISTICS OF UNITHOLDINGS

AS AT 2 MARCH 2009

### Issued and Fully Paid Units

1,669,287,693 units (voting rights : 1 vote per unit)

Market Capitalisation \$2,286,924,139 (based on closing unit price of S\$1.37 on 2 March 2009)

## DISTRIBUTION OF UNITHOLDINGS

SIZE OF HOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 - 999	1,004	9.16	100,241	0.01
1,000 - 10,000	7,724	70.50	31,773,317	1.90
10,001 - 1,000,000	2,198	20.06	99,567,542	5.96
1,000,001 and above	31	0.28	1,537,846,593	92.13
	10,957	100.00	1,669,287,693	100.00

## LOCATION OF UNITHOLDERS

COUNTRY	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
Singapore	10,745	98.07	1,665,963,567	99.80
Malaysia	89	0.81	1,340,890	0.08
Others	123	1.12	1,983,236	0.12
	10,957	100.00	1,669,287,693	100.00

## TWENTY LARGEST UNITHOLDERS

S/No.	Name	No. of Units	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	306,624,196	18.37
2	PYRAMEX INVESTMENTS PTE LTD	300,219,553	17.98
3	DBS NOMINEES PTE LTD	206,464,481	12.37
4	ALBERT COMPLEX PTE LTD	147,000,000	8.81
5	HSBC (SINGAPORE) NOMINEES PTE LTD	140,515,849	8.42
6	DBSN SERVICES PTE LTD	136,685,587	8.19
7	NTUC FAIRPRICE CO-OPERATIVE LTD	80,600,000	4.83
8	UNITED OVERSEAS BANK NOMINEES PTE LTD	54,915,534	3.29
9	PREMIER HEALTHCARE SERVICES INTERNATIONAL PTE LTD	33,000,000	1.98
10	RAFFLES NOMINEES PTE LTD	31,959,960	1.91
11	ALPHAPLUS INVESTMENTS PTE LTD	25,330,000	1.52
12	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	15,972,825	0.96
13	CAPITAMALL TRUST MANAGEMENT LIMITED	15,479,388	0.93
14	MERRILL LYNCH (SINGAPORE) PTE LTD	6,977,279	0.42
15	DB NOMINEES (S) PTE LTD	5,683,014	0.34
16	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	3,660,500	0.22
17	TM ASIA LIFE SINGAPORE LTD-PAR FUND	3,122,000	0.19
18	CITIGROUP GM SINGAPORE SECURITIES PTE. LTD.	2,794,970	0.17
19	DBS VICKERS SECURITIES (S) PTE LTD	2,737,600	0.16
20	OVERSEA CHINESE BANK NOMINEES PTE LTD	2,066,011	0.12
		1,521,808,747	91.18

# UNITHOLDERS STATISTICS

## LIST OF DIRECTORS' INTEREST

AS AT 21 JANUARY 2009

Name	No of CMT Units Held
James Koh Cher Siang	180,000 (Direct)
Liew Mun Leong	148,000 (Direct) 510,694 (Deemed)
Lim Beng Chee	35,000 (Direct) 39,000 (Deemed)
David Wong Chin Huat	60,000 (Direct) 30,000 (Deemed)
Lui Chong Chee	430,000 (Deemed)

## NUMBER OF UNITS OWNED BY EACH SUBSTANTIAL UNITHOLDER

AS AT 2 MARCH 2009

SUBSTANTIAL UNITHOLDER	DIRECT INTEREST	% OF ISSUED AND OUTSTANDING UNITS	DEEMED INTEREST	% OF ISSUED AND OUTSTANDING UNITS	TOTAL INTEREST
Temasek Holdings (Private) Limited <sup>1</sup>	-	-	498,261,941 <sup>2</sup>	29.85%	498,261,941 <sup>2</sup>
CapitaLand Limited	-	-	495,698,941 <sup>3</sup>	29.70%	495,698,941 <sup>3</sup>
CapitaLand Retail Limited <sup>4</sup>	-	-	480,219,553 <sup>5</sup>	28.77%	480,219,553 <sup>5</sup>
Pyramex Investments Pte Ltd <sup>6</sup>	300,219,553	17.98%	-	-	300,219,553
Albert Complex Pte Ltd <sup>6</sup>	147,000,000	8.81%	-	-	147,000,000
NTUC Fairprice Co-operative Limited <sup>7</sup>	80,600,000	4.83%	25,330,000 <sup>8</sup>	1.52%	105,930,000

Notes:

1 Temasek Holdings (Private) Limited ("Temasek") is wholly owned by the Minister for Finance (Incorporated).

2 Based on the latest information provided by Temasek.

3 147,000,000 Units held by Albert Complex Pte Ltd, 300,219,553 Units held by Pyramex Investments Pte Ltd, 33,000,000 Units held by Premier Healthcare Services International Pte Ltd and 15,479,388 Units held by the Manager.

4 A wholly-owned subsidiary of CapitaLand.

5 147,000,000 Units held by Albert Complex Pte Ltd, 300,219,553 Units held by Pyramex Investments Pte Ltd and 33,000,000 Units held by Premier Healthcare Services International Pte Ltd.

6 An indirect wholly-owned subsidiary of CapitaLand.

7 Based on the latest information provided by NTUC Fairprice Co-operative Limited.

8 Held by Alphaplus Investments Pte. Ltd.

## Freefloat

Based on the information made available to the Manager, approximately 63.0% of the units in CMT were held in the hands of the public as at 2 March 2009. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

# INTERESTED PARTY TRANSACTIONS

THE TRANSACTIONS ENTERED INTO WITH INTERESTED PARTIES DURING THE FINANCIAL YEAR, WHICH FALL UNDER THE LISTING MANUAL AND THE PROPERTY FUND GUIDELINES, ARE AS FOLLOWS:

NAME OF INTERESTED PARTY	AGGREGATE VALUE OF ALL INTERESTED PARTY TRANSACTIONS DURING THE FINANCIAL PERIOD UNDER REVIEW (EXCLUDING TRANSACTIONS OF LESS THAN S\$100,000 EACH) S\$'000
CapitalLand Limited and its subsidiaries or associates	
- Management fees <sup>1</sup>	31,020
- Property management fees & reimbursables	41,042
- Acquisition fees related to acquisition of The Atrium@Orchard	8,398
- Project management and consultancy fees for asset enhancement works	483
- Rental and service income	282
Temasek Holdings (Private) Limited and its associates	
- Rental and service income	2,252
- General Maintenance	989

<sup>1</sup> For the purposes of Rule 907 of the Listing Manual of the SGX-ST, in arriving at this figure, the market price of the CMT Units (being the closing price of the Units traded on the SGX-ST on the relevant date of issue of the Units) issued to the Manager for the performance component of its management fees, was used to determine the amount of the aggregate asset management fees paid to the Manager for the period from 1 January 2008 to 31 December 2008. A total of 5,968,892 CMT Units amounting to an aggregate of S\$13,234,888 have been or will be issued to the Manager as payment of the performance component of the asset management fees (as computed pursuant to the Trust Deed) for the period from 1 January 2008 to 31 December 2008. In respect of the period from 1 January 2008 to 31 March 2008, a total of 980,310 CMT Units at issue prices of S\$3.2457 per Unit, were issued on 2 May 2008 to the Manager. The market price at the date of issue was S\$3.62 per Unit and the aggregate market value of these Units was S\$3,548,722 based on this market price. In respect of the period from 1 April 2008 to 30 June 2008, a total of 1,094,614 CMT Units at issue prices of S\$2.9976 per Unit, were issued on 5 August 2008 to the Manager. The market price at the date of issue was S\$3.01 per Unit and the aggregate market value of these Units was S\$3,294,788 based on this market price. In respect of the period from 1 July 2008 to 30 September 2008, a total of 1,437,478 CMT Units at issue prices of S\$2.374 per Unit, were issued on 31 October 2008 to the Manager. The market price at the date of issue was S\$1.90 per Unit and the aggregate market value of these Units was S\$2,731,208 based on this market price. In respect of the period from 1 October 2008 to 31 December 2008, a total of 2,456,490 CMT Units, comprising 2,341,577 and 114,913 CMT Units at issue prices of S\$1.7246 and S\$2.374\* per Unit respectively, were issued on 4 February 2009 to the Manager. The market price at the date of issue was S\$1.49 per Unit and the aggregate market value of these Units was S\$3,660,170 based on this market price.

\* Based on the volume weighted average traded price for a Unit for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the last ten business days as at 30 September 2008.

Save as disclosed above, there were no additional Interested Party Transactions (excluding transactions of less than S\$100,000 each) entered into during the financial period under review.

On 10 February 2004, the SGX-ST has granted a waiver to CMT from Rules 905 and 906 of the SGX-ST's Listing Manual in relation to payments for management fees, payments for acquisition and divestment fees, payments of property management fees, reimbursements to the property manager in respect of payroll and related expenses as well as payments of trustee's fees. Such payments are not to be included in the aggregated value of total related party transactions as governed by Rules 905 and 906 of the SGX-ST's Listing Manual.

Please also see Significant Related Party Transactions on Note 24 in the financial statements.

## Subscription of CMT Units

For the financial year ended 31 December 2008, an aggregate of 4,438,517 CMT units were issued and subscribed for. As at 31 December 2008, 1,666,831,203 CMT units were in issue and outstanding. On 4 February 2009, 2,456,490 CMT units were issued to the Manager as part payment of the performance component of its asset management fees for fourth quarter 2008.

# MALL DIRECTORY

MALL	CONTACT	WEBSITE
<b>Bugis Junction</b>	200 Victoria Street, Singapore 188021 <b>Tel</b> (65) 6557 6557 <b>Fax</b> (65) 6338 1783	<a href="http://www.bugisjunction-mall.com.sg">www.bugisjunction-mall.com.sg</a>
<b>Bukit Panjang Plaza</b>	1 Jelebu Road, Singapore 677743 <b>Tel</b> (65) 6314 6388 <b>Fax</b> (65) 6763 4829	<a href="http://www.capitalandretail.com/malls_sg_bpp.html">www.capitalandretail.com/malls_sg_bpp.html</a>
<b>Funan DigitaLife Mall</b>	109 North Bridge Road, Singapore 179097 <b>Tel</b> (65) 6336 8327 <b>Fax</b> (65) 6333 4275	<a href="http://www.funan.com.sg">www.funan.com.sg</a>
<b>Hougang Plaza</b>	1189 Upper Serangoon Road, Singapore 534785 <b>Tel</b> (65) 6385 3641 <b>Fax</b> (65) 6385 7338	<a href="http://www.capitalandretail.com/malls_sg_hgp.html">www.capitalandretail.com/malls_sg_hgp.html</a>
<b>IMM Building</b>	2 Jurong East Street 21, Singapore 609601 <b>Tel</b> (65) 6665 8268 <b>Fax</b> (65) 6562 3933	<a href="http://www.imm.sg">www.imm.sg</a>
<b>Junction 8</b>	9 Bishan Place, Singapore 579837 <b>Tel</b> (65) 6354 2955 <b>Fax</b> (65) 6354 2977	<a href="http://www.junction8.com.sg">www.junction8.com.sg</a>
<b>Jurong Entertainment Centre</b>	2 Jurong East Central 1, Singapore 609731 <b>Tel</b> (65) 6665 8268 <b>Fax</b> (65) 6562 3933	<a href="http://www.capitalandretail.com/malls_sg_jec.html">www.capitalandretail.com/malls_sg_jec.html</a>
<b>Lot One Shoppers' Mall</b>	21 Choa Chu Kang Avenue 4, Singapore 689812 <b>Tel</b> (65) 6314 6288 <b>Fax</b> (65) 6763 2405	<a href="http://www.capitalandretail.com/malls_sg_lotone.html">www.capitalandretail.com/malls_sg_lotone.html</a>
<b>Plaza Singapura</b>	68 Orchard Road, Singapore 238839 <b>Tel</b> (65) 6332 9298 <b>Fax</b> (65) 6339 5006	<a href="http://www.plazasingapura.com.sg">www.plazasingapura.com.sg</a>
<b>Raffles City Singapore</b>	<b>Retail</b> 252 North Bridge Road, Singapore 179103 <b>Office</b> 250 North Bridge Road, Singapore 179101 <b>Hotel</b> Swissôtel The Stamford Singapore 2 Stamford Road, Singapore 178882 Fairmont Singapore 80 Bras Basah Road, Singapore 189560 <b>Tel</b> (65) 6338 7766 <b>Fax</b> (65) 6337 3618	<a href="http://www.rafflescity.com">www.rafflescity.com</a>
<b>Rivervale Mall</b>	11 Rivervale Crescent, Singapore 545082 <b>Tel</b> (65) 6489 1954 <b>Fax</b> (65) 6489 1956	<a href="http://www.capitalandretail.com/malls_sg_river.html">www.capitalandretail.com/malls_sg_river.html</a>
<b>Sembawang Shopping Centre</b>	604 Sembawang Road, Singapore 758459 <b>Tel</b> (65) 6757 8000 <b>Fax</b> (65) 6257 1463	<a href="http://www.capitalandretail.com/malls_sg_ssc.html">www.capitalandretail.com/malls_sg_ssc.html</a>
<b>Tampines Mall</b>	4 Tampines Central 5, Singapore 529510 <b>Tel</b> (65) 6788 8370 <b>Fax</b> (65) 6787 0995	<a href="http://www.tampinesmall.com.sg">www.tampinesmall.com.sg</a>
<b>The Atrium@Orchard</b>	60A/B Orchard Road, Singapore 238890/238891 <b>Tel</b> (65) 6332 9770 <b>Fax</b> (65) 6339 5006	<a href="http://www.capitalandretail.com/malls_sg_Atrium.html">www.capitalandretail.com/malls_sg_Atrium.html</a>

# CORPORATE INFORMATION

## CAPITAMALL TRUST

### REGISTERED ADDRESS

**HSBC Institutional Trust Services  
(Singapore) Limited**

21 Collyer Quay #14-01 HSBC Building  
Singapore 049320

Tel: (65) 6534 1900

Fax: (65) 6533 1077

### WEBSITE & EMAIL ADDRESS

www.capitamall.com

ask-us@capitamall.com

### TRUSTEE

**HSBC Institutional Trust Services  
(Singapore) Limited**

21 Collyer Quay #10-01 HSBC Building  
Singapore 049320

Tel: (65) 6534 1900

Fax: (65) 6533 1077

### AUDITOR

**KPMG LLP**

**Public Accountants and  
Certified Public Accountants**

16 Raffles Quay  
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Singapore 048581

Tel: (65) 6213 3388

Fax: (65) 6225 0984

Partner-In-Charge : Mr Ronald Tay  
(Since the financial period ended  
31 December 2007)

### UNIT REGISTRAR

**Boardroom Corporate & Advisory  
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3 Church Street, #08-01 Samsung Hub  
Singapore 049483

Tel: (65) 6536 5355

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## THE MANAGER

### REGISTERED ADDRESS

**CapitaMall Trust Management Limited**

39 Robinson Road #18-01 Robinson Point  
Singapore 068911

Tel: (65) 6536 1188

Fax: (65) 6536 3884

### DIRECTORS OF THE MANAGER

**Mr James Koh Cher Siang**

Chairman & Independent Non-Executive  
Director

**Mr Liew Mun Leong**

Deputy Chairman & Non-Executive Director

**Mr Lim Beng Chee**

Chief Executive Officer & Executive Director

**Mr James Glen Service**

Independent Non-Executive Director

**Mr David Wong Chin Huat**

Independent Non-Executive Director

**Mr S. Chandra Das**

Non-Executive Director

**Mr Kee Teck Koon**

Non-Executive Director

**Mr Olivier Lim Tse Ghow**

Non-Executive Director

**Mr Lui Chong Chee**

Non-Executive Director

### EXECUTIVE COMMITTEE

**Mr Liew Mun Leong**

**Mr Lim Beng Chee**

**Mr Kee Teck Koon**

**Mr Olivier Lim Tse Ghow**

### AUDIT COMMITTEE

**Mr James Koh Cher Siang**

**Mr James Glen Service**

**Mr David Wong Chin Huat**

**Mr Olivier Lim Tse Ghow**

### CORPORATE DISCLOSURE COMMITTEE

**Mr James Koh Cher Siang**

**Mr Liew Mun Leong**

**Mr Kee Teck Koon**

**Mr Olivier Lim Tse Ghow**

### COMPANY SECRETARY

**Ms Kannan Malini**

S T A B I L I T Y C A

P A B I L I T Y M A R

CAPITAMALL TRUST MANAGEMENT LIMITED  
AS MANAGER OF CAPITAMALL TRUST

K E T A B I L I T Y S

39 ROBINSON ROAD #18-01  
ROBINSON POINT  
SINGAPORE 068911

U S T A I N A B I L

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I T Y A C C O U N

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T A B I L I T Y S C

COMPANY REGISTRATION NUMBER: 200106159R

A L A B I L I T Y P R

O F I T A B I L I T Y