

CONSISTENT PERFORMANCE SUSTAINABLE GROWTH

TAMPINES MALL
JUNCTION 8
FUNAN DIGITALIFE MALL
IMM BUILDING
PLAZA SINGAPURA
BUGIS JUNCTION
SEMBAWANG SHOPPING CENTRE
JCUBE
HOUGANG PLAZA
RAFFLES CITY SINGAPORE
LOT ONE SHOPPERS' MALL
BUKIT PANJANG PLAZA
RIVERVALE MALL
THE ATRIUM@ORCHARD
CLARKE QUAY

VISION

Creating Value

Maximising Returns

Transforming 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.

TAMPINES MALL
JUNCTION 8
FUNAN DIGITALIFE MALL
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CLARKE QUAY

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\$6.2 billion and S\$8.1 billion respectively as at 31 December 2010.

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 2010, CMT's portfolio comprised a diverse list of over 2,400 leases with local and international retailers and achieved an average committed occupancy of close to 100.0%. CMT's portfolio comprises 15 quality retail properties which are strategically located in the suburban areas and downtown core of Singapore – Tampines Mall, Junction 8, Funan DigiLife Mall, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, JCube (formerly known as Jurong Entertainment Centre), Hougang Plaza, Raffles City Singapore (40.00% interest), Lot One Shoppers' Mall, Bukit Panjang Plaza (90 out of 91 strata lots), Rivervale Mall, The Atrium@Orchard and Clarke Quay.

CMT also owns approximately 19.62% stake in CapitaRetail China Trust as at 31 December 2010, the first China shopping mall REIT listed on the SGX-ST in December 2006.

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 a wholly-owned subsidiary of CapitaMalls Asia Limited, one of Asia's largest listed shopping mall developers, owners and managers.

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DELIVERING CONSISTENT PERFORMANCE

24/7

MONDAY

TUESDAY

WEDNESDAY

THURSDAY

FRIDAY

SATURDAY

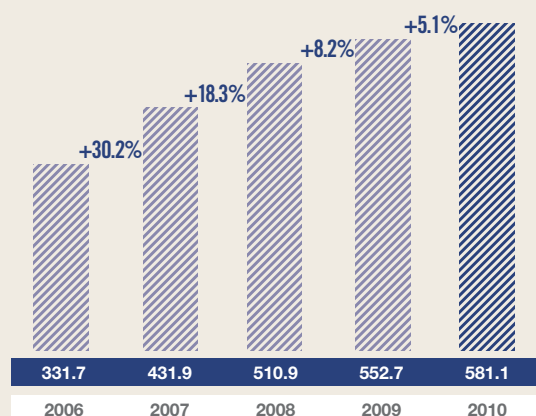
SUNDAY



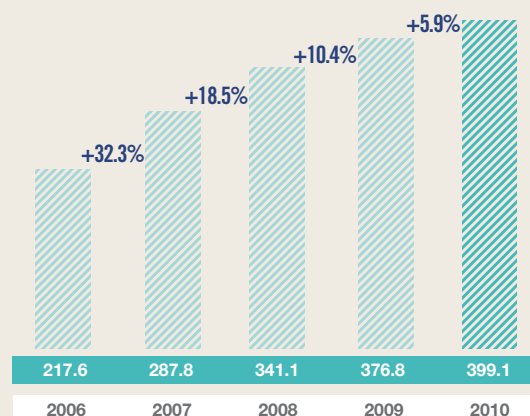
FINANCIAL HIGHLIGHTS

PERFORMANCE AT A GLANCE

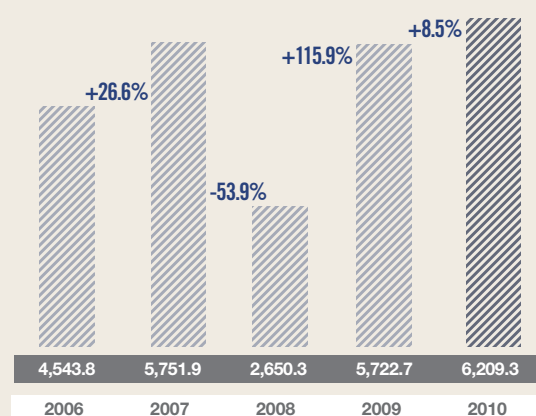
Gross Revenue (\$\$ million)



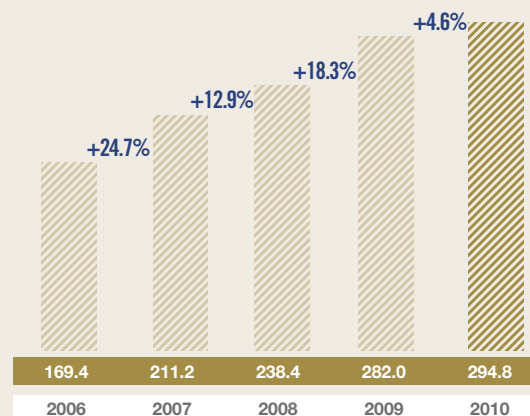
Net Property Income (\$\$ million)



Market Capitalisation (\$\$ million)



Distributable Income (\$\$ million)



	2006 TRUST & ITS INVESTEES ¹	2007 GROUP ²	2008 GROUP ²	2009 GROUP ²	2010 GROUP ²
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Selected Statement of Total Return and Distribution Data

Gross Rental Income (S\$ million)	307.3	399.2	473.6	513.7	539.2
Car Park Income (S\$ million)	8.9	12.0	13.7	14.3	15.5
Other Income (S\$ million)	15.5	20.7	23.6	24.7	26.4
Gross Revenue (S\$ million)	331.7	431.9	510.9	552.7	581.1
Net Property Income (S\$ million)	217.6	287.8	341.1	376.8	399.1
Distributable Income (S\$ million)	169.4	211.2	238.4	282.0	294.8

Selected Balance Sheet Data

Total Assets (S\$ million)	4,811.3	5,957.3	7,509.0	7,423.0 ³	8,125.9
Total Borrowings ⁴ (S\$ million)	1,695.2	2,052.2	3,216.4	2,243.0	2,916.9
Net Asset Value Per Unit ⁵ (S\$)	1.87	2.21	2.41	1.54	1.53
Unitholders' Funds (S\$ million)	2,975.8	3,721.8	4,079.6	4,969.6	4,939.4
Market Capitalisation ⁶ (S\$ million)	4,543.8	5,751.9	2,650.3	5,722.7	6,209.3
Portfolio Property Valuation (S\$ million)	4,575.1	5,777.9	7,174.0	6,920.5	7,271.5

Key Financial Indicators

Earnings Per Unit ⁷ (cents)	29.17	38.52	33.70	(2.23) ⁸	8.49
Distribution Per Unit (cents)	11.69	13.34	14.29	8.85 ⁹	9.24 ⁹
Borrowings to Total Assets (Gearing)	35.2%	34.5%	42.8%	30.2%	35.9%
Interest Coverage (times)	5.0	4.2	3.4	3.6	3.6
Management Expense Ratio ¹⁰	0.9%	0.7%	0.7%	0.7%	0.7%
Unencumbered assets as % of Total Assets	4.9%	3.0%	4.5%	20.0%	36.3%
Net Debt / EBITDA ¹¹ (times)	8.0	6.8	10.2	6.6	6.8
Average Term to Maturity (years)	2.6	2.8	2.0 ¹²	1.7 ¹²	2.6 ¹²
Average cost of debt	3.3%	3.5%	3.4%	3.5%	3.7%

After Restatement for the Effect of Rights Issue¹³

Net Asset Value Per Unit ⁵ (S\$)	1.35	1.54	1.65	1.54	1.53
Earnings Per Unit ⁷ (cents)	23.71	31.32	27.40	(2.23) ⁸	8.49
Distribution Per Unit (cents)	5.72	6.83	7.52	8.85	9.24

- As at 31 December 2006, the Trust and its investees include proportionate consolidation of the 40.00% interest in Raffles City Singapore (RCS), through the RCS Trust, the special purpose vehicle that holds RCS, and equity accounting of its associate, CapitaRetail Singapore Limited (CRSL).
- As at 31 December 2007, 31 December 2008, 31 December 2009 and 31 December 2010, CMT Group includes the proportionate consolidation of the 40.00% interest in RCS, through the RCS Trust, consolidation of 100.00% interest in CRSL (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) (with effect from 1 April 2007).
- The decrease in total assets as at 31 December 2009 is mainly due to the revaluation deficit on investment properties, offset by the increase in cash and cash equivalent mainly from the balance of net proceeds of the underwritten renounceable 9-for-10 rights issue (Rights Issue).
- Excludes unamortised transaction costs. As at 31 December 2010, the total borrowings include S\$550.0 million in principal amount of the S\$650.0 million 1.0% convertible bonds due 2013 (Outstanding Convertible Bonds) (as at 31 December 2008 and 2009 : S\$650.0 million). The final redemption price upon maturity on 2 July 2013 is equal to 109.31% of the principal amount. The Outstanding Convertible Bonds 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. Total borrowings as at 31 December 2010 also include US\$500.0 million fixed rate notes issued under the US\$2.0 billion unsecured Euro-Medium Term Note Programme of CMT MTN which were swapped to S\$699.5 million at a fixed interest rate of 3.794% per annum in April 2010.
- Excludes outstanding distributable income as at end of each period.
- Based on the closing unit price of S\$2.91 on 29 December 2006, S\$3.46 on 31 December 2007, S\$1.59 on 31 December 2008, S\$1.80 on 31 December 2009 and S\$1.95 on 31 December 2010.
- 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.
- The negative EPU of 2.23 cents as at 31 December 2009 is mainly due to the revaluation deficit on investment properties.
- 2009 and 2010 distribution per unit (DPU) are lower than prior years due to the increase in units from the Rights Issue. If the effect of the Rights Issue is removed, the DPU for 2009 and 2010 are higher compared to the restated DPUs for prior years.
- Refers to the expenses of the Trust, excluding property expenses and interest expense but including performance component of CapitaMall Trust Management Limited's management fees, expressed as a percentage of weighted average net assets.
- Net Debt comprises Gross Debt less temporary cash intended for acquisition and refinancing and EBITDA refers to earnings before interest, tax, depreciation and amortisation.
- Assuming holders of the Outstanding Convertible Bonds exercise put option in July 2011.
- The figures have been restated for the effect of the Rights Issue. On 2 April 2009, 1,502,358,923 units were issued pursuant to the Rights Issue.

LETTER TO UNITHOLDERS

Despite the economic vagaries over the past eight years since its initial public offering (IPO), CMT has stood the test of time and delivered consistent and sustained performance across business cycles since its inception in July 2002. CMT has also maintained its track record of delivering positive rental reversions every year, even during 2009 when the global and domestic economies were in the doldrums.

The gradual recovery we saw in the world economy towards the end of 2009 continued to gather momentum in 2010. The resultant pick-up in confidence among financial markets, businesses and consumers helped Singapore's economy to recover strongly in 2010. Singapore recorded a GDP growth of 14.5%¹, making it one of the fastest-growing economies in the world in 2010. This was a sharp rebound from the contraction of 0.8% recorded in 2009 due to the global economic crisis.

CONSISTENT PERFORMANCE

On the back of the improved economic conditions, increased visitor arrivals and healthy consumer spending, we saw more optimism among our retailers in 2010. This contributed to strong occupancy and higher rental rates at CapitaMall Trust's (CMT) properties in 2010.

For the financial year ended 31 December 2010, CMT achieved a distribution per unit (DPU) of 9.24 cents, which was 4.6% higher than the DPU of 8.85 cents in 2009. The better performance was mainly due to the half-year contribution from Clarke Quay which was acquired in July 2010, as well as positive reversions from new leases and renewal of existing leases.

As at 31 December 2010, CMT's unit price closed at S\$1.95, representing a gain of 8.3% from S\$1.80 as at 31 December 2009. Based on the closing price, CMT's DPU of 9.24 cents for 2010 translates to a distribution yield of 4.7%, which was approximately 200 basis points higher than the 10-year Singapore Government bond yield. Unitholders who have held CMT units for the full year 2010 would have enjoyed a one-year total return of 13.5%.

Despite the economic vagaries over the past eight years since its IPO, CMT has stood the test of time and delivered consistent and sustained performance across business cycles since its inception in July 2002. Its total return to Unitholders registered 177.3% for the period 17 July 2002 to 31 December 2010. Distributable income grew at a compounded annual growth rate of 24.1% from S\$64.9 million in 2003 to S\$294.8 million in 2010. CMT has also maintained its track record of delivering positive rental reversions every year, even during 2009 when the global and domestic economies were in the doldrums.

SUSTAINABLE GROWTH

CMT is the first and largest REIT by market capitalisation and asset size in Singapore. CMT's scale and leading position in the retail industry are competitive advantages that create opportunities for sustainable growth over the long-term. These competitive advantages enable us to build and maintain strong partnerships with tenants and suppliers and reach out to a wide range of shoppers in Singapore. Our scale also makes it easier for us to attract and retain the best talent in the industry.

In addition, the actions we had taken in 2009 to strengthen CMT's balance sheet, optimise asset performance and maintain operational discipline during a difficult year, have fortified our portfolio and positioned us well to capitalise on growth opportunities in 2010 and beyond.

1. Source: Ministry of Trade and Industry.

ACHIEVING STRONG RESULTS IN 2010

Gross Revenue

S\$581.1 million
increased by 5.1%

Distributable Income

S\$294.8 million
increased by 4.6%

Net Property Income

S\$399.1 million
increased by 5.9%

JAMES KOH CHER SIANG
Chairman
许慈祥, 董事长

SIMON HO CHEE HWEE
Chief Executive Officer
何志辉, 总裁

LETTER TO UNITHOLDERS

ACTIVE LEASING

We have seen strong rental reversions for CMT's overall portfolio in 2010 as the leasing market for retail space showed emerging signs of strength. Rental renewal rates for CMT's portfolio increased by 6.5% over preceding rental rates, compared to the 2.3% growth attained in 2009.

Shopper traffic at CMT's properties increased by 3.8% in 2010, compared to 2009 while the gross turnover of our tenants gained 6.4%. CMT also maintained its robust track record of maintaining almost full portfolio occupancy over the last eight years. The portfolio occupancy was 99.3% as at 31 December 2010.

Tenant engagement and regular communication continued to be a key pillar of our business strategy. In 2010, our property management team organised four Biz+ Series events, including a Lunar New Year gathering for tenants to network with one another and with us. The informal gathering was well-attended by more than 400 of our tenants. Our three other Biz+ Series events included talks on how to raise levels of customer service standards, how to tap on the huge wave of Chinese consumers expected to enter Singapore and honing the art of visual merchandising among our tenants.

VALUE-ADDING ASSET ENHANCEMENTS

Asset enhancements remain a key growth engine for CMT. In October 2010, we completed our asset enhancement works at Raffles City Singapore. The enhancement works involved the re-configuration of the mall's Basement One space and construction of a new Basement Two link between the City Hall mass rapid transit (MRT) station and Esplanade MRT station. The incremental net property income (NPI) for Raffles City Singapore will be S\$3.1 million² per annum from 2011 onwards, higher than the original budgeted S\$2.7 million. This translates to an ungeared return on investment (ROI) of about 9.0%, up from the budgeted 8.0%.

At JCube (formerly known as Jurong Entertainment Centre), asset enhancement works are in full swing. Groundbreaking for the new larger mall took place in May 2010 and the project is on track to be completed by end 2011. Revised capital expenditure for the asset enhancement is now projected to be approximately S\$165.0 million; S\$35.3 million lower than the original budget due to lower construction costs. This is expected to improve the ungeared ROI for the project to 9.7%, significantly higher than the initial budget of 8.0%.

Even eight years after the acquisition of Junction 8 and Tampines Mall (these two malls were part of the seed assets for CMT's listing in 2002), we continued to extract more value from these existing assets in 2010. In October 2010, at Tampines Mall, we reconfigured some retail units and relocated an existing taxi stand to create a new shop unit spanning approximately 1,800 square feet (sq ft). We also completed the construction of a new two-storey food and beverage annex block in Junction 8 in November 2010, with net lettable area (NLA) of approximately 3,500 sq ft. These two asset enhancement works contributed an additional NPI of about S\$1.1 million per annum, translating to an ungeared ROI of approximately 15.5%, based on capital expenditure of S\$6.8 million.

We have commenced asset enhancement works for The Atrium@Orchard in January 2011. The estimated project costing S\$150.0 million will take an estimated 21 months to complete. It involves the decanting of office space to create three new levels of retail space of about 127,000 sq ft. The new retail space will be linked and integrated with Plaza Singapura to create a seamless shopping experience in an enlarged retail mall with NLA of approximately 625,000 sq ft.

YIELD-ACCRETIVE ACQUISITION

On 1 July 2010, we completed CMT's acquisition of Clarke Quay for S\$268.0 million which was financed wholly by debt. With this yield-accretive deal, CMT now has 15 properties with an asset size of approximately S\$8.1 billion as at 31 December 2010 – up from 14 properties with an asset size of approximately S\$7.4 billion a year ago.

The acquisition has provided CMT with an additional platform to leverage on the influx of visitor arrivals to Singapore in 2010, as more than 40.0% of the visitors to Clarke Quay are tourists. Visitor arrivals to Singapore have grown strongly by 20.2% in 2010, compared to that in 2009, mainly due to the improving economy and the opening of two integrated resorts. Shopper traffic for Clarke Quay has also correspondingly grown by 5.8% year-on-year in 2010. The acquisition has allowed CMT to enjoy good rental upside as 14 expiring leases at Clarke Quay were renewed or replaced in 2010 with a 10.0% increase over preceding rental rates.

2. Based on 100.00% interest.

In February 2011, CMT announced the acquisition of Iluma, a shopping mall located at Victoria Street opposite Bugis Junction, for S\$295.0 million. The combined offerings of the two malls will further strengthen its overall attractiveness to shoppers.

PROACTIVE CAPITAL MANAGEMENT

Sound capital management provides the stable foundation for CMT's sustainable growth. To create an even stronger capital structure that supports CMT's continued growth momentum, we have diversified our sources of funding, actively sought out longer debt tenures and unencumbered more assets in 2010.

During the year, we capitalised on the robust debt market and low interest rate environment to raise approximately S\$1.2 billion with five medium term notes (MTN) issuances in 2010 with longer 4, 5, and 7-year tenures. This included the successful issuance of US\$500.0 million (S\$699.5 million) five-year medium term notes under a US\$2.0 billion unsecured Euro-Medium Term Note programme, the first by a Singapore Real Estate Investment Trust (S-REIT). The funds raised enabled us to refinance the S\$440.0 million borrowings due in 2010 and fund the acquisition of Clarke Quay.

In line with our proactive capital management strategy, we have also repurchased S\$100.0 million of convertible bonds in October 2010, reducing CMT's outstanding amount of convertible bonds to S\$550.0 million.

CMT's debt profile remains healthy with gearing of 35.9% and average borrowing costs of 3.7% as at 31 December 2010. Currently, six out of CMT's 15 properties are unencumbered, providing us with greater financial flexibility.

In February 2011, CMT established a S\$2.5 billion Retail Bond Programme and issued S\$300.0 million of bonds to public and institutional investors in its maiden retail bond issuance. The 2-year bonds pay an interest of 2.00% per annum.

OUTLOOK

Singapore's economy grew by 14.5% in 2010. This high growth rate was, however, measured against a lower base in 2009 and is unlikely to be repeated in 2011. Singapore's Ministry of Trade and Industry expects the economy to grow by a more modest 4.0% to 6.0% in 2011 although it highlighted that the global economy remains vulnerable to a few downside risks including weaknesses in the economies of the United States and some European countries.

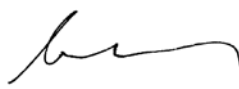
Against this backdrop, the outlook for Singapore's retail sector remains generally positive in 2011. A low unemployment rate, rising disposable income and strong tourism arrivals are expected to benefit CMT's properties.

As we enter 2011, we will seek to ensure that enhancement works for JCube and The Atrium@Orchard proceed smoothly. We will also continue to extract organic growth from active management of lease renewals, focus on possible acquisition opportunities and pursue selective greenfield development projects that have the ability to create value in the long term.

ACKNOWLEDGEMENTS

We welcome our new Directors, Mr Richard R. Magnus and Mr Tan Kian Chew who joined the Board in May 2010. Their significant experience and expertise will be invaluable to the Board.

We would also like to take this opportunity to extend our sincere appreciation to our Board of Directors for their wise counsel and to our Unitholders, business partners, tenants, shoppers and staff for their unwavering support. With their valued support, we were able to deliver consistent performance and sustained growth in 2010 and over the past eight years.



JAMES KOH CHER SIANG
Chairman



SIMON HO CHEE HWE
Chief Executive Officer

2 March 2011

致单位持有人函

在首次公开招股后的八年中，尽管经济中出现一些异常现象，嘉茂信托经受住了时间的考验，并自2002年7月上市以来，在轮商业周期中始终保持良好的业绩。即便在2009年全球与国内经济低迷的形势下，嘉茂信托仍保持每年租金增长的业绩记录。

世界经济在2009年底逐步复苏，在2010年继续方兴未艾。随之而来的是人们重拾对金融市场，企业和消费者的信心，促使新加坡经济在2010年强劲复苏。新加坡2010年国内生产总值增长14.5%¹，是2010年全球经济增长最快的经济体之一。这是在2009年全球经济危机造成新加坡国内生产总值萎缩0.8%之后的强势反弹。

一贯良好的业绩

2010年，在经济条件日益改善、入境游客数量增加和消费支出趋于健康的背景下，我们的零售商也逐渐乐观。这促使嘉茂信托2010年的物业出租率上升，租金收入提高。

截至2010年12月31日的财政年度，嘉茂信托的每单位分发金(DPU)为9.24新分，比2009年的8.85新分增长4.6%。业绩的改善主要来自于2010年7月收购的克拉码头 (Clarke Quay) 的半年贡献、以及新租约和现有租户续租所带来的正面收益。

2010年12月31日，嘉茂信托的单位收盘价为1.95新元，而2009年12月31日的单位收盘价则为1.80新元，同比上涨8.3%。根据收盘价和每单位分发金9.24新分计算，2010年嘉茂信托的投资收益率为4.7%，比10年期新加坡政府债券的收益高出约200个基准点。2010年全年持有嘉茂信托的投资者可享受13.5%的年回报率。

在首次公开招股后的八年中，尽管经济中出现一些异常现象，嘉茂信托经受住了时间的考验，并自2002年7月上市以来，在各个商业周期中一直保持一贯良好的业绩。自2002年7月17日至2010年12月31日的期间，单位持有人的总回报率高达177.3%，嘉茂信托的可分配收入则以24.1%的复合年增长率增长。从2003年的6,490万新元增加至2010的2.948亿新元。此外，嘉茂信托也保持每年租金增长的业绩记录，即使是在2009年全球与国内经济低迷的形势下也是如此。

可持续增长

无论是以市值还是以资产规模衡量，嘉茂信托都是新加坡首支、也是最大的房地产投资信托。嘉茂信托的巨大规模和零售业的领先地位，是其主要竞争优势，这为我们

实现长期可持续增长创造了诸多机会。这些竞争优势，使我们能够与租户和供应商建立并保持牢固的合作关系，并吸引新加坡不同类型的消费者。巨大的规模也使我们更轻而易举地吸引和留住业内的顶尖人才。

此外，我们在2009年采取的各种措施，使我们在困难的一年得以加强嘉茂信托的资产负债表，优化资产绩效和坚持经营原则，并强化了我们的资产组合，使我们能够以准确的定位充分利用2010年及未来的增长机会。

活跃的租赁业务

随着零售业租赁市场呈现强劲迹象，2010年嘉茂信托旗下的所有资产组合都取得了良好的租金增长。嘉茂信托旗下的房地产续租租金率比前一年的租金率增长6.5%，相比之下，2009年只增长了2.3%。

2010年，嘉茂信托旗下商场的顾客流量比2009年增长了3.8%，租户的总零售营业额上升6.4%。在过去八年中，嘉茂信托还一直保持着近100.0%的出租率，拥有卓越的业绩记录。截至2010年12月31日，嘉茂信托旗下房地产组合的出租率高达99.3%。

与租户的互动和定期交流仍是我们经营策略中的关键。2010年，我们的物业管理团队组织了四次“商业+系列” (Biz+ Series) 活动，其中包括一次农历新年聚会，为建立租户之间、租户与我们之间的交流网络提供一个平台。此次非正式聚会受到热烈欢迎，吸引了400多个租户参与。其他三次“商业+系列”活动，包括举办如何提高客户服务水平、如何发掘大量希望进入新加坡的中国消费者的商机、以及如何提高租户的视觉营销艺术等等的研讨会。

增值的资产改良项目

资产改良仍然是嘉茂信托的一个主要增长引擎。2010年10月，我们完成了新加坡来福士城的资产改良项目。改良工程包括重新装修购物商场的地下一层，新建连接政府大厦地铁站 (City Hall MRT station) 和滨海艺术中心地铁站 (Esplanade MRT station) 的地下二层通道。此项目将使新加坡来福士城的营业净利润在2011年之后每年增加310万新元²，高于当初预算的270万新元。这相当于9.0%的无负债投资回报率，高于当初预算的8.0%。

1 来源：新加坡贸易与工业部。

2 按100.00%持有计。

在JCube（前称裕廊娱乐中心），资产改良工程正在全面展开。这个面积更大的崭新的购物中心于2010年5月动工，预计将于2011年底竣工。该资产改良项目的资本支出经过修订之后，预计约为1.65亿新元；由于建造成本较低，资本支出比之前的预算少了3,530万新元。该改良工程可望将该项目的无负债投资回报率提高至9.7%，远远高于初期预算的8.0%。

虽然收购碧山第8站购物广场和淡滨尼广场（两家商场都是嘉茂信托2002年上市时的种子资产）已有八年之久，我们仍能在2010年从这两个现有资产中获益。2010年10月，在淡滨尼广场，我们将一些零售商铺进行重新配置，迁移现有的一个德士站，以创造面积约1,800平方英尺的新店面。2010年11月，我们完成碧山第8站两层楼的新餐饮附翼大厦的工程，其净租用面积约为3,500平方英尺。这两大资产改良工程的资本支出约为680万新元，有望使嘉茂信托每年营业利润增加大约110万新元，无负债投资回报率约为15.5%。

我们已经于2011年1月开始实施The Atrium@Orchard的资产改良工程。预计此项目耗资约1.5亿新元，预计工期21个月。工程将对办公区进行调整，以开辟三层新的面积约12.7万平方英尺的零售区域。新建零售区将与狮城大厦连为一体，使整个零售净租赁面积扩大至62.5万平方英尺，为顾客创造无间断的购物体验。

可增进收益的收购

2010年7月1日，嘉茂信托耗资2.68亿新元完成对克拉码头的收购。收购全由借款支付。随着这宗可增进收益交易的完成，截至2010年12月31日，嘉茂信托所拥有的房地产已达到15项，其资产总额约81亿新元，高于一年前的14项房地产和74亿新元的资产规模。

因为克拉码头的顾客中超过40.0%是游客，这宗收购为嘉茂信托得以从2010年大量到访新加坡的游客中获益，提供了新的平台。在2010年，得益于经济形势的好转和两大综合娱乐城的开放，新加坡的入境游客数量比2009年增长了20.2%。克拉码头的游客流量也相应地同比增长5.8%。在2010年，克拉码头14个到期租约以高于上期10.0%的租金率续约或转租，使得嘉茂信托享有良好的租金增长空间。

2011年2月，嘉茂信托公布了以2.95亿新元收购位于维多利亚街白沙浮广场对面的Iluma购物商场。这将能进一步加强两家商场的整体顾客吸引力。

积极的资本管理

健全的资本管理为嘉茂信托的可持续增长提供了稳定的基础。为创造更加牢固的资本结构，配合嘉茂信托的持续增长势头，我们在2010年实现了资金来源多样化，积极争取更长的债务期限，并使更多的资产解除抵押。

在这一年中，我们利用蓬勃的债券市场和低利率环境，五次发行期限更长的四年期、五年期和七年期的中期债券，共集资约12亿新元。其中包括成功发行总额五亿美元（约合6.995亿新元）的五年期中期票据，作为20亿美元无抵押“欧洲中期票据”计划的一部分，成为发行此类票

据的首家新加坡房地产投资信托。所筹的资金使我们得以对2010年到期的4.4亿新元借款进行再融资，并提供收购克拉码头所需的资金。

我们本着积极的资本管理策略，于2010年10月购回价值一亿新元的可转换债券，从而使嘉茂信托可转换债券的债务总额减至5.5亿新元。

截至2010年12月31日，嘉茂信托的借贷比率为35.9%，平均借贷成本为3.7%，债务组合维持在健康水平。目前，在嘉茂信托旗下的15项资产中，六项没有任何债务负担，从而使我们拥有更大的财务灵活性。

2011年2月，CMT设立了25亿新元的零售债券计划，并向公众及机构投资者推出了其首支价值三亿新元的两年期零售债券，年利率为2.0%。

展望

新加坡在2010年取得14.5%的经济增长。该高增长率，是基于2009年的较低基数，因此，在2011年将难以再次出现如此高的增长率。虽然新加坡贸易与工业部强调全球经济仍易受一些下行风险影响，如美国和一些欧洲国家经济的疲软，但其预计2011年新加坡经济仍将适度增长，增长率介于4.0%-6.0%之间。

在这样的背景下，2011年新加坡零售业的前景总体来看依然是正面的。低失业率、可支配收入增长和蓬勃发展的旅游业，有望继续提升嘉茂信托资产的业绩。

迈入2011年，我们将努力确保在JCube和The Atrium@Orchard的资产改良工程顺利进行。同时，我们将继续采取积极的租赁续约管理措施，促进租赁业务的有机增长，在专注于潜在的收购机会的同时，继续有选择地投资于一些未开发的并能够创造长期价值的发展项目。

致谢

在此，我们谨向于2010年5月加入董事会的新董事Richard R. Magnus先生和陈建秋先生(Mr Tan Kian Chew)表示热烈欢迎。他们的丰富经验和专业知识将成为董事会的宝贵财富。

此外，我们还想借此机会感谢董事会给予我们的明智建议，并感谢我们的单位持有人、业务伙伴、租户、消费者及各位员工一路来给予我们的鼎力支持。正是因为他们的付出，我们才能在2010年以及过去的八年中始终保持着良好业绩和持续增长。



许慈祥
董事长



何志辉
总裁

2011年3月2日

YEAR IN BRIEF

01/2010

CMT's distributable income for the period 1 October 2009 to 31 December 2009 was 25.5% higher than that for 1 October 2008 to 31 December 2008.

02/2010

CMT paid a distribution per unit of 2.40 cents per unit to Unitholders for the period 1 October 2009 to 31 December 2009.

CMT entered into a sale and purchase agreement with Clarke Quay Pte Ltd, a wholly-owned subsidiary of CapitaMalls Asia Limited (CMA), to acquire Clarke Quay for S\$268.0 million.

03/2010

CMT MTN Pte. Ltd. (CMT MTN) a wholly-owned subsidiary of CMT, established a US\$2.0 billion unsecured Euro-Medium Term Note Programme.

04/2010

CMT's distributable income for the period 1 January 2010 to 31 March 2010 was 13.2% higher than that for 1 January 2009 to 31 March 2009.

CMT convened its inaugural Annual General Meeting (AGM) with all four resolutions as set out in the CMT Notice of AGM duly passed.

CMT convened an Extraordinary General Meeting (EGM) for the acquisition of Clarke Quay with the resolution as set out in the CMT Notice of EGM duly passed.

05/2010

CapitaMall Trust Management Limited (CMTML) announced the appointments of Richard R. Magnus and Tan Kian Chew to the Board of CMTML as Independent Non-Executive Director and Non-Executive Director respectively with effect from 3 May 2010.

CMT held a groundbreaking ceremony for JCube, the new mall on the site of the former Jurong Entertainment Centre.

07/2010

CMT completed the acquisition of Clarke Quay.

CMT's distributable income for the period 1 April 2010 to 30 June 2010 was 7.5% higher than that for the period 1 April 2009 to 30 June 2009.

08/2010

CMT paid a distribution per unit of 2.29 cents to Unitholders for the period 1 April 2010 to 30 June 2010.

09/2010

CMT was ranked in the top quartile for corporate governance in Singapore by CLSA.

10/2010

CMT's distributable income for the period 1 July 2010 to 30 September 2010 was 0.3% higher than that for the period 1 July 2009 to 30 September 2009.

CMT won 'Most Transparent Company – REITs Category' at the Securities Investors Association (Singapore) Investors' Choice Awards 2010.

Raffles City Singapore saw the completion of asset enhancement works at Basement One Marketplace and Basement Two Link.

11/2010

CMT, together with CapitaMalls Asia and CapitaRetail China Trust, jointly held their inaugural Investor Open Day, as part of their respective commitment to engage retail investors.

Raffles City Singapore clinched a Green Mark Gold Award 2010 from Building and Construction Authority.

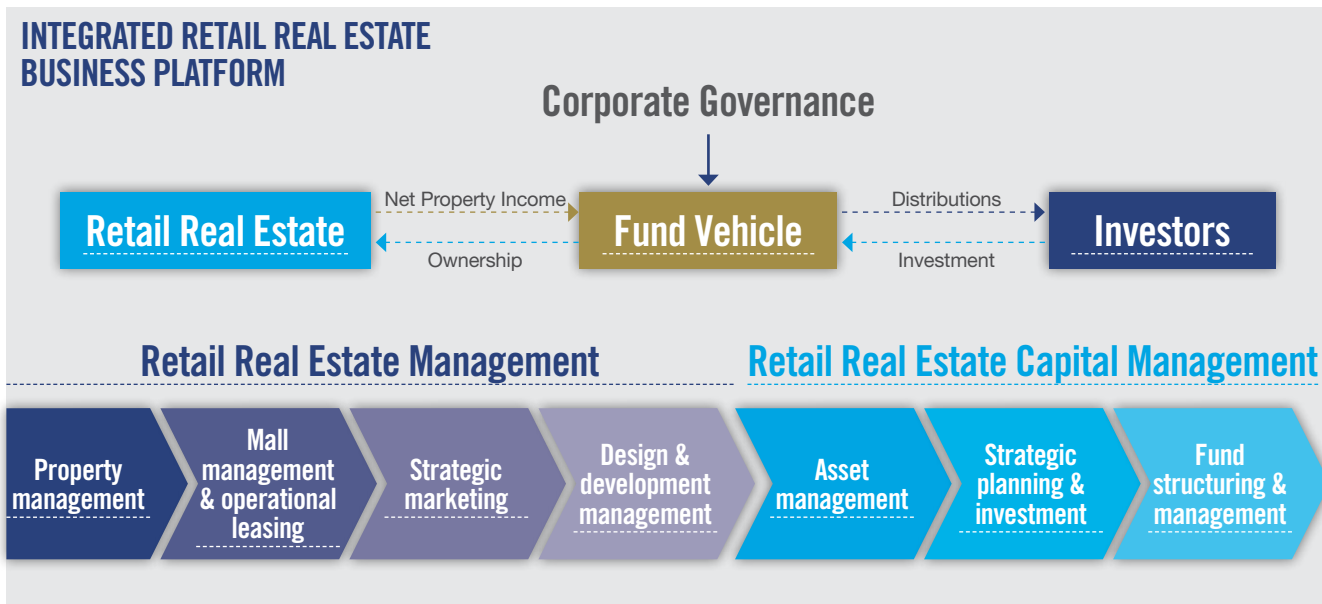
CMT paid a distribution per unit of 2.36 cents to Unitholders for the period 1 July 2010 to 30 September 2010.

Moody's Investors Service affirmed CMT's A2 corporate family rating.

12/2010

Raffles City Singapore took the runner-up award for MasterCard Hall of Fame Awards 2010, "Retail Merchant of the Year" category.

GROWTH STRATEGIES



01 INTEGRATED RETAIL REAL ESTATE PLATFORM

We are able to tap on CapitaMalls Asia's unique integrated retail real estate platform, combining the best of retail real estate management and capital management capabilities. Through this platform, we can call upon a professional and experienced team of operations, project and asset managers who work closely and seamlessly with each other to:

- Formulate medium- and long-term strategies and initiatives to deliver sustainable returns
- Enhance shopping experiences to attract and increase shopper traffic
- Review space usage to optimise space productivity and income
- Manage lease renewals and new leases diligently to minimise rental voids
- Manage and monitor rental arrears to minimise bad debts
- Manage projects to ensure timely completion within budgets
- Manage and monitor property expenses to maximise net property income
- Address all key operational issues to ensure alignment with the Manager's strategies

02 INTRINSIC ORGANIC GROWTH

Active management of new leases and lease renewals is important for us to capture opportunities for organic growth. A major component of CMT's organic growth has been achieved through:

- Step-up rent
- Gross turnover (GTO) rent, which makes up about 2.0% to 4.0% of CMT's gross revenue. This is a useful management tool which aligns CMT's interests with those of our tenants. The leases at CMT's properties follow a rental structure which encompasses step-up rent plus a small component of GTO rent or a larger component of GTO rent only, whichever is higher
- Non-rental income from car parks, vending machines, casual leasing, customer service counters and advertisement panel spaces
- Improved rental rates for lease renewals and new leases

03 INNOVATIVE ASSET ENHANCEMENT INITIATIVES

Creative asset planning unlocks the potential value of CMT's properties to further propel growth by enhancing the retail environment and improving the attractiveness of the properties to shoppers and retailers. Diverse ways to increase the yield and productivity of CMT's retail spaces include:

- Decantation whereby lower-yield spaces are converted into higher-yield spaces
- Reconfiguration of retail units to optimise space efficiency
- Maximising the use of common areas, such as bridge space, and converting mechanical and electrical areas into leasable space
- Upgrading amenities, adding play and rest areas, providing design advisory on shop front design and creating better shopper circulation to enhance the attractiveness of our malls



A play area for children in Plaza Singapura's family lounge to enhance families' shopping experiences

04 INVITING EXPERIENCES

To stay ahead of consumer trends, we constantly reinvent retail experiences with innovative shopping, dining and leisure combinations which help to maximise the sales of the tenants and generate growth through improved rental income. The increase in shopper traffic is generated through:

- Alignment of tenancy mix with current market trends which ensures a continuous good mix of attractive and popular retail outlets in CMT's properties
- New retail concepts which generate fresh excitement and positive sales
- Enhancing shoppers' experiences with a more pleasant, comfortable and exciting environment by improving connectivity between floors, installing electronic car park guidance systems, upgrading restroom facilities, baby nursing rooms, family room, children playgrounds, designated water play area with interactive features for children and alfresco dining areas
- Innovative marketing and promotional events to draw in the crowds
- Attractive shop fronts and visual merchandising design ideas

05 INSTRUMENTAL INVESTMENTS

The ability to identify yield-accretive acquisitions, investments and greenfield development projects to add to the portfolio and further enhance their value is central to CMT's long-term sustainable growth.

Our investments must satisfy the investment criteria of:

- yield accretion,
- rental sustainability, and
- potential for value creation

Our 19.62% interest in CapitaRetail China Trust (CRCT) provides some exposure to the tremendous growth in the China retail real estate market without significantly changing the asset profile of CMT.

06 INTENSIVE CAPITAL & RISK MANAGEMENT

We seek to optimise returns to Unitholders while maintaining a strong capital base and credit rating to support CMT's growth. Regular assessments of capital management policies are undertaken to ensure that they are adaptable to changes in economic conditions and the risk characteristics of CMT. We also monitor our exposures to various risk elements by closely adhering to clearly established management policies and procedures.

BENCHMARKING PERFORMANCE

THE
F1RST AND
LARGEST
REAL ESTATE
INVESTMENT
TRUST IN
SINGAPORE



INDEPENDENT RETAIL MARKET OVERVIEW

ECONOMIC GROWTH

Singapore experienced an average real GDP growth of 4.9% during the period between 2000 and 2009. This was despite the global financial crisis, which saw real GDP growth decline to 1.8% in 2008 and -0.8% in 2009. In 2010, Singapore's economy emerged strongly from the downturn as the nascent global recovery propelled the nation's GDP growth to one of the highest levels recorded since independence.

The recovery was driven by the manufacturing sector, particularly the strong yet volatile pharmaceutical industry, which grew by an estimated 30.4% for the year. Construction also performed strongly in 2010, although it finished the year on a flat note, contracting by 1.2% year-on-year in the final quarter. Meanwhile, the services sector grew by 8.8% for the year, driven by strong growth in tourism. Initial estimates of output for the fourth quarter show growth of 6.9% from the previous quarter, leading to a total GDP growth estimate of 14.5% for the year.

Beyond 2010, growth is forecast by Consensus Economics to moderate to 4.8% in 2011, 4.6% in 2012 and 4.4% in 2013. The Singapore Government broadly agrees, forecasting growth of between 4.0% and 6.0% in 2011. There is, however, some potential for downside risk. Persistent weakness in the US economy, and high debt levels in some European economies pose some threat to the stability of the global financial system and overall rates of recovery. As an open economy that is highly dependent on world trade, Singapore is particularly vulnerable to any potential future downturns in the world economy.

INFLATION

Due to the weakened global economy, consumer prices grew by only 0.6% in 2009. However, the resurgence in global demand brought about by the economic recovery saw inflationary pressures resumed in 2010, with initial estimates putting annual inflation at 2.8% for the year. Going forward, Consensus Economics forecasts inflation of 2.6% in 2011, 2.1% in 2012 and 1.8% in 2013.

Retail price inflation (RPI) only looks at retail-related items, such as food and groceries, apparel and homewares; it strips out non-retail components including housing, education and utility prices. RPI, as would be expected, generally tracks with CPI. In 2010, we estimated that RPI was around 2.2%. We forecast that this will moderate to 1.9% in 2011, 1.6% in 2012 and 1.3% in 2013.

POPULATION

According to the Singapore Census of Population 2010, the total population of Singapore in June 2010 was 5.1 million people. Of this population, 3.8 million are either citizens or permanent residents. The remaining 1.3 million, equivalent to 25.5% of the total population, known as "non-residents", are mainly expatriate workers on long-term working visas. These workers include both skilled professionals and unskilled workers.

Over the next three years, population growth is forecast to average 2.2% per year, which equates to an additional 112,000 people per year. Due to a low birth rate, the resident population is forecast to grow at an average rate of only 1.5% per year. With more employment opportunities created by Singapore's expanding economy, immigration will remain the key driver of population growth. Therefore the non-resident population is forecast to grow at an average of 4.0% per year.

TOURISM

The tourism industry contributes considerably to the retail market in Singapore. Based on Urbis estimates, tourists will account for approximately 18.0% of retail sales in 2010, a significant increase from approximately 15.0% of retail sales in 2009.

Singapore's tourism industry has had an exceptional year in 2010. A global recovery in tourism coupled with the completion of several new tourist attractions, most notably the two new integrated resorts, and the hosting of several world events, such as the inaugural Youth Olympic Games, have provided the industry with a significant boost. According to the Singapore Tourism Board, for the period from January to December 2010, tourist arrivals have increased by 20.2% from the same period in the preceding year.

Going forward, growth in tourist arrivals is forecast by Urbis to continue in 2011 at a solid 8.0% before moderating slightly to an average of 6.0% per year in 2012 and 2013.

RETAIL SALES

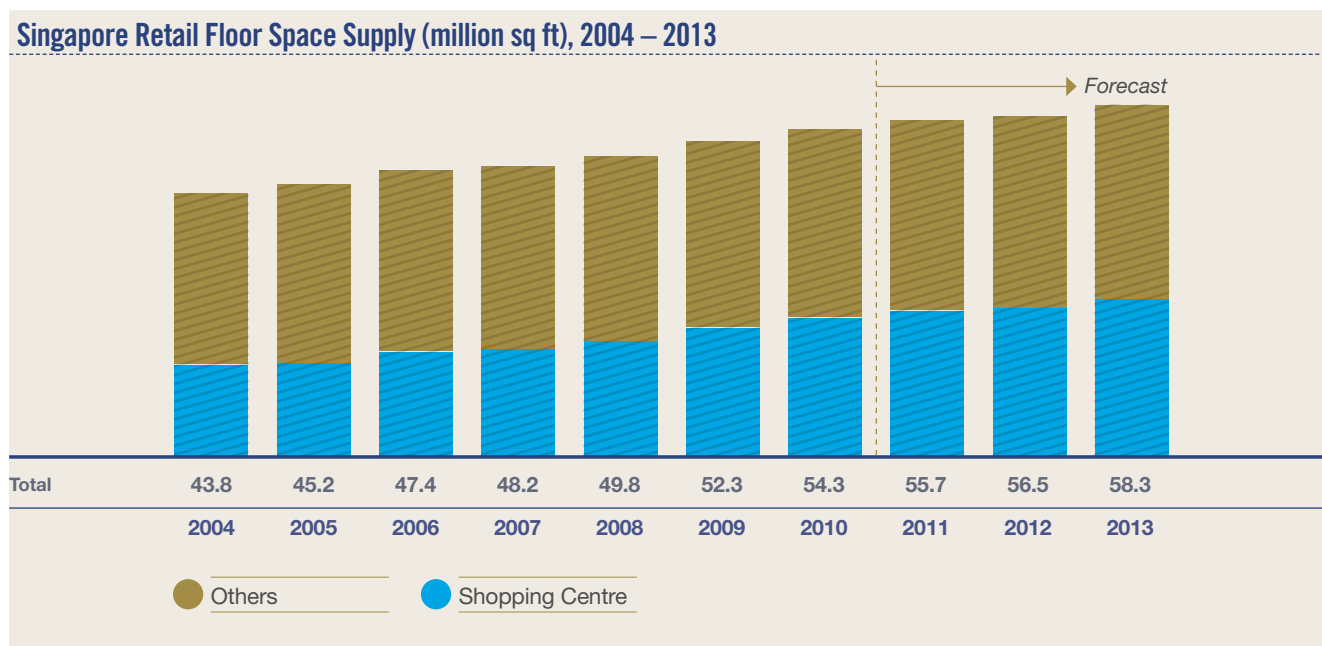
In tandem with the economic recovery, Singapore retail sales also displayed a strong recovery in 2010. Current estimates indicate nominal retail sales growth of around 8.2% for 2010. This is a big improvement from 2009, when a reduction in tourist arrivals and a decline in consumer sentiment caused retail sales to contract by 1.7%.

Looking forward, retail sales growth is expected to moderate slightly, but still remain strong. Forecast growth rates for 2011, 2012 and 2013 are 7.1%, 6.9% and 6.4% respectively.

RETAIL SUPPLY

We estimate that the total retail floor space in Singapore as at December 2010 was 54.3 million sq ft of net lettable area (NLA). Around 42.5% of this space (equivalent to 23.2 million sq ft) is estimated to be in shopping centres.

A significant amount of shopping centre floor space, totalling 2.2 million sq ft, was added in 2009. The majority of this space, some 1.3 million sq ft, was added in Orchard Road,



Source: Urbis

INDEPENDENT RETAIL MARKET OVERVIEW

including the new centres ION Orchard, 313@Somerset and Orchard Central. 2010 also saw a significant amount of shopping centre floor space, some 1.7 million sq ft, added to the Singapore market. Major projects included Resorts World Sentosa, the first stage of Marina Bay Shoppes, and nex at Serangoon, which opened in November. The significant increase in supply, combined with slower trading conditions in 2009, has caused rents to soften, as discussed later on.

In the pipeline, there is a further 3.1 million sq ft of new shopping centre floor space expected to be completed over the 2011 – 2013 period. Significant projects include the second phase of Marina Bay Shoppes, the redevelopment of Katong Mall and JCube (formerly known as Jurong Entertainment Centre), and a new mixed-use development adjacent to the Jurong East MRT station.

The total amount of shopping centre floor space is forecast to reach 26.3 million sq ft by 2013. Consumers can look forward to more variety and shopping locations given the amount of retail space in the pipeline.

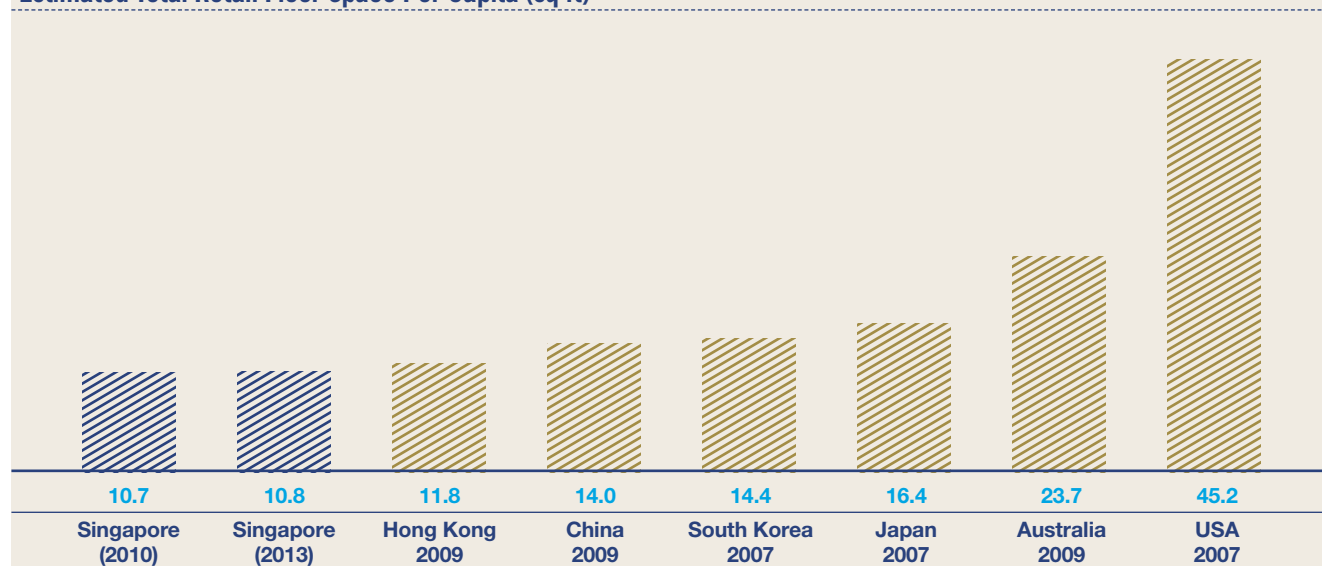
RETAIL FLOOR SPACE PER CAPITA

The total amount of retail floor space per capita in Singapore was estimated at 10.7 sq ft in 2010 and is forecast to grow only slightly to 10.8 sq ft by 2013. At this level of provision, Singapore retail floor space per capita remains low compared to other developed Asian countries, such as Hong Kong, South Korea and Japan. This suggests that Singapore retail market will be better placed to absorb the new retail supply entering the market over the next three years.

MAJOR MALL OWNERSHIP

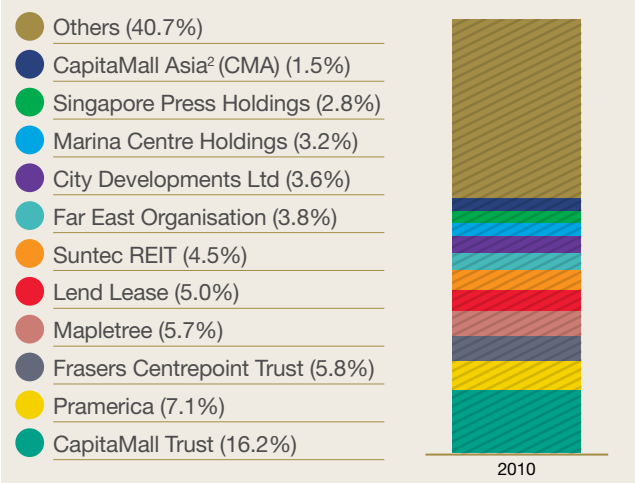
CapitaMall Trust (CMT) is the largest shopping centre owner in Singapore, with a 16.2% share of the major shopping centre floor space in Singapore (major shopping centres being those over 100,000 sq ft in size). Due to the scale of operation, CMT has significant competitive advantages in terms of maintaining an extensive network of tenants and achieving economies of scale in mall management.

Estimated Total Retail Floor Space Per Capita (sq ft)



Source: Urbis

Major Shopping Centres – Share of Floor space by Owner¹, 2010



1. Malls greater than 100,000 sq ft NLA at end of 2010. Share of floor space takes into account ownership stake.
2. CMA's share only account for malls directly owned by CMA, does not include those owned through CMT.

Source: Urbis

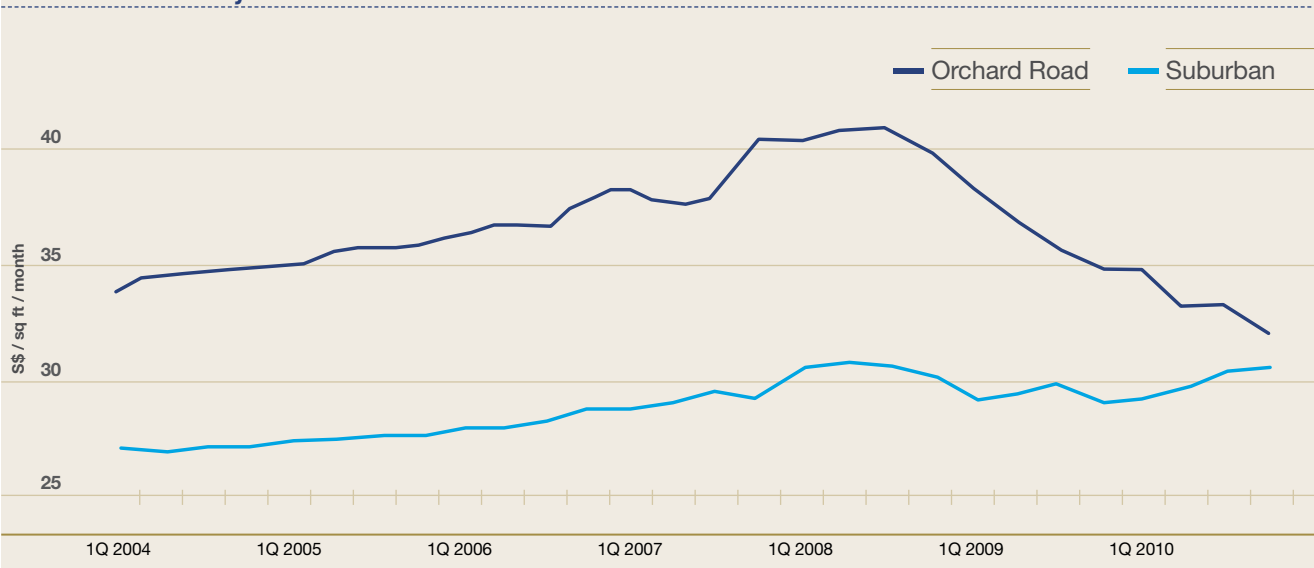
RETAIL PROPERTY PERFORMANCE

2010 saw mixed results for Singapore retail property; rents on Orchard Road continued to feel pressure as the large amount of new retail floor space added in 2009 was absorbed. Meanwhile, suburban centres saw rents improve, shaking off the sluggish growth of 2009.

Average prime rents for Orchard Road in 4Q 2010 according to CB Richard Ellis (CBRE) were S\$30.20 per sq ft per month, around 6.8% lower than for the same period last year. This continues a rather steady decline for prime rents on Orchard Road since late 2008, caused by a combination of the recession and a large increase in supply.

For suburban centres, prime rents, also according to CBRE, averaged S\$29.10 per sq ft per month in 4Q 2010, around 3.6% higher than the same period last year. Suburban malls have been stronger performers over the past two years due to their focus on everyday shopping, less reliance on tourism, and a relative lack of competition. Current prime rents for suburban malls are now close to the levels seen in 3Q 2008, just before the global financial crisis.

Prime Retail Rents by Submarket



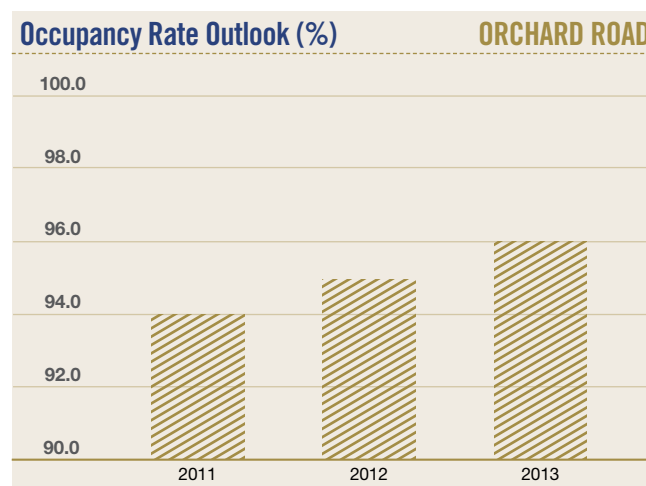
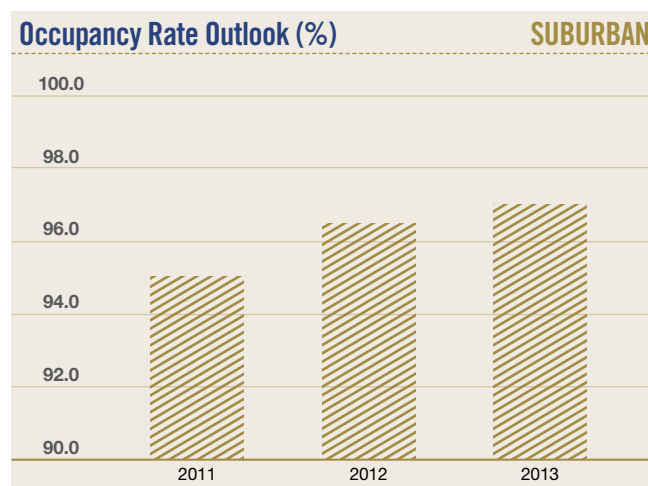
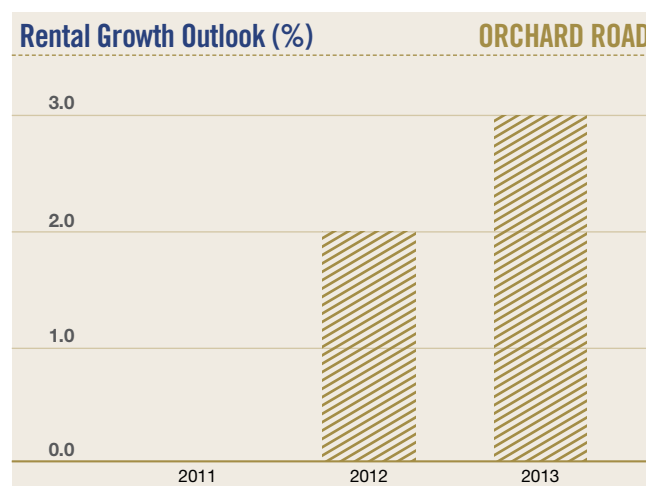
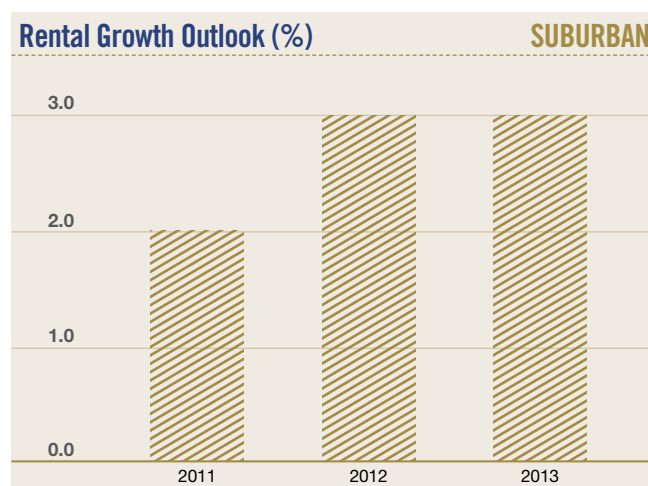
Source: CBRE "Singapore Market View" Q1 2004 – Q3 2010

INDEPENDENT RETAIL MARKET OVERVIEW

RETAIL RENTAL & OCCUPANCY OUTLOOK

Supported by a recovery in the economy and retail trading levels, the outlook for retail rental growth in Singapore has improved from the previous year. Nonetheless, the growth in retail rents is expected to be moderate, with downward pressure caused by the large amount of shopping centre floor space that was added in the last two years and the expected new supply planned for the next three years. In addition, retailers are cautious after having a period of heavy discounting, and will be looking to keep rental costs under control.

Orchard Road properties are expected to continue to compete strongly as the large amount of new floor space is gradually absorbed by the market. In addition, the newly opened integrated resorts, particularly Marina Bay Sands, will inevitably draw some tourist spending away from the prime shopping district. Taking into account these factors, rents on Orchard Road are expected to remain flat in 2011, before increasing by 2.0% in 2012 and 3.0% in 2013.



Source: CBRE, Urbis

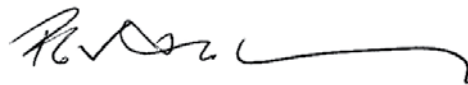
Despite the recent new retail supply added to the suburban market, as well as the impending supply in the pipeline, suburban malls are still expected to see positive rental growth due to their focus on necessity shopping and their contained trade areas. For suburban malls, we expect to see rental growth of around 2.0% in 2011, before increasing to 3.0% in 2012 and 2013.

As new supply slows down and recently added stock is absorbed by the market, we expect that occupancy rates for retail properties will also increase. Occupancy in suburban properties is expected to increase from 95.0% in 2011 to 97.0% in 2013. Orchard Road properties are expected to lag behind slightly due to the large amount of new floor space, with an expected occupancy of 94.0% in 2011 increasing to 96.0% in 2013.

CONCLUSIONS

Singapore's economy has emerged strongly from the downturn in 2010. Coupled with a resurgence in tourist arrivals, the retail trading environment has improved significantly during the year. With the opening of several new shopping malls over the past two years and the expected new supply in the pipeline, Singapore will present an exciting mix of retail offerings, which will hopefully encourage higher retail spending from locals and tourists alike.

The new supply, however, will moderate the extent to which rents can grow in the near term. Nonetheless, we believe that the supply will gradually be absorbed by the market and rental growth is expected to improve by 2013. As always, shopping malls which are well positioned and proactively managed will continue to outperform the market.



PETER HOLLAND

Director

Urbis

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SINGAPORE REIT SECTOR

IMPROVED MARKET CONDITIONS

In 2010, the Singapore real estate investment trust (S-REITs) sector was supported by a strong rebound in the domestic economy, the stabilisation of rents across the retail, office and industrial property sub-sectors as well as lower refinancing risks of many S-REITs. The sector has seen a re-rating with unit prices rebounding during the year after a slew of recapitalisation exercises and major refinancing exercises in 2009. As at 31 December 2010, the FTSE ST REIT Index rose by 10.6% as compared to the beginning of the year.

The improved equity market conditions have encouraged more REIT listings, with four making their debut during the year and bringing the number of S-REITs to 25. As at end-2010, the total market capitalisation of S-REITs stood at S\$37.2 billion, up by 26.0% in 2010 from S\$29.6 billion in the previous year. The average dividend yield of S-REITs also compressed to 5.7% as at 31 December 2010 from 6.5% as at 31 December 2009. This was approximately 300 basis points above the Singapore government 10-year bond yield of 2.7% as at 31 December 2010.

ASIAN REITS' ANNUAL TOTAL RETURNS (%)

REITs	2006	2007	2008	2009	2010
Singapore	58.0	2.8	(56.1)	82.2	17.3
Japan	29.7	(2.3)	(49.0)	6.1	34.0
Hong Kong	9.8	10.4	(28.9)	67.3	33.6
Malaysia	N.A.	17.8	(14.8)	30.7	6.9

Source: Standard & Poor's Index Services (local currency)

In a comparison of annual total returns of Asian REITs, gains in the REIT markets ranged from 6.9% in Malaysia to 34.0% in Japan in 2010.

Given the substantial proportion of debt expiring in the next two years, many S-REITs have taken advantage of the conducive capital market conditions and low interest rate environment in 2010 to refinance their existing borrowings with debt with longer tenures. They have also diversified their sources of debt through the issue of medium-term notes and convertible bonds.

Approximately S\$5.2 billion of capital has been raised through equity and debt markets in 2010.

With the strengthening of real estate fundamentals and refinancing concerns abating, many S-REITs were armed with further financial flexibility to re-enter the acquisition trail. They have acquired approximately S\$5.7 billion worth of properties in Singapore and abroad in 2010. The majority or about 75% of the value of the assets acquired came from asset injections by sponsors.

LOOKING FORWARD

S-REITs are likely to stay in acquisition mode in 2011 if interest rates stay low and equity markets remain strong. Despite potential tax leakages and foreign exchange volatilities, more of them will be looking to acquire assets beyond Singapore, continuing the trend seen in 2010. An increase in acquisitions will trigger more fund-raising exercises as they will have to issue new units or take on debt to fund the acquisitions.

Listing activity in the S-REIT sector could also intensify in 2011 if equity markets remain firm. Some industry watchers expect at least five initial public offerings, with each of them potentially raising S\$500 million to S\$1 billion each.

OPERATIONS REVIEW

YIELD ACCRETIVE ACQUISITION

On 1 July 2010, CMT acquired Clarke Quay, a popular destination among Singapore residents, expatriates and tourists, located along the Singapore River and at the fringe of the CBD. This yield accretive acquisition has enlarged and diversified CMT's network of retailers across the different segments of the retail market and strengthened CMT's portfolio of retail malls catering to the different consumer markets in Singapore. The acquisition also allowed CMT to capitalise on the growing lifestyle and entertainment demand in Singapore arising from the expected increase in tourism, the economic recovery and improvement in consumer sentiment.

ASSET ENHANCEMENT INITIATIVES (AEI)

In 2010, we continued to leverage on our experience in extracting value through asset enhancement works. Raffles City Singapore successfully completed its AEI in October, which included the reconfiguration of Basement One that now houses 57 retail units, food & beverage (F&B) kiosks and restaurants and the creation of 19 new retail units at a new Basement Two link connecting City Hall mass rapid transit (MRT) station to Esplanade MRT station. At Tampines Mall, we relocated the taxi stand to make way for a 1,800 sq ft retail unit facing the MRT station, operated by McCafe since October. The new driveway constructed provides a sheltered drop off/ pick up point for passengers and pedestrians. In November, Junction 8 saw the completion of a new two-storey annex block to accommodate two F&B concepts which are able to operate outside of the mall's normal operating hours. JCube (formerly known as Jurong Entertainment Centre), which is currently undergoing AEI, is on schedule to be completed by end 2011.

LEASE RENEWALS AND NEW LEASES

On a portfolio basis, Year 2010 renewal and new leases saw an average increase of 6.5% which translates to an annual average growth rate of 2.1% over a typical three-year lease term.

Summary of Renewals / New Leases

(from 1 January to 31 December 2010) (excluding newly created and reconfigured units)

Property	Number of Renewals/ New Leases ¹	Retention Rate %	Net Lettable Area		Increase in Current Rental Rates vs Preceding Rental Rates (Typically a 3-year lease) %	Average Growth Rate Per Year ² %
			Area (sq ft)	Percentage of Mall %		
Tampines Mall	50	80.0	75,715	23.1	5.5	1.8
Junction 8	65	66.2	99,012	39.5	5.7	1.9
Funan DigitaLife Mall	54	66.7	110,703	37.1	5.5	1.8
IMM Building ³	100	80.0	233,609	57.1	7.6	2.5
Plaza Singapura	67	68.7	62,545	12.6	5.7	1.9
Bugis Junction	66	75.8	44,867	10.7	8.5	2.8
Raffles City Singapore ⁴	61	78.7	114,023	27.1	6.1	2.0
Lot One Shoppers' Mall	25	92.0	17,237	7.9	4.0	1.3
Bukit Panjang Plaza	37	97.3	24,720	16.3	6.4	2.1
Clarke Quay	14	64.3	73,970	28.3	10.0	3.2
Other assets ⁵	32	87.5	42,312	14.9	8.7	2.8
CMT Portfolio	571	76.9	898,713	25.4	6.5	2.1

1. Includes only retail leases, excluding JCube (formerly known as Jurong Entertainment Centre) which has ceased operations for asset enhancement works and The Atrium@Orchard.

2. Based on compounded annual growth rate.

3. Based on IMM Building's retail leases.

4. Based on Raffles City Singapore's retail leases.

5. Includes Sembawang Shopping Centre, Hougang Plaza and Rivervale Mall.

OPERATIONS REVIEW

LEASE EXPIRY PROFILE

Our tenants typically have three-year lease terms. The portfolio lease expiry profile remained well spread out as at 31 December 2010, with 24.4% and 32.8% of the leases by gross rental income due for renewal in 2011 and 2012 respectively.

Portfolio Lease Expiry Profile

(as at 31 December 2010)

Year	Number of Leases	Gross Rental Income for the Month of December 2010
2011	604	24.4%
2012	795	32.8%
2013	919	32.7%
2014	97	7.5%
2015 and beyond	11	2.6%
Total	2,426¹	100.0%

1. Excludes Raffles City Hotels & Convention Centre and JCube which has ceased operations for asset enhancement works.

Portfolio Lease Expiry Profile for 2011

(as at 31 December 2010)

Property	Number of Leases	% of Mall NLA ¹	% of Mall Income ²
Tampines Mall	48	22.7	23.3
Junction 8	41	26.3	26.5
Funan DigitalLife Mall	43	18.0	23.0
IMM Building ³	157	18.3	12.4
Plaza Singapura	64	19.6	21.0
Bugis Junction	65	56.7	37.9
The Atrium@Orchard ³	12	44.1	48.8
Raffles City Singapore ³	26	7.3	9.6
Lot One Shoppers' Mall	88	36.0	48.4
Bukit Panjang Plaza	26	25.6	24.4
Clarke Quay	15	12.1	19.3
Other assets ⁴	19	4.9	6.6
CMT Portfolio	604	22.3	24.4

1. As a percentage of total net lettable area for each respective mall as at 31 December 2010.

2. As a percentage of total gross rental income for each respective mall for the month of December 2010.

3. Includes office leases (for Raffles City Singapore, The Atrium@Orchard and IMM Building) and warehouse leases (for IMM Building only).

4. Includes Hougang Plaza, Sembawang Shopping Centre and Rivervale Mall, excludes JCube which has ceased operations for asset enhancement works.

TOP 10 TENANTS

CMT's gross rental income is well distributed within its portfolio of more than 2,400 leases. As at 31 December 2010, no single tenant contributed more than 3.3% of total gross rental. Collectively, the ten largest tenants accounted for about 24.3% of the portfolio gross rental income.

10 Largest Tenants by Total Gross Rental¹

(as at 31 December 2010)

Tenant	Trade Sector	% of Gross Rental Income
RC Hotels (Pte) Ltd	Hotel	3.3
Cold Storage Singapore (1983) Pte Ltd	Supermarket/Beauty & Health/Services/Warehouse	3.1
BHG (Singapore) Pte. Ltd	Department Store	2.7
Robinson & Co. (Singapore) Pte Ltd	Department Store/Beauty & Health	2.6
Barclays Capital Services Limited Singapore Branch	Office	2.5
NTUC FairPrice Co-operative Ltd.	Supermarket/Beauty & Health/Food Court/Services	2.4
Temasek Holdings (Private) Limited	Office	2.3
Wing Tai Clothing Ltd	Fashion/Food & Beverage	2.1
Kopitiam Pte Ltd	Food & Beverage	1.7
Food Junction Management Pte Ltd	Food & Beverage	1.6

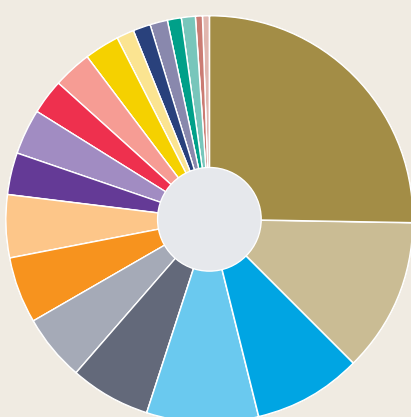
1. Includes CMT's 40.00% interest in Raffles City Singapore and excludes JCube. Based on committed gross rental income for the month of December 2010 and excludes gross turnover rental.

TRADE SECTOR ANALYSIS

CMT's portfolio is well diversified and relies on various trade sectors for rental income. As at 31 December 2010, F&B remained the largest contributor to gross rental income at 25.4% of the total portfolio. Fashion trade remained the second largest contributor to gross rental income at 12.1% which occupied 5.8% of the NLA.

Trade Sector by Gross Rent¹ (%)

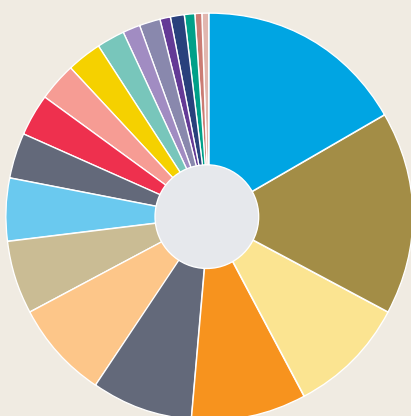
(for the month of December 2010)²



Food & Beverage	: 25.4	Information Technology	: 3.0
Fashion	: 12.1	Houseware & Furnishings	: 2.9
Office	: 8.8	Electrical & Electronics	: 2.7
Beauty & Health	: 8.7	Warehouse	: 1.6
Services	: 6.4	Sporting Goods	: 1.4
Leisure & Entertainment	: 5.3	Books & Stationery	: 1.2
Department Store	: 5.3	Gifts & Souvenirs	: 1.1
Supermarket	: 5.1	Others ³	: 1.1
Jewellery & Watches	: 3.4	Toys & Hobbies	: 0.6
Shoes & Bags	: 3.4	Music & Video	: 0.5

Trade Sector by Net Lettable Area (%)

(as at 31 December 2010)



Office	: 16.7	Houseware & Furnishings	: 3.0
Food & Beverage	: 16.3	Electrical & Electronics	: 2.8
Warehouse	: 9.3	Others ³	: 2.2
Department Store	: 9.2	Shoes & Bags	: 1.6
Leisure & Entertainment	: 8.2	Books & Stationery	: 1.5
Supermarket	: 7.7	Jewellery & Watches	: 1.0
Fashion	: 5.8	Sporting Goods	: 1.0
Beauty & Health	: 5.0	Gifts & Souvenirs	: 0.9
Services	: 3.5	Toys & Hobbies	: 0.6
Information Technology	: 3.4	Music & Video	: 0.3

1. Includes CMT's 40.00% interest in Raffles City Singapore (only retail and office leases) and excludes JCube.

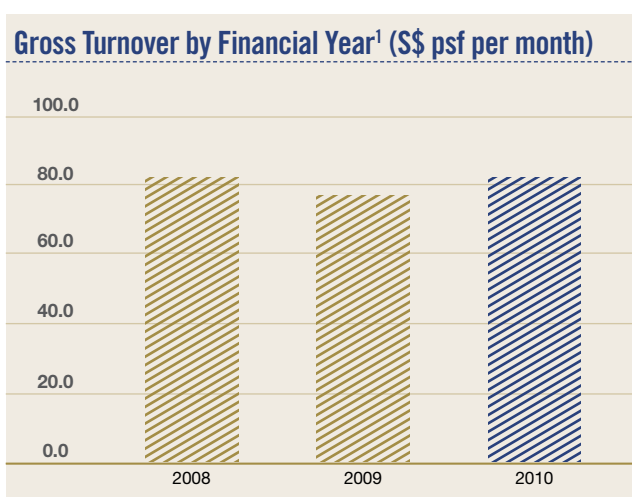
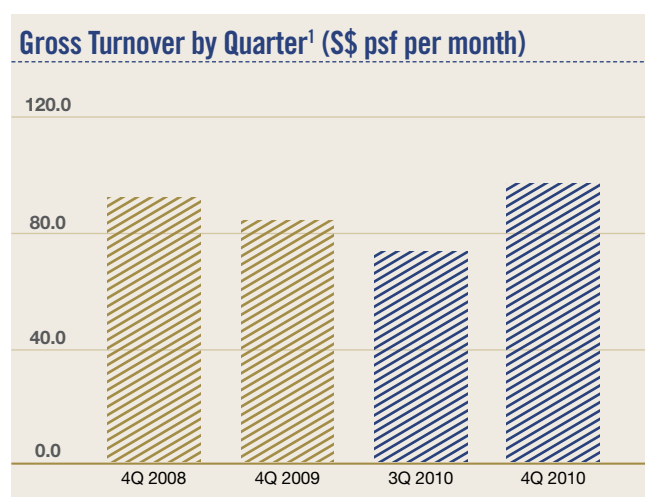
2. Based on committed gross rental income for the month of December 2010 and excludes gross turnover rental.

3. Others include Education and Art Gallery.

OPERATIONS REVIEW

PORTFOLIO GROSS TURNOVER

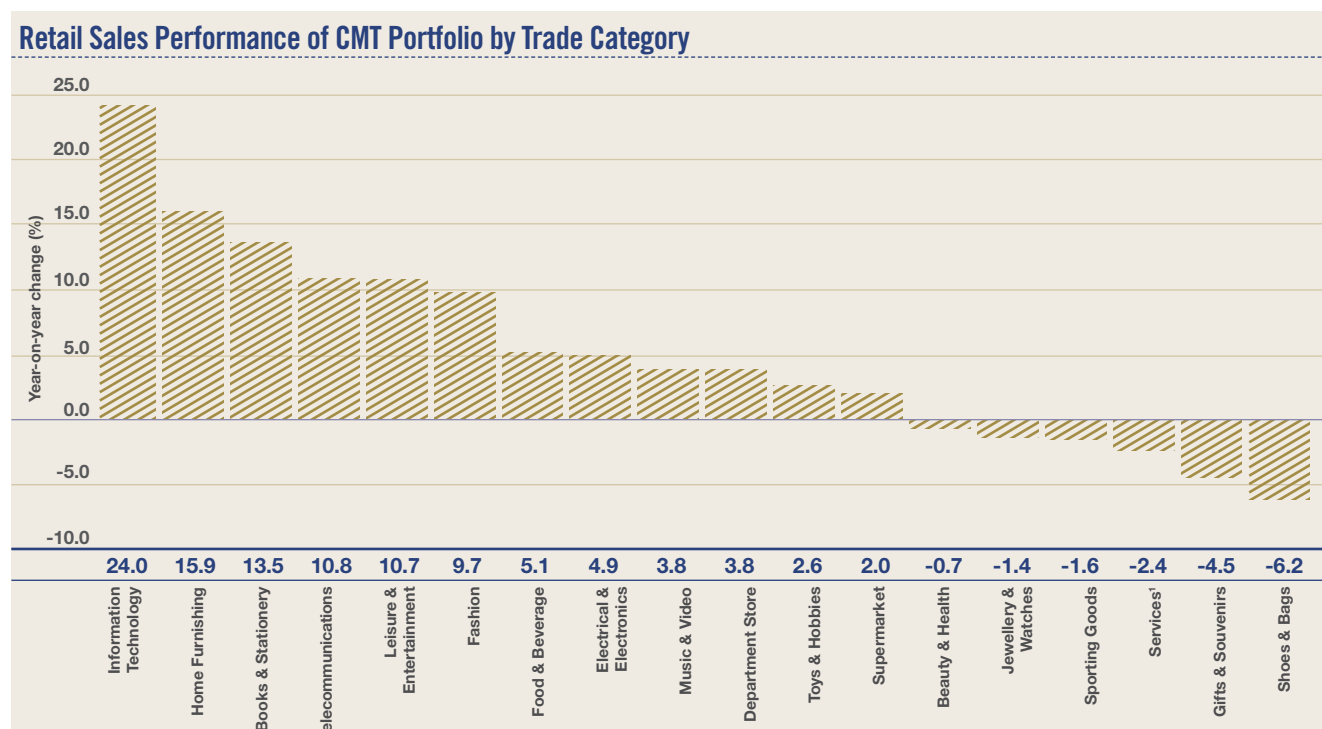
In 2010, the Gross Turnover (GTO) per square foot (psf) of CMT's retail tenants increased by 6.4%, compared to 2009. In the fourth quarter of 2010, GTO registered a year-on-year increase of 8.4%.



1. Excludes JCube (formerly known as Jurong Entertainment Centre), Hougang Plaza and The Atrium@Orchard.

RETAIL SALES PERFORMANCE BY TRADE

Most trade categories registered stronger sales performance with Information Technology (IT) achieving the highest growth rate of 24.0% in terms of GTO psf in 2010 as compared to 2009.



Source: CMTML, CMA

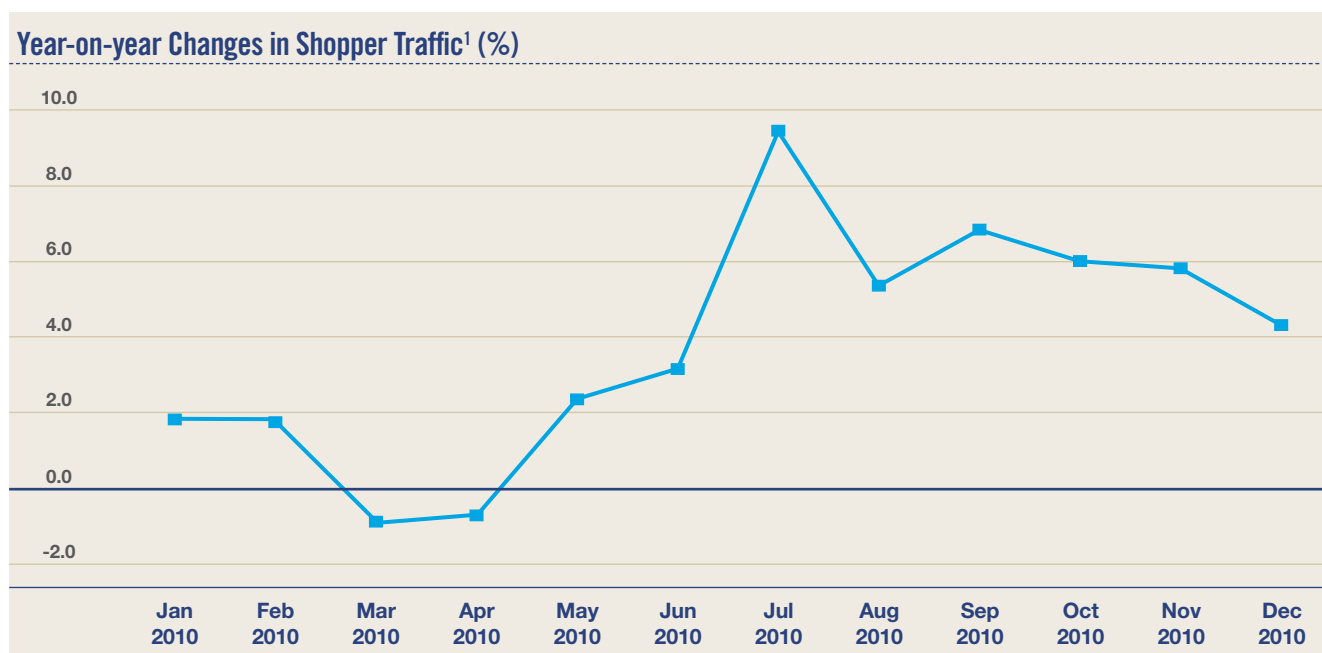
1. Services include convenience store, bridal shop, optical, film processing, florist, magazine/mamak store, pet shop/grooming, travel agency, cobbler/locksmith, laundromat and clinics.

OCCUPANCY COST

CMT's portfolio occupancy cost continued to remain healthy at 16.4% for 2010. This shows that our tenants are doing well in general.

SHOPPER TRAFFIC

Shopper traffic has increased by 3.8% year-on-year from 225.6 million to 234.2 million, reflecting the improved economy as well as a result of AEI and active management of the tenancy mix in each property to ensure the shopping experience of our shoppers.



1. For comparable basis, the chart includes the entire CMT portfolio of malls, except JCube which ceased operations for asset enhancement works and Hougang Plaza and The Atrium@Orchard for which traffic data was not available.

MARKETING & PROMOTIONS

PORTFOLIO-WIDE ACTIVITIES

In 2010, we implemented a series of strategic group-level marketing campaigns to drive traffic and draw shoppers' dollars for tenants at CMT's properties.

The membership base of CapitaCard, a credit and debit card loyalty programme that aims to retain and encourage repeat shopper spending at CMT's malls, has grown significantly to over 167,700 cardmembers as at 31 December 2010. Card spend for the programme saw a 7.0% year-on-year increase at S\$194.1 million in 2010. This programme not only provides cardmembers with instant cash rebates, but also offers a host of exclusive treats in CMT's malls such as complimentary parking, as well as access to priority queues and special previews during tenants' sales.

Another key loyalty programme is the CapitaVoucher, which helps to generate sales for CMT's tenants. CapitaVoucher is widely accepted at over 1,500 participating stores across 13 of CMT's malls and one of CapitaMalls Asia's malls. In 2010, sales of CapitaVouchers grew by 64% year-on-year to S\$22.0 million.

MALL-CENTRED ACTIVITIES

Besides implementing our portfolio-wide marketing activities, each CMT property also makes efforts to enhance its unique positioning and brand identity by creating memorable brand experiences for consumers through their own promotional activities.

Tampines Mall

KYUSHU SPRING FAIR

Tampines Mall organised the fair in collaboration with its anchor tenant, Isetan, in late March 2010. The 10-day event showcased a wide variety of Kyushu food specialties. During the period of the fair, the mall enjoyed a 12.2% increase in shopper traffic compared to the same period in 2009.

HOKKAIDO FAIR

Tampines Mall held its annual Hokkaido fair in July 2010. The event, which was in its fifth year, saw more than 15 vendors dishing out delights from mouth-watering ramen to delectable cheese cakes. Shiroy Koibito (白い恋人) or White Lovers chocolate biscuits made their debut at the fair. It was a clear favourite with the shoppers as long lines formed for them every day at the fair. During the 10 day fair, shopper traffic grew by 11.2% year-on-year and tenants' sale registered at 3.6% year-on-year.

POKEMON FUNDERLAND

The month-long event was held during the year-end school holidays, with the whole mall decked out with Pokemon decorations. Games, arts and craft workshops and console game challenges were held to keep fans of the video game character entertained.

Raffles City Singapore

'SPRING IN THE CITY' LUNAR NEW YEAR PROMOTION

This event was jointly organised for the 17th consecutive year with Golden Travel Services from January to February 2010. The festive celebration presented exclusive shopping rewards, master craftsmen retailing authentic Chinese handicrafts, as well as cultural performances hailing from different provinces of China. There were also a series of musical performances from the Nanjing Chinese Orchestra group, the Hangzhou and Beijing Arts School.

CHILDREN OF ASIA

RCS showcased Sri Lanka's cultural heritage in March 2010, with some of the country's artisans coming under one roof to demonstrate the intricacies of folk art such as stone art murals, hand woven cloth and functional household items. Shoppers at RCS also witnessed the art of rattan basket weaving and wooden toy making, intricate brass pot etching, including dance performances. It was a potpourri of handicraft, folk art and traditions made accessible for the "outsider" to be aware, understand, and appreciate Asia and its culture.

Junction 8

PYJAMAS PARTY BASH

Junction 8 organised a two-day, one-night camp at its open plaza area for children aged between six and 12 yrs old in June 2010. The children were treated to cartoon movies, popcorns and took part in interactive games and thematic workshops.

BABY TRIATHLON

A Baby Triathlon was held in July 2010 for babies aged between 12 to 24 months old. The competition required the baby participants to take part in activities such as ball pushing, cruising and obstacle challenges. Junction 8 saw its shopper traffic increase by 2.6% during the event, compared to the same period in 2009.

AN ENCHANTING CHRISTMAS WITH BARBIE

Junction 8 held a series of Barbie events in November and December 2010. The events include Barbie and Friends Meet & Greet sessions, Fashion Fairytale Live Shows, Tea Party with Barbie and Friends, Dress like Barbie Runway and a Barbie costume showcase. There were also festive giveaways such as Barbie fashion tote bags and Cookie cushions for shoppers who spent a minimum sum of S\$120 at any shop in the mall.

Plaza Singapura

S.H.E EXCLUSIVE MEET AND GREET SESSION

Popular Taiwanese girl-band, S.H.E, made a special appearance at Plaza Singapura during the year. Their appearance attracted droves of fans and shoppers who vied for chances to get up and close with the celebrities and join in an autograph session.

FOOTBALL: THE BRAZILIAN PASSION

An exhibition on Brazilian football and its history was organised by the Embassy of Brazil at Plaza Singapura's open plaza area in August 2010. The exhibition also featured Brazilian football's politics, media and the Brazilian Série A League. Romário, a former Brazilian football striker who was 1994's World Cup winner, honoured the opening of the exhibition with his presence. Shopper traffic at Plaza Singapura gained 6.0% year-on-year during the one month-long event.

100 HOURS MOVIE INDULGENCE

A five-day movie marathon organised by Nescafe Frappe saw 150 participants battle it out at Plaza Singapura to be the last person standing to win the grand prize of S\$10,000.

MARKETING & PROMOTIONS

Bugis Junction

GLAM COUPLE 2010

Bugis Junction partnered Soo Kee Jewellery and Twentieth Century Fox Film to organise a search for Singapore's most glamorous couple in conjunction with Valentine's Day. Each of the six shortlisted couples was given S\$300 CapitaVouchers to shop and give themselves a makeover within 45 minutes in the mall. The contestants also had to undergo challenges on stage with the audience cheering them on. The mall saw a 14.5% increase in shopper traffic on that day, compared to the traffic for the same event last year.

CONCERT PROMOTION FOR JAY CHOU'S WORLD TOUR

As the official mall for Taiwanese superstar, Jay Chou's 'The Era 2010 World Tour' concert, Bugis Junction gave shoppers a chance to win a total of 20 pairs of the coveted sold-out VIP concert tickets during the Great Singapore Sale period in June and July. A series of Jay Chou-themed contests jointly organised with concert promoter Scorpio East, also gave Jay Chou's fans a chance to showcase their talent and collection of memorabilia for a chance to win their idol's concert tickets. The highlight of this promotion campaign was Jay Chou's first-in-Singapore exclusive autograph session in Bugis Junction on 21 July 2010.

SWEET CHRISTMAS WITH STITCH

The adorable Stitch made its presence at Bugis Junction during the Christmas festive season with a 2.3m tall 3D display at Malay Street in front of InterContinental Singapore. It was a gleeful sight and a delightful photo-opportunity for our shoppers. Exclusively for CapitaCard members, any \$30 charged to CapitaCard gives members a chance to win home a giant Stitch in the lucky draw. Shoppers can also visit the Stitch-themed festive booth at Hylam Street which houses a wide selection of Stitch merchandise.

FASHION ROCKS THE RUNWAY

Bugis Junction held a 4-day show of eclectic 80s themes featuring tenants' latest Spring/Summer collections, the iconic jeans transformation event Code JEANius / I Can Do The Catwalk, and a showcase of the top 15 sexy contenders for FHM Model Search 2010.

Clarke Quay

OKTOBERFEST

The highlight of the two-day event was the German-themed fare and Erdinger beer sold at food kiosks, accompanied by German live band music and 'Oom-pah' dancing. Stage games and game booths were also organised to keep visitors entertained.

HALLOWEEN

On 30 October 2010, Halloween parties at Clarke Quay drew throngs of people in outrageous costumes. Clarke Quay saw a 30.0% increase in visitor traffic on that day, compared to the same day in 2009.

NEW YEAR'S EVE COUNTDOWN PARTY

Clarke Quay played host to throngs of New Year party revellers who enjoyed the live band performances, animated routines of flash mob dancers, cheerleaders and stage performances of superstar impersonations.

IMM Building

IMM WONDERLAND

IMM Building (IMM) held candy cane cookie baking and cupcake decorating workshops for children during the year-end school holidays. The mall also set up a five-metre diameter foam pool for children to soak in and an inflatable pool that allows participants to walk on water while inside a giant transparent ball.

THE FIRST 7-METRE TALL TREE HOUSE PLAYGROUND IN A SHOPPING MALL

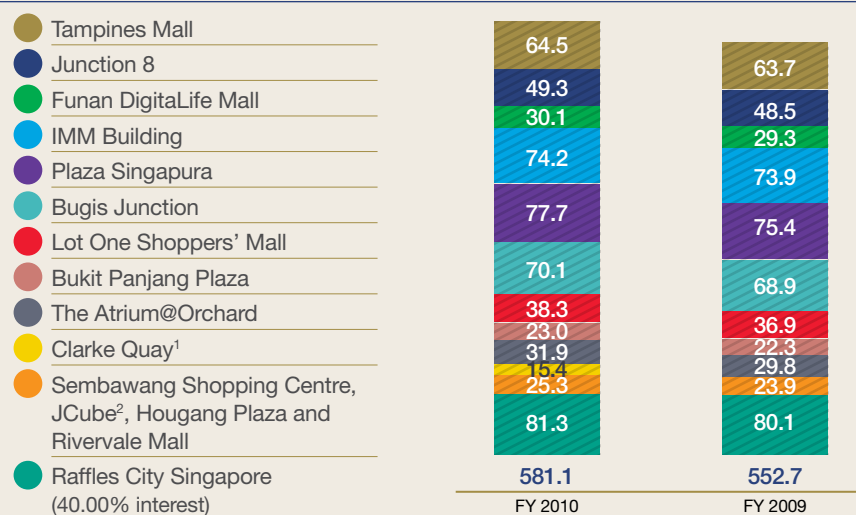
IMM added a 7-metre tall Treehouse Playground in its rooftop outdoor play area. Children and families get to experience endless hours of fun at the playhouse of which its height is equivalent to two and a half storeys of a building.

FINANCIAL REVIEW

GROSS REVENUE

Gross revenue for the Financial Year (FY) ended 31 December 2010 was S\$581.1 million, an increase of S\$28.4 million or 5.1% over S\$552.7 million for the FY ended 31 December 2009. S\$15.4 million of the increase was due to Clarke Quay, which was acquired on 1 July 2010 while the balance was attributed to higher gross revenues across the malls mainly due to the higher rental rates achieved from new and renewed leases and step-up rents.

Gross Revenue by Property (S\$ million)



1. The acquisition of Clarke Quay was completed on 1 July 2010.

2. JCube (formerly known as Jurong Entertainment Centre) has ceased operations for asset enhancement works.

Gross Revenue by Property	FY 2010	FY 2009	Variance	
	S\$'000	S\$'000	S\$'000	%
Tampines Mall	64,517	63,738	779	1.2
Junction 8	49,363	48,524	839	1.7
Funan DigitalLife Mall	30,091	29,334	757	2.6
IMM Building	74,261	73,882	379	0.5
Plaza Singapura	77,665	75,427	2,238	3.0
Bugis Junction	70,097	68,895	1,202	1.7
Lot One Shoppers' Mall	38,259	36,900	1,359	3.7
Bukit Panjang Plaza	23,033	22,343	690	3.1
The Atrium@Orchard	31,852	29,792	2,060	6.9
Clarke Quay ¹	15,390	–	15,390	N.M.
Sembawang Shopping Centre, JCube ² , Hougang Plaza and Rivervale Mall	25,312	23,814	1,498	6.3
	499,840	472,649	27,191	5.8
Raffles City Singapore (40.00% interest)	81,280	80,051	1,229	1.5
Total	581,120	552,700	28,420	5.1

N.M. Not Meaningful.

1. The acquisition of Clarke Quay was completed on 1 July 2010.

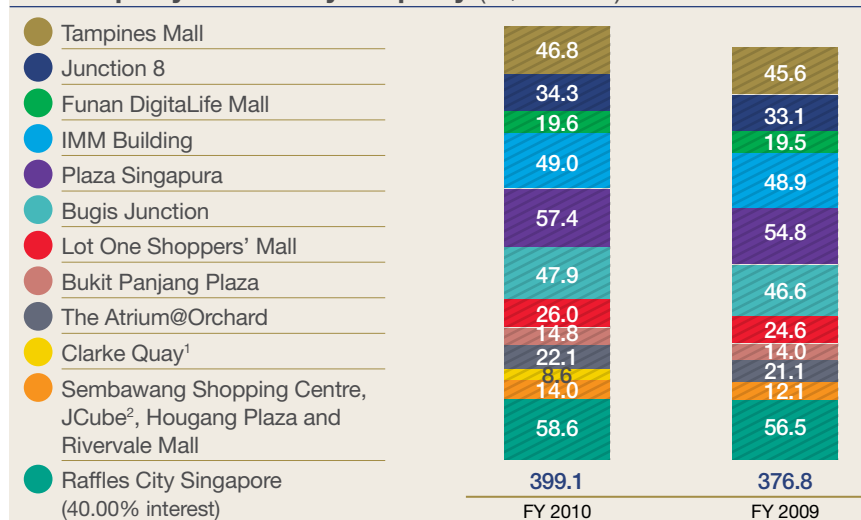
2. JCube has ceased operations for asset enhancement works.

FINANCIAL REVIEW

NET PROPERTY INCOME

As a result of the higher gross revenue, Net Property Income (NPI) of S\$399.1 million was S\$22.3 million or 5.9% higher than the S\$376.8 million for the FY ended 31 December 2009. Similarly, this was mainly due to Clarke Quay which was acquired on 1 July 2010 and higher rental income across the malls.

Net Property Income by Property (S\$ million)



1. The acquisition of Clarke Quay was completed on 1 July 2010.

2. JCube has ceased operations for asset enhancement works.

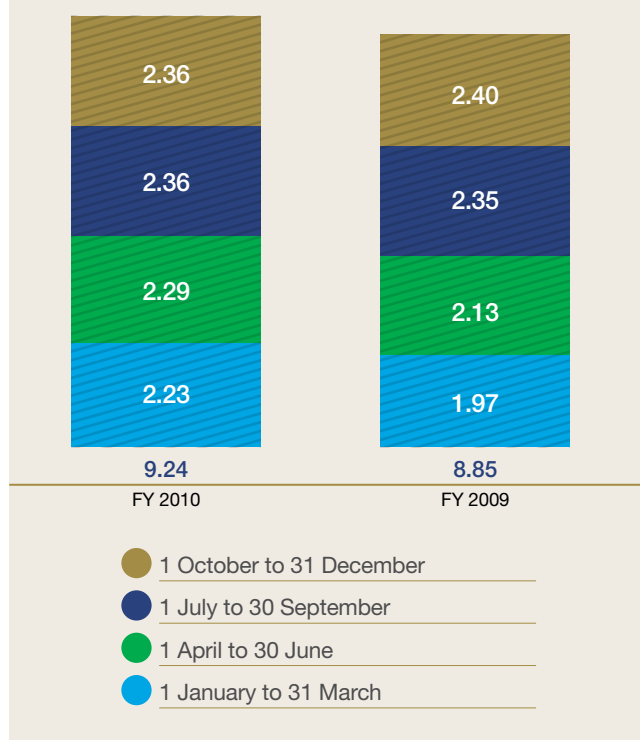
Net Property Income by Property	FY 2010	FY 2009	Variance	
	S\$'000	S\$'000	S\$'000	%
Tampines Mall	46,831	45,635	1,196	2.6
Junction 8	34,318	33,106	1,212	3.7
Funan DigitaLife Mall	19,637	19,542	95	0.5
IMM Building	49,046	48,939	107	0.2
Plaza Singapura	57,355	54,822	2,533	4.6
Bugis Junction	47,916	46,599	1,317	2.8
Lot One Shoppers' Mall	25,950	24,563	1,387	5.6
Bukit Panjang Plaza	14,810	14,009	801	5.7
The Atrium@Orchard	22,145	21,102	1,043	4.9
Clarke Quay ¹	8,574	–	8,574	N.M.
Sembawang Shopping Centre, JCube ² , Hougang Plaza and Rivervale Mall	13,958	11,993	1,965	16.4
	340,540	320,310	20,230	6.3
Raffles City Singapore (40.00% interest)	58,607	56,458	2,149	3.8
Total	399,147	376,768	22,379	5.9

N.M. Not Meaningful.

1. The acquisition of Clarke Quay was completed on 1 July 2010.

2. JCube has ceased operations for asset enhancement works.

Distribution Per Unit (cents)



DISTRIBUTIONS

For FY 2010, CMT declared distribution per unit (DPU) of 9.24 cents which comprised 2.23 cents, 2.29 cents, 2.36 cents and 2.36 cents for the periods 1 January 2010 to 31 March 2010, 1 April 2010 to 30 June 2010, 1 July 2010 to 30 September 2010 and 1 October 2010 to 31 December 2010 respectively. CMT has also retained S\$10.1 million of its tax exempt income from CapitaRetail China Trust (CRCT) for distribution in FY 2011.

In FY 2009, CMT declared DPU of 8.85 cents which comprised 1.97 cents, 2.13 cents, 2.35 cents and 2.40 cents for the periods 1 January 2009 to 31 March 2009, 1 April 2009 to 30 June 2009, 1 July 2009 to 30 September 2009 and 1 October 2009 to 31 December 2009 respectively.

Overall, the total DPU of 9.24 cents for the FY ended 31 December 2010 was an increase of 4.6% over the total DPU of 8.85 cents for the FY ended 31 December 2009.

ASSETS

As at 31 December 2010, the total assets for CMT and its subsidiaries (CMT Group) were S\$8,125.9 million compared with S\$7,423.0 million as at 31 December 2009. The increase of S\$702.9 million was mainly due to the acquisition of Clarke Quay at the purchase consideration of S\$268.0 million on 1 July 2010, revaluation surplus of S\$9.8 million, offset by the capital expenditure capitalised of S\$69.4 million and the increase in cash and cash equivalents of S\$377.1 million. The increase in cash and cash equivalents of S\$377.1 million was mainly due to balance of proceeds from S\$500.0 million Medium Term Notes and US\$500.0 million (equivalent to S\$699.5 million) Euro-Medium Term Notes issued under the S\$2.5 billion unsecured Multicurrency Medium Term Note Programme and US\$2.0 billion unsecured Euro-Medium Term Note Programme of CMT MTN Pte. Ltd. respectively, and after payment of S\$268.0 million for the acquisition of Clarke Quay, repayment of the S\$440.0 million borrowings due in 2010 and the repurchase of the S\$100.0 million in principal amount of the S\$650.0 million 1.0% convertible bonds due 2013.

FINANCIAL REVIEW

Valuations And Valuation Capitalisation Rates

Property	Valuation as at 31 Dec 2010 S\$ million	Valuation as at 31 Dec 2009 S\$ million	Variance S\$ million	Valuation per Net Lettable Area as at 31 Dec 2010 S\$ per sq ft NLA	Valuation Capitalisation Rate ¹ as at 31 Dec 2010 %	Valuation Capitalisation Rate ¹ as at 31 Dec 2009 %
Tampines Mall	792.0	777.0	15.0	2,411	5.75	5.75
Junction 8	580.0	570.0	10.0	2,313	5.75	5.75
Funan DigitaLife Mall	330.0	326.0	4.0	1,105	5.90	5.90
IMM Building	659.0	650.0	9.0	698 ²	Retail – 6.60 Office – 6.85 Warehouse – 7.85	Retail – 6.60 Office – 6.85 Warehouse – 7.85
Plaza Singapura	1,034.0	1,000.0	34.0	2,076	5.50	5.50
Bugis Junction	815.0	798.0	17.0	1,939	5.75	5.75
Lot One Shoppers' Mall	437.0	428.0	9.0	2,001	5.75	5.75
Bukit Panjang Plaza	255.0	248.0	7.0	1,683	5.85	5.85
Clarke Quay	274.0	N.A. ³	274.0	930	5.90	N.A. ³
Others ⁴	428.3	389.5	38.8	900 ⁵	5.95 – 6.00	5.95 – 6.00
Total CMT Portfolio excluding Raffles City Singapore (40.00% interest) and The Atrium@Orchard	5,604.3	5,186.5	417.8	1,486⁵	N.A.	N.A.
Raffles City Singapore (40.00% interest)	1,077.2	1,020.0	57.2	N.M. ⁶	Retail – 5.50 Office – 4.50 Hotel – 5.75	Retail – 5.60 Office – 4.50 Hotel – 5.85
Total CMT Portfolio excluding The Atrium@Orchard	6,681.5	6,206.5	475.0	1,472⁷	N.A.	N.A.
The Atrium@Orchard	590.0	714.0	(124.0)	1,559 ²	Retail – 5.75 Office – 4.25	Retail – 5.50 Office – 4.40
Total CMT Portfolio	7,271.5	6,920.5	351.0	1,408⁷	N.A.	N.A.
Less additions during the year			(73.2)			
Less acquisition during the year			(268.0) ⁸			
Net increase in valuations			9.8			

N.A. Not Applicable.

1. Valuation capitalisation rate refers to the capitalisation rate adopted by the independent valuers to derive the market values of each property.
2. Valuation per sq ft reflects valuation of property in its entirety.
3. Clarke Quay was acquired on 1 July 2010.
4. Comprising Sembawang Shopping Centre, JCube, Hougang Plaza and Rivervale Mall.
5. Valuation per sq ft excludes JCube which has ceased operations for asset enhancement works.

6. Not meaningful because Raffles City Singapore comprises retail units, office units, hotels and convention centre.

7. Valuation per sq ft excludes JCube and Raffles City Singapore.

8. This relates to the acquisition of Clarke Quay on 1 July 2010 at the purchase consideration of S\$268.0 million, which is based on an independent valuation dated 3 February 2010.

FINANCIAL PERFORMANCE FOR 2006 TO 2009

2009

Gross Revenue

Gross revenue for FY 2009 was S\$552.7 million, an increase of S\$41.8 million or 8.2% over S\$510.9 million for FY 2008. S\$19.4 million of the increase was due to The Atrium@ Orchard (Atrium), which was acquired on 15 August 2008 while the balance was attributed to higher gross revenues from Tampines Mall, IMM Building (IMM), Plaza Singapura, Bugis Junction, Sembawang Shopping Centre (SSC) and Lot One Shoppers' Mall (Lot One) mainly due to the completion of asset enhancement initiatives (AEI) and partially offset by decrease in gross revenue from JCube as it has ceased operations for AEI. On a comparable mall basis (excluding SSC, JCube and Atrium), gross revenue for FY 2009 was S\$18.0 million or 3.6% higher than FY 2008.

Net Property Income

As a result of the higher gross revenue, NPI of S\$376.8 million was S\$35.7 million or 10.4% higher than the S\$341.1 million for FY 2008. Similarly, this was mainly due to Atrium which was acquired on 15 August 2008, SSC which re-opened in late December 2008 and higher NPI from Tampines Mall, IMM, Plaza Singapura, Bugis Junction and Lot One mainly due to the completion of AEI.

2008

Gross Revenue

Gross revenue for FY 2008 was S\$510.9 million, an increase of S\$79.0 million or 18.3% over S\$431.9 million for FY 2007. This was mainly due to an increase in revenue of S\$28.8 million from the three properties (namely Lot One, Bukit Panjang Plaza and Rivervale Mall) under CapitaRetail Singapore Limited (CRSL) which contributed 12 months of revenue in FY 2008 compared with seven months of revenue in FY 2007 as the acquisition of the balance 72.8% of the Class E Bonds in CRSL was completed on 1 June 2007. In addition, gross revenue from 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, Plaza Singapura and Bugis Junction following the completion of AEI. CMT's 40.00% 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.

Net Property Income

As a result of the higher gross revenue, NPI of S\$341.1 million was S\$53.3 million or 18.5% higher than the S\$287.8 million for FY 2007. Similarly, this was mainly due to the increase of S\$19.2 million from the full year contribution from the three properties under CRSL against seven months of contribution in FY 2007. Atrium accounted for S\$6.7 million and CMT's 40.00% interest in RCS Trust contributed about S\$6.6 million of the increase in NPI.

FINANCIAL REVIEW

2007

Gross Revenue

Gross revenue for FY 2007 was S\$431.9 million, an increase of S\$100.2 million or 30.2% over S\$331.7 million for FY 2006. This was mainly due to the full year contribution in FY 2007 from the 40.00% interest in RCS Trust acquired on 1 September 2006, against the four months contribution in FY 2006 or an increase of S\$45.6 million, and S\$33.1 million from the three properties under CRSL from 1 June 2007. The other malls accounted for another S\$21.5 million increase in revenue mainly due to new and renewed leases at higher rates as well as higher revenue from major asset enhancement works at IMM completed towards the end of FY 2006 and early FY 2007.

Net Property Income

As a result of the higher gross revenue, NPI of S\$287.8 million was S\$70.2 million or 32.3% higher than S\$217.6 million for FY 2006. Similarly, this was mainly due to the increase of S\$32.7 million from the full year contribution from the 40.00% interest in RCS Trust which was acquired on 1 September 2006 against the four months contribution in FY 2006. The three properties under CRSL contributed about S\$19.5 million. Increased rental income from the other malls also contributed to the improved NPI.

2006

Gross Revenue

Gross revenue for FY 2006 was S\$331.7 million, an increase of S\$88.6 million or 36.4% over S\$243.1 million for FY 2005. S\$56.9 million of the increase in revenue was mainly due to the full year contribution from Bugis Junction, JCube, Hougang Plaza and SSC which were acquired in 2005. CMT's acquisition of a 40.00% interest in RCS Trust on 1 September 2006 contributed about S\$20.7 million. Rental from newly created retail spaces at IMM completed in October 2006, and higher rental from new and existing leases from other malls accounted for another S\$11.0 million.

Net Property Income

As a result of the higher gross revenue, NPI of S\$217.6 million was S\$63.5 million or 41.2% higher than S\$154.1 million for FY 2005. Similarly, this was mainly due to the increase of S\$37.4 million from the full year contribution from Bugis Junction, JCube, Hougang Plaza and SSC. The 40.00% interest in RCS Trust, which was acquired on 1 September 2006, contributed about S\$14.6 million. Increased rental income from the other malls also contributed to the improved NPI.

RISK & CAPITAL MANAGEMENT

KEY FINANCIAL INDICATORS

(as at 31 December 2010)

Unencumbered Assets as % of Total Assets

36.3%¹

Gearing²

35.9%

Net Debt / EBITDA³ (times)

6.8

Interest Coverage⁴ (times)

3.6

Average Term to Maturity⁵ (years)

2.6

Average Cost of Debt⁶

3.7%

CMT's Corporate Rating⁷

"A2"

1. With the release of Hougang Plaza as security under the facility agreement with Silver Maple Investment Corporation Ltd (Silver Maple) on 17 January 2011, proforma unencumbered assets as % of Total Assets improved to 36.8%.
2. Ratio of borrowings (including 40.00% share of borrowings or S\$384.4 million at RCS Trust level), over total deposited properties for CMT Group.
3. Net Debt comprises Gross Debt less temporary cash intended for acquisition and refinancing and EBITDA refers to earnings before interest, tax, depreciation and amortisation.
4. Ratio of net investment income at CMT Group before interest and tax over interest expense from 1 January 2010 to 31 December 2010. (In computing the ratio, cost of raising debt is excluded from interest expense).
5. Assuming holders of the outstanding S\$550.0 million in principal amount of the S\$650.0 million 1.0% convertible bonds due 2013 (Outstanding CB) exercise put option in July 2011.
6. Ratio of interest expense over weighted average borrowings.
7. Moody's has affirmed a corporate family rating of "A2" with a stable outlook to CMT on 9 November 2010.

(1) RISK MANAGEMENT

Effective enterprise-wide risk management is a fundamental part of CMT's business strategy. The potential risks are identified and key controls to mitigate these risks are established to protect Unitholders' interests and value.

Key Risks & Control Measures

OPERATIONAL RISK

To mitigate and manage operational risk, CMT and its subsidiaries (CMT Group or Group) has integrated risk management into the day-to-day activities across 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 effectiveness.

The risk management framework is designed to ensure appropriate processes and procedures are in place to prevent, manage and mitigate any operational risk.

INVESTMENT RISK

One of the main sources of growth for CMT Group is the acquisition of properties and asset enhancement initiatives (AEI). The risks involved in such investment activities are managed through a rigorous set of investment criteria which includes yield accretion, rental sustainability, 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 projects and the issues that may prevent their smooth implementation or projected outcomes 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

RISK & CAPITAL MANAGEMENT

rate risk by locking in most of its borrowings at fixed interest rates. As at 31 December 2010, the risk is minimal as 98.7% of its borrowings are based on 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) and its wholly-owned subsidiary, CMT MTN Pte. Ltd. (CMT MTN). CMT MTN is a wholly-owned subsidiary of CMT which provides treasury services, including on-lending to CMT the proceeds from issuances of notes under the S\$2.5 billion unsecured Multicurrency Medium Term Note Programme (MTN Programme) and US\$2.0 billion unsecured Euro-Medium Term Note Programme (EMTN Programme), which were swapped into Singapore Dollars.

RCS Trust for which CMT has a 40.00% 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 rate and Singapore Dollars.

CREDIT RISK

Credit risk is the potential earnings volatility caused by tenants' inability and/or unwillingness to fulfill their contractual lease obligations, as and when they fall due. There is a stringent collection policy in place to ensure that credit risk is minimised. Other than the collection of security deposits, which amount to an average of three months' rent in the form of cash or bankers' guarantee, CMT Group also has a vigilant monitoring and debt collection procedures. Debt turnover of CMT Group as at 31 December 2010 of 2.6 days has marginally improved, compared with 2.8 days as at 31 December 2009.

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. The Group diligently monitors and observes bank covenants for borrowings.

FINANCING RISK

The health of the debt markets directly affects CMT, given our inherent need for external sources of funding to refinance the existing borrowings or to fund the new acquisition or AEI.

CMT will continue to manage its capital structure proactively by spreading out its debt due for refinancing for each year to a manageable size and maintaining an optimal gearing level.

LEGAL AND COMPLIANCE RISK

Due to the nature of CMT's business, it is required to comply with the relevant laws and regulations, including the Listing Manual of the SGX-ST (Listing Manual), the Code on Collective Investment Schemes (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. Therefore, any changes in these regulations may affect CMT's operations and results.

Legal risk is the risk that CMT's reputation may be adversely affected as a result of business activities which may bring about unintended or unexpected legal consequences.

The manager of CMT (the Manager) has established procedures to ensure compliance with applicable legislation and regulations and such procedures are monitored by the Audit Committee who is authorised to investigate any matters within its terms of reference.

INTERESTED PERSON TRANSACTION RISK

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 Person 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 Appendix). Proactive measures are also adopted to avoid situations of conflict and potential conflict of interest.

HUMAN RESOURCE RISK

In order to deliver quality products and services to our valued tenants and customers, it is necessary to invest in quality human capital. This should be done by recruiting and retaining skilled and professional employees with the relevant expertise. High turnover rate of these valued employees can be detrimental as it causes disruption in CMT's business operations and undermines the implementation of CMT's strategic business plans.

CMT has adopted an integrated human capital strategy to recruit, develop and motivate employees. Other than seeking outstanding talents with the relevant expertise and experience, emphasis has also been placed on managing these talents through staff development and continuous training. To further retain these talents, comprehensive compensation and benefits plans are used to motivate and reward our staff. Such measures ensure that the employees are skillfully trained and retained and allow us to retain our competitive edge.

(2) CAPITAL MANAGEMENT

Under the facility agreement between Silver Maple and CMT, Silver Maple has granted and loaned CMT a total term loan facility of S\$783.0 million. This was after CMT repaid S\$125.0 million term loan under the facility on 26 June 2010.

In April 2010, CMT MTN issued US\$500.0 million (equivalent to S\$699.5 million) notes through its EMTN Programme and S\$500.0 million notes through its MTN Programme. During the year, CMT repaid S\$315.0 million notes under the MTN Programme.

In October 2010, CMT repurchased S\$100.0 million of the S\$650.0 million 1.0% convertible bonds due 2013 (CB). Following the settlement, the repurchased CB has been cancelled proportionately, and the outstanding aggregate principal amount of CB is currently S\$550.0 million.

Funding and borrowings	As at 31 Dec 2010 S\$ million
Term loan from Silver Maple	783.0 ¹
Convertible Bonds	550.0 ²
Unsecured loans from CMT MTN	1,199.5 ³
Total borrowings at CMT level	2,532.5
Term loan and Revolving Credit Facility at RCS Trust level from Silver Oak	384.4 ⁴
Total borrowings at CMT group	2,916.9

1. Excludes unamortised transaction costs.

2. Based on the outstanding S\$550.0 million in principal amount of the S\$650.0 million 1.0% convertible bonds due 2013 (Outstanding CB). The final redemption price upon maturity on 2 July 2013 is equal to 109.31% of the principal amount. The Outstanding 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.

3. Includes US\$500.0 million fixed rate notes issued through the EMTN Programme which were swapped to S\$699.5 million at a fixed rate of 3.794% per annum in April 2010.

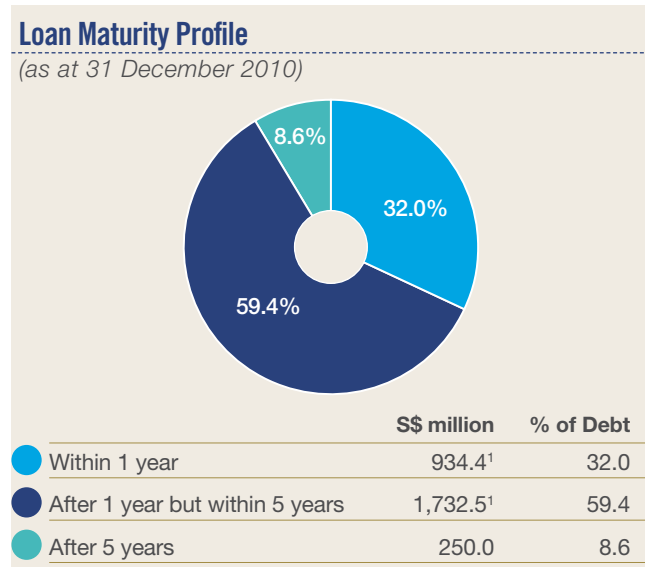
4. CMT's 40.00% interest in RCS Trust.

CMT has a 40.00% 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 Revolving Credit Facility (RCF). RCS Trust drew down the S\$866.0 million term loan in September 2006 and as at 31 December 2010, S\$95.0 million has been drawn down from the RCF. CMT Group's 40.00% interest thereof is S\$346.4 million and S\$38.0 million of term loans and RCF respectively.

RISK & CAPITAL MANAGEMENT

In summary, the total borrowings of CMT Group as at 31 December 2010 was S\$2,916.9¹ million, with gearing at 35.9%.

The loan maturity profile for CMT Group as at 31 December 2010 was as follows:



1. Based on principal sums only.

As at 31 December 2010, 32.0% or S\$934.4 million of CMT Group's debt will mature in 2011. CMT has sufficient internal resources and existing bank facilities to cover the repayments due in 2011. The Manager will continue to adopt a rigorous and focused approach to capital management.

Average cost of debt for CMT Group for Financial Year (FY) 2010 has increased slightly to 3.7% per annum compared with 3.5% per annum for the FY 2009 mainly due to the repayment of the loans upon maturity which have lower interest rates.

CASH FLOWS AND LIQUIDITY

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.

OPERATING ACTIVITIES

Operating net cash flow for FY 2010 was S\$383.2 million, an increase of S\$27.6 million over the operating cash flow of S\$355.6 million in the preceding FY. This was mainly due to higher Net Property Income (NPI). NPI grew 5.9% or S\$22.3 million from S\$376.8 million in FY 2009 to S\$399.1 million with the acquisition of Clarke Quay and higher rental rates achieved from new and renewed leases and step-up rents.

INVESTING ACTIVITIES

CMT Group continued its acquisition strategy and increased the number of properties in the portfolio from 14 to 15 with the acquisition of Clarke Quay. This further strengthens CMT's lead as Singapore largest real estate investment trust by asset size and market capitalisation. After going through the tough market environment, the Group has become more prudent in its capital requirements for new acquisitions and AEI. CMT Group will focus on possible acquisition opportunities and pursue selective greenfield development projects that have the ability to create value in the long term.

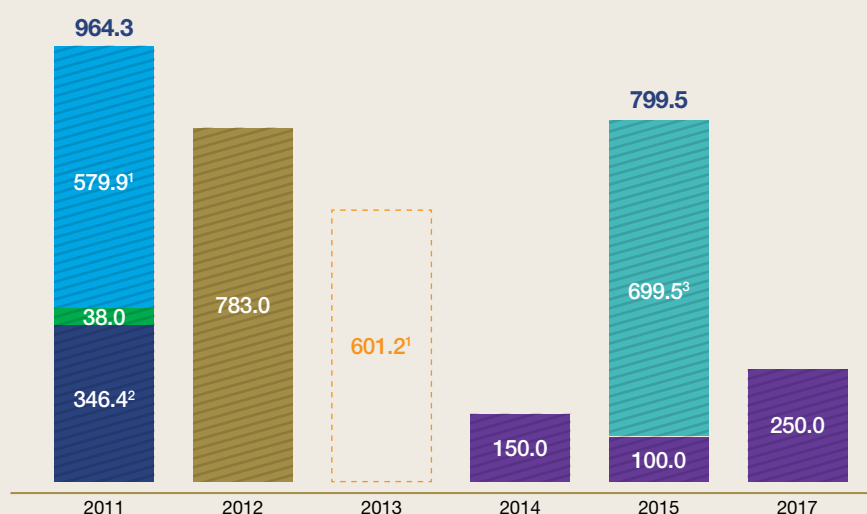
FINANCING ACTIVITIES

CMT Group continued to adopt a rigorous and focused approach to monitor the cash position and level of borrowings with the view of strengthening its capital structure and competitive position.

Debt Maturity Profile (\$ million)

(as at 31 December 2010)

- Fixed rate term loan from Silver Maple under Commercial Mortgage Backed Security (CMBS).
- Fixed rate term loan from Silver Oak under CMBS – 40.00% interest in RCS Trust.
- Revolving Credit Facility of RCS Trust.
- Outstanding S\$550.0 million in principal amount of the S\$650.0 million 1.0% convertible bonds due 2013 (Outstanding CB) with put option in 2011.
- Fixed rate notes issued under S\$ MTN Programme
- Fixed rate notes issued under US\$ EMTN Programme
- Outstanding CB due in 2013.



1. The Outstanding CB may be redeemed in whole or in part at the option of bondholders on 2 July 2011 at 105.43% of the principal amount. The final redemption price upon maturity on 2 July 2013 is equal to 109.31% of the principal amount.

2. CMT's 40.00% share of CMBS 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 (40.00% share thereof is S\$54.4 million) is "AA" rated, the balance is "AAA" rated.

3. US\$500.0 million fixed rate notes were swapped to S\$699.5 million at a fixed interest rate of 3.794% per annum in April 2010.

CASH AND CASH EQUIVALENTS

As at 31 December 2010, the value of cash and cash equivalents of CMT Group stood at S\$712.9 million compared with S\$350.8 million as at 31 December 2009. The higher quantum was mainly due to the balance of the net proceeds from the issuance of notes from the MTN Programme.

(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 CIS Code issued by MAS and the provisions of the Trust Deed.

MANAGING PERFORMANCE

THE 6 'I's:

1INTEGRATED RETAIL REAL
ESTATE PLATFORM

INTRIN**2**IC ORGANIC GROWTH

INNOVATIVE ASSET

ENHANC**3**MENTS

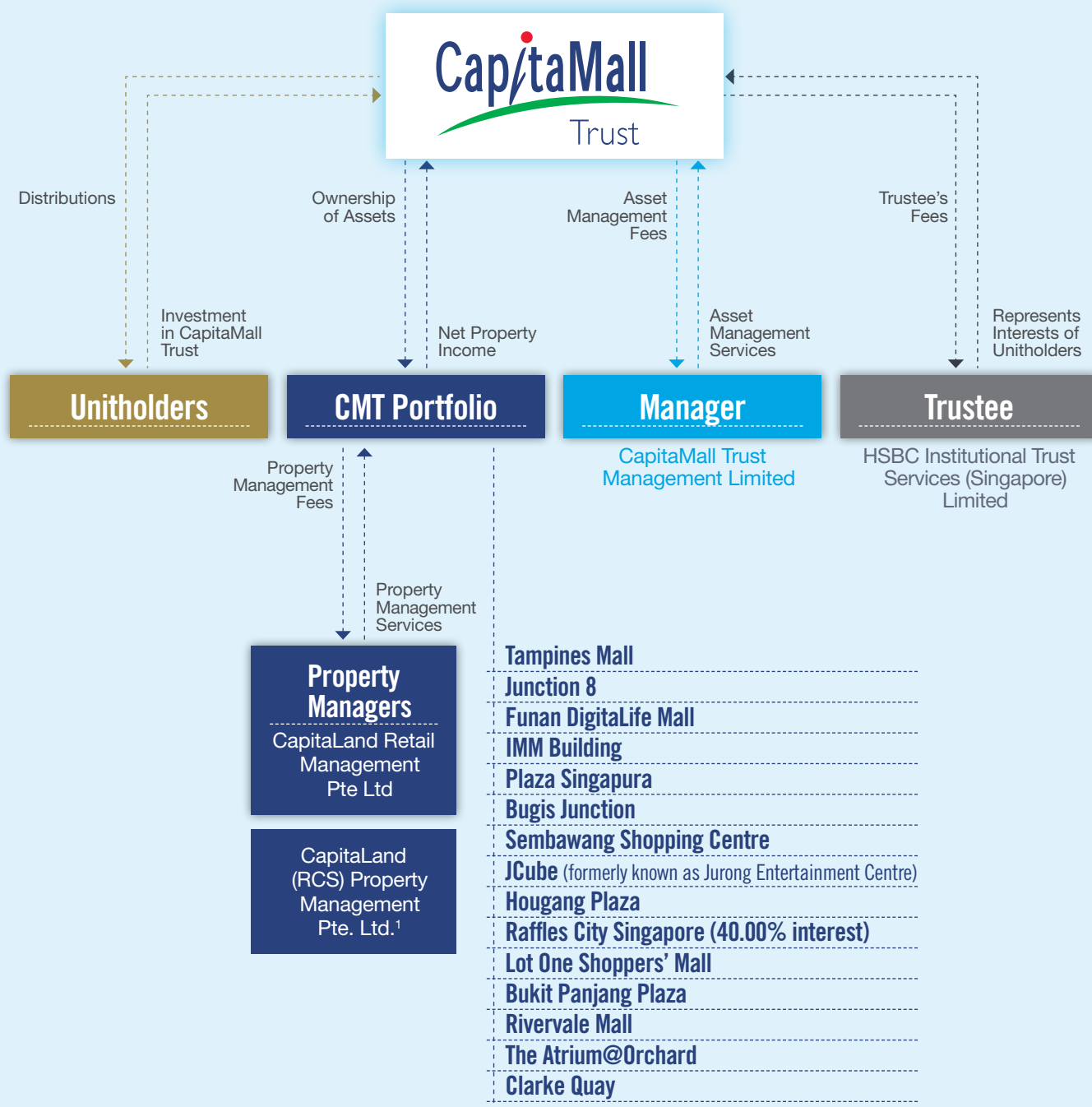
INVITING EXPE**4**IENCES

INVALUABLE INVE**5**TMENTS

INTENSIVE CAPITAL AND RISK
MANA**6**EMENT



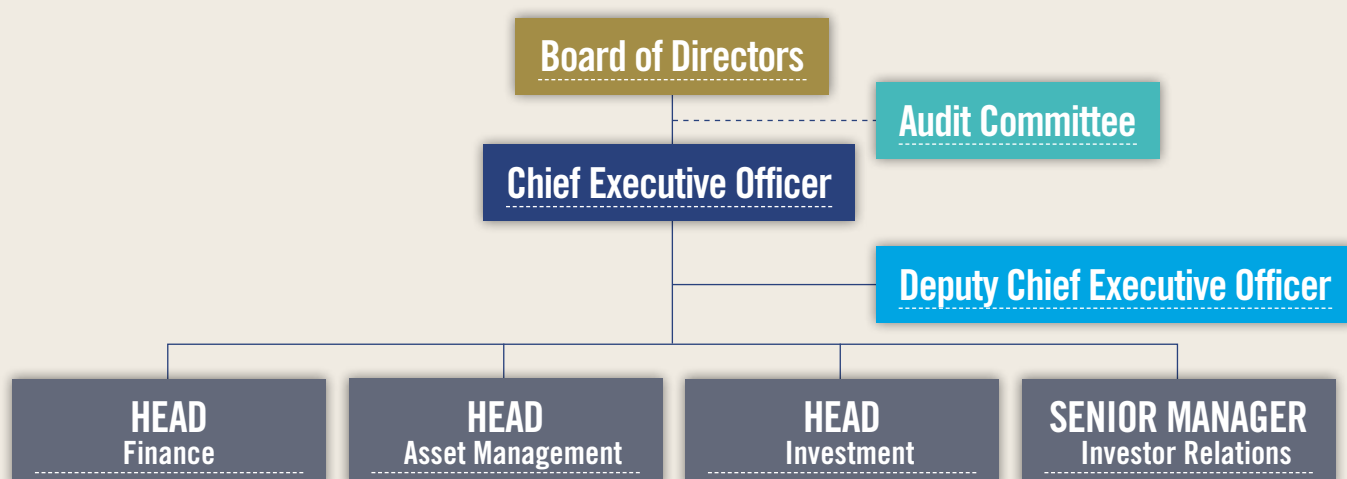
TRUST STRUCTURE



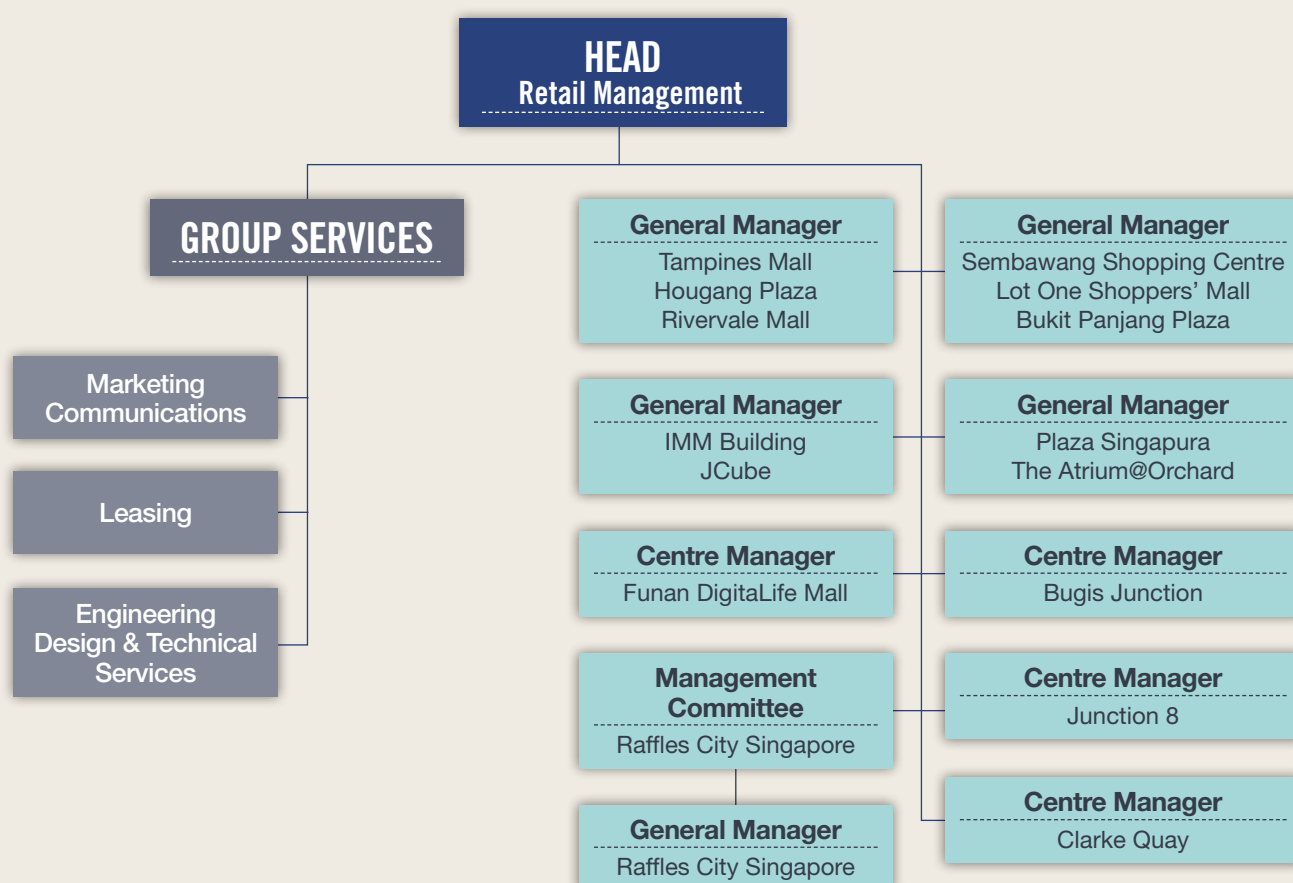
1. CapitaLand (RCS) Property Management Pte. Ltd. manages only Raffles City Singapore

ORGANISATION STRUCTURE

CAPITAMALL TRUST MANAGEMENT LIMITED (CMTML)



CAPITALAND RETAIL MANAGEMENT PTE LTD (CRMPL)



BOARD OF DIRECTORS



SEATED:

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

STANDING FROM LEFT TO RIGHT:

KEE TECK KOON
Non-Executive Director

S. CHANDRA DAS
Independent Non-Executive Director

SIMON HO CHEE HWEЕ
*Chief Executive Officer & Executive
Director*

TAN KIAN CHEW
Non-Executive Director



SEATED:

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

STANDING FROM LEFT TO RIGHT:

JAMES GLEN SERVICE
Independent Non-Executive Director

RICHARD R. MAGNUS
Independent Non-Executive Director

LIM BENG CHEE
Non-Executive Director

LIM TSE GHOW OLIVIER
Non-Executive Director

DAVID WONG CHIN HUAT
Independent Non-Executive Director

BOARD OF DIRECTORS

JAMES KOH CHER SIANG

Chairman & Non-Executive Director

Mr James Koh joined the Board on 1 January 2009. He is also Chairman of Corporate Disclosure Committee and Investment Committee.

Mr Koh is a Director of CapitaLand Limited (listed on the Singapore Exchange Securities Trading Limited ("SGX-ST")). He is also a Director of CapitaLand Hope Foundation, the CapitaLand Group's philanthropic arm.

Mr Koh is presently Chairman of Housing & Development Board, Singapore Deposit Insurance Corporation Limited, MechanoBiology Institute and Singapore Island Country Club. He sits on the Boards of Singapore Airlines Limited, UOL Group Limited and Pan Pacific Hotels Group Limited (all listed on the SGX-ST). He is also a Director of Singapore Cooperation Enterprise.

From 1997 to 2005, Mr Koh served as CEO 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 in the Ministries of National Development, Community Development and 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 Oxford University, UK with a Bachelor of Arts (Honours) and a Master of Arts in Philosophy, Political Science and Economics. He also holds a Master in Public Administration from Harvard University, USA.

LIEW MUN LEONG

Deputy Chairman & Non-Executive Director

Mr Liew Mun Leong joined the Board on 5 June 2002. He is also Chairman of Executive Committee and a member of Corporate Disclosure Committee and Investment Committee.

Mr Liew is a Director of CapitaLand Limited (listed on the SGX-ST) and President and CEO of CapitaLand Group. He is also Chairman of CapitaMalls Asia Limited (listed on the SGX-ST), CapitaLand Residential Singapore Pte Ltd, CapitaLand China Holdings Pte Ltd, CapitaLand Commercial Limited, CapitaLand Financial Limited, CapitaLand ILEC Pte. Ltd. and CapitaValue Homes Limited.

Mr Liew is Deputy Chairman of The Ascott 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 also a Director of CapitaLand Hope Foundation, the CapitaLand Group's philanthropic arm.

Mr Liew is presently Chairman of Changi Airport Group (Singapore) Pte Ltd. He is also Director of Singapore Exchange Limited (listed on the SGX-ST) and Singapore China Foundation Ltd.

He is a member of the NUS Business School Management Advisory Board, National Productivity and Continuing Education Council, Governing Council of the Human Capital Leadership Institute and the Board of Trustees of Chinese Development Assistance Council.

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 TSE GHOW OLIVIER

Non-Executive Director

Mr Olivier Lim joined the Board on 1 July 2005. He is also a member of Corporate Disclosure Committee and Executive Committee.

Mr Lim is the Group Chief Financial Officer of CapitaLand Limited (listed on the SGX-ST). He is also a Non-Executive Director of CapitaMalls Asia Limited (listed on the SGX-ST), CapitaCommercial Trust Management Limited (the manager of CapitaCommercial Trust listed on the SGX-ST), Australand Holdings Limited (listed on the Australian Stock Exchange and the SGX-ST) and Raffles Medical Group Ltd (listed on the SGX-ST). He is also Chairman of Mount Faber Leisure Group Pte Ltd, and a member of the Board of both Sentosa Development Corporation and the Accounting and Corporate Regulatory Authority.

Prior to joining CapitaLand Limited, he was Director and Head of the Real Estate Unit, Corporate Banking in Citibank Singapore. He has more than 20 years of work experience in diverse areas including corporate banking, investment banking, corporate finance and real estate financial products.

Mr Lim was named Chief Financial Officer of the Year in 2007 (for firms with market value of S\$500 million or more) in The Business Times' Singapore Corporate Awards. He was awarded Best Investor Relations by a CFO by IR Magazine in its South East Asia Awards in 2009 and 2010, and was named CFO of the Year by The Asset magazine in its 2010 Asian Awards.

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

LIM BENG CHEE

Non-Executive Director

Mr Lim Beng Chee joined the Board on 1 November 2008. He is also a member of Executive Committee and Investment Committee.

Mr Lim is currently the CEO and Executive Director of CapitaMalls Asia Limited (listed on the SGX-ST). He is also a Director of CapitaRetail China Trust Management Limited (the manager of CapitaRetail China Trust listed on the SGX-ST) and CapitaMalls Malaysia REIT Management Sdn. Bhd. (the manager of CapitaMalls Malaysia Trust listed on the Bursa Malaysia Securities Berhad).

Mr Lim has more than 10 years of real estate investment and asset management experience. He previously held various positions within the CapitaLand group of companies since 2000 and has been CapitaMalls Asia Limited's Chief Executive Officer ("CEO") since 1 November 2008. Mr Lim has played an instrumental role in the creation of CapitaMalls Asia Limited's retail real estate funds and retail real estate investment trusts. Mr Lim was appointed as the Deputy CEO of CapitaMall Trust Management Limited in March 2005 until December 2006. He then led the team which spearheaded the listing of CapitaRetail China Trust, the first pure-play China shopping mall S-REIT and was appointed as CEO of CapitaRetail China Trust Management Limited in December 2006 until September 2008 during which time he was mostly stationed in Beijing. Mr Lim then returned to Singapore and assumed his appointment as CEO for both CapitaMalls Asia Limited and CapitaMall Trust Management Limited in November 2008. Mr Lim stepped down as CEO of CapitaMall Trust Management Limited on 25 November 2009 upon the listing of CapitaMalls Asia Limited. Mr Lim also spearheaded the listing of CapitaMalls Malaysia Trust, Malaysia's largest pure-play shopping mall S-REIT in July 2010.

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.

BOARD OF DIRECTORS

JAMES GLEN SERVICE

Independent Non-Executive Director

Mr James Glen Service joined the Board on 18 October 2001. He is also Chairman of Audit Committee and a member of Investment Committee.

In addition, Mr Service is the Executive Chairman of JG Service Pty Limited, a specialist property consulting company. He was formerly 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

Mr David Wong joined the Board on 17 January 2003. He is also a member of 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. He was a Director of the Singapore Labour Foundation from 2001 till 2010 and 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

Independent Non-Executive Director

Mr S. Chandra Das joined the Board on 5 June 2002.

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 40 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.

RICHARD R. MAGNUS

Independent Non-Executive Director

Mr Richard R. Magnus joined the Board on 3 May 2010. He is also a member of Investment Committee

Mr Magnus is currently the Chairman of the Casino Regulatory Authority, Bio-ethics Advisory Committee, Political Films Advisory Panel, Public Guardian Board and Temasek Cares CLG Limited. He is also a Director of the Land Transport Authority and Changi Airport Group. He is also a member of the Public Service Commission. Mr Magnus is on the Appeal Advisory Panel at the Monetary Authority of Singapore under the relevant securities, corporate, trusts, business and insurance legislation. He is also the Director of Flutes Pte Ltd and The Tanglin Tree Pte Ltd.

Mr Magnus is the Representative of Singapore to the ASEAN Intergovernmental Commission on Human Rights.

In recognition of his sterling contributions to the nation, he was conferred the Public Administration Medal (Silver) in 1983, the Public Administration Medal (Gold) in 1994, the Public Administration Medal (Gold) (Bar) in 2003 and the Meritorious Service Medal in 2009.

Mr Magnus retired as the Senior District Judge (Chief District Judge) after a distinguished public service career with the Singapore Legal Service. In the course of his service, he held headship appointments in several Legal Departments. He was Director in some Government-linked companies. He had lectured in law. He was on the editorial board of several legal practitioners' books, and had contributed research articles and international conference papers. Mr Magnus has successfully represented Singapore in international law negotiations and international law conferences.

Mr Magnus graduated with an LLB (Hons) and LLM from the National University of Singapore, and is an alumnus of the Harvard Business School and the John F Kennedy School of Government.

KEE TECK KOON

Non-Executive Director

Mr Kee Teck Koon joined the Board on 2 April 2003. He is also a member of Audit Committee.

Mr Kee is currently the Non-Executive Chairman of CapitaMalls Malaysia REIT Management Sdn. Bhd. (the manager of CapitaMalls Malaysia Trust listed on Bursa Malaysia Securities Berhad). He is also a Non-Executive Director of Changi Airports International Pte Ltd and the Non-Executive Chairman of NTUC First Campus Co-Operative Ltd.

Mr Kee retired as the Chief Investment Officer of CapitaLand Limited (listed on the SGX-ST) on 1 July 2009, a position he assumed since February 2007. Between April 2003 and January 2007, he was responsible for overseeing the CapitaLand group's Financial, Commercial and Retail businesses. Prior to that, he was the Managing Director and Chief Executive Officer of The Ascott 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.

BOARD OF DIRECTORS

TAN KIAN CHEW

Non-Executive Director

Mr Tan Kian Chew joined the Board on 3 May 2010.

He also sits on the board of New Front Investments Pte Ltd, NTUC Fairprice Foundation Limited, NTUC Foodfare Co-operative Limited, Fairprice International (2010) Pte Ltd, ARA Trust Management (Suntec) Limited and holds an overseas appointment in The Consumer Goods Forum in Paris.

He is currently Group Chief Executive Officer of NTUC Fairprice Co-operative Limited. He served in the Republic of Singapore's Navy from 1976 to 1983 and held the position of Head of Naval Operations from 1980 – 1983. He left the Navy to join the Singapore Government's elite Administrative Service in 1983 and served in the Ministry of Trade and Industry. At that time he was also appointed to the Board of Directors of NTUC Fairprice Co-operative Limited. In 1988, he was posted to the Prime Minister's Office where he served as the Principal Private Secretary to the then Deputy Prime Minister, the late Mr Ong Teng Cheong.

Mr Tan left the Administrative Service to join NTUC Fairprice Co-operative in 1992 as its Assistant General Manager and was subsequently promoted to Chief Executive Officer in 1997.

Mr Tan obtained an Honours degree (First Class) in Mechanical Engineering from the University of Aston in Birmingham, UK. He has also completed the Advance Management Program at Harvard University in 2000. Mr Tan received scholarships from Singapore Armed Forces (Overseas) and Singapore Navy in 1972 and 1978 respectively. In 1991, he received the Singapore Public Administration Medal (Silver) Award.

SIMON HO CHEE HWEE

Chief Executive Officer & Executive Director

Mr Simon Ho joined the Board on 25 November 2009. He is also a member of Investment Committee.

Mr Ho has more than 20 years of experience in real estate investment and management and was responsible for managing the operations of 18 shopping malls in Singapore as well as the operations of CMA's regional shopping mall portfolio in China, Malaysia, Japan and India. He was previously the Deputy CEO of CapitaMalls Asia Limited.

Mr Ho holds a Master of Science in Real Estate and a Bachelor of Science in Estate Management (Honours) from the National University of Singapore.

PRESENT DIRECTORSHIPS

As at 15 January 2011, other present directorships held by the Directors are as follows:

JAMES KOH CHER SIANG

CapitaLand Hope Foundation
CapitaLand Limited
Governing Board for the Mechanobiology Research
Centre of Excellence (Chairman)
Housing & Development Board (Chairman)
Lee Kuan Yew School of Public Policy
(Adjunct Professor)
Pan Pacific Hotels Group Limited
Presidential Council for Religious Harmony (Member)
Singapore Airlines Limited
Singapore Cooperation Enterprise
Singapore Deposit Insurance Corporation Limited
Singapore Island Country Club (Chairman)
UniSIM School of Business Advisory Panel (Member)
UOL Group Limited

LIEW MUN LEONG

Ascott Residence Trust Management Limited
CapitaCommercial Trust Management Limited
CapitaLand China Holdings Pte Ltd
CapitaLand Commercial Limited
CapitaLand Financial Services Limited
CapitaLand Financial Limited
CapitaLand Hope Foundation
CapitaLand ILEC Pte. Ltd.
CapitaLand Limited
CapitaLand Residential Singapore Pte Ltd
CapitaMalls Asia Limited
CapitaRetail China Trust Management Limited
CapitaValue Homes Limited
Changi Airport Group (Singapore) Pte. Ltd.
China Club Investment Pte Ltd
Chinese Development Assistance Council
(Member, Board of Trustees)
NUS Business School
(Management Advisory Board Member)
Singapore-China Foundation Ltd.
Singapore Exchange Limited
T.C.C. Capital Land Limited
The Ascott Limited

PRESENT DIRECTORSHIPS

LIM TSE GHOW OLIVIER

Accounting and Corporate Regulatory Authority (ACRA)
Board (Member)
Areca Investment Pte Ltd
Ascott Serviced Residence (China) Fund Management
Pte. Ltd.
Ausprop Holdings Limited
Australand Holdings Limited
Australand Investments Limited
Australand Property Limited
Austvale Holdings Ltd
CapitaCommercial Trust Management Limited
CapitaLand AIM Pte. Ltd.
CapitaLand China Holdings Pte Ltd
CapitaLand Commercial Limited
CapitaLand Corporate Investments Pte Ltd
CapitaLand Financial Limited
CapitaLand Financial Services Limited
CapitaLand GCC Holdings Pte. Ltd.
CapitaLand ILEC Pte. Ltd.
CapitaLand Residential Limited
CapitaLand Residential Singapore Pte Ltd
CapitaLand Treasury Limited
CapitaMalls Asia Limited
CapitaValue Homes Limited
Hotels & Resorts (UK) Limited
Lucid Investments Ltd
Mount Faber Leisure Group Pte. Ltd.
Mubadala CapitaLand Real Estate – LLC
Raffles Holdings Limited
Raffles Medical Group Ltd
RHL (Management) Pte. Ltd.
RHL Capital Pte. Ltd.
Sentosa Development Corporation (Member)
Sentosa Leisure Holdings Pte. Ltd.
Somerset Land Pte Ltd
The Ascott Limited

LIM BENG CHEE

Albert Complex Pte Ltd
Capita Card Pte. Ltd.
CapitaLand SZITIC (Shenzhen) Property Management
Co., Ltd.
CapitaRetail China Fund Management Pte. Ltd.
CapitaRetail China Trust Management Limited
CapitaRetail India Fund Management Pte. Ltd.
CapitaRetail Japan Fund Management Private Limited
CapitaMalls Asia Limited
CapitaMalls Asia Treasury Limited
CapitaMalls Malaysia REIT Management Sdn. Bhd.
CapitaLand Retail (SI) Investments Pte. Ltd.
CapitaLand Retail (BJ1) Holdings Pte. Ltd.
CapitaLand Retail India Pte. Ltd.
CapitaLand Retail Investments (SY) Pte. Ltd.
CapitaLand Retail Japan Investments Pte. Ltd.
CapitaLand Retail Management Pte Ltd
CapitaLand Retail (MY) Pte. Ltd.
CapitaLand Retail Singapore Investments Pte. Ltd.
CapitaLand Retail Singapore Investments Two Pte. Ltd.
CapitaRetail Japan Fund Private Limited
Clarke Quay Pte Ltd
CMA Singapore Investments (4) Pte. Ltd.
CMA Singapore Investments (5) Pte. Ltd.
CMA Japan Holdings Pte. Ltd.
CMT MTN Pte. Ltd.
ION Orchard Link Pte. Ltd.
JG Trustee Pte. Ltd.
One Trustee Pte. Ltd.
Orchard Turn Holding Pte. Ltd.
Orchard Turn Residential Development Pte. Ltd.
Orchard Turn Retail Investment Pte. Ltd.
Orchard Turn Developments Pte. Ltd.
Plaza Singapura (Private) Limited
Premier Healthcare Services International Pte Ltd
Pyramex Investments Pte Ltd

JAMES GLEN SERVICE

Foxlow Pty. Ltd.
J.G. Service Pty. Ltd.
JGS Advisory Pty. Ltd.

DAVID WONG CHIN HUAT

Asia Enterprises Holding Limited
ComfortDelGro Corporation Limited
Ingenuo Pte Ltd
Leisure Challenge Pte Ltd
OMB Pte. Ltd.
SBS Transit Ltd
Zanddrift Investments International Pte Ltd

S. CHANDRA DAS

Action Information Management Pte Ltd
Arrow Asia Opportunity Fund Limited
Ascott Residence Trust Management Limited
Embassy Property Developments Limited
Goodpack India Pte Ltd
Global Money Remittance Pte. Ltd.
Myanmar Singapore Plantation Limited
Nera Telecommunications Ltd
NUR Investment & Trading Pte. Ltd.
Sincere Watch Limited.
Southern Africa Investments Pte Ltd (SAIL)
Spice i2i Limited
Tamil Murasu Limited
Yeo Hiap Seng Ltd
YHS (Singapore) Pte Ltd

RICHARD R. MAGNUS

ASEAN Intergovernmental Commission on Human Rights (Singapore Representative)
Bioethics Advisory Committee (Chairman)
Casino Regulatory Authority (Chairman)
Changi Airport Group (Singapore) Pte. Ltd.
Flutes Pte Ltd
Land Transport Authority
Political Films Consultative Committee (Chairman)
Public Guardian Board (Chairman)
Public Service Commission (Member)
Singapore Anglican Community Services (Deputy Chairman)
Temasek Cares CLG Limited
The Tanglin Tree Pte. Ltd.

KEE TECK KOON

Alexandra Health Endowment Fund
Bright Horizons Fund
CapitaMalls Malaysia REIT Management Sdn. Bhd.
Changi Airports International Pte. Ltd.
NCC Holdings Pte. Ltd.
NTUC First Campus Co-Operative Ltd
SEED Institute Pte. Ltd.
The Little Skool-House International Pte Ltd

TAN KIAN CHEW

Fairprice International (2010) Pte. Ltd.
NewFront Investments Pte. Ltd.
NTUC Fairprice Foundation Ltd.
NTUC Foodfare Co-operative Ltd
ARA Trust Management (Suntec) Limited
The Consumer Goods Forum

PRESENT DIRECTORSHIPS

SIMON HO CHEE HWEE

Capita Card Pte. Ltd.
CapitaLand Retail (BJ) Investments Pte. Ltd.
CapitaLand Retail Malaysia Sdn. Bhd.
CapitaLand Retail Management Kabushiki Kaisha
CapitaLand Retail Management Pte Ltd
CapitaLand Retail (MY) Pte. Ltd.
CapitaLand Retail Prestige Mall Management Private Limited
CapitaLand Retail Project Management Pte. Limited
CapitaLand Retail Property Management India Private Limited
CapitaRetail India Fund Management Pte. Ltd.
CapitaRetail Gurney Sdn. Bhd.
CapitaRetail Singapore Limited
Flicker Projects Private Limited
Francolin Infrastructure Private Limited
Gain 888 Investments Pte. Ltd.
ION Orchard Link Pte. Ltd.
ION Orchard Link Pte. Ltd. (Alternate)
Luxury Ace Sdn Bhd
Milky Way Properties Berhad
Nunlet Projects Private Limited
Orchard Turn Developments Pte. Ltd.
Orchard Turn Developments Pte. Ltd. (Alternate)
Orchard Turn Holding Pte. Ltd.
Orchard Turn Residential Development Pte. Ltd.
Orchard Turn Retail Investment Pte. Ltd.
Orchard Turn Retail Investment Pte. Ltd. (Alternate)
Prestige Garden Constructions Private Limited
Prestige Mangalore Retail Ventures Private Limited
Prestige Mysore Retail Ventures Private Limited
Prestige Whitefield Investment and Developers Private Limited
Pronto Investment One Pte. Ltd.
Retail Galaxy Pte. Ltd.

TRUST MANAGEMENT TEAM (CMTML)

SIMON HO CHEE HWEE

Chief Executive Officer and Executive Director

Please refer to description under the section on 'Board of Directors'

JESLINE GOH

Deputy Chief Executive Officer

Jesline has over 14 years of experience in investment and corporate finance, of which more than eight years were in real estate investment management, asset management and creation of private real estate funds. She has been with the CapitaLand Group for close to 9 years. In addition to her appointment as Deputy Chief Executive Officer for CMTML, she is also the Deputy Country Head, Singapore for CapitaMalls Asia Limited. Jesline is a Chartered Financial Analyst and holds a Bachelor of Business Administration (First Class Honours) from the National University of Singapore.

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
KATE WONG

Cindy, Sok Cheng, Sharon, Audrey and Kate are managers from CapitaMalls Asia Limited, actively supporting the financial function of CMT.

RICHARD NG

Head, Asset Management

Richard oversees the asset management department and is responsible for the overall performance of CMT's assets. He has over 18 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

Vice President, 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.

BELINA LOW

Vice President, Asset Management

Belina has over 12 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 CRMP. She holds a Bachelor of Science in Business Administration from the University of Wales.

TRUST MANAGEMENT TEAM (CMTML)

ELLINA CHIA

Senior Manager, Asset Management

Ellina has over 13 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.

LEE SEANG LOOI

Senior Manager, Asset Management

Seang Looi has over nine years of real estate experience including asset management, lease management and property management with the public and private sectors. Prior to joining CMTML, she was with another real estate investment trust in a similar capacity for four years. She holds a Master Degree in Organisation Studies from the University of Warwick, United Kingdom.

ADRIAN TAN

Manager, Asset Management

Adrian has three years of real estate experience in investment and asset management. Prior to joining CMTML, he covered the Russian, Malaysian and Vietnamese markets, and also spent five years in the public sector in the fields of trade and investment promotion. He holds a Bachelor of Business Administration (Honours) from the National University of Singapore.

JACQUELINE LEE

Senior Manager, Investment

Jacqueline has seven years of experience in investment and corporate finance, covering mergers and acquisitions in the real estate, media and telecommunications sectors. Prior to working in the area of investments, she worked as an electrical engineer in the public sector on building and infrastructure projects. Before joining CMTML, she worked in a public listed company handling real estate and media investments. Jacqueline holds a Master of Business Administration from the University of Sydney, Australia and a Master of Arts in Engineering Science from the University of Oxford, United Kingdom.

LIM CHAI HOON

Manager, Corporate Planning and Research

Chai Hoon has over nine 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

Manager, Investment and Asset Management

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

ZHENG HAN

Manager, Investment and Asset Management

Zheng Han has over four years of real estate experience in the private and public sector which includes investment analysis and government land sales. He holds a Bachelor of Engineering (Mechanical Engineering) (Honours) from the National University of Singapore.

CHEW YI WEN

Senior Executive, Investment and Asset Management

Yi Wen has over three years of real estate experience. Prior to joining CMTML, she was with a hospitality consultancy firm handling hotel valuation and consultancy. She holds a Bachelor of Science (Real Estate) (Honours) from the National University of Singapore.

FENG XIU

Executive, Investment and Asset Management

Feng Xiu has around one year of real estate experience. He holds a Master of Science in Financial Engineering from the National University of Singapore and a Bachelor of Social Science in Economics from the Peking University, China.

JEANETTE PANG

Senior Manager, Investor Relations

Jeanette has more than 15 years of experience in investor relations, journalism and equity research support. Prior to joining CMTML, she handled investor relations for another real estate investment trust. She holds a Bachelor of Arts & Social Science Degree from the National University of Singapore. She is also a Chartered Financial Analyst.

PROPERTY MANAGEMENT TEAM (CRMPL)

TERESA TEOW

General Manager, Singapore and Head, Leasing, Singapore

Teresa has more than 20 years of experience in real estate management and currently oversees the operations of 18 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 team. 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 oversees the Tenancy Design & Coordination (TDC) team to review and approval of designs for shop fitouts in the shopping malls owned by CMT. She also strategise the development of 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. A new Visual Merchandising department has been set-up to compliment the key departmental function to meet the objective of enhancing tenants' ROI through improved visual display. She also supports some Regional TDC role. Carol has over 15 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.

TAN BOON SENG

Head, Project Design, Development & Management, Singapore

Boon Seng is responsible for all asset enhancement and development projects at CMT's malls. One of his key roles is to create greater asset value through design and project management. Boon Seng is a registered Architect with over 23 years of experience in design, project management, contract administration and property development. He was previously the Chief Project Manager for the development of Changi Airport's Terminal 3, Singapore. He holds a Bachelor of Arts (Architecture studies) and Bachelor of Architecture degree from the National University of Singapore.

TAN KEE YONG

Head, Retail Management, Singapore

Kee Yong is responsible for the managing the operations of the shopping malls in Singapore. His key role is to drive the operational efficiency and effectiveness of the center management teams and the group functions. He works closely with the CMTML's asset management teams to ensure the asset plans are executed effectively and the investment returns are optimized. Kee Yong has over 20 years of experience in real estate management. He holds a Master of Business Administration from the Heriot-Watt University and a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore.

INVESTING IN PERFORMANCE

2002 2002

2003 2003

2004 2004

2005 2005

2006 2006

2007 2007

2008 2008

2009 2009

2010 2010



Tokyo Deli Café, Raffles City Singapore

SUSTAINABILITY

Environment

SUSTAINABILITY

We believe that corporate sustainability creates long-term value for our Unitholders through opportunities and appropriate management of risks arising from environmental, social and governance issues.

Our approach to sustainability incorporates considerations relating to:

Environmental	<ul style="list-style-type: none"> • Effective management of processes to mitigate key environmental risks
Social	<ul style="list-style-type: none"> • Improvement of workplace health and safety • Superior policies and practices to recruit and retain employees • Maintenance of strong community relations
Governance	<ul style="list-style-type: none"> • Integrity and commitment to the highest standards of good governance, transparency and accountability

We take sustainability issues seriously and continue to be included in the FTSE4Good Global Index, which was designed to measure the performance of companies that meet globally recognised corporate responsibility standards.

ENVIRONMENT

To ensure that our actions in operating CMT's properties are environmentally friendly and that we follow green practices in the office, we have adopted an Environmental Management System (EMS) which was certified to the ISO 14000 international standards in 2007. We review new or update legal requirements for the EMS every quarter and evaluate compliance annually.

We have adopted the guidelines used by CapitaMalls Asia (CMA), our sponsor. We strive to implement the Green Buildings Guidelines (GBG) used by CMA at all stages of a project, from the feasibility, design, procurement and construction to operation stages.

JCube (formerly known as Jurong Entertainment Centre) is one of CMT's malls that is currently undergoing asset enhancement works. When completed in end 2011, it will comprise five retail levels and house an Olympic-sized ice-skating rink.

We utilise eco-friendly building materials for the enhancement works at JCube. The new larger mall will incorporate energy-saving features for its lifts, escalators, travellers, chiller systems and lighting. There will also be solar panels to harness solar energy. JCube will house an Olympic-size ice-skating rink which will have a 'grey water system'. Heat can be recovered from the refrigerator system that is used to heat the floor slab under the ice and perimeter concrete slab around the rink so that there is no need for the use of an alternative energy source.

To ensure efficient use of water, we will make use of rainwater harvesting for irrigation and general washing purposes, as well as install water-efficient sanitary fittings. Other water-saving measures include recycling of sprinkler water from tenancy fit-out and recycling of air handling unit condensate water.

GREEN INITIATIVES

We initiated a food waste recycling programme at Clarke Quay in 2010. The programme allows us to recycle food waste into functional end-products such as compost which can be used as fertilizers and at the same time, reduce the volume of waste to be incinerated. This helps to reduce air pollution and ease landfill pressure. The programme was well received by tenants at Clarke Quay, with 34 out of 51 food & beverage outlets participating. We plan to implement this programme in phases at other CMT's properties.

In 2010, CMT's properties participated in CapitaLand's Green for Hope programme which encourages recycling efforts. For every kilogramme of recyclable waste collected from the properties and tenants, CapitaLand Hope Foundation (CHF) will pledge money to charity. The malls get to select the beneficiaries they would like to adopt so that the programme can also help to promote community bonding and social cohesion. CHF is CapitaLand's philanthropic arm which was established to support programmes for the shelter, education and healthcare needs of underprivileged children in Singapore and overseas.

From 8.30 pm on 27 March to 6.30 am on 28 March 2010, CMT's properties marked the global 'Earth Hour' campaign by switching off their façade lights for 10 hours to promote awareness of energy conservation. From 1 to 10 March, shoppers also signed pledges to show their support for Earth Hour at Plaza Singapura, Clarke Quay, Junction 8, Tampines Mall, Lot One Shoppers' Mall and IMM Building.

To improve shoppers' experiences at CMT's malls, we have sought to improve air quality through mechanical ventilation and the introduction of fresh air and air fresheners where appropriate. We also enhance visual comfort for shoppers by adjusting brightness levels within different parts of each mall.

GREEN AWARDS

**Raffles City
Singapore**

Green Mark Gold
Green Mark Awards 2010
Building and Construction Authority

SUSTAINABILITY

People & Community

HEALTH AND SAFETY

We have a duty of care to ensure occupational health and safety of all employees and monitor our operations to ensure safety risks are controlled.

We have adopted an Occupational Health and Safety (OHS) Management System which was certified to the OHSAS 18000 international standards in 2009. The OHSAS 18000 is audited by a third party accredited certification body.

Our OHS objectives are:

- Zero incidents (reportable under the Singapore Ministry of Manpower regulations)
- All main contractors for major projects have to be OHSAS 18000 certified (or equivalent)

For CMT's properties, we strive to mitigate key OHS hazards in facilities, operations and contractor management. For instance, all service providers such as cleaning companies need to submit material safety data sheets to show that materials used are approved by authorities for use in Singapore. At our corporate office, OHS issues include office ergonomics, safety issues and general employee well-being.

HUMAN CAPITAL

We adopt an integrated human capital strategy to recruit, develop and motivate employees because we recognise that people are our greatest asset and they contribute to the success of the organisation.

Talent Management Strategy

We actively seek outstanding talents both internally and externally to strengthen our bench strength and to support our growth in Singapore. As part of our talent management strategy, talents are recruited at different points in their careers, from fresh graduates to young, mid-career professionals, to industry veterans.

We offer comprehensive training and development programmes for staff at all levels to acquire relevant knowledge and skill sets to perform at their best. These include sponsorships of diploma, degree, masters and executive development programmes, as well as rotations

across different malls or functions to gain exposure and learn new skills. Overseas study visit is one of our key iconic development programmes as it enables staff to widen their exposure and gain insights to interesting retail concepts overseas. This year, we organised study trips for staff to Malaysia, Australia, Japan, and China.

At the core of our development programme is a systematic 5 to 10-day induction programme for all new hires to gain insights to our business operations, strategies, core values and management philosophy. For members of the senior management team with proven track record and leadership potential, we partner with CapitaLand Institute of Management and Business (CLIMB) to provide leadership and management programmes to sharpen their management, leadership and business skills.

Competitive Compensation & Benefits

We provide a comprehensive and competitive remuneration package. Regular benchmarking against different markets and innovation in compensation strategies ensure that we remain competitive and continue to attract and retain talent.

Engaging Our People

In line with our growth strategy, we believe it is important to integrate and engage staff across Singapore through regular communication. Staff communication sessions by senior management are conducted regularly to keep staff abreast of CMT's financial results and strategic business thrusts. Teambuilding activities and brainstorming workshops are also regularly organised to foster open communication and team spirit in a fun and informal way.

Caring For Our People – Total Well Being

Workplace total wellness remains an important human resource priority. Our 2010 total wellness programmes include health screenings, health talks, family days, outdoor recreational and teambuilding activities, amongst others. In October 2010, we conducted an Employee Engagement Survey for all staff in Singapore with the aim of providing a better work environment for all its employees.

We believe our success is shaped by our people and we will continue to manage and develop our human capital.

COMMUNITY INVOLVEMENT

We strive to be a strong partner in each community that CMT's malls serve. We are committed to supporting a wide variety of community-based activities and organisations that benefit the community.

Family-friendly Features

To cater to the large numbers of families who visit Plaza Singapura, the mall opened a family lounge for them to relax in. The mall also has family car park lots which are more spacious and provide more convenience for families using prams.

Programmes for Tenants

We organised four Biz+ Series events in 2010 to help strengthen our tenants' competitiveness. These include a Lunar New Year gathering for tenants to network with one another and with us. The informal gathering was well-attended by more than 400 of our tenants.

Our three other Biz+ Series events included talks on how to raise levels of customer service standards; how to tap on the huge wave of Chinese consumerism and honing the art of visual merchandising among our tenants.

Gaia Life Challenge

Gaia Life Challenge was a competition held at Bugis Junction in June 2010 to raise awareness about environmental issues and educate the public about becoming more eco-friendly.

The competition which was organised by MediaCorp, saw three contestants vying for the top spot by answering questions related to environmental protection. The contestants also have to spend 24 hours in Perspex rooms specially set up at Bugis Junction to rally the cause of environmental conservation.

Shoppers and passers-by at Bugis Junction were given incentives to make a Gaia Pledge on what they would do to save the environment, with those who did so receiving a free eco-bag.

World Animal Day

A three-day exhibition organised by Animal Concerns Research and Education Society was held at Plaza Singapura to celebrate World Animal Day in October 2010.

Through photographs and videos, the exhibition highlighted the animal cruelty that lies behind toiletries, cosmetics, household products and fashion items. The exhibition aims to encourage shoppers to be more compassionate and animal-friendly.

Very Special Arts Singapore Charity Exhibition

Raffles City Singapore was the venue sponsor for a one-week art exhibition organised by Very Special Arts Singapore in October 2010. The exhibition served as a platform to showcase the artistic talents of people with disabilities and to help these artists achieve financial independence through sales of their artwork.

My Schoolbag Programme

We organised a four-day charity event, 'My Schoolbag', in collaboration with Capitaland Hope Foundation (CHF) in November 2010.

Close to 1,000 underprivileged children aged seven to 12 years were treated to a shopping spree for their school and daily necessities, with each of them receiving a \$110 CapitaVoucher donated by CHF.

The event was held at four CMT's malls, Junction 8, Lot One Shoppers' Mall, Plaza Singapura and Tampines Mall.

To promote the value of recycling, the children were also given eco-friendly bags for their purchased items. Much to the children's delight, the half-day shopping treat ended with games, magic show, balloon twisting and a sumptuous meal.

About 250 staff volunteered as child guardians, logistic helpers and photographers for the event.



My Schoolbag Programme at Tampines Mall



Lunar New Year gathering for tenants at Shanghai Dolly, Clarke Quay

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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, 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 maximize 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 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 Code on Collective Investment Schemes (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 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, JCube (formerly known as Jurong Entertainment Centre), Lot One Shoppers' Mall, Bukit Panjang Plaza, Rivervale Mall, The Atrium@Orchard and Clarke Quay 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 40.00% and 60.00% respectively, the Property Manager holds 40.00% 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 60.00%. 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 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

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31 July 2007, the Thirteenth Supplemental Deed dated 20 May 2008 and the Fourteenth Supplemental Deed dated 13 April 2010 (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 garnering awards for Most Transparent Company' Award (REITs category) at the Securities Investors Association Singapore (SIAS) Investors' Choice Awards for the seventh consecutive year in 2010.

Further, in conjunction with the inaugural Singapore Corporate Governance Week 2010 initiated by the Securities Investors Association (Singapore), the Manager is a signatory to the Statement of Support Towards Excellence in Corporate Governance. With this pledge, the Manager has, together with 80 other companies, made a public promise to uphold high standards of corporate governance.

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 2010 as the Manager, 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 (Board) is responsible for overall managing and governing 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 the 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 pages 80 to 82 for Interested Person 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, Corporate Disclosure Committee and Investment 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 74. This also reflects a Board Member's additional responsibilities and special focus on the respective Board Committees. Five Board meetings were held in 2010. A Project Verification meeting was held in 2010 in relation to the acquisition of Clarke Quay. 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 financing offers and banking facilities.
- Approve or make recommendations to the Board on 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.

Constituted on 3 May 2010, the Investment Committee reviews and approves new investments and divestments by CMT.

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 and training programmes 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 eleven Directors of whom four are Independent Non-Executive Directors. The majority of the Board members are Non-Executive with one-third of the Board being independent.

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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. James Glen Service, David Wong Chin Huat, S. Chandra Das and Richard R. Magnus 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 50 to 54 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.

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 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 maximizing Unitholders' 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.

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Composition

Board Members	Audit Committee	Executive Committee	Corporate Disclosure Committee	Investment Committee ⁸
James Koh Cher Siang ¹	–	–	Chairman	Chairman
Liew Mun Leong	–	Chairman	Member	Member
Lim Tse Ghow Olivier ²	–	Member	Member	–
Lim Beng Chee	–	Member	–	Member
James Glen Service ³	Chairman	–	–	Member
David Wong Chin Huat	Member	–	–	–
S. Chandra Das	–	–	–	–
Richard R. Magnus ⁴	–	–	–	Member
Kee Teck Koon ⁵	Member	–	–	–
Tan Kian Chew ⁶	–	–	–	–
Simon Ho Chee Hwee	–	–	–	Member
Lui Chong Chee ⁷				

Meeting Attendance

Board Members	Board Number of Meetings Held: 5	Audit Committee Number of Meetings Held: 4	Investment Committee ⁸ Number of Meetings Held: 1	Project Verification Number of Meetings Held: 1
James Koh Cher Siang ¹	5	2	1	1
Liew Mun Leong	3	N.A.	1	–
Lim Tse Ghow Olivier ²	4	1	N.A.	–
Lim Beng Chee	4	N.A.	1	–
James Glen Service ³	5	4	1	1
David Wong Chin Huat	4	3	N.A.	–
S. Chandra Das	4	N.A.	N.A.	1
Richard R. Magnus ⁴	1	N.A.	–	–
Kee Teck Koon ⁵	5	2	N.A.	1
Tan Kian Chew ⁶	2	N.A.	N.A.	–
Simon Ho Chee Hwee	5	N.A.	1	–
Lui Chong Chee ⁷	1	N.A.	N.A.	–

N.A. – Not applicable

1 James Koh Cher Siang ceased to be Chairman of the Audit Committee with effect from 3 May 2010 but remains as Chairman and Director of the Board.

2 Lim Tse Ghow Olivier ceased to be a member of the Audit Committee with effect from 23 February 2010 but remains as a Director of the Board.

3 James Glen Service was appointed as Chairman of the Audit Committee with effect from 3 May 2010.

4 Richard R. Magnus was appointed as an Independent Non-Executive Director of the Board with effect from 3 May 2010.

5 Kee Teck Koon was appointed as a member of the Audit Committee with effect from 3 May 2010.

6 Tan Kian Chew was appointed as a Non-Executive Director of the Board with effect from 3 May 2010.

7 Lui Chong Chee resigned as Director of the Board with effect from 23 February 2010.

8 The Investment Committee was constituted on 3 May 2010.

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.

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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, CapitaMalls Asia Limited (CMA), which has a remuneration committee that determines and recommends to the CMA board of directors, the framework of remuneration, terms of engagement, compensation and benefits for senior executives of CMA and its subsidiaries, 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 FY 2010 is shown in the table below. The Chief Executive Officer and representatives of CMA 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.

Directors' Remuneration for FY 2010

Board Members	FY 2010*	FY 2009*
James Koh Cher Siang ¹	S\$117,442	S\$131,000
Liew Mun Leong	S\$70,290**	S\$5,700**
Lim Tse Ghow Olivier ²	S\$64,232**	S\$6,700**
Lim Beng Chee	–	–
James Glen Service ³	S\$108,626	S\$84,400
David Wong Chin Huat	S\$65,000	S\$72,000
S. Chandra Das	S\$45,000	S\$48,000
Richard R. Magnus ⁴	S\$31,096	–
Kee Teck Koon ⁵	S\$60,919	S\$17,000
Tan Kian Chew ⁶	S\$27,806	–
Simon Ho Chee Hwee	–	–
Lui Chong Chee ⁷	S\$7,357**	S\$3,600**

* Inclusive of attendance fees of (a) S\$2,000 (local director) and S\$5,000 (foreign director) per meeting attendance in person, (b) S\$1,700 per meeting attendance via tele-conference or video conference, and (c) S\$1,000 per meeting attendance at project and verification meetings subject to a maximum of S\$10,000 per Director per annum. Directors' fees are subject to the approval of the Manager's shareholder.

** Director's fees are payable to CapitaLand Limited from 25 November 2009, the date CapitaMalls Asia Limited ceased to be a wholly-owned subsidiary of CapitaLand Limited.

1 James Koh Cher Siang ceased to be Chairman of the Audit Committee with effect from 3 May 2010 but remains as Chairman and Director of the Board.

2 Lim Tse Ghow Olivier ceased to be a member of the Audit Committee with effect from 23 February 2010 but remains as a Director of the Board.

3 James Glen Service was appointed as Chairman of the Audit Committee with effect from 3 May 2010.

4 Richard R. Magnus was appointed as an Independent Non-Executive Director of the Board with effect from 3 May 2010.

5 Kee Teck Koon retired from CapitaLand on 1 August 2009 and is entitled to Director's fees from 1 August 2009 onwards. Also, Kee Teck Koon was appointed as a member of the Audit Committee with effect from 3 May 2010.

6 Tan Kian Chew was appointed as a Non-Executive Director of the Board with effect from 3 May 2010.

7 Lui Chong Chee resigned as Director of the Board with effect from 23 February 2010.

(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 three 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 Person 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 Appendix in Appendix 2 of the CIS Code (the Property Funds Appendix) 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 recommendation to Unitholders at each annual general meeting 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 Appendix.

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 twice annually. In its review of the audited financial statements for FY 2010, 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 FY 2010 amount to S\$187,500.

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.

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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.

With effect from 1 December 2010, CMA has set up its own Internal Audit Department (CMA IA). CMA IA will provide the necessary internal audit support previously provided by CLIA from 1 January 2011 onwards. Functionally, CMA IA reports directly to the Audit Committee and administratively to the Chief Executive Officer.

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 SGXST 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.

Our Investor Relations and Communications team actively engages our Unitholders, analysts, fund managers and also the media 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, annual general meetings (AGMs) and extraordinary general meetings (EGMs).
- CMT's website at www.capitamall.com (an email alert option is available to subscribers who wish to be notified of newly posted announcements, press releases, presentations and publications). During the "LIVE" webcasts of media and analysts' briefings, viewers are also given the opportunity to send in their queries online. The queries received are usually responded to by 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.

The Manager jointly organised an Investor Open Day with CapitaMalls Asia (CMA) and CapitaRetail China Trust in November 2010 and the event was well-organised by our 450 retail investors. The event was part of the Manager's continuous efforts to reach out to CMT's retail investors and provided an opportunity for participants to interact and engage with senior management and better understand the Manager's growth strategies for CMT.

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 a 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, 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,

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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 prior to the AGM. 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. Notices for the general meetings of Unitholders setting out all items of business to be transacted at the general meeting, are also announced on SGXNET. Members of the Board, the Manager's senior management and the external auditors of CMT are in attendance at such general meetings, and Unitholders are given the opportunity to air their views and ask questions regarding the matters to be tabled at the general meetings. Resolutions put to the general meeting 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 the general meetings in his/her stead.

(E) ADDITIONAL INFORMATION

Dealings With Interested Persons

Review Procedures for Interested Person 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 Person 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 Appendix).

In addition, the following procedures are generally followed:

- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person 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 person 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 person 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 Appendix, 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 person 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 Appendix 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 person 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 Appendix (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 Person Transactions

All Interested Person Transactions are subject to regular periodic reviews by the Audit Committee. The Manager's internal control procedures are intended to ensure that Interested Person 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 Person 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 Person Transactions entered into by CMT. The Audit Committee reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor Interested Person Transactions have been complied with. In addition, the Trustee will also review such audit reports to ascertain that the Property Funds Appendix have been complied with.

The Audit Committee periodically reviews Interested Person Transactions to ensure compliance with the internal control procedures and the relevant provisions of the Listing Manual and the Property Funds Appendix. 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 Person Transactions (equal to or exceeding S\$100,000 each in value) entered into by CMT during the financial year are disclosed on page 206 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 CMA 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 CMA or any of its subsidiaries.

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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 & MEDIA RELATIONS

We value the constructive long-term relationships that we have with investors, analysts and media and regularly communicate with them to update them on CMT's strategies and corporate developments in a timely and open manner.

INVESTOR RELATIONS ACTIVITIES

CMT's management team frequently meets existing and potential investors and analysts at one-on-one or group meetings, local and overseas conferences and roadshows. In 2010, we met or held conference calls with about 370 institutional investors globally and took part in investor conferences and roadshows in Singapore, Hong Kong, London, Amsterdam and New York.

We made conscious efforts to engage more retail investors as well. During the year, we participated in the Asian Investment Conference & Exhibition, an investor education fair organised by the Securities Investors Association (Singapore) (SIAS). We also jointly organised an Investor Open Day with CapitaMalls Asia and CapitaRetail China Trust which was well-attended by over 400 retail investors. Currently, 23 local and foreign brokerage firms have research coverage on CMT.

Approximately 14,000 registered Unitholders owned CMT units as at 31 December 2010. About 59.21% of the units were held by institutional investors with the CapitaLand Group owning another 29.90% of the units while retail investors constitute the remaining 10.89% as at 3 December 2010.

Combined analyst and media results briefings are held every six months to provide an update on CMT's half-year and full-year financial and operational performance. The briefings are webcast 'live' and viewers of the webcasts can send in questions online to be addressed by CMT's management team on the spot. In line with our commitment to deliver accurate, timely and transparent information to Unitholders and the general public, financial results announcements are made within 30 days from the end of each quarter.

In addition, annual general meetings (AGM) and extraordinary general meetings (EGM) provide an important channel for communication between CMT's management and Unitholders. CMT convened its inaugural AGM in April 2010 with Unitholders approving all resolutions tabled at the event. An EGM was also held on the same day to seek Unitholders' approval for the acquisition of Clarke Quay. The acquisition met with unanimous approval from Unitholders.

General information on CMT including annual reports, property portfolio details and investor presentations are updated regularly on the website for investors and the general public. All news releases and legal announcements are also available on the SGX-ST website. Mall tours are occasionally conducted for analysts, investors and journalists who are keen to visit CMT's properties to better understand the performance of the various malls and the asset enhancement initiatives which were completed.

In October 2010, CMT took top honours in the 'Most Transparent Company – REITs category' at the SIAS Investors' Choice Awards. CMT was also ranked in the top quartile for corporate governance in Singapore by CLSA during the year. These accolades showcase our commitment to stakeholder communications based on transparency and credibility.

INVESTOR & MEDIA RELATIONS

Investor Relations & Media Activities 2010

1ST QUARTER

- Media & Analysts' Results Briefing cum 'LIVE' Webcast for Full Year 2009 Results
- Post-Full Year 2009 Results Investors' Lunch hosted by DBS Vickers
- Deutsche Bank Access Malaysia & Singapore Corporate Day (Singapore)
- JP Morgan Non-deal Roadshow (Hong Kong)
- Morgan Stanley Debt Roadshow (Singapore, Hong Kong and London)
- DBS Vickers Non-deal Roadshow (Europe)

2ND QUARTER

- DBS Vickers Non-deal Roadshow (Singapore, Hong Kong)
- Annual General Meeting and Extraordinary General Meeting
- Post-1Q 2010 Results Investors' Lunch hosted by Macquarie
- Citigroup Asia Pacific Property Conference (Singapore)
- Deutsche Bank Access Asia Conference (Singapore)
- CLSA Corporate Access Forum (Singapore)
- SIAS Asian Investment Conference & Exhibition (Singapore)

3RD QUARTER

- Media & Analysts' Results Briefing cum 'LIVE' Webcast for Half-Year 2010 Results
- Post-Half-Year 2010 Results Investors' Lunch hosted by Morgan Stanley
- BNP Paribas Asean Conference (Singapore)
- Bank Of America Merrill Lynch Global Real Estate Conference (New York)

4TH QUARTER

- Post-3Q 2010 Results Investors' Breakfast hosted by Standard Chartered
- Exane Asian Convertible Bonds Conference (Singapore)
- Investor Open Day for Retail Investors (Singapore)

FINANCIAL CALENDAR

	2010	2011 (Tentative)
First Quarter Results Announcement	21 April 2010	April 2011
First Quarter Distribution to Unitholders	27 May 2010	May 2011
Second Quarter Results Announcement	22 July 2010	July 2011
Second Quarter Distribution to Unitholders	27 August 2010	August 2011
Third Quarter Results Announcement	22 October 2010	October 2011
Third Quarter Distribution to Unitholders	29 November 2010	November 2011
Full Year Results Announcement	20 January 2011	January 2012
Final Distribution to Unitholders	28 February 2011	February 2012

UNITHOLDERS' ENQUIRIES

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

The Manager

Ms Jeanette Pang
Investor Relations

Mr Lim Seng Jin

Corporate Communications

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Fax: (65) 6536 3884

Email: ask-us@capitamall.com

Website: www.capitamall.com

THE UNITHOLDER REGISTRAR

**Boardroom Corporate and
Advisory Services Pte. Ltd.**

50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

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

UNIT PRICE PERFORMANCE

In 2010, concerns over a possible double-dip global recession and a spiralling debt crisis in Greece spooked stock markets in Asia, as the year began. Market players were also worried that government stimulus packages would be withdrawn. However, as concerns subsided and economic indicators hinted at potential upside for Asia's economic recovery, stock markets in the region rebounded in late February and March to the levels seen at the beginning of the year.

From an intra-year low of S\$1.67 in late January 2010, CMT's unit price has strengthened to close at S\$1.95 on 31 December 2010, on the back of continued confidence in the strength of Singapore's economic recovery and an

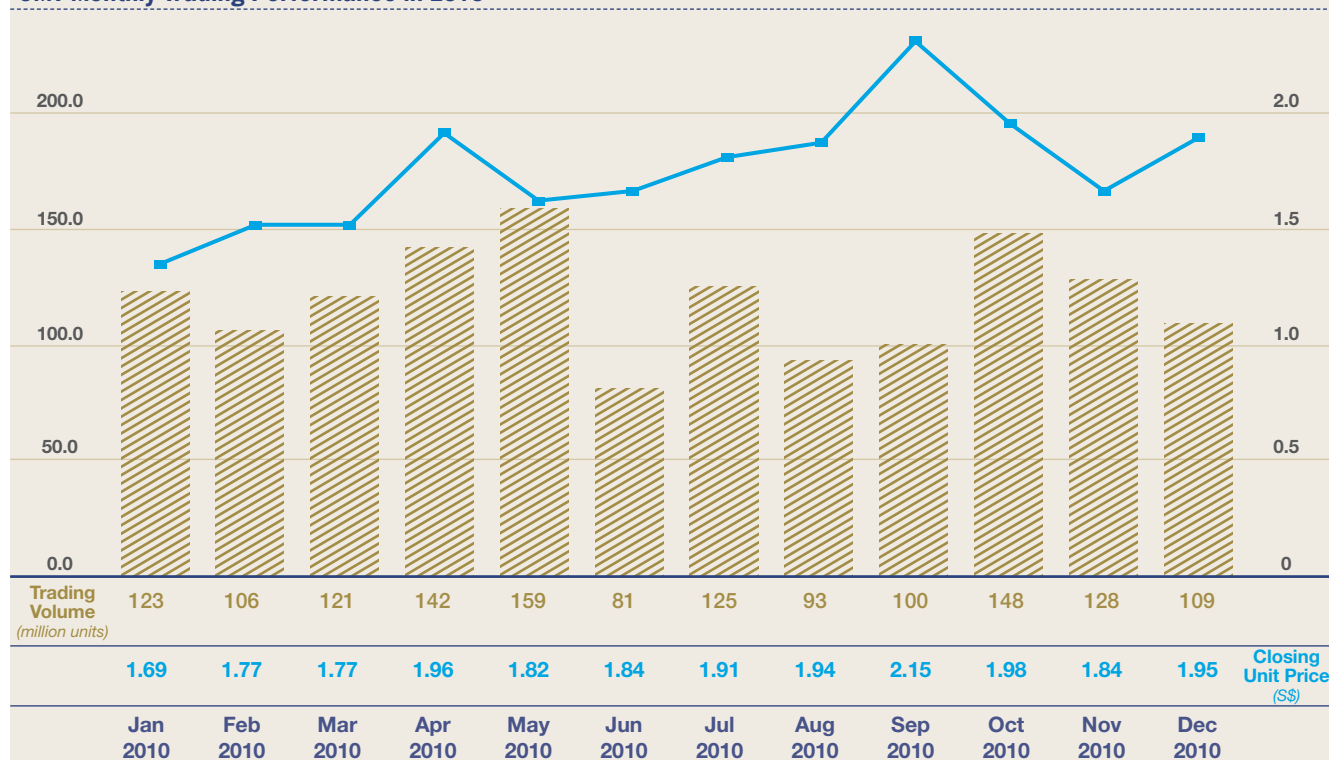
upbeat domestic retail outlook. This was 8.3% higher than the closing unit price of S\$1.80 on 31 December 2009. The Straits Times Index ended the year 10.1% higher while the FTSE ST Real Estate Investment Trust Index rose by 10.6% year-on-year.

As at 31 December 2010, CMT's market capitalisation registered S\$6.2 billion – the highest among real estate investment trusts in Singapore – from S\$5.7 billion as at 31 December 2009. The stock's trading volume in 2010 reached 1.4 billion units, translating to an average daily trading volume of approximately 5.7 million units.

Trading Data by Year

Unit Price (S\$)	2003	2004	2005	2006	2007	2008	2009	2010
Highest	1.43	1.76	2.66	2.93	4.32	3.75	1.87	2.15
Lowest	1.00	1.36	1.73	2.01	2.76	1.38	0.98	1.67
Average Closing	1.17	1.58	2.25	2.40	3.64	2.78	1.50	1.91
Last Done on 31 December	1.43	1.76	2.24	2.91	3.46	1.59	1.80	1.95
Trading Volume (million units)	261.4	307.5	353.7	549.6	1,111.6	1,380.6	2,554.8	1,435.3

CMT Monthly Trading Performance in 2010



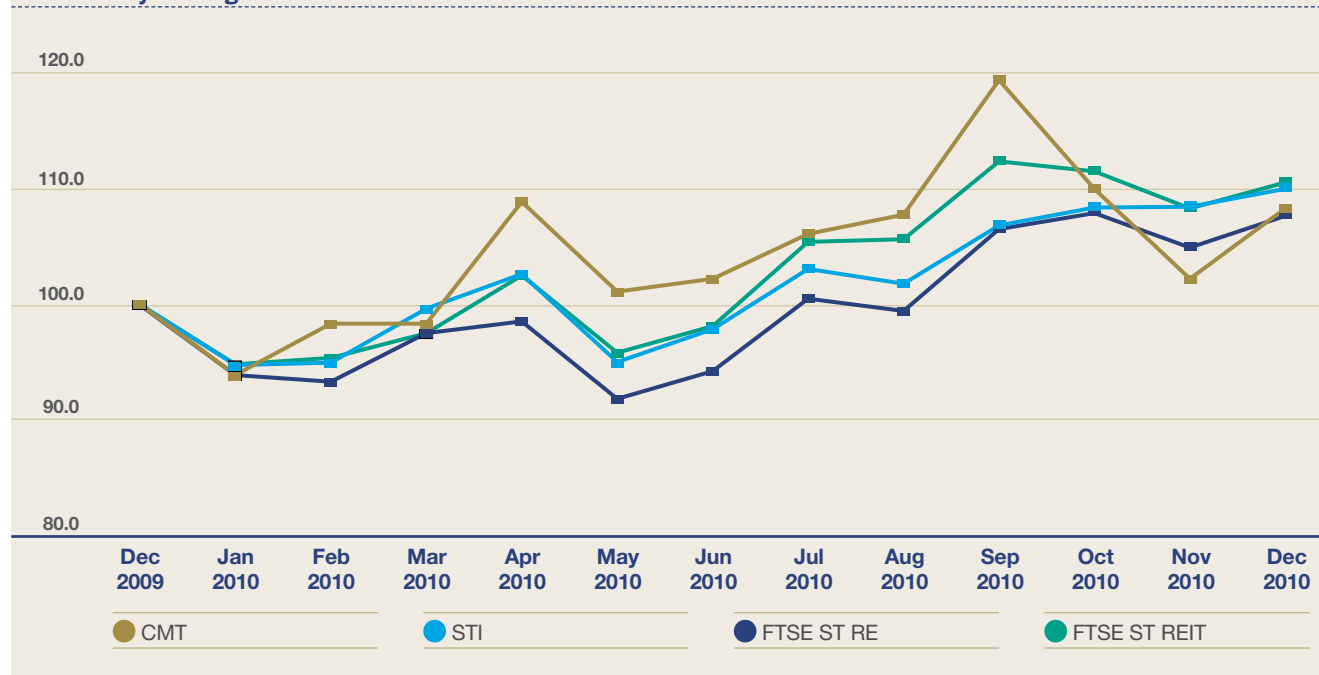
UNIT PRICE PERFORMANCE

Comparative Price Trends

	CMT		STI ¹		FTSE ST RE ¹		FTSE ST REIT ¹	
	Closing unit price at month-end (\$)	Percentage change %	Closing index value at month-end	Percentage change %	Closing index value at month-end	Percentage change %	Closing index value at month-end	Percentage change %
Dec 2009	1.80	100.00	2897.62	100.00	677.03	100.00	617.67	100.00
Jan 2010	1.69	93.89	2745.35	94.74	635.71	93.90	585.55	94.80
Feb 2010	1.77	98.33	2750.86	94.94	631.81	93.32	588.99	95.36
Mar 2010	1.77	98.33	2887.46	99.65	660.47	97.55	602.21	97.50
Apr 2010	1.96	108.89	2974.61	102.66	667.34	98.57	633.29	102.53
May 2010	1.82	101.11	2752.60	95.00	621.69	91.83	591.82	95.81
Jun 2010	1.84	102.22	2835.51	97.86	638.01	94.24	606.08	98.12
Jul 2010	1.91	106.11	2987.70	103.11	680.77	100.55	651.32	105.45
Aug 2010	1.94	107.78	2950.33	101.82	673.51	99.48	652.78	105.68
Sep 2010	2.15	119.44	3097.63	106.90	721.75	106.61	694.60	112.45
Oct 2010	1.98	110.00	3142.62	108.46	731.21	108.00	689.20	111.58
Nov 2010	1.84	102.22	3144.70	108.53	710.91	105.00	669.28	108.36
Dec 2010	1.95	108.33	3190.04	110.09	729.58	107.76	683.28	110.62

¹ STI: Straits Times Index; FTSE ST RE: FTSE ST Real Estate Index; FTSE ST REIT: FTSE ST Real Estate Investment Trust Index.

CMT Monthly Trading Performance in 2010



Source: Bloomberg

CONSTITUENT OF KEY INDICES

FTSE⁴ Good Global Index
 FTSE/ASEAN Index
 FTSE EPRA1/NAREIT2 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 Index

 GPR³ General Index
 GPR³ General ex-US Index
 GPR³ General Far East Index
 GPR³ General Far East ex-Japan Index
 GPR³ General Singapore Index
 GPR³ General Quoted Index
 GPR³ General Quoted ex-US Index
 GPR³ General Quoted Far East Index
 GPR³ General Quoted Far East ex-Japan Index
 GPR³ General Quoted Singapore Index
 GPR³ 250 Index
 GPR³ 250 ex-US Index
 GPR³ 250 Asia Index
 GPR³ 250 Asia ex-Japan Index
 GPR³ 250 Asia Pacific Index
 GPR³ 250 Asia Pacific ex-Japan Index
 GPR³ 250 South-Eastern Asia Index
 GPR³ 250 Singapore Index
 GPR³ 250 REIT Index
 GPR³ 250 REIT ex-US Index
 GPR³ 250 REIT Asia Index
 GPR³ 250 REIT Asia ex-Japan Index
 GPR³ 250 REIT Asia Pacific Index
 GPR³ 250 REIT Asia Pacific ex-Japan Index
 GPR³ 250 REIT South-Eastern Asia Index
 GPR³ 250 REIT Singapore Index
 MSCI⁴ Singapore Standard
 MSCI⁴ World Standard Index
 S&P⁵ BMI Global index
 S&P⁵ Global Property
 S&P⁵ Global REIT index

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

Changes in CMT's Unit Price and Index Values

(From 31 December 2009 to 31 December 2010)

	%
CMT	8.3
STI	10.1
FTSE ST RE	7.8
FTSE ST REIT	10.6

CMT's Total Returns¹

	%
Since listing on 17 July 2002 ² to 31 December 2010	177.3%
From 31 December 2009 to 31 December 2010	13.5%

¹ Sum of distribution yield and capital appreciation, taking into account the effects of the Rights Issue.

² Based on issue price of \$0.96 per unit.

DEFINING PERFORMANCE

SINGAPORE

LATITUDE: 01°22 N

LONGITUDE: 103°48 E

NORTH SOUTH EAST WEST

CONCIERGE

RAFFLES CITY
SHOPPING CENTRE



Concierge, Raffles City Singapore

TENANTS' VOICES



COLD STORAGE SINGAPORE (1983) PTE LTD

“CapitaMall Trust understands our business well and we enjoy a good working relationship with them. The enhancement works at the basement of Raffles City Singapore, together with our own refurbishment works at Jasons Market Place and Guardian, have improved the flow of shoppers and attracted more people. We look forward to a continued and strong partnership with CapitaMall Trust.”

MR ALEX TAY

Regional Director

– South Asia (Singapore, India, Thailand)



NANDO'S CHICKENLAND SINGAPORE PTE LTD

“We are glad we opened our first outlet in Singapore with CapitaMall Trust and benefited from their expertise in the retail business. CapitaMall Trust has been very supportive and we look forward to growing the business in Singapore together with them.”

MS MAC CHUNG LYNN

Director



SWAROVSKI SINGAPORE TRADING PTE LTD

“CapitaMall Trust is a mall owner that truly understands the business and listens to its tenants. At Swarovski, we have developed a close working relationship that has proven invaluable through the years.”

MR ADRIAN MEILI

Country Manager (Consumer Goods Business)



WATAMI FOOD SERVICE SINGAPORE PTE LTD

“The active engagement of tenants has been very helpful in helping Watami set up in Singapore. Thank you CapitaMall Trust and we look forward to growing our relationship in Singapore.”

MR SATOSHI KURIHARA

President



L'OREAL SINGAPORE PTE LTD

"As a global company that is part of the L'Oreal Beauty Group, Kiehl's has high demands on the conditions which it operates in. We try to delight our customers with a unique shopping experience as well as premium products. Kiehl's is proud to work with a like-minded business partner like CapitaMall Trust, to create a quality shopping environment. CapitaMall Trust's professionalism and constant engagement makes it a pleasure to be a tenant in their malls. The management team is always helpful and astute - both in organising the malls as well as staying ahead of trends. We appreciate the proactive partnership, and look forward to extending our collaboration in the future."

MR CHRISTOPHER NEO
Managing Director



SHANGHAI DOLLY PTE LTD

"CapitaMall Trust has created a truly unique entertainment destination with its differentiated mix of clubs and restaurants at Clarke Quay. We are proud to be part of this iconic entertainment precinct which puts us on the map in Singapore and the region."

MR DENNIS FOO JONG LONG
Director



ROBINSON & CO. (SINGAPORE) PTE LTD

"A successful and trusted brand name, CapitaMall Trust's proactive management ensures its lines of communication are always open with tenants like us. They understand our needs and our business; it's a win-win relationship which we look forward to deepening in the years to come."

MR DAVID TANG
General Manager
– Regional (Robinson & John Little)



WATSON'S PERSONAL CARE STORES PTE LTD

"The innovative marketing efforts by CapitaMall Trust with Watson have gone a long way in growing our business. Well-versed with retail dynamics, CapitaMall Trust has made a significant difference in our collaboration. We also value the networking opportunities made available to us too."

MS CATHY YEAP
Managing Director

SHOPPERS' VOICES



TAMPINES MALL

"There are many events happening and a good variety of shops catering to all ages under one roof."

MS DEBBY ANGGREANIE AND HER FAMILY



RAFFLES CITY SINGAPORE

"The newly revamped food market at the basement provides more variety for us! We love to shop and dine here and are very proud of this Singapore brand name!"

MR KHOO KAR KIAT AND FRIENDS



CLARKE QUAY

"The first time I went to Clarke Quay was during our wedding anniversary during Christmas more than two years ago. I was amazed by the celebrations around, the belly dancing performances and vibrant nightlife. I was surprised that even at midnight, people were still streaming in to Clarke Quay!"

MR ERIC LEW



JUNCTION 8

"Junction 8 is a very accessible shopping mall that is well-linked by the MRT and buses. There are many eateries and cafes to choose from, and they're well-liked by teenagers and adults. There is also a wide range of shops that are affordable for all."

MS KAREN HO AND FRIENDS



BUGIS JUNCTION

"I am a frequent visitor to Bugis Junction and have been since my schooling days. It has a wide variety of shops and never fails to provide a fantastic shopping experience. Not forgetting the wide range of F&B outlets too. It's great for both friends and families."

MS AMANDA AND FRIEND



IMM

"We shop at IMM twice a month. There is a wide variety of shops and many F&B outlets. The kids love the playground and activities like the monthly kids' workshops. The big car park is great too."

MR JURAIMIE LONG AND FAMILY



PLAZA SINGAPURA

"This is the place where a family can buy all necessities under one roof. The prices are very reasonable and the mall is conveniently located. Plaza Singapura is one of the best places I have shopped at."

MS SAMANTHA ATHALAGE AND FAMILY



BUKIT PANJANG PLAZA

"We visit Bukit Panjang Plaza about 3 times a week as it's close to home. On weekends, we have dinner at F&B outlets like Ichiban Sushi and Swensen's, and shop at outlets like Daiso, Earth Doll and Fairprice."

MS ANGELITA LIM

IMPROVING PORTFOLIO PERFORMANCE

4,864,486 SQ FT
NET LETTABLE AREA

99.3%
OCCUPANCY RATE

234.2 MILLION
ANNUAL SHOPPER TRAFFIC



PORTFOLIO AT A GLANCE

CMT's portfolio of 15 quality properties are well-diversified in the suburban areas and downtown core of Singapore. The portfolio includes Tampines Mall, Junction 8, Funan DigitaLife Mall, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, JCube (formerly known as Jurong Entertainment Centre), Hougang Plaza, Raffles City Singapore (40.00% interest), Lot One Shoppers' Mall, Bukit Panjang Plaza, Rivervale Mall, The Atrium@Orchard and Clarke Quay.

These largely suburban properties are strategically located close to public transportation nodes such as Mass Rapid Transit (MRT)/Light Rail Transit (LRT) stations and bus interchanges with captive population catchments. The opening of additional Circle Line MRT stations in 2010 benefited CMT's malls such as Junction 8, Plaza Singapura, The Atrium@Orchard and Raffles City Singapore which are located near these MRT stations.

The Manager continues to strive to ensure that each mall in CMT's portfolio optimises its financial performance, strengthens its market position as the leading mall serving its respective target market, as well as provides an ideal shopping experience for its shoppers. This is achieved through a combination of active tenant remixing and asset enhancements, stringent mall maintenance standards, and unique mall centric marketing and promotional activities.

Property Portfolio Summary

(as at 31 December 2010)

Portfolio Property Valuation	7,271.5 million ¹
Net Lettable Area	4,864,486 sq ft
Portfolio Committed Occupancy Rate	99.3% ²
Number of Leases	2,427
Total Annual Shopper Traffic	234.2 million ³

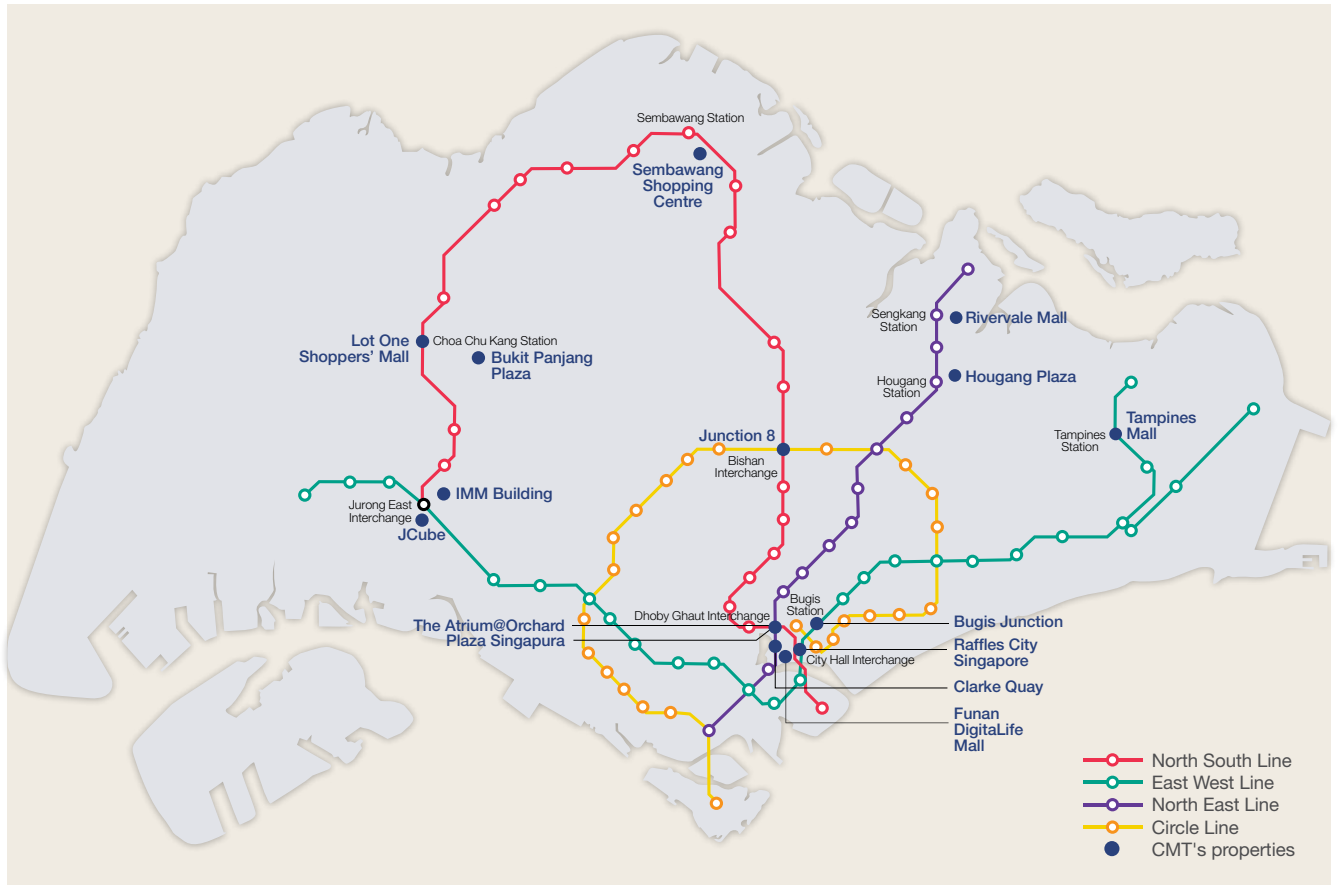
1. Includes CMT's 40.00% interest in RCS Trust.

2. Excludes RCS office, IMM office and warehouse.

3. Excludes Hougang Plaza, JCube and The Atrium@Orchard.



Junction 8



PORTFOLIO SUMMARY

	Tampines Mall	Junction 8	Funan DigitalLife Mall	IMM Building	Plaza Singapura	Bugis Junction	Sembawang Shopping Centre
Net Lettable Area (sq ft)	328,438	250,748	298,684	Retail: 409,076 Non-retail: 534,625 Total: 943,701	498,122	420,702	128,390
Number of Leases	172	176	193	Retail: 248 Non-retail: 371 Total: 619	244	234	82
Car Park Lots	632	327	339	1,313	699	648	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 (\$\$ million)	409.0	295.0	191.0	247.4	710.0	605.8	78.0
Market Valuation (\$\$ million)	792.0	580.0	330.0	659.0	1,034.0	815.0	←
Gross Revenue (\$\$ million)	64.5	49.3	30.1	74.2	77.7	70.1	←
Net Property Income (\$\$ million)	46.8	34.3	19.6	49.0	57.4	47.9	←
Committed Occupancy	100.0%	100.0%	100.0%	Retail: 100.0% Non-retail: 96.8% Total: 98.2%	100.0%	100.0%	99.5%
Shopper Traffic in 2010 (million)	27.2	28.4	10.1	16.5	24.5	38.8	4.1
Key Tenants²	NTUC FairPrice, Isetan, Golden Village, Kopitiam, Yamaha Music School	NTUC FairPrice, BHG, Best Denki, Food Junction, Golden Village	Challenger, Newstead Technologies, Harvey Norman, Food Junction, South Asia Computer	Giant Hypermarket, Best Denki, Kopitiam, Daiso, Popular Bookstore	Carrefour, Golden Village, Spotlight, Yamaha Music School, Robinson & Co.	BHG, Food Junction, Cold Storage, Virtualand, Shaw Cinemas	Giant Hypermarket, Kopitiam, Daiso, Challenger, Popular Bookstore

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

1. JCube (formerly known as Jurong Entertainment Centre) has ceased operations for asset enhancement works.

2. For Raffles City Singapore, only retail tenants are shown.

JCube ¹	Hougang Plaza	Rivervale Mall	Raffles City Singapore	Lot One Shoppers' Mall	Bukit Panjang Plaza	The Atrium@ Orchard	Clarke Quay
N.A.	75,353	81,130	Retail: 420,248 Office: 380,331 Total: 800,579	218,346	151,525	Retail: 16,318 Office: 357,806 Total: 374,124	294,644
N.A.	12	68	Retail: 219 Office: 54 Hotels & Convention: 1 Total: 274	154	113	Retail: 9 Office: 11 Total: 20	66
N.A.	154	179	1,046	318	332	106	409
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 6 December 1997	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 15 August 2008	Leasehold tenure of 99 years with effect from 13 January 1990
68.0	49.1	65.2	2,166.0 (100.00% interest) 866.4 (40.00% interest)	243.8	161.3	839.8	268.0
428.3			2,693.0 (100.00% interest) 1,077.2 (40.00% interest)	437.0	255.0	590.0	274.0
25.3			81.3 (40.00% interest)	38.3	23.0	31.9	15.4
14.0			58.6 (40.00% interest)	26.0	14.8	22.1	8.6
N.A.	100.0%	100.0%	Retail: 99.6 % Office: 98.5 % Total: 99.1 %	99.6%	100.0%	93.5%	100.0%
N.A.	N.A.	8.0	35.7	17.0	12.3	N.A	11.6
N.A.	Woodball Association, Kbox, Novena Furnishing Centre, Shop N Save, Kopitiam	NTUC FairPrice, Daiso, United Overseas Bank, McDonald's, NTUC Foodfare	Robinson & Co., Wing Tai Clothing, Food Junction, Shokudo Japanese Food Bazaar, Cold Storage	NTUC FairPrice, Courts, Food Junction, BHG, Shaw Cinemas	NTUC FairPrice, Kopitiam, Harvey Norman, Daiso, Popular Bookstore	Temasek Holdings, Barclays, HSBC, Fullerton Fund Management, Just Beer	Luminox, Shanghai Dolly, The Quayside Group, Cocoon Bar, Royal Selangor

PORTFOLIO DETAILS

TAMPINES MALL



Tampines Mall, located in the densely populated residential area of Tampines, is one of Singapore's leading suburban malls. It is conveniently situated within the Tampines Regional Centre, the first and most developed regional centre in Singapore, and enjoys easy access via the Tampines MRT station and bus interchange. To meet the needs of middle-income consumers living and working around the bustling Tampines Regional Centre, Tampines Mall provides a varied mix of shopping, dining and entertainment options for families, professionals and young adults.

Tampines Mall Property Information

Description	Five retail levels (including a basement level) and two basement car park levels
Net Lettable Area (NLA)	328,438 sq ft
Number of Leases	172
Car Park Lots	632
Title	Leasehold tenure of 99 years with effect from 1 September 1992
Acquisition Year	2002
Market Valuation (S\$ million)	792.0
Gross Revenue (S\$ million)	64.5
Net Property Income (S\$ million)	46.8
Committed Occupancy	100.0%
Shopper Traffic in 2010 (million)	27.2
Key Tenants	NTUC FairPrice, Isetan, Golden Village, Kopitiam, Yamaha Music School

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Ricky Ho
General Manager

Mustafa Abdul Rahman
Centre Manager

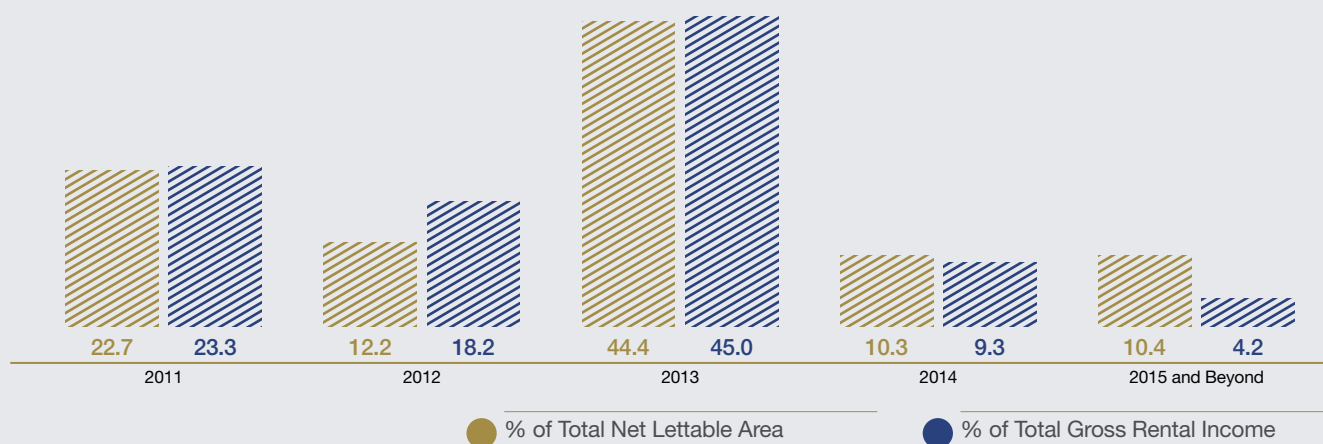
Jessica Lee
Leasing Manager

Alvin Aw
Senior Marcom Executive

Bala Selvanayagam
Operations Executive

Lease Expiry Profile (%)

(as at 31 December 2010)¹



Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.



Junction 8 is located in the densely populated residential area of Bishan. Being well served by the Bishan MRT interchange station and bus interchange, its excellent accessibility by public transport extends its reach well beyond its immediate vicinity. Together with the opening of the five stations on Circle Line in May 2009, the further opening of 11 stations in April 2010 has extended the accessibility of Junction 8 to the residents in the East including Lorong Chuan, Serangoon, Payar Labar, Eunos and Kembangan. As the only shopping mall in Bishan, Junction 8 is positioned as a one-stop shopping, dining and entertainment destination catering to the needs of residents from the surrounding housing estates, office workers in the area and students from nearby schools.

Junction 8 Property Information

Description	Five retail levels (including a basement level) and two basement car park levels
Net Lettable Area (NLA)	250,748 sq ft
Number of Leases	176
Car Park Lots	327
Title	Leasehold tenures of 99 years with effect from 1 September 1991
Acquisition Year	2002
Market Valuation (S\$ million)	580.0
Gross Revenue (S\$ million)	49.3
Net Property Income (S\$ million)	34.3
Committed Occupancy	100.0%
Shopper Traffic in 2010 (million)	28.4
Key Tenants	NTUC FairPrice, BHG, Best Denki, Food Junction, Golden Village

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Melissa Ang
Centre Manager

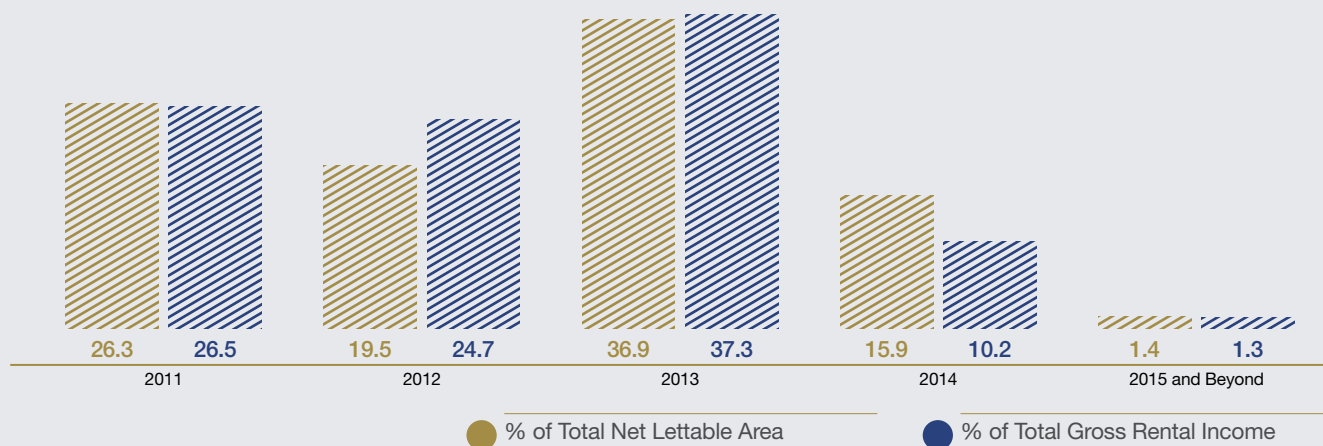
Lun Hwee Hsien
Leasing Manager

Mabel Lim
Marcom Manager

Adrian Lai
Operations Manager

Lease Expiry Profile (%)

(as at 31 December 2010)¹



Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.

PORTFOLIO DETAILS

FUNAN DIGITALIFE MALL



Funan Digitalife Mall (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 station and the Clarke Quay MRT station, which puts it in close proximity to the riverside F&B and entertainment precincts such as Clarke Quay and Boat Quay. Together with a unique mix of reputable retailers that offer genuine products and quality customer service, Funan is one of Singapore's choice destinations for IT, gaming, digital and lifestyle products. It is hugely popular with professionals, managers, executives and businessmen (PMEBs) and tourists alike.

Funan Digitalife Mall Property Information

Description	Seven retail levels (including one basement level) and three basement car park levels
Net Lettable Area (NLA)	298,684 sq ft
Number of Leases	193
Car Park Lots	339
Title	Leasehold tenure of 99 years with effect from 12 December 1979
Acquisition Year	2002
Market Valuation (S\$ million)	330.0
Gross Revenue (S\$ million)	30.1
Net Property Income (S\$ million)	19.6
Committed Occupancy	100.0%
Shopper Traffic in 2010 (million)	10.1
Key Tenants	Challenger, Newstead Technologies, Harvey Norman, Food Junction, South Asia Computer

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Billy Chua
Centre Manager

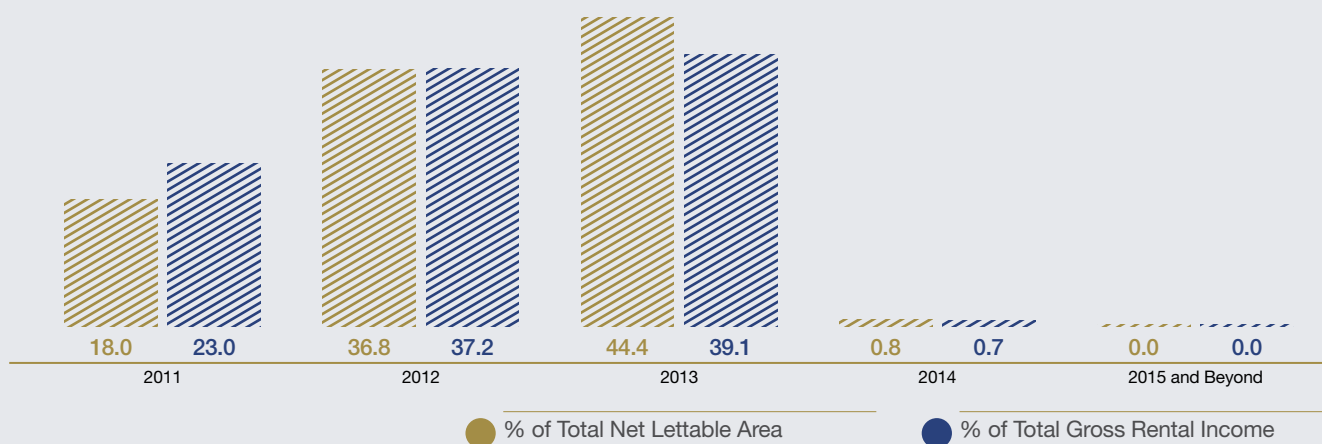
Wang Ying Ying
Senior Leasing Executive

Zen Lee
Marcom Manager

Ivan Lau
Operations Manager

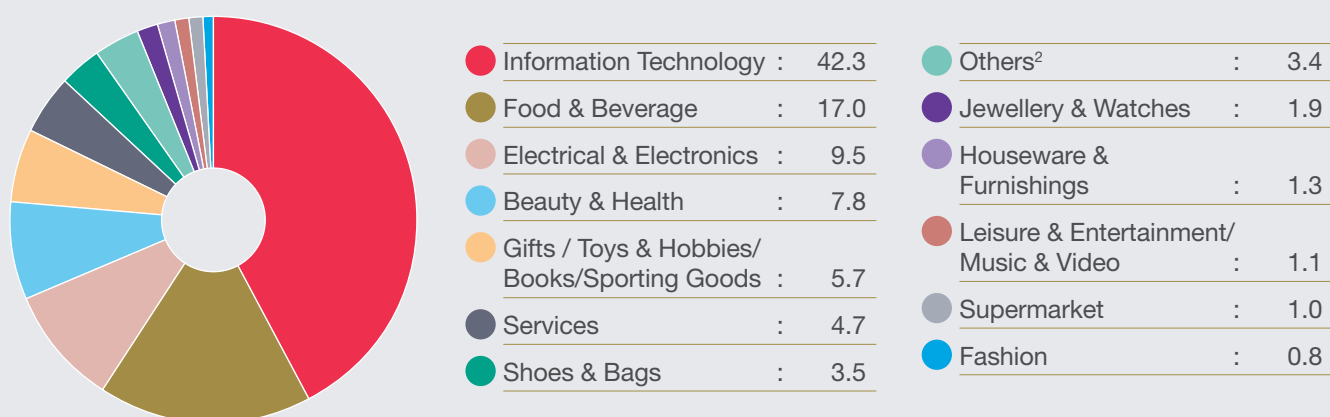
Lease Expiry Profile (%)

(as at 31 December 2010)¹



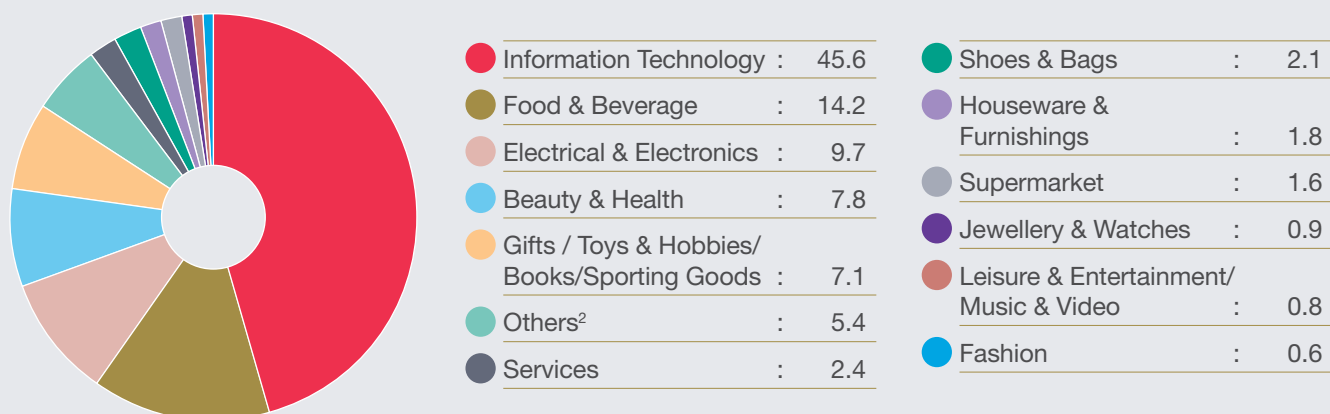
Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.

PORTFOLIO DETAILS

IMM
BUILDING



IMM Building (IMM) is located in the western part of Singapore, just a five-minute walk from the Jurong East MRT interchange station and bus interchange. Shoppers to IMM enjoy the convenience of free parking for the first three hours, as well as a free shuttle bus that plies between the mall and Jurong East MRT interchange station. On weekdays, the shuttle service also serves the International Business Park during lunch hour.

Besides its proximity to the surrounding residential estates, IMM is close to major office and industrial developments such as the International Business Park and JTC Summit. Together with its five distinct retail clusters – home furnishings, IT & appliances, children, fashion and F&B – IMM is positioned to cater to both the needs of families and busy PMEBs. With its growing list of outlet concept stores, IMM has also become popular with bargain hunters.

IMM Building Property Information

Description	Five levels of mixed development comprising retail, warehouse and office space. It has five levels of covered and one level of open-air car park
Net Lettable Area (NLA)	Retail: 409,076 sq ft Non-retail: 534,625 sq ft Total: 943,701 sq ft
Number of Leases	Retail: 248 Non-retail: 371 Total: 619
Car Park Lots	1,313
Title	Leasehold tenure of 30 + 30 years with effect from 23 January 1989
Acquisition Year	2003
Market Valuation (S\$ million)	659.0
Gross Revenue (S\$ million)	74.2
Net Property Income (S\$ million)	49.0
Committed Occupancy	Retail: 100.0% Non-retail: 96.8% Total: 98.2%
Shopper Traffic in 2010 (million)	16.5
Key Tenants	Giant Hypermarket, Best Denki, Kopitiam, Daiso, Popular Bookstore

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Callie Yah
General Manager

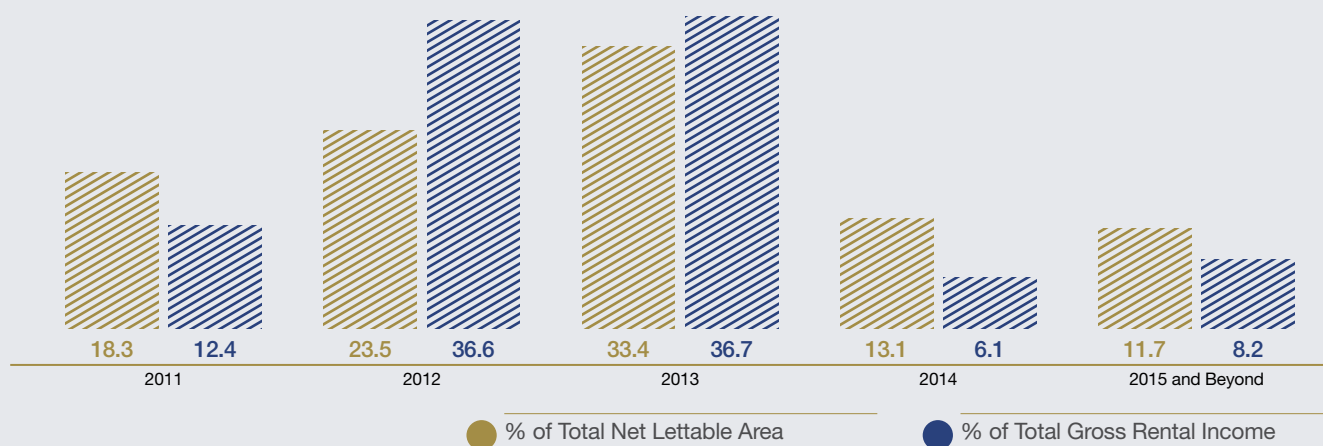
Tan Ai-Ling
Leasing Manager

Maggie Chua
Marcom Manager

Azahari Othman
Operations Manager

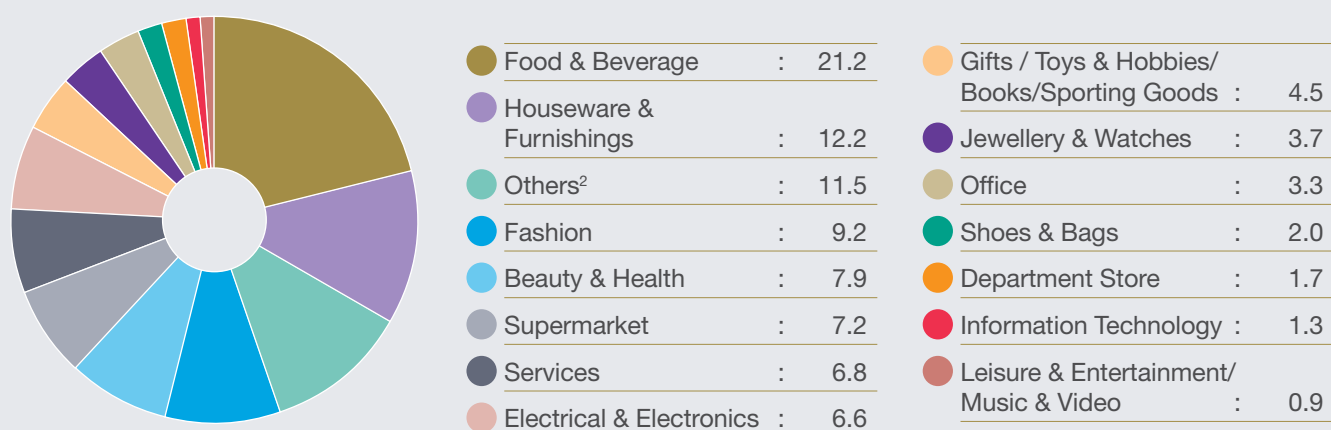
Lease Expiry Profile (%)

(as at 31 December 2010)¹



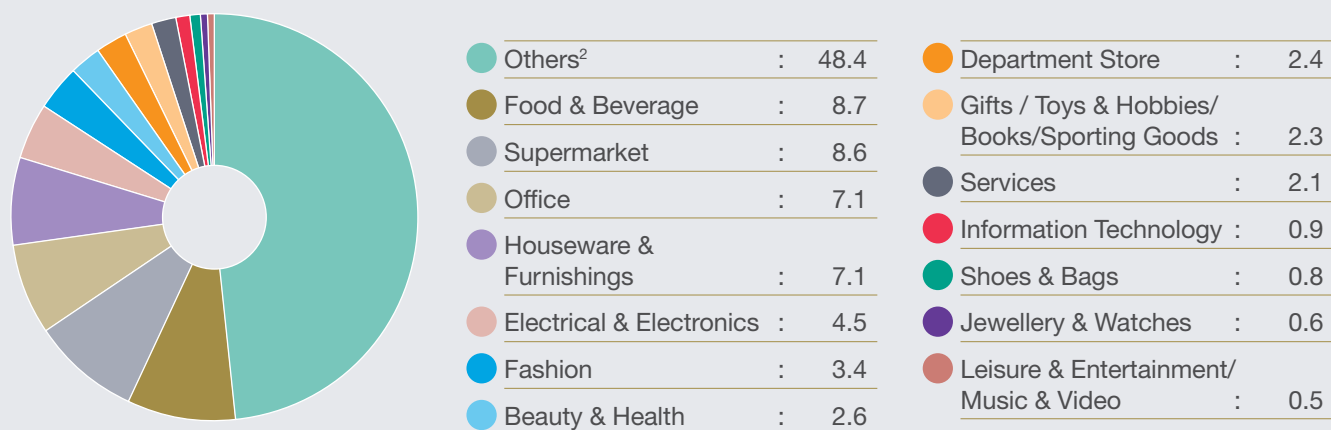
Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.

PORTFOLIO DETAILS

PLAZA SINGAPURA



Plaza Singapura is located along Orchard Road, Singapore's main shopping belt. This prime freehold property boasts a direct Basement Two link to the Dhoby Ghaut MRT interchange station, which connects three main train lines, including the Circle Line. The mall's broad-based positioning, coupled with its strong focus on basic consumer goods and services, differentiates itself from other malls along Orchard Road, and allows it to attract a wide range of shoppers – families, youths and working adults from all over Singapore.

Plaza Singapura Property Information

Description	Nine retail levels (including two basement levels) and a multi-storey car park with direct access into the mall at levels two to seven
Net Lettable Area (NLA)	498,122 sq ft
Number of Leases	244
Car Park Lots	699
Title	Freehold
Acquisition Year	2004
Market Valuation (S\$ million)	1,034.0
Gross Revenue (S\$ million)	77.7
Net Property Income (S\$ million)	57.4
Committed Occupancy	100.0%
Shopper Traffic in 2010 (million)	24.5
Key Tenants	Carrefour, Golden Village, Spotlight, Yamaha Music School, Robinson & Co.

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Pauline Yeh
General Manager

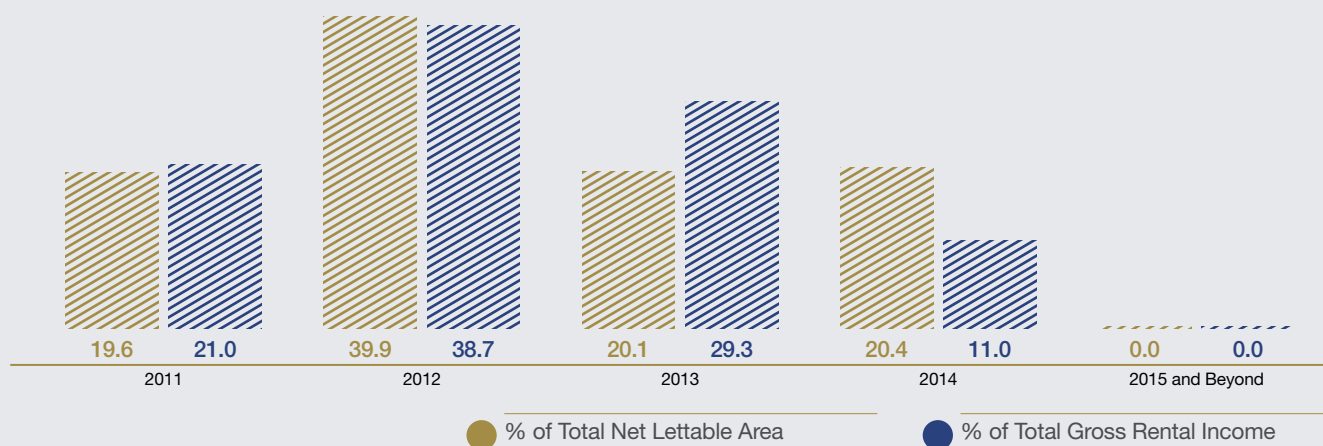
Evelyn Chye
Senior Leasing Executive

June Ang
Marcom Manager

Chin Cheong Leong
Senior Operations Manager

Lease Expiry Profile (%)

(as at 31 December 2010)¹



Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.

PORTFOLIO DETAILS

BUGIS JUNCTION



Located in the heart of Singapore's Civic and Cultural District, **Bugis Junction** enjoys direct connectivity to the Bugis MRT station from the basement level, and is well served by major public bus routes.

In line with its close proximity to the Singapore Management University, LASALLE College of the Arts and School of the Arts, Bugis Junction is positioned as a modern fashion, dining and entertainment destination mall targeted at young adults and PMEBs.

Bugis Junction is also Singapore's first and only air-conditioned skylit shopping arcade to be flanked by charming historic shophouses, representing a showcase of new- and old-world integration.

Bugis Junction Property Information

Description	Five retail levels including one basement level
Net Lettable Area (NLA)	420,702 sq ft
Number of Leases	234
Car Park Lots	648
Title	Leasehold tenure of 99 years with effect from 10 September 1990
Acquisition Year	2005
Market Valuation (S\$ million)	815.0
Gross Revenue (S\$ million)	70.1
Net Property Income (S\$ million)	47.9
Committed Occupancy	100.0%
Shopper Traffic in 2010 (million)	38.8
Key Tenants	BHG, Food Junction, Cold Storage, Virtualand, Shaw Cinemas

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Pauline Tan
Centre Manager

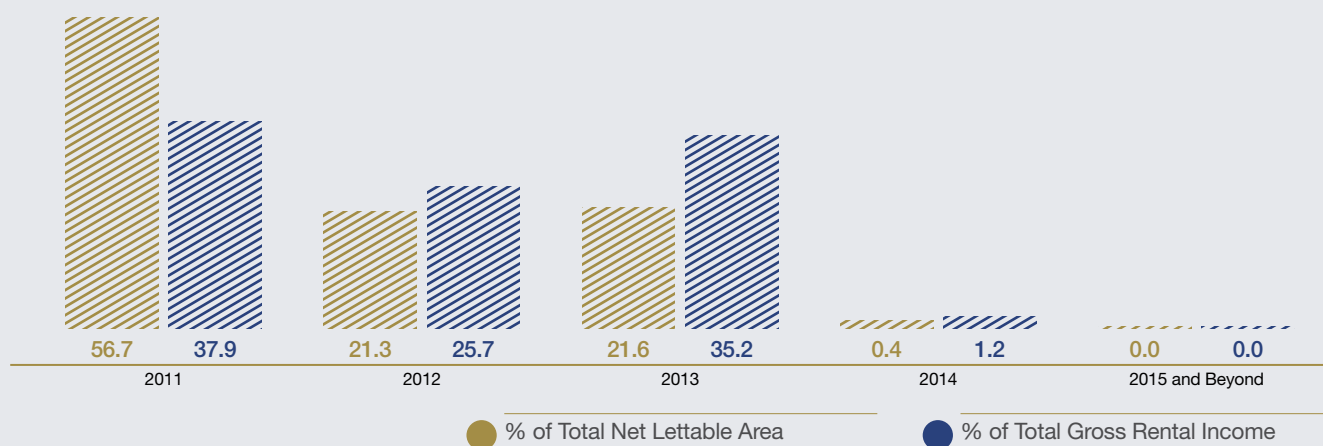
Eleanor Jane
Leasing Manager

Christopher Ang
Marcom Manager

Shirley Lim
Operations Manager

Lease Expiry Profile (%)

(as at 31 December 2010)¹



Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

PORTFOLIO DETAILS

SEMBAWANG SHOPPING CENTRE



Sembawang Shopping Centre (SSC), which was re-developed and re-opened in December 2008, is situated in close proximity to Yishun and Sembawang MRT stations. The mall provides a free shuttle bus service which plies between SSC and the Yishun and Sembawang MRT stations as well as between SSC and residential estate at Woodlands Avenue six and seven. On weekdays, SSC also operates a free lunch-time shuttle bus to the nearby industrial estate.

With its positioning as a one-stop family-oriented necessity shopping destination, SSC appeals to residents from the surrounding estates, uniformed personnel from nearby military camps, as well as workers from the neighbouring industrial parks.

Sembawang Shopping Centre Property Information

Description	Four retail levels (including one basement level) and three car park levels
Net Lettable Area (NLA)	128,390 sq ft
Number of Leases	82
Car Park Lots	161
Title	Leasehold tenure of 999 years with effect from 26 March 1885
Acquisition Year	2005
Committed Occupancy	99.5%
Shopper Traffic in 2010 (million)	4.1
Key Tenants	Giant Hypermarket, Kopitiam, Daiso, Challenger, Popular Bookstore

Data as at 31 December 2010
Shopper Traffic is for the year ended 31 December 2010

Centre Management

Chew Hock Chye
General Manager

Andrew Yong
Assistant Centre Manager

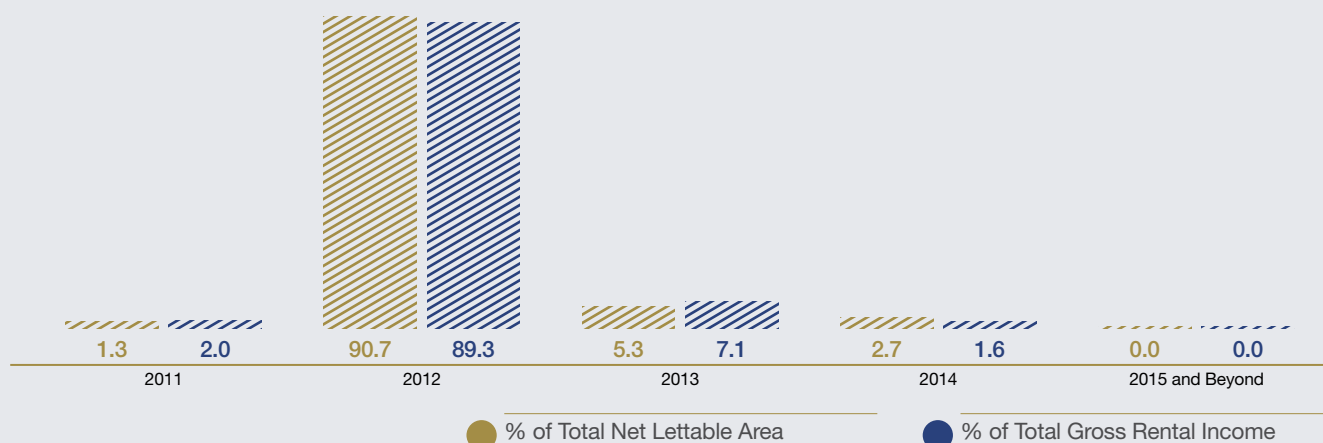
Sonia Choo
Leasing Executive

Dennis Cheong
Marcom Manager

Eddie Lim
Operations Manager

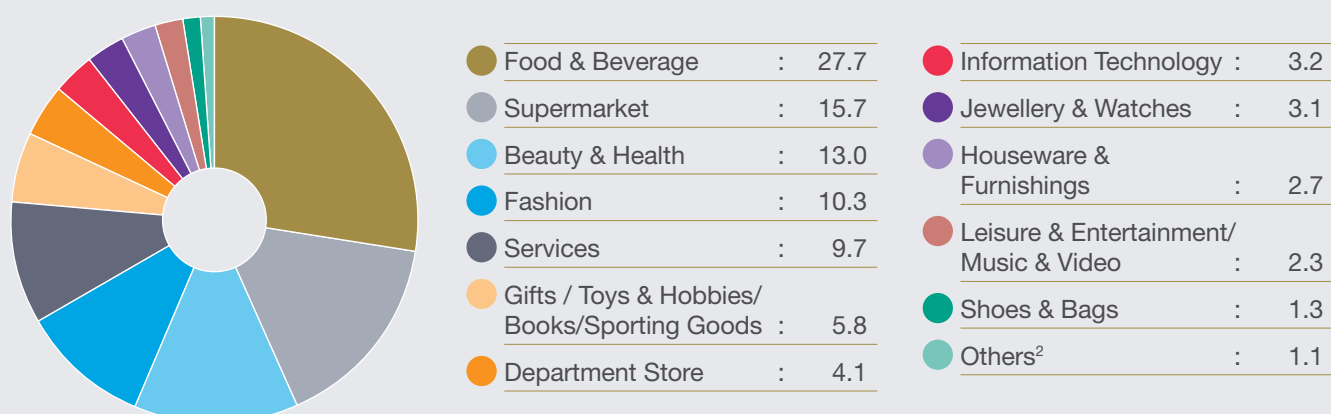
Lease Expiry Profile (%)

(as at 31 December 2010)¹



Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.

PORTFOLIO DETAILS

JCUBE



Artist impression

JCube (formerly known as Jurong Entertainment Centre) is situated in the heart of the Jurong East Regional Centre. The site is strategically located next to the Jurong East MRT interchange station and bus interchange, offering convenient access for shoppers in the western region of Singapore.

Jurong Entertainment Centre ceased operations for asset enhancement works which commenced in the first quarter 2010 and JCube is slated to be completed by end 2011. When completed, JCube will boast more than 200,000 square feet of net lettable area and will house an Olympic-sized ice-skating rink.

Together with its distinctive and iconic façade, JCube will add more vibrancy to the proposed Jurong Lake District.

JCube Property Information

Description	Five retail levels (including one basement level) and two car park levels
Title	Leasehold tenure of 99 years with effect from 1 March 1991
Acquisition Year	2005

Centre Management

Callie Yah
General Manager

Betty Teo
Leasing Manager

Maggie Chua
Marcom Manager

Soe Paing
Operations Manager



PORTFOLIO DETAILS

HOUGANG PLAZA



Hougang Plaza is strategically located in Hougang Central, within walking distance from the Hougang MRT station and bus interchange. The three-storey mall is positioned as a neighbourhood mall catering to the basic shopping and entertainment needs of residents in the vicinity.

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

Description	Three retail-cum-entertainment levels and one basement car park level
Net Lettable Area (NLA)	75,353 sq ft
Number of Leases	12
Car Park Lots	154
Title	Leasehold tenure of 99 years with effect from 1 March 1991
Acquisition Year	2005, 2006
Committed Occupancy	100.0%
Key Tenants	Woodball Association, Kbox, Novena Furnishing Centre, Shop N Save, Kopitiam

Data as at 31 December 2010

Centre Management

Ricky Ho
General Manager

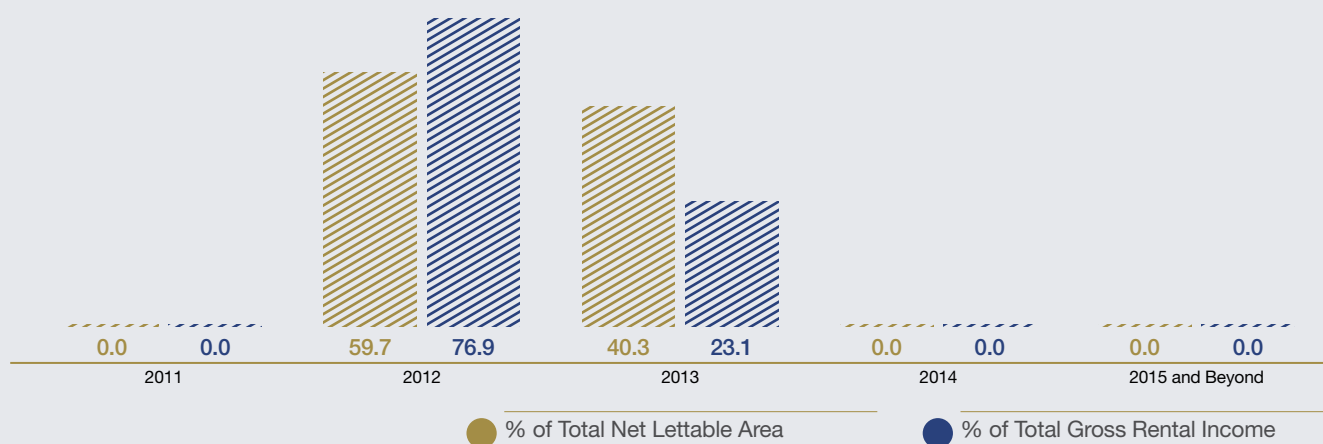
Jessica Lee
Leasing Manager

Joey Cai
Marcom Executive

Carol Toh
Senior Operations Executive

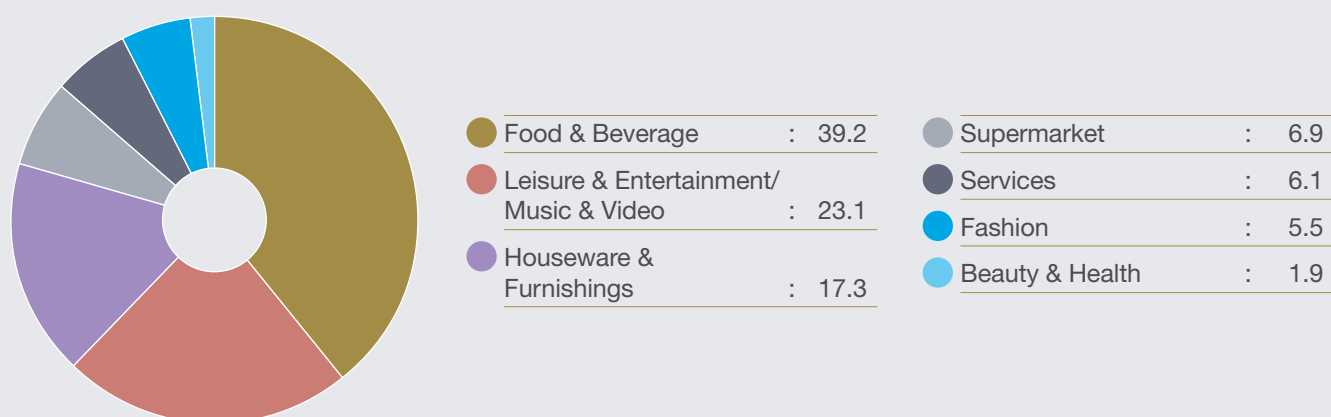
Lease Expiry Profile (%)

(as at 31 December 2010)¹



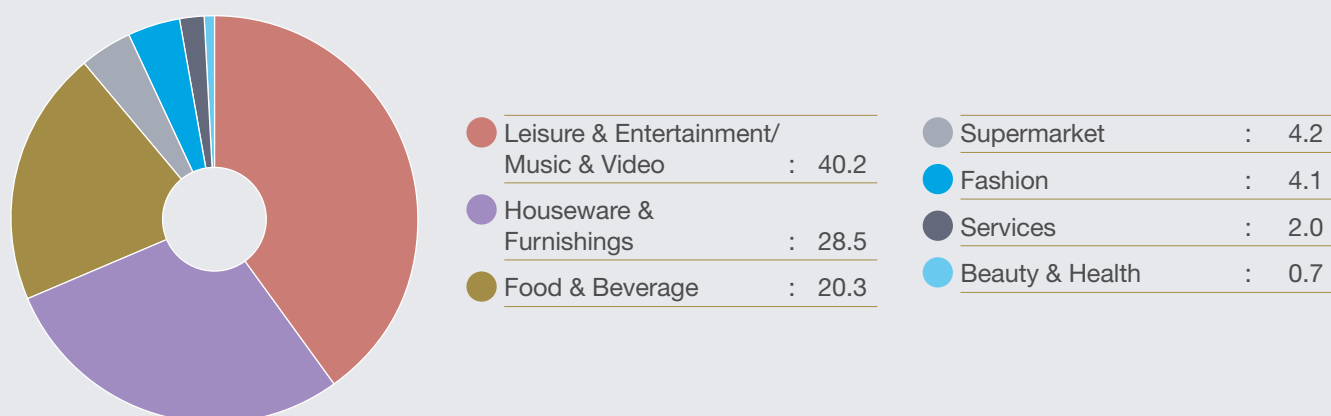
Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

PORTFOLIO DETAILS

RAFFLES CITY SINGAPORE



Raffles City Singapore (RCS) is a large integrated development in Singapore. A prime landmark, it is located in the downtown core, at the fringe of Singapore's Central Business District, and within the Civic and Cultural District. RCS is now served by three main train lines, directly connected to the City Hall MRT interchange station and the new Esplanade MRT station. The mixed-use development comprises the five-storey Raffles City Shopping Centre, Raffles City Convention Centre, 42-storey Raffles City Tower, 73-storey Swissôtel The Stamford and the 28-storey twin towers that make up the Fairmont Singapore. CapitaCommercial Trust (CCT) and CMT jointly own the integrated development through the RCS Trust, the special purpose vehicle that holds RCS. RCS Trust was constituted on 18 July 2006 and is 60.00% owned by CCT and 40.00% owned by CMT.

Raffles City Singapore Property Information

Description	A mixed-use development comprising five retail levels (including two basement levels), Raffles City Shopping Centre, Raffles City Tower, Raffles City Convention Centre, Swissôtel The Stamford, Fairmont Singapore and three basement car park levels
Net Lettable Area (NLA)	Retail: 420,248 sq ft Office: 380,331 sq ft Total: 800,579 sq ft
Number of Leases	Retail: 219 Office: 54 Hotels & Convention Centre: 1 Total: 274
Car Park Lots	1,046
Title	Leasehold tenure of 99 years with effect from 16 July 1979
Acquisition Year	2006
Market Valuation (S\$ million)	2,693.0 (100.00% interest) 1,077.2 (40.00% interest)
Gross Revenue (S\$ million)	81.3 (40.00% interest)
Net Property Income (S\$ million)	58.6 (40.00% interest)
Committed Occupancy	Retail: 99.6% Office: 98.5% Total: 99.1%
Shopper Traffic in 2010 (million)	35.7
Key Tenants	Robinson & Co., Wing Tai Clothing, Food Junction, Shokudo Japanese Food Bazaar, Cold Storage

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Margaret Khoo
General Manager

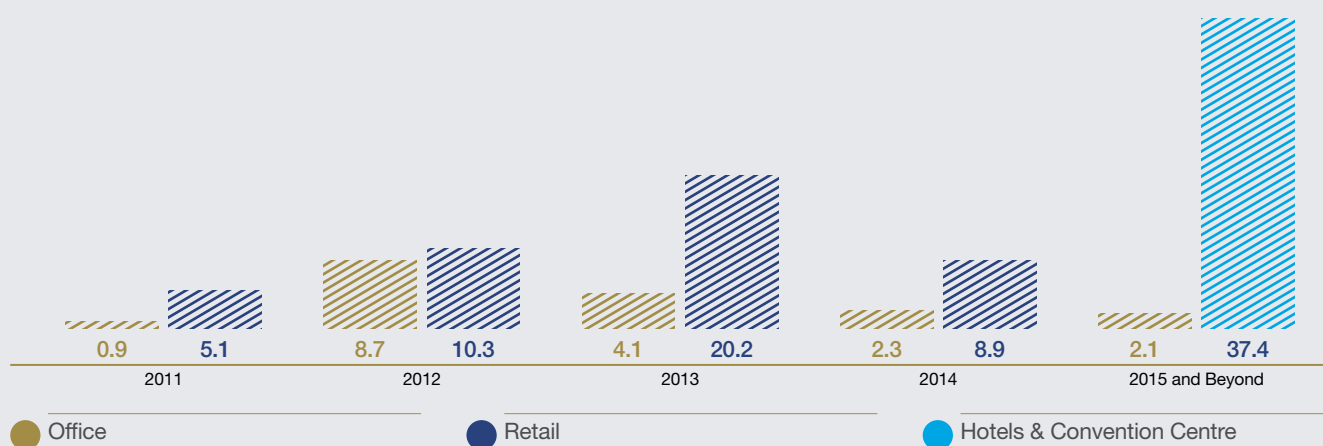
Eugenie Yap
Deputy General Manager and
Head, Leasing

Pang Chee Seng
Deputy General Manager and
Head, Property Management

Wendy Soh
Head, Marcom

Lease Expiry Profile (%)

(by Gross Rental Income for the month of December 2010)

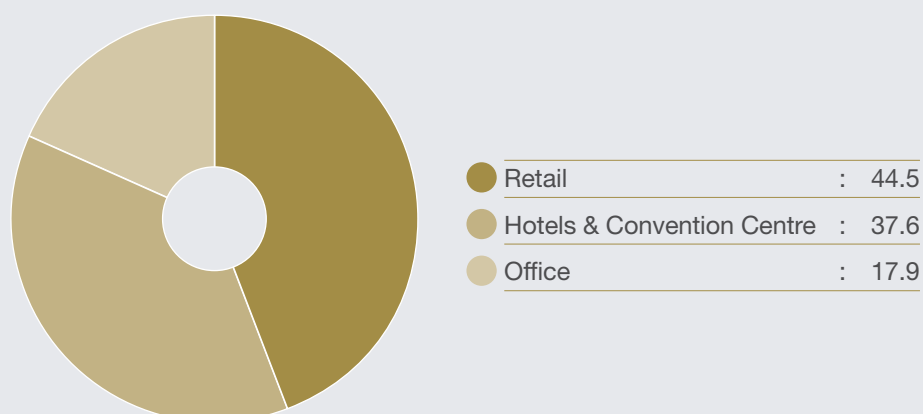


Trade Sector Analysis by Gross Rental Income (%) – Retail only

(for the month of December 2010)¹



Raffles City Singapore Major Usage Mix (%)



¹ Based on committed leases as at 31 December 2010.

² Others include Books & Stationery, Electrical & Electronics, Houseware & Furnishings, Art Gallery, Music & Video and Information Technology.

PORTFOLIO DETAILS

LOT ONE SHOPPERS' MALL



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

Lot One Shoppers' Mall Property Information

Description	Six retail levels (including one basement level) and two basement car park levels
Net Lettable Area (NLA)	218,346 sq ft
Number of Leases	154
Car Park Lots	318
Title	Leasehold tenure of 99 years with effect from 1 December 1993
Acquisition Year	2007
Market Valuation (S\$ million)	437.0
Gross Revenue (S\$ million)	38.3
Net Property Income (S\$ million)	26.0
Committed Occupancy	99.6%
Shopper Traffic in 2010 (million)	17.0
Key Tenants	NTUC FairPrice, Courts, Food Junction, BHG, Shaw Cinemas

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Chew Hock Chye
General Manager

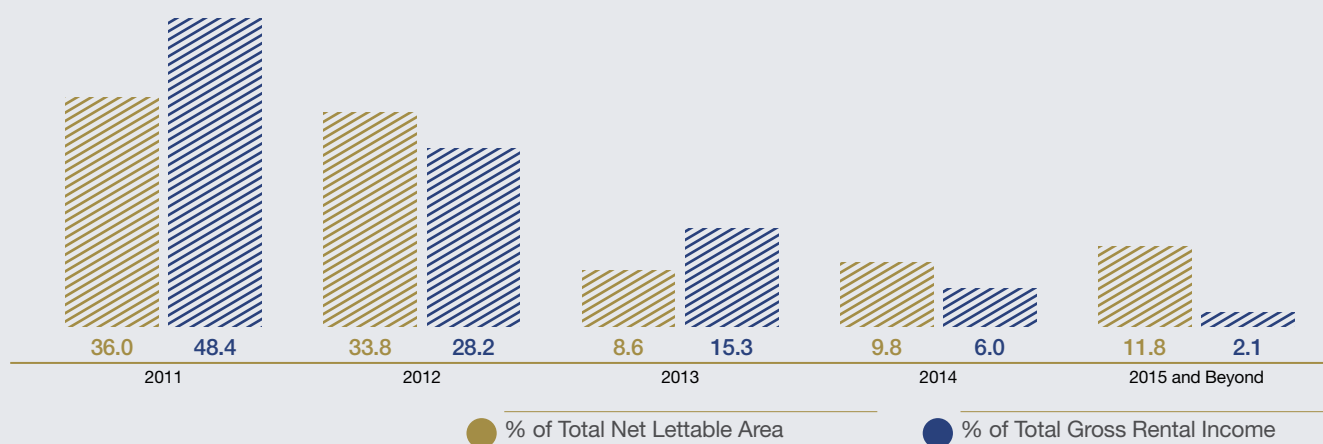
Cheryl Ng
Senior Leasing Executive

Dennis Cheong
Marcom Manager

Eddie Lim
Operations Manager

Lease Expiry Profile (%)

(as at 31 December 2010)¹



Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.

PORTFOLIO DETAILS

BUKIT PANJANG PLAZA



Bukit Panjang Plaza (BPP) is located in the high-density residential area of Bukit Panjang New Town, in the north-western region of Singapore. Besides the surrounding estates of Bukit Panjang, Cashew Park, Chestnut Drive and Hillview, BPP also caters to families and residents in Teck Whye, Choa Chu Kang and Upper Bukit Timah. The four-storey mall, with two levels of basement car park, is conveniently located between the Bukit Panjang and Senja LRT stations, and adjacent to the Bukit Panjang bus interchange.

Bukit Panjang Plaza Property Information

Description	Four retail levels and two basement car park levels
Net Lettable Area (NLA)	151,525 sq ft
Number of Leases	113
Car Park Lots	332
Title	Leasehold tenure of 99 years with effect from 1 December 1994
Acquisition Year	2007
Market Valuation (S\$ million)	255.0
Gross Revenue (S\$ million)	23.0
Net Property Income (S\$ million)	14.8
Committed Occupancy	100.0%
Shopper Traffic in 2010 (million)	12.3
Key Tenants	NTUC FairPrice, Kopitiam, Harvey Norman, Daiso, Popular Bookstore

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Chew Hock Chye

General Manager

Sabrina Lai

Assistant Centre Manager

Cheryl Ng

Senior Leasing Executive

Dennis Cheong

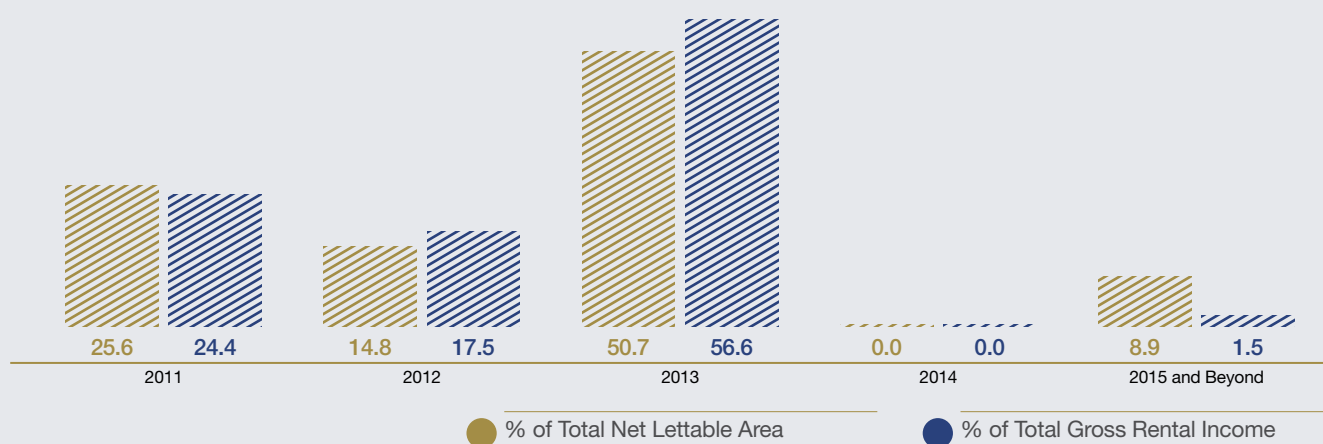
Marcom Manager

Jeffrey Low

Operations Manager

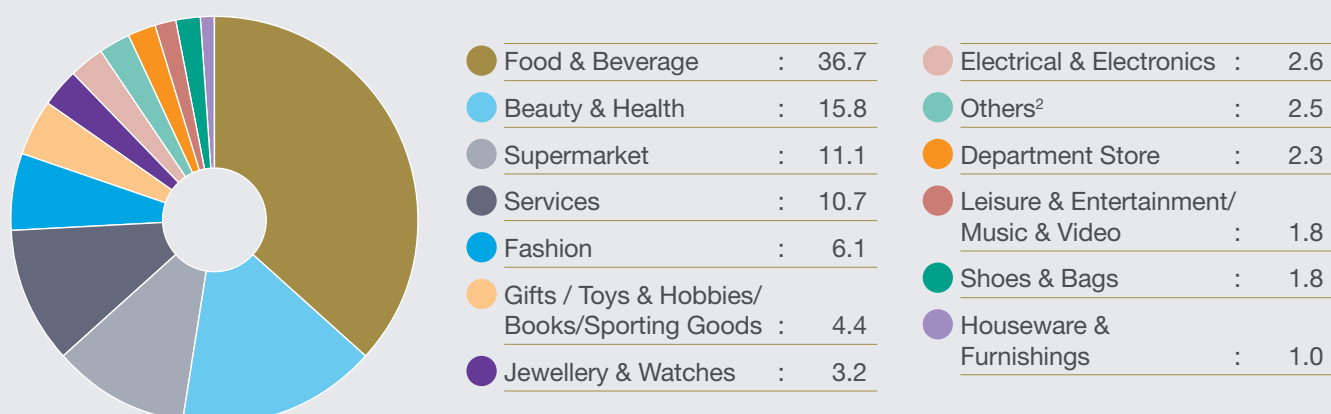
Lease Expiry Profile (%)

(as at 31 December 2010)¹



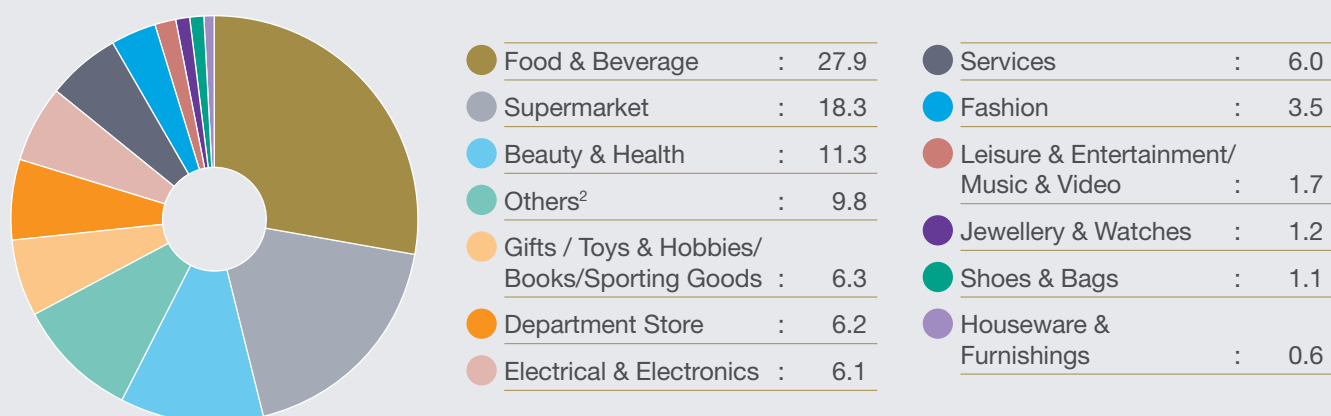
Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.

PORTFOLIO DETAILS

RIVERVALE MALL



Rivervale Mall is located at the junction of Rivervale Drive and Rivervale Crescent in Sengkang New Town. The mall is strategically situated beside the Rumbia LRT station, which is linked to the Sengkang MRT station. Rivervale Mall also provides a free shuttle bus service within the Sengkang estate. With its accessible location, the three-storey mall serves as a convenient shopping destination for families and the local community.

Rivervale Mall Property Information

Description	Three retail levels and car park at part level three and levels four to six
Net Lettable Area (NLA)	81,130 sq ft
Number of Leases	68
Car Park Lots	179
Title	Leasehold tenure of 99 years with effect from 6 December 1997
Acquisition Year	2007
Committed Occupancy	100.0%
Shopper Traffic in 2010 (million)	8.0
Key Tenants	NTUC FairPrice, Daiso, United Overseas Bank, McDonald's, NTUC Foodfare

Data as at 31 December 2010
Shopper Traffic is for the year ended 31 December 2010

Centre Management

Ricky Ho
General Manager

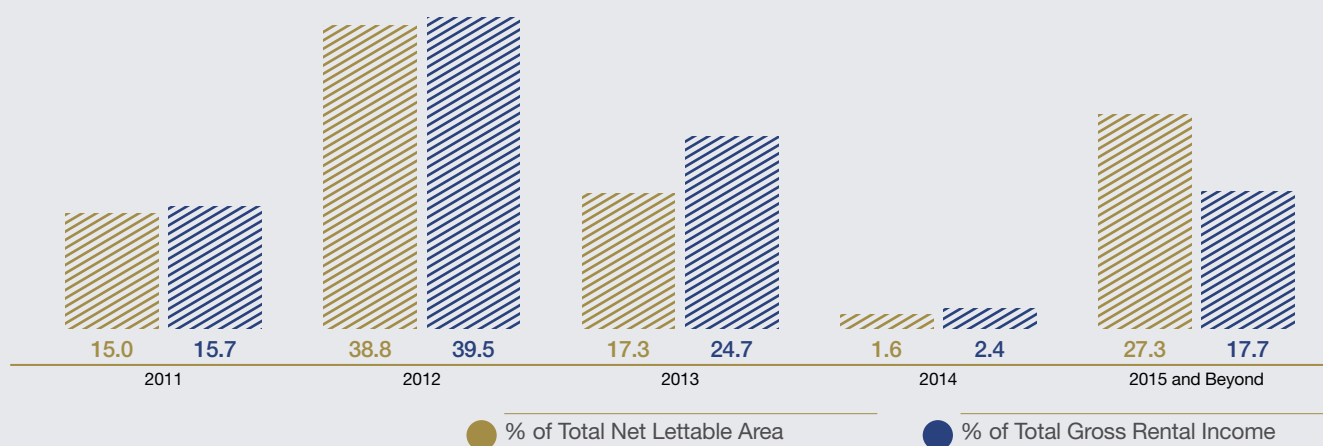
Jessica Lee
Leasing Manager

David Peh
Marcom Executive

Carol Toh
Senior Operation Executive

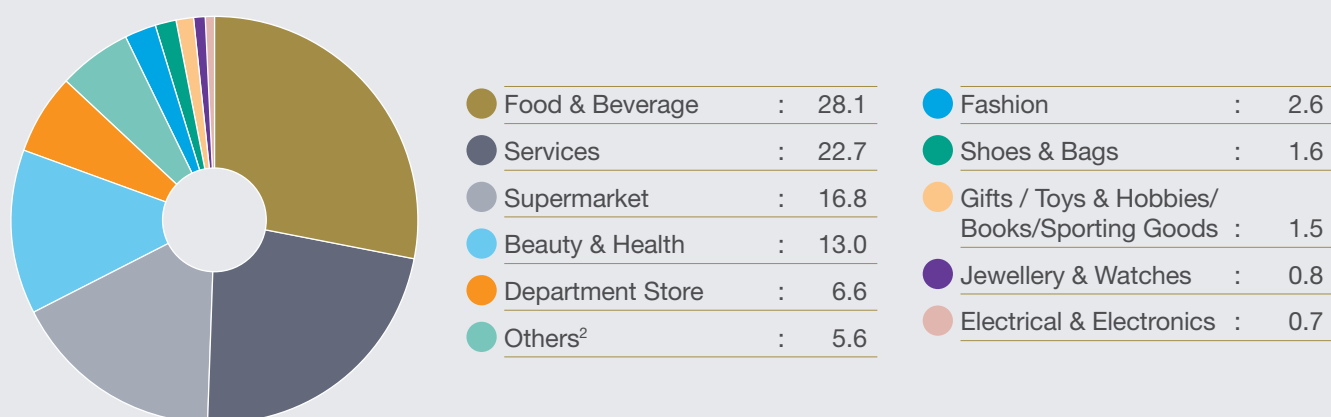
Lease Expiry Profile (%)

(as at 31 December 2010)¹



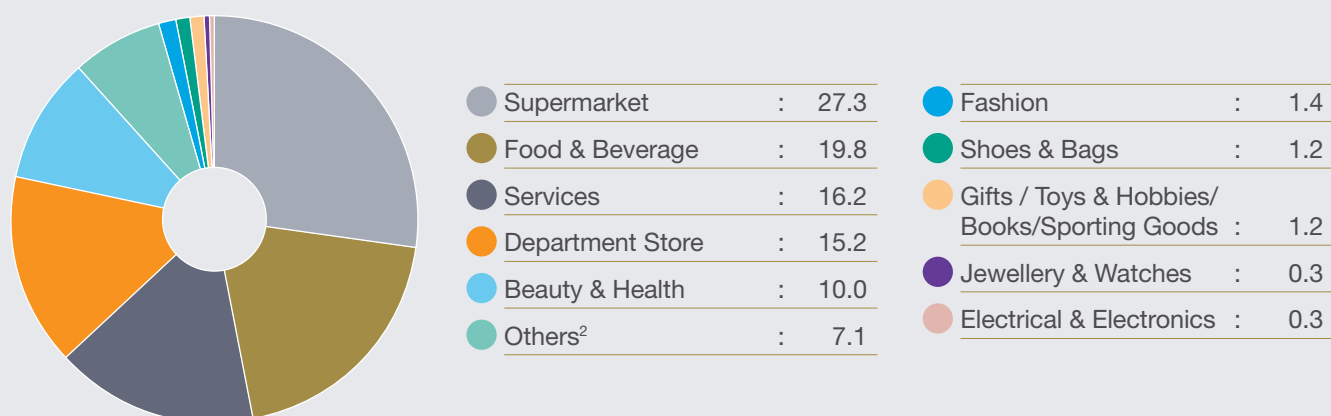
Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

² Others include Warehouse, Education and Art Gallery.

PORTFOLIO DETAILS

THE ATRIUM@ ORCHARD



The Atrium@Orchard (Atrium) is currently a mixed-use development comprising two Grade A office towers, ground floor retail space and two basement car park levels. The development enjoys direct connectivity to the Dhoby Ghaut MRT interchange station, which connects three main train lines, including Circle Line.

The Atrium@Orchard Property Information

Description	A mixed-used development comprising two grade A office towers, ground floor retail space and two basement car park levels
Net Lettable Area (NLA)	Retail: 16,318 sq ft Office: 357,806 sq ft Total: 374,124 sq ft
Number of Leases	Retail: 9 Office: 11 Total: 20
Car Park Lots	106
Title	Leasehold tenure of 99 years with effect from 15 August 2008
Acquisition Year	2008
Market Valuation (S\$ million)	590.0
Gross Revenue (S\$ million)	31.9
Net Property Income (S\$ million)	22.1
Committed Occupancy	93.5%
Key Tenants	Temasek Holdings, Barclays, HSBC, Fullerton Fund Management, Just Beer

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Pauline Yeh
General Manager

Ivy Ang
Centre Manager

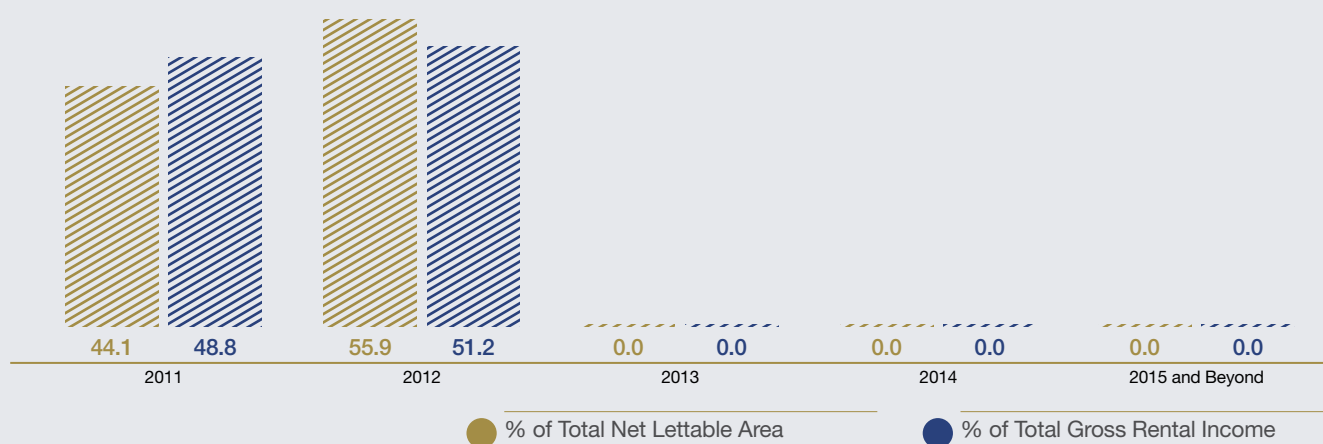
Tan Kor Hoon
Senior Leasing Executive

June Ang
Marcom Manager

Chin Cheong Leong
Senior Operations Manager

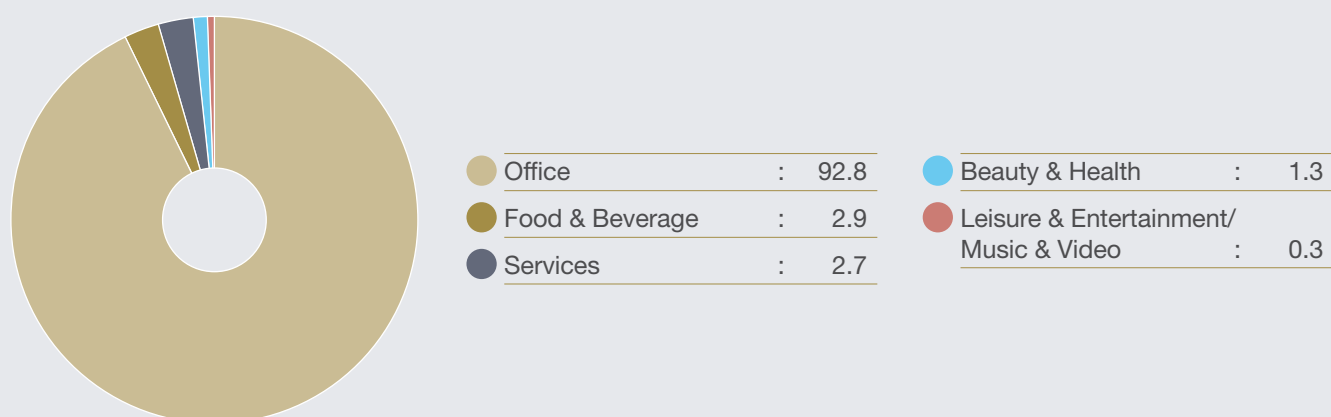
Lease Expiry Profile (%)

(as at 31 December 2010)¹



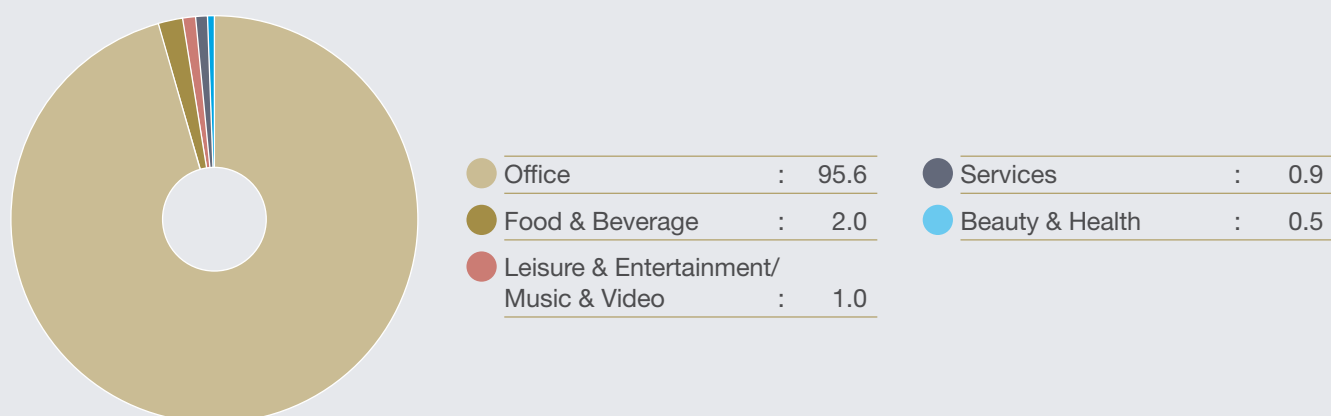
Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

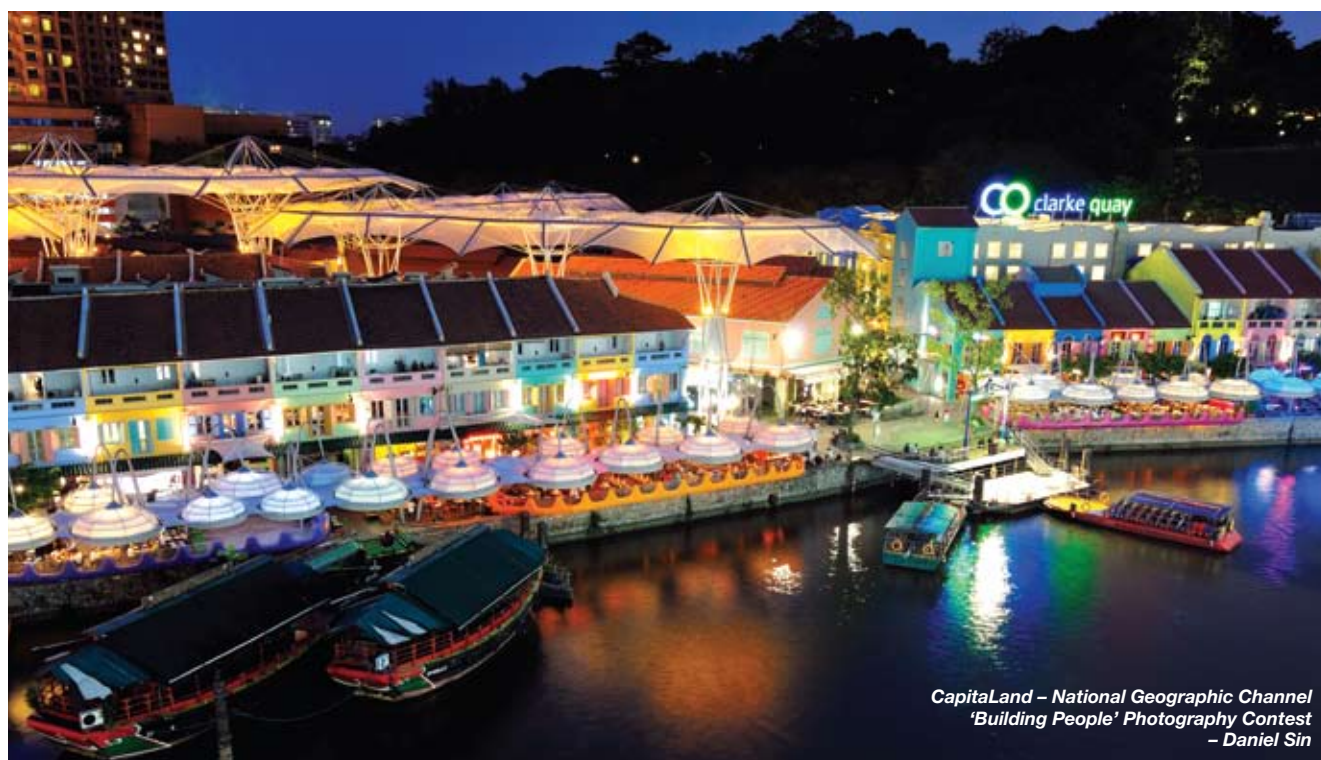
(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

PORTFOLIO DETAILS

CLARKE
QUAY



CapitaLand – National Geographic Channel
'Building People' Photography Contest
– Daniel Sin

On 1 July 2010, CMT acquired **Clarke Quay** at a purchase price of S\$268.0 million. Clarke Quay is a unique historical landmark located along the Singapore River and at the fringe of Singapore's Central Business District. It is within walking distance from the Clarke Quay MRT station, making it accessible by public transportation. Comprising five blocks of restored shophouses and warehouses, Clarke Quay plays host to a wide range of restaurants, wine bars, entertainment spots and retail shops. The acquisition of Clarke Quay presents an opportunity for CMT to capitalise on the growing lifestyle and entertainment demand in Singapore, arising from the expected increase in tourism and economic recovery in Singapore.

Clarke Quay Property Information

Description	A premier food & beverage, entertainment and lifestyle riverfront destination
Net Lettable Area (NLA)	294,644 sq ft
Number of Leases	66
Car Park Lots	409
Title	Leasehold tenure of 99 years with effect from 13 January 1990
Acquisition Year	2010
Market Valuation (S\$ million)	274.0
Gross Revenue (S\$ million)	15.4
Net Property Income (S\$ million)	8.6
Committed Occupancy	100.0%
Shopper Traffic in 2010 (million)	11.6
Key Tenants	Luminox, Shanghai Dolly, The Quayside Group, Cocoon Bar, Royal Selangor

Data as at 31 December 2010

Gross Revenue, Net Property Income and Shopper Traffic are for the year ended 31 December 2010

Centre Management

Keith Low
Centre Manager

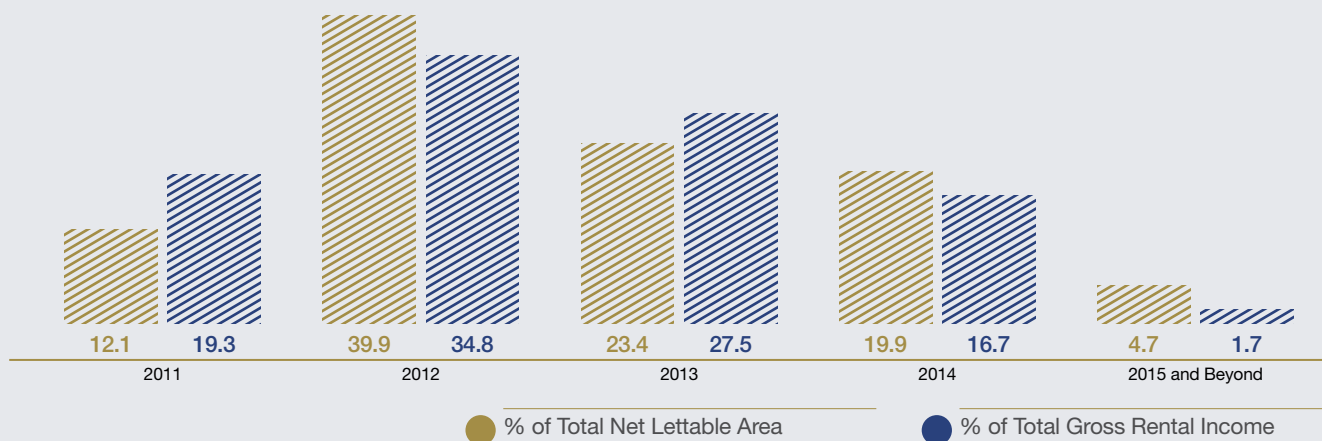
William Tan
Leasing Manager

Tanya Fum
Marcom Manager

Kwong Wing Kwee
Operations Manager

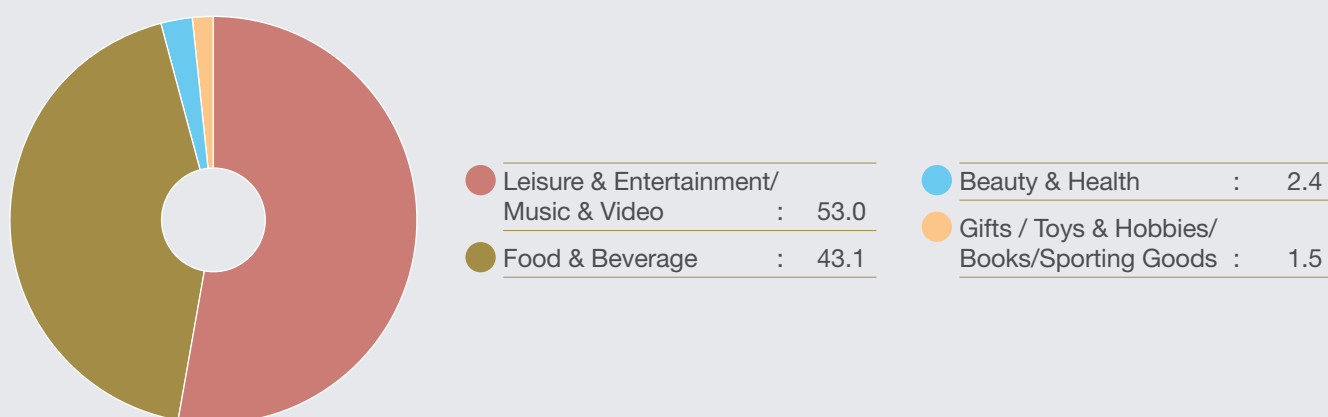
Lease Expiry Profile (%)

(as at 31 December 2010)¹



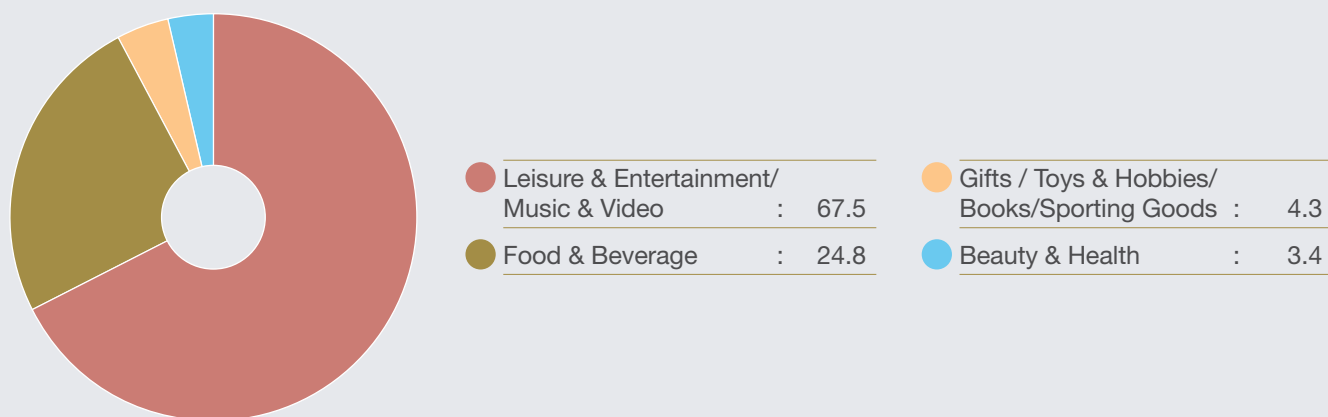
Trade Sector Analysis by Gross Rental Income (%)

(for the month of December 2010)¹



Trade Sector Analysis by Net Lettable Area (%)

(as at 31 December 2010)¹



¹ Based on committed leases as at 31 December 2010.

CAPITARETAIL CHINA TRUST

CMT holds 122.7 million units in CapitaRetail China Trust (CRCT), which translates to an approximate 19.62% stake. The fair value of CMT's investment in CRCT represents 1.87% of CMT and its subsidiaries (CMT Group)'s total asset size as at 31 December 2010. Through its investment in CRCT, CMT's Unitholders are provided with an opportunity to enjoy the upside from China's growth potential without CMT's risk profile being significantly altered.

CRCT is the first China shopping mall REIT in Singapore. It was listed on the SGX-ST on 8 December 2006. It is established with the objective of investing in a diversified portfolio of income-producing real estate used primarily for retail purposes and located primarily in China, Hong Kong and Macau.

CRCT's current portfolio of eight shopping malls is located in five cities in China. The malls are 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 2010, the total asset size of CRCT is approximately S\$1.3 billion.

All the malls in the portfolio are 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 properties' tenancies consists of major international and domestic retailers such as Wal-Mart, Carrefour and Beijing Hualian Group (BHG) 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 Vero Moda, Watsons, KFC, Pizza Hut, BreadTalk, ZARA, Sephora, etc.

CRCT has long-term growth potential from its right of first refusal arrangements to acquire assets held by CapitaMalls Asia-sponsored private funds, CapitaRetail China Development Fund, CapitaRetail China Development Fund II, CapitaRetail China Incubator Fund, as well as CapitaMalls Asia, one of the largest listed shopping mall developers, owners and managers in Asia.

CRCT delivered a strong set of results in FY 2010. Gross revenue and net property income were RMB589.1 million and RMB382.3 million, up 4.4% and 5.8% respectively from FY 2009. Distribution per unit (DPU) was 8.36 cents, an increase of 2.7% over the previous year, and the highest DPU achieved by CRCT since its listing. Shopper traffic in CRCT's five multi-tenanted malls grew 15.4% and tenant sales at those five malls increased 24.6% compared to FY 2009. Portfolio occupancy at end-2010 was 98.1%, the highest ever recorded.



Anzhen Mall



Zhengzhou Mall



Saihan Mall



Jiulong Mall



Xinwu Mall



Xizhimen Mall



Wangjing Mall



Qibao Mall

15 PROPERTIES

TAMPINES MALL

JUNCTION 8

FUNAN DIGITALIFE MALL

IMM BUILDING

PLAZA SINGAPURA

BUGIS JUNCTION

SEMBAWANG SHOPPING CENTRE

JCUBE

HOUGANG PLAZA

RAFFLES CITY SINGAPORE

LOT ONE SHOPPERS' MALL

BUKIT PANJANG PLAZA

RIVERVALE MALL

THE ATRIUM@ORCHARD

CLARKE QUAY

FINANCIAL STATEMENTS

134	Report of the Trustee
135	Statement by the Manager
136	Independent Auditors' Report
138	Balance Sheets

139	Statements of Total Return
140	Distribution Statements
141	Statements of Movements in Unitholders' Funds

142	Portfolio Statements
147	Cash Flow Statements
149	Notes to the Financial Statements

REPORT OF THE TRUSTEE

Year ended 31 December 2010

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 Unitholders. In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, 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 in each annual accounting period and report thereon to Unitholders in an annual report.

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 138 to 203 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

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



ANTONY WADE LEWIS
Director

Singapore
11 February 2011

STATEMENT BY THE MANAGER

Year ended 31 December 2010

In the opinion of the directors of CapitaMall Trust Management Limited, the accompanying financial statements set out on pages 138 to 203 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 2010, 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



HO CHEE HWEE SIMON
Director

Singapore
11 February 2011

INDEPENDENT AUDITORS' REPORT

Unitholders of CapitaMall Trust

(Established in the Republic of Singapore pursuant to a Trust Deed dated 29 October 2001 (as amended))

Report on the financial statements

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 2010, 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 information, as set out on pages 138 to 203.

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 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 for such internal control as the Manager of the Trust determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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 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.

INDEPENDENT AUDITORS' REPORT

Unitholders of CapitaMall Trust

(Established in the Republic of Singapore pursuant to a Trust Deed dated 29 October 2001 (as amended))

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 2010 and 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 of 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

11 February 2011

BALANCE SHEETS

As at 31 December 2010

		GROUP		TRUST	
	Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Non-current assets					
Plant and equipment	4	1,810	2,383	1,645	1,535
Investment properties	5	7,271,500	6,920,500	6,194,300	5,132,500
Subsidiaries	6	–	–	80	149,620
Associate and joint venture	7	131,807	137,062	675,154	670,230
		7,405,117	7,059,945	6,871,179	5,953,885
Current assets					
Inventories		197	195	–	–
Trade and other receivables	8	7,657	12,036	17,109	592,773
Cash and cash equivalents	10	712,952	350,825	696,456	315,147
		720,806	363,056	713,565	907,920
Total assets		8,125,923	7,423,001	7,584,744	6,861,805
Current liabilities					
Financial derivatives	9	8,234	353	8,234	353
Trade and other payables	11	125,922	103,477	107,968	76,570
Current portion of security deposits		40,658	43,710	37,115	31,882
Interest-bearing borrowings	12	384,125	440,000	–	440,000
Convertible bonds	13	542,635	–	542,635	–
Current tax payable		1,290	1,387	–	–
		1,102,864	588,927	695,952	548,805
Non-current liabilities					
Financial derivatives	9	75,191	33,706	13,694	33,706
Interest-bearing borrowings	12	1,925,159	1,150,669	1,981,409	781,338
Convertible bonds	13	–	616,048	–	616,048
Non-current portion of security deposits		83,302	64,038	75,165	49,237
		2,083,652	1,864,461	2,070,268	1,480,329
Total liabilities		3,186,516	2,453,388	2,766,220	2,029,134
Net assets		4,939,407	4,969,613	4,818,524	4,832,671
Represented by:					
Unitholders' funds		4,939,407	4,969,613	4,818,524	4,832,671
Units in issue ('000)	15	3,184,259	3,179,268	3,184,259	3,179,268
		\$	\$	\$	\$
Net asset value per unit		1.55	1.56	1.51	1.52

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

STATEMENTS OF TOTAL RETURN

Year ended 31 December 2010

	Note	GROUP		TRUST	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Gross revenue	16	581,120	552,700	499,840	405,028
Property operating expenses	17	(181,973)	(175,932)	(159,300)	(128,426)
Net property income		399,147	376,768	340,540	276,602
Interest income	18	2,022	1,038	2,007	33,569
Investment income	19	–	–	54,098	51,205
Asset management fees	20	(36,034)	(34,178)	(31,059)	(25,453)
Professional fees		(1,566)	(3,419)	(1,461)	(3,239)
Trustee's fees		(1,055)	(1,066)	(923)	(777)
Audit fees		(328)	(356)	(289)	(229)
Other expenses		(465)	(863)	(490)	(604)
Foreign exchange gain		–	3,402	–	–
Finance costs	21	(118,458)	(105,029)	(103,297)	(85,958)
Net income before share of profit of associate		243,263	236,297	259,126	245,116
Share of profit of associate		12,643	4,138	–	–
Net income		255,906	240,435	259,126	245,116
Loss on repurchase of convertible bonds		(5,182)	–	(5,182)	–
Net change in fair value of financial derivatives		9,500	(1,534)	9,500	6,567
Net change in fair value of investment properties		9,839	(302,187)	(32,069)	(212,463)
Total return for the year before income tax		270,063	(63,286)	231,375	39,220
Income tax expense	22	–	(1,899)	–	–
Total return for the year		270,063	(65,185)	231,375	39,220
Earnings per unit (cents)	23				
Basic		8.49	(2.23)	7.27	1.34
Fully diluted		8.41	(2.23)	7.26	1.34

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

DISTRIBUTION STATEMENTS

Year ended 31 December 2010

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Amount available for distribution to Unitholders at beginning of year	78,513	62,172	78,513	62,172
Net income before share of profit of associate	243,263	236,297	259,126	245,116
Net tax adjustments (Note A)	50,978	41,561	45,254	36,850
Rollover adjustment	564	–	564	–
Distribution income from associate	10,148	10,258	–	–
Net profit from subsidiaries	(9)	(6,150)	–	–
	304,944	281,966	304,944	281,966
Amount available for distribution to Unitholders	383,457	344,138	383,457	344,138
Distribution to Unitholders during the year:				
Distribution of 3.65 cents per unit for period from 01/10/2008 to 31/12/2008	–	(60,839)	–	(60,839)
Distribution of 1.97 cents per unit for period from 01/01/2009 to 31/03/2009	–	(62,481)	–	(62,481)
Distribution of 2.13 cents per unit for period from 01/04/2009 to 30/06/2009	–	(67,629)	–	(67,629)
Distribution of 2.35 cents per unit for period from 01/07/2009 to 30/09/2009	–	(74,676)	–	(74,676)
Distribution of 2.40 cents per unit for period from 01/10/2009 to 31/12/2009	(76,302)	–	(76,302)	–
Distribution of 2.23 cents per unit for period from 01/01/2010 to 31/03/2010	(70,934)	–	(70,934)	–
Distribution of 2.29 cents per unit for period from 01/04/2010 to 30/06/2010	(72,858)	–	(72,858)	–
Distribution of 2.36 cents per unit for period from 01/07/2010 to 30/09/2010	(75,134)	–	(75,134)	–
	(295,228)	(265,625)	(295,228)	(265,625)
Amount available for distribution to Unitholders at end of the year	88,229	78,513	88,229	78,513

Note A – Net tax adjustments comprise:

Non-tax deductible/(chargeable) items:

– asset management fees paid/payable in units	4,975	13,342	–	8,464
– trustee's fees	1,055	910	923	777
– other items	51,203	33,824	50,571	33,124
Tax deductible item:				
– capital allowances/balancing allowances	(6,255)	(6,515)	(6,240)	(5,515)
Net tax adjustments	50,978	41,561	45,254	36,850

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2010

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Net assets at beginning of the year	4,969,613	4,079,606	4,832,671	3,845,610
Operations				
Total return for the year	270,063	(65,185)	231,375	39,220
Hedging reserve				
Effective portion of changes in fair value of cash flow hedges	(4,863)	7,731	354	(95)
Movement in foreign currency translation reserve	(8,078)	(668)	–	–
Movement in general reserve	296	193	–	–
Movement in capital reserve	–	–	41,748	–
Unitholders' transactions				
Creation of units				
– asset management fees paid/payable in units	–	8,464	–	8,464
– units issued in respect of RCS Trust's asset management fees	4,924	4,879	4,924	4,879
– rights issue	–	1,231,934	–	1,231,934
– acquisition fees for Clarke Quay	2,680	–	2,680	–
Issue expenses (Note 24)	–	(31,716)	–	(31,716)
Distribution to Unitholders	(295,228)	(265,625)	(295,228)	(265,625)
Net (decrease)/increase in net assets resulting from Unitholders' transactions	(287,624)	947,936	(287,624)	947,936
Net assets at end of the year	4,939,407	4,969,613	4,818,524	4,832,671

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

PORTFOLIO STATEMENTS

As at 31 December 2010

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	
						2010	2009	2010	2009	2010	2009
						%	%	\$'000	\$'000	%	%
Investment properties in Singapore											
Tampines Mall	Leasehold	99 years	81 years	4 Tampines Central 5, Singapore	Commercial	100.0	100.0	792,000	777,000	16.0	15.6
Junction 8	Leasehold	99 years	80 years	9 Bishan Place, Singapore	Commercial	100.0	100.0	580,000	570,000	11.7	11.5
Funan DigitalLife Mall	Leasehold	99 years	68 years	109 North Bridge Road, Singapore	Commercial	100.0	99.3	330,000	326,000	6.7	6.6
IMM Building	Leasehold	60 years	38 years	2 Jurong East Street 21, Singapore	Commercial Warehouse	100.0	99.7	659,000	650,000	13.3	13.1
Plaza Singapura	Freehold	–	–	68 Orchard Road, Singapore	Commercial	100.0	100.0	1,034,000	1,000,000	20.9	20.1
Bugis Junction	Leasehold	99 years	79 years	200 Victoria Street, Singapore	Commercial	100.0	100.0	815,000	798,000	16.5	16.1
Sembawang Shopping Centre	Leasehold	999 years	873 years	604 Sembawang Road, Singapore	Commercial	99.5	99.5	123,000	136,500	2.5	2.7
JCube (formerly known as Jurong Entertainment Centre)	Leasehold	99 years	79 years	2 Jurong East Central 1, Singapore	Commercial	NA ¹	NA ¹	172,000	122,000	3.5	2.4
Hougang Plaza	Leasehold	99 years	79 years	1189 Upper Serangoon Road, Singapore	Commercial	100.0	100.0	39,000	39,000	0.8	0.8
Balance carried forward								4,544,000	4,418,500	91.9	88.9

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

PORTFOLIO STATEMENTS

As at 31 December 2010

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	
						2010	2009	2010	2009	2010	2009
						%	%	\$'000	\$'000	%	%
Investment properties in Singapore											
Balance brought forward								4,544,000	4,418,500	91.9	88.9
Lot One Shoppers' Mall ²	Leasehold	99 years	82 years	21 Choa Chu Kang Avenue 4, Singapore	Commercial	99.6	99.9	437,000	428,000	8.8	8.6
Bukit Panjang Plaza ²	Leasehold	99 years	83 years	1 Jelebu Road, Singapore	Commercial	100.0	99.8	255,000	248,000	5.2	5.0
Rivervale Mall ²	Leasehold	99 years	86 years	11 Rivervale Crescent, Singapore	Commercial	100.0	100.0	94,300	92,000	1.9	1.9
The Atrium@Orchard	Leasehold	99 years	97 years	60A & 60B Orchard Road, Singapore	Commercial	93.5	99.1	590,000	714,000	11.9	14.4
Clarke Quay ³	Leasehold	99 years	78 years	3A/B/C/D/E River Valley Road, Singapore	Commercial	100.0	–	274,000	–	5.5	–
40.0% interest in Raffles City	Leasehold	99 years	68 years	250 & 252 North Bridge Road, 2 Stamford Road and 80 Bras Basah Road, Singapore	Retail Office Hotel ⁴	99.6 98.5 NA	100.0 98.6 NA	1,077,200	1,020,000	21.8	20.5
Investment properties, at valuation											
Investment in associate (Note 7)											
Other assets and liabilities (net)											
Net assets											
								7,271,500	6,920,500	147.0	139.3
								131,807	137,062	2.7	2.7
								7,403,307	7,057,562	149.7	142.0
								(2,463,900)	(2,087,949)	(49.7)	(42.0)
								4,939,407	4,969,613	100.0	100.0

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

PORTFOLIO STATEMENTS

As at 31 December 2010

TRUST

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	
						2010	2009	2010	2009	2010	2009
						%	%	\$'000	\$'000	%	%
Investment properties in Singapore											
Tampines Mall	Leasehold	99 years	81 years	4 Tampines Central 5, Singapore	Commercial	100.0	100.0	792,000	777,000	16.4	16.1
Junction 8	Leasehold	99 years	80 years	9 Bishan Place, Singapore	Commercial	100.0	100.0	580,000	570,000	12.0	11.8
Funan DigitalLife Mall	Leasehold	99 years	68 years	109 North Bridge Road, Singapore	Commercial	100.0	99.3	330,000	326,000	6.8	6.7
IMM Building	Leasehold	60 years	38 years	2 Jurong East Street 21, Singapore	Commercial Warehouse	100.0	99.7 97.6	659,000	650,000	13.7	13.5
Plaza Singapura	Freehold	-	-	68 Orchard Road, Singapore	Commercial	100.0	100.0	1,034,000	1,000,000	21.5	20.7
Bugis Junction	Leasehold	99 years	79 years	200 Victoria Street, Singapore	Commercial	100.0	100.0	815,000	798,000	16.9	16.5
Sembawang Shopping Centre	Leasehold	999 years	873 years	604 Sembawang Road, Singapore	Commercial	99.5	99.5	123,000	136,500	2.6	2.8
JCube (formerly known as Jurong Entertainment Centre)	Leasehold	99 years	79 years	2 Jurong East Central 1, Singapore	Commercial	NA ¹	NA ¹	172,000	122,000	3.6	2.5
Hougang Plaza	Leasehold	99 years	79 years	1189 Upper Serangoon Road, Singapore	Commercial	100.0	100.0	39,000	39,000	0.8	0.8
Balance carried forward								4,544,000	4,418,500	94.3	91.4

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

PORTFOLIO STATEMENTS

As at 31 December 2010

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	
						2010	2009	2010	2009	2010	2009
						%	%	\$'000	\$'000	%	%
Investment properties in Singapore											
Balance brought forward								4,544,000	4,418,500	94.3	91.4
Lot One Shoppers' Mall ²	Leasehold	99 years	82 years	21 Choa Chu Kang Avenue 4, Singapore	Commercial	99.6	99.9	437,000	–	9.1	–
Bukit Panjang Plaza ²	Leasehold	99 years	83 years	1 Jelebu Road, Singapore	Commercial	100.0	99.8	255,000	–	5.3	–
Rivervale Mall ²	Leasehold	99 years	86 years	11 Rivervale Crescent, Singapore	Commercial	100.0	100.0	94,300	–	2.0	–
The Atrium@Orchard	Leasehold	99 years	97 years	60A & 60B Orchard Road, Singapore	Commercial	93.5	99.1	590,000	714,000	12.2	14.8
Clarke Quay ³	Leasehold	99 years	78 years	3A/B/C/D/E River Valley Road, Singapore	Commercial	100.0	–	274,000	–	5.7	–
Investment properties, at valuation											
Investment in subsidiaries, associate and joint venture (Notes 6 & 7)								6,194,300	5,132,500	128.6	106.2
Other assets and liabilities (net)								675,234	819,850	14.0	17.0
Net assets								6,869,534	5,952,350	142.6	123.2
								(2,051,010)	(1,119,679)	(42.6)	(23.2)
								4,818,524	4,832,671	100.0	100.0

NA Not Applicable

1 Occupancy rate is not applicable as JCube (formerly known as Jurong Entertainment Centre) was closed in November 2008 for asset enhancement works.

2 On 1 January 2010, the three properties namely Lot One Shoppers' Mall, Bukit Panjang Plaza and Rivervale Mall previously held by CapitaRetail Singapore Limited are now held directly by CMT.

3 On 1 July 2010, CMT completed the acquisition of Clarke Quay located at 3A/B/C/D/E River Valley Road, Singapore 179020/1/2/3/4.

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 2010

On 31 December 2010, independent valuations of Tampines Mall, Junction 8, Funan DigitalLife Mall, IMM Building, Bugis Junction, Sembawang Shopping Centre, Hougang Plaza and JCube were undertaken by Knight Frank Pte Ltd ("Knight Frank") while the independent valuations of Plaza Singapura, Lot One Shoppers' Mall, Bukit Panjang Plaza, Rivervale Mall, The Atrium@Orchard and Clarke Quay were undertaken by CB Richard Ellis (Pte) Ltd ("CBRE"). The Manager believes that the independent valuers have appropriate professional qualifications and 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 (except for JCube) and capitalisation and discounted cash flow approaches for CBRE. For JCube, Knight Frank has used residual land value method and the gross development value is derived by the investment method and the discounted cash flow approaches. The net change in fair value of the properties has been taken to the Statement of Total Return.

On 31 December 2010, independent valuation of Raffles City was undertaken by CBRE and Jones Lang LaSalle Hotels. The Manager believes that the independent valuer has appropriate professional qualifications and experience in the location and category of the property being valued. The valuation was based on capitalisation method and discounted cash flow approaches. The valuation adopted was \$2,693,000,000 and the Trust's proportionate interest in the property value is \$1,077,200,000. The net change in fair value of the property has been taken to the Statement of Total Return.

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 \$30,149,000 (2009: \$28,635,000) and \$21,734,000 (2009: \$17,917,000) respectively.

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

CASH FLOW STATEMENTS

Year ended 31 December 2010

	GROUP		TRUST	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Net income	255,906	240,435	259,126	245,116
Adjustments for:				
Interest income	(2,022)	(1,038)	(2,007)	(33,569)
Investment income	–	–	(54,098)	(51,205)
Finance costs	118,458	105,029	103,297	85,958
Assets written off	13	17	11	16
Foreign exchange gain – realised	–	(3,402)	–	–
Depreciation and amortisation	1,057	1,021	863	647
Receivables written off	35	78	29	10
Asset management fees paid/payable in units	4,975	13,342	–	8,464
Share of profit of associate	(12,643)	(4,138)	–	–
Operating income before working capital changes	365,779	351,344	307,221	255,437
Changes in working capital:				
Inventories	(2)	(16)	–	–
Trade and other receivables	4,166	1,576	15,361	92
Trade and other payables	4,805	1,036	5,988	4,133
Security deposits	8,499	1,941	7,836	721
Income tax paid	(96)	(288)	–	–
Cash flows from operating activities	383,151	355,593	336,406	260,383
Cash flows from investing activities				
Interest received	2,041	1,018	2,026	28,180
Investment income received	–	–	42,414	40,303
Distribution received from associate	10,148	10,258	10,148	10,258
Net cash outflow on purchase of investment property (including acquisition charges) (see Note A below)	(261,216)	–	(261,216)	–
Capital expenditure on investment properties	(61,594)	(64,459)	(48,835)	(43,010)
Purchase of plant and equipment	(326)	(1,124)	(304)	(677)
Proceeds from sale of plant and equipment	2	3	2	3
Loan to subsidiary	–	–	–	(350,000)
Proceeds from internal restructuring	–	–	11,030	–
Cash flows from investing activities	(310,945)	(54,304)	(244,735)	(314,943)
Balance carried forward	72,206	301,289	91,671	(54,560)

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

CASH FLOW STATEMENTS

Year ended 31 December 2010

	GROUP		TRUST	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Balance brought forward	72,206	301,289	91,671	(54,560)
Cash flows from financing activities				
Payment of issue and financing expenses	(4,742)	(31,716)	(4,742)	(31,716)
Repurchase of convertible bonds	(105,158)	–	(105,158)	–
Proceeds from interest-bearing borrowings	1,213,900	17,800	1,199,500	–
Repayment of interest-bearing borrowings	(440,000)	(991,200)	(440,000)	(645,000)
Proceeds from issue of new units	–	1,231,934	–	1,231,934
Distribution to Unitholders	(295,228)	(265,625)	(295,228)	(265,625)
Cash pledge	15,000	(15,000)	15,000	(15,000)
Interest paid	(78,851)	(80,012)	(64,734)	(61,310)
Cash flows from financing activities	304,921	(133,819)	304,638	213,283
Net increase in cash and cash equivalents	377,127	167,470	396,309	158,723
Cash and cash equivalents at beginning of the year	335,825	168,355	300,147	141,424
Cash and cash equivalents at end of the year¹ (Note 10)	712,952	335,825	696,456	300,147

¹ In June 2010, the \$15.0 million cash pledged in July 2009 was released upon payment of the \$125.0 million fixed rate term loan. The \$15.0 million was pledged with Silver Maple Investment Corporation Ltd as a cash collateral to unencumber Plaza Singapura.

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
	2010
	\$'000
Investment properties	268,000
Other assets	5
Security deposits	(7,878)
Net identifiable assets and liabilities acquired	260,127
Acquisition charges	1,089
Net cash outflow	261,216

(B) Significant Non-Cash Transaction

During the financial year, 3,558,526 (2009: 11,002,930) units were issued or will be issued as payment for the asset management fees payable in units, amounting to a value of \$4,975,000 (2009: \$13,342,000).

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

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 11 February 2011.

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 6 and 7.

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.

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

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

- (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.

In respect of all Authorised Investments which are in the form of Real Estate acquired by the Trust: –

- (a) the base component shall be paid to the Manager in the form of cash and/or Units (as the Manager may elect); and
- (b) the performance component shall be 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 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 asset management fee at the market price (as defined in the Trust Deed). The asset management fees are payable quarterly in arrears.

The Manager is also entitled to receive acquisition fee at the rate of 1% of the purchase price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties or investments.

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 BASIS OF PREPARATION

2.1 Statement of compliance

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.

2.2 Basis of measurement

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.

2.3 Functional and presentation currency

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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

2.4 Use of estimates and judgements

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 5 – Valuation of investment properties
- Note 27 – Valuation of financial instruments

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group entities.

2.5 Changes in accounting policies

Accounting for business combinations

From 1 January 2010, the Group has applied FRS 103 Business Combinations (2009) in accounting for business combinations. Business combinations are now accounted for using the acquisition method as at the acquisition date. The change in accounting policy has been applied prospectively to new business combinations occurring on or after 1 January 2010. The change in accounting policy had no impact on the consolidated financial statements of the Group.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

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 transactions, 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 investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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.

3.2 Plant and equipment

Plant and equipment are measured 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

NOTES TO THE FINANCIAL STATEMENTS

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Gain or loss arising from the retirement or disposal of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised in the Statement of Total Return.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

3.3 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 including capitalised borrowing costs. 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.

3.4 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 end of the reporting date are retranslated to the functional currency at the exchange rate at that 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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

3.5 Financial instruments

Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through the Statement of Total Return) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Cash and cash equivalents comprise cash balances and bank deposits.

Non-derivative financial liabilities

The Group initially recognises all other financial liabilities (including liabilities designated at fair value through the Statement of Total Return) on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group has the following non-derivative financial liabilities: loans and borrowings and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

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.

On initial designation of the hedge, the Group formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objectives and strategy in undertaking the hedge transaction, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, whether the hedging instruments are expected to be “highly effective” in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80%-125%. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported total return.

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 the hedging reserve in Unitholders’ funds remains there until the forecast transaction occurs. If the forecast transaction is no longer expected to occur, any related cumulative gain or loss is recognised 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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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.

Intra-group financial guarantees

Financial guarantees are financial instruments issued by the Group that requires the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees are recognised initially at fair value and are classified as financial liabilities. 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.

3.6 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through total return is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for receivables and at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for the Manager's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

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 asset's original effective interest rate. Losses are recognised in the Statement of Total Return and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Statement of Total Return.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Total Return.

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 or amortisation, if no impairment loss had been recognised.

3.7 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.

3.8 Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination and is classified as equity.

Incremental costs directly attributable to the issue of units are recognised as a deduction from Unitholders' funds.

3.9 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.

NOTES TO THE FINANCIAL STATEMENTS

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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.

3.10 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.

3.11 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.

3.12 Income tax

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:

- temporary differences on 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

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

- differences related 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.

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 reduced 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.

3.13 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. All operating segments’ operating results are reviewed regularly by the Group’s CODMs to make decisions about resources to be allocated to the segments and assess its performance and for which discrete financial information is available.

3.14 New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations that are effective for annual periods beginning after 1 January 2010, and have not been applied in preparing these financial statements. None of these are expected to have a significant impact on the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

4 PLANT AND EQUIPMENT

	Furniture, fittings and equipment	
	2010	2009
	\$'000	\$'000
GROUP		
Cost		
At 1 January	4,510	3,684
Additions	326	1,124
Disposals	(122)	(43)
Assets written off	(135)	(255)
At 31 December	4,579	4,510
Accumulated depreciation		
At 1 January	2,127	1,519
Charge for the year	884	886
Disposals	(120)	(40)
Assets written off	(122)	(238)
At 31 December	2,769	2,127
Carrying amount		
At 1 January	2,383	2,165
At 31 December	1,810	2,383
TRUST		
Cost		
At 1 January	2,931	2,419
Transfer from Subsidiaries	543	–
Additions	304	674
Disposals	(120)	(34)
Assets written off	(57)	(128)
At 31 December	3,601	2,931
Accumulated depreciation		
At 1 January	1,396	1,016
Charge for the year	724	525
Disposals	(118)	(33)
Assets written off	(46)	(112)
At 31 December	1,956	1,396
Carrying amount		
At 1 January	1,535	1,403
At 31 December	1,645	1,535

NOTES TO THE FINANCIAL STATEMENTS

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5 INVESTMENT PROPERTIES

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
At 1 January	6,920,500	7,174,000	5,132,500	5,317,000
Transfer from Subsidiaries	–	–	768,000	–
Acquisition of investment properties	268,000	–	268,000	–
Acquisition charges capitalised	3,769	–	3,769	–
Capital expenditure capitalised	69,392	48,687	54,100	27,963
	7,261,661	7,222,687	6,226,369	5,344,963
Net change in fair value of investment properties	9,839	(302,187)	(32,069)	(212,463)
At 31 December	7,271,500	6,920,500	6,194,300	5,132,500

Some of the investment properties have been mortgaged to secure credit facilities for the Trust and the Group (Note 12) and as security for the convertible bonds of the Trust (Note 13). Plaza Singapura, Lot One Shoppers' Mall, Bukit Panjang Plaza, Rivervale Mall and Clarke Quay are unencumbered as at the balance sheet date.

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.

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6 SUBSIDIARIES

		TRUST	
	Note	2010 \$'000	2009 \$'000
Non-current assets			
Unquoted equity at cost		–	149,540
Loan to subsidiaries		80	80
		80	149,620
Current assets			
Loan to subsidiary	8	–	563,000

Details of the subsidiaries are as follows:

Name of subsidiaries	Place of incorporation/ business	Effective equity interest held by the Trust	
		2010 %	2009 %
CapitaRetail Singapore Limited ¹	Singapore	100	100
CMT MTN Pte. Ltd. ¹	Singapore	100	100

¹ Audited by KPMG Singapore

CapitaRetail Singapore Limited

The principal activity of CapitaRetail Singapore Limited (“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 90 out of 91 strata lots in Bukit Panjang Plaza, Lot One Shoppers’ Mall and Rivervale Mall (collectively, “CRSL Properties”) respectively.

Pursuant to a Deed of Reconstruction entered into by CRSL with HSBC Institutional Trust Services (Singapore) Limited in its capacity as trustee of the Trust and each of its subsidiaries. The CRSL Properties were transferred to the Trust on 1 January 2010 at the carrying amounts as at 31 December 2009. In connection with the internal restructuring, the encumbrances over the CRSL Properties have been discharged.

The sale proceeds received by the subsidiaries arose as a debt owing by the Trust to the subsidiaries, and were used to repay the principal amount on intercompany loans obtained from CRSL. The remaining sale proceeds were distributed in the form of a distribution of income, capital and by way of redemption of units in the subsidiaries, to CRSL.

In 2009, the Trust had invested \$213,000,000 in the Junior Bond (“Junior Bond”) and 852 attached Redeemable Preference Shares in CRSL, representing 100% of the Junior Bond and Redeemable Preference Shares, respectively, issued by CRSL.

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The salient terms of the Junior Bonds were as follows:

- (i) Junior Bonds issued by the CRSL were constituted by the Junior Bonds Trust Deed dated 27 February 2008;
- (ii) Junior Bonds bore an interest rate of 15% per annum, payable quarterly in arrear. 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 was subordinated to the payment of interest on the term loans and revolving credit facility;
- (iv) The redemption of Junior Bonds was subordinate to the payment of the term loans and revolving credit facility; and
- (v) Junior Bonds matures in 2018.

Junior Bonds were 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.

On 8 April 2009, the Trust provided an interest-bearing loan of \$350,000,000 to CRSL. The loan bore interest at 5.788% per annum, payable quarterly in arrears, non-trade in nature and unsecured. The loan was used to repay \$320,000,000 fixed rate term loan, \$26,200,000 revolving credit facility and certain committed asset enhancement initiatives of CRSL.

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 (2009: \$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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

7 ASSOCIATE AND JOINT VENTURE

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Investment in associate	131,807	137,062	130,836	130,836
Investment in joint venture	–	–	544,318	539,394
	131,807	137,062	675,154	670,230

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	
		2010 %	2009 %
Associate			
CapitaRetail China Trust ¹	Singapore	19.6	19.7
Joint venture			
RCS Trust ¹	Singapore	40.0	40.0

¹ 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.

At the balance sheet date, the fair value of both the Group’s and the Trust’s investment in CRCT is \$152,154,000 (2009: \$157,062,000).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

The financial information of the associate and the Trust's interests in the joint venture are as follows:

	Associate		Joint venture	
	2010 ¹	2009 ²	2010	2009
	\$'000	\$'000	\$'000	\$'000
Assets and Liabilities				
Non-current assets			1,077,365	1,020,305
Current assets			13,308	10,781
Total assets	1,204,611	1,227,612	1,090,673	1,031,086
Non-current liabilities			8,137	374,420
Current liabilities			403,015	19,788
Total liabilities	515,583	515,601	411,152	394,208
Results				
Revenue	118,681	122,396	81,287	80,054
Expenses			(43,061)	(43,815)
Revaluation surplus/(deficit)			41,908	(68,087)
Total return for the year	65,782	21,935	80,134	(31,848)
The Group's share of joint venture capital commitment			1,256	15,823

¹ As the results of CRCT for the fourth quarter ended 31 December 2010 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 2010 dated 20 October 2010. The financial results recorded were based on CRCT's unaudited financial statement and distribution announcements for the period from 1 October 2009 to 30 September 2010.

² As the results of CRCT for the fourth quarter ended 31 December 2009 are not announced in sufficient time to be included in the Group's results for the same calendar quarter, the assets and liabilities recorded was based on CRCT's unaudited financial statements and distribution announcements for the third quarter ended 30 September 2009 dated 23 October 2009. The financial results recorded were based on CRCT's unaudited financial statement and distribution announcements for the period from 1 October 2008 to 30 September 2009.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

8 TRADE AND OTHER RECEIVABLES

	Note	GROUP		TRUST	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Trade receivables		4,161	4,353	3,866	3,665
Impairment losses		(14)	(78)	–	–
Net trade receivables		4,147	4,275	3,866	3,665
Deposits		2,542	6,327	1,062	4,293
Interest receivable		–	19	–	10,902
Loan to subsidiaries	6	–	–	–	563,000
Amount due from related parties		62	362	11,694	10,425
Other receivables		579	644	167	189
Loans and receivables		7,330	11,627	16,789	592,474
Prepayments		327	409	320	299
		7,657	12,036	17,109	592,773

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	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Retail customers	4,011	4,218	3,740	3,554
Warehouse	40	57	40	58
Office	96	–	86	53
	4,147	4,275	3,866	3,665

The Group's most significant tenant, accounts for \$291,550 (2009: \$184,890) of the trade receivables carrying amount as at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

Impairment losses

The ageing of receivables at the reporting date is:

	GROUP		TRUST	
	Gross	Impairment losses	Gross	Impairment losses
	\$'000	\$'000	\$'000	\$'000
2010				
Not past due	3,429	–	3,268	–
Past due 31 – 60 days	471	–	426	–
Past due 61 – 90 days	89	(10)	98	–
Over 90 days	172	(4)	74	–
	4,161	(14)	3,866	–
2009				
Not past due	3,493	(12)	2,973	–
Past due 31 – 60 days	585	(4)	551	–
Past due 61 – 90 days	91	(28)	77	–
Over 90 days	184	(34)	64	–
	4,353	(78)	3,665	–

The change in impairment loss in respect of trade receivables during the year is as follows:

	GROUP		TRUST	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
As at 1 January	78	–	–	–
Allowance (reversed)/made during the year	(64)	78	–	–
As at 31 December	14	78	–	–

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 2010

9 FINANCIAL DERIVATIVES

	GROUP		TRUST	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Current liabilities				
Interest rate swaps	–	353	–	353
Derivative liability portion of convertible bonds	8,234	–	8,234	–
	8,234	353	8,234	353
Non-current liabilities				
Cross currency swap	61,497	–	–	–
Interest rate swaps	13,694	5,873	13,694	5,873
Derivative liability portion of convertible bonds	–	27,833	–	27,833
	75,191	33,706	13,694	33,706

Cross currency swap

On 8 April 2010, the Group had entered into a fixed to fixed cross currency swap to hedge the US dollars denominated notes with a notional contract amount of US\$500,000,000. The Group has designated the cross currency swap as a hedging instrument in a cash flow hedge. The swap matures on 8 April 2015.

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. Under the swap agreement, the swap matures on 27 August 2014. At balance sheet date, the Group has an interest rate swap with a notional contract amount of \$320,000,000 (2009: \$320,000,000).

On 22 October 2008, the Trust had 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 matured on 30 April 2010. The Group had designated the interest rate swap as a hedging instrument in a cash flow hedge. The interest rate swap was terminated on 30 April 2010 following the repayment of CMT MTN Floating Rate Notes.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

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	Contractual cash flows	Cash flows		
	\$'000	\$'000	Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
GROUP					
2010					
Cross currency swap	(61,497)	(58,823)	1,182	(60,005)	—
Interest rate swap	(13,694)	(13,399)	(6,795)	(6,604)	—
2009					
Interest rate swap	(6,226)	(5,115)	(5,184)	69	—
TRUST					
2010					
Interest rate swap	(13,694)	(13,399)	(6,795)	(6,604)	—
2009					
Interest rate swap	(6,226)	(5,115)	(5,184)	69	—

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

10 CASH AND CASH EQUIVALENTS

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Cash at bank and in hand	14,548	12,463	8,683	8,318
Fixed deposits with financial institutions	698,404	338,362	687,773	306,829
Cash and cash equivalents	712,952	350,825	696,456	315,147
Cash pledge	–	(15,000)	–	(15,000)
Cash and cash equivalents in the cash flow statement	712,952	335,825	696,456	300,147

At 31 December 2009, the cash and cash equivalents included an amount of \$15,000,000 which was pledged with Silver Maple Investment Corporation Ltd (“Silver Maple”) as cash collateral to unencumber Plaza Singapura. The cash pledge was mainly placed in fixed deposits with a bank and released during the year.

The weighted average effective interest rates relating to cash and cash equivalents at the balance sheet date for the Group and Trust are 0.29% (2009: 0.31%) and 0.29% (2009: 0.33%) per annum respectively. Interest rates reprice at intervals of 1 month.

11 TRADE AND OTHER PAYABLES

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Trade payables and accrued operating expenses	87,744	78,868	75,767	59,972
Amounts due to related parties (trade)	11,571	9,062	9,973	6,363
Deposits and advances	11,548	10,004	10,513	7,451
Interest payables	15,059	5,543	11,715	2,784
	125,922	103,477	107,968	76,570

Included in amounts due to related parties of the Group is amount due to the Manager of \$9,364,000 (2009: \$6,951,000), the property manager of \$1,995,000 (2009: \$1,787,000) and project manager of \$211,000 (2009: \$Nil). At Trust level, the amount due to related parties is an amount due to the Manager of \$8,073,000 (2009: \$4,737,000), the property manager of \$1,713,000 (2009: \$1,310,000) and the project manager of \$187,000 (2009: \$313,000).

Included in trade payables and accrued operating expenses is an amount due to the Trustee of \$273,000 (2009: \$265,000) at Group level and \$239,000 (2009: \$193,000) at Trust level.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

12 INTEREST-BEARING BORROWINGS

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Current liabilities				
Term loans (secured)	346,400	125,000	–	125,000
Unamortised transaction cost	(275)	–	–	–
	346,125	125,000	–	125,000
Revolving credit facility (secured)	38,000	–	–	–
Term loans (unsecured)	–	315,000	–	315,000
	384,125	440,000	–	440,000
Non-current liabilities				
Term loans (secured)	783,000	1,129,400	783,000	783,000
Unamortised transaction cost	(1,091)	(2,331)	(1,091)	(1,662)
	781,909	1,127,069	781,909	781,338
Revolving credit facility (secured)	–	23,600	–	–
Term loans (unsecured)	1,143,250	–	1,199,500	–
	1,925,159	1,150,669	1,981,409	781,338
Total interest-bearing borrowings	2,309,284	1,590,669	1,981,409	1,221,338

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

Terms and debt repayment schedule

Terms and conditions of outstanding interest-bearing borrowings are as follows:

	Nominal interest rate %	Year of maturity	2010 Face value \$'000	2010 Carrying amount \$'000	2009 Face value \$'000	2009 Carrying amount \$'000
GROUP						
<u>Secured</u>						
SGD fixed rate term loans	3.13 – 3.84	2012	783,000	781,909	783,000	781,338
SGD fixed rate term loan	2.76	2010	–	–	125,000	125,000
SGD fixed rate term loans	4.17 – 4.21	2011	346,400	346,125	346,400	345,731
SGD floating rate revolving credit facility	0.55 – 0.58	2011	38,000	38,000	23,600	23,600
<u>Unsecured</u>						
SGD fixed rate term loan	3.25	2010	–	–	155,000	155,000
SGD floating rate term loan	SGD SOR ¹ + 1.65	2010	–	–	160,000	160,000
SGD fixed rate term loan	2.85	2014	150,000	150,000	–	–
SGD fixed rate term loan	3.29	2015	100,000	100,000	–	–
USD fixed rate term loan	4.32 ²	2015	643,250	643,250	–	–
SGD fixed rate term loans	3.55 – 3.85	2017	250,000	250,000	–	–
			2,310,650	2,309,284	1,593,000	1,590,669
TRUST						
<u>Secured</u>						
SGD fixed rate term loans	3.13 – 3.84	2012	783,000	781,909	783,000	781,338
SGD fixed rate term loan	2.76	2010	–	–	125,000	125,000
<u>Unsecured</u>						
SGD fixed rate term loan	3.25	2010	–	–	155,000	155,000
SGD floating rate term loan	SGD SOR ¹ + 1.65	2010	–	–	160,000	160,000
SGD fixed rate term loan	2.85	2014	150,000	150,000	–	–
SGD fixed rate term loans	3.29 – 3.79	2015	799,500	799,500	–	–
SGD fixed rate term loans	3.55 – 3.85	2017	250,000	250,000	–	–
			1,982,500	1,981,409	1,223,000	1,221,338

¹ SGD SOR – Singapore Dollar Swap Offer Rate

² The Group has swapped the USD fixed rate to SGD fixed rate of 3.79%.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

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
GROUP					
2010					
Non-derivative financial liabilities					
Secured					
SGD fixed rate term loans	1,128,034	1,189,039	383,552	805,487	–
Convertible bonds	542,635	582,607	582,607	–	–
SGD floating rate revolving credit facility	38,000	38,149	38,149	–	–
Unsecured					
SGD fixed rate term loans	500,000	588,523	16,738	308,245	263,540
USD fixed rate term loan	643,250	761,968	27,795	734,173	–
Trade and other payables	125,922	125,922	125,922	–	–
Security deposits	123,960	123,960	40,658	83,302	–
	3,101,801	3,410,168	1,215,421	1,931,207	263,540
2009					
Non-derivative financial liabilities					
Secured					
SGD fixed rate term loans	1,252,069	1,357,168	168,141	1,189,027	–
Convertible bonds	616,048	733,256	6,500	726,756	–
SGD floating rate revolving credit facilities	23,600	24,098	293	23,805	–
Unsecured					
SGD fixed rate term loan	155,000	156,256	156,256	–	–
SGD floating rate term loan	160,000	161,266	161,266	–	–
Trade and other payables	103,477	103,477	103,477	–	–
Security deposits	107,748	107,748	43,710	64,038	–
	2,417,942	2,643,269	639,643	2,003,626	–

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

	Carrying amount \$'000	Contractual cash flows \$'000	Cash flows		
			Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
TRUST					
2010					
Non-derivative financial liabilities					
<u>Secured</u>					
SGD fixed rate term loans	781,909	832,486	26,999	805,487	–
Convertible bonds	542,635	582,607	582,607	–	–
<u>Unsecured</u>					
SGD fixed rate term loans	1,199,500	1,401,377	43,277	1,094,560	263,540
Trade and other payables	107,968	107,968	107,968	–	–
Security deposits	112,280	112,280	37,115	75,165	–
	2,744,292	3,036,718	797,966	1,975,212	263,540
2009					
Non-derivative financial liabilities					
<u>Secured</u>					
SGD fixed rate term loans	906,338	986,141	153,666	832,475	–
Convertible bonds	616,048	733,256	6,500	726,756	–
<u>Unsecured</u>					
SGD fixed rate term loan	155,000	156,256	156,256	–	–
SGD floating rate term loan	160,000	161,266	161,266	–	–
Trade and other payables	76,570	76,570	76,570	–	–
Security deposits	81,119	81,119	31,882	49,237	–
	1,995,075	2,194,608	586,140	1,608,468	–

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

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.

Under the facility agreement between Silver Maple and the Trustee, Silver Maple has granted the Trust a total term loan facility of \$783.0 million (2009: \$908.0 million).

The total facility drawn down by the Trust from Silver Maple as at 31 December 2010 is \$783.0 million (2009: \$908.0 million), consisting of:

- (i) \$433.0 million (2009: \$433.0 million) term loan at a fixed interest rate of 3.13% (2009: 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% (2009: 1.00%) above the SIBOR repriced every three months, will be applicable for the period from 31 October 2012 to 30 April 2014;
- (ii) \$350.0 million (2009: \$350.0 million) term loan at a fixed interest rate of 3.84% (2009: 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% (2009: 1.00%) above the SIBOR repriced every three months, will be applicable for the period from 31 October 2010 to 30 April 2014; and
- (iii) \$Nil (2009: \$125.0 million) term loan at a fixed interest rate of 2.76% (2009: 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% (2009: 2.91%) above the SIBOR repriced every three months, will be applicable for the period from 26 June 2010 to 26 December 2011. The term loan was repaid on 26 June 2010;

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;
- (v) a charge creating a fixed and floating charge over certain assets of the Trust relating to the Properties; and
- (vi) cash pledge of \$Nil (2009: \$15.0 million).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

Silver Maple has a \$2.0 billion (2009: \$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 ("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).

To fund the loans to the Trust of \$783.0 million (2009: \$908.0 million) fixed rate term loans, Silver Maple has raised funds through the following:

- (i) US\$255.5 million (2009: US\$255.5 million) Floating Rate Notes at floating interest rate of 0.24% (2009: 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% (2009: 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) €175.0 million (2009: €175.0 million) Floating Rate Notes at floating interest rate of 0.16% (2009: 0.16%) above the Euro Interbank Offered Rate ("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% (2009: 1.0%) above 3 month EURIBOR, for the period from 31 October 2012 to date of redemption on 30 April 2014; and
- (iii) US\$Nil million (2009: US\$72.1 million) Floating Rate Notes at floating interest rate of 0.62% (2009: 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% (2009: 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. The Floating Rate Notes were redeemed by Silver Maple on 26 June 2010.

(2) **Unsecured term loans of CMT MTN**

With effect from 29 December 2009, the Group has increased the programme limit of the \$1,000,000,000 Multicurrency Medium Term Note Programme ("CMT MTN Programme") under CMT MTN to \$2,500,000,000. 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 ("MTN Notes").

On 29 March 2010, the Group has established a US\$2,000,000,000 Euro-Medium Term Note Programme ("EMTN Programme"). Under the EMTN 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 Euro, Sterling, United States dollars, Singapore dollars and any other currency ("EMTN 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 and EMTN 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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

The total facility drawn down by the Trust from CMT MTN as at 31 December 2010 is \$1,199.5 million (2009: \$315.0 million), consisting of:

- (i) \$100.0 million (2009: \$Nil) Fixed Rate Notes Due 2015. The \$100.0 million MTN Notes will mature on 28 January 2015 and will bear an interest of 3.288% per annum payable semi-annually in arrears;
- (ii) \$100.0 million (2009: \$Nil) Fixed Rate Notes Due 2017. The \$100.0 million MTN Notes will mature on 15 March 2017 and will bear an interest of 3.85% per annum payable semi-annually in arrears;
- (iii) US\$500.0 million (2009: \$Nil) Fixed Rate Notes Due 2015. The US\$500.0 million EMTN Notes will mature on 8 April 2015 and will bear an interest of 4.321% per annum payable semi-annually in arrears;
- (iv) \$150.0 million (2009: \$Nil) Fixed Rate Notes Due 2014. The \$150.0 million MTN Notes will mature on 1 September 2014 and will bear an interest of 2.85% per annum payable semi-annually in arrears;
- (v) \$150.0 million (2009: \$Nil) Fixed Rate Notes Due 2017. The \$150.0 million MTN Notes will mature on 1 September 2017 and will bear an interest of 3.55% per annum payable semi-annually in arrears;
- (vi) \$Nil (2009: \$155.0 million) Fixed Rate Notes Due 2010. The \$155.0 million MTN Notes matured on 1 April 2010 and carried an interest rate of 3.25% per annum payable semi-annually in arrears. The notes were repaid on 1 April 2010; and
- (vii) \$Nil (2009: \$160.0 million) Floating Rate Notes Due 2010. The \$160.0 million MTN Notes matured on 30 April 2010 and carried an interest rate equal to the sum of 1.65% per annum and 6-month SGD SOR payable semi-annually in arrears. The notes were repaid on 30 April 2010.

CMT MTN has on-lent the proceeds from the issuance of the above MTN Notes and EMTN Notes to the Trust, who in turn use such proceeds to refinance short term borrowings and to finance asset enhancement works of the Trust.

(3) 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 (2009: \$866.0 million) and revolving credit facility of \$164.0 million (2009: \$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 2010 is \$866.0 million (2009: \$866.0 million), consisting of:

- (i) \$670.0 million (2009: \$670.0 million) term loan at a fixed interest rate of 4.17% (2009: 4.17%) per annum, fully repayable on 13 September 2011;
- (ii) \$60.0 million (2009: \$60.0 million) term loan at a fixed interest rate of 4.21% (2009: 4.21%) per annum, fully repayable on 13 September 2011; and

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Year ended 31 December 2010

- (iii) \$136.0 million (2009: \$136.0 million) term loan at a fixed interest rate of 4.21% (2009: 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 2010, RCS Trust has drawn down \$95,000,000 (2009: \$59,000,000) 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 (2009: \$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;
- (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 40.0% share of term loans and the amount drawn down under revolving credit facility are \$346,400,000 (2009: \$346,400,000) and \$38,000,000 (2009: \$23,600,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

13 CONVERTIBLE BONDS

	GROUP AND TRUST	
	2010	2009
	\$'000	\$'000
Carrying amount of debt component at 1 January	616,048	592,042
Amortisation of issue expenses	2,838	1,897
Interest accretion	27,658	22,109
Repurchase of convertible bonds	(103,909)	–
Carrying amount of debt component at 31 December	542,635	616,048

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. As at 31 December 2010, the Convertible Bonds are convertible by bondholders into Units at a conversion price of \$3.39 (adjusted on 2 April 2009 pursuant to the rights issue (Note 15) from the initial conversion price of \$4.36) at any time up to 3.00 p.m. on 22 June 2013 (at the place where the certificate evidencing such Convertible Bonds is deposited for conversion). 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.

On 5 October 2010, the Group has repurchased \$100.0 million principal amount of the Convertible Bonds.

14 DEFERRED TAX

	As at 1 January \$'000	Recognised in Statement of Total Return \$'000	Recognised in Unitholders' funds \$'000	As at 31 December \$'000
GROUP				
2009				
Deferred tax asset				
Financial derivatives	1,774	(1,774)	–	–

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

15 UNITS IN ISSUE

	TRUST	
	2010	2009
	'000	'000
Units in issue:		
At 1 January	3,179,268	1,666,831
Units created:		
– rights issue	–	1,502,359
– asset management fees paid in units	–	6,778
– settlement of asset management fees in relation to the Trust's 40.0% interest in Raffles City through RCS Trust	3,559	3,300
– acquisition fees for Clarke Quay	1,432	–
At 31 December	3,184,259	3,179,268
Units to be issued:		
– asset management fees payable in units	–	925
Total issued and issuable units at 31 December	3,184,259	3,180,193

On 2 April 2009, 1,502,358,923 units were issued pursuant to rights issue. The issue price was \$0.82 per each new Unit (the "Rights Units"). The Rights Units were listed on the SGX-ST on 3 April 2009.

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;
- 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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

16 GROSS REVENUE

	GROUP		TRUST	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Gross rental income	539,179	513,710	461,590	375,920
Car park income	15,547	14,317	13,452	9,934
Others	26,394	24,673	24,798	19,174
	581,120	552,700	499,840	405,028

17 PROPERTY OPERATING EXPENSES

	GROUP		TRUST	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Land rental	579	137	579	137
Property tax	51,241	49,283	43,658	35,451
Utilities	32,951	30,145	27,849	22,057
Property management fees	21,997	20,839	18,827	15,245
Property management reimbursements	23,063	21,974	20,776	16,200
Advertising and promotion	16,032	17,000	15,219	13,480
Maintenance	33,244	33,879	29,771	23,892
Others	2,866	2,675	2,621	1,964
	181,973	175,932	159,300	128,426

18 INTEREST INCOME

	GROUP		TRUST	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Interest income:				
– subsidiary	–	–	–	32,553
– financial institution	2,022	1,038	2,007	1,016
	2,022	1,038	2,007	33,569

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

19 INVESTMENT INCOME

	TRUST	
	2010	2009
	\$'000	\$'000
Distribution income from:		
- joint venture	43,950	40,947
- associate	10,148	10,258
	54,098	51,205

20 ASSET MANAGEMENT FEES

Included in the asset management fees is an aggregate of \$Nil (2009: \$8,464,000) 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 \$4,975,000 (2009: \$4,879,000) are paid/payable in units.

21 FINANCE COSTS

	GROUP		TRUST	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Interest paid/payable:				
- subsidiaries	–	–	31,317	10,780
- term loans	74,470	63,918	28,678	37,006
- convertible bonds	6,256	6,500	6,256	6,500
- revolving credit and/or bridge loan facilities	226	2,014	–	1,669
- realised loss on financial derivatives	7,415	5,938	7,415	4,931
Accreted interest of convertible bonds	22,364	22,109	22,364	22,109
Amortisation of transaction costs	2,885	3,821	2,490	2,450
Others	4,842	729	4,777	513
	118,458	105,029	103,297	85,958

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

22 INCOME TAX EXPENSE

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Current tax expense				
Current year	–	149	–	–
Overprovision in prior years	–	(24)	–	–
	–	125	–	–
Deferred tax expenses				
Movement in temporary difference	–	1,774	–	–
Income tax expense	–	1,899	–	–
Reconciliation of effective tax rate				
Net income	255,906	240,435	259,126	245,116
Tax calculated using Singapore tax rate of 17%	43,504	40,874	44,052	41,670
Effect of change in tax rate	–	99	–	–
Non-tax chargeable items	–	(665)	–	–
Non-tax deductible items	8,241	9,545	7,693	6,264
Income not subject to tax	–	(28)	–	–
Tax transparency	(51,745)	(47,933)	(51,745)	(47,934)
Overprovision in prior years	–	(24)	–	–
Others	–	31	–	–
	–	1,899	–	–

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

23 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	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Total return for the year	270,063	(65,185)	231,375	39,220

	TRUST Number of Units	
	2010 '000	2009 '000
Issued units at beginning of the year	3,179,268	1,754,009
Effect of creation of new units:		
– rights issue	–	1,160,727
– issued as satisfaction of asset management fees in relation to the Trust's 40.0% interest in Raffles City through RCS Trust	2,307	1,811
– issued and issuable as payment of asset management fees paid in units	–	4,071
– acquisition fees for Clarke Quay	597	–
Weighted average number of units at the end of the year	3,182,172	2,920,618

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

(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	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Total return for the year	270,063	(65,185)	231,375	39,220
Impact of conversion of the dilutive potential units	13,218	24,540	13,218	24,540
Adjusted total return for the year	283,281	(40,645)	244,593	63,760

	TRUST Number of Units	
	2010 '000	2009 '000
Weighted average number of units used in calculation of basic earnings per unit	3,182,172	2,920,618
Weighted average number of unissued units from convertible bonds	184,628	191,740
Weighted average number of units in issue (diluted)	3,366,800	3,112,358

For the year ended 31 December 2009, the impact at the Group and Trust level of conversion of the convertible bonds were anti-dilutive and were excluded from the calculation of diluted earnings per unit.

24 ISSUE EXPENSES

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Underwriting and selling commissions	–	31,754	–	31,754
Miscellaneous expenses	–	(38)	–	(38)
	–	31,716	–	31,716

These expenses are deducted directly against the Unitholders' funds.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

25 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) and Property Manager (CapitaLand Retail Management Pte Ltd) are 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	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Asset enhancement works and consultancy fees paid/ payable to a related company of the Manager	2,447	1,266	2,123	489
Rental and related income received/receivable from related companies of the Manager	1,164	541	1,089	434
Acquisition fees paid to the Manager	2,680	–	2,680	–

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

26 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

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 2010 and 2009, 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.

Foreign currency risk

The Group is exposed to foreign currency risk on interest-bearing borrowings that were denominated in a currency other than the functional currency of the Group. The currency giving rise to this risk is USD. The Group hedges this risk by entering into a cross currency swap with a notional contract amount of US\$500,000,000 during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

Sensitivity analysis

A 10.0% strengthening of Singapore dollar against the following foreign currencies at the reporting date would decrease the Statement of Total Return and Unitholders' Funds as at 31 December 2010 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
GROUP		
2010		
US dollar	–	(7,034)
2009		
US dollar	–	–

A 10.0% 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 2010, the Group has interest rate swaps with total notional contract amount of \$320,000,000 (2009: \$380,000,000) 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.

The net fair value of the above swaps at 31 December 2010 is \$13,694,000 (2009: \$6,226,000) comprising current liabilities of \$Nil (2009: \$353,000) and non-current liabilities of \$13,694,000 (2009: \$5,873,000). These are for interest rate swaps with notional contract amount of \$Nil (2009: \$60,000,000) and \$320,000,000 (2009: \$320,000,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

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Sensitivity analysis

An increase of 100 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' Fund \$'000
GROUP		
2010		
Interest-bearing borrowings (floating rate)	(380)	–
Interest rate swaps	11,411	–
	11,031	–
2009		
Interest-bearing borrowings (floating rate)	(1,836)	–
Interest rate swaps	15,573	197
	13,737	197
TRUST		
2010		
Interest-bearing borrowings (floating rate)	–	–
Interest rate swaps	11,411	–
	11,411	–
2009		
Interest-bearing borrowings (floating rate)	1,600	–
Interest rate swaps	15,573	197
	17,173	197

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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

27 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

GROUP	Note	Designated at fair value \$'000	Fair value – hedging instruments \$'000	Loans and receivables \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Fair value \$'000
2010							
Loans and receivables	8	-	-	7,330	-	7,330	7,330
Cash and cash equivalents	10	-	-	712,952	-	712,952	712,952
		-	-	720,282	-	720,282	720,282
Financial derivatives	9	(21,928)	(61,497)	-	-	(83,425)	(83,425)
Trade and other payables	11	-	-	-	(125,922)	(125,922)	(125,922)
Security deposits		-	-	-	(123,960)	(123,960)	(118,294)
Interest-bearing borrowings	12	-	-	-	(2,309,284)	(2,309,284)	(2,552,820)
Convertible bonds	13	-	-	-	(542,635)	(542,635)	(581,990)
		(21,928)	(61,497)	-	(3,101,801)	(3,185,226)	(3,462,451)
2009							
Loans and receivables	8	-	-	11,627	-	11,627	11,627
Cash and cash equivalents	10	-	-	350,825	-	350,825	350,825
		-	-	362,452	-	362,452	362,452
Financial derivatives	9	(33,706)	(353)	-	-	(34,059)	(34,059)
Trade and other payables	11	-	-	-	(103,477)	(103,477)	(103,477)
Security deposits		-	-	-	(107,748)	(107,748)	(103,605)
Interest-bearing borrowings	12	-	-	-	(1,590,669)	(1,590,669)	(1,597,943)
Convertible bonds	13	-	-	-	(616,048)	(616,048)	(719,114)
		(33,706)	(353)	-	(2,417,942)	(2,452,001)	(2,558,198)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

	Note	Designated at fair value \$'000	Fair value – hedging instruments \$'000	Loans and receivables \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Fair value \$'000
TRUST							
2010							
Loans and receivables	8	-	-	16,789	-	16,789	16,789
Cash and cash equivalents	10	-	-	696,456	-	696,456	696,456
		-	-	713,245	-	713,245	713,245
Financial derivatives	9	(21,928)	-	-	-	(21,928)	(21,928)
Trade and other payables	11	-	-	-	(107,968)	(107,968)	(107,968)
Security deposits		-	-	-	(112,280)	(112,280)	(107,221)
Interest-bearing borrowings	12	-	-	-	(1,981,409)	(1,981,409)	(2,163,158)
Convertible bonds	13	-	-	-	(542,635)	(542,635)	(581,990)
		(21,928)	-	-	(2,744,292)	(2,766,220)	(2,982,265)
2009							
Loans and receivables	8	-	-	592,474	-	592,474	592,474
Cash and cash equivalents	10	-	-	315,147	-	315,147	315,147
		-	-	907,621	-	907,621	907,621
Financial derivatives	9	(33,706)	(353)	-	-	(34,059)	(34,059)
Trade and other payables	11	-	-	-	(76,570)	(76,570)	(76,570)
Security deposits		-	-	-	(81,119)	(81,119)	(78,098)
Interest-bearing borrowings	12	-	-	-	(1,221,338)	(1,221,338)	(1,220,917)
Convertible bonds	13	-	-	-	(616,048)	(616,048)	(719,114)
		(33,706)	(353)	-	(1,995,075)	(2,029,134)	(2,128,758)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

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.

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.

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:

	2010 %	2009 %
Security deposits	3.54 – 3.58	3.22 – 3.40
Interest-bearing borrowings	1.74 – 3.36	0.98 – 3.52
Convertible bonds	1.26	3.83

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation model. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable data).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
GROUP				
2010				
Cross currency swap	–	61,497	–	61,497
Interest rate swaps	–	13,694	–	13,694
Derivative liability portion of convertible bonds	–	–	8,234	8,234
	–	75,191	8,234	83,425

TRUST

2010

Interest rate swaps	–	13,694	–	13,694
Derivative liability portion of convertible bonds	–	–	8,234	8,234
	–	13,694	8,234	21,928

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
GROUP AND TRUST				
2009				
Interest rate swaps	–	6,226	–	6,226
Derivative liability portion of convertible bonds	–	–	27,833	27,833
	–	6,226	27,833	34,059

The following table presents the changes in Level 3 instruments for the financial year ended 31 December 2010:

	GROUP AND TRUST	
	2010	2009
	\$'000	\$'000
Derivative liability portion of convertible bonds		
Opening balance	27,833	33,800
Extinguishment of derivative liability on repurchase of convertible bonds	(2,278)	–
Gains recognised in the Statement of Total Return	(17,321)	(5,967)
Closing balance	8,234	27,833

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

28 OPERATING SEGMENTS

For the purpose of making resource allocation decisions and the assessment of segment performance, the Group's CODMs reviews internal/management reports of its investment properties. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

Segment revenue comprises mainly of income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the CODMs for the purpose of assessment of segment performance. In addition, the CODMs monitor the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

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.

Information regarding the Group's reportable segments is presented in the tables below. Amounts reported for the prior year have been represented to conform to the requirements of FRS 108.

Geographical segments

Segment information in respect of the Group's geographical segments is not presented, as the Group's activities for the year ended 31 December 2010 and 31 December 2009 related wholly to properties located in Singapore.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

Operating segments

	Tampines Mall \$'000	Junction 8 \$'000	Funan Digitalife Mall \$'000	IMM Building \$'000	Plaza Singapura \$'000	Bugis Junction \$'000	Lot One Shoppers' Mall \$'000	Bukit Panjang Plaza \$'000	The Atrium@ Orchard \$'000	Clarke Quay \$'000	Other Investment Properties ¹ \$'000	Subsidiaries portfolio ² \$'000	40.0% interest in RCS Trust - Raffles City ³ \$'000	Total \$'000
2010														
Gross rental income	59,084	44,916	26,586	70,141	72,105	66,946	34,973	20,722	29,732	13,291	23,094	-	77,589	539,179
Car park income	2,576	1,430	1,869	868	2,483	-	1,218	1,130	351	625	902	-	2,095	15,547
Others	2,857	3,017	1,636	3,252	3,077	3,151	2,068	1,181	1,769	1,474	1,316	-	1,596	26,394
Gross revenue	64,517	49,363	30,091	74,261	77,665	70,097	38,259	23,033	31,852	15,390	25,312	-	81,280	581,120
Segment net property income	46,831	34,318	19,637	49,046	57,355	47,916	25,950	14,810	22,145	8,574	13,958	-	58,607	399,147
Interest income														2,022
Finance costs														(118,458)
Unallocated expenses														(39,448)
Share of profit of associate														12,643
Net income														255,906
Loss on repurchase of convertible bonds														(5,182)
Net change in fair value of financial derivatives														9,500
Net change in fair value of investment properties														9,839
Total return for the year before income tax	10,247	5,953	3,013	4,374	31,331	15,405	4,333	4,860	(125,703)	2,082	12,036	-	41,908	270,063
Income tax expense														-
Total return for the year														270,063

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

	Tampines Mall \$'000	Junction 8 \$'000	Funan Digitalife Mall \$'000	IMM Building \$'000	Plaza Singapura \$'000	Bugis Junction \$'000	Lot One Shoppers' Mall \$'000	Bukit Panjang Plaza \$'000	The Atrium@ Orchard \$'000	Clarke Quay \$'000	Other Investment Properties ¹ \$'000	Subsi- diaries portfolio ² \$'000	40.0% interest in RCS Trust – Raffles City ³ \$'000	Total \$'000
Assets and liabilities														
Segment assets	792,933	580,480	330,613	659,759	1,034,756	815,318	437,457	255,623	590,455	274,715	429,029	9,389	1,090,673	7,301,200
Investment in associate and joint venture														131,807
Unallocated assets														692,916
Total assets														<u>8,125,923</u>
Segment liabilities	23,770	16,708	11,808	28,190	26,833	26,058	13,259	7,601	8,440	11,015	24,854	1,218,035	411,151	1,827,722
Unallocated liabilities:														
– interest-bearing borrowings														
– interest payables														
– asset management fees payable														
– convertible bonds														
– derivative liability														
– others														
Total liabilities														<u>1,358,794</u>
Other segmental information														<u>3,186,516</u>
Depreciation and amortisation	113	72	29	188	121	71	80	73	5	2	109	–	194	1,057
Plant and equipment:														
– Capital expenditure	20	8	5	143	16	20	24	5	17	29	17	–	22	326
Investment properties:														
– Capital expenditure	4,753	4,047	987	4,626	2,669	1,595	4,667	2,139	1,703	149	26,765	–	15,292	69,392
Receivables written off	–	–	8	–	16	–	5	–	–	–	–	–	6	35

781,909
2,326
8,073
542,635
21,928
1,923
1,358,794
3,186,516

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

Operating segments

	Tampines Mall \$'000	Junction 8 \$'000	Funan DigitalLife Mall \$'000	IMM Building \$'000	Plaza Singapore \$'000	Bugis Junction \$'000	Lot One Shoppers' Mall \$'000	Bukit Panjang Plaza \$'000	The Atrium@ Orchard \$'000	Other Investment Properties ¹ \$'000	Subsidiaries portfolio ² \$'000	40.0% interest in RCS Trust - Raffles City ³ \$'000	Total \$'000
2009													
Gross rental income	58,377	44,028	25,789	69,579	70,408	66,095	33,712	20,179	28,301	21,041	-	76,201	513,710
Car park income	2,543	1,420	1,881	679	2,312	-	1,257	1,043	321	779	-	2,082	14,317
Others	2,818	3,076	1,664	3,624	2,707	2,800	1,931	1,121	1,170	1,994	-	1,768	24,673
Gross revenue	63,738	48,524	29,334	73,882	75,427	68,895	36,900	22,343	29,792	23,814	-	80,051	552,700
Segment net property income	45,635	33,106	19,542	48,939	54,822	46,599	24,563	14,009	21,102	11,993	-	56,458	376,768
Interest income													1,038
Finance costs													(105,029)
Unallocated expenses													(36,480)
Share of profit of associate													4,138
Net income													240,435
Net change in fair value of financial derivatives													(1,534)
Net change in fair value of investment properties	898	(15,466)	(14,361)	(10,497)	(1,895)	(6,600)	(12,451)	(8,557)	(135,742)	(29,429)	-	(68,087)	(302,187)
Total return for the year before income tax													(63,286)
Income tax expense													(1,899)
Total return for the year													(65,185)

Year ended 31 December 2010

Other investment properties comprise Sembawang Shopping Centre, Hougang Plaza, JCuba and Rivervale Mall.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

29 COMMITMENTS

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Capital commitments:				
– contracted but not provided for	121,114	36,797	119,858	15,547

Operating lease rental payable

Future minimum lease payments for the Group on non-cancellable operating leases with a term of more than one year are as follows:

	2010 \$'000	2009 \$'000
Within 1 year	285	285
After 1 year but within 5 years	1,139	1,139
After 5 years	242	527
	1,666	1,951

Operating lease rental receivable

The Group leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	GROUP		TRUST	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Within 1 year	477,660	426,013	415,345	315,315
After 1 year but within 5 years	520,187	443,885	452,587	319,953
More than 5 years	1,317	3,394	1,317	327
	999,164	873,292	869,249	635,595

30 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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

31 SUBSEQUENT EVENT

On 17 January 2011, Hougang Plaza was released as security under the facility agreement with Silver Maple.

32 FINANCIAL RATIOS

	2010 %	2009 %
Expenses to weighted average net assets ¹		
– including performance component of Manager's management fees	0.71	0.65
– excluding performance component of Manager's management fees	0.42	0.40
Portfolio turnover rate ²	–	–

¹ 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.

² 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 UNITHOLDERS

As at 21 February 2011

ISSUED AND FULLY PAID UNITS

3,184,935,885 units (voting rights: 1 vote per unit)

Market Capitalisation S\$5,796,583,311 (based on closing unit price of S\$1.82 on 21 February 2011)

DISTRIBUTION OF UNITHOLDINGS

Size of Holdings	No. of Unitholders	%	No. of Units	%
1 – 999	247	1.80	47,697	0.00
1,000 – 10,000	9,522	69.36	44,922,871	1.41
10,001 – 1,000,000	3,925	28.59	183,476,580	5.76
1,000,001 and above	35	0.25	2,956,488,737	92.83
	13,729	100.00	3,184,935,885	100.00

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	13,395	97.57	3,178,955,371	99.81
Malaysia	168	1.22	2,462,201	0.08
Others	166	1.21	3,518,313	0.11
	13,729	100.00	3,184,935,885	100.00

TWENTY LARGEST UNITHOLDERS

S/No.	Name	No. of Units	%
1	Citibank Nominees Singapore Pte Ltd	575,249,830	18.06
2	Pyramex Investments Pte Ltd	570,417,150	17.91
3	DBSN Services Pte Ltd	508,561,620	15.97
4	Albert Complex Pte Ltd	279,300,000	8.77
5	DBS Nominees Pte Ltd	260,343,444	8.17
6	HSBC (Singapore) Nominees Pte Ltd	213,302,343	6.70
7	United Overseas Bank Nominees Pte Ltd	127,896,273	4.02
8	NTUC Fairprice Co-operative Ltd	122,755,000	3.85
9	Premier Healthcare Services International Pte Ltd	62,700,000	1.97
10	Raffles Nominees (Pte) Ltd	48,831,360	1.53
11	Alphaplus Investments Pte Ltd	48,127,000	1.51
12	CapitaMall Trust Management Limited	38,700,106	1.22
13	BNP Paribas Securities Services Singapore	30,473,061	0.96
14	DB Nominees (S) Pte Ltd	11,325,292	0.36
15	BNP Paribas Nominees Singapore Pte Ltd	10,302,578	0.32
16	OCBC Securities Private Ltd	5,492,906	0.17
17	Bank of Singapore Nominees Pte Ltd	5,364,009	0.17
18	Societe Generale Singapore Branch	4,210,431	0.13
19	Merrill Lynch (Singapore) Pte Ltd	4,160,991	0.13
20	UOB Kay Hian Pte Ltd	4,016,400	0.13
		2,931,529,794	92.05

UNITHOLDERS' STATISTICS

LIST OF DIRECTORS' INTEREST

As at 21 January 2011

Name	No. of CMT Units Held
James Koh Cher Siang	342,000 (Direct)
Liew Mun Leong	933,479 (Direct) 970,319 (Deemed)
Lim Beng Chee	66,500 (Direct) 74,100 (Deemed)
David Wong Chin Huat	114,000 (Direct) 57,000 (Deemed)
Tan Kian Chew	45,000 (Direct) 64,000 (Deemed)
Simon Ho Chee Hwee	119,700 (Direct) 119,000 (Deemed)

NUMBER OF UNITS OWNED BY EACH SUBSTANTIAL UNITHOLDER

As at 21 February 2011

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total Number of Units Held	
	Number of Units	%	Number of Units	%		%
Temasek Holdings (Private) Limited ⁽¹⁾	–	–	955,127,324	29.99%	955,127,324	29.99%
CapitaLand Limited	–	–	951,117,256 ⁽²⁾	29.86%	951,117,256 ⁽²⁾	29.86%
CapitaMalls Asia Limited ⁽³⁾	–	–	951,117,256 ⁽²⁾	29.86%	951,117,256 ⁽²⁾	29.86%
Pyramex Investments Pte Ltd ⁽⁴⁾	570,417,150	17.91%	–	–	570,417,150	17.91%
Albert Complex Pte Ltd ⁽⁴⁾	279,300,000	8.77%	–	–	279,300,000	8.77%
NTUC Fairprice Co-operative Limited ⁽⁵⁾	122,755,000	3.85%	48,127,000 ⁽⁶⁾	1.51%	170,882,000	5.36%
The Capital Group Companies, Inc. ⁽⁷⁾	–	–	286,280,292	8.99%	286,280,292	8.99%

(1) Based on the information provided by Temasek Holdings (Private) Limited. Temasek Holdings (Private) Limited is wholly-owned by the Minister for Finance.

(2) 279,300,000 Units held by Albert Complex Pte Ltd, 570,417,150 Units held by Pyramex Investments Pte Ltd, 62,700,000 Units held by Premier Healthcare Services International Pte Ltd and 38,700,106 Units held by the Manager.

(3) A subsidiary of CapitaLand Limited. CapitaLand Limited holds a direct interest of 65.50% in CapitaMalls Asia Limited.

(4) A wholly-owned subsidiary of CapitaMalls Asia Limited.

(5) Based on the information provided by NTUC Fairprice Co-operative Limited ("NTUC").

(6) Held by Alphaplus Investments Pte Ltd, a wholly-owned subsidiary of NTUC.

(7) Based on the information provided by The Capital Group Companies, Inc.

Based on information made available to the Manager, approximately 55.57% of the units in CMT were held in the hands of the public as at 21 February 2011. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

INTERESTED PERSON TRANSACTIONS

The transactions entered into with interested persons during the financial year, which fall under the listing manual and the property fund appendix, are as follows:

Aggregate value of all interested person transactions during the financial period under review (excluding transactions of less than S\$100,000 each)

Name of Interested Person	S\$ '000
CapitaLand Limited and its subsidiaries or associates	
– Management fees ¹	36,034
– Property management fees & reimbursables	45,060
– Acquisition fees related to acquisition of Clarke Quay	2,680
– Project management and consultancy fees for asset enhancement works	367
– Rental and service income	440
– Acquisition of Clarke Quay	268,000
Temasek Holdings (Private) Limited and its associates	
– Rental and service income	7,937
– General maintenance	970
The Hongkong and Shanghai Banking Corporation Limited and its associates	
– Trustee fees	1,055

¹ For the purposes of Clause 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 2010 to 31 December 2010. A total of 2,607,798 CMT Units amounting to an aggregate of S\$5,101,550 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 2010 to 31 December 2010. In respect of the period from 1 January 2010 to 31 March 2010, a total of 666,494 CMT Units at issue prices of S\$1.8353 per Unit, were issued on 30 April 2010 to the Manager. The market price at the date of issue was S\$1.96 per Unit and the aggregate market value of these Units was S\$1,306,328 based on this market price. In respect of the period from 1 April 2010 to 30 June 2010, a total of 655,650 CMT Units at issue prices of S\$1.8711 per Unit, were issued on 2 August 2010 to the Manager. The market price at the date of issue was S\$1.97 per Unit and the aggregate market value of these Units was S\$1,291,631 based on this market price. In respect of the period from 1 July 2010 to 30 September 2010, a total of 608,484 CMT Units at issue prices of S\$2.0275 per Unit, were issued on 2 November 2010 to the Manager. The market price at the date of issue was S\$2.00 per Unit and the aggregate market value of these Units was S\$1,216,968 based on this market price. In respect of the period from 1 October 2010 to 31 December 2010, a total of 677,170 CMT Units at issue prices of S\$1.9075 per Unit, were issued on 31 January 2011 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\$1,286,623 based on this market price.

Save as disclosed above, there were no additional Interested Person 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 25 in the financial statements.

Subscription of CMT Units

For the financial year ended 31 December 2010, an aggregate of 4,990,838 CMT units were issued and subscribed for. As at 31 December 2010, 3,184,258,715 CMT units were in issue and outstanding. On 31 January 2011, 677,170 CMT units were issued to the Manager as part payment of the performance component of its asset management fees for the fourth quarter of 2010.

NOTICE OF ANNUAL GENERAL MEETING

CAPITAMALL TRUST

(Constituted in the Republic of Singapore
pursuant to a trust deed dated 29 October 2001 (as amended))

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of the holders of units of CapitaMall Trust (“CMT”, and the holders of units of CMT, “Unitholders”) will be held at the STI Auditorium, 168 Robinson Road, Level 9, Capital Tower, Singapore 068912 on Wednesday, 13 April 2011 at 10.00 a.m. to transact the following business:

(A) AS ORDINARY BUSINESS

1. To receive and adopt the Report of HSBC Institutional Trust Services (Singapore) Limited, as trustee of CMT (the “Trustee”), the Statement by CapitaMall Trust Management Limited, as manager of CMT (the “Manager”), and the Audited Financial Statements of CMT for the financial year ended 31 December 2010 and the Auditors’ Report thereon. (Ordinary Resolution 1)
2. To re-appoint KPMG LLP as Auditors of CMT to hold office until the conclusion of the next AGM of CMT, and to authorise the Manager to fix their remuneration. (Ordinary Resolution 2)

(B) AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without any modifications, the following resolutions as Ordinary Resolutions:

3. That authority be and is hereby given to the Manager, to: (Ordinary Resolution 3)
 - (a) (i) issue units in CMT (“Units”) whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and
- (b) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a *pro rata* basis to Unitholders shall not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

- (2) subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the number of issued Units (excluding treasury Units, if any) at the time this Resolution is passed, after adjusting for:
- (a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed constituting CMT (as amended) (the “Trust Deed”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of CMT or (ii) the date by which the next AGM of CMT is required by applicable regulations to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted, in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of CMT to give effect to the authority conferred by this Resolution.

(C) AS OTHER BUSINESS

4. To transact such other business as may be transacted at an AGM.

BY ORDER OF THE BOARD

CapitaMall Trust Management Limited

(Company Registration No. 200106159R)

as manager of CapitaMall Trust



Kannan Malini

Company Secretary

Singapore

17 March 2011

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A Unitholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
3. The proxy form must be lodged at the Manager's registered office at 39 Robinson Road, #18-01 Robinson Point, Singapore 068911 not later than 11 April 2011 at 10.00 a.m. being 48 hours before the time fixed for the AGM.

Explanatory notes:

1. Ordinary Resolution 3

Ordinary Resolution 3 above, if passed, will empower the Manager from the date of the AGM until (i) the conclusion of the next AGM of CMT or (ii) the date by which the next AGM of CMT is required by the applicable regulations to be held, whichever is earlier, to issue Units and to make or grant instruments (such as securities, warrants or debentures) convertible into Units and issue Units pursuant to such instruments, up to a number not exceeding 50% of which up to 20% may be issued other than on a *pro rata* basis to Unitholders (excluding treasury Units, if any).

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the issued Units at the time Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Units. Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations in such instances, the Manager will then obtain the approval of Unitholders accordingly.

MALL DIRECTORY

Mall	Contact	Website
Bugis Junction	200 Victoria Street, Singapore 188021 Tel (65) 6557 6557 Fax (65) 6338 1783	www.bugisjunction-mall.com.sg
Bukit Panjang Plaza	1 Jelebu Road, Singapore 677743 Tel (65) 6314 6388 Fax (65) 6763 4829	www.capitamallsasia.com
Clarke Quay	3 River Valley Road, Singapore 179024 Tel (65) 6337 3292 Fax (65) 6334 8423	www.clarkequay.com.sg
Funan DigitalLife Mall	109 North Bridge Road, Singapore 179097 Tel (65) 6336 8327 Fax (65) 6333 4275	www.funan.com.sg
Hougang Plaza	1189 Upper Serangoon Road, Singapore 534785 Tel (65) 6385 3641 Fax (65) 6385 7338	www.capitamallsasia.com
IMM Building	2 Jurong East Street 21, Singapore 609601 Tel (65) 6665 8268 Fax (65) 6562 3933	www.imm.sg
Junction 8	9 Bishan Place, Singapore 579837 Tel (65) 6354 2955 Fax (65) 6354 2977	www.junction8.com.sg
Lot One Shoppers' Mall	21 Choa Chu Kang Avenue 4, Singapore 689812 Tel (65) 6314 6288 Fax (65) 6763 2405	www.capitamallsasia.com
Plaza Singapura	68 Orchard Road, Singapore 238839 Tel (65) 6332 9298 Fax (65) 6339 5006	www.plazasingapura.com.sg
Raffles City Singapore	Retail 252 North Bridge Road, Singapore 179103 Office 250 North Bridge Road, Singapore 179101 Hotel Swissôtel The Stamford: 2 Stamford Road, Singapore 178882 Fairmont Singapore: 80 Bras Basah Road, Singapore 189560 Tel (65) 6338 7766 Fax (65) 6337 3618	www.rafflescity.com.sg
Rivervale Mall	11 Rivervale Crescent, Singapore 545082 Tel (65) 6489 1954 Fax (65) 6489 1956	www.capitamallsasia.com
Sembawang Shopping Centre	604 Sembawang Road, Singapore 758459 Tel (65) 6757 8000 Fax (65) 6257 1463	www.capitamallsasia.com
Tampines Mall	4 Tampines Central 5, Singapore 529510 Tel (65) 6788 8370 Fax (65) 6787 0995	www.tampinesmall.com.sg
The Atrium@Orchard	60A/B Orchard Road, Singapore 238890/238891 Tel (65) 6332 9770 Fax (65) 6339 5006	www.capitamallsasia.com

CORPORATE INFORMATION

CAPITAMALL TRUST

Registered Address

HSBC Institutional Trust Services
(Singapore) Limited
21 Collyer Quay
#14-01 HSBC Building
Singapore 049320
Phone: +65 6658 0392
Fax: +65 6534 5526

Website & Email Address

www.capitamall.com
ask-us@capitamall.com

Trustee

HSBC Institutional Trust Services
(Singapore) Limited
21 Collyer Quay
#14-01 HSBC Building
Singapore 049320
Phone: +65 6658 0392
Fax: +65 6534 5526

Auditor

KPMG LLP
Public Accountants and
Certified Public Accountants
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
Phone: +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 and
Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Phone: +65 6536 5355
Fax: +65 6536 1360

THE MANAGER

Registered Address

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

Directors of the Manager

Mr James Koh Cher Siang
Chairman & Non-Executive Director

Mr Liew Mun Leong
Deputy Chairman &
Non-Executive Director

Mr Lim Tse Ghow Olivier
Non-Executive Director

Mr Lim Beng Chee
Non-Executive Director

Mr James Glen Service
Independent Non-Executive
Director

Mr David Wong Chin Huat
Independent Non-Executive
Director

Mr S. Chandra Das
Independent Non-Executive
Director

Mr Richard R. Magnus
Independent Non-Executive
Director

Mr Kee Teck Koon
Non-Executive Director

Mr Tan Kian Chew
Non-Executive Director

Mr Simon Ho Chee Hwee
Chief Executive Officer &
Executive Director

Executive Committee

Mr Liew Mun Leong (Chairman)
Mr Lim Tse Ghow Olivier
Mr Lim Beng Chee

Audit Committee

Mr James Glen Service (Chairman)
Mr David Wong Chin Huat
Mr Kee Teck Koon

Corporate Disclosure Committee

Mr James Koh Cher Siang
(Chairman)
Mr Liew Mun Leong
Mr Lim Tse Ghow Olivier

Investment Committee

Mr James Koh Cher Siang
(Chairman)
Mr Liew Mun Leong
Mr James Glen Service
Mr Richard R. Magnus
Mr Lim Beng Chee
Mr Simon Ho Chee Hwee

Company Secretary

Ms Kannan Malini

GLOSSARY

The following table identifies the terms referred to in this Annual Report.

Capitalisation Rate	Property earnings divided by the property asset price or value. The capitalisation rate is similar to a current yield – the amount of current income an investor receives per dollar of current value of the investment.
Decantation	Optimisation of the usage of retail space by creating more valuable lettable retail space in exchange for low yielding spaces in order to increase the yield of a property.
Deposited Property	All the assets of CMT, including all its authorised investments for the time being held or deemed to be held upon the trusts of the Trust Deed.
Lettable Space	Any part of a property that can be leased to a tenant.
Manager	CapitaMall Trust Management Limited, in its capacity as manager of CMT
Pre-let/pre-commit	A lease signed with an occupier prior to completion of a development.
Rental Reversion	Increase or decrease in rental as compared to the preceding rental being fetched for a unit.
Step-up Rent	Rental rate that increases by predetermined amounts at various points in the future under a lease agreement.
Gross Turnover Rent	Rental income which is related to an occupier's turnover.
Yield-accretive Acquisition	Acquisition that results in increased growth and distributions for unitholders.
Sq ft	Square feet.
Rights Issue	Underwritten renounceable 9-for-10 rights issue.

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CAPITAMALL TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 29 October 2001 (as amended))

PROXY FORM ANNUAL GENERAL MEETING

IMPORTANT:

1. For investors who have used their CPF monies to buy units in CapitaMall Trust, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR THEIR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.
4. **PLEASE READ THE NOTES TO THE PROXY FORM.**

I/We, _____ (Name(s) and NRIC no./Passport no./Company Registration no.)

of _____ (Address)

being a unitholder/unitholders of CapitaMall Trust ("CMT"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Unitholdings	
			No. of Units	%

or, both of whom failing, the Chairman of the Annual General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the Annual General Meeting of CMT to be held at the STI Auditorium, 168 Robinson Road, Level 9, Capital Tower, Singapore 068912 on Wednesday, 13 April 2011 at 10.00 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the Annual General Meeting.

No.	Ordinary Resolutions:	To be used on a show of hands		To be used in the event of a poll	
		For *	Against *	No. of Votes For **	No. of Votes Against **
	Ordinary business				
1	To receive and adopt the Trustee's Report, the Manager's Statement, the Audited Financial Statements of CMT for the financial year ended 31 December 2010 and the Auditors' Report thereon.				
2	To re-appoint KPMG LLP as Auditors and authorise the Manager to fix the Auditors' remuneration.				
	Special business				
3	To authorise the Manager to issue Units and to make or grant convertible instruments.				
	Other business				
4	To transact any other business as may be transacted at an annual general meeting.				

* If you wish to exercise all your votes "For" or "Against", please tick [✓] within the box provided.

** If you wish to exercise all your votes "For" or "Against", please tick [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2011

Signature(s) of unitholder(s) / Common Seal

Total number of Units held

IMPORTANT: PLEASE READ NOTES TO PROXY FORM ON REVERSE PAGE

Affix
postage
stamp

The Company Secretary
CapitaMall Trust Management Limited
(as manager of CapitaMall Trust)

39 Robinson Road
#18-01 Robinson Point
Singapore 068911

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IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A unitholder of CMT ("Unitholder") entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a Unitholder.
4. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of CMT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, this proxy form will be deemed to relate to all the Units held by the Unitholder.
5. The instrument appointing a proxy or proxies (the "Proxy Form") must be deposited at the Manager's registered office at 39 Robinson Road, #18-01 Robinson Point, Singapore 068911, not less than 48 hours before the time set for the Annual General Meeting.
6. Completion and return of the Proxy Form shall not preclude a member from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the Annual General Meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the Annual General Meeting.
7. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
9. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by CDP to the Manager.
10. All Unitholders will be bound by the outcome of the Annual General Meeting regardless of whether they have attended or voted at the Annual General Meeting.
11. At any meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by five or more Unitholders present in person or by proxy, or holding or representing one-tenth in value of the Units represented at the meeting. Unless a poll is so demanded, a declaration by the Chairman that such a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
12. On a show of hands, every Unitholder who (being an individual) is present in person or by proxy or (being a corporation) is present by one of its officers as its proxy shall have one vote. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. A person entitled to more than one vote need not use all his/her votes or cast them the same way.

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TAMPINES MALL
JUNCTION 8
FUNAN DIGITALIFE MALL
IMM BUILDING
PLAZA SINGAPURA
www.capitamall.com
BUGIS JUNCTION
SEMBAWANG SHOPPING CENTRE
JCUBE
HOUGANG PLAZA
RAFFLES CITY SINGAPORE
LOT ONE SHOPPERS' MALL
BUKIT PANJANG PLAZA
RIVERVALE MALL
THE ATRIUM@ORCHARD
CLARKE QUAY

CapitaMall Trust Management Limited
As Manager of CapitaMall Trust
Company Reg. No.: 200106159R

39 Robinson Road
#18-01 Robinson Point
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