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CAPITAMALL TRUST

2004 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

CapitaMall Trust ("CMT") was established under a trust deed dated 29 October 2001 entered into between CapitaMall Trust Management Limited (as manager of CMT) (the "Manager") and Bermuda Trust (Singapore) Limited (as trustee of CMT) (the "Trustee"), as amended.

CMT was originally held privately under a private trust until 15 July 2002 and was subsequently listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

As at 31 December 2002, CMT held 3 properties, Tampines Mall, Junction 8 and Funan The IT Mall. On 26 June 2003, CMT acquired and added another property, IMM Building, into its portfolio. On 17 December 2003, CMT invested S\$58 million in the Class E Bonds of CapitaRetail Singapore Limited, which owns CapitaRetail BPP Trust (owner of 90 strata units in Bukit Panjang Plaza), CapitaRetail Lot One Trust (owner of Lot One Shoppers' Mall) and CapitaRetail Rivervale Trust (owner of Rivervale Mall).

For a meaningful analysis/comparison of the actual results against the forecast as stated in the IMM circular dated 11 June 2003 and subsequently updated in the Offer Information Statement dated 9 December 2003, please refer to paragraph 9 specifically.

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1(a)(i) Income statement (2Q 2004 vs 2Q 2003)

	2Q 2004 ²	2Q 2003 ²	Increase / (Decrease)
	S\$'000	S\$'000	%
Gross rental income	34,770	20,265	71.6
Car park income	1,240	1,080	14.8
Other income	1,725	988	74.6
Gross revenue	37,735	22,333	69.0
Property management fees	(1,393)	(881)	58.1
Property tax	(3,027)	884	442.4
Other property operating expenses ¹	(9,159)	(5,744)	59.5
Property operating expenses	(13,579)	(5,741)	136.5
Net property income	24,156	16,592	45.6
Interest income	1,193	18	6,527.8
Asset management fees	(2,439)	(1,370)	78.0
Trust expenses	(280)	(188)	48.9
Administrative expenses	(2,719)	(1,558)	74.5
Net investment income before interest costs and tax	22,630	15,052	50.4
Interest costs	(2,791)	(1,802)	54.9
Net investment income before tax	19,839	13,250	49.7
Taxation	NA	NA	NA
Net investment income after tax	19,839	13,250	49.7

The review of the performance can be found in paragraph 8.

Footnotes :

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

	2Q 2004	2Q 2003	Increase / (Decrease)
	S\$'000	S\$'000	%
<i>Depreciation and amortisation</i>	169	6	2,716.7
<i>Allowance for doubtful debts and bad debts written off</i>	61	17	258.8
<i>Assets written off (primarily escalators {2004} and carpark systems {2003})</i>	633	408	55.1

2 IMM Building was acquired on 26 June 2003.

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Income statement (1H 2004 vs 1H 2003)

	1H 2004 ²	1H 2003 ²	Increase / (Decrease)
	S\$'000	S\$'000	%
Gross rental income	69,076	41,295	67.3
Car park income	2,466	2,209	11.6
Other income	3,743	2,210	69.4
Gross revenue	75,285	45,714	64.7
Property management fees	(2,763)	(1,780)	55.2
Property tax	(6,319)	(951)	564.5
Other property operating expenses ¹	(18,675)	(10,342)	80.6
Property operating expenses	(27,757)	(13,073)	112.3
Net property income	47,528	32,641	45.6
Interest income	2,584	43	5,909.3
Asset management fees	(4,647)	(2,648)	75.5
Trust expenses	(816)	(470)	73.6
Administrative expenses	(5,463)	(3,118)	75.2
Net investment income before interest costs and tax	44,649	29,566	51.0
Interest costs	(5,534)	(3,549)	55.9
Net investment income before tax	39,115	26,017	50.3
Taxation	NA	NA	NA
Net investment income after tax	39,115	26,017	50.3

The review of the performance can be found in paragraph 8.

Footnotes :

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

	1H 2004	1H 2003	Increase / (Decrease)
	S\$'000	S\$'000	%
<i>Depreciation and amortisation</i>	336	12	2,700.0
<i>Allowance for doubtful debts and bad debts written off</i>	105	105	-
<i>Assets written off (primarily escalators {2004} and carpark systems {2003})</i>	633	408	55.1

2 IMM Building was acquired on 26 June 2003.

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1(a)(ii) Distribution statement (2Q 2004 vs 2Q 2003)

	2Q 2004 S\$'000	2Q 2003 S\$'000	Increase / (Decrease) %
Net investment income after tax	19,839	13,250	49.7
Net effect of non-tax deductible / (chargeable) items (Note A)	1,314	823	59.7
Taxable income available for distribution to unitholders	21,153	14,073	50.3
<i>Note A</i>			
<i>Non-tax deductible / (chargeable) items</i>			
- Asset management fees (performance component)	1,275	758	68.2
- Trustee's fees	104	75	38.7
- Other items	(65)	(10)	550.0
<i>Net effect of non-tax deductible / (chargeable) items</i>	1,314	823	59.7

Distribution statement (1H 2004 vs 1H 2003)

	1H 2004 S\$'000	1H 2003 S\$'000	Increase / (Decrease) %
Net investment income after tax	39,115	26,017	50.3
Net effect of non-tax deductible / (chargeable) items (Note A)	2,668	1,626	64.1
Taxable income available for distribution to unitholders	41,783	27,643	51.2
<i>Note A</i>			
<i>Non-tax deductible / (chargeable) items</i>			
- Asset management fees (performance component)	2,323	1,460	59.1
- Trustee's fees	212	148	43.2
- Other items	133	18	638.9
<i>Net effect of non-tax deductible / (chargeable) items</i>	2,668	1,626	64.1

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1(b)(i) Balance sheet

As at 30 Jun 2004 vs 31 Dec 2003

	30 Jun 2004 S\$'000	31 Dec 2003 S\$'000	Increase / (Decrease) %
Non-current assets			
Plant & equipment	299	228	31.1
Investment properties	1,308,486 ¹	1,240,000	5.5
Investment in securities	58,000	58,000	-
Total non-current assets	1,366,785	1,298,228	5.3
Current assets			
Trade & other receivables	7,360 ²	3,819	92.7
Cash & cash equivalents	42,537 ³	49,403 ⁴	(13.9)
Total current assets	49,897	53,222	(6.3)
Less current liabilities			
Short-term borrowings	55,703 ⁵	-	Nm
Trade & other payables	38,951 ⁶	34,793	12.0
Provision for taxation	367	367	-
Total current liabilities	95,021	35,160	170.3
Net current (liabilities)/assets	(45,124)	18,062	Nm
Less non-current liabilities			
Interest-bearing borrowings	325,000	325,000	-
Other non-current liabilities	21,043 ⁷	18,847	11.7
Total non-current liabilities	346,043	343,847	0.6
Net assets	975,618	972,443	0.3
Unitholders' funds	975,618	972,443	0.3

Footnotes:

1 The increase is due to the capitalisation of the upfront land premium of IMM Building and the subsequent capital expenditure for all the malls.

2 The increase is due primarily to the interest receivable for CMT's investment in Class E bonds of CapitaRetail Singapore Limited.

3 This includes the distributable income for 1H 2004 of S\$41.8 million which will be distributed in August 2004.

4 This includes the distributable income for the period 26 June 2003 to 31 December 2003 of S\$38.0 million which was distributed in February 2004.

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5 The short term borrowing was taken to finance the payment of the upfront land premium of IMM Building. This will be converted to long term financing in the 2nd half of 2004.

6 The increase is due primarily to payables for asset enhancement works and property management fees and reimbursables for the malls.

7 The increase is due to security deposits received from tenants of the malls.

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

	30 Jun 2004	31 Dec 2003
	S\$'000	S\$'000
Secured borrowings		
Amount repayable after one year	325,000	325,000
Unsecured borrowings		
Amount repayable in one year or less, or on demand	55,703	-
	380,703	325,000

Details of any collateral

As security for the borrowings, CMT has granted in favour of the lender the following:

- (i) a mortgage over each of the 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 CMT relating to the properties

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1(c) **Cash flows statement (2Q 2004 vs 2Q 2003)**

	2Q 2004 ¹ S\$'000	2Q 2003 ¹ S\$'000
Operating activities		
Net investment income before tax	19,839	13,250
Adjustments for interest income, interest expense, depreciation and amortisation, asset management fee paid in units, provision/write-off of doubtful/bad debts & write-off of assets	3,673	3,061
Change in working capital	3,121	15,050
Cash generated from operating activities	26,633	31,361
Investing activities		
Interest received	6	14
Purchase of investment property, plant and equipment and subsequent expenditure	(6,360)	(257,897)
Cash flows from investing activities	(6,354)	(257,883)
Financing activities		
Proceeds from issue of new units	-	128,186
Payment of issue and financing expenses	1	(5,264)
Interest bearing borrowings	-	125,000
Interest paid	(2,878)	(2,312)
Cash flows from financing activities	(2,877)	245,610
Increase in cash and cash equivalent	17,402	19,088
Cash and cash equivalent at beginning of period	25,135	38,734
Cash and cash equivalent at end of period	42,537	57,822

Footnote :

1. IMM Building was acquired on 26 June 2003.

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Cash flows statement (1H 2004 vs 1H 2003)

	1H 2004 ¹	1H 2003 ¹
	S\$'000	S\$'000
Operating activities		
Net investment income before tax	39,115	26,017
Adjustments for interest income, interest expense, depreciation and amortisation, asset management fee paid in units, provision/write-off of doubtful/bad debts & write-off of assets	6,355	5,491
Change in working capital	3,175	12,554
Cash generated from operating activities	48,645	44,062
Investing activities		
Interest received	19	44
Payment of upfront land premium	(55,703)	-
Purchase of investment property, plant and equipment and subsequent expenditure	(11,824)	(258,693)
Cash flows from investing activities	(67,508)	(258,649)
Financing activities		
Proceeds from issue of new units	-	128,186
Payment of issue and financing expenses	(136)	(5,264)
Interest bearing borrowings	55,703	125,000
Distribution to unitholders	(37,973)	(24,963)
Interest paid	(5,597)	(3,519)
Cash flows from financing activities	11,997	219,440
(Decrease)/increase in cash and cash equivalent	(6,866)	4,853
Cash and cash equivalent at beginning of period	49,403	52,969
Cash and cash equivalent at end of period	42,537 ²	57,822

Footnotes:

1 IMM Building was acquired on 26 June 2003.

2. Cash was utilised to fund the asset enhancement works during the period from Jul 2003 to June 2004.

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1(d)(i) **Statement of changes in unitholders' funds (2Q 2004 vs 2Q 2003)**

As at 30 Jun 2004 vs 30 Jun 2003

	2Q 2004 S\$'000	2Q 2003 S\$'000
Balance as at beginning of period	954,670	749,700
Operations		
Net investment income after tax	19,839	13,250
Net appreciation on revaluation of investment property	-	15,583
Net increase in net assets resulting from operations	19,839	28,833
Unitholders' transactions		
Creation of units		
- proceeds from placement	-	128,186 ¹
- management fee paid in units	1,108	730
Issue and financing expenses	1	(5,960) ²
Net increase in net assets resulting from unitholders' transactions	1,109	122,956
Balance as at end of period	975,618	901,489

Footnote:

1 New units of 119.8 million were issued on 26 June 2003 to part finance the acquisition of IMM Building.

2 This comprises mainly the underwriting and selling commissions and other issue/circular expenses relating to the capital raising exercise for the acquisition of IMM Building.

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Statement of changes in unitholders' funds (1H 2004 vs 1H 2003)

As at 30 Jun 2004 vs 30 Jun 2003

	1H 2004 S\$'000	1H 2003 S\$'000
Balance as at beginning of period	972,443	761,220
Operations		
Net investment income after tax	39,115	26,017
Net appreciation on revaluation of investment property	-	15,583
Net increase in net assets resulting from operations	39,115	41,600
Unitholders' transactions		
Creation of units		
- proceeds from placement	-	128,186 ¹
- management fee paid in units	2,099	1,406
Issue and financing expenses	(66)	(5,960) ²
Distribution to unitholders	(37,973) ³	(24,963) ⁴
Net (decrease)/increase in net assets resulting from unitholders' transactions	(35,940)	98,669
Balance as at end of period	975,618	901,489

Footnote:

1 New units of 119.8 million were issued on 26 June 2003 to part finance the acquisition of IMM Building.

2 This comprises mainly the underwriting and selling commissions and other issue/circular expenses relating to the capital raising exercise for the acquisition of IMM Building.

3 Distribution income for the period of 26 June 2003 to 31 December 2003 paid in February 2004.

4 Distribution income for the period of 16 July 2002 to 31 December 2002 paid in February 2003.

1(d)(ii) Details of any change in the units (2Q 2004 vs 2Q 2003)

	2Q 2004 Units	2Q 2003 Units
Balance as at beginning of period	906,781,421	739,224,562
Issue of new units :		
- As payment of asset management fees	748,666 ¹	694,109 ²
- For acquisition of IMM Building	-	119,800,000 ³
Balance as at end of period	907,530,087	859,718,671

Footnote:

1. These are the performance component of the asset management fees for 1Q 2004 which were issued in Apr 2004.

2. These are the performance component of the asset management fees for 1Q2003 which were issued in Apr 2003.

3. These were the new units issued to part finance the acquisition of IMM Building on 26 June 2003.

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1(d)(ii) Details of any change in the units (1H 2004 vs 1H 2003)

	1H 2004 Units	1H 2003 Units
Balance as at beginning of period	906,063,427	738,560,948
Issue of new units :		
- As payment of asset management fees	1,466,660 ¹	1,357,723 ²
- For acquisition of IMM Building	-	119,800,000 ³
Balance as at end of period	907,530,087	859,718,671

Footnote:

1 These are the performance component of the asset management fees for 4Q 2003 and 1Q 2004 which were issued in February 2004 and April 2004 respectively.

2 These are the performance component of the asset management fees for 4Q 2002 and 1Q 2003 which were issued in January 2003 and April 2003 respectively.

3. These were the new units issued to part finance the acquisition of IMM Building on 26 June 2003.

2 Whether the figures have been audited, or reviewed and in accordance with which standard (eg. the Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been complied

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with the audited financial statements for the year ended 31 Dec 2003.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Nil

6 Earnings per unit ("EPU") and distribution per unit ("DPU") for the financial period (2Q 2004 vs 2Q 2003)

In computing the EPU, the weighted average number of units in issue as at the end of each period is used for the computation. The diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the period.

In computing the DPU, the number of units as at end of each period is used.

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	2Q 2004	2Q 2003	1H 2004	1H 2003
Weighted average number of units in issue	907,299,728	746,287,517	906,902,499	742,672,892
Earnings per unit ("EPU")				
Based on the weighted average number of units in issue	2.19¢	1.78¢	4.31¢	3.50¢
Based on fully diluted basis	2.19¢	1.78¢	4.31¢	3.50¢
Number of units in issue at end of period	907,530,087	859,718,671	907,530,087	859,718,671
Distribution per unit ("DPU")				
Based on the number of units in issue at end of period	2.33¢	1.64¢	4.60¢	3.22¢

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

	30 Jun 2004	31 Dec 2003
NAV per unit	\$1.08	\$1.07
Adjusted NAV per unit (excluding the distributable income)	\$1.03	\$1.03

8 Review of the performance

	2Q 2004	2Q 2003	1Q 2004	1H 2004	1H 2003
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Income statement</u>					
Gross revenue	37,735	22,333	37,550	75,285	45,714
Property operating expenses	(13,579)	(5,741)	(14,178)	(27,757)	(13,073)
Net property income	24,156	16,592	23,372	47,528	32,641
Interest income	1,193	18	1,391	2,584	43
Administrative expenses	(2,719)	(1,558)	(2,744)	(5,463)	(3,118)
Interest costs	(2,791)	(1,802)	(2,743)	(5,534)	(3,549)
Net investment income before tax	19,839	13,250	19,276	39,115	26,017

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	2Q 2004	2Q 2003	1Q 2004	1H 2004	1H 2003
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Distribution statement</u>					
Net investment income before tax	19,839	13,250	19,276	39,115	26,017
Net effect of non-tax deductible / (chargeable) items	1,314	823	1,354	2,668	1,626
Taxable income available for distribution to unitholders	21,153	14,073	20,630	41,783	27,643
Distribution per unit (in cents)					
For the period	2.33¢	1.64¢	2.27¢	4.60¢	3.22¢
Annualised	9.37¢	6.58¢	9.10¢	9.25¢	6.49¢

2Q 2004 vs 2Q 2003

Gross revenue for 2Q 2004 was S\$37.7 million, an increase of S\$15.4 million from 2Q 2003. Gross revenue of S\$11.8 million from IMM Building contributed to the big increase in revenue. The higher revenue was also due to higher rental income arising from the higher rental rates achieved by the malls on new and renewal leases, income from new areas created at Junction 8 and Tampines Mall, as well as higher income from other income initiatives.

Property operating expenditure for 2Q 2004 was S\$13.6 million, an increase of \$7.8 million from 2Q 2003. This was due to expenses of S\$5.2 million incurred by IMM Building and higher property tax incurred by the malls.

Interest income for 2Q 2004 was S\$1.2 million. This was the interest derived from the investment in Class E bonds of CapitaRetail Singapore Limited.

Administrative expenses for 2Q 2004 were S\$2.7 million, an increase of S\$1.2 million over the corresponding period. This was due mainly to an increase in asset management fees due to the higher revenue generated and higher property values under management.

Interest costs were S\$2.8 million for the period, \$1.0 million higher than 2Q 2003. This was due to the additional borrowings of S\$125 million taken up in June 2003 to part finance the acquisition of IMM Building and S\$55.7 million taken up in January 2004 to finance the payment of the upfront land premium of IMM Building.

2Q 2004 vs 1Q 2004

Gross revenue for 2Q 2004 was marginally higher by S\$0.2m over 1Q 2004.

Property operating expenditure was S\$0.6 million lower due to the cessation of land premium payments for IMM Building from Feb 04 after the conversion to upfront land premium scheme and prior year property tax refund for IMM Building. Lower tenant-related expenses were offset by the write-off of escalators in one of the malls undergoing enhancement works.

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1H 2004 vs 1H 2003

Gross revenue for the period was S\$75.3 million. This is an increase of S\$29.6 million from 1H 2003. The higher revenue was mainly due to the contribution of S\$24.1 million from IMM Building and higher rental income achieved by the malls as a result of higher average rental rates achieved on new and renewal leases, income from new areas created at Junction 8 and Tampines Mall, as well as other income initiatives.

Property operating expenditure for the period was S\$27.8 million, an increase of S\$14.7 million from 1H 2003. The higher operating expenses were due to S\$10.9 million incurred by IMM Building and higher property tax for the malls.

Interest income for 1H 2004 was S\$2.6 million, an increase of S\$2.5 million over the corresponding period in 2003. This was the interest derived from the investment in Class E bonds of CapitaRetail Singapore Limited.

Administrative expenses for 1H 2004 were S\$5.5 million, an increase of S\$2.3 million over the corresponding period. This was due mainly to an increase in asset management fees due to the higher revenue generated and higher property values under management.

Interest costs were S\$5.5 million for the period, S\$2.0 million higher than 1H 2003. This was due to the additional borrowings of S\$125 million taken up in June 2003 to part finance the acquisition of IMM Building and S\$55.7 million taken up in January 2004 to finance the payment of the upfront land premium of IMM Building.

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

Income statement (Actual vs Forecast)

9(i)	Actual 1H 2004 S\$'000	Forecast 1H 2004 ¹ S\$'000	Increase / (Decrease) %
Gross rental income	69,076	67,006	3.1
Car park income	2,466	2,021	22.0
Other income	3,743	2,045	83.0
Gross revenue	75,285	71,072	5.9
Property management fees	(2,763)	(2,583)	7.0
Property tax	(6,319)	(5,676)	11.3
Other property operating expenses	(18,675)	(15,883)	17.6
Property operating expenses	(27,757)	(24,142)	15.0
Net property income	47,528	46,930	1.3
Interest income	2,584	2,494	3.6
Asset management fees	(4,647)	(3,591)	29.4
Trust expenses	(816)	(922)	(11.5)
Administrative expenses	(5,463)	(4,513)	21.1
Net investment income before interest costs and tax	44,649	44,911	(0.6)
Interest costs	(5,534)	(6,895)	(19.7)
Net investment income before tax	39,115	38,016	2.9
9(ii) <u>Distribution statement</u>			
Net investment income before tax	39,115	38,016	2.9
Net effect of non-tax deductible / (chargeable) items	2,668	1,370	94.7
Taxable income available for distribution to unitholders	41,783	39,386	6.1
Distribution per unit (in cents)			
For the period	4.60¢	4.30¢	7.7
Annualised	9.25¢	8.59¢	7.7

Footnote:

1 The forecast is based on management's half yearly forecast. This, together with the next half year's forecast, is the forecast shown in the IMM circular dated 11 Jun 2003 and subsequently updated in the Offer Information Statement dated 9 December 2003.

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	Actual 1H 2004 S\$'000	Forecast ¹ 1H 2004 S\$'000	Increase / (Decrease) %
9(iii) <u>Breakdown of gross revenue</u>			
Tampines Mall	24,325	22,907	6.2
Junction 8	15,691	14,748	6.4
Funan The IT Mall	10,620	10,626	(0.1)
IMM Building	24,649	22,791	8.2
Gross revenue	75,285	71,072	5.9

Footnote:

¹ The forecast is based on management's half yearly forecast. This, together with the next half year's forecast, is the forecast shown in the IMM circular dated 11 Jun 2003 and subsequently updated in the Offer Information Statement dated 9 December 2003.

	Actual 1H 2004 S\$'000	Forecast ¹ 1H 2004 S\$'000	Increase / (Decrease) %
9(iv) <u>Breakdown of net property income</u>			
Tampines Mall	17,114	16,728	2.3
Junction 8	10,373	10,207	1.6
Funan The IT Mall	6,566	6,537	0.4
IMM Building	13,475	13,458	0.1
Net property income	47,528	46,930	1.3

Footnote:

¹ The forecast is based on management's half yearly forecast. This, together with the next half year's forecast, is the forecast shown in the IMM circular dated 11 Jun 2003 and subsequently updated in the Offer Information Statement dated 9 December 2003.

9(v) **Review of the performance**

Actual gross revenue for the period was S\$75.3 million, an increase of S\$4.2 million from the forecast for the corresponding period. The higher revenue was mainly due to higher rental rates which were achieved by the malls on new and renewal leases and the lower vacancy periods, except for Funan the IT Mall. Higher income was derived from various income-generating initiatives undertaken.

Actual property operating expenditure was S\$27.8 million, an increase of S\$3.6 million from forecast. This was due mainly to higher property tax, expenses to re-position the malls and write-off of escalators in one of the malls which is in the midst of undergoing enhancements works.

Interest costs were lower by S\$1.4 million due to the lower interest rates achieved versus the forecast.

10 **Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Singapore economy registered growth of 7.5% in 1Q04, higher than the 4.9% in 4Q03. Total demand increased by 16% in 1Q04, higher than the 10% gain for the last quarter.

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Both external and domestic demand increased by 16%.

The economic recovery has broadened in 1Q04 as all major sectors saw improvements in year-on-year growth, led by manufacturing and wholesale and retail trade. Retail sales, excluding motor vehicles, grew by 2.9%, ending 4 quarters of decline. Hotel and restaurants grew by 1.8%, the first positive growth since 4Q02 due to improvements in visitor arrivals and improving domestic consumer sentiments.

In consideration of the strong growth and favorable external factors, MTI has revised 2004 GDP growth forecast upwards to 5.5% to 7.5% to reflect the strength of the economic upturn. The retail property market is expected to remain resilient this year with rentals expected to be stable, with possible rental hike expected for better managed malls.

Outlook for 2004

Given the actual performance for the first half of 2004, the Manager of CMT is confident to deliver the 2004 distribution per unit forecast of 8.59 cents as stated in the Offer Information Statement dated 9 December 2003 with potential upside, barring unforeseen circumstances.

11 Distributions

11(a) Current financial period

Any distributions declared for the current financial period?	Yes
Name of distribution	: Distribution of distributable income for the period from 1 January 2004 to the day immediately prior to the date on which new Units ("Units" will be units in CMT) will be issued pursuant to the proposed equity funds raising exercise to raise funds for the proposed acquisition of Plaza Singapura. (See the CMT circular dated 21 June 2004 (herein referred to as the "Circular") issued in connection with the Extraordinary General Meeting of Unitholders ("Unitholders" will be holders of Units) held on 8 July 2004.)
Distribution type	: Income
Distribution rate	: Between 5.36 cents to 5.68 per Unit, and no less than 5.36 cents per Unit. The actual distribution to be confirmed.
Par value of units	: Not meaningful
Tax rate	: Qualifying Unitholders and individuals (other than those who hold their units through a partnership or through a nominee) will receive pre-tax distributions. These unitholders will pay tax on the distributions at their own applicable tax rates. Individuals are, however, exempt from tax on the distributions unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. All other Unitholders will receive their distributions after deduction of tax at the rate of 20%.
Remarks	Please see the Circular for further details about the Distribution, including the rationale for it being in respect of the period from 1 January 2004 to the day immediately prior to the date on which new Units will be issued pursuant to the Equity Funds Raising instead of the original scheduled period from 1 January 2004 to 30 June 2004.

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11(b) Corresponding period of the preceding financial period
Any distributions declared for the corresponding period of the immediate preceding financial period?
Name of distribution : Distribution of distributable income for the period from 1 January 2003 to 25 June 2003.
Distribution type : Income
Distribution rate : 3.62 cents per Unit
Par value of units : Not meaningful
Tax rate : Qualifying Unitholders, including qualifying individuals, will receive pre-tax distributions and pay tax on the distributions at their own marginal rate subsequently. Unitholders using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax-exempt. All other Unitholders will receive their distributions after deduction of tax at the rate of 22%.
Remarks : In the Circular to Unitholders dated 11 June 2003, it was stated that the manager's expectation of the distribution per unit will be between 3.59 cents and 3.69 cents per unit, and no less than 3.59 cents per unit.

11(c) Date payable On or about 27 August 2004

11(d) Book closure date 30 July 2004

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

NA

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD
CAPITAMALL TRUST MANAGEMENT LIMITED
(as Manager of CapitaMall Trust)

Jessica Lum
Company Secretary
14 July 2004