



CAPITAMALL TRUST

2006 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

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Summary of CMT Results

	FY 2004	FY 2005	1 April to 30 June 2006		
	Actual S\$'000	Actual S\$'000	Actual S\$'000	Forecast ¹ S\$'000	% Change
Gross Revenue	177,239	243,087	76,536	74,782	2.3
Net Property Income	114,210	154,081	49,235	48,592	1.3
Distributable Income	98,105	126,782	38,265	38,133	0.3
Distribution Per Unit ("DPU") (cents)					
For the period	9.48¢	10.23¢	2.77¢	2.76¢	0.3
Annualised	9.48¢ ²	10.23¢ ²	11.11¢	11.07¢	0.3

Footnotes:

1. The forecast is based on the forecast shown in CMT Circular dated 26 June 2006.
2. Refer to actual DPU for the respective years.

For a meaningful analysis/comparison of the actual results against the forecast as stated in the CMT Circular dated 26 June 2006, please refer to paragraph 9 of this announcement.

DISTRIBUTION & BOOK CLOSURE DATE

Distribution	For 1 April 2006 to 30 June 2006
Distribution type	Income
Distribution rate	2.77 cents per unit
Book closure date	01 Aug 2006
Payment date	29 Aug 2006

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INTRODUCTION

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 HSBC Institutional Trust Services (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 (presently known as Funan DigitalLife Mall). CMT acquired IMM Building on 26 June 2003. On 17 December 2003, CMT invested S\$58 million in the Class E Bonds of CapitaRetail Singapore Limited, an associate, 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). CMT acquired its fifth property, Plaza Singapura, on 2 August 2004.

CMT acquired Sembawang Shopping Centre on 10 June 2005 while 100.0% of the strata area of Hougang Plaza was progressively acquired on 20 June 2005 (13.6%), 30 June 2005 (78.8%) , 16 August 2005 (4.3%) 10 May 2006 (2.7%) and 7 June 2006 (0.6%). On 31 October 2005, CMT completed the acquisitions of Bugis Junction and Jurong Entertainment Centre.

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1(a)(i) Statement of total return (2Q 2006 vs 2Q 2005)

For a review of the performance, please refer to paragraph 8.

	Trust and its associate			Trust		
	2Q 2006 ¹ S\$'000	2Q 2005 S\$'000	% Change	2Q 2006 ¹ S\$'000	2Q 2005 S\$'000	% Change
Gross rental income	70,849	52,685	34.5	70,849	52,685	34.5
Car park income	2,105	1,792	17.4	2,105	1,792	17.4
Other income	3,582	2,935	22.0	3,582	2,935	22.0
Gross revenue	76,536	57,412	33.3	76,536	57,412	33.3
Property management fees	(2,836)	(2,113)	34.2	(2,836)	(2,113)	34.2
Property tax	(6,603)	(5,189)	27.2	(6,603)	(5,189)	27.2
Other property operating expenses ²	(17,862)	(13,727)	30.1	(17,862)	(13,727)	30.1
Property operating expenses	(27,301)	(21,029)	29.8	(27,301)	(21,029)	29.8
Net property income	49,235	36,383	35.3	49,235	36,383	35.3
Interest income	191	39	389.7	1,420	1,224	16.0
Asset management fees	(4,674)	(3,477)	34.4	(4,674)	(3,477)	34.4
Trust expenses	(549)	(352)	56.0	(549)	(352)	56.0
Administrative expenses	(5,223)	(3,829)	36.4	(5,223)	(3,829)	36.4
Net income before finance costs	44,203	32,593	35.6	45,432	33,778	34.5
Finance costs	(8,742)	(5,147)	69.8	(8,742)	(5,147)	69.8
Net income	35,461	27,446	29.2	36,690	28,631	28.1
Share of profit of associate	1,354	1,380	(1.9)	-	-	-
Net appreciation on revaluation of investment properties	13,346	-	N.M.	13,346	-	N.M.
Total return for the period before taxation	50,161	28,826	74.0	50,036	28,631	74.8
Taxation	NA	NA	NA	NA	NA	NA
Total return for the period	50,161	28,826	74.0	50,036	28,631	74.8

Footnotes :

1. Sembawang Shopping Centre was acquired on 10 June 2005 while 100.0% of the strata area of Hougang Plaza was progressively acquired on 20 June 2005 (13.6%), 30 June 2005 (78.8%), 16 August 2005 (4.3%), 10 May 2006 (2.7%) and 7 June 2006 (0.6%). The acquisitions of Bugis Junction and Jurong Entertainment Centre were completed on 31 October 2005.

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

	Trust and its associate			Trust		
	2Q 2006 S\$'000	2Q 2005 S\$'000	% Change	2Q 2006 S\$'000	2Q 2005 S\$'000	% Change
Depreciation and amortization	317	110	188.2	317	110	188.2
Bad debts written off / (written back)	14	(3)	NM	14	(3)	NM

N.M. – not meaningful

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1(a)(i) Statement of total return (1H 2006 vs 1H 2005)

For a review of the performance, please refer to paragraph 8.

	Trust and its associate			Trust		
	1H 2006 ¹ S\$'000	1H 2005 S\$'000	% Change	1H 2006 ¹ S\$'000	1H 2005 S\$'000	% Change
Gross rental income	141,872	103,748	36.7	141,872	103,748	36.7
Car park income	4,191	3,598	16.5	4,191	3,598	16.5
Other income	7,154	5,257	36.1	7,154	5,257	36.1
Gross revenue	153,217	112,603	36.1	153,217	112,603	36.1
Property management fees	(5,723)	(4,153)	37.8	(5,723)	(4,153)	37.8
Property tax	(13,425)	(10,381)	29.3	(13,425)	(10,381)	29.3
Other property operating expenses ²	(33,442)	(26,289)	27.2	(33,442)	(26,289)	27.2
Property operating expenses	(52,590)	(40,823)	28.8	(52,590)	(40,823)	28.8
Net property income	100,627	71,780	40.2	100,627	71,780	40.2
Interest income	425	41	936.6	2,870	2,399	19.6
Asset management fees	(9,372)	(6,904)	35.7	(9,372)	(6,904)	35.7
Trust expenses	(1,048)	(690)	51.9	(1,048)	(690)	51.9
Administrative expenses	(10,420)	(7,594)	37.2	(10,420)	(7,594)	37.2
Net income before finance costs	90,632	64,227	41.1	93,077	66,585	39.8
Finance costs	(17,293)	(10,092)	71.4	(17,293)	(10,092)	71.4
Net income	73,339	54,135	35.5	75,784	56,493	34.2
Share of profit of associate	2,582	1,609	60.5	-	-	-
Net appreciation on revaluation of investment properties	13,346	-	N.M.	13,346	-	N.M.
Total return for the period before taxation	89,267	55,744	60.1	89,130	56,493	57.8
Taxation	NA	NA	NA	NA	NA	NA
Total return for the period	89,267	55,744	60.1	89,130	56,493	57.8

Footnotes :

1. Sembawang Shopping Centre was acquired on 10 June 2005 while 100.0% of the strata area of Hougang Plaza was progressively acquired on 20 June 2005 (13.6%), 30 June 2005 (78.8%), 16 August 2005 (4.3%), 10 May 2006 (2.7%) and 7 June 2006 (0.6%). The acquisitions of Bugis Junction and Jurong Entertainment Centre were completed on 31 October 2005.

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

	Trust and its associate			Trust		
	1H 2006 S\$'000	1H 2005 S\$'000	% Change	1H 2006 S\$'000	1H 2005 S\$'000	% Change
Depreciation and amortization	512	217	135.9	512	217	135.9
Bad debts written off	14	11	27.3	14	11	27.3
Assets written off	-	201	NM	-	201	NM

N.M. – not meaningful

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1(a)(ii) Distribution statement (2Q 2006 vs 2Q 2005)

	Trust and its associate			Trust		
	2Q 2006 S\$'000	2Q 2005 S\$'000	% <i>Change</i>	2Q 2006 S\$'000	2Q 2005 S\$'000	% <i>Change</i>
Net income	35,461	27,446	29.2	36,690	28,631	28.1
Net effect of non-tax deductible items (Note A)	1,575	1,691	(6.9)	1,575	1,691	(6.9)
Interest income from associate	1,229	1,185	3.7	-	-	NA
Distributable income to unitholders¹	38,265	30,322	26.2	38,265	30,322	26.2
<i>Note A</i>						
<i>Non-tax deductible items</i>						
- <i>Asset management fees (performance component payable in units)</i>	2,133	1,691	26.1	2,133	1,691	26.1
- <i>Trustee's fees</i>	265	186	42.5	265	186	42.5
- <i>Temporary differences and other adjustments</i>	(823)	(186)	341.9	(823)	(186)	341.9
<i>Net effect of non-tax deductible items</i>	1,575	1,691	(6.9)	1,575	1,691	(6.9)

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1(a)(ii) Distribution statement (1H 2006 vs 1H 2005)

	Trust and its associate			Trust		
	1H 2006 S\$'000	1H 2005 S\$'000	% Change	1H 2006 S\$'000	1H 2005 S\$'000	% Change
Net income	73,339	54,135	35.5	75,784	56,493	34.2
Net effect of non-tax deductible items (Note A)	4,238	3,665	15.6	4,238	3,665	15.6
Interest income from associate	2,445	2,358	3.7	-	-	NA
Taxable income available for distribution to unitholders	80,022	60,158	33.0	80,022	60,158	33.0
Distributable income to unitholders¹	75,846	60,158	26.1	75,846	60,158	26.1
<i>Note A</i>						
<i>Non-tax deductible items</i>						
- Asset management fees (performance component payable in units)	4,338	3,369	28.8	4,338	3,369	28.8
- Trustee's fees	523	358	46.1	523	358	46.1
- Temporary differences and other adjustments	(623)	(62)	904.8	(623)	(62)	904.8
<i>Net effect of non-tax deductible items</i>	4,238	3,665	15.6	4,238	3,665	15.6

Footnote:

- 1 CMT is committed to distribute 100% of its taxable income available for distribution to Unitholders for the full financial year ending 31 December 2006. Due to significant asset enhancement works and higher interest expenses, income streams for the coming quarters is expected to fluctuate. To be prudent, for the 1st quarter ended 31 March 2006, CMT has distributed 90% of its taxable income available for distribution to Unitholders.

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1(b)(i) **Balance sheet**

As at 30 Jun 2006 vs 31 Dec 2005

	Trust and its associate			Trust		
	30 Jun 2006 S\$'000	31 Dec 2005 S\$'000	% Change	30 Jun 2006 S\$'000	31 Dec 2005 S\$'000	% Change
Non-current assets						
Plant & equipment	517	547	(5.5)	517	547	(5.5)
Investment properties ¹	3,426,660	3,365,000	1.8	3,426,660	3,365,000	1.8
Interest in an associate ²	66,693	64,928	2.7	58,000	58,000	-
Total non-current assets	3,493,870	3,430,475	1.8	3,485,177	3,423,547	1.8
Current assets						
Trade & other receivables	13,950	13,942	0.1	13,950	13,942	0.1
Cash & cash equivalents ³	44,685	39,147	14.2	44,685	39,147	14.2
Total current assets	58,635	53,089	10.5	58,635	53,089	10.5
Less						
Current liabilities						
Trade & other payables ⁴	113,216	77,752	45.6	113,216	77,752	45.6
Provisions for taxation	367	367	-	367	367	-
Total current liabilities	113,583	78,119	45.4	113,583	78,119	45.4
Net current (liabilities) / assets	(54,948)	(25,030)	119.5	(54,948)	(25,030)	119.5
Less						
Non-current liabilities						
Interest bearing loans	1,089,479	1,089,232	0.0	1,089,479	1,089,232	0.0
Other non-current liabilities	33,661	32,308	4.2	33,661	32,308	4.2
Total non-current liabilities	1,123,140	1,121,540	0.1	1,123,140	1,121,540	0.1
Net assets	2,315,782	2,283,905	1.4	2,307,089	2,276,977	1.3
Unitholders' funds	2,315,782	2,283,905	1.4	2,307,089	2,276,977	1.3

Footnotes:

- Investment properties included the 2 units in Hougang Plaza acquired on 10 May 2006 (2.7% of the strata area) and 7 June 2006 (0.6% of the strata area) and are stated at valuation performed by independent professional valuers on 1 June 2006.*
- The increase for Trust and its associate was mainly due to the adjustment for prior year's revaluation loss and 1H 2006's gain on interest rate swaps on the bonds issued by associate.*

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3. *The increase was mainly due to the cash available for distribution to Unitholders. As at 30 June 2006, the cash available for distribution was for the period from 1 April 2006 to 30 June 2006 whereas as at 31 December 2005, the cash available for distribution was for the period from 31 October 2005 to 31 December 2005.*
4. *The increase is mainly due to the draw down of a short term interest bearing loan of S\$30 million in June 2006.*

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

	Trust and its associate and Trust	
	30 Jun 2006	31 Dec 2005
	S\$'000	S\$'000
Secured borrowings		
Amount repayable after one year	1,093,000	1,093,000
Less: Fees and costs in relation to debt raising exercise amortised over the tenor of secured loan	(3,521)	(3,768)
	1,089,479	1,089,232

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; and
- (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 2006 vs 2Q 2005)

	Trust and its associate	
	2Q 2006 ¹ S\$'000	2Q 2005 S\$'000
Operating activities		
Net income	35,461	27,446
Adjustments for:		
Interest income	(191)	(39)
Finance costs	8,742	5,147
Depreciation and amortization	317	110
Asset management fee paid/payable in units	2,133	1,691
Operating income before working capital changes	46,462	34,355
Changes in working capital:		
Trade and other receivables	(1,158)	(2,726)
Trade and other payables	(8,421)	4,014
Security deposits	1,918	686
Cash generated from operating activities	38,801	36,329
Investing activities		
Interest received	2,603	39
Net cash outflow on purchase of investment properties	(5,327)	(115,949)
Capital expenditure on investment properties	(30,680)	(12,024)
Purchase of plant and equipment	(58)	(2)
Cash flows from investing activities	(33,462)	(127,936)
Financing activities		
Proceeds from interest-bearing loans and borrowings	30,000	123,000
Distribution to unitholders	(37,551)	(29,745)
Interest paid	(8,377)	(4,986)
Payment of issue and financing expenses	(111)	-
Cash flows from financing activities	(16,039)	88,269
Decrease in cash and cash equivalent	(10,700)	(3,338)
Cash and cash equivalent at beginning of period	55,385	25,477
Cash and cash equivalent at end of period	44,685	22,139

Footnote:

1. Sembawang Shopping Centre was acquired on 10 June 2005 while 100.0% of the strata area of Hougang Plaza was progressively acquired on 20 June 2005 (13.6%), 30 June 2005 (78.8%), 16 August 2005 (4.3%), 10 May 2006 (2.7%) and 7 June 2006 (0.6%). The acquisitions of Bugis Junction and Jurong Entertainment Centre were completed on 31 October 2005.

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1(c) **Cash flows statement (1H 2006 vs 1H 2005)**

	Trust and its associate	
	1H 2006 ¹ S\$'000	1H 2005 S\$'000
Operating activities		
Net income	73,339	54,135
Adjustments for:		
Interest income	(425)	(41)
Finance costs	17,293	10,092
Write-off of assets	-	201
Depreciation and amortization	512	217
Asset management fee paid/payable in units	4,339	3,369
Operating income before working capital changes	95,058	67,973
Changes in working capital:		
Trade and other receivables	(368)	(2,943)
Trade and other payables	(3,682)	8,547
Security deposits	3,443	1,350
Cash generated from operating activities	94,451	74,927
Investing activities		
Interest received	2,830	2,439
Net cash outflow on purchase of investment properties	(5,327)	(115,949)
Capital expenditure on investment properties	(35,974)	(20,702)
Purchase of plant and equipment	(79)	(66)
Cash flows from investing activities	(38,550)	(134,278)
Financing activities		
Proceeds from interest-bearing loans and borrowings	30,000	123,000
Distribution to unitholders	(63,351)	(78,715)
Interest paid	(17,006)	(9,986)
Payment of issue and financing expenses	(6)	-
Cash flows from financing activities	(50,363)	34,299
Increase / (Decrease) in cash and cash equivalent	5,538	(25,052)
Cash and cash equivalent at beginning of period	39,147	47,191
Cash and cash equivalent at end of period	44,685	22,139

Footnote:

1. Sembawang Shopping Centre was acquired on 10 June 2005 while 100.0% of the strata area of Hougang Plaza was progressively acquired on 20 June 2005 (13.6%), 30 June 2005 (78.8%), 16 August 2005 (4.3%), 10 May 2006 (2.7%) and 7 June 2006 (0.6%). The acquisitions of Bugis Junction and Jurong Entertainment Centre were completed on 31 October 2005.

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1(d)(i) Statement of changes in unitholders' funds (2Q 2006 vs 2Q 2005)

As at 30 Jun 2006 vs 30 Jun 2005

	Trust and its associate		Trust	
	2Q 2006 ¹ S\$'000	2Q 2005 S\$'000	2Q 2006 ¹ S\$'000	2Q 2005 S\$'000
Balance as at beginning of period	2,300,411	1,601,692	2,292,582	1,593,068
Operations				
Net income	35,461	27,446	36,690	28,631
Share of profit of associate	1,354	1,380	-	-
Net appreciation on revaluation of investment properties	13,346	-	13,346	-
Change in net assets attributable to unitholders resulting from operations	50,161	28,826	50,036	28,631
Movement in hedging reserve	739	(2,202)	-	-
Unitholders' transactions				
Creation of units				
- fair value of management fees payable / paid in units	329	156	329	156
Units to be issued as satisfaction of the portion of asset management fees payable in units	1,804	1,535	1,804	1,535
Distribution to unitholders ²	(37,551)	(29,745)	(37,551)	(29,745)
Issue expenses	(111)	-	(111)	-
Net decrease in net assets resulting from unitholders' transactions	(35,529)	(28,054)	(35,529)	(28,054)
Balance as at end of period	2,315,782	1,600,262	2,307,089	1,593,645

Footnotes:

- 1. Sembawang Shopping Centre was acquired on 10 June 2005 while 100.0% of the strata area of Hougang Plaza was progressively acquired on 20 June 2005 (13.6%), 30 June 2005 (78.8%), 16 August 2005 (4.3%), 10 May 2006 (2.7%) and 7 June 2006 (0.6%). The acquisitions of Bugis Junction and Jurong Entertainment Centre were completed on 31 October 2005.*
- 2. Distribution for 2Q 2006 is for the period from 1 January 2006 to 31 March 2006 paid in May 2006. Distribution for 2Q 2005 is for the period from 1 January 2005 to 31 March 2005 paid in May 2005.*

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1(d)(i) Statement of changes in unitholders' funds (1H 2006 vs 1H 2005)

As at 30 Jun 2006 vs 30 Jun 2005

	Trust and its associate		Trust	
	1H 2006 ¹ S\$'000	1H 2005 S\$'000	1H 2006 ¹ S\$'000	1H 2005 S\$'000
Balance as at beginning of period	2,283,905	1,622,478	2,276,977	1,610,653
Operations				
Net income	73,339	54,135	75,784	56,493
Share of profit of associate	2,582	1,609	-	-
Net appreciation on revaluation of investment properties	13,346	-	13,346	-
Change in net assets attributable to unitholders resulting from operations	89,267	55,744	89,130	56,493
Movement in hedging reserve	1,628	(4,459)	-	-
Unitholders' transactions				
Creation of units				
- fair value of management fees payable / paid in units	451	156	451	156
- management fee paid in units	2,083	3,523	2,083	3,523
Units to be issued as satisfaction of the portion of asset management fees payable in units	1,804	1,535	1,804	1,535
Distribution to unitholders ²	(63,351)	(78,715)	(63,351)	(78,715)
Issue expenses	(5)	-	(5)	-
Net decrease in net assets resulting from unitholders' transactions	(59,018)	(73,501)	(59,018)	(73,501)
Balance as at end of period	2,315,782	1,600,262	2,307,089	1,593,645

Footnotes:

- Sembawang Shopping Centre was acquired on 10 June 2005 while 100.0% of the strata area of Hougang Plaza was progressively acquired on 20 June 2005 (13.6%), 30 June 2005 (78.8%), 16 August 2005 (4.3%), 10 May 2006 (2.7%) and 7 June 2006 (0.6%). The acquisitions of Bugis Junction and Jurong Entertainment Centre were completed on 31 October 2005.*
- Distribution for 1H 2006 is for the period from 31 October 2005 to 31 December 2005 and 1 January 2006 to 31 March 2006 paid in February 2006 and May 2006 respectively. Distribution for 1H 2005 is for the period from 2 August 2004 to 31 December 2004 and 1 January 2005 to 31 March 2005 paid in February 2005 and May 2005 respectively.*

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1(d)(ii) Details of any change in the issued and issuable units (2Q 2006 vs 2Q 2005)

	Trust	
	2Q 2006 Units	2Q 2005 Units
Balance as at beginning of period	1,380,569,714	1,204,255,959
New units issued :		
- As payment of asset management fees ¹	893,517	726,487
Issued units as at end of period	1,381,463,231	1,204,982,446
New units to be issued		
- As payment of asset management fees ²	997,074	648,420
Total issued and issuable units as at end of period	1,382,460,305	1,205,630,866

Footnotes:

1. These were the performance component of the asset management for 1Q 2006 and 1Q 2005 which were issued in May 2006 and May 2005 respectively.
2. These were the performance component of the asset management fees for 2Q 2006 (which will be issued in August 2006) and 2Q 2005 that have been issued in August 2005 respectively.

1(d)(ii) Details of any change in the issued and issuable units (1H 2006 vs 1H 2005)

	Trust	
	1H 2006 Units	1H 2005 Units
Balance as at beginning of period	1,379,698,467	1,203,200,009
New units issued :		
- As payment of asset management fees ¹	1,764,764	1,782,437
Issued units as at end of period	1,381,463,231	1,204,982,446
New units to be issued		
- As payment of asset management fees ²	997,074	648,420
Total issued and issuable units as at end of period	1,382,460,305	1,205,630,866

Footnotes:

1. These were the performance component of the asset management for 4Q 2005 and 1Q 2006 which were issued in February and May 2006 respectively. For 1H 2005, the units were issued for 4Q 2004 and 1Q 2005 in February 2005 and May 2005 respectively.
2. These were the performance component of the asset management fees for 2Q 2006 (which will be issued in August 2006) and 2Q 2005 that have been issued in August 2005 respectively.

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- 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 trust and its associate has applied the same accounting policies and methods of computation applied in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2005.

- 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**

Not applicable.

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6 Earnings per unit (“EPU”) and distribution per unit (“DPU”) for the financial period (2Q 2006 vs 2Q 2005)

In computing the EPU, the weighted average number of units 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 the end of each period is used.

	Trust and its associate		Trust	
	2Q 2006	2Q 2005	2Q 2006	2Q 2005
Weighted average number of units in issue	1,381,081,433	1,204,695,045	1,381,081,433	1,204,695,045
Earnings per unit (“EPU”) ¹				
Based on weighted average number of units in issue	2.67¢	2.39¢	2.66¢	2.38¢
Based on fully diluted basis	2.67¢	2.39¢	2.66¢	2.38¢
Number of units in issue at end of period	1,381,463,231	1,204,982,446	1,381,463,231	1,204,982,446
Distribution per unit (“DPU”)				
Based on the number of units in issue at end of period	2.77¢	2.51¢	2.77¢	2.51¢

Footnotes:

1. EPU is calculated based on net income.

	Trust and its associate		Trust	
	1H 2006	1H 2005	1H 2006	1H 2005
Weighted average number of units in issue	1,380,644,073	1,204,255,024	1,380,644,073	1,204,255,024
Earnings per unit (“EPU”) ¹				
Based on weighted average number of units in issue	5.50¢	4.63¢	5.49¢	4.69¢
Based on fully diluted basis	5.50¢	4.63¢	5.49¢	4.69¢
Number of units in issue at end of period	1,381,463,231	1,204,982,446	1,381,463,231	1,204,982,446
Distribution per unit (“DPU”)				
Based on the number of units in issue at end of period	5.49¢ ²	4.98¢	5.49¢	4.98¢

Footnotes:

1. EPU is calculated based on net income.

2. 1H 2006’s DPU includes the amount for 1st quarter ended 31 March 2006 which was based on 90% of CMT’s taxable income available for distribution to Unitholders.

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7 Net asset value (“NAV”) backing per unit based on issued and issuable units at the end of the period

	Trust and its associate	
	30 Jun 06	31 Dec 05
NAV per unit	\$1.68	\$1.66
Adjusted NAV per unit (excluding the distributable income)	\$1.65	\$1.64

	Trust	
	30 Jun 06	31 Dec 05
NAV per unit	\$1.67	\$1.65
Adjusted NAV per unit (excluding the distributable income)	\$1.64	\$1.63

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8 Review of the performance

	Trust and its associate				
	2Q 2006 ¹	2Q 2005	1Q 2006 ¹	1H 2006 ¹	1H 2005
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Income statement</u>					
Gross revenue	76,536	57,412	76,682	153,217	112,603
Property operating expenses	(27,301)	(21,029)	(25,288)	(52,590)	(40,823)
Net property income	49,235	36,383	51,394	100,627	71,780
Interest income	191	39	233	425	41
Administrative expenses	(5,223)	(3,829)	(5,197)	(10,420)	(7,594)
Finance costs	(8,742)	(5,147)	(8,551)	(17,293)	(10,092)
Net income	35,461	27,446	37,879	73,339	54,135

	Trust and its associate				
	2Q 2006 ¹	2Q 2005	1Q 2006 ¹	1H 2006 ¹	1H 2005
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Distribution statement</u>					
Net income	35,461	27,446	37,879	73,339	54,135
Net effect of non-tax deductible items	1,575	1,691	2,663	4,238	3,665
Interest income from associate	1,229	1,185	1,216	2,445	2,358
Taxable income available for distribution to unitholders	38,265	30,322	41,758	80,022	60,158
Distributable income to unitholders	38,265	30,322	37,582²	75,846²	60,158
Taxable Income available for distribution per unit (cents)					
For the period	2.77	2.51	3.02	5.79	4.98
Annualised	11.11	10.07	12.27	11.68	10.06
Distribution per unit (in cents)					
For the period	2.77	2.51	2.72 ²	5.49 ²	4.98
Annualised	11.11	10.07	11.04 ²	11.07 ²	10.06

Footnotes:-

- Sembawang Shopping Centre was acquired on 10 June 2005 while 100.0% of the strata area of Hougang Plaza was progressively acquired on 20 June 2005 (13.6%), 30 June 2005 (78.8%), 16 August 2005 (4.3%), 10 May 2006 (2.7%) and 7 June 2006 (0.6%). The acquisitions of Bugis Junction and Jurong Entertainment Centre were completed on 31 October 2005.*
- For 1Q 2006, DPU is based on 90% of CMT's taxable income available for distribution to Unitholders.*

Net income for Trust and its associate are below the net income for Trust due mainly to the elimination of interest income from its associate.

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2Q 2006 vs 2Q 2005

Gross revenue for 2Q 2006 was S\$76.5 million, an increase of S\$19.1 million or 33.3% over 2Q 2005. This was mainly due to revenue of S\$17.4 million from the four malls acquired in Year 2005, namely Bugis Junction, Hougang Plaza, Sembawang Shopping Centre and Jurong Entertainment Centre. The existing five malls accounted for another S\$1.7 million increase in revenue mainly due to new and renewal leases.

Property operating expenses for 2Q 2006 was S\$27.3 million, an increase of S\$6.3 million or 29.8% over 2Q 2005, mainly attributed to the four malls as mentioned above.

Administrative expenses for 2Q 2006 was S\$5.2 million, an increase of S\$1.4 million or 36.4% over 2Q 2005. This was mainly due to increase in asset management fees as a result of higher revenue generated and higher property values under management arising mainly from the four malls as mentioned above.

Finance costs for 2Q 2006 of S\$8.8 million was S\$3.6 million or 69.8% higher than the same quarter last year. This was mainly attributed to the increase in interest expense in association with the S\$433 million loan secured on 31 October 2005 to part finance/refinance the acquisitions of Bugis Junction, Hougang Plaza, Sembawang Shopping Centre and Jurong Entertainment Centre.

2Q 2006 vs 1Q 2006

Gross revenue for 2Q 2006 was S\$76.5 million compared with S\$76.7 million for 1Q 2006, a slight decrease of S\$0.2 million or 0.2%. This is mainly due to the decrease in income in 2Q 2006 due to the ongoing asset enhancements initiatives works at Bugis Junction and IMM Building which was partially offset by service charge received from non profit organizations occupying the tower block at Junction 8.

Property operating expenses was S\$27.3 million, an increase of S\$2.0 million or 8.0% over 1Q 2006. The increase is mainly due to the advertising and promotional expenditure incurred in 2Q 2006 in respect of World Cup and Food Festivals events.

Administrative costs for 2Q 2006 at S\$5.2 million was approximately the same as that for 1Q 2006.

Finance costs was S\$8.8 million, an increase of S\$0.2 million or 2.2% over 1Q 2006. This was mainly due to the draw down of the short term loan of S\$30 million in June 2006.

1H 2006 vs 1H 2005

Gross revenue for 1H 2006 was S\$153.2 million, an increase of S\$40.6 million or 36.1% over 1H 2005. This was mainly due to revenue of S\$34.8 million from the four malls acquired in Year 2005, namely Bugis Junction, Hougang Plaza, Sembawang Shopping Centre and Jurong Entertainment Centre. The existing five malls accounted for another S\$5.8 million increase in revenue mainly due to new and renewal leases.

Property operating expenses for 1H 2006 was S\$52.6 million, an increase of S\$11.8 million or 28.8% over 1H 2005, mainly attributed to the four malls as mentioned above.

Administrative expenses for 1H 2006 was S\$10.4 million, an increase of S\$2.8 million or 37.2% over 1H 2005. This was mainly due to increase in asset management fees as a result of higher revenue generated and higher property values under management arising mainly from four malls acquired in Year 2005.

Finance costs for 1H 2006 of S\$17.3 million was S\$7.2 million or 71.4% higher than 1H 2005. This was mainly attributed to the increase in interest expense in association with the S\$433 million loan secured on 31 October 2005 to part finance/refinance the acquisitions of Bugis Junction, Hougang Plaza, Sembawang Shopping Centre and Jurong Entertainment Centre.

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

Below mentioned relates to the review of the results of Trust and its associate.

9(i) **Income statement (Actual vs Forecast)**

	Actual 2Q 2006 S\$'000	Forecast ¹ 2Q 2006 S\$'000	% Change
Gross rental income	70,849	69,856	1.4
Car park income	2,105	2,042	3.1
Other income	3,582	2,884	24.2
Gross revenue	76,536	74,782	2.3
Property management fees	(2,836)	(2,799)	1.3
Property tax	(6,603)	(6,753)	(2.2)
Other property operating expenses	(17,862)	(16,638)	7.4
Property operating expenses	(27,301)	(26,190)	4.2
Net property income	49,235	48,592	1.3
Interest income	191	-	N.M.
Asset management fees	(4,674)	(4,294)	8.9
Trust expenses	(549)	(755)	(27.3)
Administrative expenses	(5,223)	(5,049)	3.5
Net income before finance costs	44,203	43,543	1.5
Finance costs	(8,742)	(9,032)	(3.2)
Net income	35,461	34,511	2.8
Share of profit of associate	1,354	1,229	10.2
Net income after associate's results	36,815	35,740	3.0

N.M. – not meaningful

Footnote:

1. The forecast is based on the forecast shown in CMT Circular dated 26 June 2006.

9(ii) **Distribution statement (Actual vs Forecast)**

	Actual 2Q 2006 S\$'000	Forecast ¹ 2Q 2006 S\$'000	% Change
Net income	35,461	34,511	2.8
Net effect of non-tax deductible items	1,575	2,393	(34.2)
Interest income from associate	1,229	1,229	-
Taxable income available for distribution to unitholders	38,265	38,133	0.3
Distributable income to unitholders	38,265	38,133	0.3
Distribution per unit (in cents)			
For the period	2.77	2.76	0.3
Annualised	11.11	11.07	0.3

Footnote:

1. The forecast is based on the forecast shown in CMT Circular dated 26 June 2006.

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9(iii) <u>Breakdown of gross revenue</u>	Actual 2Q 2006 S\$'000	Forecast ¹ 2Q 2006 S\$'000	% Change
Tampines Mall	13,393	13,249	1.1
Junction 8	10,603	10,360	2.3
Funan DigitaLife Mall	6,010	5,987	0.4
IMM Building	13,247	12,438	6.5
Plaza Singapura	15,699	15,688	0.0
Bugis Junction	12,966	12,685	2.2
Sembawang Shopping Centre, Hougang Plaza and Jurong Entertainment Centre	4,618	4,375	5.5
Gross revenue	76,536	74,782	2.3

Footnote:

1. The forecast is based on the forecast shown in CMT Circular dated 26 June 2006.

9(iv) <u>Breakdown of net property income</u>	Actual 2Q 2006 S\$'000	Forecast ¹ 2Q 2006 S\$'000	% Change
Tampines Mall	9,221	9,219	0.0
Junction 8	6,868	6,842	0.4
Funan DigitaLife Mall	3,810	3,576	6.5
IMM Building	6,757	6,746	0.2
Plaza Singapura	11,166	11,079	0.8
Bugis Junction	8,648	8,465	2.2
Sembawang Shopping Centre, Hougang Plaza and Jurong Entertainment Centre	2,765	2,665	3.8
Net property income	49,235	48,592	1.3

Footnote:

1. The forecast is based on the forecast shown in CMT Circular dated 26 June 2006.

9(v) Review of the performance

Gross revenue for 2Q 2006 was S\$76.5 million, an increase of S\$1.8 million or 2.3% over the forecast for the same period. This was mainly due to higher revenue for IMM Building and Junction 8 with higher rental and other income as well as the higher than forecasted revenue for the two latest acquired malls in 4Q 2005, Bugis Junction and Jurong Entertainment Centre.

Property operating expenses for 2Q 2006 was S\$27.3 million, an increase of S\$1.1 million or 4.2% compared with forecast for the same period mainly due to higher than forecasted expenses for IMM Building, Junction 8, Bugis Junction and Jurong Entertainment Centre.

Administrative expenses for 2Q 2006 was S\$5.2 million, an increase of S\$0.2 million or 3.5% over forecast for the same period. This was mainly due to higher asset management fees as a result of higher revenue generated.

Finance cost for 2Q 2006 was S\$8.8 million, a decrease of S\$0.3 million or 3.2% compared to forecast for the same period. In the forecast, a higher quantum of loan was assumed to be drawn down to finance various asset enhancements and working capital requirements.

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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 grew by a healthy 6.4% in 2005.

Projection for 2006 is forecasted to be between 5.0% to 7.0%, up from the previous forecast of between 4.0% to 6.0%. The Singapore economy expanded by 10.6% in 1Q 2006. Advance estimates show that real gross domestic product ("GDP") rose by 7.5% in the quarter compared to the same period in 2005.

Growth in the wholesale and retail trade sector strengthened further to 15.0% in 1Q 2006. Growth of the services producing industries is estimated to be 6.8% in 2Q 2006.

Outlook for 2006

The manager of CMT is optimistic to deliver the projected distribution of 11.07 cents as stated in the CMT Circular dated 26 June 2006, barring any unforeseen circumstances.

11 Distributions

11(a) Current financial period

Any distributions declared for the current financial period? Yes.

Name of distribution : Distribution for 01 April 2006 to 30 June 2006

Distribution type : Income

Distribution rate : 2.77 cents per unit

Par value of units : Not meaningful

Tax rate : Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 20%.

Remarks NA.

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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? Yes.
- Name of distribution : Distribution for 1 April 2005 to 30 June 2005
- Distribution type : Income
- Distribution rate : 2.51 cents per unit
- Par value of units : Not meaningful
- Tax rate : Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.
- Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.
- All other investors will receive their distributions after deduction of tax at the rate of 20%.
- Remarks : NA
- 11(c) Date payable : 29 Aug 2006
- 11(d) Book closure date : 1 Aug 2006

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
(Company registration no. 200106159R)
(as Manager of CapitaMall Trust)

Michelle Koh
Company Secretary
21 July 2006