



News Release

21 July 2006

For Immediate Release

CMT Achieves 10.3%¹ Higher Second Quarter² 2006 Distribution per Unit

Jurong Entertainment Centre granted increased plot ratio from 1.85 to 3.0

CMT raises target asset size in Singapore to S\$7 billion by 2009

Singapore, 21 July 2006 – CapitaMall Trust Management Limited (“CMTML”), the manager of CapitaMall Trust (“CMT”), is pleased to announce a distributable income of S\$38.2 million to unitholders of CMT (“Unitholders”) for Second Quarter² 2006. The distributable income for Second Quarter² 2006 is based on 100% of CMT’s taxable income available for distribution to Unitholders. Distribution Per unit in CMT (“DPU”) for Second Quarter² 2006 is 2.77 cents (11.11 cents on an annualised basis). When compared against the Second Quarter³ in 2005, the DPU registered an increase of 10.3% from 10.07 cents (on an annualised basis) to 11.11 cents (on an annualised basis). Given this Second Quarter² 2006 DPU, the annualised distribution yield of units in CMT (“Units”) is 5.10%, based on the closing price of S\$2.18 per Unit on 20 July 2006. The Books Closure Date is on 1 August 2006, and Unitholders can expect to receive their second quarterly distribution of 2.77 cents per unit on 29 August 2006.

CMT’s gross revenue for Second Quarter² 2006 was S\$76.5 million and net property income for Second Quarter² 2006 was S\$49.2 million. Excluding the four assets⁴ which were acquired in 2005, CMT’s gross revenue for First Half⁵ 2006 outperformed gross revenue for First Half⁶ 2005 by 5.1% or S\$5.7 million, while CMT’s net property income for First Half⁵ 2006 outperformed net property income for First Half⁶ 2005 by 8.6% or S\$6.1 million.

Rental renewal rates for First Half⁵ 2006 registered strong growth of 8.1% over preceding rental rates and 7.2% over forecast rental rates³. The target asset size for CMT in Singapore has also been increased from S\$5 billion to S\$6 billion by 2008 to S\$7 billion by 2009.

¹ Annualised Distribution per Unit for the period from 1 April 2006 to 30 June 2006 versus the annualised Distribution per Unit for the period from 1 April 2005 to 30 June 2005.

² For the period from 1 April 2006 to 30 June 2006.

³ For the period from 1 April 2005 to 30 June 2005.

⁴ Excluding Sembawang Shopping Centre, Hougang Plaza, Bugis Junction and Jurong Entertainment Centre.

⁵ For the period from 1 January 2006 to 30 June 2006.

⁶ For the period from 1 January 2005 to 30 June 2005.

Summary of CMT Results

(1 April 2006 to 30 June 2006)

	Actual	Forecast ¹	Variance	
			Amount	%
Gross Revenue (S\$'000)	76,536	74,782	1,754	2.3
Net Property Income (S\$'000)	49,235	48,592	643	1.3
Distributable Income to Unitholders (S\$'000)	38,265	38,133	132	0.3
Distribution Per Unit (cents)				
For the period 1 Apr to 30 Jun 2006	2.77¢	2.76¢	0.01¢	0.3
Annualised	11.11¢	11.07¢	0.04¢	0.3
Distribution Yield				
- S\$2.12 per unit (closing as at 30 Jun 2006)	5.24%	5.22%	0.02%	0.3%
- S\$2.18 per unit (closing as at 20 Jul 2006)	5.10%	5.08%	0.02%	0.3%

Mr Hsuan Owyang, Chairman of CMTML, said, "CMT has once again exceeded forecasts to deliver higher returns to Unitholders. We would like to thank Unitholders for their strong support for the proposed acquisition of a 40% interest in Raffles City at the recent Extraordinary General Meeting. With the inclusion of our interest in Raffles City, CMT's asset size will grow from S\$3.5 billion to S\$4.3 billion by August 2006, thus reinforcing CMT's position as the largest REIT by asset size and market capitalisation in Singapore. We will continue to actively pursue yield accretive acquisitions and are confident of achieving our increased target asset size of S\$7 billion in Singapore by 2009. Going forward, we will leverage on our 5-pronged strategy comprising yield accretive acquisitions, innovative asset enhancements, active leasing, investment of up to a 20% stake in the proposed CapitaLand China Retail REIT⁷ and participation in local development projects to deliver stable distributions and sustainable total returns to Unitholders."

Mr Pua Seck Guan, CEO of CMTML, said, "Our ability to identify and acquire quality assets with strong fundamentals and value creation opportunities enables us to create the pipeline required to deliver continuous growth for Unitholders. The successful increase in Jurong Entertainment Centre's plot ratio from 1.85 to 3.0, the increase in Hougang Plaza's plot ratio from 1.4 to 3.0 and the conversion of over 47,000 square feet of residential GFA to retail GFA at Sembawang Shopping Centre announced earlier, are all strong testimony of our proactive asset management expertise. With CMT's current trading yield at approximately 5.10%, which is over 145 basis-points above the risk-free rate, we expect a successful fund raising exercise for the CMT Raffles City acquisition with strong take up from investors."

⁷ Subject to attaining all the relevant regulatory approvals.

Jurong Entertainment Centre (“JEC”) Granted Outline Planning Permission to Increase Plot Ratio from 1.85 to 3.0

We are pleased to announce that the Urban Redevelopment Authority (“URA”) has granted CMT an Outline Planning Permission (“OPP”) to increase the plot ratio of JEC from 1.85 to 3.0 for full commercial development. The OPP effectively increases the Gross Floor Area (“GFA”) of JEC by over 62%, from approximately 170,000 square feet (“sq ft”) to approximately 275,400 sq ft. The differential premium required to be paid to URA is estimated to be S\$12.0 million. In view of this approval, CMTML will re-evaluate its earlier proposed asset enhancement plans, so as to maximise returns to Unitholders.

The acquisition of JEC was completed in October last year. Through proactive asset management and active leasing, rental renewals achieved for 15 leases up to 30 June 2006 outperformed preceding rentals and forecast rentals by approximately 14.8% and 7.1% respectively.

Update on IMM Building (“IMM”)

At IMM, construction of the two-storey retail extension block is progressing on-schedule. With the successful relocation of the open-air carpark to Level 5 of the mall, a circular carpark ramp will be constructed to facilitate shoppers’ quick access to and discharge from the various levels of the multi-storey carpark. In addition, an electronic carpark guidance system will be put in place to help shoppers locate available parking lots with ease. The circular carpark ramp and the electronic carpark guidance system are expected to be completed by third quarter 2006. Level 1 and 2 of the retail extension block are expected to be completed by fourth quarter 2006. On Level 3 of the retail extension block, a rooftop landscaped plaza will be created and the expected completion date is first quarter 2007. The final part of the asset enhancement work, which involves the reconfiguration of the internal space on Level 1 to 3 of the existing block at IMM, is expected to be completed by first quarter 2008.

Leasing of the retail extension block has also been well on track. We have achieved a committed occupancy for Level 1, 2 and 3 of 89%, 60% and 28% respectively. The average rental achieved is also 6.13% higher than the projected rental. Based on an estimated capital expenditure of S\$92.5 million, the return on investment is expected to be 10.1%.

Update on Funan DigitalLife Mall

The creation of a two-storey retail annex which added close to 8,000 sq ft of NLA to Funan DigitalLife Mall has been completed on schedule in May 2006. Times the Bookshop, which occupies the entire Level 1 of the annex comprising approximately 4,700 sq ft, has commenced operations since May 2006. The remaining space on the second level of the annex has been leased to a Thai restaurant

operator which is expected to start trading by third quarter 2006. The asset enhancement initiative is expected to increase Net Property Income (“NPI”) by S\$0.53 million per annum. This is approximately S\$27,000 per annum higher than the earlier NPI projection. The return on investment achieved of 10.6% also exceeded the earlier projection of 10.1%.

With the creation of the two-storey retail annex, Funan DigitaLife Mall still has approximately over 300,000 of unutilised GFA which can be utilised at an appropriate time, to create further income growth for Unitholders.

Update on Bugis Junction

Following the completion of the acquisition of Bugis Junction in October last year, 41 leases have been renewed up to 30 June 2006. The renewal rental rates achieved for the 41 leases outperformed preceding rentals by 18.9% and forecast rentals by 6.0%. In addition, three retail units were created at the Malabar block through reconfiguring part of the retail space and through relocating the toilets to lower yielding spaces. A void area near the Seiyu’s bubble lift was also converted into a retail unit to maximise space utilisation. The reconfiguration exercise resulted in an increase in NPI of approximately S\$481,782 per annum and achieved a return on investment of approximately 33.9%.

CMTML is currently finalising the detailed asset enhancement plan for Bugis Junction to further enhance its value. The definitive plan will be announced in due course.

Update on Junction 8

At Junction 8, an electronic carpark guidance system was installed in July 2006. The electronic carpark guidance system, with green indicator lights clearly indicating the availability of each carpark lot, provides shoppers with an enhanced shopping experience at the mall.

About CapitaMall Trust

CMT is the first listed real estate investment trust (“REIT”) in Singapore. Launched in 2002, it invests in quality income-producing retail properties in Singapore. Income is mainly derived from rental payments received from a diverse range of over 1,200 leases from local and international tenants. It currently has a portfolio of nine quality shopping malls in both the suburban and city areas – Tampines Mall, Junction 8, Funan DigitaLife Mall, IMM Building, Plaza Singapura, Hougang Plaza, Sembawang Shopping Centre, Jurong Entertainment Centre and Bugis Junction. With a market capitalisation of approximately S\$3.0 billion as at 20 July 2006, it is currently Singapore’s largest REIT.

CMT is managed by an external manager, CMTML, which is an indirect wholly-owned subsidiary of CapitaLand, one of the largest listed real estate companies in Asia.

Visit CMT's website at www.capitamall.com for more details.

IMPORTANT NOTICE

The past performance of CapitaMall Trust (“**CMT**”) is not indicative of the future performance of CMT. Similarly, the past performance of the CapitaMall Trust Management Limited (the “**Manager**”) is not indicative of the future performance of the Manager.

The value of units in CMT (“**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that holders of Units (“**Unitholders**”) may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This release may contain forward-looking statements that involve assumptions, 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 developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), 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 the current view of management on future events.

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