



News Release

29 January 2010

For Immediate Release

CRCT's FY 2009 full year distributable income increases 11.6% over FY 2008

Singapore, 29 January 2010 – CapitaRetail China Trust Management Limited (CRCTML), the manager of CapitaRetail China Trust (CRCT), announced today the income available for distribution of S\$51.2 million for the financial year ended 31 December 2009 (FY 2009). This is an increase of 11.6% over the previous financial year ended 31 December 2008 (FY 2008). For the financial period of 1 October 2009 to 31 December 2009 (4Q 2009), the income available for distribution was S\$13.0 million, an increase of 1.3% over the corresponding period in FY 2008.

CRCT will retain income available for distribution of S\$0.55 million for working capital and capital expenditure purposes. Therefore, total income to be distributed to unitholders in FY 2009 is S\$50.6 million, which is 10.4% more than FY 2008's distribution. Total distribution per unit (DPU) for FY 2009 is 8.14 cents, an increase of 8.1% over FY 2008. Annualised distribution yield is 6.6%, based on CRCT's closing price of S\$1.24 per unit on 28 January 2010.

The DPU in 4Q 2009 is 2.04 cents. Including the DPU of 2.02 cents announced for the period of 1 July to 30 September 2009 (3Q 2009), total DPU to be paid to unitholders for the six-month period from 1 July 2009 to 31 December 2009 is 4.06 cents. The book closure date is 10 March 2010 and unitholders can expect to receive their distributions on 25 March 2010.

Mr Victor Liew, Chairman of CRCTML, commented, “Retail sales of consumer goods in China (excluding motor vehicles) increased by 14.1% in 2009. The government’s stimulus policies to boost domestic consumption will spur continued growth in retail sales. We are confident about the long term growth prospects of China’s retail market and CRCT is well placed to benefit from the economic growth expected in 2010.”

Mr Wee Hui Kan, Chief Executive Officer of CRCTML, said, “We delivered a strong set of results in FY 2009. The quarterly net property income (NPI) of RMB98.3 million in 4Q 2009 is the highest ever achieved. Our first-tier city malls are stable, with Xizhimen and Qibao Malls producing highest quarterly gross revenue and NPI in 4Q 2009. We are also seeing greater contributions from our other malls. At Xinwu Mall, rental rates have improved by more than 40% over preceding rates. At Saihan Mall, after the completion of asset enhancement initiatives (AEI), it now has more than 90% committed leases and these new tenants are expected to contribute in second half 2010 (2H 2010). Moving forward, we will continue to strengthen our resilient business model to drive operational performance and improve results.”

Summary of CRCT Results

| | 4Q 2009 | 4Q 2008 | Change % | FY 2009 | FY 2008 | Change % |
|---|---------|---------|----------|---------|---------|----------|
| | Actual | Actual | | Actual | Actual | |
| Gross revenue (RMB'000) | 144,368 | 146,551 | (1.5) | 564,160 | 537,568 | 4.9 |
| Net property income (RMB'000) | 98,307 | 95,735 | 2.7 | 361,413 | 342,841 | 5.4 |
| | | | | | | |
| Gross revenue (S\$'000) | 29,689 | 31,349 | (5.3) | 120,330 | 108,924 | 10.5 |
| Net property income (S\$'000) | 20,276 | 20,443 | (0.8) | 77,084 | 69,466 | 11.0 |
| Distributable income available for distribution (S\$'000) | 12,968 | 12,805 | 1.3 | 51,180 | 45,862 | 11.6 |
| Less: Retained income (S\$'000) | (550) | - | N.M. | (550) | - | N.M. |
| Add: Release of amount retained from distribution (S\$'000) | 300 | 1,277 | (76.5) | - | - | - |
| Income to be distributed ¹ (S\$'000) | 12,718 | 14,082 | (9.7) | 50,630 | 45,862 | 10.4 |
| DPU (cents) | | | | | | |
| For the period | 2.04 | 2.27 | (10.1) | 8.14 | 7.53 | 8.1 |
| Annualised | 8.09 | 9.03 | (10.4) | 8.14 | 7.53 | 8.1 |
| Annualised distribution yield | | | | | | |
| - S\$1.28 per unit (closing price as of 31 Dec 2009) | 6.3% | 7.1% | (10.4) | 6.4% | 5.9% | 8.1 |
| - S\$1.24 per unit (closing price as of 28 Jan 2010) | 6.5% | N.M. | N.M. | 6.6% | N.M. | N.M. |

N.M. – not meaningful

Revenue and Net Property Income

Gross revenue for FY 2009 was S\$120.3 million, up 10.5% from FY 2008, with key contributions being the full year consolidated revenue from Xizhimen Mall and improved revenue from all malls, (except Saihan Mall which underwent extensive AEI during the year in review). Gross revenue and NPI at Xizhimen Mall, Qibao Mall and Xinwu Mall registered double-digit growth for the full year. NPI for FY 2009 increased by S\$7.6 million, or 11.0% over the previous year.

In 4Q 2009, gross revenue was S\$29.7 million, down 5.3% from 4Q 2008, due to frictional losses at Wangjing Mall when quality tenants were introduced to improve mall positioning and lower revenue contribution from Saihan Mall.

Portfolio Update

As at end 2009, CRCT had largely completed the AEI works at Saihan Mall. Amongst the new tenants is a cinema operator, which will increase shopper traffic when it opens in 2H 2010. At Xizhimen Mall, shopper traffic has grown in past two quarters and footfall is expected to further improve after the opening of the linkway to the adjacent subway and railway station in 2H 2010.

Capital Management

As at 31 December 2009, CRCT's total borrowing was S\$406.4 million, with gearing at 33.6% and healthy interest cover of 8.0 times (up from 7.7 times in 3Q 2009). CRCT has successfully refinanced the S\$88.0 million loan facility which is maturing on 5 February 2010. CRCT's next major debt will mature in November 2010 and discussions with financial institutions have commenced. We remain confident to refinance when it matures.

Portfolio Valuation

In December 2009, CRCT conducted a half-yearly independent professional valuation on our portfolio. The latest market valuation of the CRCT portfolio is RMB5.7 billion, an increase of 1.2% over the previous valuation in June 2009.

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About CapitaRetail China Trust (www.capitaretailchina.com)

Listed on the Singapore Exchange Securities Trading Limited on 8 December 2006, CRCT is the first pure-play China retail Real Estate Investment Trust (REIT) in Singapore. It is established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate used primarily for retail purposes and located primarily in People's Republic of China (China), Hong Kong and Macau.

The current portfolio of eight retail mall properties is located in China's five key cities. The properties 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 of 31 December 2009, the total asset size of CRCT is approximately S\$1.2 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 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, Esprit, Watsons, KFC, Pizza Hut, BreadTalk, etc.

CRCT is managed by an external manager, CRCTML, which is an indirect wholly-owned subsidiary of CapitaMalls Asia Limited, one of Asia's largest listed shopping mall owners, developers and managers.

Issued by CapitaRetail China Trust Management Limited

(Company Registration No. 200611176D)

Analyst / Investor Contact

Ms Angela Tay
Investor Relations
DID: (65) 6826 5569
Email: angela.tay@capitaland.com

Media Contact

Mr Lim Seng Jin
Corporate Communications
DID: (65) 6826 5778
Email: sengjin.lim@capitaland.com

IMPORTANT NOTICE

The past performance of CapitaRetail China Trust (CRCT) is not indicative of the future performance of CRCT. Similarly, the past performance of the CapitaRetail China Trust Management Limited (the Manager) is not indicative of the future performance of the Manager.

The value of units in CRCT (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.