



(Constituted in the Republic of Singapore
pursuant to a trust deed dated 23 October 2006 (as amended))

ANNOUNCEMENT

RENEWAL OF THE PROPERTY MANAGEMENT AGREEMENTS IN RELATION TO THE CAPITARETAIL CHINA TRUST PROPERTIES

1. INTRODUCTION

The **Manager** wishes to announce that the **PMAs** in connection with the provision of property management services to Wangjing Mall, Jiulong Mall, Anzhen Mall, Qibao Mall, Zhengzhou Mall, Saihan Mall, Xizhimen Mall and Xinwu Mall have been renewed.

As at the date of this announcement, **CMA** has an aggregate indirect interest in 257,738,682 **Units**, which is equivalent to approximately 41.17% of the total number of **Units** in issue, and is therefore regarded as a “controlling **Unitholder**” of **CRCT** under both the **Listing Manual** and the **Property Funds Appendix**. In addition, as the **Manager** is an indirect wholly-owned subsidiary of **CMA**, **CMA** is therefore regarded as a “controlling shareholder” of the **Manager** under both the **Listing Manual** and the **Property Funds Appendix**.

For the purposes of Chapter 9 of the **Listing Manual** and the **Property Funds Appendix**, the **Manager** (being a subsidiary of a “controlling **Unitholder**” and a “controlling shareholder” of **CMA**) is (for the purposes of the **Listing Manual**) an “interested person” and (for the purposes of the **Property Funds Appendix**) an “interested party” of **CRCT**.

The **Manager** is making this announcement because the renewal of the **PMA** would constitute an interested person transaction under Chapter 9 of the **Listing Manual** as well as an interested party transaction under the **Property Funds Appendix**.

2. DETAILS OF THE PMA

The term of each of the **PMA** is for a period of five years commencing from 1 July 2011. The **PMAs** have been renewed on substantially the same terms and conditions, including fees, as the original **PMAs**.

2.1 Property Manager’s Services

The services provided by each **Property Manager** for the relevant property under its management include the following:

- (a) property management services for the relevant property, subject to the overall management of the relevant project company's property management services, including (i) establishing operating budgets and annual plans for the operation, management, marketing and maintenance of the relevant property, (ii) operating and maintaining the relevant property in accordance with such operating budgets and annual plans (and revisions thereof), (iii) co-ordinating, reviewing and maintaining at all times certain insurance coverage with the assistance of insurance advisers, and (iv) maintaining books of accounts and records in respect of the operation of the relevant property; and
- (b) lease management services, including (i) recommending leasing strategy and negotiating leases, licenses and concessions, (ii) supervising and controlling all collections and receipts, payments and expenditure relating to the property, and (iii) lease administration.

Additionally, each **Property Manager** will have dedicated personnel for each relevant property and also a centralised team of personnel that provides expertise on leasing, technical services, tenancy co-ordination, marketing and communications, etc. at a group level. This is to provide strategic support to the properties, for example, in establishing strategic relationships with key tenants and tenancy co-ordination work.

2.2 Fees

The fees payable to the relevant **Property Managers** under the **PMAs** are as follows:

- (a) a fee of 2.0% per annum of the gross revenue for each property;
- (b) a fee of 2.0% per annum of the net property income for each property; and
- (c) a fee of 0.5% per annum of the net property income for each property *in lieu* of leasing commissions otherwise payable to the **Property Managers** and/or third party agents.

2.3 Reimbursable Amounts

Under each **PMA**, each **Property Manager** is, in addition to its fees, fully reimbursed for (i) the employment costs and remuneration relating to centre management and other personnel engaged solely for the provision of services for the relevant property under its management, and (ii) the allocated employment costs and remuneration relating to the centralised team of personnel engaged exclusively to provide group services for the properties under its management, as approved in each annual budget by the relevant project company.

2.4 Expenses

Each **Property Manager** is authorised to utilise funds deposited in operating accounts (which are separate from the collection accounts into which all rental income are paid) of **CRCT** to make payment of all costs and expenses incurred in the operation and management of each property, within an annual budget approved by the relevant project company.

2.5 Termination

The relevant project company may terminate the appointment of the relevant **Property Manager** for the relevant property under its management on the occurrence of certain specified events, which include the liquidation or cessation of business of the relevant **Property Manager**. The relevant project company may also terminate the appointment of the relevant **Property Manager** specifically in relation to the relevant property under its management in the event of a sale of such property subject to prior written notice, or if the relevant **Property Manager**, after receipt of written notice, fails to remedy any breach of its obligations in relation to such property. Each **Property Manager** may also be terminated of its appointment if **CRCT** is terminated.

3. **RATIONALE**

The **Manager** believes that the renewal of the **PMAs** would benefit **Unitholders**. The **Property Managers** are made up of individuals with a broad range of commercial experience, including expertise in property investment, development and management. This ensures continuity and operational efficiency in the provision of property management services for the **CRCT** Properties. The fees payable under the **PMAs** are competitive and are within market norms.

4. **STATEMENT FROM THE AUDIT COMMITTEE**

Having considered the terms and conditions of the **PMAs**, as well as the rationale for the renewal of the **PMAs**, the audit committee of the **Manager** is of the view that the renewal of the **PMAs** is on normal commercial terms and would not be prejudicial to the interests of **CRCT** and its minority unitholders.

5. **VALUE OF INTERESTED PERSON TRANSACTIONS**

The value of all interested person transactions between **CRCT** and **CMA** and/or the associates of **CMA** for the current financial year (including the **PMAs** to be renewed, for a period of five years) is S\$28.6 million. There are no other interested person transactions entered into by **CRCT** for the current financial year.

6. **INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDER**

As at the date of this announcement, the directors of the **Manager** collectively have an aggregate direct and indirect interest in approximately 1,898,000 **Units** in **CRCT** and approximately 755,270 shares in **CMA**. **CMA** holds 100.0% interest in the **Manager**. Mr Liew Mun Leong is the chairman and a non-executive director of **CMA** and is the deputy chairman and a non-executive director of the **Manager**. Mr Lim Beng Chee is the chief executive officer and an executive director of **CMA** and a non-executive director of the **Manager**. Mr Ng Kok Siong is the chief financial officer of **CMA** and a non-executive director of the **Manager**.

As at the date of this announcement, **CMA** has an aggregate indirect interest in 257,738,682 Units. **CMA's** indirect interest in the Units comprises approximately 41.17% of the total number of Units in issue.

Save as disclosed above and based on the information available to the **Manager** as at the date of this announcement, none of the directors of the **Manager** or substantial **Unitholders** have an interest, direct or indirect, in the renewal of the **PMA**.

Definitions:

CMA	CapitaMalls Asia Limited
CRCT	CapitaRetail China Trust
Listing Manual	The Listing Manual issued by the SGX-ST
Manager	CapitaRetail China Trust Management Limited, as manager of CRCT
PMAs (each a PMA, collectively PMAs)	The relevant property management agreement made between the relevant project company, a special purpose project company established either as a wholly foreign-owned enterprise or an equity joint venture whose primary purpose is to hold or own a retail property located in China, and the relevant Property Manager pursuant to which such Property Manager will provide certain property management services, lease management services, property management services, property tax services and marketing services for Wangjing Mall, Jiulong Mall, Anzhen Mall, Qibao Mall, Zhengzhou Mall, Saihan Mall, Xizhimen Mall and Xinwu Mall
Property Managers	CapitaLand Hualian Management & Consulting (Beijing) Co., Ltd. and CapitaLand Retail (Shanghai) Management & Consulting Co., Ltd.
Property Funds Appendix	The appendix for real estate investment trusts issued by the Monetary Authority of Singapore as Appendix 2 to the Collective Investment Scheme Code
SGX-ST	Singapore Exchange Securities Trading Limited
Trustee	HSBC Institutional Trust Services (Singapore) Limited, as trustee of CRCT
Units	Unit in CRCT
Unitholders	A holder of Units

BY ORDER OF THE BOARD

CapitaRetail China Trust Management Limited(Company registration no. 200611176D)

As manager of CapitaRetail China Trust

Kannan Malini

Company Secretary

15 April 2011

Important Notice

The value of **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**, or any of its affiliates. An investment in **Units** is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the **Manager** to redeem their **Units** while the Units are listed. It is intended that unitholders of **CRCT** may only deal in their **Units** through trading on the **SGX-ST**. Listing of the **Units** on the **SGX-ST** does not guarantee a liquid market for the **Units**.

The past performance of **CRCT** is not necessarily indicative of the future performance of **CRCT**.