



CAPITARETAIL CHINA TRUST
2014 THIRD QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

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Summary of CRCT Results

	3Q 2014 ¹	3Q 2013		YTD 2014 ¹	YTD 2013	
	Actual S\$'000	Actual S\$'000	Change %	Actual S\$'000	Actual S\$'000	Change %
Gross Revenue	51,415	39,497	30.2	150,573	118,827	26.7
Net Property Income	32,265	24,980	29.2	98,818	77,261	27.9
Income available for distribution	19,484	17,081	14.1	60,373	52,323	15.4
Distribution Per Unit ("DPU") (cents)						
For the period	2.35	2.13 ²	10.3	7.34	6.82	7.6
Annualised	9.32	8.45	10.3	9.81	9.12	7.6

	3Q 2014 ¹	3Q 2013		YTD 2014 ¹	YTD 2013	
	Actual RMB'000	Actual RMB'000	Change %	Actual RMB'000	Actual RMB'000	Change %
Gross Revenue	253,708	191,720	32.3	735,292	592,417	24.1
Net Property Income	159,326	121,115	31.5	482,556	385,189	25.3

Footnotes:

1. Includes CapitaMall Grand Canyon which was acquired on 30 December 2013.
2. The DPU for 3Q 2013 was based on the enlarged units of 802,308,777 units (Refer to preferential offering announcement dated 23 October 2013).

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INTRODUCTION

CapitaRetail China Trust (“CRCT”) was constituted as a private trust on 23 October 2006 under a trust deed entered into between CapitaRetail China Trust Management Limited (as manager of CRCT) (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (as trustee of CRCT) (the “Trustee”), and listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 8 December 2006.

CRCT is a Singapore-based real estate investment trust (“REIT”) constituted with the investment objective of investing on a long term basis in real estate used primarily for retail purposes and located primarily in China, Hong Kong and Macau.

As at 30 September 2014, CRCT owns and invests in a portfolio of ten shopping malls located in six of China’s cities. The properties are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon, CapitaMall Shuangjing and CapitaMall Anzhen in Beijing; CapitaMall Qibao in Shanghai; CapitaMall Erqi in Zhengzhou; CapitaMall Saihan in Huhhot; CapitaMall Minzhongleyuan in Wuhan; and CapitaMall Wuhu in Wuhu in which CRCT has a 51% interest.

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1(a)(i) **Statement of total return for the Group (3Q 2014 vs 3Q 2013)**

	Group		
	3Q 2014 ¹ S\$'000	3Q 2013 S\$'000	% Change
Gross rental income	47,634	36,811	29.4
Other income ²	3,781	2,686	40.8
Gross revenue	51,415	39,497	30.2
Land rental	(1,434)	(1,235)	16.1
Property related tax	(2,725)	(2,230)	22.2
Business tax	(2,919)	(2,228)	31.0
Property management fees ³	(2,526)	(1,988)	27.1
Other property operating expenses ⁴	(9,546)	(6,836)	39.6
Total property operating expenses	(19,150)	(14,517)	31.9
Net property income	32,265	24,980	29.2
Manager's management fees – Base fee	(1,379)	(1,128)	22.3
Manager's management fees – Performance fee	(1,291)	(999)	29.2
Trustee's fees	(90)	(78)	15.4
Audit fees	(135)	(108)	25.0
Valuation fees	(45)	(83)	(45.8)
Other trust operating expenses ⁵	(687)	(16)	N.M.
Finance income	241	231	4.3
Foreign exchange gain – realised	208	263	(20.9)
Finance costs	(5,471)	(2,772)	97.4
Total return before changes in fair value of financial derivatives, investment properties and unrealised foreign exchange gain	23,616	20,290	16.4
Foreign exchange loss – unrealised	(37)	(73)	(49.3)
Total return before taxation	23,579	20,217	16.6
Taxation	(6,943)	(5,054)	37.4
Total return for the period after taxation	16,636	15,163	9.7
Attributable to:			
Unitholders	16,433	14,906	10.2
Non-controlling interest	203	257	(21.0)
Total return for the period after taxation	16,636	15,163	9.7

Footnotes:

1. Includes CapitaMall Grand Canyon which was acquired on 30 December 2013.
2. Other income comprises mainly income earned from atrium space, trolley carts and advertisement panels.
3. Includes reimbursement of costs to property manager for centralised services provided.
4. Includes as part of the other property operating expenses were items in the table below.
5. Includes provision of additional expenses arising from the acquisition of CapitaMall Grand Canyon.

	Group		
	3Q 2014 ¹ S\$'000	3Q 2013 S\$'000	% Change
Depreciation and amortisation ⁴	(592)	(542)	9.2
Impairment (losses)/write-back on trade receivables ⁴	(67)	1	N.M.
Plant and equipment written off ⁴	(29)	(39)	(25.6)
(Under)/over provision of tax in prior years, net	(2)	958	N.M.

N.M. – not meaningful

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1(a)(i) **Statement of total return for the Group (YTD 2014 vs YTD 2013)**

	Group		
	YTD 2014 ¹ S\$'000	YTD 2013 S\$'000	% Change
Gross rental income	140,759	110,707	27.1
Other income ²	9,814	8,120	20.9
Gross revenue	150,573	118,827	26.7
Land rental	(4,142)	(4,020)	3.0
Property related tax	(8,152)	(6,682)	22.0
Business tax	(8,332)	(6,692)	24.5
Property management fees ³	(7,492)	(5,981)	25.3
Other property operating expenses ⁴	(23,637)	(18,191)	29.9
Total property operating expenses	(51,755)	(41,566)	24.5
Net property income	98,818	77,261	27.9
Manager's management fees – Base fee	(4,060)	(3,170)	28.1
Manager's management fees – Performance fee	(3,953)	(3,090)	27.9
Trustee's fees	(275)	(224)	22.8
Audit fees	(385)	(324)	18.8
Valuation fees	(130)	(204)	(36.3)
Other trust operating expenses ⁵	(1,418)	(408)	N.M.
Finance income	505	572	(11.7)
Foreign exchange gain – realised	206	720	(71.4)
Finance costs	(16,807)	(8,358)	N.M.
Total return before changes in fair value of financial derivatives, investment properties and unrealised foreign exchange gain	72,501	62,775	15.5
Change in fair value of financial derivatives	-	1,423	N.M.
Change in fair value of investment properties	68,222	63,646	7.2
Foreign exchange (loss)/gain – unrealised	(83)	27	N.M.
Total return before taxation	140,640	127,871	10.0
Taxation	(38,577)	(30,471)	26.6
Total return for the period after taxation	102,063	97,400	4.8
Attributable to:			
Unitholders	100,546	96,384	4.3
Non-controlling interest	1,517	1,016	49.3
Total return for the period after taxation	102,063	97,400	4.8

Footnotes:

1. Includes CapitaMall Grand Canyon which was acquired on 30 December 2013.
2. Other income comprises mainly income earned from atrium space, trolley carts and advertisement panels.
3. Includes reimbursement of costs to property manager for centralised services provided.
4. Includes as part of the other property operating expenses were items in the table shown in next page.
5. Includes provision of additional expenses arising from the acquisition of CapitaMall Grand Canyon.

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Depreciation and amortisation⁴
 Doubtful trade receivables recovered⁴
 Impairment losses on trade receivables⁴
 Plant and equipment written off⁴
 Over provision of tax in prior years, net

Group		
YTD 2014 ¹ S\$'000	YTD 2013 S\$'000	% Change
(2,109)	(1,552)	35.9
79	74	6.8
(67)	-	N.M.
(44)	(97)	(54.6)
280	669	(58.1)

1(a)(ii) Distribution statement for the Group (3Q 2014 vs 3Q 2013)

Total return for the period attributable to Unitholders before distribution
 Distribution adjustments (Note A)
Income available for distribution to Unitholders

Comprises :

- from operations
 - from Unitholders' contribution

Note A

Distribution adjustments

- Manager's management fees (performance component payable in units)
 - Deferred taxation²
 - Transfer to general reserve
 - Unrealised foreign exchange (gain)/loss²
 - Other adjustments

Net effect of distribution adjustments

Group		
3Q 2014 ¹ S\$'000	3Q 2013 S\$'000	% Change
16,433	14,906	10.2
3,051	2,175	40.3
19,484	17,081	14.1
1,189	2,691	(55.8)
18,295	14,390	27.1
19,484	17,081	14.1
1,291	999	29.2
2,185	1,367	59.8
(1,043)	(807)	29.2
(3)	35	N.M.
621	581	6.9
3,051	2,175	40.3

Footnotes:

1. Includes CapitaMall Grand Canyon which was acquired on 30 December 2013.
2. Excludes non-controlling interest's share.

N.M. – not meaningful

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1(a)(ii) **Distribution statement for the Group (YTD 2014 vs YTD 2013)**

	Group		
	YTD 2014¹ S\$'000	YTD 2013 S\$'000	% Change
Total return for the period attributable to Unitholders before distribution	100,546	96,384	4.3
Distribution adjustments (Note A)	(40,173)	(44,061)	(8.8)
Income available for distribution to Unitholders	60,373	52,323	15.4
Comprises :			
- from operations	4,280	7,423	(42.3)
- from Unitholders' contribution	56,093	44,900	24.9
	60,373	52,323	15.4
Note A			
Distribution adjustments			
- Manager's management fees (performance component payable in units)	3,953	3,090	27.9
- Change in fair value of derivative instruments	-	(1,423)	N.M.
- Change in fair value of investment properties ²	(67,536)	(63,646)	6.1
- Deferred taxation ²	24,404	18,574	31.4
- Transfer to general reserve	(3,147)	(2,320)	35.6
- Unrealised foreign exchange loss ²	-	15	N.M.
- Other adjustments	2,153	1,649	30.6
Net effect of distribution adjustments	(40,173)	(44,061)	(8.8)

Footnotes:

1. *Includes CapitaMall Grand Canyon which was acquired on 30 December 2013.*
2. *Excludes non-controlling interest's share.*

N.M. – not meaningful

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1(b)(i) Statement of financial position as at 30 Sep 2014 vs 31 Dec 2013

	Group			Trust		
	30 Sep 2014 S\$'000	31 Dec 2013 S\$'000	% Change	30 Sep 2014 S\$'000	31 Dec 2013 S\$'000	% Change
Assets						
Investment properties ¹	2,115,037	2,058,094	2.8	-	-	-
Plant and equipment	7,312	7,325	(0.2)	-	-	-
Interests in subsidiaries	-	-	-	1,087,120	1,028,567	5.7
Trade and other receivables ²	14,955	11,371	31.5	219	224	(2.2)
Financial derivatives ³	2,973	2,044	45.5	2,973	2,044	45.5
Cash and cash equivalents ⁴	77,645	105,457	(26.4)	3,071	249	N.M.
Total assets	2,217,922	2,184,291	1.5	1,093,383	1,031,084	6.0
Less						
Liabilities						
Trade and other payables	47,743	57,719	(17.3)	6,938	9,060	(23.4)
Security deposits	40,376	34,980	15.4	-	-	-
Interest-bearing borrowings ⁵	684,549	712,338	(3.9)	581,654	474,383	22.6
Deferred tax liabilities ⁶	181,700	159,620	13.8	-	-	-
Financial derivatives ³	2,402	5,208	(53.9)	2,402	5,208	(53.9)
Provision for taxation	865	561	54.2	15	20	(25.0)
Total liabilities	957,635	970,426	(1.3)	591,009	488,671	20.9
Net assets	1,260,287	1,213,865	3.8	502,374	542,413	(7.4)
Represented by:						
Unitholders' funds	1,233,628	1,186,951	3.9	502,374	542,413	(7.4)
Non-controlling interest	26,659	26,914	(0.9)	-	-	-
	1,260,287	1,213,865	3.8	502,374	542,413	(7.4)

Footnotes:

- The increase in investment properties was mainly due to the increase in fair value of investment properties.*
- The increase in trade and other receivables as at 30 September 2014 was mainly due to trade debtors in CapitaMall Minzhongleyuan after the reopening of mall on 1 May 2014 as compared to 31 December 2013 when the mall was temporary closed for asset enhancement works.*
- As at 30 September 2014, the financial derivative assets of \$3.0 million and financial derivative liabilities of \$2.4 million relate to the fair value of the non-deliverable forwards ("NDF") and interest rate swaps ("IRS"). The NDF is to hedge the currency exposure on the non-RMB denominated loans and the IRS is to hedge the variable rate borrowings.*

As at 31 December 2013, the financial derivative assets of \$2.0 million and financial derivative liabilities of \$5.2 million relate to the fair value of the NDF and IRS. The NDF is to hedge the currency exposure on the non-RMB denominated loans and the IRS is to hedge the variable rate borrowings.

- The decrease in cash and cash equivalents as at 30 September 2014 was mainly due to the repayment of interest-bearing borrowings.*
- The Interest-bearing borrowings comprises (i) unsecured term loan facilities of \$582.7 million drawn down by the Trust to partially finance the acquisition of the properties in CRCT and utilise as working capital and (ii) RMB secured term loan facility of RMB507.5 million (\$102.9 million) to finance CapitaMall Grand Canyon.*

The decrease was mainly due to repayment of CapitaMall Grand Canyon and CapitaMall Anzhen RMB denominated interest-bearing borrowings, partially offset by additional loans drawn down at Trust level for distribution payment to Unitholders.

- The increase was mainly due to higher provision for deferred tax liabilities as a result of the increase in fair value of the investment properties.*

N.M. – not meaningful

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

	Group		Trust	
	30 Sep 2014	31 Dec 2013	30 Sep 2014	31 Dec 2013
	S\$'000	S\$'000	S\$'000	S\$'000
Unsecured borrowings				
- Amount repayable within one year	232,200	160,963	232,200	140,000
- Amount repayable after one year	350,503	335,503	350,503	335,503
Secured borrowings				
- Amount repayable within one year	5,069	115,661	-	-
- Amount repayable after one year	97,826	101,331	-	-
	685,598	713,458	582,703	475,503
Less: Transaction costs in relation to the unsecured term loan facilities	(1,049)	(1,120)	(1,049)	(1,120)
	684,549	712,338	581,654	474,383

Details of any collateral

CapitaMall Grand Canyon was acquired with a legal mortgage in favour of the lender over the property.

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1(c) **Statement of Cash Flow (3Q 2014 vs 3Q 2013)**

	Group	
	3Q 2014 S\$'000	3Q 2013 S\$'000
Operating activities		
Total return after taxation	16,636	15,163
Adjustments for:		
Finance income	(241)	(231)
Finance costs	5,471	2,772
Depreciation and amortisation	592	542
Taxation	6,943	5,054
Manager's management fees payable in units	1,291	999
Plant and equipment written off	29	39
Impairment loss/(write-back) on trade receivables, net	67	(1)
Operating income before working capital changes	30,788	24,337
Changes in working capital:		
Trade and other receivables	(2,819)	466
Trade and other payables	4,261	2,739
Cash generated from operating activities	32,230	27,542
Income tax paid	(4,333)	(4,613)
Net cash from operating activities	27,897	22,929
Investing activities		
Interest received	241	231
Deposit paid for acquisition of company ¹	-	(43,638)
Capital expenditure on investment properties	(1,784)	(953)
Proceed from disposal of plant and equipment	11	3
Purchase of plant and equipment	(1,039)	(416)
Net cash used in investing activities	(2,571)	(44,773)
Financing activities		
Distribution to Unitholders ²	(28,768)	(26,448)
Payment of equity issue expenses	(137)	-
Payment of financing expenses	(108)	-
Proceeds from bank loans	79,700	65,300
Repayment of bank loans	(53,729)	(6,300)
Settlement of derivative contracts	(218)	-
Interest paid	(5,090)	(2,116)
Net cash (used in)/from financing activities	(8,350)	30,436
Increase in cash and cash equivalents	16,976	8,592
Cash and cash equivalents at beginning of period	60,977	98,228
Effect on exchange rate changes on cash balances	(308)	1,507
Cash and cash equivalents at end of period	77,645	108,327

Footnotes:

- Deposit paid to CapitaMalls Asia Limited ("CMA") for the acquisition of Grand Canyon Mall pursuant to the call option agreement entered into between CMA and CRCT.*
- Distribution made in 3Q 2014 was for the period from 1 January 2014 to 30 June 2014 which was paid in September 2014.
Distribution made in 3Q 2013 was for the period from 1 January 2013 to 30 June 2013 which was paid in September 2013.*

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1(c) **Statement of Cash Flow (YTD 2014 vs YTD 2013)**

	Group	
	YTD 2014 S\$'000	YTD 2013 S\$'000
Operating activities		
Total return after taxation	102,063	97,400
Adjustments for:		
Finance income	(505)	(572)
Finance costs	16,807	8,358
Depreciation and amortisation	2,109	1,552
Taxation	38,577	30,471
Manager's management fees payable in units	3,953	3,090
Plant and equipment written off	44	97
Change in fair value of derivative instruments	-	(1,423)
Change in fair value of investment properties	(68,222)	(63,646)
Write-back on trade receivables, net	(12)	(74)
Operating income before working capital changes	94,814	75,253
Changes in working capital:		
Trade and other receivables	(3,615)	13,284
Trade and other payables	3,005	(17,409)
Cash generated from operating activities	94,204	71,128
Income tax paid	(13,120)	(15,129)
Net cash from operating activities	81,084	55,999
Investing activities		
Interest received	505	572
Deposit paid for acquisition of company ¹	-	(43,638)
Net cash outflow on purchase of investment properties	-	(43)
Capital expenditure on investment properties	(12,539)	(2,964)
Proceed from disposal of plant and equipment	12	3
Purchase of plant and equipment	(2,046)	(1,592)
Net cash used in investing activities	(14,068)	(47,662)
Financing activities		
Distribution to Unitholders ²	(48,980)	(37,682)
Payment of equity issue expenses	(459)	(55)
Payment of financing expenses	(485)	(602)
Proceeds from bank loans	148,700	215,803
Repayment of bank loans	(175,248)	(213,105)
Settlement of derivative contracts	(218)	(2,824)
Interest paid	(17,135)	(7,884)
Net cash used in financing activities	(93,825)	(46,349)
Decrease in cash and cash equivalents	(26,809)	(38,012)
Cash and cash equivalents at beginning of period	105,457	140,476
Effect on exchange rate changes on cash balances	(1,003)	5,863
Cash and cash equivalents at end of period	77,645	108,327

Footnotes:

- Deposit paid to CMA for the acquisition of Grand Canyon Mall pursuant to the call option agreement entered into between CMA and CRCT.*
- Distribution made in YTD 2014 was for the periods from 1 July 2013 to 31 December 2013 and 1 January 2014 to 30 June 2014 which were paid in March 2014 and September 2014 respectively. Distribution made in YTD 2013 was for the periods from 2 November 2012 to 31 December 2012 and 1 January 2013 to 30 June 2013 which were paid in March 2013 and September 2013 respectively.*

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1(d)(i) **Statement of Movements in Unitholders' Funds (3Q 2014 vs 3Q 2013)**

	Group		Trust	
	3Q 2014 S\$'000	3Q 2013 S\$'000	3Q 2014 S\$'000	3Q 2013 S\$'000
Unitholders' funds as at beginning of period	1,253,451	1,102,747	536,066	500,628
Operations				
Change in Unitholders' funds resulting from operations before distribution	16,433	14,906	(7,436)	6,956
Transfer to general reserve	(1,043)	(807)	-	-
Net increase/(decrease) in net assets resulting from operations	15,390	14,099	(7,436)	6,956
Movements in hedging reserve				
Effective portion of changes in fair value of cash flow hedges	1,222	(549)	1,222	(549)
Movement in foreign currency translation reserve				
Translation differences from financial statements of foreign operations	(2,849)	15,615	-	-
Exchange differences on monetary items forming part of net investment in foreign operations	(1,771)	7,224	-	-
Exchange differences on hedges of net investment in foreign operations	(5,380)	(1,138)	-	-
Net (loss)/gain recognised directly in Unitholders' funds	(8,778)	21,152	1,222	(549)
Movement in general reserve	1,043	807	-	-
Unitholders' transactions				
Creation of units paid/payable to manager				
- Units issued and to be issued as satisfaction of the portion of Manager's management fees payable in units	1,291	999	1,291	999
Units issued in respect of the distribution reinvestment plan	12,094	8,732	12,094	8,732
Distribution to Unitholders ¹	(40,863)	(35,180)	(40,863)	(35,180)
Net decrease in net assets resulting from Unitholders' transactions	(27,478)	(25,449)	(27,478)	(25,449)
Unitholders' funds as at end of period	1,233,628	1,113,356	502,374	481,586

Footnote:

1. Distribution made in 3Q 2014 was for the period from 1 January 2014 to 30 June 2014 which was paid in September 2014. Distribution made in 3Q 2013 was for the period from 1 January 2013 to 30 June 2013 which was paid in September 2013.

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1(d)(i) **Statement of Movements in Unitholders' Funds (YTD 2014 vs YTD 2013)**

	Group		Trust	
	YTD 2014 S\$'000	YTD 2013 S\$'000	YTD 2014 S\$'000	YTD 2013 S\$'000
Unitholders' funds as at beginning of period	1,186,951	978,742	542,413	504,541
Operations				
Change in Unitholders' funds resulting from operations before distribution	100,546	96,384	608	11,743
Transfer to general reserve	(3,147)	(2,320)	-	-
Net increase in net assets resulting from operations	97,399	94,064	608	11,743
Movements in hedging reserve				
Effective portion of changes in fair value of cash flow hedges	819	(106)	819	(106)
Movement in foreign currency translation reserve				
Translation differences from financial statements of foreign operations	(12,054)	61,428	-	-
Exchange differences on monetary items forming part of net investment in foreign operations	(3,866)	26,593	-	-
Exchange differences on hedges of net investment in foreign operations	2,698	(15,093)	-	-
Net (loss)/gain recognised directly in Unitholders' funds	(12,403)	72,822	819	(106)
Movement in general reserve	3,147	2,320	-	-
Unitholders' transactions				
Creation of units payable/paid to manager				
- Units issued and to be issued as satisfaction of the portion of Manager's management fees payable in units	3,953	3,090	3,953	3,090
- Units issued in respect of acquisition fee for CapitaMall Grand Canyon	3,562	-	3,562	-
Units issued in respect of distribution reinvestment plan	26,653	8,732	26,653	8,732
Distribution to Unitholders ¹	(75,634)	(46,414)	(75,634)	(46,414)
Net decrease in net assets resulting from Unitholders' transactions	(41,466)	(34,592)	(41,466)	(34,592)
Unitholders' funds at end of period	1,233,628	1,113,356	502,374	481,586

Footnote:

- Distribution made in YTD 2014 was for the periods from 1 July 2013 to 31 December 2013 and 1 January 2014 to 30 June 2014 which were paid in March 2014 and September 2014 respectively. Distribution made in YTD 2013 was for the periods from 2 November 2012 to 31 December 2012 and 1 January 2013 to 30 June 2013 which were paid in March 2013 and September 2013 respectively.*

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1(d)(ii) Details of any change in the issued and issuable units (3Q 2014 vs 3Q 2013)

	Trust	
	3Q 2014 Units	3Q 2013 Units
Balance as at beginning of period	818,890,022	750,106,047
New units issued:		
- As payment of manager's management fees ¹	930,416	755,049
- Distribution Reinvestment Plan	7,478,834	6,033,977
Issued units as at end of period	827,299,272	756,895,073
New units to be issued:		
- As payment of manager's management fees ²	818,432	717,811
Total issued and issuable units as at end of period	828,117,704	757,612,884

Footnotes:

1. These were the performance component of the manager's management fees for 2Q 2014 and 2Q 2013 which were issued in September 2014 and September 2013 respectively.
2. These were the performance component of the manager's management fees for 3Q 2014 and 3Q 2013 which will be issued in 4Q 2014 and 4Q 2013 respectively.

1(d)(ii) Details of any change in the issued and issuable units (YTD 2014 vs YTD 2013)

	Trust	
	YTD 2014 Units	YTD 2013 Units
Balance as at beginning of period	803,026,588	748,909,649
New units issued:		
- As payment of acquisition fee of CapitaMall Grand Canyon	2,735,125	-
- As payment of manager's management fees ¹	2,650,136	1,951,447
- As payment of distribution through distribution reinvestment plan	18,887,423	6,033,977
Issued units as at end of period	827,299,272	756,895,073
New units to be issued:		
- As payment of manager's management fees ²	818,432	717,811
Total issued and issuable units as at end of period	828,117,704	757,612,884

Footnotes:

1. These were the performance component of the manager's management fees for 4Q 2013, 1Q 2014 and 2Q 2014 which were issued in March 2014, June 2014 and September 2014 respectively. The manager's management fee for 4Q 2012, 1Q 2013 and 2Q 2013 were issued in March 2013, June 2013 and September 2013 respectively.
2. These were the performance component of the manager's management fees for 3Q 2014 and 3Q 2013 which will be issued in December 2014 and December 2013 respectively.

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.

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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 Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2013, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2014.

The following Financial Reporting Standards ("FRS") (including its consequential amendments), which became effective for the Group's financial period beginning 1 January 2014 are:

FRS 27 Separate Financial Statements
FRS 28 Investments in Associates and Joint Ventures
FRS 32 Financial Instruments: Presentation
FRS 36 Impairment of Assets
FRS 110 Consolidated Financial Statements
FRS 111 Joint Arrangements
FRS 112 Disclosures of Interests in Other Entities

As FRS 112 is primarily a disclosure standard, the adoption would result in more disclosures being made in the Group's financial statements in respect of its material non-controlling interest.

The Group does not expect any significant financial impact on its financial position or performance from the adoption of these amendments to FRS.

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

Please refer to item 4 above.

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6 Earnings per unit (“EPU”) and distribution per unit (“DPU”) for the financial period

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.

	Group	
	3Q 2014	3Q 2013
Weighted average number of units in issue	819,315,490	750,449,990
Earnings per unit (“EPU”)¹		
Based on weighted average number of units in issue	2.01¢	1.99¢
Based on fully diluted basis	2.01¢	1.99¢
Number of units in issue at end of period	827,299,272	756,895,073
Distribution per unit (“DPU”)		
Based on the number of units in issue at end of period	2.35¢	2.13¢

	Group	
	YTD 2014	YTD 2013
Weighted average number of units in issue	814,239,039	751,609,377
Earnings per unit (“EPU”)¹		
Based on weighted average number of units in issue	12.35¢	12.82¢
Based on fully diluted basis	12.35¢	12.82¢
Number of units in issue at end of period	827,299,272	756,895,073
Distribution per unit (“DPU”)		
Based on the number of units in issue at end of period	7.34¢	6.95¢

Footnote:

1. EPU is calculated based on total return after tax and non-controlling interest.

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

	Group		Trust	
	30 Sep 2014	31 Dec 2013	30 Sep 2014	31 Dec 2013
NAV per unit	\$1.49	\$1.48	\$0.61	\$0.68
Adjusted NAV per unit (excluding distributable income)	\$1.47	\$1.43	\$0.58	\$0.63

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8 Review of the performance

8(i) Breakdown of Gross Revenue – Actual

	3Q 2014	3Q 2013	%	3Q 2014	3Q 2013	%
	RMB'000	RMB'000	Change	S\$'000	S\$'000	Change
<u>Multi-Tenanted Malls</u>						
CapitaMall Xizhimen	65,870	60,987	8.0	13,346	12,540	6.4
CapitaMall Wangjing	51,310	44,591	15.1	10,400	9,172	13.4
CapitaMall Grand Canyon ¹	34,171	-	N.M.	6,925	-	N.M.
CapitaMall Minzhongleyuan ²	11,576	339	N.M.	2,358	127	N.M.
CapitaMall Qibao	23,788	20,950	13.5	4,818	4,315	11.7
CapitaMall Saihan	13,954	12,833	8.7	2,826	2,636	7.2
CapitaMall Wuhu	8,636	8,363	3.3	1,748	1,723	1.5
	209,305	148,063	41.4	42,421	30,513	39.0
<u>Master-Leased Malls</u>						
CapitaMall Anzhen	20,455	20,256	1.0	4,143	4,168	(0.6)
CapitaMall Erqi	12,604	12,480	1.0	2,553	2,568	(0.6)
CapitaMall Shuangjing	11,344	10,921	3.9	2,298	2,248	2.2
	44,403	43,657	1.7	8,994	8,984	0.1
Total Gross Revenue	253,708	191,720	32.3	51,415	39,497	30.2

N.M. – not meaningful

Footnotes:

- 1. CapitaMall Grand Canyon was acquired on 30 December 2013.*
- 2. CapitaMall Minzhongleyuan was reopened on 1 May 2014 after the completion of asset enhancement works.*

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8(ii) Breakdown of Net Property Income – Actual

	3Q 2014	3Q 2013	%	3Q 2014	3Q 2013	%
	RMB'000	RMB'000	Change	S\$'000	S\$'000	Change
<u>Multi-Tenanted Malls</u>						
CapitaMall Xizhimen	45,559	40,692	12.0	9,226	8,376	10.1
CapitaMall Wangjing	35,934	30,020	19.7	7,280	6,187	17.7
CapitaMall Grand Canyon ¹	19,728	-	N.M.	3,995	-	N.M.
CapitaMall Minzhongleyuan ²	2,823	(1,392)	N.M.	576	(259)	N.M.
CapitaMall Qibao	9,094	6,789	34.0	1,838	1,412	30.2
CapitaMall Saihan	7,802	7,055	10.6	1,579	1,448	9.0
CapitaMall Wuhu	2,520	2,761	(8.7)	507	575	(11.8)
	123,460	85,925	43.7	25,001	17,739	40.9
<u>Master-Leased Malls</u>						
CapitaMall Anzhen	16,778	16,595	1.1	3,399	3,415	(0.5)
CapitaMall Erqi	9,940	9,853	0.9	2,012	2,027	(0.7)
CapitaMall Shuangjing	9,148	8,742	4.6	1,853	1,799	3.0
	35,866	35,190	1.9	7,264	7,241	0.3
Total Net Property Income	159,326	121,115	31.5	32,265	24,980	29.2

N.M. – not meaningful

Footnotes:

- 1. CapitaMall Grand Canyon was acquired on 30 December 2013.*
- 2. CapitaMall Minzhongleyuan was reopened on 1 May 2014 after the completion of asset enhancement works.*

3Q 2014 vs 3Q 2013

In RMB terms, gross revenue increased by RMB62.0 million, or 32.3% higher than 3Q 2013. This was mainly due to the new contribution from CapitaMall Grand Canyon which contributed to 17.8% of the growth in the total gross revenue and rental growth from the other multi-tenanted malls. CapitaMall Minzhongleyuan's revenue was impacted by the closure of Zhongshan Avenue, along which the mall is located, to facilitate the construction of subway Line 6. The road closure started on 20 August 2014 and is expected to last two years, during which the mall's shopper traffic and tenants' sales are expected to be negatively affected. In SGD terms, gross revenue for 3Q 2014 increased by \$11.9 million, or 30.2% compared to 3Q 2013 mainly due to a weaker RMB against SGD.

Property expenses for 3Q 2014 increased by \$4.6 million, or 31.9% over 3Q 2013. This was mainly due to the inclusion of property expenses from CapitaMall Grand Canyon and expenses from CapitaMall Minzhongleyuan since its reopening in May 2014.

Management fees payable to the manager were 25.5% higher than 3Q 2013. This was due to higher net property income and deposited properties, as a result of the inclusion of CapitaMall Grand Canyon.

Finance income earned in 3Q 2014 was 4.3% higher than 3Q 2013 mainly due to higher fixed deposit balances placed with financial institutions.

Finance costs in 3Q 2014 increased by \$2.7 million over 3Q 2013. This was mainly due to the RMB denominated loans at CapitaMall Grand Canyon.

Taxation in 3Q 2014 increased by \$1.9 million, or 37.4% over 3Q 2013. This was mainly due to higher corporate tax recognised in 3Q 2014 compared to 3Q 2013 as a result of the higher profit.

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YTD 2014 vs YTD 2013

In RMB terms, gross revenue for YTD 2014 increased by RMB142.9 million, or 24.1% over YTD 2013. This was mainly due to new contribution from CapitaMall Grand Canyon of RMB99.1 million in YTD 2014 and rental growth from the other multi-tenanted malls. In SGD terms, gross revenue increased by \$31.7 million, or 26.7% compared to YTD 2013 due to stronger RMB against SGD.

Property expenses for YTD 2014 increased by \$10.2 million, or 24.5% over YTD 2013. This was mainly due to the new inclusion of property expenses from CapitaMall Grand Canyon.

Management fees payable to the manager were 28.0% higher than YTD 2013 mainly due to higher net property income and deposited properties, as a result of the inclusion of CapitaMall Grand Canyon.

Finance income earned in YTD 2014 decreased by \$0.1 million over YTD 2013 mainly due to higher deposits placed with financial institutions in the 1H 2013.

Finance costs in YTD 2014 increased by \$8.4 million over YTD 2013. This was mainly due to the RMB denominated loans at CapitaMall Grand Canyon.

Taxation in YTD 2014 increased by \$8.1 million or 26.6% over YTD 2013. This was mainly due to higher deferred tax liabilities recognised in YTD 2014 compared to YTD 2013 as a result of a higher gain in fair value of investment properties.

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

CRCT has not disclosed any forecast to the market.

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

China's GDP grew 7.3% year-on-year in the third quarter of 2014 and 7.4% year-on-year in the first nine months of 2014. Retail sales for the first three quarters of 2014 increased 12.0% year-on-year to RMB18.9 trillion.

With the targeted measures that were introduced by the China's State Council, the economy has maintained its overall stability during the year despite of the strong headwinds. More growth-enhancing stimulus can be expected to be introduced for the rest of the year as the Chinese government work towards a long term quality growth.

Notwithstanding the short term volatility, CRCT believe the market-oriented reforms will bode well for a sustainable economy in the longer term.

Beijing Retail Market Update

In the first six months of 2014, Beijing's economy expanded 7.2% and retail sales grew 7.5% year-on-year to RMB427.3 billion.

Leasing demand for mid to high-end shopping spaces continued to be strong in 2Q 2014. Active expansion can be seen from fast fashion, food and beverage, health and beauty and children sectors. The only new supply was Beijing Mall, located in Wangfujing. The mall was soft launched in May 2014 and added 46,000 sq m to the market. With the strong demand and lack of new supply, vacancy rate decreased by 0.8 percentage point and average ground floor rent increased 0.5% quarter-on-quarter.

Three projects with a total GFA of around 335,000 sq m are expected to be opened in the second half of 2014. The Inter IKEA Shopping Centre located in the Daxing district will be the largest supply with a GFA above 200,000 sq m. Based on reported healthy pre-commitment rates at the upcoming projects, vacancy rate is expected to be constant while average rent of prime properties continues to grow for the rest of 2014. (Source: Colliers International and Savills)

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Shanghai Retail Market Update

Leasing demand for shopping centres in both prime and non-prime locations were strong in 2Q 2014. Retailers from fast fashion, food and beverage, accessory, cosmetics and education sectors were active in expanding. In contrast, leasing demand for department store was muted and several withdrawals of tenants were recorded. Vacancy rate at prime locations dropped 0.2 percentage points and non-prime locations by 0.3 percentage points quarter-on-quarter. The average ground floor fixed rent in mid to high-end shopping centres fell marginally by 0.2% quarter-on-quarter.

Six projects with a combined GFA of 491,000 sq m are expected to complete in second half of 2014. Four of them will be located in non-prime locations and this may impact the vacancy rate and rent in non-prime locations in the short term. Vacancy rate and rent in prime locations are expected to remain stable for the rest of 2014. (Source: Colliers International)

Wuhan Retail Market Update

Wuhan recorded a GDP growth of 9.6% year-on-year in the first six months of 2014. In the same period, retail sales grew 12.5% year-on-year to RMB209.7 billion.

In 2Q 2014, leasing demand from fashion, food and beverage and education sectors was strong. Two projects, CapitaMall Minzhongleyuan and Renxinhui were completed in 2Q 2014 which added 159,000 sq m of GFA to the market. Despite the new supply, vacancy rate increased marginally by 0.1 percentage point to 9.0%.

Seven new projects are expected to enter the market for the rest of 2014, adding 870,000 sq m of GFA to the market. With the strong retail sales growth and the active expansion of the retailers, the market will be able to absorb the new supply. (Source: Colliers International)

11 Distribution

11(a) Current Financial Period

Any distribution declared for the current financial period? No.

11(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? No.

11(c) Date payable : Not applicable

11(d) Book closure date : Not applicable

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

Not applicable.

13 If the Group has obtained a general mandate from Unitholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

The Group has not obtained a general mandate from Unitholders for IPT.

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14 Status on the use of proceeds raised from any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use

Cash of \$26.7 million was retained from Distribution Reinvestment Plan.

Date	Use of proceeds	Amount used	Balance
		S\$'million	S\$'million
27 March 2014	For general corporate and working capital purposes	14.6	-
25 September 2014		12.1	-

15 Confirmation Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render the unaudited interim financial results of the Group and Trust (comprising the statement of financial position as at 30 September 2014, statement of total return and distribution statement, statement of cash flow and statement of movements in Unitholders' funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material respect.

On behalf of the Board of the Manager

Mr Ng Kok Siong
Director

Mr Tan Tee Hieong
Chief Executive Officer / Director

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
CAPITARETAIL CHINA TRUST MANAGEMENT LIMITED
(Company registration no. 200611176D)
(as Manager of CapitaRetail China Trust)

Goh Mei Lan
Company Secretary
24 October 2014