

**CAPITARETAIL CHINA TRUST**

**2007 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT**

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In relation to the initial public offering of units in CRCT ("Units"), the Sole Financial Adviser was J.P. Morgan (S.E.A) Limited and the Underwriters and Bookrunners were J.P. Morgan (S.E.A) Limited, UBS, acting through its business group, UBS Investment Bank and China International Capital Corporation Limited.

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**Summary of CRCT Results**

	1 Jan to 31 Mar 2007			YTD 2007 <sup>1</sup>
	Actual S\$'000	Forecast <sup>2</sup> S\$'000	Change %	Actual S\$'000
Gross Revenue	17,065	18,231	(6.4)	23,405
Net Property Income	10,689	11,737	(8.9)	13,110
Income Available for Distribution <sup>3</sup>	7,165	6,540	9.5	7,465
<b>Available Distribution Per Unit ("DPU") (cents)</b>				
For the period	1.51	1.38	9.5	1.57
Annualised	6.11	5.58	9.5	N.M.

*Footnotes:*

1. YTD 2007 includes private trust period from 23 October 2006 to 7 December 2006 ("Private Trust Period") and public trust period from the date of listing on 8 December 2006 ("Listing Date") to 31 March 2007.
2. The forecast is based on the forecast shown in CRCT Prospectus dated 29 November 2006 (the "Prospectus").
3. As disclosed in the Prospectus, the first distribution after the Listing Date will be for the period from the Listing Date to 30 June 2007 and will be paid by the manager on or before 30 September 2007.

N.M. – not meaningful

**For a meaningful analysis/comparison of the actual results against the forecast as stated in the Prospectus, please refer to paragraph 9 of this announcement.**

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**INTRODUCTION**

CapitaRetail China Trust ("CRCT") was established 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") established 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 31 March 2007, CRCT owns and invests in a portfolio of seven retail mall properties (the "Properties") located in five key cities of China. The Properties are Wangjing Mall, Jiulong Mall and Anzhen Mall in Beijing, Qibao Mall in Shanghai, Zhengzhou Mall in Zhengzhou, Jinyu Mall in Huhehaote, and 51% interest in Xinwu Mall in Wuhu.

The first financial period of CRCT was from the date of its constitution on 23 October 2006 ("Constitution Date") to 31 March 2007.

**COMPARATIVE STATEMENTS**

There are no comparative statements for the corresponding period of the immediately preceding financial year or as at the end of the immediately preceding financial year. As disclosed in the Prospectus, no pro forma consolidated statements of total return, consolidated statement of cash flows and consolidated balance sheet to show the pro forma historical financial performance of CRCT and its subsidiaries (the "Pro Forma Group") have been prepared as:-

1. Wangjing Mall and Xinwu Mall are newly developed and have very limited operating track records. Wangjing Mall was only recently completed while Xinwu Mall only commenced operations in December 2005. As such, the period of operations is too short for the Manager to practicably construct meaningful historical pro forma financial information;
2. Jiulong Mall and Jinyu Mall were acquired from independent third parties and indirectly held by CapitaLand Limited ("the Sponsor") for only a few months prior to the date of this Prospectus. The Sponsor indirectly acquired Anzhen Mall in July 2005 and took a master lease over Qibao Mall in May 2005. Accordingly, the historical financial information relating to these four properties are unavailable from the vendors or lessor (in the case of Qibao Mall) and the Sponsor's ownership period or possession period (in the case of Qibao Mall) of these properties is too short for the Manager to construct meaningful historical pro forma financial information;
3. Zhengzhou Mall, Jinyu Mall and Anzhen Mall were wholly-occupied by the vendors for their retail operations prior to their disposal to the Sponsor. Accordingly, even if the historical financial information relating to these properties were made available, the Manager would not be able to identify the property-related expenses of the vendors from the expenses incurred by the vendors in connection with their overall business operations. There would also not be any historical rental income for these properties as they were wholly-occupied by the vendors. Accordingly, the relevant information to prepare the historical pro forma financial information is unavailable to the Manager;
4. Anzhen Mall, Zhengzhou Mall and Jinyu Mall and the majority of the gross rentable area of Jiulong Mall have been under master lease agreements since the Sponsor acquired them from the vendors. The Sponsor has also implemented major asset enhancement initiatives at Qibao Mall (since the Sponsor took possession of the mall in May 2005) to reposition the mall as a "one-stop" retail destination. Accordingly, any attempt to construct historical pro forma financial information based on the historical financial statements of these five properties (in the unlikely event that they are made available to the Manager) may be misleading to investors and not meaningful for comparison purposes as there is an implicit assumption that the Pro Forma Group would achieve the same performance as those presented in the historical pro forma financial information; and
5. Should historical pro forma financial information be prepared based on the terms of the master lease agreements for Anzhen Mall, Zhengzhou Mall, Jinyu Mall and Jiulong Mall, such information will be in the nature of a forecast and will not reflect the historical financial results and position of the Pro Forma Group with respect to these properties. As such, the Manager believes that such historical pro forma financial information may be of little value to investors in deciding whether to acquire the Units and a forecast and projection based on, amongst other things, the terms of the master lease arrangements would be more meaningful to investors.

Accordingly, we have not presented a comparative statement for the announcement as there is no pro forma historical financial information for the corresponding period.

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**1(a)(i) Statement of total return (For the Group)**

	<b>Group</b>		
	<b>1Q 2007 S\$'000</b>	<b>23 Oct to 31 Dec 2006 <sup>1</sup> S\$'000</b>	<b>YTD 2007 <sup>2</sup> S\$'000</b>
Gross rental income	16,867	6,192	23,059
Other income	198	148	346
<b>Gross revenue</b>	<b>17,065</b>	<b>6,340</b>	<b>23,405</b>
Land rental	(1,050)	(602)	(1,652)
Property tax	(1,254)	(379)	(1,633)
Business tax	(854)	(281)	(1,135)
Property management fees	(636)	(198)	(834)
Other property operating expenses	(2,582)	(2,459)	(5,041)
<b>Total property operating expenses</b>	<b>(6,376)</b>	<b>(3,919)</b>	<b>(10,295)</b>
<b>Net property income</b>	<b>10,689</b>	<b>2,421</b>	<b>13,110</b>
Manager's management fees	(911)	(483)	(1,394)
Trustee fees	(58)	(45)	(103)
Other trust operating expenses	(327)	(488)	(815)
Interest Income	647	622	1,269
Foreign exchange loss - realised	(44)	(565)	(609)
Finance costs	(1,771)	(929)	(2,700)
<b>Net income before change in fair value of derivative financial instruments, investment properties and unrealised foreign exchange gain</b>	<b>8,225</b>	<b>533</b>	<b>8,758</b>
Change in fair value of derivative financial instruments	206	(363)	(157)
Change in fair value of investment properties	-	20,836	20,836
Foreign exchange gain - unrealised	6	305	311
<b>Net Income before taxation</b>	<b>8,437</b>	<b>21,311</b>	<b>29,748</b>
Taxation	(2,666)	(406)	(3,072)
<b>Total return for the period after taxation</b>	<b>5,771</b>	<b>20,905</b>	<b>26,676</b>
Minority interest	120	214	334
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>5,891</b>	<b>21,119</b>	<b>27,010</b>

*Footnotes :*

1. Includes Private Trust Period and Public Trust Period from Listing Date to 31 December 2006.

2. YTD 2007 includes Private Trust Period and Public Trust Period from Listing Date to 31 March 2007.

*In the announcement dated 15 January 2007, CRCT announced that the Singapore Exchange Securities Trading Limited (the "SGX-ST") had on 12 January 2007, granted a waiver to CRCT from Rule 705(1) of the Listing Manual of SGX-ST, which requires the Manager to announce CRCT's financial statements in respect of the period from 23 October 2006 (being the date on which CRCT was constituted) to 31 December 2006 (the "2006 Financial Period") within 60 days of 31 December 2006.*

*The Manager will instead announce the financial statements in respect of the 2006 Financial Period together with its announcement of the financial statements in respect of the period from 1 January 2007 to 31 March 2007 ("1Q 2007") within 45 days from 31 March 2007.*

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

	<b>Group</b>		
	<b>1Q 2007 S\$'000</b>	<b>23 Oct to 31 Dec 2006 S\$'000</b>	<b>YTD 2007 S\$'000</b>
Assets written off	-	(16)	(16)
Depreciation and amortisation	(86)	(51)	(137)
Debts written off	(230)	-	(230)

1(a)(ii) **Distribution statement (For the Group)**

	<b>Group</b>		
	<b>1Q 2007 S\$'000</b>	<b>23 Oct to 31 Dec 2006 <sup>1</sup> S\$'000</b>	<b>YTD 2007 S\$'000</b>
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>5,891</b>	<b>21,119</b>	<b>27,010</b>
Distribution adjustments (Note A)	1,274	(20,819)	(19,545)
<b>Income available for distribution to Unitholders</b>	<b>7,165</b>	<b>300</b>	<b>7,465</b>
<b>Note A</b>			
<b>Distribution adjustments</b>			
- Asset management fees (performance component payable in units)	428	100	528
- Change in fair value of derivative financial instruments	(206)	363	157
- Change in fair value of investment properties	-	(20,836)	(20,836)
- Deferred taxation	1,379	(177)	1,202
- Transfer to general reserve	(191)	(28)	(219)
- Unrealised foreign exchange gain	(6)	(305)	(311)
- Other adjustments	(130)	64	(66)
<b>Net effect of distribution adjustments</b>	<b>1,274</b>	<b>(20,819)</b>	<b>(19,545)</b>

Footnotes:

1. It was described in the Prospectus that CRCT will declare a distribution of an amount, if any, being the aggregate of the Manager's best estimate of the distribution income for the period from the date of acquisition of each special purpose vehicle by the Sponsor to the date immediately preceding the Listing Date to each of the Strategic Investors (as defined in the Prospectus) in proportion to their respective unitholdings as at the date immediately preceding the Listing Date (the "Private Trust Distribution").

It was stated in the Prospectus that the strategic investors have each agreed with the Trustee and the Manager that the Private Trust Distribution will constitute full and final settlement of their respective distribution entitlements for the period from 23 October 2006 to the date immediately preceding the Listing Date. Conversely, the Trustee and the Manager have agreed with each of the strategic investors that they will not seek reimbursement from the strategic investors if the actual distributable income of CRCT in relation to the private trust distribution is subsequently determined to be a lesser amount than that estimated by the Manager. Accordingly, CRCT will benefit from the surplus if CRCT's actual distributable income in relation to the private trust distribution is more than the amount estimated by the Manager, or bear the deficit if its distributable income in relation to the private trust distribution is less than the amount estimated by the Manager. There was no Private Trust Distribution to the strategic investors.

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

	<b>Group</b>	<b>Trust</b>
	<b>31 Mar 2007</b>	<b>31 Mar 2007</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Non-current assets</b>		
Investment properties <sup>1</sup>	685,061	-
Plant and equipment	1,575	-
Interests in subsidiaries	-	238,733
Deferred tax assets	3,237	-
<b>Total non-current assets</b>	<b>689,873</b>	<b>238,733</b>
<b>Current assets</b>		
Trade and other receivables	8,969	331,477
Cash and cash equivalents	84,338	48,608
<b>Total current assets</b>	<b>93,307</b>	<b>380,085</b>
<b>Total Assets</b>	<b>783,180</b>	<b>618,818</b>
<b>Non-current liabilities</b>		
Interest-bearing borrowings <sup>2</sup>	229,320	160,227
Deferred tax liabilities	14,445	-
Derivative financial instruments	1,722	1,722
Non-current portion of security deposits	4,992	-
<b>Total non-current liabilities</b>	<b>250,479</b>	<b>161,949</b>
<b>Current liabilities</b>		
Trade and other payables <sup>3</sup>	44,162	7,424
Provision for taxation	837	-
<b>Total current liabilities</b>	<b>44,999</b>	<b>7,424</b>
<b>Total Liabilities</b>	<b>295,478</b>	<b>169,373</b>
<b>Minority Interest</b>	<b>13,236</b>	<b>-</b>
<b>Net assets attributable to Unitholders</b>	<b>474,466</b>	<b>449,445</b>

*Footnotes:*

1. *Based on valuations performed by CB Richard Ellis as at 30 September 2006 for CRCT's 100% interest in Anzhen Mall, Jiulong Mall and Wangjing Mall in Beijing, Qibao Mall in Shanghai, Jinyu Mall in Huhehaote, Zhengzhou Mall in Zhengzhou and 51% interest in Xinwu Mall in Wuhu .*
2. *Interest-bearing liabilities comprise a US\$105 million unsecured two-year term loan facility ("Trust Term Loan Facility") taken at the Trust level to partly finance the acquisition of the Properties and for which the balance will be utilised as working capital and a RMB350 million secured five-year term loan facility secured by a mortgage over Anzhen Mall.*
3. *Trade and other payables mainly pertain to amount in relation to acquisition of Wangjing Mall and Jiulong Mall.*

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

	<b>Group</b>	<b>Trust</b>
	<b>31 Mar 2007</b>	<b>31 Mar 2007</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Unsecured borrowing</b>		
- Amount repayable after one year	160,450	160,450
<b>Secured borrowing</b>		
- Amount repayable after one year	69,094	-
Less: Transaction costs in relation to the Trust Term Loan Facility	(224)	(224)
	<b>229,320</b>	<b>160,227</b>

**Details of any collateral**

As security for the borrowings, CRCT has granted in favour of the lender the following:

- (i) a legal mortgage over Anzhen Mall;
- (ii) not to, without the prior written consent of the lender, create or have outstanding any mortgage, pledge, lien, hypothecation, assignment or any other encumbrance whatsoever on or over the Group's interest in any of the Properties, except for the Property secured under (i) above;
- (iii) in the event of a sale of any of the Properties, to repay an amount equal to the proportion of the market value of the property sold to the total market value of the Properties as determined by the lender based on the latest annual valuation reports of the Properties; and
- (iv) not to provide any guarantee for any other entities except for secured borrowings for new Properties acquired with existing mortgages.

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1(c) **Consolidated Cash flow statements**

	<b>Group</b>	
	<b>1 Jan to 31 Mar 2007 S\$'000</b>	<b>YTD 2007 <sup>1</sup> S\$'000</b>
<b>Operating activities</b>		
Net income after taxation	5,771	26,676
Adjustments for:		
Interest income	(647)	(1,269)
Finance costs	1,771	2,700
Depreciation and amortisation	86	137
Taxation	2,666	3,072
Change in fair value of derivative financial instruments	(206)	157
Change in fair value of investment properties	-	(20,836)
<b>Operating income before working capital changes</b>	<b>9,441</b>	<b>10,637</b>
<b>Changes in working capital:</b>		
Trade and other receivables	(4,957)	(7,755)
Trade and other payables	7,651	4,146
<b>Cash generated from operating activities</b>	<b>12,135</b>	<b>7,028</b>
Income tax paid	(50)	(50)
<b>Cash flows from operating activities</b>	<b>12,085</b>	<b>6,978</b>
<b>Investing activities</b>		
Interest received	619	1,253
Net cash outflow on purchase of investment properties	(27,114)	(118,061)
Net cash outflow on acquisition of subsidiary companies	-	(415,887)
Capital expenditure on investment properties	(3,291)	(3,291)
Purchase of plant and equipment	(44)	(535)
<b>Cash flows from investing activities</b>	<b>(29,830)</b>	<b>(536,521)</b>
<b>Financing activities</b>		
Proceeds from issuance of new units	-	466,594
Payment of issue and financing expenses	(2,993)	(11,228)
Proceeds from interest-bearing liabilities	-	160,450
Interest paid	(1,935)	(1,935)
<b>Cash flows from financing activities</b>	<b>(4,928)</b>	<b>613,881</b>
<b>(Decrease) / Increase in cash and cash equivalent</b>	<b>(22,673)</b>	<b>84,338</b>
<b>Cash and cash equivalent at beginning of period</b>	<b>107,086</b>	<b>-</b>
<b>Effect on exchange rate changes on cash balances</b>	<b>(75)</b>	<b>-</b>
<b>Cash and cash equivalent at end of period</b>	<b>84,338</b>	<b>84,338</b>

*Footnote:*

1. Include Private Trust Period and Public Trust Period from Listing Date to 31 March 2007.

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1(d)(i) **Statement of changes in Unitholders' funds**

	Group		Trust	
	1Q 2007 S\$'000	YTD 2007 S\$'000	1Q 2007 S\$'000	YTD 2007 S\$'000
<b>Balance as at beginning of period</b>	468,681	-	448,604	-
<b>Operations</b>				
Net income	5,891	27,010	423	(5,075)
<b>Net increase in net assets resulting from operations</b>	<b>5,891</b>	<b>27,010</b>	<b>423</b>	<b>(5,075)</b>
<b>Movement in hedging reserve</b>	<b>(28)</b>	<b>(10)</b>	<b>(10)</b>	<b>(10)</b>
<b>Movement in foreign currency translation reserve</b>	<b>(506)</b>	<b>(7,064)</b>	<b>-</b>	<b>-</b>
<b>Unitholders' transactions</b>				
Creation of units				
- Issue of new units <sup>1</sup>	-	466,594	-	466,594
Units to be issued as satisfaction of the portion of asset management fees payable in units	428	528	428	528
Issue expenses <sup>2</sup>	-	(12,592)	-	(12,592)
<b>Net increase in net assets resulting from unitholders' transactions</b>	<b>428</b>	<b>454,530</b>	<b>428</b>	<b>454,530</b>
<b>Balance as at end of period</b>	<b>474,466</b>	<b>474,466</b>	<b>449,445</b>	<b>449,445</b>

*Footnotes:*

1. 475.6 million new units were issued to strategic investors.
2. Relating to expenses incurred for the Initial Public Offering exercise on 8 December 2006.

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**1(d)(ii) Details of any change in the issued and issuable units**

	Trust	
	1Q 2007 Units	YTD 2007 <sup>1</sup> Units
<b>Balance as at beginning of period</b>	475,630,513	-
New units issued :		
- Issue of new units	-	475,630,513
<b>Issued units as at end of period</b>	475,630,513	475,630,513
New units to be issued :		
- As payment of asset management fees <sup>1</sup>	175,720	175,720
<b>Total issued and issuable units as at end of period</b>	475,806,233	475,806,233

*Footnotes:*

1. *These were the performance component of the asset management fees for 1Q 2007 (which will be issued in 2H 2007).*

**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 accounting policies and method of computation applied in the financial statement for the current financial period are consistent with those described in the Prospectus.

**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**

Nil

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**6 Earnings per unit (“EPU”) and available 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.

	<b>Group</b>		
	<b>1Q 2007</b>	<b>23 Oct to 31 Dec 2006 <sup>1</sup></b>	<b>YTD 2007</b>
Weighted average number of units in issue	475,630,513	475,630,513	475,630,513
<b>Earnings per unit (“EPU”) <sup>2</sup></b>			
Based on weighted average number of units in issue	1.24¢	4.44¢	5.68¢
Based on fully diluted basis	1.24¢	4.44¢	5.68¢
Number of units in issue at end of period	475,630,513	475,630,513	475,630,513
<b>Available distribution per unit (“DPU”)</b>			
Based on the number of units in issue at end of period	1.51¢	0.06¢	1.57¢

*Footnote:*

1. Include Private Trust Period and Public Trust Period from Listing Date to 31 December 2006.

2. EPU is calculated based on net income after tax.

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

	<b>Group</b>	<b>Trust</b>
	<b>31 Mar 07</b>	<b>31 Mar 07</b>
NAV per unit	\$1.00	\$0.94
Adjusted NAV per unit (excluding the distributable income)	\$0.98	\$0.93

**8 Review of the performance**

Please refer to para 9 for a review of actual performance against the forecast as shown in the Prospectus.

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

This para relates to the review of the Group results.

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

	<b>Actual 1Q 2007 S\$'000</b>	<b>Forecast <sup>1</sup> 1Q 2007 S\$'000</b>	<b>% Change</b>
Gross rental income	16,867	18,135	(7.0)
Other income	198	96	N.M.
<b>Gross revenue</b>	<b>17,065</b>	<b>18,231</b>	<b>(6.4)</b>
Land rental	(1,050)	(1,082)	3.0
Property tax	(1,254)	(1,445)	13.2
Business tax	(854)	(924)	7.6
Property management fee	(636)	(675)	5.8
Other property operating expenses	(2,582)	(2,368)	(9.0)
<b>Total property operating expenses</b>	<b>(6,376)</b>	<b>(6,494)</b>	<b>1.8</b>
<b>Net property income</b>	<b>10,689</b>	<b>11,737</b>	<b>(8.9)</b>
Manager's management fees	(911)	(909)	(0.2)
Trustee fees	(58)	(53)	(9.4)
Other trust operating expenses	(327)	(383)	14.6
Interest income	647	-	N.M.
Foreign exchange loss - realised	(44)	-	N.M.
Finance costs	(1,771)	(2,667)	33.6
<b>Net income before change in fair value of derivative financial instruments and unrealised foreign exchange gain</b>	<b>8,225</b>	<b>7,725</b>	<b>6.5</b>
Change in fair value of derivative financial instruments	206	-	N.M.
Foreign exchange gain - unrealised	6	-	N.M.
<b>Net income before taxation</b>	<b>8,437</b>	<b>7,725</b>	<b>9.2</b>
Taxation	(2,666)	(1,514)	(76.1)
<b>Total return for the period after taxation</b>	<b>5,771</b>	<b>6,211</b>	<b>(7.1)</b>
Minority interest	120	(61)	N.M.
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>5,891</b>	<b>6,150</b>	<b>(4.2)</b>

Footnotes:

1. The forecast is based on the forecast shown in the Prospectus.

N.M. – not meaningful

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

	<b>Actual 1Q 2007 S\$'000</b>	<b>Forecast 1Q 2007 S\$'000</b>	<b>% Change</b>
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>5,891</b>	<b>6,150</b>	<b>(4.2)</b>
Distribution adjustments	1,274	390	N.M.
<b>Income available for distribution to Unitholders</b>	<b>7,165</b>	<b>6,540</b>	<b>9.5</b>
Available distribution per unit (in cents)			
For the period	1.51	1.38	9.5
Annualised	6.11	5.58	9.5

**9(iii) Breakdown of gross revenue**

	<b>Actual 1Q 2007 RMB\$'000</b>	<b>Forecast 1Q 2007 RMB\$'000</b>	<b>% Change</b>	<b>Actual 1Q 2007 S\$'000</b>	<b>Forecast 1Q 2007 S\$'000</b>	<b>% Change</b>
Wangjing Mall	26,551	27,909	(4.9)	5,238	5,571	(6.0)
Jiulong Mall	10,227	10,187	0.4	2,017	2,034	(0.8)
Anzhen Mall	18,938	18,938	-	3,735	3,780	(1.2)
Qibao Mall	9,073	12,010	(24.5)	1,790	2,397	(25.3)
Zhengzhou Mall	11,875	11,875	-	2,342	2,371	(1.2)
Jinyu Mall	6,750	6,750	-	1,331	1,348	(1.3)
Xinwu Mall	3,100	3,654	(15.2)	612	730	(16.2)
<b>Gross revenue</b>	<b>86,514</b>	<b>91,323</b>	<b>(5.3)</b>	<b>17,065</b>	<b>18,231</b>	<b>(6.4)</b>

**9(iv) Breakdown of net property income**

	<b>Actual 1Q 2007 RMB\$'000</b>	<b>Forecast 1Q 2007 RMB\$'000</b>	<b>% Change</b>	<b>Actual 1Q 2007 S\$'000</b>	<b>Forecast 1Q 2007 S\$'000</b>	<b>% Change</b>
Wangjing Mall	17,464	18,512	(5.7)	3,445	3,696	(6.8)
Jiulong Mall	8,494	8,416	0.9	1,675	1,680	(0.3)
Anzhen Mall	15,733	15,648	0.5	3,103	3,123	(0.6)
Qibao Mall	(2,439)	835	N.M.	(481)	166	N.M.
Zhengzhou Mall	9,837	9,282	6.0	1,940	1,853	4.7
Jinyu Mall	5,623	5,416	3.8	1,109	1,082	2.5
Xinwu Mall	(520)	683	N.M.	(102)	137	N.M.
<b>Net property income</b>	<b>54,192</b>	<b>58,792</b>	<b>(7.8)</b>	<b>10,689</b>	<b>11,737</b>	<b>(8.9)</b>

*N.M. – not meaningful*

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**9(v) Review of the performance**

Gross revenue for 1Q 2007 was \$17.1 million, which is \$1.2 million or 6.4% lower compared with the forecast for the same period. Anzhen, Jiulong, Zhengzhou and Jinyu Malls met forecast for gross revenue in RMB terms. However, as the RMB has weakened against S\$ in 1Q 2007, gross revenue from these four malls were lower than forecast in S\$ terms. Gross revenue for Wangjing and Qibao Malls was lower than forecast mainly due to certain tenants taking longer time than expected in obtaining approvals from the relevant local authorities. At Xinwu Mall, certain leases were pre-terminated. Such tenants' turnover and changes to tenancy mix are part and parcel of the active asset management process.

Property operating expenses for the period was \$6.4 million, which is \$0.1 million or 1.8% lower compared with the forecast for the same period. The main reasons were lower property tax assessed for Zhengzhou and Jinyu Malls, utilities savings at Wangjing Mall, and partially offset by debts written off at Xinwu Mall for some of the pre-terminated leases.

As a result, net property income in 1Q 2007 was S\$1.05 million or 8.9% lower compared with the forecast for the same period. However, income available for distribution for 1Q 2007 exceeded forecast by 9.5%, mainly due to net interest savings.

An interest income of \$0.6 million was earned from surplus fund at the trust level.

Finance cost for the period was \$1.8 million, which is \$0.9 million or 33.6% lower compared with the forecast for the same period. This was mainly due to interest savings arising from a two-year non-deliverable cross-currency interest rate swap that CRCT has entered into in respect of its US\$105.0 million unsecured two-year term loan facility.

Taxation for the period was \$2.7 million, which is \$1.2 million or 76.1% higher compared with the forecast for the same period. This was mainly due to deferred tax liabilities of \$1.4 million which has no impact on the distribution of the trust. If this deferred tax liabilities was excluded, the taxation for the period would have been \$1.3 million, which is lower than the forecast by 15%.

Overall, income available for distribution to Unitholders was \$7.2 million, which is \$0.6 million or 9.5% higher compared with the forecast for the same period.

**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**

Chinese retail market continues to develop rapidly according to Xinhua New Agency on 13 February 2007. New chain store networks and shopping malls are emerging outside the top three cities of Beijing, Guangzhou and Shanghai as retailers extend their reach to other first-tier cities, as well as other second and third-tier cities.

According to the China General Chamber of Commerce, China's retail sales are projected to climb 14.5% year on year to RMB8.7 trillion in 2007. Retail sales are expected to pick up speed with disposable income continuing to rise.

**Outlook for 2007**

The initial delay in the rental commencement of certain tenants will have impact on full year gross revenue and net property income. Nevertheless, the Manager is confident of delivering the projected distribution of 6.13 cents as stated in the Prospectus.

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**11 Distributions**

11(a) Current financial period

Any distributions 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 : N/a

11(d) Book closure date : N/a

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

No interim distribution has been declared or recommended in the current financial period.

**13 Segmental Results**

Segment information has not been presented as all the Group's investment properties are used primarily for retail purposes and are located in China.

**14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to para 9 for the review.

**15 A breakdown of sales as follows:-**

15(a) Gross revenue

15(b) Net income after tax

Group	
1Q 2007 S\$'000	YTD 2007 S\$'000
17,065	23,405
5,891	27,010

**16 A breakdown of the total annual distribution for the current full year and its previous full year :-**

N/a.

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**17      Confirmation Pursuant to Rule 705(4) of the Listing Manual**

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and Trust (comprising the balance sheet and the result of business, statement of total return & distribution statement, consolidated cash flows statements, statement of changes in unitholders' funds, together with their accompanying notes) as at 31 March 2007, to be false or misleading in any material respect.

On behalf of the Board

Mr Kee Teck Koon  
Director

Mr Lim Beng Chee  
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)

Kannan Malini  
Company Secretary  
19 April 2007