

**CAPITARETAIL CHINA TRUST**  
**2008 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**

	5 February to 31 March 2008			1Q 2008
	Actual S\$'000	Forecast <sup>1</sup> S\$'000	Change %	Actual S\$'000
Gross Revenue	15,919	15,986	(0.4)	22,911
Net Property Income	10,069	9,987	0.8	14,321
Income Available for Distribution	6,291	5,797	8.5	8,793
<b>Available Distribution Per Unit ("DPU") (cents)</b>				
For the period	1.02	0.94	8.5	1.55
Annualised	6.66	6.14	8.5	6.22

*Footnotes:*

- 1. The forecast is based on the forecast shown in CRCT Offer Information Statement ("OIS") dated 25 January 2008.*
- 2. FY 2007 is defined as the financial period from 1 January 2007 to 31 December 2007.*

**For a meaningful analysis/comparison of the actual results against the forecast as stated in the OIS, 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.

For the purpose of part financing the acquisition of Xizhimen Mall through the acquisition of the entire issued share capital of CapitaRetail China Investments (B) Beta Pte Ltd, which was approved by the Unitholders at the Extraordinary General Meeting held on 4 December 2007, the Trust raised net proceeds of \$182.3 million through the issue of 138,236,000 new units at a price of \$1.36 per unit. The acquisition was completed on 5 February 2008 in the manner described in the OIS lodged with the Monetary Authority of Singapore dated 25 January 2008.

Xizhimen Mall is a one-stop shopping, dining and entertainment destination comprising seven storeys of multi-tenanted retail outlets, with a basement level and six storeys above ground, which in aggregate represents a Gross Rentable Area of 73,857 sq m. Located at Xizhimen, in Xicheng district, just outside the boundary of Beijing’s west second ring road, the Mall is part of Xihuan Plaza, an iconic integrated mixed-use development which includes three office towers and a commercial block.

As at 31 March 2008, CRCT owns and invests in a portfolio of eight retail mall properties located in five key cities of China. The Properties are Xizhimen Mall, Wangjing Mall, Jiulong Mall and Anzhen Mall in Beijing, Qibao Mall in Shanghai, Zhengzhou Mall in Zhengzhou, Saihan Mall (previously known as Jinyu Mall) in Huhehaote, and 51% interest in Xinwu Mall in Wuhu.

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1(a)(i) **Statement of Total Return For the Group (1Q 2008 vs 1Q 2007)**

	Group		
	1Q 2008 <sup>1</sup> S\$'000	1Q 2007 <sup>1</sup> S\$'000	% Change
Gross rental income	22,233	16,867	31.8
Other income	678	198	242.4
<b>Gross revenue</b>	<b>22,911</b>	<b>17,065</b>	<b>34.3</b>
Land rental	(1,068)	(1,050)	1.7
Property related tax	(1,744)	(1,254)	39.1
Business tax	(1,140)	(854)	33.5
Property management fees	(806)	(636)	26.7
Other property operating expenses <sup>2</sup>	(3,832)	(2,582)	48.4
<b>Total property operating expenses</b>	<b>(8,590)</b>	<b>(6,376)</b>	<b>34.7</b>
<b>Net property income</b>	<b>14,321</b>	<b>10,689</b>	<b>34.0</b>
Manager's management fees	(1,272)	(911)	39.6
Trustee's fees	(54)	(58)	(6.9)
Other trust operating expenses	(477)	(327)	45.9
Interest income	166	647	(74.3)
Foreign exchange loss – realised	(199)	(44)	352.3
Finance costs	(1,965)	(1,771)	11.0
<b>Total return before change in fair value of financial derivatives and unrealised foreign exchange loss</b>	<b>10,520</b>	<b>8,225</b>	<b>27.9</b>
Change in fair value of financial derivatives	577	206	180.1
Foreign exchange (loss) / gain – unrealised	(461)	6	N.M
<b>Total return before taxation</b>	<b>10,636</b>	<b>8,437</b>	<b>26.1</b>
Taxation	(3,367)	(2,666)	26.3
<b>Total return for the period after taxation</b>	<b>7,269</b>	<b>5,771</b>	<b>26.0</b>
Minority interest	(35)	120	N.M
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>7,234</b>	<b>5,891</b>	<b>22.8</b>

*Footnotes:*

1. *The Group's results for 1Q 2008 includes the consolidated results of Xizhimen Mall, from 5 February 2008 (date of acquisition); and the 7 properties acquired during the Initial Public Offering ("IPO") exercise on 8 December 2006, namely Anzhen Mall, Jiulong Mall and Wangjing Mall in Beijing, Qibao Mall in Shanghai, Saihan Mall in Huhehaote, Zhengzhou Mall in Zhengzhou and 51% interest in Wuhu ("The Initial Properties"). The Group's results for 1Q 2007 comprise only the Initial Properties.*

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

	Group		
	1Q 2008 S\$'000	1Q 2007 S\$'000	% Change
Depreciation and amortisation	(139)	(86)	61.6
Allowance for doubtful receivables	(63)	(230)	(72.6)

*N.M. – not meaningful*

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**1(a)(ii) Distribution Statement For the Group (1Q 2008 vs 1Q 2007)**

	<b>Group</b>		
	<b>1Q 2008</b> <b>S\$'000</b>	<b>1Q 2007</b> <b>S\$'000</b>	<b>%</b> <b>Change</b>
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>7,234</b>	<b>5,891</b>	<b>22.8</b>
Distribution adjustments (Note A)	1,559	1,274	22.4
<b>Income available for distribution to Unitholders</b>	<b>8,793</b>	<b>7,165</b>	<b>22.7</b>
Comprises :			
- from operations	3,088	4,691	(34.2)
- from Unitholders' contribution	5,705	2,474	130.6
	<b>8,793</b>	<b>7,165</b>	<b>22.7</b>
<b>Note A</b>			
<b>Distribution adjustments</b>			
- Asset management fees (performance component payable in units)	573	428	33.9
- Change in fair value of financial derivatives	(577)	(206)	180.1
- Deferred taxation	1,116	1,379	(19.1)
- Transfer to general reserve	(153)	(191)	(19.9)
- Unrealised foreign exchange loss / (gain)	461	(6)	N.M
- Other adjustments	139	(130)	N.M
<b>Net effect of distribution adjustments</b>	<b>1,559</b>	<b>1,274</b>	<b>22.4</b>

*N.M. – not meaningful*

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**1(b)(i) Balance Sheet as at 31 Mar 2008 vs 31 Dec 2007**

	Group			Trust		
	31 Mar 2008 <sup>1</sup> S\$'000	31 Dec 2007 S\$'000	% Change	31 Mar 2008 S\$'000	31 Dec 2007 S\$'000	% Change
<b>Assets</b>						
Investment properties <sup>2</sup>	1,060,075	722,883	46.6	-	-	N.M
Plant and equipment	3,045	1,673	82.0	-	-	N.M
Interests in subsidiaries <sup>3</sup>	-	-	N.M	847,427	590,799	43.4
Trade and other receivables	31,799	18,109	75.6	848	813	4.3
Cash and cash equivalents	53,077	67,170	(21.0)	20,511	18,656	9.9
<b>Total assets</b>	<b>1,147,996</b>	<b>809,835</b>	<b>41.8</b>	<b>868,786</b>	<b>610,268</b>	<b>42.4</b>
<b>Less</b>						
<b>Liabilities</b>						
Trade and other payables <sup>4</sup>	75,227	42,168	78.4	7,211	1,910	N.M
Security deposits	15,010	8,284	81.2	-	-	N.M
Interest-bearing borrowings <sup>5</sup>	348,429	231,811	50.3	261,980	171,104	53.1
Deferred tax liabilities	20,810	19,300	7.8	-	-	N.M
Financial derivatives <sup>6</sup>	19,937	11,331	76.0	19,937	11,331	76.0
Provision for taxation	1,803	243	N.M	377	-	N.M
<b>Total liabilities</b>	<b>481,216</b>	<b>313,137</b>	<b>53.7</b>	<b>289,505</b>	<b>184,345</b>	<b>57.0</b>
<b>Less</b>						
<b>Minority interest</b>	<b>13,592</b>	<b>13,543</b>	<b>0.4</b>	<b>-</b>	<b>-</b>	<b>N.M</b>
<b>Net assets attributable to Unitholders</b>	<b>653,188</b>	<b>483,155</b>	<b>35.2</b>	<b>579,281</b>	<b>425,923</b>	<b>36.0</b>

Footnotes:

- The Group's net asset attributable to unitholders as at 31 March 2008 includes contribution from Xizhimen Mall, which was acquired on 5 February 2008.
- The increase was principally due to the acquisition of Xizhimen Mall.
- The increase was due to the acquisition of the issued share capital of CapitaRetail China Investments (B) Beta Pte Ltd, arising from the acquisition of Xizhimen Mall.
- Trade and other payables comprises mainly of accrual of asset enhancement works in Qibao Mall and Saihan Mall and amount due to the acquisition of Xizhimen, Wangjing and Jiulong Mall. The increase was due to the acquisition of Xizhimen Mall.
- Interest-bearing liabilities comprise (i) US\$105.0 million (S\$146.5 million) and S\$88.0 million unsecured two-year term loan facilities (collectively known as "Trust Term Loan Facilities") drawn down by the Trust to part finance the acquisition of the Initial Properties and Xizhimen Mall, and utilisation as working capital, (ii) S\$27.5 million unsecured short-term loan facility mainly to finance capital distribution and working capital; (iii) RMB295.0 million (S\$57.8 million) five-year term loan facility secured by a mortgage over Anzhen Mall; and (iv) RMB146.0 million (S\$28.6 million) unsecured short-term-loan facility. The increase was due to the drawdown of loans in relation to acquisition of Xizhimen Mall.
- This relates to financial derivatives entered to hedge CRCT's RMB assets against adverse currency fluctuation. In 1Q 2008, the Trust entered into a new two-year non-deliverable cross-currency interest rate swaps ("NDS") to hedge the S\$88.0 million unsecured two-year term loan facility. The fair value change on the two-year NDS has resulted in financial derivative liabilities of S\$19.9 million as at 31 March 2008 and S\$11.3 million as at 31 December 2007 respectively.

N.M – not meaningful

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**1(b)(ii) Aggregate Amount of Borrowings and Debt Securities**

	Group		Trust	
	31 Mar 2008 S\$'000	31 Dec 2007 S\$'000	31 Mar 2008 S\$'000	31 Dec 2007 S\$'000
<b>Unsecured borrowing</b>				
- Amount repayable within one year	202,690	171,224	174,070	171,224
- Amount repayable after one year	88,000	-	88,000	-
<b>Secured borrowing</b>				
- Amount repayable after one year	57,829	60,707	-	-
	<b>348,519</b>	<b>231,931</b>	<b>262,070</b>	<b>171,224</b>
Less: Transaction costs in relation to the Trust Term Loan Facilities	(90)	(120)	(90)	(120)
(1)	<b>348,429</b>	<b>231,811</b>	<b>261,980</b>	<b>171,104</b>

*Footnote:*

1. *The increase in the Group's borrowings as at 31 March 2008 was mainly due to additional bank loan drawn down on new facility and consolidation of 100% interest in Xizhimen Mall.*

**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 except for the property secured under (i) above, 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 (1Q 2008 vs 1Q 2007)**

	Group	
	1Q 2008 <sup>1</sup>	1Q 2007 <sup>1</sup>
	S\$'000	S\$'000
<b>Operating activities</b>		
Total return after taxation	7,269	5,771
Adjustments for:		
Interest income	(166)	(647)
Finance costs	1,965	1,771
Depreciation and amortisation	139	86
Taxation	3,367	2,666
Asset management fee payable in units	573	428
Change in fair value of financial derivatives	(577)	(206)
<b>Operating income before working capital changes</b>	<b>12,570</b>	<b>9,869</b>
<b>Changes in working capital:</b>		
Trade and other receivables	(4,156)	(4,957)
Trade and other payables	2,696	7,223
<b>Cash generated from operating activities</b>	<b>11,110</b>	<b>12,135</b>
Income tax paid	(58)	(50)
<b>Cash flows from operating activities</b>	<b>11,052</b>	<b>12,085</b>
<b>Investing activities</b>		
Interest received	166	619
Net cash outflow on purchase of investment properties	-	(27,114)
Capital expenditure on investment properties	(7,454)	(3,291)
Net cash outflow on acquisition of assets	(255,392)	-
Purchase of plant and equipment	(46)	(44)
<b>Cash flows used in investing activities</b>	<b>(262,726)</b>	<b>(29,830)</b>
<b>Financing activities</b>		
Proceeds from issuance of new units	188,001	-
Distribution to Unitholders <sup>2</sup>	(19,236)	-
Payment of issue and financing expenses	(2,656)	(2,993)
Proceeds from interest-bearing liabilities	105,500	-
Repayment of interest-bearing liabilities	(32,727)	-
Interest paid	(956)	(1,935)
<b>Cash flows from / (used in) financing activities</b>	<b>237,926</b>	<b>(4,928)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(13,748)</b>	<b>(22,673)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>67,170</b>	<b>107,086</b>
<b>Effect on exchange rate changes on cash balances</b>	<b>(345)</b>	<b>(75)</b>
<b>Cash and cash equivalents at end of period</b>	<b>53,077</b>	<b>84,338</b>

*Footnote:*

- The Group's cash flows for 1Q 2008 includes cash flows of Xizhimen Mall, which was acquired on 5 February 2008 and cash flows of the Initial Properties acquired during IPO.  
The Group's cash flows for 1Q 2007 include cash flows of the Initial Properties.*
- Cumulative distribution for the period from 1 July 2007 to 4 February 2008 was paid in March 2008.*



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1(d)(i) **Statement of Changes in Net Assets Attributable to Unitholders (1Q 2008 vs 1Q 2007)**

	Group		Trust	
	1Q 2008 <sup>1</sup> S\$'000	1Q 2007 <sup>1</sup> S\$'000	1Q 2008 S\$'000	1Q 2007 S\$'000
<b>Balance as at beginning of period</b>	<b>483,155</b>	<b>468,681</b>	<b>425,923</b>	<b>448,604</b>
<b>Operations</b>				
Change in net assets attributable to Unitholders resulting from operations before distribution	7,234	5,891	(9,863)	423
Transfer to general reserve	(153)	(191)	-	-
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b>7,081</b>	<b>5,700</b>	<b>(9,863)</b>	<b>423</b>
<b>Movement in hedging reserve</b>				
Effective portion of changes in fair value of cash flow hedges	(3,865)	(28)	(3,865)	(10)
<b>Movement in foreign currency translation reserve</b>				
Translation differences from financial statements of foreign operations	1,673	1,032	-	-
Exchange differences on monetary items forming part of net investment in foreign operations	3,223	(245)	-	-
Exchange differences on hedges of net investment in foreign operations	(5,318)	(1,293)	-	-
<b>Net loss recognised directly in net assets attributable to Unitholders</b>	<b>(4,287)</b>	<b>(534)</b>	<b>(3,865)</b>	<b>(10)</b>
<b>Movement in general reserve</b>	<b>153</b>	<b>191</b>	<b>-</b>	<b>-</b>
<b>Unitholders' transactions</b>				
Proceeds from placement <sup>2</sup>	188,001	-	188,001	-
Creation of units				
- Units issued in respect of acquisition fees for Xizhimen Mall <sup>3</sup>	3,360	-	3,360	-
- Asset management fees paid/payable	573	428	573	428
Distribution to Unitholders <sup>4</sup>	(19,236)	-	(19,236)	-
Issue expenses <sup>5</sup>	(5,612)	-	(5,612)	-
<b>Net increase in net assets resulting from Unitholders' transactions</b>	<b>167,086</b>	<b>428</b>	<b>167,086</b>	<b>428</b>
<b>Net assets attributable to Unitholders at end of period</b>	<b>653,188</b>	<b>474,466</b>	<b>579,281</b>	<b>449,445</b>

Footnotes:

1. The Group's results for 1Q 2008 include consolidation of 100% interest in Xizhimen Mall, which was acquired on 5 February 2008 and the Initial Properties acquired during IPO.  
The Group's results for 1Q 2007 include consolidation of the Initial Properties.
2. 138,236,000 new units were issued via an equity fund raising exercise completed on 5 February 2008 for the purpose of acquisition of Xizhimen Mall through the acquisition of the entire issued share capital of CapitaRetail China Investments (B) Beta Pte Ltd.
3. 2,470,588 new units were issued on 5 February 2008 as payment of acquisition fees for the acquisition of Xizhimen Mall.
4. Cumulative distribution for the period from 1 July 2007 to 4 February 2008 was paid in March 2008.
5. Includes underwriting fees and professional fees paid and payable in connection to the equity fund raising exercise completed on 5 February 2008 for the acquisition of Xizhimen Mall.

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**1(d)(ii) Details of Any Change in the Issued and Issueable Units (1Q 2008 vs 1Q 2007)**

	Trust	
	1Q 2008 Units	1Q 2007 Units
<b>Balance as at beginning of period</b>	<b>476,147,309</b>	<b>475,630,513</b>
New units issued:		
- In connection with equity fund raising exercise completed on 5 February 2008	138,236,000	-
- As payment of acquisition fees of Xizhimen Mall	2,470,588	-
- As payment of asset management fees <sup>1</sup>	223,824	-
<b>Issued units as at end of period</b>	<b>617,077,721</b>	<b>475,630,513</b>
New units to be issued:		
- As payment of asset management fees <sup>2</sup>	440,152	175,720
<b>Total issued and issuable units as at end of period</b>	<b>617,517,873</b>	<b>475,806,233</b>

*Footnotes:*

1. *These were the performance component of the asset management fees for 4Q 2007 which was issued in February 2008.*
2. *These were the performance component of the asset management fee for 1Q 2008 (which will be issued in 2Q 2008) and 1Q 2007 that have been issued in September 2007 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.

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 audited financial statements for the period ended 31 December 2007.

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**

Nil

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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	
	1Q 2008	1Q 2007
Weighted average number of units in issue	547,386,858	475,630,513
<b>Earnings per unit (“EPU”) <sup>1</sup></b>		
Based on weighted average number of units in issue	1.32¢	1.24¢
Based on fully diluted basis	1.32¢	1.24¢
Number of units in issue at end of period	617,077,721	475,630,513
<b>Distribution per unit (“DPU”)</b>		
Based on the number of units in issue at end of period	1.55¢	1.51¢

Footnote:

1. EPU is calculated based on net income after tax and minority interest
2. DPU is calculated based on distributable income in relation to 1 January to 4 February 2008 (pre-acquisition of Xizhimen Mall) based on the number of units in issue at 4 February 2008 and distributable income in relation to 5 February to 31 March 2008 (post-acquisition of Xizhimen Mall) based on the number of units in issue at 31 March 2008.

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

	Group		Trust	
	31 Mar 2008	31 Dec 2007	31 Mar 2008	31 Dec 2007
NAV per unit	\$1.06	\$1.01	\$0.94	\$0.89
Adjusted NAV per unit (excluding distributable Income)	\$1.05	\$0.98	\$0.93	\$0.86

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**8**      **Review of the performance**

**Statement of Total Return for the Group**

<b>Gross revenue</b>	<b>22,911</b>	<b>17,065</b>	<b>17,920</b>
Property operating expenses	(8,590)	(6,376)	(6,272)
<b>Net Property Income</b>	<b>14,321</b>	<b>10,689</b>	<b>11,648</b>
Manager management fees	(1,272)	(911)	(935)
Trustee's fees	(54)	(58)	(45)
Other Trust operating expenses	(477)	(327)	(397)
Interest income	166	647	536
Foreign exchange loss - realised	(199)	(44)	(223)
Finance costs	(1,965)	(1,771)	(1,860)
<b>Total return before change in fair value of financial derivatives, investment properties and unrealised foreign exchange loss</b>	<b>10,520</b>	<b>8,225</b>	<b>8,724</b>
Change in fair value of financial derivatives	577	206	898
Change in fair value of investment properties	-	-	989
Foreign exchange (loss) / gain - unrealised	(461)	6	(217)
<b>Total return before taxation</b>	<b>10,636</b>	<b>8,437</b>	<b>10,394</b>
Taxation	(3,367)	(2,666)	(3,847)
<b>Total return for the period after taxation</b>	<b>7,269</b>	<b>5,771</b>	<b>6,547</b>
Minority interest	(35)	120	(150)
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>7,234</b>	<b>5,891</b>	<b>6,397</b>

Group		
1Q 2008	1Q 2007	4Q 2007
S\$'000	S\$'000	S\$'000
<b>22,911</b>	<b>17,065</b>	<b>17,920</b>
(8,590)	(6,376)	(6,272)
<b>14,321</b>	<b>10,689</b>	<b>11,648</b>
(1,272)	(911)	(935)
(54)	(58)	(45)
(477)	(327)	(397)
166	647	536
(199)	(44)	(223)
(1,965)	(1,771)	(1,860)
<b>10,520</b>	<b>8,225</b>	<b>8,724</b>
577	206	898
-	-	989
(461)	6	(217)
<b>10,636</b>	<b>8,437</b>	<b>10,394</b>
(3,367)	(2,666)	(3,847)
<b>7,269</b>	<b>5,771</b>	<b>6,547</b>
(35)	120	(150)
<b>7,234</b>	<b>5,891</b>	<b>6,397</b>

**Distribution Statement for the Group**

<b>Total return for the period attributable to Unitholders before distribution</b>	<b>7,234</b>	<b>5,891</b>	<b>6,397</b>
Net effect of distribution adjustments	1,559	1,274	2,188
<b>Income available for distribution to Unitholders</b>	<b>8,793</b>	<b>7,165</b>	<b>8,585</b>
Distribution per unit (in cents)			
- For the period	1.55 <sup>1</sup>	1.51	1.80
- Annualised	6.22	6.11	7.15

Group		
1Q 2008	1Q 2007	4Q 2007
S\$'000	S\$'000	S\$'000
<b>7,234</b>	<b>5,891</b>	<b>6,397</b>
1,559	1,274	2,188
<b>8,793</b>	<b>7,165</b>	<b>8,585</b>
1.55 <sup>1</sup>	1.51	1.80
6.22	6.11	7.15

*Footnote:*

- DPU is calculated based on distributable income in relation to 1 January to 4 February 2008 (pre-acquisition of Xizhimen Mall) based on the number of units in issue at 4 February 2008 and distributable income in relation to 5 February to 31 March 2008 (post-acquisition of Xizhimen Mall) based on the number of units in issue at 31 March 2008.*

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**1Q 2008 vs 1Q 2007**

Gross revenue for 1Q 2008 was S\$22.9 million, an increase of S\$5.8 million or 34.3% over 1Q 2007. This was mainly due to revenue of S\$4.2 million contributed by the newly acquired Xizhimen Mall. The acquisition was completed on 5 February 2008. The other malls accounted for another S\$1.6 million increase mainly due to occupancy growth in Wangjing Mall, Qibao Mall and Xinwu Mall.

Property expenses for 1Q 2008 was S\$8.6 million, an increase of S\$2.2 million or 34.7% over 1Q 2007 mainly due to the newly acquired Xizhimen Mall, higher utilities and marketing expenses at Saihan Mall, which is currently undergoing intensive asset enhancement work and leasing activity for its re-opening in 2H 2008.

Manager management fees was S\$0.4 million or 39.6% higher than 1Q 2007 as a result of the consolidation of Xizhimen Mall as well as higher net property income and higher deposited property values under management.

Interest income was S\$0.2 million or 74.3% lower than 1Q 2007 mainly due to lower interest income at trust level arising from lower fixed deposit balances placed with financial institutions and corresponding weaker interest rate.

Taxation was S\$0.7 million or 26.4% higher than 1Q 2007 mainly due to the consolidation of Xizhimen Mall.

**1Q 2008 vs 4Q 2007**

Gross revenue for 1Q 2008 increased by S\$5.0 million or 27.9% over 4Q 2007. This was mainly due to revenue of S\$4.2 million contributed by the newly acquired Xizhimen Mall. The other malls accounted for the additional increase of S\$0.8 million mainly due to new leases.

Property expenses for 1Q 2008 increased by S\$2.3 million mainly due to the consolidation of Xizhimen Mall, higher property tax in Wangjing Mall, higher utilities and marketing expenses at Saihan Mall, which is currently undergoing intensive asset enhancement work and leasing activity for its re-opening in 2H 2008.

Manager management fees was S\$0.3 million or 36.0% higher than 4Q 2007 as a result of higher net property income contributed from the existing malls and the newly acquired Xizhimen Mall as well as higher deposited property values under management.

Interest income was S\$0.4 million or 69.0% lower than 4Q 2007 mainly due to lower interest income at trust level arising from fixed deposit and corresponding weaker interest rate.

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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</b>	<b>Forecast <sup>1</sup></b>	<b>%</b>
	<b>5 Feb -</b>	<b>5 Feb -</b>	
	<b>31 Mar 2008</b>	<b>31 Mar 2008</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>Change</b>
Gross rental income	15,392	15,741	(2.2)
Other income	527	245	115.1
<b>Gross revenue</b>	<b>15,919</b>	<b>15,986</b>	<b>(0.4)</b>
Land rental	(661)	(666)	(0.8)
Property related tax	(1,217)	(1,192)	2.1
Business tax	(794)	(807)	(1.6)
Property management fee	(548)	(584)	(6.2)
Other property operating expenses	(2,630)	(2,750)	( 4.4)
<b>Total property operating expenses</b>	<b>(5,850)</b>	<b>(5,999)</b>	<b>(2.5)</b>
<b>Net property income</b>	<b>10,069</b>	<b>9,987</b>	<b>0.8</b>
Manager's management fees	(904)	(863)	4.8
Trustee's fees	(37)	(55)	(32.7)
Other trust operating expenses	(268)	(351)	(23.6)
Interest income	79	-	N.M.
Foreign exchange loss – realised	(180)	-	N.M.
Finance costs	(1,320)	(2,119)	(37.7)
<b>Net income before change in fair value of financial derivative and unrealised foreign exchange loss</b>	<b>7,439</b>	<b>6,599</b>	<b>12.7</b>
Change in fair value of financial derivatives	91	-	N.M.
Foreign exchange loss – unrealised	(678)	-	N.M.
<b>Net income before taxation</b>	<b>6,852</b>	<b>6,599</b>	<b>3.8</b>
Taxation	(2,276)	(1,048)	117.2
<b>Total return for the period after taxation</b>	<b>4,576</b>	<b>5,551</b>	<b>(17.6)</b>
Minority interest	(20)	(55)	(63.6)
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>4,556</b>	<b>5,496</b>	<b>(17.1)</b>

Footnotes:

1. The forecast is based on the forecast shown in the OIS dated 25 January 2008.

N.M. – not meaningful

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

	<b>Actual 5 Feb – 31 Mar 2008 S\$'000</b>	<b>Forecast <sup>1</sup> 5 Feb – 31 Mar 2008 S\$'000</b>	<b>% Change</b>
<b>Total return for the period attributable to Unitholders before distribution</b>	<b>4,556</b>	<b>5,496</b>	<b>(17.1)</b>
Distribution adjustments (Note A)	1,735	301	N.M.
<b>Income available for distribution to Unitholders</b>	<b>(g) 6,291</b>	<b>5,797</b>	<b>8.5</b>
Comprises :			
- from operations	1,454	2,030	(28.4)
- from Unitholders' contributions	4,837	3,767	28.4
	<b>6,291</b>	<b>5,797</b>	<b>8.5</b>
Available distribution per unit (in cents)			
For the period	1.02	0.94	8.5
Annualised	6.66	6.14	8.5
<b>Note A</b>			
<b>Distribution adjustments</b>			
- Asset management fees (performance component payable in Units)	398	400	(0.5)
- Change in fair value of financial derivatives	(91)	-	N.M.
- Deferred taxation	771	-	N.M.
- Transfer to general reserve	(120)	(99)	21.2
- Unrealised foreign exchange loss	678	-	N.M.
- Other adjustments	99	-	N.M.
<b>Net effect of distribution adjustments</b>	<b>1,735</b>	<b>301</b>	<b>N.M.</b>

*N.M. – not meaningful*

9(iii) **Breakdown of Gross Revenue (5 Feb – 31 Mar 2008)**

	<b>Actual RMB'000</b>	<b>Forecast RMB'000</b>	<b>% Change</b>	<b>Actual S\$'000</b>	<b>Forecast S\$'000</b>	<b>% Change</b>
Xizhimen Mall	21,304	21,269	0.2	4,197	4,211	(0.3)
Wangjing Mall	19,693	19,576	0.6	3,871	3,876	(0.1)
Anzhen Mall	11,872	11,872	-	2,333	2,351	(0.8)
Zhengzhou Mall	7,371	7,371	-	1,449	1,459	(0.7)
Jiulong Mall	6,134	6,156	(0.4)	1,206	1,219	(1.1)
Saihan Mall	3,598	3,598	-	708	712	(0.6)
Qibao Mall	8,254	8,241	0.2	1,622	1,632	(0.6)
Xinwu Mall	2,714	2,655	2.2	533	526	1.3
<b>Gross Revenue</b>	<b>80,940</b>	<b>80,738</b>	<b>0.3</b>	<b>15,919</b>	<b>15,986</b>	<b>(0.4)</b>

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**9(iv) Breakdown of Net Property Income (5 Feb – 31 Mar 2008)**

	<b>Actual RMB'000</b>	<b>Forecast RMB'000</b>	<b>% Change</b>	<b>Actual S\$'000</b>	<b>Forecast S\$'000</b>	<b>% Change</b>
Xizhimen Mall	13,535	13,375	1.2	2,666	2,648	0.7
Wangjing Mall	13,681	13,353	2.5	2,689	2,644	1.7
Anzhen Mall	9,838	9,807	0.3	1,934	1,942	(0.4)
Zhengzhou Mall	6,033	5,944	1.5	1,186	1,177	0.8
Jiulong Mall	4,965	4,961	0.1	976	982	(0.6)
Saihan Mall	1,835	1,725	6.4	361	342	5.6
Qibao Mall	796	761	4.6	157	151	4.0
Xinwu Mall	511	510	0.2	100	101	(1.0)
<b>Net Property Income</b>	<b>51,194</b>	<b>50,436</b>	<b>1.5</b>	<b>10,069</b>	<b>9,987</b>	<b>0.8</b>

**9(v) Review of the Performance for the period from 5 February 2008 to 31 March 2008**

- (a) Gross revenue for the period was \$15.9 million, which is \$0.1 million or 0.4% lower than the forecast for the same period. The variance is mainly due to S\$/RMB translation difference. In RMB terms, gross revenue for the period was 0.3% higher than forecast for the same period.
- (b) Property operating expenses for the period was \$5.9 million, which is \$0.1 million or 2.5% lower compared with the forecast for the same period.
- (c) Realised foreign exchange loss of \$0.2 million recognised in 1Q 2008 was mainly due to the withdrawal of US\$ fixed deposit to repay interest expenses.
- (d) Finance cost was \$1.3 million, which is \$0.8 million or 37.7% lower compared with the forecast for the same period. This was mainly due to interest savings arising from two-year non-deliverable cross-currency interest rate swaps ("NDS") that CRCT has entered into in respect of the US\$105.0 million and S\$88.0 unsecured two-year Trust Term Loan Facilities.
- (e) The fair value change on the NDS resulted in a fair value gain of \$0.1 million in 1Q 2008. In accordance to the distribution model detailed in the OIS, distribution income has been adjusted to exclude any change in fair value relating to financial instruments.
- (f) Taxation for the period was \$2.3 million, which is \$1.2 million higher than the forecast for the same period. This was mainly due to recognition of deferred tax liabilities of \$0.8 million which has no impact on the distributable income of the trust. If such deferred tax liabilities were excluded, the taxation for the period would have been \$1.5 million, which is higher than the forecast by 43.6%. The higher than forecasted tax was mainly due to unbudgeted tax at the trust level in relation to interest income.
- (g) Overall, income for distribution to Unitholders was \$6.3 million, which is \$0.5 million or 8.5% higher than the forecast for the same period.



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**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**

Beijing retail property sector outlook

Beijing remains a key expansion choice for many retailers. This was evidenced by dynamic pre-leasing in projects anticipated to open in 2008. While the Olympics have served as a catalyst for retailers entering the market, many retailers now state that they are entering the market due to the sheer income growth and potential customer size. New supply has given retailers the option to expand to new areas of the city to capture growth.

The retail podiums at China Central Place, located at East Chang'an Street, were completed in 4Q 2007, delivering 40,000 sqm to the market and causing total retail space to reach 2.26 million sqm by end 2007. In 2008, 1.4 million sqm of retail space is currently anticipated for completion; most of these projects will not be strata-titled.

For 4Q 2007, vacancy increased 0.5% quarter-on-quarter to 10.1% and rental value grew 1.8% quarter-on-quarter. While market demand is strong, vacancies are expected to rise and owners of strata-titled properties are expected to have a difficult time competing with new supply, which is mostly wholly owned.

Shanghai retail property sector outlook

Driven by healthy retail sales, robust retail sector growth continued in 4Q 2007. Luxury brands are now looking for larger spaces than before to introduce more product lines. Mini anchors, including multi-brand shops, flagship shops and fast fashion retailers are actively expanding in the market. Lane Crawford department store has announced that it will shift from a traditional department store format to a fashion buyer style format, transforming the traditional department store into a multi-brand store.

As a result of limited land supply in prime retail areas, many existing projects are being redeveloped or upgraded to maximize the use of existing land and existing structures. Rock Bund, a mixed-use project comprising 12 heritage buildings located in the bund area, will begin pre-leasing soon. Average rentals increased by 2.0% quarter-on-quarter, with the largest growth occurring in the Xujiahui area, which has recently received increasing attention from international retailers and even a number of luxury brands. Vacancies reached a historical low, falling to a tight 3.7%.

There will be fewer prime retail projects completed in 2008 than 2007, with total GFA at 265,043 sqm, down 24.2% year-on-year. These projects will include Dragon Gate Mall located in City God Temple area, Tom Lee Building located in Nanjing West Road, Park Place located in the Jing'an Temple area (will be opened in late 2008 or early 2009), Plaza 353 located in Nanjing East Road and so forth.

Source: Jones Lang LaSalle – Asia Pacific Property Digest Fourth Quarter 2007

**Outlook for 2008**

The Manager is confident of achieving the projected distribution of 6.67 cents as stated in the OIS dated 25 January 2008.

**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 : N.A.

11(d) Book closure date : N.A.

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

N.A.

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**13 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 of the manager of CapitaRetail China Trust (the "Manager") which may render the unaudited interim financial results of the Group and Trust (comprising the balance sheets 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 2008, to be false or misleading in any material respect.

On behalf of the Board of the Manager

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  
24 April 2008