



News Release

30 July 2008

For Immediate Release

CRCT's Distribution Per Unit for Second Quarter 2008¹

Exceeds Forecast² by 10.4%³

Portfolio achieves year-on-year⁴ Net Property Income Growth of 34.0%

Singapore, 30 July 2008 – CapitaRetail China Trust Management Limited (“CRCTML” or the “Manager”), the manager of CapitaRetail China Trust (“CRCT”), is pleased to announce a S\$10.5 million distributable income to unitholders of CRCT (“Unitholders”) for Second Quarter 2008¹, which is S\$1.0 million or 10.4% higher than the forecast² distributable income of S\$9.5 million for the same period. Distribution Per Unit in CRCT (“DPU”) for Second Quarter 2008¹ is 1.70 cents (6.87 cents on an annualised basis), which is 10.4% higher than the forecast² DPU of 1.54 cents (6.22 cents on an annualised basis) for the same period.

In relation to the initial public offering of units in CRCT, 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.

¹ For the period from 1 April 2008 to 30 June 2008.

² The forecast is as shown in CRCT Offer Information Statement (“OIS”) dated 25 January 2008.

³ Actual annualised Distribution Per Unit (“DPU”) of 6.87 cents for Second Quarter 2008 vis-à-vis forecast annualised DPU of 6.22 cents for the same period.

⁴ Second Quarter 2008 vis-à-vis Second Quarter 2007.

The distributable income is approximately 92.3% of CRCT's total income available for distribution to Unitholders of S\$11.4 million for Second Quarter 2008¹. CRCT remains committed to distribute 100% of its income available for distribution to Unitholders for the full financial year ending 31 December 2008. Significant asset enhancement works is taking place at Saihan Mall and is scheduled to be progressively completed in Second Half 2008⁵. To be prudent, the Manager has retained S\$0.9 million of its Second Quarter 2008¹ distributable income, so as to help negate the fluctuating income flow in Second Half 2008⁵, thereby providing Unitholders with stable half-yearly distributions⁶ in 2008.

If CRCT were to distribute 100% of its income available for distribution in Second Quarter 2008, the DPU would be 1.84 cents for Second Quarter 2008¹ (7.43 cents on an annualised basis), which would be 19.5% above the forecast².

The Books Closure Date is 10 September 2008 and Unitholders can expect to receive their distribution of 2.72 cents per unit (for the period from 5 February 2008 to 30 June 2008⁷) on 25 September 2008. If it is based on 100% of CRCT's income available for distribution for Second Quarter 2008¹, DPU would be 2.86 cents (for the period from 5 February 2008 to 30 June 2008⁷), which is 9.2%⁸ higher than the DPU for the same period in 2007.

Mr Lim Beng Chee, Chief Executive Officer of CRCTML, said, "We are pleased to continue to outperform our forecast² in Second Quarter 2008¹. Year-on-year⁴ same-store sales continue to grow strongly across the malls, achieving growths between 24.5% and 77.2%⁹. Tenants' confidence in our skillset is also evident in the strong portfolio rental rates achieved for new leases and renewals which registered 28.2%¹⁰ above its forecast² since the start of 2008. Approximately 93.8%¹¹ of our forecast² gross rental revenue for 2008 has also been locked in. Led by our prudent capital management, CRCT's gearing ratio is kept comfortably at 30.0%¹² with interest rates for 73.0%¹² of our debt fixed. We remain confident of meeting our forecast² DPU of 6.67 cents for the full financial year of 2008, barring any unforeseen circumstances."

⁵ For the period from 1 July 2008 to 31 December 2008.

⁶ CRCT's policy is to make distributions to Unitholders on a semi-annual basis for the six-month periods ending 30 June and 31 December of each year.

⁷ In order to ensure fairness to Unitholders in issue on the day immediately prior to 5 February 2008, the day on which new units were issued under the equity fund raising for the acquisition of Xizhimen Mall, the Manager had made a cumulative distribution of 4.04 cents for the period from 1 July 2007 to 4 February 2008 on 25 March 2008.

⁸ DPU of 2.86 cents for the period from 5 February 2008 to 30 June 2008 vis-à-vis DPU of 2.62 cents for the period from 5 February 2007 to 30 June 2007.

⁹ For Wangjing Mall, Qibao Mall and Xinwu Mall.

¹⁰ For Wangjing Mall, Qibao Mall, Xinwu Mall, Xizhimen Mall and Jiulong Mall.

¹¹ Based on all committed leases as of 30 June 2008 and assuming the remaining leases due for renewal in 2008 are not renewed and left vacant.

¹² As of 30 June 2008.

Summary of CRCT Results

	1 Apr 08 – 30 Jun 08		Variance		1H 2008 ¹³
	Actual	Forecast ²	Amount	%	Actual
Gross Revenue (RMB'000)	134,385	134,247	138	0.1	250,681
Net Property Income (RMB'000)	84,407	84,092	315	0.4	157,107
Gross Revenue (S\$'000)	26,364	26,582	(218)	(0.8)	49,275
Net Property Income (S\$'000)	16,559	16,651	(92)	(0.5)	30,880
Distributable Income (S\$'000)	10,542	9,552	990	10.4	19,335
Distribution Per Unit (“DPU”)					
For the period (Singapore cents)	1.70	1.54	0.16	10.4	3.25
Annualised (Singapore cents)	6.87	6.22	0.65	10.4	6.54
Annualised Distribution Yield					
- S\$1.24 per unit (closing as at 30 Jun 2008)	5.54%	5.02%	0.52%	10.4	5.27%
- S\$1.16 per unit (closing as at 29 Jul 2008)	5.92%	5.36%	0.56%	10.4	5.64%

Conservative Debt Capital Management

As of 30 June 2008, CRCT's gearing ratio is 30.0% with an interest cover of 6.9 times. Total borrowings stands at S\$317.2 million, at an average interest rate of 2.5%. The borrowings include a US\$105.0 million (S\$143.6 million¹⁴) loan facility and the Manager is confident of refinancing the loan within the forecast² interest rate when it matures in November 2008.

Gross Revenue and Net Property Income

CRCT's gross revenue for Second Quarter 2008¹ was RMB134.4 million (S\$26.4 million), representing a year-on-year⁴ increase of RMB44.0 million (S\$8.6 million) or 48.6% over Second Quarter 2007¹⁵. This is mainly attributed to revenue contribution from Xizhimen Mall, which was acquired on 5 February 2008. CRCT's Net Property Income (“NPI”) for Second Quarter 2008¹ was RMB84.4 million (S\$16.5 million), representing a year-on-year⁴ increase of RMB21.4 million (S\$4.1 million) or 34.0% over Second Quarter 2007¹⁵. On a comparable portfolio basis¹⁶, CRCT achieved a year-on-year⁴ gross revenue growth of 8.2% over Second Quarter 2007¹⁵, attributed to occupancy growth at Wangjing Mall, Qibao Mall and Xinwu Mall.

¹³ For the period from 1 January 2008 to 30 June 2008.

¹⁴ Based on an exchange rate of US\$1 = S\$1.37.

¹⁵ For the period from 1 April 2007 to 30 June 2007.

¹⁶ Only includes the seven initial properties in the portfolio, i.e. excludes Xizhimen Mall.

Portfolio Update

Committed occupancy at Wangjing Mall reached a high of 99.7% as at end of Second Quarter 2008¹, with its new leases and renewals registering 35.0% above forecast² and same-store sales registering year-on-year⁴ growth of 48.2%. Xizhimen Mall and Qibao Mall also recorded strong quarter-on-quarter¹⁷ growths in committed occupancies to achieve 96.7% and 88.8% respectively. One of the newest committed tenants at Xizhimen Mall is Dazhong Electronics (大中电器) which is owned by China's largest electronics retailer, Gome Home Appliances (国美电器). Gome Home Appliances has also opened at Qibao Mall in June 2008, occupying 3,000 square metres of net lettable area on Level 1 of the mall.

On 2 May 2008, CRCT obtained the legal ownership of Wangjing Mall with the issuance of the legal title to CapitaRetail Beijing Wangjing Real Estate Co., Ltd., a CRCT wholly-owned special purpose company which holds Wangjing Mall. Since its listing on 8 December 2006 ("Listing Date"), CRCT only had contractual rights to Wangjing Mall's rental income as the legal title for the mall was not issued in time by the China real estate administrative authorities before the Listing Date. CRCT had earlier obtained the legal ownership of Jiulong Mall in July 2007. Hence, all outstanding legal ownership matters that CRCT had at Listing Date have been concluded.

Increase in Portfolio Valuation

Independent valuers, Knight Frank Petty Limited and CB Richard Ellis (Pte) Ltd, were commissioned to update the valuation of CRCT portfolio. As of 1 June 2008, CRCT's portfolio valuation is RMB5,535.0 million (S\$1,085.3 million¹⁸), which is an increase of RMB195.0 million (S\$38.2 million¹⁸) or 3.7% from RMB5,340.0 million (S\$1,047.1 million¹⁸) as of 30 September 2007. Consequently, CRCT's adjusted net asset value per unit increased from S\$1.02 as of 30 September 2007 to S\$1.07 as of 30 June 2008.

¹⁷ Second Quarter 2008 vis-à-vis First Quarter 2008.

¹⁸ Based on exchange rate of S\$1 = RMB5.10

About CapitaRetail China Trust (www.capitaretailchina.com)

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

The current portfolio of eight retail mall properties is located in China’s five key cities. The properties are Xizhimen Mall, Wangjing Mall, Jiulong Mall and Anzhen Mall in Beijing, Qibao Mall in Shanghai, Zhengzhou Mall in Zhengzhou, Saihan Mall (formerly known as Jinyu Mall) in Huhehaote and Xinwu Mall in Wuhu. As of 30 June 2008, the total asset size of CRCT is approximately S\$1.2 billion.

All the malls in the portfolio are uniquely positioned as one-stop family-oriented shopping, dining and entertainment destinations for the sizeable population catchment areas in which they are located, and are accessible via major transportation routes or access points. A significant portion of the properties’ tenancies consists of major international and domestic retailers such as Wal-Mart, Carrefour and the Beijing Hualian Group under master leases or long-term leases, which provide Unitholders with stable and sustainable returns. The anchor tenants are complemented by popular specialty brands such as Sport 100, Esprit, Watsons, KFC, Pizza Hut, Colour Jeans etc.

CRCT is managed by an external manager, CRCTML, which is an indirect wholly-owned subsidiary of CapitaLand Limited, the largest listed real estate companies in Southeast Asia.

IMPORTANT NOTICE

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

The value of units in CRCT (“Units”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that holders of Units (“Unitholders”) may only deal in their Units through

trading on Singapore Exchange Securities Trading Limited (the “SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

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