



News Release

29 October 2008

For Immediate Release

CRCT's Third Quarter 2008¹ Distribution Exceeds Forecast² By 10.5%

Portfolio achieved year-on-year³ net property income growth of 54.5%

Refinancing terms secured for US\$105.0 million loan facility

maturing on 21 November 2008

Singapore, 29 October 2008 – CapitaRetail China Trust Management Limited (“CRCTML”), the manager of CapitaRetail China Trust (“CRCT”), is pleased to announce a distributable income of S\$12.4 million to unitholders of CRCT (“Unitholders”) for Third Quarter 2008¹. This is an increase of S\$1.2 million or 10.5% over the forecast² distributable income of S\$11.3 million for Third Quarter 2008¹. Distribution Per Unit in CRCT (“DPU”) for Third Quarter 2008¹ is 2.01 cents (8.01 cents on an annualised basis), which is 10.5% higher than the forecast² DPU of 1.82 cents (7.25 cents on an annualised basis) for the same period.

The distributable income of S\$12.4 million is approximately 96.9% of CRCT’s total income available for distribution to Unitholders of S\$12.8 million for the Third Quarter 2008¹. If CRCT were to distribute 100.0% of its income available for distribution in Third Quarter 2008¹, the DPU would be 2.08 cents for Third Quarter 2008¹ (8.27 cents on an annualised basis), which would be 14.1% above the forecast². CRCT remains committed to distribute 100.0% of its income available for distribution to Unitholders for the full financial year ending 31 December 2008.

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 July 2008 to 30 September 2008

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

³ Third Quarter 2008 vis-à-vis Third Quarter 2007

Mr Wee Hui Kan, Chief Executive Officer of CRCTML, said, “We are pleased to have outperformed our forecast² in Third Quarter 2008¹. Year-on-year³, the portfolio has registered robust growth with gross revenue and net property income increasing 48.3% and 54.2% respectively. Under the current volatile market conditions, the management will focus on driving organic growth through pro-actively managing our portfolio of assets and prudent cost management. We will also continue to manage our debt conservatively and are pleased to have secured comfortable refinancing terms for the US\$105.0 million loan facility maturing in late November 2008.”

Asset enhancement works at Saihan Mall are taking place in phases. To be prudent, the Manager has retained S\$0.4 million of its Third Quarter 2008¹ distributable income, so as to help negate any fluctuating income flow in Fourth Quarter 2008⁴, thereby providing Unitholders with stable distributions. Including the retention of S\$0.9 million of its Second Quarter 2008⁵ distributable income, CRCT has retained S\$1.3 million of its year-to-date⁶ distributable income. CRCT remains committed to distribute 100.0% of its income available for distribution to Unitholders for the full financial year ending 31 December 2008.

Debt Capital Management

As at 30 September 2008, CRCT’s gearing is 31.0% and has an interest cover of 8.0 times. Total borrowings stands at S\$344.2 million. The borrowings include a US\$105.0 million loan facility which matures on 21 November 2008. CRCTML has secured the refinancing terms with the current bank based on an interest rate which is within the forecast². The next major term refinancing is not due until 2010.

⁴ For the period from 1 October 2008 to 31 December 2008

⁵ For the period from 1 April 2008 to 30 June 2008

⁶ For the period from 1 January 2008 to 30 September 2008

Summary of CRCT Results (1 July 2008 to 30 September 2008)

	1 Jul 08 – 30 Sep 08		Variance		YTD 2008 ⁷
	Actual	Forecast ²	Amount	%	Actual
Gross Revenue (RMB'000)	140,336	147,141	(6,805)	(4.6)	391,017
Net Property Income (RMB'000)	89,999	91,806	(1,807)	(2.0)	247,106
Gross Revenue (S\$'000)	28,300	29,134	(834)	(2.9)	77,575
Net Property Income (S\$'000)	18,143	18,178	(35)	(0.2)	49,023
Distributable Income (S\$'000)	12,445	11,259	1,186	10.5	31,780
Distribution Per Unit (“DPU”)					
For the period (Singapore cents)	2.01	1.82	0.19	10.5	5.26
Annualised (Singapore cents)	8.01	7.25	0.76	10.5	7.02
Annualised Distribution Yield					
- S\$0.72 per unit (closing as at 30 Sep 2008)	11.13%	10.07%	1.06%	10.5	9.75%
- S\$0.51 per unit (closing as at 28 Oct 2008)	15.71%	14.22%	1.49%	10.5	13.76%

Gross Revenue and Net Property Income (“NPI”)

CRCT's gross revenue for Third Quarter 2008¹ was RMB140.3 million (S\$28.3 million) representing a year-on-year³ increase of RMB45.7 million (S\$9.3 million) or 48.8% over Third Quarter 2007⁸. This is mainly attributed to revenue contribution from Xizhimen Mall, which was acquired on 5 February 2008, as well as occupancy growth at Wangjing Mall, Qibao Mall and Xinwu Mall. On a comparable portfolio basis, CRCT's gross revenue for Third Quarter 2008¹ was RMB101.7 million (S\$20.5 million), representing a year-on-year³ increase of RMB7.1 million (S\$1.5 million) or 7.5% over Third Quarter 2007⁸.

CRCT's NPI for Third Quarter 2008¹ was RMB90.0 million (S\$18.1 million), representing a year-on-year³ increase of RMB31.6 million (S\$6.4 million) or 54.5% over Third Quarter 2007⁸. On a comparable portfolio basis, CRCT's NPI for Third Quarter 2008¹ was RMB64.5 million (S\$13.0 million), representing a year-on-year³ increase of RMB 6.1 million (S\$1.3 million) or 10.4% over Third Quarter 2007⁸.

⁷ For the period from 1 January 2008 to 30 September 2008

⁸ For the period from 1 July 2007 to 30 September 2007

Portfolio Update

CRCT's portfolio registered a strong committed occupancy rate of 97.8% in Third Quarter 2008¹. Wangjing Mall registered 100.0% committed occupancy whilst Qibao Mall's committed occupancy rate grew from 88.8% to 92.0% in Third Quarter 2008¹. As at 30 September 2008, the average portfolio rental rates achieved for new leases and renewals registered 16.9%⁹ above forecast².

Redevelopment works at Saihan Mall are underway in phases. Phase 1, with 84.0% of the proposed work completed, was officially opened for business on 12 September 2008 with a high committed occupancy rate of 99.5%. New tenants at the mall include KFC, Shiseido, Vero Moda, Pretty Valley (汇美舍), Bai Li and Yishinoya. The relocated Beijing Hualian Supermarket is also trading well with a revamped look and improved layout. The opening of Saihan Mall, previously master-leased to the Beijing Hualian Group, marks the first one-stop modern shopping destination in the city of Huhehaote.

Proposed Acquisition of Phase 2 of Xizhimen Mall, Beijing

On 29 September 2008, CRCTML announced that CRCT has entered into a conditional sale and purchase agreement with Beijing Finance Street Construction Development Co. Ltd, to acquire Xizhimen Mall Basement 1 Extension ("Phase 2"), which will add 9,217 Square Metres ("sqm") of Gross Rentable Area ("GRA") to the current Xizhimen Mall, bringing Xizhimen Mall's total GRA post-acquisition to 83,074 sqm. The agreed total acquisition consideration is approximately RMB195.0 million (S\$39.0 million), which translates into an estimated NPI yield of 9.1%, assuming 100.0% committed occupancy and current average rental rates commanded at the basement level of Xizhimen Mall. The proposed acquisition, which is intended to be fully funded through external debt and internal cash reserves, is expected to be completed by First Quarter 2009¹⁰.

⁹ For Wangjing Mall, Jiulong Mall, Qibao Mall, Xinwu Mall and Xizhimen Mall

¹⁰ For the period 1 January 2009 to 31 March 2009

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 at 30 September 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.

Issued by CapitaRetail China Trust Management Limited

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