



News Release

21 January 2009

For Immediate Release

CapitaRetail China Trust's 2008 DPU Increases by 12.1% from 2007

85.5% of 2008 gross rental income committed and locked in for 2009

No major debt refinancing until 2010

Singapore, 21 January 2009 – CapitaRetail China Trust Management Limited (CRCTML), the manager of CapitaRetail China Trust (CRCT), is pleased to announce a distribution per unit (DPU) of 7.53 cents for the financial year ended 31 December 2008 (FY 2008), an increase of 12.1% from that of FY 2007.

Unitholders can expect to receive a distribution of 4.28 cents per unit for the six-month period from 1 July 2008 to 31 December 2008 on 25 March 2009. The books closure date is 10 March 2009.

Summary of CRCT's Results

	4Q 2008			FY 2008 vs FY 2007		
	Actual	Forecast ¹	Var. (%)	FY 2008	FY 2007	Var. (%)
Gross Revenue (RMB'000)	146,551	149,876	(2.2)	537,568	362,897	48.1
Net Property Income (RMB'000)	95,735	95,243	0.5	342,841	234,912	45.9
Gross Revenue (S\$'000)	31,349	29,675	5.6	108,924	71,855	51.6
Net Property Income (S\$'000)	20,443	18,859	8.4	69,466	46,514	49.3
Distributable Income (S\$'000)	14,082	11,449	23.0	45,862	31,988	43.4
Distribution Per Unit (DPU)						
For the period (Singapore cents)	2.27	1.85	23.0	7.53	6.72	12.1
Annualised (Singapore cents)	9.03	7.36	23.0	7.53	6.72	12.1
Annualised Distribution Yield						
- S\$0.60 per unit (closing as at 31 Dec 08)	15.1%	12.3%	23.0	12.6%	11.2%	12.1
- S\$0.625 per unit (closing as at 20 Jan 09)	14.4%	11.7%	23.0	12.1%	10.8%	12.1

¹ As stated in CRCT Offer Information Statement (OIS) to unitholders dated 25 January 2008.

Distributable income for FY 2008 grew 43.4% from FY 2007 to reach S\$45.9 million. For the financial period from 1 October 2008 to 31 December 2008 (4Q 2008), distributable income is S\$14.1 million, which includes the S\$1.3 million distributable income retained in 2Q 2008 and 3Q 2008.

The strong growth in FY 2008 distributable income is largely attributed to the acquisition of Xizhimen Mall in February 2008, as well as occupancy and rental growth at the rest of the malls. New leases and renewals in FY 2008 were committed at rents 21.8% above the Manager's forecast¹. As at 31 December 2008, 85.5% of the gross rental income for FY 2008 has been committed and locked in for 2009.

Mr Victor Liew, Chairman of CRCTML, said, "China is not spared from the global economic downturn. The World Bank has projected China's economy to grow at 7.5% in 2009, its slowest pace of growth in the last decade. The large proportion of mass-market retailers selling basic necessities at our malls will provide some resilience for our portfolio. Nonetheless, we are conscious of the uncertain times and that we may not be immune to possible slowdowns in consumer spending. However, we remain optimistic of the long-term growth potential of China's retail market and are committed to stay on course."

Mr Wee Hui Kan, Chief Executive Officer of CRCTML, added, "Efforts that preserve stability and sustainability will be the focus of our business in 2009. We will seek to maintain occupancy levels at our malls and work closely with tenants to drive shopper traffic and sales, and fine-tune our tenancy-mix in keeping with shoppers' demand for value purchases. Though we do not have any major debt refinancing until 2010, we will continue with a conservative capital management. Backed by a portfolio of quality assets, we are confident of steering CRCT through this unprecedented global economic crisis to preserve a stable and sustainable distribution to unitholders."

Capital Management

As at 31 December 2008, CRCT's gearing was 32.8% with an interest cover of 6.9 times. Total borrowings stood at S\$414.7 million. The US\$105.0 million loan facility which matured on 21 November 2008 was refinanced in Singapore dollars at a favourable interest rate within the Manager's forecast¹. The next major debt refinancing for CRCT is not due until 2010.

Update of Saihan Mall

The first phase of asset enhancement works on Levels 1 to 3 of Saihan Mall was completed and the retail floors were re-opened for business in September 2008. Phase 2 of the enhancement works is currently in progress on Level 4 and the Manager targets to complete it by the end of 2009. To address the unfamiliarity of the revamped mall amongst the residents of Huhehaote, Inner Mongolia, the Manager is actively organising events and activities to drive tenants' sales and non-rental income.

Update of the acquisition of Xizhimen Mall Phase 2

In September 2008, CRCT exercised its right to acquire Xizhimen Mall Phase 2, i.e. the mall's Basement 1 extension which connects Xizhimen Mall to the adjacent subway and railway stations. The acquisition is in progress and we expect to conclude it by the end of March 2009. 55.9% of gross rentable area at the extension has been committed, and we target to progressively open the extension by the end of 2009.

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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, Henan, Saihan Mall in Huhehaote, Inner Mongolia, and Xinwu Mall in Wuhu, Anhui. As at 31 December 2008, the total asset size of CRCT is approximately RMB5,995 million.

All the malls in the portfolio are 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, one of the largest listed real estate companies in Asia.

Issued by CapitaRetail China Trust Management Limited

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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.