



News Release

19 April 2007

For Immediate Release

CRCT's First Quarter 2007 Income Available for Distribution Exceeds Forecast¹ by 9.5%²

Pro-active asset management drives occupancy rates and shopper traffic across the portfolio

Singapore, 19 April 2007 – CapitaRetail China Trust Management Limited (“CRCTML”), the manager of CapitaRetail China Trust (“CRCT”), is pleased to announce a S\$7.17 million income available for distribution to unitholders of CRCT (“Unitholders”) for the period from 1 January 2007 to 31 March 2007 (“First Quarter 2007”). This is S\$0.63 million or 9.5% higher than the forecast¹ income available for distribution of S\$6.54 million for First Quarter 2007.

Available Distribution Per Unit in CRCT (“DPU”) for First Quarter 2007 is 1.51 cents (6.11 cents on an annualised basis), which is 9.5% higher than the forecast¹ available DPU for First Quarter 2007 of 1.38 cents (5.58 cents on an annualised basis)³.

CRCT's gross revenue of S\$17.1 million for First Quarter 2007 was S\$1.2 million or 6.4% lower than the forecast¹ gross revenue for the same period. Net property income was S\$1.05 million or 8.9% lower than the forecast¹. However, income available for distribution for First Quarter 2007 exceeded forecast¹ by 9.5%, mainly due to net interest savings.

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 Based on the forecast shown in CRCT Prospectus dated 29 November 2006 (“the Prospectus”)

² Actual annualised Distribution per Unit for the period from 1 January 2007 to 31 March 2007 versus the forecast annualized Distribution per Unit for the same period

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 CRCTML on or before 30 September 2007

The lower than forecast¹ gross revenue and net property income are mainly attributable to tenants at Wangjing Mall and Qibao Mall taking longer than expected time to obtain approvals from relevant local authorities, as well as some pre-termination of leases at Xinwu Mall. Tenants' turnover and changes to tenancy mix are part and parcel of the active asset management process. Despite these slight disruptions, the portfolio occupancy rate registered an increase of 3.2% from 89.9% (as at 31 August 2006) to 93.1% (as at 15 April 2007), with all malls in the portfolio showing an improvement over the same period⁴. Separately, rental from new leases at Wangjing Mall, Qibao Mall and Xinwu Mall outperformed forecast rental rates by 11.8%⁵.

Summary of CRCT Results

(1 January 2007 to 31 March 2007)

	Actual	Forecast ¹	Variance	
			Amount	%
Gross Revenue (S\$'000)	17,065	18,231	(1,166)	(6.4)
Net Property Income (S\$'000)	10,689	11,737	(1,048)	(8.9)
Income Available for Distribution ³	7,165	6,540	625	9.5
Available Distribution Per Unit				
For the period	1.51¢	1.38¢	0.13¢	9.5
Annualised	6.11¢	5.58¢	0.53¢	9.5
Distribution Yield				
- S\$3.12 per unit (closing as at 30 March 2007)	1.96%	1.79%	0.17%	9.5
- S\$3.04 per unit (closing as at 18 April 2007)	2.01%	1.84%	0.17%	9.5

Mr Hsuan Owyang, Chairman of CRCTML, said, "Since listing in December 2006, CRCT's unit price has appreciated by a remarkable 176.1%⁶ from its initial offering price of S\$1.13 per Unit. This compares favourably with other broader indices like the Straits Times Index and the Singapore Property Equities Index, which have risen 11.4% and 29.3% respectively. The strong share price performance is attributable to investors' confidence in our long-term strategy which is well-supported by our proprietary pipeline of assets and proven on-ground delivery capabilities. We are confident of delivering the 2007 forecast¹ distribution of 6.13 cents per unit, barring any unforeseen circumstances."

⁴ Excluding the malls which are 100% master-leased, and Jiulong Mall which have only six retail tenants

⁵ Based on the period from the Listing Date to 31 March 2007, and CRCT's 51% ownership interest in Xinwu Mall

⁶ Based on CRCT closing unit price of S\$3.12 on 30 March 2007

Mr Lim Beng Chee, CEO of CRCTML, said, "CRCT has outperformed its First Quarter 2007 forecast income available for distribution as a result of our pro-active asset and cost management strategy, which has helped to cushion the delays in revenue streams from some tenants in our newly opened malls. By actively adapting and leveraging on our integrated retail business platform, we have been successful in breaking new grounds through introducing new retail concepts to the local population, which include the opening of the first air-conditioned food court comprising the best local food at Xinwu Mall, and in driving shopper traffic growth by as much as 84%⁷ at some of our malls. Going forward, we will continue to drive occupancy rates and performance at our malls, identify and create new value through innovative asset enhancement initiatives and actively pursue yield-accretive acquisitions to grow our asset size to S\$3 billion by 2009."

Update on Xinwu Mall

A food court and KTV located on Level 4 of Xinwu Mall commenced business in First Quarter 2007, ahead of their scheduled opening in July 2007. The food court, operated by the mall's management team, is one of the first air-conditioned food courts in Wuhu and houses the best local fares under one roof in a comfortable setting. Next to the food court, Tango KTV, a popular local KTV chain which has 88 KTV rooms equipped with the latest song selection and audio visual equipments, has also been a huge draw with the residents in Wuhu.

The opening of the food court and KTV has not only increased Xinwu Mall's average daily traffic count by 52%, but also further reinforced the mall's positioning as a one-stop shopping, dining and entertainment destination in Wuhu.

Update on Qibao Mall

Qibao Mall's shopper traffic grew 84% between August 2006 and March 2007 and occupancy rate increased 12% between 31 August 2006 and 15 April 2007. These are largely attributable to the successful implementation of phase one asset enhancement works.

The second and final phase of the planned asset enhancement initiative is now in progress. A huge canopy will be constructed at the open plaza in front of the mall to create a sheltered area which can hold or be leased out for events and activities. The existing bus-bay and drop-off point will also be relocated and integrated with the sheltered plaza to provide added convenience to shoppers. Other minor asset enhancement works at Qibao Mall include the

⁷ Traffic count at Qibao Mall improved by 83.9% between August 2006 and March 2007

installation of a car park barrier and a car park charges collection system, the addition of more light boxes and advertising panels on the façade and within the mall to drive non-rental income, and some minor structural, mechanical and engineering works to support the increase in food and beverage tenants at the mall. All works are expected to be completed by May 2007.

The final phase of this asset enhancement initiative is expected to yield an annual incremental revenue and net property income of approximately RMB 5.5 million (S\$1.14 million)⁸ and RMB 5.0 million (S\$1.04 million)⁸ respectively. Based on an estimated capital expenditure of RMB 50.0 million (S\$10.4 million)⁸, the ungeared return on investment is expected to be 10.0%.

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 China, Hong Kong and Macau.

The current portfolio of seven retail mall properties, valued at approximately S\$690 million, is located in 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 Xinwu Mall in Wuhu. The properties 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.

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.

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.

⁸ S\$1 = RMB 4.80

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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