CAPITAMALL TRUST

(UNAUDITED) 2002 FULL YEAR FINANCIAL STATEMENT AND DISTRIBUTION ANNOUNCEMENT

Financial statements for the period from 29 October 2001 to 31 December 2002.

CapitaMall Trust (CMT) was established under a Trust Deed dated 29 October 2001 between the Manager, CapitaMall Trust Management Limited, and Bermuda Trust (Singapore) Limited as Trustee, and supplemented by a first supplemental trust deed dated 26 December 2001 and a second supplemental trust deed dated 28 June 2002. CMT's first financial period is from the date of inception ie. 29 October 2001 to 31 December 2002.

Although CMT was established on 29 October 2001, the acquisition of the properties was completed on 28 December 2001 and hence the actual income derived from the properties was effectively from **29 December 2001** onwards.

CMT was originally held privately under a private trust until 15 July 2002 and was subsequently listed on the Singapore Stock Exchange with the successful listing of the CMT units.

It was agreed and provided in the offering circular dated 28 June 2002 that the private trust unitholders would be entitled to the income derived from the properties up to 15 July 2002. Hence the income from 16 July 2002 will accrue to the public trust unitholders.

No comparative figures have been presented as this is the first set of financial statements prepared by the Trust since its inception. Where appropriate, comparison will be made against the pro-forma figures stated in the offering circular dated 28 June 2002.

CAPITAMALL TRUST
(UNAUDITED) 2002 FULL YEAR FINANCIAL STATEMENT & DISTRIBUTION ANNOUNCEMENT

1(a) Income statement

		S$'000		%
		Actual 29/10/01 to 31/12/02 (1)	Pro-forma 1/1/01 to 31/12/01 (2)	Increase / (Decrease)
A	Total gross revenue	88,390	80,741	9.5
B	Property operating expenses	(24,014)(3)	(23,317)	3.0
C	Net property income	64,376	57,424	12.1
D	Other income including interest income	66	529	(87.5)
E	Administrative expenses	(6,098)	(4,198)	45.3
F	Operating profit before income tax and interest on borrowings	58,344	53,755	8.5
G	Interest on borrowings	(6,887)	(7,705)	(10.6)
H	Operating profit before income tax but after interest on borrowings	51,457	46,050	11.7
I	Less income tax (4)	(6,236)		
J	Operating profit after tax	45,221		

Footnotes :

(1) Although CMT was incepted on 29 October 2001, the acquisition of the assets was completed on 28 December 2001 and hence the income is related to the period of 29 December 2001 to 31 December 2002, approximately 1 year.

(2) This is the first financial period of CMT and the comparative figures for 2001 are extracted from the pro-forma profit & loss account which was stated in the offering circular dated 28 June 2002 and no adjustments is made for the actual 3 days (being the actual net income after tax of S$308,000 for 29 December 2001 to 31 December 2001).

(3) The property operating expenses include provision for doubtful debts of S$53,000 and depreciation of S$1,000.

(4) Income tax expense is for the period of 29 October 01 to 15 July 02 when CMT was held privately. Upon listing of CMT, tax transparency applies and CMT is not directly assessed to tax on its income. Accordingly, distributions are paid gross with no tax deducted at source to qualifying tax residents. The pro-forma profit and loss account was prepared on the same basis that tax transparency applies.

CMT was originally held privately under private trust until 15 July 2002 and subsequently converted to a listed property trust upon the successful listing. The following sets out the income attributable to the private trust (pre-listing) and public trust (post-listing) periods.

		S$'000		
		Total 29/10/01 to 31/12/02	Private trust 29/10/01 to 15/7/02	Public trust 16/7/02 to 31/12/02
A	Total gross revenue	88,390	47,142	41,248
B	Property operating expenses	(24,014)	(13,015)	(10,999)
C	Net property income	64,376	34,127	30,249
D	Other income including interest income	66	6	60
E	Administrative expenses	(6,098)	(3,527)	(2,571)
F	Operating profit before income tax and interest on borrowings	58,344	30,606	27,738
G	Interest on borrowings	(6,887)	(3,581)	(3,306)
H	Operating profit before income tax but after interest on borrowings	51,457	27,025	24,432
I	Less income tax	(6,236)	(6,236)	-
J	Operating profit after tax	45,221	20,789	24,432

1(a)(i) Distribution statement

		S$'000		
		Total 29/10/01 to 31/12/02	Private trust 29/10/01 to 15/7/02	Public trust 16/7/02 to 31/12/02
K	Operating profit after tax	45,221	20,789	24,432
L	Net effect of non tax-deductible/(chargeable) items	538	- (1)	538
M	Taxable income available for distribution to unitholders	45,759	20,789	24,970 (2)
N	Distribution to unitholders	(20,776)	(20,776)	-
O	Distributable income	24,983	13	24,970

Footnote :

(1) Not applicable for period under private trust.

(2) As a pre-requisite for obtaining the tax transparency treatment, CMT is required to make distribution to its unitholders based on its taxable income for the public trust period.

	Total 29/10/01 to 31/12/02	Private trust 29/10/01 to 15/7/02	Public trust 16/7/02 to 31/12/02
Operating profit [(J) above] as a % of total gross revenue [(A) above]	51.2%	44.1%	59.2%
Operating profit [(J) above] as a % of unitholders' equity at end of the period	5.9%	2.9%	3.2%

1(b)(i) Balance Sheet as at

	S$'000		%
	Actual	Pro-forma	
	31 Dec 2002	31 Dec 2001 (1)	Increase/ (Decrease)
Non-current assets			
Plant and equipment	80	-	Nm
Investment properties	935,000 (2)	916,416	2.0
	935,080	916,416	2.0
Current assets			
Trade & other receivables	2,173 (3)	2,837	(23.4)
Cash & cash equivalents	52,969	50,135	5.7
Total current assets	55,142	52,972	4.1
Less current liabilities			
Trade & other payables	19,183	42,528	(54.9)
Provision for taxation	367	-	Nm
Total current liabilities	19,550	42,528	(54.0)
Net current assets	35,592	10,444	240.8
Less non-current liabilities			
Long term borrowings	200,000	200,000	-
Other non-current liabilities	9,452	8,755	8.0
	209,452	208,755	0.3
Net Assets	761,220	718,105	6.0
Unitholders' funds	761,220	718,105	6.0

Footnote :

(1) This is the first financial period of CMT and the comparative figures for 2001 are extracted from the pro-forma balance sheet which was stated in the offering circular dated 28 June 2002.

(2) The increase in value is due to the higher valuation at year-end revaluation.

(3) This includes a provision for doubtful debts of S$53,000.

1(b)(ii) Aggregate amount of borrowings and debt securities

	As at 31/12/02	As at 31/12/01 (1)
	Actual	Pro-forma
	S$'000	S$'000
Secured borrowings		
Amount repayable in one year or less, or on demand	-	-
Amount repayable after one year	200,000	200,000
	200,000	200,000

Footnote :

(1) This is the first financial period of CMT and the comparative figures for 2001 are extracted from the pro-forma balance sheet which was stated in the offering circular dated 28 June 2002.

Details of any collateral

As security for the borrowings, CMT has granted in favour of the lender the following:

(i) a mortgage over each of the properties

(ii) an assignment and charge of the rental proceeds and tenancy agreements of units in the properties

(iii) an assignment of the insurance policies relating to the properties

(iv) an assignment of the agreements relating to the management of the properties

(v) a charge creating a fixed and floating charge over certain assets of CMT relating to the properties

1(c) Cash flow statement for period of 29 October 2001 to 31 December 2002

	S$'000
Operating activities	
Operating income before tax	51,457
Adjustments for interest income, interest expense, depreciation and fund management fee paid in units	7,405
Changes in working capital	23,540
Tax paid	(5,869)
Cash generated from operating activities	76,533
Investing activities	
Interest received	59
Purchase of investment properties, acquisition charges and subsequent expenditure	(918,083)
Cash flows from investing activities	(918,024)
Financing activities	
Proceeds from borrowings	200,000
Proceeds from issue of units (net of expenses)	722,002
Distribution to unitholders of private trust	(20,776)
Interest paid	(6,766)
Cash flows from financing activities	894,460
Cash and cash equivalents at end of period	52,969

Footnote : There is no comparative prior period figures as this is the first financial period of CMT.

1(d) Statement of changes in unitholders' funds

	S$'000		
	Total 29/10/01 to 31/12/02	Private trust 29/10/01 to 15/7/02	Public trust 16/7/02 to 31/12/02
Operations			
Net income after tax	45,221	20,789	24,432
Net appreciation on revaluation of investment properties	15,933	-	15,933
	61,154	20,789	40,365
Unitholders' transactions			
Creation of units			
- contributions prior to IPO	720,000	720,000	-
- contribution on IPO	17,280	-	17,280
- management fee paid in units	583	-	583
Establishment & IPO expenses	(17,021)	(3,891)	(13,130)
Distribution to unitholders	(20,776)	(20,776)	-
	700,066	695,333	4,733
Increase in net assets during the period		**716,122**	**45,098**
Unitholders' funds as at end of period	**761,220**		

Footnote : There is no comparative prior period figures as this is the first financial period.

1(d)(ii) Details of any changes in the units

Date	Units issued	Purpose
28 November 2001	89,500,000	Consideration for the acquisition of properties
28 December 2001	630,500,000	Consideration for the acquisition of properties
16 July 2002	18,000,000	To pay for the offering expenses of the IPO
30 October 2002	560,948	As payment of Fund Management Fee
Total	738,560,948	

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.

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 same accounting policies and methods of computation are followed in the financial statements as compared with those stated in the offering circular dated 28 June 2002.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Nil

6 Earnings per unit and distribution per unit for the financial period

	Total[(1)] 29/10/01 to 31/12/02	Private trust[(2)] 29/10/01 to 15/7/02	Public trust[(3)] 16/7/02 to 31/12/02
Earnings per unit ("EPU") for the period based on (J) above:			
Based on the weighted average number of units in issue	6.21¢	2.89¢	3.31¢
Distribution per unit ("DPU") for the period based on (M) above:			
Based on the weighted average number of units in issue	6.28¢	2.89¢	3.38¢

Footnotes:

(1) *For the total period, the weighted number of units in issue is 728 million.*
(2) *For the period under the private trust, the weighted number of units in issue is 720 million.*
(3) *For the period under the public trust, the weighted number of units in issue is 738 million.*
(4) *There is no comparative prior period figures as this is the first financial period of CMT.*
(5) *Diluted earnings per unit is the same as the basic earnings per unit as there are no dilutive instruments in issue during the period.*
(6) *Diluted distribution per unit is the same as the basic distribution per unit as there are no dilutive instruments in issue during the period.*

7 **Net tangible assets backing per unit based on issued units at the end of the period**

	31/12/02
NTA per unit	$1.03

Footnote : There is no comparative prior period figures as this is the first financial period of CMT.

NTA per unit, upon listing (16 July 2002) was forecasted in the offering circular dated 28 June 2002 to be 97.3¢ . The increase to $1.03 (as of 31 December 2002) is due to the income generated from the operations which will be distributed in February 2003 and the increase in the property valuations.

8 **Review of the performance**

To see para 9 below on the review of performance against the forecast in the offering circular dated 28 June 2002.

9 **Variance between the forecast or prospect statement (if disclosed previously) and the actual results**

	S$'000		%
	Actual	Forecast (1)	Increase/ (Decrease)
(i) Income statement			
Total gross revenue	88,390	85,777	3.0
Property operating expenses	(24,014)	(24,598)	(2.4)
Net property income	64,376	61,179	5.2
Other income	66	308	(78.6)
Administrative expenses	(6,098)	(6,036)	1.0
Interest expense	(6,887)	(6,946)	(0.9)
Operating profit before tax	51,457	48,505	6.1

Footnotes:

(1) The forecast is extracted from the offering circular dated 28 June 2002 and no adjustments is made for the actual 3 days (being the actual net income after tax of S$308,000 for 29 December 2001 to 31 December 2001).

	S$'000		%
	Actual	Forecast [1]	Increase/ (Decrease)
(ii) Distribution statement			
Operating profit before tax	51,457	48,505	6.1
Net effect of non tax-deductible/(chargeable) items	538	1,238	(56.5)
Taxable income available for distribution to unitholders	51,995	49,743	4.5
Less distribution to private trust unitholders	(27,025) [2]	(26,705)	1.2
Distributable income to public trust unitholders	24,970	23,038	8.4
Distributable income per unit	3.38¢	3.12¢	8.4
Annualised distribution yield (based on IPO price of $0.96 per unit)	7.66%	7.06%	8.4

Footnotes:

(1) The forecast is extracted from the offering circular dated 28 June 2002 and no adjustments is made for the actual 3 days (being the actual net income after tax of S$308,000 for 29 December 2001 to 31 December 2001).

(2) *Income tax paid/payable of S$6,236,000 is included as part of the distribution to the private trust unitholders. Actual distribution made to the private trust unitholders is S$20,776,000. The remaining figure of S$13,000 is retained for working capital purposes. As disclosed in the offering circular, it was agreed with the private trust unitholders that the distribution amount paid would constitute full and final settlement of their respective distribution entitlements.*

	S$'000		%
	Actual	Forecast [1]	Increase/ (Decrease)
(iii) Breakdown of total gross revenue			
Tampines Mall	41,391	40,300	2.7
Junction 8	26,927	25,934	3.8
Funan The IT Mall	20,072	19,543	2.7
Total gross revenue	88,390	85,777	3.1
(iv) Breakdown of net property income			
Tampines Mall	31,509	30,206	4.3
Junction 8	19,866	18,601	6.8
Funan The IT Mall	13,001	12,372	5.1
Total net property income	64,376	61,179	5.2

	S$'000		%
	Actual	Forecast [(1)]	Increase/ (Decrease)
(v) Breakdown of property operating expenses			
Property tax	4,097	5,478	(25.2)
Property management fee	3,434	3,247	5.8
Other property operating expenses	16,483	15,873	3.8
Total property operating expenses	24,014	24,598	(2.4)
(vi) Breakdown of administrative expenses			
Fund management fee	4,955	4,750	4.3
Trustee fee	295	287	2.8
Other trust expenses	848	999	(15.1)
Total administrative expenses	6,098	6,036	1.0

Footnotes:

(1) The forecast is extracted from the offering circular dated 28 June 2002 and no adjustment is made for the actual 3 days (being the actual net income after tax of S$308,000 for 29 December 2001 to 31 December 2001).

Review of performance

Actual gross revenue for the year was S$88.4 million, an increase of S$2.6 million from the forecast stated in the offering circular dated 28 June 2002. The higher revenue was mainly due to higher rental growth which had been experienced by all properties on new and renewal leases and the lower vacancy periods versus forecast. Additional income was derived from higher gross turnover rental in addition to base rental for new leases signed. Also, as a result of the various income-generating initiatives undertaken, additional income was derived from more casual leasing eg. temporary kiosks, kiddy rides, advertising, signage licence fees, lightboxes etc.

The property operating expenses had decreased by $0.6 million from the forecast in the offering circular due to the lower property tax paid, as a result of the tax rebates but offset by the higher operating expenses. The higher operating expenses was due to the additional improvement works and activities implemented within the year to create more shopper traffic which will drive higher turnover as well as creating a better environment for the tenants and shoppers. Examples are additional advertising and promotion activities at the centres, car park improvement works which includes painting, new system etc. In terms of the regular maintenance expenses, it was lower due to better cost control through securing more competitive contracts and bulk purchasing.

The administrative expenses was marginally higher due to the higher fund management fee and trustee fee paid/payable as a result of the higher revenue generated and higher market valuations of the properties. Interest expense was marginally lower due to the lower interest rates achieved versus the forecast. Correspondingly, the interest income (disclosed as other income) was lower due to the lower fixed deposit rate achieved.

10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

In general, retail sales remain relatively flat in Singapore amidst the weak local economic conditions. Competitive centres such as newly opened Compass Point, HDB Headquarters in Toa Payoh Central and the refurbished Parkway Parade may pose some competition to CMT's secondary trade areas. However, outstanding leases for 2002 in the 3 properties in CMT have mostly been renewed or leased. Hence, we do not expect the performance of CMT to be affected in the next reporting period ending 31 December 2003, barring any unforeseen circumstances.

Outlook for 2003

Given the actual performance for 2002, the manager of CMT expects the 2003 performance to meet the forecast stated in the offering circular, barring any unforeseen circumstances.

11 Distributions

(a) **Current financial period**

Private trust

Distributions of $20,776,000 (after tax) had been made to the private unitholders for the income accruing from 29 October 01 to 15 July 02 before the listing of CMT. As disclosed in the offering circular, it was agreed with the private unitholders that the distribution amount paid would constitute full and final settlement of their respective distribution entitlements.

Public trust

Name of distribution	2002 Distribution
Distribution type	Income
Distribution rate	3.38 cents per unit
Par value of units	Nm
Tax rate	Qualifying investors will receive pre-tax distributions and pay tax on the distributions at their own marginal rate subsequently. Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt. All other investors will receive their distributions after deduction of tax at the rate of 22%.

(b) **Corresponding period of the immediately preceding year**

Nil

(c) Date payable

The distribution will be paid on 21 February 2003.

(d) Books closure date

Registrable Transfers received by the company up to 5.00pm on 24 January 2003 will be registered before entitlements to the distributions are determined.

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

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13 Segmental Results

	S$'000		%
	Actual 29/10/01 to 31/12/02 (1)	Pro-forma 1/1/01 to 31/12/01 (2)	Increase/ (Decrease)
Total gross revenue			
Tampines Mall	41,391	35,362	17.1
Junction 8	26,927	25,905	4.0
Funan The IT Mall	20,072	19,474	3.1
Total gross revenue	88,390	80,741	9.5
Net property income			
Tampines Mall	31,509	25,368	24.2
Junction 8	19,866	19,090	4.1
Funan The IT Mall	13,001	12,967	0.3
Total net property income	64,376	57,425	12.1

Footnotes :

(1) Although CMT was incepted on 29 October 2001, the acquisition of the assets was completed on 28 December 2001 and hence the income is related to the period of 29 December 2001 to 31 December 2002.

(2) This is the first financial period of CMT and the comparative numbers for 2001 are extracted from the offering circular dated 28 June 2002.

	S$'000		
	Total	Private trust	Public trust
	29/10/01 to 31/12/02	29/10/01 to 15/7/02	16/7/02 to 31/12/02
Total gross revenue			
Tampines Mall	41,391	21,750	19,641
Junction 8	26,927	14,653	12,274
Funan The IT Mall	20,072	10,739	9,333
Total gross revenue	88,390	47,142	41,248
Net property income			
Tampines Mall	31,509	16,667	14,842
Junction 8	19,866	10,561	9,305
Funan The IT Mall	13,001	6,899	6,102
Total net property income	64,376	34,127	30,249

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

To refer to para 9 on the review of performance.

15 Breakdown of sales

	S$'000		
	Total	Private Trust	Public Trust
	29/10/01 to 31/12/02	29/10/01 to 15/7/02	16/7/02 to 31/12/02
Sales reported	88,390	47,142	41,248
Operating profit [(J) above] reported	45,221	20,789	24,432

16 Breakdown of total annual distribution for the current full year

	S$'000		
	Total	Private Trust	Public Trust
	29/10/01 to 31/12/02	29/10/01 to 15/7/02	16/7/02 to 31/12/02
Annual distribution to unitholders	20,776	20,776	-

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
CAPITAMALL TRUST MANAGEMENT LIMITED

Winnie Tan

Company Secretary

15 January 2003