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ACQUISITIONS AND DISPOSALS :: DISCLOSEABLE TRANSACTION :: CAPITAMALLS ASIA TO MONETISE CLARKE QUAY FOR S$268 MILLION

** Asterisks denote mandatory information*

Name of Announcer *	CAPITAMALLS ASIA LIMITED
Company Registration No.	200413169H
Announcement submitted on behalf of	CAPITAMALLS ASIA LIMITED ("CMA")
Announcement is submitted with respect to *	CAPITAMALLS ASIA LIMITED
Announcement is submitted by *	Kannan Malini
Designation *	Company Secretary
Date & Time of Broadcast	09-Feb-2010 17:51:02
Announcement No.	00096

>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

Announcement Title *	CAPITAMALLS ASIA TO MONETISE CLARKE QUAY FOR S$268 MILLION
Description	The attached news release and announcement issued by CMA on the matter are for information.

Attachments	News_Release.pdf Announcement.pdf Total size = **167K** (2048K size limit recommended)

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CAPITAMALLS ASIA LIMITED

Regn. No.: 200413169H
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

CAPITAMALLS ASIA TO MONETISE CLARKE QUAY FOR S$268 MILLION

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1. Introduction

CMA wishes to announce that its wholly-owned subsidiary, Clarke Quay Pte Ltd, as the **Vendor**, has on 9 February 2010 entered into a **Sale and Purchase Agreement** with the **Trustee**, as trustee of **CMT**, for the divestment of the **Property** known as Clarke Quay at River Valley Road for a consideration of S$268 million. As at the date of this announcement, **CMA** has an interest in approximately 29.9% of the total number of units issued by **CMT**. In addition, **CMA** holds 100.0% of the shares in the **Manager**.

2. Information on the Property

The **Property** is an integrated food and beverage, entertainment and lifestyle riverfront development. It is located along the Singapore River, near Singapore's Central Business District (CBD) and the upcoming integrated resorts. It is also within walking distance of Clarke Quay **MRT** station, making it easily accessible by public transportation. The **Property** has a net lettable area of approximately 294,610 square feet.

3. Rationale

The monetisation of the **Property** is in line with **CMA**'s strategy to develop new malls or enhance existing malls, and to recycle capital for reinvestment once the assets are stabilised. The proceeds from the divestment of the **Property** will strengthen **CMA**'s capability to pursue other projects. Through its unitholding in **CMT**, **CMA** will continue to benefit from the stable yield from the **Property** and participate in its future growth. **CMA**'s wholly owned subsidiaries, the Manager and CapitaLand Retail Management Pte Ltd, will also continue their asset and property management of the **Property** following the divestment.

4. Consideration

The **Consideration** for the **Property** has been arrived at on a willing-buyer and willing-seller basis after taking into account an independent valuation of the **Property**. An independent property valuer, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, commissioned by the Vendor, has valued the open market value of the **Property** at S$262 million as at 31 December 2009. The **Consideration** represents a 2.3% premium over the valuation as well as a 5.9% yield on the **Property**'s net property income of S$15.8 million for 2009.

5. Material Conditions Precedent

The **Sale and Purchase Agreement** is subject to and conditional upon the fulfilment of, among others, the following conditions precedent:

(i) the approval of the **Head Lessor** for the sale of the **Property** by the **Vendor** to the **Trustee**;

(ii) the approval of the **Head Lessor** for (a) the mortgage and/or charge of the **Property** by the **Trustee** and (b) the entry into by the **Trustee** of leases and/or licenses in respect of the **Property** or any part(s) thereof; and

(iii) the approval of unitholders of CMT for the acquisition of the **Property** by **CMT**.

If the conditions precedent are not obtained by 15 June 2010 (or such other date as the **Trustee** and the **Vendor** may agree in writing), the **Trustee** or the **Vendor**, may by notice in writing to the other party, terminate the **Sale and Purchase Agreement**.

6. Interests of Directors and Controlling Shareholder

Save for their respective shareholding interests in **CMA**, none of the directors or the controlling shareholder of **CMA** has any interest direct or indirect in the above transaction.

Definitions:

CMA	CapitaMalls Asia Limited
CMT	CapitaMall Trust
Head Lessor	The President of the Republic of Singapore
Manager	CapitaMall Trust Management Limited, as manager of CMT
MRT	Mass Rapid Transit
Property	The property known as Clarke Quay which is located at Nos. 3A, 3B, 3C, 3D and 3E River Valley Road, Singapore 179020, 179021, 179022, 179023 and 179024 (including the plant and equipment)
Consideration	The consideration for the Property which amounts to S$268 million
Sale and Purchase Agreement	The Sale and Purchase Agreement dated 9 February 2010 entered into between the Vendor and the Trustee
Trustee	HSBC Institutional Trust Services (Singapore) Limited, as trustee of CMT

Vendor	Clarke Quay Pte Ltd

By Order of the Board

Kannan Malini
Company Secretary
9 February 2010

For immediate release
9 February 2010

NEWS RELEASE

CapitaMalls Asia to monetise Clarke Quay for S$268 million cash

Capital to be recycled for new investment opportunities

Singapore, 9 February 2010 – CapitaMalls Asia Limited has, through its wholly-owned subsidiary Clarke Quay Pte Ltd, entered into a sale and purchase agreement today with HSBC Institutional Trust Services (Singapore) Limited, the trustee of CapitaMall Trust (CMT), for the sale of Clarke Quay at a price of S$268 million in cash.

This represents a 2.3% premium over the valuation of $262 million as at end-2009[1], as well as a 5.9% yield on Clarke Quay's net property income of S$15.8 million in 2009. The transaction, which is conditional upon CMT unitholders' approval, among other things, is expected to be completed by July 2010.

Clarke Quay is an integrated food and beverage, entertainment and lifestyle riverfront development. It is located along the Singapore River, near Singapore's Central Business District and the upcoming Marina Bay Sands integrated resort. It is also within walking distance of the Clarke Quay mass rapid transit (MRT) train station.

CapitaMalls Asia carried out several major asset enhancements of Clarke Quay between February 2004 and December 2006 to reposition it as a one-stop entertainment and lifestyle hub. Over the same period, CapitaMalls Asia has constantly refreshed Clarke Quay's tenancy mix to ensure that it remains a vibrant lifestyle destination. Visitor traffic has doubled to nearly 1 million monthly today from about 500,000 visitors before the asset enhancement.

Mr Liew Mun Leong, Chairman of CapitaMalls Asia, said: "We see tremendous growth potential in Asia's shopping mall sector and periodically reconstitute our portfolio to free up capital for new opportunities. The monetisation of Clarke Quay is in line with CapitaMalls Asia's strategy to recycle capital for reinvestment once an asset has stabilised. The monetisation further strengthens CapitaMalls Asia's investment strategy of acquiring new malls, like Meili Mall in Chengdu, for higher returns. We continue to focus on expanding our presence in Singapore, China, Malaysia, Japan and India, where we currently operate."

Mr Lim Beng Chee, CEO of CapitaMalls Asia, said: "This is the right time to monetise Clarke Quay as the property has stabilised. There is growth potential in Clarke Quay which is best realised through our stake in CMT going forward, after CMT has acquired the property from

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[1] By Colliers International Consultancy & Valuation (Singapore) Pte Ltd.

us. Our subsidiaries CapitaMall Trust Management Limited and CapitaLand Retail Management Pte Ltd will continue to be the asset manager and property manager of Clarke Quay respectively, and Clarke Quay will remain within our portfolio of 87 retail properties in Asia."

Clarke Quay property details (as at end-2009)

Site area	291,756 sq ft
Gross floor area (GFA)	361,595 sq ft
Net lettable area (NLA)	294,610 sq ft
Committed occupancy	94.9%
Number of tenants	55
Major tenants by gross rental	Luminox Pte Ltd, Shanghai Dolly Pte Ltd and The Pump Room Pte Ltd
Lease period	99 years lease from 13 January 1990
Carpark lots	409
Valuation	S$262 million by Colliers International Consultancy & Valuation (Singapore) Pte Ltd

About CapitaMalls Asia (www.capitamallsasia.com)

CapitaMalls Asia Limited is one of the largest listed shopping mall owners, developers and managers in Asia by total property value of assets and geographic reach. CapitaMalls Asia has an integrated shopping mall business model encompassing retail real estate investment, development, mall operations, asset management and fund management capabilities. It has interests in and manages a pan-Asian portfolio of 87 retail properties across 48 cities in the five countries of Singapore, China, Malaysia, Japan and India, with a total property value of approximately S$20.7 billion and a total GFA of approximately 67.1 million sq ft.

Shopping malls in the portfolio include ION Orchard and Plaza Singapura – which are located in one of the world's most famous shopping streets, Orchard Road – Raffles City Singapore and Clarke Quay in Singapore. Our landmark shopping malls in China are Xizhimen Mall and Wangjing Mall in Beijing; Raffles City Beijing and Raffles City Shanghai. The portfolio also includes Gurney Plaza in Penang, Malaysia; Vivit Square in Tokyo, Japan; as well as Forum Value Mall in Bangalore, India.

CapitaMalls Asia's principal business strategy is to invest in, develop and manage a diversified portfolio of real estate used primarily for retail purposes in Asia, and to strengthen its market position as a leading owner, developer and manager of shopping malls in Asia.

About CapitaMall Trust (www.capitamall.com)
CMT is the first Real Estate Investment Trust (REIT) listed on Singapore Exchange Securities Trading Limited (SGX-ST) in July 2002. CMT is also the largest REIT by asset size, approximately S$7.4 billion and by market capitalisation, S$5.7 billion (as at 31 December 2009) in Singapore. CMT has been assigned an "A2" rating by Moody's Investors Service. The "A2" rating is the highest rating assigned to a Singapore REIT.

CMT owns and invests in quality income-producing assets which are used, or predominantly used, for retail purposes primarily in Singapore. As at 31 December 2009, CMT Group's portfolio comprised a diverse list of over 2,300 leases with local and international retailers and achieved a committed occupancy of close to 100%. CMT Group's 14 quality retail malls, which are strategically located in the suburban areas and Downtown Core of Singapore, include Tampines Mall, Junction 8, Funan DigitaLife Mall, IMM Building, Plaza Singapura, Bugis Junction, Sembawang Shopping Centre, Jurong Entertainment Centre, Hougang Plaza, Raffles City Singapore (40% interest), Lot One Shoppers' Mall, Bukit Panjang Plaza, Rivervale Mall and The Atrium@Orchard. CMT also owns approximately 20% stake in CapitaRetail China Trust, the first pure-play China retail REIT listed on SGX-ST in December 2006.

CMT is managed by an external manager, CapitaMall Trust Management Limited, which is a wholly-owned subsidiary of CapitaMalls Asia Limited, one of Asia's largest listed shopping mall owners, developers and managers.

Issued by: **CapitaMalls Asia Limited (Co. Regn.: 200413169H)**
Date: **9 February 2010**

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