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## MISCELLANEOUS

** Asterisks denote mandatory information*

| | |
|---|---|
| Name of Announcer * | CAPITAMALLS ASIA LIMITED |
| Company Registration No. | 200413169H |
| Announcement submitted on behalf of | CAPITAMALLS ASIA LIMITED |
| Announcement is submitted with respect to * | CAPITAMALLS ASIA LIMITED |
| Announcement is submitted by * | Kannan Malini |
| Designation * | Company Secretary |
| Date & Time of Broadcast | 12-Nov-2010 18:39:11 |
| Announcement No. | 00253 |

## >> ANNOUNCEMENT DETAILS

*The details of the announcement start here ...*

| | |
|---|---|
| Announcement Title * | CAPITAMALLS MALAYSIA TRUST ("CMMT") - (I) PROPOSED ACQUISITION BY AMTRUSTEE BERHAD ("TRUSTEE"), ON BEHALF OF CMMT OF GURNEY PLAZA EXTENSION PROPERTY (AS DEFINED HEREIN) FOR A PURCHASE CONSIDERATION OF RM215,000,000 ("PROPOSED ACQUISITION"); (II) PROPOSED PLACEMENT OF NEW UNITS IN CMMT ("UNITS") BY WAY OF BOOKBUILDING, AT A PRICE TO BE DETERMINED LATER, TO RAISE GROSS PROCEEDS OF UP TO RM167.1 MILLION ("PROPOSED PLACEMENT"), AND ACCEPTANCE OF CMMT INVESTMENT LIMITED'S UNDERTAKING TO SUBSCRIBE FOR SUCH NUMBER OF UNSUBSCRIBED NEW UNITS SUBSEQUENT TO THE CLOSE OF THE BOOKBUILD; (III) PROPOSED PLACEMENT OF NEW UNITS TO CMMT INVESTMENT LIMITED, AT A PRICE TO BE DETERMINED LATER, TO RAISE GROSS PROCEEDS OF UP TO RM69.7 MILLION, WHICH REPRESENTS 41.74% (BEING THE CURRENT UNITHOLDING OF CMMT INVESTMENT LIMITED IN CMMT) OF THE TOTAL GROSS PROCEEDS TO BE RAISED FROM THE PROPOSED PLACEMENT; (IV) PROPOSED AUTHORITY TO ALLOT AND ISSUE NEW UNITS OF UP TO 20% OF THE APPROVED FUND SIZE OF CMMT PURSUANT TO CLAUSE 14.03 OF THE SECURITIES COMMISSION'S GUIDELINES ON REAL ESTATE INVESTMENT TRUSTS ("REITS GUIDELINES") ("PROPOSED AUTHORITY"); AND (V) PROPOSED INCREASE IN THE EXISTING APPROVED FUND SIZE OF CMMT FROM 1,350,000,000 UNITS UP TO A MAXIMUM OF 2,000,000,000 UNITS ("PROPOSED INCREASE IN FUND SIZE") (COLLECTIVELY REFERRED TO AS THE "PROPOSALS") |
| Description | CIMB Investment Bank Berhad, the principal adviser and placement agent for the Proposed Acquisition of Gurney Plaza Extension and Proposed Placement has today released the attached announcement, news release and presentation slides to Bursa Malaysia for and on behalf of CapitaMalls Malaysia Trust (managed by CapitaMalls Asia Limited's subsidiary, CapitaMalls Malaysia REIT Management Sdn. Bhd.).<br><br>The initial public offering of CapitaMalls Asia Limited's shares was sponsored by J.P. Morgan (S.E.A.) Limited and DBS Bank Ltd. |
| Attachments | CMMT-Announcement_12Nov10.pdf<br>CMMT-Presentation_Slides_News_Release_12Nov10.pdf<br>Total size = **1860K**<br>(2048K size limit recommended) |

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## General Announcement

Form Version **7 (Enhanced)**
Initiated by **MB_CIMB5** on **12/11/2010 04:24:20 PM**
Submitted by **MB_CIMB5** on **12/11/2010 05:45:20 PM**
Reference No **MM-101112-59060**

**Submitted**

| Company Information | |
|---|---|
| Main Market Company | |
| New Announcement | |
| **Submitting Investment Bank/Advisor (if applicable)** | CIMB Investment Bank Berhad |
| **Submitting Secretarial Firm (if applicable)** | |
| * **Company name** | CapitaMalls Malaysia Trust |
| * **Stock name** | CMMT |
| * **Stock code** | 5180 |
| * **Contact person** | Tan Pei Ling |
| * **Designation** | Assistant Manager |
| * **Contact number** | 03-2084 6401 |
| **E-mail address** | pl.tan@cimb.com |

| | |
|---|---|
| **Type** * | **Announcement** |
| **Subject** *: | CAPITAMALLS MALAYSIA TRUST (“CMMT”)<br>(I) PROPOSED ACQUISITION BY AMTRUSTEE BERHAD (“TRUSTEE”), ON BEHALF OF CMMT OF GURNEY PLAZA EXTENSION PROPERTY (AS DEFINED HEREIN) FOR A PURCHASE CONSIDERATION OF RM215,000,000;<br>(II) PROPOSED PLACEMENT OF NEW UNITS IN CMMT (“UNITS”) BY WAY OF BOOKBUILDING, AT A PRICE TO BE DETERMINED LATER, TO RAISE GROSS PROCEEDS OF UP TO RM167.1 MILLION (“PROPOSED PLACEMENT”), AND ACCEPTANCE OF CMMT INVESTMENT LIMITED’S UNDERTAKING TO SUBSCRIBE FOR SUCH NUMBER OF UNSUBSCRIBED NEW UNITS SUBSEQUENT TO THE CLOSE OF THE BOOKBUILD;<br>(III) PROPOSED PLACEMENT OF NEW UNITS TO CMMT INVESTMENT LIMITED, AT A PRICE TO BE DETERMINED LATER, TO RAISE GROSS PROCEEDS OF UP TO RM69.7 MILLION, WHICH REPRESENTS 41.74% (BEING THE CURRENT UNITHOLDING OF CMMT INVESTMENT LIMITED IN CMMT) OF THE TOTAL GROSS PROCEEDS TO BE RAISED FROM THE PROPOSED PLACEMENT ("PROPOSED PLACEMENT TO CMMT INVESTMENT LIMITED");<br>(IV) PROPOSED AUTHORITY TO ALLOT AND ISSUE NEW UNITS OF UP TO 20% OF THE APPROVED FUND SIZE OF CMMT PURSUANT TO CLAUSE 14.03 OF THE SECURITIES COMMISSION’S GUIDELINES ON REAL ESTATE INVESTMENT TRUSTS (“REITS GUIDELINES”) (“PROPOSED AUTHORITY”); AND<br>(V) PROPOSED INCREASE IN THE EXISTING APPROVED FUND SIZE OF CMMT FROM 1,350,000,000 UNITS UP TO A MAXIMUM OF 2,000,000,000 UNITS (“PROPOSED INCREASE IN FUND SIZE”)<br>(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”) |

**Note: If the announcement is a long announcement, please summarize the announcement in the contents and enter the details of the announcement in the Announcement Details or attached the full details of the announcement as attachment.**

**Contents** *:-
*(This field is to be used for the summary of the announcement)*
On behalf of the Board of Directors of CapitaMalls Malaysia REIT Management Sdn. Bhd. (formerly known as CapitaRetail Malaysia REIT Management Sdn. Bhd.), which is the manager of CMMT, CIMB Investment Bank Berhad wishes to announce that the Trustee, on behalf of CMMT, and together with CapitaRetail Gurney Sdn Bhd, had on 12 November 2010 entered into a conditional sale and purchase agreement with Gurney Plaza Sdn. Bhd. for the acquisition of the following for a purchase consideration of RM215,000,000:

(i) a nine (9) storey retail extension block adjoining Gurney Plaza (as defined herein), with a net lettable area of approximately 139,964 square feet as at 30 September 2010 comprising:

(a) four (4) levels of retail space on the Ground, 1st, 2nd and 3rd floors; and

(b) car parking bays located on Basement 1, the 4th, 5th, 6th, 7th, 8th floors and the rooftop, and

(ii) 129 car parking bays in Basement 2 of Gurney Plaza (as defined herein).

In addition, on behalf of the Board, CIMB wishes to announce that the Manager proposes to undertake the Proposed Placement, Proposed Placement to CMMT Investment Limited, Proposed Authority and Proposed Increase in Fund Size.

Further details of the Proposals are set out in the attachment.

**Announcement Details** :-
*(This field is for the details of the announcement, if applicable)*

**Attachment(s):- (please attach the attachments here)**
Announcement 12 Nov 2010.pdf

**Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES, CANADA OR JAPAN.**

**CAPITAMALLS MALAYSIA TRUST ("CMMT")**

**(I) PROPOSED ACQUISITION BY AMTRUSTEE BERHAD ("TRUSTEE"), ON BEHALF OF CMMT OF GURNEY PLAZA EXTENSION PROPERTY (AS DEFINED HEREIN) FOR A PURCHASE CONSIDERATION OF RM215,000,000 ("PROPOSED ACQUISITION");**

**(II) PROPOSED PLACEMENT OF NEW UNITS IN CMMT ("UNITS") BY WAY OF BOOKBUILDING, AT A PRICE TO BE DETERMINED LATER, TO RAISE GROSS PROCEEDS OF UP TO RM167.1 MILLION ("PROPOSED PLACEMENT"), AND ACCEPTANCE OF CMMT INVESTMENT LIMITED'S UNDERTAKING TO SUBSCRIBE FOR SUCH NUMBER OF UNSUBSCRIBED NEW UNITS SUBSEQUENT TO THE CLOSE OF THE BOOKBUILD;**

**(III) PROPOSED PLACEMENT OF NEW UNITS TO CMMT INVESTMENT LIMITED, AT A PRICE TO BE DETERMINED LATER, TO RAISE GROSS PROCEEDS OF UP TO RM69.7 MILLION, WHICH REPRESENTS 41.74% (BEING THE CURRENT UNITHOLDING OF CMMT INVESTMENT LIMITED IN CMMT) OF THE TOTAL GROSS PROCEEDS TO BE RAISED FROM THE PROPOSED PLACEMENT ("PROPOSED PLACEMENT TO CMMT INVESTMENT LIMITED");**

**(IV) PROPOSED AUTHORITY TO ALLOT AND ISSUE NEW UNITS OF UP TO 20% OF THE APPROVED FUND SIZE OF CMMT PURSUANT TO CLAUSE 14.03 OF THE SECURITIES COMMISSION'S GUIDELINES ON REAL ESTATE INVESTMENT TRUSTS ("REITS GUIDELINES") ("PROPOSED AUTHORITY"); AND**

**(V) PROPOSED INCREASE IN THE EXISTING APPROVED FUND SIZE OF CMMT FROM 1,350,000,000 UNITS UP TO A MAXIMUM OF 2,000,000,000 UNITS ("PROPOSED INCREASE IN FUND SIZE")**

**(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")**

## 1. INTRODUCTION

On behalf of the Board of Directors of CapitaMalls Malaysia REIT Management Sdn. Bhd. *(formerly known as CapitaRetail Malaysia REIT Management Sdn. Bhd.)* ("**Board**"), which is the manager of CMMT ("**Manager**"), CIMB Investment Bank Berhad ("**CIMB**") wishes to announce that the Trustee, on behalf of CMMT, and together with CapitaRetail Gurney Sdn Bhd ("**CGSB**"), had on 12 November 2010 entered into a conditional sale and purchase agreement ("**Gurney Plaza Extension Property SPA**") with Gurney Plaza Sdn. Bhd. ("**GPSB**") for the acquisition of the following for a purchase consideration of RM215,000,000 ("**Purchase Price**"):

(i) a nine (9) storey retail extension block adjoining Gurney Plaza[1], with a net lettable area ("**NLA**") of approximately 139,964 square feet ("**sq ft**") as at 30 September 2010 comprising:

   (a) four (4) levels of retail space on the Ground, 1st, 2nd and 3rd floors; and

   (b) car parking bays located on Basement 1, the 4th, 5th, 6th, 7th, 8th floors and the rooftop;

   referred to as the "**Gurney Plaza Extension**",

(ii) 129 car parking bays in Basement 2 of Gurney Plaza[1],

collectively referred to as the "**Gurney Plaza Extension Property**".

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[1] *An eight (8) storey shopping mall known as "Gurney Plaza" with two (2) levels of basements erected on the land held under HSD 17259, Lot 5626, Section 1 in the Town of Georgetown, District of Timor Laut, State of Penang comprising the following:*
*(i) retail space on Basement 1, and the Ground, 1st, 2nd, 3rd, 4th and 7th floors;*
*(ii) office/storage/al-fresco/miscellaneous space; and*
*(iii) approximately 1,075 car parking bays in Basements 1 and 2 and the 5th and 6th floors,*
*but excluding certain car parking bays located in Basement 2 which are retained by GPSB and GHotel Sdn Bhd, and the common areas. The car parking bays retained by GPSB are part of Gurney Plaza Extension Property.*

In addition, on behalf of the Board, CIMB wishes to announce that the Manager proposes to undertake the Proposed Placement, Proposed Placement to CMMT Investment Limited, Proposed Authority and Proposed Increase in Fund Size.

## 2. THE PROPOSED ACQUISITION

### 2.1 Description of Gurney Plaza Extension

Gurney Plaza Extension is a nine (9) storey retail extension block adjoining Gurney Plaza, with a NLA of approximately 139,964 sq ft as at 30 September 2010. Gurney Plaza Extension commenced operations in November 2008 and the approximate age of building is two (2) years. It is a shopping mall located approximately three kilometres to the north-west of the heart of the commercial district of Georgetown centre with postal address of Gurney Plaza Extension, No. 170, Persiaran Gurney, Georgetown, 10050 Penang. Gurney Plaza Extension Property had a committed occupancy rate of 100 % as at 30 September 2010.

The Proposed Acquisition will include 881 car parking bays which consist of 752 car parking bays in Gurney Plaza Extension and 129 car parking bays located in Basement 2 of Gurney Plaza. Other pertinent information on Gurney Plaza Extension Property is shown in **Appendix I**.

### 2.2 Background of the Proposed Acquisition

On 5 July 2010, the Manager announced that GPSB had exercised the put option to require CGSB to purchase and complete the acquisition of Gurney Plaza Extension Property for an aggregate purchase consideration of RM215,000,000, no later than 15 April 2011 ("**Put Option**") and pursuant to the right of first refusal granted by CapitaMalls Asia Limited ("**CMA**") to CMMT over Gurney Plaza Extension Property ("**GPE ROFR**"), CGSB would offer to CMMT the first right to purchase Gurney Plaza Extension Property after finalisation of all the terms and conditions for the sale and purchase. As stated in the same announcement, the Manager will seek unitholders' approval for the Proposed Acquisition should the Manager, on behalf of CMMT, recommend to exercise the GPE ROFR.

Pursuant to the GPE ROFR, CGSB, by its letter dated 11 November 2010 ("**Offer Notice**") has granted CMMT a first right to purchase Gurney Plaza Extension Property for the purchase consideration of RM215,000,000 and upon the terms and conditions contained in the Offer Notice. CMMT had, on 12 November 2010, accepted the offer and had, through the Trustee, entered into the Gurney Plaza Extension Property SPA.

The purchase consideration of RM215,000,000 was arrived at after taking into consideration the market value of Gurney Plaza Extension Property of RM225,000,000 as appraised by PPC International Sdn. Bhd. (being the independent registered valuer appointed by the Trustee and the Manager , on behalf of CMMT). PPC International Sdn. Bhd. has, in its valuation report dated 30 September 2010, assessed the market value of Gurney Plaza Extension Property at RM225,000,000 using the comparison and income capitalisation methods.

(The rest of this page has been intentionally left blank)

## 2.3 Estimated total acquisition cost

The estimated total acquisition cost is approximately RM223.3 million, comprising the following:

| Estimated total acquisition cost | RM million | Remarks |
|---|---|---|
| Purchase consideration | | |
| - Deposit | 21.5 | Satisfied in cash. Paid by CGSB to GPSB and will be reimbursed by CMMT to CGSB on completion of the Proposed Acquisition |
| - Balance | 193.5 | To be satisfied in cash and shall be paid on or before 15 April 2011[(1)] |
| | 215.0 | |
| Acquisition fee | 2.2 | To be payable to the Manager [(2)] |
| Estimated expenses for the Proposed Acquisition and the Proposed Placement | 6.1 | To be payable in cash from the proceeds of the Proposed Placement[(3)] |
| | 223.3 | |

***Notes:***

*(1) If CMMT does not pay the balance Purchase Price by 15 April 2011, CMMT is entitled to an extension of one (1) month from 15 April 2011 to pay the balance Purchase Price subject to CMMT paying late payment interest to GPSB.*

*(2) The acquisition fee will represent not more than 1% of the purchase consideration of the Proposed Acquisition, as provided in the trust deed dated 7 June 2010 constituting CMMT and registered with the Securities Commission ("**SC**") on 9 June 2010, entered into between the Manager and the Trustee. The acquisition fee will be payable as soon as practicable after the completion of the Proposed Acquisition.*

*(3) The expenses of the Proposed Acquisition and the Proposed Placement comprise the estimated interest expense on the deposit sum, professional fees, fees payable to the relevant authorities and other incidental expenses incurred in relation to the Proposed Acquisition and the Proposed Placement.*

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### 2.4 Rationale for the Proposed Acquisition

#### 2.4.1 Yield accretive

The Proposed Acquisition is in line with the Manager's investment strategy to provide unitholders with long-term and sustainable distribution of income and potential capital growth.

Gurney Plaza Extension has a forecast property yield of about 7.1% for 2011[2]. Based on CMMT's closing price of RM1.06 on 11 November 2010, CMMT's implied property yield[3] for 2010 is about 6.5%, and this is expected to grow to about 6.8% for 2011.

Based on the closing price of the Units of RM1.06 as at 11 November 2010 (being the last transacted price prior to this announcement) and at the loan to value ratio of 35.0%, the Proposed Acquisition is yield accretive and will result in a higher DPU.

The table below, which is purely for illustrative purposes, shows the overall yield accretion (assuming the completion of the Proposed Acquisition, combined with the proposed debt and equity financing plan) over CMMT's existing portfolio of Gurney Plaza, Sungei Wang Plaza Property and The Mines ("**Existing Portfolio**"). For this purpose, please refer to CMMT's initial public offering prospectus dated 28 June 2010 for the full definitions of Sungei Wang Plaza Property and The Mines.

| | | Assumed gearing scenarios | | |
|---|---|---|---|---|
| | | **LTV Ratio (2) of 25.0%** | **LTV Ratio of 35.0%** | **LTV Ratio of 60.0%** |
| | | **Yield accretion over the Existing Portfolio (%) (3)** | | |
| **Issue Price (RM) (1)** | 1.00 | – | – | 1.17% |
| | 1.01 | – | – | 1.23% |
| | 1.02 | – | – | 1.29% |
| | 1.03 | – | 0.04% | 1.35% |
| | 1.04 | – | 0.13% | 1.40% |
| | 1.05 | – | 0.22% | 1.46% |
| | 1.06 | – | 0.31% | 1.52% |
| | 1.07 | – | 0.39% | 1.57% |
| | 1.08 | 0.03% | 0.48% | 1.62% |
| | 1.09 | 0.13% | 0.56% | 1.68% |
| | 1.10 | 0.22% | 0.64% | 1.73% |

***Notes:***

*(1) The assumed range of Issue Prices (as defined herein) is shown for illustrative purposes only and is pursuant to the Proposed Placement.*

*(2) "**LTV Ratio**" is defined as loan to value ratio calculated as debt financing procured for the Proposed Acquisition divided by the appraised value of Gurney Plaza Extension Property of RM225.0 million.*

*(3) The yield accretion is based on the distribution per unit ("**DPU**") for the twelve (12)-month year ending 31 December 2011 ("**Forecast Year 2011**") of the Existing Portfolio of 7.45 sen, as disclosed in CMMT's initial public offering prospectus dated 28 June 2010.*

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*2 The forecast property yield is calculated by dividing Gurney Plaza Extension's forecast Net Property Income ("**NPI**") for 2011 by the purchase price of RM215.0 million.*

*3 The implied property yields are calculated by dividing CMMT's Forecast Period 2010 NPI and Forecast Year 2011 NPI by the implied property value. The implied property value is the total of CMMT's market capitalisation (as at 11 November 2010) and debt (as at 30 September 2010). Forecast Period 2010 is the eight-month period ending 31 December 2010 while Forecast Year 2011 is the 12-month period ending 31 December 2011, as stated in CMMT's prospectus dated 28 June 2010.*

### 2.4.2 The Proposed Acquisition will increase the size of CMMT's portfolio

As at 1 November 2010, CMMT is the largest "pure-play" shopping mall real estate investment trust by property asset value in Malaysia and the Proposed Acquisition will further strengthen this position. Following the completion of the Proposed Acquisition, CMMT's property asset value is expected to increase from approximately RM2,130.0 million as at 30 September 2010 to approximately RM2,355.0 million.

| | Existing Portfolio | Gurney Plaza Extension Property | Enlarged Portfolio |
|---|---|---|---|
| NLA [(1)] (sq ft) | 1,877,877 | 139,964 | 2,017,841 |
| Number of leases [(1)] | 1,035 | 58 | 1,093 |
| Valuation (RM million) | 2,130.0 [(2)] | 225.0 [(3)] | 2,355.0 |

***Notes:***

(1) *As at 30 September 2010.*

(2) *Based on the valuation of the Gurney Plaza, Sungei Wang Plaza Property and The Mines as at 28 February 2010, 31 March 2010 and 31 March 2010 respectively. The market values of the Existing Portfolio were appraised by independent registered valuers, namely PPC International Sdn. Bhd. for Gurney Plaza, and CB Richard Ellis (Malaysia) Sdn Bhd for Sungei Wang Property and The Mines, as commissioned by the Trustee.*

(3) *Based on the valuation of Gurney Plaza Extension Property as at 30 September 2010.The market value of the Gurney Plaza Extension Property was appraised by an independent registered valuer, namely PPC International Sdn. Bhd., as commissioned by the Trustee.*

### 2.4.3 Bright prospects for Penang's retail industry

The State of Penang is located at the north-western part of Peninsular Malaysia and comprises the island of Penang and Seberang Perai (Province Wellesley), a strip of land on mainland Peninsular Malaysia across the channel from the island. According to statistics obtained from the Socio-Economic & Environment Research Institute (SERI), Penang is expected to achieve economic growth of 4.7% in 2010, and gross domestic product ("**GDP**") is projected to grow from a forecasted RM31 billion (2010) to RM72 billion (2020) at an average annual rate of 7.0%.

Penang State, which has a population of 1.6 million people, boasts a population density of 1,505 persons per square kilometer, ranking it second in Malaysia after the Federal Territory of Kuala Lumpur. Penang has been and is still the most urbanised and commercially active area in the northern region of Malaysia and acts as a main centre for commerce and the service sector, manufacturing, education and tourism. A popular tourist destination, tourist arrivals to Penang increased from 3.1 million in 2005 to 3.4 million in 2007 and were projected to reach 4.7 million in 2010 and 6.0 million in 2020 by the SERI/ the Penang Structural Plan 2020. Recent figures released by the Ministry of Tourism show about 6.0 million visitors for 2009, surpassing projections.

*(Source: Independent Property Market Report prepared by Knight Frank (Ooi & Zaharin Sdn Bhd) as disclosed in CMMT's initial public offering prospectus dated 28 June 2010)*

With Penang's strong projected GDP growth, affluent citizenry, high population density and popularity as a tourist destination, the Manager views the prospects for Penang's retail industry to be bright. Although the retail property market is expected to be competitive, the Manager believes that the mall comprising Gurney Plaza and Gurney Plaza Extension Property will be able to maintain its leadership position in Penang, due to its competitive strengths (see Section 2.4.4 below).

### 2.4.4 Competitive strengths of Gurney Plaza Extension Property

Gurney Plaza Extension which commenced operation in November 2008, is strategically located along the southern side of Gurney Drive (Persiaran Gurney), a promenade popular with both locals and tourists. Gurney Plaza Extension Property will contribute an additional 139,964 sq ft as at 30 September 2010 to the existing NLA of Gurney Plaza. Combined, Gurney Plaza and Gurney Plaza Extension Property will have a total NLA of 847,389 sq ft as at 30 September 2010.

***Prime location***

Gurney Plaza Extension Property is strategically located along the southern side of Gurney Drive (Persiaran Gurney), a popular sea front promenade frequented by both locals and tourists with notable landmarks such as G Hotel and the Gurney Drive hawker centre, a popular tourist destination for local food within walking distance. It is approachable from both Gurney Drive and Kelawei Road, thus enjoying two frontages. There is also easy shopper access into the mall from the car parks, which are located both within the building and externally.

***High occupancy***

As at 30 September 2010, Gurney Plaza Extension had a committed occupancy rate of 100% which is higher than the average occupancy for shopping malls in Penang Island and Malaysia, estimated to be 84.0% and 76.8% respectively in 2009.

*(Source: Independent Property Market Report prepared by Knight Frank (Ooi & Zaharin Sdn Bhd) as disclosed in CMMT's initial public offering prospectus dated 28 June 2010)*

***Complementary tenant mix***

The shopping mall comprising both Gurney Plaza Extension and Gurney Plaza, is widely regarded to be the premier lifestyle mall in Penang as well as in the northern region of Malaysia.

Major tenants within Gurney Plaza Extension include established Malaysian and international retailers, such as Parkson, Voir Gallery and Cortina Watch/Mont Blanc. GPE's tenant mix is complementary to that of Gurney Plaza and the two properties combined offer more variety to shoppers in Penang and the northern region of Malaysia.

### 2.4.5 Operational efficiency and synergies

The Proposed Acquisition will see Gurney Plaza and Gurney Plaza Extension Property operating as a single shopping mall, which will make it easier for the management to optimise the tenant mix and send a consistent brand message to retailers and shoppers.

Unitholders in CMMT will also potentially benefit from cost synergies from shared marketing and operating expenses.

## 2.5 Method of proposed financing

The Manager intends to fund the Proposed Acquisition through debt and equity (to be raised via the Proposed Placement). See Section 3 for details of the Proposed Placement.

### 2.6 Effects of the Proposed Acquisition

*The Manager wishes to emphasise that the proforma effects as set out throughout this announcement are based on certain assumptions with the intention of demonstrating the potential financial effects of the Proposed Acquisition and Proposed Placement, based on the following circumstances:*

*(i)* ***Minimum Gearing Scenario****: Scenario where the Proposed Acquisition is fully funded through a combination of debt financing procured for the Proposed Acquisition at a LTV Ratio of 25.0% and the remaining via equity financing, and an illustrative Issue Price of RM1.03 per Unit; and*

*(ii)* ***Maximum Gearing Scenario****: Scenario where the Proposed Acquisition is fully funded through a combination of debt financing procured for the Proposed Acquisition at a LTV Ratio of 60.0% and the remaining via equity financing, and an illustrative Issue Price of RM1.03 per Unit.*

*They should not be regarded as an indication or reference to the final issue price which will be determined by way of bookbuilding and announced closer to the implementation of the Proposed Placement (“**Issue Price**”). Moreover, there is no assurance that the actual financing plan will be similar to either Minimum Gearing Scenario or Maximum Gearing Scenario.*

*Unitholders’ capital*

The proforma effects of the Proposed Acquisition and the Proposed Placement on unitholders' capital of CMMT are shown in Table 1 of **Appendix III**.

*Distribution income*

The Manager intends to distribute all of the distributable income of CMMT for the year ending 31 December 2010 (“**FYE 2010**”) and Forecast Year 2011. The Proposed Acquisition and the Proposed Placement are not expected to have any material effect on CMMT’s distribution policy as determined by the Board. The decision to declare and pay distributable income in the future would depend on the financial performance and cash flow position of CMMT, and prevailing economic conditions.

*DPU*

The Manager expects to complete the Proposed Acquisition and Proposed Placement by mid April 2011. As such the Proposed Acquisition and Proposed Placement are not expected to have a material effect on CMMT’s distributable income for the FYE 2010. The overall yield accretion for Forecast Year 2011 resulting from the Proposed Acquisition and Proposed Placement is shown in the table in Section 2.4.1.

*Net asset value (“**NAV**”) per Unit and gearing*

The proforma effects of the Proposed Acquisition and Proposed Placement based on the unaudited proforma financial statements of CMMT are shown in Table 2 of **Appendix III.**

*Substantial unitholders’ direct unitholdings*

The proforma effects of the Proposed Acquisition and Proposed Placement (for both Minimum Gearing Scenario and Maximum Gearing Scenario) on the substantial unitholders’ unitholdings are shown in Table 3 of **Appendix III**.

**2.7 Conditions precedent of the Gurney Plaza Extension Property SPA**

The principal terms of the Gurney Plaza Extension Property SPA include, among other things, the following conditions precedent:

(i) the approval of the SC on the valuation of Gurney Plaza Extension Property;

(ii) the following being obtained in respect of the Proposed Placement:

(a) the approvals and/or waivers of the relevant authorities, including the SC, existing cornerstone investors and such other parties as may be required, for the issuance and allotment of new Units to be issued and allotted pursuant to the Proposed Placement ("**Placement Units**");

(b) the approval of the unitholders authorising the purchase of Gurney Plaza Extension Property and the issuance and placement of the Placement Units; and

(c) the approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing and quotation of the Placement Units on the Main Market of Bursa Securities; and

(iii) the written confirmation by the Manager to GPSB confirming that the Trustee has obtained all requisite approvals for the acquisition of Gurney Plaza Extension Property and the requisite funds for settlement of the balance Purchase Price.

In the event the conditions precedent set out above are rejected or not obtained on or before 30 March 2011 (or such extended period as the parties may mutually agree), CGSB or a related entity of CMA nominated by CGSB shall step in as the "substitute purchaser" to complete the acquisition of Gurney Plaza Extension Property in lieu of the Trustee.

The other salient terms of the Gurney Plaza Extension Property SPA are shown in **Appendix II**.

**2.8 Estimated additional financial commitment required of CMMT**

There is no requirement for any additional financial commitment from CMMT, except for capital expenditure which is incurred in the course of its normal operations, since Gurney Plaza Extension is already established and fully operational with a committed occupancy rate of 100% as at 30 September 2010.

**2.9 Information on GPSB**

GPSB is a private company, incorporated and domiciled in Malaysia. As at 1 November 2010, its authorised share capital is RM100,000,000 comprising 100,000,000 ordinary shares of RM1.00 each while its issued and paid up share capital is RM73,381,380 comprising 73,381,380 ordinary shares of RM1.00 each. The principal activities of GPSB are that of investment in properties and letting of properties.

As at 1 November 2010, the directors of GPSB are Mr Phuah Choon Meng, Mr David Eng Hui Cheh, Mr Lai Tuck Meng, Mr Phuah Ken Lin, Mr Goh Leng Seng and Mr Lee Chin Yin.

As at 1 November 2010, the company is a wholly owned subsidiary of Etika Cekap Sdn Bhd, a company incorporated in Malaysia.

### 2.10 Contingent liabilities and guarantees to be assumed

There are no contingent liabilities and guarantees to be assumed by CMMT arising from the Proposed Acquisition.

## 3. THE PROPOSED PLACEMENT

### 3.1 Funds to be raised

The Manager proposes to undertake the proposed placement of Placement Units to raise gross proceeds of up to RM167.1 million, where:

(i) up to RM97.4 million shall be raised from the proposed placement of Placement Units to placees to be identified during bookbuilding, at the Issue Price; and

(ii) up to RM69.7 million shall be raised from the Proposed Placement to CMMT Investment Limited at the Issue Price. Please refer to Section 4 for further details on the Proposed Placement to CMMT Investment Limited.

The actual number of Placement Units to be issued will depend on the eventual financing plan adopted by the Manager and the Issue Price, which shall be determined after the close of the bookbuilding process.

### 3.2 CMMT Investment Limited's commitment

To demonstrate its commitment to CMMT, CMMT Investment Limited, a wholly owned subsidiary of CMA, and having an interest of approximately 41.74% in CMMT as at 29 October 2010, is committed to supporting the Proposed Placement. CMMT Investment Limited will thus undertake to subscribe for both its pro-rata stake and additional unsubscribed Placement Units, if any, following the close of the bookbuilding exercise. Assuming CMMT Investment Limited subscribes for all the Placement Units, its unitholding in CMMT shall increase to approximately 47.99% (based on the scenario where the Proposed Acquisition is fully funded through a combination of debt financing at a LTV Ratio of 25.0% and the remaining via equity financing, and an illustrative Issue Price of RM1.03 per Unit).

### 3.3 Rationale for the Proposed Placement

The rationale for the Proposed Placement is as follows:

(i) Clause 8.37 of the REITs Guidelines stipulates that the total borrowings of a fund (including borrowings through issuance of debt securities) should not exceed 50.0% of the total asset value of the fund at the time the borrowings are incurred, unless the sanction of the unitholders by way of an ordinary resolution is obtained. The gearing level of CMMT is approximately 33.5% of the total asset value as at 30 September 2010. If the Proposed Acquisition is funded totally by debt financing, it will increase the gearing level to approximately 39.5% of total asset value. The Proposed Placement will enable CMMT to raise equity to part finance the Proposed Acquisition, and thus lowering the gearing level, relative to funding the Proposed Acquisition wholly from debt. CMMT will have sufficient headroom to make future cash acquisitions, which is in line with the capital management and growth strategy of CMMT. Please refer to Table 2 of **Appendix III** for the effects of the Proposed Placement on the gearing level of CMMT; and

(ii) The Proposed Placement will involve the issuance of new Units which will increase the number of Units in circulation and may improve the trading liquidity of CMMT. The Proposed Placement should allow CMMT to attract more local and international institutional investors, thereby potentially enlarging its unitholder base.

### 3.4 Utilisation of proceeds

The proposed gross proceeds from the Proposed Placement is expected to be utilised in the following manner:

| Details of the utilisation | Amount of proceeds RM million | | Expected timeframe for utilisation from the completion of the Proposed Placement |
|---|---|---|---|
| | Minimum Gearing Scenario | Maximum Gearing Scenario | |
| Purchase consideration[(1)] | 158.8 | 80.0 | Within one (1) month |
| Estimated expenses for the Proposed Acquisition and the Proposed Placement[(2)] | 8.3 | 7.6 | Within six (6) months |
| | 167.1 | 87.6 | |

***Notes:***

*(1) To part finance the purchase consideration of RM215,000,000 for the Proposed Acquisition. The balance of the purchase consideration is expected to be financed via debt.*

*(2) The expenses of the Proposed Acquisition and the Proposed Placement comprise the estimated interest expense on the deposit sum, acquisition fee payable to the Manager, professional fees, fees payable to the relevant authorities and other incidental expenses incurred in relation to the Proposed Acquisition and the Proposed Placement. If the actual expenses are less than this estimated amount, the excess cash shall be used by CMMT for working capital purposes.*

### 3.5 Pricing of Placement Units

The Issue Price will be fixed at a date to be determined later by way of bookbuilding.

For the avoidance of doubt, CMMT Investment Limited will not influence the manner in which the book builds for the Proposed Placement nor the determination of the Issue Price. CMMT Investment Limited, as a price-taker, shall accept the final price for its Placement Units, being the Issue Price which shall be determined once the bookbuilding exercise is closed and shall be duly announced on Bursa Securities.

### 3.6 Placement of Units

The Placement Units will be placed out by way of bookbuilding by one or more placement agents appointed/to be appointed by the Manager and the placees (save for CMMT Investment Limited) will be identified at a later stage.

The Placement Units are not intended to be placed out to any Interested Persons, save for CMMT Investment Limited, which is a wholly owned subsidiary of CMA. The Manager, on behalf of CMMT, will seek the approval from the SC for an exemption from complying with Clauses 14.04 (a) (ii) and (iii) of the REITs Guidelines, in respect of the Proposed Placement to CMMT Investment Limited. See Section 3.8 for further details.

The Placement Units may also be offered to CMMT's substantial unitholders who are institutional fund managers.

CMMT and the placement agent(s) shall, in relation to the Proposed Placement, ensure full compliance with the provisions of the REITs Guidelines.

For such purpose, CMMT has appointed CIMB and J.P.Morgan Securities Ltd ("**J.P. Morgan**") as placement agents to procure prospective placees for the Placement Units, after the receipt of all relevant approvals (where applicable) for the Proposed Placement. CMMT will make a further announcement to Bursa Securities should it appoint any other placement agents (i.e. in addition to CIMB and J.P. Morgan) for the Proposed Placement.

The Placement Units may be offered to local and foreign institutional investors. However, the Proposed Placement will not be an offer of securities for sale into the United States of America (US). The Placement Units may not be offered or sold in the US or to or for the account or benefit of US persons (as such term is defined in Regulation S under the US Securities Act of 1933), unless they are registered or exempt from registration.

The Placement Units will be listed and quoted on the Main Market of Bursa Securities.

### 3.7 Status and ranking of the Placement Units

The Placement Units shall, upon issue and allotment, rank equally in all respects with the existing Units. The Placement Units will not be entitled to any distributable income, right, benefit, entitlement and/or any other distributions that may be declared prior to the date of the issue and allotment of the Placement Units.

### 3.8 Waiver from the REITs Guidelines

*Placees other than CMMT Investment Limited*

The Manager, on behalf of CMMT, will seek the approval from the SC for an exemption from complying with Clauses 14.04(a)(i) to (iii) of the REITs Guidelines, as the Proposed Placement will be partly undertaken by way of bookbuilding.

Clauses 14.04(a)(i) to (iii) of the REITs Guidelines state that where an issue of units departs from any of the applicable requirements stipulated in Clause 14.03 *(See Section 4.1 for the requirements of Clause 14.03)* of the REITs Guidelines, the management company must obtain unitholders' approval by way of an ordinary resolution for the precise terms and conditions of the issue, in particular on the following:

(i) the persons to whom the units will be issued/placed;

(ii) the amount of units to be placed to each of them; and

(iii) issue price of the units or, in a situation where such prices are to be determined after the date of the unitholders' approval, the basis or formula of determining such prices.

*CMMT Investment Limited as placee*

An exemption will also be obtained by the Manager, on behalf of CMMT, from the SC from complying with Clauses 14.04(a)(ii) and (iii) of the REITs Guidelines, which require that unitholders' approval be obtained for the amount of Placement Units to be placed to CMMT Investment Limited and the issue price of the Placement Units or, in a situation where such prices are to be determined after the date of unitholders' approval, the basis or formula for determining such prices. The issue price of the Placement Units to CMMT Investment Limited will be fixed at the same Issue Price that the Placement Units are offered to the other placees.

### 3.9 Effects of the Proposed Placement

Please refer to Section 2.6 for the effects of the Proposed Placement.

## 4. THE PROPOSED PLACEMENT TO CMMT INVESTMENT LIMITED

### 4.1 Details of the Proposed Placement to CMMT Investment Limited

As part of the Proposed Placement, such number of Placement Units to raise gross proceeds of up to RM69.7 million, representing 41.74% of the total gross proceeds to be raised from the Proposed Placement, will be placed to CMMT Investment Limited.

However, should CMMT Investment Limited not receive the necessary approvals to subscribe for the Placement Units, the number of Placement Units allocated to CMMT Investment Limited shall be placed out to placees by way of bookbuilding. The Placement Units to placees shall thereby increase accordingly, so that gross proceeds of up to RM167.1 million can be raised to part finance the Proposed Acquisition.

### 4.2 Rationale for the Proposed Placement to CMMT Investment Limited

The proposed placement to CMMT Investment Limited is to allow CMMT Investment Limited to retain its 41.74% unitholding in CMMT after the Proposed Placement.

### 4.3 Effects of the Proposed Placement to CMMT Investment Limited

As the Proposed Placement to CMMT Investment Limited forms part of the Proposed Placement, please refer to Section 2.6 for the effects of the Proposed Placement to CMMT Investment Limited.

## 5. THE PROPOSED AUTHORITY

### 5.1 Details of the Proposed Authority

Clause 14.03 of the REITs Guidelines, stipulates that;

*"Where the unitholders of a fund have, via a resolution in a general meeting, given a general mandate to the management company to issue units, any issue of units under such general mandate must comply with the following requirements:*

*(i) The number of units to be issued, when aggregated with the number of units issued during the preceding twelve (12) months, must not exceed 20% of the approved fund size;*

*(ii) Placement to one single placee for the number of units to be issued under subclause (a) must not exceed 10% of the approved fund size;*

*(iii) Units must not be placed at more than 10% discount to the weighted average market price of the units for the five (5) market days immediately prior to the price-fixing date;*

*(iv) The principal adviser must act as the placement agent for the placement of units; and*

*(v) Units must not be placed to-*

*(a) interested persons of the management company, whether in their own names or through nominees;*

*(b) persons connected to the interested persons mentioned in sub-clause (i) above; or*

*(c) nominee companies, unless the names of the ultimate beneficiaries are disclosed."*

Based on the REITs Guidelines, the Proposed Authority will empower the Board with the flexibility to allot and issue Units at any time and for such purposes as the Board may in its absolute discretion deem fit, provided that the aggregate number of Units to be issued pursuant to the Proposed Authority does not exceed 20% of the approved fund size of CMMT. For illustrative purposes, based on CMMT's approved fund size of up to approximately 1,512,213,000 Units under the Minimum Gearing Scenario, the Proposed Authority will enable the Manager to issue up to approximately 302,442,600 Units at its absolute discretion. The Proposed Authority will be effective from the date of unitholders' approval and shall continue to be in force until 31 December 2011. Thereafter, the general mandate to issue new Units up to 20% of the approved fund size of CMMT may be renewed yearly subject to the approval of the unitholders.

**5.2 Rationale for the Proposed Authority**

The Proposed Authority will allow CMMT the flexibility to allot and issue new Units to raise funds in the event that the Manager decides to make future acquisitions to enhance the value and attractiveness of CMMT and/or to manage its gearing as a result of the future acquisitions.

In addition to the above, the Proposed Authority is also expected to improve the trading liquidity of the Units when utilised.

**5.3 Effects of the Proposed Authority**

*Unitholders' capital and substantial unitholders' direct unitholdings*

The effects of the Proposed Authority on unitholders' capital and substantial unitholders' direct unitholdings will depend on the number of new Units to be issued in the future.

*Distribution income*

The Manager intends to distribute all of the distributable income of CMMT for FYE 2010 and Forecast Year 2011. The Proposed Authority is not expected to have any material effect on CMMT's distribution policy as determined by the Board. The decision to declare and pay distributable income in the future would depend on the financial performance and cash flow position of CMMT, and prevailing economic conditions.

*DPU*

Any immediate dilution as a result of the increase in the number of Units issued is expected to be offset by the improved future earnings of CMMT attributable to the returns generated from the use of funds raised from any issuance of such new Units pursuant to the Proposed Authority.

*NAV per Unit and gearing*

The effects of the Proposed Authority on the NAV per Unit and gearing of CMMT will depend on the Unit issue price and the number of Units to be issued under the Proposed Authority in the future.

## 6. THE PROPOSED INCREASE IN FUND SIZE

### 6.1 Details of the Proposed Increase in Fund Size

The Manager proposes to increase the existing approved fund size of CMMT from 1,350,000,000 Units to a maximum of 2,000,000,000 Units.

### 6.2 Rationale for the Proposed Increase in Fund Size

The Proposed Increase in Fund Size will accommodate the increase in new Units to be issued pursuant to the Proposed Placement, Proposed Authority and any subsequent new issuance of Units (which shall include, among other things, the issuance of new Units in lieu of cash to pay management fee or arising from any future corporate proposals, subject to the relevant approvals, where applicable, having been obtained).

### 6.3 Effects of the Proposed Increase in Fund Size

*Unitholders' capital, DPU, NAV per Unit, gearing and substantial unitholders' direct unitholdings*

The effects of the Proposed Increase in Fund Size on unitholders' capital, DPU, NAV per Unit, gearing and substantial unitholders' direct unitholdings will depend on the number of new Units to be issued, resulting in the corresponding increase in fund size.

*Distribution income*

The Manager intends to distribute all of the distributable income of CMMT for FYE 2010 and Forecast Year 2011. The Proposed Increase in Fund Size is not expected to have any material effect on CMMT's distribution policy as determined by the Board. The decision to declare and pay distributable income in the future would depend on the financial performance and cash flow position of CMMT, and prevailing economic conditions.

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## 7. APPROVALS REQUIRED

The Proposals are subject to and conditional upon approvals being obtained from the following parties:

(i) the SC for the Proposed Placement, for the following:

(a) issuance of the Placement Units (and the corresponding increase in fund size) pursuant to the Proposed Placement;

(b) listing of and quotation for the Placement Units on the Main Market of Bursa Securities;

(c) valuation of Gurney Plaza Extension Property, given that CMMT intends to use the new proceeds from the Proposed Placement to part finance the Proposed Acquisition;

(ii) the SC for the Proposed Increase in Fund Size;

(iii) Bursa Securities for the listing of and quotation for the Placement Units on the Main Market of Bursa Securities;

(iv) Unitholders at the forthcoming unitholders' meeting ("**Meeting**") for the Proposals; and

any other relevant regulatory authorities or parties for the Proposals, if required.

*Conditionality of the Proposals*

The Proposed Acquisition and the Proposed Placement are interconditional. The Proposed Placement to CMMT Investment Limited is conditional upon the Proposed Placement. The Proposed Placement and the Proposed Authority are conditional upon the Proposed Increase in Fund Size. Save as disclosed above, the Proposals are not conditional upon each other.

## 8. RISKS FACTORS

Unitholders should consider the following risk factors (which represent the risk in relation to the Proposed Acquisition but may not be exhaustive):

(i) Increased competition from other retail properties or between retailers could have an adverse effect on CMMT's financial condition and results of operations;

(ii) Decreases in the gross rental income and the value of Gurney Plaza Extension Property would have an adverse effect on CMMT's financial condition and results of operations;

(iii) The valuation of Gurney Plaza Extension Property is based on various assumptions and the price at which CMMT is able to sell Gurney Plaza Extension Property may be different from the appraised value or the initial acquisition price of Gurney Plaza Extension Property;

(iv) Due diligence on Gurney Plaza Extension Property may not identify all material defects, breaches of laws and regulations and other deficiencies;

(v) CMMT may suffer material losses in excess of insurance proceeds;

(vi) Compulsory acquisitions by the Malaysian Government could adversely affect the value of Gurney Plaza Extension Property, which would impair CMMT's financial condition and results of operations;

(vii) Inaccuracy of the profit and distribution forecast and forward-looking statements could result in a decrease in the market price for the Units;

(viii) CMMT is subject to risks inherent in its higher concentration of investment in Penang;

(ix) CMMT will depend on external financing to part finance the Proposed Acquisition and its ability to pay distributions may be adversely affected by this new loan agreement combined with CMMT's current financing arrangements and/or future loan agreements or any interest rates fluctuation; and

(x) There are limitations on CMMT's ability to leverage.

## 9. RELATED PARTY TRANSACTIONS

The Proposed Acquisition is not deemed to be a related party transaction under Chapter 9 of the REITs Guidelines.

## 10. INTERESTS OF THE DIRECTORS AND MAJOR SHAREHOLDER OF THE MANAGER, MAJOR UNITHOLDERS AND PERSONS CONNECTED

None of the directors of the Manager, major shareholders of the Manager, major unitholders of CMMT and persons connected to them is interested in the Proposed Authority and Proposed Increase in Fund Size.

Save as disclosed below, the Manager is not aware of any other directors of the Manager, major shareholders of the Manager, major unitholders of CMMT and/or persons connected to them who has any interest, direct or indirect, in the Proposed Acquisition, Proposed Placement and Proposed Placement to CMMT Investment Limited.

### 10.1 Directors of the Manager

The table below sets out the unitholdings of the directors of the Manager in CMMT:

| Directors | As at 29 Oct 2010 | |
|---|---|---|
| | **Number of Units held** | **% of Units issued** |
| Mr Kee Teck Koon | 100,000 | ** |
| Mr Lim Beng Chee | 100,000 | ** |
| Mr Ng Kok Siong | 100,000 | ** |
| Mr Lock Wai Han | 100,000 | ** |
| Datuk Mohd Najib Bin Abdullah | - | ** |
| Mr IG Chandran (Gnanachandran S Ayadurai) | 100,000 | ** |
| Ms Tan Siew Bee | 100,000 | ** |
| Mr Peter Tay Buan Huat | 100,000 | ** |
| Ms Sharon Lim Hwee Li | 100,000 | ** |
| **Total** | 800,000 | ** |

***Note:***
** *Negligible*

The following directors are the Board representatives of CMA:

(i) Mr Lim Beng Chee is a Non-Independent Non-Executive Director of the Manager. He is also a Director and the Chief Executive Officer of CMA.
(ii) Mr Ng Kok Siong is a Non-Independent Non-Executive Director of the Manager. He is also the Chief Financial Officer of CMA.
(iii) Mr Lock Wai Han is a Non-Independent Non-Executive Director of the Manager. He is also the Chief Corporate Officer of CMA.

Pursuant to the Put Option, CMA, via CMMT Investment Limited, has an interest in the outcome of the Proposed Acquisition which may be different from the interests of other unitholders. As the Proposed Acquisition and the Proposed Placement are interconditional, CMMT Investment Limited is also deemed to have an interest in the outcome of the Proposed Placement. Furthermore, pursuant to Clause 14.04(b) of the REITs Guidelines, where Placement Units are issued to interested persons or persons connected to them, such persons must abstain from voting on the resolution approving the allocation. Mr Lim Beng Chee, Mr Ng Kok Siong and Mr Lock Wai Han as the Board representatives of CMA, and Ms Sharon Lim Hwee Li, in the interest of good corporate governance as she also sits on the board of certain subsidiaries of CMA, have all abstained and will continue to abstain from deliberating and voting on the resolutions pertaining to the Proposed Acquisition, Proposed Placement and Proposed Placement to CMMT Investment Limited at the relevant Board meetings. The said directors will also abstain from voting, and have undertaken to ensure that persons connected to them will abstain from voting, in respect of their direct and/or indirect unitholdings (if any) on the resolutions pertaining to the Proposed Acquisition, Proposed Placement and the Proposed Placement to CMMT Investment Limited, which will be tabled at the unitholders' meeting ("**Meeting**") to be convened.

### 10.2 Major unitholder of CMMT/ major shareholder of the Manager

As at 29 October 2010, CMA, through its 100% shareholding in CMMT Investment Limited, has a 41.74% indirect unitholding in CMMT. Pursuant to the Put Option and by virtue of the interconditionality of the Proposed Acquisition and the Proposed Placement, CMA, via CMMT Investment Limited, has an interest in the outcome of the Proposed Acquisition and Proposed Placement which may be different from the interests of other unitholders.

As at 29 October 2010, CMA, through its 100% shareholding in CapitaLand Retail RECM Pte. Ltd., is also a major shareholder of the Manager (with an indirect interest of 70% in the Manager). Pursuant to Clause 14.04(b) of the REITs Guidelines, where Placement Units are issued to interested persons or persons connected to them, in which case CMA (via CMMT Investment Limited), as a major shareholder of the Manager, must abstain from voting on the resolution approving the allocation.

Therefore, CMA and CMMT Investment Limited shall abstain from voting in respect of their direct and/or indirect unitholdings on the resolutions pertaining to the Proposed Acquisition, Proposed Placement and Proposed Placement to CMMT Investment Limited, which will be tabled at the Meeting to be convened. They have also undertaken to ensure that persons connected to them will abstain from voting, in respect of their direct and/or indirect unitholdings (if any) on the resolutions pertaining to the Proposed Acquisition, Proposed Placement and Proposed Placement to CMMT Investment Limited, which will be tabled at the Meeting to be convened.

### 10.3 The Manager

The Manager will not vote on any of the Proposals as doing so is prohibited under Clause 15.48 of the REITs Guidelines which states that "*a management company must not exercise the voting rights for the units it or its nominees hold in any unitholders' meeting, regardless of the party who requested for the meeting and the matter or matters that are laid before the meeting*".

## 11. DIRECTORS' STATEMENT

The Board (save as disclosed below) having considered all aspects of the Proposals and after careful deliberation, is of the opinion that the Proposals are in the best interest of CMMT.

In view of the potential conflict of interest situation described in Section 9.1 faced by Mr Lim Beng Chee, Mr Ng Kok Siong, Mr Lock Wai Han and Ms Sharon Lim Hwee Li, the said directors have abstained and shall continue to abstain from deliberating on the resolutions pertaining to the Proposed Acquisition, Proposed Placement and Proposed Placement to CMMT Investment Limited at the relevant Board meetings. They are therefore unable to make a recommendation on the Proposed Acquisition, Proposed Placement and Proposed Placement to CMMT Investment Limited.

## 12. ADVISER

The Manager has appointed CIMB as the principal adviser for the Proposals.

## 13. ESTIMATED TIME FRAME FOR APPLICATION TO AUTHORITIES AND COMPLETION

The applications to the SC and Bursa Securities in respect of the Proposals are expected to be made within three (3) months from the date of this announcement.

The Proposed Acquisition and the Proposed Placement are expected to be completed by mid of April 2011.

Further, the Proposed Authority will be effective from the day of the forthcoming Meeting and shall continue to be in force until 31 December 2011.

## 14. DOCUMENTS AVAILABLE FOR INSPECTION

The Gurney Plaza Extension Property SPA dated 12 November 2010 and the valuation report dated 30 September 2010 in respect of Gurney Plaza Extension Property are available for inspection at the Manager's registered office at Level 2, Ascott Kuala Lumpur, No. 9, Jalan Pinang, 50450 Kuala Lumpur Malaysia during normal business hours from Mondays to Fridays (except public holidays) until the date of the Meeting.

This announcement is dated 12 November 2010.

**This Release is not for publication or distribution, directly or indirectly, in or into the United States. This Release is not an offer of securities for sale into the United States, Canada or Japan. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the Securities Act), except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States.**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES, CANADA OR JAPAN.**

**Appendix I**
**Other pertinent information on Gurney Plaza Extension Property**

| | |
|---|---|
| **Postal address** | Gurney Plaza Extension Property, No. 170, Persiaran Gurney, Georgetown, 10050 Penang |
| **Title details** | Part of Block Title HSD 17259, Lot 5626, Section 1, Town of George Town, District of Timor Laut, State of Penang |
| **Tenure** | Freehold |
| **Registered owner** | GPSB |
| **Property use** | Shopping mall |
| **Independent valuation** | RM225,000,000 |
| **Purchase consideration** | RM215,000,000 |
| **Commencement of operations** | November 2008 (approximate age: two (2) years) |
| **Number of car parking bays** | 881 |
| **Gross floor area as at 30 Sep 2010** | 211,004 sq ft |
| **NLA as at 30 Sep 2010** | 139,964 sq ft |
| **Number of leases as at 30 Sep 2010** | 58 |
| **Encumbrances as per land search dated 28 Sep 2010** | (i) Two (2) land charges in favour of Malayan Banking Berhad registered under Charge Presentation No. 0799SC2004010268 and 0799SC2007035774; and<br><br>(ii) A lease over part of Gurney Plaza in favour of Parkson Corporation Sdn Bhd under Lease Presentation No. 0799SC2004029845. |
| **Express conditions as per land search dated 28 Sep 2010** | The Land comprised in the title:-<br><br>(i) shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and<br><br>(ii) subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs;<br><br>and the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land). |
| **Restriction in interest as per land search dated 28 Sep 2010** | Nil |

| | |
|---|---|
| **Forecast gross revenue for Forecast Year 2011** | RM19,381,147 |
| **Audited net book value in the books of GPSB as at 31 March 2010** | RM77,955,961 |
| **Shopper traffic for 2009**[(1)] | 10.2 million |
| **Population catchment in 2009**[(2)] | 520,600 |
| **Committed occupancy rate as at 30 Sep 2010** | 100.0% |

***Notes:***
*(1) Including Gurney Plaza and Gurney Plaza Extension Property.*
*(2) Source: Independent Property Market Report prepared by Knight Frank (Ooi & Zaharin Sdn Bhd) as disclosed in CMMT's initial public offering prospectus dated 28 June 2010.*

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**Appendix II**
**Other salient terms of the Gurney Plaza Extension Property SPA**

The other salient terms of the Gurney Plaza Extension Property SPA are as follows:

(i) **Basis of the sale and purchase**

Gurney Plaza Extension Property will be purchased at the cash consideration of RM215.0 million free from encumbrances but subject to the existing tenancy agreements and all conditions as stated in the separate land title in respect of the land upon which both Gurney Plaza and Gurney Plaza Extension are located ("**Gurney Plaza Land Title**") and upon the terms and conditions contained in the Gurney Plaza Extension Property SPA.

(ii) **Payment terms**

The deposit sum of RM21,500,000 was paid to GPSB's solicitor as stakeholder before the date of the Gurney Plaza Extension Property SPA; and the balance Purchase Price amounting to RM193,500,000 shall be paid by 15 April 2011.

If CMMT does not pay the balance Purchase Price by 15 April 2011, CMMT is entitled to an extension of one (1) month from 15 April 2011 to pay the balance Purchase Price subject to CMMT paying late payment interest to GPSB.

(iii) **Transfer of Gurney Plaza land title or strata titles**

Subject to completion of the Proposed Acquisition, the Gurney Plaza Land Title will not be subdivided into strata titles and the Gurney Plaza Land Title will be transferred to the Trustee.

The transfer of the Gurney Plaza Land Title or the strata titles to Gurney Plaza Extension Property will be subject to several easements and a lease, as identified in the Gurney Plaza Extension Property SPA.

(iv) **Transfer of Block E land title**[1]

Subject to completion of the Proposed Acquisition, the land title to the landscaped park adjoining Gurney Plaza Extension Property will be transferred to the Trustee free of encumbrances save and except for the several easements identified in the Gurney Plaza Extension Property SPA.

(v) **Representations and warranties**

Specific representations and warranties of GPSB, Gurney Plaza Extension Property, Gurney Plaza Land Title, tenancies and leases are made by GPSB in the Gurney Plaza Extension Property SPA.

(vi) **Disclosure letter**

GPSB has made specific disclosures in respect of Gurney Plaza Extension Property in a letter of disclosure to be delivered to the Trustee.

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[1] *The Block E land title is a separate issue document of title in respect of the landscaped park adjoining Gurney Plaza Extension Property. There is no additional consideration payable for the Block E land title.*

(vii) **Limitation of GPSB's liability**

Any claims arising from the breach of GPSB's warranties is subject to the minimum claim of RM500,000 and the aggregate liability of GPSB shall not exceeding the Purchase Price. No claim shall be brought after three (3) years from the completion of the Proposed Acquisition.

(viii) **Completion events - assignment of tenancies, termination of shared facilities agreement and deed of mutual covenants**

On the completion of the Gurney Plaza Extension Property SPA, GPSB shall assign and/or novate all its benefits, rights, interests, obligations and liabilities under the tenancies and licenses, service and maintenance warranties or contracts which are still subsisting to the Trustee.

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**Appendix III**

**Table 1 – Proforma effects of the Proposed Acquisition and Proposed Placement on the unitholders' capital**

The proforma effects of the Proposed Acquisition and Proposed Placement on unitholders' capital are shown below:

| | Number of Units | |
|---|---|---|
| | Minimum Gearing Scenario (000) | Maximum Gearing Scenario (000) |
| As at 30 Sep 2010 | 1,350,000 | 1,350,000 |
| To be issued under the Proposed Placement(1) | 162,213 | 85,055 |
| Enlarged unitholders' capital | 1,512,213 | 1,435,055 |

*Note:*

*(1) For illustrative purposes, Issue Price is assumed to be RM1.03.*

**Table 2 – Proforma effects of the Proposed Acquisition and the Proposed Placement on the NAV per Unit and gearing**

The proforma effects of the Proposed Acquisition and the Proposed Placement based on the unaudited financial statements of CMMT are shown below:

| | Unaudited as at 30 Sep 2010 (3) | After the Proposed Acquisition, Proposed Placement and revaluation | |
|---|---|---|---|
| | | Minimum Gearing Scenario | Maximum Gearing Scenario |
| NAV before income distribution (RM 000) | 1,406,845 | 1,576,370 | 1,497,870 |
| NAV after income distribution (RM 000) (1) | 1,385,753 | 1,552,833 | 1,473,360 |
| Number of Units (000) | 1,350,000 | 1,512,213 | 1,435,055 |
| NAV per Units before income distribution (RM) | 1.04 | 1.04 | 1.04 |
| NAV per Units after income distribution (RM) | 1.03 | 1.03 | 1.03 |
| Total borrowings (RM 000) | 750,000 | 806,250 | 885,000 |
| Gearing (%) (approximate) (2) | 33.5% | 32.7% | 35.9% |

*Notes:*

*(1) The Manager intends to distribute all of the distributable income of CMMT for the FYE 2010 and Forecast Year 2011.*

*(2) Total borrowings divided by total assets.*

*(3) The proforma effects of the Proposed Acquisition and the Proposed Placement on the NAV per Unit and gearing of CMMT based on the audited quarterly results for the period ended 30 September 2010 will be provided in the circular to unitholders to be issued.*

**Table 3 – Proforma effects of the Proposed Placement on CMMT substantial unitholders' direct unitholdings**

The proforma effects of the Proposed Placement (for both Minimum Gearing Scenario and Maximum Gearing Scenario) on the substantial unitholders' unitholdings are shown below based on the following scenarios:

Scenario A: Assuming that CMMT Investment Limited maintains its 41.74% unitholdings after the Proposed Placement.

Scenario B: Assuming that CMMT Investment Limited were to subscribe for all the Placement Units pursuant to the Proposed Placement, as described in Section 3.2 above.

***Minimum Gearing Scenario***

| Substantial unitholder | As at 29 Oct 2010 | | After the Proposed Placement | | | |
|---|---|---|---|---|---|---|
| | | | Scenario A | | Scenario B | |
| | Number of Units held | % of Units issued | Number of Units held | % of Units issued | Number of Units held | % of Units issued |
| CMMT Investment Limited | 563,478,000 | 41.74 | 631,185,889 | 41.74 | 725,691,439 | 47.99 |
| Employees Provident Fund Board (1) (2) | 109,837,000 | 8.14 | 109,837,000 | 7.26 | 109,837,000 | 7.26 |
| **Total** | 673,315,000 | 49.88 | 741,022,889 | 49.00 | 835,528,439 | 55.25 |

***Notes:***
*(1) Based on the latest disclosure of interest provided by Employees Provident Fund Board on 22 July 2010.*
*(2) Assuming the substantial unitholder will not be subscribing for any Placement Units.*

***Maximum Gearing Scenario***

| Substantial unitholder | As at 29 Oct 2010 | | After the Proposed Placement | | | |
|---|---|---|---|---|---|---|
| | | | Scenario A | | Scenario B | |
| | Number of Units held | % of Units issued | Number of Units held | % of Units issued | Number of Units held | % of Units issued |
| CMMT Investment Limited | 563,478,000 | 41.74 | 598,980,035 | 41.74 | 648,533,186 | 45.19 |
| Employees Provident Fund Board (1) (2) | 109,837,000 | 8.14 | 109,837,000 | 7.65 | 109,837,000 | 7.65 |
| **Total** | 673,315,000 | 49.88 | 708,817,035 | 49.39 | 758,370,186 | 52.84 |

***Notes:***
*(1) Based on the latest disclosure of interest provided by Employees Provident Fund Board on 22 July 2010.*
*(2) Assuming the substantial unitholder will not be subscribing for any Placement Units.*

BURSA MALAYSIA

## General Announcement

Form Version 7 (Enhanced)
Initiated by **MB_CIMB5** on **12/11/2010 05:17:39 PM**
Submitted by **MB_CIMB5** on **12/11/2010 05:47:14 PM**
Reference No **MM-101112-62259**

**Submitted**

| Company Information | |
|---|---|
| Main Market Company | |
| New Announcement | |
| **Submitting Investment Bank/Advisor (if applicable)** | CIMB Investment Bank Berhad |
| **Submitting Secretarial Firm (if applicable)** | |
| * **Company name** | CapitaMalls Malaysia Trust |
| * **Stock name** | CMMT |
| * **Stock code** | 5180 |
| * **Contact person** | Tan Pei Ling |
| * **Designation** | Assistant Manager |
| * **Contact number** | 03-2084 6401 |
| **E-mail address** | pl.tan@cimb.com |

| | |
|---|---|
| **Type** * | **Announcement** |
| **Subject** *: | PRESENTATION SLIDES AND NEWS RELEASE ON THE ANNOUNCEMENT DATED 12 NOVEMBER 2010 |

**Note: If the announcement is a long announcement, please summarize the announcement in the contents and enter the details of the announcement in the Announcement Details or attached the full details of the announcement as attachment.**

**Contents** *:-
*(This field is to be used for the summary of the announcement)*
The attached presentation slides and news release are issued by CapitaMalls Malaysia Trust for information. Detailed information is set out in the announcement released by CIMB Investment Bank Berhad on behalf of the Board of Directors of CapitaMalls Malaysia REIT Management Sdn. Bhd. (formerly known as CapitaRetail Malaysia REIT Management Sdn. Bhd.), on 12 November 2010.
**Announcement Details** :-
*(This field is for the details of the announcement, if applicable)*

**Attachment(s):- (please attach the attachments here)**
News Release 12 Nov 2010.pdf
Presentation slides 12 Nov 2010.pdf

**Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:**

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**For immediate release**
**12 November 2010**

**NEWS RELEASE**

## CMMT signs agreement to acquire Gurney Plaza Extension in Penang for RM215.0 million

- ***Yield-accretive acquisition***
- ***Proposed issuance of new units to increase CMMT's trading liquidity***

***Kuala Lumpur, Malaysia, 12 November 2010*** – CapitaMalls Malaysia REIT Management Sdn. Bhd. ("CMRM"), the manager of CapitaMalls Malaysia Trust ("CMMT"), is pleased to announce today that AmTrustee Berhad, the trustee of CMMT, has entered into a conditional sale and purchase agreement on CMMT's behalf to acquire Gurney Plaza Extension[1] in Penang, Malaysia, for RM215.0 million. Including the acquisition fee and expenses, the total acquisition cost is about RM223.3 million. Gurney Plaza Extension has been independently valued at RM225.0 million.

Gurney Plaza Extension is a nine-storey retail extension block with a net lettable area ("NLA") of about 139,964 square feet ("sq ft") adjoining the Gurney Plaza shopping mall, which is already part of CMMT's portfolio. It is strategically located about three kilometres to the north-west of the heart of the Georgetown commercial district on Penang island, and has a population catchment of about 520,000 people. It is situated along the southern side of Gurney Drive, a popular sea front promenade frequented by both locals and tourists. Notable landmarks that are adjacent to the mall include G Hotel and the Gurney Drive hawker centre, a popular tourist destination for local food.

[1] Includes 881 car park spaces.

Gurney Plaza Extension has a forecast property yield of about 7.1% for 2011[2]. Based on CMMT's closing price of RM1.06 on 11 November 2010, CMMT's implied property yield[3] for 2010 is about 6.5%, and this is expected to grow to about 6.8% for 2011.

CMRM intends to fund the acquisition through a combination of debt and equity, the latter of which will be raised via a placement of new CMMT units. The proposed placement is to raise up to RM167.1 million as follows:

- Up to RM97.4 million through the placement of units to parties to be identified at a price to be determined by way of bookbuilding ("Issue Price"); and
- Up to RM69.7 million through the placement of units to CapitaMalls Asia at the Issue Price, to maintain CapitaMalls Asia's existing proportionate 41.74% stake in CMMT.

The actual number of new CMMT units to be issued will depend on CMRM's final financing plan and the Issue Price. To demonstrate its commitment to CMMT, CapitaMalls Asia has undertaken to subscribe for its 41.74% stake of the new units, as well as any remaining placement units not taken up at the close of the bookbuilding exercise.

This proposed acquisition of Gurney Plaza Extension and placement of new CMMT units are subject to:

- the approval of CMMT's unitholders at an extraordinary general meeting to be convened at a later date; and
- the approvals of the Securities Commission of Malaysia ("SC") and Bursa Malaysia Securities Berhad ("Bursa Securities") for the proposed issuance of the new placement units, as well as the subsequent listing and quotation of the new units on the Main Market of Bursa Securities.

The proposed acquisition and placement are expected to be completed by mid-April 2011.

Mr Kee Teck Koon, Chairman of CMRM, said, "Malaysia's retail industry is expected to grow 6.1% this year – the fastest rate in three years. Penang also has the second-highest population density in Malaysia after the Federal Territory of Kuala Lumpur. With Penang's strong projected economic growth, affluent population and popularity as a tourist destination, we remain bullish on its retail industry. This maiden proposed acquisition of Gurney Plaza Extension, taking place within four months of CMMT's listing on 16 July, will significantly strengthen CMMT's presence in Penang, and is in line with our acquisition growth strategy in enhancing unitholder value."

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[2] The forecast property yield is calculated by dividing Gurney Plaza Extension's forecast Net Property Income ("NPI") for 2011 by the purchase price of RM215.0 million.

[3] The implied property yields are calculated by dividing CMMT's Forecast Period 2010 NPI and Forecast Year 2011 NPI by the implied property value. The implied property value is the total of CMMT's market capitalisation (as at 11 November 2010) and debt (as at 30 September 2010). Forecast Period 2010 is the eight-month period ending 31 December 2010 while Forecast Year 2011 is the 12-month period ending 31 December 2011, as stated in CMMT's prospectus dated 28 June 2010.

Ms Sharon Lim, CEO of CMRM, said, "Gurney Plaza Extension is fully occupied, and the proposed acquisition will present a unique opportunity for it to be well-integrated with our Gurney Plaza shopping mall to make the combined mall an even more compelling shopping destination for our shoppers in Penang. Based on CMMT's closing price of RM1.06 yesterday and loan-to-value ratio of 35%, this acquisition will also benefit our unitholders as it will be yield-accretive."

"We intend to fund this acquisition through a mix of debt and equity, which includes placing out new CMMT units. This placement will add to the number of units in circulation, increasing trading liquidity in CMMT units. It will enable CMMT to attract more local and international institutional investors, thereby potentially enlarging our unitholder base. We also continue to actively explore acquisition opportunities to grow our current portfolio."

**Summary of Gurney Plaza Extension and Gurney Plaza**

| | **Gurney Plaza Extension** | **Gurney Plaza** |
|---|---|---|
| **Site area (approximate)** | 351,689 sq ft[4] | |
| **Tenure** | Freehold | |
| **No. of levels** | 9 levels with 1 level of basement | 8 levels with 2 levels of basement |
| **Gross floor area ("GFA")** | 211,004 sq ft | 1,106,926 sq ft |
| **NLA *** | 139,964 sq ft | 707,425 sq ft |
| **No. of leases *** | 58 | 274 |
| **Committed occupancy *** | 100.0% | 97.8% |
| **No. of car park spaces** | 881 | 1,075 |
| **Purchase price** | RM215.0 million | RM800.0 million[5] |
| **Valuation** | RM225.0 million | RM850.0 million |
| **Opened on** | 15 November 2008 | 27 July 2001 |
| **Shopper traffic in 2009** | 10.2 million | |

***** As at 30 September 2010

[4] Land area for both Gurney Plaza and Gurney Plaza Extension, which share a single land title. Based on land search result as at 28 September 2010.
[5] CMMT was established on 7 June 2010 and registered with the Securities Commission of Malaysia on 9 June 2010. The acquisition of Gurney Plaza by CMMT for RM800.0 million was completed on 14 July 2010. CapitaRetail Gurney Sdn. Bhd., a subsidiary of CapitaMalls Asia, had acquired Gurney Plaza for RM770.0 million in 2007.

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**About CapitaMalls Malaysia Trust (www.capitamallsmalaysia.com)**
CapitaMalls Malaysia Trust ("CMMT"), listed on the Main Market of Bursa Malaysia Securities Berhad on 16 July 2010, is the country's largest "pure-play" shopping mall real estate investment trust ("REIT") by market capitalisation and property value. CMMT's market capitalisation is about RM1.4 billion, while its portfolio has been valued at RM2.13 billion in a valuation commissioned by its Trustee, AmTrustee Berhad.

CMMT is established with the objective of investing in a portfolio of income-producing real estate primarily used for retail purposes and located primarily in Malaysia. Its initial portfolio comprises three shopping malls which are strategically located in three sites across Malaysia. The three assets are Gurney Plaza in Penang, an interest in Sungei Wang Plaza in Kuala Lumpur, and The Mines in Selangor. The portfolio has a total net lettable area of approximately 1.88 million square feet.

CMMT is managed by CapitaMalls Malaysia REIT Management Sdn. Bhd. – a joint venture between CapitaMalls Asia, one of Asia's largest listed shopping mall developers, owners and managers, and Malaysian Industrial Development Finance Berhad ("MIDF").

**About CapitaMalls Asia (www.capitamallsasia.com)**
CapitaMalls Asia Limited is one of the largest listed shopping mall developers, owners 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 89 shopping malls across 49 cities in the five countries of Singapore, China, Malaysia, Japan and India, with a total property value of approximately S$22.4 billion and a total GFA of approximately 71.4 million sq ft.

Shopping malls in the portfolio include ION Orchard, a strategically located luxury shopping mall at Singapore's premier shopping address, 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 developer, owner and manager of shopping malls in Asia.

**IMPORTANT NOTICE**
The past performance of CMMT is not indicative of the future performance of CMMT. Similarly, the past performance of CMRM ("the Manager") is not indicative of the future performance of the Manager.

The value of units in CMMT and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their units while the units are listed. It is intended that holders of units may only deal in their units through trading on

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Bursa Malaysia Securities Berhad ("Bursa Securities"). Listing of the units on Bursa Securities does not guarantee a liquid market for the units.

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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

---

**Issued by:** **CapitaMalls Malaysia REIT Management Sdn. Bhd. (Co. No.: 819351-H)**
**Date:** **12 November 2010**

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# CAPITAMALLS MALAYSIA TRUST

***Malaysia's Largest "Pure-Play" Shopping Mall REIT***


## Proposed Acquisition of Gurney Plaza Extension

## 12 November 2010

# Disclaimer

The information in this presentation is qualified in its entirety by, and is subject to, the more detailed information set out in the Announcement released by CIMB Investment Bank Berhad on behalf of the Board of Directors of CapitaMalls Malaysia REIT Management Sdn. Bhd. (formerly known as CapitaRetail Malaysia REIT Management Sdn. Bhd.), on 12 November 2010.

This presentation is not an offering document. No issue of, offer for subscription or purchase of, or invitation to subscribe for or purchase, securities to which this presentation relates is to be made; and no agreement to subscribe for securities to which this presentation relates to will be entered into between CapitaMalls Malaysia Trust ("CMMT") or the Manager or any of their affiliates and the recipient of this presentation on the basis of this presentation.

The past performance of CMMT is not indicative of the future performance of CMMT. Similarly, the past performance of the Manager is not indicative of the future performance of the Manager.

The value of units in CMMT (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 or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that holders of Units may only deal in their Units through trading on Bursa Securities. Listing of the Units on Bursa Securities does not guarantee a liquid market for the Units.

These materials 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

# Contents

- **Project Highlights**
- **Project Details**
- **Rationale**

# Project Highlights

CapitaMalls Malaysia Trust

# Location

- **Located approx 3km to north-west of the heart of the commercial district of Georgetown centre**
- **Strategically situated along the southern side of Gurney Drive, a popular sea front promenade**
- **Adjoining Gurney Plaza**





CapitaMalls Malaysia Trust

# Gurney Plaza Extension

**Right of First Refusal from CapitaMalls Asia Limited**


- Started operations in November 2008
- NLA (as at 30 Sep 2010) = 139,964 sq ft

# Project Details

CapitaMalls Malaysia Trust

# Property Details

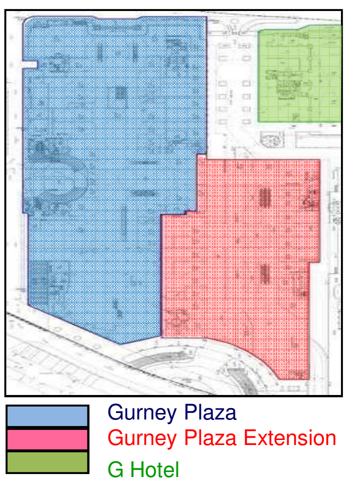
| | Gurney Plaza Extension | Gurney Plaza |
|---|---|---|
| Site area (approximate) (1) | 351,689 sq ft | |
| Tenure | Freehold | |
| No. of levels | 9 levels with 1 level of basement | 8 levels with 2 levels of basement |
| Gross floor area ("GFA") | 211,004 sq ft | 1,106,926 sq ft |
| NLA (2) | 139,964 sq ft | 707,425 sq ft |
| No. of leases (2) | 58 | 274 |
| Committed occupancy (2) | 100.0% | 97.8% |
| No. of car park spaces | 881 (3) | 1,075 |
| Purchase price | RM215.0 million | RM800.0 million (4) |
| Valuation | RM225.0 million | RM850.0 million |
| Opened on | 15 November 2008 | 27 July 2001 |
| Shopper traffic in 2009 | 10.2 million | |

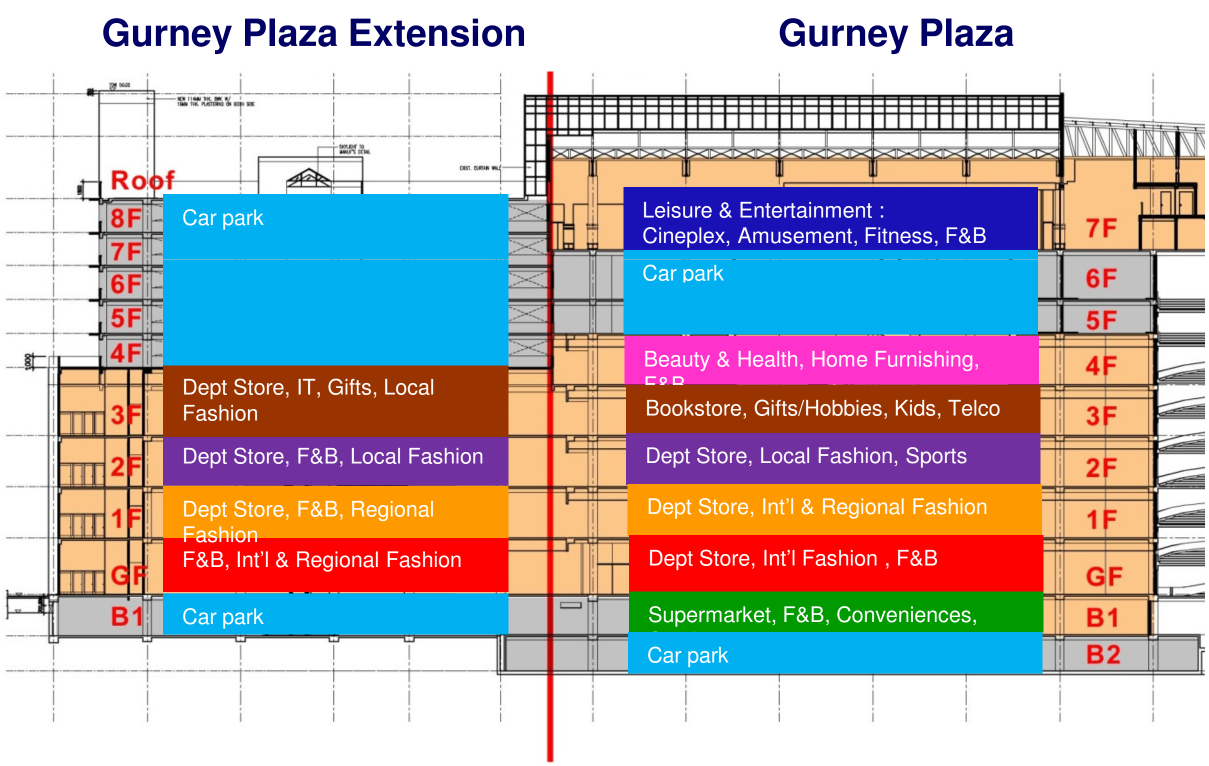
***Notes:***

1. *The site area stated above is the land area for both Gurney Plaza and Gurney Plaza Extension which share a single land title and is based on the land search result as at 28 September 2010.*
2. *Information as at 30 September 2010*
3. *Includes129 car parks in Basement 2 of Gurney Plaza*
4. *CMMT was established on 7 June 2010 and registered with the Securities Commission of Malaysia on 9 June 2010. The acquisition of Gurney Plaza by CMMT for RM800.0 million was completed on 14 July 2010. CapitaRetail Gurney Sdn. Bhd., a subsidiary of CapitaMalls Asia Limited, had acquired Gurney Plaza for RM770.0 million in 2007.*

# Sectional Plan

**Gurney Plaza Extension is seamlessly integrated with Gurney Plaza and is adjacent to G Hotel**








CapitaMalls Malaysia Trust

# Projected Total Acquisition Costs

| Estimated total acquisition cost | RM million |
|---|---|
| **Purchase consideration** | 215.0 |
| **Acquisition fee** (1) | 2.2 |
| **Estimated expenses for the Proposed Acquisition and the Proposed Placement** (2) | 6.1 |
| | **223.3** |

***Notes:***

1. *The acquisition fee will represent not more than 1% of the purchase consideration of the Proposed Acquisition, as provided in the trust deed dated 7 June 2010 constituting CMMT and registered with the Securities Commission on 9 June 2010, entered into between the Manager and the Trustee. The acquisition fee will be payable as soon as practicable after the completion of the Proposed Acquisition.*
2. *The expenses of the Proposed Acquisition and the Proposed Placement comprise the estimated interest expense on the deposit sum, professional fees, fees payable to the relevant authorities and other incidental expenses incurred in relation to the Proposed Acquisition and the Proposed Placement.*

# Proposed Placement

- **Proposed Acquisition by CMMT will be subject to approval of relevant authorities and the unitholders at an EGM**
- **Acquisition will be financed through debt and issuance of new units in CMMT**
  - Up to RM97.4 million through the placement of units to parties to be identified at a price to be determined by way of bookbuilding; and
  - Up to RM69.7 million through the placement of units to CapitaMalls Asia at the Issue Price, to maintain CapitaMalls Asia's existing proportionate 41.74% stake in CMMT.
- **CMA through its subsidiary would be subscribing for its proportionate share of units as well as any additional units that have not been subscribed for by other parties**



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# Rationale

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# Rationale for the Acquisition

1. Yield accretive and in line with the CMMT's investment strategy
2. Proposed Acquisition will increase the size of CMMT's portfolio
3. Competitive strengths of Gurney Plaza Extension Property
4. Operational efficiency and synergies
5. Bright prospects for Penang's retail industry

# Beneficial Transaction

- **Proposed Acquisition is in line with the CMMT's investment strategy**
- **Transaction is yield accretive**
  - Forecast property yield of Gurney Plaza Extension is about 7.1% for 2011[(1)]
  - CMMT's implied property yield [(2)] for 2010 is about 6.5% and is expected to grow to about 6.8% for 2011
  - Based on CMMT's closing price of RM1.06 as at 11 Nov 2010 and loan-to-value ratio of 35.0%, the proposed transaction is expected to be yield accretive
- **Proposed Acquisition will enhance CMMT's position as the largest "pure-play" shopping mall REIT**

| | Existing Portfolio | Gurney Plaza Extension Property | Enlarged Portfolio |
|---|---|---|---|
| **NLA [(3)] (sq ft)** | 1,877,877 | 139,964 | **2,017,841** |
| **Number of leases [(3)]** | 1,035 | 58 | **1,093** |
| **Valuation (RM million)** | 2,130.0 [(4)] | 225.0 [(5)] | **2,355.0** |

- **The Proposed Placement will improve trading liquidity of CMMT**

***Notes:***

1. *The forecast property yield is calculated by dividing Gurney Plaza Extension's forecast Net Property Income ("NPI") for 2011 by the purchase price of RM215.0 million.*
2. *The implied property yields are calculated by dividing CMMT's Forecast Period 2010 NPI and Forecast Year 2011 NPI by the implied property value. The implied property value is the total of CMMT's market capitalisation (as at 11 November 2010) and debt (as at 30 September 2010). Forecast Period 2010 is the eight-month period ending 31 December 2010 while Forecast Year 2011 is the 12-month period ending 31 December 2011, as stated in CMMT's prospectus dated 28 June 2010.*
3. *As at 30 September 2010*
4. *Based on the valuation of the Gurney Plaza, Sungei Wang Plaza Property and The Mines as at 28 February 2010, 31 March 2010 and 31 March 2010 respectively. The market values of the Existing Portfolio were appraised by independent registered valuers, namely PPC International Sdn. Bhd. for Gurney Plaza, and CB Richard Ellis (Malaysia) Sdn Bhd for Sungei Wang Property and The Mines, as commissioned by the Trustee.*
5. *Based on the valuation of Gurney Plaza Extension Property as at 30 September 2010.The market value of the Gurney Plaza Extension Property was appraised by an independent registered valuer, namely PPC International Sdn. Bhd., as commissioned by the Trustee.*

# Competitive Strengths

## Competitive strengths of Gurney Plaza Extension Property

- **Prime location**
- **High occupancy**
- **Complementary tenant mix**

## Operational efficiency and synergies

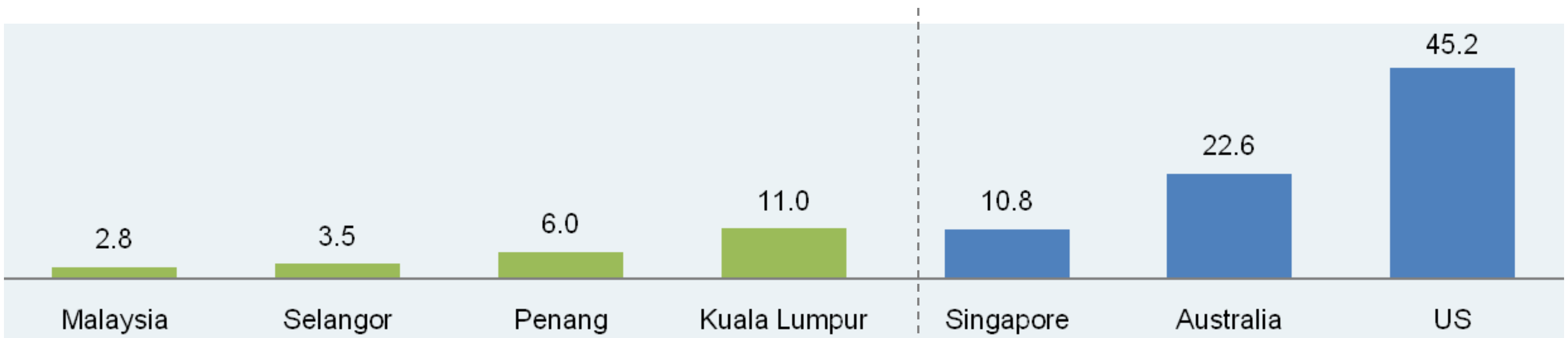
- **Operation of Gurney Plaza and Gurney Plaza Extension as a single shopping mall**
  - Optimise tenant mix
  - Allow conveyance of consistent brand message to retailers and shoppers

# Bright Prospects

## Bright prospects for Penang's retail industry

- **Strong projected GDP growth**
- **Affluent citizenry**
- **High population density**
- **Popular tourist destination**

**Retail space per capita (sq ft) (2009)[1,2]**




***Sources:***

1. *Information on Malaysia, Selangor, Penang and Kuala Lumpur are from the Independent Property Market Report (IMR) as set out in the CMMT IPO Prospectus dated 28 June 2010*
2. *Information on Singapore, Australia and US are from Urbis as set out in the CapitaMalls Asia Limited IPO Prospectus dated 17 November 2009*

CapitaMalls Malaysia Trust

# Thank You

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CapitaMalls Malaysia Trust