General Announcement

Form Version **8.2 (Enhanced)**
Initiated by **MB_CIMB3** on **09/03/2015 06:37:45 PM**
Submitted by **MB_CIMB3** on **09/03/2015 07:13:11 PM**
Reference No **MM-150309-67064**

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**	LISA YAP
* **Designation**	MANAGER
* **Contact number**	03-2261 0380
E-mail address	lisa.yap@cimb.com

Type *	Announcement
Subject *:	MULTIPLE PROPOSALS (Note: Combination of Corporate proposals involving transactions, new issue, subdivision, consolidation, etc)

Description *:-
(Note : Please enter the announcement description in this field and the announcement details in the Announcement Details/Table Section or attach the full announcement details as an attachment)
CAPITAMALLS MALAYSIA TRUST ("CMMT")

(I) PROPOSED ACQUISITION BY AMTRUSTEE BERHAD ("TRUSTEE" OR THE "PURCHASER"), ON BEHALF OF CMMT, OF TROPICANA CITY MALL TOGETHER WITH ALL ITS CAR PARK BAYS AND TROPICANA CITY OFFICE TOWER FOR A PURCHASE CONSIDERATION OF RM540.00 MILLION ("PROPOSED ACQUISITION");

(II) PROPOSED ALLOTMENT, ISSUANCE AND PLACEMENT OF UP TO 299.6 MILLION NEW UNITS IN CMMT ("UNITS"), AT A PRICE TO BE DETERMINED LATER, TO RAISE GROSS PROCEEDS OF UP TO RM395.50 MILLION ("PROPOSED PLACEMENT");

(III) AS PART OF THE PROPOSED PLACEMENT, THE PROPOSED ALLOTMENT, ISSUANCE AND PLACEMENT OF UP TO 108.8 MILLION NEW UNITS TO CMMT INVESTMENT LIMITED ("CIL"), WHICH REPRESENTS 36.32% (BEING THE CURRENT AGGREGATE UNITHOLDINGS OF CAPITAMALLS ASIA LIMITED ("CMA") IN CMMT HELD THROUGH CIL AND MENANG INVESTMENT LIMITED ("MIL")) OF THE TOTAL NEW UNITS PLACED OUT UNDER THE PROPOSED PLACEMENT AT A PRICE TO BE DETERMINED LATER, SUBJECT TO GROSS PROCEEDS AMOUNTING UP TO RM143.65 MILLION ("PROPOSED CIL PLACEMENT"); AND

(IV) PROPOSED INCREASE IN THE EXISTING APPROVED FUND SIZE OF CMMT FROM 2,290,370,640 UNITS UP TO 2,589,970,640 UNITS ("PROPOSED INCREASE IN FUND SIZE")

(THE PROPOSED PLACEMENT, PROPOSED CIL PLACEMENT AND PROPOSED INCREASE IN FUND SIZE SHALL BE COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

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

We refer to the announcement dated 26 January 2015 in relation to the Proposed Acquisition ("**Previous Announcement**"). Unless otherwise stated, the definitions used herein shall have the same meanings as set out in the Previous Announcement.

On behalf of the Board of Directors of CapitaMalls Malaysia REIT Management Sdn. Bhd. ("**Board**") and the Manager of CMMT, CIMB is pleased to announce that the Due Diligence Exercise and market valuation for the Property have been completed. The Trustee has notified the Vendor of several minor irregularities identified during the Due Diligence Exercise and of which the Vendor has agreed to rectify these irregularities in accordance with the SPA before the expiry of the Approval Period for the SPA. In line with the agreed terms and conditions of the SPA, the Vendor shall complete the rectification of the said irregularities before the SPA becomes unconditional. Following the completion of the Due Diligence Exercise, whereby the results are satisfactory, Condition Precedent no. 2.5(a) as set out in the Previous Announcement has been satisfied. The Property has been valued at RM560.00 million as appraised by Henry Butcher Malaysia Sdn Bhd on 1 February 2015 using the investment method of valuation, cross checked with the comparison approach of valuation, as set out in its valuation report dated 28 February 2015.

In view of the above, on behalf of the Board, CIMB wishes to announce that the Manager proposes to undertake the following proposals in relation to financing the Proposed Acquisition:

(i) Proposed Placement;

(ii) Proposed CIL Placement, as part of the Proposed Placement; and

(iii) Proposed Increase in Fund Size.

The Proposed Placement, Proposed CIL Placement and Proposed Increase in Fund Size are collectively referred to as the "**Proposals**".

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

This announcement is dated 9 March 2015.

Attachment(s):- (please attach the attachments here)
CMMT - Proposals (9 March 2015).pdf

CAPITAMALLS MALAYSIA TRUST (“CMMT”)

(I) PROPOSED ACQUISITION BY AMTRUSTEE BERHAD (“TRUSTEE” OR THE “PURCHASER”), ON BEHALF OF CMMT, OF TROPICANA CITY MALL TOGETHER WITH ALL ITS CAR PARK BAYS AND TROPICANA CITY OFFICE TOWER FOR A PURCHASE CONSIDERATION OF RM540.00 MILLION (“PROPOSED ACQUISITION”);

(II) PROPOSED ALLOTMENT, ISSUANCE AND PLACEMENT OF UP TO 299.6 MILLION NEW UNITS IN CMMT (“UNITS”), AT A PRICE TO BE DETERMINED LATER, TO RAISE GROSS PROCEEDS OF UP TO RM395.50 MILLION (“PROPOSED PLACEMENT”);

(III) AS PART OF THE PROPOSED PLACEMENT, THE PROPOSED ALLOTMENT, ISSUANCE AND PLACEMENT OF UP TO 108.8 MILLION NEW UNITS TO CMMT INVESTMENT LIMITED (“CIL”), WHICH REPRESENTS 36.32% (BEING THE CURRENT AGGREGATE UNITHOLDINGS OF CAPITAMALLS ASIA LIMITED (“CMA”) IN CMMT HELD THROUGH CIL AND MENANG INVESTMENT LIMITED (“MIL”)) OF THE TOTAL NEW UNITS PLACED OUT UNDER THE PROPOSED PLACEMENT AT A PRICE TO BE DETERMINED LATER, SUBJECT TO GROSS PROCEEDS AMOUNTING UP TO RM143.65 MILLION (“PROPOSED CIL PLACEMENT”); AND

(IV) PROPOSED INCREASE IN THE EXISTING APPROVED FUND SIZE OF CMMT FROM 2,290,370,640 UNITS UP TO 2,589,970,640 UNITS (“PROPOSED INCREASE IN FUND SIZE”)

(THE PROPOSED PLACEMENT, PROPOSED CIL PLACEMENT AND PROPOSED INCREASE IN FUND SIZE SHALL BE COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

---

1. INTRODUCTION

We refer to the announcement dated 26 January 2015 in relation to the Proposed Acquisition (“**Previous Announcement**”). Unless otherwise stated, the definitions used herein shall have the same meanings as set out in the Previous Announcement.

On behalf of the Board of Directors of CapitaMalls Malaysia REIT Management Sdn. Bhd. (“**Board**”) and the Manager of CMMT, CIMB is pleased to announce that the Due Diligence Exercise and market valuation for the Property have been completed. The Trustee has notified the Vendor of several minor irregularities identified during the Due Diligence Exercise and of which the Vendor has agreed to rectify these irregularities in accordance with the SPA before the expiry of the Approval Period for the SPA. In line with the agreed terms and conditions of the SPA, the Vendor shall complete the rectification of the said irregularities before the SPA becomes unconditional. Following the completion of the Due Diligence Exercise, whereby the results are satisfactory, Condition Precedent no. 2.5(a) as set out in the Previous Announcement has been satisfied. The Property has been valued at RM560.00 million as appraised by Henry Butcher Malaysia Sdn Bhd on 1 February 2015 using the investment method of valuation, cross checked with the comparison approach of valuation, as set out in its valuation report dated 28 February 2015 (“**Valuation Report**”).

In view of the above, on behalf of the Board, CIMB wishes to announce that the Manager proposes to undertake the following proposals in relation to financing the Proposed Acquisition:

(i) Proposed Placement;
(ii) Proposed CIL Placement, as part of the Proposed Placement; and
(iii) Proposed Increase in Fund Size.

The Proposed Placement, Proposed CIL Placement and Proposed Increase in Fund Size are collectively referred to as the “**Proposals**”.

Further details of the Proposals are set out in the following sections.

2. THE PROPOSED ACQUISITION

2.1 Summary of the Proposed Acquisition

As announced on 26 January 2015, the Proposed Acquisition involves the proposed acquisition by the Trustee, on behalf of CMMT, of the Property comprising the Mall Building and Office Tower from Tropicana City Sdn. Bhd., an indirect wholly-owned subsidiary of TCB for the purchase consideration of RM540.00 million, based on the terms and subject to the conditions of the SPA.

The Purchase Consideration was arrived at on a willing-buyer willing-seller basis after taking into consideration, amongst others, the competitive strengths of the Property, yield improvement potential of the Property, and the enhancement of CMMT's scale and geographical diversification as a result of the Proposed Acquisition.

The estimated total acquisition cost of the Property is approximately RM565.00 million, comprising the following:

Estimated total acquisition cost	**RM million**	**Remarks**
Purchase Consideration[(1)]		
▪ First deposit of 2% of the Purchase Consideration	10.80	Satisfied in cash, which was paid upon signing of the SPA to the Purchaser's solicitors and the Vendors' solicitors as joint stakeholders.
▪ Balance deposit of 8% of the Purchase Consideration	43.20	Satisfied in cash, which was paid to the joint stakeholders upon satisfaction of all Conditions Precedent set forth in Section 2.5(a) of the Previous Announcement.
▪ Balance of the Purchase Consideration	486.00	To be satisfied in cash and shall be paid to the Vendor's financiers and joint stakeholders within 1 month from the date on which all Conditions Precedent have been fulfilled.
	540.00	
Acquisition fee	5.40	To be paid in cash to the Manager[(2)]
Estimated expenses	19.60	To be satisfied in cash[(3)]
	565.00	

Notes:

(1) Excluding GST of 6% on the Purchase Consideration.

(2) The acquisition fee represents not more than 1% of the Purchase Consideration, which is within the permitted limit provided in the trust deed dated 7 June 2010 (which was subsequently amended and restated by a deed dated 20 January 2015) constituting CMMT, 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 comprise financing and fund raising cost, associated interest expenses, estimated professional fees, fees payable to the relevant authorities and other incidental expenses incurred in relation to the Proposed Acquisition, and inclusive of initial capital expenditure to be incurred in the normal operations of the Property.

Please refer to the Previous Announcement for the remaining details of the Proposed Acquisition.

2.2 Proposed funding for the Proposed Acquisition

The Manager intends to fund the Proposed Acquisition through a combination of debt and equity to be raised via the Proposed Placement (including the Proposed CIL Placement).

Depending on the prevailing market conditions, the Manager may elect to complete the Proposed Acquisition wholly via debt funding if the Proposed Placement cannot be undertaken within 1 month from the date on which all Conditions Precedent have been fulfilled. Under this situation, it is intended that the Proposed Placement may be implemented after completion of the Proposed Acquisition to part refinance the debt undertaken for the Proposed Acquisition. This flexibility allows the Manager to take advantage of prevailing market conditions when implementing the Proposed Placement without affecting the completion timing of the Proposed Acquisition.

2.3 Forecast net property income ("NPI") of the Property

The Property's NPI is RM33.00 million, which has been derived by annualising the Property's NPI forecast of RM16.50 million for the 6-month period ending 31 December 2015 (assuming that the Proposed Acquisition is completed on 1 July 2015). This translates into a property yield of about 6.1%[1].

The key forecast assumptions include the following:

(i) Gross rental forecast is based on (a) rent receivable under existing committed leases; (b) forecast of no increase in average rental and average vacancy period of half a month for tenancies expiring during the 6-month period ending 31 December 2015; and (c) turnover rent is forecast to be similar to that of financial year ended 31 December 2014;

(ii) Car park income to grow by 3.0% compared to financial year ended 31 December 2014;

(iii) Other income comprising (a) casual leasing, advertising panels/promotion income to be similar to that of financial year ended 31 December 2014 and (b) utilities recovery from tenants to grow by 5.0% compared to financial year ended 31 December 2014; and

(iv) Forecast operating expenses for the 6-month period ending 31 December 2015 is based on historical cost and the cost structure of CMMT's malls.

3. THE PROPOSED PLACEMENT

3.1 Details of the Proposed Placement

In conjunction with the Proposed Acquisition, the Manager proposes to allot, issue and place up to 299.6 million new units in CMMT ("**Units**") ("**Placement Units**") (which will result in the corresponding increase of CMMT's existing Units in issue from 1,779.0 million Units up to 2,078.6 million Units), where:

(i) under the Proposed Placement, up to 190.8 million Placement Units shall be placed out to placees to be identified later, at a final issue price for each Placement Unit which will be determined and announced on a date that will be determined later ("**Price-fixing Date**") for the Proposed Placement ("**Final Placement Price**"), to raise gross proceeds of up to RM251.85 million; and

(ii) up to 108.8 million Placement Units shall be placed out to CIL as part of the Proposed Placement, at the Final Placement Price, subject to gross proceeds amounting up to RM143.65 million. Please refer to Section 4 of this announcement for further details on the Proposed CIL Placement.

---

1 The forecast property yield is calculated by dividing the annualised NPI of RM33.00 million by the acquisition price of RM540.00 million.

The actual number of Placement Units to be issued, if any, will depend on the eventual gearing level adopted by the Manager and the Final Placement Price, which shall be determined later.

Furthermore, if the Manager funds the Proposed Acquisition entirely via debt, and depending on the prevailing market conditions, the Manager also proposes to have the flexibility to undertake the Proposed Placement after the completion of the Proposed Acquisition to pare down the acquisition's associated debt to reduce CMMT's gearing level.

3.2 CIL's commitment

To demonstrate its commitment to CMMT, CIL, a wholly owned subsidiary of CMA, together with MIL (also a wholly owned subsidiary of CMA) having an aggregate interest of approximately 36.32% in CMMT as at 2 March 2015, is committed to support the Proposed Placement. CIL will thus undertake to subscribe for its and MIL's pro-rata stake in the Proposed Placement, subject to gross proceeds amounting up to RM143.65 million. Please refer to Section 4 of this announcement for further details on the Proposed CIL Placement.

3.3 Rationale for the Proposed Placement

After due consideration of the various funding options available, the Board is of the view that the Proposed Placement is currently the most appropriate avenue of fund raising for the following reasons:

(i) The Proposed Placement will enable CMMT to raise equity to part finance or part refinance the debt incurred for the Proposed Acquisition, in line with the capital management strategy of CMMT. Please refer to Section 6.2.3 of this announcement for the proforma effect 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, which may, in turn, improve the trading liquidity of CMMT. The Proposed Placement should allow CMMT to attract more local and foreign institutional investors, thereby potentially enlarging its unitholder's base.

3.4 Utilisation of proceeds

The gross proceeds from the Proposed Placement of up to RM395.50 million is expected to be utilised in the following manner:

Details of utilisation	**Amount of proceeds of up to RM million**	**Expected timeframe for utilisation from the completion of the Proposed Placement**
Purchase Consideration[(1)]	370.50	Within 1 month from the date the SPA becomes unconditional
Acquisition fee	5.40	Within 1 month from the date of completion of the Proposed Acquisition
Estimated expenses for the Proposals[(2)]	19.60	Within 6 months from the date of completion of the Proposals
	395.50	

Notes:

(1) To part finance the Purchase Consideration. The balance of the Purchase Consideration is expected to be financed via debt.

(2) The expenses comprise financing and fund raising cost, associated interest expenses, estimated professional fees, fees payable to the relevant authorities and other incidental expenses incurred in relation to the Proposed Acquisition, and inclusive of initial capital expenditure to be incurred in the normal operations of the Property. If the actual expenses are less than this estimated amount, the excess cash shall be used by CMMT for working capital purposes of the Property. Any portion not utilised on the expiry of this period may, at the Manager's discretion, be also used by CMMT as working capital for its existing portfolio.

In the event that the Proposed Acquisition is entirely debt funded, and wherein the proceeds from the Proposed Placement will be used towards the refinancing of part of the debt undertaken, the total gross proceeds raised are intended to be utilised within 1 month from the completion of the Proposed Placement to pare down the said borrowings.

3.5 Pricing of Placement Units

The Final Placement Price for the Placement Units will be fixed at a date to be determined later, by way of a bookbuilding process.

For the avoidance of doubt, CMA, CIL and MIL will not influence the determination of the Final Placement Price which will be arrived at by way of a bookbuilding process. As a result, CIL will be a price-taker and will accept the Final Placement Price.

3.6 Placement of Units

The Placement Units will be placed out by placement agent(s) appointed by the Manager. The placees other than CIL will be identified at a later stage.

The Placement Units are not intended to be placed out to any directors, major shareholders, or chief executive officer of the Manager and/or persons connected with them (collectively, the "**Interested Persons**"), save for CIL, a wholly-owned subsidiary of CMA pursuant to the Proposed CIL Placement, further details of which are set out in Section 4 of this announcement.

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

In addition, the Placement Units may be offered to persons falling within Schedule 6 or Section 229 or Schedule 7 or Section 230 of the Capital Markets and Services Act 2007.

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 as the placement agent to procure prospective placees for the Placement Units, after the receipt of all relevant approvals (where applicable) for the Proposed Placement. CMMT has also appointed Maybank Investment Bank Berhad and J.P. Morgan Securities (Malaysia) Sdn. Bhd. and its affiliates as placement agents, in addition to CIMB 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 exempted 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 allotment and issue, 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 allotment and issue of the Placement Units.

3.8 Waivers from the REITs Guidelines ("Waivers")

Clauses 14.04(a)(i), (ii) and (iii) of the REITs Guidelines state that where an issue of Units departs from any of the applicable requirements under which unitholders have given a general mandate to the management company to issue Units, as stipulated in 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) the issue prices 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.

3.8.1 Placees other than CIL

The Manager, on behalf of CMMT, intends to seek the approval from the SC for a waiver from complying with Clauses 14.04(a)(i), (ii) and (iii) of the REITs Guidelines, as the placees and the corresponding amount of Placement Units to be placed to them as well as the issue price can only be determined upon the close of the Proposed Placement.

3.8.2 CIL as a placee

The Manager, on behalf of CMMT, intends to seek the approval from the SC for a waiver from complying with Clause 14.04(a)(iii) of the REITs Guidelines (as outlined above).

Since CIL will be a price taker, the issue price of the Placement Units to CIL will also be fixed at the same issue price as those Placement Units offered to other placees to be determined later, namely the Final Placement Price.

4. THE PROPOSED CIL PLACEMENT

4.1 Details of the Proposed CIL Placement

As part of the Proposed Placement, up to 108.8 million Placement Units, representing 36.32% of the total new Units to be placed out under the Proposed Placement, will be placed to CIL subject to gross proceeds amounting up to RM143.65 million.

However, if CIL does not receive the necessary approvals to subscribe for the Placement Units, the number of Placement Units to be allocated to CIL shall be placed out to other placees to be determined later under the Proposed Placement. The Placement Units to placees (other than CIL) under the Proposed Placement shall thereby increase accordingly, such that a total of up to 299.6 million new Units shall be placed out.

4.2 Rationale for the Proposed CIL Placement

The Proposed CIL Placement is to demonstrate the commitment of CIL, to the Proposed Placement and to also allow CMA (through holdings via CIL and MIL) to retain its approximately 36.32% aggregate unitholdings in CMMT after the Proposed Placement.

5. PROPOSED INCREASE IN FUND SIZE

5.1 Details of the Proposed Increase in Fund Size

The Manager proposes to increase the existing approved fund size of CMMT from 2,290,370,640 Units up to 2,589,970,640 Units.

	No. of Units
Approved fund size as at 2 March 2015	2,290,370,640
To be issued pursuant to the Proposed Placement	299,600,000
Approved fund size to be sought from the SC	**2,589,970,640**

5.2 Rationale for the Proposed Increase in Fund Size

The Proposed Increase in Fund Size is to accommodate the increase in the new Units to be issued pursuant to the Proposed Placement.

6. EFFECTS OF THE PROPOSALS

6.1 Effects of the Proposed Increase in Fund Size

The Proposed Increase in Fund Size is intended to facilitate the Proposed Placement by accommodating the increase in new Units to be issued. Accordingly, the Proposed Increase in Fund Size will not have any effect on CMMT's unitholders' capital, distributable income and DPU, NAV per Unit, gearing or substantial unitholders' unitholdings, until such time that new Units are issued pursuant to the Proposed Placement.

6.2 Effects of the Proposed Placement (including the Proposed CIL Placement)

The Manager wishes to emphasise that the proforma effects as set out throughout this announcement are illustrated based on equity gross proceeds of up to RM395.50 million to be raised from the Proposed Placement, representing a debt to equity ratio of 30:70 in the financing of the total costs associated with the Proposed Acquisition and should not be regarded as an indication or reference to the Final Placement Price or the actual number of Placement Units to be issued, both of which will be determined at a later date. The decision on the mode and timing of the financing for the Proposed Acquisition shall be determined by the Manager at its absolute discretion, in the best interest of CMMT, subject to the terms and conditions of the SPA and taking into account prevailing market conditions for equity placement, the SPA's completion period and time to market.

6.2.1 Unitholders' capital

The proforma effect of the Proposed Placement (which includes the Proposed CIL Placement) on unitholders' capital of CMMT as at 2 March 2015 is as follows:

	No. of Units '000
As at 2 March 2015	1,778,976
Issuance of new Units pursuant to the Proposed Placement	261,921[(1)]
Enlarged unitholders' capital	**2,040,897**

Note:

*(1) Assuming an illustrative issue price of approximately RM1.51, being the 5 market day volume weighted average market price ("**VWAMP**") up to and including 2 March 2015.*

6.2.2 Distributable income

The Proposed Placement (which includes the Proposed CIL Placement) 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 and the extent thereof would depend on the financial performance and cash flow position of CMMT, and prevailing economic conditions.

As the Manager expects to complete the Proposed Placement (which includes the Proposed CIL Placement) by the third quarter of 2015, the Proposed Placement (which includes the Proposed CIL Placement) is not expected to have a material effect on CMMT's distributable income for the financial year ending 31 December 2015.

6.2.3 NAV per Unit and gearing

The proforma effect of the Proposed Placement (which includes the Proposed CIL Placement) on the NAV per Unit and gearing based on the latest audited financial statements of CMMT as at 31 December 2014 is as follows:

	Audited as at 31 December 2014	After the Proposed Placement (including the CIL Placement)
Total asset value before income distribution (RM '000)	3,404,677	3,979,731
Total asset value after income distribution (RM '000)	3,326,758	3,901,812
NAV before income distribution (RM '000)	2,287,458	2,686,962
NAV after income distribution (RM '000)	2,209,539	2,609,043
Number of Units ('000)	1,778,976	2,040,897[1]
NAV per Unit before income distribution (RM)	1.2858	1.3166
NAV per Unit after income distribution (RM)	1.2420	1.2784
Total borrowings (RM '000)	965,150	1,134,650
Gearing (%) (approximate)[2]	29.0	29.1

Notes:

(1) *Assuming an illustrative issue price of approximately RM1.51, being the 5 market day VWAMP up to and including 2 March 2015.*

(2) *Total borrowings divided by total asset value after income distribution.*

In the event that the Proposed Acquisition is funded entirely via debt, the proforma NAV per unit after income distribution and gearing will be RM1.2486 and 39.2% respectively.

6.2.4 Substantial unitholders' unitholdings

The proforma effect of the Proposed Placement (which includes the Proposed CIL Placement) on CMMT's substantial unitholders' unitholdings are as follows:

Substantial unitholders[1]	As at 2 March 2015 No. of Units held ('000)	%	After the Proposed Placement (including the Proposed CIL Placement) No. of Units held[2] ('000)	%
CIL	623,938	35.07	719,068	35.23
Employees Provident Fund Board[3]	193,442	10.87	193,442	9.48
AmanahRaya Trustees Berhad – Skim Amanah Saham Bumiputera[3]	180,000	10.12	180,000	8.82
Total	997,380	56.06	1,092,510	53.53
Total issued and paid-up Units	**1,778,976**		**2,040,897**	

Notes:

(1) By applying Section 69 of the Malaysian Companies Act, 1965.

(2) Assuming an illustrative issue price of approximately RM1.51, being the 5 market day VWAMP up to and including 2 March 2015.

(3) Assuming the substantial unitholder will not be subscribing for any Placement Units.

7. APPROVALS REQUIRED AND CONDITIONALITY OF THE PROPOSALS

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

(i) the SC for the following:

(a) issuance of the Placement Units (and the corresponding increase in fund size) pursuant to the Proposed Placement (including the Proposed CIL Placement) for the purpose of part financing or part refinancing the Proposed Acquisition;

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

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

(d) the Waivers set out in Section 3.8 of this announcement; and

(e) the Proposed Increase in Fund Size;

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

(iii) unitholders at a unitholders' meeting ("**Meeting**") to be convened for the Proposed Placement and the Proposed CIL Placement;

(iv) the Trustee for the Proposed Increase in Fund Size, which was obtained on 9 March 2015; and

(v) any other relevant regulatory authorities or parties, if required.

Conditionality of the Proposals

The Proposed Placement is conditional upon the Proposed Acquisition and the Proposed Increase in Fund Size.

The Proposed CIL Placement is conditional upon the Proposed Placement.

The Proposed Increase in Fund Size is conditional upon the Proposed Placement.

Other than as disclosed above, the Proposals are not inter-conditional upon each other, or on any other corporate proposal of CMMT.

8. INTERESTS OF THE DIRECTORS AND MAJOR SHAREHOLDERS OF THE MANAGER, MAJOR UNITHOLDERS AND/OR PERSONS CONNECTED

None of the Directors of the Manager, major shareholders of the Manager, major unitholders and persons connected to them is interested in the Proposed Placement 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 and/or persons connected to them who has any interest, direct or indirect, in the Proposed CIL Placement.

8.1 Directors of the Manager

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

	As at 2 March 2015	
Directors	**Number of Units held**	**% of Units issued**
Mr David Wong Chin Huat	-	-
Tuan Haji Rosli bin Abdullah	-	-
Mr Foo Wei Hoong	-	-
Mr Jason Leow Juan Thong	-	-
Mr Ng Chih Kaye	-	-
Mr Ng Kok Siong	100,000	*
Ms Tan Siew Bee	100,000	*
Mr Peter Tay Buan Huat	100,000	*
Ms Low Peck Chen	12,000	*
Total	312,000	*

Note:

* *Negligible.*

The following Directors are the Board representatives of CapitaLand Limited ("**CL**") or CMA:

(i) Mr Ng Kok Siong is a Non-Executive Non-Independent Director of the Manager. He is also the Chief Corporate Development Officer of CL.

(ii) Mr Jason Leow Juan Thong is a Non-Executive Non-Independent Director of the Manager. He is also the CEO of CMA.

In addition, Ms Low Peck Chen also sits on the board of CIL as the representative of CMA.

CIL is deemed to have an interest in the outcome of the Proposed CIL Placement. Pursuant to Clause 14.04(b) of the REITs Guidelines, where Units are issued to interested persons or persons connected to the Manager, such persons must abstain from voting on the resolution approving the allocation. In view of their directorships and/or roles in CL, CMA and/or CIL, Mr Jason Leow Juan Thong, Mr Ng Kok Siong and Ms Low Peck Chen (collectively, the "**Interested Directors**") have abstained and will continue to abstain from deliberating and voting on the resolution pertaining to the Proposed CIL Placement at the relevant Board meetings. The Interested 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 resolution pertaining to the Proposed CIL Placement, which will be tabled at the forthcoming Meeting. The Proposed CIL Placement has and will continue to be deliberated by the non-interested Directors, namely Mr David Wong Chin Huat, Tuan Haji Rosli bin Abdullah, Mr Foo Wei Hoong, Mr Ng Chih Kaye, Ms Tan Siew Bee and Mr Peter Tay Buan Huat (collectively, the "**Non-Interested Directors**") at the relevant Board meetings.

8.2 Major unitholder/major shareholder of the Manager

As at 2 March 2015, CMA, through its 100% shareholding in CapitaLand Retail RECM Pte. Ltd., is 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 the Manager, such persons must abstain from voting on the resolution approving the issue.

As at 2 March 2015, CMA, through its 100% shareholding in CIL and MIL has approximately 36.32% indirect unitholdings in CMMT. CMA, via CIL and MIL has an interest in the outcome of the Proposed CIL Placement which may be different from the interests of other unitholders.

Therefore, CMA (through CIL and MIL), as the major shareholder of the Manager and major unitholder of CMMT, shall abstain from voting in respect of its direct and/or indirect unitholdings on the resolution pertaining to the Proposed CIL Placement, at the forthcoming Meeting and 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 resolution pertaining to the same, at the Meeting to be convened.

8.3 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 unit holders' meeting, regardless of the party who requested for the meeting and the matter or matters that are laid before the meeting*".

9. DIRECTORS' STATEMENT

The Board having considered all aspects of the Proposed Placement and the Proposed Increase in Fund Size and after careful deliberation, are of the opinion that the Proposed Placement and Proposed Increase in Fund Size are in the best interest of CMMT.

In view of the potential conflict of interest situation faced by Mr Jason Leow Juan Thong, Mr Ng Kok Siong and Ms Low Peck Chen as described in Section 8.1 of this announcement, the said Interested Directors have abstained and shall continue to abstain from deliberating on the Proposed CIL Placement at the relevant Board meetings. They are therefore unable to make a recommendation on the Proposed CIL Placement.

The Non-Interested Directors having considered all aspects of the Proposed CIL Placement and after careful deliberation, are of the opinion that the Proposed CIL Placement is in the best interest of CMMT.

10. ADVISER

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

11. 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 4 months from the date of this announcement.

Barring any unforeseen circumstances, the Proposals are expected to be completed by the third quarter of 2015.

Where the Proposed Acquisition is financed and completed wholly via debt funding initially, the Proposed Placement and Proposed CIL Placement may be undertaken beyond the third quarter of 2015, subject to the relevant extension of time for approvals obtained, which will be sought by the Manager if required.

12. DOCUMENTS AVAILABLE FOR INSPECTION

The Valuation Report in respect of the Property is available for unitholders' 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, which is from 9.00 a.m. to 5.00 p.m. from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 9 March 2015.

This Release is not for publication or distribution, directly or indirectly, in or into the United States of America ("US"). This Release is not an offer of securities for sale into the US, Canada or Japan. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and 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 Securities Act), except pursuant to an applicable exemption from registration. No public offering of securities is being made in the US.