

**CAPITAMALLS MALAYSIA TRUST**  
**CONDENSED CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2012**

**CAPITAMALLS MALAYSIA TRUST**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AS AT 31 MARCH 2012 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2011 (AUDITED) RM'000
<b>Assets</b>		
Plant and equipment	1,170	1,093
Investment properties	2,782,066	2,781,000
Total non-current assets	<u>2,783,236</u>	<u>2,782,093</u>
Trade and other receivables	11,852	9,192
Cash and cash equivalents	124,112	115,417
Total current assets	<u>135,964</u>	<u>124,609</u>
<b>Total assets</b>	<b><u>2,919,200</u></b>	<b><u>2,906,702</u></b>
<b>Equity</b>		
Unitholders' capital	1,806,694	1,806,696
Undistributed profit	159,494	145,147
Total unitholders' funds	<u>1,966,188</u>	<u>1,951,843</u>
<b>Liabilities</b>		
Borrowings	815,530	815,231
Tenants' deposits	54,424	47,186
Total non-current liabilities	<u>869,954</u>	<u>862,417</u>
Borrowings	9,000	9,000
Tenants' deposits	20,665	21,936
Trade and other payables	53,393	61,506
Total current liabilities	<u>83,058</u>	<u>92,442</u>
<b>Total liabilities</b>	<b><u>953,012</u></b>	<b><u>954,859</u></b>
<b>Total equity and liabilities</b>	<b><u>2,919,200</u></b>	<b><u>2,906,702</u></b>
<b>Number of unit in circulation ('000 units)</b>	<b>1,762,652</b>	<b>1,762,652</b>
<b>Net asset value (NAV)</b>		
- before income distribution	<b>1,966,188</b>	<b>1,951,843</b>
- after income distribution	<b>1,929,349</b>	<b>1,931,748</b>
<b>NAV per unit (RM)</b>		
- before income distribution	<b>1.1155</b>	<b>1.1073</b>
- after income distribution	<b>1.0946</b>	<b>1.0959</b>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CAPITAMALLS MALAYSIA TRUST**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	CURRENT QUARTER		YEAR TO DATE	
	2012 <sup>1</sup>	31 MARCH	2012 <sup>1</sup>	31 MARCH
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
	RM'000	RM'000	RM'000	RM'000
Gross rental income	57,590	44,369	57,590	44,369
Car park income	4,777	3,639	4,777	3,639
Other revenue	9,036	4,671	9,036	4,671
<b>Gross revenue</b>	<b>71,403</b>	<b>52,679</b>	<b>71,403</b>	<b>52,679</b>
Maintenance expenses	(5,400)	(4,650)	(5,400)	(4,650)
Utilities	(9,440)	(5,570)	(9,440)	(5,570)
Other operating expenses <sup>3</sup>	(7,786)	(5,700)	(7,786)	(5,700)
Property operating expenses	(22,626)	(15,920)	(22,626)	(15,920)
<b>Net property income</b>	<b>48,777</b>	<b>36,759</b>	<b>48,777</b>	<b>36,759</b>
Interest income	730	847	730	847
Other non-operating income	96	1,884	96	1,884
Fair value gain of investment property(ies) <sup>4</sup>	-	5,667	-	5,667
<b>Net investment income</b>	<b>49,603</b>	<b>45,157</b>	<b>49,603</b>	<b>45,157</b>
Manager's management fee	(4,693)	(3,740)	(4,693)	(3,740)
Trustee's fee	(123)	(111)	(123)	(111)
Auditors' fee	(56)	(35)	(56)	(35)
Tax agent's fee	(8)	(5)	(8)	(5)
Valuation fee	(60)	(150)	(60)	(150)
Finance costs	(10,174)	(9,036)	(10,174)	(9,036)
Other non-operating expenses	(47)	(636)	(47)	(636)
	(15,161)	(13,713)	(15,161)	(13,713)
<b>Profit before taxation</b>	<b>34,442</b>	<b>31,444</b>	<b>34,442</b>	<b>31,444</b>
Taxation	-	-	-	-
<b>Profit for the period</b>	<b>34,442</b>	<b>31,444</b>	<b>34,442</b>	<b>31,444</b>
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>34,442</b>	<b>31,444</b>	<b>34,442</b>	<b>31,444</b>
Distribution adjustments <sup>5</sup>	2,527	(5,452)	2,527	(5,452)
<b>Income available for distribution</b>	<b>36,969</b>	<b>25,992</b>	<b>36,969</b>	<b>25,992</b>
<b>Distributable income<sup>6</sup></b>	<b>36,839</b>	<b>25,992</b>	<b>36,839</b>	<b>25,992</b>
Profit for the period is made up of the following:				
Realised	34,442	25,777	34,442	25,777
Unrealised <sup>7</sup>	-	5,667	-	5,667
	34,442	31,444	34,442	31,444

**CAPITAMALLS MALAYSIA TRUST**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**(CONTINUED)**

	CURRENT QUARTER 31 MARCH		YEAR TO DATE 31 MARCH	
	2012 <sup>1</sup> (UNAUDITED)	2011 <sup>2</sup> (UNAUDITED)	2012 <sup>1</sup> (UNAUDITED)	2011 <sup>2</sup> (UNAUDITED)
<b>Earnings per unit (sen)<sup>8</sup></b>				
- before Manager's management fee (sen)	2.22	2.59	2.22	2.59
- after Manager's management fee (sen)	1.95	2.32	1.95	2.32
<b>Distribution per unit (DPU) (sen)</b>	2.09	1.90	2.09	1.90
<b>DPU (sen) – annualised</b>	8.41	7.71	8.41	7.71

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

1. 1Q 2012 actual includes the full-quarter financial results of Gurney Plaza Extension (acquired on 28 March 2011) and East Coast Mall (acquired on 14 November 2011).
2. 1Q 2011 actual includes the 4-day financial results of Gurney Plaza Extension.
3. Included in the other operating expenses is the following:

	CURRENT QUARTER 31 MARCH		YEAR TO DATE 31 MARCH	
	2012 (UNAUDITED) RM'000	2011 (UNAUDITED) RM'000	2012 (UNAUDITED) RM'000	2011 (UNAUDITED) RM'000
Write-back of/ (Allowance) for impairment losses of trade receivables	118	(3)	118	(3)

4. The fair value gain of investment property(ies) is the surplus of the appraised values over costs in the reporting period. This is an unrealised gain and is not available for income distribution.

**CAPITAMALLS MALAYSIA TRUST**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**(CONTINUED)**

5. Included in the distribution adjustments is the following:

	CURRENT QUARTER 31 MARCH		YEAR TO DATE 31 MARCH	
	2012 (UNAUDITED) RM'000	2011 (UNAUDITED) RM'000	2012 (UNAUDITED) RM'000	2011 (UNAUDITED) RM'000
Fair value gain of investment property(ies)	-	(5,667)	-	(5,667)
Manager's management fee payable in units*	2,030	1,746	2,030	1,746
Adjustment for listing expenses	-	(1,884)	-	(1,884)
Depreciation	146	138	146	138
Amortisation of transaction costs on borrowings	247	215	247	215
Net loss from subsidiary**	2	-	2	-
Other tax adjustments	102	-	102	-
	<u>2,527</u>	<u>(5,452)</u>	<u>2,527</u>	<u>(5,452)</u>

\* This is calculated with reference to the net property income of all properties except for East Coast Mall which was payable in cash.

\*\* Net loss from subsidiary relates to the wholly owned subsidiary, CMMT MTN Berhad.

6. The difference between income available for distribution and distributable income is due to rollover adjustment for rounding effect of DPU. Details are set out in B11.

7. This is an unrealised profit and is not available for income distribution.

8. Earnings per unit (EPU) is computed based on profit for the quarter/period divided by the weighted average number of units at the end of the quarter/period. The computation of EPU after Manager's management fee for the current quarter is set out in B13.

**CAPITAMALLS MALAYSIA TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE**

	<b>Unitholders' Capital RM'000</b>	<b>Undistributed Profit Realised RM'000</b>	<b>Unrealised RM'000</b>	<b>Total Unitholders' Funds RM'000</b>
<b>As at 1 January 2011</b>	1,325,560	28,049	81,347	1,434,956
Total comprehensive income for the period	-	25,777	5,667	31,444
<b>Increase in net assets resulting from operations</b>	<b>1,325,560</b>	<b>53,826</b>	<b>87,014</b>	<b>1,466,400</b>
<b>Unitholders' transactions</b>				
- Issue of new units	153,550	-	-	153,550
- Units issued as part satisfaction of the Manager's management fee	-	-	-	-
- Placement expenses <sup>2</sup>	(3,406)	-	-	(3,406)
- Distribution paid to unitholders	-	(45,900)	-	(45,900)
- Provision for income distribution <sup>1</sup>	-	(23,490)	-	(23,490)
<b>Increase in net assets resulting from unitholders' transactions</b>	<b>150,144</b>	<b>(69,390)</b>	<b>-</b>	<b>80,754</b>
<b>As at 31 March 2011 (Unaudited)</b>	<b>1,475,704</b>	<b>(15,564)</b>	<b>87,014</b>	<b>1,547,154</b>
<b>As at 1 January 2012</b>	1,806,696	(5,110)	150,257	1,951,843
Total comprehensive income for the period	-	34,442	-	34,442
<b>Increase in net assets resulting from operations</b>	<b>1,806,696</b>	<b>29,332</b>	<b>150,257</b>	<b>1,986,285</b>
<b>Unitholders' transactions</b>				
- Issue of new units	-	-	-	-
- Units issued as part satisfaction of the Manager's management fee	-	-	-	-
- Placement expenses <sup>2</sup>	(2)	-	-	(2)
- Distribution paid to unitholders <sup>3</sup>	-	(20,095)	-	(20,095)
<b>Increase in net assets resulting from unitholders' transactions</b>	<b>(2)</b>	<b>(20,095)</b>	<b>-</b>	<b>(20,097)</b>
<b>As at 31 March 2012 (Unaudited)</b>	<b>1,806,694</b>	<b>9,237</b>	<b>150,257</b>	<b>1,966,188</b>

The unaudited condensed consolidated statement of changes in net asset value should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

1. Provision for advance income distribution of 1.74 sen per unit was based on the number of units in issue of 1,350,000,000 for the period from 1 January to 24 March 2011; announced on 10 March 2011.
2. This refers to the private placement expenses in relation to the acquisitions of Gurney Plaza Extension.
3. This refers to the final income distribution of 1.14 sen per unit for the period from 11 November 2011 to 31 December 2011 paid on 8 March 2012.

**CAPITAMALLS MALAYSIA TRUST  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	THREE MONTHS ENDED	
	31 MARCH 2012 (UNAUDITED) RM'000	31 MARCH 2011 (UNAUDITED) RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	34,442	31,444
Adjustments for:-		
Manager's management fee paid/payable in units	2,030	1,746
Depreciation	146	138
Fair value gain of investment property(ies)	-	(5,667)
Finance costs	10,174	9,036
Interest income	(730)	(847)
Listing expenses	-	(1,884)
<b>Operating profit before changes in working capital</b>	<b>46,062</b>	<b>33,966</b>
Changes in working capital:		
Trade and other receivables	(2,666)	(4,342)
Trade and other payables	(574)	9,176
<b>Net cash from operating activities</b>	<b>42,822</b>	<b>38,800</b>
<b>Cash Flows From Investing Activities</b>		
Acquisition of plant and equipment	(222)	(80)
Acquisition of investment property(ies)	-	(215,000)
Capital expenditure on investment property(ies)	(1,066)	(5,461)
Interest received	730	847
<b>Net cash used in investing activities</b>	<b>(558)</b>	<b>(219,694)</b>
<b>Cash Flows From Financing Activities</b>		
Interest paid	(12,681)	(11,369)
Distribution paid to unitholders	(20,095)	(45,900)
Proceeds from issuance of new units	-	153,550
Payment of listing expenses	(793)	(1,342)
Proceeds from interest bearing borrowings	-	69,750
<b>Net cash (used in)/from financing activities</b>	<b>(33,569)</b>	<b>164,689</b>
Net increase/(decrease) in cash and cash equivalents	8,695	(16,205)
Cash and cash equivalents at beginning of the period	115,417	127,431
<b>Cash and cash equivalents at end of the period</b>	<b>124,112</b>	<b>111,226</b>
<b>Cash and cash equivalents at end of the period comprises:</b>		
Deposits placed with licensed banks	111,939	96,425
Cash and bank balances	12,173	14,801
	<b>124,112</b>	<b>111,226</b>

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

# CAPITAMALLS MALAYSIA TRUST

## FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)

### Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (MFRS) 134 and with International Accounting Standards (IAS) 34

#### **A1. Basis of Preparation**

The condensed consolidated interim financial statements of the Group as at and for the first quarter ended 31 March 2012 comprise CMMT and its subsidiary. These interim financial statements have been prepared on the historical cost basis except for investment properties and financial instruments which are stated at fair value.

The condensed consolidated interim financial statements have been prepared in compliance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and with IAS 34: Interim Financial Reporting, Paragraph 9.44 of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities), provisions of the trust deed dated 7 June 2010 (the Trust Deed) and the Securities Commission's Guidelines on Real Estate Investment Trusts (the REITs Guidelines).

The Group has adopted the MFRS framework, which has become effective for the annual period beginning 1 January 2012, and has applied MFRS 1, First-Time Adoption of Malaysian Financial Reporting Standards. The adoption of the MFRS has no significant impact on the financial statements.

The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2011 and the accompanying explanatory notes attached to the condensed consolidated interim financial statements.

#### **A2. Changes in Accounting Policies**

The significant accounting policies and methods of computation used in the preparation of the condensed consolidated interim financial statements are consistent with those adopted in the preparation of the audited financial statements of the Group and of CMMT for the financial year ended 31 December 2011.

#### **A3. Audit Report of Preceding Financial Year**

The audit report for the financial year ended 31 December 2011 was not qualified.

#### **A4. Comment on Seasonality or Cyclicity of Operations**

The business operations of the Group and of CMMT may be affected by seasonal or cyclical factors, including but not limited to changes in rental demand and supply of properties which depend on market conditions, economic cycle, financial performance of its tenants, availability of credit facilities and interest rate environment.

#### **A5. Unusual Items Due To Their Nature, Size or Incidence**

Nil.

#### **A6. Changes in Estimates Of Amount Reported**

Nil.

#### **A7. Debt and Equity Securities**

Saved as disclosed in note B9, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current quarter.



**CAPITAMALLS MALAYSIA TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)**

**A8. Income Distribution Policy**

In line with the distribution policy as set out in the Trust Deed, the Manager will distribute at least 90% of its distributable income to its unitholders in each financial year. CMMT will make distributions to its unitholders on a semi-annual basis for each six-month period ending 30 June and 31 December of each year.

**A9. Segmental Reporting**

No segment information is prepared as CMMT's activities are in one operating segment and its assets are located in Malaysia.

**A10. Valuation of Investment Properties**

The investment properties are valued by independent professional valuers and the differences between the valuation and the carrying values of the respective investment properties are charged or credited to the profit or loss for the period in which they arise.

Fair value gain arising from the valuation of Gurney Plaza Extension amounting to RM5.7 million was recognised in the previous year's corresponding quarter. There was no valuation performed during the current quarter.

**A11. Subsequent Events**

Nil.

**A12. Changes in Composition of the Trust**

Nil.

**A13. Changes in Contingent Liabilities and Contingent Asset**

Nil.

**A14. Capital Commitments**

Capital commitments in relation to regular capital expenditure and asset enhancement initiatives are as follows:

	<b>RM'000</b>
Contracted but not provided for	10,100
	<b><u>10,100</u></b>

**CAPITAMALLS MALAYSIA TRUST**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)**

**Part B - Additional Information Pursuant to Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**B1. Review of Performance**

	1Q/YTD 2012 <sup>1</sup> (Unaudited) RM '000	1Q/YTD 2011 <sup>2</sup> (Unaudited) RM '000	Change %
<b>(a) Breakdown of Gross Revenue</b>			
Gurney Plaza	27,935	20,041	39.4
Sungei Wang Plaza	18,214	17,702	2.9
The Mines	15,529	14,936	4.0
East Coast Mall	9,725	-	*
<b>Total Gross Revenue</b>	<u>71,403</u>	<u>52,679</u>	<u>35.5</u>
<b>(b) Breakdown of Property Operating Expenses</b>			
Gurney Plaza	8,546	5,887	45.2
Sungei Wang Plaza	4,008	4,128	(2.9)
The Mines	6,367	5,905	7.8
East Coast Mall	3,705	-	*
<b>Total Property Operating Expenses</b>	<u>22,626</u>	<u>15,920</u>	<u>42.1</u>
<b>(c) Breakdown of Net Property Income</b>			
Gurney Plaza	19,389	14,154	37.0
Sungei Wang Plaza	14,206	13,574	4.7
The Mines	9,162	9,031	1.5
East Coast Mall	6,020	-	*
<b>Total Net Property Income</b>	<u>48,777</u>	<u>36,759</u>	<u>32.7</u>

\* Not meaningful.

<sup>1</sup> 1Q 2012 actual includes the full-quarter financial results of Gurney Plaza Extension, which was acquired on 28 March 2011 and grouped under Gurney Plaza, and East Coast Mall which was acquired on 14 November 2011.

<sup>2</sup> 1Q 2011 actual includes the financial results of Gurney Plaza Extension which was grouped under Gurney Plaza.

## **CAPITAMALLS MALAYSIA TRUST FOR THE FIRST QUARTER ENDED 31 MARCH 2012 (UNAUDITED)**

### **B1. Review of Performance (cont'd)**

#### **Quarter Results (1Q 2012 vs 1Q 2011)**

For 1Q 2012, the Group recorded gross revenue of RM71.4 million, an increase of RM18.7 million or 35.5% over 1Q 2011. The increase was mainly due to the full-quarter contributions from the newly acquired malls namely East Coast Mall (ECM) and Gurney Plaza Extension (GPE) which were acquired on 14 November 2011 and 28 March 2011 respectively, as well as the completion of the 2011 asset enhancement works at GP. The Group also benefited from higher gross rental income as a result of higher rental rates achieved from new and renewed leases.

Property operating expenses for 1Q 2012 was RM22.6 million, which was RM6.7 million or 42.1% higher compared to 1Q 2011. ECM attributed to an increase of RM3.7 million in current quarter's property operating expenses and the other malls accounted for the balance. In general, property operating expenses for the current quarter was higher mainly due to higher utility expenses because of higher electricity consumption, higher marketing expenses and reimbursable staff costs. As a result, net property income for 1Q 2012 was RM48.8 million which was 32.7% higher than 1Q 2011.

Interest income for 1Q 2012 was RM0.7 million, which was RM0.1 million or 13.8% lower compared to 1Q 2011 amid steady deposit rates. The decrease was mainly attributed to lower available cash on deposit after cash outlay for 2011 capital expenditure works. Other non-operating income of RM1.9 million in 1Q 2011 refers to the adjustment for over-provision of listing expenses in relation to the initial public offering in 2010. Fair value gain of RM5.7 million in 1Q 2011 was related to GPE.

Manager's management fee was RM4.7 million, an increase of RM0.9 million or 25.5% over 1Q 2011 mainly due to the corresponding higher net property income and increase in asset base after acquisition of GPE and ECM.

Finance costs for 1Q 2012 of RM10.2 million were RM1.1 million or 12.6% higher than the same quarter last year. This was mainly due to the full-quarter impact of finance costs arising from the GPE term loan facility of RM69.7 million (drawdown in late 1Q 2011) and additional finance costs incurred on a new credit facility which was drawdown in 4Q 2011. The latter refers to a RM9.0 million revolving credit facility to fund the asset enhancement works for Gurney Plaza and The Mines. Average cost of debt for 1Q 2012 was 4.7% (1Q 2011: 4.7%).

CMMT has incurred RM0.2 million on regular capex expenditure and RM0.6 million on asset enhancement works in the current quarter. The Mines has started the construction works on a new electrical substation whilst ECM's upgrading works on air-conditioner chillers is still in progress.

Overall, distributable income to unitholders for 1Q 2012 was RM36.8 million which was RM10.8 million or 41.7% higher compared to 1Q 2011.

#### **Financial Year-to-date Results (YTD 2012 vs YTD 2011)**

Review of financial year-to-date results is same as above.

**CAPITAMALLS MALAYSIA TRUST  
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**B2. Material Changes in Quarter Results**

	<b>Quarter ended 31 March 2012 RM,000</b>	<b>Quarter ended 31 December 2011 RM,000</b>
Profit before taxation	34,442	45,114
Less: Fair value gain of investment property(ies)	-	(14,690)
Profit before taxation, excluding fair value gain of investment property(ies)	34,442	30,424

The Group's profit before taxation (excluding fair value gain of investment properties) of RM34.4 million was RM4.0 million or 13.2% higher compared to the immediate preceding quarter of RM30.4 million, mainly due to the full-quarter contributions by ECM in 1Q 2012.

**B3. Investment Objectives and Strategies**

The investment objective and strategies of the Group remain unchanged, i.e. to invest on a long term basis, in a portfolio of income-producing real estate primarily used for retail purposes and located primarily in Malaysia or such other non-real estate investments as may be permitted under the Trust Deed, the REITs guidelines or by the Securities Commission of Malaysia, with a view to providing unitholders with long-term and sustainable distribution of income and potential capital growth.

**B4. Commentary on Prospects**

The Manager views the future prospects of the Malaysian retail sector to be positive.

Amid a more challenging external environment, Malaysia's economy is projected to grow by 4.0% to 5.0% in 2012 (Source: Bank Negara Annual Report 2011). Domestic demand is expected to remain resilient and continue to be the anchor of growth. Measures announced in the 2012 Budget, including the upward revision of public sector wages and the one-off financial assistance to low and middle-income groups, are expected to support private consumption. Domestic-oriented industries and the ongoing implementation of projects under the Economic Transformation Programme (ETP) are expected to drive private investment. The macroeconomic outlook bodes well for retail sales, which are projected to grow 6.0% in 2012 (source: Retail Group Malaysia, on behalf of the Malaysian Retailers Association). In addition, CMMT's malls are essentially focused on necessity shopping, and should prove resilient even in these uncertain times.

CMMT provides its unitholders with both income and geographical diversification from its portfolio of four well-performing malls in Penang, Kuala Lumpur, Selangor and Kuantan.

**CAPITAMALLS MALAYSIA TRUST  
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**B5. Profit Guarantee**

CMMT is not involved in any arrangement whereby it provides profit guarantee.

**B6. Tax Expense**

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967, effective from the Year of Assessment 2007, the total income of a REIT for a year of assessment will be exempted from income tax provided that the REIT distributes 90% or more of its total income for that year of assessment. If the REIT is unable to meet the 90% distribution criteria, the entire taxable income of the REIT for the year would be subject to income tax.

As CMMT intends to distribute at least 90% of its distributable income for the financial year ending 31 December 2012 to its unitholders, no provision for tax has been made for the current quarter.

**B7. Status of Corporate Proposals**

Nil.

**B8. Utilisation of Proceeds Raised from Issuance of New Units**

In conjunction with the acquisition of East Coast Mall, on 14 November 2011, RM329,999,040 was raised from the issuance and placement of 261,904,000 new units in CMMT at the issue price of RM1.26 per unit. The status of the utilisation of gross proceeds as at 31 March 2012 is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Intended Time frame for Utilisation	Deviation	
	RM '000	RM '000		RM '000	%
Purchase consideration	310,000	310,000	-	-	-
Placement expenses	7,161	5,718	-	(1,443) <sup>^</sup>	(20.2)
Incidental costs on acquisition	4,839	4,623	Within 8 months	(216) <sup>^</sup>	(4.5)
Initial capital expenditure	4,000	2,433	Within 8 months	(1,567)	(39.2)
Working capital	4,000	-	Within 8 months	(4,000)	*
	<b>330,000</b>	<b>322,774</b>		<b>(7,226)</b>	<b>(2.2)</b>

\* Not meaningful.

<sup>^</sup> Pending utilisation and receipt of invoices.

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**B9. Borrowings and Debt Securities**

	As at 31 March 2012 (Unaudited) RM '000	As at 31 December 2011 (Audited) RM '000
<b>Long term borrowings</b>		
Secured term loans	819,750	819,750
Less: Unamortised transaction costs	(4,220)	(4,519)
	815,530	815,231
<b>Short term borrowings</b>		
Unsecured revolving credit	9,000	9,000
<b>Total borrowings</b>	<b>824,530</b>	<b>824,231</b>

All the borrowings are denominated in Ringgit Malaysia.

The unsecured revolving credit of RM9.0 million was for the purpose of financing the asset enhancement initiatives of Gurney Plaza and The Mines.

As of to date, two out of four properties of the Group, namely Sungei Wang Plaza and East Coast Mall, are unencumbered.

**B10. Change in Material Litigation**

Nil.

**B11. Income Distribution**

On 8 March 2012, CMMT paid its final income distribution of RM20.1 million or 1.14 sen per unit to its unitholders, for the period from 11 November 2011 to 31 December 2011.

No income distribution was proposed for the current quarter as CMMT's distribution of income is paid on a half yearly basis.

Pursuant to the Section 109D(2) of the Income Tax Act, 1967, the applicable final withholding tax on distributions of income which is tax exempt at CMMT level is as follows:

Resident unitholders:

- |                           |                                      |
|---------------------------|--------------------------------------|
| (a) Corporate:            | Tax flow through, no withholding tax |
| (b) Other than corporate: | Withholding tax at 10%               |

Non-resident unitholders:

- |                              |                        |
|------------------------------|------------------------|
| (c) Corporate:               | Withholding tax at 25% |
| (d) Institutional investors: | Withholding tax at 10% |
| (e) Individuals              | Withholding tax at 10% |

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**B12. Composition of Investment Portfolio as at 31 March 2012**

As at 31 March 2012, CMMT's portfolio comprised the following shopping malls:

Investment properties	Cost of Investment <sup>1</sup> RM '000	Market value as at 31 March 2012 RM '000	Market value as % of NAV %
Gurney Plaza	1,041,585	1,100,180	56.0
Sungei Wang Plaza	725,522	792,000	40.3
The Mines	547,825	559,647	28.5
East Coast Mall	316,877	330,239	16.8
<b>Total</b>	<b>2,631,809</b>	<b>2,782,066</b>	

The market value of Sungei Wang Plaza, The Mines and East Coast Mall were stated at valuations conducted by PPC International Sdn. Bhd. as at 31 December 2011. The market value of Gurney Plaza was stated at valuation performed by CB Richard Ellis (Malaysia) Sdn. Bhd. as at 31 December 2011.

<sup>1</sup> Cost of investment comprised purchase consideration and capital expenditure incurred from inception up to the end of the reporting period.

**B13. Changes in NAV, EPU, DPU and Market Price**

	Quarter ended 31 March 2012	Quarter ended 31 December 2011
Number of units in circulation (units)	1,762,652,100	1,762,652,100
NAV before income distribution (RM '000)	1,966,188	1,951,843
NAV after income distribution (RM '000)	1,929,349	1,931,748
NAV per unit <sup>1</sup> (RM)	1.0946	1.0959
Total comprehensive income (RM'000)	34,442	45,114
Weighted average number of units in issue <sup>2</sup> (units)	1,762,652,100	1,643,732,913
EPU after manager's management fee (sen)	1.95	2.75
DPU (sen)	2.09	1.99
Market price (RM)	1.38	1.44
DPU yield (%)	1.51	1.38

<sup>1</sup> NAV per unit is arrived at by dividing the NAV after income distribution/distributable income with the number of units in circulation at the end of the period.

<sup>2</sup> Weighted average number of units in issue for YTD 2012 is 1,762,652,100.

**B14. Soft Commission Received By The Manager And Its Delegates**

Nil.

**B15. Manager's Fee**

For the financial period ended 31 March 2012, The Manager has accounted for a base fee of 0.29% per annum of the total asset value and a performance fee of 4.75% per annum of net property income. Total fees accrued to the Manager (inclusive of 6% service tax) were as follows:

	1Q/YTD 2012 Actual (Unaudited) RM '000
Base management fee	2,238
Performance fee	2,455
<b>Total fees</b>	<b>4,693</b>

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**B16. Unitholdings by the Manager**

As at 31 March 2012, the Manager did not hold any units in CMMT.

**B17. Unitholdings by Parties Related to the Manager**

	No of units	Percentage of unitholdings	Market value <sup>3</sup> at 30 March 2012
	Units	%	RM
CMMT Investment Limited <sup>1</sup>	623,938,000	35.40	861,034,440
Menang Investment Limited <sup>1</sup>	5,889,100	0.33	8,126,958
Skim Amanah Saham Bumiputera <sup>2</sup>	115,642,900	6.56	159,587,202
AS 1 Malaysia <sup>2</sup>	25,606,000	1.45	35,336,280
Amanah Saham Wawasan 2020 <sup>2</sup>	35,049,500	1.99	48,368,310
Sekim Amanah Saham Nasional <sup>2</sup>	5,518,500	0.31	7,615,530
Amanah Saham Malaysia <sup>2</sup>	30,000,000	1.70	41,400,000
Amanah Saham Nasional 2 <sup>2</sup>	1,888,400	0.11	2,605,992
Amanah Saham Nasional 3 Imbang <sup>2</sup>	751,000	0.04	1,036,380
Amanah Saham Gemilang for Amanah Saham Persaraan <sup>2</sup>	337,700	0.02	466,026
Amanah Saham Gemilang for Amanah Saham Kesihatan <sup>2</sup>	549,700	0.03	758,586
Amanah Saham Gemilang for Amanah Saham Pendidikan <sup>2</sup>	446,700	0.03	616,446
PNB Structured Investment Fund <sup>2</sup>	3,889,700	0.22	5,367,786
Direct unitholdings of the Directors of the Manager:			
Mr Kee Teck Koon	100,000	*	138,000
Mr Lim Beng Chee <sup>4</sup>	100,000	*	138,000
Mr Ng Kok Siong <sup>4</sup>	100,000	*	138,000
Ms Sharon Lim Hwee Li	100,000	*	138,000
Datuk Gnanachandran S Ayadurai	100,000	*	138,000
Ms Tan Siew Bee	100,000	*	138,000
Mr Peter Tay Buan Huat	100,000	*	138,000
	<b>850,207,200</b>	<b>48.23</b>	<b>1,173,285,936</b>

\* Negligible.

<sup>1</sup> An indirect wholly-owned subsidiary of CapitaMalls Asia Limited.

<sup>2</sup> Managed by Amanah Saham Nasional Berhad (ASNB), a wholly-owned subsidiary of Permodalan Nasional Berhad (PNB), except for PNB Structured Investment Fund which is managed by Amanah Mutual Berhad, a wholly-owned subsidiary of ASNB where PNB is the ultimate holding company. PNB is also the ultimate holding company of Malaysian Industrial Development Finance Berhad (MIDF) who in turn is a substantial shareholder of the Manager.

<sup>3</sup> The market value of the units is computed based on the closing price of RM1.38 per unit as at 30 March 2012.

<sup>4</sup> Units held through nominees.



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**B18. Responsibility Statement and Statement by the Directors of the Manager**

In the opinion of the Directors of the Manager, the quarterly condensed consolidated interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting and with IAS 34: Interim Financial Reporting, Paragraph 9.44 of the Listing Requirements of Bursa Securities, provisions of the Trust Deed and the REITs Guidelines so as to give a true and fair view of the financial position of the Group and of CMMT as at 31 March 2012 and of their financial performance and cash flows for the quarter ended on that date and duly authorized for release by the Board of Directors of the Manager on 19 April 2012.

**BY ORDER OF THE BOARD**

**KHOO MING SIANG  
COMPANY SECRETARY (MAICSA No. 7034037)  
CapitaMalls Malaysia REIT Management Sdn. Bhd. (819351-H)  
(As Manager of CapitaMalls Malaysia Trust)  
Kuala Lumpur**

**Date: 19 April 2012**