CIRCULAR DATED 9 MAY 2014

THIS CIRCULAR (AS DEFINED HEREIN) IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) AND THE ADVICE OF DEUTSCHE BANK AG, SINGAPORE BRANCH TO THE INDEPENDENT DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.

This Circular is issued by CapitaMalls Asia Limited. If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your issued ordinary shares in the capital of CapitaMalls Asia Limited, you should immediately forward this Circular to the purchaser, the transferee or to the bank, stockbroker or agent through whom you effected the sale for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained, opinions expressed or advice given in this Circular.

CAPITAMALLS ASIA LIMITED

凱德商用產業有限公司*

(Singapore Company Registration Number: 200413169H)
(Incorporated in the Republic of Singapore with limited liability)
(Hong Kong Stock Code: 6813)
(Singapore Stock Code: JS8)

CIRCULAR TO SHAREHOLDERS

in relation to the

VOLUNTARY CONDITIONAL CASH OFFER

by

CREDIT SUISSE (SINGAPORE) LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 197702363D)

and

MORGAN STANLEY ASIA (SINGAPORE) PTE.
(Incorporated in the Republic of Singapore)
(Company Registration No.: 199206298Z)

for and on behalf of

SOUND INVESTMENT HOLDINGS PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No.: 201410701H)

to acquire the Offer Shares (as defined herein)

Independent Financial Adviser to the Independent Directors

DEUTSCHE BANK AG, SINGAPORE BRANCH
(Incorporated in the Federal Republic of Germany)
(Company Registration No.: S72FC2238G)

SHAREHOLDERS SHOULD NOTE THAT THE OFFER DOCUMENT (AS DEFINED HEREIN) STATES THAT THE OFFER (AS DEFINED HEREIN) WILL CLOSE AT 5.30 P.M. (SINGAPORE TIME) ON 26 MAY 2014 OR SUCH LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE OFFEROR (AS DEFINED HEREIN). ACCORDINGLY, SHAREHOLDERS WHO WISH TO ACCEPT THE OFFER MUST DO SO BY SUCH TIME AND DATE.

** For identification purposes only*

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

"**1Q**"	:	First financial quarter ended 31 March
"**1Q Results Reports**"	:	The IFA Report, the KPMG Report and the summary valuation information set out in Appendix IV to the unaudited consolidated financial statements of the Group for the three months ended 31 March 2014 as included in **Appendix 5** of this Circular
"**Acceptance Condition**"	:	Has the meaning ascribed to it in **Section 2.5** of this Circular
"**Acceptance Forms**"	:	The FAA, FAT and the HK FAT
"**Annual Report**"	:	The annual report of the Company
"**Board**"	:	Board of Directors of the Company
"**Books Closure Date**"	:	5 May 2014, being the date on which the share transfer books and registers of members of the Company were closed for the purposes of determining Shareholders' entitlements to the FY2013 Final Dividend
"**CapitaLand**"	:	CapitaLand Limited, the holding company of the Offeror
"**CapitaLand Group**"	:	CapitaLand and its subsidiaries
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 9 May 2014 in relation to the Offer
"**Closing Date**"	:	5.30 p.m. (Singapore time) on 26 May 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last date for the lodgement of acceptances of the Offer
"**CMA CEO**"	:	Mr Lim Beng Chee, Executive Non-Independent Director and Chief Executive Officer of CMA
"**CMA Share Awards**"	:	Has the meaning ascribed to it in **Section 2.2(b)** of this Circular
"**Code**"	:	The Singapore Code on Take-overs and Mergers
"**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore
"**Company**" or "**CMA**"	:	CapitaMalls Asia Limited
"**Concert Parties**"	:	Parties acting or deemed to be acting in concert with the Offeror in respect of the Offer
"**Convertible Securities**"	:	Securities convertible or exchangeable into new shares or existing shares of a company
"**CPF**"	:	Central Provident Fund
"**CPFIS**"	:	Central Provident Fund Investment Scheme

"**CPFIS Investors**"	:	Shareholders who purchase Shares using their CPF account savings under the CPFIS
"**Credit Suisse**"	:	Credit Suisse (Singapore) Limited, being one of the two financial advisers to the Offeror in connection with the Offer
"**Derivatives**"	:	Includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities
"**Directors**"	:	The directors of the Company (including the Independent Directors) as at the Latest Practicable Date
"**Dissenting Shareholders**"	:	Shareholders who have not accepted the Offer as at the Closing Date
"**Distributions**"	:	Dividends, rights, other distributions and return of capital
"**Encumbrances**"	:	Claims, charges, liens, mortgages, encumbrances, hypothecation, retention of title, power of sale, equity, options, rights of pre-emption, rights of first refusal or other third party rights or interests of any nature whatsoever
"**Executive Officers**"	:	Key executive officers of CMA, including the CMA CEO
"**FAA**"	:	Form of Acceptance and Authorisation, applicable to Shareholders whose Offer Shares are deposited with CDP, which forms part of the Offer Document
"**FAT**"	:	Form of Acceptance and Transfer, applicable to Shareholders whose Offer Shares are registered in their own names on the Singapore Register, which forms part of the Offer Document
"**FY**"	:	Financial year ended 31 December
"**FY2013 AGM**"	:	The annual general meeting of the Company held on 17 April 2014
"**FY2013 Directors' Fees**"	:	Has the meaning ascribed to it in **Section 2.2(c)** of this Circular
"**FY2013 Final Dividend**"	:	The final one-tier dividend of S$0.0175 per Share for FY2013
"**Group**" or "**CMA Group**"	:	The Company and its subsidiaries
"**HK FAT**"	:	Form of Acceptance and Transfer, applicable to Shareholders whose Offer Shares are registered in their own names on the Hong Kong Branch Register, which forms part of the Offer Document
"**HKSE**"	:	The Stock Exchange of Hong Kong Limited
"**Hong Kong Branch Register**"	:	The branch register of Shareholders maintained by the Hong Kong Registrar
"**Hong Kong Registered Shareholders**"	:	Shareholders whose Shares are held under their own names on the Hong Kong Branch Register
"**Hong Kong Registrar**"	:	Computershare Hong Kong Investor Services Limited

"**IFA**" or "**DB**"	:	Deutsche Bank AG, Singapore Branch, as the independent financial adviser to the Independent Directors in respect of the Offer
"**IFA Letter**"	:	Letter dated 9 May 2014 from the IFA to the Independent Directors containing, among others, the advice of the IFA to the Independent Directors in respect of the Offer, as set out in **Appendix 1** of this Circular
"**IFA Report**"	:	Report dated 6 May 2014 by the IFA in relation to the unaudited consolidated financial statements of the Group for the three months ended 31 March 2014, as included in **Appendix 5** of this Circular
"**Independent Directors**"	:	The Directors who are considered independent for the purpose of making a recommendation to the Shareholders in respect of the Offer, namely Dr Loo Choon Yong, Mr Sunil Tissa Amarasuriya, Mr Bob Tan Beng Hai and Professor Tan Kong Yam
"**Interested Person**"	:	As defined in the Note on Rule 23.12 of the Code, an interested person in relation to a company is: (a) a director, chief executive officer, or substantial shareholder of the company; (b) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company; (c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary; (d) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more; (e) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or (f) any company in which a substantial shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more
"**KPMG Report**"	:	Report dated 6 May 2014 by KPMG LLP in relation to the unaudited interim financial information of the Group for the three months ended 31 March 2014, as included in **Appendix 5** of this Circular
"**Last Trading Day**"	:	11 April 2014, being the last full trading day of the Shares on the SGX-ST immediately preceding the Offer Announcement Date
"**Latest Practicable Date**"	:	2 May 2014, being the latest practicable date prior to the printing of this Circular

"**Listing Manual**"	:	The Listing Manual of the SGX-ST, as amended up to the Latest Practicable Date
"**Management Retention Scheme**":		The arrangements in respect of the retention scheme for certain Executive Officers, details of which are set out in **Section 3** of this Circular and in Sections 12.2 and 12.3 of the Offer Document
"**Material Contracts**"	:	Has the meaning ascribed to it in **Section 10** of **Appendix 2** of this Circular
"**Morgan Stanley**"	:	Morgan Stanley Asia (Singapore) Pte., being one of the two financial advisers to the Offeror in connection with the Offer
"**MSIP**"	:	Morgan Stanley & Co. International plc
"**Offer**"	:	The voluntary conditional cash offer by the Offeror Financial Advisers, on behalf of the Offeror, to acquire the Offer Shares on the terms and subject to the conditions set out in the Offer Document and the Acceptance Forms
"**Offer Announcement**"	:	The announcement of the Offer released by the Offeror Financial Advisers, on behalf of the Offeror, on the Offer Announcement Date
"**Offer Announcement Date**"	:	14 April 2014, being the date of the Offer Announcement
"**Offer Document**"	:	The offer document dated 28 April 2014, including the Acceptance Forms
"**Offer Price**"	:	S$2.22 in cash for each Offer Share, subject to the terms of the Offer Document
"**Offer Shares**"	:	Has the meaning ascribed to it in **Section 2.2** of this Circular
"**Offeror**"	:	Sound Investment Holdings Pte. Ltd., a wholly-owned subsidiary of CapitaLand
"**Offeror Financial Advisers**"	:	Credit Suisse and Morgan Stanley
"**Options**"	:	Options to subscribe for or purchase new shares or existing shares of a company
"**Other Valuers**"	:	Has the meaning ascribed to it in **Section 13.5** of **Appendix 2** of this Circular
"**Overseas Shareholder**"	:	Shareholders whose addresses are outside Singapore and Hong Kong, as shown on the Singapore Register, the Hong Kong Branch Register or in the records of CDP, as the case may be
"**Performance Shares**"	:	The Shares under awards granted pursuant to the Performance Share Plan of the Company
"**Relevant Directors**"	:	Has the meaning ascribed to it in **Section 7.1** of this Circular
"**Relevant Securities**"	:	Means:
		(i) any Shares;
		(ii) any securities which carry voting rights in the Company; and

		(iii) any convertible securities, warrants, options or derivatives in respect of any Shares or securities referred to in (ii) above
"**Restricted Shares**"	:	The Shares under awards granted pursuant to the Restricted Stock Plan of the Company
"**Revalued Properties**"	:	The 13 properties referred to in the IFA Letter in which the Company has interests and which have been revalued as at 2 May 2014 pursuant to the valuation reports set out in **Appendix 7** of this Circular
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Plans**"	:	The Restricted Stock Plan and the Performance Share Plan of the Company
"**Shareholders**"	:	Shareholders of the Company
"**Shares**"	:	Ordinary shares in the capital of the Company
"**SIC**"	:	The Securities Industry Council of Singapore
"**Singapore Register**"	:	The register of Shareholders maintained by the Singapore Registrar
"**Singapore Registered Shareholders**"	:	Shareholders whose Shares are held under their own names on the Singapore Register
"**Singapore Registrar**"	:	Boardroom Corporate & Advisory Services Pte. Ltd.
"**Valuation Reports**"	:	The valuation reports in respect of the Revalued Properties as set out in **Appendix 7** of this Circular
"**Valuers**"	:	CBRE Pte. Ltd. (address at 6 Battery Road #32-01, Singapore 049909), Colliers International (Hong Kong) Limited (address at Suite 5701 Central Plaza, 18 Harbour Road Wanchai, Hong Kong), DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd. (address at 42-43F, Plaza 66, Tower 2, 1366 Nanjing Road West, Shanghai, 200040, China), DTZ Debenham Tie Leung Kabushiki Kaisha (address at Uchisaiwaicho Daibiru Building 9F, 1-3-3 Uchisaiwaicho, Chiyoda-ku, Tokyo 100-0011, Japan), Knight Frank Petty Limited (address at 4/F Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong) and PPC International Sdn Bhd (address at 8th Floor, Campbell Complex, 98 Jalan Dang Wangi, 50100 Kuala Lumpur, Malaysia), being the independent valuers who prepared the Valuation Reports in respect of the Revalued Properties
"**VWAP**"	:	Volume weighted average price
"**Warrants**"	:	Rights to subscribe for or purchase new shares or existing shares of a company
"**S$**" and "**cents**"	:	Singapore dollars and cents, respectively, the lawful currency of Singapore
"**%**"	:	Percentage or per centum

Acting in Concert, Associates. Unless otherwise defined, the expressions "**acting in concert**" and "**associates**" shall have the meanings ascribed to them respectively in the Code.

Depositor, Depository Register, etc. The expressions "**CDP Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to "Depositor", "Depository Agent" and "Depository Register" in the Companies Act.

Genders. Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Offer. References in this Circular to the Offer, assume that the Offer as announced on the Offer Announcement Date and as contained in the Offer Document, has not been revised or amended, and that the Acceptance Condition has not been waived, unless otherwise stated.

Rounding. Any discrepancies in the figures in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Shareholders. References to "**you**", "**your**" and "**yours**" in this Circular are, as the context so determines, to Shareholders.

Shares in the Capital of the Company. In this Circular, the total number of Shares is 3,897,695,302 as at the Latest Practicable Date, none of which is held in treasury.

Statutes. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Code, the Listing Manual or any modification thereof and not otherwise defined in the Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the Code, the Listing Manual or that modification thereof, as the case may be, unless the context otherwise requires.

Subsidiary. The expression "**subsidiary**" shall have the meaning ascribed to it in the Companies Act.

Time and Date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively unless otherwise stated.

Extracted Sections. Texts in italics in the boxed and grey-shaded sections in this Circular have been extracted from the relevant sections in the Offer Document issued by the Offeror or (as the case may be) the IFA Letter issued by the IFA. All terms and expressions used in these sections shall have the same meanings as those defined in the Offer Document or the IFA Letter, as the case may be, from which they have been extracted.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company does not guarantee any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statement.

KEY DATES AND TIMES

Date of despatch of the Offer Document	:	28 April 2014
Date of despatch of this Circular	:	9 May 2014
Closing Date	:	5.30 p.m. (Singapore time) on 26 May 2014, or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for lodgement of acceptances of the Offer

CAPITAMALLS ASIA LIMITED

凱德商用產業有限公司*

(Singapore Company Registration Number: 200413169H)
(Incorporated in the Republic of Singapore with limited liability)
(Hong Kong Stock Code: 6813)
(Singapore Stock Code: JS8)

LETTER TO SHAREHOLDERS FROM THE BOARD

Directors:
Mr Ng Kee Choe
Mr Lim Ming Yan
Mr Lim Tse Ghow Olivier
Mr Sunil Tissa Amarasuriya
Tan Sri Amirsham A Aziz
Dr Loo Choon Yong
Mrs Arfat Pannir Selvam
Mr Bob Tan Beng Hai
Professor Tan Kong Yam
Mr Lim Beng Chee

Registered Office:
39 Robinson Road
#18-01 Robinson Point
Singapore 068911

Principal Place of Business in Hong Kong
8th Floor
Gloucester Tower,
The Landmark
15 Queen's Road Central,
Hong Kong

9 May 2014

To: The Shareholders of CapitaMalls Asia Limited

Dear Sir / Madam,

VOLUNTARY CONDITIONAL CASH OFFER

1. INTRODUCTION

1.1 **Offer Announcement.** On 14 April 2014, the Offeror Financial Advisers, for and on behalf of the Offeror, announced that the Offeror intends to make a voluntary conditional cash offer for all the remaining Shares in the capital of the Company.

A copy of the Offer Announcement is available on the websites of the SGX-ST at www.sgx.com and HKSE at www.hkexnews.hk.

1.2 **Offer Document.** Shareholders should by now have received a copy of the Offer Document issued by the Offeror Financial Advisers, for and on behalf of the Offeror setting out, *inter alia*, the terms and conditions of the Offer. The principal terms and conditions of the Offer are set out on pages 8 to 11 of the Offer Document. **Shareholders are advised to read the terms and conditions of the Offer contained in the Offer Document carefully.**

1.3 **Circular.** The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Offer and to set out the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer.

Shareholders should read the Offer Document, this Circular and the IFA Letter carefully and consider the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer before deciding whether or not to accept the Offer.

** For identification purposes only*

If you are in any doubt about the Offer, you should consult your stockbroker, bank manager, solicitor or other professional adviser(s) immediately.

2. THE OFFER

Based on the Offer Document, the Offeror Financial Advisers, on behalf of the Offeror, have offered to acquire all the Offer Shares on the terms and subject to the conditions set out in the Offer Document and the Acceptance Forms.

Based on the information set out in Section 2 of the Offer Document, a summary of the terms of the Offer is set out below.

2.1 Offer Price. As set out in the Offer Document, the Offer Price made by the Offeror is:

For each Offer Share : S$2.22 in cash

2.2 Offer Shares. According to the Offer Document, the Offer is extended to:

(a) all the Shares in issue;

(b) all new Shares unconditionally issued or to be issued pursuant to the vesting and release of any outstanding awards granted under the Restricted Stock Plan and Performance Share Plan of the Company ("**CMA Share Awards**"); and

(c) all new Shares unconditionally issued or to be issued in payment of S$287,974 of directors' fees payable to the Directors for the financial year ended 31 December 2013 ("**FY2013 Directors' Fees**")[1],

in each case including any Shares owned, controlled or agreed to be acquired by the Concert Parties (all such Shares, "**Offer Shares**")[2].

2.3 No Encumbrances. According to the Offer Document, the Offer Shares will be acquired:

(a) fully paid;

(b) free from all Encumbrances; and

(c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to receive and retain all Distributions (if any) which may be announced, declared, paid or made by CMA on or after the Offer Announcement Date.

2.4 Adjustment for Distribution. As set out in the Offer Document, if any Distribution (including the FY2013 Final Dividend referred to below) is announced, declared, paid or made by the Company on or after the Offer Announcement Date, and the Offeror is not entitled to receive such Distribution in full in respect of any Offer Share tendered in acceptance of the Offer, the Offer Price payable in respect of such Offer Share will be reduced by the amount of such Distribution.

On 17 March 2014, the Board proposed the FY2013 Final Dividend of S$0.0175 per Share. The FY2013 Final Dividend was approved by Shareholders at the FY2013 AGM. The books closure date for determining entitlements to the FY2013 Final Dividend was on 5 May 2014 (the "**Books Closure**

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[1] The new Shares to be issued in payment of the FY2013 Directors' Fees will be issued at the VWAP of the Shares traded on the SGX-ST over the 14 trading days from (and including) the ex-dividend date in respect of the FY2013 Final Dividend. As such, the number of such new Shares cannot yet be determined as at the Latest Practicable Date.

[2] But the Offer will not, for the avoidance of doubt, be extended to Shares owned, controlled or agreed to be acquired by CapitaLand.

Date") and the payment date is 16 May 2014. The ex-dividend date in respect of the FY2013 Final Dividend for the Shares traded on the SGX-ST is therefore 29 April 2014.[3]

According to the Offer Document, assuming the Offer has become or been declared unconditional as to acceptances, if acceptances in respect of the Offer are tendered:

(a) in time for the Offeror to be registered as a holder of the relevant Offer Shares in the register of Shareholders of CMA on the Books Closure Date, the Offeror will receive the FY2013 Final Dividend (instead of the accepting Shareholder) and will pay the accepting Shareholder S$2.22 in cash per Offer Share; and

(b) not in time for the Offeror to be registered as a holder of the relevant Offer Shares in the register of Shareholders of CMA on the Books Closure Date, the Offeror will not receive the FY2013 Final Dividend (the accepting Shareholder will receive the FY2013 Final Dividend if he is registered as a holder of the relevant Offer Shares in the register of Shareholders on the Books Closure Date) and will pay the accepting Shareholder S$2.2025 in cash per Offer Share.

As the Books Closure Date has already passed as at the date of this Circular:

(i) if you are a Shareholder as at the Books Closure Date and you accept the Offer, you:

(1) will receive from the Offeror S$2.2025 in cash per Share tendered (assuming the Offer becomes unconditional); and

(2) will receive from the Company the FY2013 Final Dividend of S$0.0175 per Share; or

(ii) if you became a Shareholder after the Books Closure Date (for example, if you purchased Shares on the SGX-ST after 28 April 2014) and you accept the Offer, you:

(1) will receive from the Offeror S$2.2025 in cash per Share tendered (assuming the Offer becomes unconditional); and

(2) will not receive from the Company the FY2013 Final Dividend of S$0.0175 per Share.

2.5 Conditional Offer. According to the Offer Document, the Offer is subject to the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the voting rights attributable to all Shares in issue as at the close of the Offer (the "**Acceptance Condition**").

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the maximum potential issued share capital of CMA.[4]

The Offeror reserves the right to waive the Acceptance Condition or reduce such condition to a level below more than 90% (but in any event above 50%) of the voting rights attributable to all Shares in issue as at the close of the Offer, subject to the approval of the SIC.

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[3] The ex-dividend date in respect of the FY2013 Final Dividend for the Shares traded on HKSE is 30 April 2014.

[4] For this purpose, the "**maximum potential issued share capital of CMA**" means the total number of Shares which would be in issue had all the new Shares issuable pursuant to the vesting and release of all the outstanding CMA Share Awards and all the new Shares issuable in payment of the FY2013 Directors' Fees been issued as at the date of the relevant declaration.

The Offer is not subject to any other condition. In particular, the Offer is not required to be approved by the shareholders of CapitaLand as noted in Section 2.4 of the Offer Document.

2.6 **Warranty by accepting Shareholders.** According to the Offer Document, a Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to warrant that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof:

(a) fully paid;

(b) free from all Encumbrances; and

(c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to receive and retain all Distributions (if any) which may be announced, declared, paid or made by the Company on or after the Offer Announcement Date.

2.7 **Duration of the Offer.** The information on the duration of the Offer is set out in paragraph 1 of Appendix 1 of the Offer Document, which is reproduced below. Unless otherwise defined, all terms and expressions used in the extract below and in the extracts in **Sections 3** (other than **Section 3.2**)**, 4, 5, 13, 14 and 15** of this Circular below shall have the same meanings as those defined in the Offer Document.

"***1. DURATION OF THE OFFER***

1.1 ***First Closing Date.*** *The Offer is open for acceptance by Shareholders for at least 28 days from the Despatch Date, unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder.* ***Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 26 May 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.***

1.2 ***No Obligation to Extend Offer.*** *The Offeror is not obliged to extend the Offer if the condition specified in* ***Section 2.4*** *of this Offer Document is not fulfilled by the Closing Date.*

1.3 ***Subsequent Closing Date(s).*** *If the Offer is extended and:*

1.3.1 *is not unconditional as to acceptances as at the date of such extension, the announcement of the extension must state the next Closing Date; or*

1.3.2 *is unconditional as to acceptances as at the date of such extension, the announcement of the extension need not state the next Closing Date but may state that the Offer will remain open until further notice. In such a case, the Offeror must give Shareholders at least 14 days' prior notice in writing before it may close the Offer.*

1.4 ***Offer to Remain Open for 14 Days after Becoming or Declared to be Unconditional as to Acceptances.*** *In order to give Shareholders who have not accepted the Offer the opportunity to accept the Offer after the Offer has become or is declared to be unconditional as to acceptances, the Offer will remain open for a period (the "****Rule 22.6 Period****") of not less than 14 days after the date on which it would otherwise have closed.*

*This requirement does not apply if, before the Offer has become or is declared to be unconditional as to acceptances, the Offeror has given the Shareholders at least 14 days' notice in writing ("****Shut-Off Notice****") that the Offer will not be open for acceptance beyond a specified Closing Date, provided that:*

1.4.1 *the Offeror may not give a Shut-Off Notice in a competitive situation; and*

1.4.2 *the Offeror may not enforce a Shut-Off Notice, if already given, in a competitive situation.*

For these purposes, a "competitive situation" shall be deemed to arise when either (i) a firm intention to make a competing offer for CMA is announced, whether or not subject to any preconditions; or (ii) the SIC determines that a competitive situation has arisen.

If a declaration that the Offer is unconditional as to acceptances is confirmed in accordance with ***Paragraph 4.2*** *("****Right of Withdrawal for Shareholders****") of this* ***Appendix 1****, the Rule 22.6 Period will run from the date of such confirmation or the date on which the Offer would otherwise have closed, whichever is later.*

1.5 ***Final Day Rule.*** *The Offer (whether revised or not) will not be capable:*

1.5.1 *of becoming or being declared to be unconditional as to acceptances after 5.30 p.m. (Singapore time) on the 60th day after the Despatch Date; or*

1.5.2 *of being kept open after such 60-day period unless the Offer has previously become or been declared to be unconditional as to acceptances,*

*provided that the Offeror may extend the Offer beyond such 60-day period with the SIC's prior consent (the "****Final Day Rule****").*

1.6 ***Revision.*** *If the Offer is revised, the Offer will remain open for acceptance for at least 14 days from the date of despatch of the written notification of the revision to Shareholders. In any case, where the terms are revised, the benefit of the Offer (as so revised) will be made available to each of the Shareholders who have previously accepted the Offer."*

2.8 **Details of the Offer.** Further details of the Offer are set out in Appendix 1 to the Offer Document in relation to (a) the duration of the Offer, (b) the settlement of the consideration for the Offer, (c) the requirements relating to the announcement of the level of acceptances of the Offer, and (d) the right of withdrawal of the acceptances of the Offer by Shareholders.

A copy of each of the Offer Announcement and the Offer Document is available on the websites of the SGX-ST at www.sgx.com and HKSE at www.hkexnews.hk.

2.9 **Procedures for Acceptance.** The procedures for acceptance of the Offer by:

(a) Singapore Registered Shareholders and CDP Depositors are set out in Appendix 2A to the Offer Document; and

(b) Hong Kong Registered Shareholders are set out in Appendix 2B to the Offer Document.

3. PROPOSALS FOR MANAGEMENT OF CMA GROUP

3.1 **Details of the Proposals for Management of CMA Group.** CapitaLand, the parent company of the Offeror, has proposed to offer employees of the CMA Group who are holders of the CMA Share Awards the right to be awarded ordinary shares in CapitaLand in order to preserve the alignment of interest between such holders and the CapitaLand Group. CapitaLand has also proposed the establishment of a retention scheme for certain Executive Officers who, by virtue of their leadership positions in the CMA Group, play critical roles in contributing to the continued success of the CMA Group. The details of these proposals have been extracted from the Offer Document and are set out below.

"***12. PROPOSALS FOR MANAGEMENT OF CMA GROUP***

12.1 ***CMA Share Awards.*** *CapitaLand proposes to offer holders of the CMA Share Awards the right to be awarded ordinary shares in CapitaLand in order to preserve the alignment of interest between such holders and the CapitaLand Group. These holders include the Executive Officers referred to below.*

Such holders will be offered the right to be awarded CapitaLand shares at a price equal to the VWAP per CapitaLand share traded on the SGX-ST over three trading days up to (and including) the Last Trading Day. The number of CapitaLand shares which may be awarded will be determined by dividing (a) the product of the number of Shares such holders are entitled to under their CMA Share Awards and the Offer Price by (b) such VWAP per CapitaLand share. If accepted, the CapitaLand shares taken up by the relevant holder will be released in accordance with the same release schedule currently applicable to the CMA Share Awards.

This proposal is subject to (i) the approval of the CMA board of directors (with the directors who are not considered independent in the context of the Offer abstaining), (ii) the Offer becoming or being declared unconditional, (iii) CMA having been delisted from the SGX-ST and (iv) the relevant holder remaining as an employee of the CMA Group at the relevant release date.

12.2 ***Management Retention.*** *CapitaLand is also proposing to establish a retention scheme for certain key executive officers of CMA, including the CMA CEO ("**Executive Officers**"), who, by virtue of their leadership position in the CMA Group, play a critical role in contributing to the continued success of the CMA Group.*

Under this scheme, an award of a certain notional amount, up to S$0.5 million in the case of the CMA CEO and up to S$1.7 million in total for all the Executive Officers (including the CMA CEO), will be made and will be converted into such number of CapitaLand shares as at a price equal to the VWAP per CapitaLand share traded on the SGX-ST over a certain price-reference period. The CapitaLand shares comprised in the awards will be vested and released to the Executive Officers in March 2017.

Based on the latest information available to the Offeror as at 15 April 2014, the total number of Shares held by the Executive Officers is approximately 2.0 million Shares, representing approximately 0.05% of all the Shares in issue.

As above, this proposal is subject to (a) the Offer becoming or being declared unconditional, (b) CMA having been delisted from the SGX-ST and (c) the relevant Executive Officer remaining as an employee of the CMA Group at the relevant release date.

The retention scheme is separate from, and does not affect, the terms of employment of the Executive Officers with the CMA Group.

12.3 ***SIC Ruling.*** *The SIC had ruled that the proposals above do not constitute a special deal, subject to disclosure of the relevant details of the proposals in the Offer Document and the independent financial adviser to be appointed by CMA stating publicly that in its opinion the arrangements in respect of the retention scheme are fair and reasonable.*

*In compliance with such ruling, the relevant details of the proposals relating to the CMA Share Awards and the retention scheme have been disclosed in **Sections 12.1 and 12.2** above. The view of the independent financial adviser of CMA in respect of the retention scheme will also be made available to you in due course."*

3.2 **Views of the IFA in respect of the Management Retention Scheme.** After having regard to the considerations set out in the IFA Letter, the IFA has expressed their opinion that the terms of the Management Retention Scheme are fair and reasonable from a financial point of view in so far as the Independent Shareholders[1] are concerned. An extract of their opinion in respect of the Management Retention Scheme is set out below. Unless otherwise defined, all terms and expressions used in the extract below and in the extracts in **Sections 6 and 11** of this Circular below shall have the same meanings as those defined in the IFA Letter.

"*We note that we have not been requested to and were not authorised to and did not take part in any discussions in relation to the formulation of or the negotiations on the terms of the Management Retention Scheme. We do not comment on the merits and/or risks (whether strategically, commercially or otherwise) of the Management Retention Scheme, or on the future trading prices or prospects of the Company and CapitaLand. We do not assume any responsibility to address the relative merits and/or risks of the Management Retention Scheme as compared to any other alternative scheme, or whether or not such alternatives could be achieved or are available. We are the financial advisers only and, accordingly, our advice on the Management Retention Scheme is based solely upon our evaluation, from a financial point of view, of the arrangements proposed to be put in place in relation to the Management Retention Scheme.*

In arriving at our opinion, we have reviewed the Management Retention Scheme against, amongst others, (i) the Executive Officers' historical salaries and share awards, (ii) the current monthly salaries of the Executive Officers, (iii) precedent publicly disclosed takeover-related employee payments, and (iv) employee retention and/or guarantee packages as a proportion to monthly salary that is typically available to top executives in Singapore.

On the basis of and subject to the paragraphs set out below, it is our opinion that, as of the Latest Practicable Date, the terms of the Management Retention Scheme are fair and reasonable from a financial point of view in so far as the Independent Shareholders[1] are concerned.

We do not assume any responsibility to advise, and nothing in this letter shall be construed as advice to, any person (other than the Independent Directors) in relation to the Management Retention Scheme. In particular, but without prejudice to the generality of the foregoing, we express no opinion as to whether the Executive Officers should accept the Management Retention Scheme or as to how the Management Retention Scheme is to be administered or implemented.

Any opinion addressed to the Independent Directors in relation to the Management Retention Scheme is solely for the purpose of their consideration of the Offer and may not be relied upon for any other purpose.

The Independent Directors should note that economic, market and other conditions may change after the Latest Practicable Date and that developments after the Latest Practicable Date may affect our opinion and the contents of this letter and that we do not have any obligation to update, revise or reaffirm the contents of this letter. In particular, but without prejudice to the generality of the foregoing, we do not assume any responsibility to advise the Independent Directors, and express no opinion on, any decision they may take in the future in relation to the administration or implementation of the Management Retention Scheme. The Directors of the Company should seek separate advice in relation to the implementation of the Management Retention Scheme.

For the purposes of providing this letter and our evaluation of the terms of the Management Retention Scheme from a financial point of view, we have not received or relied on any financial projections or forecasts in respect of the Company or CapitaLand. We are not required to express,

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[1] *"Independent Shareholders" to be defined as Shareholders other than the Offeror, the Executive Officers and their respective concert parties.*

and we do not express, an opinion on the future growth prospects and earnings potential of the Company or CapitaLand, or any part or division thereof. We are therefore not expressing any opinion herein as to the future value of the Shares or the shares in CapitaLand, or on the future performance of the Company, CapitaLand, or any part or division thereof.

In rendering our opinion, we have not had regard to any general or specific investment objectives, financial situations, risk profiles, tax status or positions or particular needs or constraints or other particular circumstances and we neither assume any responsibility for, nor hold ourselves out as advisers to, any Shareholder or other person other than the Independent Directors.

Our opinion is only based on a financial analysis and does not incorporate any assessment of commercial, legal, tax, regulatory or other matters. Such factors are beyond the ambit of our review and do not fall within our terms of reference in connection with the Management Retention Scheme."

4. RATIONALE FOR THE OFFER

The full text of the rationale for the Offer and the Offeror's intentions relating to the Company have been extracted from the Offer Document and set out below. **Shareholders are advised to read the extract below carefully**.

"***7. RATIONALE FOR THE OFFER***

The intention of the Offer is to delist CMA and fully integrate it into the CapitaLand Group.

The Offer presents an opportunity for Shareholders to realise their investment in the Shares at a premium of 27.0% to the one-month VWAP of the Shares traded on the SGX-ST prior to the Offer Announcement Date and a premium of 20.7% to the NAV per Share of the CMA Group as at 31 December 2013.

The Offer also allows CapitaLand to achieve the following key objectives:

Fully integrating CMA significantly enhances CapitaLand's competitive strengths in integrated developments

The 'One CapitaLand' strategy seeks to harness the key strengths of its various business units to create differentiated real estate projects and enhance overall project returns. The development of integrated projects is core to the CapitaLand Group's business strategy, as evidenced by its many highly successful integrated projects such as its Raffles City projects in Singapore and China. The individual components of an integrated development complement one another to increase the overall attractiveness of the project. For example, the pre-sales of residential units help fund development costs and improve project cash flows whilst mall connectivity enhances the appeal to commercial tenants and serviced residence customers. Malls in integrated developments are likely to enjoy higher foot traffic and a captive catchment from integrated offices and serviced residences. CapitaLand's integrated developments are typically situated within close proximity to a major transportation hub, providing incremental foot traffic.

Delisting CMA enables greater alignment between CapitaLand's and CMA's business strategies by focusing resources on highest overall project returns. This strategy is expected to confer benefits including improving sourcing of opportunities, streamlining of operations and greater resource accessibility and mobility across strategic business units. CapitaLand will continue to grow its shopping mall business.

Simplify CapitaLand Group's organisational structure

*The Offer reinforces CapitaLand's strategy to streamline the CapitaLand Group's organisational structure as the delisting of CMA removes one "listed developer" layer. The CapitaLand Group will benefit from a clearer structure – with a single listed developer integrated across all asset classes, and five key listed real estate investment trusts ("**REITs**")[8] for capital recycling. This provides investors with a clear investment proposition as the CapitaLand Group will have a good balance between recurring income from REITs and investment properties, and development income from its development activities. Reduced organisational complexity would also provide sharper focus for the CapitaLand Group's operations and enhance competitiveness.*

Increase CapitaLand's financial flexibility and scale

By delisting CMA, CapitaLand will have more flexibility to access and allocate capital across all of its strategic business units, enabling the CapitaLand Group to direct its resources across asset classes in a manner that best enhances shareholder returns. This is a significant competitive advantage for CapitaLand, given the large capital outlays required for integrated developments.

Increasing CapitaLand's ownership of CMA also expands the CapitaLand Group's scale. Its total assets[9] increase by 13.4% on the basis of its effective share in its subsidiaries' assets as at 31 December 2013 on a pro forma basis. Furthermore, Singapore and China will continue to remain as the CapitaLand Group's core markets, constituting more than 80% of its effective share of total assets[9] on a pro forma basis.

The combination of increased financial flexibility and scale allows the CapitaLand Group to better pursue business opportunities in its core markets.

Unlock shareholder value and achieve synergies

The transaction is expected to be immediately accretive for the CapitaLand shareholders.[10] Based on the Offer terms, a full privatisation of CMA would raise the earnings per share of the CapitaLand Group for FY2013 by approximately 21.5% and improve the return on equity of the CapitaLand Group as at 31 December 2013 from 5.4% to approximately 6.7% on a pro forma basis.

As a listed entity, CMA has to incur listing, compliance and other related costs. If delisted, these costs would be saved and additional cost efficiencies would result from greater flexibility of mobilising services and resources among the CapitaLand Group's other unlisted strategic business units. Post-integration, CMA will have the flexibility to leverage on the capital base of the CapitaLand Group to optimise its funding costs and capitalise on growth opportunities.

Bring benefits to CMA's operations

CMA will be better positioned to face competitive threats as an integrated part of the CapitaLand Group due to:

(i) increased financial strength as part of a larger group with greater access to, and ability to capitalise on, future development opportunities; and

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[8] i.e., CapitaCommercial Trust, CapitaMall Trust, CapitaRetail China Trust, CapitaMalls Malaysia Trust and Ascott Residence Trust.

[9] Excluding treasury cash.

[10] This statement, together with the immediately following statement relating to return on equity, should not be interpreted to mean that the future earnings per share for CapitaLand shareholders will necessarily be greater than those for FY2013.

(ii) greater focus on developing integrated projects as part of CapitaLand Group. CapitaLand believes that such positioning increases the overall demand for its projects and shopper traffic as CapitaLand's integrated projects such as Raffles City are often well connected to transportation hubs and brings shoppers from the residential, office and serviced residence components of the development."

5. THE OFFEROR'S AND CAPITALAND'S INTENTIONS IN RELATION TO THE COMPANY

The Offer Document also sets out the intentions of the Offeror and CapitaLand in relation to the future plans for the Company, the delisting of the Company from the SGX-ST and the HKSE and the compulsory acquisition of Shares, as follows:

"***8. THE OFFEROR'S AND CAPITALAND'S INTENTIONS IN RELATION TO CMA***

8.1 Offeror's and CapitaLand's Future Plans for CMA. *It is the current intention of the Offeror and CapitaLand for CMA to continue with its existing business in line with the objectives of the transaction as set out in* ***Section 7*** *above. The Offeror and CapitaLand have no current intention to (i) introduce any major changes to the business of CMA, (ii) re-deploy CMA's fixed assets, or (iii) discontinue the employment of any of the existing employees of the CMA Group.*

Nonetheless, the Offeror and CapitaLand retain the flexibility at any time to consider any options or opportunities which may present themselves and which they regard to be in the interests of the Offeror or CapitaLand.

8.2 Delisting. *The Offeror and CapitaLand intend to make CMA a wholly-owned subsidiary of CapitaLand and do not intend to preserve the listing status of CMA.*

Under Rule 1303(1) of the Listing Manual, if the Offeror and its Concert Parties succeed in holding more than 90% of the Shares in issue, whether through acceptances of the Offer or otherwise, the SGX-ST will suspend trading of the Shares on the SGX-ST at the close of the Offer.

*Separately, Rule 723 of the Listing Manual requires CMA to ensure that at least 10% of all the Shares in issue be held by the public ("***Free Float Requirement***"). If the Free Float Requirement is not met, the SGX-ST may allow CMA a period of three months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which CMA may be delisted from the SGX-ST.*

In the event that the Free Float Requirement is not satisfied at the close of the Offer, and the trading of the Shares on the SGX-ST is suspended at the close of the Offer, the Offeror and CapitaLand do not intend to support any action or take any steps to maintain the listing status of CMA or to restore the free float of the Shares consistent with their intention to delist CMA from the SGX-ST.

8.3 Compulsory Acquisition. *Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances of the Offer or acquires such number of Offer Shares during the Offer period otherwise than through valid acceptances of the Offer in respect of not less than 90% of the total number of Shares in issue as at the Closing Date (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror would be entitled to exercise the right to compulsorily acquire all the Offer*

Shares of the Dissenting Shareholders.

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror and CapitaLand will then proceed to delist CMA from the SGX-ST.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer or otherwise, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares as at the Closing Date. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

8.4 ***Delisting from HKSE.*** *Consistent with the intention of the Offeror and CapitaLand to delist CMA from the SGX-ST, they also intend to delist CMA from the HKSE.*"

6. LISTING STATUS OF THE COMPANY AFTER THE OFFER

6.1 **Possible Consequences of the Offer on the Listing Status of the Company.** Based on the Offeror's intentions to delist the Company as set out in **Section 5** of this Circular, Shareholders should note the implications set out in Section 7.8.5 of the IFA Letter as reproduced below.

"***7.8.5*** ***Implications of delisting for Shareholders***

Shareholders who do not accept the Offer should note the following implications or consequences which may arise as a result of any suspension in, and/or delisting of the Shares:

i. Shares of unquoted companies are generally valued at a discount to the shares of comparable listed companies as a result of lack of marketability;

ii. It is likely to be difficult for Shareholders to sell their Shares in the absence of a public market for the Shares as there is no arrangement for such Shareholders to exit their investments in the Shares. If the Company is delisted, even if such Shareholders were subsequently able to sell their Shares, they may receive a lower price than that of the Offer Price;

iii. Given the time taken for the Offeror to exercise its right to compulsorily acquire the remaining Shares or the time taken for Dissenting Shareholders to exercise any rights they may have to compel the Offeror to acquire their Shares under Section 215(3) of the Companies Act, the settlement date on compulsory acquisition is likely to be later than the settlement date had the Offer been accepted;

iv. As an unlisted company, the Company will no longer be obligated to comply with the listing requirements of the SGX-ST, in particular the continuing corporate disclosure requirements under Chapter 7 of the Listing Manual and Appendices 7.1 to 7.4 to the Listing Manual. Shareholders will no longer enjoy the same level of protection, transparency and accountability afforded by the Listing Manual. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its memorandum and articles of association and the interests of Shareholders who do not accept the Offer will be protected to the extent provided for by the Companies Act which includes, inter alia, the entitlement to be sent a copy of the profit and loss accounts and balance sheet at least fourteen (14) days before each annual general meeting, at which the accounts will be presented; and

v. *There is no assurance that the Company will maintain its historical dividend payments in the future.*"

7. EXEMPTION RELATING TO DIRECTORS' RECOMMENDATION

7.1 Independent Directors and SIC. Dr Loo Choon Yong, Mr Sunil Tissa Amarasuriya, Mr Bob Tan Beng Hai and Professor Tan Kong Yam are independent for the purposes of the Offer and are required to make a recommendation to the Shareholders in respect of the Offer. The SIC has ruled that the following Directors, namely Mr Ng Kee Choe, Mr Lim Ming Yan, Mr Lim Tse Ghow Olivier, Tan Sri Amirsham A Aziz, Mrs Arfat Pannir Selvam and Mr Lim Beng Chee (the "**Relevant Directors**") are not considered independent for the purposes of the Offer under Rule 8.3 of the Code due to their relationships with CapitaLand, the parent company of the Offeror as follows:

(a) Mr Ng Kee Choe is the Chairman and a Non-Independent Non-Executive Director of the Company. He is also currently the Chairman and Independent Non-Executive Director of CapitaLand;

(b) Mr Lim Ming Yan is a Non-Independent Non-Executive Director of the Company. He is also an Executive Director and the President and Group Chief Executive Officer of CapitaLand, as well as a director of various entities within the CapitaLand Group;

(c) Mr Lim Tse Ghow Olivier is a Non-Independent Non-Executive Director of the Company. He is also the Group Deputy Chief Executive Officer of CapitaLand as well as a director of various entities within the CapitaLand Group;

(d) Tan Sri Amirsham A Aziz is an Independent Non-Executive Director of the Company. He is also currently an Independent Non-Executive Director of CapitaLand[5];

(e) Mrs Arfat Pannir Selvam is an Independent Non-Executive Director of the Company. As at the Offer Announcement Date, she was an Independent Non-Executive Director of CapitaLand[5]; and

(f) Mr Lim Beng Chee is the Chief Executive Officer of the Company, a major subsidiary of the CapitaLand Group. He is also considered a senior executive of the CapitaLand Group. Prior to his appointment as the Chief Executive Officer of the Company in 2008 and the listing of the Company on the Mainboard of the SGX-ST in 2009, he held various positions within the CapitaLand Group, including, but not limited to, Chief Executive Officer of CapitaRetail China Trust Management Limited (the manager of CapitaRetail China Trust), acting Finance Manager of CapitaMall Trust Management Limited (the manager of CapitaMall Trust) in 2004, and from 2004 to 2009, the Deputy Chief Executive Officer and thereafter the Chief Executive Officer of CapitaMall Trust Management Limited (the manager of CapitaMall Trust). Given his long working relationship with the CapitaLand Group and as a senior executive of the CapitaLand Group, he may reasonably be perceived to face a conflict of interest.

7.2 Scope of Responsibility. Accordingly, the Relevant Directors, being each of Mr Ng Kee Choe, Mr Lim Ming Yan, Mr Lim Tse Ghow Olivier, Tan Sri Amirsham A Aziz, Mrs Arfat Pannir Selvam and Mr Lim Beng Chee, are parties presumed to be acting in concert with the Offeror and CapitaLand under the Code and would face, or may reasonably be perceived to face, a conflict of interest, that would render each of them inappropriate to join the Independent Directors in making a recommendation on the Offer to the Shareholders. They have therefore been exempted by the SIC from the requirement to make a recommendation to the Shareholders on the Offer. However, they still assume responsibility for the accuracy of the facts stated in the documents which the Company will send to Shareholders in connection with the Offer.

[5] Tan Sri Amirsham A Aziz and Mrs Arfat Pannir Selvam are Independent Non-Executive Directors of the Company for the purposes of the Singapore Code of Corporate Governance.

8. NO IRREVOCABLE UNDERTAKINGS

According to Section 13.2.3 of the Offer Document, as at 21 April 2014, none of the Offeror and its Concert Parties has received any irrevocable undertaking from any person to accept, approve or reject the Offer in respect of any Relevant Securities.

9. INFORMATION ON THE OFFEROR AND CAPITALAND

Information on the Offeror and CapitaLand is set out in **Appendix 3** of this Circular.

10. DIRECTORS' INTERESTS AND INTENTIONS

10.1 Interests in Shares and shares of the Offeror. Details of the Directors, including *inter alia*, the Directors' direct and deemed interests in the Shares and shares of the Offeror as at the Latest Practicable Date, are set out in **Appendix 2** to this Circular.

10.2 Intentions with regard to the Offer. The Relevant Directors who hold Shares intend to accept the Offer in full in respect of all their Shares. The Independent Directors who hold Shares intend to accept the Offer in full in respect of all their Shares only when the Offer turns unconditional.

11. ADVICE AND RECOMMENDATIONS

11.1 General. SHAREHOLDERS ARE ADVISED TO READ THE IFA LETTER SET OUT IN APPENDIX 1 OF THIS CIRCULAR CAREFULLY BEFORE DECIDING WHETHER TO ACCEPT OR REJECT THE OFFER.

11.2 Advice of the IFA to the Independent Directors. The Independent Directors have carefully considered the advice of the IFA in respect of the Offer, which is set out in **Appendix 1** of this Circular. The IFA's recommendation in respect of the Offer as extracted from Section 9 of the IFA Letter, is set out below and should be read in conjunction with, and in the context of, the full text of the IFA Letter. Unless otherwise stated, all terms and expressions used in the extract below shall have the meanings given to them in the IFA Letter.

"In arriving at our opinion on the Offer, we have taken into account the following key considerations in the context of a non-change of control transaction (which should be read in conjunction with, and in the context of, the full text of this letter):

9.1 Factors in favour of the Offer Price	***9.2 Factors against the Offer Price***
9.1.1 *The Offer Price represents a significant premium of 23.0%, 27.0%, 25.5%, 20.5%, 17.4%, 20.1% and 17.7% over the last traded price on the Last Trading Day, 1-month, 3-month, 6-month, 1-year, 2-year, and since-IPO VWAP, respectively. The Net Offer Price represents a significant premium of 22.0%, 26.0%, 24.5%, 19.6%, 16.5%, 19.1% and 16.8% over the last traded price on the Last Trading Day, 1-month, 3-month, 6-month, 1-year, 2-year, and since-IPO VWAP, respectively;*	***9.2.1*** *The Offer Price and Net Offer Price represents a premium of 4.7% and 3.9% to the IPO price, which is less than the NAV per share growth of 38% since the IPO;*
9.1.2 *The Offer Price and Net Offer Price represents a premium of approximately 18.7% and 17.8%, respectively, over the unaudited NAV per Share of the Company of S$1.87 as at 31 March 2014;*	***9.2.2*** *The Offer Price and Net Offer Price represents a discount of 2.8% and 3.6% to the mean broker price target of S$2.28 and a discount of 14.6% and 15.3% to the maximum broker price target of S$2.60;*
9.1.3 *In comparison with the Singapore Comparable Companies:*	***9.2.3*** *The Offer Price and Net Offer Price represents a discount of 16.6% and 17.3% to the mean analyst RNAV of S$2.66 and a discount of 27.9% and 28.5% to the maximum analyst RNAV of S$3.08;*
i. The P/Book NAV ratio of CMA based on the	***9.2.4*** *The Offer Price and Net Offer Price represents a discount of approximately*

Offer Price and Net Offer Price is 1.19x, which is higher than the range of the P/Book NAV ratios of the Singapore Comparable Companies, and higher than both the mean and median P/Book NAV ratio of 0.91x in respect of the Singapore Comparable Companies; and

ii. The P/Analyst RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is within the range of the P/Analyst RNAV ratios of the Singapore Comparable Companies, and higher than both the mean and median P/Analyst RNAV ratio of 0.77x and 0.74x, respectively, in respect of the Singapore Comparable Companies; and

iii. The LTM P/Op EPS ratio of CMA based on the Offer Price and Net Offer Price is 33.7x and 33.4x, respectively, which is higher than the range of the LTM P/Op EPS ratios of the Singapore Comparable Companies, and higher than both the mean and median LTM P/Op EPS ratio of 16.1x and 16.7x, respectively, in respect of the Singapore Comparable Companies; and

iv. The LTM P/E ratio of CMA based on the Offer Price and Net Offer Price is 14.4x and 14.3x respectively, which is within the range of the P/E ratios of the Singapore Comparable Companies, and higher than both the mean and median P/E ratio of 10.1x and 10.6x, respectively, in respect of the Singapore Comparable Companies.

9.1.4 *In comparison with the Hong Kong Comparable Companies:*

i. The P/Book NAV ratio of CMA based on the Offer Price and Net Offer Price is 1.19x, which is higher than the range of the P/Book NAV ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/Book NAV ratio of 0.61x and 0.58x, respectively, in respect of the Hong Kong Comparable Companies;

ii. The P/Analyst RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is higher than the range of the P/Analyst RNAV ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/Analyst RNAV ratio of 0.53x and 0.55x, respectively, in respect of the Hong Kong Comparable Companies; and

iii. The LTM P/E ratio of CMA based on the Offer Price and Net Offer Price is 14.4x and 14.3x, respectively, which is within the range of the P/E ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/E ratio of 7.2x and 6.1x, respectively, in respect of the Hong Kong Comparable Companies.

9.1.5 *In comparison with the Selected Singapore Property Precedent Transactions:*

i. The P/Book NAV ratio of CMA based on the Offer Price and Net Offer Price is 1.19x, which is higher than the range of the P/Book NAV ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/Book NAV ratio of 0.91x in respect of the Selected Singapore Property Precedent Transactions; and

ii. The P/Analyst RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is within the range of the P/Analyst RNAV ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/Analyst RNAV ratio of 0.77x and 0.74x, respectively, in respect of the Selected Singapore Property Precedent Transactions; and

iii. The LTM P/Op EPS ratio of CMA based on the Offer Price and Net Offer Price is 33.7x and 33.4x, respectively, which is higher than the range of the LTM P/Op EPS ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median LTM P/Op EPS ratio of 16.1x and 16.7x, respectively, in respect of the Selected Singapore Property Precedent Transactions; and

iv. The LTM P/E ratio of CMA based on the Offer Price and Net Offer Price is 14.4x and 14.3x respectively, which is within the range of the P/E ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/E ratio of 10.1x and 10.6x, respectively, in respect of the Selected Singapore Property Precedent Transactions.

9.2 *Premia Analysis*

9.2.1 *In comparison with the Precedent Singapore Take-over Premia for selected transactions where the offeror had majority control:*

i. The Offer Price and Net Offer Price represents a premium of approximately 20.5% and 19.6%, respectively, over the 1-month VWAP. This compares to a median premium of 21.0% to the 1-month VWAP; and

ii. The Offer Price and Net Offer Price represents a premium of approximately 17.4% and 16.5%, respectively, over the 3-month VWAP. This compares to a median premium of 27.4% to the 3-month VWAP.

9.2.2 *In comparison with the Precedent Singapore Take-over Premia for selected transactions where the offeror had majority control:*

i. The Offer Price and Net Offer Price represents a premium of approximately 20.5% and 19.6%, respectively, over the 1-month VWAP. This compares to a median premium of 21.0% to the 1-month VWAP; and

ii. The Offer Price and Net Offer Price represents a premium of approximately 17.4% and 16.5%, respectively, over the 3-month VWAP. This compares to a median premium of 27.4% to the 3-month VWAP.

9.2.3 *In comparison with the Precedent Singapore Take-over Premia for selected transactions where the offeror had majority control:*

i. The Offer Price and Net Offer Price represents a premium of approximately 20.5% and 19.6%, respectively, over the 6-month VWAP. This compares to a median premium of 21.0% to the 6-month VWAP; and

ii. The Offer Price and Net Offer Price represents a premium of approximately 17.4% and 16.5%, respectively, over the 12-month VWAP. This compares to a median premium of 27.4% to the 12-month VWAP.

9.2.4 *In comparison with the Precedent Singapore Take-over Premia for selected transactions where the offeror had majority control:*

i. The Offer Price and Net Offer Price represents a premium of approximately 20.5% and 19.6%, respectively, over the 6-month VWAP. This compares to a median premium of 21.0% to the 6-month VWAP; and

ii. The Offer Price and Net Offer Price represents a premium of approximately 17.4% and 16.5%, respectively, over the 12-month VWAP. This compares to a median premium of 27.4% to the 12-month VWAP.

9.2.5 *In comparison with the Precedent Singapore Take-over Premia for selected transactions where the offeror had majority control:*

i. The Offer Price and Net Offer Price represents a premium of approximately 20.5% and 19.6%, respectively, over the 6-month VWAP. This compares to a median premium of 21.0% to the 6-month VWAP; and

ii. The Offer Price and Net Offer Price represents a premium of approximately 17.4% and 16.5%, respectively, over the 12-month VWAP. This compares to a median premium of 27.4% to the 12-month VWAP.

Offer Price and Net Offer Price is 1.19x, which is within the range of the P/Book NAV ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/Book NAV ratio of 1.09x and 0.99x, respectively, in respect of the Selected Singapore Property Precedent Transactions; and

ii. The P/RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is within the range of the P/RNAV ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/RNAV ratio of 0.80x and 0.80x, respectively, in respect of the Selected Singapore Property Precedent Transactions.

9.1.6 *In comparison with the Precedent Singapore Take-over Premia for selected transactions where the offeror had majority control:*

i. The Offer Price and Net Offer Price represents a premium of approximately 23.0% and 22.0%, respectively, over the last traded price on the Last Trading Day. This compares to a median premium of 22.7% to the last traded price;

ii. The Offer Price and Net Offer Price represents a premium of approximately 27.0% and 26.0%, respectively, over the 1-month VWAP. This compares to a median premium of 22.9% to the 1-month VWAP; and

iii. The Offer Price and Net Offer Price represents a premium of approximately 25.5% and 24.5%, respectively, over the 3-month VWAP. This compares to a median premium of 23.9% to the 3-month VWAP.

9.1.7 *As compared to the relative performance of the market indices, the current market price and the trading volume of the Shares may have been underpinned by the Offer subsequent to the Offer Announcement Date. As such, there is no assurance that the market price and trading volume of the Shares will be maintained at the prevailing level as at the Latest Practicable Date after the close of the Offer.*

9.3 Other factors:

9.3.1 *As at the Latest Practicable Date, the Offeror and its Concert Parties holds approximately 70.4% of the Shares and the Company has confirmed that there is no alternative or competing offer available to the Shareholders. In the event of an alternative or competing offer, we note that unless the Offeror and its Concert Parties accept such alternative or competing offer, any offer made by any third parties would not be capable of becoming unconditional;*

9.3.2 *As at the Latest Practicable Date, if during the Offer, the Offeror and its Concert Parties acquires another 764,770,064 Shares representing approximately 19.6% of the Shares as at the Latest Practicable Date, the Free Float Requirement will not be met and the SGX-ST would have the right to suspend trading in the Shares following the close of the Offer;*

9.3.3 *The intention of the Offeror is to exercise any rights of compulsory acquisition in the event that the Offeror acquires not less than 90% of the total number of issued Shares as at the Closing Date (other than those already held by the Offeror, its related corporations or their respective*

nominees as at the date of the Offer). Between the Offer Announcement Date and the Latest Practicable Date, the Offeror acquired a total of 194,766,000 Shares in the open market at prices ranging from S$2.20 to S$2.22 per Share. As at the Latest Practicable Date, the Offeror and its Concert Parties owned, controlled or agreed to acquire an aggregate of 2,743,155,708 Shares representing approximately 70.4% of the share capital of the Company as at the Latest Practicable Date;

9.3.4 *The intention of the Offeror not to maintain or support any action taken or to be taken to maintain the listing status of the Company if the Offeror is unable to exercise the right to compulsorily acquire all the Shares not acquired under the Offer and the Company does not meet the Free Float Requirement pursuant to Rule 723 of the Listing Manual;*

9.3.5 *The Share Price of CMA may fall below its current trading levels if the Offer fails; and*

9.3.6 *The Offeror has no present intention to make any major changes to the existing business of the Company.*

For the purposes of providing this letter and our evaluation of the Offer for Shares from a financial point of view, we have not received or relied on any financial projections or forecasts in respect of the Company or the Group. We are not required to express, and we do not express, an opinion on the future growth prospects and earnings potential of the Company. We are therefore not expressing any opinion herein as to the price at which the Shares may trade whether or not the Offer is declared unconditional in all respects or on the future financial performance of the Company.

In rendering our opinion, we have not had regard to any general or specific investment objectives, financial situations, risk profiles, tax positions or particular needs or constraints of any specific Shareholder and we neither assume any responsibility for, nor hold ourselves out as advisers to any person other than the Independent Directors.

Our opinion is only based on a financial analysis and does not incorporate any assessment of commercial, legal, tax, regulatory or other matters. Our opinion also does not incorporate an assessment of the price at which the Shares may trade following the success or failure of the Offer. Such factors are beyond the ambit of our review and do not fall within our terms of reference in connection with the Offer.

We have considered the Factors in favour of the Offer Price and the Factors against the Offer Price in the context of a non-change of control transaction. We note that the Factors in favour of the Offer Price outweigh in number the Factors against the Offer Price. In particular, the Offer Price's valuation ratios are higher than the mean and median of the Comparable Companies which reflect the current market valuation of the Singapore and China property sectors and are higher than the mean and median of the Singapore Property Precedent Transactions which reflect the premiums paid previously for property privatisation transactions.

Based upon and subject to the foregoing, we are of the opinion that, as at the Latest Practicable Date the terms of the Offer are fair and reasonable from a financial point of view in the context of a non-change of control transaction.

We note that the Independent Directors may wish to consider advising Shareholders who:

i. Wish to realise their investments in the Company at this time but are unable to sell their Shares in the open market at a price (after deduction of related expenses) higher than the Offer Price; and/or

ii. Believe that the current market price of the Shares may decrease; and/or

iii. Believe that even if the Company remains listed, trading liquidity may reduce materially; and/or

iv. Believe that a higher offer may not be made; and/or

v. *Are uncertain of the longer term performance and prospects of the Company, either on status quo basis or under the stewardship of the Offeror,*

that such Shareholders may wish to consider selling a portion or all of their Shares in the open market or tendering Shares pursuant to the Offer. If the Independent Directors make a recommendation to Shareholders to tender Shares in acceptance of the Offer or sell Shares in the open market, the Independent Directors may also wish to consider highlighting that there is no certainty that the Offer will or will not become unconditional in all respects, there is no assurance that the price of the Shares will remain at current levels after the close or lapse of the Offer and the current price performance of the Shares is not indicative of the future price performance levels of the Shares, which will be governed by factors such as, inter alia, the performance and prospects of the Company, prevailing and future economic conditions and outlook and market conditions and sentiments.

The Independent Directors may also wish to consider advising Shareholders who:

i. *Do not currently wish to realise their investments in the Company; and/or*

ii. *Believe that the current market price of the Shares may increase; and/or*

iii. *Believe that a higher offer may be made; and/or*

iv. *Believe that there may be material incremental value to be realised in the future as a result of initiatives being executed by the Company; and/or*

v. *Hold a favourable view of the Company's prospects and believe that they will be able to realise greater value from continuing to own their Shares,*

that such Shareholders may wish to consider retaining a portion or all of their Shares. If the Independent Directors make a recommendation to Shareholders to retain their Shares, the Independent Directors may also wish to consider highlighting that there is no certainty that the Offer will become unconditional in all respects, there is no assurance that the prices of the Shares will remain at current levels after the close or lapse of the Offer; and the current price performance of the Shares is not indicative of the future price performance levels of the Shares, which will be governed by factors such as, inter alia, the performance and prospects of the Company, prevailing and future economic conditions and outlook and market conditions and sentiments.

Furthermore, the Independent Directors may wish to consider advising Shareholders who are considering retaining a portion or all of their Shares, that in the event the Company is delisted, such Shareholders would hold Shares in an unquoted company. We note that the Offeror's preference, as according to the Offer Document, is to delist the Company, although it has no obligation to do so. Accordingly, Shareholders may wish to consider selling a portion or all of their Shares if the Offer becomes unconditional.*"*

11.3 **Recommendation of the Independent Directors**. The Independent Directors, having reviewed and carefully considered the terms of the Offer and the advice given by the IFA to the Independent Directors in the IFA Letter, concur with the advice of the IFA in respect of the Offer, that as at the Latest Practicable Date, the terms of the Offer *are fair and reasonable from a financial point of view in the context of a non-change of control transaction*.

The Independent Directors note that the IFA has considered the factors in favour of the Offer Price as set out in Section 9.1 of the IFA Letter and the factors against the Offer Price as set out in Section 9.2 of the IFA letter, in the context of a non-change of control transaction. The Independent Directors wish to highlight that the IFA notes that the factors in favour of the Offer Price outweigh in number the factors against the Offer Price. In particular, the IFA has noted on the basis of the analysis in the IFA Letter, that the Offer Price's valuation ratios are higher than the mean and median of the

Comparable Companies (as defined in the IFA Letter) which reflect the current market valuation of the Singapore and China property sectors and are higher than the mean and median of the Singapore Property Precedent Transactions (as defined and explained in the IFA Letter) which reflect the premiums paid previously for property privatisation transactions.

Shareholders who:

i. **Wish to realise their investments in the Company at this time but are unable to sell their Shares in the open market at a price (after deduction of related expenses) higher than the Offer Price; and/or**

ii. **Believe that the current market price of the Shares may decrease; and/or**

iii. **Believe that even if the Company remains listed, trading liquidity may reduce materially; and/or**

iv. **Believe that a higher offer may not be made; and/or**

v. **Are uncertain of the longer term performance and prospects of the Company, either on status quo basis or under the stewardship of the Offeror,**

may wish to consider selling a portion or all of their Shares in the open market or tendering Shares pursuant to the Offer. The Independent Directors wish to highlight that Shareholders who tender Shares in acceptance of the Offer or sell Shares in the open market, should note that there is no certainty that the Offer will or will not become unconditional in all respects, there is no assurance that the price of the Shares will remain at current levels after the close or lapse of the Offer and the current price performance of the Shares is not indicative of the future price performance levels of the Shares, which will be governed by factors such as, *inter alia*, the performance and prospects of the Company, prevailing and future economic conditions and outlook and market conditions and sentiments.

Shareholders who:

i. **Do not currently wish to realise their investments in the Company; and/or**

ii. **Believe that the current market price of the Shares may increase; and/or**

iii. **Believe that a higher offer may be made; and/or**

iv. **Believe that there may be material incremental value to be realised in the future as a result of initiatives being executed by the Company; and/or**

v. **Hold a favourable view of the Company's prospects and believe that they will be able to realise greater value from continuing to own their Shares,**

may wish to consider retaining a portion or all of their Shares. The Independent Directors wish to highlight that Shareholders who retain their Shares, should note that there is no certainty that the Offer will become unconditional in all respects, there is no assurance that the prices of the Shares will remain at current levels after the close or lapse of the Offer; and the current price performance of the Shares is not indicative of the future price performance levels of the Shares, which will be governed by factors such as, *inter alia*, the performance and prospects of the Company, prevailing and future economic conditions and outlook and market conditions and sentiments.

The Independent Directors also wish to highlight that Shareholders who are considering retaining a portion or all of their Shares, should note that in the event the Company is delisted, such Shareholders would hold Shares in an unquoted company. Accordingly, Shareholders may wish to consider selling a portion or all of their Shares if the Offer becomes unconditional. While it is the Offeror's preference, as according to the Offer Document, to delist the Company, it has no obligation to do so.

11.4 No Regard to Specific Objectives. In making their recommendation, the Independent Directors have not had regard to the specific objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. Accordingly, the Independent Directors recommend that any individual Shareholder who may require advice in the context of his specific

investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

11.5 **General.** Shareholders should consider carefully the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors before deciding whether to accept or reject the Offer. Shareholders should note that the IFA's opinion and advice should not be relied upon by any Shareholder as the sole basis for deciding whether or not to accept the Offer.

12. ACTION TO BE TAKEN BY SHAREHOLDERS

12.1 **Accepting the Offer.** Shareholders who wish to accept the Offer must do so not later than 5.30 p.m. (Singapore time) on 26 May 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror, abiding by the procedures for the acceptance of the Offer as set out in Appendix 2A (in the case of Singapore Registered Shareholders and CDP Depositors) and Appendix 2B (in the case of Hong Kong Registered Shareholders) to the Offer Document, and the Acceptance Forms.

Shareholders who do not wish to accept the Offer need not take any action in respect of the Offer Document and the Acceptance Forms which have been sent to them.

13. HONG KONG REGISTERED SHAREHOLDERS

13.1 **Hong Kong Registered Shareholders.** The Offer Document sets out certain information in relation to the Hong Kong Registered Shareholders, as follows:

> "***14. HONG KONG REGISTERED SHAREHOLDERS***
>
> *For the purposes of compliance with the SFO, this Offer is made to the Hong Kong Registered Shareholders by the licensed affiliates of the Joint Financial Advisers in Hong Kong, being Credit Suisse (Hong Kong) Limited and Morgan Stanley Asia Limited (collectively, "**Hong Kong Joint Financial Advisers**"), on behalf of the Offeror. The documents setting out the terms and conditions of the Offer despatched to the Hong Kong Registered Shareholders contain the same terms and conditions as set out herein, save and except that such documents include a front cover which identifies the Hong Kong Joint Financial Advisers as the joint financial advisers to the Offeror and contains certain specific statements required under the SFO.*
>
> *The Offer Document despatched to the Hong Kong Registered Shareholders is in English and Chinese versions. Should there be any inconsistency between the English and Chinese versions, the English version shall prevail.*"

14. OVERSEAS SHAREHOLDERS

14.1 **Overseas Shareholders.** The Offer Document sets out certain information in relation to Overseas Shareholders, as follows:

> "***15. OVERSEAS SHAREHOLDERS***
>
> ***15.1*** ***Overseas Shareholders****. The availability of the Offer to Shareholders whose addresses are outside Singapore, as shown on the Singapore Register, the Hong Kong Branch Register or in the records of CDP, as the case may be (each, an "**Overseas Shareholder**"), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable requirements in*

their own jurisdictions. For the avoidance of doubt, the Offer is made to all Shareholders including those to whom this Offer Document and the relevant Acceptance Forms have not been, or will not be, sent.

15.2 ***Copies of Offer Document****. Shareholders and Overseas Shareholders may (subject to compliance with applicable laws) obtain copies of this Offer Document, the relevant Acceptance Forms and any related documents, during normal business hours up to the Closing Date from:*

15.2.1 *the Singapore Registrar (if he is a Singapore Registered Shareholder) at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or*

15.2.2 *CDP (if he is a CDP Depositor) at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588.*

Alternatively, an Overseas Shareholder may (subject to compliance with applicable laws) write to:

(i) *the Singapore Registrar (if he is a Singapore Registered Shareholder) at Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or*

(ii) *CDP (if he is a CDP Depositor) at The Central Depository (Pte) Limited at Robinson Road Post Office P.O. Box 1984 Singapore 903934,*

to request for this Offer Document, the relevant Acceptance Forms and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three Market Days prior to the Closing Date.

15.3 ***Overseas Jurisdiction.*** *It is the responsibility of any Overseas Shareholder who wishes to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required to transfer the Shares, or compliance with other necessary formalities or legal requirements. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including the Joint Financial Advisers) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including the Joint Financial Advisers) may be required to pay. In (i) requesting for this Offer Document, the relevant Acceptance Forms and any related documents and/or (ii) accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror and the Joint Financial Advisers that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.*

15.4 ***Notice****. The Offeror and the Joint Financial Advisers each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST and the HKSE or paid advertisement in a daily newspaper published and circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including an Overseas Shareholder) to receive or see such announcement or advertisement.*"

15. INFORMATION PERTAINING TO CPFIS INVESTORS

The Offer Document sets out certain information pertaining to CPFIS Investors in Section 16.2 of the Offer Document, as follows:

> "***16.2 Information Pertaining to CPFIS Investors.*** *CPFIS Investors should receive further information on how to accept the Offer from their respective CPF Agent Banks shortly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. Subject to the Offer becoming or being declared to be unconditional as to acceptances, CPFIS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their CPF investment accounts.*"

16. RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular (other than the IFA Letter, the 1Q Results Reports and the Valuation Reports) are fair and accurate, and they confirm, after having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Circular (other than the IFA Letter, the 1Q Results Reports and the Valuation Reports) have been arrived at after due and careful consideration and there are no other facts not contained in this Circular, the omission of which would make any statement in this Circular misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Document), the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Circular.

In respect of the IFA Letter, the 1Q Results Reports and the Valuation Reports, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Group are fair and accurate.

The Directors jointly and severally accept full responsibility accordingly.

Yours faithfully
For and on behalf of the
Board of Directors

Dr Loo Choon Yong
Lead Independent Non-Executive Director

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS

LETTER FROM DEUTSCHE BANK TO THE INDEPENDENT DIRECTORS

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APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS

LETTER FROM DEUTSCHE BANK TO THE INDEPENDENT DIRECTORS

9 May 2014

To: The Independent Board Committee
CapitaMalls Asia Limited
39 Robinson Road
#18-01 Robinson Point
Singapore 068911

Dear Sirs,

OFFER BY CREDIT SUISSE (SINGAPORE) LIMITED ("CREDIT SUISSE") AND MORGAN STANLEY ASIA (SINGAPORE) PTE. ("MORGAN STANLEY") FOR AND ON BEHALF OF SOUND INVESTMENT HOLDINGS PTE. LTD (THE "OFFEROR"), A WHOLLY-OWNED SUBSIDIARY OF CAPITALAND LIMITED ("CAPITALAND"), TO ACQUIRE ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF CAPITAMALLS ASIA LIMITED (THE "COMPANY")

For the purpose of this letter, capitalised terms not otherwise defined in this letter shall have the same meanings given to them in the circular issued by the Company to its shareholders dated 9 May 2014 in relation to the Offer (the "Circular") and the offer document issued by the Offeror to the Company's shareholders dated 28 April 2014 (the "Offer Document") in relation to the Offer.

1 INTRODUCTION

On 14 April 2014 (the "Offer Announcement Date"), Credit Suisse and Morgan Stanley announced, for and on behalf of the Offeror, that the Offeror intends to make a voluntary conditional cash offer to acquire all the issued Shares, other than the 65.3% of the total number of issued Shares already owned by the Offeror at S$2.22 in cash (the "Offer Price") for each Share (the "Offer"). This Offer Price is subject to adjustment as detailed in section 2.3 of the Offer Document. As the date of this letter is after the ex-dividend date as indicated in section 2.3, any shareholders of the Company (the "Shareholders") who accept the Offer at or after the date of this letter will receive a reduced Offer Price of S$2.2025 in cash for each Share ("Net Offer Price").

Deutsche Bank AG, Singapore Branch ("Deutsche Bank") has been appointed by the Company as the independent financial adviser (the "IFA") to the Directors who are considered independent (the "Independent Directors") for the purpose of making a recommendation to the Shareholders in respect of the Offer.

This letter sets out, *inter alia*, our evaluation of the financial terms of the Offer and our advice thereon. It forms part of the Circular to Shareholders dated 9 May 2014 issued by the Company providing, *inter alia*, details of the Offer and the recommendations of the Independent Directors in respect thereof.

2 TERMS OF REFERENCE

Deutsche Bank has been appointed to advise the Independent Directors on the Offer, from a financial point of view, in compliance with the Singapore Code on Take-overs and Mergers (the "Code"). We make no representations or warranties in relation to the merits or risks (if any) of the Offer other than to form an opinion for the purposes of Rules 7.1 and 24.1(b) of the Code. We have limited our evaluation to the terms of the Offer from a financial point of view and have not taken into account the strategic, commercial or financial risks or merits of the Offer. Our terms of reference do not require us to evaluate or comment on the strategic or long-term commercial merits of the Offer or on the prospects of the Group (i.e. the Company, its subsidiaries and associated companies) or any of its respective related companies (as defined in the Companies Act). Such evaluations or comments remain the responsibility of the Directors and management of the Company. However, we have drawn upon the views of the Directors and management of the Company in arriving at our views. We were also not requested or authorised to solicit any indications of interest from any third party with respect to the Shares (an "Alternative Offer"). We are not addressing the relative merits of the Offer as compared to any alternative transaction previously considered by the Company (or the Shareholders), or that otherwise may become available to the Company (or the Shareholders) currently or in the future, or as compared to any Alternative Offer that might otherwise be available.

We have held discussions with certain Directors and the management of the Company and have examined information provided by the Directors, the management, employees and advisors of the Company, information set out in the Circular and other publicly available information collated by us, upon which our view is based. We have not independently verified such information, whether written or verbal, and have assumed its truth, accuracy, completeness and adequacy. Accordingly, we cannot and do not make any representation or warranty (express or implied) in respect of, and do not accept any responsibility for, the truth, accuracy, completeness or adequacy of such information. We have nevertheless made enquiries and used our judgement as we deemed necessary or appropriate in assessing such information and are not aware of any reason to doubt the reliability of the information.

We have relied upon the assurances of the Directors (including those who may have delegated detailed supervision of the Circular) that they collectively and individually accept full responsibility for the accuracy and completeness of the information given in the Circular (other than this letter) and confirm after making all reasonable enquiries and to the best of their respective knowledge and belief, that the facts stated and all opinions expressed in the Circular are true, complete, fair and accurate in all material aspects and that no material facts have been omitted from the Circular, such omission of which would make any statement in the Circular misleading.

We have relied upon valuation reports provided by independent professional valuers, including CBRE Pte. Ltd., Colliers International (Hong Kong) Limited, DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd., DTZ Debenham Tie Leung Kabushiki Kaisha, Knight Frank Petty Limited and PPC International Sdn Bhd (collectively, the "Valuation Reports") and a copy of each of the Valuation Reports is reproduced in Appendix 7 to the Circular. With respect to such Valuation Reports, we are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on these Valuation Reports for such asset appraisal and have not made any independent verification of the contents thereof in respect of the assets held by the Group and its subsidiaries nor have we evaluated the solvency of the Group under any applicable laws relating to bankruptcy, insolvency or similar matters. We have not made an independent evaluation or appraisal of the assets and liabilities of the Group and we have not been furnished with any such evaluation or appraisal, except for the Valuation Reports as stated above.

Accordingly, no representation or warranty, express or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of all such information, provided or otherwise made available to us or relied on by us as described above.

In addition, we have assumed that the Offer will be consummated in accordance with the terms set forth in the Offer Document without any waiver, amendment or delay of any terms or conditions

and that no conditions or restrictions will be imposed that would have a material adverse effect on the contemplated benefits expected to be derived from the Offer.

Furthermore, our terms of reference do not require us to conduct a comprehensive independent review of the business, operations or financial condition of the Company or any of its respective related or associated companies, or express, and we do not express, an opinion on the future growth prospects of the Company, or any of its respective related or associated companies. We are therefore not expressing any opinion herein as to the future financial or other performance of those companies.

Our opinion, as set out in this letter, is based upon the financial, market, economic, industry, monetary, regulatory and other prevailing conditions on, and the information made available to us, as of 2 May 2014 (the "Latest Practicable Date"). We assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may in any way affect our opinion contained herein. Shareholders of the Company should take note of any announcement relevant to their consideration of the Offer which may be released by or on behalf of the Company or the Offeror after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not had regard to the specific investment objectives, financial situation, tax position, risk profile or individual circumstances of any Shareholder. As different Shareholders would have different investment objectives and profiles, we would advise the Independent Directors to recommend that any individual Shareholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

This letter and our opinion are solely for the use and benefit of the Independent Directors in connection with and for the purpose of their consideration of the Offer, and the recommendation made by them to the Shareholders shall remain the responsibility of the Independent Directors. This letter is not addressed to and may not be relied upon by any third party including, without limitation, Shareholders, holders of options or awards issued by the Company, employees or creditors of the Company. This letter does not constitute a recommendation to any Shareholder as to whether such Shareholder should accept or reject the Offer or any other matter.

The Company has been separately advised by its own professional advisors in the preparation of the Circular (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this letter).

Accordingly, we take no responsibility for, and express no views, express or implied, on the contents of the Circular (other than this letter).

A copy of this letter will be reproduced in the Circular. However, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purposes, other than the intended purpose in relation to the Offer, at any time or in any manner without the prior written consent of Deutsche Bank.

Our opinion in relation to the Offer should be considered in the context of the entirety of this letter and the Circular.

3 THE OFFER

The following has been extracted from section 2 of the Offer Document and is set out in italics below. **Shareholders are advised to read the relevant section of the Offer Document, as extracted below, carefully.**

*"2. **TERMS OF THE OFFER***

***2.1** **Offer Price.** On behalf of the Offeror, the Joint Financial Advisers hereby make the Offer for all the Offer Shares, in accordance with Section 139 of the SFA and the Code, on the following basis:*

For each Offer Share: S$2.22 in cash

***2.2** **Offer Shares.** The Offer will be extended to:*

***2.2.1** all the Shares in issue;*

***2.2.2** all new Shares unconditionally issued or to be issued pursuant to the vesting and release of any outstanding awards granted under the Restricted Stock Plan and Performance Share Plan of CMA ("**CMA Share Awards**"); and*

***2.2.3** all new Shares unconditionally issued or to be issued in payment of S$287,974 of directors' fees payable to the directors of CMA for the financial year ended 31 December 2013 ("**FY2013**") ("**FY2013 Directors' Fees**"),*

*in each case including any Shares owned, controlled or agreed to be acquired by the Concert Parties (all such Shares, "**Offer Shares**").*

***2.3** **Rights and Encumbrances.** The Offer Shares will be acquired:*

***2.3.1** fully paid;*

***2.3.2** free from all Encumbrances; and*

***2.3.3** together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to receive and retain all Distributions (if any) which may be announced, declared, paid or made by CMA on or after the Offer Announcement Date.*

If any Distribution (including the FY2013 Final Dividend referred to below) is announced, declared, paid or made by CMA on or after the Offer Announcement Date, and the Offeror is not entitled to receive such Distribution in full in respect of any Offer Share tendered in acceptance of the Offer, the Offer Price payable in respect of such Offer Share will be reduced by the amount of such Distribution.

*On 17 March 2014, the CMA board of directors proposed a final one-tier dividend of S$0.0175 per Share for FY2013 ("**FY2013 Final Dividend**"). The FY2013 Final Dividend was approved by the Shareholders at the annual general meeting of CMA held on 17 April 2014 ("**CMA AGM**"). The books closure date for determining entitlements to the FY2013 Final Dividend is 5 May 2014 and the payment date is 16 May 2014. The ex-dividend date in respect of the FY2013 Final Dividend for the Shares traded on the SGX-ST is therefore 29 April 2014.*

Accordingly, assuming the Offer has become or been declared unconditional as to acceptances, if acceptances in respect of the Offer are tendered:

(i) in time for the Offeror to be registered as a holder of the relevant Offer Shares in the register of Shareholders on 5 May 2014, the Offeror will receive the FY2013 Final Dividend (instead of the accepting Shareholder) and will pay the accepting Shareholder S$2.22 in cash per Offer Share; and

(ii) not in time for the Offeror to be registered as a holder of the relevant Offer Shares in the register of Shareholders on 5 May 2014, the Offeror will not receive the FY2013 Final Dividend (the accepting Shareholder will receive the FY2013 Final Dividend if he is registered as a holder of the relevant Offer Shares in the register of Shareholders on 5 May 2014) and will pay the accepting Shareholder S$2.2025 in cash per Offer Share.

2.4 ***Offer Condition.*** *The Offer is subject to the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the voting rights attributable to all Shares in issue as at the close of the Offer ("**Acceptance Condition**").*

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the maximum potential issued share capital of CMA.

The Offeror reserves the right to waive the Acceptance Condition or reduce such condition to a level below more than 90% (but in any event above 50%) of the voting rights attributable to all Shares in issue as at the close of the Offer, subject to the approval of the SIC.

The Offer is not subject to any other condition. In particular, the Offer is not required to be approved by the shareholders of CapitaLand, as noted in the announcement released by CapitaLand on the SGX-ST in relation to the Offer together with the Offer Announcement on the Offer Announcement Date.

2.5 ***Intention of Directors to Accept Offer.***

2.5.1 ***Directors of CapitaLand.*** *The directors of CapitaLand, who hold 429,074 Shares in aggregate as at the Latest Practicable Date, details of which are set out in **Appendix 5** to this Offer Document, have indicated their intention to accept the Offer in full in respect of all their Shares.*

2.5.2 ***Directors of the Offeror.*** *The directors of the Offeror, who hold 63,000 Shares in aggregate as at the Latest Practicable Date, details of which are set out in **Appendix 5** to this Offer Document, have indicated their intention to accept the Offer in full in respect of all their Shares.*

2.6 ***Warranty.*** *A Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to warrant that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof:*

2.6.1 *fully paid;*

2.6.2 *free from all Encumbrances; and*

2.6.3 *together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to receive and retain all Distributions (if any) which may be announced, declared, paid or made by CMA on or after the Offer Announcement Date."*

4 INFORMATION ON THE COMPANY

Please refer to Appendix 2 to the Circular for information and further disclosures on the Company.

5 INFORMATION ON THE OFFEROR AND ITS PARENT, CAPITALAND

Please refer to Appendix 3 to the Circular for information and further disclosure on the Offeror and CapitaLand.

6 RATIONALE FOR THE OFFER

The following has been extracted from section 7 of the Offer Document and is set out in italics below.

Shareholders are advised to read the relevant section of the Offer Document, as extracted below, carefully.

"7. RATIONALE FOR THE OFFER

The intention of the Offer is to delist CMA and fully integrate it into the CapitaLand Group.

The Offer presents an opportunity for Shareholders to realise their investment in the Shares at a premium of 27.0% to the one-month VWAP of the Shares traded on the SGX-ST prior to the Offer Announcement Date and a premium of 20.7% to the NAV per Share of the CMA Group as at 31 December 2013.

The Offer also allows CapitaLand to achieve the following key objectives:

Fully integrating CMA significantly enhances CapitaLand's competitive strengths in integrated developments

The 'One CapitaLand' strategy seeks to harness the key strengths of its various business units to create differentiated real estate projects and enhance overall project returns. The development of integrated projects is core to the CapitaLand Group's business strategy, as evidenced by its many highly successful integrated projects such as its Raffles City projects in Singapore and China. The individual components of an integrated development complement one another to increase the overall attractiveness of the project. For example, the pre-sales of residential units help fund development costs and improve project cash flows whilst mall connectivity enhances the appeal to commercial tenants and serviced residence customers. Malls in integrated developments are likely to enjoy higher foot traffic and a captive catchment from integrated offices and serviced residences. CapitaLand's integrated developments are typically situated within close proximity to a major transportation hub, providing incremental foot traffic.

Delisting CMA enables greater alignment between CapitaLand's and CMA's business strategies by focusing resources on highest overall project returns. This strategy is expected to confer benefits including improving sourcing of opportunities, streamlining of operations and greater resource accessibility and mobility across strategic business units. CapitaLand will continue to grow its shopping mall business.

Simplify CapitaLand Group's organisational structure

The Offer reinforces CapitaLand's strategy to streamline the CapitaLand Group's organisational structure as the delisting of CMA removes one "listed developer" layer. The CapitaLand Group will benefit from a clearer structure – with a single listed developer integrated across all asset classes, and five key listed real estate investment trusts ("REITs") for capital recycling. This provides investors with a clear investment proposition as the CapitaLand Group will have a good balance between recurring income from REITs and investment properties, and development income from its development activities. Reduced organisational complexity would also provide sharper focus for the CapitaLand Group's operations and enhance competitiveness.

Increase CapitaLand's financial flexibility and scale

By delisting CMA, CapitaLand will have more flexibility to access and allocate capital across all of its strategic business units, enabling the CapitaLand Group to direct its resources across asset classes in a manner that best enhances shareholder returns. This is a significant competitive advantage for CapitaLand, given the large capital outlays required for integrated developments.

Increasing CapitaLand's ownership of CMA also expands the CapitaLand Group's scale. Its total assets increase by 13.4% on the basis of its effective share in its subsidiaries' assets as at 31 December 2013 on a pro forma basis. Furthermore, Singapore and China will continue to remain as the CapitaLand Group's core markets, constituting more than 80% of its effective share of total assets on a pro forma basis.

The combination of increased financial flexibility and scale allows the CapitaLand Group to better pursue business opportunities in its core markets.

Unlock shareholder value and achieve synergies

The transaction is expected to be immediately accretive for the CapitaLand shareholders. Based on the Offer terms, a full privatisation of CMA would raise the earnings per share of the CapitaLand Group for FY2013 by approximately 21.5% and improve the return on equity of the CapitaLand Group as at 31 December 2013 from 5.4% to approximately 6.7% on a pro forma basis.

As a listed entity, CMA has to incur listing, compliance and other related costs. If delisted, these costs would be saved and additional cost efficiencies would result from greater flexibility of mobilising services and resources among the CapitaLand Group's other unlisted strategic business units. Post-integration, CMA will have the flexibility to leverage on the capital base of the CapitaLand Group to optimise its funding costs and capitalise on growth opportunities.

Bring benefits to CMA's operations

CMA will be better positioned to face competitive threats as an integrated part of the CapitaLand Group due to:

(i) increased financial strength as part of a larger group with greater access to, and ability to capitalise on, future development opportunities; and

(ii) greater focus on developing integrated projects as part of CapitaLand Group. CapitaLand believes that such positioning increases the overall demand for its projects and shopper traffic as CapitaLand's integrated projects such as Raffles City are often well connected to transportation hubs and brings shoppers from the residential, office and serviced residence components of the development."

7 FINANCIAL ASSESSMENT OF THE OFFER

In evaluating the terms of the Offer, from a financial point of view, as at the Latest Practicable Date, we have considered the following factors:

7.1 Historical share price performance of the Shares;

7.2 Historical share price performance relative to market indices;

7.3 Net asset value ("NAV") and historical trailing NAV per share of the Group relative to the Offer Price;

7.4 Adjusted net asset value ("Adjusted NAV") of the Group relative to the Offer Price;

7.5 Valuation multiples of selected Singapore-listed companies ("Singapore Comparable Companies") and Hong Kong-listed companies ("Hong Kong Comparable Companies") which are considered to be broadly comparable to the Company in limited aspects;

7.6 Recent offer transactions;

7.7 Brokers' price target for the Shares; and

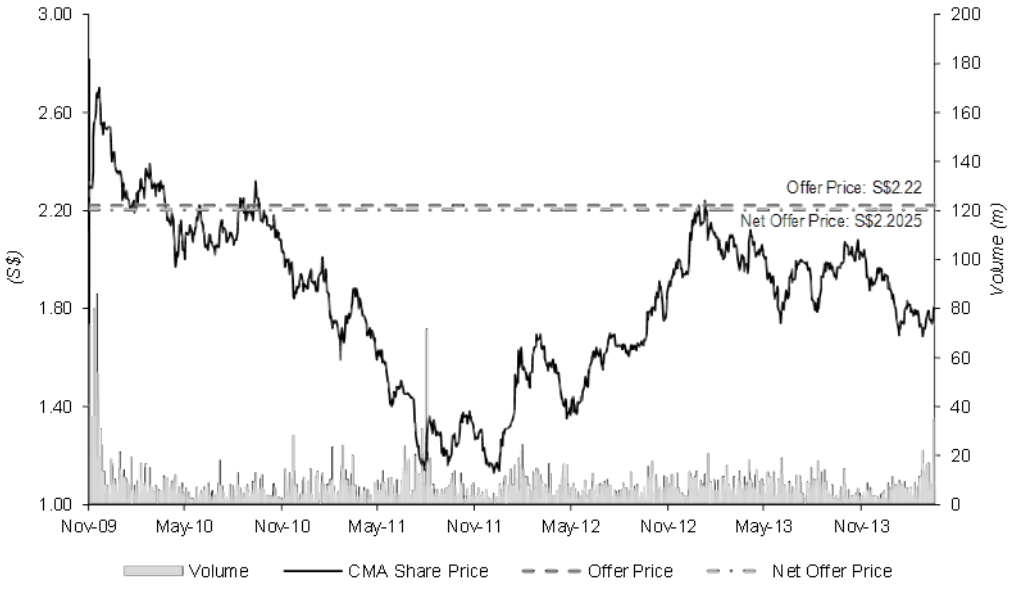
7.8 Other relevant considerations which have a significant bearing on our assessment.

7.1 Historical share price performance of the Shares

We have compared the Offer Price and the Net Offer Price to the historical share price performance of the Shares over different observation periods prior to the Offer Announcement Date, and from the Offer Announcement Date up to the Latest Practicable Date.

We set out below in Exhibit 1, the daily last traded prices and daily trading volumes of the Shares from IPO up to and including the last trading day prior to the Offer Announcement Date being 11 April 2014 ("Last Trading Day"):

Exhibit 1: Share price performance since IPO



Source: Bloomberg, company filings, FactSet

Selected announcements

Date	Announcement
25 November 2009	The Capital Group Companies, Inc acquires 34.0 million shares through open market purchases and becomes a major shareholder of CMA with a 5.37% stake
4 February 2010	CMA announces an agreement with Chengdu Vanke Property Co., Ltd to acquire CapitaMall Meilicheng in Chengdu, China, for RMB459.9 million (approximately S$94.6 million)
9 February 2010	CMA announces that it has entered into a sale and purchase agreement with HSBC Institutional Trust Services (Singapore) Limited, the trustee of CapitaMall Trust, for the sale of Clarke Quay in Singapore for S$268.0 million in cash
8 March 2010	CMA announces that it has acquired a 100% stake in CapitaMall Tianfu, an integrated development which also includes residential and office components, in Chengdu, China from CapitaRetail China Developments II (BVI) Limited, an indirect associated company of CMA. Cash consideration was RMB554.2 million (approximately S$114.0 million). This is CMA's fifth mall in the provincial capital
12 April 2010	CMA announces that CapitaMalls Asia Treasury Limited, its wholly-owned subsidiary, has established a S$2.0 billion Euro-Medium Term Note Programme. Net proceeds arising from the issue of Notes will be used for the purpose of refinancing existing borrowings and financing the investments and general corporate purposes of the CMA Group
5 July 2010	CMA announces that Gurney Plaza Sdn. Bhd. has exercised the put option granted to it by CapitaRetail Gurney Sdn. Bhd., a wholly-owned subsidiary of CMA, to require CapitaRetail Gurney to purchase and complete the acquisition of Gurney Plaza Extension in Penang, Malaysia and certain car park bays for an aggregate purchase consideration of RM215.0 million (approximately S$91.5 million)
16 July 2010	IPO of CapitaMalls Malaysia Trust ("CMMT"), a Bursa Malaysia-listed REIT sponsored by CMA which invests in income-producing real estate primarily used for retail purposes and located primarily in Malaysia. The IPO raised RM785.2 million
24 August 2010	CMA announces that CapitaMalls Asia Treasury Limited, a wholly-owned subsidiary of the Company, issued unrated S$350.0 million 3.95% Fixed Rate Notes, under the S$2.0 billion Euro-Medium Term Note Programme
6 September 2010	CMA announces successful joint tender with CapitaLand for the Bedok Town Centre site in Singapore. The tender price for the site is S$788.9 million, and CMA holds a 50% stake in the joint venture. The site has since been developed into Bedok Mall, with development of Bedok Residences on-going
8 November 2010	CMA announces that it has entered into a conditional agreement with Beatles Holding Limited, a party unrelated to CMA, to obtain an effective 66% interest in an integrated development comprising a prime shopping mall and office tower at Luwan in Huangpu District in Shanghai, China through their joint venture in Abbey Road Limited
26 November 2010	CMA announces S$1.6 billion 5-year syndicated credit facilities for the refinancing of ION Orchard
22 December 2010	CMA announces it is acquiring Queensbay Mall in Penang, Malaysia for approximately RM658.3 million (S$275.6 million), including acquisition costs. This is the Company's second mall in the city
30 December 2010	CMA announces that it has entered into a Deed of Sale and Purchase to acquire an 17.1% shareholding interest in Raffles City Changning, an integrated development located in Shanghai, China for S$187.2 million. This is the Company's sixth mall in the city
6 January 2011	CMA announces that its wholly-owned subsidiary, CapitaMalls Asia Treasury Limited, is offering for subscription up to S$200.0 million in principal amount of 1-year bonds and 3-year bonds to the public in Singapore. The public offer was later about 1.82 times subscribed
26 February 2011	CapitaMall Trust Management Limited ("CMTML"), the manager of CapitaMall Trust ("CMT") – a Singapore Exchange-listed REIT sponsored by CMA – announces that HSBC Institutional Trust Services (Singapore) Limited, the trustee of CMT, has entered into a sale and purchase agreement on CMT's behalf to acquire Bugis+ in Singapore. The purchase consideration is S$295.0 million. CMT invests in quality income-producing assets which are used, or predominantly used, for retail purposes primarily in Singapore
6 May 2011	CapitaRetail China Trust Management Limited, the manager of CapitaRetail China Trust ("CRCT") – a Singapore Exchange-listed REIT sponsored by CMA – announces that HSBC Institutional Trust Services (Singapore) Limited, the trustee of CRCT, has entered into an agreement to acquire CapitaMall Minzhongleyuan in Wuhan, China, on CRCT's behalf. The agreed property price is RMB395.0 million (approximately S$76.0 million). CRCT is established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate used primarily for retail purposes and located primarily in China, Hong Kong and Macau
24 May 2011	CMA announces the conversion of its CapitaRetail China Development Fund to CapitaMalls China Income Fund, and the upsize of this fund by 50% to US$900.0 million

30 May 2011	CMA announces successful joint tender with CapitaLand and CapitaMall Trust for the Jurong Gateway site in Singapore. The tender price for the site is approximately S$969.0 million, and CMA holds a 50% stake in the joint venture. The site is being developed into Westgate, an integrated development comprising a shopping mall and an office tower. The shopping mall, also named Westgate, is operational, while development of the office tower, named Westgate Tower, is on-going
14 June 2011	CapitaMalls Malaysia REIT Management Sdn. Bhd., the manager of CMMT, announced that AmTrustee Berhad, the trustee of CMMT, has entered into a conditional sale and purchase agreement to acquire East Coast Mall in Kuantan, Malaysia, on CMMT's behalf. Total acquisition cost is RM330.0 million, including acquisition fee and expenses
20 July 2011	The Capital Group Companies, Inc ceases to be a major shareholder of CMA through a series of transactions in the open market. Its stake in CMA is reduced from 5.81% to 4.95%
18 August 2011	CMA acquires the remaining 50% stakes in Minhang Plaza and Hongkou Plaza in Shanghai, China for US$262.6 million (approximately S$316.0 million) and US$526.4 million (approximately S$633.7 million) respectively. Post transaction, CMA has effective stakes of 65.0% and 72.5% in Minhang Plaza and Hongkou Plaza respectively
29 September 2011	CMA announces that it has entered into a conditional agreement with Suzhou Industrial Park Jinji Lake Urban Development Co., Ltd. to jointly develop an integrated project, comprising the largest shopping mall in East China and two office towers, in Suzhou, China – its first in the city. Total development cost is expected to be about RMB6,740.0 million (approximately S$1,275.0 million). CMA has a 50% stake in the joint venture
18 October 2011	Secondary listing of CMA by introduction on the Main Board of the Stock Exchange of Hong Kong Limited
29 November 2011	CMA and CapitaLand announce that, together with Singbridge Holdings Pte. Ltd., they have been awarded the Chao Tian Men site in Chongqing, China at RMB6,536.0 million (approximately S$1,282.8 million) through tender. The site is being developed into an integrated development named Raffles City Chongqing, comprising a shopping mall and eight towers for residential, office, serviced residence and hotel use. Including land cost, total development cost is expected to be approximately RMB21.1 billion (S$4.1 billion). CMA has a 25% stake in the joint venture, and this is its third mall in the city
3 January 2012	CMA announces that its wholly-owned subsidiary, CapitaMalls Asia Treasury Limited, is offering for subscription up to S$200.0 million in principal amount of callable step-up bonds due 2022. Following strong demand, the offer was later upsized to S$400.0 million. The initial public offer tranche of S$100.0 million was approximately 4.65 times subscribed, while the initial placement offer of S$100.0 million is more than two times subscribed
20 February 2012	CMA announces that it has acquired the remaining 73.71% stakes in three malls in Japan – La Park Mizue in Tokyo, Izumiya Hirakata in Osaka and Coop Kobe Nishinomiya-Higashi in Hyogo, through CMA Japan Trust. On a 100% basis, the total investment cost for the three assets is approximately JPY13.2 billion (S$217.4 million)
25 April 2012	CMA announces that it has signed a conditional agreement to acquire a site to develop CapitaMall Tiangongyuan in Beijing, China – its first in the capital's up-and-coming south region. Total development cost is expected to be approximately RMB2,343.0 million (S$469.2 million)
3 May 2012	CMTML announces that CMT has awarded a tender to Oxley Bloom Pte. Ltd. for the sale of Hougang Plaza in Singapore for a consideration of S$119.1 million in cash
9 May 2012	CMA announces that it has entered into a conditional agreement with Sime Darby Property Berhad to jointly develop Melawati Mall on prime land in the Taman Melawati commercial area north-east of Kuala Lumpur, Malaysia. Total development cost is expected to be approximately RM670.0 million (S$257.8 million). CMA has a 50% stake in the joint venture. This is its sixth mall in Malaysia
2 July 2012	CMA announces that it has established the US$1.0 billion (approximately S$1.3 billion) CapitaMalls China Development Fund III, a closed-end private equity fund sponsored by CMA to invest in the development of shopping malls in China. CMA holds a 50% stake in the fund. This is CMA's largest private equity fund to-date, and fourth fund focusing on China. The fund will have a fund life of eight years
29 July 2012	CMA announces that it has signed a conditional agreement to acquire a site to develop CapitaMall Xinduxin in Qingdao, China – its first in the city. Total development cost is expected to be approximately RMB1,457.0 million (S$294.9 million)
29 July 2012	CMA announces that it has acquired Olinas Mall, one of the biggest and newest malls in Kinshicho, Sumida Ward of Tokyo, Japan at a purchase consideration of JPY22.8 billion (approximately S$367.3 million)
17 August 2012	CMA announces that CapitaMalls Asia Treasury Limited, its wholly-owned subsidiary, intends to issue unrated S$250.0 million 3.70% Fixed Rate Notes due 2022 under the S$2 billion Euro-Medium Term Note Programme
6 September 2012	CMA announces that it has signed an agreement to acquire CapitaMall 1818, the retail component on an integrated development which also includes residential and office components, in Wuhan, China. On a completed basis, total investment cost is expected to be approximately RMB1,156.0 million (S$228.3 million)
15 January 2013	CMA announces that it has been awarded a prime site for a shopping mall at Gutian in Wuhan,

	China – its fourth in the provincial capital, which is a major transport and commercial hub in Central China. The site was awarded at a price of RMB660.0 million (approximately S$128.4 million). Including land cost, the total development cost is expected to be approximately RMB2,800.0 million (S$544.5 million)
15 April 2013	CMA announces the transfer of two China malls under development – CapitaMall 1818 in Wuhan and CapitaMall Xinduxin in Qingdao – to CapitaMalls China Development Fund III
15 July 2013	CMA announces that it has won a tender for CapitaMall Grand Canyon in Beijing, China at a price of RMB1,740.0 million (approximately S$356.6 million) by tender. The mall – its tenth in the city – has since been acquired by CapitaRetail China Trust
17 July 2013	CMA announces the transfer of its effective 66% interest in an integrated development at Luwan in Huangpu District in Shanghai, China to CapitaMalls China Development Fund III
20 November 2013	CMA enters into a conditional agreement with Guangzhou Greenland Property Development Co., Ltd to acquire CapitaMall SKY+, the second phase of the retail component of Baiyun Greenland Centre, an integrated development located in Guangzhou, China for a purchase consideration of RMB2,191.4 million (approximately S$442.4 million). On a completed basis, total investment cost is expected to be approximately RMB2,646.0 million (S$534.1 million)
20 December 2013	CMA enters into a joint venture agreement with Changi Airport Group to jointly develop an iconic mixed-use development on the approximately 3.5 hectare car park site fronting Singapore Changi Airport Terminal 1. Codenamed Project Jewel, the development will offer a range of facilities for airport operations, retail offerings and leisure attractions. The total development cost is expected to be approximately S$1.47 billion. CMA has a 49% stake in the joint venture, and this is the Company's 20th mall in Singapore
23 January 2014	CMA enters into sale and purchase agreements for the sale of strata office units located on levels 6 to 25 at Westgate Tower for a total sale consideration of S$579.4 million
14 April 2014	CMA receives a voluntary conditional cash offer of S$2.22 per share from CapitaLand with a view to delist CMA
17 April 2014	CMA announces that it has sold Ito-Yokado Eniwa mall in Hokkaido, Japan. After the sale, CMA has a portfolio of seven malls in four cities in Japan

Based on Exhibit 1 above, we note the following:

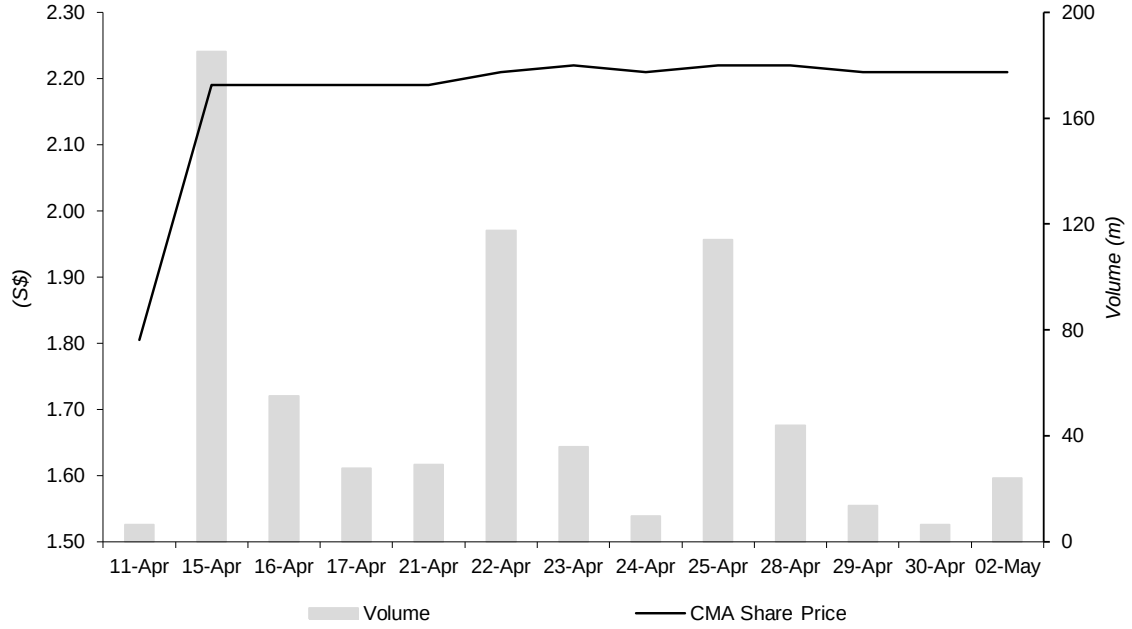
i. Over the last twelve months and up to the Last Trading Day, the last traded price of the Shares had been consistently below the Offer Price and Net Offer Price;

ii. The Offer Price is a premium of 4.7% to the IPO price of S$2.12; and

iii. The Net Offer Price is a premium of 3.9% to the IPO price of S$2.12.

We set out below in Exhibit 2 the daily last traded prices and daily trading volumes of the Shares for the period after the Offer Announcement Date up to and including the Latest Practicable Date:

Exhibit 2: Daily last traded price and daily trading volume of the Shares from the Last Trading Day up to the Latest Practicable Date



Source: Bloomberg

Based on Exhibit 2, we note that, from the Offer Announcement Date to the Latest Practicable Date, the prices of the Shares ranged between S$2.19 and S$2.24 and the total volume of Shares traded was approximately 662.4 million Shares, representing approximately 17.0% of the CMA's total outstanding Shares as at the Latest Practicable Date. We further note that from the Offer Announcement Date to the Latest Practicable Date, the Offeror purchased 194,766,000 Shares on the SGX-ST.

Based on Exhibit 2 above, we note the following:

i. The last traded price of the Shares on the Last Trading Day was S$1.805. On 15 April 2014 (being the Market Day after the Offer Announcement Date and the lifting of the trading halt), the price of the Shares rose to close at S$2.19; and

ii. Between the Offer Announcement Date and the Latest Practicable Date, the Offeror acquired a total of 194,766,000 Shares in the open market at prices ranging from S$2.20 to S$2.22 per Share. As at the Latest Practicable Date, the Offeror and its Concert Parties owned, controlled or has agreed to acquire an aggregate of 2,743,155,708 Shares representing approximately 70.4% of the share capital of the Company as at the Latest Practicable Date.

We have also set out below in Exhibit 3 the premium implied by the Offer Price and Net Offer Price over the historical volume weighted average price ("VWAP") and the historical trading volume of the Shares for the period since-IPO up to and including the Last Trading Day and for the period after the Offer Announcement Date:

Exhibit 3: Premium/(Discount) implied by the Offer Price to VWAP

	VWAP (S$)	Premium / (Discount) of Offer Price over price (%)	Premium / (Discount) of Net Offer Price over price (%)	Lowest last traded price (S$)	Highest last traded price (S$)	Average daily trading volume (m)	Average daily trading volume as percentage of free float (%)
Periods up to and including the Last Trading Day prior to the Offer Announcement Date							
Last traded price on the Last Trading Day	1.805	23.0%	22.0%	1.805	1.805	6.3	0.5%
1-month	1.748	27.0%	26.0%	1.685	1.805	11.6	0.9%
3-month	1.769	25.5%	24.5%	1.685	1.930	7.9	0.6%
6-month	1.842	20.5%	19.6%	1.685	2.080	5.9	0.4%
1-year	1.891	17.4%	16.5%	1.685	2.120	6.5	0.5%
2-year	1.849	20.1%	19.1%	1.350	2.240	6.5	0.5%
Since-IPO	1.886	17.7%	16.8%	1.130	2.700	7.3	0.5%
Periods after the Offer Announcement Date							
VWAP between Offer Announcement Date and the Latest Practicable Date	2.204	0.7%	(0.1%)	2.190	2.220	55.2	4.1%
Last traded price on the Latest Practicable Date	2.210	0.5%	(0.3%)	2.210	2.210	24.1	1.8%

Source: Bloomberg

Based on the above, we note the following:

i. The Offer Price and Net Offer Price is at the upper end of the range of the daily last traded price of the Shares since IPO up to and including the Last Trading Day, which is between a low of S$1.13 per Share and a high of S$2.70 per Share;

ii. The Offer Price and Net Offer Price represents a premium of approximately 23.0% and 22.0% over the last traded price on the Last Trading Day of S$1.805, respectively;

iii. The Offer Price represents a premium of approximately 27.0%, 25.5%, 20.5%, 17.4%, 20.1% and 17.7% over the 1-month, 3-month, 6-month, 1-year, 2-year, and since-IPO VWAP of the Shares, respectively;

iv. The Net Offer Price represents a premium of approximately 26.0%, 24.5%, 19.6%, 16.5%, 19.1% and 16.8% over the 1-month, 3-month, 6-month, 1-year, 2-year, and since-IPO VWAP of the Shares, respectively;

v. Between the Offer Announcement Date and the Latest Practicable Date, the Offer Price represents a premium of approximately 0.7% over the VWAP of the Shares of approximately S$2.20. The Offer Price also represents a premium of approximately 0.5% to the last traded price of S$2.21 on the Latest Practicable Date; and

vi. Between the Offer Announcement Date and the Latest Practicable Date, trading liquidity of the Shares rose significantly to an average daily trading volume of approximately 55.2 million Shares, representing approximately 4.1% of the Company's free float, as compared to the average daily trading volume of approximately 6.5 million Shares over the 2-year period up to and including the Last Trading Day. Approximately 29.4% of the Shares traded during this period were attributable to open market purchases by the Offeror.

Shareholders are advised that the past trading performance of the Shares should not, in any way, be relied upon as an indication or a promise of its future trading performance.

7.2 Historical share price performance relative to market indices

To gauge the market price performance of the Shares relative to the general share price performance of the Singapore equity market and of real estate companies listed on the SGX-ST, we have compared the market price movement of the Shares against the following indices:

i. The FTSE Straits Times Index (the "FSSTI"), which is a market capitalisation weighted index based on stocks of 30 representative companies listed on the Mainboard of the SGX-ST;

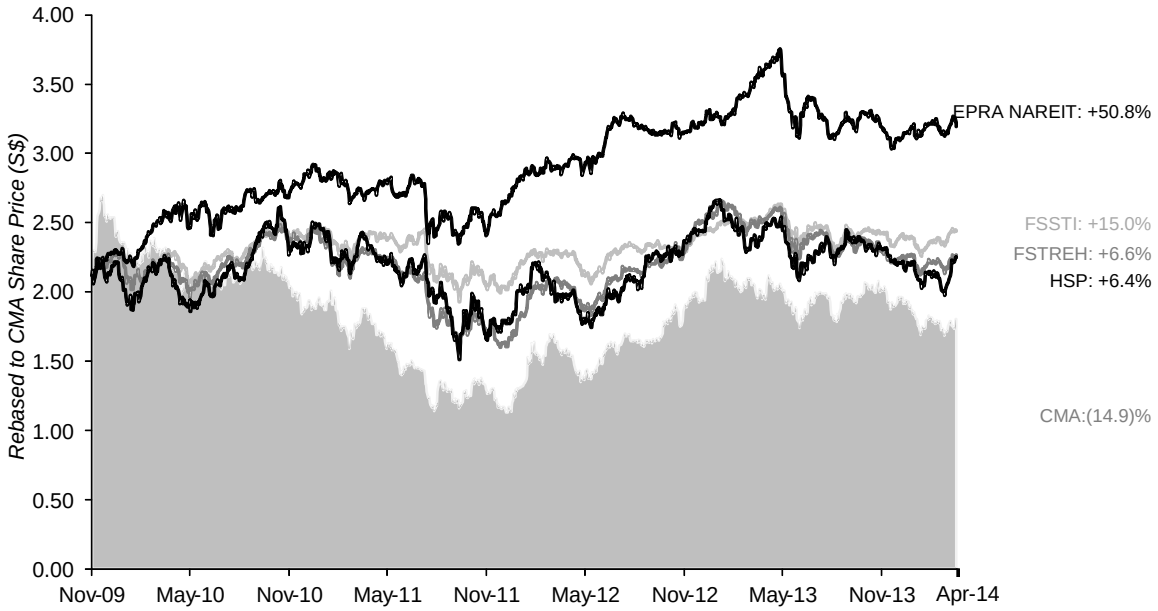
ii. The FTSE Straits Times Real Estate Holding & Development Index (the "FSTREH"), which is a market capitalisation weighted index that measures the performance of real estate holding and development companies listed on the Mainboard of the SGX-ST;

iii. The Hang Seng Properties Index ("HSP") is a capitalisation weighted index of all the stocks designed to measure the performance of the property sector of the Hang Seng Index; and

iv. The FTSE EPRA/NAREIT Developed Index ("EPRA NAREIT") is a free float adjusted market capitalisation weighted index measuring the performance of listed real estate companies and REITs worldwide.

The market price performance of the Shares relative to the rebased FSSTI, FSTREH, HSP and EPRA NAREIT since IPO up to and including the Last Trading Day, is illustrated below in Exhibit 4:

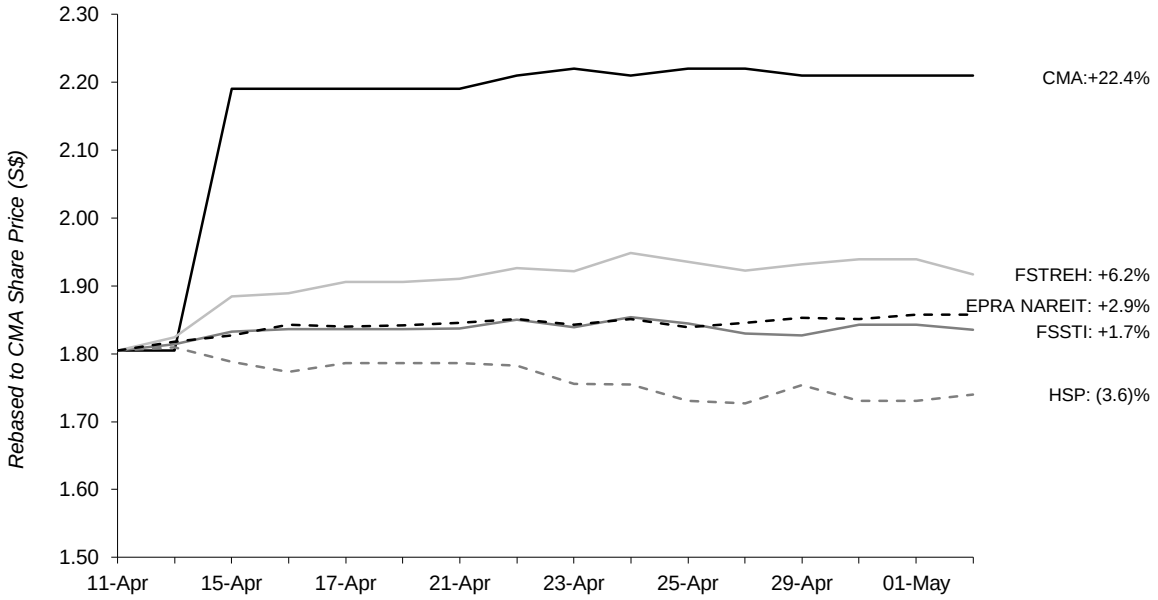
Exhibit 4: Share price performance against the market indices (rebased) between IPO and Last Trading Day



Source: Bloomberg

We have also set out in Exhibit 5 below the market price performance of the last traded price of the Shares, the rebased FSSTI, FSTREH, HSP and EPRA NAREIT between the Last Trading Day and the Latest Practicable Date:

Exhibit 5: Share price performance against market indices (rebased) between Last Trading Day and Latest Practicable Date



Source: Bloomberg

Based on the above, we note the following:

i. Between CMA's IPO in November 2009 and the Last Trading Day, its share price has generally under-performed the rebased FSSTI, the rebased FSTREH, the rebased HSP and the rebased EPRA NAREIT; and

ii. Between the Last Trading Day and the Latest Practicable Date, CMA Shares significantly outperformed the rebased FSSTI, the rebased FSTREH, the rebased HSP and the rebased EPRA NAREIT, having increased 22.4% as compared to the increase of 1.7%, 6.2% and 2.9% for the rebased FSSTI, the rebased FSTREH and the rebased EPRA NAREIT and a decrease of 3.6% for the rebased HSP.

Based on the above observations, it appears likely that the market price and the trading volume of CMA Shares have been supported by the Offer subsequent to the Offer Announcement Date. As such, there is no assurance that the market price and trading volume of CMA Shares will be maintained at the prevailing level as at the Latest Practicable Date after the close of the Offer.

7.3 NAV and historical trailing NAV per share of the Group relative to the Offer Price

Based on the Company's reviewed financial statements as at 31 March 2014, the Group's investment properties, properties under development and investments in associates and jointly controlled entities have an aggregate book value of S$9,446 million which represents approximately 83.5% of the Group's total assets of S$11,312 million.

Based on the annual report for FY2013 and the reviewed financial statements for 1Q2014 of the Company, we note that:

i. The Offer Price and Net Offer Price represents a premium of approximately 18.7% and 17.8%, respectively, over the unaudited NAV per Share of the Company of S$1.87 as at 31 March 2014;

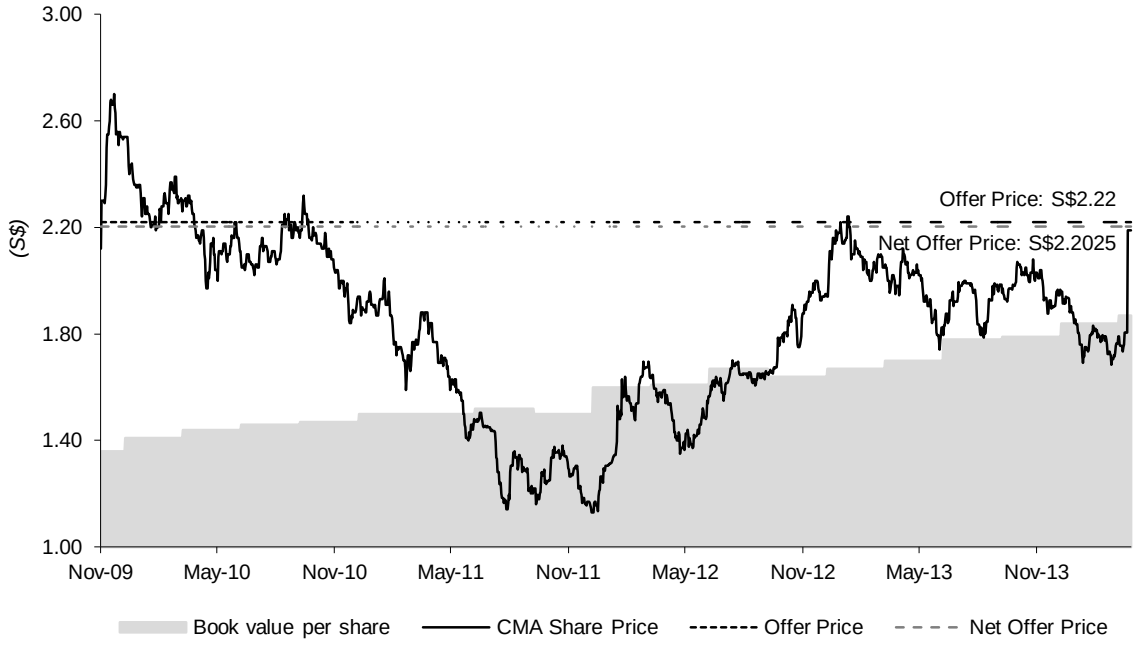
ii. The Offer Price and Net Offer Price represents a premium of approximately 20.7% and 19.7%, respectively, over the audited NAV per Share of the Company of S$1.84 as at 31 December 2013; and

iii. The Offer Price and Net Offer Price represents a premium of approximately 20.0% and 18.9%, respectively, over the unaudited NAV per Share adjusted for dividends of S$1.85 as at 31 March 2014.

The Directors have confirmed to us that save as disclosed in the Circular and in the ordinary course of business, there have been no material acquisitions and disposals of assets by the Company since 31 March 2014 up to the Latest Practicable Date. The Directors have also confirmed that save for the sale of residential properties in the ordinary course of its business, the Group does not have any plans for an impending material disposal and/or conversion of the use of the Group's assets and/or material change in the nature of the Group's business as at the Latest Practicable Date. We also note from the Offer Document that the Offeror has no present intention to (a) propose any major changes to the businesses; (b) redeploy the fixed assets; or (c) discontinue the employment of the employees of the Group.

We have also compared the historical market price of the Shares, the Offer Price and the Net Offer Price against the trailing NAV per Share (based on the Group's trailing announced NAV per Share for the applicable periods) since IPO up to and including the Last Trading Day prior to the Offer Announcement Date.

Exhibit 6: P/Book NAV since IPO



Source: Bloomberg, company filings

The mean, maximum and minimum daily premium or discount of the market price of the Shares to the corresponding NAV per Share for the various periods during the 1-year period up to and including the Last Trading Day is set out below:

Exhibit 7: Premium/(Discount) of historical market price over trailing NAV per Share

	Premium/(Discount) to trailing NAV per Share		
Periods up to and including the Last Trading Day	Mean	Maximum	Minimum
Since IPO	16.5%	98.5%	(29.4%)
1-year	7.4%	24.7%	(8.4)%
6-month	3.6%	16.2%	(8.4)%
3-month	(3.3)%	5.2%	(8.4)%
1-month	(5.7)%	(2.7)%	(8.4)%

Source: Bloomberg, company results announcement

From the above, we note that the Shares had traded between a premium and discount to the trailing NAV per Share since IPO up to and including the Last Trading Day, between a maximum premium of 98.5% to a maximum discount of 29.4%, with a mean of 16.5%. In contrast, the Offer Price and Net Offer Price represents a premium of approximately 18.7% and 17.8%, respectively, to the latest announced NAV per Share as at 31 March 2014.

7.4 Adjusted NAV of the Group relative to the Offer Price

In connection with the Offer, we have relied on the revaluation estimates of certain development and investment properties as provided by the Company and the valuers to ascertain the Adjusted NAV of the Company.

In arriving at the Adjusted NAV of the Group, the following adjustments were made to the NAV as at 31 March 2014. We set out below in Exhibit 8 the type of adjustments and methodology:

Exhibit 8: Adjustments and methodologies

Type	Methodology
Development properties held for sale	
Development properties held for sale with contracted sales	– For properties which are under development and have achieved some pre-sales to date but have not been recognised for accounting purposes, we have estimated profit based on percentage of construction completed to date – Recognised S$90m of profit on Westgate Tower, as disclosed in the announcement on the sale dated 23 January 2014
Development properties held for sale having unsold stock	– For properties that have been completed but have some unsold units, we have valued these properties by estimating the profit from unsold stock based on historical profitability
Investment properties	
Investment properties and properties under development	– For the investment properties, valuers have valued the properties based on *inter alia*, capitalisation, market comparison and discounted cash flow methods – Effective share of investment properties constituting >1% of CMA's total assets as at 31 March 2014 are deemed to be material and are subject to a revaluation exercise as at 2 May 2014. Valuation of other assets will be based on external valuation as at 31 December 2013
Listed entities under the property portfolio	
Listed entities	– Listed entities have been valued based on their current market value of CMA's effective equity interests as at the Latest Practicable Date
Management Fee Business	
Management Fee Business	– The Management Fee Business has been valued based on P/E, EV/EBIT and EV/AUM multiples of trading comparable companies and transaction precedents

We have placed sole reliance on such information provided to us by the Company's management and do not assume any responsibility to inquire about the bases of such valuations or if the contents thereof have been prepared in accordance with all applicable regulatory requirements including Rule 26 of the Code. In relying on financial analyses and estimates provided to us by the management of the Company, we have assumed that they have been reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the estimated future cash flows referred to above. We express no view as to such analyses or estimates or the assumptions on which they were based. Deutsche Bank has not independently verified (nor have we assumed responsibility or liability for independently verifying) or ascertained and makes no representations or warranties, expressed or implied, on the accuracy or completeness or adequacy of such information.

Exhibit 9: Adjusted NAV of the Group

	Value (S$m)	Value per share (S$)[a]
Book net asset value as at 31 March 2014[b]	7,291	1.87
Estimated profit from sale of residential properties and Westgate Tower[c]	143	0.04
Effective share of valuation gain of selected investment properties net of tax[d]	38	0.01
Excess of market value of listed entities over book value[e]	303	0.08
Excess of estimated market value of Management Fee Business over book value[f]	1,102 - 1,374	0.28 - 0.35
Adjusted valuation	**8,876 - 9,148**	**2.28 - 2.35**

(a) Based on shares outstanding of 3,898m
(b) Based on CapitaMalls Asia 1Q 2014 results announcement
(c) Comprising i) Bedok Residences, ii) The Orchard Residences and iii) Westgate Tower
(d) Effective share of valuation gain net of tax attributable to CapitaMalls Asia based on independent valuation as at Latest Practicable Date
(e) Market value as at Latest Practicable Date of effective stakes held by CapitaMalls Asia in CapitaMall Trust (27.6%), CapitaRetail China Trust (26.2%) and CapitaMalls Malaysia Trust (36.2%) over carrying value of S$2,264m as at 31 March 2014
(f) Estimated market value of Management Fee Business range of S$1,225 - 1,497million less carrying value of S$123m as at 31 December 2013

Source: Bloomberg, company filings, FactSet as at Latest Practicable Date

7.4.1 Estimated profit from sale of residential properties and Westgate Tower

	Already sold (S$m)	Remaining units (S$m)	Total (S$m)
Bedok Residences	30.2[a]	2.4[b]	32.6
The Orchard Residences	-	20.0[c]	20.0
Westgate Tower	90.0	n/a	90.0
Total	**120.2**	**22.4**	**142.6**

(a) Based on % completion of 53.3% and total profit recognised from inception to 31 March 2014 of S$34.5m, which implies total profit of S$64.7m on a 100% basis for the 562 units sold as at 31 March 2014
(b) Based on the mean profit per unit multiplied by the total unsold units as at 31 March 2014 (mean profit per unit calculated based on total profits of S$64.7m for the 562 units sold as of 31 March 2014, number of units unsold is 21 as at 31 March 2014)
(c) Based on S$2.0m profit recognised for 1 unit sold in 1Q2013 as stated in 1Q2013 results presentation multiplied by the total unsold units as at 31 March 2014 (as at 31 March 2014, 10 units remain unsold)

Source: Company filings, URA

7.4.2 Effective share of valuation gain from selected investment properties net of tax

We set out below the effective share of valuation gain net of tax for each of the selected investment properties based on updated independent valuations as at the Latest Practicable Date.

Property	Effective stake (%)	Valuation (100% basis) as at 31 December 2013 (LCYm)	Valuation (100% basis) as at 31 December 2013 (S$m)[(a)]	Valuation (100% basis) as at Latest Practicable Date (LCYm)	Valuation (100% basis) as at Latest Practicable Date (S$m)[(b)]	Effective share of valuation gain (net of tax) (S$m)[(c)]
Singapore						
ION Orchard	50.00%	3,012.0	3,012.0	3,044.0	3,044.0	16.0
Westgate (shopping mall)	58.29%	1,054.0	1,054.0	1,064.0	1,064.0	5.8
Bedok Mall	50.00%	709.0	709.0	717.0	717.0	4.0
The Star Vista	100.00%	341.0	341.0	335.0	335.0	(6.0)
China						
Hongkou Plaza	72.50%	7,080.0	1,449.3	7,262.0	1,453.9	2.4
Minhang Plaza	65.00%	3,550.0	726.7	3,687.0	738.1	5.6
CapitaMall Peace Plaza	30.00%	2,113.0	432.6	2,157.0	431.8	(0.2)
CapitaMall Crystal	45.00%	1,990.0	407.4	2,030.0	406.4	(0.3)
CapitaMall Taiyanggong	45.00%	1,847.0	378.1	1,892.0	378.8	0.2
CapitaMall Jinniu (including Phase II)	45.00%	1,682.0	344.3	1,708.0	341.9	(0.8)
CapitaMall Wusheng	45.00%	1,645.5	336.9	1,672.0	334.7	(0.7)
Malaysia						
Queensbay Mall	100.00%	795.0	308.8	815.0	312.7	2.9
Japan						
Olinas Mall	100.00%	24,500.0	300.6	25,300.0	310.2	9.1
Total			9,800.7		9,868.5	38.0

Note: LCY is local currency
(a) Valuation as at 31 Dec 2013 is converted based on FX rate; 1RMB: 0.20471SGD, 100JPY: 1.227SGD, 1MYR: 0.38848SGD
(b) Valuation as at Latest Practicable Date is converted based on FX rate; 1RMB: 0.2002SGD, 100JPY: 1.2259SGD, 1MYR: 0.3837SGD
(c) Based on tax rate of 0% for Singapore, 5% for Japan and 25% for China and Malaysia
Source: Company filings

7.4.3 Management Fee Business of CMA

CMA is also a manager of properties and listed REITs, through which it earns management fees. Valuation multiples of selected listed companies (the "Management Fee Business Comparables") principally engaged in real estate fund management and which are, in our opinion, broadly comparable to the Management Fee Business of CMA. A summary profile of the Management Fee Business Comparables is set out below in Exhibit 10:

Exhibit 10: Overview of Management Fee Business Comparables

Company	AUM (US$bn)	Description
Cohen & Steers Inc	49	– Global investment manager with focus on real assets, including real estate, infrastructure and commodities established in 1986. First investment company to specialise in listed real estate – Ex-US real estate AUM of US$9.7bn
ARA Asset Management Limited	20	– Asian real estate fund management company focused on the management of public-listed real estate investment trusts ("REITs") and private real estate funds – Public REIT AUM of US$14.6bn

We wish to highlight that the Management Fee Business Comparables are not exhaustive and they differ from CMA's Management Fee Business in terms of, *inter alia*, market capitalisation, size of operations, composition of business activities, asset base, geographical spread, track record, financial performance, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria. As such, any comparison made is necessarily limited and merely serves only as an illustrative guide.

The valuation ratios of the Management Fee Business Comparables set out below in Exhibit 11 are based on their last traded price as at the Latest Practicable Date.

Exhibit 11: Management Fee Business Comparables

Company	Market cap (US$m)	AUM (US$bn)	EV (US$m)	LTM EV/EBIT (x)	LTM P/E (x)	EV/AUM (%)
Cohen & Steers, Inc.[(a)]	1,771	49	1,643	14.5x	24.5x	3.4%
ARA Asset Management Limited[(b)(c)]	1,214	20	1,209	16.3x	27.1x	5.9%
Mean				*15.4x*	*25.8x*	*4.6%*
Median				*15.4x*	*25.8x*	*4.6%*

Note: LTM is Last Twelve Months
(a) Based on trailing 12 months as at 31 March 2014
(b) Based on latest results for FY2013
(c) LTM P/E ratio based on recurrent net profit excluding acquisition, divestment and performance fees, finance income and finance costs, adjusted for the effects of tax. The LTM P/E ratio, based on total net profit, would be 20.5x

Source: Company filings, FactSet as at Latest Practicable Date

We have reviewed selected transactions since 1 January 2008 up to and including the Latest Practicable Date, involving the sale of management companies of Singapore-listed real estate investment trust ("S-REIT Manager") for which information is publicly available ("Selected S-REIT Manager Precedent Transactions").

Exhibit 12: Selected S-REIT Manager Precedent Transactions

Date	Entity	Acquirer	Transaction value (S$m)	Stake (%)	Implied valuation (S$m)	AUM (S$m)	EV/EBIT (x)[a]	P/E (x)[b]	EV/AUM (%)[c]
28-Oct-13	ARA Asset Management Limited[d]	The Straits Trading Company Limited	294.4	20%	1,464.5	23,400	17.3x	27.1x	6.3%
23-May-11	Lippo-Mapletree Indonesia Retail Trust Management Ltd[e]	Lippo Group	31.9	40%	79.8	1,248	16.0x	18.7x	6.4%
19-Apr-10	YTL Pacific Star REIT Management Holdings Pte Ltd[f]	YTL Corporation	40.0	50%	80.0	2,397	12.5x	14.9x	3.3%
28-Oct-08	Prime REIT Management Holdings Pte Ltd[g]	YTL Corporation	62.0	50%	124.0	2,293	32.1x	38.7x	5.4%
8-Jul-08	Allco (Singapore) Limited[h]	Frasers Centrepoint Limited	75.7	100%	75.7	1,998	10.9x	18.0x	3.8%
9-Jun-08	Cambridge Industrial Trust Management Ltd[i]	Oxley Capital	7.4	20%	36.8	971	10.8x	12.7x	3.8%
13-Mar-08	Ascendas-MGM Funds Management Ltd[j]	Ascendas Pte Ltd	123.8	40%	309.6	3,420	15.3x	18.7x	9.1%
20-Feb-08	Cambridge Real Estate Investment Management Ltd[k]	Oxley Capital	17.2	33%	52.3	961	13.9x	23.5x	5.4%
Mean							*16.1x*	*21.5x*	*5.4%*
Median							*14.6x*	*18.7x*	*5.4%*

(a) Calculated based on implied valuation / LTM EBIT (Earnings before interest and tax); EBIT for non-listed entities are as at the latest available company filings on ACRA prior to the transaction. Reflects the ratio of Enterprise Value to operating earnings
(b) Calculated based on implied valuation / LTM net income; net income for non-listed entities are as at the latest available company filings on ACRA at time of transaction. Reflects the ratio of Equity Value to net income
(c) Calculated based on implied valuation / asset under management. Reflects the ratio of Enterprise Value to asset under management
(d) Based on AUM, trailing 12 months EBIT and trailing 12 months net income as at 30 September 2013. Net income based on recurrent net profit i.e. net profit excluding acquisition, divestment and performance fees, finance income and finance costs, adjusted for the effects of tax. The LTM P/E ratio, based on total net profit, would be 21.0x
(e) Based on AUM as at 31 March 2011 and 12 months EBIT and net income as at 31 December 2010
(f) Based on AUM as at 31 March 2010 and 12 months EBIT and net income as at 31 December 2009. Owns 100% of YTL Pacific Star REIT Management Limited and YTL Pacific Star Property Management Pte Ltd
(g) Based on AUM as at 30 September 2008 and 12 months EBIT and net income as at 31 December 2007. Owns 100% of Macquarie Pacific Star Prime REIT Management Limited and 100% of Macquarie Pacific Star Property Management Pte Ltd
(h) Based on AUM as at 30 June 2008 and 12 months EBIT and net income as at 30 June 2008. Includes both Allco Asset Management Pte Ltd and Allco (Singapore) Limited
(i) Based on AUM as at 31 March 2008 and12 months EBIT and net income as at 31 December 2007
(j) Based on AUM as at 31 December 2007 and 12 months EBIT and net income as at 31 March 2007
(k) Based on AUM as at 31 December 2007 and 12 months EBIT and net income as at 31 December 2007. Owns 60% of Cambridge Industrial Trust Management Ltd and 50% of Cambridge Industrial Trust Property Manager

Source: Accounting and Corporate Regulatory Authority, Mergermarket

Exhibit 13: Valuation of CMA's Management Fee Business

	Reference data (S$m)	Mean	Valuation (S$m)
Trading transactions			
EV/EBIT (x)	72.0[(c)]	15.4x	1,110
P/E (x)	51.5[(b)]	25.8x	1,329
EV/AUM (%)	34,300.0[(d)]	4.6%	1,594
Precedent comparables			
EV/EBIT (x)	72.0	16.1x	1,159
P/E (x)	51.5	21.5x	1,110
EV/AUM (%)	34,300.0	5.4%	1,863
Mean			1,361
Range (- / + 10%)			1,225 - 1,497
Less: book value[(a)]			(123)
Excess of estimated market value of Management Fee Business over book value			1,102 - 1,374

(a) Based on book value of the Management Fee Business as at 31 December 2013; total assets of S$309m and total liabilities of S$186m
(b) Based on CMA's last twelve months PATMI for the management business
(c) Based on CMA's last twelve months EBIT for the management business
(d) Based on total property value for malls owned and managed, as disclosed in CMA Annual Report 2013

Source: Bloomberg, company filings, FactSet as at Latest Practicable Date

Our eventual valuation range for CMA's Management Fee Business is based on a 10% range from the average mean valuation of the six valuation methodologies laid out above.

We further wish to highlight that underlying financial data used to calculate the multiples in our analysis have been extracted from the relevant companies' financials, Bloomberg and FactSet as at the Latest Practicable Date. Deutsche Bank has not independently verified (nor have we assumed responsibility or liability for independently verifying) or ascertained and makes no representations or warranties, expressed or implied, on the accuracy or completeness of such information.

We note as follows in relation to the Adjusted NAV for CMA:

i. The analysis assumes the hypothetical sale of the assets (including those properties which have been revalued) of the Company as at the Latest Practicable Date. The Directors have confirmed to us that, save for the sale of the residential properties in the ordinary course of its business, as at the Latest Practicable Date, the Company does not have any plans for an impending material disposal and/or conversion of the use of the Company's assets and/or any material change in the nature of the Company's businesses; and

ii. The Adjusted NAV figures per Share shown above include net estimated gain from sale of selected properties, which comprises net estimated gain of several unsold and/or uncompleted properties. The Company may not have fully earned or realised the gain on such assets as at the Latest Practicable Date. There is no assurance that any gain eventually recorded by the Company on such properties will be the same as that indicated above.

The Independent Directors may wish to advise Shareholders to read the above in conjunction with the Valuation Reports set out in Appendix 7 to the Circular.

The Directors have confirmed to us that to the best of their knowledge and belief:

i. Save for the properties which have been revalued above, there are no material differences between the realisable value of the property segments other assets and their respective book values as at 31 March 2014 which would have a material impact on the historical book NAV of the property business;

ii. Save for those which have been disclosed publicly, there have been no material acquisitions and disposals of assets by CMA's property business between 31 March 2014 and the Latest Practicable Date; and

iii. Other than that provided for in the Company's consolidated financial statements for the 3-month period ending 31 March 2014, there are no other contingent liabilities under the property group which are likely to have a material impact on the historical book NAV of the property business as at the Latest Practicable Date.

In addition, we wish to highlight that the Adjusted NAV per Share shown above includes the net estimated gain from several unsold and/or uncompleted properties. The Independent Directors should be aware that CMA has not fully earned or realised the gains on such properties as at the Latest Practicable Date. The Independent Directors may wish to refer to the table set out in this section for the net estimated gain from sale of residential properties and Westgate Tower. There is no assurance that the actual gains (if any) eventually recorded by CMA on such residential properties and Westgate Tower will be the same as estimated. Furthermore, the net effective share of valuation gain from selected investment properties net of tax are based on Valuation Reports. We have placed sole reliance on such information provided to us by the Company's management in relation to the asset appraisals and do not assume any responsibility to inquire about the bases of such valuations or if the contents thereof have been prepared in accordance with all applicable regulatory requirements including Rule 26 of the Code. Deutsche Bank has not independently verified (nor have we assumed responsibility or liability for independently verifying) or ascertained and makes no representations or warranties, expressed or implied, on the accuracy or completeness of such information.

7.5 Valuation multiples of Singapore Comparable Companies and Hong Kong Comparable Companies which are considered to be broadly comparable to the Company in limited aspects

For the purpose of evaluating the financial terms of the Offer, we have made reference to the valuation ratios of selected Singapore-listed and Hong Kong-listed real estate development and holding companies which we consider to be broadly comparable to the Company in terms of having a primary focus on commercial property investment and development and having similar geographic markets ("Comparable Companies"), to get an indication of the current market expectations with regard to the perceived valuation of the Company.

We wish to highlight that the Comparable Companies are not exhaustive and we recognise that there is no Singapore-listed or Hong Kong-listed company which we consider to be identical to the Company in terms of, *inter alia*, geographical markets, composition of business activities, scale of business operations, risk profile, asset base, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, financial positions and other relevant criteria and that such businesses may have fundamentally different annual profitability objectives. The Independent Directors should note that any comparison made with respect to the Comparable Companies merely serve to provide an illustrative perceived market valuation of the Company as at the Latest Practicable Date.

In evaluating these companies, we have applied and used the following valuation ratios outlined below in Exhibit 14:

Exhibit 14: Description of valuation metrics

Trading multiples	Description
P/Book NAV	"P/Book NAV" or "Price-to-Book Net Asset Value" ratio illustrates the ratio of the market price of a company's shares relative to its historical book NAV per share as recorded in its latest reported financial statements. Comparisons of companies using their book NAVs are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies
P/Analyst RNAV	"P/Analyst RNAV" or "Price-to-Analyst-Revalued Net Asset Value" ratio illustrates the ratio of the market price of a company's shares relative to mean NAV figure derived from analyst reports adjusting the value of a company's key assets to their current market values, also referred to as "Analyst Revalued NAV"
P/E	"P/E" or "Price-to-Earnings" ratio illustrates the ratio of the market price of a company's shares relative to its earnings per share. The P/E ratio is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to revenues recognition, depreciation and intangible assets
Price / Operating EPS	"P/ Op EPS" or "Price-to-Operating Earnings" ratio illustrates the ratio of the market price of a company's shares relative to its operating earnings per share. Operating earnings reflects earnings adjusted for fair value gains / (losses) on investment properties. The P/Op EPS ratio is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to revenues recognition, depreciation, revaluation of investment properties and intangible assets

7.5.1 Valuation ratios of Singapore Comparable Companies

Brief descriptions of the Singapore Comparable Companies are set out below in Exhibit 15:

Exhibit 15: Singapore Comparable Companies

Company	Market cap (S$m)	Description
CapitaLand Limited ("CAPL")	13,370	– Singapore's largest listed property developer by market capitalisation with core businesses comprising of owning, managing and developing of real estate and hospitality assets in Asia Pacific, Middle East and Europe – Also engaged in investment management services in addition to managing six listed REITs and several private fund vehicles
CapitaMall Trust ("CMT")	6,954	– Real estate investment trust which invests in income-producing assets which are predominantly used, for retail purposes primarily in Singapore – Portfolio currently comprises 15 retail properties which are located in the suburban areas and downtown core of Singapore; also holds a 30.0% stake in a joint venture to develop a prime land parcel at Jurong Gateway
Frasers Centrepoint Limited ("FCL")	4,840	– Singapore-based real estate developer, investor and manager of commercial property, serviced residences and two SGX-listed REITs, Frasers Centrepoint Trust and Frasers Commercial Trust – Operates through four main business divisions – Frasers Centrepoint Homes, Fraser Property, Frasers Centrepoint Commercial and Fraser Hospitality
Frasers Centrepoint Trust ("FCT")	1,502	– Real estate investment trust which invests in income-producing assets which are used primarily for retail purposes, in Singapore and overseas – Portfolio currently comprises five suburban malls - Causeway Point, Northpoint, Bedok Point, YewTee Point and Anchorpoint
CapitaRetail China Trust ("CRCT")	1,211	– First China-focused shopping mall real estate investment trust in Singapore with a portfolio of 10 income-producing shopping malls – Portfolio located across six cities in China including Beijing and Shanghai
Perennial China Retail Trust ("PCRT")	630	– Singapore's first pure-play China retail development trust – Currently the subject of pre-conditional voluntary general offer by St. James Holdings Limited

Source: Bloomberg, company filings as at Latest Practicable Date

We set out in Exhibit 16 below the valuation statistics for the Singapore Comparable Companies based on their last traded price as at the Latest Practicable Date:

Exhibit 16: Singapore Comparable Companies trading multiples

Company	Market cap (S$m)	P/Book NAV (x)	P/Analyst RNAV (x)[(a)]	LTM P/Op EPS ratio (x)[(b)(c)]	LTM P/E ratio (x)[(c)]	Gearing (%)	Net debt / equity (%)
CAPL[(d)]	13,370	0.81x	0.63x	23.8x	15.8x	33.9%	37.0%
CMT[(e)(f)]	6,954	1.16x	0.95x	18.8x	12.1x	33.4%	33.0%
FCL[(g)]	4,840	0.78x	0.57x	10.8x	6.4x	33.5%	50.2%
FCT[(e)]	1,502	1.02x	1.00x	16.0x	5.2x	27.7%	38.1%
CRCT[(e)(f)]	1,211	1.00x	0.77x	17.4x	9.0x	31.7%	49.9%
PCRT[(h)]	630	0.71x	0.71x	9.7x	12.3x	26.2%	40.2%
Mean		*0.91x*	*0.77x*	*16.1x*	*10.1x*	*31.1%*	*41.4%*
Median		*0.91x*	*0.74x*	*16.7x*	*10.6x*	*32.6%*	*39.1%*
CMA Offer Price	**8,653**	**1.19x**	**0.83x**	**33.7x**	**14.4x**	**25.2%**	**25.4%**
CMA Net Offer Price	**8,585**	**1.19x**	**0.83x**	**33.4x**	**14.3x**	**25.4%**	**26.5%**

(a) Based on mean analysts' RNAV
(b) Excludes fair value gains / (losses) on investment properties
(c) Earnings per share calculated based on last twelve months net income, divided by shares outstanding as at the latest quarterly financials date
(d) Operating EPS excludes one-off loss on divestment of 20% stake in Australand for S$120.8 million
(e) Net income based on total returns for the period as illustrated in company filings
(f) NAV not adjusted for dividends declared
(g) Operating EPS excludes exceptional items of S$45.5m for FY2013. Adjusted for the drawdown of bank loans of S$1.636bn by FCL to repay existing loan from Fraser and Neave, Limited, as disclosed in FCL 1Q2014 unaudited financial statements
(h) Adjustment for fair value gains / (losses) on investment properties based on share of net change in fair value of investment properties, net of tax

Source: Bloomberg, company filings as at Latest Practicable Date

Based on the above, we note the following:

i. The P/Book NAV ratio of CMA based on the Offer Price and Net Offer Price is 1.19x, which is higher than the range of the P/Book NAV ratios of the Singapore Comparable Companies, and higher than both the mean and median P/Book NAV ratio of 0.91x and 0.91x, respectively, in respect of the Singapore Comparable Companies;

ii. The P/Analyst RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is within the range of the P/Analyst RNAV ratios of the Singapore Comparable Companies, and higher than both the mean and median P/Analyst RNAV ratio of 0.77x and 0.74x, respectively, in respect of the Singapore Comparable Companies;

iii. The LTM P/Op EPS ratio of CMA based on the Offer Price and Net Offer Price is 33.7x and 33.4x, respectively, which is higher than the range of the LTM P/Op EPS ratios of the Singapore Comparable Companies, and higher than both the mean and median LTM P/Op EPS ratio of 16.1x and 16.7x, respectively, in respect of the Singapore Comparable Companies; and

iv. The LTM P/E ratio of CMA based on the Offer Price and Net Offer Price is 14.4x and 14.3x, respectively, which is within the range of the P/E ratios of the Singapore Comparable Companies, and higher than both the mean and median P/E ratio of 10.1x and 10.6x, respectively, in respect of the Singapore Comparable Companies.

Given the asset-intensive nature of CMA's core property development and investment business, we have considered the NAV-based valuation ratios such as P/Book NAV and P/Analyst RNAV as the primary measures whilst taking into account earnings-based valuation ratios such as LTM P/Op EPS and P/E in assessing the Offer Price and Net Offer Price. The earnings of property related companies may vary considerably over time and between companies due to factors such as the timing of project launches and development.

7.5.2 Valuation ratios of Hong Kong Comparable Companies

Brief descriptions of the Hong Kong Comparable Companies are set out below in Exhibit 17:

Exhibit 17: Hong Kong Comparable Companies

Company	Market cap (S$m)	Description
Swire Properties Ltd ("Swire")	22,124	– Provides mixed-use commercial projects, including shopping malls, business hubs, premium serviced apartments, hotels and residences, across Hong Kong, Mainland China, the UK and the US with significant completed and ongoing investments in Beijing, Shanghai and Guangzhou – Projects in China include Taikoo Li Sanlitun and INDIGO in Beijing, Dazhongli project in Shanghai, Taikoo Hui in Guangzhou and Daci Temple Project in Chengdu
Hang Lung Properties Limited ("Hang Lung")	16,794	– Leading real estate developer with extensive integrated development portfolio in Hong Kong and the Mainland with presence in Shanghai, Shenyang, Jinan, Wuxi, Tianjin, Dalian, Kunming and Wuhan – Completed developments in China include Plaza 66, Grand Gateway 66 in Shanghai, Palace 66 and Forum 66 in Shenyang, Parc 66 in Jinan and Centre 66 (Phase 1) in Wuxi – Projects under development include Center 66 (Phase 2) in Wuxi, Heartland 66 in Wuhan, Riverside 66 in Tianjin, Olympia 66 in Dalian and Spring City 66 in Kunming
China Resources Land Limited ("CR Land")	14,945	– Subsidiary of China Resources (Holdings) Company Limited, a Chinese state-owned enterprise with presence in Beijing, Shanghai, Shenzhen, Chengdu, Wuhan and Hefei – Develops mid to high end residential properties and commercial properties ranging from hotels, offices, shopping malls and serviced apartments – Property portfolio include Arc de Triomphe project in Shenyang, The Bund Side in Shanghai, Chengdu Emerald City in Chengdu and Chonqing 24 City in Chongqing
Shui On Land Limited ("Shui On Land")	2,651	– Flagship property development company of Shui On Group in the PRC with proven track record in developing large-scale, mixed-use city-core communities and integrated residential developments in key cities of Shanghai, Chongqing, Wuhan, Dalian and Foshan – Projects include Shanghai Xintiandi in Shanghai, Xihu Tiandi In Hangzhou, Chongqing Tiandi in Chongqing, Wuhan Tiandi in Wuhan, Dalian Tiandi in Dalian and Foshan Lingnan Tiandi in Foshan
Beijing Capital Land Ltd ("Beijing Cap")	859	– Integrated property developer in the PRC with presence in 15 cities across China with landbank of over 10 million sqm – Investment properties owned include integrated outlets in Beijing, Jiangsu, Hainan and Shannxi – Key integrated developments include Tianjin First City, Noble City and Landing House in Tianjin, Shenyang First City in Shenyang, Chengdu First City in Chengdu and Xi'an First City in Xi'an
Powerlong Real Estate Holdings Limited ("Powerlong")	772	– Specialises in development and operation of large scale integrated developments with presence in over 25 cities in the PRC – Projects include Shanghai Caolu Powerlong City Plaza in Shanghai, Tianjin Powerlong International Plaza in Tianjin, Suzhou Taicang Powerlong City Plaza in Jiangsu and Chongqing Hechuan Powerlong City Plaza in Chongqing

Source: Bloomberg, FactSet as at Latest Practicable Date

We set out in Exhibit 18 below the valuation statistics for the Hong Kong Comparable Companies based on their last traded price as at the Latest Practicable Date:

Exhibit 18: Valuation ratios of Hong Kong Comparable Companies

Company	Market cap (S$m)	P/Book NAV (x)	P/Analyst RNAV (x)[(a)]	LTM P/E ratio (x)	Gearing (%)	Net debt / equity (%)
Swire	22,124	0.68x	0.71x	10.9x	8.4%	9.2%
Hang Lung	16,794	0.83x	0.72x	14.4x	19.2%	0.5%
CR Land	14,945	1.09x	0.55x	6.3x	23.0%	39.2%
Shui On Land	2,651	0.37x	0.36x	5.9x	35.6%	70.5%
Beijing Cap	859	0.49x	n/a	2.8x	37.2%	58.7%
Powerlong	772	0.23x	0.31x	2.7x	33.9%	68.0%
Mean		*0.61x*	*0.53x*	*7.2x*	*26.2%*	*41.0%*
Median		*0.58x*	*0.55x*	*6.1x*	*28.5%*	*49.0%*
CMA Offer Price	**8,653**	**1.19x**	**0.83x**	**14.4x**	**25.2%**	**25.4%**
CMA Net Offer Price	**8,585**	**1.19x**	**0.83x**	**14.3x**	**25.4%**	**26.5%**

(a) Based on mean analysts' RNAV
Source: Bloomberg, company filings as at Latest Practicable Date

Based on the above, we note the following:

i. The P/Book NAV ratio of CMA based on the Offer Price and Net Offer Price is 1.19x, which is higher than the range of the P/Book NAV ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/Book NAV ratio of 0.61x and 0.58x, respectively, in respect of the Hong Kong Comparable Companies;

ii. The P/Analyst RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is higher than the range of the P/Analyst RNAV ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/Analyst RNAV ratio of 0.53x and 0.55x, respectively, in respect of the Hong Kong Comparable Companies; and

iii. The LTM P/E ratio of CMA based on the Offer Price and Net Offer Price is 14.4x and 14.3x, respectively, which is within the range of the P/E ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/E ratio of 7.2x and 6.1x, respectively, in respect of the Hong Kong Comparable Companies.

Given the asset-intensive nature of CMA's core property development and investment business, we have considered the NAV-based valuation ratios such as P/Book NAV and P/Analyst RNAV as the primary measures whilst taking into account earnings-based valuation ratios such as P/E in assessing the Offer Price and Net Offer Price. The earnings of property related companies may vary considerably over time and between companies due to factors such as the timing of project launches and development.

7.6 Recent offer transactions

7.6.1 Precedent transactions

We have reviewed selected transactions between 1 January 2009 and the Latest Practicable Date, involving privatisations of Singapore-listed property companies which the offeror had majority control at the point of offer and for which information is publicly available ("Selected Singapore Property Precedent Transactions").

Exhibit 19 sets out the implied transaction multiples for the Selected Singapore Property Precedent Transactions:

Exhibit 19: Selected Singapore Property Precedent Transactions

Announcement date	Target	Acquirer	Transaction value (S$m)	Stake acquired (%)	Offer Price/Book NAV[(a)(b)]	Offer Price/ RNAV[(a)]
24-Feb-14	Singapore Land Limited	UIC Enterprise Pte Ltd	656	16.9%	0.72x	0.67x[(c)]
10-May-13	Pan Pacific Hotels Group Limited	UOL Group Limited	156	10.2%	1.62x	0.95x
05-Dec-12	SC Global Developments	MYK Holdings Pte Ltd	335	44.9%	1.15x	0.80x[(d)]
23-May-11	Allgreen Properties Limited	Brookvale Investments Pte Ltd	1,130	44.4%	0.99x	0.84x[(e)]
26-Aug-10	MCL Land Limited	HKL (MCL) Pte Ltd	205	22.6%	0.96x	0.75x[(f)]
Mean					*1.09x*	*0.80x*
Median					*0.99x*	*0.80x*
CMA Offer Price					**1.19x**	**0.83x**
CMA Net Offer Price					**1.19x**	**0.83x**

(a) Based on Offer Price
(b) Net asset value per share based on Company's latest unaudited consolidated financial statements, prior to the transaction
(c) Based on SingLand's NTA, adjusted for the fair market value of three hotels, The Pan Pacific Hotel Singapore, The Marina Mandarin Singapore and Mandarin Oriental Singapore
(d) RNAV as disclosed in the circular, based on as-in value for properties under development i.e. values the properties based on existing market value, without assuming development and completion
(e) RNAV as disclosed in the circular, assuming properties under development that have no contracted sales of the units are valued based on existing market value, without assuming development and completion; properties which are under development and have achieved some sales to date are valued based on the contracted units based on actual transacted selling prices and associated estimated development cost and uncontracted units based on existing net asset value; overseas properties in People's Republic of China and Vietnam are valued based on existing net asset value; investment properties based on appointed valuer's valuation
(f) RNAV as disclosed in the circular, based on discounted revaluation surplus i.e. revaluation surplus figure has been discounted to take into account the time required to develop and complete the Singapore development properties

Source: Company filings

Based on Exhibit 19, we note that at the Offer Price:

i. The P/Book NAV ratio of CMA based on the Offer Price and Net Offer Price is 1.19x which is within the range of the P/Book NAV ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/Book NAV ratio of 1.09x and 0.99x, respectively, in respect of the Selected Singapore Property Precedent Transactions; and

ii. The P/RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x which is within the range of the P/RNAV ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/RNAV ratio of 0.80x and 0.80x, respectively, in respect of the Selected Singapore Property Precedent Transactions.

The Independent Directors should note that the level of premium (if any) an acquirer would normally pay in a general offer, merger or take-over transaction varies in different circumstances depending on, *inter alia*, the attractiveness of the underlying business to be

acquired, the synergies (if any) to be gained by the acquirer from integrating the target company's businesses with its existing business, the possibility of significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company's shares, the presence of competing bids for the target company, the form of consideration offered by an acquirer, the extent of control the acquirer already has in the target company and prevailing market conditions and expectations.

The Independent Directors should also note that the comparison is made without taking into consideration the relative efficiency of information or the underlying liquidity of the shares of the relevant companies, the performance of the shares of the companies or the quality of earnings prior to the relevant announcements and the market conditions, sentiments and expectations when the announcements were made.

The Selected Singapore Property Precedent Transactions are provided for illustrative purposes only. The Selected Singapore Property Precedent Transactions and the acquired companies may not be directly comparable with the Offer and the Company and may vary with respect to, amongst others, the acquisition of minority versus controlling stakes in the transactions, the liquidity of the underlying shares in the acquired companies and the prevailing market conditions at the time of the transactions, as well as the geographical spread of activities, business mix and model within the property industry, size of the addressable market for their products, scale of operations, asset intensity, financial leverage, accounting policies, risk profile, tax factors, track record and future prospects of the acquired companies. Accordingly, the Selected Singapore Property Precedent Transactions may not provide a meaningful basis for comparison.

We further wish to highlight that the underlying financial data used to calculate Offer Price/Book NAV and Offer Price/RNAV in our analysis have been extracted from the relevant companies' financials and filings as at the Latest Practicable Date. Deutsche Bank makes no representations or warranties, express or implied, on the accuracy, completeness or sufficiency of such information.

7.6.2 Singapore Bid Premia

We have looked at completed general offers in Singapore between 1 January 2009 and the Latest Practicable Date, where the transaction size implied by the respective offer is greater than S$100 million ("Precedent Singapore Take-over Premia").

Exhibit 20 sets out the premium/discount implied by the various transaction prices compared to the last traded prices of each target 1-day prior, as well as the VWAP for the 1-month, 3-month, 6-month and 12-month periods prior, to the reference dates for the respective transactions.

Exhibit 20: Precedent Singapore Take-over Premia

			Premium / (Discount) to last traded price	Premium / (Discount) to VWAP prior to announcement			
Date	Target	% owned at offer		1-mth	3-mths	6-mths	12-mths
24 Feb 14	Singapore Land Limited[(a)]	80%	11.2%	16.9%	13.9%	11.0%	7.9%
19-Oct-13	People's Food Holdings Limited **	47%	2.6%	4.2%	10.0%	(6.4%)	(1.9%)
2-Sep-13	China Minzhong Food Corporation Limited **	33%	10.3%	5.5%	6.9%	2.2%	18.5%
1-Aug-13	Viz Branz Limited[(b)]	58%	15.0%	17.9%	17.4%	17.4%	14.8%
21-Jun-13	Guthrie GTS Limited	69%	21.4%	21.9%	19.7%	20.2%	25.9%
10-May-13	Pan Pacific Hotels Group Limited	90%	9.0%	8.2%	6.1%	8.1%	17.9%
9-May-13	WBL Corporation Limited[(c)] **	38%	28.9%	27.6%	25.5%	28.9%	37.2%
18-Jan-13	Fraser & Neave, Limited[(d)]**	30%	20.9%	31.7%	38.8%	41.5%	51.8%
5-Dec-12	SC Global Developments Ltd	55%	49.4%	57.2%	58.0%	62.9%	71.1%
27-Aug-12	Sakari Resources Limited**	45%	27.5%	33.8%	38.7%	22.6%	7.3%
17-Aug-12	Asia Pacific Breweries Limited[(e)] **	42%	52.8%	53.6%	55.2%	64.4%	85.5%
1-Aug-12	Cerebos Pacific Limited	83%	22.7%	22.9%	23.9%	21.0%	27.4%
28-Dec-11	SMB United Limited**	0%	33.3%	45.5%	50.9%	52.7%	56.3%
1-Aug-11	C&O Pharmaceutical Technology (Holdings) Limited**	29%	11.1%	16.8%	20.2%	22.6%	4.8%
13-Jul-11	Portek International Limited**	0%	97.2%	96.9%	122.9%	136.1%	170.3%
11-Jul-11	Hsu Fu Chi International Limited**	0%	8.7%	10.0%	15.7%	24.7%	62.1%
23-May-11	Allgreen Properties Limited	56%	39.1%	40.6%	45.3%	42.6%	43.1%
5-Mar-11	Sinomem Technology Limited	56%	28.4%	33.9%	34.5%	36.6%	31.0%
6-Jan-11	Kim Eng Holdings Limited[(f)] **	0%	55.8%	62.6%	67.9%	79.2%	74.5%
29-Oct-10	Thomson Medical Centre Limited**	0%	62.0%	71.7%	90.2%	106.4%	124.9%
23-Jul-10	RSH Limited[(g)] **	28%	41.7%	n/a	n/a	32.8%	25.0%
27-May-10	Parkway Holdings Limited[(h)] **	24%	30.8%	20.4%	23.1%	29.1%	68.1%
18-Jan-10	Hongguo International Holdings Limited**	47%	37.2%	31.4%	35.5%	36.8%	69.5%
24-Aug-09	Sihuan Pharmaceutical Holdings Group Limited	77%	27.5%	24.4%	33.2%	36.4%	46.4%
24-May-09	Singapore Petroleum Company Limited**	0%	24.0%	52.0%	90.0%	121.0%	54.0%
	Mean		*30.7%*	*33.6%*	*39.3%*	*42.0%*	*47.7%*
	Median		*27.5%*	*29.5%*	*33.9%*	*32.8%*	*43.1%*
	Mean where majority control obtained		*34.1%*	*37.6%*	*46.1%*	*49.7%*	*56.7%*
	Median where majority control obtained		*29.9%*	*31.7%*	*38.7%*	*34.8%*	*55.1%*
	Mean where offeror had majority control		*24.9%*	*27.1%*	*28.0%*	*28.5%*	*31.7%*
	Median where offeror had majority control		*22.7%*	*22.9%*	*23.9%*	*21.0%*	*27.4%*
14-Apr-14	**CMA Offer Price**	**65%**	**23.0%**	**27.0%**	**25.5%**	**20.5%**	**17.4%**
14-Apr-14	**CMA Net Offer Price**	**65%**	**22.0%**	**26.0%**	**24.5%**	**19.6%**	**16.5%**

Note: Precedent Singapore Take-over Premia based on completed general offers since 1 January 2009 where equity value of transaction is over S$100 million for stake sought, excludes scheme of arrangements

** Denotes transactions where majority control was obtained

(a) Singapore Land Limited announced on 23 April 2014 that it would delist from the SGX-ST on 25 April 2014

(b) Market premia based on revised offer released 1 August 2013. The original offer was announced on 1 July 2013

(c) Market premia based on revised offer announced on 9 May 2013. The original offer was announced on 30 January 2013

(d) Market premia based on revised offer of S$9.55 announced on 18 January 2013. The original offer of S$8.88 was announced on 11 September 2013
(e) On 20 July 2012, Heineken announced an offer to acquire Fraser & Neave's interest in Asia Pacific Breweries. Agreements were entered into between Heineken International B.V. ("Heineken") and Fraser & Neave, Limited ("Fraser & Neave") on 17 August 2012. Heineken's initial stake comprised of shares held directly and 50% of shares held indirectly through Asia Pacific Investments Pte Ltd. Market, a 50-50 joint venture between Heineken and Fraser & Neave. Market premia based is based on the unaffected share price date of 16 July 2012
(f) On 6 January 2011, Maybank IB Holdings Sdn. Bhd. ("Maybank") announced an offer to acquire Mr Roland Anthony Ooi Thean Yat and Yuanta Securities Asia Financial Services Limited's ("Yuanta") interest in Kim Eng Holdings Limited ("Kim Eng"). Agreements were entered into on 5 May 2011. The market premia is based on the share price on 16 December 2010, the day before Kim Eng announced it had received approaches from potential interested parties in relation to a possible acquisition
(g) Market premia for 1 month and 3 month VWAP as there was no trading in the shares over these periods
(h) On 26 July 2010, Integrated Healthcare Holdings Limited exercised its right to revise the terms of the partial offer so as to make a voluntary conditional cash general offer. The market premia is based on the share price on 26 May 2010, the day before the initial partial offer was announced

Source: Company filings

We note that the variance across premiums and discounts to VWAP for the Precedent Singapore Take-over Premia is large and that the offers above include outliers such as the offers for SC Global Developments Ltd and Allgreen Properties Limited. We also note that as shown in Exhibit 19, the offers for SC Global Developments Ltd and Allgreen Properties Limited were completed at Offer Price/Book NAV ratios lower than that implied by the Offer Price and Net Offer Price. Given these transactions, for purposes of our analysis, we have referred to the median of the Precedent Singapore Take-over Premia.

Based on Exhibit 20, we note that for the selected transactions where the offeror had majority control:

i. The Offer Price and Net Offer Price represents a premium of approximately 23.0% and 22.0%, respectively, over the last traded price on the Last Trading Day. This compares to a median premium of 22.7% to the last traded price;

ii. The Offer Price and Net Offer Price represents a premium of approximately 27.0% and 26.0%, respectively, over the 1-month VWAP. This compares to a median premium of 22.9% to the 1-month VWAP;

iii. The Offer Price and Net Offer Price represents a premium of approximately 25.5% and 24.5%, respectively, over the 3-month VWAP. This compares to a median premium of 23.9% to the 3-month VWAP;

iv. The Offer Price and Net Offer Price represents a premium of approximately 20.5% and 19.6%, respectively, over the 6-month VWAP. This compares to a median premium of 21.0% to the 6-month VWAP; and

v. The Offer Price and Net Offer Price represents a premium of approximately 17.4% and 16.5%, respectively, over the 12-month VWAP. This compares to a median premium of 27.4% to the 12-month VWAP.

The Independent Directors should note that the level of premium (if any) an acquirer would normally pay in a general offer, merger or take-over transaction varies in different circumstances depending on, *inter alia*, the attractiveness of the underlying business to be acquired, the synergies (if any) to be gained by the acquirer from integrating the target company's businesses with its existing business, the possibility of significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company's shares, the presence of competing bids for the target company, the form of consideration offered by an acquirer, the extent of control the acquirer already has in the target company and the prevailing market conditions and expectations.

The Independent Directors should also note that the comparison is made without taking into consideration the underlying liquidity of the shares of the relevant companies, the performance of the shares of the companies or the quality of earnings prior to the relevant announcement and the market conditions or sentiments when the announcements were made or the desire or relative need for control leading to compulsory acquisition. Moreover,

as the Company is not necessarily in the same industry and does not conduct the same businesses as the other target companies in Exhibit 20, it may not, therefore, be directly comparable to the target companies in terms of geographical spread of activities, composition of business activities, product lines, size of addressable market, scale of operations, asset intensity, financial leverage, risk profile, client base, accounting policies, track record, prospects and other relevant criteria. Accordingly, the Precedent Take-over Singapore Premia may not provide a meaningful basis for comparison.

7.7 Brokers' price target for the Shares

The Company is covered by 21 brokerage houses. We have reviewed the price targets for the Shares estimated by broker research as set out in Exhibit 21.

Exhibit 21: Summary of broker recommendations

Broker	Date of price target[(a)]	Analyst RNAV (S$)	Recommendation	Target price (S$)
Morgan Stanley	25-Mar-14	2.73	Buy	2.10
Nomura	6-Mar-14	2.43	Buy	2.17
CLSA	5-Mar-14	3.08	Buy	2.31
Maybank Kim Eng	14-Feb-14	2.91	Buy	2.60
Barclays	14-Feb-14	2.36	Hold	2.01
China International Capital	14-Feb-14	2.21	Buy	2.21
Credit Suisse	14-Feb-14	2.80	Buy	2.52
DBS Vickers	14-Feb-14	2.85	Buy	2.28
Deutsche Bank	14-Feb-14	2.17	Hold	1.95
OCBC Investment Research	14-Feb-14	n/a	Buy	2.40
UBS	14-Feb-14	2.76	Buy	2.35
Bank of America Merrill Lynch	13-Feb-14	2.81	Buy	2.25
CIMB	13-Feb-14	2.61	Buy	2.22
Citibank	13-Feb-14	2.83	Buy	2.54
Daiwa Capital Markets	13-Feb-14	2.43	Buy	2.39
Goldman Sachs	13-Feb-14	2.96	Buy	2.52
Jefferies	13-Feb-14	2.68	Buy	2.40
JPMorgan	13-Feb-14	2.94	Buy	2.35
Macquarie	13-Feb-14	2.41	Buy	2.41
Religare	13-Feb-14	2.65	Hold	1.89
Standard Chartered	13-Feb-14	2.62	Buy	2.10
Mean		*2.66*		*2.28*
Median		*2.71*		*2.31*
Min		*2.17*		*1.89*
Max		*3.08*		*2.60*
CMA Offer Price				**2.22**
CMA Net Offer Price				**2.2025**

(a) Date of price target is date of latest broker report prior to the Offer Announcement Date

Source: Broker reports as at the Offer Announcement Date

Based on Exhibit 21, we note that:

i. The Offer Price and Net Offer Price is at a discount of 2.8% and 3.6% to the mean broker price target of S$2.28 and a discount of 14.6% and 15.3% to the maximum broker price target of S$2.60; and

ii. The Offer Price and Net Offer Price is at a discount of 16.6% and 17.3% to the mean analyst RNAV of S$2.66 and a discount of 27.9% and 28.5% to the maximum analyst RNAV of S$3.08.

We wish to highlight that the above broker research report universe may not be exhaustive and price targets for the Shares and other statements and opinions contained in the reports within the universe used represent the individual views of the broker research analyst based on the circumstances (including, *inter alia*, market, economic, industry and monetary conditions as well as market sentiment and investor perceptions regarding the future prospects of the Company) prevailing at the date of the publication of the respective broker research reports. The opinions of the brokers may change over time as a result of, among other things, changes in market conditions, the Company's market development and the emergence of new information relevant to the Company. As such, the above price targets may not be an accurate prediction of future market prices of the Shares.

Any opinions or price targets expressed in such broker research reports represent the individual views of the respective brokers only.

7.8 Other relevant considerations which have a significant bearing on our assessment

7.8.1 Conditional Offer

As set out in section 2.4 of the Offer Document, the Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the voting rights attributable to all Shares in issue as at the close of the Offer ("Acceptance Condition"). Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer unless, at any time prior to the close of the Offer, the Offeror has received valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the maximum potential issued share capital of CMA. The Offeror reserves the right to waive the Acceptance Condition or reduce such condition to a level below more than 90% (but in any event above 50%) of the voting rights attributable to all Shares in issue as at the close of the Offer, subject to the approval of the Securities Industry Council of Singapore.

7.8.2 Offeror's and CapitaLand's Intentions Relating to the Company

The following has been extracted from section 8.1 of the Offer Document and is set out in italics below. **Shareholders are advised to read the relevant section of the Offer Document, as extracted below, carefully.**

> *"8.1* ***Offeror's and CapitaLand's Future Plans for CMA.*** *It is the current intention of the Offeror and CapitaLand for CMA to continue with its existing business in line with the objectives of the transaction as set out in* ***Section 7*** *above. The Offeror and CapitaLand have no current intention to (i) introduce any major changes to the business of CMA, (ii) re-deploy CMA's fixed assets, or (iii) discontinue the employment of any of the existing employees of the CMA Group.*
>
> *Nonetheless, the Offeror and CapitaLand retain the flexibility at any time to consider any options or opportunities which may present themselves and which they regard to be in the interests of the Offeror or CapitaLand."*

7.8.3 Delisting and Suspension

The following has been extracted from section 8.2 of the Offer Document and is set out in italics below. **Shareholders are advised to read the relevant section of the Offer Document, as extracted below, carefully.**

> *"8.2* ***Delisting.*** *The Offeror and CapitaLand intend to make CMA a wholly-owned subsidiary of CapitaLand and do not intend to preserve the listing status of CMA.*
>
> *Under Rule 1303(1) of the Listing Manual, if the Offeror and its Concert Parties succeed in holding more than 90% of the Shares in issue, whether through acceptances of the Offer or otherwise, the SGX-ST will suspend trading of the Shares on the SGX-ST at the close of the Offer.*
>
> *Separately, Rule 723 of the Listing Manual requires CMA to ensure that at least 10% of all the Shares in issue be held by the public ("**Free Float Requirement**"). If the Free Float Requirement is not met, the SGX-ST may allow CMA a period of three months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which CMA may be delisted from the SGX-ST.*
>
> ***In the event that the Free Float Requirement is not satisfied at the close of the Offer, and the trading of the Shares on the SGX-ST is suspended at the close of the Offer, the Offeror and CapitaLand do not intend to support any action or take any steps to maintain the listing status of CMA or to restore the free float of the Shares consistent with their intention to delist CMA from the SGX-ST."***

The SGX-ST will suspend trading of the Shares on the SGX-ST following the close of the Offer ("Suspension") if less than 10% of the total issued share capital of the Company is not held in public hands. In the event of a Suspension and as the Offeror has no intention to maintain or support any action taken or to be taken to meet the Free Float Requirement, trading in the Shares will remain suspended and, in such circumstances, Shareholders would not have any exit alternative. Further, pursuant to Rule 33.2 of the Code, as the Offeror may not, within six (6) months of the close of the Offer, acquire or make another offer to acquire Shares on terms better than the terms of the Offer, any exit offer if made by the Offeror pursuant to a voluntary delisting in accordance with Rules 1307 and 1309, would likely be on the same terms as the Offer.

7.8.4 Compulsory acquisition

The following has been extracted from section 8.3 of the Offer Document and is set out in italics below. **Shareholders are advised to read the relevant section of the Offer Document, as extracted below, carefully.**

> ***"8.3*** ***Compulsory Acquisition.*** *Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances of the Offer or acquires such number of Offer Shares during the Offer period otherwise than through valid acceptances of the Offer in respect of not less than 90% of the total number of Shares in issue as at the Closing Date (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror would be entitled to exercise the right to compulsorily acquire all the Offer Shares of the Dissenting Shareholders.*
>
> ***In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror and CapitaLand will then proceed to delist CMA from the SGX-ST.***
>
> *Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer or otherwise, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares as at the Closing Date. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice."*

7.8.5 Implications of delisting for Shareholders

Shareholders who do not accept the Offer should note the following implications or consequences which may arise as a result of any suspension in, and/or delisting of the Shares:

i. Shares of unquoted companies are generally valued at a discount to the shares of comparable listed companies as a result of lack of marketability;

ii. It is likely to be difficult for Shareholders to sell their Shares in the absence of a public market for the Shares as there is no arrangement for such Shareholders to exit their investments in the Shares. If the Company is delisted, even if such Shareholders were subsequently able to sell their Shares, they may receive a lower price than that of the Offer Price;

iii. Given the time taken for the Offeror to exercise its right to compulsorily acquire the remaining Shares or the time taken for Dissenting Shareholders to exercise any rights they may have to compel the Offeror to acquire their Shares under Section 215(3) of the Companies Act, the settlement date on compulsory acquisition is likely to be later than the settlement date had the Offer been accepted;

iv. As an unlisted company, the Company will no longer be obligated to comply with the listing requirements of the SGX-ST, in particular the continuing corporate disclosure requirements under Chapter 7 of the Listing Manual and Appendices 7.1 to 7.4 to the Listing Manual. Shareholders will no longer enjoy the same level of protection, transparency and accountability afforded by the Listing Manual. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its memorandum and articles of association and the interests of Shareholders who do not accept the Offer will be protected to the extent provided for by the Companies Act which includes, *inter alia*, the entitlement to be sent a copy of the profit and loss accounts and balance sheet at least fourteen (14) days before each annual general meeting, at which the accounts will be presented; and

v. There is no assurance that the Company will maintain its historical dividend payments in the future.

7.8.6 Alternative Offer

As at the Latest Practicable Date, the Directors have not received any competing offer or an enhancement or revision of the Offer and there is no publicly available evidence of an Alternative Offer for the Shares from any third party.

Shareholders should also note that, under the Code, except with the consent of the SIC, if the Offer becomes or is declared unconditional in all respects, neither the Offeror nor any person acting in concert with it may, within six (6) months of the closure of the Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Offer.

8 MANAGEMENT RETENTION

The following has been extracted from sections 12.2 and 12.3 of the Offer Document and is set out in italics below. **Shareholders are advised to read the relevant section of the Offer Document, as extracted below, carefully.**

*"**12.2** **Management Retention.** CapitaLand is also proposing to establish a retention scheme for certain key executive officers of CMA, including the CMA CEO ("**Executive Officers**"), who, by virtue of their leadership position in the CMA Group, play a critical role in contributing to the continued success of the CMA Group.*

Under this scheme, an award of a certain notional amount, up to S$0.5 million in the case of the CMA CEO and up to S$1.7 million in total for all the Executive Officers (including the CMA CEO), will be made and will be converted into such number of CapitaLand shares as at a price equal to the VWAP per CapitaLand share traded on the SGX-ST over a certain price-reference period. The CapitaLand shares comprised in the awards will be vested and released to the Executive Officers in March 2017.

Based on the latest information available to the Offeror as at 15 April 2014, the total number of Shares held by the Executive Officers is approximately 2.0 million Shares, representing approximately 0.05% of all the Shares in issue.

As above, this proposal is subject to (a) the Offer becoming or being declared unconditional, (b) CMA having been delisted from the SGX-ST and (c) the relevant Executive Officer remaining as an employee of the CMA Group at the relevant release date.

The retention scheme is separate from, and does not affect, the terms of employment of the Executive Officers with the CMA Group.

***12.3** **SIC Ruling.** The SIC had ruled that the proposals above do not constitute a special deal, subject to disclosure of the relevant details of the proposals in the Offer Document and the independent financial adviser to be appointed by CMA stating publicly that in its opinion the arrangements in respect of the retention scheme are fair and reasonable.*

*In compliance with such ruling, the relevant details of the proposals relating to the CMA Share Awards and the retention scheme have been disclosed in **Sections 12.1 and 12.2** above. The view of the independent financial adviser of CMA in respect of the retention scheme will also be made available to you in due course."*

We note that we have not been requested to and were not authorised to and did not take part in any discussions in relation to the formulation of or the negotiations on the terms of the Management Retention Scheme. We do not comment on the merits and/or risks (whether strategically, commercially or otherwise) of the Management Retention Scheme, or on the future trading prices or prospects of the Company and CapitaLand. We do not assume any responsibility to address the relative merits and/or risks of the Management Retention Scheme as compared to any other alternative scheme, or whether or not such alternatives could be achieved or are available. We are the financial advisers only and, accordingly, our advice on the Management Retention Scheme is based solely upon our evaluation, from a financial point of view, of the arrangements proposed to be put in place in relation to the Management Retention Scheme.

In arriving at our opinion, we have reviewed the Management Retention Scheme against, amongst others, (i) the Executive Officers' historical salaries and share awards, (ii) the current monthly salaries of the Executive Officers, (iii) precedent publicly disclosed takeover-related employee payments, and (iv) employee retention and/or guarantee packages as a proportion to monthly salary that is typically available to top executives in Singapore.

On the basis of and subject to the paragraphs set out below, it is our opinion that, as of the Latest Practicable Date, the terms of the Management Retention Scheme are fair and reasonable from a financial point of view in so far as the Independent Shareholders[6] are concerned.

We do not assume any responsibility to advise, and nothing in this letter shall be construed as advice to, any person (other than the Independent Directors) in relation to the Management Retention Scheme. In particular, but without prejudice to the generality of the foregoing, we express no opinion as to whether the Executive Officers should accept the Management Retention Scheme or as to how the Management Retention Scheme is to be administered or implemented.

Any opinion addressed to the Independent Directors in relation to the Management Retention Scheme is solely for the purpose of their consideration of the Offer and may not be relied upon for any other purpose.

The Independent Directors should note that economic, market and other conditions may change after the Latest Practicable Date and that developments after the Latest Practicable Date may affect our opinion and the contents of this letter and that we do not have any obligation to update, revise or reaffirm the contents of this letter. In particular, but without prejudice to the generality of the foregoing, we do not assume any responsibility to advise the Independent Directors, and express no opinion on, any decision they may take in the future in relation to the administration or implementation of the Management Retention Scheme. The Directors of the Company should seek separate advice in relation to the implementation of the Management Retention Scheme.

For the purposes of providing this letter and our evaluation of the terms of the Management Retention Scheme from a financial point of view, we have not received or relied on any financial projections or forecasts in respect of the Company or CapitaLand. We are not required to express, and we do not express, an opinion on the future growth prospects and earnings potential of the Company or CapitaLand, or any part or division thereof. We are therefore not expressing any opinion herein as to the future value of the Shares or the shares in CapitaLand, or on the future performance of the Company, CapitaLand, or any part or division thereof.

In rendering our opinion, we have not had regard to any general or specific investment objectives, financial situations, risk profiles, tax status or positions or particular needs or constraints or other particular circumstances and we neither assume any responsibility for, nor hold ourselves out as advisers to, any Shareholder or other person other than the Independent Directors.

Our opinion is only based on a financial analysis and does not incorporate any assessment of commercial, legal, tax, regulatory or other matters. Such factors are beyond the ambit of our review and do not fall within our terms of reference in connection with the Management Retention Scheme.

[6] "Independent Shareholders" to be defined as Shareholders other than the Offeror, the Executive Officers and their respective concert parties.

9 RECOMMENDATION

In arriving at our opinion on the Offer, we have taken into account the following key considerations in the context of a non-change of control transaction (which should be read in conjunction with, and in the context of, the full text of this letter):

9.1 Factors in favour of the Offer Price

9.1.1 The Offer Price represents a significant premium of 23.0%, 27.0%, 25.5%, 20.5%, 17.4%, 20.1% and 17.7% over the last traded price on the Last Trading Day, 1-month, 3-month, 6-month, 1-year, 2-year, and since-IPO VWAP, respectively. The Net Offer Price represents a significant premium of 22.0%, 26.0%, 24.5%, 19.6%, 16.5%, 19.1% and 16.8% over the last traded price on the Last Trading Day, 1-month, 3-month, 6-month, 1-year, 2-year, and since-IPO VWAP, respectively;

9.1.2 The Offer Price and Net Offer Price represents a premium of approximately 18.7% and 17.8%, respectively, over the unaudited NAV per Share of the Company of S$1.87 as at 31 March 2014;

9.1.3 In comparison with the Singapore Comparable Companies:

i. The P/Book NAV ratio of CMA based on the Offer Price and Net Offer Price is 1.19x, which is higher than the range of the P/Book NAV ratios of the Singapore Comparable Companies, and higher than both the mean and median P/Book NAV ratio of 0.91x in respect of the Singapore Comparable Companies; and

ii. The P/Analyst RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is within the range of the P/Analyst RNAV ratios of the Singapore Comparable Companies, and higher than both the mean and median P/Analyst RNAV ratio of 0.77x and 0.74x, respectively, in respect of the Singapore Comparable Companies; and

iii. The LTM P/Op EPS ratio of CMA based on the Offer Price and Net Offer Price is 33.7x and 33.4x, respectively, which is higher than the range of the LTM P/Op EPS ratios of the Singapore Comparable Companies, and higher than both the mean and median LTM P/Op EPS ratio of 16.1x and 16.7x, respectively, in respect of the Singapore Comparable Companies; and

iv. The LTM P/E ratio of CMA based on the Offer Price and Net Offer Price is 14.4x and 14.3x respectively, which is within the range of the P/E ratios of the Singapore Comparable Companies, and higher than both the mean and median P/E ratio of 10.1x and 10.6x, respectively, in respect of the Singapore Comparable Companies.

9.2 Factors against the Offer Price

9.2.1 The Offer Price and Net Offer Price represents a premium of 4.7% and 3.9% to the IPO price, which is less than the NAV per share growth of 38% since the IPO;

9.2.2 The Offer Price and Net Offer Price represents a discount of 2.8% and 3.6% to the mean broker price target of S$2.28 and a discount of 14.6% and 15.3% to the maximum broker price target of S$2.60;

9.2.3 The Offer Price and Net Offer Price represents a discount of 16.6% and 17.3% to the mean analyst RNAV of S$2.66 and a discount of 27.9% and 28.5% to the maximum analyst RNAV of S$3.08;

9.2.4 The Offer Price and Net Offer Price represents a discount of approximately 2.5% to 5.4% and 3.3% to 6.2% to our Adjusted NAV of S$2.28 to S$2.35; and

9.2.5 In comparison with the Precedent Singapore Take-over Premia for selected transactions where the offeror had majority control:

i. The Offer Price and Net Offer Price represents a premium of approximately 20.5% and 19.6%, respectively, over the 6-month VWAP. This compares to a median premium of 21.0% to the 6-month VWAP; and

ii. The Offer Price and Net Offer Price represents a premium of approximately 17.4% and 16.5%, respectively, over the 12-month VWAP. This compares to a median premium of 27.4% to the 12-month VWAP.

9.1.4 In comparison with the Hong Kong Comparable Companies:

i. The P/Book NAV ratio of CMA based on the Offer Price and Net Offer Price is 1.19x, which is higher than the range of the P/Book NAV ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/Book NAV ratio of 0.61x and 0.58x, respectively, in respect of the Hong Kong Comparable Companies;

ii. The P/Analyst RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is higher than the range of the P/Analyst RNAV ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/Analyst RNAV ratio of 0.53x and 0.55x, respectively, in respect of the Hong Kong Comparable Companies; and

iii. The LTM P/E ratio of CMA based on the Offer Price and Net Offer Price is 14.4x and 14.3x, respectively, which is within the range of the P/E ratios of the Hong Kong Comparable Companies, and higher than both the mean and median P/E ratio of 7.2x and 6.1x, respectively, in respect of the Hong Kong Comparable Companies.

9.1.5 In comparison with the Selected Singapore Property Precedent Transactions:

i. The P/Book NAV ratio of CMA based on the Offer Price and Net Offer Price is 1.19x, which is within the range of the P/Book NAV ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/Book NAV ratio of 1.09x and 0.99x, respectively, in respect of the Selected Singapore Property Precedent Transactions; and

ii. The P/RNAV ratio of CMA based on the Offer Price and Net Offer Price is 0.83x, which is within the range of the P/RNAV ratios of the Selected Singapore Property Precedent Transactions, and higher than both the mean and median P/RNAV ratio of 0.80x and 0.80x, respectively, in respect of the Selected Singapore Property Precedent Transactions.

9.1.6 In comparison with the Precedent Singapore Take-over Premia for selected transactions where the offeror had majority control:

i. The Offer Price and Net Offer Price represents a premium of approximately 23.0% and 22.0%, respectively, over the last traded price on the Last Trading Day. This compares to a median premium of 22.7% to the last traded price;

ii. The Offer Price and Net Offer Price represents a premium of approximately 27.0% and 26.0%,

respectively, over the 1-month VWAP. This compares to a median premium of 22.9% to the 1-month VWAP; and

iii. The Offer Price and Net Offer Price represents a premium of approximately 25.5% and 24.5%, respectively, over the 3-month VWAP. This compares to a median premium of 23.9% to the 3-month VWAP.

9.1.7 As compared to the relative performance of the market indices, the current market price and the trading volume of the Shares may have been underpinned by the Offer subsequent to the Offer Announcement Date. As such, there is no assurance that the market price and trading volume of the Shares will be maintained at the prevailing level as at the Latest Practicable Date after the close of the Offer.

9.3 Other factors:

9.3.1 As at the Latest Practicable Date, the Offeror and its Concert Parties holds approximately 70.4% of the Shares and the Company has confirmed that there is no alternative or competing offer available to the Shareholders. In the event of an alternative or competing offer, we note that unless the Offeror and its Concert Parties accept such alternative or competing offer, any offer made by any third parties would not be capable of becoming unconditional;

9.3.2 As at the Latest Practicable Date, if during the Offer, the Offeror and its Concert Parties acquires another 764,770,064 Shares representing approximately 19.6% of the Shares as at the Latest Practicable Date, the Free Float Requirement will not be met and the SGX-ST would have the right to suspend trading in the Shares following the close of the Offer;

9.3.3 The intention of the Offeror is to exercise any rights of compulsory acquisition in the event that the Offeror acquires not less than 90% of the total number of issued Shares as at the Closing Date (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer). Between the Offer Announcement Date and the Latest Practicable Date, the Offeror acquired a total of 194,766,000 Shares in the open market at prices ranging from S$2.20 to S$2.22 per Share. As at the Latest Practicable Date, the Offeror and its Concert Parties owned, controlled or has agreed to acquire an aggregate of 2,743,155,708 Shares representing approximately 70.4% of the share capital of the Company as at the Latest Practicable Date;

9.3.4 The intention of the Offeror not to maintain or support any action taken or to be taken to maintain the listing status of the Company if the Offeror is unable to exercise the right to compulsorily acquire all the Shares not acquired under the Offer and the Company does not meet the Free Float Requirement pursuant to Rule 723 of the Listing Manual;

9.3.5 The Share Price of CMA may fall below its current trading levels if the Offer fails; and

9.3.6 The Offeror has no present intention to make any major changes to the existing business of the Company.

For the purposes of providing this letter and our evaluation of the Offer for Shares from a financial point of view, we have not received or relied on any financial projections or forecasts in respect of the Company or the Group. We are not required to express, and we do not express, an opinion on the future growth prospects and earnings potential of the Company. We are therefore not expressing any opinion herein as to the price at which the

Shares may trade whether or not the Offer is declared unconditional in all respects or on the future financial performance of the Company.

In rendering our opinion, we have not had regard to any general or specific investment objectives, financial situations, risk profiles, tax positions or particular needs or constraints of any specific Shareholder and we neither assume any responsibility for, nor hold ourselves out as advisers to any person other than the Independent Directors.

Our opinion is only based on a financial analysis and does not incorporate any assessment of commercial, legal, tax, regulatory or other matters. Our opinion also does not incorporate an assessment of the price at which the Shares may trade following the success or failure of the Offer. Such factors are beyond the ambit of our review and do not fall within our terms of reference in connection with the Offer.

We have considered the Factors in favour of the Offer Price and the Factors against the Offer Price in the context of a non-change of control transaction. We note that the Factors in favour of the Offer Price outweigh in number the Factors against the Offer Price. In particular, the Offer Price's valuation ratios are higher than the mean and median of the Comparable Companies which reflect the current market valuation of the Singapore and China property sectors and are higher than the mean and median of the Singapore Property Precedent Transactions which reflect the premiums paid previously for property privatisation transactions.

Based upon and subject to the foregoing, we are of the opinion that, as at the Latest Practicable Date the terms of the Offer are fair and reasonable from a financial point of view in the context of a non-change of control transaction.

We note that the Independent Directors may wish to consider advising Shareholders who:

i. Wish to realise their investments in the Company at this time but are unable to sell their Shares in the open market at a price (after deduction of related expenses) higher than the Offer Price; and/or

ii. Believe that the current market price of the Shares may decrease; and/or

iii. Believe that even if the Company remains listed, trading liquidity may reduce materially; and/or

iv. Believe that a higher offer may not be made; and/or

v. Are uncertain of the longer term performance and prospects of the Company, either on status quo basis or under the stewardship of the Offeror,

that such Shareholders may wish to consider selling a portion or all of their Shares in the open market or tendering Shares pursuant to the Offer. If the Independent Directors make a recommendation to Shareholders to tender Shares in acceptance of the Offer or sell Shares in the open market, the Independent Directors may also wish to consider highlighting that there is no certainty that the Offer will or will not become unconditional in all respects, there is no assurance that the price of the Shares will remain at current levels after the close or lapse of the Offer and the current price performance of the Shares is not indicative of the future price performance levels of the Shares, which will be governed by factors such as, *inter alia*, the performance and prospects of the Company, prevailing and future economic conditions and outlook and market conditions and sentiments.

The Independent Directors may also wish to consider advising Shareholders who:

i. Do not currently wish to realise their investments in the Company; and/or

ii. Believe that the current market price of the Shares may increase; and/or

iii. Believe that a higher offer may be made; and/or

iv. Believe that there may be material incremental value to be realised in the future as a result of initiatives being executed by the Company; and/or

v. Hold a favourable view of the Company's prospects and believe that they will be able to realise greater value from continuing to own their Shares,

that such Shareholders may wish to consider retaining a portion or all of their Shares. If the Independent Directors make a recommendation to Shareholders to retain their Shares, the Independent Directors may also wish to consider highlighting that there is no certainty that the Offer will become unconditional in all respects, there is no assurance that the prices of the Shares will remain at current levels after the close or lapse of the Offer; and the current price performance of the Shares is not indicative of the future price performance levels of the Shares, which will be governed by factors such as, *inter alia*, the performance and prospects of the Company, prevailing and future economic conditions and outlook and market conditions and sentiments.

Furthermore, the Independent Directors may wish to consider advising Shareholders who are considering retaining a portion or all of their Shares, that in the event the Company is delisted, such Shareholders would hold Shares in an unquoted company. Accordingly, Shareholders may wish to consider selling a portion or all of their Shares if the Offer becomes unconditional. We note that the Offeror's preference, as according to the Offer Document, is to delist the Company, although it has no obligation to do so.

We wish to emphasise that we have been appointed to render our opinion as of the Latest Practicable Date. Our terms of reference do not require us to express, and we do not express, an opinion on the future growth prospects of the Company. This letter is addressed to the Independent Directors solely for their benefit in connection with the Offer and should not be relied on by any other party or for any other purpose. This opinion does not constitute and should not be relied on, as advice or a recommendation to, or confer any rights or remedies upon, any third party including, without limitation, any Shareholder. Nothing herein shall confer or be deemed or is intended to confer any right or benefit to any third party and the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore shall not apply. The recommendations made by the Independent Directors to the Shareholders in relation to the Offer remain the sole responsibility of the Independent Directors.

This letter is governed by, and construed in accordance with the laws and courts of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter. No other person may use, reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner except with Deutsche Bank's prior written consent in each specific case.

Yours faithfully,

For and on behalf of

Deutsche Bank AG, Singapore Branch





Charles Neo
Managing Director

Tan Boon Kee
Managing Director

APPENDIX 2 – GENERAL INFORMATION

1. DIRECTORS

The names, addresses and designations of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Designation
Mr Ng Kee Choe	9 Wiltshire Road Singapore 466385	Chairman and Non-Independent Non-Executive Director
Mr Lim Ming Yan	8 Mount Sinai Lane Henry Park Singapore 276999	Non-Independent Non-Executive Director
Mr Lim Tse Ghow Olivier	335 Bukit Timah Road #15-01 Wing On Life Garden Singapore 259718	Non-Independent Non-Executive Director
Mr Sunil Tissa Amarasuriya	46 Coronation Road West #08-04 Astrid Meadows Singapore 269262	Independent Non-Executive Director
Tan Sri Amirsham A Aziz	D-6-1, Block D, No. 2 Tijani 2 Jalan Tijani 2 Off Jalan Langgak Tunku Bukit Tunku 50480 Kuala Lumpur Malaysia	Independent Non-Executive Director(1)
Dr Loo Choon Yong	46 Leedon Road Singapore 267857	Lead Independent Non-Executive Director
Mrs Arfat Pannir Selvam	15 Ringwood Road Singapore 437410	Independent Non-Executive Director(1)
Mr Bob Tan Beng Hai	1 Belmont Road #09-00 The Belmont Singapore 269852	Independent Non-Executive Director
Professor Tan Kong Yam	23 Jalan Mengkudu Sembawang Hills Estate Singapore 577399	Independent Non-Executive Director
Mr Lim Beng Chee	214 Upper East Coast Road #13-04 Eastern Lagoon Singapore 466402	Chief Executive Officer and Executive Director

Note:

(1) As set out in **Section 7** of this Circular, Tan Sri Amirsham A Aziz and Mrs Arfat Pannir Selvam are Independent Non-Executive Directors of the Company for the purposes of the Singapore Code of Corporate Governance.

2. BACKGROUND INFORMATION

The Company is a company incorporated in Singapore on 12 October 2004 with its registered office at 39 Robinson Road, #18-01, Robinson Point, Singapore 068911. The Company is a public company incorporated in Singapore with a primary listing on the SGX-ST and a secondary listing on the HKSE.

The Group is one of the largest listed shopping mall developers, owners and managers in Asia by total property value of assets and geographic reach. The Group has an integrated shopping mall business model encompassing retail real estate investment, development, mall operations, asset management and fund management capabilities. As at the Latest Practicable Date, the Group has interests in and manages a pan-Asian portfolio of 104 shopping malls across 53 cities in the five countries of Singapore, China, Malaysia, Japan and India.

3. SHARE CAPITAL

3.1 Issued Shares. As at the Latest Practicable Date, the Company has an issued share capital of S$4,630,181,735 comprising 3,897,695,302 issued Shares. The Shares are quoted and listed on the Mainboard of the SGX-ST and the Main Board of the HKSE. As at the Latest Practicable Date, there are contingent and unvested awards granted under the Share Plans pursuant to which up to an aggregate of 27,601,281 Shares may be vested and released/issued (subject to fulfillment of the terms of the awards or otherwise in accordance with the terms of the Share Plans). As at the Latest Practicable Date, the Company does not have any outstanding instruments convertible into, rights to subscribe for, or options in respect of, Shares or securities which carry voting rights in the Company or which otherwise affect the Shares, and does not hold any treasury shares.

Pursuant to the resolution passed at the FY2013 AGM, the Company expects to issue 129,718 Shares ("**Expected Number of Shares**") (assuming that the volume-weighted average price of a share of the Company on the SGX-ST (rounded off to the nearest two decimal places) over the 14 trading days from (and including) 29 April 2014, being the ex-dividend date following the FY2013 AGM (the "**14-day VWAP Price**"), is the same as the Offer Price) on or around 3 June 2014 in payment of the FY2013 Directors' Fees, on such terms as the Board or a committee thereof may determine. The actual number of Shares to be issued will depend on the actual 14-day VWAP Price. If the 14-day VWAP Price is lower than the Offer Price, more Shares than the Expected Number of Shares will be issued, and if the 14-day VWAP Price is higher than the Offer Price, fewer Shares than the Expected Number of Shares will be issued.

From the end of FY2013 to the Latest Practicable Date, the Company has issued 5,202,085 new Shares as a result of the vesting of share awards under the Share Plans which rank *pari passu* with all Shares. The Company does not have any other class of share capital as at the Latest Practicable Date.

There is no restriction in the Articles of Association of the Company on the right to transfer any Shares, which has the effect of requiring the holders of Offer Shares, before transferring them, to offer them for purchase to members of the Company or to any other person.

3.2 Rights in Respect of Capital, Dividends and Voting. The rights of Shareholders in respect of capital, dividends and voting in relation to the Shares are contained in the Articles of Association of the Company. For ease of reference, selected extracts of the Articles of Association of the Company in respect of capital, dividends and voting have been reproduced in **Appendix 6** to this Circular. Capitalised terms and expressions not defined in the extracts have the meanings ascribed to them in the Articles of Association of the Company.

4. DISCLOSURE OF INTERESTS

4.1 Interests and Dealings of Company in Shares and Convertible Securities of the Offeror. As at the Latest Practicable Date, neither the Company nor any of its subsidiaries:

(a) has any direct or deemed interests in (i) any shares of the Offeror or (ii) Convertible Securities, Warrants, Options and Derivatives in respect of (i); and

(b) has dealt in (i) any shares of the Offeror or (ii) Convertible Securities, Warrants, Options and Derivatives in respect of (i), during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

4.2 Interests and Dealings of Directors in Shares and Convertible Securities of the Offeror. As at the Latest Practicable Date, none of the Directors:

(a) has any direct or deemed interests in (i) any shares of the Offeror or (ii) Convertible Securities, Warrants, Options and Derivatives in respect of (i); and

(b) has dealt in (i) any shares of the Offeror or (ii) Convertible Securities, Warrants, Options and Derivatives in respect of (i), during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

4.3 Interests and Dealings of Directors in Shares and Convertible Securities of the Company. Save as disclosed below, as at the Latest Practicable Date, none of the Directors has any direct or deemed interests in (i) any Shares or (ii) Convertible Securities, Warrants, Options and Derivatives in respect of (i).

A. Interest in Shares of the Company

	Interest in Shares			
	Direct		Indirect	
Name of Director	**No. of Shares**	**%**	**No. of Shares**	**%**
Mr Ng Kee Choe	130,000	0.0033	Nil	Nil
Mr Lim Ming Yan	99,774	0.0026	Nil	Nil
Mr Lim Tse Ghow Olivier	946,561	0.0243	Nil	Nil
Mr Sunil Tissa Amarasuriya	82,846	0.0021	Nil	Nil
Tan Sri Amirsham A Aziz	18,700	0.0005	Nil	Nil
Dr Loo Choon Yong	842,794	0.0216	Nil	Nil
Mrs Arfat Pannir Selvam	105,800	0.0027	Nil	Nil
Mr Bob Tan Beng Hai	Nil	Nil	Nil	Nil
Professor Tan Kong Yam	57,640	0.0015	Nil	Nil
Mr Lim Beng Chee	611,200	0.0157	Nil	Nil

B. Interests in Share Awards of the Share Plans

Mr Lim Beng Chee, the Executive Director, is also the Chief Executive Officer of the Company. Mr Lim was granted share awards under the Share Plans.

The interests of Mr Lim Beng Chee in the outstanding share awards under the Share Plans as at the Latest Practicable Date are set out below.

Share Awards	Shares under the Baseline Award	Number of Shares which may be released/issued
Contingent award of Performance Shares to be delivered after 2016	244,776	0 to 416,119**(1)**
Contingent award of Performance Shares to be delivered after 2015	237,000	0 to 414,750**(1)**
Contingent award of Performance Shares to be delivered after 2014	237,000	0 to 414,750**(1)**
Contingent award of Restricted Shares to be delivered after 2014	161,317	0 to 241,976(1)**(2)**
Unvested Restricted Shares to be delivered after 2013	90,400(3)	90,400(3)
Unvested Restricted Shares to be delivered after 2012	60,000(4)	60,000(4)

Notes:

(1) Unless otherwise determined in accordance with the Share Plans, the number of Shares, the vesting and release schedule and the related conditions are described in this footnote (1) as follows: the final number of Shares released/issued will depend on the achievement of pre-determined targets (i) over a three-year performance period (in respect of Performance Shares) or (ii) at the end of a one-year performance period and the release will be over a vesting period of three years (in respect of Restricted Shares). No Shares will be released/issued if the threshold targets are not met at the end of the relevant performance period. On the other hand, if superior targets are met, more Shares than the baseline award could be released/issued. For awards granted under the Company's Performance Share Plan, the maximum number of Shares released/issued will be 175% of the baseline award for 2012 and 2013 awards. From 2014 onwards, the maximum number of Shares released/issued will be 170% of the baseline award. For awards granted under the Company's Restricted Stock Plan, the maximum number of Shares released/issued will be 150% of the baseline award.

(2) Unless otherwise determined in accordance with the Share Plans, on the final vesting, an additional number of Shares of a total value equal to the value of the accumulated dividends which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the Company's Restricted Stock Plan, will also be released/issued.

(3) Being the unvested two-thirds of the award, which shall vest in accordance with or as determined under the Share Plans.

(4) Being the unvested one-third of the award, which shall vest in accordance with or as determined under the Share Plans.

None of the Directors has dealt in (i) any Shares or (ii) Convertible Securities, Warrants, Options and Derivatives in respect of (i), during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

4.4 **Interests and Dealings of the IFA in Shares and Convertible Securities of the Company.** None of the Corporate Finance Division of DB, Deutsche Bank AG, Hong Kong Branch (collectively, the "**Relevant DB Entities**") or funds whose investments are managed by the Relevant DB Entities on a discretionary basis:

(a) owns or controls any (i) any Shares or (ii) Convertible Securities, Warrants, Options and Derivatives in respect of (i); and

(b) has dealt in (i) any Shares or (ii) Convertible Securities, Warrants, Options and Derivatives in respect of (i), during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date:

5. OTHER DISCLOSURES

5.1 **Directors' Service Contracts.** As at the Latest Practicable Date, there are no service contracts between any Director or proposed Director with the Company or any of its subsidiaries with more than 12 months to run and which cannot be terminated by the employing company within the next 12 months without paying any compensation. In addition, there are no service contracts entered into or amended between any Director or proposed Director, with the Company during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

5.2 **Arrangements affecting Directors.** Save as disclosed in **Section 3** of this Circular, it is not proposed, in connection with the Offer, that any payment or other benefit be made or given to any Director or to any director of any other corporation which is, by virtue of Section 6 of the Companies Act, deemed to be related to the Company as compensation for loss of office or otherwise in connection with the Offer. There are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer. There are also no material contracts entered into by the Offeror in which any Director has a material personal interest, whether direct or indirect.

6. FINANCIAL INFORMATION ON THE GROUP

Set out below is certain financial information extracted from the unaudited consolidated financial statements of the Group for the three months ended 31 March 2014 reviewed by KPMG LLP and the IFA as announced by the Company on 6 May 2014 and from the audited consolidated financial statements of the Group for FY2011, FY2012 and FY2013, respectively. The financial information set out below should be read together with the audited consolidated financial statements of the Group for the relevant financial periods and the accompanying notes as set out in the Annual Reports for FY2011, FY2012 and FY2013, and the Company's announcement on the unaudited consolidated financial statements of the Group for the three months ended 31 March 2014 and its accompanying notes. Copies of all of the above are available for inspection at the registered address of the Company during normal business hours for the period during which the Offer remains open for acceptance.

	1Q2014 S$'000	FY2013 S$'000	FY2012 S$'000	FY2011 S$'000
Revenue	125,003	380,416	361,178	246,173
Exceptional Items	-	-	-	-
Profit before taxation	97,461	680,181	616,587	568,559
Profit after tax and non-controlling interests (after exceptional items)	75,288	600,008	546,018	456,008
Profit after tax and non-controlling interests (before exceptional items)	75,288	600,008	546,018	456,008
Non-controlling Interests	11,442	14,119	12,830	38,210
Basic earnings per Share (cents) (before exceptional items)	1.9	15.4	14.0	11.7
Basic earnings per Share (cents) (after exceptional items)	1.9	15.4	14.0	11.7

Set out below is also a summary of the net dividend per Share declared in respect of each of FY2011, FY2012 and FY2013 by the Company. This information has been extracted from the Company's Annual Reports for FY2011, FY2012 and FY2013. No dividend has been declared for the three months ended 31 March 2014.

Dividend	cents
In respect of FY2013 (including interim dividend of 1.75 cents)	3.50
In respect of FY2012 (including interim dividend of 1.625 cents)	3.25
In respect of FY2011 (including interim dividend of 1.5 cents)	3.00

Statements of financial position of the Group for FY2013 and the three months ended 31 March 2014 are set out in the audited consolidated financial statements of the Group for FY2013 and the unaudited consolidated financial statements of the Group for the three months ended 31 March 2014 reproduced in **Appendices 4 and 5** to this Circular respectively.

7. MATERIAL CHANGES IN FINANCIAL POSITION OR INFORMATION

Save as disclosed in the unaudited consolidated financial statements of the Group for the three months ended 31 March 2014 and any other information on the Group which is publicly available (including without limitation, the announcements released by the Group on the SGX-ST), there have been no material changes to the financial position of the Group since 31 December 2013, being the date of the last published audited accounts of the Group.

Save as disclosed in this Circular and any other information on the Group and the Offer which is publicly available, there has been no material change in any information previously published by or

on behalf of the Company during the period commencing from the Offer Announcement Date and ending on the Latest Practicable Date.

8. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Group which are disclosed in Note 2 of the audited consolidated financial statements of the Group for FY2013 are reproduced in **Appendix 4** to this Circular.

9. CHANGES IN ACCOUNTING POLICIES

Saved as disclosed in paragraphs 4 and 5 of the unaudited consolidated financial statements of the Group for the three months ended 31 March 2014 as reproduced in **Appendix 5** to this Circular, the Group has applied the same accounting policies and methods of computation as in the audited consolidated financial statements of the Group for FY2013. Save for the aforesaid, there is no change in the accounting policies of the Group which will cause the figures disclosed in this Circular not to be comparable to a material extent.

10. MATERIAL CONTRACTS WITH INTERESTED PERSONS

Save as disclosed below, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries have entered into any material contracts with Interested Persons (other than those entered into in the ordinary course of business) (the "**Material Contracts**") during the period commencing three years before the Offer Announcement Date and ending on the Latest Practicable Date. The Material Contracts are:

(a) the joint venture agreement dated 27 June 2011 between (i) CMA Singapore Investments (4) Pte. Ltd. (a wholly-owned subsidiary of the Company) ("**CMA4**"), (ii) CMA Singapore Investments (5) Pte. Ltd. (a wholly-owned subsidiary of the Company) ("**CMA5**"), (iii) HSBC Institutional Trust Services (Singapore) Limited, as trustee of CapitaMall Trust ("**CMT Trustee**"), (iv) CL JM Pte. Ltd. (a wholly-owned subsidiary of CapitaLand) ("**CLJM**") and (v) CL JO Pte. Ltd. (a wholly-owned subsidiary of CapitaLand) ("**CLJO**", and together with CMA4, CMA5, the CMT Trustee and CLJM collectively, the "**JG Consortium**") to regulate their rights and obligations in connection with, *inter alia*, the joint development of the land at Boon Lay Way, Singapore known as Lot 8630V MK 5 ("**Jurong Gateway Site**"). The Jurong Gateway Site was awarded at the tender price of approximately S$969.0 million to the joint venture entities in which the Company, CapitaMall Trust and CapitaLand each holds an indirect interest of 50%, 30% and 20%, respectively;

(b) the shared services agreement dated 29 December 2011 (the "**2011 Shared Services Agreement**") between the Company and CapitaLand pursuant to which CapitaLand provides the Group with advisory and other services in relation to treasury functions, administration, information technology, human resource, tax, risk management and corporate communication services and marketing. The annual fee for the service is computed in accordance with a formula set out in the agreement, subject to a minimum fee of S$2.5 million per annum;

(c) the agreement dated 29 December 2011 (the "**2011 IT Infrastructure Agreement**") between the Company and CapitaLand for use of CapitaLand's information technology infrastructure by the Group. The consideration is calculated in accordance with the terms set out in the agreement, which was estimated to be approximately S$9.04 million;

(d) the administrative support services agreement dated 8 August 2011 between CapitaLand Commercial Limited ("**CCL**"), a wholly-owned subsidiary of CapitaLand, and the Company,

pursuant to which CCL provides the Company with certain administrative support services in consideration of a monthly fee equivalent to S$74,500;

(e) the shared services agreement dated 28 December 2012 between the Company and CapitaLand which renews the 2011 Shared Services Agreement on substantially the same terms ("**2012 Shared Services Agreement**"). Pursuant to the 2012 Shared Services Agreement, CapitaLand is to provide the Group with advisory and other services in relation to administration, corporate communications, human resource, information technology, marketing, risk management and treasury functions for the duration of the financial year ending 31 December 2013. The annual fee for the service is computed in accordance with a formula set out in the 2012 Shared Services Agreement, subject to a minimum fee of S$2.5 million per annum;

(f) the agreement dated 28 December 2012 between the Company and CapitaLand which renews the 2011 IT Infrastructure Agreement on substantially the same terms (the "**2012 IT Infrastructure Agreement**"). Pursuant to the 2012 IT Infrastructure Agreement, the Group may use CapitaLand's information technology infrastructure for the duration of the financial year ending 31 December 2013. The consideration is calculated in accordance with the terms set out in the 2012 IT Infrastructure Agreement and is approximately S$10.3 million;

(g) the joint venture agreement dated 31 August 2012 between CMA China III Pte. Ltd. (a wholly-owned subsidiary of the Company), Casuarina Group Pte. Ltd. (a wholly-owned subsidiary of CapitaLand), Reknown City Holdings Limited (a joint venture between the Company and CapitaLand in which each holds a 50% interest), Singbridge CTM9 Pte. Ltd. (a wholly-owned subsidiary of Temasek) and Singbridge CTM1 Pte. Ltd. (a wholly-owned subsidiary of Temasek) to regulate their rights and obligations in connection with, among other things, the joint development of the site located at Chao Tian Men, Yuzhong District, Chongqing, China (the "**Chao Tian Men Site**"). The Chao Tian Men Site was awarded at the tender price of approximately S$1,282.8 million to the joint venture entities, in which the Company, CapitaLand and Temasek each holds an interest of 31.25%, 31.25% and 37.5%, respectively;

(h) the leasing services agreement dated 3 December 2012 between JG Trustee Pte. Ltd. (the "**JG Trustee**") in its capacity as trustee of Infinity Mall Trust (the joint venture entity responsible for the development of the retail component of the Jurong Gateway Site) and CapitaLand Retail Management Pte. Ltd. (a wholly-owned subsidiary of the Company) ("**CRM**") pursuant to which CRM provides to the joint venture leasing, marketing and corporate administration services in relation to the retail component of the development. The leasing commission payable by JG Trustee to CRM is calculated as follows: (a) for leases with a term of up to one year, a fee equivalent to half a month's rental fees payable under such lease, pro rata to the term of such lease and (b) for leases with a term of more than one year, a fee equivalent to one month's rental fees payable under such lease;

(i) the services agreement dated 29 June 2012 between Brilliance Trustee Pte. Ltd. (the "**Brilliance Trustee**") in its capacity as trustee of Brilliance Mall Trust (the joint venture entity responsible for the development of the site located at New Upper Changi Road/Bedok North Drive in Singapore (the "**Bedok Town Centre Site**")) and CRM pursuant to which CRM provides to the joint venture project management and leasing services in respect of the retail component of the development. The fees payable for the project management services amount to 2.5% of the amount of the construction contract awarded to the main building contractor equivalent to S$145.7 million, approximately S$3.6 million. The leasing commission is calculated as follows: (a) for leases with a term of up to one year, a fee equivalent to half a month's rental fees payable under such lease, pro rata to the term of such lease and (b) for leases with a term of more than one year, a fee equivalent to one month's rental fees payable under such lease;

(j) the project management service agreement dated 1 December 2011 between the JG Trustee in its capacity as trustee of Infinity Mall Trust and JG2 Trustee Pte. Ltd. in its capacity as trustee of Infinity Office Trust (the joint venture entities responsible for the development of the Jurong Gateway Site) and CapitaLand Retail Project Management Pte. Limited ("**CRPM**") pursuant to which CRPM provides to the joint venture project management services in respect of the development. The lump sum fee for the project management services is approximately S$7.2 million;

(k) the shared services agreement dated 21 January 2014 between the Company and CapitaLand which renews the 2012 Shared Services Agreement on substantially the same terms ("**2013 Shared Services Agreement**"). Pursuant to the 2013 Shared Services Agreement, CapitaLand is to provide the Group with advisory and other services in relation to, amongst others, administration, corporate communications, human resource, information technology, marketing, risk management and treasury functions for the duration of the financial year ending 31 December 2014. The annual fee for the services is computed in accordance with a formula set out in the 2013 Shared Services Agreement, subject to a minimum fee of S$2.5 million per annum;

(l) the agreement dated 21 January 2014 between the Company and CapitaLand which renews the 2012 IT Infrastructure Agreement on substantially the same terms (the "**2013 IT Infrastructure Agreement**"). Pursuant to the 2013 IT Infrastructure Agreement, the Group may use CapitaLand's information technology infrastructure for the duration of the financial year ending 31 December 2014. The consideration is calculated in accordance with the terms set out in the 2013 IT Infrastructure Agreement and is approximately S$9.3 million;

(m) the service agreement dated 29 November 2013 between CRM and the JG Trustee in its capacity as trustee of Infinity Mall Trust ("**IMT**") (the joint venture entity responsible for the development of the retail component of the Jurong Gateway Site) pursuant to which CRM provides property management service in relation to the retail component of the development for the period commencing 1 January 2013 to midnight of the date immediately preceding the 10th anniversary of the issuance of the temporary occupation permit ("**TOP**") for such retail component, subject to termination of the service agreement in accordance with its terms. The annual fee payable for the property management services is the aggregate of: (a) 2% per annum of the gross revenue of such retail amount, (b) 2% per annum of the net property income of such retail component and (c) 0.5% per annum of the net property income of such retail component in lieu of leasing commissions which are borne by CRM;

(n) the service agreement dated 2 December 2013 between the Brilliance Trustee in its capacity as trustee of Brilliance Mall Trust (the joint venture entity responsible for the development of the retail component of the Bedok Town Centre Site) and CRM pursuant to which CRM provides to the joint-venture property management services in relation to the retail component of the development for the period commencing 1 March 2013 to midnight of the date immediately preceding the 10th anniversary of the issuance of the TOP for such retail component, subject to termination of the service agreement in accordance with its terms. The annual fee payable for the property management services is the aggregate of: (a) 2% per annum of the gross revenue of such retail amount, (b) 2% per annum of the net property income of such retail component and (c) 0.5% per annum of the net property income of such retail component in lieu of leasing commissions which are borne by CRM; and

(o) the leasing services agreement dated 7 April 2014 between CapitaLand Retail (Shanghai) Management & Consulting Co. Ltd (a wholly-owned subsidiary of the Company) ("**CRSM**") and Raffles City Chengdu Co., Ltd (a subsidiary of Raffles City China Fund Limited ("**RCCF**")) ("**RCCCL**") pursuant to which RCCCL provides an office unit in Raffles City

Chengdu to CRSM for the period commencing 1 August 2014 and ending on 31 July 2019 (both dates inclusive). The aggregate rental fee (excluding security deposit of approximately RMB0.6 million and property management fee payable under the agreement is approximately RMB10.1 million and RMB2.4 million, respectively. The Company and CapitaLand China Holdings Pte Ltd, a wholly-owned subsidiary of CapitaLand, each holding an interest in RCCF of 15% and 40% respectively.

11. MATERIAL LITIGATION

As at the Latest Practicable Date, the Group is not engaged in any material litigation as plaintiff or defendant which might materially and adversely affect the financial position of the Group as a whole. The Directors are not aware of any proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position of the Group taken as a whole.

12. VALUATION OF REVALUED PROPERTIES

The Company has commissioned independent valuations of the Revalued Properties. The Valuation Reports (which include the basis of the respective valuations) are set out in **Appendix 7** to this Circular. Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the assets, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of the valuation. Based on information provided to the Company by the Valuers, the potential tax liabilities that may be incurred by the Group on the hypothetical disposal of the Revalued Properties is estimated at approximately S$99.2 million. The aforesaid tax liabilities will not crystallise if the Group does not dispose of its interests in the Revalued Properties. As at the Latest Practicable Date, the Company has no immediate plans to dispose of its interests in the Revalued Properties, and as such, the aforesaid tax liabilities are not likely to crystallise.

13. GENERAL

13.1 Costs and Expenses. All expenses and costs incurred by the Company in relation to the Offer will be borne by the Company.

13.2 Consent of KPMG LLP. KPMG LLP has given and has not withdrawn its written consent to the issue of this Circular, with the inclusion herein of its name and the KPMG Report, in the form and context in which they appear in this Circular.

13.3 Consent of the IFA. DB has given and has not withdrawn its written consent to the issue of this Circular, with the inclusion herein of its name, the IFA Letter, the IFA Report and its advice, recommendation, opinion and any information contained in the IFA Letter and IFA Report, in the form and context in which they appear in this Circular.

13.4 Consent of Valuers for Revalued Properties. Each of the Valuers has given and has not withdrawn its written consent to the issue of this Circular, with the inclusion herein of its name, its Valuations Reports for the relevant Revalued Properties referred to in the IFA Letter and any information contained in its Valuation Reports, in the form and context in which they appear in this Circular.

13.5 Consents of other valuers. Each of Knight Frank Pte Ltd, CBRE Pte. Ltd., DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd., Knight Frank Petty Limited, Colliers International (Hong Kong) Limited, CBRE Limited, PPC International Sdn Bhd, CB Richard Ellis

(Malaysia) Sdn Bhd, Land Coordinating Research Inc., Tanizawa Sogo Appraisal Co., Ltd, DTZ Debenham Tie Leung Kabushiki Kaisha, Cushman & Wakefield Kabushiki Kaisha, CBRE South Asia Pvt. Ltd. and Jones Lang LaSalle Property Consultants (India) Private Limited (the "**Other Valuers**") has given and has not withdrawn its written consent to the issue of this Circular with the inclusion therein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in **Appendix 5** of this Circular, in the form and context in which they appear in this Circular.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours for the period during which the Offer remains open for acceptance:

(a) the Memorandum and Articles of Association of the Company;

(b) the Annual Reports for FY2011, FY2012 and FY2013;

(c) the unaudited consolidated financial results of the Group for the three months ended 31 March 2014 with the 1Q Results Reports;

(d) the KPMG Report;

(e) the IFA Report;

(f) the IFA Letter;

(g) the letters of consent of KPMG LLP, the IFA, the Valuers and the Other Valuers referred to in **paragraphs 13.2**, **13.3**, **13.4** and **13.5** above; and

(h) the Valuation Reports relating to the Revalued Properties.

APPENDIX 3 – INFORMATION ON THE OFFEROR AND CAPITALAND

1. THE OFFEROR

The following information on the Offeror has been extracted from paragraph 5.1 of the Letter to Shareholders section and Appendix 3A of the Offer Document. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"***5.1*** ***The Offeror.*** *The Offeror is a private company incorporated in Singapore on 11 April 2014. Its principal activity is that of investment holding. As at the Latest Practicable Date, it has an issued and paid-up share capital of S$1.00 and is a wholly-owned subsidiary of CapitaLand. The directors of the Offeror are Arthur Lang Tao Yih, Tan Seng Chai, Wee Chong Han and Michelle Koh Chai Ping.*

Appendix 3A *to this Offer Document sets out additional information on the Offeror.*"

"APPENDIX 3A – ADDITIONAL INFORMATION ON THE OFFEROR

1 DIRECTORS

The names, addresses and descriptions of the directors of the Offeror as at the Latest Practicable Date are as follows:

Name	***Address***	***Description***
Arthur Lang Tao Yih	*63 Eng Kong Terrace Toh Tuck Hill Singapore 599017*	*Director*
Tan Seng Chai	*4 Cactus Drive #01-04 Grande Vista Singapore 809684*	*Director*
Wee Chong Han	*7 Tong Watt Road #05-03 The Wharf Residence Singapore 238002*	*Director*
Michelle Koh Chai Ping	*132 Lorong Sarina Sarina Park Singapore 416701*	*Director*

2. PRINCIPAL ACTIVITIES

The Offeror is a private company incorporated in Singapore on 11 April 2014. Its principal activity is that of investment holding.

3. SHARES

As at the Latest Practicable Date, it has an issued and paid-up share capital of S$1.00 and is a wholly-owned subsidiary of CapitaLand.

4. FINANCIAL SUMMARY

As the Offeror was incorporated on 11 April 2014, no audited financial statements of the Offeror have been prepared to date.

5. MATERIAL CHANGES IN FINANCIAL POSITION

Save as a result of the making and financing of the Offer (including by way of an equity commitment from its related corporation), there has been no known material changes in the financial position of the Offeror subsequent to the date of its incorporation.

6. SIGNIFICANT ACCOUNTING POLICIES

As the Offeror was incorporated on 11 April 2014, no audited financial statements of the Offeror have been prepared to date.

7. CHANGES IN ACCOUNTING POLICIES

As the Offeror was incorporated on 11 April 2014, no audited financial statements of the Offeror have been prepared to date.

8. REGISTERED OFFICE

The registered office of the Offeror is at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912."

2. HOLDINGS AND DEALINGS IN THE SHARES

The following information on the holdings of, and dealings in, the Shares by the Offeror and certain parties acting in concert with it has been extracted from Appendix 5 of the Offer Document. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"***APPENDIX 5 – DISCLOSURES RELATING TO HOLDINGS, DEALINGS AND OTHER ARRANGEMENTS IN RELEVANT SECURITIES***

1. HOLDINGS OF RELEVANT SECURITIES

As at the Latest Practicable Date, based on the latest information available to the Offeror, the interests in Shares held by the Offeror and its Concert Parties are set out below:

	Direct		***Total***	
Name	***No. of Shares***	***%***	***No. of Shares***	***%***
CapitaLand	*2,544,020,000*	*65.3*	*2,544,020,000*	*65.3*
CapitaLand Directors				
Ng Kee Choe	*130,000*	*n.m.*	*130,000*	*n.m.*

	Direct		Total	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**
Peter Seah Lim Huat	*29,000*	*n.m.*	*29,000*	*n.m.*
Lim Ming Yan	*99,774*	*n.m.*	*99,774*	*n.m.*
James Koh Cher Siang	*45,800*	*n.m.*	*45,800*	*n.m.*
Arfat Pannir Selvam[15]	*105,800*	*n.m.*	*105,800*	*n.m.*
Tan Sri Amirsham Bin A Aziz	*18,700*	*n.m.*	*18,700*	*n.m.*
Offeror Directors				
Arthur Lang Tao Yih	*30,000*	*n.m.*	*30,000*	*n.m.*
Tan Seng Chai	*23,000*	*n.m.*	*23,000*	*n.m.*
Michelle Koh Chai Ping	*10,000*	*n.m.*	*10,000*	*n.m.*
Directors of CapitaLand's Subsidiaries and/or Associated Companies (excluding CMA Group)				
Anna Choo Sok Hoon	*48,000*	*n.m.*	*48,000*	*n.m.*
Belinda Gan Chui Chui	*36,000*	*n.m.*	*36,000*	*n.m.*
Chan Boon Seng	*48,000*	*n.m.*	*48,000*	*n.m.*
Chek Lai Peng	*7,000*	*n.m.*	*7,000*	*n.m.*
Chen Lian Pang[16]	*52,000*	*n.m.*	*52,000*	*n.m.*
Chew Peet Mun	*36,000*	*n.m.*	*36,000*	*n.m.*
Cheng Shin How	*20,000*	*n.m.*	*20,000*	*n.m.*
Chia Elsie @ Elsie Ittogi	*8,000*	*n.m.*	*8,000*	*n.m.*
Dato' Mohammed Bin Haji Che Hussein	*10,000*	*n.m.*	*10,000*	*n.m.*
Eugene Yeo Wei Yu	*4,000*	*n.m.*	*4,000*	*n.m.*
Giam Chin Toon @ Jeremy Giam	*10,000*	*n.m.*	*10,000*	*n.m.*
Heng Tze Kiang[17]	*–*	*–*	*5,000*	*n.m.*
Hoon Sang Ngiap[18]	*20,000*	*n.m.*	*22,000*	*n.m.*
Jason Leow Juan Thong	*57,000*	*n.m.*	*57,000*	*n.m.*
Jordan Aw Yong Kwok Kong	*16,000*	*n.m.*	*16,000*	*n.m.*
Kang Siew Fong	*24,000*	*n.m.*	*24,000*	*n.m.*

[15] *As set out in the CapitaLand AGM Notice, Arfat Pannir Selvam will retire as Director by rotation following the conclusion of the CapitaLand AGM to be held on 25 April 2014 and will not seek re-election.*

[16] *Chen Lian Pang's entire interest is held through Standard Chartered Bank Nominee.*

[17] *Heng Tze Kiang is deemed to have an interest in the 5,000 Shares held by his spouse.*

[18] *In addition, Hoon Sang Ngiap is deemed to have an interest in the 2,000 Shares held by his spouse.*

Name	Direct		Total	
	No. of Shares	%	No. of Shares	%
Kee Teck Koon	5,800	n.m.	5,800	n.m.
Kenneth Rogers	25,000	n.m.	25,000	n.m.
Ku Wei Siong	36,000	n.m.	36,000	n.m.
Lai Siok Fung Dawn	20,000	n.m.	20,000	n.m.
Lee Chee Koon	46,000	n.m.	46,000	n.m.
Lee Tong Voon	10,000	n.m.	10,000	n.m.
Lee Wan Hoon	25,000	n.m.	25,000	n.m.
Lee Yew Kwung	36,000	n.m.	36,000	n.m.
Liew Mun Leong	555,725	n.m.	555,725	n.m.
Lim Chee Ming	6,000	n.m.	6,000	n.m.
Lim Hock Hai	12,000	n.m.	12,000	n.m.
Lim Mei Yi	17,000	n.m.	17,000	n.m.
Lim Ming Sing	12,000	n.m.	12,000	n.m.
Lim Tse Ghow Olivier	946,561	n.m.	946,561	n.m.
Lim Wie Shan	36,000	n.m.	36,000	n.m.
Lucas Ignatius Loh Jen Yuh	66,000	n.m.	66,000	n.m.
Lynette Leong Chin Yee	71,000	n.m.	71,000	n.m.
Ng Hui Noi	12,000	n.m.	12,000	n.m.
Ong Kian Tiong Alfred	36,000	n.m.	36,000	n.m.
Ow Yeong Stacey	20,000	n.m.	20,000	n.m.
Poon Hin Kong	48,000	n.m.	48,000	n.m.
Quah Lay Cheng	2,000	n.m.	2,000	n.m.
S. Chandra Das	26,800	n.m.	26,800	n.m.
Seah Choo Meng[19]	–	–	3,000	n.m.
Soh Cheow Yeow Tony	36,000	n.m.	36,000	n.m.
Soo Kok Leng	9,000	n.m.	9,000	n.m.
Soong Hee Sang	12,000	n.m.	12,000	n.m.
Tan Han Teck	10,000	n.m.	10,000	n.m.
Tan Jen Lai	18,000	n.m.	18,000	n.m.
Tan Jenk Dong	64,000	n.m.	64,000	n.m.
Tan Kong Yam	57,640	n.m.	57,640	n.m.
Tan Lai Seng	24,000	n.m.	24,000	n.m.
Tan Yek Sang	2,000	n.m.	2,000	n.m.
Tan Yew Chin	4,000	n.m.	4,000	n.m.

[19] *Seah Choo Meng is deemed to have an interest in the 3,000 Shares held by his spouse.*

Name	Direct		Total	
	No. of Shares	%	No. of Shares	%
Tang Gan Yuen	*5,000*	*n.m.*	*5,000*	*n.m.*
Tay Boon Hwee Ronald	*36,000*	*n.m.*	*36,000*	*n.m.*
Teo Kim Yam[20]	*40,000*	*n.m.*	*53,000*	*n.m.*
Wen Khai Meng	*90,000*	*n.m.*	*90,000*	*n.m.*
Wilson Hah Yew Khian	*15,000*	*n.m.*	*15,000*	*n.m.*
Wong Chwee Seng Vincent	*20,000*	*n.m.*	*20,000*	*n.m.*
Wong Heang Fine	*57,000*	*n.m.*	*57,000*	*n.m.*
Wong Kok Meng Colin[21]	*36,000*	*n.m.*	*42,000*	*n.m.*
Yeong Lai Meng	*36,000*	*n.m.*	*36,000*	*n.m.*
Yip Hoong Mun[22]	*54,000*	*n.m.*	*54,000*	*n.m.*
Morgan Stanley				
*Morgan Stanley & Co. International plc ("**MSIP**")*[23]	*756,108*	*n.m.*	*756,108*	*n.m.*

In addition to the above, MSIP is a party to the following derivative transactions:

(i) a derivative transaction where the counterparty is required to deliver a calculated number of Shares to MSIP at specified observation periods at a reverse accrual price of S$1.8964. The period start date is 3 February 2014 with a maturity date of 29 January 2015 and a potential maximum notional amount of S$1,316,469.90; and

(ii) a derivative transaction where the counterparty is required to deliver a calculated number of Shares to MSIP at specified observation periods at a reverse accrual price of S$1.90. The period start date is 17 February 2014 with a maturity date of 13 February 2015 and a potential maximum notional amount of S$887,040.

2. DEALINGS IN RELEVANT SECURITIES

(i) Shares

Based on the latest information available to the Offeror, the details of dealings in Shares during the Relevant Period by the Offeror and its Concert Parties are set out below:

[20] *In addition, Teo Kim Yam is deemed to have an interest in the 13,000 Shares held by his spouse.*
[21] *In addition, Wong Kong Meng Colin is deemed to have an interest in the 6,000 Shares held by his spouse.*
[22] *Yip Hoong Mun's entire interest is held through DBS Nominees (Private) Limited.*
[23] *Figures depicted in the table exclude a short position of 510,063 Shares which are either covered by a securities borrowing or arise from certain derivative transactions.*

Name	*Date*	*No. of Shares Bought*	*No. of Shares Sold*	*Transaction Price per Share (S$)*
Low Pei Pei Andrea[24]	*13 February 2014*	*2,000*	*–*	*1.76*
Pang Yik Yu John[25]	*26 February 2014*	*30,000*	*–*	*1.78*
	3 March 2014	*35,000*	*–*	*1.77*
	6 March 2014	*20,000*	*–*	*1.755*
	11 March 2014	*–*	*55,000*	*1.79*
	13 March 2014	*30,000*	*–*	*1.755*
	17 March 2014	*15,000*	*–*	*1.715*
	19 March 2014	*25,000*	*–*	*1.710*
	20 March 2014	*50,000*	*–*	*1.682*
	25 March 2014	*–*	*50,000*	*1.72*
	25 March 2014	*–*	*25,000*	*1.715*
	27 March 2014	*–*	*75,000*	*1.76*
	2 April 2014	*40,000*	*–*	*1.755*
	2 April 2014	*20,000*	*–*	*1.750*
	2 April 2014	*15,000*	*–*	*1.76*
	7 April 2014	*15,000*	*–*	*1.74*
	7 April 2014	*25,000*	*–*	*1.735*
	10 April 2014	*–*	*75,000*	*1.785*
	10 April 2014	*–*	*40,000*	*1.79*
Credit Suisse	*12 March 2014*	*–*	*42,000*	*1.7775*
MSIP	*14 January 2014*	*170,000*	*–*	*1.8811*
	15 January 2014	*15,200*	*–*	*1.9753*
	16 January 2014	*693,239*	*–*	*1.8922*
	16 January 2014	*–*	*446,826*	*1.8900*
	20 January 2014	*6,600*		*1.9086*
	20 January 2014	*–*	*85,000*	*1.8548*
	21 January 2014	*7,000*	*–*	*1.8493*

[24] *Low Pei Pei Andrea is the spouse of Heng Tze Kiang, one of the directors of CapitaLand's subsidiaries (excluding CMA Group).*

[25] *Pang Yik Yu John is one of the directors of CapitaLand's subsidiaries and associated companies (excluding CMA Group).*

Name	*Date*	*No. of Shares Bought*	*No. of Shares Sold*	*Transaction Price per Share (S$)*
	22 January 2014	*5,000*	*–*	*1.8500*
	23 January 2014	*52,000*	*–*	*1.8834*
	24 January 2014	*67,000*	*–*	*1.8350*
	27 January 2014	*–*	*13,000*	*1.8038*
	28 January 2014	*1,000*	*–*	*1.8050*
	28 January 2014	*–*	*892*	*1.8050*
	29 January 2014	*6,400*	*–*	*2.0538*
	29 January 2014	*–*	*102,000*	*1.7900*
	30 January 2014	*5,950*	*–*	*2.0110*
	30 January 2014	*–*	*721,000*	*1.7700*
	3 February 2014	*19,000*	*–*	*1.7889*
	4 February 2014	*39,700*	*–*	*1.6995*
	4 February 2014	*–*	*41,000*	*1.6900*
	5 February 2014	*31,000*	*–*	*1.7200*
	6 February 2014	*57,482*	*–*	*1.7150*
	12 February 2014	*22,000*	*–*	*1.7302*
	13 February 2014	*13,500*	*–*	*1.8964*
	14 February 2014	*–*	*190,000*	*1.7699*
	17 February 2014	*36,000*	*–*	*1.8024*
	17 February 2014	*–*	*287,000*	*1.8024*
	18 February 2014	*–*	*35,000*	*1.8010*
	20 February 2014	*–*	*70,000*	*1.8043*
	21 February 2014	*–*	*56,000*	*1.8175*
	24 February 2014	*37,000*	*–*	*1.8100*
	24 February 2014	*–*	*7,000*	*1.8136*
	25 February 2014	*–*	*19,000*	*1.8150*
	27 February 2014	*15,000*	*–*	*1.8964*
	28 February 2014	*45,000*	*–*	*1.8148*
	28 February 2014	*–*	*35,000*	*1.7900*
	4 March 2014	*–*	*116,000*	*1.7797*
	5 March 2014	*–*	*312,000*	*1.7658*
	6 March 2014	*59,000*	*–*	*1.7786*
	6 March 2014	*–*	*385,000*	*1.7734*
	7 March 2014	*82,000*	*–*	*1.7869*
	10 March 2014	*758,000*	*–*	*1.7694*

Name	*Date*	*No. of Shares Bought*	*No. of Shares Sold*	*Transaction Price per Share (S$)*
	10 March 2014	*–*	*649,000*	*1.7700*
	11 March 2014	*14,000*	*–*	*1.7868*
	12 March 2014	*20,000*	*–*	*1.7800*
	13 March 2014	*15,000*	*–*	*1.8964*
	14 March 2014	*262,000*	*–*	*1.7365*
	14 March 2014	*–*	*126,000*	*1.7300*
	17 March 2014	*17,000*	*–*	*1.7262*
	17 March 2014	*–*	*28,000*	*1.7350*
	18 March 2014	*32,000*	*–*	*1.7250*
	19 March 2014	*52,000*	*–*	*1.7216*
	20 March 2014	*252,000*	*–*	*1.6820*
	21 March 2014	*2,541*	*–*	*1.6997*
	24 March 2014	*104,000*	*–*	*1.7151*
	24 March 2014	*–*	*186,000*	*1.7149*
	25 March 2014	*248,000*	*–*	*1.7174*
	26 March 2014	*195,000*	*–*	*1.7240*
	27 March 2014	*120,000*	*–*	*1.7768*
	27 March 2014	*–*	*101,000*	*1.7525*
	28 March 2014	*41,000*	*–*	*1.8004*
	31 March 2014	*323,000*	*–*	*1.7935*
	31 March 2014	*–*	*380,000*	*1.7800*
	1 April 2014	*91,000*	*–*	*1.7905*
	1 April 2014	*–*	*19,000*	*1.7897*
	2 April 2014	*62,000*	*–*	*1.7706*
	2 April 2014	*–*	*29,000*	*1.7600*
	3 April 2014	*476,000*	*–*	*1.7618*
	4 April 2014	*397,000*	*–*	*1.7559*
	7 April 2014	*240,000*	*–*	*1.7362*
	8 April 2014	*120,000*	*–*	*1.7458*
	9 April 2014	*14,000*	*–*	*1.7521*
	9 April 2014	*–*	*39,000*	*1.7479*
	10 April 2014	*23,000*	*–*	*1.8681*
	10 April 2014	*–*	*330,000*	*1.8082*
	11 April 2014	*89,000*	*–*	*1.8154*
	11 April 2014	*–*	*315,000*	*1.8063*

(i) Derivative Transactions

Name of Concert Party	***Dealing Date***	***Nature of Dealing***	***Maturity Date***	***Reference Price***
MSIP	*30 January 2014*	*A derivative transaction as described in **Paragraph 1(I)** of this **Appendix 5***	*29 January 2015*	*S$1.8964*
MSIP	*14 February 2014*	*A derivative transaction as described in **Paragraph 1(II)** of this **Appendix 5***	*13 February 2015*	*S$1.9000*

"

3. CAPITALAND LIMITED

The following information on CapitaLand has been extracted from Section 5.2 and Appendix 3B of the Offer Document. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"***5.2*** ***CapitaLand.*** *CapitaLand is a public company incorporated in Singapore and listed on the SGX-ST. CapitaLand is one of Asia's largest real estate companies. Headquartered and listed in Singapore, the businesses of the CapitaLand Group in real estate and real estate fund management are focused on its core markets of Singapore and China. The CapitaLand Group's diversified real estate portfolio primarily includes homes, offices, shopping malls, serviced residences and integrated developments.*

*For FY2013, the CapitaLand Group earned S$3,977.5 million in revenues and S$1,353.5 million in net profit before income tax, minority interests and extraordinary items ("**NPBT**"), with S$16,067.9 million in net assets attributable to owners of CapitaLand ("**NAV**") as at the end of the year.*

As at the Latest Practicable Date, the directors of CapitaLand are Ng Kee Choe, Peter Seah Lim Huat, Lim Ming Yan, James Koh Cher Siang, Arfat Pannir Selvam[5], Professor Kenneth Stuart Courtis[5], John Powell Morschel, Simon Claude Israel, Euleen Goh Yiu Kiang, Tan Sri Amirsham bin A Aziz and Stephen Lee Ching Yen.[6]

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[5] *As set out in the Notice of Annual General Meeting of CapitaLand dated 21 March 2014 ("**CapitaLand AGM Notice**"), Arfat Pannir Selvam and Professor Kenneth Stuart Courtis will retire as Directors by rotation following the conclusion of the annual general meeting of CapitaLand ("**CapitaLand AGM**") to be held on 25 April 2014 and will not seek re-election.*

[6] *As set out in the CapitaLand AGM Notice, it is proposed that Dr Philip Nalliah Pillai be, subject to the approval of the CapitaLand shareholders at the CapitaLand AGM, appointed as Director of CapitaLand with effect from 25 April 2014.*

APPENDIX 3 – INFORMATION ON THE OFFEROR AND CAPITALAND

Appendix 3B *to this Offer Document sets out additional information on CapitaLand. Information on CapitaLand is also available from its website at www.capitaland.com.*"

"APPENDIX 3B – ADDITIONAL INFORMATION ON CAPITALAND

1. DIRECTORS

The names, addresses and descriptions of the Directors of CapitaLand as at the Latest Practicable Date are as follows:

Name	***Address***	***Description***
Ng Kee Choe	*9 Wiltshire Road Singapore 466385*	*Chairman and Independent Non-Executive Director*
Peter Seah Lim Huat	*45 Binjai Park Binjai Park Singapore 589845*	*Independent Non-Executive Director*
Lim Ming Yan	*8 Mount Sinai Lane Henry Park Singapore 276999*	*President and Group Chief Executive Officer and Executive Director*
James Koh Cher Siang	*26 Dunbar Walk Frankel Estate Singapore 459313*	*Independent Non-Executive Director*
Arfat Pannir Selvam[13]	*15 Ringwood Road Singapore 437410*	*Independent Non-Executive Director*
Professor Kenneth Stuart Courtis[13]	*a/s C. Bonnet Campbell et Philippart 45 Ave Montaigne 75008 Paris France*	*Independent Non-Executive Director*
John Powell Morschel	*11 Valleyview Crescent Greenwich NSW 2065 Australia*	*Independent Non-Executive Director*
Simon Claude Israel	*68 Andrew Road Caldecott Hill Estate Singapore 299974*	*Independent Non-Executive Director*

[13] *As set out in the CapitaLand AGM Notice:*

(i) Arfat Pannir Selvam and Professor Kenneth Stuart Courtis will retire as Directors by rotation following the conclusion of the CapitaLand AGM to be held on 25 April 2014 and will not seek re-election; and

(ii) it is proposed that Dr Philip Nalliah Pillai be, subject to the approval of the CapitaLand shareholders at the CapitaLand AGM, appointed as Director of CapitaLand with effect from 25 April 2014.

Name	*Address*	*Description*
Euleen Goh Yiu Kiang	*50 Draycott Park #10-01 The Draycott Singapore 259396*	*Independent Non-Executive Director*
Tan Sri Amirsham Bin A Aziz	*D-6-1, Block D, No. 2 Tijani 2 Jalan Tijani 2 Off Jalan Langgak Tunku Bukit Tunku 50480 Kuala Lumpur Malaysia*	*Independent Non-Executive Director*
Stephen Lee Ching Yen	*12 Bin Tong Park Singapore 269794*	*Independent Non-Executive Director*

2. PRINCIPAL ACTIVITIES

CapitaLand is a public company incorporated in Singapore and listed on the SGX-ST. CapitaLand is one of Asia's largest real estate companies. Headquartered and listed in Singapore, the businesses of the CapitaLand Group in real estate and real estate fund management are focused on its core markets of Singapore and China. The CapitaLand Group's diversified real estate portfolio primarily includes homes, offices, shopping malls, serviced residences and integrated developments.

3. SHARES

As at the Latest Practicable Date, CapitaLand had 4,258,066,480 shares (excluding treasury shares[14]) in issue.

4. FINANCIAL SUMMARY

*Set out below is certain financial information extracted from the CapitaLand Group's audited consolidated financial statements for FY2011, FY2012 and FY2013 (collectively, the "**CapitaLand Financial Statements**"). Such financial information should be read in conjunction with the CapitaLand Financial Statements and the accompanying notes as set out therein.*

Income statement

	FY2011 (Audited) (in S$'000)	***FY2012 (Audited) (in S$'000)***	***FY2013 (Audited) (in S$'000)***
Revenue	*3,019,569*	*3,301,363*	*3,977,487*
Profit before taxation	*1,613,804*	*1,518,478*	*1,353,521*
Profit after taxation	*1,422,920*	*1,316,571*	*1,184,613*
Non-controlling interests	*365,609*	*386,224*	*334,818*

[14] *As at the Latest Practicable Date, CapitaLand had 13,928,946 treasury shares.*

	FY2011 (Audited) (in S$'000)	***FY2012 (Audited) (in S$'000)***	***FY2013 (Audited) (in S$'000)***
Profit attributable to Owners of CapitaLand	*1,057,311*	*930,347*	*849,795*
Basic earnings per share (cents)	*24.8*	*21.9*	*20.0*
Total dividends per share (cents)	*8.0*	*7.0*	*8.0*

Balance Sheet as at 31 December 2013

	As at 31 December 2013 (Audited) (in S$'000)
Assets	
Non-current assets	*21,491,671*
Current assets	*14,663,213*
Total assets	***36,154,884***
Liabilities and Equity	
Non-current liabilities	*12,496,465*
Current liabilities	*4,347,476*
Shareholders' equity	*16,067,909*
Non-controlling interests	*3,243,034*
Total liabilities and equity	***36,154,884***

5. MATERIAL CHANGES IN FINANCIAL POSITION

Save for CapitaLand's financing of the Offer, the placement of CapitaLand's remaining stake in Australand Property Group, the adoption of new accounting standards effective for FY2014, in particular, FRS 110 Consolidated Financial Statements and other information on CapitaLand which is publicly available (including without limitation the announcements released by CapitaLand on the SGX-ST), there has been no known material changes in the financial position of CapitaLand since 31 December 2013, being the date of the last published audited accounts of CapitaLand.

6. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of CapitaLand are disclosed in Note 2 of CapitaLand's Annual Report for FY2013 from pages 146 to 162.

A copy of CapitaLand's Annual Report for FY2013 (which contains notes of the accounts) is available on the SGX-ST website at www.sgx.com or at the offices of Credit Suisse and Morgan Stanley as set out in ***Paragraph 4*** *of* ***Appendix 6 to*** *this Offer Document.*

7. CHANGES IN ACCOUNTING POLICIES

A number of new accounting standards, amendments to standards and interpretations are effective for the annual period beginning on or after 1 January 2014, and has not been applied in preparing CapitaLand's Annual Report for FY2013. The estimated effects of those new accounting standards, amendments to standards and interpretations are disclosed in Note 43 of CapitaLand's Annual Report for FY2013 on pages 246 and 247.

A copy of CapitaLand's Annual Report for FY2013 (which contains notes of the accounts) is available on the SGX-ST website at www.sgx.com or at the offices of Credit Suisse and Morgan Stanley as set out in ***Paragraph 4*** *of* ***Appendix 6*** *to this Offer Document.*

8. REGISTERED OFFICE

The registered office of CapitaLand is at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912."

APPENDIX 4 – STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 AND CERTAIN NOTES TO THE FINANCIAL STATEMENTS

The (i) Statements of Financial Position As at 31 December 2013, (ii) Note 2 to the Financial Statements and (iii) Note 35 to the Financial Statements as set out in this Appendix 4 have been reproduced from the Annual Report of the Company for FY2013, save for the reference to the page number which has been altered to conform with the pagination of this Circular, and is set out below.

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Statements of Financial Position

As at 31 December 2013

	Note	Group 2013 $'000	Group 2012 $'000	Company 2013 $'000	Company 2012 $'000
Non-Current Assets					
Plant and Equipment	3	19,304	17,019	6,659	5,842
Investment Properties	4	1,546,594	1,565,789	–	–
Properties under Development	5	146,934	548,141	–	–
Subsidiaries	6	–	–	3,925,526	3,411,197
Associates	7	4,195,179	3,671,971	–	–
Jointly-Controlled Entities	8	2,445,766	2,335,326	–	–
Other Investments	9	498,469	441,306	–	–
Other Assets	10	202,441	143,384	–	–
		9,054,687	8,722,936	3,932,185	3,417,039
Current Assets					
Trade and Other Receivables	11	301,773	533,047	935,007	1,464,894
Cash and Cash Equivalents	12	1,004,312	675,351	1,256	1,071
		1,306,085	1,208,398	936,263	1,465,965
Total Assets		10,360,772	9,931,334	4,868,448	4,883,004
Equity Attributable to Owners of the Company					
Share Capital	13	4,620,971	4,612,590	4,620,971	4,612,590
Reserves	14	2,542,797	1,877,757	161,623	171,810
		7,163,768	6,490,347	4,782,594	4,784,400
Non-Controlling Interests		104,934	247,614	–	–
Total Equity		7,268,702	6,737,961	4,782,594	4,784,400
Non-Current Liabilities					
Loans and Borrowings	15	2,428,283	2,705,490	–	–
Deferred Tax Liabilities	16	96,524	88,563	178	341
Other Non-Current Liabilities	17	70,416	93,982	6,222	4,372
		2,595,223	2,888,035	6,400	4,713
Current Liabilities					
Trade and Other Payables	18	284,108	240,890	76,928	89,903
Loans and Borrowings	15	157,763	8,922	–	–
Current Tax Payable		54,976	55,526	2,526	3,988
		496,847	305,338	79,454	93,891
Total Liabilities		3,092,070	3,193,373	85,854	98,604
Total Equity and Liabilities		10,360,772	9,931,334	4,868,448	4,883,004
Net Current Assets		809,238	903,060	856,809	1,372,074
Total Assets less Current Liabilities		9,863,925	9,625,996	4,788,994	4,789,113

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 27 February 2014.

1 DOMICILE AND ACTIVITIES

CapitaMalls Asia Limited (the "Company") is incorporated in the Republic of Singapore and has its registered office at 39 Robinson Road, #18-01, Robinson Point, Singapore 068911.

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 32 to the financial statements.

The immediate and ultimate holding company is CapitaLand Limited which is incorporated in the Republic of Singapore.

The consolidated financial statements relate to the Company and its subsidiaries (the "Group") and the Group's interests in associates and jointly-controlled entities.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") issued by the Singapore Accounting Standards Council.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

(c) Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

(d) Use of estimates and judgements *(continued)*

Note 16 – Utilisation of tax losses

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 4 – Determination of fair value of investment properties

Note 5 – Determination of fair value of properties under development

Note 11 – Recoverability of loans and receivables

Note 19 – Measurement of share-based payments

Note 29 – Determination of fair value of financial instruments

(e) Changes in accounting policies

(i) Defined benefit plans and short-term or other long-term employee benefits definition

FRS 19 *Employee Benefits* (2011), which became effective as of 1 January 2013, amended the classification of short-term and long-term employee benefits to be based on the expected timing of settlement rather than the employee's entitlement to the benefits. The amendments also require the employee benefits to be measured at the present value of the amount payable.

The Group currently has a bonus plan based on Economic Value Added ("EVA") that is being awarded to its key executives. During the financial year, the accrued EVA bonus is credited into the bonus account and one-third of the balance in the bonus account will be paid out annually. The bonus payable was previously measured on an undiscounted basis, the Group is now required to measure the bonus payable at the present value of the amount payable.

These amendments were applied retrospectively but there was no significant impact on the financial position or performance of the Group arising from the adoption of the amendments.

(ii) Fair value measurement

FRS 113 *Fair Value Measurement* establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other FRSs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements about the fair value measurements in other FRSs, including FRS 107 *Financial Instruments: Disclosures*.

From 1 January 2013, in accordance with the transitional provisions of FRS 113, the Group has applied the new fair value measurement guidance prospectively, and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impact on the measurements of the Group's assets and liabilities. The additional disclosure necessary as a result of the adoption of this standard has been included in Note 30.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

(e) Changes in accounting policies *(continued)*

(iii) Presentation of items of other comprehensive income

From 1 January 2013, as a result of the amendments to FRS 1 *Presentation of Financial Statements*, the Group has modified the presentation of items of other comprehensive income in the statement of comprehensive income, to present separately items that would be reclassified to profit or loss in the future from those that would never be. Comparative information has also been re-presented accordingly. The adoption of the amendments to FRS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Group.

2.2 Significant accounting policies

The accounting policies set out below have been applied consistently by the Group to all periods presented in these financial statements and have been applied consistently by the entities in the Group, except as explained in Note 2.1(e), which addresses changes in accounting policies.

(a) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(a) Basis of consolidation *(continued)*

(i) Business combinations *(continued)*

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on a transaction-by-transaction basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. All other non-controlling interests are measured at acquisition date fair value, unless another measurement basis is required by FRS. If the business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to fair value as at the acquisition date through profit or loss.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The Group's acquisition of those subsidiaries, which are special purpose vehicles established for the sole purpose of holding assets are primarily accounted for as acquisitions of assets.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as transactions with owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iii) Associates and jointly-controlled entities

Associates are those entities in which the Group has significant influence, but not control nor joint control, over their financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(a) Basis of consolidation *(continued)*

(iii) Associates and jointly-controlled entities *(continued)*

Associates and jointly-controlled entities (collectively referred to as "equity-accounted investees") are accounted for using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs. The Group's investments in equity-accounted investees include goodwill identified on acquisition, net of any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iv) Acquisitions of non-controlling interests

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(v) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Accounting for subsidiaries and equity-accounted investees by the Company

Investments in subsidiaries and equity-accounted investees are stated in the Company's statement of financial position at cost less accumulated impairment losses.

(b) Foreign currencies

(i) Foreign currency transactions

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency").

Transactions in foreign currencies are translated to the respective functional currencies of the Group's entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that reporting date.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(b) Foreign currencies *(continued)*

(i) Foreign currency transactions *(continued)*

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical costs are translated using the exchange rate at the date of the transaction. Foreign currency differences arising from retranslation are recognised in profit or loss, except for differences arising from the retranslation of available-for-sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation (see Note 2.2(b)(iii)), or qualifying cash flow hedges to the extent such hedges are effective, which are recognised in other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from the acquisition, are translated to Singapore dollars at exchange rates prevailing at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates prevailing at the dates of the transactions. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve ("translation reserve") in equity. However, if the operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is transferred to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or jointly-controlled entity that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income, and are presented in the translation reserve in equity.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(b) Foreign currencies *(continued)*

(iii) Hedge of a net investment in foreign operation

The Group applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the Company's functional currency (Singapore dollars), regardless of whether the net investment is held directly or through an intermediate parent.

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent the hedge is effective, and presented within equity in the foreign currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

(c) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset if it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use. Depreciation is recognised on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment as follows:

Improvement to premises	–	3 to 5 years
Plant, machinery and other improvements	–	3 to 10 years
Motor vehicles	–	5 years
Furniture, fittings and equipment	–	2 to 5 years

The assets' residual values, useful lives and depreciation methods are reviewed at each reporting date, and adjusted if necessary.

(d) Investment properties and properties under development

Investment properties are properties held either to earn rental income or for capital appreciation or both. Properties under development are properties being constructed or developed for future use as investment properties. They are not for sale in the ordinary course of business, used in the production or supply of goods or services, or for administrative purposes.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(d) Investment properties and properties under development *(continued)*

Investment properties and properties under development are initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in profit or loss. Rental income from investment properties is accounted for in the manner described in Note 2.2(k). The fair value is determined based on internal valuation or independent professional valuation. Independent professional valuation is obtained at least once every three years.

When an investment property or property under development is disposed, the resulting gain or loss recognised in profit or loss is the difference between net disposal proceeds and the carrying amount of the property.

(e) Financial instruments

(i) Non-derivative financial assets

Non-derivative financial assets comprise available-for-sale investments, trade and other receivables and cash and cash equivalents.

Non-derivative financial assets are recognised initially at fair value plus, for financial assets not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial assets are measured as described below.

A financial asset is recognised if the Group becomes a party to the contractual provisions of the financial asset. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset.

Available-for-sale financial assets

The Group's investments in equity securities are classified as available-for-sale financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than for impairment losses, and foreign exchange differences on available-for-sale monetary items (see Note 2.2 (b)), are recognised in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Investment in equity securities whose fair value cannot be reliably measured are measured at cost less impairment loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents, and trade and other receivables.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(e) Financial instruments *(continued)*

(i) Non-derivative financial assets *(continued)*

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. Financial liabilities for contingent consideration payable in a business combination are recognised at the acquisition date. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial liabilities for contingent consideration payable in a business combination are initially measured at fair value. Subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies its non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, trade and other payables and the following items in non-current liabilities – security deposits, amounts owing to non-controlling interests and other payables.

(iii) Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(e) Financial instruments *(continued)*

(iii) Derivative financial instruments and hedging activities *(continued)*

On initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instrument and the hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80%-125%. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported profit or loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

When the hedged item is a non-financial asset, the amount accumulated in equity is included in the carrying amount of the asset when the asset is recognised. In other cases, the amount accumulated in equity is reclassified to profit or loss in the same period that the hedged item affects profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the balance in equity is reclassified to profit or loss.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(e) Financial instruments *(continued)*

(iii) Derivative financial instruments and hedging activities *(continued)*

Fair value hedges

Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognised in profit or loss. The hedged item is stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in profit or loss.

Separable embedded derivatives

Changes in the fair value of separated embedded derivatives are recognised immediately in profit or loss.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss.

(iv) Financial guarantees

Financial guarantee contracts are classified as financial liabilities unless the Group or the Company has previously asserted explicitly that it regards such contracts as insurance contracts and accounted for them as such.

Financial guarantees classified as financial liabilities

Such financial guarantees are recognised initially at fair value and classified as financial liabilities. Subsequent to initial measurement, the financial guarantees are stated at the higher of (i) the amount that would be recognised if they were accounted for as contingent liabilities; and (ii) the initial fair value less cumulative amortisation. When financial guarantees are terminated before their original expiry date, the carrying amount of the financial guarantees is transferred to the profit or loss.

Financial guarantees classified as insurance contracts

These financial guarantees are accounted for as insurance contracts. Provision is recognised based on the Group's or the Company's estimate of the ultimate cost of settling all claims incurred but unpaid at the end of the reporting period.

The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(e) Financial instruments *(continued)*

(v) Impairment of financial assets

A financial asset not carried at fair value through profit or loss, including an interest in an associate or jointly-controlled entity, is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

All individually significant financial assets are assessed for specific impairment on an individual basis. All individually significant financial assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. The remaining financial assets that are not individually significant are collectively assessed for impairment by grouping together such instruments with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Losses are recognised in profit or loss and reflected as an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale financial asset are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(f) Impairment – non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, properties under development and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a *pro-rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an equity-accounted investee is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an equity-accounted investee is tested for impairment as a single asset when there is objective evidence that the investment in an equity-accounted investee may be impaired.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(g) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(h) Employee benefits

Long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

Short-term employee benefits

All short-term employee benefits, including accumulated compensated absences, are recognised in profit or loss in the period in which the employees render their services.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. If employee benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

Defined contribution plans

Contributions to post-employment benefits under defined contribution plans are recognised as an expense in profit or loss in the period during which the related services are rendered by employees.

Share-based payments

For equity-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in equity, over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the services received is determined by reference to the fair value of the equity instrument granted at the date of the grant. At each reporting date, the number of equity instruments that are expected to be vested are estimated. The impact on the revision of original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions.

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised as an expense for the period.

The proceeds received from the exercise of the equity instruments, net of any directly attributable transaction costs, are credited to share capital when the equity instruments are exercised.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(i) Provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision for onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(j) Leases

When entities within the Group are lessees of an operating lease

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

When entities within the Group are lessors of an operating lease

Assets subject to operating leases are included in investment properties (see Note 2.2(d)).

(k) Revenue recognition

Rental and related income

Rental and related income receivable under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

Fee income

Fee income is recognised in profit or loss as and when services are rendered.

Dividends

Dividend income is recognised on the date that the Group's right to receive payment is established.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

(l) Finance costs

Borrowing costs are recognised in profit or loss using the effective interest method in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(m) Taxation

Taxation comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and equity-accounted investees to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Significant accounting policies *(continued)*

(m) Taxation *(continued)*

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

(n) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to owners of the Company and the weighted average number of ordinary shares outstanding, adjusted for own shares held, and the effects of all dilutive potential ordinary shares, which comprise awards of performance and restricted shares granted to employees.

(o) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' results are reviewed and used by management for strategic decision making and resources allocation.

(p) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

35 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2013, and have not been applied in preparing these financial statements.

Applicable for the Group's 2014 financial statements

- Amendments to FRS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*, which clarifies the existing criteria for net presentation on the face of the statement of financial position.

  Under the amendments, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties.

  The Group currently offsets receivables and payables due from/to the same counterparty if the Group has the legal right to set off the amounts when it is due and payable based on the contractual terms of the arrangement with the counterparty, and the Group intends to settle the amounts on a net basis. Based on the local laws and regulations in certain jurisdictions in which the counterparties are located, the set-off rights are set aside in the event of bankruptcy of the counterparties.

  The amendments will be applied retrospectively and prior periods in the Group's 2014 financial statements will be restated. On adoption of the amendments, the Group will have to present the respective receivables and payables on a gross basis as the right to set-off is not enforceable in the event of bankruptcy of the counterparty.

  The Group does not expect any material financial impact as the financial position from the adoption of this amendment.

- FRS 110 *Consolidated Financial Statements*, which changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power with the investee. FRS 110 introduces a single control model with a series of indicators to assess control. FRS 110 also adds additional context, explanation and application guidance based on the principle of control.

35 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED *(continued)*

Applicable for the Group's 2014 financial statements *(continued)*

The Group has re-evaluated its involvement with investees under the new control model. As a consequence, the Group would change its control conclusion in respect of its investment in CapitaMalls Malaysia Trust, which was previously accounted for as an associate using the equity method.

This standard will be applied retrospectively and prior periods in the Group's 2014 financial statements will be restated. Based on FY2013 financial information, the estimated effect of the application of FRS 110 is as follows:

	Group 2013 $'000
Increase in Revenue	112,720
Increase in Profit for the Year	58,381
Increase in Non-Controlling Interest (Income Statement)	58,381
Increase in Total Assets	949,393
Increase in Total Liabilities	402,609
Increase in Non-Controlling Interest (Statement of Financial Position)	546,784
Increase in Total Equity	546,784

There is no change in Profit Attributable to Owners of the Company, Equity Attributable to Owners of the Company and Return on Equity.

- FRS 111 *Joint Arrangements*, which establishes the principles for classification and accounting of joint arrangements. The adoption of this standard would require the Group to re-assess and classify its joint arrangements as either joint operations or joint ventures based on its rights and obligations arising from the joint arrangements. Under this standard, interests in joint ventures will be accounted for using the equity method whilst interests in joint operations will be accounted for using the applicable FRSs relating to the underlying assets, liabilities, revenue and expense items arising from the joint operations.

  As the Group is currently applying the equity method of accounting for its joint ventures, there will be no impact to the Group's financial statements when the Group adopts FRS 111 in 2014.

- FRS 112 *Disclosure of Interests in Other Entities*, which sets out the disclosures required to be made in respect of all forms of an entity's interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The adoption of this standard would result in more extensive disclosures being made in the Group's financial statements in respect of its interests in other entities.

  As FRS 112 is primarily a disclosure standard, there will be no financial impact on the results and financial position of the Group and the Company upon adoption of this standard by the Group in 2014.

APPENDIX 5 – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2014

The unaudited consolidated financial statements of the Group for the three months ended 31 March 2014 as set out in the subsequent pages of this Appendix 5 are in the same form as they were announced by the Company on the websites of the SGX-ST at www.sgx.com and HKSE at www.hkexnews.hk on [6 May 2014], and have not been altered to conform with the pagination of this Circular.

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CAPITAMALLS ASIA LIMITED

(Registration Number : 200413169H)
(Hong Kong Stock Code: 6813)
(Singapore Stock Code: JS8)

2014 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT

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1(a)(i) Income Statement

	Note	Group		
		1Q 2014 S$'000	1Q 2013 S$'000 (Restated)[1]	Change %
Revenue	**A**	**125,003**	**119,313**	**4.8**
Cost of Sales	**B**	(45,107)	(40,078)	12.5
Gross Profit		79,896	79,235	0.8
Other Operating Income	**C**	9,707	16,544	(41.3)
Administrative Expenses	**D**	(35,839)	(32,028)	11.9
Other Operating Expenses		(2,800)	(2,007)	39.5
Finance Costs	**E**	(20,742)	(24,684)	(16.0)
Share of Results (net of tax) of:				
- Associates	**F**	35,945	30,304	18.6
- Jointly-Controlled Entities	**G**	31,294	21,530	45.4
		67,239	51,834	29.7
Profit before Taxation		97,461	88,894	9.6
Taxation	**H**	(10,731)	(4,954)	> 100
Profit for the Period		86,730	83,940	3.3
Attributable to:				
Owners of the Company ("PATMI")		**75,288**	**73,233**	**2.8**
Non-Controlling Interests ("NCI")		11,442	10,707	6.9
Profit for the Period		86,730	83,940	3.3
Earnings per share				
Basic earnings per share (cents)	**6**	1.9	1.9	2.7
Diluted earnings per share (cents)		1.9	1.9	2.7

[1] *As required by FRS 110 – Consolidated Financial Statements, 1Q 2013 results was restated with the consolidation of CapitaMalls Malaysia Trust's results (please refer to item 4). The Revenue, Profit for the Period and NCI for 1Q 2013 were restated to S$119.3 million, S$83.9 million and S$10.7 million from S$91.5 million, S$74.7 million and S$1.5 million respectively. Nonetheless, there was no impact to PATMI of the Group.*

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1(a)(ii) Explanatory Notes to Income Statement – 1Q 2014 vs 1Q 2013 (Restated)

(A) Revenue

The higher revenue in 1Q 2014 was mainly contributed by higher property income from Olinas Mall in Japan and operating malls in China, coupled with higher property management fees from Singapore which was mainly attributable to Bedok Mall and Westgate that began operations in December 2013. The increase was partially offset by lower leasing commission and project management fees from China.

(B) Cost of Sales

Cost of sales in 1Q 2014 was higher mainly due to higher staff related costs from management companies in China, as well as higher operating expenses incurred by operating malls which was in line with the increase in revenue.

(C) Other Operating Income

		Group		
		1Q 2014 S$'000	1Q 2013 S$'000 (Restated)	Change %
Other Operating Income		**9,707**	**16,544**	**(41.3)**
Interest income	(i)	9,159	9,410	(2.7)
Other income	(ii)	548	7,134	92.3

(i) The lower interest income in 1Q 2014 was mainly due to decrease in loans extended to associates as compared to 1Q 2013.

(ii) 1Q 2013 included portfolio gain of S$6.6 million relating to the transfer of two assets to CapitaMalls China Development Fund III ("CMCDF III").

(D) Administrative Expenses

	Group		
	1Q 2014 S$'000	1Q 2013 S$'000 (Restated)	Change %
Administrative Expenses	**(35,839)**	**(32,028)**	**11.9**
Included in Administrative Expenses:-			
Depreciation and amortization	(2,271)	(2,237)	1.5
(Allowance for) / reversal of doubtful receivables, net	(14)	520	N.M.

N.M.: Not meaningful

Administrative expenses comprised mainly staff and related costs, depreciation expenses, operating lease expenses and other administrative expenses.

Administrative expenses in 1Q 2014 were higher mainly due to increase in information technology ("IT") and staff related expenses.

(E) Finance Costs

The decrease in finance costs was primarily attributable to capitalisation of finance costs in properties under development, as well as the redemption of S$125.0 million 3-year bonds in January 2014.

1(a)(ii) Explanatory Notes to Income Statement – 1Q 2014 vs 1Q 2013 (Restated) (cont'd)

(F) Share of Results (net of tax) of Associates

		Group		
		1Q 2014 S$'000	1Q 2013 S$'000 (Restated)	Change %
Share of Results (net of tax) of Associates		**35,945**	**30,304**	**18.6**
Property income	(i)	73,592	59,958	22.7
Loss on disposal of an asset	(ii)	(1,877)	–	N.M.
Others	(iii)	(8,992)	(4,823)	86.4
Finance costs, taxation and NCI	(iv)	(26,778)	(24,831)	7.8

(i) Property income was higher in 1Q 2014 primarily due to better performances from operating malls.

(ii) The portfolio loss in 1Q 2014 was in relation to proportionate share of loss arising from the sale of Ito Yokado Eniwa ("IYE") in Japan by the Japan fund.

(iii) Others comprised mainly real estate investment trusts or property trusts' fund management fees, administrative expenses, foreign exchange gains or losses and interest income from deposit placements.

(iv) The increase in finance costs in 1Q 2014 was mainly due to recognition of finance costs for malls which commenced operations in 2013.

(G) Share of Results (net of tax) of Jointly-Controlled Entities ("JCE")

		Group		
		1Q 2014 S$'000	1Q 2013 S$'000	Change %
Share of Results (net of tax) of JCE		**31,294**	**21,530**	**45.4**
Property income	(i)	45,312	29,567	53.3
Residential profit *	(ii)	4,996	2,019	> 100
Others		820	377	> 100
Finance costs, taxation and NCI	(iii)	(19,834)	(10,433)	90.1

** Net of finance costs and taxation*

(i) Property income was higher in 1Q 2014 largely attributable to new contributions from Bedok Mall and Westgate which began operations in December 2013, better results from ION Orchard, and improved performances from properties held through JCE in China.

(ii) Residential profit in 1Q 2014 was in respect of profit recognition for units sold in Bedok Residences, while 1Q 2013 was in respect of profit from the sale of The Orchard Residences.

(iii) The higher finance costs in 1Q 2014 was mainly due to recognition of finance costs for Bedok Mall and Westgate which commenced operations in December 2013.

1(a)(ii) Explanatory Notes to Income Statement – 1Q 2014 vs 1Q 2013 (Restated) (cont'd)

(H) Taxation expense and adjustments for over/ under-provision of tax in respect of prior years

	Group		
	1Q 2014 S$'000	1Q 2013 S$'000	Change %
Taxation	**(10,731)**	**(4,954)**	**> 100**
Current tax	(10,547)	(4,604)	> 100
Deferred tax	(184)	(350)	(47.4)

Taxation is based on the statutory tax rates of the respective countries in which the companies operate in and takes into account non-deductible expenses and temporary differences.

The increase in current taxation was mainly due to higher taxation on CMT's higher distribution as compared to 1Q 2013, arising from the advanced distribution made prior to 1Q 2013 in connection with the new units issued by CMT under the private placement completed in November 2012; coupled with higher taxation as a result of higher profits from Singapore's entities in 1Q 2014.

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1(a)(iii) Statement of Comprehensive Income

	Group		
	1Q 2014 S$'000	**1Q 2013 S$'000 (Restated)**	**Change %**
Profit for the period	86,730	83,940	3.3
Other comprehensive income:			
Items that may be reclassified subsequently to income statement:			
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations[(1)]	18,201	26,869	(32.3)
Change in fair value of available-for-sale investments	5,365	5,189	3.4
Effective portion of change in fair value of cash flow hedges	129	(2,103)	N.M.
Share of other comprehensive income of associates and jointly-controlled entities [(1)]	21,175	13,739	54.1
	44,870	43,694	2.7
Total comprehensive income	131,600	127,634	3.1
Attributable to:			
Owners of the Company	**123,658**	**113,732**	8.7
Non-Controlling Interests	7,942	13,902	(42.9)
	131,600	127,634	3.1

[(1)] The movement in 1Q 2014 arose mainly from strengthening of Chinese Renminbi ("RMB") and United States Dollar ("USD") against Singapore Dollar ("SGD") by approximately 0.9% and 0.7% respectively, partially offset by weakening of Ringgit Malaysia ("RM") against SGD by approximately 0.8%.

The movement in 1Q 2013 arose mainly from strengthening of RMB and USD against SGD, by approximately 1.4% and 1.3% respectively, partially offset by weakening of Japanese Yen ("JPY") against SGD by approximately 10.8%.

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1(b)(i) Statement of Financial Position

	Group			Company		
	31/03/2014 S$'000	31/12/2013 S$'000 (Restated)	Change %	31/03/2014 S$'000	31/12/2013 S$'000	Change %
Non-Current Assets						
Plant and Equipment	20,095	20,207	(0.6)	6,607	6,659	(0.8)
Investment Properties	2,743,080	2,742,724	< 0.1	–	–	–
Properties Under Development	150,872	146,934	2.7	–	–	–
Subsidiaries [1]	–	–	–	4,153,186	3,925,526	5.8
Associates [2]	3,958,157	3,886,291	1.8	–	–	–
Jointly-Controlled Entities [3]	2,594,275	2,445,766	6.1	–	–	–
Other Investments	564,002	555,871	1.5	–	–	–
Other Assets	145,145	145,038	0.1	–	–	–
	10,175,626	**9,942,831**	**2.3**	**4,159,793**	**3,932,185**	**5.8**
Current Assets						
Trade and Other Receivables [4]	300,561	304,583	(1.3)	773,088	935,007	(17.3)
Cash and Cash Equivalents [5]	835,323	1,062,751	(21.4)	704	1,256	(43.9)
	1,135,884	**1,367,334**	**(16.9)**	**773,792**	**936,263**	**(17.4)**
Total Assets	**11,311,510**	**11,310,165**	**–**	**4,933,585**	**4,868,448**	**1.3**
Equity Attributable to Owners of the Company						
Share Capital	4,630,182	4,620,971	0.2	4,630,182	4,620,971	0.2
Revenue Reserves	2,599,586	2,519,125	3.2	197,700	129,662	52.5
Other Reserves [6]	61,389	23,672	> 100	24,070	31,961	(24.7)
	7,291,157	7,163,768	1.8	4,851,952	4,782,594	1.5
Non-Controlling Interests	640,089	651,719	(1.8)	–	–	–
Total Equity	**7,931,246**	**7,815,487**	**1.5**	**4,851,952**	**4,782,594**	**1.5**
Non-Current Liabilities						
Loans and Borrowings [7]	2,782,223	2,745,504	1.3	–	–	–
Deferred Tax Liabilities	97,171	96,524	0.7	178	178	–
Other Non-Current Liabilities	82,130	86,649	(5.2)	5,205	6,222	(16.3)
	2,961,524	**2,928,677**	**1.1**	**5,383**	**6,400**	**(15.9)**
Current Liabilities						
Trade and Other Payables	285,237	317,911	(10.3)	73,541	76,928	(4.4)
Loans and Borrowings [7]	68,029	193,114	(64.8)	–	–	–
Current Tax Payable	65,474	54,976	19.1	2,709	2,526	7.2
	418,740	**566,001**	**(26.0)**	**76,250**	**79,454**	**(4.0)**
Total Liabilities	**3,380,264**	**3,494,678**	**(3.3)**	**81,633**	**85,854**	**(4.9)**
Total Equity and Liabilities	**11,311,510**	**11,310,165**	**–**	**4,933,585**	**4,868,448**	**1.3**
Net Current Assets	**717,144**	**801,333**	**(10.5)**	**697,542**	**856,809**	**(18.6)**
Total Assets less Current Liabilities	**10,892,770**	**10,744,164**	**1.4**	**4,857,335**	**4,788,994**	**1.4**

(1) The increase was mainly due to additional shareholders' loans extended to subsidiaries for on-going investments.
(2) The increase was mainly due to capital contributions made to CMCDF III and CapitaMalls China Income Fund, as well as the share of profits for YTD Mar 2014.
(3) The increase was mainly due to capital contributions made to JCEs for on-going development projects in Suzhou and Singapore, as well as share of profits for YTD Mar 2014, partially offset by dividends received from a JCE.
(4) For Company, the decrease was mainly due to partial repayment of short-term loans by subsidiaries.
(5) The decrease was mainly due to redemption of S$125.0 million 3-year bonds in January 2014 and capital injection into on-going development projects.
(6) The increase was mainly due to translation of financial statements of foreign entities as a result of strengthening of RMB and USD against SGD.
(7) The decrease in total Loans and Borrowings (current and non-current) was mainly due to redemption of the 3-year bonds in January 2014.

1(b)(ii) Group's Bank Borrowings and Debt Securities (included in Financial Liabilities)

	Group	
	31/03/2014 S$'000	**31/12/2013 S$'000 (Restated)**
Amount repayable in one year or less, or on demand:-		
Secured	28,777	25,203
Unsecured	39,252	167,911
	68,029	193,114
Amount repayable after one year:-		
Secured	736,607	742,141
Unsecured	2,045,616	2,003,363
	2,782,223	2,745,504
Total Debt	**2,850,252**	**2,938,618**
Total Debt less Cash and Cash Equivalents	**2,014,929**	**1,875,867**

Details of any collateral

Secured borrowings were generally secured by the borrowing companies' investment properties and assignment of all rights and benefits with respect to the properties.

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1(c) Consolidated Statement of Cash Flows

	Group	
	1Q 2014 S$'000	1Q 2013 S$'000 (Restated)
Cash Flows from Operating Activities		
Profit After Taxation	**86,730**	**83,940**
Adjustments for :		
Depreciation of plant and equipment	2,271	2,237
Interest expense	20,742	24,684
Interest income	(9,159)	(9,410)
Share of results of associates and jointly-controlled entities, net of taxation	(67,239)	(51,834)
Taxation	10,731	4,954
Share-based payment expenses	4,122	540
Management fees received in units	(6,026)	(2,354)
	42,172	52,757
Changes in working capital :		
Trade and other receivables	5,372	20,717
Trade and other payables	(23,915)	(28,632)
Cash Generated from Operations	**23,629**	**44,842**
Income tax paid	(1,260)	(9,820)
Net Cash Flows Generated from Operating Activities	**22,369**	**35,022**
Cash Flows from Investing Activities		
Interest income received	2,112	1,611
Dividends received from associates and jointly-controlled entities	37,491	24,797
Proceeds from disposal of plant and equipment	8	1
Proceeds of loans and advances from associates and jointly-controlled entities	1,603	253,555
Investment in associates and jointly-controlled entities	(138,945)	(7,934)
Investment in available-for-sale investments	(1,138)	–
Advances to investee companies	(180)	(180)
Additions to investment properties and properties under development	(7,848)	(8,714)
Deposits and prepayments to acquire properties under development	(2,116)	(32,170)
Purchase of plant and equipment	(2,078)	(1,463)
Net Cash Flows (Used in) / Generated from Investing Activities	**(111,091)**	**229,503**

1(c) Consolidated Statement of Cash Flows (cont'd)

	Group	
	1Q 2014 S$'000	**1Q 2013 S$'000 (Restated)**
Cash Flows from Financing Activities		
Proceeds from bank borrowings	42,351	141,073
Repayment of bank borrowings	(9,676)	(153,291)
Repayment of debt securities	(125,000)	–
Dividends paid to non-controlling interests	(19,593)	(19,197)
Interest expense paid	(29,850)	(31,295)
Net Cash Flows Used in Financing Activities	**(141,768)**	**(62,710)**
Net (Decrease) / Increase in Cash and Cash Equivalents	**(230,490)**	**201,815**
Cash and cash equivalents at beginning of the period	1,062,751	739,047
Effect of exchange rate changes on cash balances held in foreign currencies	3,062	(8,077)
Cash and Cash Equivalents at End of the Period	**835,323**	**932,785**

Cash and Cash Equivalents at end of the period

The cash and cash equivalents of about S$835.3 million as at 31 March 2014 (31 March 2013: S$932.8 million) included S$217.9 million in fixed deposits (31 March 2013: S$147.3 million).

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1(d)(i) Statement of Changes in Equity

As at 31/03/2014 vs 31/03/2013 (Restated) – Group

	Share Capital S$'000	Revenue Reserve S$'000	Other Reserves* S$'000	**Total S$'000**	Non-Controlling Interest S$'000	**Total Equity S$'000**
Balance as at 01/01/2014, as previously reported	**4,620,971**	**2,519,125**	**23,672**	**7,163,768**	**104,934**	**7,268,702**
Effect of change in accounting policy[#]	–	–	–	**–**	546,785	**546,785**
Balance as at 01/01/2014, as restated	**4,620,971**	**2,519,125**	**23,672**	**7,163,768**	**651,719**	**7,815,487**
Total comprehensive income for 1Q 2014						
Profit for the period	–	75,288	–	**75,288**	11,442	**86,730**
Other comprehensive income						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	21,701	**21,701**	(3,500)	**18,201**
Change in fair value of available-for-sale investments	–	–	5,365	**5,365**	–	**5,365**
Effective portion of change in fair value of cash flow hedges	–	–	129	**129**	–	**129**
Share of other comprehensive income of associates and jointly-controlled entities	–	–	21,175	**21,175**	–	**21,175**
Total other comprehensive income, net of income tax	–	–	48,370	**48,370**	(3,500)	**44,870**
Total comprehensive income	**–**	**75,288**	**48,370**	**123,658**	**7,942**	**131,600**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of shares	9,211	–	(9,211)	–	**–**	–
Share-based payments	–	–	3,560	**3,560**	21	**3,581**
Dividends paid to non-controlling interests	–	–	–	–	(19,593)	**(19,593)**
Total contributions by and distributions to owners	9,211	–	(5,651)	**3,560**	(19,572)	**(16,012)**
Share of associate's movement in capital reserve	–	–	171	**171**	–	**171**
Total transactions with owners	**9,211**	–	**(5,480)**	**3,731**	**(19,572)**	**(15,841)**
Transfer between reserves	–	5,173	(5,173)	**–**	–	**–**
Balance as at 31/03/2014	**4,630,182**	**2,599,586**	**61,389**	**7,291,157**	**640,089**	**7,931,246**

[#] *Please refer to item 4.*
** Includes foreign currency translation reserve, capital reserves, fair value reserve, equity compensation reserve, hedging reserve and other reserves.*

1(d)(i) Statement of Changes in Equity (cont'd)

As at 31/03/2014 vs 31/03/2013 (Restated) – Group (cont'd)

	Share Capital S$'000	Revenue Reserve S$'000	Other Reserves* S$'000	**Total S$'000**	Non-Controlling Interest S$'000	**Total Equity S$'000**
Balance as at 01/01/2013, as previously reported	**4,612,590**	**2,050,446**	**(172,689)**	**6,490,347**	**247,614**	**6,737,961**
Effect of change in accounting policy[#]	–	–	–	–	543,272	**543,272**
Balance as at 01/01/2013, as restated	**4,612,590**	**2,050,446**	**(172,689)**	**6,490,347**	**790,886**	**7,281,233**
Total comprehensive income for 1Q 2013						
Profit for the period	–	73,233	–	**73,233**	10,707	**83,940**
Other comprehensive income						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	23,674	**23,674**	3,195	**26,869**
Change in fair value of available-for-sale investments	–	–	5,189	**5,189**	–	**5,189**
Effective portion of change in fair value of cash flow hedges	–	–	(2,103)	**(2,103)**	–	**(2,103)**
Share of other comprehensive income of associates and jointly-controlled entities	–	–	13,739	**13,739**	–	**13,739**
Total other comprehensive income, net of income tax	–	–	40,499	**40,499**	3,195	**43,694**
Total comprehensive income	**–**	**73,233**	**40,499**	**113,732**	**13,902**	**127,634**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of shares	8,044	–	(8,044)	**–**	–	**–**
Share-based payments	–	–	1,406	**1,406**	40	**1,446**
Dividends paid to non-controlling interests	–	–	–	**–**	(19,196)	**(19,196)**
Total contributions by and distributions to owners	**8,044**	–	**(6,638)**	**1,406**	**(19,156)**	**(17,750)**
Share of associate's movement in capital reserve	–	(3)	12	**9**	–	**9**
Total transactions with owners	**8,044**	**(3)**	**(6,626)**	**1,415**	**(19,156)**	**(17,741)**
Transfer between reserves	–	(56)	56	**–**	–	**–**
Balance as at 31/03/2013	**4,620,634**	**2,123,620**	**(138,760)**	**6,605,494**	**785,632**	**7,391,126**

[#] *Please refer to item 4.*
** Includes foreign currency translation reserve, capital reserves, fair value reserve, equity compensation reserve, hedging reserve and other reserves.*

1(d)(i) Statement of Changes in Equity (cont'd)

As at 31/03/2014 vs 31/03/2013 – Company

	Share Capital S$'000	Revenue Reserve S$'000	Other Reserves S$'000	**Total Equity S$'000**
Balance as at 01/01/2014	**4,620,971**	**129,662**	**31,961**	**4,782,594**
Total comprehensive income				
Profit for the period	–	63,706	–	**63,706**
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Issue of shares	9,211	–	(4,321)	**4,890**
Share-based payments	–	–	762	**762**
Total transactions with owners	**9,211**	**–**	**(3,559)**	**5,652**
Transfer between reserves	–	4,332	(4,332)	–
Balance as at 31/03/2014	**4,630,182**	**197,700**	**24,070**	**4,851,952**
Balance as at 01/01/2013	**4,612,590**	**137,160**	**34,650**	**4,784,400**
Total comprehensive income				
Profit for the period	–	117,637	**–**	**117,637**
Transactions with owners, recorded directly in equity				
Contributions by owners				
Issue of shares	8,044	–	(6,956)	**1,088**
Share-based payments	–	–	463	**463**
Total transactions with owners	**8,044**	**–**	**(6,493)**	**1,551**
Balance as at 31/03/2013	**4,620,634**	**254,797**	**28,157**	**4,903,588**

1(d)(ii) Changes in the Company's Issued Share Capital

Issued Share Capital

Movements in the Company's issued and fully paid-up share capital during the financial period were as follows:

	No. of Shares	**Capital S$'000**
As at 01/01/2014	3,892,493,217	4,620,971
Issue of shares under Share Plans	5,202,085	9,211
As at 31/03/2014	**3,897,695,302**	**4,630,182**

1(d)(ii) Changes in the Company's Issued Share Capital (cont'd)

Performance Shares

As at 31 March 2014, the number of shares awarded and outstanding under the Company's Performance Share Plan was 3,015,000 (31 March 2013: 2,870,700).

Under the Performance Share Plan, the final number of shares to be released will depend on the achievement of pre-determined targets over a three-year performance period. No shares will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be released. For awards granted prior to 2012, the maximum is 200% of the baseline award. From 2012, the maximum will be 175% of the baseline award.

Restricted Stock Plan

The number of shares comprised in contingent awards granted under the Company's Restricted Stock Plan are as follows :

	As at 31 March 2014			As at 31 March 2013		
	Equity-settled	Cash-settled	Total	Equity-settled	Cash-settled	Total
Final number of shares that has been determined but not released	6,004,712	1,185,486	7,190,198	6,170,862	1,507,676	7,678,538

Under the Restricted Stock Plan, the final number of the shares to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period. No shares will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award. The shares have a vesting period of three years. With effect from 2012, the cash-settled award plan for non-managerial employees has been replaced by a Restricted Cash Plan.

1(d)(iii) Treasury Shares

The Company did not hold any treasury shares as at 31 March 2014 and 31 March 2013. There were no sale, transfer, disposal, cancellation and/or use of treasury shares for the period ended 31 March 2014.

1(d)(iv) Purchase, sale or redemption of the Company's listed securities

During the period ended 31 March 2014, neither the Company nor its subsidiary had purchased, sold or redeemed any of the listed securities of the Company.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have been reviewed by our auditors, KPMG LLP.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter)

Please refer to Appendix II of this Announcement.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2013, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2014.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 January 2014 are:

(i) Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities;
(ii) FRS 110 Consolidated Financial Statements;
(iii) FRS 111 Joint Arrangements; and
(iv) FRS 112 Disclosures of Interests in Other Entities

4(a) Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 32 clarify the existing criteria for net presentation on the face of the statement of financial position. The adoption of the amendments is applied retrospectively and there is no significant financial impact on the Group's financial position from the adoption of amendment to FRS 32.

4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied (cont'd)**

4(b) **FRS 110 *Consolidated Financial Statements***

FRS 110 establishes a single control model as the basis for determining the entities that will be consolidated. It also requires management to exercise significant judgement to determine which investees are controlled, and therefore are required to be consolidated by the Group. The Group has re-evaluated its involvement with investees under the new control model and concluded that it is required under FRS 110 to consolidate CapitaMalls Malaysia Trust, which was previously accounted for as an associate using the equity method.

In accordance with FRS 110, this change in accounting policy was applied retrospectively. The material effects of this on the previously reported numbers for 2013, subject to year-end audit, are set out below:

Statement of Financial Position	**Group Increase / (Decrease)**	
(S$ million)	**2014**	**2013**
As at 1 January		
Non-Controlling Interests	546.8	543.3
Total Equity	546.8	543.3
As at 31 December		
Investment Properties		1,196.1
Associates		(308.9)
Other Assets		62.2
Total Assets		949.4
Loans and Borrowings		352.6
Other Liabilities		50.0
Total Liabilities		402.6
Net Assets		546.8

Income Statement	**Group Increase / (Decrease)**			
(S$ million)	**1Q 2013**	**2Q 2013**	**3Q 2013**	**4Q 2013**
Quarterly Impact				
Revenue	27.8	28.0	28.3	28.6
Earnings Before Interest and Tax	13.8	33.4	13.4	14.0
Share of Results (net of tax) of Associates	(5.2)	(16.5)	(5.3)	(5.9)
Profit for the Year	9.2	29.6	9.4	10.2
Non-Controlling Interests	9.2	29.6	9.4	10.2
Year-to-date Impact				
Revenue	27.8	55.8	84.1	112.7
Earnings Before Interest and Tax	13.8	47.2	60.6	74.6
Share of Results (net of tax) of Associates	(5.2)	(21.7)	(27.0)	(32.9)
Profit for the Year	9.2	38.8	48.2	58.4
Non-Controlling Interests	9.2	38.8	48.2	58.4

There is no change in Profit Attributable to Owners of the Company, Equity Attributable to Owners of the Company, Return on Equity, Basic Earnings per share and Diluted Earnings per share.

4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied (cont'd)**

4(c) **FRS 111 *Joint Arrangements***

FRS 111 establishes the principles for classification and accounting of joint arrangements. As the Group is currently applying the equity method of accounting for its joint ventures, there is no impact to the Group's profit or net assets.

4(d) **FRS 112 *Disclosure of Interests in Other Entities***

FRS 112 sets out the disclosures required to be made in respect of all forms of an entity's interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities.

As FRS 112 is primarily a disclosure standard, there is no financial impact on the results and financial position of the Group and the Company upon adoption of this standard.

4(e) **Statement of reconciliation to International Financial Reporting Standards**

The unaudited financial results of the Group and the Company have been prepared in accordance with FRS, which differs in certain aspects from International Financial Reporting Standards ("IFRS"). With respect to the Group's operations, there are no material differences between FRS and IFRS.

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

Please refer to Item 4 above.

6 **Earnings per ordinary share ("EPS") based on profit after tax & NCI attributable to the equity holders of the Company :**

		Group	
		1Q 2014	1Q 2013
6(a)	EPS based on weighted average number of ordinary shares in issue (in cents)	1.9	1.9
	Weighted average number of ordinary shares (in million)	3,894.3	3,889.3
6(b)	EPS based on fully diluted basis (in cents)	1.9	1.9
	Weighted average number of ordinary shares (in million)	3,906.3	3,900.8

7 **Net asset value and net tangible assets per ordinary share based on issued share capital (excluding treasury shares) as at the end of the period**

	Group		Company	
	31/03/2014	31/12/2013	31/03/2014	31/12/2013
NAV per ordinary share [(1)]	S$1.87	S$1.84	S$1.24	S$1.23
NTA per ordinary share [(1)]	S$1.87	S$1.84	S$1.24	S$1.23

[1] *Based on 3,897.7 million (31 December 2013 : 3,892.5 million) shares*.

8 Review of the Group's Performance

Group Key Financial Highlights

S$'000	1Q 2014	1Q 2013 (Restated)	Change %
Revenue Under Management	603,565	504,088	19.7
Revenue	125,003	119,313	4.8
Earnings before Interest and Tax ("EBIT")	118,203	113,578	4.1
Profit After Tax and Minority Interests ("PATMI")	75,288	73,233	2.8
Operating PATMI	77,165	66,658	15.8
Portfolio (Loss) / Gain	(1,877)	6,575	N.M.

1Q 2014 vs 1Q 2013

Revenue Under Management was 19.7% higher in 1Q 2014 mainly attributable to the commencement of operations at Bedok Mall and Westgate in December 2013, the opening of two malls under China funds in 2013, as well as improved rental revenue from operating malls.

Revenue was higher in 1Q 2014 by 4.8% as compared to 1Q 2013. This was mainly driven by higher property income of Olinas Mall in Japan and operating malls in China, coupled with higher property management fees from Singapore contributed by the opening of Bedok Mall and Westgate in December 2013, partially offset by lower leasing commission and project management fees from China.

EBIT and PATMI increased by 4.1% and 2.8% in 1Q 2014 to S$118.2 million and S$75.3 million respectively. Excluding portfolio gain or loss, the increase in EBIT and PATMI were largely due to better performances from China funds contributed by new malls that opened in 2013, new contributions from Bedok Mall and Westgate, profit recognition for units sold in Bedok Residences, share of higher rental revenue and lower finance costs of ION Orchard, improved property management fee business in Singapore, partially offset by lower contribution from management fee business in China.

The portfolio loss in 1Q 2014 was in relation to proportionate share of loss arising from sale of IYE mall in Japan. For 1Q 2013, the portfolio gain was attributable to the transfer of two assets to CMCDF III.

8 Review of the Group's Performance (cont'd)

Country Performance

Singapore

S$'000	1Q 2014	1Q 2013	Change %
Revenue	29,265	27,183	7.7
PATMI	67,111	57,777	16.2

Revenue for 1Q 2014 was higher mainly attributable to leasing commission and property management fees from Bedok Mall and Westgate which began operations in December 2013.

PATMI for Singapore increased to S$67.1 million largely due to new contributions from Bedok Mall and Westgate, profit recognition for units sold in Bedok Residences, share of higher rental revenue and lower finance costs of ION Orchard, as well as improved performance from property management fee business. The increase was partially offset by absence of profit from sale of The Orchard Residences in 1Q 2013.

China

S$'000	1Q 2014	1Q 2013	Change %
Revenue	40,036	39,509	1.3
PATMI	25,859	27,979	(7.6)

Revenue for 1Q 2014 was higher compared to 1Q 2013 mainly due to higher rental revenue from operating malls, higher fund and property management fees due to higher property income from operating malls and two malls that commenced operations in 2013, partially offset by lower leasing commission and project management fees.

China's PATMI for 1Q 2014 was lower mainly due to absence of portfolio gain arising from the transfer of two assets to CMCDF III in 1Q 2013 and lower interest income from loans extended to associates. The decrease in PATMI was partially mitigated by better performances from China funds mainly contributed by two new malls that commenced operations in 2013, improved fund and property management fee business as a result of higher revenue as stated above.

Malaysia

S$'000	1Q 2014	1Q 2013 (Restated)	Change %
Revenue	39,230	38,108	2.9
PATMI	9,066	10,085	(10.1)

Revenue for 1Q 2014 was higher largely contributed by higher rental income from CMMT and Queensbay Mall.

Despite the higher revenue, the decrease in PATMI for 1Q 2014 was mainly due to the weakening of RM against SGD.

8 Review of the Group's Performance (cont'd)

Country Performance (cont'd)

Japan

S$'000	1Q 2014	1Q 2013	Change %
Revenue	15,202	13,277	14.5
PATMI	3,019	6,185	(51.2)

The higher revenue in 1Q 2014 was mainly attributable to higher property income from Olinas mall, partially offset by the weakening of JPY against SGD.

The decrease in PATMI for 1Q 2014 was mainly due to proportionate share of portfolio loss in relation to the sale of IYE. The decrease was also due to realisation of foreign currency translation loss upon upstream of dividends .

India

S$'000	1Q 2014	1Q 2013	Change %
Revenue	1,270	1,236	2.8
PATMI	(1,138)	(719)	58.3

Revenue for 1Q 2014 was comparable to the corresponding period last year.

The higher negative PATMI for 1Q 2014 was mainly due to share of higher losses from Horizon Realty Fund.

9 Variance from Prospect Statement

The current results are broadly in line with the prospect statement made in the fourth quarter 2013 financial results announcement.

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

Singapore

According to advance estimates by Ministry of Trade and Industry ("MTI"), the Singapore economy grew by 5.1% year-on-year in 1Q 2014. On a seasonally-adjusted quarter-on-quarter annualised basis, the economy grew by 0.1% moderating from the 6.1% expansion in the preceding quarter. MTI reported that the growth forecast for 2014 is maintained at between 2.0% and 4.0%.

The retail index (excluding motor vehicle sales) increased by 9.2% in January 2014 and decreased by 9.2% in February 2014, based on figures released by Singapore Department of Statistics.

10 Commentary on the significant trends and the competitive conditions of the industry in which the group operates in and any known factors or events that may affect the group in the next reporting period and the next 12 months (cont'd)

China

China's economy expanded 7.4% year-on-year in the first quarter of 2014. Retails sales grew 12.0% year-on-year for the first quarter to RMB 6.2 trillion, while Consumer Price Index rose 2.3% year-on-year.

The National Party Congress held in March 2014 further demonstrated China's commitment to growth stabilisation and social stability as the leaders set the 2014 GDP growth target at 7.5% for the third consecutive year. Inflation rate target is kept at 3.5%. The National Development and Reform Commission ("NDRC") under the Chinese State Council, maintains the forecast for total retail sales growth at 14.5%.

Malaysia

The Malaysian economy is expected to remain on a steady growth path, expanding by 4.5% - 5.5% (Source: Bank Negara Malaysia Annual Report 2013). The projection range was broadened to reflect heightened global uncertainties. The retail sales are estimated to grow by 6.0% this year (Source: Malaysia Retail Industry Report, March 2014).

Japan

The Bank of Japan (BOJ) projected that Japan's economy is expected to continue a moderate recovery as a trend, while it will be affected by the front-loaded increase and subsequent decline in demand prior to and after the consumption tax hike. BOJ maintain the projection of Japan's GDP growth for 2014 from 0.9% to 1.5% due to an increase in housing investment and resilient private consumption resulting from an overall improvement in the employment and income situation.

India

India's economy grew by 4.7% for the fourth quarter in 2013 (Source: Ministry of Statistics and Programme Implementation) and GDP expectations have now been revised to 4.7% for fiscal year 2013 (Source: Asia Pacific Consensus Forecasts). India's GDP is poised to accelerate to 5.5 % in fiscal year 2014 on the back of improved performance in industry and services and will inch up to 6% in 2015-16 as external demand improves due to the strength in advanced economies (Source: Asian Development Bank).

11 Dividend

11(a) Any dividend declared for the present financial period? No.

11(b) Any dividend declared for the previous corresponding period? No.

11(c) Date payable : Not applicable.

11(d) Books closing date : Not applicable.

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

Not applicable.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Segmental Information

14(a)(i) By Business – 1Q 2014 vs 1Q 2013 (Restated)

	Revenue			PATMI		
	1Q 2014 S$'000	1Q 2013 S$'000 (Restated)	Change %	1Q 2014 S$'000	1Q 2013 S$'000	Change %
Investment Business	73,906	69,087	7.0	88,012	87,042	1.1
Management Fee Business [1]	50,744	49,827	1.8	15,905	14,265	11.5
Others[2]	353	399	(11.5)	(28,629)	(28,074)	2.0
Total	**125,003**	**119,313**	**4.8**	**75,288**	**73,233**	**2.8**

Note : [1] Management fee business excludes intersegment revenue of S$21.2 million (1Q 2013: S$22.8 million)
[2] Includes revenue from headquarters.

14(a)(ii) PATMI By Business and Entities – 1Q 2014 vs 1Q 2013 (Restated)

	1Q 2014			1Q 2013 (Restated)		
	Company and subsidiaries S$'000	Associates S$'000	Jointly-Controlled Entities S$'000	Company and subsidiaries S$'000	Associates S$'000	Jointly-Controlled Entities S$'000
Investment Business	21,090	35,634	31,288	35,521	29,982	21,539
Management Fee Business	15,588	311	6	13,952	322	(9)
Others	(28,629)	–	–	(28,074)	–	–
Total	**8,049**	**35,945**	**31,294**	**21,399**	**30,304**	**21,530**

14 Segmental Information (cont'd)

14(a)(iii) By Country – 1Q 2014 vs 1Q 2013 (Restated)

	Revenue			PATMI		
	1Q 2014 S$'000	1Q 2013 S$'000 (Restated)	Change %	1Q 2014 S$'000	1Q 2013 S$'000	Change %
Singapore	29,265	27,183	7.7	67,111	57,777	16.2
China	40,036	39,509	1.3	25,859	27,979	(7.6)
Malaysia	39,230	38,108	2.9	9,066	10,085	(10.1)
Japan	15,202	13,277	14.5	3,019	6,185	(51.2)
India	1,270	1,236	2.8	(1,138)	(719)	58.3
Corporate and Others[(1)]	–	–	–	(28,629)	(28,074)	2.0
Total	**125,003**	**119,313**	**4.8**	**75,288**	**73,233**	**2.8**

Note : [(1)] Included the following:

	1Q 2014 S$ mil	*1Q 2013 S$ mil*	*Change %*
Treasury finance costs	*(13.6)*	*(16.8)*	*(19.0)*
HQ cost and corporate tax	*(15.0)*	*(11.3)*	*32.7*
Total	***(28.6)***	***(28.1)***	***1.8***

The lower treasury finance costs in 1Q 2014 was mainly attributable to capitalisation of finance costs in properties under development, as well as the redemption of the 3-year bonds in January 2014.

The higher headquarter ("HQ") cost and corporate tax in 1Q 2014 were mainly due to higher IT related expenses and higher provision for taxation.

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

Please refer to Item 8.

16 Breakdown of Group's revenue and profit before tax before non-controlling interests for first half year and second half year

Not applicable.

17 Breakdown of Total Annual Dividend (in dollar value) of the Company

Not applicable.

18 The Singapore Code on Take-overs and Mergers

On 14 April 2014, Credit Suisse (Singapore) Limited and Morgan Stanley Asia (Singapore) Pte. on behalf of Sound Investment Holdings Pte. Ltd., a wholly-owned subsidiary of CapitaLand Limited, announced a takeover offer for the Company (the "Offer"). The Offer remains open as at the date of this Announcement. As such, the Company is regarded to be in an "offer period" under the Singapore Code on Take-overs and Mergers ("Code"). In view of the Offer, this Announcement has been reported on in accordance with Rule 25 of the Singapore Code on Take-overs and Mergers with the following appendices :

- Appendix I - 1Q 2014 Financial Results slides
- Appendix II - Report dated 6 May 2014 from KPMG LLP, our auditors, on their review of the interim financial information in this Announcement
- Appendix III - Report dated 6 May 2014 from Deutsche Bank AG, Singapore Branch, the independent financial adviser to our Directors who are considered independent for the purpose of making a recommendation to our shareholders in respect of the Offer, on their review of the interim financial information in this Announcement
- Appendix IV - Summary valuation table for the 104 properties which the Company has interests in
- Appendix V - Consents

RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than Appendices II, III and IV of this Announcement) are fair and accurate and they confirm, after having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Announcement (other than Appendices II, III and IV of this Announcement) have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Announcement [1]. The Directors jointly and severally accept full responsibility accordingly.

[1] *Under the Code, announcements issued by a target company to its shareholders during an offer period must contain a statement by the directors of the target company to the effect that they have taken all reasonable care to ensure that the facts stated and all opinions expressed therein are fair and accurate and, where appropriate, no material facts have been omitted in the relevant announcement. Accordingly, strictly for purposes of compliance with the Code, the responsibility statement above has been included.*

19 Confirmation Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company (comprising the statements of financial position, consolidated income statement, statement of comprehensive income, statement of changes in equity and consolidated statement of cash flows, together with their accompanying notes) as at 31 March 2014 and the results of the business, changes in equity and cash flows of the Group for the three months ended on that date, to be false or misleading in any material respect.

On behalf of the Board

Lim Beng Chee
Chief Executive Officer

BY ORDER OF THE BOARD
Choo Wei-Pin
Company Secretary
6 May 2014

As at the date of this announcement, the board of directors of the Company comprises Mr Ng Kee Choe (Chairman and non-executive director), Mr Lim Beng Chee as the executive director; Mr Lim Ming Yan and Mr Lim Tse Ghow Olivier as non-executive directors; and Mr Sunil Tissa Amarasuriya, Tan Sri Amirsham A Aziz, Dr Loo Choon Yong, Mrs Arfat Pannir Selvam, Mr Bob Tan Beng Hai and Professor Tan Kong Yam as independent non-executive directors.

This announcement 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 CMA's current view of future events. This announcement is originally prepared in English and has been translated for publication in both English and Chinese versions. Where any inconsistency or conflict exists between the two versions, the English version shall prevail.

CapitaMalls Asia Limited

1Q 2014 Financial Results

6 May 2014

Summary

- **Financial Performance**

	1Q 2014
Operating PATMI	S$77.2 million (+15.8% from 1Q 2013)
Total PATMI[1]	S$75.3 million (+2.8% from 1Q 2013)
EPS	1.9 Singapore cents

- **Operational Performance in Key Markets for 1Q 2014**

	Singapore	China
Tenants' sales[2]	-3.1% per square metre	+16.3% total tenants' sales
		+11.0% per square metre
Shopper traffic[2,3]	-2.8%	+8.1%
Same mall NPI[2]	+4.8%	+24.2%

Note:
1. Total PATMI for 1Q 2014 includes: Operating PATMI of S$77.2 million and Portfolio Loss of S$1.9 million.
2. Compared against 1Q 2013.
3. We have included in this document certain statistical data relating to shopper traffic at our malls. Such data is based on the information generated by the various systems and apparatus we have in place at our malls to monitor, measure, collect and analyse data on shopper traffic. The systems and apparatus adopted at our shopping malls and the technology and methodology employed at our shopping malls may differ for each shopping mall, and have technological limitations that may impede their sensory or viewing capabilities.

Shopper Traffic & Tenants' Sales

Malls opened before 1 January 2013	1Q 2014		1Q 2014 vs. 1Q 2013*	
	NPI Yield (%) on Valuation[1]	Committed Occupancy Rate (%)[2]	Shopper Traffic	Tenants' Sales (on a per square metre basis)
Singapore	**6.0**	**99.3**	**-2.8%**	**-3.1%**
China	**5.9**	**92.9**	**+8.1%**	**+11.0%** (excl. Tier 1 cities[4]: **10.9%**)
Malaysia	**7.2**	**97.8**	**+0.8%**	**-**
Japan	6.6	96.5	-11.4%	+2.4%
India	5.0	87.3[3]	+8.0%	-7.9%

Note: The above figures are on a 100% basis, with the NPI yield and occupancy of each mall taken in their entirety regardless of CMA's interest. This analysis takes into account all property components that were opened prior to 1 January 2013.

1. Average NPI yields based on valuations as at 31 December 2013.
2. Average committed occupancy rates as at 31 March 2014.
3. Excluding Serviced Apartment Component.
4. Refers to our operational malls in Beijing and Shanghai.

* Notes on Shopper Traffic and Tenants' Sales:
Singapore: Excludes Bugis Junction which is undergoing Asset Enhancement Investment ("AEI").
China: Excludes 2 malls which are undergoing AEI, 3 master-leased malls under CRCT, supermarkets and department stores where we do not have the relevant information.
Malaysia: We do not have the relevant information
Japan: Excludes master-leased malls where we do not have the relevant information.

Same-Mall NPI Performance (100% basis)

Country	Local Currency (million)	1Q 2014	1Q 2013	1Q 2014 vs 1Q 2013 (%)
Singapore	**SGD**	**205**	**196**	**+4.8**
China[1]	**RMB**	**767**	**617**	**+24.2**
Malaysia	**MYR**	**69**	**64**	**+8.0**
Japan[2]	JPY	775	778	-0.4
India	INR	51	51	-0.9

Note: The above figures are on a 100% basis, with the NPI of each mall taken in its entirety regardless of CMA's interest. This analysis compares the performance of the same set of property components opened prior to 1 January 2013.

1. Excludes CapitaMall Minzhongleyuan and CapitaMall Kunshan which are undergoing AEI. Excluding the same-mall NPI performance from malls owned through CRCT, NPI grew by 28.3%.
2. Excludes Ito-Yokado Eniwa, the divestment of which by CMA was completed in March 2014.

China: NPI Yields of Operational Malls

Year of Opening	Number of Malls	Cost (100% basis) (RMB million)	Effective Stake	NPI Yield on Cost (%) (100% basis)		Yield Improvement	Tenants' Sales (per square metre) Growth[1]
				1Q 2014	1Q 2013	1Q 2014 vs 1Q 2013	1Q 2014 vs 1Q 2013
2005	4	1,214	58.0%	**6.6**	**6.1**	**+9.0%**	**+0.7%**
2006[2]	8	2,992	43.8%	**11.5**	**10.5**	**+9.6%**	**+ 3.6%**
2007	2	1,830	29.1%	**11.1**	**10.0**	**+11.2%**	**+ 14.8%**
2008	5	2,954	32.4%	**8.6**	**7.7**	**+11.9%**	**+ 13.9%**
2009	8	3,933	26.6%	**9.9**	**8.2**	**+20.6%**	**+ 3.7%**
2010[3]	5	2,285	41.5%	**5.4**	**4.9**	**+10.3%**	**+ 18.3%**
2011	3	11,463	65.8%	**5.3**	**3.9**	**+34.8%**	**+ 12.9%**
2012	7	8,685	29.4%	**4.8**	**2.4**	**+100.0%**	**+25.6%**

1Q 2014	NPI Yield on Cost	Gross Yield on Cost
China Portfolio	**7.4%**	**11.9%**

Note: This analysis takes into account all property components that were opened before 1 January 2013 and after 1 January 2005, which is on a same-mall basis (100%).

1. Excludes supermarkets and department stores where we do not have the relevant information.
2. Excludes master-leased malls where we do not have the relevant information,
3. Excludes CapitaMall Kunshan which is undergoing AEI.

1Q 2014 Financial Results

(S$ million)	1Q 2014	1Q 2013 (Restated)[1]	1Q 2014 vs Restated 1Q 2013 %
Revenue under management	**603.6**	**504.1**	**19.7**
Revenue	**125.0**	**119.3**	**4.8**
PATMI	**75.3**	**73.2**	**2.8**
EPS	**1.9 cents**	**1.9 cents**	**2.7**
NTA per share	**S$1.87**	**S$1.70**	**10.0**

Note:

1. As required by FRS 110 – Consolidated Financial Statements, 1Q 2013 results have been restated consolidating CMMT's results. As a result of the consolidation, the revenue in the 1Q 2013 results has been restated to S$119.3 million from S$91.5 million for comparison with the 1Q 2014 results that show the effect of FRS 110. There is no impact to PATMI of the Group for 1Q 2013 and 1Q 2014 from FRS 110.

1Q 2014 Financial Results

(S$ million)	1Q 2014	1Q 2013	1Q 2014 vs 1Q 2013 %
Operating PATMI	77.2	66.7	15.8
Portfolio (Loss)/ Gains	-1.9*	6.5#	N.M.
Total PATMI	75.3	73.2	2.8

Note:
* Includes portfolio loss on proportionate share of loss arising from monetisation of Ito-Yokado Eniwa by the Japan fund.
# Portfolio gains were attributable to the transfer of two assets to CapitaMalls China Development Fund III.

N.M.: Not Meaningful

1Q 2014 vs 1Q 2013 (Restated)

- **Revenue Under Management was 19.7% higher in 1Q 2014 compared to 1Q 2013 (restated) mainly due to:**
  - (i) commencement of operations at Bedok Mall and Westgate in December 2013;
  - (ii) opening of two malls under China funds in 2013 (CapitaMall Meilicheng and CapitaMall Jinniu Phase II) and improved rental revenue from operating malls in China.
- **Revenue increased by 4.8% to S$125.0 million in 1Q 2014 compared to 1Q 2013 (restated) mainly due to :**
  - (i) higher property income of Olinas Mall in Japan and operating malls in China;
  - (ii) higher property management fees from Singapore contributed by the opening of Bedok Mall and Westgate in December 2013; which was partially offset by
  - (iii) lower leasing commission and project management fees from China.
- **The Group's 1Q 2014 PATMI was S$75.3 million, a 2.8% increase as compared to 1Q 2013. This was largely contributed by :**
  - (i) better performance from operating malls in China;
  - (ii) share of higher rental revenue and lower finance costs of ION Orchard;
  - (iii) improved property management fee business in Singapore;
  - (iv) new contributions from Bedok Mall and Westgate;
  - (v) profit recognition for units sold in Bedok Residences[1] (as of 31 March 2014, 562 residential units out of 583 units have been sold, with total profit of S$34.5 million recognised from inception[2] to 31 March 2014 (based on 53.3% of work done); which was partially offset by
  - (vi) lower contribution from management fee business in China.

Notes:
1. There was no sale of units in The Orchard Residences in 1Q 2014. As at 31 March 2014, 165 units out of 175 units have been sold.
2. From the first year of profit recognition from the sale of units.

1Q 2014 PATMI Contribution

(S$ million)		1Q 2014 Contribution by Country					
		Singapore	China	Malaysia	Japan	India	Total
Subsidiaries	Property Income – Operating Malls	4	7	25	9	0	45
	Management Fee Business	15	5	0	(1)	1	20
	Others	2	1	(1)	(3)	0	(1)
	Country Finance Cost, Tax and NCI	(4)	(7)	(15)	(1)	0	(27)
	Subsidiaries' Contribution	**17**	**6**	**9**	**4**	**1**	**37**
Associates & Jointly-Controlled Entities	Property Income – Operating/Newly Opened Malls[1]	69	50	0	1	0	120
	Property Income – Properties Under Development	0	(1)	0	0	0	(1)
	Residential Profits[2]	5	0	0	0	0	5
	Portfolio Loss[2]	0	0	0	(2)	0	(2)
	Others	(2)	(4)	0	0	(2)	(8)
	Country Finance Cost, Tax and NCI	(22)	(25)	0	0	0	(47)
	Assoc & JCE's Contribution	**50**	**20**	**0**	**(1)**	**(2)**	**67**
	PATMI by country	**67**	**26**	**9**	**3**	**(1)**	**104**
	Operating PATMI by Country	**67**	**26**	**9**	**5**	**(1)**	**106**
	Total before Corporate & Treasury related Costs/Tax	**67**	**26**	**9**	**3**	**(1)**	**104**
	Corporate & Treasury related Costs/Tax[3]						(29)
	PATMI						**75**
	Operating PATMI						**77**

Note:
1. Newly opened malls include malls that are opened after 1 January 2014.
2. Net of taxes and NCI.
3. Includes corporate cost, treasury finance cost & corporate tax of S$13 million, S$14 million and S$2 million respectively.

Statement of Financial Position

(S$ million)	31 March 2014	31 December 2013 (Restated)[1]
Investment Properties	2,743	2,743
Properties Under Development	151	147
Jointly-Controlled Entities (JCEs)	2,594	2,446
Associates[2]	3,958	3,886
Cash & Cash Equivalents	835	1,063
Other Investments	564	556
Plant and equipment, Other Assets, Trade and Other Receivables	466	469
Total Assets	**11,311**	**11,310**
Other Liabilities	530	556
Loans and Borrowings	2,850	2,938
Non-Controlling Interests	640	652
Equity attributable to owners[3]	**7,291**	**7,164**

Note
1. As required by FRS 110 – Consolidated Financial Statements, the balance sheet as at 31 December 2013 was restated with consolidation of CMMT's results.
2. This includes CMT and CRCT with book value of S$1,641.8 million and S$319.9 million respectively as at 31 March 2014.
3. For information only : Included in Equity attributable to owners is CMMT's book value of S$302.4 million as at 31 March 2014.

Statement of Financial Position

1. The increase in Jointly-Controlled Entities ("JCEs") was mainly due to capital contributions made for on-going projects as well as share of profits for YTD March 2014, partially offset by dividends received from a JCE.
2. The increase in Associates was mainly due to capital contributions made to CapitaMalls China Development Fund III and CapitaMalls China Income Fund, as well as the share of profits for YTD March 2014.
3. The decrease in Cash and Cash Equivalents was mainly due to redemption of S$125.0 million 3-year bonds due 2014 in January 2014 and capital injection into on-going development projects.
4. The decrease in Loans and Borrowings was mainly due to redemption of the 3-year bonds in January 2014.

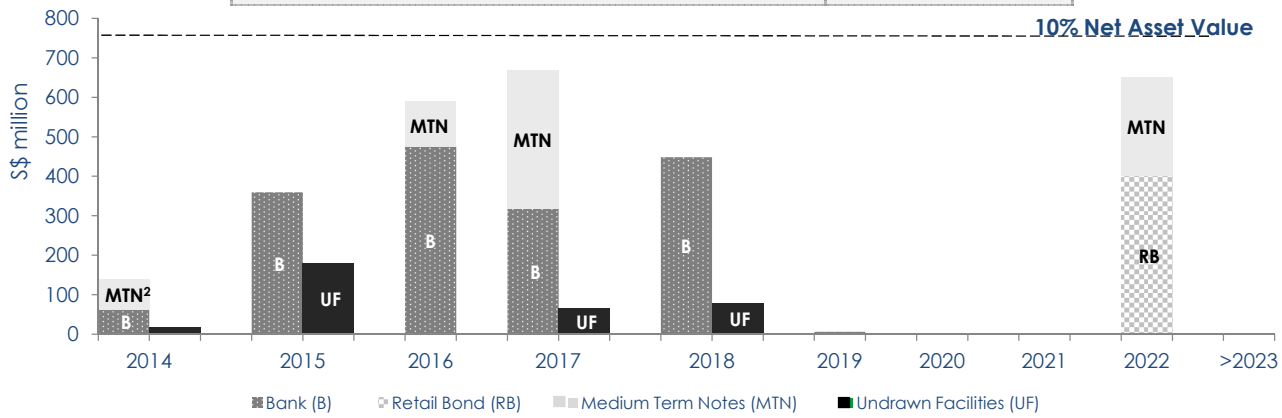
Balance Sheet & Liquidity Position

	31 March 2014	31 December 2013 (Restated)[1]
Equity (S$ million)	7,931	7,816
Cash (S$ million)	835	1,063
Net Debt/Equity	25%	24%
% Fixed Rate Debt	85%	87%[2]
Average Debt Maturity (Years)	4.0	4.1[2]
Off Balance Sheet		
Net Debt/Total Assets (Effective)[3]	36%	36%

Note:
1. As required by FRS 110 – Consolidated Financial Statements, FY 2013 Balance Sheet have been restated consolidating CMMT's results.
2. FY 2013 % Fixed Rate Debt before restatement: 89%; FY 2013 Ave rage Debt Maturity before restatement: 4.3 years.
3. On effective stake basis. Basis of calculation: (Total Gross Debt – Total Cash) / (Total Assets – Total Cash).

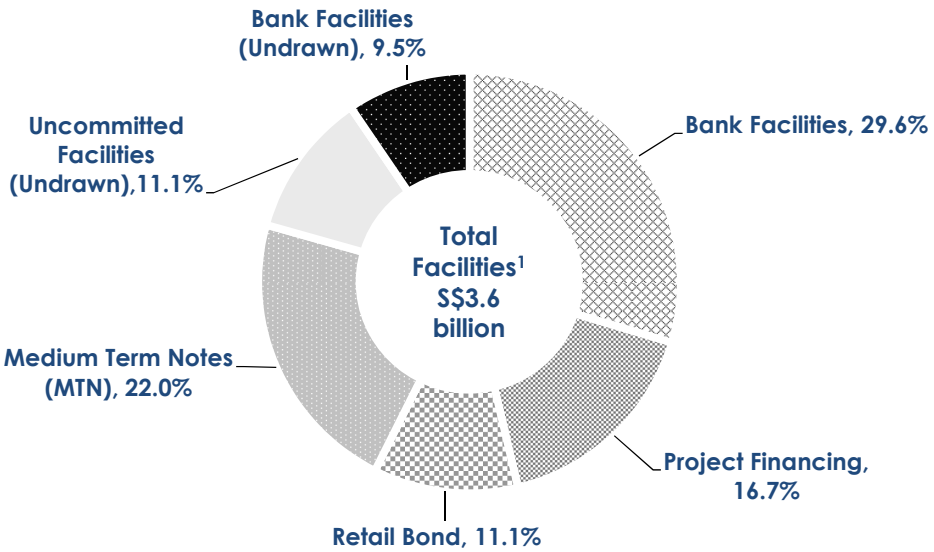
Group Debt Maturity Profile as at 31 March 2014 - on Consolidated Basis

Liquidity Summary	S$ million
Total Committed Financing Facilities Amounts Drawn	3,207 (2,864)
Undrawn Committed Facilities	343
Cash	835
Total Liquidity[1]	**1,178**



Note:
1. Only committed facilities, uncommitted facilities of S$402 million not included.
2. Completed refinancing on 1 April 2014

Sources of Funding



Note:
1. Total Facilities comprise committed and uncommitted facilities

Definitions

- **1Q 2014** : First quarter of 2014 or from 1 January to 31 March 2014
- **1Q 2013** : First quarter of 2013 or from 1 January to 31 March 2013
- **Bank ("B")** : Drawn loan facilities granted by lending banks
- **CMA** : CapitaMalls Asia Limited
- **CMT** : CapitaMall Trust
- **CMMT** : CapitaMalls Malaysia Trust
- **CRCT** : CapitaRetail China Trust
- **EPS** : Earnings per share
- **Group** : CapitaMalls Asia Limited and its subsidiaries
- **Medium Term Notes ("MTN")**:
  - RM200.0 million senior class notes due 2014 issued by our Malaysia subsidiary under its RM1.1 billion asset-backed Medium Term Note Programme
  - RM300.0 million notes due 2016 issued by CMMT under its RM3.0 billion Medium Term Note Programme
  - S$350.0 million and S$250.0 million notes due 2017 and 2022, respectively issued under CapitaMalls Asia Treasury Limited S$2.0 billion Guaranteed Euro Medium Term Note Programme
- **NPI** : Net Property Income
- **NTA per share** : Net tangible asset per share
- **NCI** : Non-Controlling Interests
- **PATMI** : Profit after Tax and Non-Controlling Interests
- **Retail Bond ("RB")** : S$400.0 million unsecured retail bond issued in 2012
- **Same mall NPI basis** : Calculations of NPI take into account all property components that were opened before 1 January 2013
- **Tenants' sales** : Sales generated by tenants who are operating in our shopping malls
- **Undrawn facilities ("UF")** : Undrawn loan facilities committed by lending banks

KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

Review of Interim Financial Information

The Board of Directors
CapitaMalls Asia Limited

Introduction

We have reviewed the accompanying interim financial information of CapitaMalls Asia Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statement of financial position of the Group as at 31 March 2014, the related income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the three-month period ended 31 March 2014 and certain explanatory notes, including financial information in Appendix 1 thereto, (the "Interim Financial Information"). Management is responsible for the preparation and presentation of this Interim Financial Information in accordance with Singapore Financial Reporting Standards ("FRS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with the Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with FRS 34 *Interim Financial Reporting*.

Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Company to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers. Our report is included in the Company's announcement of its Interim Financial Information for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusion we have reached in our report.

KPMG LLP
Public Accountants and
Chartered Accountants
Singapore
6 May 2014

KPMG LLP. (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A) and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Deutsche Bank



Deutsche Bank AG
Singapore Branch
Corporate Finance

One Raffles Quay
#16-00 South Tower
Singapore 048583

Tel. (65) 6423 8001
Fax (65) 6538 2629

6 May 2014

The Independent Board of Directors of CapitaMalls Asia
39 Robinson Road
#18-01 Robinson Point
Singapore 068911

Dear Sirs,

This letter has been prepared for inclusion in the Circular to Shareholders dated 9 May 2014 ("**Offeree Circular**") and issued by CapitaMalls Asia Limited (the "**Company**") in connection with the voluntary conditional cash offer ("**Offer**") by Credit Suisse (Singapore) Limited and Morgan Stanley Asia (Singapore) Pte., acting on behalf of Sound Investment Holdings Pte. Ltd. ("Offeror"), a wholly-owned subsidiary of CapitaLand Limited ("**CapitaLand**"), for all the remaining ordinary shares in the capital of the Company ("**Shares**") not owned, controlled or agreed to be acquired by CapitaLand.

On 6 May 2014, the Company announced its reviewed first quarter financial statements for the three months financial period ended 31 March 2014, which includes Appendix 1 thereto ("**Reviewed Interim Financial Results**"). The Interim Financial Results is solely the responsibility of the directors of the Company ("**Directors**").

We have examined the Company's review process and have held discussions with the management of the Company on the Reviewed Interim Financial Results. We have also considered the report dated 6 May 2014 addressed to the Independent Directors by the Company's auditors, KPMG LLP, in relation to its review of the Company's Interim Financial Results for the three months financial period ended 31 March 2014.

In rendering our opinion, we have relied on the accuracy and completeness of all information provided to, or discussed with us and have not verified the accuracy and completeness of such information for the purpose of rendering our opinion in this letter. Save as provided in this letter, we do not express any other opinion on the Interim Financial Results.

Based on the above, we are of the view that the Reviewed Interim Financial Results have been prepared by the Directors after due and careful enquiry.

This letter is addressed to the Directors for the sole purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose. We do not accept any responsibility to any other person (other than to the Directors) in respect of, arising from or in connection with this letter.

Sincerely yours,
Deutsche Bank AG, Singapore Branch

Charles Neo
Managing Director

Tan Boon Kee
Managing Director

Management Board: Jürgen Fitschen (Co-Chairman), Anshuman Jain (Co-Chairman), Stephan Leithner, Stuart Lewis, Stefan Krause, Rainer Neske, Henry Ritchotte
Deutsche Bank Aktiengesellschaft domiciled in Frankfurt am Main; HRB No 30 000, Frankfurt am Main, Local Court; VAT ID No DE114103379; www.db.com

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
1	**The Atrium@Orchard**	**SGD**	722	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
2	**Bedok Mall**	**SGD**	709	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
3	**Bugis Junction**	**SGD**	901	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
4	**Bugis+**	**SGD**	330	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
5	**Bukit Panjang Plaza**	**SGD**	274	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
6	**Clarke Quay**	**SGD**	347	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
7	**Funan DigitaLife Mall**	**SGD**	358	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
8	**IMM Building**	**SGD**	632	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
9	**ION Orchard**	**SGD**	3,012	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
	ION Orchard Link	**SGD**	30	31 December 2013	Capitalisation Approach and Direct Comparison Method	CBRE Pte. Ltd.

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
10	**Project Jewel**	**SGD**	11	31 March 2014	Management estimates based on cost incurred.	Nil
11	**JCube**	**SGD**	360	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
12	**Junction 8**	**SGD**	636	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
13	**Lot One Shoppers' Mall**	**SGD**	485	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
14	**Plaza Singapura**	**SGD**	1,168	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
15	**Raffles City Singapore**	**SGD**	3,018	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
16	**Rivervale Mall**	**SGD**	115	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
17	**Sembawang Shopping Centre**	**SGD**	96	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	Knight Frank Pte Ltd
18	**The Star Vista**	**SGD**	341	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
19	**Tampines Mall**	**SGD**	852	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
20	**Westgate**	**SGD**	1,054	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
21	**CapitaMall 1818**	**RMB**	452	31 March 2014	Management estimates based on costs incurred	Nil
22	**CapitaMall Aidemengdun**	**RMB**	430	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
23	**CapitaMall Anzhen**	**RMB**	949	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
24	**CapitaMall Beiguan**	**RMB**	259	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
25	**CapitaMall Chengnanyuan**	**RMB**	275	31 December 2013	Discounted Cash Flow Method and Income Capitalisation Method	Knight Frank Petty Limited
26	**CapitaMall Crystal**	**RMB**	1,990	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
27	**CapitaMall Cuiwei**	**RMB**	1,190	31 December 2013	Discounted Cash Flow Approach and Term and Reversion Approach	Colliers International (Hong Kong) Limited
28	**CapitaMall Deyang**	**RMB**	292	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
29	**CapitaMall Dongguan**	**RMB**	431	31 December 2013	Discounted Cash Flow Analysis and Income Capitalisation	Knight Frank Petty Limited

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
30	**CapitaMall Erqi**	**RMB**	590	31 December 2013	Discounted Cash Flow Approach and Term and Reversion Approach	Colliers International (Hong Kong) Limited
31	**CapitaMall Fucheng**	**RMB**	339	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
	CapitaMall Fucheng (Phase II)	**RMB**	245	31 December 2013	Residual Method, Direct Capitalisation Approach and Discounted Cash Flow	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
32	**CapitaMall Grand Canyon**	**RMB**	1,882	31 December 2013	Based on Management estimates of a recently acquired property.	Nil
33	**CapitaMall Guicheng**	**RMB**	555	31 December 2013	Discounted Cash Flow Analysis and Income Capitalisation	Knight Frank Petty Limited
34	**Mall in Gutian**	**RMB**	718	31 December 2013	Capitalisation Approach, Direct Comparison and Residual Cash Flow Analysis	CBRE Pte. Ltd.
35	**CapitaMall Hongqi**	**RMB**	255	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
36	**CapitaMall Jinniu**	**RMB**	606	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
	CapitaMall Jinniu (Phase II)	**RMB**	1,076	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
37	**CapitaMall Jinshui**	**RMB**	574	31 December 2013	Discounted Cash Flow Approach and Term and Reversion Approach	Colliers International (Hong Kong) Limited

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
38	**CapitaMall Jiulongpo**	**RMB**	299	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
39	**CapitaMall Kunshan**	**RMB**	256	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
40	**CapitaMall Maoming**	**RMB**	288	31 December 2013	Discounted Cash Flow Analysis and Income Capitalisation	Knight Frank Petty Limited
41	**CapitaMall Meilicheng**	**RMB**	743	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
42	**CapitaMall Minzhongleyuan**	**RMB**	504	31 December 2013	Discounted Cash Flow Approach	Colliers International (Hong Kong) Limited
43	**CapitaMall Nan'an**	**RMB**	251	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
44	**CapitaMall Peace Plaza**	**RMB**	2,113	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
45	**CapitaMall Qibao**	**RMB**	472	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
46	**CapitaMall Quanzhou**	**RMB**	256	31 December 2013	Discounted Cash Flow Analysis and Income Capitalisation	Knight Frank Petty Limited
47	**CapitaMall Rizhao**	**RMB**	547	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
48	**CapitaMall Saihan**	**RMB**	362	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
49	**CapitaMall Shapingba**	**RMB**	111	31 December 2013	Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
50	**CapitaMall Shawan**	**RMB**	341	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
51	**CapitaMall Shuangjing**	**RMB**	543	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
52	**CapitaMall SKY+**	**RMB**	221	31 March 2014	Management estimates based on costs incurred	Nil
53	**CapitaMall Taiyanggong**	**RMB**	1,847	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
54	**CapitaMall Taohualun**	**RMB**	221	31 December 2013	Discounted Cash Flow Analysis and Income Capitalisation	Knight Frank Petty Limited
55	**CapitaMall Tianfu**	**RMB**	2,221	31 December 2013	Capitalisation Approach, Direct Comparison Method and Residual Cash Flow Analysis	CBRE Pte. Ltd.
56	**CapitaMall TianjinOne**	**RMB**	690	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
57	**CapitaMall Wangjing**	**RMB**	1,900	31 December 2013	Discounted Cash Flow Approach and Term and Reversion Approach	Colliers International (Hong Kong) Limited

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
58	**CapitaMall Weifang**	**RMB**	287	31 December 2013	Discounted Cash Flow Approach and Term and Reversion Approach	Colliers International (Hong Kong) Limited
59	**CapitaMall Wuhu**	**RMB**	251	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
60	**CapitaMall Wusheng**	**RMB**	1,646	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
61	**CapitaMall Xindicheng**	**RMB**	1,624	31 December 2013	Residual Approach, Direct Capitalisation and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
62	**CapitaMall Xinduxin**	**RMB**	189	31 March 2014	Management estimates based on costs incurred	Nil
63	**CapitaMall Xizhimen**	**RMB**	2,600	31 December 2013	Discounted Cash Flow Approach and Term and Reversion Approach	Colliers International (Hong Kong) Limited
64	**CapitaMall Xuefu**	**RMB**	1,070	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
65	**CapitaMall Yangzhou**	**RMB**	343	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
66	**CapitaMall Yuhuating**	**RMB**	498	31 December 2013	Direct Capitalisation Approach and Discounted Cash Flow Method	DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.
67	**CapitaMall Zhangzhou**	**RMB**	308	31 December 2013	Discounted Cash Flow Analysis and Income Capitalisation	Knight Frank Petty Limited

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
68	**CapitaMall Zhanjiang**	**RMB**	342	31 December 2013	Discounted Cash Flow Analysis and Income Capitalisation	Knight Frank Petty Limited
69	**CapitaMall Zhaoqing**	**RMB**	324	31 December 2013	Discounted Cash Flow Analysis and Income Capitalisation	Knight Frank Petty Limited
70	**CapitaMall Zibo**	**RMB**	265	31 December 2013	Discounted Cash Flow Approach and Term and Reversion Approach	Colliers International (Hong Kong) Limited
71	**Hongkou Plaza**	**RMB**	7,080	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
72	**Luwan integrated development**	**RMB**	2,945	31 December 2013	Capitalisation Approach, Direct Comparison Method and Residual Cash Flow Analysis	CBRE Pte. Ltd.
73	**Minhang Plaza**	**RMB**	3,550	31 December 2013	Capitalisation Approach and Discounted Cash Flow Analysis	CBRE Pte. Ltd.
74	**Raffles City Beijing**	**RMB**	3,650	31 December 2013	Income Approach (Discounted Cash Flow and Direct Comparison)	CBRE Limited
75	**Raffles City Changning**	**RMB**	4,807	31 December 2013	Residual Approach and Direct Comparison Approach	CBRE Limited
76	**Raffles City Chengdu**	**RMB**	4,478	31 December 2013	Direct Comparison Approach, Discounted Cash Flow and Residual Approaches	CBRE Limited
77	**Raffles City Chongqing**	**RMB**	1,826	31 March 2014	Management estimates based on costs incurred	Nil

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
78	**Raffles City Hangzhou**	**RMB**	3,076	31 December 2013	Residual Approach	CBRE Limited
79	**Raffles City Ningbo**	**RMB**	2,068	31 December 2013	Direct Comparison and Discounted Cashflow	CBRE Limited
80	**Raffles City Shanghai**	**RMB**	6,760	31 December 2013	Direct Comparison and Discounted Cashflow	CBRE Limited
81	**CapitaMall Tiangongyuan**	**RMB**	483	31 March 2014	Management estimates based on costs incurred	Nil
82	**Suzhou integrated development**	**RMB**	2,120	31 December 2013	Capitalisation Approach, Direct Comparison and Residual Cash Flow Analysis	CBRE Pte. Ltd.
83	**East Coast Mall**	**MYR**	373	31 December 2013	Comparison Method and Income Capitalisation Method	PPC International Sdn Bhd
84	**Gurney Plaza**	**MYR**	1,240	31 December 2013	Income Approach (Investment Method) & Comparison Approach	CB Richard Ellis (Malaysia) Sdn Bhd
85	**Melawati Mall**	**MYR**	65	31 December 2013	Comparison Approach	CB Richard Ellis (Malaysia) Sdn Bhd
86	**The Mines**	**MYR**	629	31 December 2013	Comparison Method and Income Capitalisation Method	PPC International Sdn Bhd
87	**Queensbay Mall (approximately 91.8% of aggregate retail floor area and 100% of car park bays)**	**MYR**	795	31 December 2013	Comparison Method and Income Capitalisation Method	PPC International Sdn Bhd

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
88	**Sungei Wang Plaza (approximately 61.9% of aggregate retail floor area and 100% of car park bays)**	**MYR**	837	31 December 2013	Comparison Method and Income Capitalisation Method	PPC International Sdn Bhd
89	**Chitose Mall**	**JPY**	792	31 December 2013	Discounted Cash Flow	Land Coordinating Research Inc.
90	**Coop Kobe Nishinomiya-Higashi**	**JPY**	3,020	15 December 2013	Discounted Cash Flow and Direct Capitalisation	Tanizawa Sogo Appraisal Co., Ltd
91	**Izumiya Hirakata**	**JPY**	6,440	31 December 2013	Discounted Cash Flow and Direct Capitalisation	Tanizawa Sogo Appraisal Co., Ltd
92	**La Park Mizue**	**JPY**	6,630	15 December 2013	Discounted Cash Flow	DTZ Debenham Tie Leung Kabushiki Kaisha
93	**Narashino Shopping Centre**	**JPY**	2,660	31 December 2013	Discounted Cash Flow and Direct Capitalisation	Tanizawa Sogo Appraisal Co., Ltd
94	**Olinas Mall**	**JPY**	24,500	15 December 2013	Discounted Cash Flow and Direct Capitalisation	DTZ Debenham Tie Leung Kabushiki Kaisha
95	**Vivit Minami-Funabashi**	**JPY**	10,500	31 December 2013	Discounted Cash Flow and Direct Capitalisation	Cushman & Wakefield Kabushiki Kaisha
96	**The Celebration Mall Udaipur**	**INR**	1,834	31 December 2013	Income Approach	CBRE South Asia Pvt. Ltd.
97	**Forum Value Mall**	**INR**	3,708	31 December 2013	Discounted Cash Flow	CBRE South Asia Pvt. Ltd.

S/N	Property Name and details	Currency	Valuation (mil)	Valuation Date	Valuation Methodologies	Valuer
98	**Graphite India**	**INR**	1,264	31 December 2013	Direct Comparison Approach	CBRE South Asia Pvt. Ltd.
99	**Forum Sujana Mall**	**INR**	4,560	31 December 2013	Income Approach	CBRE South Asia Pvt. Ltd.
100	**Mall in Jalandhar**	**INR**	844	31 December 2013	Direct Comparison Approach	Jones Lang LaSalle Property Consultants (India) Private Limited
101	**Mall in Cochin**	**INR**	2,330	31 December 2013	Income Approach	CBRE South Asia Pvt. Ltd.
102	**Forum Fiza Mall**	**INR**	3,223	31 December 2013	Income Approach	CBRE South Asia Pvt. Ltd.
103	**Mall in Mysore**	**INR**	938	31 December 2013	Income Approach	CBRE South Asia Pvt. Ltd.
104	**Mall in Nagpur**	**INR**	956	31 December 2013	Direct Comparison Approach	Jones Lang LaSalle Property Consultants (India) Private Limited

Consents

1. Knight Frank Pte Ltd, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

2. CBRE Pte. Ltd., named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

3. DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd., named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

4. Knight Frank Petty Limited, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

5. Colliers International (Hong Kong) Limited, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

6. CBRE Limited, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

7. PPC International Sdn Bhd, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

8. CB Richard Ellis (Malaysia) Sdn Bhd, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

9. Land Coordinating Research Inc., named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

10. Tanizawa Sogo Appraisal Co., Ltd, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

11. DTZ Debenham Tie Leung Kabushiki Kaisha, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

12. Cushman & Wakefield Kabushiki Kaisha, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

13. CBRE South Asia Pvt. Ltd., named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

14. Jones Lang LaSalle Property Consultants (India) Private Limited, named as valuer herein, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of its name, the valuation date, the valuation methodology and the valuation quantum of the relevant properties set out against its name in Appendix IV hereof, in the form and context in which it appears herein and to act in such capacity in relation to this document.

15. KPMG LLP, named as the auditors herein, has given and has not withdrawn its written consent to the issue of this document, with the inclusion herein of its name and its report dated 6 May 2014 set out in Appendix II of this document, in the form and context in which they appear in this document.

16. Deutsche Bank AG, Singapore Branch, named as the independent financial adviser herein, has given and has not withdrawn its written consent to the issue of this document, with the inclusion herein of its name and its report dated 6 May 2014 set out in Appendix III of this document, in the form and context in which they appear in this document.

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APPENDIX 6 – EXTRACTS FROM THE COMPANY'S ARTICLES OF ASSOCIATION

The rights of Shareholders in respect of capital, voting and dividends as set out in the Articles are as follows:

1. Rights of Shareholders in respect of Capital

"**ISSUE OF SHARES**

3. Subject to the Statutes and the provisions of these Articles, no shares may be issued by the Directors without the prior approval of the Company by Ordinary Resolution but subject thereto and to Article 7, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of shares to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges, conditions or restrictions whether as regards dividend, return of capital, participation in surplus assets and profits, voting, conversion or otherwise, as the Directors may think fit. Preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, PROVIDED THAT:

   (a) (subject to any direction to the contrary that may be given by the Company in a General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 7(A) with such adaptations as are necessary shall apply;

   (b) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same and in the provisions of these Articles;

   (c) where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";

   (d) in the case of purchases of redeemable shares, purchases not made through the market or by tender shall, subject to the provisions of the Statutes, including the rules of any Securities Exchange on which the Company is listed, be limited to a maximum price and if purchases are by tender, tenders shall be available to all shareholders holding redeemable shares in the Company alike; and

   (e) no share shall be issued to bearers.

4. (A) Preference shares may be issued subject to such limitation thereof as may be prescribed by any Securities Exchange upon which shares in the Company are listed, PROVIDED THAT the total number of issued preference shares shall not exceed the total number of issued ordinary shares issued at any time. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six Months in arrear.

(B) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

(C) The Company may issue warrants or other rights and grant options to subscribe for any class of shares or securities of the Company with any rights or restrictions attached to them. Except as allowed by the Statutes, where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Directors shall think fit with regard to the issue of any such new warrant.

VARIATION OF RIGHTS

5. (A) Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the Statutes, be varied or abrogated either with the consent in writing of holders who represent at least three-quarters of the total voting rights of all the shares of that class or by a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting, all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the total voting rights of all the shares of that class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, PROVIDED THAT where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from holders who represent at least three-quarters of the total voting rights of all the shares of that class concerned within two Months of such General Meeting shall be as valid and effectual as a Special Resolution passed at such General Meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

(B) The repayment of preference capital other than redeemable preference capital, or any alteration of preference shareholders' rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned PROVIDED THAT where the necessary majority for such a Special Resolution is not obtained at the General Meeting, consent in writing if obtained from holders who represent at least three-quarters of the total voting rights of all the preference shares concerned within two Months of the General Meeting, shall be as valid and effectual as a Special Resolution carried at the General Meeting.

(C) The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.

ALTERATION OF SHARE CAPITAL

6. The Company in General Meeting may from time to time by Ordinary Resolution increase its capital by the allotment and issue of new shares.

7. (A) Subject to the bye-laws or listing rules of the Securities Exchange upon which shares in the Company are listed or to any direction to the contrary that may be given by the Company in a General Meeting, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article 7(A).

(B) Notwithstanding Article 7(A), the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:

(a) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and

(b) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

provided that:-

(1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Securities Exchange upon which shares in the Company are listed;

(2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the listing rules of the Securities Exchange upon which shares in the Company are listed for the time being in force (unless such compliance is waived by the Securities Exchange upon which shares in the Company are listed) and these Articles; and

(3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

(C) Except so far as otherwise provided by the conditions of issue or by the provisions of these Articles, all new shares shall be subject to the Statutes and the provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

8. The Company may by Ordinary Resolution:

   (a) consolidate and divide all or any of its shares;

   (b) cancel any shares which, at the date of the passing of the resolution, have been forfeited and diminish the amount of its capital by the number of shares so cancelled;

   (c) sub-divide its shares, or any of them in accordance with the Statutes and the bye-laws or listing rules of the Securities Exchange upon which shares in the Company are listed, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares; or

   (d) subject to the Statutes, convert any class of paid-up shares into any other class of paid-up shares.

9. (A) The Company may reduce its share capital or any reserve in any manner and with and subject to any incident authorised and consent required by law.

   (B) Subject to the Statutes and any applicable rules of the Securities Exchange (hereinafter, the "Relevant Laws"), the Company may purchase or otherwise acquire any of its issued shares (which expression as used in this Article includes redeemable shares) out of distributable profits of the Company or out of the proceeds of a fresh issues of shares made for the purposes of such purchase or acquisition on such terms and in such manner as the Company may from time to time think fit and in the manner prescribed by the Relevant Laws. If required by the Relevant Laws, any share which is so purchased or acquired by the Company, unless held as treasury shares in accordance with the Relevant Laws, shall be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share (including treasury shares) which is so purchased or acquired by it in accordance with the Relevant Laws.

10. Shares that the Company purchases or otherwise acquires may be held as treasury shares in accordance with the provisions of these Articles and the Act.

11. Where the shares purchased or otherwise acquired are held as treasury shares by the Company, the Company shall be entered in the Register of Members as the member holding the treasury shares.

12. The Company shall not exercise any right in respect of the treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

SHARES

13. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way (except by the Statutes or the provisions of these Articles) to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee, as the case may be) entered in the Register of Members as the registered holder thereof or (as the case may be) a person whose name is entered in the Depository Register in respect of that share.

14. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions (as regards dividend, return of capital, voting or otherwise) as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the Statutes, the Company may issue preference shares which are, or at the option of the Company, are liable to be redeemed.

15. Subject to the Statutes and the provisions of these Articles relating to authority, pre-emption rights and otherwise and of any resolution of the Company in a General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

16. The Company may exercise the powers of paying commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

17. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten Market Days of the closing date (or such other period as may be approved by the Securities Exchange upon which shares in the Company are listed) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

STOCK

48. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares.

49. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.

50. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by any number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

137. Subject to Article 3 and Article 7, the Directors may (A) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided) or (in the case of an Ordinary Resolution passed pursuant to Article 7(B)) such

other date as may be determined by the Directors, in proportion to their then holdings of shares; and/or (B) capitalise any sum standing to the credit of any of the Company's reserve accounts (including any undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided) or (in the case of an Ordinary Resolution passed pursuant to Article 7(B)) such other date as may be determined by the Directors, in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter into an agreement with the Company on behalf of all the members interested, providing for any such bonus issue and/or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

137A. In addition and without prejudice to the power to issue bonus shares and/or capitalise profits and other moneys provided for by Article 137, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full unissued shares on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit."

2. Rights of Shareholders in respect of Voting

"**PROCEEDINGS AT GENERAL MEETINGS**

57. The Chairman of the Board, failing whom the Deputy Chairman of the Board, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present and willing to act within fifteen minutes after the time appointed for holding the meeting, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.

58. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two or more members present in person or by proxy, PROVIDED THAT where (i) a proxy is representing more than one member such proxies shall count as only one member for the purpose of determining the quorum; and (ii) a member is represented by more than one proxy such proxies shall count as only one member for the purpose of determining the quorum.

59. If within thirty minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following

that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than ten days' notice appoint. At the adjourned meeting, any one or more members present in person or by proxy shall be a quorum.

60. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

61. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

62. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

63. At any General Meeting, a resolution put to the vote of the meeting shall be decided by poll..

64. A poll on any question or matter other than the election of the chairman of the meeting or the adjournment of the meeting may be withdrawn only with the approval of the meeting. A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

65. In the case of an equality of votes, the chairman of the meeting shall be entitled to a casting vote.

66. A poll on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

67. Each member who is a holder of ordinary shares in the capital of the Company shall be entitled to be present at any General Meeting. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 12, each member entitled to vote may vote in person or by proxy. Every member who is present in person or by proxy shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Register of Members or Depository Register as at forty-eight hours before the time of the relevant General Meeting as certified by the Depository or the Hong Kong share registrar (as the case may be) to the Company.

67A. Where any member is, under the rules prescribed by any Securities Exchange on which the Company may be listed, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any vote cast by or on behalf of such member in contravention of such requirement or restriction, except when such member is acting as proxy of another member and voting on that voting member's specific instruction, shall not be counted.

68. In the case of joint holders of a share, any one of such person may vote, and be reckoned in quorum at any General Meeting, either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto, but if more than one of such joint holders is so present at any meeting, then the person present whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share shall alone be entitled to vote in respect thereof.

69. Where in Singapore or elsewhere, a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

70. Any member shall be entitled to be present and to vote either personally or by proxy, at any General Meeting of the Company, in respect of any share or shares upon which all calls due to the Company have been paid, and shall be entitled to exercise any other right conferred by membership in relation to meetings of the Company. For the avoidance of doubt, no member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid.

71. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

72. Votes may be given personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

73. (A) A member may appoint more than one proxy to attend and vote at the same General Meeting, PROVIDED THAT if the member is a Depositor (other than in the case of a clearing house), the Company shall be entitled and bound:

(a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at forty-eight hours before the time of the relevant General Meeting as certified by the Depository or the Hong Kong share registrar (as the case may be) to the Company; and

(b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at forty-eight hours before the time of the relevant General Meeting as certified by the Depository or the Hong Kong share registrar (as the case may be) to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.

(B) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.

(C) In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

(D) A proxy need not be a member of the Company.

74. (A) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve (provided that this shall not preclude the use of the two-way form) and:

(a) in the case of an individual, shall be signed by the appointor or his attorney; and

(b) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

(B) The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Article 75, failing which the instrument may be treated as invalid.

75. An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the registered office of the Company) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates, PROVIDED THAT an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

76. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll on any question or matter other than the election of the chairman of the meeting or the adjournment of the meeting, to move any resolution or amendment thereto and to speak at the meeting.

77. A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made PROVIDED THAT no intimation in writing of such death, insanity or revocation shall have been received by the Company at the registered office of the Company at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

77A. Subject to these Articles and the Statutes, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

77B. Where that shareholder and/or warrantholder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any shareholders' meetings or any meetings of any class of shareholders and/or warrantholders provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of shares and/or warrants in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence for substantiating the fact that it is duly authorised and will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise if it were an individual shareholder and/or warrantholder of the Company."

3. Rights of Shareholders in respect of Dividends

"**DIVIDENDS**

125. The Company may by Ordinary Resolution declare dividends but no such dividends shall exceed the amount recommended by the Directors. No dividends may be paid, unless otherwise provided in the Statutes, to the Company in respect of treasury shares.

126. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

127. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide and except as otherwise permitted under the Statutes:

(a) all dividends in respect of shares must be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and

(b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which dividend is paid.

For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share.

128. No dividend shall be paid otherwise than out of profits available for distribution under the Statutes.

129. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

130. (A) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(B) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

(C) The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or moneys unclaimed after a period of six Years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture.

(D) A payment by the Company to the Depository or a clearing house (as the case may be) of any dividend or other moneys payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability in respect of that payment. If the Depository or a clearing house (as the case may be) returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six Years has elapsed from the date on which such other moneys are first payable.

131. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

132. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises with regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

133. (A) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

(a) the basis of any such allotment shall be determined by the Directors;

(b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article;

(c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded PROVIDED THAT the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and

(d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Article 137, the Directors shall (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

(B) (a) The ordinary shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

(b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Article, with full power to make such provisions as they think fit in the case of shares becoming distributable in fractions (including, notwithstanding any provision to the contrary in these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down or whereby the benefit of the fractional entitlements accrues to the Company rather than the members).

(C) The Directors may, on any occasion when they resolve as provided in paragraph (A) of this Article, determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of this Article shall be read and construed subject to such determination.

(D) The Directors may, on any occasion when they resolve as provided in paragraph (A) of this Article, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or Hong Kong (as the case may be) or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.

(E) Notwithstanding the foregoing provisions of this Article, if at any time after the Directors' resolution to apply the provisions of paragraph (A) of this Article in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefor, cancel the proposed application of paragraph (A) of this Article.

134. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a member or person entitled thereto (or, if two or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Notwithstanding the foregoing provisions of this Article and the provisions of Article 136, the payment by the Company to the Depository or a clearing house (as the case may be) of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository or a clearing house (as the case may be), discharge the Company from any liability to the Depositor in respect of that payment.

135. If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

136. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in a General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares."

APPENDIX 7 – VALUATION REPORTS REFERRED TO IN THE IFA LETTER

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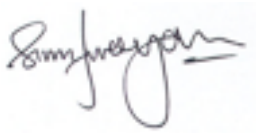
2 May 2014

VALUATION CERTIFICATE



Property:	ION Orchard 2 Orchard Turn Singapore 238801
Client:	Orchard Turn Retail Investment Pte Ltd
Purpose:	Corporate Reporting
Legal Description:	Town Subdivision 21 Lots 1272M and 80007X (Subterranean Lot). Leasehold tenure of 99 years from 13 March 2006. The balance lease term is about 90.86 years.
Basis of Valuation:	Market Value subject to existing tenancies and occupational arrangements.
Registered Owner:	Orchard Turn Retail Investment Pte Ltd
Land Area (sq ft):	200,744
Town Planning:	Commercial with a plot ratio of 5.6+
Brief Description:	The property is an integrated prime retail and luxury residential development. The retail component is known as ION Orchard whilst the residential component is known as The Orchard Residences. Temporary Occupation Permits were issued to ION Orchard and The Orchard Residences on 27 May 2009 and 6 October 2010 respectively. Certificate of Statutory Completion was issued to ION Orchard and The Orchard Residences on 27 October 2011. ION Orchard offers eight levels of shopping space comprising four levels above ground and four levels below. Reconfiguration of certain section within Basement Levels 2 to 4 and Levels 3 and 4 were undertaken in 2012 and 2013. There are 532 car parking lots provided on the 5th to 8th storeys. In this valuation exercise, we have been instructed to value only ION Orchard.
NLA (sq ft):	622,793
GFA (Retail only, sq ft):	944,289
Strata Floor Area (Retail only, sq ft):	1,008,513 with Accessory Lots area of 15,296
Valuation Approaches:	Capitalisation Approach & Discounted Cash Flow Analysis
Date of Valuation:	2 May 2014
Assessed Value:	**S$3,044,000,000** **(Three Billion Forty Four Million Dollars)** This valuation is exclusive of GST.
Assumptions,	*This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the valuation report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within the report. Reliance on the valuation report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.*
Prepared By:	**CBRE Pte. Ltd.**





Per: Li Hiaw Ho DipUrbVal (Auck) SNZPI FSISV
Appraiser's Licence, No. AD041-2445
Executive Director - Valuation & Advisory Services

Per: Sim Hwee Yan BSc (Est. Mgt) Hons FSISV
Appraiser's Licence, No. AD041-2004155J
Executive Director - Valuation & Advisory Services

2 May 2014

VALUATION CERTIFICATE



Property:	Westgate 3 Gateway Drive Singapore 608532
Client:	JG Trustee Pte. Ltd. (in its capacity as trustee of Infinity Mall Trust)
Purpose:	Corporate Reporting
Interest Valued:	Leasehold for a term of 99 years commencing from 29 August 2011. Balance term 96.33 years.
Basis of Valuation:	Market Value subject to existing tenancies and occupational arrangements within Westgate only.
Registered Owner:	JG Trustee Pte. Ltd. (in its capacity as Trustee of Infinity Mall Trust) and JG2 Trustee Pte. Ltd. (in its capacity as Trustee of Infinity Office Trust) as tenants in common in unequal shares of 7458/10000 and 2542/10000 respectively.
Land Area (sq ft):	195,463
Town Planning:	"White" (Commercial/Hotel/Residential use) with plot ratio of 4.9
Brief Description:	Westgate development is an integrated retail (known as Westgate) and office (known as Westgate Tower) development. As at date of valuation, Westgate development is partially completed; with Westgate opened for trading in early December 2013 and Westgate Tower is currently under construction. Westgate development comprises a 26-storey retail cum office building with 3 levels of basement. The retail spaces are located on B2 to 5th storey whilst the office space are located on the 6th to 25th storey (the 26th storey will house the M&E plant room). The 5th storey houses the Community and Sports Facilities Scheme space and a club house with swimming pool. Ample car parking are provided on Basement Levels 2 and 3. Westgate development is directly connected to the Jurong East MRT Interchange Station and the new Jurong East Bus Interchange at 1st storey and to the concourse level of the expanded Jurong East MRT Interchange Station at 2nd storey. In addition, Westgate development is also connected by elevated pedestrian walkways at 2nd storey to the Ng Teng Fong General Hospital and Jurong Community Hospital which will be due for completion in 2015 and the mixed retail/office development known as Jem, whose retail component was opened in June 2013.
Tenancy Profile:	Isetan (Singapore) Ltd, Food Republic, Courts, Fitness First Platinum, My First Skool and other specialty tenancies (including ATM tenancies).
NLA (sq ft):	410,075
GFA (Retail only, sq ft):	593,928 (including Community and Sports Facilities Scheme space and Green Mark Incentive GFA)
Valuation Approaches:	Capitalisation Approach & Discounted Cash Flow Analysis
Date of Valuation:	2 May 2014
Assessed Value:	**S$1,064,000,000** This valuation is exclusive of GST. **(One Billion Sixty Four Million Dollars)**
Assumptions,	*This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the valuation report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within the report. Reliance on the valuation report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.*
Prepared By:	**CBRE Pte. Ltd.**

Per: Li Hiaw Ho DipUrbVal (Auck) SNZPI FSISV
Appraiser's Licence, No. AD041-2445
Executive Director - Valuation & Advisory Services

Per: Sim Hwee Yan BSc (Est. Mgt) Hons FSISV
Appraiser's Licence, No. AD041-2004155J
Executive Director - Valuation & Advisory Services

2 May 2014

VALUATION CERTIFICATE



Property:	Bedok Mall 311 New Upper Changi Road Singapore 467360
Client:	Brilliance Trustee Pte. Ltd. (as trustee of Brilliance Mall Trust)
Purpose:	Corporate Reporting
Interest Valued:	Leasehold for a term of 99 years commencing from 21 November 2011. Balance term 96.56 years.
Basis of Valuation:	Market Value subject to existing tenancies and occupational arrangements.
Registered Owner:	Brilliance Residential (1) Pte. Ltd. and Brilliance Trustee Pte. Ltd. (in its capacity as trustee of Brilliance Mall Trust)
Land Area (sq ft):	268,045 and 2,271 sq ft of subterranean space
Town Planning:	Commercial & Residential with Plot Ratio of 3.5
Brief Description:	Bedok Mall is part of a mixed development comprising a retail and residential development integrated with a bus interchange. Bedok Mall, the retail component, comprises retail space on 1st and 2nd storey as well as two basement levels. The Basement Two retail space have direct link to the underground passageway leading to the Bedok MRT Station. The residential component known as Bedok Residences will upon completion comprise eight tower blocks with a total of 583 apartment units built above the retail block, bus interchange on Level 2 and car parking for the residential development on the 3rd and 4th storey. The development have a total of slightly over 800 car park lots, of which Bedok Mall has 265 lots, including hybrid, family and handicap lots. Temporary Occupation Permit was issued on 29 November 2013 and Bedok Mall started trading in early December 2013.
Tenancy Profile:	Fairprice Finest, Uniqlo, Best Denki, Canton Paradise, Popular and other specialty tenancies.
NLA (sq ft):	222,222
GFA (Retail only, sq ft):	335,573
Valuation Approaches:	Capitalisation Approach & Discounted Cash Flow Analysis
Date of Valuation:	2 May 2014
Assessed Value:	**S$717,000,000** **(Seven Hundred Seventeen Million Dollars)** This valuation is exclusive of GST.
Assumptions,	*This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the valuation report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within the report. Reliance on the valuation report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.*
Prepared By:	**CBRE Pte. Ltd.**

Per: Li Hiaw Ho DipUrbVal (Auck) SNZPI FSISV
Appraiser's Licence, No. AD041-2445
Executive Director - Valuation & Advisory Services

Per: Sim Hwee Yan BSc (Est. Mgt) Hons FSISV
Appraiser's Licence, No. AD041-2004155J
Executive Director - Valuation & Advisory Services

2 May 2014

VALUATION CERTIFICATE



Property:	The Star Vista 1 Vista Xchange Green Singapore 138617
Client:	One Trustee Pte Ltd (as trustee of One Trust)
Trust:	One Trust
Purpose:	Corporate Reporting
Interest Valued:	Leasehold for a term of 60 years commencing from 5 October 2007. Balance term 53.43 years.
Basis of Valuation:	Market Value subject to committed tenancies and occupational arrangements.
Registered Owner:	One Trustee Pte Ltd (as Trustee of One Trust)
Land Area (sq ft):	207,396
Town Planning:	White - For Commercial and Civic, Cultural & Institutional (C&CI) uses with a plot ratio of 3.2178
Brief Description:	The Star is an integrated Civic, Cultural, Retail and Entertainment Hub within one-north, located next to the Buona Vista MRT station. The development comprises 15 levels including 4 basement levels, of retail, civic and community and car parking space being built on a 1.93 hectares site. The development provides 810 car park lots (including 6 handicap lots) on Basement Levels 2 to 4. The development received TOP on 30 August 2012 and 25 October 2012 for the retail component and C&CI component respectively.
Tenancy Profile:	The retail component, known as The Star Vista, will be spread over 3 levels; Basement 1, 1st and 2nd storey. Major tenants include Cold Storage Singapore (1983) Pte Ltd, Courts (Singapore) Pte Ltd, Koufu Pte Ltd and other specialty tenancies (including ATM tenancies).
NLA (sq ft):	163,333
GFA (Retail only, sq ft):	258,334
Valuation Approaches:	Capitalisation Approach & Discounted Cash Flow Analysis
Date of Valuation:	2 May 2014
Assessed Value:	**S$335,000,000** **(Three Hundred Thirty Five Million Dollars)**

This valuation is exclusive of GST.

Assumptions,

This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the valuation report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within the report. Reliance on the valuation report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

Prepared By: **CBRE Pte. Ltd.**

Per: Li Hiaw Ho DipUrbVal (Auck) SNZPI FSISV
Appraiser's Licence, No. AD041-2445
Executive Director - Valuation & Advisory Services

Per: Sim Hwee Yan BSc (Est. Mgt) Hons FSISV
Appraiser's Licence, No. AD041-2004155J
Executive Director - Valuation & Advisory Services

VALUATION REPORT

Hongkou Plaza, Shanghai

Address of Property	:	No. 388 Xijiangwan Road, Hongkou District, Shanghai, The People's Republic of China
Purpose of Valuation	:	Corporate Reporting
Basis of Valuation	:	Market value has been adopted as basis of valuation. In addition, the valuation was implemented subject to existing tenancy particulars as of 31 March 2014 provided by CMA. (According to your specific term of instruction, we have assumed that the tenancies as of 31 March 2014 and that as of the date of valuation are the same.)
Land Use Right Term	:	Expiring on 29 September 2057 for office use; 29 September 2047 for commercial and hotel uses
Ownership	:	上海岳峰置业开发有限公司
Brief Description	:	Hongkou Plaza, Shanghai comprises two 32-storey office/retail towers with a retail podium of 6-storey with 3-level basement, erected on a site of approximately 28,696 sq m, completed in the 2012. The property also comprises 1,100 car-parking spaces. The total net rentable areas of the office and retail portion of the Property are approximately 49,882.80 sq m and 95,500.89 sq m respectively.
Tenancy Particulars	:	In accordance with the tenancy schedule provided by CMA (as at 31 March 2014), portion of the retail portion of the Property with a total rentable area of approximately 89,994.87 sq m is subject to various tenancies with the last tenancy expiring in December 2031, yielding a total monthly rental of approximately RMB25,648,881, exclusive of management fee. The remaining retail portion is currently vacant. For the office portion of the Property, a total rentable area of approximately 42,555.40 sq m is subject to various tenancies with the last tenancy expiring in November 2018, yielding a total monthly rental of approximately RMB5,886,358, exclusive of management fee. The remaining office portion is currently vacant.
Site Area	:	Approximately 28,696 sq m
Gross Floor Area	:	Approximately 277,702.00 sq m
Net Rentable Area	:	Approximately 95,500.89 sq m (Retail portion); 49,882.80 sq m (Office portion)
Year of Completion	:	2012
Land Use	:	Composite
Date of Valuation	:	2 May 2014
Valuation Approaches	:	Discounted Cash Flow Analysis and Income Capitalization Approach
Market Value	:	RMB7,262,000,000
Prepared By	:	Knight Frank Petty Limited

Clement W M Leung MCIREA MHKIS MRICS RPS (GP)
Executive Director
Head of China Valuation

VALUATION REPORT

Minhang Plaza, Shanghai

Address of Property	:	No. 6088 Humin Road, Minhang District, Shanghai, The People's Republic of China
Purpose of Valuation	:	Corporate Reporting
Basis of Valuation	:	Market value has been adopted as basis of valuation. In addition, the valuation was implemented subject to existing tenancy particulars as of 31 March 2014 provided by CMA. (According to your specific term of instruction, we have assumed that the tenancies as of 31 March 2014 and that as of the date of valuation are the same.)
Land Use Right Term	:	Expiring on 30 December 2053 for composite use
Ownership	:	上海碧峰房地产发展有限公司
Brief Description	:	Minhang Plaza, Shanghai comprises a 32-storey office tower and a 4-storey plus 2-level basement shopping mall, erected on a site of approximately 30,464 sq m, shopping mall and office opened in July 2011 and March 2012 respectively. The property also comprises 1,365 car-parking spaces. The total net rentable areas of the office and retail portion of the Property are approximately 51,167.33 sq m and 62,078.72 sq m respectively.
Tenancy Particulars	:	In accordance with the tenancy schedule provided by CMA (as at 31 March 2014), the retail portion of the Property with a total rentable area of approximately 59,088.91 sq m is subject to various tenancies with the last tenancy expiring in July 2031, yielding a total monthly rental of approximately RMB10,862,545, exclusive of management fee. The remaining retail portion is currently vacant. For the office portion of the Property, a total rentable area of approximately 43,272.91 sq m is subject to various tenancies with the last tenancy expiring in April 2020, yielding a total monthly rental of approximately RMB4,709,232, exclusive of management fee. The remaining office portion is currently vacant.
Site Area	:	Approximately 30,464 sq m
Gross Floor Area	:	Approximately 197,908.00 sq m
Net Rentable Area	:	Approximately 62,078.72 sq m (Retail portion) and 51,167.33 sq m (Office portion)
Year of Completion	:	2012
Land Use	:	Composite
Date of Valuation	:	2 May 2014
Valuation Approaches	:	Discounted Cash Flow Analysis and Income Capitalization Approach
Market Value	:	RMB3,687,000,000
Prepared By	:	Knight Frank Petty Limited

Clement W M Leung MCIREA MHKIS MRICS RPS (GP)
Executive Director
Head of China Valuation

Executive Summary

CapitaMall Peace Plaza, Dalian, No.695 Gao'erji Road, Shahekou District, Dalian, Liaoning Province, the People's Republic of China

Prepared for and Purpose	Prepared for Dalian KaiJin Infrastructure Management Co., Ltd. for corporate reporting purpose.
Certificate of Title	Building Ownership Certificates No. 20086000666, Nos. 2008601021-2008601051, No. 2008601077, 2008601073, 2008601078, 2008601076, 2008601075, 2008601072, and 2008601074 Certificate for State-owned Land Use Rights Reference No. (2009)03001
Registered Owner	大连凯锦商用设施经营管理有限公司
Brief Description	The Property is a retail complex named Peace Plaza comprising a 4-storey retail building above a single-storey basement, with a total gross floor area of approximately 166,232.40 sq.m , erected on a piece of land with a site area of approximately 48,417.60 sq.m.
Total Site Area	48,417.60 sq.m.
Gross Floor Area	166,232.40 sq.m.
Valuation Methodologies	Discounted Cash Flow Method Direct Capitalisation Approach
Date of Valuation	2 May 2014
Valuation	**Market Value:RMB2,157,000,000 (RENMINBI TWO BILLION ONE HUNDRED FIFTY SEVEN MILLION ONLY)**

We enclose herewith the valuation certificate.

Yours faithfully,
For and on behalf of
DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.



Nuo Xu
Associate Director
Valuation and Advisory Services
Member of the Royal Institute of Chartered Surveyors

Colliers International (Hong Kong) Ltd
Valuation & Advisory Services
Company Licence No: C-006052

Suite 5701 Central Plaza
18 Harbour Road Wanchai
Hong Kong

MAIN +852 2822 0525
FAX +852 2107 6017
EMAIL david.faulkner@colliers.com

MAIN +86 10 8518 1633
FAX +86 10 8518 1638
EMAIL flora.he@colliers.com

VALUATION CERTIFICATE



Our Reference	:	20854-1
Property	:	CapitaMall Crystal, Beijing No. 51 Fuxing Road, Haidian District, Beijing, PRC
Valuation Prepared for	:	北京凯德晶品房地产经营管理有限公司
Purpose of Valuation	:	For corporate reporting purpose
Land Area	:	13,895.25 sq m
Type of Property	:	Retail mall with car parking spaces
Brief Description	:	The Property, known as CapitaMall Crystal, Beijing, is a retail mall with five-storey aboveground and a three-storey basement for retail and car parking. The Property has a variety of tenants including boutique retailers, F&B, trendy fashion, skin care, and supporting retailers. The Property has been in operation since December 2011. The Property is located on the western side of Beijing between the west of the Third Ring Road and the west of the Fourth Ring Road, on the northern side of Fuxing Road, within the Gongzhufen retail area.
Tenancy Profile	:	Two anchor tenants – BHG Supermarket and Cinema, and various non-anchor tenants
Gross Floor Area	:	84,345.70 sq m
Lettable Floor Area	:	36,976.27 sq m
Registered Owner	:	北京凯德晶品房地产经营管理有限公司
Legal Description	:	Pursuant to the State-owned Land-use Rights Certificate No. Jing Hai Guo Yong (2013 Chu) Di 00257 Hao dated 19 November 2013, the land-use rights of the Property with a site area of 13,895.25 sq m, located at No. 51 Fuxing Road,Haidian District, Beijing, has been granted to 北京凯德晶品房地产经营管理有限公司. The lease term for retail use will expire on 9 January 2043 and for underground car parking use on 9 January 2053. Pursuant to nine Real Estate Ownership Certificates Nos. X Jing Fang Quan Zheng Hai Zi Di 320137, 337137, 320135, 334125, 336027, 347636, 354330, 320985 and 337387 Hao, the building ownership of the Property with a total gross floor area of 84,345.70 sq m is vested in 北京凯德晶品房地产经营管理有限公司 for retail and car parking uses.
Tenure	:	Retail use for 40 years expiring on 9 January 2043 Car parking use for 50 years expiring on 9 January 2053
Condition	:	At the time of inspection, the Property was in operation.
Permitted Uses	:	Retail and car parking
General Comments	:	China's GDP has been growing steadily. In 2013, it grew by 7.7%. According to the International Monetary Fund (IMF) World Economic Outlook, China is anticipated to grow at an average rate of 7.5% in 2014. In the past decade, there was a growing demand for real estate assets due to the country's urbanisation and increasing affluence of the nation's population. In Tier-1 cities, as infrastructure improves and the city further expands, complex properties draw attention because these assets are more adaptable and comprehensive to the market which enhances the presence of urbanisation in these cities. Tier-2 cities will also attract investors because these cities are undergoing an upgrade of the residential, commercial and retail structure. Hence, there will be more high-end properties available to these markets leading to an expected mid-to-long term stable growth.
Valuation Approaches	:	Discounted Cash Flow Method & Term and Reversion Method
Date of Valuation	:	2 May 2014
Valuation Basis	:	MARKET VALUE

RMB2,030,000,000
(RENMINBI TWO BILLION THIRTY MILLION ONLY)

Prepared By : **Colliers International (Hong Kong) Limited**

Zhirong He (Flora He)
MRICS MCOMFIN
Senior Director
Valuation and Advisory Services I China

David Faulkner
BSc(Hons) FRICS FHKIS RPS(GP) MAE
Executive Director
Valuation and Advisory Services I Asia

VALUATION REPORT

CapitaMall Taiyanggong, Beijing

Address of Property	:	No. 12 Taiyanggong Middle Road, Chaoyang District, Beijing, The People's Republic of China
Purpose of Valuation	:	Corporate Reporting
Basis of Valuation	:	Market value has been adopted as basis of valuation. In addition, the valuation was implemented subject to existing tenancy particulars as of 31 March 2014 provided by CMA. (According to your specific term of instruction, we have assumed that the tenancies as of 31 March 2014 and that as of the date of valuation are the same.)
Land Use Right Term	:	Expiring on 30 August 2044 for underground commercial and commercial use; 30 August 2054 for ancillary underground storage and underground car parking uses
Ownership	:	凯德嘉茂太阳宫房地产经营管理有限公司
Brief Description	:	CapitaMall Taiyanggong, Beijing comprises a shopping mall of 5-storey with 2-level basement, erected on a site of approximately 17,538.26 sq m, completed in the 2012. The property also comprises 1,000 car-parking spaces. The total gross floor area and net rentable area of the Property are approximately 97,261.00 sq m and 43,486.01 sq m respectively.
Tenancy Particulars	:	In accordance with the tenancy schedule provided by CMA (as at 31 March 2014), portion of the Property with a total rentable area of approximately 42,343.37 sq m is subject to various tenancies with the last tenancy expiring in July 2027, yielding a total monthly rental of approximately RMB9,148,762, exclusive of management fee. The remaining retail portion is currently vacant.
Site Area	:	Approximately 17,538.26 sq m
Gross Floor Area	:	Approximately 97,261.00 sq m
Net Rentable Area	:	Approximately 43,486.01 sq m
Year of Completion	:	2012
Land Use	:	Commercial, Underground Commercial, Ancillary Underground Storage and Ancillary Car Parknig
Date of Valuation	:	2 May 2014
Valuation Approaches	:	Discounted Cash Flow Analysis and Income Capitalization Approach
Market Value	:	RMB1,892,000,000
Prepared By	:	Knight Frank Petty Limited

Clement W M Leung MCIREA MHKIS MRICS RPS (GP)
Executive Director
Head of China Valuation

Executive Summary	
CapitaMall Jinniu, Chengdu, No. 183 Jiaoda Road, Jinniu District, Chengdu, Sichuan Province, the People's Republic of China	
Prepared for and Purpose	Prepared for CapitaMalls Chengdu Commercial Property Co., Ltd. for corporate reporting purpose.
Certificate of Title	Certificate for State-owned Land Use Rights Reference No. (2010) 962 5 Certificates of Real Estate Ownership No. CFQZJZ2363475, CFQZJZ2363478, CFQZJZ2363483, CFQZJZ2363484, CFQZJZ2363486
Registered Owner	凯德(成都)商用置业有限公司
Brief Description	The Property is a retail complex named CapitaMall Jinniu comprising a 4-storey retail building above a single-storey basement, with a total gross floor area of approximately 75,626.74 sq.m., erected on a piece of land with a site area of 27,440.09 sq.m.
Total Site Area	27,440.09 sq.m.
Gross Floor Area	75,626.74 sq.m.
Valuation Methodologies	Discounted Cash Flow Method Direct Capitalisation Approach
Date of Valuation	2 May 2014
Valuation	**Market Value:RMB619,000,000(RENMINBI SIX HUNDRED NINETEEN MILLION ONLY)**

We enclose herewith the valuation certificate.
Yours faithfully,
For and on behalf of
DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.

Nuo Xu
Associate Director
Valuation and Advisory Services
Member of the Royal Institute of Chartered Surveyors

Executive Summary

CapitaMall Jinniu, Chengdu (Phase II), No. 183 Jiaoda Road, Jinniu District, Chengdu, Sichuan Province, the People's Republic of China

Prepared for and Purpose	Prepared for CapitaMalls Chengdu Commercial Property Co., Ltd. for corporate reporting purpose.
Certificate of Title	Certificate for State-owned Land Use Rights CGY No. (2010)961 Contract for Grant of State-owned Land Use Rights 5101J (2004) No.46 Planning Permit for Construction Works No. 510106201130431 Permit for Commencement of Construction Works No. 510101201111100201
Registered Owner	凯德（成都）商用置业有限公司
Brief Description	The Property is a retail complex named CapitaMall Jinniu, Chengdu (Phase II) comprising a 5-storey retail building above a 2-storey basement, with a total gross floor area of approximately 136,949.27 sq.m erected on a piece of land with a site area of approximately 29,085.74 sq.m.
Total Site Area	29,085.74 sq.m.
Gross Floor Area	136,949.27 sq.m.
Valuation Methodologies	Discounted Cash Flow Method Direct Capitalisation Approach
Date of Valuation	2 May 2014
Valuation	**Market Value:RMB1,089,000,000(RENMINBI ONE BILLION EIGHTY NINE MILLION ONLY)**

We enclose herewith the valuation certificate.
Yours faithfully,
For and on behalf of
DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.



Nuo Xu
Associate Director
Valuation and Advisory Services
Member of the Royal Institute of Chartered Surveyors

Executive Summary

CapitaMall Wusheng, No. 242 Zhongshan Avenue, Qiaokou District, Wuhan, Hubei Province, the People's Republic of China

Prepared for and Purpose	Prepared for Wuhan GuangXinLian Real Estate Development Co., Ltd. for corporate reporting purpose.
Certificate of Title	Certificate for State-owned Land Use Rights No. WGY(2005)0955 Grant of State-owned Land Use Rights No. WCG-2004-041 and No. WH-2013-B125 Planning Permit for Construction Works No. WGJ(2009)109 Permits for Commencement of Construction Works Nos. 420104200810210051 4BJ4001 and 420104200810210051 4BJ4002
Registered Owner	武汉广信联置业有限公司
Brief Description	The Property is a complex development named CapitaMall Wusheng, comprising a 17-storey serviced apartment tower and a 7-storey retail podium plus a 3-storey basement, with a total gross floor area of approximately 134,562 sq m, erected on a land with a site area of approximately 16,880.29 sq m.
Total Site Area	16,880.29 sq.m.
Gross Floor Area	134,562 sq.m.
Valuation Methodologies	Discounted Cash Flow Method Direct Capitalisation Approach
Date of Valuation	2 May 2014
Valuation	**Market Value:RMB1,672,000,000 (RENMINBI ONE BILLION SIX HUNDRED SEVENTY TWO MILLION ONLY)**

We enclose herewith the valuation certificate.

Yours faithfully,
For and on behalf of
DTZ Debenham Tie Leung International Property Advisers (Shanghai) Co., Ltd.

Nuo Xu
Associate Director
Valuation and Advisory Services
Member of the Royal Institute of Chartered Surveyors

PPC INTERNATIONAL SDN BHD (405011-U)

Chartered Surveyors, Registered Valuers & Estate Agents, Project & Property Managers, Development Consultants

8th Floor, Campbell Complex,
98 Jalan Dang Wangi,
50100 Kuala Lumpur, Malaysia.
Tel : (603) 2692 3236 Fax : (603) 2692 6457
E-mail: admin@ppc.com.my Website: www.ppc.com.my

Directors

Sr KAMARUDZAMAN SAAD, AMK
B. Sc. (Hons) Land Mgt, MRICS, FRISM, APEPS, MMAPPM

Sr SIDSAPESAN SITTAMPALAM, (SIDERS)
B. Sc. (Est Mgt) U.K., MBA (Real Est) Sydney,
MRICS, FRISM, APEPS, MMAPPM

Sr THIRUSELVAM ARUMUGAM (THIRU)
B. Surv. (Hons) Property Mgt, FRISM, APEPS, MMAPPM

Sr MARK SAW KHAY LIANG, PJK
B. Sc. (Hons) (Est Mgt) U.K., Dip (Hons) (Rural Est Mgt),
MRICS, FRISM, APEPS, MMAPPM

Associate Directors

Sr NORAKMAL MOHD SALLEH @ ELIAS
B. Sc. (Hons) in Prop Mgt & Valuation, MRISM

Sr NAZEERUDDIN MOHD SARJID
B. (Hons) E.M., Dip E.M., MRICS, MRISM

VALUATION SUMMARY

Property (Address)	:	Queensbay Mall, 100, Persiaran Bayan Indah, 11900 Bayan Lepas, Pulau Pinang
Legal Description	:	5 strata parcels (Retail Spaces) situated on the First and Second Floors Together forming part of an eight (8) storey shopping complex with two (2) levels of basement known as "Queensbay Mall", held under Master Title Geran 97433, Lot No. 15736, Mukim 12, District of Barat Daya, State of Pulau Pinang.
Titular Land Area of Master Title	:	Approximately 55,100 square metres (593,091 square feet)
Tenure of Master Title	:	Freehold
Registered Proprietor of Parent Lot	:	CP Mall Sdn Bhd
Beneficial Owner, Strata Area (Based on Strata Titles) and Net Lettable Area	:	

Unit No.	Beneficial Owner of Strata Parcels	Net Lettable Area (Tenancy Schedule) (sq.ft) as at 31 October 2013	Net Lettable Area (Strata Title) (sq.ft)
1F-33	Milky Way Properties Sdn Bhd	437.00	430.56
2F-12	Scenic Growth Sdn Bhd	538.20	538.20
2F-16	Success Idea Sdn Bhd	527.43	527.43
2F-17	Success Idea Sdn Bhd	484.38	484.38
2F-21	Luxury Ace Sdn Bhd	360.00	365.97
	Total	**2,347.01**	**2,346.54**

Valuation Approach	:	Income Capitalisation Method
Market Value as at 2 May 2014	:	RM5,000,000.00 (Ringgit Malaysia: Five Million Only)

For and on behalf of
PPC INTERNATIONAL SDN. BHD.

PPC International Sdn Bhd V-292 & E-1031 Sidsapesan Sittampalam

Sr SIDSAPESAN SITTAMPALAM (Siders)
Managing Director
B. Sc. (Est. Mgt.) UK, MBA (Real Est.) Sydney
MRICS, FRISM, APEPS, MMIPPM
Registered Valuer (V-292)

Date: 2 May 2014

PPC INTERNATIONAL SDN BHD (405011-U)

Chartered Surveyors, Registered Valuers & Estate Agents, Project & Property Managers, Development Consultants

8th Floor, Campbell Complex,
98 Jalan Dang Wangi,
50100 Kuala Lumpur, Malaysia.
Tel : (603) 2692 3236 Fax : (603) 2692 6457
E-mail: admin@ppc.com.my Website: www.ppc.com.my

Directors

Sr KAMARUDZAMAN SAAD, AMK
B. Sc. (Hons) Land Mgt, MRICS, FRISM, APEPS, MMAPPM

Sr SIDSAPESAN SITTAMPALAM, (SIDERS)
B. Sc. (Est Mgt) U.K., MBA (Real Est) Sydney,
MRICS, FRISM, APEPS, MMAPPM

Sr THIRUSELVAM ARUMUGAM (THIRU)
B. Surv. (Hons) Property Mgt, FRISM, APEPS, MMAPPM

Sr MARK SAW KHAY LIANG, PJK
B. Sc. (Hons) (Est Mgt) U.K., Dip (Hons) (Rural Est Mgt),
MRICS, FRISM, APEPS, MMAPPM

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B. Sc. (Hons) in Prop Mgt & Valuation, MRISM

Sr NAZEERUDDIN MOHD SARJID
B. (Hons) E.M., Dip E.M., MRICS, MRISM

VALUATION SUMMARY

Property (Address)	:	Queensbay Mall, 100, Persiaran Bayan Indah, 11900 Bayan Lepas, Pulau Pinang
Legal Description	:	1. 432 strata retail lots together with 72 accessory parcels (retail spaces), situated on Lower Ground, Ground, First, Second and Third Floors, and 2. A parcel of strata retail lot with 162 accessories parcels (2,552 car parking bays) situated on Basement 1 & 2, Third, Fourth, Fifth, Sixth, Seventh & Eight Floors Together forming part of an eight (8) storey shopping complex with two (2) levels of basement known as "Queensbay Mall", Mukim 12, District of Barat Daya, State of Pulau Pinang.
Titular Land Area of Master Title	:	Approximately 55,100 square metres (593,091 square feet)
Tenure of Master Title	:	Freehold
Registered Proprietor of Parent Lot	:	CP Mall Sdn Bhd
Beneficial Owners of Strata and Accessory Parcels	:	Special Coral Sdn Bhd
Total Strata Area (Based on Strata Titles)	:	

DESCRIPTION	TOTAL STRATIFIED AREA	
	SQUARE METRES	SQUARE FEET
Retail Space	81,698.00	879,389.91
Accessory Parcels	4,212.00	45,337.59
Car Park	33,028.00	355,510.42
Total	**118,938.00**	**1,280,237.92**

Net Lettable Area	:	81,764.15 square metres (880,101.92 square feet) (as at 31 March 2014)
Occupancy Status	:	97.13% (as at 31 March 2014)
Valuation Approaches	:	Income Capitalisation Method and Comparison Method
Market Value as at 2 May 2014	:	RM810,000,000.00/- (Ringgit Malaysia: Eight Hundred And Ten Million Only)

For and on behalf of
PPC INTERNATIONAL SDN. BHD.

PPC International Sdn Bhd V-292 & E-1031 Sr Sidsapesan Sittampalam

Sr SIDSAPESAN SITTAMPALAM (Siders)
Managing Director
B. Sc. (Est. Mgt.) UK, MBA (Real Est.) Sydney
MRICS, FRISM, APEPS, MMIPPM
Registered Valuer (V-292)

Date: 2 May 2014

VALUATION SUMMARY

Property:	olinas mall / olinas core Nos. 2-1 and 6 other tracts, Taihei 4-chome, Sumida-ku, Tokyo-to
Client:	CapitaMalls Asia Limited
Purpose:	Corporate reporting purpose
Interest Valued:	Strata title (Building: Leased fee interest; Site: Divided interest)
Basis of Valuation:	Market Value subject to existing tenancies and occupational status
Registered Owner:	Sumitomo Mitsui Trust Bank, Limited (Trustee)
Land Area:	27,335.29 sq m (Entire building and its site) 5,475.11 sq m (Subject property)
Town Planning:	Commercial Area / BCR: 80% / FAR: 500% / 700% (Designated as a specified block) / Height Restriction Area (Minimum height: 7m) / Kinshi Park Neighborhood District Plan Taihei 4-chome Specified Block (2.7ha)
Brief Description:	The subject property is an 8-story commercial facility (olinas mall / olinas core) with 2-basement levels, sitting within a complex, olinas. This complex, which is comprised of commercial facilities, office buildings, and apartment buildings, is located to the northeast of Kinshicho Station on the Tokyo Metro Hanzomon Line.
NRA:	33,997.11 sq m
GFA:	257,842.41 sq m (Entire building and its site) 54,146.17sq m (Subject property)
Valuation Approaches:	Cost Approach Method / Income Approach Method (Direct Capitalization Method / Discounted Cash Flow Method)
Date of Site Inspection:	April 21, 2014
Date of Valuation:	May 2, 2014
Capitalization Rate:	5.5%
Discount Rate:	5.3%
Terminal Capitalization Rate:	5.6%
Appraised Value:	**JPY 25,300,000,000-**

Prepared by: DTZ Debenham Tie Leung K.K.

Y. Takebe

Yasuhiro Takebe
Appraiser's License, No. 7796
Supervision of Appraisers, Director

H. Honda

Hiroaki Honda
Appraiser's License, No.9442
All Valuation Process, Associate Director