

This Announcement does not constitute an offer to buy, or a solicitation of an offer to sell, any Convertible Bonds (as defined below) and no such offer, solicitation, purchase or sale shall be made in the United States or any jurisdiction in which such offer, solicitation, purchase or sale would be unlawful.

The distribution of the Tender Offer Memorandum (as defined below) in certain jurisdictions may be restricted by law. Bondholders and any other person into whose possession the Tender Offer Memorandum comes are required by the Company (as defined below), the Dealer Manager (as defined in the Tender Offer Memorandum) and the Tender Agent (as defined in the Tender Offer Memorandum) to inform themselves about, and to observe, any such restrictions.



ANNOUNCEMENT

INVITATION TO TENDER FOR CASH REPURCHASE OF S\$1,000,000,000 2.95 PER CENT. CONVERTIBLE BONDS DUE 2022 (ISIN: XS0303539786) – NOTICE OF SETTLEMENT

PRO FORMA FINANCIAL EFFECTS OF THE TRANSACTIONS

*Terms used in this Announcement but not otherwise defined shall have the meanings given to those terms in the tender offer memorandum dated 15 May 2015 (“**Tender Offer Memorandum**”) issued by the Company (as defined below) in connection with the Tender Offers (as defined below).*

CapitalLand Limited (the “**Company**”) refers to:

- (i) its announcements dated 14 May 2015 (the “**Tender Offer Announcements**”) in connection with its invitation to tender for repurchase for cash of its S\$1,200,000,000 2.875 per cent. convertible bonds due 2016 (the “**2.875 per cent. Bonds**”) (the “**2.875 per cent. Bonds Tender Offer**”), its S\$1,300,000,000 3.125 per cent. convertible bonds due 2018 (the “**3.125 per cent. Bonds**”) (the “**3.125 per cent. Bonds Tender Offer**”) and its S\$1,000,000,000 2.95 per cent. convertible bonds due 2022 (the “**2.95 per cent. Bonds**”) (the “**2.95 per cent. Bonds Tender Offer**”, and together with the 2.875 per cent. Bonds Tender Offer and the 3.125 per cent. Bonds Tender Offer, the “**Tender Offers**”);
- (ii) its announcements dated 10 June 2015 in connection with the redemption of the 2.875 per cent. Bonds and the 3.125 per cent. Bonds respectively at the option of the Company (the “**Redemption of the 2.875 per cent. Bonds and the 3.125 per cent. Bonds**”);
- (iii) its notice of expiration dated 16 June 2015 and its notice of results dated 18 June 2015 in connection with the 2.95 per cent. Bonds Tender Offer;
- (iv) the Tender Offer Memorandum in connection with the Tender Offers; and
- (v) its announcements dated 14 May 2015, 15 May 2015, 27 May 2015 and 8 June 2015 in connection with the issue of S\$650,000,000 in principal amount of 2.80 per cent. convertible bonds due 2025 (“**New 2.80 per cent. Bonds**”, and together with the 2.875 per cent. Bonds, the 3.125 per cent.

Bonds and the 2.95 per cent. Bonds, the **“Convertible Bonds”**) by the Company (the **“New 2.80 per cent. Bonds Issue”**).

(a) Notice of Settlement of the 2.95 per cent. Bonds Tender Offer

In relation to the 2.95 per cent. Bonds Tender Offer, the Company wishes to inform the holders of the 2.95 per cent. Bonds that:

- (1) settlement in respect of the 2.95 per cent. Bonds Tender Offer has occurred on 23 June 2015 (the **“Settlement Date”**);
- (2) pursuant to the 2.95 per cent. Bonds Tender Offer, the Company has repurchased in part the 2.95 per cent. Bonds in an aggregate principal amount of S\$313,750,000;
- (3) the aggregate cash consideration (excluding accrued but unpaid interest from, and including, the latest interest payment date in respect of the 2.95 per cent. Bonds up to, but not including, the Settlement Date (**“Accrued Interest for the 2.95 per cent. Bonds”**)) paid on the Settlement Date by the Company for the repurchase of the 2.95 per cent. Bonds which have been validly tendered and accepted for purchase by the Company (the **“Accepted 2.95 per cent. Bonds”**) was S\$317,671,875;
- (4) the aggregate amount of Accrued Interest for the 2.95 per cent. Bonds paid on the Settlement Date by the Company in respect of the Accepted 2.95 per cent. Bonds was S\$76,079;
- (5) the total consideration (including Accrued Interest for the 2.95 per cent. Bonds) paid on the Settlement Date by the Company for the repurchase of the Accepted 2.95 per cent. Bonds was S\$317,747,954;
- (6) the Accepted 2.95 per cent. Bonds were cancelled as of 23 June 2015; and
- (7) following cancellation of the Accepted 2.95 per cent. Bonds, the aggregate outstanding principal amount of the 2.95 per cent. Bonds is S\$686,250,000.

None of the Directors or the controlling shareholders of the Company have any interest, direct or indirect, in the 2.95 per cent. Bonds.

(b) Pro Forma Financial Effects of the Transactions

As a result of the Tender Offers, the Redemption of the 2.875 per cent. Bonds and the 3.125 per cent. Bonds and the New 2.80 per cent. Bonds Issue (collectively, the **“Transactions”**), the Company is expected to recognise a one-time gain of approximately S\$23 million for the financial year ending 31 December 2015. The Company also expects savings in its future interest expense as the New 2.80 per cent. Bonds were issued at an interest rate which is lower than that of the 2.875 per cent. Bonds, the 3.125 per cent. Bonds and the 2.95 per cent. Bonds that were repurchased by the Company. The effective interest rate¹ of the New 2.80 per cent. Bonds is 3.223 per cent. per

¹ The effective interest rate of each Convertible Bond is the aggregate of interest coupon, amortisation of the fair value of the conversion rights and transaction costs, and the accretion of the redemption premium, if any, over the principal amount of such Convertible Bond.

annum, which is lower than the effective interest rate of each of the 2.875 per cent. Bonds (being 5.668 per cent. per annum), the 3.125 per cent. Bonds (being 4.125 per cent. per annum) and the 2.95 per cent. Bonds (being 3.870 per cent. per annum). For illustration purposes only, based on the unaudited consolidated financial statements of the Company and its subsidiaries (the “**CapitaLand Group**”) for the three-month period ended 31 March 2015:

- (1) assuming that the Transactions were effected on 1 January 2015, the earnings per share for the CapitaLand Group for the financial period ended 31 March 2015 would have increased from 3.8 cents to 4.5 cents on a pro forma basis; and
- (2) assuming that the Transactions were effected on 31 March 2015, the financial impact on the net tangible assets per share of the CapitaLand Group would not be material.

By Order of the Board

Michelle Koh
Company Secretary
24 June 2015