



**CAPITALAND LIMITED**

Registration Number: 198900036N  
(Incorporated in the Republic of Singapore)

**ANNOUNCEMENT**

---

**ACQUISITION OF AN ADDITIONAL 60% INTEREST IN  
QSA GROUP PTY LTD**

---

CapitaLand Limited ("**CapitaLand**") wishes to announce that its wholly owned subsidiary, Ascott International Management (Australia) Pty Ltd ("**AIMA**") has entered into an agreement to acquire ordinary shares representing an additional 60% interest in QSA Group Pty Ltd ("**QSA**") from unrelated third parties ("**Sellers**") for a cash consideration of A\$193 million (approximately S\$203 million) ("**Consideration**") (the "**Acquisition**").

QSA group is primarily in the business of establishing and franchising serviced apartments through the Quest brand in the Australian domestic market.

The Acquisition is part of CapitaLand's ongoing business development and is in line with its strategy to propel growth in CapitaLand's serviced residence business in Australia through The Ascott Limited, a wholly owned subsidiary of CapitaLand.

The Acquisition is expected to be completed in the third quarter of 2017 ("**Completion**").

The Consideration was arrived at on a willing-buyer and willing-seller basis, taking into account, among other factors, (i) the financial performance of QSA group; (ii) the adjusted consolidated net asset value of QSA as at Completion ("**CNAV**"); and (iii) QSA group's expertise, track record, branding and market position in Australia. The Consideration will be subject to post-Completion adjustments in respect of a 60% share of the CNAV, which is presently estimated to be A\$13 million (approximately S\$13.7 million).

CapitaLand, through AIMA, presently owns a 20% interest in QSA. Upon Completion, CapitaLand's interest in QSA will increase to 80% and QSA will become an 80% owned subsidiary of CapitaLand. As part of the terms of the Acquisition, AIMA's stake in QSA may be increased further to 100% upon fulfilment of certain conditions.

The Acquisition is not expected to have any material impact on the net tangible assets or earnings per share of the CapitaLand Group for the financial year ending 31 December 2017.

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in the Acquisition.

By Order of the Board

Michelle Koh  
Company Secretary  
5 July 2017