



CAPITALAND LIMITED

Regn No.: 198900036N
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

ADJUSTMENT OF THE CONVERSION PRICE TO S\$4.6619 FOR S\$1,200,000,000 2.875 PER CENT. CONVERTIBLE BONDS DUE 2016

*Unless otherwise defined, capitalised terms used in this Announcement shall have the same meaning as defined in the terms and conditions of the Bonds (the “**Terms and Conditions**”).*

CapitaLand Limited (“**CapitaLand**”) refers to its S\$1,200,000,000 2.875 per cent. Convertible Bonds due 2016 (the “**Bonds**”). As at the date of this Announcement, the aggregate outstanding principal amount of the Bonds is S\$467,000,000. CapitaLand wishes to announce that the conversion price of the Bonds (the “**Conversion Price**”) will be adjusted to S\$4.6619 (the “**Adjusted Conversion Price**”) with effect from 16 May 2014.

The adjustment was made pursuant to the Terms and Conditions which provide for adjustments to be made to the Conversion Price in the event CapitaLand issues or distributes an Extraordinary Dividend in the form of cash. On 25 April 2014, CapitaLand had announced that shareholders at its Annual General Meeting held on the same day had approved the payment of a first and final 1-tier dividend of S\$0.08 per share (the “**Ordinary Dividend**”) for the year ended 31 December 2013.

In accordance with the Terms and Conditions, CapitaLand had appointed Standard Chartered Bank as the Independent Bank to determine the Adjusted Conversion Price. Shown below is a summary of the adjustment of the Conversion Price based on the formula in Condition 6.3.10 of the Terms and Conditions:

$$\text{Adjusted Conversion Price} = \text{Conversion Price} \times ((A-B) / A)$$

Where:

$$\begin{array}{ll} \text{Conversion Price} & = \text{S\$4.6836 per Share} \\ \text{(previously adjusted on 17} & \\ \text{May 2013)} & \end{array}$$

- A = S\$2.8078 being the Current Market Price of one Share on the last Trading Day preceding the date on which the Extraordinary Dividend is publicly announced
- B = S\$0.013 being the Extraordinary Dividend payable on one Share
- Extraordinary Dividend = [Ordinary Dividend – S\$0.067*] per Share
 = [S\$0.08 – S\$0.067] per Share
 = S\$0.013 per Share

** The amount per Share (by which the Total Current Dividend must exceed) for purposes of calculating the Extraordinary Dividend for a Dividend declared in respect of the financial year ended 31 December 2013, as specified in Condition 6.3.10 of the Terms and Conditions.*

The Adjusted Conversion Price is therefore S\$4.6619.

The adjustment of the Conversion Price will take effect on 16 May 2014, Singapore time, being the date on which the Ordinary Dividend is paid to shareholders whose names appear in CapitaLand's Register of Members as at 5.00 p.m. on 6 May 2014. A copy of this Announcement will be despatched to The Bank of New York Mellon, the Trustee, for distribution to the Bondholders.

By Order of the Board

Michelle Koh
 Company Secretary
 Singapore, 8 May 2014