



For immediate release

NEWS RELEASE

**CapitaLand divests 50.0% interest in CapitaGreen  
to CapitaLand Commercial Trust for S\$318.3 million**

*Move is in line with CapitaLand's capital recycling strategy*

**Singapore, 23 May 2016** – CapitaLand Limited is pleased to announce its proposed divestment of its 50.0% interest in units in MSO Trust, a special purpose sub-trust which holds CapitaGreen, a Grade A office tower. Currently, MSO Trust is jointly owned by CapitaLand Group (50.0% interest), CapitaLand Commercial Trust (CCT) (40.0% interest) and Mitsubishi Estate Asia Pte Ltd (MEA) (10.0% interest). CCT will exercise a call option to acquire the 50.0% interest from CapitaLand, which is subject to the approval of CCT's unitholders, as well as the 10.0% interest from MEA. This call option is part of a joint venture agreement signed in 2011 and is conditional on market valuation being equal to or above the hurdle price<sup>1</sup>. The proposed divestment is based on CapitaGreen's agreed market value of S\$1,600.5 million (S\$2,276 psf), which is the average of two independent valuations<sup>2</sup>.

CapitaLand's 50.0% of units in MSO Trust is divested for an estimated aggregate amount of approximately S\$318.3 million. This amount comprises S\$152.8 million of sale consideration<sup>3</sup> and S\$165.5 million of CapitaLand Group's proportionate share of the MSO Trust's existing unitholders' loans and its accrued interest.

Based on the latest market valuation determined by the two independent valuers<sup>2</sup>, CapitaLand will be realising a gain of approximately S\$196.0 million, comprising S\$8.5 million from the divestment as well as cumulative revaluation gain of approximately S\$187.5 million recognised between 2013 and 2015.

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<sup>1</sup> The hurdle price of S\$1,585.8 million is computed based on actual costs incurred since commencement of the development in 2011 less net income received and compounded at 6.3% p.a. Total development cost was reported to be S\$1.3 billion upon completion.

<sup>2</sup> As at 6 April 2015, CBRE – an independent property valuer appointed by CCT Management Limited, and Knight Frank – an independent property valuer appointed by the trustee of CCT, valued CapitaGreen at S\$1,599.0 million (S\$2,274 psf) and S\$1,602.0 million (S\$2,278 psf) respectively. These values take into account CapitaGreen's remaining 57-year leasehold land tenure.

<sup>3</sup> The sale consideration is determined by a computation set forth in accordance with the call option agreement.

Mr Lim Ming Yan, President and Group CEO of CapitaLand, said: “CapitaGreen is a world-class office asset which has garnered many accolades for its iconic sustainable design and construction innovations. It is a strong testament of CapitaLand’s leadership position in real estate investment, development, operations and asset management. The proposed divestment of CapitaLand’s 50.0% interest in CapitaGreen is part of our robust capital recycling strategy which enables us to realise development gains and enhance financial flexibility to redeploy capital to ventures that will generate returns for our shareholders.”

Completed in December 2014, CapitaGreen is a Grade A premium office tower developed on the site of the former Market Street Car Park. It is located in the heart of Singapore’s Central Business District (CBD) near the Raffles Place and Telok Ayer Mass Rapid Transit stations. With a net lettable area (NLA) of approximately 703,000 square feet (sq ft), CapitaGreen has generous, column-free, typical floor plates of 22,000 sq ft and raised floor-to-ceiling height of 3.2 metres. Designed by Pritzker Prize winner Toyo Ito, CapitaGreen has garnered many local and international awards for its environmentally sustainable and inclusive design.

As at 31 March 2016, CapitaGreen’s committed occupancy was 92.8% with a well-spread lease expiry profile. The property has no leases expiring prior to 2018 which avoids the period of large, new supply in the office market. Given its excellent location, modern Grade A specifications and unique architectural design, the building has attracted tenants comprising multi-national corporations across different industry sectors including insurance, technology, energy and commodities, as well as banking and financial services.

## Summary of CapitaGreen

<b>Location</b>	138 Market Street, Singapore 048946
<b>Description</b>	<p>CapitaGreen is a 40-storey Grade A office tower which occupies the site of the former Market Street Car Park. Standing at 242 metres, CapitaGreen offers approximately 703,000 sq ft of premium Grade A office space from levels 3 to 36, ancillary retail units on levels 1 and 2, a fitness centre on levels 38 and 39 and a restaurant on level 40.</p> <p>Located in Raffles Place, the heart of Singapore's CBD, the property offers ease of accessibility to transportation and amenities. It is within walking distance to the Raffles Place and Telok Ayer MRT stations and also in close proximity to the extended downtown at Marina Bay. Businesses located here will benefit from its strategic location.</p> <p>Designed by Pritzker Prize winner Toyo Ito, founder of Toyo Ito &amp; Associates, Architects, CapitaGreen was conceptualised and designed with the objective of reducing its environmental footprint through innovation.</p>
<b>Site Area (sq ft)</b>	58,971
<b>Gross Floor Area (sq ft)</b>	882,681
<b>Net Lettable Area (sq ft)</b>	703,122
<b>Committed Occupancy</b>	92.8% (as at 31 March 2016)
<b>Number of Storeys</b>	40
<b>Number of Tenants</b>	37 (as at 31 March 2016)
<b>Number of Car Park Lots</b>	180
<b>Land Tenure</b>	Leasehold with balance term of 57 years expiring on 31 March 2073
<b>Gross Revenue</b>	S\$17.1 million (1Q 2016)
<b>Net Property Income</b>	S\$12.6 million (1Q 2016)

## About CapitaLand Limited ([www.capitaland.com](http://www.capitaland.com))

CapitaLand is one of Asia's largest real estate companies headquartered and listed in Singapore. The company leverages its significant asset base, design and development capabilities, active capital management strategies, extensive market network and operational capabilities to develop high-quality real estate products and services. Its diversified global real estate portfolio includes integrated developments, shopping malls, serviced residences, offices and homes. Its two core markets are Singapore and China, while Indonesia, Malaysia and Vietnam have been identified as new growth markets. The company also has one of the largest real estate fund management businesses with assets located in Asia.

CapitaLand's listed real estate investment trusts are CapitaLand Mall Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust and CapitaLand Malaysia Mall Trust.

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### **About CapitaLand Commercial Trust** ([www.cct.com.sg](http://www.cct.com.sg))

CapitaLand Commercial Trust is Singapore's first and largest commercial REIT with a market capitalisation of approximately S\$4.1 billion. CCT aims to own and invest in real estate and real estate-related assets which are income producing and predominantly used, for commercial purposes. The total value of CCT's deposited properties is S\$7.7 billion as at 31 March 2016 comprising a portfolio of 10 prime commercial properties in Singapore. The properties in Singapore are Capital Tower, Six Battery Road, One George Street, Raffles City (60.0% interest through RCS Trust), CapitaGreen (40.0% interest through MSO Trust), HSBC Building, Twenty Anson, Bugis Village, Wilkie Edge and Golden Shoe Car Park.

CCT has been a constituent of FTSE4Good Index Series (FTSE4Good), a series of benchmark and tradable indices derived from the globally recognised FTSE Global Equity Index Series. FTSE4Good is designed to track the performance of companies meeting international corporate responsibility standards and forms the basis for over 70 different funds and investment products.

CCT is managed by an external manager, CapitaLand Commercial Trust Management Limited, which is an indirect wholly owned subsidiary of CapitaLand Limited, one of Asia's largest real estate companies headquartered and listed in Singapore.

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**Issued by: CapitaLand Limited (Co. Regn.: 198900036N)**

Analyst contact

Chang Rui Hua

Head, Investor Relations

Tel: +65 6713 2903

Email: [chang.ruihua@capitaland.com](mailto:chang.ruihua@capitaland.com)

Media contact

Tan Bee Leng

Head, Group Communications

Tel: +65 6713 2871

Email: [tan.beeleng@capitaland.com](mailto:tan.beeleng@capitaland.com)