

ANNOUNCEMENT

DISPOSAL OF NEW BROOK BUILDINGS, LONDON, UNITED KINGDOM

1. INTRODUCTION

The Board of Directors of Sinarmas Land Limited ("**SML**" or the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that SML Jersey Brook Pte Limited and SML Brook Partners Pte Limited, both wholly-owned subsidiaries of the Group, have on 11 December 2014 entered into an agreement (the "**Agreement**") for the sale of the property known as New Brook Buildings, 8-18 Great Queen Street, London, United Kingdom (the "**Property**") through the sale of:-

- (i) the entire issued units in the Holbrook House Unit Trust (the "**Unit Trust**"), a unit trust established to invest in the Property; and
- (ii) the entire issued share capital of CLOF (Holbrook House) Jersey Nominee A Limited and CLOF (Holbrook House) Jersey Nominee B Limited (together, the "**Nominees**"), which the Nominees hold in trust for the unit holders of the Unit Trust,

for an aggregate cash consideration of GBP113,400,000 (equivalent to SGD233,717,400) (the "**Consideration**"), upon the terms and subject to the conditions set out in the Agreement (the "**Disposal**").

The Property is a freehold Grade A office building consisting of a 12-storey tower connected to a 9-storey wing, with a net lettable area of approximately 99,911 square feet.

2. THE DISPOSAL

The Consideration was arrived at on a willing buyer willing seller basis, taking into account, *inter alia*, recent transactions of similar properties in the same location.

The Disposal was completed on the same day, and the Consideration received in full.

3. RATIONALE

The Disposal at this juncture during an upturn in capital value of properties in the same area, provides the opportunity for the Group to realize an attractive rate of return on its investment.

4. USE OF PROCEEDS

The Group intends to apply the net proceeds from the Disposal for repayment of bank loan on the Property, as working capital and/or for future acquisitions of investment and/or development properties.

SINARMAS LAND LIMITED

(Company Registration no. 199400619R)
108 Pasir Panjang Road, #06-00, Golden Agri Plaza, Singapore 118535
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5. DISCLOSEABLE TRANSACTION

Based on the latest announced unaudited consolidated financial information of the Group for the nine-month period ended 30 September 2014, the relative figures for the Disposal, as computed on the bases set out in Rule 1006 of the listing manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”), are as follows:

Bases in Rule 1006		Relative figure
(a)	Net asset value of the assets to be disposed of, compared with the Group’s net asset value.	11.5% ⁽¹⁾
(b)	Net profits attributable to the assets disposed of, compared with the Group’s net profits.	2.3% ⁽²⁾
(c)	Aggregate value of the consideration received, compared with the Company’s market capitalisation based on the total number of issued shares excluding treasury shares.	12.9% ⁽³⁾
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable

Notes:

(1) Computed based on net assets attributable to owners of the Company.

(2) Computed based on profit before income tax, minority interests and exceptional items.

(3) Computed based on the Consideration of GBP113,400,000 (equivalent to SGD233,717,400), divided by the market capitalisation of the Company of SGD1,818,392,000 as at 10 December 2014. The Company does not have any treasury shares.

As the relative figures under Rules 1006 (a) and (c) exceed 5% but does not exceed 20%, the Disposal constitutes a “Discloseable Transaction” as defined in Chapter 10 of the Listing Manual. Accordingly, the Company’s shareholders’ approval is not required for the Disposal.

6. FINANCIAL EFFECTS

The pro-forma financial effects of the Disposal, based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2013, are set out below. The pro-forma financial effects are presented for illustration purposes only and are not intended to reflect the actual future financial situation of the Company or the Group after the Disposal.

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i. Earnings Per Share ("EPS")

Assuming that the Disposal had been effected on 12 June 2013 (being the date of completion of the acquisition of the Property), the effect on the EPS of the Group will be as follows:

	Before the Disposal	After the Disposal
Profit attributable to the owners of the Company (SGD'000)	252,481	319,659
Number of shares	3,041,959,437	3,041,959,437
EPS (cents)	8.30	10.51

ii. Net Tangible Assets ("NTA")

Assuming that the Disposal had been effected on 31 December 2013, the effect on the NTA per share will be as follows:

	Before the Disposal	After the Disposal
NTA attributable to the owners of the Company (SGD'000)	1,480,985	1,553,327
Number of shares	3,041,959,437	3,041,959,437
NTA per share (SGD)	0.49	0.51

iii. Gain on Disposal

Assuming that the Disposal had been effected on 31 December 2013, and based on the Consideration of GBP113,400,000 (equivalent to SGD233,717,400), the Group will record a gain on disposal of approximately SGD72,342,000.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of SML has any interest, direct or indirect, in the Disposal.

8. DOCUMENT(S) AVAILABLE FOR INSPECTION

A copy of the Agreement is available for inspection during normal business hours at the registered office of the Company at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 for 3 months commencing from the date of this announcement.

By Order of the Board
SINARMAS LAND LIMITED

Robin Ng Cheng Jiet
Director
12 December 2014

Note: The amount in SGD equivalent using the exchange rate as at 11 December 2014 of GBP1 = SGD2.061.

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