



# CapitaLand Limited

## Proposed Divestment and Acquisition Of Two Office Assets In Shanghai, China

1 June 2017

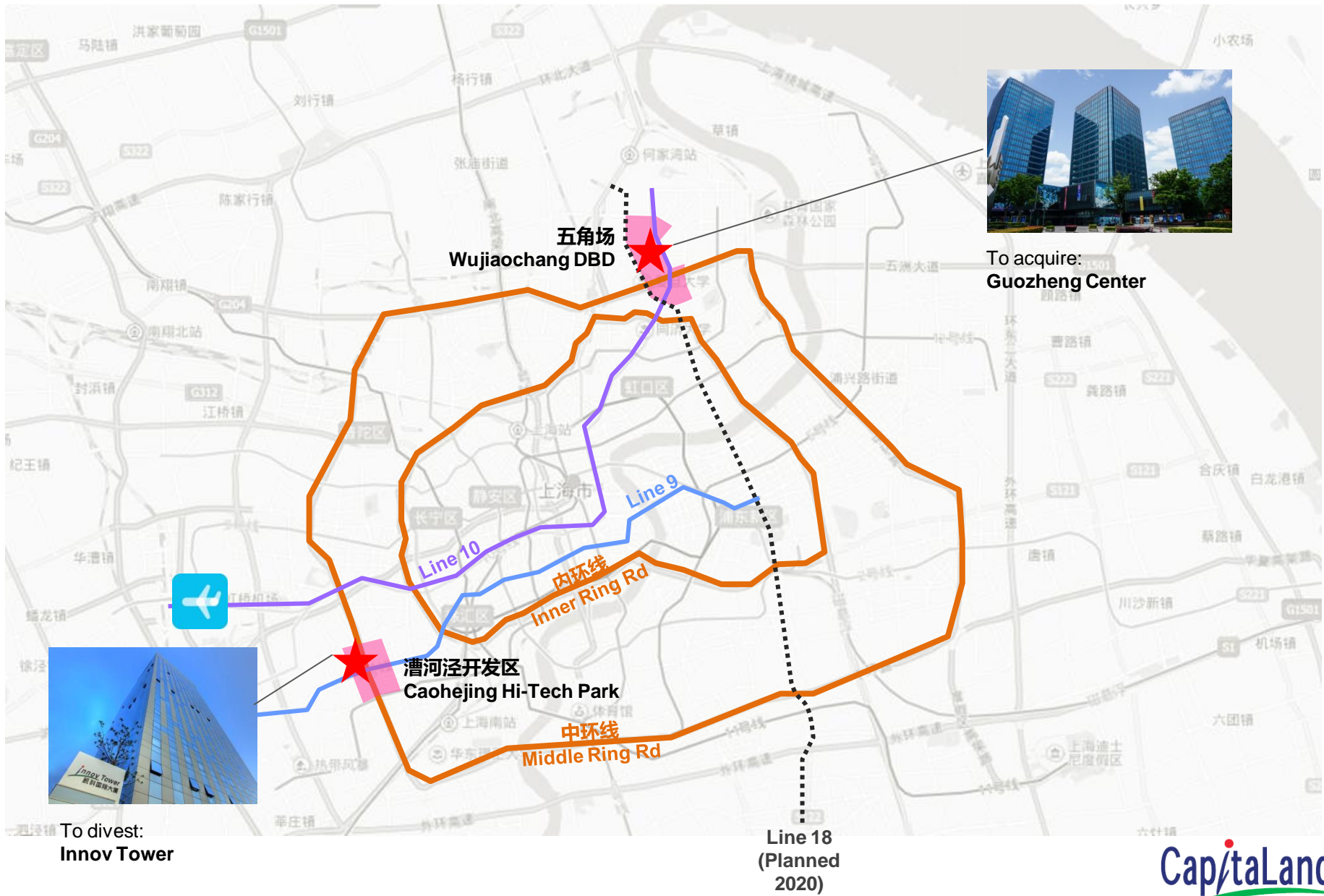
# Disclaimer

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This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

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# Overview





# Details of Divestment: Innov Tower



## Property Overview

Address	1801 Hongmei Road, Xuhui District, Shanghai
Land Tenure Expiry	2054
Completion	Q1 2009
GFA	40,445 sq m
Occupancy	99% (as at April 2017)

## Location

- Three-minute walk from Caohejijing High-Tech Park Metro Station, the centre of the Caohejing Hi-Tech Park
- Next to Shanghai's Middle Ring Road, approximately 14.5 km drive from People's Square CBD

	RMB billion	SGD million
Divestment Price (Property Value)	1.56 (RMB38,500 psm)	316 (SGD7,800 psm)

Notes:

(1) Based on exchange rate RMB1: SGD 0.2026





# Details of Acquisition: Guozheng Center



## Property Overview

Address	499 Zhengli Road, Yangpu District, Shanghai
Land Tenure Expiry	2059
Completion	Q4 2016
GFA	80,701 sq m
Occupancy	23% (as at April 2017)

## Location

- Fifteen-minute walk from either Jiangwan Stadium Metro Station or Sanmen Road Metro Station
- A short distance outside Shanghai's Middle Ring Road, approximately 12 km drive from People's Square CBD

	RMB billion	SGD million
Purchase Price (Property Value)	2.64 (RMB32,713 psm)	535 (SGD6,628 psm)

- Acquisition to be financed by a combination of internal funds and borrowings

- ✓ Proactive portfolio reconstitution
- ✓ Strengthens CapitaLand's foothold in Shanghai



# Proactive portfolio reconstitution

- To unlock investment gains by divesting Innov Tower, which is a stabilised asset at an optimal stage in its life cycle. Net divestment gain of approximately S\$85m
- Recycling of capital through acquisition of Guozheng Center, a higher-yielding asset.
- The divestment comes in the midst of a capital appreciation wave in Shanghai's office market.

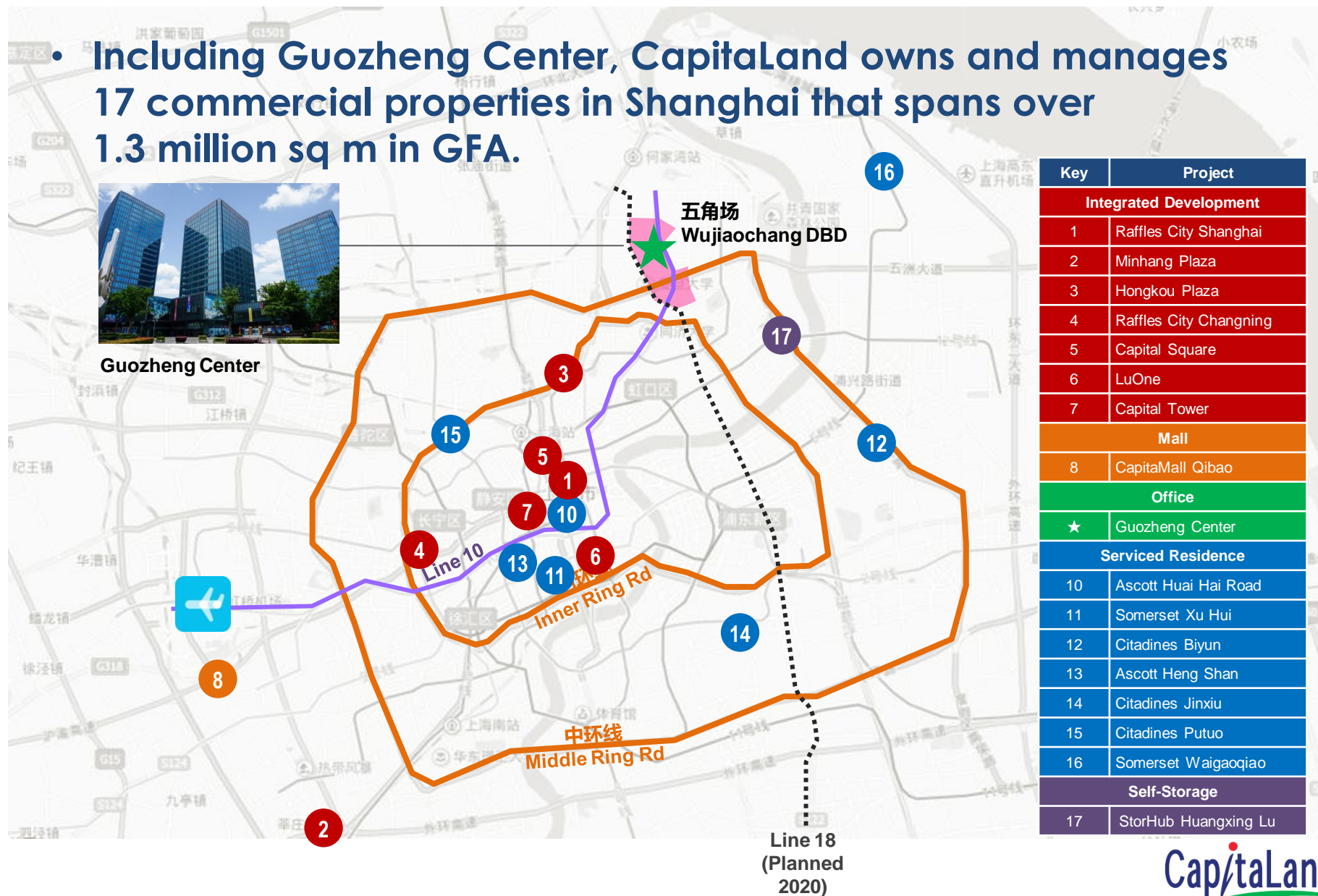


# Strengthens CapitaLand's foothold in Shanghai

- Including Guozheng Center, CapitaLand owns and manages 17 commercial properties in Shanghai that spans over 1.3 million sq m in GFA.



Guozheng Center







# Thank You

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