



CAPITALAND LIMITED

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

ANNOUNCEMENT

ACQUISITION OF GUANGZHOU MUNICIPAL XIN KAI ZHONG LI REAL ESTATE DEVELOPMENT CO., LTD.

CapitaLand Limited ("**CapitaLand**") refers to its announcements of 7 February 2013 and 5 July 2013 regarding the co-operation agreement (the "**Co-operation Agreement**") between its 80% owned subsidiary, Guangzhou New Boundary Real Estate Co., Ltd. ("**GNB**") and the Guangzhou Municipal Liwan District Cai Hong Street Xijiao Village Co-operative ("**Guangzhou Co-operative**") and the Guangzhou Municipal Liwan District Urban Renewal Office for the development of Phase 1 of a waterfront site located in Liwan District, Guangzhou, People's Republic of China (the "**Site**"). The Site consists of various plots of land (the "**Site Plots**") and has a total land area of approximately 115,095 square metres. The Site will be developed substantially into residential projects.

CapitaLand wishes to announce that GNB has acquired all the equity interest (the "**Acquired Interest**") in Guangzhou Municipal Xin Kai Zhong Li Real Estate Development Co., Ltd. ("**XKZL**") from Guangzhou Co-operative, for a cash consideration of RMB10 million (approximately S\$2.2 million) (the "**Consideration**"). XKZL owns a Site Plot with a land area of 21,228 square metres (the "**First Plot**").

Following the acquisition of the Acquired Interest for the Consideration (the "**Acquisition**"), CapitaLand has an effective interest of 80% in XKZL through GNB, and XKZL has become a subsidiary of CapitaLand.

The updated key terms of the Co-operation Agreement are as follows:

1. Guangzhou Co-operative has been paid RMB406 million (approximately S\$89 million) by XKZL for the First Plot (the “**First Plot Price**”), being part of the agreed aggregate price of RMB2,040 million (approximately S\$450 million) (the “**Agreed Price**”) for all the Site Plots, free from all encumbrances. The First Plot Price is funded by a loan from GNB to XKZL;
2. By way of the Acquisition, the First Plot has been handed over to GNB, free from all encumbrances;
3. It is anticipated that Guangzhou Co-operative will hand over to GNB the remaining cleared Site Plots in stages, free from all encumbrances, from fourth quarter 2015 to first quarter 2017; and
4. Guangzhou Co-operative will be progressively paid the remainder of the Agreed Price, such payment to be made upon the progressive handing over of the remaining cleared Site Plots to GNB.

The Consideration was arrived at on a willing-seller willing-buyer basis, taking into account, amongst other factors, the net asset value of the Acquired Interest of RMB9.7 million (approximately S\$2.1 million) as at 25 September 2015.

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 2015.

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
16 October 2015