



CAPITALAND LIMITED
Registration Number: 198900036N
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

ACQUISITION OF ALL THE EQUITY INTEREST IN 上海明昌置业有限公司 SHANGHAI MINGCHANG PROPERTIES LIMITED

CapitaLand Limited (“**CapitaLand**”) wishes to announce that its wholly owned subsidiary, 上海重达实业发展有限公司 Shanghai Zhong Da Industry Development Co., Ltd. (the “**Purchaser**”) has entered into a conditional sale and purchase agreement (the “**SPA**”) with an unrelated party to acquire all of the equity interest in 上海明昌置业有限公司 Shanghai Mingchang Properties Limited (“**SHMC**”) (the “**Acquisition**”) for a cash consideration of RMB838 million (approximately S\$171 million) (the “**Consideration**”).

SHMC owns a commercial plot of land in Wujiaochang Decentralised Business District, Yangpu District, Shanghai, China (the “**Land**”). The Land will be developed into a Grade A office building with a total gross floor area of 37,765 square metres.

The Acquisition is in line with CapitaLand’s strategy of investing in core cities and allows CapitaLand to increase its exposure in Shanghai, a first-tier city in China.

The Consideration was agreed on a willing-buyer and willing-seller basis, taking into account:

- (i) the adjusted net asset value of SHMC of RMB672 million (approximately S\$137 million) which takes into account the agreed value of the Land of RMB838 million (approximately S\$171 million); and
- (ii) shareholder’s loans in the amount of RMB166 million (approximately S\$34 million) owing by SHMC to the seller, which will be assigned to the Purchaser.

The Acquisition is expected to be completed in January 2018 (the “**Completion**”). The Consideration, which is subject to post-completion adjustments, will be paid as follows:

- (i) the adjusted net asset value: an aggregate of 95% upon Completion, and 5% six months after Completion; and
- (ii) the shareholder’s loans: 100% of the value of the shareholder’s loan upon Completion.

SHMC will become a wholly owned subsidiary of CapitaLand upon Completion.

The Acquisition is not expected to have any material impact on the net tangible assets or earnings per share of CapitaLand Group for the financial year ending 31 December 2017.

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
19 December 2017