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NEWS RELEASE

CapitaLand divests equity stake in non-core investment for HK\$2,831 million

Disciplined capital recycling continues to gain momentum

Singapore, 1 July 2019 – CapitaLand today announced that it has, through its wholly owned subsidiary CapitaLand (LF) Cayman Holdings Co. Ltd (“Vendor”), entered into an agreement to divest its entire 24.09% stake in Hong Kong-listed Central China Real Estate Limited (CCRE) to Joy Bright Investments Limited, an existing shareholder of CCRE.

The sale consideration is approximately HK\$2,831 million (about S\$496) million, which is equivalent to HK\$4.30 per share. CCRE last traded at HK\$3.45 per share on 28 June 2019. The divestment is targeted for completion in 3Q 2019.

Mr Lucas Loh, President, China, CapitaLand Group, said: “As part of our proactive portfolio management, we regularly review our investments and evaluate opportunities that will enhance returns and complement the Group’s strategy. CapitaLand’s stake in CCRE has generated stable returns over the years. In view that CCRE operates primarily in Henan Province, outside of CapitaLand’s core city clusters, the divestment would allow us to reallocate capital to other opportunities in our core businesses.”

“CapitaLand will remain disciplined in recycling our capital for reinvestments, with an annual divestment target of at least S\$3 billion. In addition to divestments to unrelated parties, we will continue to tap CapitaLand’s established fund management platform, which includes its stable of real estate investment trusts and funds, to free up capacity on CapitaLand’s balance sheet for more growth opportunities. This reinforces our commitment to build CapitaLand’s fund management platform in the process and contributes towards augmenting our total assets under management.”

“China is an important core market for CapitaLand and we continue to hold a long-term view of our business in the country. Upon completing the acquisition of Ascendas-Singbridge business, CapitaLand’s enlarged portfolio in China will be organised along three business lines – residential and urban development; retail and commercial; and business parks. We will leverage our end-to-end value chain offerings, ranging from investment and fund management to development and operations, to grow CapitaLand’s scale in our core city clusters.”

CapitaLand’s five core city clusters in China comprise Beijing/Tianjin, Shanghai/Hangzhou/Suzhou/Ningbo, Guangzhou/Shenzhen, Chengdu/Chongqing/Xi’an and Wuhan.

About CapitaLand Limited (www.capitaland.com)

CapitaLand Limited (CapitaLand) is one of Asia's largest diversified real estate groups. Headquartered and listed in Singapore, it owns and manages a global portfolio worth over S\$103 billion¹ as at 31 March 2019. CapitaLand's portfolio spans across diversified real estate classes which includes commercial, retail; business park, industrial and logistics; integrated development, urban development; as well as lodging and residential. With a presence across more than 200 cities in over 30 countries, the Group focuses on Singapore and China as its core markets, while it continues to expand in markets such as India, Vietnam, Australia, Europe and the USA.

CapitaLand has one of the largest real estate investment management businesses globally. It manages eight listed real estate investment trusts (REITs) and business trusts as well as over 20 private funds. Since it pioneered REITs in Singapore with the listing of CapitaLand Mall Trust in 2002, CapitaLand's REITs and business trusts have expanded to include Ascendas Reit, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust, Ascendas India Trust, CapitaLand Malaysia Mall Trust and Ascendas Hospitality Trust.

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¹ CapitaLand's assets under management is over S\$123 billion with the completion of its acquisition of Ascendas-Singbridge by end June 2019.