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NEWS RELEASE

CapitaLand to divest 89.8% interest in holding companies of Main Airport Center in Frankfurt to CapitaLand Commercial Trust
Group's year-to-date divestments have exceeded annual S\$3 billion target

Singapore, 17 July 2019 – CapitaLand announced today that it has, through its subsidiary and associated company, entered into an agreement with CapitaLand Commercial Trust (CCT) to divest 89.8% out of its 94.9% interest in the holding companies of Main Airport Center (MAC), a freehold commercial property in Frankfurt, Germany. Post transaction, CapitaLand will continue to hold a 5.1% stake, while CCT owns the remainder 94.9%.

The proposed transaction is based on an agreed property value of €265.0 million (about S\$407.8 million¹) on a 100% basis, negotiated on a willing-buyer and willing-seller basis. The transaction, which is conditional upon CCT's independent unitholders' approval, is expected to be completed in 3Q 2019.

Mr Lee Chee Koon, Group CEO, CapitaLand Group said: "The proposed transaction is another demonstration of CapitaLand's ability to offer quality pipeline assets to our sponsored REITs and funds. Post transaction, CapitaLand will continue to benefit from MAC's steady yield and participate in its future growth through our direct holding as well as CapitaLand's stake in CCT. With the completion of the Ascendas-Singbridge transaction, the Group is strategically positioned to provide an even larger pipeline of quality assets to scale up our REITs and funds."

Mr Lee added: "This transaction also demonstrates our active and disciplined asset recycling capability, which is core to CapitaLand's strategy to enhance returns and grow assets under management. Including the proposed transaction, CapitaLand has announced divestments of about S\$3.46 billion² year to date – exceeding the Group's annual target of at least S\$3 billion well ahead of schedule – and made investments of about S\$2.0 billion². The divestments include the sale of CapitaLand's interests in three shopping malls to CapitaLand Retail China Trust and the injection of two office properties into the CapitaLand Asia Partners I discretionary equity fund. We will continue to leverage the Group's REITs and funds to unlock the value of existing assets for reinvestment into new growth opportunities."

¹ Based on the exchange rate of €1.00 to S\$1.539 as at 28 June 2019.

² Stated at total sales and purchase considerations and includes assets divested to unrelated parties and CapitaLand REITs/Funds and acquired by CapitaLand/CapitaLand REITs/Funds from unrelated parties. Purchase consideration figures are on 100% basis.

Mr Jason Leow, President, Singapore & International, CapitaLand Group, said: “Europe is a key market for CapitaLand as part of the Group’s strategy to deepen our presence in developed markets. The enlarged CapitaLand entity currently manages assets valued at approximately S\$4.3 billion in Europe, covering office, logistics and lodging sectors. Within the region, France, Germany and the United Kingdom are three countries where we have established a strong foothold. We will continue to scale up our operating capabilities and grow assets under management in Europe.”

Apart from MAC, CapitaLand owns a 5.1% stake in Gallileo, a Grade A freehold commercial property in Frankfurt’s prime Banking District CBD. CCT owns the other 94.9% in Gallileo. In the United Kingdom, CapitaLand owns 38 logistics properties, held under CapitaLand’s business space and industrial real estate investment trust, Ascendas REIT. In addition, CapitaLand has a network of more than 6,000 serviced residence units and hotel rooms across 21 cities in eight European countries managed by its wholly owned lodging business unit, The Ascott Limited.

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 billion³ 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 (a stapled group comprising Ascendas Hospitality REIT and Ascendas Hospitality Business Trust).

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³ CapitaLand’s assets under management is over S\$123 billion with the completion of its acquisition of Ascendas-Singbridge by end June 2019.

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