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NEWS RELEASE

CapitaLand to divest three malls in China for RMB2,960 million

Continues capital recycling momentum to unlock asset value for reinvestment

Singapore, 11 June 2019 – CapitaLand today announced that its subsidiary and associated companies have entered into an agreement with CapitaLand Retail China Trust (CRCT) to divest their interests in three companies that hold three malls in China – CapitaMall Xuefu and CapitaMall Aidemengdun in Harbin and CapitaMall Yuhuating in Changsha.

The divestment of the three companies is based on an agreed value of RMB2,960 million (about S\$589.2 million) for the three malls held by the companies. The agreed value was negotiated on a willing-buyer and willing-seller basis. The sale will generate for CapitaLand proceeds of about S\$239.9 million and a net gain of about S\$37.6 million. The transaction, which is conditional upon CRCT unitholders' approval, is expected to be completed in 3Q 2019.

Mr Lucas Loh, President & CEO of China, CapitaLand Group, said: "Asset recycling is a key part of CapitaLand's strategy to enhance returns and rejuvenate our portfolio. The sale of CapitaMall Xuefu, CapitaMall Aidemengdun and CapitaMall Yuhuating to CRCT allows us to realise their property investment value and unlock capital for reinvestment."

"Post divestment, we will continue to benefit from the malls' strong and steady yields and participate in their future growth through CapitaLand's stake in CRCT. The malls will also continue to be managed by CapitaLand. We remain confident in the retail prospects of Harbin and Changsha, which are fast-growing provincial capital cities with favourable long-term outlook. As the sponsor of CRCT, CapitaLand is positive on the impact that the proposed transaction will have on CRCT in terms of rejuvenating its portfolio and strengthening its foundation for growth."

In support of CRCT, CapitaLand has indicated it intends to take up its pro-rata entitlement, should relevant equity fund raising be included as part of the funding for CRCT to acquire the three companies. As at the date of announcement, CapitaLand owns approximately 38.04% of CRCT's units, including its indirect interests in CapitaLand Mall Trust, which owns about 12.29% in CRCT.

About CapitaLand Limited (www.capitaland.com)

CapitaLand is one of Asia's largest real estate companies. Headquartered and listed in Singapore, it is an owner and manager of a global portfolio worth over S\$103 billion as at 31 March 2019, comprising integrated developments, shopping malls, lodging, offices, homes, real estate investment trusts (REITs) and funds. CapitaLand's market capitalisation is approximately S\$15 billion as at 31 March 2019. Present across more than 180 cities in over 30 countries, the Group focuses on Singapore and China as core markets, while it continues to expand in markets such as Vietnam, Europe and the USA.

CapitaLand's competitive advantage is its significant asset base and extensive market network. Coupled with extensive design, development and operational capabilities, the Group develops and manages high-quality real estate products and services. It also has one of the largest investment management businesses in Asia and a stable of five REITs listed in Singapore and Malaysia – CapitaLand Mall Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust and CapitaLand Malaysia Mall Trust.

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