**NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES**

**This release is not an offer for sale of the securities in the United States or elsewhere. Shares in CapitaMalls Asia Limited may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"). Any public offering of securities of CapitaMalls Asia Limited in the United States would be made by means of a prospectus that would contain detailed information about the company and its management, as well as financial statements. CapitaMalls Asia Limited does not intend to register any portion of the offering in the United States or to conduct a public offering of securities in the United States.**

**CAPITAMALLS ASIA LIMITED**
Regn. No.: 200413169H
(Incorporated in the Republic of Singapore)

**ANNOUNCEMENT**

---

# PROPOSED SECONDARY LISTING IN HONG KONG

---

## 1. Introduction

**CapitaMalls Asia** wishes to announce its intention to explore a secondary listing in Hong Kong to complement **CapitaMalls Asia's** growth strategy in China. China currently accounts for approximately 37%[1] and 70%[1] of **CapitaMalls Asia's** total property portfolio by property value and Gross Floor Area respectively. Given the growing importance of **CapitaMalls Asia's** China business going forward, the **Directors** believe that the **Listing** will complement **CapitaMalls Asia's** expansion in the country and achieve its longer-term strategic objectives.

The **Listing** will also provide **CapitaMalls Asia** with additional avenues of financing. Whilst **CapitaMalls Asia** still has sufficient resources to fund its expansion and has no immediate need to raise equity, the envisaged **Listing** will enhance its capital management flexibility. If and when such resources have been utilised, **CapitaMalls Asia** will evaluate the optimal funding arrangement to fund its expansion needs in the future. Please refer to Appendix I of this announcement for further details on **CapitaMalls Asia's** China strategy - "Focused Expansion". The rationale for and benefits of the **Listing** are further elaborated in paragraph 2 below.

---

[1] On an effective interest basis

The initial public offering of CapitaMalls Asia Limited's shares was sponsored by J.P. Morgan (S.E.A.) Limited and DBS Bank Ltd.

The **Directors** will be convening an **EGM** to seek **Shareholders**' approval for the adoption of the **New Articles** and adoption of a Chinese name "凯德商用产业有限公司" as its secondary name in connection with the **Listing**. A **Circular**, together with a notice of the **EGM**, will be despatched to the **Shareholders**.

## 2. Rationale for and benefits of the Listing

The rationale for, and benefits of the **Listing** are described in greater detail below.

(a) Widen investor base

Upon the completion of the **Listing**, **CapitaMalls Asia** will have a primary listing on the Main Board of the **SGX-ST** and a secondary listing on the Main Board of the **HKEx**. The **Directors** believe that this will provide **CapitaMalls Asia** with a platform to widen its investor base. In particular, it will enhance **CapitaMalls Asia's** attractiveness to investors in Hong Kong and China.

(b) Enhance **CapitaMalls Asia's** research coverage, profile and liquidity

The **Directors** believe that by being listed on both the **SGX-ST** and the **HKEx**, it will attract more research coverage on **CapitaMalls Asia**. This will help raise the profile and enhance the market visibility of **CapitaMalls Asia** which in turn is expected to result in greater trading liquidity.

(c) Additional avenues of financing

The **Directors** believe that the **Listing** will allow **CapitaMalls Asia** to establish financing platforms in two different leading global capital markets (Singapore and Hong Kong) simultaneously, enhancing **CapitaMalls Asia's** ability to access additional sources of capital from financial institutions within Hong Kong, China and beyond, through which it can fund its future business growth. As mentioned in paragraph 1 above, whilst **CapitaMalls Asia** still has sufficient resources to fund its expansion and has no immediate need to raise equity, the envisaged **Listing** will enhance its capital management flexibility. If and when such resources have been utilised, **CapitaMalls Asia** will evaluate the optimal funding arrangement to fund its expansion needs in the future.

## 3. Circular to Shareholders

**CapitaMalls Asia** had on 25 March 2011, received clearance of the **Circular** from the **SGX-ST** and will be despatching the **Circular** to **Shareholders** to seek their approval, at an **EGM** to be held for, among others:

(a) the adoption of the **New Articles** in connection with the **Listing**; and

(b) the proposed adoption of a Chinese name "凯德商用产业有限公司" as its secondary name by **CapitaMalls Asia** in connection with the **Listing**.

**4. Submission to the HKEx**

In connection with the **Listing**, **CapitaMalls Asia** had also submitted an application to the **HKEx** for the listing of, and permission to deal in, all the **Shares** on the Main Board of the **HKEx**.

**The Directors wish to highlight to the Shareholders that in the event that CapitaMalls Asia proceeds with the Listing, the Listing will involve fairly extensive preparatory work and that such preparatory work may involve an uncertain time frame.**

**In addition, as the Listing is subject to, among others, the approval of the HKEx and relevant authorities and the approval of the Shareholders at the EGM being obtained, the Listing may or may not occur.**

**There is no assurance that approval of the HKEx and relevant authorities for the Listing and the listing of, and permission to deal in, the Shares on the Main Board of the HKEx will be granted and/or the approval of the Shareholders will be obtained.**

**CapitaMalls Asia reserves the right not to proceed with the Listing if after assessing various factors, including the prevailing general economic and capital market conditions, the Listing would no longer be in the best interests of CapitaMalls Asia and/or if the relevant approvals for the Listing are not obtained.**

**CapitaMalls Asia will announce any material updates when appropriate.**

**Shareholders and other investors are reminded to exercise caution when dealing in the Shares. In the event that Shareholders and other investors are in doubt when dealing in the Shares, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.**

**BY ORDER OF THE BOARD**

Kannan Malini
Company Secretary
28 March 2011

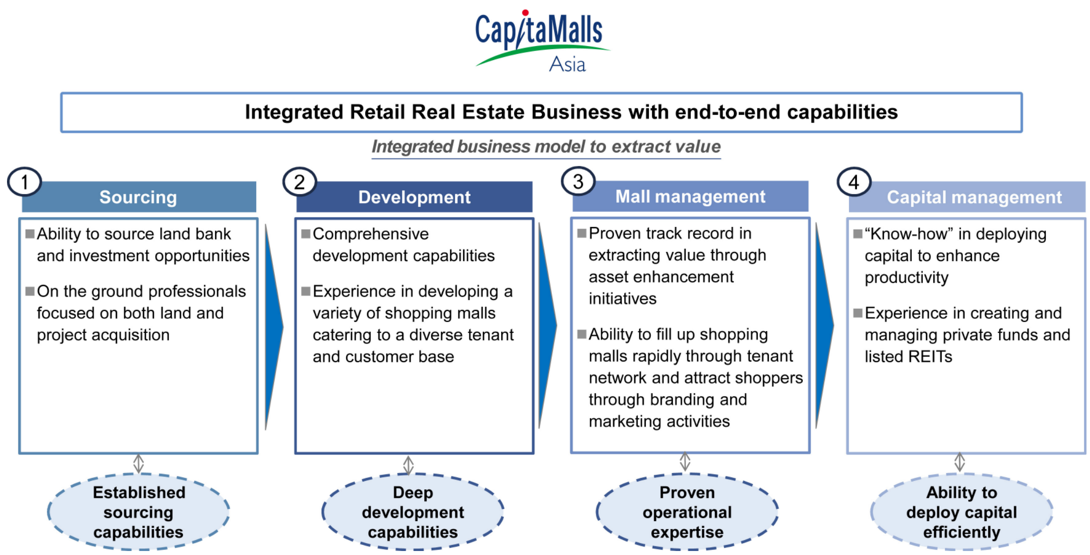
NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES

**APPENDIX I**

## CAPITAMALLS ASIA'S CHINA STRATEGY – "FOCUSED EXPANSION"

### 1. Overview

**CapitaMalls Asia** is one of the largest listed "pure-play" shopping mall developers, owners and managers in Asia by total property value of assets and by geographic reach (in terms of number of retail properties and cities). **CapitaMalls Asia** has an integrated shopping mall business model encompassing retail real estate investment, development, mall operations, asset management and fund management capabilities. The following is a diagrammatic representation of **CapitaMalls Asia's** skill sets across the retail real estate value chain:




**CapitaMalls Asia** currently has interests in and manages a pan-Asian portfolio of 92 retail properties (of which 66 are completed shopping malls and 26 are in various stages of development) across 49 cities in the five countries of Singapore, China, Malaysia, Japan and India, with a total property value of approximately S$23.7 billion and a total **GFA** of approximately 73.7 million square feet. **CapitaMalls Asia's** effective interest in this portfolio is approximately S$7.1 billion in property value. **CapitaMalls Asia** intends to strengthen its market position as a leading developer, owner and manager of shopping malls in Asia by riding on the consumption growth in Asia, in particular, China.

### 2. Track Record of CapitaMalls Asia in China

**CapitaMalls Asia** made its first investment in China in 2005, with the acquisition of seven retail properties in seven cities. In 2006 and 2007, **CapitaMalls Asia** established three private China retail real estate funds and listed **CRCT**, a China-focused real estate investment trust, on the **SGX-ST**. In 2009 and 2010, **CapitaMalls Asia** consolidated control of its assets in China and has specifically reorganised its management and employees in China into six regional business units throughout China in order to facilitate its growth plans. This regionalised management approach allows **CapitaMalls Asia** to focus key local management and human resources on their respective regions, enabling **CapitaMalls Asia** to accelerate its expansion in China.

**CapitaMalls Asia** is well-positioned to aggressively expand its presence in China with the scale and knowledge that it has developed. As of 31 December 2010, **CapitaMalls Asia** has been able to expand its presence in China to own interests in and manage 53 retail properties (of which 15 properties are in various stages of development) located in 34 cities, with a total **GFA** of approximately 48.6 million square feet and a property value of S$9.7 billion. The total number of employees in China has increased from 323 in 2005 to 2,235 as of 31 December 2010, including over 30 investment professionals dedicated to sourcing and executing retail property acquisitions in China.

**3. Growth opportunities in China**

**CapitaMalls Asia** believes in the strong growth potential of the shopping mall sector in China for the following reasons:

(a) Rising urbanisation, disposable income and consumption resulting in strong retail sales growth

China has the world's largest population and its economy has been experiencing rapid growth over the past decade, with **GDP** growth ranging between 8% to 11%[2]. The China **GDP** grew by 10.3%[2] in 2010, significantly outperforming developed markets such as United States, Europe and Japan. China has also witnessed substantial growth in disposable income and consumption over the last five years. In addition, cities of lower tiers and located in less developed regions generally registered higher growth in per capita annual consumption.

(b) Strong and sustained investment in infrastructure and urban transportation to facilitate the development of retail properties

The Chinese government is firmly committed to strong and sustained investment in infrastructure such as high-speed rail, urban rapid transit systems and subway system. Development of public transport is expected to significantly improve urban accessibility and retail footfalls, thereby further facilitating retailing and wholesaling.

(c) Significant growth potential for shopping malls in China, particularly in Tier 2 and Tier 3 cities

The vibrant economy, emerging middle class consumers and a growing urban population should continue to drive demand for modern shopping malls in China. In particular, Tier 1 cities such as Beijing and Shanghai should continue to enjoy steady growth in shopping mall development due to higher individual disposable income. Tier 2 and other cities are expected to experience strong growth in shopping malls as many of them are undergoing a shift in the retail spending patterns.

2 Based on statistics from the National Bureau of Statistics of China and the International Monetary Fund World Economic Outlook 2010.

(d) Residential property cooling measures resulting in more opportunities in the retail property market in China

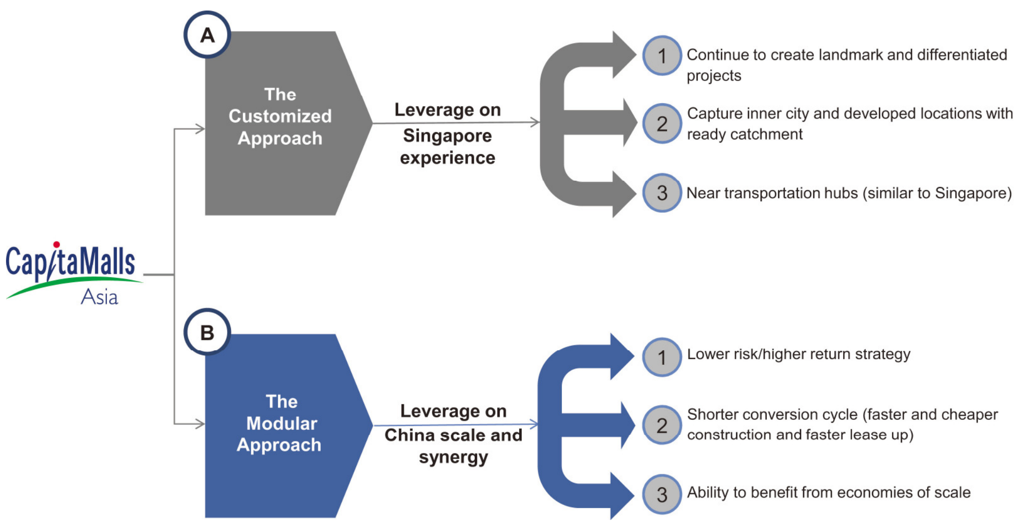
Although the Chinese government has implemented a series of property cooling policies, such measures specifically target the housing market. As a result, the retail property market is witnessing more opportunities and attracting investors due to its stable return and low policy risk. This trend is expected to benefit experienced "pure-play" retail players who have the expertise and execution capabilities to tap into the opportunities.

**CapitaMalls Asia** believes that these factors point to a pattern of sustainable growth in Chinese domestic consumption and demand for shopping mall space.

## 4. Growth strategy in China

In anticipation of the continued growth and demand for shopping mall space, **CapitaMalls Asia** will seek to leverage on the scale of its operations in China to expand its presence there by building a portfolio of 100 shopping malls within the next three to five years. **CapitaMalls Asia** will execute a ''Focused Expansion'' strategy, whereby it seeks to entrench its presence in China by focusing on the 34 cities that it currently operates in. **CapitaMalls Asia** believes that a greater presence in these cities enhances its local expertise, deepens relationships with tenants and local government authorities and strengthens its market leadership in these regions, which in turn will allow **CapitaMalls Asia** to be more competitive.

Given the significant growth opportunities in China, **CapitaMalls Asia** will utilise a two-pronged approach - "customised" and "modular" to further capitalise on its early-mover advantage in China.




(a) Customised approach

**CapitaMalls Asia** expects to implement this approach in China primarily in city-centre locations, where the retail market is more developed with a captive catchment area and geared toward higher-income consumers. **CapitaMalls Asia** will leverage on its experience in Singapore to continue to create landmark and differentiated shopping mall projects, generally located in heavily built-up inner-city areas and close to or integrated with public transport facilities.

(b) Modular approach

The modular approach is primarily adapted to take advantage of the scale of, and vast opportunities in, China. **CapitaMalls Asia** expects to implement this approach primarily in Tier 2 and Tier 3 cities and suburban locations in Tier 1 cities, which are generally more suited for rapid expansion because of their expected growth, availability of land and the relative scarcity of shopping malls. **CapitaMalls Asia** has utilised this approach over the past five years, rolled out two previous generations of shopping malls and used this valuable experience to develop the "3G Mall" concept, its third generation of shopping malls.

Having gone through this experience, **CapitaMalls Asia** has accumulated local knowledge and expertise to roll out the 3G Mall concept in a faster and more profitable manner. For the 3G Malls, **CapitaMalls Asia** will standardise the design, size and layout of the shopping malls, so that it can replicate the models quickly in each of the cities where it operates. **CapitaMalls Asia** expects that this standardisation will make construction of the shopping malls faster and cheaper and will enable **CapitaMalls Asia** to lease retail space to tenants for multiple locations at the same time, rather than on a mall-by-mall basis. The 3G Malls will generally also be larger than the current shopping malls of **CapitaMalls Asia**, with a wide range of tenants and open space for community events and activities, which **CapitaMalls Asia** expects will make them more attractive to shoppers and retailers. **CapitaMalls Asia** also expects to maintain a higher proportion of specialty tenants in order to increase its profitability. The aim of the 3G Mall approach is to allow **CapitaMalls Asia** to scale up its portfolio more quickly and efficiently.

**CapitaMalls Asia**'s goal is to achieve a level of cashflow that can potentially result in capital appreciation, from six years (for its earliest shopping malls) to about three years for the 3G Malls, with two years spent in development and one year to achieve such level of cashflow.

Given the long-term capital appreciation potential in China, **CapitaMalls Asia** intends to buy and hold properties in order to take advantage of their potential for capital appreciation in the emerging Chinese market.

**NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES**

## Definitions

| | | |
|---|---|---|
| **"CapitaMalls Asia"** | : | CapitaMalls Asia Limited |
| **"Circular"** | : | The circular to be despatched to Shareholders containing information on, among others, the Listing, as well as the Notice of EGM |
| **"CRCT"** | : | CapitaRetail China Trust |
| **"Directors"** | : | The directors of CapitaMalls Asia as at the date of this announcement |
| **"EGM"** | : | Extraordinary general meeting of CapitaMalls Asia |
| **"GDP"** | : | Gross domestic product |
| **"GFA"** | : | Gross floor area |
| **"Group"** | : | CapitaMalls Asia and its subsidiaries |
| **"HKEx"** | : | The Stock Exchange of Hong Kong Limited |
| **"Listing"** | : | The proposed secondary listing of the Shares on the Main Board of the HKEx |
| **"New Articles"** | : | The new Articles of Association of CapitaMalls Asia proposed to be adopted in connection with the Listing |
| **"SGX-ST"** | : | Singapore Exchange Securities Trading Limited |
| **"Shareholders"** | : | The shareholders of CapitaMalls Asia |
| **"Shares"** | : | Ordinary shares in the capital of CapitaMalls Asia |