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

ANNOUNCEMENT

SUCCESSFUL JOINT TENDER BY CMA, CMT AND CAPITALAND FOR THE JURONG GATEWAY SITE

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1. INTRODUCTION

CMA is pleased to announce that the **Joint Tender** by **CMA**, **CMT** and **CapitaLand** for the **Jurong Gateway Site** has been accepted by **URA** today.

The **Jurong Gateway Site**, which is located at Boon Lay Way, was awarded at the **Tender Price** of S$968,999,999. The site has a land area of approximately 18,159.1 **sq m**, with a maximum permissible total gross floor area of 88,980 **sq m**, and with a lease term of 99 years commencing from the date determined in accordance with the **URA** conditions of tender. Under the **URA** conditions of tender, the gross floor area of the **Office Component** shall be equivalent to at least 40% of the total gross floor area of the development. The remaining gross floor area may be used for the **Retail Component**. **CMA**, **CMT** and **CapitaLand** intend to develop the **Jurong Gateway Site** into a mixed retail-office development.

The **Jurong Gateway Site** is strategically located beside the Jurong East MRT Interchange Station, which has two train lines, and the Jurong East bus interchange and is close to JCube and IMM, both of which are owned by **CMT** and managed by a subsidiary of **CMA**. The **Jurong Gateway Site** is part of the Jurong Gateway precinct, which together with the Lakeside precinct, form the Jurong Lake District which is earmarked to be a regional centre. Jurong Gateway is to be a commercial hub with offices, retail space, hotels and homes while Lakeside is to be a leisure destination with attractions for the whole family.

2. JOINT VENTURE WITH CMT AND CAPITALAND

2.1 <u>Structure of the Joint Venture</u>

The joint bid of **CMA**, **CMT** and **CapitaLand** was made through **JG Trustee** (in its capacity as trustee of **Infinity Mall Trust**) and **JG2 Trustee** (in its capacity as trustee of **Infinity Office Trust**).

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 interests of **CMA**, **CMT** and **CapitaLand** in the **Infinity Mall Trust** and the **Infinity Office Trust** are set out as follows:-

Interests in Infinity Mall Trust	
Name of Party	**Percentage (%)**
CMA (through its wholly-owned subsidiary, **CMA 4**)	50
CMT	30
CapitaLand (through its wholly-owned subsidiary, **CL JM**)	20

Interests in Infinity Office Trust	
Name of Party	**Percentage (%)**
CMA (through its wholly-owned subsidiary, **CMA 5**)	50
CMT	30
CapitaLand (through its wholly-owned subsidiary, **CL JO**)	20

The aforesaid parties have entered into the **Heads of Terms Agreement** to regulate their rights and obligations in connection with, *inter alia*, the development of the **Jurong Gateway Site**. The **Heads of Terms Agreement** sets out, among other things, certain terms and conditions to be included in the **Joint Venture Agreement**, including the following key terms:-

(a) the distribution of the profits of **Infinity Mall Trust** shall be to **CMA 4**, **CMT** and **CL JM** in proportion to their respective equity interests and the distribution of the profits of **Infinity Office Trust** shall be to **CMA 5**, **CMT** and **CL JO** in proportion to their respective equity interests; and

(b) each of **CMA 4**, **CMA 5**, **CMT**, **CL JM** and **CL JO** shall contribute to the costs and expenses in relation to (i) the submission of the **Joint Tender** and (ii) the acquisition of the leasehold interest in the **Property** and the costs for the construction and development of the **Property** in their respective **Agreed Proportion**.

2.2 Rationale for the Joint Venture

As the **Jurong Gateway Site** is to be developed into a mixed retail-office development, **CMA** and **CMT** would be able to combine their expertise and experience in the development of shopping malls with the expertise and experience of **CapitaLand** in the development of offices under the **Joint Venture**. The **Joint Venture** would enable all parties to contribute their resources and expertise to successfully develop the **Jurong Gateway Site**.

2.3 Tender Price

The **Tender Price** was arrived at after taking into account various commercial factors including the development potential, location of the **Property** and other market factors.

In accordance with the URA conditions of tender, payment for the **Tender Price** will be as follows:-

(a) 25% of the **Tender Price** (less the **Tender Deposit** paid) together with **GST** is to be made within 28 days from the date of **URA**'s acceptance of the tender; and

(b) the balance 75% of the **Tender Price** (together with **GST**) is to be made within 90 days from the date of **URA**'s acceptance of the tender,

(in each case) by way of cashier's order in favour of the Commissioner of Lands, Singapore Land Authority.

2.4 <u>Documents to be executed</u>

The **Bidders** will be required, subject to the terms of the **URA** conditions of tender, to enter into the building agreement with the President of the Republic of Singapore and, subject to the terms of the building agreement and the **URA** conditions of tender, will be granted a lease for the **Property**.

2.5 <u>Interested Person Transaction</u>

CL JO and **CL JM** are wholly-owned subsidiaries of **CapitaLand**, which holds a direct interest in 2,544,020,000 **Shares**, which is equivalent to approximately 65.48% of the total number of **Shares** in issue and is therefore regarded as a "controlling **Shareholder**" of **CMA** under the **Listing Manual**. Accordingly (for the purposes of the **Listing Manual**), **CL JO** and **CL JM** are regarded as "associates" of **CapitaLand** and therefore "interested persons" of **CMA**. The **Joint Venture** is therefore an "interested person transaction" under Chapter 9 of the **Listing Manual**.

3. METHOD OF FINANCING AND FINANCIAL EFFECTS

CMA intends to finance the acquisition and development of its 50% share in the **Jurong Gateway Site** by internal funds and external borrowings.

Based on the audited consolidated financial statements of the **CMA Group** for the financial year ended 31 December 2010:

(a) assuming that the **Acquisition** had been effected on 1 January 2010, the financial impact on the earnings per **Share** is not material; and

(b) assuming that the **Acquisition** had been effected on 31 December 2010, the financial impact on the net tangible asset per **Share** is not material.

4. RELATIVE FIGURES RELATING TO THE ACQUISITION ON THE BASES IN RULE 1006 OF THE LISTING MANUAL

Based on the latest announced unaudited financial information of the **CMA Group** as at 31 March 2011, the relative figures for the **Acquisition** computed on the bases set out in Rule 1006 of the **Listing Manual** are as follows:-

	As at 31 March 2011
Bases under Rule 1006	
Rule 1006(a)	
Net asset value of the assets to be disposed of, compared with the group's net asset value	Not applicable to an acquisition of assets
Rule 1006(b)	
Net profits attributable to the **Property**, compared with the net profits of the **CMA Group**	Not applicable as the **Property** is a greenfield site
Rule 1006(c)	
Aggregate value of the consideration for the **Acquisition**	S$484.5 million
Market capitalisation of **CMA** as at 24 May 2011 (being the market day immediately preceding the date of the **Joint Tender**)	S$6,293.8 million
Size of relative figure	7.7%
Rule 1006(d)	
Number of equity securities to be issued by **CMA** as consideration for the **Acquisition** compared with the number of equity securities previously in issue	Not Applicable

The relative figure under Rule 1006(c) of the **Listing Manual** exceeds 5%. Accordingly, the **Acquisition** constitutes a "discloseable transaction" under Rule 1010 of the **Listing Manual**.

5. AUDIT COMMITTEE STATEMENT

The audit committee of **CMA** is of the view that the risks and rewards of the **Joint Venture** are in proportion to the equity interests of **CMA**, **CMT** and **CapitaLand** in the **Bidders** and the terms of the **Joint Venture** are not prejudicial to the interests of **CMA** and its minority **Shareholders**.

6. OTHER INTERESTED PERSON TRANSACTIONS

As at the date of this announcement, the value of all interested person transactions of **CMA** is approximately S$12.5 million (not including, for the avoidance of doubt, the **Joint Venture**), which is less than 5.0% of **CMA's** latest audited net tangible assets as at 31 December 2010. All of these interested person transactions are entered into by **CMA** with **CapitaLand** and/or the associates of **CapitaLand**.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDER

As at the date of this announcement, certain directors of **CMA** collectively hold an aggregate direct and indirect interest in 2,096,690 **Shares** and 5,723,222 shares in **CapitaLand** and 2,314,398 units in **CMT**.

Mr Liew Mun Leong is the non-executive chairman and a non-executive director of **CMA**, the president and chief executive officer of **CapitaLand** and the deputy chairman and non-executive director of **CMTML**. Mr Lim Beng Chee is the chief executive officer and an executive director of **CMA** and a non-executive director of **CMTML**. Ms Chua Kheng Yeng Jennie is a non-executive director of **CMA** and the chief corporate officer of **CapitaLand**. Mr Lim Tse Ghow Olivier is a non-executive director of **CMA**, the group chief financial officer of **CapitaLand** and a non-executive director of **CMTML**. Mrs Arfat Selvam is a non-executive independent director of **CMA** and a non-executive independent director of **CapitaLand**.

As at the date of this announcement, **CapitaLand** has a direct interest in 2,544,020,000 **Shares** (comprising approximately 65.48% of the existing **Shares**) and is deemed to have an interest in 946,821,527 units in **CMT** (representing approximately 29.72% of the units in **CMT**) held indirectly by **CMA**.

As shown in the register of substantial shareholders of **CMA**, **CMT** and **CapitaLand**, Temasek Holdings (Private) Limited:-

(a) is deemed to have an interest in 2,545,813,973 **Shares** (comprising approximately 65.53% of the existing **Shares**);

(b) is deemed to have an interest in 954,816,376 units in **CMT** (representing approximately 29.98% of the units in **CMT**); and

(c) has a direct interest in 1,680,704,140 shares in **CapitaLand** (comprising approximately 39.43% of the existing shares in **CapitaLand**) and is deemed to have an interest in 63,606,870 shares in **CapitaLand** (comprising approximately 1.49% of the existing shares in **CapitaLand**).

Save as disclosed above, and based on information available to **CMA** as at the date of this announcement, none of the directors or controlling **Shareholder** of **CMA** have an interest, direct or indirect, in the **Joint Venture**.

8. Documents for Inspection

A copy of the **Heads of Terms Agreement** is available for inspection by shareholders of **CMA** at the registered office of **CMA** at 39 Robinson Road, #18-01 Robinson Point, Singapore 068911 during normal business hours for a period of three months from the date of this Announcement.

Definitions:

Acquisition	CMA's acquisition of its 50% share in the Property
Agreed Proportion	The proportion that the participation interest of each unitholder in the Infinity Mall Trust and the Infinity Office Trust bears to the total participation interest of all the unitholders in the Infinity Mall Trust and the Infinity Office Trust respectively, as set out against the party's name on page 2 of this announcement
Bidders	JG Trustee and JG2 Trustee
CapitaLand	CapitaLand Limited
CL JM	CL JM Pte. Ltd.
CL JO	CL JO Pte. Ltd.
CMA	CapitaMalls Asia Limited
CMA 4	CMA Singapore Investments (4) Pte. Ltd.
CMA 5	CMA Singapore Investments (5) Pte. Ltd.
CMA Group	CMA and its subsidiaries
CMT	CapitaMall Trust through HSBC Trust Services
CMTML	CapitaMall Trust Management Limited, being the manager of CapitaMall Trust
GST	Goods and Services Tax
Heads of Terms Agreement	The heads of terms agreement dated 25 May 2011 entered into between CMA 4, CMA 5, CMT, CL JM and CL JO
HSBC Trust Services	HSBC Institutional Trust Services (Singapore) Limited, being the trustee of CMT
Infinity Mall Trust	An unlisted special purpose trust constituted by a deed of trust dated 25 May 2011 between CMA 4, CMT, CL JM and JG Trustee
Infinity Office Trust	An unlisted special purpose trust constituted by a deed of trust dated 25 May 2011 between CMA 5, CMT, CL JO and JG2 Trustee
JG Trustee	JG Trustee Pte. Ltd., being the trustee of the Infinity Mall Trust
JG2 Trustee	JG2 Trustee Pte. Ltd., being the trustee of the Infinity Office Trust
Joint Tender	The joint tender by CMA, CMT and CapitaLand for the Jurong Gateway Site
Joint Venture	The joint venture between CMA, CMT and CapitaLand for the Jurong Gateway Site
Joint Venture Agreement	The joint venture agreement to be entered into between CMA, CMT and CapitaLand

Jurong Gateway Site or **Property**	The whole of the parcel of land at Boon Lay Way known as Lot 8630V MK 5 at Boon Lay Way which contains a site area of approximately 18,159.1 **sq m**
Listing Manual	The Listing Manual of the Singapore Exchange Securities Trading Limited
MRT	Mass Rapid Transit
Office Component	The office component of the Jurong Gateway Site
Project	The project for the construction and completion of a mixed retail-office development at the Jurong Gateway Site in accordance with the tender documents issued by URA
Retail Component	The retail component of the Jurong Gateway Site
Share	Ordinary shares in the capital of CMA
Shareholder	A holder of Shares
sq m	Square metre
Tender Deposit	The tender deposit which was paid to the URA at the time of the submission of the Joint Tender in accordance with the URA conditions of tender
Tender Price	The tender price of S$968,999,999 submitted to URA by the Bidders
URA	The Urban Redevelopment Authority of Singapore

Where applicable, figures and percentages are rounded to one decimal place.

By Order of the Board
Kannan Malini
Company Secretary
30 May 2011