CAPITALAND LIMITED

Regn No.: 198900036N
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

ACQUISITION OF BSG HOLDINGS PTE. LTD.
AND THE BIG ORANGE SELF STORAGE BUSINESS

1. INTRODUCTION

CapitaLand Limited ("**CapitaLand**") wishes to announce the acquisition of (1) 100% of the issued share capital of BSG Holdings Pte Ltd ("**BSGH**") from Invista Real Estate International Holdings (Cayman) Limited ("**Invista**"); and (2) the business of managing and operating self storage facilities carried on by Big Orange Self Storage Singapore Pte. Ltd. ("**BOSS**") in Singapore for the Four Property Holding Companies (defined below) at the Four Properties (defined below) under the brand "Big Orange" (the "**Business**") (collectively, the "**Acquisition**").

CapitaLand currently operates its self storage business through the "StorHub" brand. It has seven facilities in Singapore which are located in Toa Payoh, Changi, Woodlands, Kallang and Tampines and two facilities in China. With the Acquisition, StorHub will become the largest self storage company with the widest location network in Singapore. The Acquisition will allow StorHub to capitalise on the complementary strengths of both platforms. StorHub will achieve operational synergy and effective business processes. This will enable StorHub to deliver better products and services.

2. THE ACQUISITION

The Acquisition was made through CapitaLand's wholly-owned subsidiaries, namely, (1) StorHub Singapore Investment Pte Ltd ("**SSIPL**") which has entered into a share sale agreement on 1 July 2013 with Invista ("**Share Sale Agreement**"); and (2) StorHub Management Pte Ltd ("**SMPL**") which has entered into a business transfer agreement on 1 July 2013 with BOSS ("**Business Transfer Agreement**"). Invista and BOSS are parties unrelated to CapitaLand.

BSGH, a company incorporated in Singapore, owns four self storage facilities ("**Four Properties**") in Singapore, each held through a Singapore wholly-owned subsidiary (together, the "**Four Property Holding Companies**"):

	Property Holding Company	**Property**
1.	BSG No. 1 Pte Ltd	14 Woodlands Loop, Singapore 738363
2.	BSG No. 2 Pte Ltd	5 Bukit Batok Street 22, Singapore 659583
3.	BSG No. 3 Pte Ltd	111 Defu Lane 10, Singapore 539226
4.	BSG No. 4 Pte Ltd	37 Tampines Street 92, Standard Form Building, Singapore 528885

The Acquisition was completed on 1 July 2013 ("**Completion Date**") and BSGH and the Four Property Holding Companies have become indirect wholly-owned subsidiaries of CapitaLand.

3. CONSIDERATION

The consideration for the Acquisition ("**Consideration**") is an amount equal to an agreed enterprise value of S$90.5 million adjusting for the net assets of BSGH as at Completion Date. The agreed enterprise value was arrived at after arms' length negotiations on a willing-buyer willing-seller basis, taking into account, *inter alia*, the agreed property value of the 4 Properties. Based on the *pro forma* consolidated closing accounts as at Completion Date ("**Closing Accounts**"), the Consideration is S$91.8 million.

The Closing Accounts shall be audited after Completion and will incorporate the adjustments for the net assets of BSGH as at Completion Date (the "**Reconciliation Accounts**"). If the amount of the Consideration in the Reconciliation Accounts is higher or lower than the Consideration in the Closing Accounts, Invista or SSIPL, as the case may be, shall pay or refund the amount of the shortfall or the excess accordingly.

Based on the management accounts of BSGH as at 30 June 2013, the net asset value of BSGH is $79.9 million.

4. FINANCIAL EFFECTS OF THE ACQUISITION

The Acquisition is not expected to have any material impact on the net tangible assets or earnings per share of the CapitaLand Group for the financial year ending 31 December 2013.

5. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in the Acquisition.

By Order of the Board

Low Sai Choy
Company Secretary
1 July 2013