CAPITAMALLS ASIA LIMITED
凱德商用產業有限公司*
(Singapore Company Registration Number: 200413169H)
(Incorporated in the Republic of Singapore with limited liability)
(Hong Kong Stock Code: 6813)
(Singapore Stock Code: JS8)

ANNOUNCEMENT

CAPITAMALLS ASIA TO ACQUIRE ITS 10TH SHOPPING MALL IN BEIJING

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1. INTRODUCTION

CMA wishes to announce that it had, through its wholly-owned subsidiary, **CRI**, submitted a bid to purchase the **Property** through the acquisition of the entire equity interest in **PRC Co** by way of a tender in the **PRC**. **CRI** had on 12 July 2013 been awarded the tender and has entered into a conditional sale and purchase agreement with the **Vendor** to acquire 100.0% of the equity interest in **PRC Co**.

Pursuant to the **ROFR** granted to **CRCT**, **CMA** has offered to the **CRCT Trustee** the right to acquire the **Property** through the acquisition of shareholding interests in **CRI** and has entered into the **Call Option Agreement** with the **CRCT Trustee**, granting the **CRCT Trustee** the **Call Option** for the **Call Option Notice Period**.

**For identification purposes only*

The **Property** is an operating mall located along South Third Ring West Road in Fengtai District (丰台区). Fengtai District has a population of about 2.2 million and is one of six core districts in Beijing. The **Property** was opened in August 2010 and is easily accessible by public transport and is a short walk from the Majiapu (马家堡) metro station on Line 4, the main subway line linking Beijing's northern and southern areas. Line 4 is connected to Beijing's major retail belts and attractions and Zhongguancun Technology Park.

The **Property** has a total **GFA**, excluding car park, of about 70,000 **sq m**, with 403 car park spaces. A multi-tenanted mall, it is currently about 92.7% occupied and houses international and local brands such as Carrefour, Poly Cinema, H&M, Gap, Sephora and Watsons.

2. RATIONALE

As **CMA**'s tenth mall in Beijing, the **Property** will entrench **CMA**'s presence in Beijing and enable **CMA** to leverage on its established operations and leasing network to manage the mall. The **Acquisition** ties in with **CMA**'s strategy to deepen its footprint in China and enhance its presence in the cities and regions that it is already in.

By offering the **Property** to **CRCT**, **CMA** can reserve its balance sheet capacity for other opportunities while continuing to grow its assets under management, leasing network and market share.

3. PURCHASE CONSIDERATION AND VALUATION

Based on the unaudited accounts of the **PRC Co**, the adjusted net asset value of **PRC Co** as at 30 April 2012[1] is **RMB**700.0 million (approximately **S$**143.5 million)[2] (comprising the adjusted book value of the **Property** of **RMB**1,740.0 million (approximately **S$**356.6 million)[2] plus net current assets of **RMB**20.0 million (approximately **S$**4.1 million)[2] and less an outstanding shareholder's loan of **RMB**1,060 million (approximately **S$**217.3 million)[2] which will be repaid to the **Vendor** prior to completion of the **Acquisition**).

The latest valuation of the **Property** as at 15 April 2013, jointly commissioned by **CMA** and **CRCT**, and conducted by CBRE Pte. Ltd. is **RMB**1,830 million (approximately **S$**375.1 million)[2]. The valuation is based on accepted valuation procedures and practices.

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[1] The adjusted net asset value of **PRC Co** as at 30 April 2012 is the basis for the minimum tender price put up by the **Vendor** for the sale of **PRC Co**.
[2] Based on an exchange rate of **RMB**1 : **S$**0.20496

Taking into account the above, the purchase consideration payable to the **Vendor** is **RMB**1,760.0 million (approximately **S$**360.7 million)[2]. An additional amount of up to **RMB**60.0 million (approximately **S$**12.3 million)[2] is payable to the **Vendor** as reimbursement for certain land-related ancillary costs in relation to the **Acquisition**. The purchase consideration and the maximum additional amount payable to the **Vendor**, totaling **RMB**1,820 million (approximately **S$**373.0 million)[2], will be funded in cash.

A refundable deposit of **RMB**210 million (approximately **S$**43.0 million)[2] has been paid to the **Vendor** and an amount of **RMB**490 million (approximately **S$**100.4 million)[2] shall be payable within 10 business days after all relevant **PRC** regulatory approvals (including **MOFCOM Approval**) for the **Acquisition** have been obtained.

4. CERTAIN PRINCIPAL TERMS OF THE AGREEMENTS

(a) Sale and Purchase Agreement

The completion of the **Acquisition** is subject to, *inter alia*, the obtaining of necessary **PRC** regulatory approvals (including **MOFCOM Approval**) and completion of necessary filing procedures in the **PRC** for the **Acquisition**. The **Acquisition** is expected to be completed by the second quarter of 2014.

(b) Call Option Agreement

Condition Precedent

The **Call Option** granted to the **CRCT Trustee** is subject to the necessary regulatory approvals being obtained for the **Acquisition**, including **MOFCOM Approval**.

Terms and Conditions of Sale

The sale of the **Call Option Sale Share** will be at a consideration comprising the aggregate of the **Consolidated Net Asset Value** and the **Reimbursable Amounts** and on further terms and conditions to be agreed between **CMA** and the **CRCT Trustee** when the relevant sale and purchase agreement contemplated in the **Call Option Agreement** is entered into. Completion of the sale and purchase of the **Call Option Sale Share** shall be conditional upon the **CRCT Manager** having secured financing for the purchase of the **Call Option Sale Share** on terms satisfactory to the **CRCT Manager**.

5. METHOD OF FINANCING AND FINANCIAL EFFECTS

CMA intends to finance the **Acquisition** by internal funds and external borrowings.

The **Acquisition** is not expected to have a material impact on the **CMA Group**'s **NTA** per **Share** and earnings per **Share** for the financial year ending 31 December 2013.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Mr Lim Ming Yan is a non-executive director of **CMA**. He is also a non-executive director of the **CRCT Manager**. Mr Lim Beng Chee is the Chief Executive Officer and executive director of **CMA**. He is also a director of **CRI**.

Save as disclosed in this announcement and save for their shareholdings in **CMA** and their unitholdings in **CRCT**, based on information available to **CMA** as at the date of this announcement, none of the directors or controlling shareholders of **CMA** has an interest, direct or indirect, in the **Acquisition** and **Call Option**.

Definitions:

Acquisition	The acquisition of the **Property**, through the acquisition of the entire equity interest in **PRC Co**
Call Option	The right for the **CRCT Trustee** to require **CMA** to enter into a definitive sale and purchase agreement with the **CRCT Trustee** or its **Nominee** for the sale of the **Call Option Sale Share** to the **CRCT Trustee** or its **Nominee**
Call Option Agreement	The conditional call option agreement dated 12 July 2013 entered into between **CMA** and the **CRCT Trustee** in respect of the grant of the **Call Option** to the **CRCT Trustee**
Call Option Notice Period	The period of one year commencing on the date of the **Call Option Agreement** or such other period as may be agreed between **CMA** and the **CRCT Trustee**
Call Option Sale Share	The one ordinary share, representing 100.0% of the total issued share capital of the **CRI**, legally and beneficially owned by **CMA**
CMA	CapitaMalls Asia Limited
CMA Group	**CMA** and its subsidiaries
Consolidated Net Asset Value	The consolidated total assets less the consolidated total liabilities on the completion date of the acquisition of the **Call Option Sale Share** by the **CRCT Trustee** in respect of **CRI** and **PRC Co**
CRCT	CapitaRetail China Trust
CRCT Manager	CapitaRetail China Trust Management Limited, in its capacity as manager of **CRCT**
CRCT Trustee	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of **CRCT**
CRI	CapitaLand Retail Investments (SY) Pte. Ltd., a wholly-owned subsidiary of **CMA**
GFA	Gross floor area
MOFCOM Approval	Approval of the **Acquisition** by the Ministry of Commerce of the **PRC**
Nominee	A wholly-owned vehicle of **CRCT**
NTA	Net tangible assets
PRC	The People's Republic of China
PRC Co	Beijing Huakun Investment Co., Ltd (华坤商业投资管理有限公司), a company incorporated in the **PRC** which is in the business of owning and operating the **Property**

Property	Grand Canyon Mall, also known as Shoudi Daxiagu Shopping Mall (首地大峡谷购物中心), a retail mall located at No. 16 South Third Ring West Road, Fengtai District, Beijing, **PRC**
Reimbursable Amounts	Costs and expenses incurred by **CMA** in connection with the acquisition and holding of **PRC Co** (and indirectly, the **Property**) and the financing of the aforementioned acquisition, to be reimbursed by the **CRCT Trustee** to **CMA** on an arm's length basis between the **CRCT Trustee** and **CMA**
RMB	Renminbi
ROFR	The right of first refusal granted by **CMA** to **CRCT** pursuant to the letter agreement dated 8 November 2006 entered into between, *inter alia*, (i) the **CRCT Manager**, (ii) the **CRCT Trustee** and (iii) **CMA**
S$	Singapore Dollar
Sale and Purchase Agreement	The sale and purchase agreement entered into between the **CRI** and the **Vendor**, in relation to the acquisition of 100.0% of the equity interest in **PRC Co**, the vehicle which owns the **Property** as at the date of the **Sale and Purchase Agreement**
Share	Ordinary share in the capital of **CMA**
sq m	Square metres
Vendor	Capital Airport Real Estate Group., Ltd, a company incorporated in the **PRC**

BY ORDER OF THE BOARD
CapitaMalls Asia Limited
Choo Wei-Pin
Company Secretary

Singapore, 15 July 2013

As at the date of this announcement, the board of directors of the Company comprises Mr Ng Kee Choe (Chairman and non-executive director); Mr Lim Beng Chee as executive director; Mr Lim Ming Yan, Ms Chua Kheng Yeng Jennie and Mr Lim Tse Ghow Olivier as non-executive directors; and Mr Sunil Tissa Amarasuriya, Tan Sri Amirsham A Aziz, Dr Loo Choon Yong, Ms Arfat Pannir Selvam, Mr Bob Tan Beng Hai and Professor Tan Kong Yam as independent non-executive directors.