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 HD **CapitaLand sells off last of its stake in Australand**  
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SYDNEY

STOCKLAND, Australia's biggest diversified **property** trust, bought a 19.9 per cent stake in Australand **Property Group** as South-east Asia's largest developer, CapitaLand, **sold** the last of its holdings.

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CapitaLand placed out 226.2 million stapled securities of Australand for A\$848.8 million (\$970 million) in total, or an average price of A\$3.75 each. This was a 3.6 per cent discount to the closing price of Australand's stapled securities on Tuesday.

The Singapore developer expects to recognise a net gain of about \$35.7 million after the **transaction** is completed.

"We have decided to divest our remaining stake in Australand now as market conditions are favourable," said Mr Lim Ming Yan, CapitaLand's president and **group** chief executive officer.

"This divestment would allow us to reallocate capital to our core businesses in Singapore and **China**."

Stockland plans to explore "strategic opportunities with Australand" after purchasing 115.2 million shares in the **company**, according to a regulatory statement.

The A\$435.5 million **purchase** is the latest in a number of **transactions** among Australia's **property** trusts.

CapitaLand in November **sold** a third of its 59 per cent stake or 115.7 million shares at A\$3.685 each through Citigroup.

In May, GPT **Group**, a Sydney-based diversified **property** trust, dropped an offer to **buy** Australand's **commercial** and development units after failing to agree on a price.

"CapitaLand is trying to improve its return on equities (ROE) and the business in Australia had lower ROEs," said Singapore-based Vikrant Pandey, an analyst at UOB Kay Hian. "CapitaLand feels there are better opportunities in **China** to deploy those funds."

Overseas investor interest in Australian **property** could weaken this year after the country attracted a significant volume of foreign investment over the past few years, CBRE **Group** said in its 2014 investor intentions survey.

AGENCIES

CO ahlaus : Australand Property Group | dbsl : CapitaLand Limited  
 IN i85 : Real Estate Transactions | i8500031 : Residential Property Dealing/Owning | icre : Real Estate/Construction | ireest : Real Estate | irreal : Residential Real Estate

**NS** c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : FC&E Industry News Filter

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