



**CDL
CHINA
LIMITED**

城市发展(中国)有限公司

News Release

28 July 2011

CDL CHINA ACQUIRES PRIME LAND SITE IN SUZHOU, CHINA

CDL China Limited (CDL China), a wholly-owned subsidiary and the China division of property giant City Developments Limited (CDL), has successfully acquired a prime site with permissible gross floor area (GFA) of 295,455 square metres (approximately 3.2 million square feet) on which it will build high-end residential apartments comprising about 750 units, an office tower, a retail mall and a luxury hotel.

The acquisition is being made through Global City International Ltd., a wholly-owned subsidiary of CDL China, and represents one of the largest deals in terms of GFA in the history of CDL.

The prized land parcel was acquired through a government land tender held on 27 July 2011 for RMB 886 million (approximately S\$167 million based on an exchange rate of 1RMB to S\$0.1881), which represents a price per square metre (psm) per plot ratio of RMB 3,000 psm. This comes just about seven months after CDL China clinched its first residential development site to build luxury villas in Chongqing, located in western China.

CDL China's latest 4.5-hectare site is located in the heart of the Suzhou Industrial Park (SIP) and in the vicinity of other sizable commercial projects by international developers like Wharf (Holdings) Limited and Sun Hung Kai Properties. The site boasts unobstructed views of the scenic Jinji Lake (金鸡湖) to its south. A major subway line several blocks to the north of the site is under construction and will commence operation next year, further enhancing the value of the CDL China site.

CDL China is currently in discussions with local developer Genway Housing Development Group Co., Ltd. (建屋发展集团) to participate in the project. Genway is an experienced government-owned developer with a strong track record and has developed over 7 million square metres of GFA in SIP, including residential, office and industrial developments.

Suzhou has traditionally been best known for its classical landscape garden design and water canals. Established as a Joint Development in February 1994, SIP is the largest economic and technological collaboration between the governments of China and Singapore and over the past two decades has blossomed into one of the most important and successful industrial parks in China.

Due to this collaboration and other supportive policies, SIP has transformed itself into a high-tech manufacturing hub, with leading positions in the semiconductor, IT and new materials and precision technology industries. There are now over 100 Fortune 500 companies located in SIP and three years ago, Suzhou even surpassed Shanghai as China's No. 1 city for actual utilised Foreign Direct Investment.

SIP has a sustained economic growth rate of 30%, making it one of the fastest-growing and most competitive industrial development zones in the world. Suzhou's GDP reached RMB 916 billion in 2010, which ranked it No. 5 in China after Shanghai, Beijing, Guangzhou and Shenzhen. The service sector makes up more than 40% of Suzhou's GDP and its GDP per capita ranks as one of the highest in China at over RMB 100,000 per capita.

Suzhou is 80 kilometres away from Shanghai, 150 kilometres from Hangzhou and about 200 kilometres from Nanjing. In addition to being a key manufacturing centre of the Yangtze River Delta region, SIP is also emerging as a new town with high-rise residential and office towers, urban malls and a vibrant Central Business District.

The Chief Executive Officer of CDL China, Mr. Sherman Kwek, said, "Over the years, Suzhou has become one of the strongest economic powerhouses in China, supported by its strong base of high-value industries. As the Chinese economy continues to expand to the next level, Suzhou's economy and real estate market will no doubt continue to benefit from this growth. Its close proximity to a key financial centre like Shanghai further underlines the bright prospects surrounding Suzhou. It is our privilege to be able to develop a prime piece of land in this beautiful city. We have the opportunity to create a world-class project in a city-centre location, which is the cornerstone of CDL China's strategy."

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