



Canada Pension Plan Investment Board Extends Partnership with Longfor Properties to Acquire 49% interest in Chongqing Retail Mall

TORONTO, ON, CANADA (October 20, 2016): Canada Pension Plan Investment Board (CPPIB) and Longfor Properties Co. Ltd (Longfor) announced today they are entering into a second joint venture to invest in Chongqing West Paradise Walk (West Paradise Walk) shopping centre in China. As part of the joint venture, CPPIB will commit approximately C\$193 million for a 49% interest in the property.

Representing CPPIB's first retail mall investment in Chongqing, one of China's largest cities with a population of over 30 million, West Paradise Walk is a six-level shopping mall built in 2008. West Paradise Walk is ideally located in the heart of one of Chongqing's most established commercial areas, the Yangjiaping commercial hub well-positioned for future development and growth. The mall currently maintains high customer traffic and occupancy rates with tenants including major local and international retail chains.

"We are pleased to extend our existing relationship with Longfor Properties through this joint venture in West Paradise Walk, a well-located shopping centre in one of China's largest cities," said Jimmy Phua, Managing Director, Head of Real Estate Investments – Asia. "This joint venture fits well with our investment strategy and allows us to invest alongside a highly experienced partner in a high-quality real estate asset that will provide attractive risk-adjusted returns over the long term."

Longfor is a well-established local retail mall developer and operator in China and has built a strong brand, experienced retail team and a wide network of local and international tenants in the Paradise Walk malls.

Zhao Yi, Executive Director and Chief Financial Officer of Longfor Properties, said, "We look forward to further extending the cooperation with our strategic partner CPPIB and this second joint venture is another milestone in this partnership following the Suzhou Times Paradise Walk project. Creating value to our shareholders through developing, holding and operating Paradise Walk shopping malls is a well-established strategy for Longfor. West Paradise Walk is one of Longfor's high quality assets, located in Chongqing, a city with strong perspective of consumption and retail growth potential. Through our distinctive expertise in shopping mall operation and management, we look to bring value to our shareholders and partners."

CPPIB and Longfor established its first joint venture in 2014 with a mixed-use real estate project in Suzhou, which included the development of a Paradise Walk mall.

As in the previous cooperation, Pinnacle Real Estate Capital Partners acted as the independent advisor for the investment and will have an ongoing role with CPPIB and Longfor. "The latest joint venture reflects the strong desire from both CPPIB and Longfor to extend their sustainable partnership to capture the secular growth prospects in China's domestic consumption and commercial real estate trends in major cities," said Kenny Tse, Managing Partner of Pinnacle Real Estate Capital Partners.



About Canada Pension Plan Investment Board

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 19 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City and São Paulo, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At June 30, 2016, the CPP Fund totalled \$287.3 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#) or [Twitter](#).

About Longfor Properties Co. Ltd.

Longfor Properties is a premier developer engaged in property development, investment and management in China. With its business spanning 25 cities throughout China, Longfor Properties serves a wide spectrum of customers, including the upper class, middle class and mass markets. The Group's product offerings range from high-rise apartment buildings, low-rise garden apartments, townhouses, detached villas, as well as shopping malls and other commercial properties.

Being one of the first developers of shopping malls in China, Longfor has been operating commercial properties for over 15 years. To date, it has opened 17 shopping malls with a total area of over 1.5 million sq.m, and working with over 3,600 merchant brands. For more information, please visit www.longfor.com.

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