

Pricing Supplement

CITY DEVELOPMENTS LIMITED
(Company Registration No. 196300316Z)
S\$5,000,000,000
Medium Term Note Programme

SERIES NO: 057
S\$140,000,000 Unsecured Fixed Rate Notes Due 2024

ISSUE PRICE: 100 PER CENT.

Dealer

OVERSEA-CHINESE BANKING CORPORATION LIMITED

The date of this Pricing Supplement is 15 October 2014.

This Pricing Supplement under which the Notes described herein (the "Notes") are issued should be read in conjunction with the Information Memorandum (the "Information Memorandum") dated 30 August 2013 issued in relation to the S\$5,000,000,000 Medium Term Note Programme of City Developments Limited (the "Issuer"). The Notes will be issued on the terms of this Pricing Supplement read together with the Information Memorandum.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who (i) is not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the "ITA") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

The terms of the Notes and additional provisions relating to their issue are as follows:

1.	Series No.:	057
2.	Tranche No.:	Nil
3.	Currency:	Singapore Dollars
4.	Principal Amount of Series:	S\$140,000,000
5.	Principal Amount of Tranche:	N.A.
6.	Denomination Amount:	S\$250,000
7.	Calculation Amount (if different from Denomination Amount):	N.A.
8.	Issue Date:	21 October 2014
9.	Form:	Bearer
10.	Redemption Amount (including early redemption):	Principal Amount
11.	Interest Basis:	Fixed Rate
12.	Interest Commencement Date:	21 October 2014

13. **Fixed Rate Note**

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|-----|------------------------|--|
| (a) | Maturity Date: | Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their principal amount on 21 October 2024 |
| (b) | Fixed Rate Day Basis: | Actual/365 (Fixed) |
| (c) | Reference Date(s): | Interest on the Notes will be payable semi-annually in arrear on the dates falling on 21 April and 21 October in each year |
| (d) | Initial Broken Amount: | N.A. |
| (e) | Final Broken Amount: | N.A. |
| (f) | Interest Rate: | 3.78 per cent. per annum |

14. **Floating Rate Note**

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|-----|------------------------------|------|
| (a) | Redemption Month: | N.A. |
| (b) | Interest Determination Date: | N.A. |
| (c) | FRN Day Basis: | N.A. |
| (d) | Interest Period: | N.A. |
| (e) | Benchmark: | N.A. |
| (f) | Primary Source: | N.A. |
| (g) | Reference Banks: | N.A. |
| (h) | Spread: | N.A. |

15. **Variable Rate Note**

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|-----|------------------------------|------|
| (a) | Redemption Month: | N.A. |
| (b) | Interest Determination Date: | N.A. |
| (c) | VRN Day Basis: | N.A. |
| (d) | Interest Period: | N.A. |
| (e) | Benchmark: | N.A. |

	(f) Primary Source:	N.A.
	(g) Reference Banks:	N.A.
	(h) Spread:	N.A.
16.	Issuer's Purchase Option Period (Condition 4(b)):	No
17.	Noteholders' VRN Purchase Option Period (Condition 4(c)(i)):	No
18.	Noteholders' Purchase Option Period (Condition 4(c)(ii)):	No
19.	Issuer's Redemption Option Period (Condition 4(d)):	No
20.	Noteholders' Redemption Option Period (Condition 4(e)):	No
21.	Notes to be represented on issue by:	The Notes will be represented by a Permanent Global Note, without interest coupons, which will be deposited with The Central Depository (Pte) Limited on or about the Issue Date. The Permanent Global Note will be exchangeable for Notes in definitive form in the denomination of S\$250,000 each with interest coupons attached only in certain limited circumstances set out in it
22.	Temporary Global Note exchangeable for Definitive Notes:	N.A.
23.	Temporary Global Note exchangeable for Permanent Global Note:	N.A.
24.	Listing:	No
25.	Notes to be cleared through the Central Depository (Pte) Limited:	Yes
26.	Method of issue of Notes:	Individual Dealer
27.	The following Dealer is subscribing for the Notes:	Oversea-Chinese Banking Corporation Limited

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| 28. | The aggregate principal amount of Notes issued has been translated into Singapore Dollars at the rate of [] producing a sum of (for Notes not denominated in Singapore Dollars): | N.A. |
| 29. | Jurisdiction: | Non-exclusive jurisdiction of Singapore |
| 30. | Issuing and Paying Agent: | Citicorp Investment Bank (Singapore) Limited |
| 31. | Agent Bank: | N.A. |
| 32. | Registrar: | N.A. |
| 33. | Date of Agency Agreement: | 25 May 1999 |
| 34. | Primary place of offer of Notes: | Singapore |
| 35. | Other terms: | N.A. |

Details of any additions or variations to terms and conditions of the Notes as set out in the Information Memorandum:

Please refer to the Appendix 1 to this Pricing Supplement.

Any additions or variations to the selling restrictions:

N.A.

Others:

Please refer to the Appendix 2 to this Pricing Supplement.

Signed: 

 Authorised Signatory
 City Developments Limited



Appendix 1

The terms and conditions of the Notes shall be amended by:

- (i) deleting Condition 8(c) and Condition 8(d) thereof in their entirety and substituting therefor the following:
 - “(c) any liability or indebtedness of the Issuer exceeding in aggregate S\$100,000,000 (or its equivalent in any other currency or currencies), being repayable prior to its stated maturity by reason of default and the due date for payment thereof not being extended or any such liability or indebtedness of the Issuer not being repaid at its stated maturity as extended by any grace period permitted under the agreement or other documents evidencing or constituting such indebtedness; or
 - (d) any default by the Issuer in making any payment due under any guarantee or any indemnity given by the Issuer in respect of any obligation, liability or indebtedness having an aggregate outstanding principal amount exceeding S\$100,000,000 (or the respective equivalent in any other currency or currencies) provided always that it shall not be an event of default if such refusal or failure is by reason of the Issuer in good faith contesting or disputing any liability under such guarantee or indemnity; or”;
- (ii) deleting the definition of “Principal Subsidiaries” appearing in Condition 8 thereof and substituting therefor the following:

“For the purposes of these Conditions, “**subsidiary**” has the meaning ascribed to it in Section 5 of the Companies Act (Cap. 50) of Singapore. “**Principal Subsidiary**” means, at any time, any subsidiary of the Issuer (excluding subsidiaries whose shares are listed on any stock exchange (“**Listed Subsidiaries**”) and any subsidiaries of such Listed Subsidiaries), whose total assets or (in the case of a subsidiary which itself has subsidiaries) total consolidated assets, as shown by the then latest audited accounts of such subsidiary, are at least 15 per cent. of the total assets of the Group as shown by the then latest audited consolidated accounts of the Issuer Provided That:

 - (i) if a Principal Subsidiary transfers or otherwise disposes of any part of its assets to another subsidiary of the Issuer or any other person, the total assets of such subsidiaries shall be calculated by reference to the then latest audited balance sheet of each of the transferor and transferee subsidiary (as the case may be) adjusted as appropriate with effect from the date of transfer to reflect the transfer of such assets after the end of the financial period to which the balance sheet relates; and
 - (ii) if any subsidiary acquires any assets, the total assets of such subsidiary shall be calculated by reference to its then latest audited balance sheet adjusted as appropriate with effect from the date of acquisition to reflect the acquisition of such assets after the end of the financial period to which the balance sheet relates.”; and
- (iii) deleting Condition 10(a) and Condition 10(c) thereof in its entirety. Clause 14.01(k) and Clause 14.03 of the Trust Deed are not applicable.

Appendix 2

The section "Singapore Taxation" appearing on pages 77 to 81 in the Information Memorandum shall be deleted in its entirety and substituted with the following:

"SINGAPORE TAXATION

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own tax advisors as to the Singapore or other tax consequences of the acquisition, ownership of or disposition of the Notes, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer and any other persons involved in the MTN Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act, Chapter 134 of Singapore (the "ITA"), the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore, unless specifically exempted. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17 per cent. The applicable rate for non-resident individuals is currently 20 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006;
- (c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007; and
- (d) such other income directly attributable to debt securities as may be prescribed by regulations derived from Singapore on or after a prescribed date,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

In addition, with respect to any tranche of the Notes issued as debt securities under the MTN Programme (the "**Relevant Notes**") during the period from the date of this Information Memorandum to 31 December 2018 where more than half of the issue of such Relevant Notes are distributed by Financial Sector Incentive (Capital Market), Financial Sector Incentive (Standard Tier) or Financial Sector Incentive (Bond Market) companies (as defined in the ITA), such tranche of Relevant Notes would be, pursuant to the ITA and the MAS Circular FSD Cir 02/2013 entitled "Extension and Refinement of Tax Concessions for Promoting the Debt Market" issued by the MAS on 28 June 2013 (the "**MAS Circular**") qualifying debt securities ("**QDS**") for the purposes of the ITA, to which the following treatment shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the furnishing of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Notes as the relevant authorities may require to the MAS and such other relevant authorities as may be prescribed, and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by any person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Qualifying Income**") from the Relevant Notes, derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;
- (ii) subject to certain conditions having been fulfilled (including the furnishing of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Notes as the relevant authorities may require to the MAS and such other relevant authorities as may be prescribed), Qualifying Income

from the Relevant Notes derived by any company or a body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

- (iii) subject to:
- (aa) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (bb) the furnishing to the MAS and such other relevant authorities as may be prescribed of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Notes as the relevant authorities may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

- (A) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and
- (B) even though a particular tranche of Relevant Notes are QDS, if, at any time during the tenure of such tranche of Relevant Notes, 50 per cent. or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income from such Relevant Notes derived by:
 - (i) any related party of the Issuer; or
 - (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "**break cost**", "**prepayment fee**" and "**redemption premium**" are defined in the ITA as follows:

"break cost", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

"prepayment fee", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

"redemption premium", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "break cost", "prepayment fee" and "redemption premium" in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from the Relevant Notes by any person who is not resident in Singapore and carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. In addition, notwithstanding that the Issuer is permitted to make payments of interest, discount income, prepayment fee, redemption premium or break cost in respect of the Relevant Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Under the Qualifying Debt Securities Plus Scheme ("**QDS Plus Scheme**"), subject to certain conditions having been fulfilled (including the submission of a return on debt securities in respect of the QDS in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the QDS as the relevant authorities may require to the MAS and such other relevant authorities as may be prescribed), income tax exemption is granted on Qualifying Income derived by any investor from QDS (excluding Singapore Government Securities) which:

- (a) are issued during the period from 16 February 2008 to 31 December 2018;
- (b) have an original maturity of not less than 10 years;
- (c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue, with the exception of debt securities with standard early termination clauses (as prescribed in the MAS Circular); and
- (d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

However, even if a particular tranche of Relevant Notes are QDS which qualify under the QDS Plus Scheme, if, at any time during the tenure of such tranche of Relevant Notes, 50 per cent. or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income from such Relevant Notes derived by:

- (i) any related party of the Issuer; or
- (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

The MAS Circular states that, with effect from 28 June 2013, the QDS Plus Scheme will be refined to allow QDS with certain standard early termination clauses (as prescribed in the MAS Circular) to qualify for the QDS Plus Scheme at the point of issuance of such debt securities. The MAS has also clarified that if such debt securities are subsequently redeemed prematurely pursuant to such standard early termination clauses before the 10th year from the date of issuance of such debt securities, the tax exemption granted under the QDS Plus Scheme to Qualifying Income accrued prior to such redemption will not be clawed back. Under such circumstances, the QDS Plus status of such debt securities will be revoked prospectively for such outstanding debt securities (if any), and holders thereof may still enjoy the tax benefits under the QDS scheme if the QDS conditions continue to be met.

The MAS has stated that, QDS with embedded options with economic value (such as call, put, conversion or exchange options which can be triggered at specified prices or dates and are built into the pricing of such debt securities at the onset) which can be exercised within ten years from the date of issuance of such debt securities will continue to be excluded from the QDS Plus Scheme from such date of issuance.

All payments in respect of the Notes by the Issuer shall be made after withholding or deducting any amounts for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, by or on behalf of Singapore or any authority thereof or therein having power to tax and which are required by applicable law to be withheld or deducted. The Issuer will not pay any additional amounts in respect of any such withholding or deduction from payments in respect of the Notes and Coupons for or on account of any such taxes, duties, assessments or charges. Where the Issuer is not permitted under applicable law to make payments of principal, interest or other income in respect of any Notes or Coupons without any withholding or deduction for Singapore tax, no payment of principal, interest or other income shall be made by the Issuer to any Noteholder or Couponholder without deduction or withholding for or on account of any such taxes, duties, assessments or charges unless such Noteholder or Couponholder shall have provided a statutory declaration or other evidence satisfactory to the Issuing and Paying Agent that the beneficial owner of such principal, interest or other income is a resident in Singapore for tax purposes or a permanent establishment in Singapore (not resident in Singapore) which has obtained waiver from withholding tax, or a branch of a non-resident company in Singapore which is not subject to withholding tax on such payments made to it.

2. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be subject to tax in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement (“**FRS 39**”) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on “Adoption of FRS 39 Treatment for Singapore Income Tax Purposes”.

3. Adoption of FRS 39 Treatment for Singapore Income Tax Purposes

The Inland Revenue Authority of Singapore has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 - Financial Instruments: Recognition and Measurement" (the "**FRS 39 Circular**"). The ITA has since been amended to give effect to the FRS 39 Circular.

The FRS 39 Circular generally applies, subject to certain "opt-out" provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008."