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PRICING SUPPLEMENT

MERCATUS CO-OPERATIVE LIMITED

(UEN Registration No. T11CS0004B)

(as Issuer)

S\$1,000,000,000

Multicurrency Medium Term Note Programme

SERIES NO: 002

TRANCHE NO: 001

S\$150,000,000 3.10 per cent. Notes due 2028

Issue Price: 100 per cent.

DBS Bank Ltd.

Oversea-Chinese Banking Corporation Limited

Issuing and Paying Agent

The Bank of New York Mellon, Singapore Branch

One Temasek Avenue

#03-01 Millenia Tower

Singapore 039192

CDP Transfer Agent and CDP Registrar

The Bank of New York Mellon, Singapore Branch

One Temasek Avenue

#03-01 Millenia Tower

Singapore 039192

The date of this Pricing Supplement is 16 January 2018.

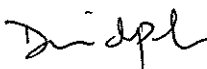
This Pricing Supplement relates to the Tranche of Notes referred to above.

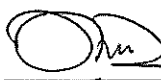
This Pricing Supplement, under which the Notes described herein (the "**Notes**") are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum (as revised, supplemented, amended, updated or replaced from time to time, the "**Information Memorandum**") dated 9 June 2017, as supplemented by the supplemental Information Memorandum dated 13 July 2017, issued in relation to the S\$1,000,000,000 Multicurrency Medium Term Note Programme of Mercatus Co-operative Limited (the "**Issuer**"). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. 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 (1) is not resident in Singapore and (2) 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.

MERCATUS CO-OPERATIVE LIMITED

Signed: 

Signed: 

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

1.	Issuer:	Mercatus Co-operative Limited
2.	Series No.:	002
3.	Tranche No.:	001
4.	Currency:	Singapore Dollars (" S\$ ")
5.	Principal Amount of Series:	S\$150,000,000
6.	Principal Amount of Tranche:	S\$150,000,000
7.	Denomination Amount:	S\$250,000
8.	Calculation Amount (if different from Denomination Amount):	Not Applicable
9.	Issue Date:	19 January 2018
10.	Issue Price:	100%
11.	Redemption Amount (for all Notes other than Fixed Rate Notes) (including early redemption):	Not Applicable
12.	Redemption Amount (for Fixed Rate Notes) (upon final redemption under Condition 6.1 or repayment under Condition 10):	Denomination Amount
13.	Interest Basis:	Fixed Rate
14.	Interest Commencement Date:	19 January 2018
15.	Fixed Rate Note	
	(a) Maturity Date:	19 January 2028
	(b) Day Count Fraction:	Actual/365 (Fixed)
	(c) Interest Payment Date(s):	Interest will be payable semi-annually in arrear on 19 January and 19 July in each year, commencing on 19 July 2018
	(d) Initial Broken Amount:	Not Applicable
	(e) Final Broken Amount:	Not Applicable
	(f) Interest Rate:	3.10 per cent. per annum
16.	Floating Rate Note	Not Applicable
17.	Variable Rate Note	Not Applicable

18.	Hybrid Note	Not Applicable
19.	Zero Coupon Note	Not Applicable
20.	Issuer's Redemption Option Issuer's Redemption Option Period (Condition 6.4):	No
21.	Noteholders' Redemption Option Noteholders' Redemption Option Period (Condition 6.5):	No
22.	Issuer's Purchase Option Issuer's Purchase Option Period (Condition 6.2):	No
23.	Noteholders' VRN Purchase Option Noteholders' VRN Purchase Option Period (Condition 6.3(a)):	No
24.	Noteholders' Purchase Option Noteholders' Purchase Option Period (Condition 6.3(b)):	No
25.	Redemption for Taxation Reasons (Condition 6.6):	Yes
26.	Redemption upon Change of Shareholding (Condition 6.7):	Yes Redemption Amount is equal to the principal amount of the Notes for the time being outstanding.
27.	Redemption in the case of Minimal Outstanding Amount (Condition 6.8):	No
28.	Form of Notes:	Registered Global Certificate
29.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No
30.	Applicable TEFRA exemption:	Not Applicable
31.	Listing:	The Singapore Exchange Securities Trading Limited
32.	ISIN Code:	SG7LG2000005
33.	Common Code:	175603948
34.	Clearing System(s):	The Central Depository (Pte) Limited

35.	Depository:	The Central Depository (Pte) Limited
36.	Delivery:	Delivery free of payment
37.	Method of issue of Notes:	Syndicated Issue
	(a) If syndicated, names of Managers:	DBS Bank Ltd. Oversea-Chinese Banking Corporation Limited
	(b) Stabilising Manager(s) (if any)	Not Applicable
	(c) If non-syndicated, name(s) of Relevant Dealer(s):	Not Applicable
38.	The following Dealer(s) are subscribing the Notes:	DBS Bank Ltd. Oversea-Chinese Banking Corporation Limited
39.	Paying Agent:	Issuing and Paying Agent
40.	The aggregate principal amount of Notes issued has been translated in Singapore dollars at the rate of [●] producing a sum of (for Notes not denominated in Singapore dollars):	Not Applicable
41.	Use of Proceeds:	Refinancing of existing borrowings
42.	Private Bank Rebate/Commission:	Not Applicable
43.	Other terms: Details of any additions or variations to terms and conditions of the Notes as set out in the Information Memorandum: Any additions or variations to the selling restrictions:	Condition 10(h) shall be amended by deleting the word “subsidiaries” appearing in line 4 thereof and by substituting therefor with the words “Principal Subsidiaries”.

Appendix

The Information Memorandum shall be amended as follows:

1. the section “Notice” appearing on pages 2 to 6 of the Information Memorandum shall be amended as follows by inserting as new paragraphs after the last paragraph of page 5 of the Information Memorandum the following:

"Markets in Financial Instruments Directive II

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

Packaged Retail Investment and Insurance Products – Prohibition of Sales to Retail Investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “**Prospectus Directive**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “**PRiIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRiIPs Regulation.”;

2. the following paragraphs shall be added to the section “Description of the Issuer – 6. Recent Developments” immediately after the last paragraph of this section appearing on page 93 of the Information Memorandum:

"Acquisition of a Strata Lot at Thomson Plaza

On 11 December 2017, the Issuer, through its subsidiary, Mercatus Beta Co-operative Limited acquired a strata lot located at Thomson Plaza. This is in line with the Issuer’s strategy to continue investing in, developing and managing a diversified portfolio of commercial real estate in Singapore. The purchase price of \$28 million was fully funded by the Group’s internal funds. With this acquisition, the Group now owns 137,542 square feet of retail strata area consisting of strata spaces on levels one and three, representing about 45% of the total strata area in Thomson Plaza.

Market Valuations as at 31 December 2017

The Issuer engaged Jones Lang LaSalle Property Consultants Pte Ltd, Savills Valuation and Professional Services (S) Pte. Ltd. and Cushman & Wakefield VHS Pte. Ltd. ¹ to assess the latest market valuation of its asset portfolio. In aggregate, the total valuation of the Properties (including the newly acquired strata lot at Thomson Plaza) held by the Group increased by 8.6% from \$4.8 billion to \$5.2 billion.

Valuation (\$ million)	AMK Hub	OMB	Thomson Plaza	Portfolio of Strata Titled Properties ²	Jurong Point	NEX
31 December 2017	793.0	650.0	207.0 ³	499.9	2,149.5	1,787.0 ⁴
31 December 2016 ⁵	766.0	586.9	164.1	454.7	1,935.8	1,695.0

Acquisition of shares in NTUC Choice Homes Co-operative Limited

In order to support NTUC Enterprise's plan to consolidate its real estate business in the Issuer, the Issuer completed a share swap with its shareholders NTUC Enterprise and NTUC FairPrice for their shares in NTUC Choice Homes Co-operative Limited ("**NTUC Choice Homes**") on 31 December 2017 and 2 January 2018 respectively. Additional shares of 212.9 million was issued to NTUC Enterprise and NTUC FairPrice in aggregate at a total value of \$320.6 million.

With the completion of the share swap, NTUC Enterprise's and NTUC FairPrice's current shareholdings in Mercatus has been changed slightly from 55.5% and 44.5% to 58.7% and 41.3% respectively. As of 2 January 2018, the Issuer became a majority shareholder of Choice Homes with a 69.6% shareholdings.

NTUC Choice Homes is a co-operative registered in November 1995 to build and deliver affordable quality homes. The last development was completed in 2014 and NTUC Choice Homes is currently not undertaking any new property development. Based on the latest audited financial statements, NTUC Choice Homes holds investments of estimated \$455 million in NTUC Enterprise's bonds."

¹ Jurong Point was valued by Savills Valuation and Professional Services (S) Pte. Ltd., NEX was valued by Cushman & Wakefield VHS Pte. Ltd. and the remaining properties were valued by Jones Lang LaSalle Property Consultants Pte Ltd.

² A strata lot in Jurong Point acquired on 1 Jan 2017 and included in 2016's valuation under "Strata Titled Properties" is being re-classed and presented under "Jurong Point".

³ The value includes the newly acquired strata lot at Thomson Plaza.

⁴ The property is held under a joint venture company of which the Issuer holds a 50% equity interest; this amount relates to the entire property.

⁵ The values are extracted from the Information Memorandum dated 9 June 2017 and Supplemental Information Memorandum dated 13 July 2017.