

Canada's CPPIB buys 49pc stake in Pavilion Damansara

KUALA LUMPUR: Canada Pension Plan Investment Board (CPPIB) will spend RM485 million for a 49 per cent stake in Pavilion Group's Pavilion Damansara Heights, a mixed-use development project here.

"We are pleased to make our first direct real estate investment in Southeast Asia through this joint venture with one of Malaysia's most well-respected developers, the Pavilion Group," said Jimmy Phua, real estate investments Asia head and managing director.

"This joint venture fits well with our investment strategy as it provides us with a great opportunity to work with a smart partner in a high-quality real estate asset that will provide attractive risk-adjusted returns over the long term," he added.

CPPIB has a diversified portfolio with investments in public and private equities, real estate, infrastructure and fixed income instruments.

Representing its first direct real estate investment in Malaysia, Pavilion Damansara Heights is a freehold development integrating corporate towers, luxury residences and a retail galleria.

The development is located in one of the most prime and affluent locations in Kuala Lumpur, less than 10km from Petronas Twin Towers.

It is well connected by a network of highways and strategically served by two upcoming Mass Rapid Transit (MRT) stations within walking distance to the development.

Pavilion Group project director Timothy Liew said the project is a world-class integrated development that is synonymous with the Pavilion Brand.

"We are looking forward to the opportunity to partner with CPPIB in this exciting development in Kuala Lumpur," he said in a joint statement with CPPIB yesterday.

Pavilion Group specialises in large-scale retail mixed use developments in prime city centre locations in Malaysia and China.

The group is renowned for its successful and award-winning

Pavilion Kuala Lumpur integrated development.

Headquartered in Toronto, CPPIB is a professional investment management organisation that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 18 million contributors and beneficiaries.

At June 30, the CPP fund totalled C\$268.6 billion (RM846 billion).

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