

NEWS RELEASE

ASCOTT GAINS ACCESS TO 1,600-UNIT PIPELINE IN THE PHILIPPINES THROUGH STRATEGIC ALLIANCE WITH CEBU LANDMASTERS

Market leading expertise lauded with Ascott Makati set to receive world's first serviced residence green certification from International Finance Corporation, a member of the World Bank Group

Singapore, 26 July 2018 – CapitaLand's wholly owned serviced residence business unit, The Ascott Limited (Ascott), has boosted its leading position in the Philippines by entering a strategic alliance with one of the country's top real estate developers, Cebu Landmasters Inc. (CLI), to manage 1,600 units by 2022. Under the alliance, both parties will seek properties for CLI to develop into serviced residences to be managed by Ascott.

Ascott and CLI have signed management contracts for their first four properties offering over 800 units in the prime business districts of Bacolod, Cebu City and Davao City. Citadines Bacolod City, Citadines Cebu City, Citadines Paragon Davao, and lyf Cebu City, will open from 2019 to 2021. Citadines Bacolod City, the latest property sealed under the partnership, marks Ascott's entry into Bacolod. Separately, Ascott also made its foray into Quezon City, Metro Manila's largest city, by scoring a management contract with another property owner for Citadines Roces Quezon City, which will open in 2023. The two new contracts in Bacolod and Quezon City will increase Ascott's portfolio in the Philippines by 27% year-on-year to over 4,300 units.

Mr Kevin Goh, Chief Executive Officer, The Ascott Limited, said: "Ascott's alliance with CLI in the Philippines builds on the strategic partnerships we have forged around the world to accelerate Ascott's growth globally. Leveraging Ascott's global network and strong hospitality expertise, as well as CLI's well-established reputation in the Philippines, the partnership will allow us to gain access to a pipeline of quality projects in the country. This will fast-track our expansion and strengthen Ascott's leadership position as the largest international hospitality player in the Philippines. Having leading industry players choose to partner Ascott speaks volume of the value we bring to our partners. We are confident that Ascott will exceed 80,000 units in 2018 and expand to 160,000 units worldwide by 2023."

Mr Daniel Wee, Ascott's Country General Manager for the Philippines, said: "Ascott has been in the Philippines for 18 years with strong performing properties that enjoy an average occupancy rate of about 80% under our award-winning brands Ascott, Citadines and Somerset. We will also introduce our millennial-targeted lyf brand to the country under our partnership with CLI. Citadines Roces Quezon City, as well as our first four properties with CLI – Citadines Bacolod City, Citadines Cebu City, Citadines Paragon Davao, and lyf Cebu City, will

open in the next five years. Guests can look forward to a home-away-from-home experience and world-class services at these well-located properties. We are on track to achieve Ascott's target of 6,000 units in the Philippines by 2020."

Mr Jose Soberano III, the CEO of CLI, said: "We are glad to partner with Ascott, an international hospitality brand with the biggest presence in the Philippines, to expand the hospitality portfolio of our real estate business. The booming tourism sector and growing investments in the country will create huge opportunities for the accommodation industry. Ascott's strong management expertise in the hospitality business is a good complement to our reputable track record and deep knowledge of the real estate markets in various cities of the Philippines. Together, we will set a strong benchmark for quality accommodation and customer service in the country."

In a world's first, International Finance Corporation (IFC), a member of the World Bank Group, has signed a Memorandum of Understanding (MoU) with Ascott to pioneer a green building certification for serviced residences, as part of IFC's Excellence in Design for Greater Efficiencies (EDGE) system¹. Ascott Makati in the Philippines is set to be the first serviced residence to receive this EDGE certification. Under the MoU, Ascott and IFC will also jointly source for properties to be developed to the EDGE's new serviced residence green standards, with potential financial support from IFC, as well as management services provided by Ascott.

Mr Goh said: "We are taking the lead to set a new international green benchmark given Ascott's reputation and expertise in managing award-winning serviced residences globally for over 30 years. With our newly renovated Ascott Makati set to be awarded the world's first green building certification for serviced residences, it is a recognition of the enhanced value we bring to property owners through sustainable practices, such as efforts to save energy and water. It will pave the way for more properties to come onboard this new international green certification developed specifically for the serviced residence industry. It also marks the beginning of Ascott's partnership with IFC to deepen exchange of knowledge and research on sustainable design of serviced residences in developing regions such as Asia Pacific, Indochina and Africa. We look forward to tapping IFC's international network and funding to source for more business opportunities in these emerging markets where Ascott can contribute our strong expertise in hospitality management."

Ms Rana Karadsheh, IFC Country Manager for Singapore said: "We are seeing strong interest from investors and developers in fulfilling the increasing demand for eco-friendly and resource-efficient buildings, and are excited to do our initial launch in the Philippines, while looking to replicate this in other emerging markets. IFC's EDGE green building certification offers a cost-efficient way of bringing green features into building design. As one of the world's leading international serviced residence operators, Ascott is a key partner to pioneer

[1] EDGE is a green building certification that covers nearly 140 emerging countries. An innovation of IFC, a member of the World Bank Group, EDGE is recognised by various World Green Building councils and the Global Real Estate Sustainability Benchmark.

the EDGE green building certification for serviced residences as we work together to promote the adoption of sustainable practices around the world.”

In the Philippines, Ascott currently has 20 properties offering over 4,300 units across key cities in Metro Manila, Bacolod, Cebu, Davao, and Iloilo. These include 13 properties that are slated to open from 2018 to 2023. Citadines Bay City Manila will open this year, followed by Citadines Amigo Iloilo and Citadines Cebu City in 2019. Ascott DD Meridian Park Manila, Citadines Bacolod City, Citadines Paragon Davao, Somerset Gorordo Cebu, Somerset Valero Makati, Somerset Salcedo Village Makati, and lyf Cebu City will open in 2021. Meanwhile, Citadines Greenhills Manila is targeted to open in 2022 whereas Citadines Benavidez Makati and Citadines Roces Quezon City will open in 2023.

Demand for quality accommodation in the Philippines is on the up with its rising middle-class population and its growing attractiveness as an investment and tourism destination. In 2017, 6.6 million tourists visited the Philippines, an increase of 11% from 2016². As one of the top economies in Southeast Asia, the Philippines has embarked on a mega infrastructure programme to drive economic growth and foreign investment. Some of the major projects underway include the Metro Manila Subway, the Luzon Spine Expressway Network, the Metro Manila Logistics Network and Metro Cebu Expressway³.

Please refer to the [Annex](#) for more information on Ascott’s new properties – Citadines Bacolod City and Citadines Roces Quezon City.

About The Ascott Limited

The Ascott Limited is a Singapore company that has grown to be one of the leading international serviced residence owner-operators. It has over 45,000 operating serviced residence units in key cities of the Americas, Asia Pacific, Europe, the Middle East and Africa, as well as about 30,000 units which are under development, making a total of more than 75,000 units in over 500 properties. The company’s brands include Ascott, Citadines, Somerset, Quest, The Crest Collection, and lyf. Ascott’s portfolio spans more than 130 cities across over 30 countries.

Ascott, a wholly owned subsidiary of CapitaLand Limited, pioneered Asia Pacific's first international-class serviced residence with the opening of The Ascott Singapore in 1984. Today, the company boasts over 30 years of industry track record and award-winning serviced residence brands that enjoy recognition worldwide.

Ascott’s achievements have been recognised internationally. Recent awards include World Travel Awards 2018 for ‘Leading Serviced Apartment Brand’ in Europe and the Middle East;

[2] “Philippines’ tourist arrivals hit 6.6 million in 2017, up by 11%” (9 February 2018), Business World

[3] “Infrastructure investment in the Philippines set to drive growth” (14 February 2018), Oxford Business Group

DestinAsian Readers' Choice Awards 2018 for 'Best Serviced Residence Brand'; TTG China Travel Awards 2018 for 'Best Serviced Residence Operator in China'; World Travel Awards 2017 for 'Leading Serviced Apartment Brand' in Asia, Europe and the Middle East; Business Traveller Asia-Pacific Awards 2017 for 'Best Serviced Residence Brand'; Business Traveller UK Awards 2017 for 'Best Serviced Apartment Company' and Business Traveller China Awards 2017 for 'Best Serviced Residence Brand'. For a full list of awards, please visit www.the-ascott.com/ascottlimited/awards.html.

About CapitaLand Limited

CapitaLand is one of Asia's largest real estate companies. Headquartered and listed in Singapore, it is an owner and manager of a global portfolio worth S\$91 billion as at 31 March 2018, comprising integrated developments, shopping malls, serviced residences, offices, homes, real estate investment trusts (REITs) and funds. Present across more than 150 cities in over 30 countries, the Group focuses on Singapore and China as core markets, while it continues to expand in markets such as Vietnam and Indonesia.

CapitaLand's competitive advantage is its significant asset base and extensive market network. Coupled with extensive design, development and operational capabilities, the Group develops and manages high-quality real estate products and services. It also has one of the largest investment management businesses in Asia and a stable of five REITs listed in Singapore and Malaysia – CapitaLand Mall Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust and CapitaLand Malaysia Mall Trust.

Visit www.capitaland.com for more information.

About Cebu Landmasters Inc

Listed on the Philippine Stock Exchange, Cebu Landmasters, Inc. (CLI) is a home-grown real estate development company in Cebu. The company is engaged in the development of residential, commercial, hospitality, mixed-use and civic projects. CLI was established in 2003 in the wonderful queen city of the south founded by a true blooded Cebuano entrepreneur. Guided by sincere family values, genuine real estate passion and unrelenting faith, the company is highly committed to its customers and community. Visit www.cebulandmasters.com for more information.

About International Finance Corporation

IFC – a sister organisation of the World Bank and member of the World Bank Group – is the largest global development institution focused on the private sector in emerging markets. We work with more than 2,000 businesses worldwide, using our capital, expertise, and influence to create markets and opportunities in the toughest areas of the world. In fiscal year 2018, we

delivered more than US\$23 billion in long-term financing for developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity. For more information, visit www.ifc.org.

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ANNEX

Citadines Bacolod City (opening 2021)

Citadines Bacolod City is located along Lacson Street, the main thoroughfare and tourism and food hub of Bacolod City in the Philippines. The 200-unit serviced residence will be part of a mixed-use development which also comprises a condominium and commercial complex. It is a 17-minute drive from the Bacolod-Silay International Airport, and a five-minute drive from the Central District IT Park.

The property is near retail and dining outlets such as Robinsons Place Bacolod and SM City Bacolod, and multinational corporations like Pepsi Cola Plant and Teletech. Educational and medical institutions nearby include University of St. La Salle, Riverside College, Riverside Medical Center as well as tourist spots such as The Ruins, and Capitol Park and Lagoon.

The Citadines property will comprise studio, one-bedroom and two-bedroom apartments, as well as facilities including a ballroom, meeting rooms, swimming pool, gymnasium and restaurant.

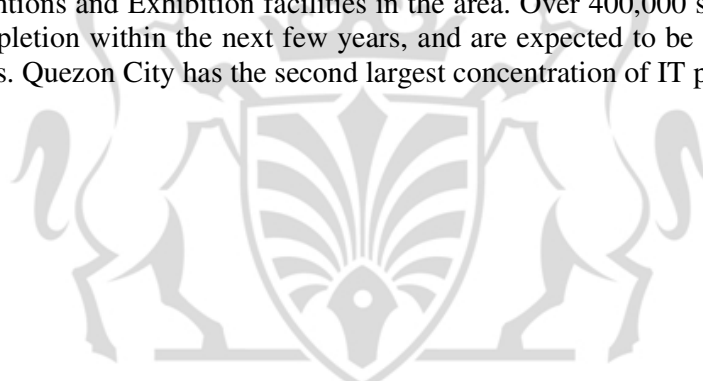
Bacolod is the second most populous city in Visayas after Cebu City, and is a 1.5-hour flight away from Manila. It is positioned as the premier hub for IT-Business Process Management (BPO) operations in the region. Global BPO companies operating in the city are Convergys, Teleperformance, Teletech, and Transcom, among others. The local government is also pushing for the development of the city's tourism industry.

Citadines Roces Quezon City (opening 2023)

The 200-unit Citadines Roces Quezon City is located in Don A. Roces Ave, Diliman, of Quezon City – the largest city in Metro Manila, capital of the Philippines. Guests can venture to the nearby South Triangle which boasts popular retail and dining concepts, and enjoy proximity to shopping malls, multinational companies such as Accenture and Hewlett Packard, as well as ABS-CBN Media Station. It is a two-hour drive to the Ninoy Aquino International Airport, an hour’s drive to Makati and a 30-minute drive to Ortigas.

The serviced residence offers a range of studio, one-bedroom and two-bedroom apartments. Facilities include a retail podium, spaces for performance, all-day dining options, function rooms, swimming pool, gymnasium and residents’ lounge.

Quezon City is shaping up to be an emerging business district with established townships and mixed-use communities. It is home to two main broadcast stations in the Philippines, as well as several government offices and bureaus, which create a growing demand for Meetings, Incentives, Conventions and Exhibition facilities in the area. Over 400,000 sqm of new offices are slated for completion within the next few years, and are expected to be taken up primarily by BPO companies. Quezon City has the second largest concentration of IT parks and buildings in the country⁴.



[4] “Quezon City: The Place to Be” (2018), The Local Government of Quezon City