For Immediate Release

NEWS RELEASE

CCT acquires Asia Square Tower 2[1] in Singapore's Marina Bay for S$2,094.0 million or S$2,689 per square foot

Strategic addition of premium Grade A property solidifies CCT's position as Singapore's largest prime office landlord

Singapore, 21 September 2017 – CapitaLand Commercial Trust (CCT or the Trust), is acquiring Asia Square Tower 2[1] from BlackRock Asia Property Fund III L.P. for an agreed property value of S$2,094 million or S$2,689 per square foot. The net property income (NPI) yield is expected to be 3.6%[2] per annum (p.a.), based on a committed occupancy rate of 88.7% as at 30 June 2017. CCT will fund this acquisition through a combination of a fully-underwritten and renounceable 166 for 1,000 rights issue to raise gross proceeds of approximately S$700.0 million, external bank borrowings of S$1,120.0 million, and proceeds of approximately S$340.1 million from the divestments of One George Street (50.0% stake), Golden Shoe Car Park and Wilkie Edge.

Located in the heart of Singapore's Marina Bay, Asia Square Tower 2 is a 46-storey integrated commercial development comprising a premium quality Grade A office building and amenities including The Westin Singapore and a two-storey retail podium. Completed in September 2013, it is one of the newest buildings in the Marina Bay area and is easily accessible via an extensive public transport network. Offering a superior 'work-play-live' environment supported by a full suite of integrated amenities, the office and retail units in Asia Square Tower 2 with a combined net lettable area (NLA) of 778,719 square feet (sq ft) will enhance CCT's product offerings to meet the modern demands of tenants from diverse business sectors.

Mr Soo Kok Leng, Chairman of the Manager, said: "The addition of Asia Square Tower 2 is a strategic move that is in line with our portfolio reconstitution strategy to rejuvenate CCT's portfolio with the addition of newer and higher yielding Grade A assets. One George Street (50.0% stake) and Wilkie Edge which were divested at exit yields of 3.2%[3] and 3.4%[4] p.a. respectively, are replaced with the acquisition of a higher yielding Asia Square Tower 2 at an initial yield of 3.6% p.a. With this acquisition, CCT is now well anchored in all the key sub-

[1] Acquisition comprises Asia Square Tower 2 excluding the hotel premises owned by an unrelated third party.

[2] Based on an annualised NPI for pro forma 1H 2017 and using the committed occupancy of 88.7%, which includes committed leases with tenants that will commence on 1 March 2018, and the agreed property value of S$2,094.0 million.

[3] Based on the NPI of S$38.0 million for the 12 months preceding 31 March 2017 and the agreed value of S$1,183.2 million for the divestment of One George Street to One George Street LLP (OGS LLP). CCT owns 50.0% stake of OGS LLP.

[4] Based on the NPI of S$9.5 million for the 12 months preceding 31 March 2017 and the sale consideration of S$280.0 million for the divestment of Wilkie Edge.

markets in Singapore's Central Business District: Marina Bay, Raffles Place, Tanjong Pagar and City Hall; cementing its position as the largest landlord of prime office assets in Singapore. Offering about 0.7 million sq ft of NLA, Asia Square Tower 2 enlarges CCT's attributable office[5] NLA to 3.5 million sq ft. This enhanced office portfolio places us in a strong position to generate respectable returns for unitholders over the long term."

Ms Lynette Leong, Chief Executive Officer of the Manager, said: "We seized the opportunity to acquire a premium Grade A property at an attractive price and entry yield. Market statistics have shown that Singapore's office market rents have reached a trough; hence, the acquisition will position CCT to benefit from the expected market uptick in Grade A office rents. Given our track record of successful leasing strategies, we will be able to capture further rental income upside from increasing the property's 88.7% occupancy in a rising market."

Ms Leong added: "Asia Square Tower 2 has a robust office tenant base comprising 36 high quality and reputable office tenants engaged in diversified businesses, and 24 retail tenants offering vibrant food & beverage options and lifestyle services. It will substantially enhance the quality, resilience and diversity of CCT's portfolio. Post-acquisition, CCT's portfolio value will increase from S$8.0 billion to S$10.1 billion. The contribution from Grade A buildings will significantly increase from S$4.9 billion to S$7.0 billion and augment the quality of our portfolio for long term growth. Together with the redevelopment of Golden Shoe Car Park which we recently announced, the acquisition of Asia Square Tower 2 will catalyse CCT as a landlord of choice office properties and enlarge its capacity for long-term value-creation."

The total acquisition cost of S$2,150.5 million comprises the agreed property value of S$2,094.0 million, which was negotiated on a willing-buyer and willing-seller basis, estimated net cash, receivables and payables of S$21.7 million, acquisition fee and transaction costs of S$34.8 million. The agreed property value is lower than the appraised value of S$2,110.0 million or S$2,710 per square foot based on an independent valuation conducted by Knight Frank Pte Ltd, using the discounted cash flow analysis and capitalisation approach.

The completion of the acquisition is expected to take place in November 2017 or a date to be agreed between CCT and BlackRock Asia Property Fund III L.P.

Rights Issue

Approximately 513.5 million rights units will be issued based on the issue price of S$1.363 per rights unit to raise gross proceeds of S$700.0 million. DBS Bank Ltd., J.P. Morgan (S.E.A.) Limited and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch have been appointed as the joint lead managers and underwriters for the rights issue. To demonstrate its support for CCT and the rights issue, CapitaLand Singapore Limited (CLS) has provided an irrevocable undertaking to the Manager and the joint lead managers and underwriters that it will procure its subsidiaries to subscribe and pay in full for their total

[5] Attributable office portfolio includes 60.0% of Raffles City Tower, 50.0% of One George Street and the rest of CCT's office properties in the CBD but excludes Raffles City Shopping Centre, Wilkie Edge, Bugis Village and Golden Shoe Car Park.

provisional allotment of rights units. This commitment by CLS represents in aggregate approximately 31.0% of the rights units to be issued pursuant to the rights issue.

The 166 for 1,000 rights issue provides eligible unitholders with the opportunity to subscribe for their *pro rata* entitlement to the rights units at an issue price of S$1.363 per rights unit (Issue Price) which is at a discount of (i) approximately 19.6% to the closing price of S$1.695 per unit as at 20 September 2017 and (ii) approximately 17.3% to the 'theoretical ex-rights price' or TERP[6] of S$1.648 per unit.

On completion of the acquisition, and on the bases and assumptions stated in an Offer Information Statement lodged with the Monetary Authority of Singapore today, CCT's pro forma aggregate leverage would be 37.1%, which is significantly below the regulatory limit of 45.0%. This would allow CCT to maintain financial flexibility for future growth opportunities including the redevelopment of Golden Shoe Car Park.

The Trust's *pro forma* DPU yield for the first half of FY2017, which is computed on CCT's *pro forma* annualised 1H 2017 DPU of 4.23 cents, would be 6.2% based on the Issue Price and 5.1% based on TERP.

Existing unitholders who participate in the rights issue will not experience a dilution in their unitholdings if they were to subscribe for their *pro rata* entitlement to the rights issue. The books closure date to determine the rights entitlement of eligible unitholders is 29 September 2017. Eligible unitholders who do not wish to subscribe for the rights units may choose to sell their rights entitlements during the "nil-paid" rights trading period to realise the value of their rights entitlements. CCT unitholders are advised to refer to the 'Launch of Rights Issue' document available on CCT's website for more details and the indicative timetable.

Please refer to the Annex for property details of Asia Square Tower 2.

About CapitaLand Commercial Trust (www.cct.com.sg)

CapitaLand Commercial Trust is Singapore's first and largest commercial REIT with a market capitalisation of approximately S$5.2 billion. CCT aims to own and invest in real estate and real estate-related assets which are income producing and predominantly used, for commercial purposes. The total value of CCT's deposited properties is S$9.0 billion as at 30 June 2017 comprising a portfolio of 10 prime commercial properties in Singapore. The properties in Singapore are Capital Tower, Six Battery Road, One George Street (50% interest through OGS LLP), Raffles City (60.0% interest through RCS Trust), CapitaGreen, HSBC Building, Twenty Anson, Bugis Village, Wilkie Edge (sale completed on 11 September 2017) and Golden Shoe Car Park (currently under redevelopment).

CCT has been a constituent of FTSE4Good Index Series (FTSE4Good), a series of benchmark and tradable indices derived from the globally recognised FTSE Global Equity Index Series. FTSE4Good is designed to track the performance of companies meeting international corporate responsibility standards and forms the basis for over 70 different

[6] Calculated as the sum of the market capitalisation of CCT based on the closing price as of 20 September 2017 and the gross proceeds from the rights issue divided by the units outstanding after the rights issue.

funds and investment products. CCT is also a constituent of other widely recognized benchmark indices such as MSCI, the SGX Sustainability Index and FTSE Straits Times Index.

CCT is managed by an external manager, CapitaLand Commercial Trust Management Limited, which is an indirect wholly owned subsidiary of CapitaLand Limited, one of Asia's largest real estate companies headquartered and listed in Singapore.

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Analyst contact
Ho Mei Peng
CapitaLand Commercial Trust Management
Head, Investor Relations & Community Engagement
DID: (65) 6713 3668
Mobile: (65) 9668 8290
Email: ho.meipeng@capitaland.com

Media contact
Chia Sher Ling
CapitaLand
AVP, Group Communications
DID: (65) 6713 3672
Mobile: (65) 8223 9991
Email: chia.sherling@capitaland.com

Important Notice

This release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

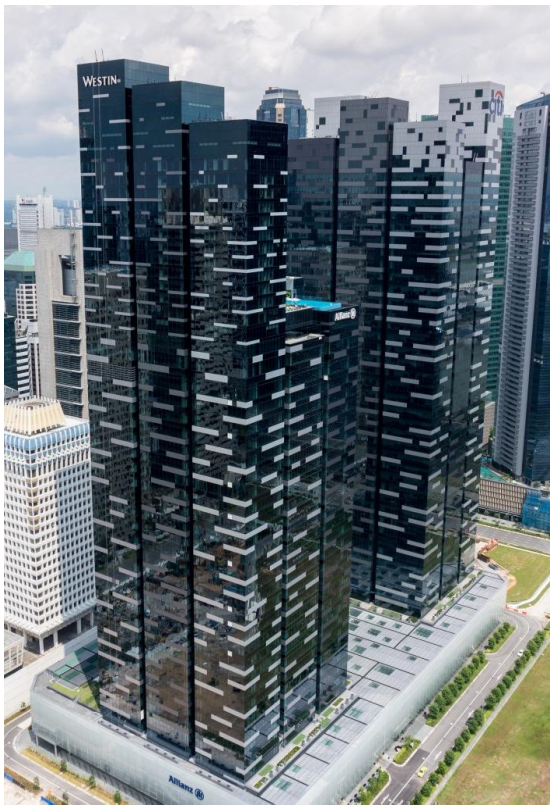
The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of CCT is not necessarily indicative of the future performance of CCT.

ANNEX

About Asia Square Tower 2





Location	12 Marina View, Singapore 018961
Description	Asia Square Tower 2 is a 46-storey integrated development comprising premium Grade A offices with ancillary retail space and hotel premises. The acquisition excludes the hotel premises owned by an unrelated third party. Completed in September 2013, it is one of the newest buildings in the Marina Bay area. Its premium quality Grade A office building offers high quality office space through its large, efficient and column-free floor plates of up to 31,300 sq ft. Each floor offers core to window depth of up to 17.0 metres (m) and a floor to ceiling height of 2.9 m. Level 6-31: Office units Level 3-5: Car park Level 1-2: Retail Located in the heart of Marina Bay and easily accessible through an extensive transportation network, it is within walking distance to four existing Mass Rapid Transit (MRT) stations, namely Marina Bay Interchange, Raffles Place Interchange, Downtown and Tanjong Pagar. The upcoming Shenton Way MRT station (target completion in 2021) will be located adjacent to the property with sheltered direct access.

	Superior "work-play-live" environment with a full suite of integrated amenities Asia Square Tower 2 offers tenants easy access to a full suite of integrated amenities which include The Westin Singapore (a five-star luxury business hotel located in the same tower), a two-storey retail podium that houses numerous food and beverage options and services and a naturally lit and ventilated spacious plaza known as "The Cube". The Cube is a 100,000 sq ft landscaped plaza with a 17 m high ceiling offering a large covered space for networking, entertainment and recreational activities. **Environmentally sustainable building with top accolades** Asia Square Tower 2 was awarded the Leadership in Energy & Environmental Design (LEED) Core & Shell Platinum certification by the U.S. Green Building Council. LEED is the most widely used green building rating system in the world. It also received Singapore's Building and Construction Authority Green Mark Award (Platinum) and the Public Utilities Board Water Efficiency Building Gold Award. The development incorporates innovative and green technologies, such as the installation of solar panels that enable energy efficiencies while reducing carbon footprint.
Committed Occupancy as at 30 June 2017	88.7%
Number of Tenants	Robust office tenant base comprising 36 high quality and reputable office tenants engaged in diversified businesses, and 24 retail tenants that provide conveniences and food & beverages options. Top three tenants (by gross rental income) are Mizuho Bank, Mitsui Group and Allianz.
Gross Floor Area (including the hotel premises)	1,222,575 sq ft (113,580 sqm)
Net Lettable Area	778,719 sq ft (72,345 sqm) Office: 753,445 sq ft (97%) Retail: 25,274 sq ft (3%)
Number of Car Park Lots	263
Number of Bicycle Lots	98
Land Tenure	99-year leasehold commencing 3 March 2008
Initial Yield[2]	3.6% p.a.