

NEWS RELEASE

ASCOTT BECOMES SINGAPORE'S LARGEST SERVICED RESIDENCE OPERATOR WITH S\$170 MILLION TO INVEST AND DEVELOP FUNAN'S CO-LIVING COMPONENT

Over 20,000 units added to global portfolio year to date, outpacing full year 2016 growth by two-fold

Singapore, 4 August 2017 – CapitaLand's wholly owned serviced residence business unit, The Ascott Limited (Ascott), is investing S\$170.3 million, through its serviced residence global fund with Qatar Investment Authority (QIA), in the serviced residence component of the Funan integrated development. Of the S\$170.3 million, the fund is acquiring the land for the serviced residence component from CapitaLand Mall Trust (CMT) for S\$90.5 million and developing the Singapore flagship of Ascott's millennial-focused lyf brand on the site for an estimated S\$80 million¹.

To be named lyf Funan Singapore, the prime property will be designed by millennials for millennials, and is set to offer a new way of living and collaborating as a community in the heart of Singapore's Civic & Cultural District. The nine-storey co-living property spans about 121,000 square feet in gross floor area. Slated to open in 2020, it will provide 279 units with the flexibility to offer up to 412 rooms. lyf Funan Singapore is an integral part of Funan which also comprises a mall and two office towers offering cutting-edge retail innovations and co-working spaces, for customers to enjoy a complete live-work-play experience within the integrated development.

The acquisition also cements Ascott's position as the largest and fastest growing serviced residence operator in Singapore with close to 2,000 units in 12 properties. Within a span of two months, Ascott has added about 1,000 units across four properties in Singapore; which includes securing a contract from Low Keng Huat (Singapore) Limited to manage a 166-unit Citadines Balestier Singapore that will open in 2021. This follows Ascott's recent addition of the 240-unit lyf Farrer Park Singapore that was also awarded by Low Keng Huat, as well as a prime 299-unit serviced residence at CapitaLand's landmark integrated development at Raffles Place. Both serviced residences are also slated to open in 2021.

Mr Lee Chee Koon, Ascott's Chief Executive Officer, said: "Ascott is expanding at our fastest pace ever in Singapore and is now the country's biggest serviced residence operator with close to 2,000 units in 12 properties. Singapore has seen historical highs in tourist arrival and spending last year², and was ranked the top Asian city for expatriates, with the best

[1] The S\$80 million includes S\$11.3 million for construction works in progress up to the completion date of the transaction.

[2] "Singapore Achieves Record Tourism Sector Performance in 2016" (14 February 2017), Singapore Tourism Board

infrastructure in the world³. Given its strong economic fundamentals and position as one of the top global fintech hubs⁴, Singapore is a key market for us to reach out to the millennial-minded consumers with our lyf brand, as we continue to expand with our established Ascott, Citadines, Somerset, Quest and The Crest Collection brands.”

Mr Lee said: “Globally, we are transforming Ascott’s business and accelerating our growth through strategic investments in leading companies such as Quest Apartment Hotels in Australasia, Synergy Global Housing in the U.S. and Tujia in China. This year, we have so far invested about S\$480 million on acquisitions and added over 20,000 units to Ascott’s portfolio, almost double the number of units secured for the whole of 2016. Through these investments, we are able to strengthen Ascott’s international cross-selling network, better reach out and cater to customers as well as enjoy greater economies of scale. With this growth trajectory, we are confident of racing ahead of our 2020 target of 80,000 units worldwide.”

On Ascott’s acquisition of lyf Funan Singapore, Mr Lee said: “We see strategic advantages for lyf’s co-living concept at Funan as we expect demand from local and foreign business executives working in the business district and in Funan, as well as new market segments like technopreneurs, startups and those in the entertainment, fashion and creative industries. With the millennial traveller segment already making up a quarter of Ascott’s global customer base and poised to further expand, securing our fourth lyf property will enable us to leverage our scale to capture this rapidly growing market, which is set to be the largest spending travel demographic by 2020⁵.”

lyf Funan Singapore is Ascott’s fifth acquisition under its serviced residence global fund with committed equity of US\$600 million (S\$809 million). Set up through a 50:50 joint venture with QIA in July 2015, Ascott’s largest private equity fund has committed total investment amount of S\$533 million to date on lyf Funan Singapore, La Clef Champs-Élysées Paris that will open in 2018, Citadines Islington London and Quest NewQuay Docklands Melbourne that will both open in 2019, as well as Somerset Shinagawa Tokyo which is already operational. Part of these investments will be funded by debt.

Unveiled in November 2016, lyf will provide global jetsetters and trendsetters with the opportunity to ‘live your freedom’ in a dynamic environment and network with like-minded creatives to bring more ideas to life. Ascott has four lyf properties – lyf Wu Tong Island Shenzhen and lyf DDA Dalian in China which are scheduled to open in 2018, followed by lyf Funan Singapore in 2020 and lyf Farrer Park Singapore in 2021. Besides Singapore and China, Ascott is actively looking at other potential markets including Australia, France, Germany,

[3] “Singapore ranked nicest city to live in Asia for expats, with the best infrastructure in the world: Survey” (14 March 2017), The Straits Times

[4] “Bolstering Singapore’s fintech capabilities in Budget 2017” (1 February 2017), The Business Times

[5] “Sabre: Millennials may be the largest hotel spenders as soon as 2017” (11 March 2016), Tnooz

Indonesia, Japan, Malaysia, Thailand and the United Kingdom, as it works towards its target of achieving 10,000 units under the lyf brand worldwide by 2020. Please see Annex for more information on lyf Funan Singapore and Citadines Balestier Singapore.

In Singapore, Ascott currently operates six serviced residences including Ascott Orchard Singapore, Ascott Raffles Place Singapore, Citadines Fusionopolis Singapore, Citadines Mount Sophia Singapore, Somerset Bencoolen Singapore and Somerset Liang Court Singapore.

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 43,000 operating serviced residence units in key cities of the Americas, Asia Pacific, Europe and the Middle East, as well as over 27,000 units which are under development, making a total of more than 70,000 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 120 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 2017 for 'Leading Serviced Apartment Brand' in Asia; DestinAsian Readers' Choice Awards 2017 for 'Best Serviced Residence Brand'; TTG China Travel Awards 2017 for 'Best Serviced Residence Operator in China'; Business Traveller Asia-Pacific Awards 2016 for 'Best Serviced Residence Brand'; Business Traveller Middle East Awards 2016 for 'Best Serviced Apartment Company'; Business Traveller UK Awards 2016 for 'Best Serviced Apartment Company' and Business Traveller China Awards 2016 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 more than S\$80 billion as at 30 June 2017, 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 – CapitalLand Mall Trust, CapitalLand Commercial Trust, Ascott Residence Trust, CapitalLand Retail China Trust and CapitalLand Malaysia Mall Trust.

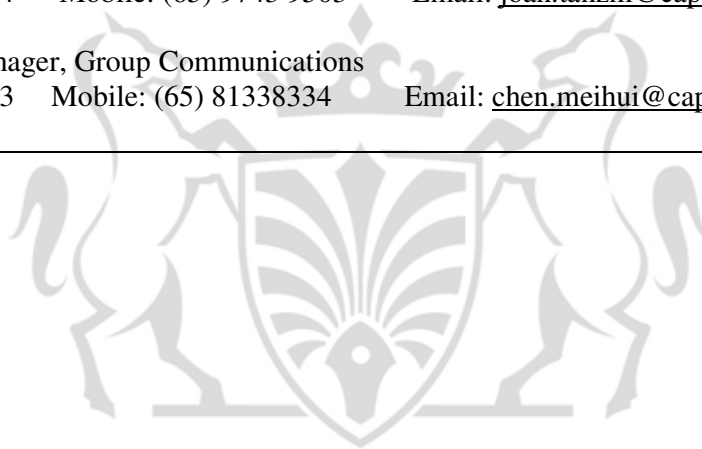
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ANNEX

lyf Funan Singapore (opening 2020)

Conveniently located in the heart of Singapore's Civic & Cultural District, lyf Funan Singapore will have easy access via a fully-sheltered underground walkway to the City Hall MRT interchange that is well-connected to the rest of the city. The nine-storey property is also close to office buildings and a plethora of recreational and retail options at places such as Raffles City Singapore.

lyf Funan Singapore will offer 'Connect' social zones such as co-working spaces and an arena for activities such as hackathons, innovation talks, music jamming sessions, cooking sessions, or workshops with artisans. At its 'Bond' social kitchen, guests can prepare home-cooked meals, take cooking classes and socialise while learning more about global cuisines from other residents. Residents can also work out at the gymnasium or hang out at the 'Wash & Hang' laundromat and play a round of Foosball while waiting for their laundry to be done.

The co-living property will have 'Big Bed' studio units, and the 'All-Together' business suites that range from three- to six-bedrooms. The business suites offer smart display screens for video conferencing and discussions while a large table doubles up as a collaborative working zone and dining area. It will be managed by millennials who are community managers, city and food guides, bar keepers and problem solvers all rolled into one.

Guests at lyf Funan Singapore can look forward to new retail concepts at Funan, such as spaces for local designers and makers to showcase their crafts and conduct workshops, an urban farm, indoor cycling path, rock climbing, futsal court, gymnasium, a new cinema experience as well as a 380-seat theatre with an innovative thrust stage design.

Citadines Balestier Singapore (opening 2021)

The 166-unit Citadines Balestier Singapore is strategically located within a five-minute drive to Novena Square shopping mall and Novena Medical Centre, which are connected to the train station. It is an eight-minute drive to Orchard Road shopping district, a 10-minute drive to Raffles Place financial area, and is well connected to the expressways. The serviced residence sits atop a three-storey retail podium that will offer a wide array of amenities. The property will provide guests with studios and one-bedroom units. Facilities include a swimming pool, gymnasium with a running track, social pavilion, children's playground and barbeque pit.