



For immediate release

NEWS RELEASE

**CapitaLand propels growth in Vietnam with acquisition of
prime site in Ho Chi Minh City for US\$51.9 million**
***Anchors Vietnam as its third largest market in Southeast Asia with third
acquisition in the country within 14 months***

Singapore, 23 September 2016 – CapitaLand Limited, through its wholly owned subsidiary, CapitaLand (Vietnam) Holdings, has acquired a prime site in District 1 of Ho Chi Minh City, for US\$51.9 million. CapitaLand will hold a 100% stake in the 0.5-hectare site which will potentially offer 302 units across two towers – a 17-storey residential tower and a 22-storey serviced residence tower. The serviced residence will be managed by CapitaLand's wholly owned serviced residence arm, The Ascott Limited, under its Somerset brand. With an estimated project value of US\$106 million (approximately S\$143 million) when completed, this development will be CapitaLand's ninth residential project and 19th serviced residence in the country.

Located in the bustling Cau Kho ward of District 1, Ho Chi Minh City, the development is slated to be completed in 2018, and will be well-served by nearby amenities such as shopping malls, cinemas, schools, office buildings, restaurants, and medical facilities. Connected to downtown Ho Chi Minh City via the Vo Van Kiet highway, it is a five-minute drive from the Central Business District and about a 10-minute drive to the vibrant retail scene at Tran Hung Dao Street and Nguyen Van Cu Street.

Overlooking the city skyline, the 200-unit serviced residence will offer expatriates and business travellers a range of two- and three-bedroom apartments, penthouse units and family-oriented amenities including a swimming pool, fitness centre and children's playground. Meanwhile, the 102-unit luxurious residential tower will offer a variety of two-, three- and four-bedroom apartments, and penthouse units. It will be the first residential project in Vietnam to offer concierge services, which will be provided by the serviced residence next door. Residents will also get to enjoy facilities such as the swimming pool, gym and clubhouse that provide panoramic views of the surroundings. The project is expected to be launched in 4Q 2016.

Mr Chen Lian Pang, CEO of CapitaLand Vietnam, said: "This is CapitaLand's third acquisition in Vietnam since June 2015, a testament of our confidence in Vietnam's positive economic outlook. In 2015, CapitaLand was among the top-performing foreign developers in Vietnam with 1,321 residential units sold at a value of S\$226.5 million. Our residential sales continued to perform well in the first half of 2016 with 470 units worth about S\$80 million sold, which translates to an increase of about 20% in the sales value and volume on a year-on-year basis. We are confident that our residential developments in

Hanoi and Ho Chi Minh City will continue to attract homebuyers and investors seeking quality, well-designed and well-located homes with good potential for appreciation in value.”

Mr Chen added: “Beyond residential projects, we are also on the lookout for investment opportunities in offices, serviced residences and integrated developments. Besides a residential tower, the US\$51.9 million site in District 1 of Ho Chi Minh City will also have a serviced residence component that will generate recurring, stable income as an investment property. We are encouraged by the high 94% occupancy rate and positive returns at Somerset Vista Ho Chi Minh City – another serviced residence operated by Ascott, and which is connected to retail outlets, office facilities and a residential component within an integrated development known as The Vista. We will continue to identify opportunities to achieve a balanced portfolio with both trading and investment assets.”

This latest site acquisition in District 1, which will potentially yield 102 residential units, will bring CapitaLand’s total residential portfolio in Vietnam to about 9,100 homes. Following Vietnam’s legislative changes in July 2015 to allow foreign investment and ownership of real estate, CapitaLand has launched three of its Vietnam residential developments in Singapore – namely The Vista, Vista Verde and Seasons Avenue (Summer Suites tower). These were well-received with over 130 units sold to date, while about 80% of launched units at its residential developments Mulberry Lane, Seasons Avenue, The Vista, PARCSpring, and Vista Verde have been substantially sold.

Mr Lee Chee Koon, CEO of The Ascott Limited, said: “Vietnam is our biggest market in Southeast Asia, and this newest property reinforces Ascott’s position as the largest international serviced residence owner-operator in Vietnam with 19 properties and close to 4,000 units in six localities. We have built a strong brand reputation and expertise in managing world-class serviced residences in Vietnam over the last 20 years. Property owners also recognise our strong base of customer accounts that are major multinational corporations, our capabilities in cross-selling our properties globally and the top accolades we have won worldwide.”

Mr Lee added: “This year, we brought Ascott’s largest property globally to Vietnam – Citadines Blue Cove Danang, which is slated to open in 2018. In 2017, we are set to open our first serviced residences under our premier Ascott The Residence brand in Ho Chi Minh City and our Citadines Apart’hotel brand in Nha Trang, to complement our established Somerset brand in Vietnam. We remain confident in the potential for serviced residences in the country, and will continue to seek opportunities to expand in cities where we have presence and other high growth cities.”

As at end June 2016, CapitaLand’s total asset size in Vietnam is S\$748 million, making it the Group’s third largest market in Southeast Asia, after Singapore and Malaysia.

About CapitaLand Limited (www.capitaland.com)

CapitaLand is one of Asia's largest real estate companies headquartered and listed in Singapore. The company leverages its significant asset base, design and development capabilities, active capital management strategies, extensive market network and operational capabilities to develop high-quality real estate products and services. Its diversified global real estate portfolio includes integrated developments, shopping malls, serviced residences, offices and homes. Its two core markets are Singapore and China, while Indonesia, Malaysia and Vietnam have been identified as new growth markets. The company also has one of the largest real estate fund management businesses with assets located in Asia.

CapitaLand's listed real estate investment trusts are CapitaLand Mall Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust and CapitaLand Malaysia Mall Trust.

Follow us on social media:

Facebook: @capitaland / facebook.com/capitaland

Instagram: @capitaland / instagram.com/capitaland

Twitter: @CapitaLand / twitter.com/CapitaLand

LinkedIn: linkedin.com/company/capitaland-limited

YouTube: youtube.com/capitaland

Issued by: CapitaLand Limited (Co. Regn.: 198900036N)

Analyst contact

Chang Rui Hua

Head, Investor Relations

Tel: +65 6713 2903

Email: chang.ruihua@capitaland.com

Media contact

Tan Bee Leng

Head, Group Communications

Tel: +65 6713 2871

Email: tan.beeleng@capitaland.com