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NEWS RELEASE

CapitaLand 3Q 2016 PATMI up 28.4% to S\$247.5 million

Singapore, 9 November 2016 – CapitaLand Limited achieved total PATMI of S\$247.5 million in 3Q 2016, 28.4% higher than the S\$192.7 million in 3Q 2015, driven by better operating performance.

Operating PATMI grew 54.5% to S\$251.8 million due to higher contributions from the Group's residential businesses in Singapore and China, commercial portfolio in Singapore, shopping malls in China and Malaysia, as well as newly acquired serviced residences.

Group revenue increased 27.7% to S\$1,373.7 million on the back of higher contributions from residential projects in Singapore and China, as well as higher rental income from its commercial portfolio in Singapore and serviced residence business. The residential projects which contributed to higher revenue in the quarter include The Nassim and Cairnhill Nine in Singapore, Riverfront in Hangzhou, New Horizon in Shanghai and Vermont Hills in Beijing.

The Group achieved EBIT of S\$494.4 million in 3Q 2016, 7.7% higher than the S\$459.1 million in 3Q 2015. Singapore and China remain the key contributors, accounting for 80.4% of EBIT (3Q 2015: 75.2%).

YTD September 2016 total PATMI was S\$759.8 million, 7.1% lower than the S\$818.0 million in the corresponding period last year. This was mainly due to lower fair value gains from revaluation of properties and portfolio gains. Operating PATMI in YTD September 2016 was S\$576.2 million, 0.3% higher than the S\$574.3 million in YTD September 2015. Excluding the gain from change in use¹, operating PATMI improved by 35.2%, driven by higher handover of residential units in China and higher recurring income from CapitaGreen in Singapore, shopping malls in China and the serviced residence business.

¹ Operating PATMI for YTD September 2016 included fair value gains of S\$30.5 million which arose from the change in use of a development project in China, Raffles City Changning Tower 2, in 1Q 2016. The change in use was due to a reclassification of the project from construction for sale to leasing as an investment property. Operating PATMI for YTD September 2015 included fair value gains from change in use of S\$170.6 million related to The Paragon Tower 5 & 6 (S\$110.3 million) and Raffles City Changning Tower 3 (S\$15.6 million) in 2Q 2015 and Ascott Heng Shan Shanghai (S\$44.7 million) in 1Q 2015. These projects are located at prime areas in Shanghai and the Group has changed its business plan to hold these projects for long-term use as investment properties.

Financial highlights

	3Q 2016 (S\$ m)	3Q 2015 (S\$ m)	Variance (%)	YTD September 2016 (S\$ m)	YTD September 2015 (S\$ m)	Variance (%)
Revenue	1,373.7	1,076.0	27.7	3,399.5	3,022.3	12.5
Earnings before interest and tax (EBIT)	494.4	459.1	7.7	1,543.7	1,715.7	(10.0)
Total PATMI	247.5	192.7	28.4	759.8	818.0	(7.1)
Operating PATMI ¹	251.8	163.0	54.5	576.2	574.3	0.3

Mr Lim Ming Yan, President & Group CEO of CapitaLand Limited, said: “CapitaLand’s operating performance has remained robust thanks to our optimal asset mix that provides us with stability and a strong recurring income stream despite a volatile market. We will continue to grow our assets under management through capital recycling, portfolio optimisation, fund management and management contracts.”

CapitaLand’s residential sales in Singapore, China and Vietnam exceeded 10,000 units in the first nine months of 2016. In Singapore, the Group’s well-designed and well-located homes continued to attract homebuyers. In the first nine months of 2016, CapitaLand sold 510 residential units in Singapore – more than three times the number sold over the same period last year. At the newly unveiled 109-unit Victoria Park Villas, 17 of the 30 semi-detached houses launched on 1 September 2016 were sold as at end October 2016.

Mr Lim said: “In China, the Group sold 9,176 homes with a sales value of RMB14.8 billion (about S\$3.0 billion) in the first nine months of 2016. This is over 40% more than the number of units sold in the same period last year. CapitaLand remains confident in our residential business, supported by a healthy pipeline of launch-ready units and oncoming stream of completed units to be handed over. For 4Q 2016, the Group has more than 1,800 launch-ready units in China. We will also start handing over about 9,800 sold units with a total value of about RMB14 billion from 4Q 2016 onwards – with about 40% of this value expected to be recognised in 4Q 2016. We are on track to better our 2015 sales record this year.”

In October 2016, CapitaLand showcased Raffles City Residences, the residential component of Raffles City Chongqing, with a series of roadshows. The Group also launched D1MENSION, its first luxury boutique residential development in the prime District 1 of Ho Chi Minh City, Vietnam. D1MENSION will be the first residential project in the country to offer concierge and property management services by CapitaLand’s wholly owned serviced residence arm, The Ascott Limited, under its Somerset brand. Also in October 2016, the Group launched Feliz en Vista in District 2 of Ho Chi Minh City, comprising 873 residential units across three towers and a Somerset serviced residence tower.

In the quarter under review, CapitaLand signed a contract on 31 August 2016 to manage the 1-million-square-foot retail component of Fortune Finance Center in Changsha, China. This marks the beginning of its retail strategy to enlarge its shopping mall network through third-party management contracts to complement its core strategy of developing, owning and managing malls. It also continued to expand its mall portfolio with CapitaLand Retail China Trust's acquisition of CapitaMall Xinnan, formerly known as Galleria, in Gaoxin District in the south of Chengdu for RMB1,500 million (S\$304.9 million).

As part of plans to rejuvenate its assets, CapitaLand commenced the redevelopment of Funan with its groundbreaking ceremony on 7 September 2016. To be completed in 4Q 2019, Funan will house a mall of the future serving as a platform to inspire retail innovation; co-working spaces for the mobile workforce, freelancers and start-ups; and co-living apartments for hip, young professionals.

In 3Q 2016, Ascott continued to build scale and accelerate growth with the opening of eight properties in China, Japan, Korea and Southeast Asia and a new management contract in Vietnam. It continued this momentum into October 2016 with additional management contracts to manage seven new serviced residences in Vietnam, India and Saudi Arabia, including its first serviced residence in Makkah.

Please refer to the **Annex** for recent business highlights.

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.

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For the full CapitaLand Limited financial statement and presentation, please visit www.capitaland.com.

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Annex

Golden Shoe Car Park

CapitaLand is seeking approval to redevelop Golden Shoe Car Park (GCSP) into a living lab of new concepts that will cater for the future of work. The Group plans to redevelop GCSP, a 10-storey building strategically located at Raffles Place in the heart of Singapore's Central Business District (CBD) – into a higher-value commercial development which will include an office tower. The redevelopment could potentially create commercial gross floor area of approximately one million square feet and comprise an office tower of up to 280 metres above ground, on par with the tallest buildings in the CBD.

Raffles City China Investment Partners III (RCCIP III)

Strengthening its robust capital management platform, CapitaLand announced the successful establishment of its third integrated development private investment vehicle in China – RCCIP III on 25 October 2016. Closed at US\$1.5 billion (about S\$2.0 billion), it is the largest private capital raise CapitaLand has originated. CapitaLand will subscribe for a 41.7% sponsor stake in RCCIP III while the remaining interests will be held by major investors from Asia, North America, and the Middle East, including new and existing investors.

Sparkle - CapitaLand's fully automated artificial intelligence chatbot

The Group continued to leverage technology to enhance its customer offerings with the launch of Sparkle, a fully automated artificial intelligence chatbot concierge available through the app of its CapitaStar loyalty programme from 1 November 2016. A first for an Asian real estate developer, Sparkle is one of CapitaLand's living lab experiments that converges offline-and-online touchpoints to connect customers with the products and services they want. CapitaLand also announced that it has entered an exclusive comprehensive tie-up with Grab, Southeast Asia's largest ride-hailing app company, to be the Group's Strategic Mobility Partner across its portfolio of properties in Singapore. Grab is also Sparkle's launch partner, which will see the integration of its ride-hailing functionalities with the chatbot.