

NEWS RELEASE

ASCOTT INKS SIX NEW PROPERTIES IN CHINA AS IT SCALES UP FOR ANOTHER YEAR OF EXCEPTIONAL GROWTH

Set for boost to fee income with record opening of more than 30 properties globally in 2017

Singapore, 19 January 2017 – CapitaLand’s wholly owned serviced residence business unit, The Ascott Limited (Ascott), races ahead by securing contracts to manage six properties with more than 1,200 apartment units in China, on the back of record growth last year. The new properties entrench Ascott’s presence in Changsha, Shenzhen, Tianjin and Wuhan, while extending its footprint to two more cities – Handan and Xuzhou. Ascott is also poised to boost its fee income by opening an all-time high of more than 30 properties worldwide this year, of which 16 will be in China, as it further cements its leading position in the industry.

Mr Lee Chee Koon, Ascott’s Chief Executive Officer (CEO), said: “Ascott crossed the 50,000-unit milestone last year, and there will be no let-up in our efforts to build up Ascott’s global scale and accelerate our growth in 2017. By expanding our network, the management fees we get over time will strengthen Ascott’s earnings profile to deliver sustainable returns and drive return on equity. We clinched a record 10,000 units in 2016 and this is expected to contribute S\$25 million to S\$30 million of fee income to Ascott annually as the properties progressively open and stabilise. As we expand across our different brands to offer more accommodation choices and tailored experiences to our customers internationally, we are confident of achieving our global target of 80,000 units by 2020.”

Mr Lee said: “In addition to management contracts, we will continue to seek acquisitions and franchises. We will also look at ways to strengthen our edge by transforming Ascott’s business, and forming strategic alliances with leading tech-players, property developers and capital partners. Having greater scale gives us a stronger negotiating power with partners and vendors. It will also enable us to better invest in capabilities such as technologies and new systems to enhance our competitiveness.”

Mr Tan Tze Shang, Ascott’s newly appointed Managing Director for China, said: “China is Ascott’s fastest-growing and largest market. Ascott’s strategic investment in Tujia has spurred our growth in China and expanded our reach to more customers through online and offline channels. Our bookings in China have increased through Tujia’s website and we will be able to cater to the rapidly growing outbound Chinese travellers with the listing of our properties worldwide on the website by the first half of this year. Since the launch of our Tujia Somerset brand last year to tap on the booming middle-class segment, we have secured 11 properties and surpassed our 2016 target of 2,000 units under this brand.”

“we define global living”

Mr Tan added: “To ride on the growth in demand for international-class serviced residences as we work towards our goal of 20,000 units in China by 2020, we will expand our management and franchise business through our established Ascott, Citadines and Somerset brands, Tujia Somerset, as well as our newly unveiled lyf brand designed for and managed by millennials. We will also look out for investments opportunities in the first tier cities of Beijing, Shanghai, Guangzhou and Shenzhen, as well as in provincial capitals like Wuhan and Hangzhou.”

In China, Ascott is one of the leading international serviced residence owner-operators with more than 17,300 units in 96 properties across 27 cities. Of the six new serviced residences secured, Citadines Sunhope e-Metro Shenzhen, Ascott’s largest property in China, is slated to open this year. Citadines Qingshan SCPG Centre Wuhan and Tujia Somerset Jundu Tianjin are scheduled to open next year while Ascott Xiangjiang FFC Changsha, Citadines Yunlong Lake Xuzhou and Tujia Somerset Congtai Handan will start operations from 2019. Last year, Ascott opened 14 properties in China, adding over 2,000 units to its portfolio.

With Ascott’s aggressive expansion, it has appointed Mr Kevin Goh as Chief Operating Officer to assist the CEO in overseeing operational aspects of the business and new growth opportunities, especially relating to its digital and online strategy. Prior to this, Mr Goh was Ascott’s Managing Director for North Asia since 2013, responsible for investments and operations in China, Japan and Korea. Before Mr Tan’s appointment as Managing Director for China, he was the Regional General Manager for Greater China and formerly Vice President for Business Development.

Please refer to the annex for more information on the new serviced residences.

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 30,000 operating serviced residence units in key cities of the Americas, Asia Pacific, Europe and the Middle East, as well as over 22,000 units which are under development, making a total of more than 53,000 units in over 300 properties. The company operates three award-winning brands – Ascott, Citadines and Somerset. It has also launched lyf, a brand designed for and managed by millennials. Ascott’s portfolio spans more than 100 cities across 28 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.

“we define global living”

Ascott's achievements have been recognised internationally. Recent awards include World Travel Awards 2016 for 'Leading Serviced Apartment Brand' in Asia, Europe and the Middle East; 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'; Business Traveller China Awards 2016 for 'Best Serviced Residence Brand'; TTG China Travel Awards 2016 for 'Best Serviced Residence Operator in China' and DestinAsian Readers' Choice 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. 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.

Visit www.capitaland.com for more information.

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Annex

Ascott Xiangjiang FFC Changsha (opening 2019)

The first premier Ascott-branded serviced residence in Changsha is located in the heart of the Central Business District. It is part of an integrated development that comprises offices and a shopping mall managed by CapitaLand Mall Asia. The property is surrounded by banks and financial institutions and a 30-minute drive from Changsha Railway Station, close to scenic lakes, parks and museums. Ascott Xiangjiang FFC Changsha will offer 180 units, ranging from studios, one- to three-bedroom apartments and facilities include a gymnasium, meeting room, residents' lounge and children's playroom.

Citadines Sunhope e-Metro Shenzhen (opening 2017)

With 479 units, Citadines Sunhope e-Metro Shenzhen is Ascott's largest property in China. The serviced residence is part of an integrated project with office and retail components. It is conveniently located within a five-minute walk from the metro station and a 10-minute drive from the Central Business District. Citadines Shenzhen will have studio, one-bedroom and two-bedroom apartments, as well as facilities such as a fitness centre, swimming pool and breakfast lounge.

Citadines Qingshan SCPG Centre Wuhan (opening 2018)

Citadines Qingshan SCPG Centre Wuhan is situated within an integrated development that also houses offices and a shopping mall. The serviced residence offers guests easy access to a wide range of amenities such as schools, retail outlets and hospitals. The Citadines property is located right next to the Heping Park metro station, estimated to start operations in 2020, and a 15-minute drive from Wuhan Railway Station. Guests will also enjoy a bird's eye view of the nearby Heping park. The serviced residence will offer 110 units of studios and one-bedroom apartments. Facilities include a fitness centre, meeting room, breakfast lounge and launderette.

Citadines Yunlong Lake Xuzhou (opening 2019)

The 113-unit serviced residence is located at the intersection of the Central Business District and the city's well-known Yunlong Lake in Xuzhou, one of China's key transportation hubs. Part of an integrated development which comprises a shopping mall, the serviced residence is right next to the upcoming metro station (Line 5), expected to be opened in 2022. It is also a 15-minute drive from Xuzhou Railway Station. The property will have one- and two-bedroom apartments, as well as facilities such as a breakfast room, fitness centre, residents' lounge and children's playroom.

Tujia Somerset properties

The two new properties are located in bustling city centres in Handan and Tianjin. The 135-unit Tujia Somerset Jundu Tianjin is scheduled to welcome guests in 2018 while the 200-unit Tujia Somerset Congtai Handan is due to open in 2019. Both properties are close to metro stations, attractions, shopping malls, schools and parks. The serviced residences will have 24-hour reception and security. Apartments are equipped with kitchenettes and laundry facilities and guests can choose from studios to three-bedroom units. The properties will also have facilities such as breakfast areas, meeting rooms, gymnasiums and a swimming pool.

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