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NEWS RELEASE

CapitaLand, CCT and MEC form joint venture to redevelop Singapore's Golden Shoe Car Park into landmark integrated development at Raffles Place

S\$1.82-billion development to feature 'future of work' elements & exciting lifestyle offerings

Singapore, 13 July 2017 – CapitaLand Limited (CapitaLand), CapitaLand Commercial Trust (CCT) and Mitsubishi Estate Co., Ltd. (MEC), have formed a joint venture to redevelop Golden Shoe Car Park (GSCP) into a landmark integrated development in Raffles Place, the heart of Singapore's Central Business District. Under the agreement, CapitaLand and CCT will each hold a 45% interest, and MEC will hold a 10% interest in two unlisted special purpose sub-trusts, namely Glory Office Trust and Glory SR Trust, set up to own the office and serviced residence components of the development respectively. The total development is estimated to cost S\$1.82 billion and will be funded by the joint venture partners in proportion to their respective interests.

In 4Q 2016, CCT formally submitted plans to the relevant government authorities to seek approval to redevelop GSCP into a mixed-use development. CCT has received the necessary government approvals for the redevelopment as well as notification from Singapore Land Authority about the amount of differential premium (DP) payable for GSCP's enhancement in land use from 'transport facilities' to 'commercial'. With the DP amount, CCT has assessed the redevelopment's financial feasibility and decided to proceed with the project through a joint venture.

With a gross floor area of about one million square feet (sf), the 51-storey high, new integrated development will rise to a height of 280 metres, on par with the tallest buildings in Raffles Place. It will feature 29 floors of premium Grade A office space on the top floors spanning 635,000 sf of net lettable area, an eight-storey, 299-unit serviced residence to be managed by The Ascott Limited, five floors of car park with about 350 lots, 10 motorcycle lots, 165 bicycle parking lots and 12,000 sf of ancillary retail space.

The development will also boast of a Green Oasis with a height of approximately 30 metres, comprising four contiguous and connected floors of open-air, landscaped and technology-enabled areas where tenants can enjoy a unique environment of shared spaces for conversations, meetings, wellness programmes and other activities. On the second and third levels of the development's podium will be a food centre owned by the Ministry of the Environment and Water Resources which will house the former stallholders of Market Street Food Centre in GSCP. From 1 August 2017 until the integrated development's completion, estimated to be first half of 2021, these stallholders will operate from an interim food centre located next to Telok Ayer MRT station on Cross Street.

Of the estimated total development cost of S\$1.82 billion, about 52.6% or S\$957.8 million is for the DP and land related costs to be paid by the joint venture. In addition, the joint venture will acquire GSCP from CCT at a price of S\$161.1 million. This price is 10.0% above the average valuation of GSCP with the redevelopment potential of S\$146.5 million, and 14.3% above GSCP's valuation as a car park facility as at 31 December 2016 of S\$141.0 million. The average valuation of S\$146.5 million was derived from the average of two independent valuations of GSCP as at 31 May 2017, primarily based on the residual land value approach and taking into account the DP payable and the land's remaining leasehold period of 64 years.

A call option is granted to CCT to acquire CapitaLand's and MEC's interests in Glory Office Trust at market valuation, subject to a minimum price that is based on the total development cost (excluding financing costs) of the office and ancillary retail components less any net property income attributable to Glory Office Trust, compounded at 6.3% per annum. CCT may exercise the call option any time over a period of five years after temporary occupation permit of the new development is obtained. There is also a drag-along right granted to CapitaLand and CCT over MEC's units in Glory SR Trust over a similar period of five years at an agreed value, subject to a minimum price that is based on the total development cost (excluding financing costs) of the serviced residence component less any net property income attributable to Glory SR Trust, compounded at 5.0% per annum.

Mr Lim Ming Yan, President & Group CEO of CapitaLand Limited said, "Given GSCP's strategic location in the heart of Raffles Place, we are pleased to redevelop it into an iconic, integrated development with the latest 'future of work' innovations such as workspace personalisation, seamless connectivity, and flexible and collaborative workspaces. The integrated development will serve a new generation of dynamic professionals who want to be part of vibrant, virtual and physical communities that enhance their overall work-life experiences. Combined with exciting lifestyle components, we believe this new integrated development will fulfil their intertwined work, live and play aspirations in one central location."

Mr Lim added, "CapitaLand is continually pushing the boundaries and exploring ways to future-proof our real estate products and services. As a pioneer in integrated developments, it is incumbent on CapitaLand to constantly assess opportunities that will allow us to stay ahead of the curve and seize first-mover advantages. The redevelopment of GSCP will reinforce CapitaLand's foothold in Singapore's CBD and provide us with another opportunity to lead the way in building integrated developments of the future."

Ms Lynette Leong, Chief Executive Officer of the Manager of CCT, said, "We are keen to replicate the overwhelming success and value created from redeveloping the former Market Street Car Park into CapitaGreen in 2014. By bringing together the best-in-class developers, CapitaLand and MEC, and renowned cutting-edge architects, Bjarke Ingels Group (BIG) and Carlo Ratti Associati, we believe that our new integrated development on the site of GSCP will redefine workplace standards with connected building intelligence technologies and be in the vanguard of the 'office of the future'."

Ms Leong added, "The redevelopment is also in line with our portfolio reconstitution strategy for CCT where we maximise the land use intensification of GSCP and consequently enhance its value. The redevelopment is expected to generate a yield-on-cost of about 5.0% per annum on a stabilised basis. As there is no known new supply in Raffles Place after 2018, we and our

partners are confident that the exceptional features of this prestigious development, together with our concerted placemaking efforts, will create a vibrant, vertical community that will attract discerning companies that place high value on human capital and talent retention for their businesses.”

Mr Shojiro Kojima, Managing Director of Mitsubishi Estate Asia Pte. Ltd., said, “MEC is a strategic partner of CapitaLand in Singapore, Japan, Vietnam and China, across asset classes such as residential, commercial, serviced residences and fund management. Following the success of our partnership in developing CapitaGreen, we look forward to working with CapitaLand Group again to redevelop GSCP into a landmark integrated development which is set to rejuvenate Raffles Place.”

Tenants of GSCP were informed last October that they were expected to vacate the property by 31 July 2017. Vehicle owners at GSCP were similarly notified that car park operations will cease after 31 July 2017.

About the upcoming integrated development

The new 280-metre integrated development will offer work, live, play spaces in a vertically connected environment. Up in the tower, between the Grade A office floors and the modern serviced residences is a Green Oasis, with a height of more than 30 metres, designed with social and activity spaces spread out over four storeys of lush greenery and trees, a re-connection with nature in the middle of the city. Featuring an iconic façade and harnessing the latest workplace and lifestyle innovations, the new integrated development will redefine the skyline. In support of the government’s drive toward a car-lite society and to promote healthy living, the integrated development will feature a cycling path in its perimeter, 165 bicycle lots and end-of-trip facilities to encourage our office tenants to cycle to work.

The project was designed by a collaborative team of Bjarke Ingels Group (BIG) and Carlo Ratti Associati (CRA). Mr Bjarke Ingels, Founding Partner, BIG said, "The iconic development continues Singapore’s pioneering of vertical urbanism forming a 280-metre tall diverse neighborhood of places to work and live inside as well as outside. At multiple elevations the façade peels open to reveal urban oases for its inhabitants – animating the elegant smoothness of modern architecture with the ubiquitous tropical nature."

About CapitaLand Limited (www.capitaland.com)

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\$78 billion as at 31 March 2017, comprising integrated developments, shopping malls, serviced residences, offices, homes, real estate investment trusts (REITs) and funds. Present across more than 140 cities in about 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 – CapitaLand Mall Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust and CapitaLand Malaysia Mall Trust.

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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 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 One George Street LLP), Raffles City (60.0% interest through RCS Trust), CapitaGreen (100.0% interest through MSO Trust), HSBC Building, Twenty Anson, Bugis Village, Wilkie Edge and Golden Shoe Car Park.

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 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.

About Mitsubishi Estate Co., Ltd. (www.mec.co.jp)

Mitsubishi Estate Co., Ltd. (MEC), listed on Tokyo Stock Exchange, is a leading international property development and investment company with a substantial commercial and residential portfolio in Japan, which includes over 30 major buildings in Marunouchi area, Tokyo's premium central business district. MEC operates in Singapore through Mitsubishi Estate Asia Pte. Ltd. (MEA), its wholly owned subsidiary, to seek opportunities in Asia. MEA and other MEC bases in London New York and Shanghai cover MEC's global operations as one team.

**Jointly issued by: CapitaLand Limited (Co. Regn.: 198900036N),
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