



For immediate release

NEWS RELEASE

**CapitaLand sets sights on APAC REIT market with proposed merger of CapitaLand Mall Trust and CapitaLand Commercial Trust**  
***Groupwide REIT strategy to steer dual-track growth in both developed and emerging markets via well-diversified portfolios***

**Singapore, 22 January 2020** – CapitaLand has announced the proposed merger of CapitaLand Mall Trust (CMT) and CapitaLand Commercial Trust (CCT) to create CapitaLand Integrated Commercial Trust (CICT)<sup>1</sup>. With the proposed merger, CapitaLand Group will have in its stable of sponsored trusts, three best-in-class real estate investment trusts listed on the Singapore Exchange (S-REIT), with global or developed market mandates, namely: CICT, Ascendas Real Estate Investment Trust (Ascendas Reit) and Ascott Residence Trust (ART).

CICT is expected to become the third largest REIT in Asia Pacific (APAC) with a market capitalisation of approximately S\$16.8 billion<sup>2</sup> and a combined property value of approximately S\$22.9 billion<sup>3</sup>. As the largest S-REIT, CICT will be CapitaLand's primary investment vehicle for commercial real estate in Singapore and other developed markets.

Post the proposed merger, Ascendas Reit, CapitaLand's global business park and logistics REIT, is the second largest S-REIT with a market capitalisation of S\$11.3 billion<sup>4</sup>. ART is leading the Asia-Pacific region as the largest<sup>4</sup> hospitality trust after its successful combination with Ascendas Hospitality Trust in 2019.

Complementing this, Ascendas India Trust, CapitaLand Retail China Trust and CapitaLand Malaysia Mall Trust will continue to be CapitaLand's specialist investment vehicles in the emerging markets of India, China and Malaysia respectively.

Mr Lee Chee Koon, Group CEO of CapitaLand Group, said: "CapitaLand believes that this merger, integrating CMT's retail portfolio with CCT's office portfolio, is strategically compelling and timely. This merger, upon completion, will offer investors the options to invest in three global, developed market platforms in our core asset classes, and in three specialist emerging market platforms, to suit their specific preferences and risk appetite. CapitaLand is delighted to see CICT's elevation to a top three APAC REIT by market capitalisation. Together with Ascendas Reit which is ranked eighth largest in APAC, we are proud to be playing a key role

---

<sup>1</sup>The proposed merger is subject to the approval by the unitholders of CMT and CCT at extraordinary general meetings to be convened by CMT and CCT respectively, as well as regulatory and other third-party approvals.

<sup>2</sup> Illustrative market capitalisation of Merged Entity calculated as the sum of (i) the market capitalisation of CMT of S\$9.6bn as at 21 January 2020; (ii) the portion of the Scheme Consideration to be satisfied in new CMT Units based on a gross exchange ratio of 0.820x; and (iii) the value of the acquisition fee to be issued in new CMT Units at S\$2.59 per CMT Unit.

<sup>3</sup> Based on valuations of CMT's and CCT's properties as of 31 December 2019.

<sup>4</sup> As of 21 January 2020.

in raising the profile of Singapore as the preferred listing destination for REITs, at the same time offering global investors similar scale and liquidity on par with the largest REITs in the APAC region.”

Mr Lee added: “Our REITs platform is core to CapitaLand’s strategy to enhance returns and grow assets under management. We are the single largest unitholder of all our sponsored trusts which are also our preferred investment platform. CapitaLand is committed to support the continuous advancement of these REITs and develop them into robust growth engines with well-balanced and diversified portfolios, with a view to preserve long term value for and deliver sustainable returns to all unitholders.”

Mr Jonathan Yap, President, CapitaLand Financial, CapitaLand Group, said: “CICT’s enlarged scale and enhanced resilience will appeal to investors who want to invest in the largest proxy REIT for best-in-class Singapore commercial real estate. CICT will have the ability to supercharge its growth further with bigger-sized acquisitions – which can include undervalued opportunities in Singapore as well as accretive investments in other developed markets. We see more of such opportunities within CMT and CCT’s existing portfolios. The merger would allow these and other market opportunities to be pursued more efficiently. Alongside other unitholders, CapitaLand stands to benefit from the value of our stake in CICT while retaining the possibility to co-participate in the developments directly, where appropriate. It will be a strong demonstration of CapitaLand’s two-pronged strategy of growing via development profits as well as recurring income through our fund management platform.”

The redevelopment of Funan DigitalLife Mall in Singapore is an example of portfolio value enhancement by transforming a single-use asset into an integrated development. The redeveloped Funan integrated development comprises retail, office and coliving components. Upon completion in June 2019, Funan’s property value more than doubled to S\$751 million. Similarly, the ongoing redevelopment of Golden Shoe Car Park into CapitaSpring integrated development with office, serviced residence, food centre and ancillary retail, is expected to achieve an increase of 12 times in property value to S\$1.82 billion upon completion in 2021.

CapitaLand is currently ranked as the ninth largest real estate investment manager globally and top in Asia<sup>5</sup>. The total market value of CapitaLand, including the various listed entities within the Group, is over S\$57 billion<sup>4</sup>. CapitaLand is also active in private fund management business. Several private funds were created over the last 12 months, contributing to the S\$23.8 billion<sup>6</sup> of private fund asset under management currently. The existing private funds cover a wide range of styles such as core, value-add and development, and invest across countries where CapitaLand has strong ground presence. There are plans to create more private funds and along with the listed fund business, CapitaLand is targeting to grow its fund asset under management from the current S\$71.7 billion<sup>6</sup> to S\$100 billion by 2024.

---

<sup>5</sup> Source: IPE Real Estate “Top 100 Real Estate Investment Managers 2019”. <https://realassets.ipe.com/top-100-and-surveys/top-100-real-estate-investment-managers-2019/realassets.ipe.com/top-100-and-surveys/top-100-real-estate-investment-managers-2019/10034683.article>

<sup>6</sup> As of 30 September 2019.

**About CapitaLand Limited ([www.capitaland.com](http://www.capitaland.com))**

CapitaLand Limited (CapitaLand) is one of Asia's largest diversified real estate groups. Headquartered and listed in Singapore, it owns and manages a global portfolio worth S\$131.7 billion as at 30 September 2019. CapitaLand's portfolio spans across diversified its real estate classes which includes commercial, retail; business park, industrial and logistics; integrated development, urban development; as well as lodging and residential. With a presence across more than 200 cities in over 30 countries, the Group focuses on Singapore and China as its core markets, while it continues to expand in markets such as India, Vietnam, Australia, Europe and the USA.

CapitaLand has one of the largest real estate investment management businesses globally. It manages seven listed real estate investment trusts (REITs) and business trusts as well as over 20 private funds. Since it pioneered REITs in Singapore with the listing of CapitaLand Mall Trust in 2002, CapitaLand's REITs and business trusts have expanded to include Ascendas Real Estate Investment Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust, Ascendas India Trust and CapitaLand Malaysia Mall Trust.

[Follow @CapitaLand on social media:](#)

**Facebook:** @capitaland / [facebook.com/capitaland](https://facebook.com/capitaland)  
**Instagram:** @capitaland / [instagram.com/capitaland](https://instagram.com/capitaland)  
**Twitter:** @capitaland / [twitter.com/capitaland](https://twitter.com/capitaland)  
**LinkedIn:** [linkedin.com/company/capitaland-limited](https://linkedin.com/company/capitaland-limited)  
**YouTube:** [youtube.com/capitaland](https://youtube.com/capitaland)

---

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

Analyst contact

Grace Chen  
Head, Investor Relations  
Tel: +65 6713 2883  
Email: [grace.chen@capitaland.com](mailto:grace.chen@capitaland.com)

Media contact

Tan Bee Leng  
Head, Group Communications  
Tel: +65 6713 2871  
Email: [tan.beeleng@capitaland.com](mailto:tan.beeleng@capitaland.com)

**Important Notice**

This release may contain forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training, property operating expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management regarding future events. No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this release. Neither CapitaLand Limited ("CapitaLand") nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this release.

The past performance of CapitaLand or any of the listed funds managed by CapitaLand Group ("CL Listed Funds") is not indicative of future performance. The listing of the shares in CapitaLand ("Shares") or the units in the CL Listed Funds ("Units") on the Singapore Exchange Securities Trading Limited (the "SGX-ST") does not guarantee a liquid market for the Shares or Units.

This release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Shares or Units.