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NEWS RELEASE

**CapitaLand launches one of China's largest
discretionary debt funds**
***US\$750-million CREDO I China to invest in real estate loans in
China's first- and second-tier cities***

Singapore, 27 February 2019 – CapitaLand Limited (“CapitaLand”) announced today the first closing of CREDO I China – the Group’s first discretionary real estate debt fund. The fund, with a target capital raise of US\$750 million (about S\$1 billion), will invest in offshore US dollar-denominated subordinated instruments for real estate in China’s first- and second-tier cities¹. It will focus on loans and securities of high-quality real estate covering commercial, retail, residential, logistics and industrial properties.

CapitaLand has raised over 70% of the capital or US\$556 million for CREDO I China’s first closing, with subsequent commitments from major institutional investors expected later this year. CapitaLand will hold a 10% stake in the fund. It is set to be one of China’s largest real estate debt funds.

Mr Lee Chee Koon, CapitaLand’s President & Group CEO, said: “We are delighted with the strong investor participation in CREDO I China. Fund management business is an integral part of CapitaLand’s strategy². CREDO I China will broaden CapitaLand’s fund offerings to real estate debts, going beyond our existing 15 private equity funds, which focus primarily on direct investment in property projects.”

Mr Lucas Loh, CapitaLand’s President (China & Investment Management), said: “CREDO I China comes at an opportune time as a significant volume of China’s commercial real estate loans are due for refinancing within the next few years³; while bank regulatory changes and deleveraging measures have tightened the amount of credit available to borrowers, prompting them to turn to non-bank lenders. We will tap on CapitaLand’s operating capabilities and network in China to source for investment in quality property debt instruments for this debt fund. The fund will also augment CapitaLand’s business in China through investment in real estate debts.”

Mr James Lim, CEO, CapitaLand Investment Management, said: “We are grateful for the strong support and commitment from our investors. This fundraise demonstrates the growth

¹ China’s first- and second-tier cities include Beijing, Chengdu, Chongqing, Dongguan, Guangzhou, Hangzhou, Hong Kong, Nanjing, Shanghai, Shenzhen, Suzhou, Tianjin, Wuhan, Wuxi, Xi’an, etc.

² In FY 2018, CapitaLand earned S\$227.5 million in fees from its management of funds as well as real estate investment trusts (REITs), making up about 4% of the Group’s revenue.

³ Based on a tally of available China commercial real estate loan data on Bloomberg as at 31 December 2018, approximately US\$70 billion of China commercial real estate loans are due to expire and will likely require refinancing within the next five years.

in demand for real estate finance fund targeting mezzanine debt and other subordinated instruments through the origination of financing for high-quality properties in major markets across China. We are excited about the breadth of opportunities we are seeing for making attractive, risk-adjusted investments on behalf of our investors.”

CapitaLand is the largest real estate manager in Asia Pacific and ranked 13th globally based on total real estate assets under management, according to the 2018 Fund Manager Survey jointly conducted by the Asian Association for Investors in Non-Listed Real Estate Vehicles Limited, European Association for Investors in Non-Listed Real Estate Vehicles and National Council of Real Estate Investment Fiduciaries in the United States. CapitaLand has consistently topped the ranking in Asia Pacific every year since the survey was launched in 2015. CapitaLand’s recent proposed acquisition of Ascendas-Singbridge⁴ will enlarge its fund management platform and propel the enlarged Group to become one of the top 10 largest real estate investment managers globally.

About CapitaLand Limited (www.capitaland.com)

CapitaLand Limited (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 over S\$100 billion as at 31 December 2018, comprising integrated developments, shopping malls, lodging, offices, homes, real estate investment trusts (REITs) and funds. CapitaLand’s market capitalisation is approximately S\$13 billion as at 31 December 2018. Present across more than 180 cities in over 30 countries, the Group focuses on Singapore and China as core markets, while it continues to expand in markets such as Vietnam, Europe and the U.S.

CapitaLand’s competitive advantage is its significant asset base and extensive market network. Coupled with strong 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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⁴ The proposed acquisition is subject to shareholders’ approval at an extraordinary general meeting to be convened by 1H 2019.