CapitaLand Limited

Acquisition Of A Commercial Land Plot To Be Developed Into A Grade A Office Property In Shanghai, China

19 December 2017
Disclaimer

This presentation may contain forward-looking statements that involve risks and uncertainties. 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 companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, 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 current view of management on future events.
Acquisition Of A Land Plot Adjacent To Innov Center\(^1\), Shanghai

To Be Developed Into A Grade A Office In The Wujiaochang (五角场) DBD\(^2\)

<table>
<thead>
<tr>
<th>Location</th>
<th>Block 407 of Xinjiangwan, Yangpu District, Shanghai</th>
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<tbody>
<tr>
<td>Land Tenure</td>
<td>50 Years (2008 – 2058)</td>
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<tr>
<td>GFA</td>
<td>37,765 sqm</td>
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<tr>
<td>Accessibility</td>
<td>Two-minute walk to Sanmen Road Metro Station of Line 10</td>
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<td>Agreed Land Value</td>
<td>RMB 838 million (~$171 million(^3))</td>
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<tr>
<td>Project Development Expenditure</td>
<td>~ RMB 1.3 billion (~$265 million(^3)) (including land costs)</td>
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<tr>
<td>Construction Period</td>
<td>2018 to 2020</td>
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</tbody>
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New Office Development To Boost CapitaLand’s Presence In Shanghai’s Wujiaochang DBD To A Combined GFA Of 118,466 Sqm

Note:
1. CapitaLand acquired Innov Center (formerly known as Guozheng Center) in Jun 2017
2. DBD denotes Decentralised Business District
3. Based on the exchange rate of S$1: RMB 4.9036
Strengthens CapitaLand’s Property Portfolio In Shanghai

With 19 Commercial Properties Spanning Over 1.4 million sqm In GFA

The land plot is a short distance from the Middle Ring Road, ~12 km from People’s Square CBD

Innov Center Phase 2
Investment Rationale

1. **Strategic Location In Shanghai**
   
   When completed, the property will attract tenants planning to tap the ready supply of graduate talent from the nearby prestigious universities.

2. **Economies Of Scale**
   
   CapitaLand's experienced team from Innov Center will also be managing this new property.

3. **Synergy In Product Offer**
   
   The property will be built according to differentiated specifications to meet market demand in three years time when it is completed.

4. **Capital Productivity**
   
   Redeployment of onshore capital into a quality site in a first tier city.

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**When Completed in 2020, Innov Center Phase 2 Will Be The Only New Grade A Office Supply In Wujiaochang DBD**

**Note:**

1. Since CapitaLand’s acquisition in Jun 2017, Innov Center has achieved an occupancy rate of close to 40%
Thank You

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