

# Singapore Company Update

# CapitaLand Investment Ltd

Bloomberg: CLI SP | Reuters: CAPN.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

10 Nov 2023

## BUY

Last Traded Price (9 Nov 2023): S\$3.03 (STI : 3,135.32)

Price Target 12-mth: S\$4.25 (40% upside)

### Analysts

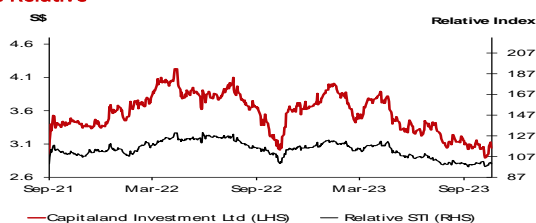
Derek TAN +65 6682 3716 derektan@dbs.com

Rachel TAN +65 6682 3713 racheltanlr@dbs.com

### What's New

- Group remains a net investor; taking advantage of market dislocations to grow AUM
- Divestment target could be missed, but unlikely to be a dampener given sub-optimal returns for now
- Lodging portfolio remains robust with a firm uptrend
- BUY call maintained, TP S\$4.25

### Price Relative



### Forecasts and Valuation

FY Dec (\$m)	2021A	2022A	2023F	2024F
Revenue	2,293	2,876	2,595	2,806
EBITDA	2,406	1,893	1,094	1,918
Pre-tax Profit	1,956	1,388	472	1,302
Net Profit	1,349	861	242	931
Net Pft (Pre Ex.)	1,349	861	242	931
Net Pft Gth (Pre-ex) (%)	nm	(36.2)	(71.9)	284.5
EPS (S cts)	26.2	16.6	4.66	17.9
EPS Pre Ex. (S cts)	26.2	16.6	4.66	17.9
EPS Gth Pre Ex (%)	nm	(37)	(72)	285
Diluted EPS (S cts)	26.2	16.6	4.66	17.9
Net DPS (S cts)	15.0	10.4	11.9	11.9
BV Per Share (S cts)	312	291	286	292
PE (X)	11.5	18.3	65.0	16.9
PE Pre Ex. (X)	11.5	18.3	65.0	16.9
P/Cash Flow (X)	23.4	21.4	nm	22.7
EV/EBITDA (X)	12.2	15.6	28.2	16.1
Net Div Yield (%)	5.0	3.4	3.9	3.9
P/Book Value (X)	1.0	1.0	1.1	1.0
Net Debt/Equity (X)	0.5	0.5	0.6	0.6
ROAE (%)	9.7	5.5	1.6	6.2
<b>Earnings Rev (%):</b>			(74)	(16)
<b>Consensus EPS (S cts):</b>			16.8	20.3
<b>Other Broker Recs:</b>		B: 15	S: 0	H: 0

Source of all data on this page: Company, DBS Bank, Bloomberg Finance L.P.

## Multiple avenues to remain vested!

### Investment Thesis:

**Leading Asia real estate manager with ability to acquire across business cycles.** CLI is an asset and capital-efficient company with scalable fee-related earnings (FRE) and a fund AUM (FUM) platform for growth. We see its private funds and REITs complementing each other in terms of its acquisition strategy across business cycles. With diverse real estate strategies ranging from opportunistic to value additions to core investment, we see CLI leveraging opportunities during both, market upcycles and downcycles.

**China recovery and lodging roaring back to profitability.** With c.35% of exposure, China remains a key market for the group. In addition, the pent-up travel demand from travellers (especially from China) is expected to boost the operational performance of its lodging arm, where its global footprint is well placed to leverage the multi-year recovery of the hospitality sector. On top of robust growth in its operational footprint to 160,000 units by end-2023, we see a turnaround in cash flows from 2023 onwards.

**Expansion of its suites of products and FUM growth to drive re-rating.** The group achieved its S\$100bn FUM target (including S\$10bn of embedded FUM) and we await the next leg of growth, which we see in the form of either M&As, REIT acquisitions, or the launch of new funds. Apart from its new-economy focus, we like its relationships and decision to pivot to the wellness sector (up to S\$1bn in FUM) and upcoming private credit sector to expand its suite of products.

**BUY, TP: S\$4.25 for >40% upside.** We maintain our BUY call for CLI with a target price of S\$4.25, pegged to its sum-of-the-parts valuation. We see an upside from the stock largely coming from (i) an earnings re-rating from an earnings CAGR of 8% (8% upside) and (ii) a multiple re-rating towards 18x (average peer range) for its fund management business.

### Key Risks

Interest rate could potentially eat into margins and returns while an economic downturn in its key markets could bring a risk to the top line.

### At A Glance

Issued Capital (m shrs)	5,122
Mkt. Cap (S\$m/US\$m)	15,519 / 11,441
Major Shareholders (%)	
Temasek Holdings Pte Ltd	57.4
Free Float (%)	42.6
3m Avg. Daily Val (US\$m)	17.0
<b>GIC Industry :</b> Real Estate / Real Estate Management &	



Watchlist the stock on Insights Direct to receive prompt updates

## WHAT'S NEW

### Three reasons why we like CLI

#### Operational performance in line

CapitalLand investment Limit (CLI)'s performance YTD remains steady with total revenue coming in at S\$2.0bn. Revenue from its fee income-related business rose by +9% y-o-y to c.S\$800m, which partially offsets the dip in its real estate investment business (-8% to S\$1.4bn). Revenues are tracking in line with our estimates, forming c.75% of our estimates. A large part of the revenue increase in fee income comes from lodging management fees on the back of a robust 25% rebound in RevPAR and key count while its overall (REIT management and private funds) fees remain resilient.

Our estimates are reflected to take into account potential fair value losses in FY23F and lower FX rates in FY24F.

#### What is our view?

The group is a net investor in 2023 with its private funds and selected REITs actively growing their portfolio while further opportunities for growth remain, given that close to S\$10bn in funds is yet to be deployed. We view the launch of new private equity fund products (healthcare, datacentre, and private credit space) in the coming months as catalysts for a re-rating of the stock. While its divestment target of S\$3.0bn could be missed, we see investors looking past that, given a more subdued liquidity environment indicates sub-optimal potential for returns. Maintain BUY, SOTP valuation of S\$4.25.

#### Key questions answered in management call

##### What is the possible valuations outlook come end-2023?

While financials have continued to remain resilient, we expect the group to report weaker PATMI in 2023 on the back of potential revaluation losses as its book gets marked-to-market due to higher interest costs. At this moment, there could be downward revaluations from Australia, UK, Europe, and US (forming c.20% of AUM) due to cap rate movements, while its exposure within China (31% of AUM) is likely to see mixed valuation returns (with a slight expansion in cap rates offset by a strong upside to cash flows). Within Asia ex-China (18%) and Singapore (29%), valuations are expected to remain fairly resilient.

#### Where are the deployment opportunities?

The group has been a net investor in 2023 with over S\$3.8bn in transactions (+S\$2.6bn of purchases and -S\$1.2bn in divestments). We note that both the group's private equity funds and listed REITs (namely CLAR, CLINT) form the bulk of transactions, which bodes well for CLI's model of being able to actively grow across market cycles. Looking ahead, the group has raised S\$1.7bn from investors looking to deploy capital in the South-East Asia region, with India and China being key markets that the group will be keen to deploy funds. In terms of new fund products, building on the recent launch of the group wellness & healthcare-related fund (target fund size of S\$1.0bn with upside option), the group looks to expand more in this space in developed markets. In addition, CLI is also preparing to launch its first "private credit fund" focused on Australia soon. Overall, the group has met its S\$100bn (including embedded) AUM target by 2024 and will have more updates on its next leg of growth.

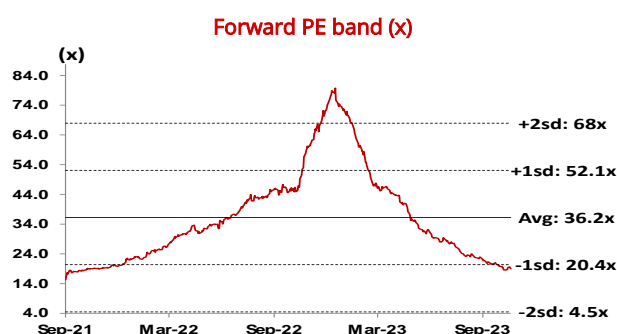
#### Divestment target miss – but does it matter?

The group divested close to S\$1.2bn worth of assets (gross development value) in 9M23, which we estimate to be close to book value. While initially guiding for an annual S\$3.0bn divestment target in 2023, we believe that given the still uncertain interest rate and liquidity environment, the continued pursuit of divestments could mean sub-optimal returns overall. Trading off a potential drag for "lower returns" in the immediate term, we believe that the group is better placed to wait it out for a better period in order to pursue optimal overall returns.

#### Company Background

CapitalLand Investment (CLI)'s strategy, based on generating sustainable double-digit return on equity (ROE) above cost of equity (COE), is supported by three synergistic growth drivers of fund management, lodging management, and active capital management.

#### Historical PE and PB band



Source: Bloomberg Finance L.P., DBS Bank estimates



Source: Bloomberg Finance L.P., DBS Bank estimates

## CapitalLand Investment Ltd

### Income Statement (\$m)

FY Dec	2020A	2021A	2022A	2023F	2024F
Revenue	1,983	2,293	2,876	2,595	2,806
Cost of Goods Sold	(1,111)	(1,235)	(1,586)	(1,299)	(1,388)
<b>Gross Profit</b>	<b>872</b>	<b>1,058</b>	<b>1,290</b>	<b>1,297</b>	<b>1,418</b>
Other Opng (Exp)/Inc	(1,029)	4.00	(54.0)	(1,000)	(358)
<b>Operating Profit</b>	<b>(157)</b>	<b>1,062</b>	<b>1,236</b>	<b>297</b>	<b>1,061</b>
Other Non Opng (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	(25.0)	1,218	531	672	731
Net Interest (Exp)/Inc	(377)	(324)	(379)	(496)	(491)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>(559)</b>	<b>1,956</b>	<b>1,388</b>	<b>472</b>	<b>1,302</b>
Tax	(114)	(396)	(318)	(80.3)	(221)
Minority Interest	114	(211)	(209)	(150)	(150)
Preference Dividend	0.0	0.0	0.0	0.0	0.0
<b>Net Profit</b>	<b>(559)</b>	<b>1,349</b>	<b>861</b>	<b>242</b>	<b>931</b>
Net Profit before Except.	(559)	1,349	861	242	931
EBITDA	(56.0)	2,406	1,893	1,094	1,918
<b>Growth</b>					
Revenue Gth (%)	(20.3)	15.6	25.4	(9.8)	8.1
EBITDA Gth (%)	nm	nm	(21.3)	(42.2)	75.3
Opg Profit Gth (%)	(111.4)	(776.4)	16.4	(76.0)	257.7
Net Profit Gth (Pre-ex) (%)	nm	nm	(36.2)	(71.9)	284.5
<b>Margins &amp; Ratio</b>					
Gross Margins (%)	44.0	46.1	44.9	50.0	50.6
Opg Profit Margin (%)	(7.9)	46.3	43.0	11.4	37.8
Net Profit Margin (%)	(28.2)	58.8	29.9	9.3	33.2
ROAE (%)	(4.6)	9.7	5.5	1.6	6.2
ROA (%)	(1.5)	3.6	2.4	0.7	2.7
ROCE (%)	(0.5)	2.5	2.8	0.8	2.7
Div Payout Ratio (%)	N/A	57.2	62.7	254.9	66.3
Net Interest Cover (x)	(0.4)	3.3	3.3	0.6	2.2

Source: Company, DBS Bank

## CapitalLand Investment Ltd

### Interim Income Statement (\$m)

FY Dec	2H2021	1H2022	2H2022
Revenue	1,244	1,354	1,522
Cost of Goods Sold	(691)	(720)	(866)
<b>Gross Profit</b>	<b>553</b>	<b>634</b>	<b>656</b>
Other Oper. (Exp)/Inc	(247)	(109)	108
<b>Operating Profit</b>	<b>306</b>	<b>525</b>	<b>764</b>
Other Non Op $\ddot{a}$ (Exp)/Inc	0.0	0.0	0.0
Associates & IV Inc	777	277	254
Net Interest (Exp)/Inc	(149)	(197)	(235)
Exceptional Gain/(Loss)	0.0	0.0	0.0
<b>Pre-tax Profit</b>	<b>934</b>	<b>605</b>	<b>783</b>
Tax	(200)	(125)	(193)
Minority Interest	(87.0)	(47.0)	(162)
<b>Net Profit</b>	<b>647</b>	<b>433</b>	<b>428</b>
Net profit bef Except.	647	433	428
EBITDA	1,083	873	1,078

### Growth

Revenue Gth (%)	nm	8.8	12.4
EBITDA Gth (%)	nm	(19.4)	23.5
Op $\ddot{a}$ Profit Gth (%)	nm	71.6	45.5
Net Profit Gth (%)	nm	(33.1)	(1.2)

### Margins

Gross Margins (%)	44.5	46.8	43.1
Op $\ddot{a}$ Profit Margins (%)	24.6	38.8	50.2
Net Profit Margins (%)	52.0	32.0	28.1

### Balance Sheet (\$m)

FY Dec	2020A	2021A	2022A	2023F	2024F
Net Fixed Assets	1,096	1,067	1,225	1,375	1,525
Invt $\ddot{a}$ in Associates & JVs	13,198	13,248	13,152	13,457	13,934
Other LT Assets	17,686	17,509	16,312	16,312	16,312
Cash & ST Invt $\ddot{a}$	1,736	3,877	2,668	1,608	1,815
Inventory	32.0	268	415	415	415
Debtors	4,258	1,661	1,025	925	1,000
Other Current Assets	217	16.0	313	313	313
<b>Total Assets</b>	<b>38,223</b>	<b>37,646</b>	<b>35,110</b>	<b>34,405</b>	<b>35,313</b>
ST Debt	1,154	2,549	1,368	1,368	1,368
Creditor	5,513	2,128	2,093	1,889	2,042
Other Current Liab	470	939	701	198	339
LT Debt	7,312	10,999	11,222	11,372	11,522
Other LT Liabilities	8,040	930	797	797	797
Shareholder's Equity	12,271	16,440	15,529	15,231	15,545
Minority Interests	3,463	3,661	3,400	3,550	3,700
<b>Total Cap. &amp; Liab.</b>	<b>38,223</b>	<b>37,646</b>	<b>35,110</b>	<b>34,405</b>	<b>35,313</b>
Non-Cash Wkg. Capital	(1,476)	(1,122)	(1,041)	(434)	(653)
Net Cash/(Debt)	(6,730)	(9,671)	(9,922)	(11,132)	(11,075)
Debtors Turn (avg days)	787.8	471.1	170.4	137.1	125.2
Creditors Turn (avg days)	2,002.1	1,257.4	527.6	619.7	568.6
Inventory Turn (avg days)	52.8	49.4	85.4	129.2	120.1
Asset Turnover (x)	0.1	0.1	0.1	0.1	0.1
Current Ratio (x)	0.9	1.0	1.1	0.9	0.9
Quick Ratio (x)	0.8	1.0	0.9	0.7	0.8
Net Debt/Equity (X)	0.4	0.5	0.5	0.6	0.6
Net Debt/Equity ex MI (X)	0.5	0.6	0.6	0.7	0.7
Capex to Debt (%)	1.0	0.0	1.2	2.2	2.1

Source: Company, DBS Bank

## CapitalLand Investment Ltd

### Cash Flow Statement (\$m)

FY Dec	2020A	2021A	2022A	2023F	2024F
Pre-Tax Profit	(673)	1,560	1,070	472	1,302
Dep. & Amort.	126	126	131	126	126
Tax Paid	(143)	(207)	(195)	(583)	(80.3)
Assoc. & JV Inc/(loss)	(45.6)	(1,218)	(531)	(672)	(731)
Chg in Wkg.Cap.	(429)	255	(21.0)	(104)	78.3
Other Operating CF	1,348	151	281	0.0	0.0
<b>Net Operating CF</b>	<b>183</b>	<b>667</b>	<b>735</b>	<b>(761)</b>	<b>695</b>
Capital Exp.(net)	(81.0)	0.0	(156)	(276)	(276)
Other Invs.(net)	262	0.0	0.0	0.0	0.0
Invs in Assoc. & JV	301	(665)	(528)	(171)	(330)
Div from Assoc & JV	502	1,980	217	537	585
Other Investing CF	84.0	(47.0)	85.0	0.0	0.0
<b>Net Investing CF</b>	<b>1,068</b>	<b>1,268</b>	<b>(382)</b>	<b>90.4</b>	<b>(20.9)</b>
Div Paid	(833)	(104)	(772)	(540)	(617)
Chg in Gross Debt	217	750	106	150	150
Capital Issues	0.0	(208)	(133)	0.0	0.0
Other Financing CF	(356)	(215)	(571)	0.0	0.0
<b>Net Financing CF</b>	<b>(972)</b>	<b>223</b>	<b>(1,370)</b>	<b>(390)</b>	<b>(467)</b>
Currency Adjustments	103	(17.0)	(192)	0.0	0.0
Chg in Cash	382	2,141	(1,209)	(1,060)	207
Opg CFPS (S cts)	11.8	8.01	14.6	(12.6)	11.9
Free CFPS (S cts)	1.96	13.0	11.1	(20.0)	8.06

Source: Company, DBS Bank

### Target Price & Ratings 12-mth History



S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	24 Feb 23	3.88	4.25	BUY
2:	12 May 23	3.62	4.25	BUY

Note: Share price and Target price are adjusted for corporate actions.

Source: DBS Bank

Analyst: Derek TAN

Rachel TAN

DBS Bank recommendations are based on an Absolute Total Return\* Rating system, defined as follows:

**STRONG BUY** (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)

**BUY** (>15% total return over the next 12 months for small caps, >10% for large caps)

**HOLD** (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

**FULLY VALUED** (negative total return, i.e., > -10% over the next 12 months)

**SELL** (negative total return of > -20% over the next 3 months, with identifiable share price catalysts within this time frame)

\*Share price appreciation + dividends

Completed Date: 10 Nov 2023 06:33:31 (SGT)  
 Dissemination Date: 10 Nov 2023 07:12:27 (SGT)

Sources for all charts and tables are DBS Bank unless otherwise specified.

#### GENERAL DISCLOSURE/DISCLAIMER

**This report is prepared by DBS Bank Ltd.** This report is solely intended for the clients of DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBS Bank Ltd.

The research set out in this report is based on information obtained from sources believed to be reliable, but we (which collectively refers to DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd, its respective connected and associated corporations, affiliates and their respective directors, officers, employees and agents (collectively, the "DBS Group") have not conducted due diligence on any of the companies, verified any information or sources or taken into account any other factors which we may consider to be relevant or appropriate in preparing the research. Accordingly, we do not make any representation or warranty as to the accuracy, completeness or correctness of the research set out in this report. Opinions expressed are subject to change without notice. This research is prepared for general circulation. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees, who should obtain separate independent legal or financial advice. The DBS Group accepts no liability whatsoever for any direct, indirect and/or consequential loss (including any claims for loss of profit) arising from any use of and/or reliance upon this document and/or further communication given in relation to this document. This document is not to be construed as an offer or a solicitation of an offer to buy or sell any securities. The DBS Group, along with its affiliates and/or persons associated with any of them may from time to time have interests in the securities mentioned in this document. The DBS Group, may have positions in, and may effect transactions in securities mentioned herein and may also perform or seek to perform broking, investment banking and other banking services for these companies.

Any valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report, and there can be no assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments. The information in this document is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed, it may not contain all material information concerning the company (or companies) referred to in this report and the DBS Group is under no obligation to update the information in this report.

This publication has not been reviewed or authorized by any regulatory authority in Singapore, Hong Kong or elsewhere. There is no planned schedule or frequency for updating research publication relating to any issuer.

The valuations, opinions, estimates, forecasts, ratings or risk assessments described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein IS NOT TO BE RELIED UPON as a representation and/or warranty by the DBS Group (and/or any persons associated with the aforesaid entities), that:

- (a) such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- (b) there is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Any assumptions made in this report that refers to commodities, are for the purposes of making forecasts for the company (or companies) mentioned herein. They are not to be construed as recommendations to trade in the physical commodity or in the futures contract relating to the commodity referred to in this report.

DBSVUSA, a US-registered broker-dealer, does not have its own investment banking or research department, has not participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months and does not engage in market-making.

#### ANALYST CERTIFICATION

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible for the content of this research report, in part or in whole, certifies that he or his associate<sup>1</sup> does not serve as an officer of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant) and the research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests<sup>2</sup> in relation to an issuer or a new listing applicant that the analyst reviews. DBS Group has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the DBS Group and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of DBS Group's compensation to any specific investment banking function of the DBS Group.

#### COMPANY-SPECIFIC / REGULATORY DISCLOSURES

1. DBS Bank Ltd, DBS HK, DBSVS Securities (Singapore) Pte Ltd ("DBSVS"), DBSVUSA, or their subsidiaries and/or other affiliates have a proprietary position in CapitaLand Investment Ltd recommended in this report as of 30 Sep 2023.

#### Compensation for investment banking services:

2. DBS Bank Ltd, DBS HK, DBSVS their subsidiaries and/or other affiliates of DBSVUSA have received compensation, within the past 12 months for investment banking services from CapitaLand Investment Ltd as of 30 Sep 2023.
3. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have managed or co-managed a public offering of securities for CapitaLand Investment Ltd in the past 12 months, as of 30 Sep 2023.
4. DBSVUSA does not have its own investment banking or research department, nor has it participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months. Any US persons wishing to obtain further information, including any clarification on disclosures in this disclaimer, or to effect a transaction in any security discussed in this document should contact DBSVUSA exclusively.

#### Directorship/trustee interests:

5. Anthony LIM Weng Kin, a member of DBS Group Holdings Board of Directors, is a Director of CapitaLand Investment Ltd as of 30 Sep 2023.

---

<sup>1</sup> An associate is defined as (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

<sup>2</sup> Financial interest is defined as interests that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

## CapitalLand Investment Ltd


---

### Disclosure of previous investment recommendation produced:

6. DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA, their subsidiaries and/or other affiliates may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed on page 1 of this report to view previous investment recommendations published by DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS"), their subsidiaries and/or other affiliates in the preceding 12 months.



## RESTRICTIONS ON DISTRIBUTION

<b>General</b>	This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.
<b>Australia</b>	<p>This report is being distributed in Australia by DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS") or DBSV HK. DBS Bank Ltd holds Australian Financial Services Licence no. 475946.</p> <p>DBS Bank Ltd, DBSVS and DBSV HK are exempted from the requirement to hold an Australian Financial Services Licence under the Corporation Act 2001 ("CA") in respect of financial services provided to the recipients. Both DBS and DBSVS are regulated by the Monetary Authority of Singapore under the laws of Singapore, and DBSV HK is regulated by the Hong Kong Securities and Futures Commission under the laws of Hong Kong, which differ from Australian laws.</p> <p>Distribution of this report is intended only for "wholesale investors" within the meaning of the CA.</p>
<b>Hong Kong</b>	<p>This report has been prepared by a personnel of DBS Bank Ltd, who is not licensed by the Hong Kong Securities and Futures Commission to carry on the regulated activity of advising on securities in Hong Kong pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). This report is being distributed in Hong Kong and is attributable to DBS Bank (Hong Kong) Limited ("DBS HK"), a registered institution registered with the Hong Kong Securities and Futures Commission to carry on the regulated activity of advising on securities pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). DBS Bank Ltd., Hong Kong Branch is a limited liability company incorporated in Singapore.</p> <p>For any query regarding the materials herein, please contact Dennis Lam (Reg No. AH8290) at dbsvhk@dbs.com</p>
<b>Indonesia</b>	This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.
<b>Malaysia</b>	<p>This report is distributed in Malaysia by AllianceDBS Research Sdn Bhd ("ADBSR"). Recipients of this report, received from ADBSR are to contact the undersigned at 603-2604 3333 in respect of any matters arising from or in connection with this report. In addition to the General Disclosure/Disclaimer found at the preceding page, recipients of this report are advised that ADBSR (the preparer of this report), its holding company Alliance Investment Bank Berhad, their respective connected and associated corporations, affiliates, their directors, officers, employees, agents and parties related or associated with any of them may have positions in, and may effect transactions in the securities mentioned herein and may also perform or seek to perform broking, investment banking/corporate advisory and other services for the subject companies. They may also have received compensation and/or seek to obtain compensation for broking, investment banking/corporate advisory and other services from the subject companies.</p> <p style="text-align: right;">   Wong Ming Tek, Executive Director, ADBSR </p>
<b>Singapore</b>	This report is distributed in Singapore by DBS Bank Ltd (Company Regn. No. 196800306E) or DBSVS (Company Regn No. 198600294G), both of which are Exempt Financial Advisers as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. DBS Bank Ltd and/or DBSVS, may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, DBS Bank Ltd accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact DBS Bank Ltd at 6878 8888 for matters arising from, or in connection with the report.
<b>Thailand</b>	<p>This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.</p> <p>For any query regarding the materials herein, please contact Chanpen Sirithanarattanukul at research@th.dbs.com</p>

<p><b>United Kingdom</b></p>	<p>This report is produced by DBS Bank Ltd which is regulated by the Monetary Authority of Singapore.</p> <p>This report is disseminated in the United Kingdom by DBS Bank Ltd, London Branch ("DBS UK"). DBS UK is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.</p> <p>In respect of the United Kingdom, this report is solely intended for the clients of DBS UK, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBS UK, This communication is directed at persons having professional experience in matters relating to investments. Any investment activity following from this communication will only be engaged in with such persons. Persons who do not have professional experience in matters relating to investments should not rely on this communication.</p>
<p><b>Dubai International Financial Centre</b></p>	<p>This communication is provided to you as a Professional Client or Market Counterparty as defined in the DFSA Rulebook Conduct of Business Module (the "COB Module"), and should not be relied upon or acted on by any person which does not meet the criteria to be classified as a Professional Client or Market Counterparty under the DFSA rules.</p> <p>This communication is from the branch of DBS Bank Ltd operating in the Dubai International Financial Centre (the "DIFC") under the trading name "DBS Bank Ltd. (DIFC Branch)" ("DBS DIFC"), registered with the DIFC Registrar of Companies under number 156 and having its registered office at units 608 - 610, 6th Floor, Gate Precinct Building 5, PO Box 506538, DIFC, Dubai, United Arab Emirates.</p> <p>DBS DIFC is regulated by the Dubai Financial Services Authority (the "DFSA") with a DFSA reference number F000164. For more information on DBS DIFC and its affiliates, please see <a href="http://www.dbs.com/ae/our-network/default.page">http://www.dbs.com/ae/our-network/default.page</a>.</p> <p>Where this communication contains a research report, this research report is prepared by the entity referred to therein, which may be DBS Bank Ltd or a third party, and is provided to you by DBS DIFC. The research report has not been reviewed or authorised by the DFSA. Such research report is distributed on the express understanding that, whilst the information contained within is believed to be reliable, the information has not been independently verified by DBS DIFC.</p> <p>Unless otherwise indicated, this communication does not constitute an "Offer of Securities to the Public" as defined under Article 12 of the Markets Law (DIFC Law No.1 of 2012) or an "Offer of a Unit of a Fund" as defined under Article 19(2) of the Collective Investment Law (DIFC Law No.2 of 2010).</p> <p>The DFSA has no responsibility for reviewing or verifying this communication or any associated documents in connection with this investment and it is not subject to any form of regulation or approval by the DFSA. Accordingly, the DFSA has not approved this communication or any other associated documents in connection with this investment nor taken any steps to verify the information set out in this communication or any associated documents, and has no responsibility for them. The DFSA has not assessed the suitability of any investments to which the communication relates and, in respect of any Islamic investments (or other investments identified to be Shari'a compliant), neither we nor the DFSA has determined whether they are Shari'a compliant in any way.</p> <p>Any investments which this communication relates to may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on any investments. If you do not understand the contents of this document you should consult an authorised financial adviser.</p>

**CapitalLand Investment Ltd**

<b>United States</b>	This report was prepared by DBS Bank Ltd. DBSVUSA did not participate in its preparation. The research analyst(s) named on this report are not registered as research analysts with FINRA and are not associated persons of DBSVUSA. The research analyst(s) are not subject to FINRA Rule 2241 restrictions on analyst compensation, communications with a subject company, public appearances and trading securities held by a research analyst. This report is being distributed in the United States by DBSVUSA, which accepts responsibility for its contents. This report may only be distributed to Major U.S. Institutional Investors (as defined in SEC Rule 15a-6) and to such other institutional investors and qualified persons as DBSVUSA may authorize. Any U.S. person receiving this report who wishes to effect transactions in any securities referred to herein should contact DBSVUSA directly and not its affiliate.
<b>Other jurisdictions</b>	In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

**DBS Regional Research Offices**
**HONG KONG**
**DBS Bank (Hong Kong) Ltd**

Contact: Dennis Lam  
 13th Floor One Island East,  
 18 Westlands Road,  
 Quarry Bay, Hong Kong  
 Tel: 852 3668 4181  
 Fax: 852 2521 1812  
 e-mail: dbsvhk@dbs.com

**SINGAPORE**
**DBS Bank Ltd**

Contact: Paul Yong  
 12 Marina Boulevard,  
 Marina Bay Financial Centre Tower 3  
 Singapore 018982  
 Tel: 65 6878 8888  
 e-mail: groupresearch@dbs.com  
 Company Regn. No. 196800306E

**INDONESIA**
**PT DBS Vickers Sekuritas (Indonesia)**

Contact: Maynard Priajaya Arif  
 DBS Bank Tower  
 Ciputra World 1, 32/F  
 Jl. Prof. Dr. Satrio Kav. 3-5  
 Jakarta 12940, Indonesia  
 Tel: 62 21 3003 4900  
 Fax: 6221 3003 4943  
 e-mail: indonesiaresearch@dbs.com

**THAILAND**
**DBS Vickers Securities (Thailand) Co Ltd**

Contact: Chanpen Sirithanarattanakul  
 989 Siam Piwat Tower Building,  
 9th, 14th-15th Floor  
 Rama 1 Road, Pathumwan,  
 Bangkok Thailand 10330  
 Tel. 66 2 857 7831  
 Fax: 66 2 658 1269  
 e-mail: research@th.dbs.com  
 Company Regn. No 0105539127012  
 Securities and Exchange Commission, Thailand