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NEWS RELEASE

CapitaLand Investment expands global data centre portfolio with development of its first data centre in Japan

The project will entail an investment of more than S\$900 million and seed a future data centre fund

Singapore, 4 February 2025 - CapitaLand Investment Limited (CLI), a leading global real asset manager, has acquired a freehold land parcel in Osaka to develop its first data centre in Japan which will entail a total investment of more than US\$700 million (S\$944.3 million¹). 50 megawatts (MW) of power capacity have also been secured for the project.

The acquisition is a testament to CLI's strong global multi-asset class network and deal-sourcing capability. With this latest acquisition, CLI has added 23 data centres to its global portfolio since 2021. CapitaLand Group has 27 data centres across Asia and Europe with about 800 MW of power and around S\$6 billion of assets under management on a completed basis.

Mr Manohar Khیاتani, Senior Executive Director of CLI, who oversees the Group's data centre business said: "CLI's data centre portfolio has expanded significantly over the last few years and we are delighted to expand our footprint to Japan. The acquisition is not only aligned with CLI's digitalisation investment theme but also enhances CLI's geographical spread, deepening its presence in Japan, one of CLI's focus markets. CLI's strong balance sheet gives us the distinct advantage to invest strategically in quality assets including data centres for our future private funds. Japan is a Tier 1 data centre market poised for tremendous growth. It is projected to expand at a compound annual growth rate of 10%, from US\$23.8 billion in 2023 to US\$38.7 billion in 2028². It is also Asia Pacific's largest data centre market outside of China with a 1.4 gigawatt capacity³, with both Tokyo and Osaka being key data centre hubs in the region. Major cloud service providers such as Amazon Web Services, Google Cloud, Microsoft Azure and Oracle already have a presence in Osaka. Our acquisition is hence well-positioned to capture demand in Osaka's established data centre cluster."

Ms Michelle Lee, Managing Director, Private Funds (Data Centre) of CLI, said: "With the rapid adoption of digitalisation and artificial intelligence (AI) globally and especially in Asia, data centre demand is expected to enjoy double-digit growth and outstrip new supply. There is strong institutional interest in data centre investments, with 97% of investors planning to increase their overall investment in data centres⁴. Leveraging CLI's global network and on-ground expertise, we have secured this off-market opportunity in Osaka with 50 MW of power.

¹ Based on an exchange rate of US\$1 to S\$1.349 unless stated otherwise.

² Statista, 'Data Centre Market Size in Japan 2023-2028', May 2024.

³ Cushman & Wakefield, 'Asia Pacific Data Centre H1 2024 Update', Updated in September 2024.

⁴ CBRE, 'Investor Sentiment Report for 2024', June 2024.

Since October 2020, CLI has successfully raised about US\$600 million (S\$810 million) for our data centre development funds in Asia. CLI continues to develop new data centre fund products. We will also build on our investment momentum and identify compelling investment pipeline opportunities for our private fund investors.”

The data centre in Osaka will be AI-ready and feature state-of-the-art design with sustainability at its core. It will be designed, built, and certified in accordance with Leadership in Energy and Environmental Design (LEED) or an equivalent Japanese green-certification standard. The facility will integrate energy-saving solutions such as advanced cooling technologies and adopt industry best practices in temperature management to enhance energy and water usage efficiency. Furthermore, the data centre will utilise products with zero ozone depletion potential or with global warming potential (GWP) of less than 100 to minimise environmental impact.

CapitaLand Investment’s global data centre capabilities

The data centre in Osaka is a testament to CLI’s experience in investing, designing, developing and operating data centres. Combined with CLI’s deep market knowledge, deal-sourcing expertise, and global investment network, CLI’s vertically-integrated data centre capabilities enable it to partner with investors to tap into the wealth of opportunities in the sector.

CLI’s ability to deliver world-class data centre solutions was clearly demonstrated recently when CapitaLand India Trust (CLINT) signed a long-term agreement with a leading global hyperscaler for its data centres under development in India. With the agreement, CLINT is likely to pre-lease about half of its total gross power capacity of around 250 MW across its four data centres which are under development in India. CLINT is developing state-of-the-art facilities in all the key data centre corridors of India, i.e., Mumbai, Chennai, Hyderabad and Bangalore.

CLI’s localised data centre teams are led by country heads with over 25 years of industry experience each and supported by a global Centre of Excellence for data centre led by Mr Kenny Khoo, Managing Director for Global Data Centre. Kenny, who has over 30 years of experience, joined CLI in September 2024 to oversee the development and execution of CLI’s strategy for its growing data centre business in close collaboration with CLI’s data centre fund and country teams.

CapitaLand Group has data centre investments across nine countries such as Singapore, Japan, South Korea, India, China, the United Kingdom, France, the Netherlands, and Switzerland.

About CapitaLand Investment Limited (www.capitalandinvest.com)

Headquartered and listed in Singapore in 2021, CapitaLand Investment Limited (CLI) is a leading global real asset manager with a strong Asia foothold. As at 30 September 2024, CLI had S\$134 billion of assets under management, as well as S\$102 billion of funds under management held via six listed real estate investment trusts and business trusts and a suite of private real asset vehicles that invest in thematic and tactical strategies. Its diversified real estate asset classes include retail, office, lodging, industrial, logistics, business parks, wellness, self-storage, data centres, private credit and special opportunities.

CLI aims to scale its fund management, lodging management and commercial management businesses globally and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm. In 2025, CapitaLand Group celebrates 25 years of excellence in real assets and continues to innovate and shape the industry.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero carbon emissions for Scope 1 and 2 by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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