

# CapitaLand 1Q 2006 Results

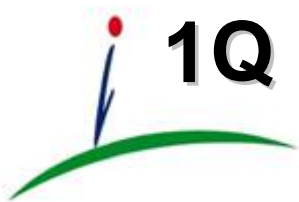


10 May 2006



# Disclaimer

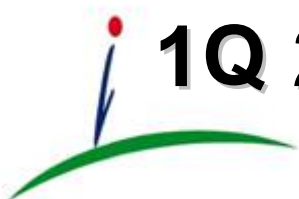
These slides may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of 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.



# 1Q 2006 – Strong Profit

- **Strong PATMI of S\$130.6 million in 1Q 2006, up 87% y-o-y**
  - Higher portfolio gains and improved fee-based income
- **Multi-local strategy drives sustainable overseas earnings**
  - Overseas business contributed 71% of EBIT
  - Continued expansion in China, India, Thailand, Vietnam, Japan and Malaysia
- **Growing financial services and fee-based products**
  - AUM under CFL grew to S\$8.5 billion, up S\$2.2 billion y-o-y
  - Ascott successfully listed ART, 1<sup>st</sup> Pan-Asian serviced residence REIT
  - CMT & CCT proposed joint acquisition of Raffles City for S\$2.1 billion
- **Active capital management**
  - Increased financial capacity: Lower D/E ratio to 0.52
  - Special dividend of 12¢ per share approved at AGM





# 1Q 2006 Financial Results

(S\$ million)	1Q 2005	1Q 2006	Change
<b>Revenue</b>	736.3	<b>658.7</b>	<b>↓ 10.5%</b>
<b>EBIT</b>	171.2	<b>225.1</b>	<b>↑ 31.5%</b>
<b>PBT</b>	107.0	<b>155.0</b>	<b>↑ 44.9%</b>
<b>PATMI</b>	70.0*	<b>130.6</b>	<b>↑ 86.5%</b>

\* Included S\$3.6m from discontinued operations. Otherwise PATMI would have risen 96.6% y-o-y



# Key Financial Ratios

	1Q 2005	1Q 2006	Change
<b>EPS (S cents)</b>	2.8	<b>4.7</b>	<b>Improved</b>
<b>NTA per share (S\$)</b>	2.11	<b>2.42</b>	<b>Improved</b>
<b>Net Debt / Equity</b>	0.69	<b>0.52</b>	<b>Improved</b>
<b>Interest Cover Ratio (ICR)</b>	4.28	<b>5.36</b>	<b>Improved</b>
<b>Interest Service Ratio (ISR)</b>	6.48	<b>3.09</b>	<b>Lower</b>

**Strong Financial Capacity**

$$\text{ICR} = \frac{\text{EBITDA}}{\text{Net Interest Expense}}$$

$$\text{ISR} = \frac{\text{Operating cashflow}}{\text{Net Interest Paid}}$$





# EBIT by SBU

(S\$ million)	1Q 2005	1Q 2006	
<b>Residential</b>	89.0	67.1	↓ 24.5%
<b>CCID *</b>	27.4	93.1	↑ 3.4x
<b>Retail</b>	11.2	20.2	↑ 79.6%
<b>Financial Svcs</b>	10.8	19.6	↑ 80.6%
<b>The Ascott Grp</b>	17.2	16.1	↓ 6.4%
<b>RHL Grp</b>	11.4	15.6	↑ 37.1%
<b>Others &amp; Adj</b>	4.2	(6.6)	N.M.
<b>Total EBIT</b>	171.2	225.1	↑ 31.5%

\* CCID – Commercial & Integrated Development





# EBIT by Geography

(S\$ million)	1Q 2005	1Q 2006	
<b>Singapore</b>	52.3	65.8	↑ 25.9%
<b>Australia &amp; NZ</b>	30.2	31.5	↑ 4.2%
<b>China</b>	66.0	99.7	↑ 51.2%
<b>Other Asia*</b>	13.6	21.9	↑ 60.0%
<b>Europe</b>	9.1	6.2	↓ 31.7%
<b>Total EBIT</b>	171.2	225.1	↑ 31.5%

\* Includes HK, Indonesia, Japan, M'sia, Philippines, Thailand & Vietnam



# Overseas Contributions – 1Q 2006

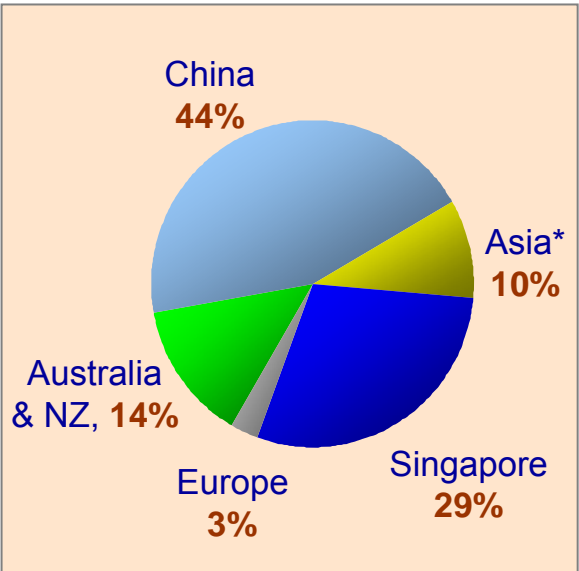
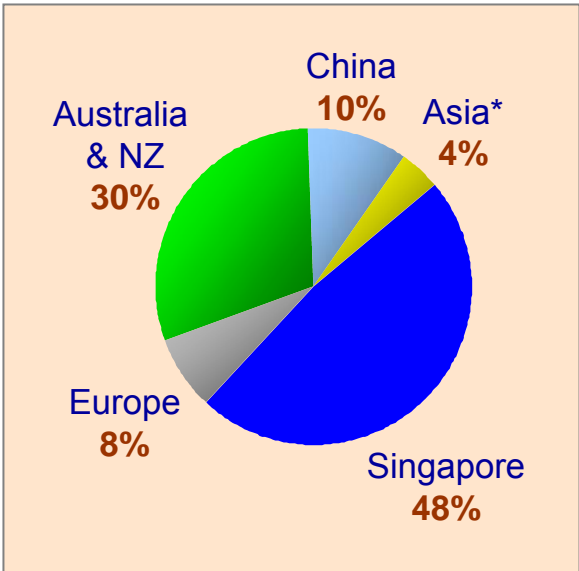
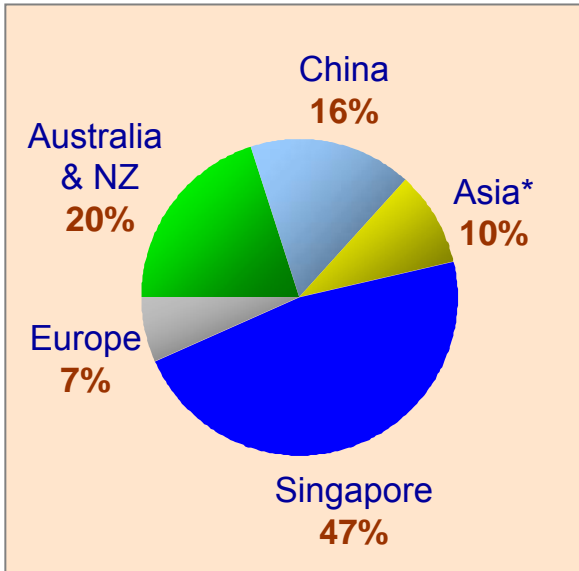
**53% of Assets  
Overseas contributed 71%  
to Group EBIT**

## By Geographical Location

**Total Assets**  
**S\$18.3 Billion**

**Revenue**  
**S\$658.7 Million**

**EBIT**  
**S\$225.1 Million**



• Includes HK, Indonesia, Japan, M'sia, Philippines, Thailand & Vietnam

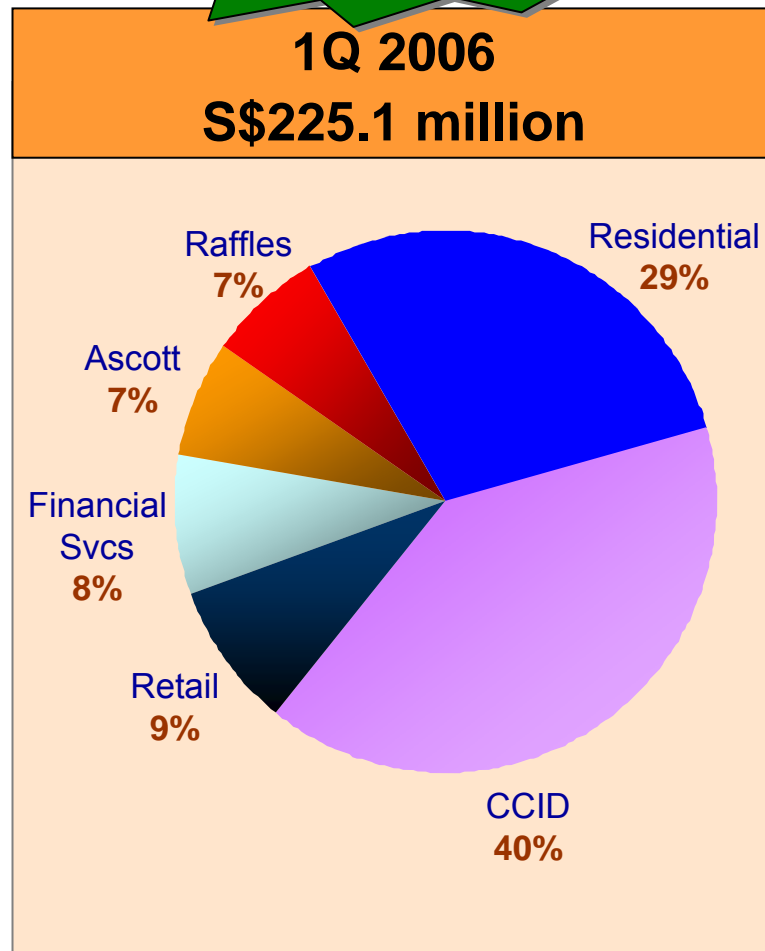
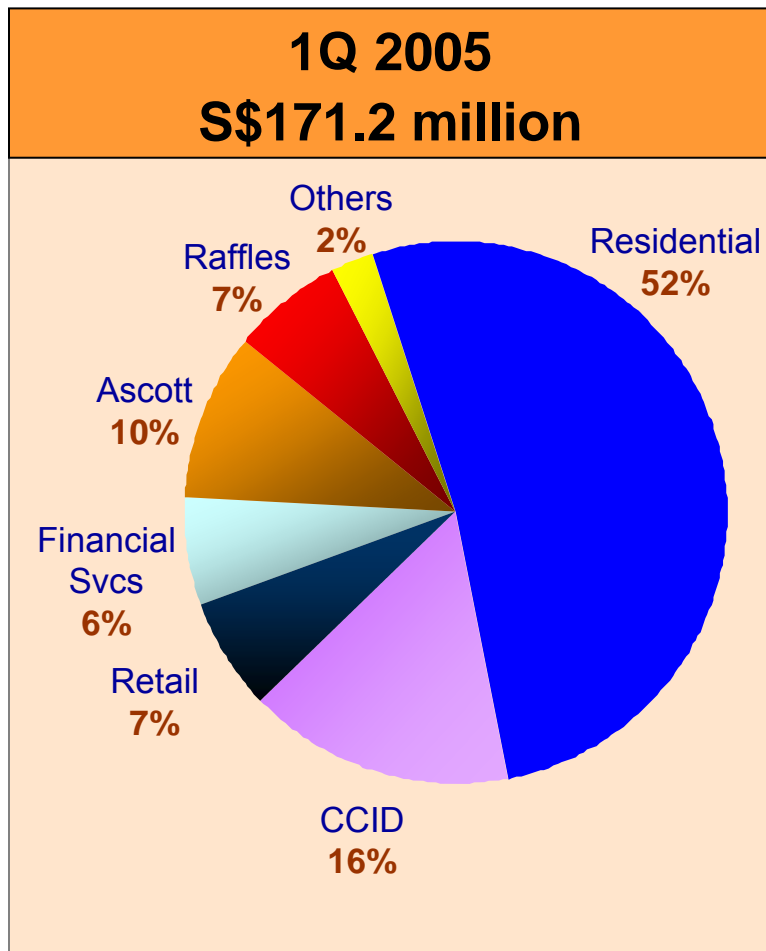






# EBIT by SBUs

**Retail & Financial Services  
Gaining Momentum**

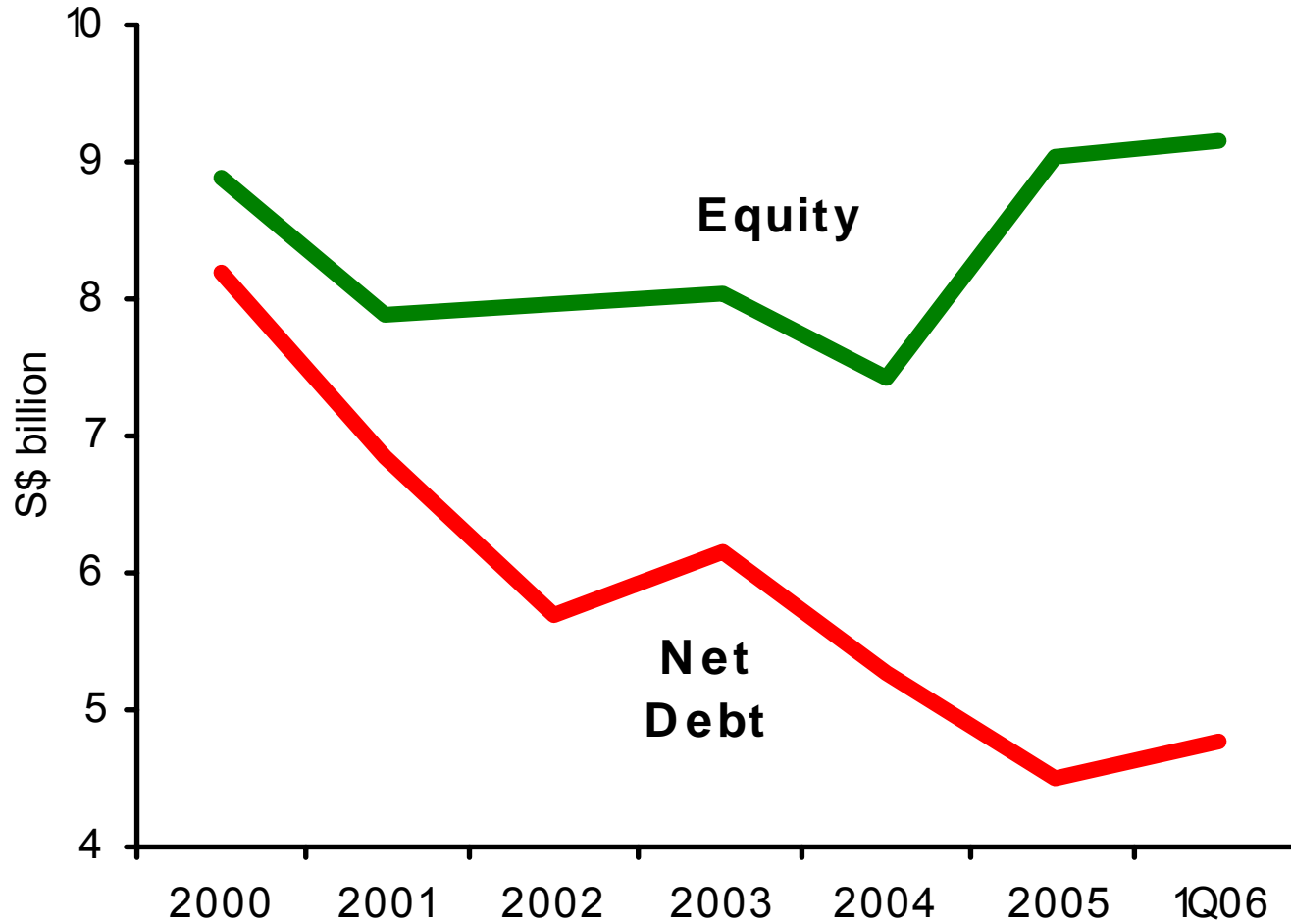


\* CCID – Commercial & Integrated Development





# Balance Sheet Capacity



# Stages of Income Recognition - S'pore

PROJECT	UNITS	% Sold*	% Completed
		Mar-06	Mar-06
<b>Launched in 2003</b>			
The Imperial	187	95%	93%
The Botanic on Lloyd	66	94%	100%
<b>Launched in 2004</b>			
Varsity Park Condominium <sup>^</sup>	448 (launched)	85%	26%
Citylights <sup>^</sup>	390 (launched)	65%	34%
<b>Launched in 2005</b>			
RiverGate	370 (launched)	73%	10%
RiverEdge	77 (launched)	27%	7%

\* Actual booking of proceeds based on S&P signed/agreement and revenue accrued based on same basis.

<sup>^</sup> CapitaLand Residential raised S\$543m through RMBS backed by receivables from Citylights & Varsity Park Condominium.



# Stages of Income Recognition - China

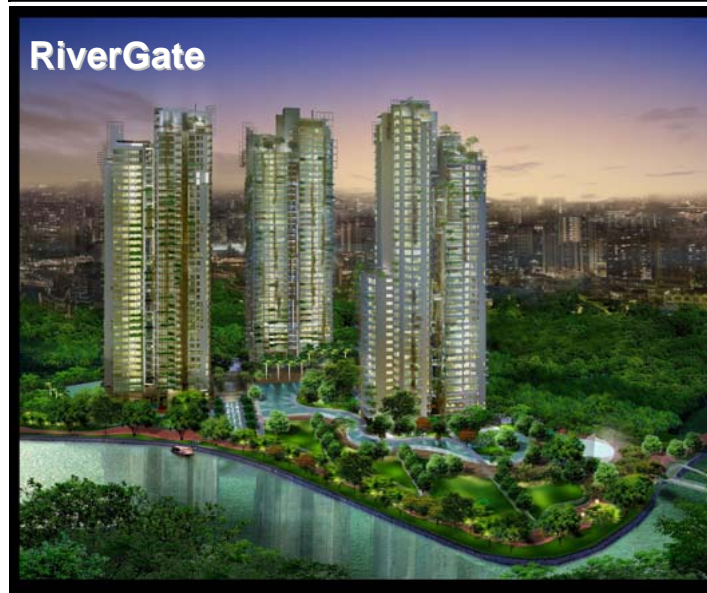
PROJECT	UNITS	% Sold*	% Completed
		Mar-06	Mar-06
Oasis Riviera II	446	100%	77%
Oasis Riviera III	328	49%	70%
La Forêt (Zone B)	495	87%	59%
La Forêt (Zone C)	357	36%	26%
Parc Trésor	204	37%	29%
Westwood Green	114	41%	33%
Beijing Orchid Garden	119	4%	81%

\* Actual booking of proceeds based on S&P signed/agreement and revenue accrued based on same basis.



# S'pore Residential – Planned Launches 2006

Project	Description
Citylights, 99-year leasehold	210 high-rise city units awaiting launch
Varsity Park Condo, 99-year LH	Additional 82 units to be launched
RiverGate, Freehold	175 riverfront units awaiting launch
RiverEdge, 99-year leasehold	Additional 58 units to be launched
Melia at Scotts site, Freehold	80-unit high rise luxury development
Alexandra Rise (JV w Lippo), 99 LH	380-unit high rise urban development



# China Residential – Planned Launches 2006

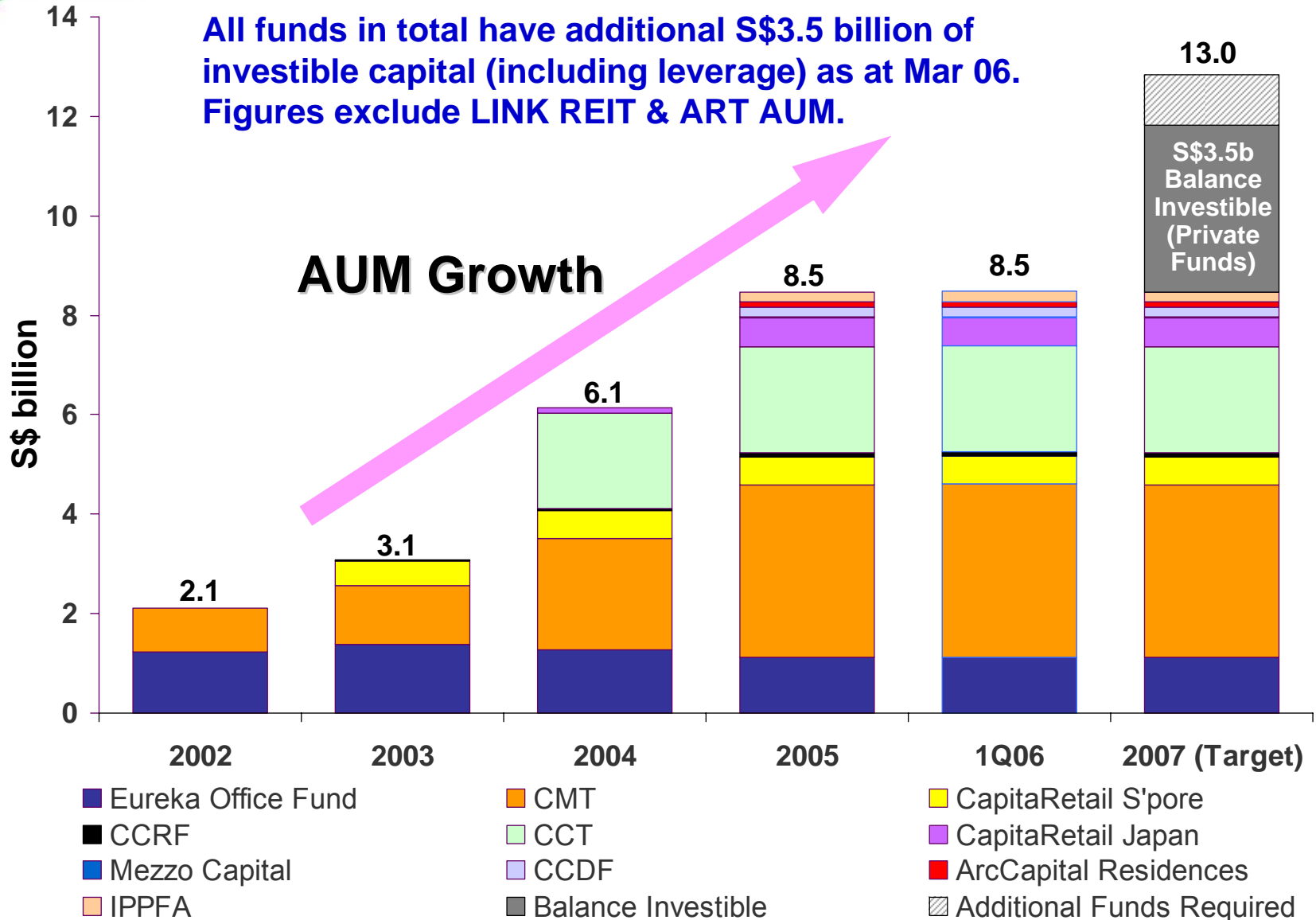
Project	Description
Oasis Riviera (Ph 3), Shanghai	New blocks of 314 high-rise apartments
Parc Trésor, Shanghai	Launching additional 70 apartments
Westwood Green, Shanghai	Launching additional 51 townhouses
La Forêt, Zone C, Beijing	500 high-rise apartments awaiting launch
Beijing Orchid Gardens, Beijing	Launching 120 villas & terraces
Beau Monde, Guangzhou	386 high-rise CBD apartments





# Expanding REIT and Fund Business

All funds in total have additional S\$3.5 billion of investible capital (including leverage) as at Mar 06. Figures exclude LINK REIT & ART AUM.



# Analysis Of Revenue By SBU

SBU	1Q 2005 (S\$ m)	1Q 2006 (S\$ m)	Change	Comments
<b>Residential</b>	541.6	486.8	(10.1%)	<ul style="list-style-type: none"> <li>• Lower sales from Australia and slow down of property transactions in China</li> <li>• Partially offset by higher sales in Singapore</li> </ul>
<b>Commercial &amp; Integrated Dev</b>	34.2	32.2	(5.9%)	<ul style="list-style-type: none"> <li>• Loss of revenue from divested Pidemco Tower in Shanghai and Four Seasons Hotel in London</li> </ul>
<b>Retail</b>	8.8	18.7	112.9%	<ul style="list-style-type: none"> <li>• Improved revenue from retail malls in China</li> <li>• Higher retail management fees earned from CMT</li> </ul>
<b>Financial Svcs</b>	12.7	19.0	49.4%	<ul style="list-style-type: none"> <li>• Higher fund management fees from enlarged AUM. AUM grew from \$6.3bn to \$8.5bn (ART is managed by Ascott)</li> </ul>
<b>Serviced Residences</b>	99.7	106.5	6.9%	<ul style="list-style-type: none"> <li>• Improvement in REVPAU especially in Singapore, Philippines, and the UK</li> </ul>
<b>Raffles Hldgs</b>	45.8	0.9	(98.1%)	<ul style="list-style-type: none"> <li>• De-consolidation of a hotel's revenue after divestment of the hotel business in September 2005</li> </ul>
<b>Others &amp; Consol Adj</b>	(6.3)	(5.4)	15.8%	
<b>Revenue</b>	736.3	658.7	(10.5%)	



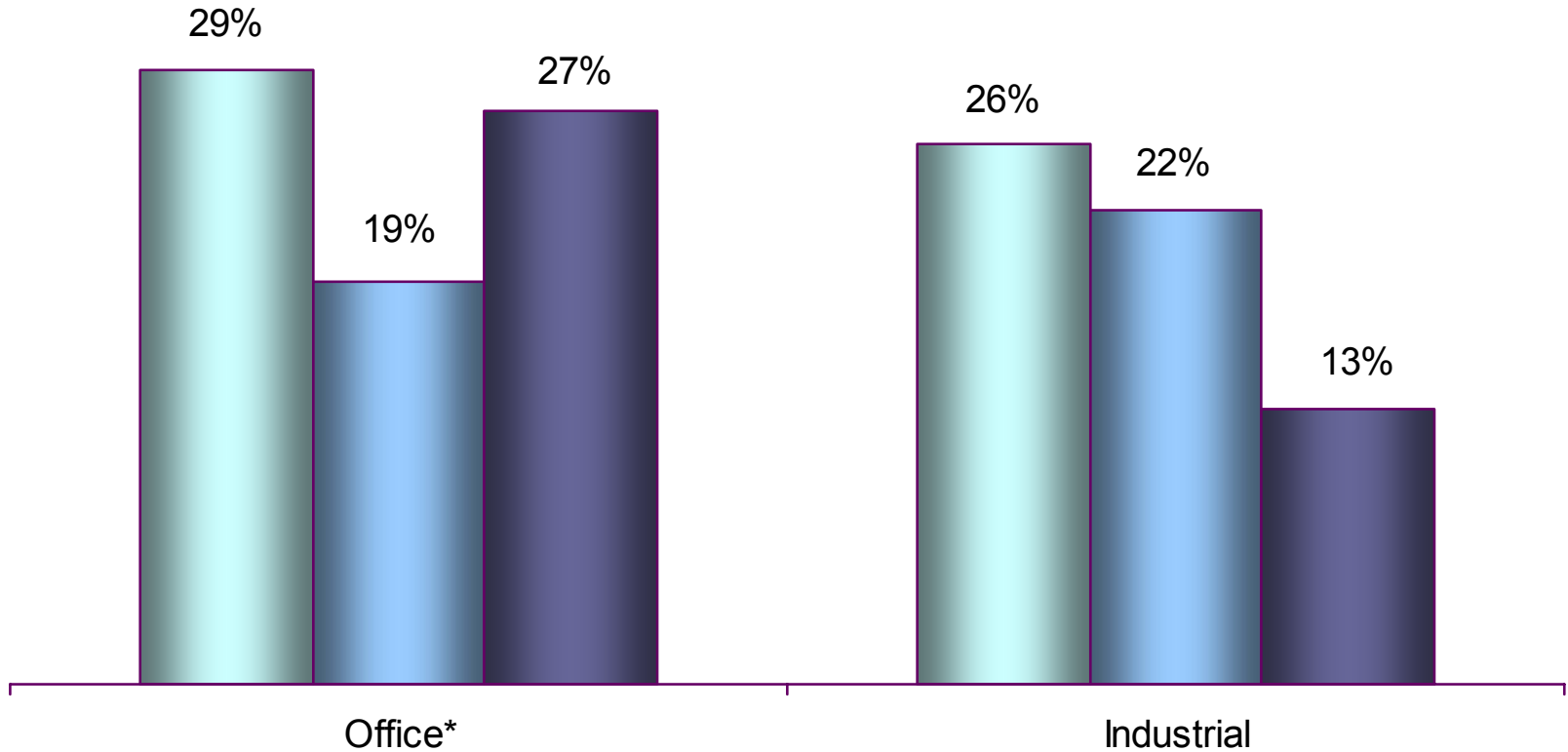
# Analysis Of EBIT By SBU

SBU	1Q 2005 (S\$ m)	1Q 2006 (S\$ m)	Change	Comments
<b>Residential</b>	89.0	67.1	(24.5%)	<ul style="list-style-type: none"> <li>• Lower contributions from Australia and China operations</li> <li>• Partially offset by higher sales from Singapore</li> </ul>
<b>Commercial &amp; Integrated Dev</b>	27.4	93.1	240.0%	<ul style="list-style-type: none"> <li>• Gain from sale of Shanghai Xin Mao Property Development Co., Ltd (Plot 9)</li> <li>• Higher contributions from investments in associates and jointly-controlled entities</li> </ul>
<b>Retail</b>	11.2	20.2	79.6%	<ul style="list-style-type: none"> <li>• Higher retail management fees from CMT</li> <li>• Exchange gains from revaluation of USD denominated loans from strengthening of the RMB against the USD</li> </ul>
<b>Financial Svcs</b>	10.8	19.6	80.6%	<ul style="list-style-type: none"> <li>• Higher fees from enlarged AUM</li> <li>• Mark-to-market gains of \$11mil from an investment</li> </ul>
<b>Serviced Residences</b>	17.2	16.1	(6.4%)	<ul style="list-style-type: none"> <li>• Higher administrative expenses</li> </ul>
<b>Raffles Hldgs</b>	11.4	15.6	37.1%	<ul style="list-style-type: none"> <li>• Higher interest income and share of associate results</li> </ul>
<b>Others &amp; Consol Adj</b>	4.2	(6.6)	NM	
<b>EBIT</b>	171.2	225.1	31.5%	



# Portfolio Leases Up For Renewal

CapitaLand's Singapore Commercial Properties (% of Area)



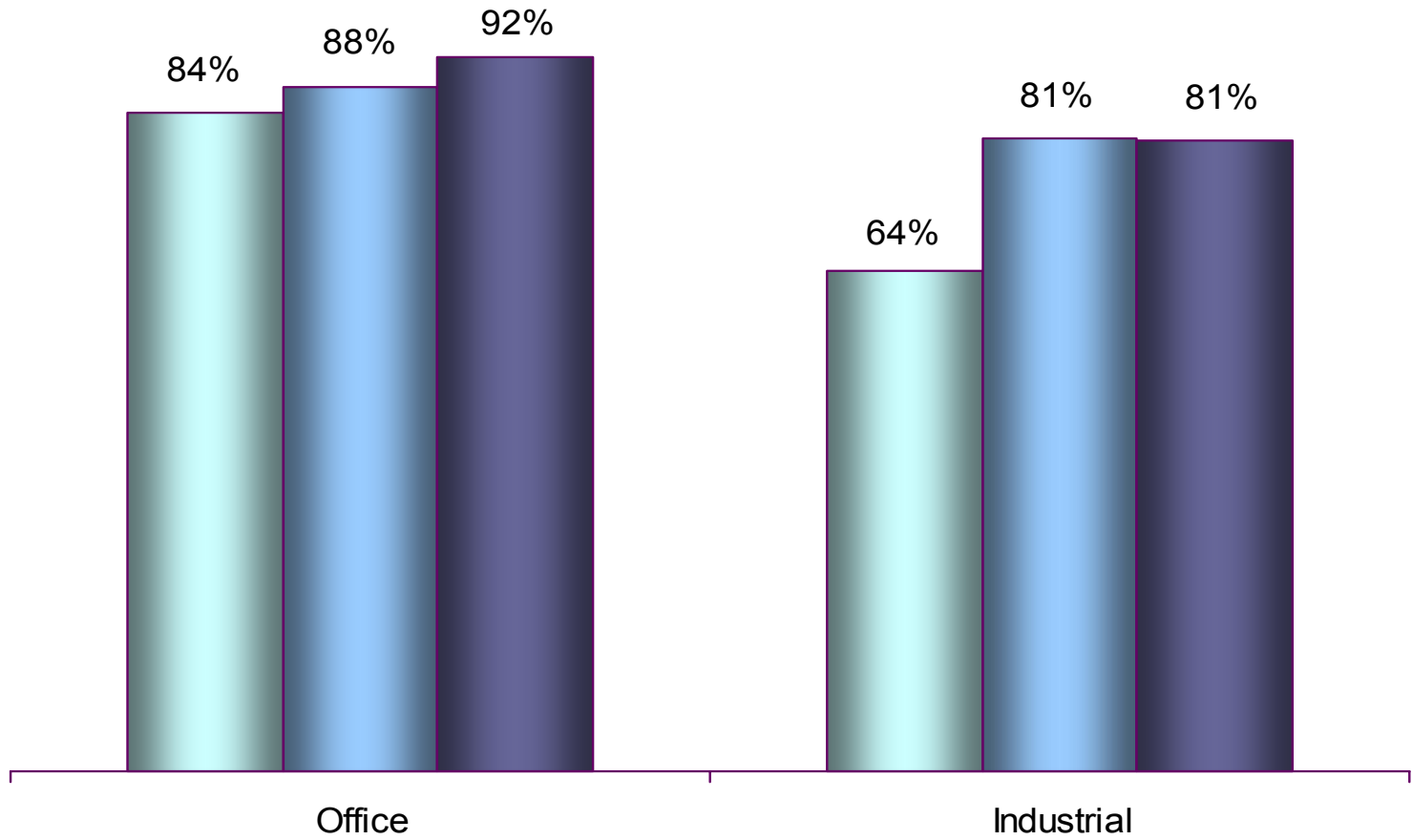
\* Includes CCT portfolio

2005 2006P 2007P



# Portfolio Occupancy

## CapitaLand's Singapore Commercial Properties (% of Area)



\* Includes CCT portfolio

■ Dec 04 ■ Dec 05 ■ Mar 06



# Thank You

