



CapitaLand Group Financial Year 2006 Results



14 February 2007



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.

Liew Mun Leong

Group President & CEO



Results Overview





FY2006



Over S\$1 Billion Record Profit



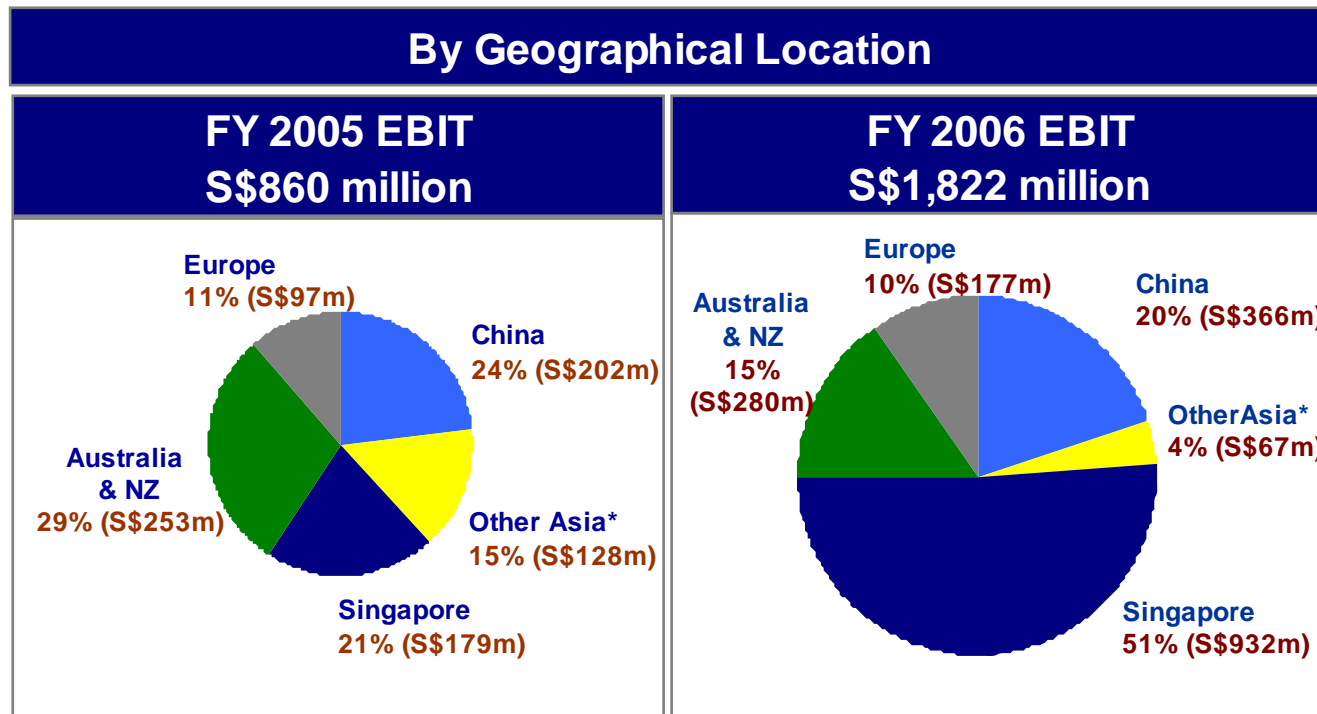
FY 2006 – Over S\$1 Billion Record Profit

	FY 2005	FY 2006	Change
PATMI (S\$ million)	750.5	1,018.0	↑ 35.6%
EPS (S cents)	28.3	36.8	↑ 30.0%
EBIT (S\$ million)	860.3	1,822.0	↑ 111.8%

- Created total shareholder returns of S\$8.9 billion, gain of 87% for year
- Propose total dividend of 12 cents per share
 - Ordinary dividend of 7 cents
 - Special dividend of 5 cents



FY 2006 – Strong Performance



* Includes HK, Indonesia, Japan, Malaysia, Philippines, Thailand & Vietnam

FY 2006 – Strategic Growth Initiatives

- Investing for Growth
- Growing Financial Services
- New Markets & New Products
- Forging new Joint-Ventures/
Partnerships for Strength




Sun Hung Kai Properties

WAL*MART

 **zhixin** 成都置信

Pantaloons



FY 2006 – Strategic Growth Initiatives

Investing for Growth



- **Expanded China's multi-sector footprint**
 - Entry into inner cities
- **Retail business growing from strength to strength**
 - Pipeline of more than 70 malls
- **Expansion in countries:**
 - Japan – India – Vietnam – Malaysia – Thailand – Bahrain



- CAPITALAND RESIDENTIAL
- CAPITALAND COMMERCIAL
- CAPITALAND RETAIL
- CAPITALAND FINANCIAL
- CAPITALAND INTEGRATED LEISURE, ENTERTAINMENT & CONVENTIONS
- THE ASCOTT GROUP
- ▲ FUTURE PRESENCE

FY 2006 – Strategic Growth Initiatives

Growing Financial Services



Listed 3 new REITs:

- Ascott Residence Trust
- CapitaRetail China Trust
- Quill Capita Trust



Launched 4 new Private Real Estate Funds:

- CapitaRetail China Dev Fund
- CapitaRetail China Incubator Fund
- Malaysia Commercial Dev Fund
- Raffles City Bahrain Fund



**AUM up 68% to S\$14.3b,
exceeding 2007 target of S\$13b**



FY 2006 – Strategic Growth Initiatives

Expansion into New Markets

- Gulf Co-operative Council (GCC)
- Moscow & St. Petersburg



New Products

- Raffles City Brand
- Integrated Leisure, Entertainment & Conventions (ILEC)





FY 2006 – Strategic Growth Initiatives

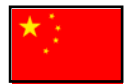
- Forging new Joint-Ventures/Partnerships for Strength



Lippo Group



Sun Hung Kai Props
eSun



Chengdu Zhixin
Central China Holdings



Samty



Amtel Properties



Pantaloon
Rattha



ARCapita
Addax Investment Bank



Malayan Banking Grp
Quill Group
MRCB
YNH Prop

FY 2006 – Creating Value from Complete Real Estate Value Chain



Capital efficient business model for sustainable growth

Highlights



CapitaLand



Residential - Robust Earnings

EBIT (S\$ million)	FY 2005	FY 2006	Change
Singapore	76	175	130%
China	121	206	70%
Australia	262	286	9%
Others	33	25	(24%)
Total	492	692	41%



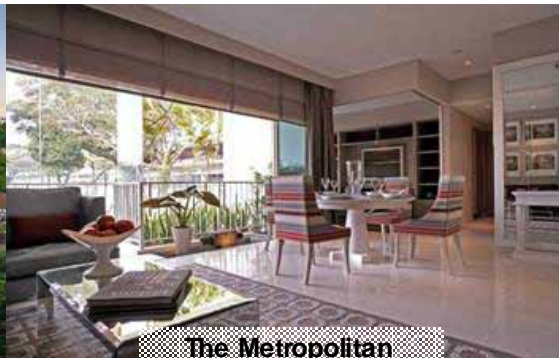


Residential – Singapore Milestones

- Record sales of 954 units worth S\$1.23 billion
- Launched Scotts HighPark, The Metropolitan and final phase of RiverGate
 - Setting benchmark prices in the Scotts Road and Singapore River areas
- Acquired Silver Tower site in prime District 9



Scotts HighPark



The Metropolitan



RiverGate

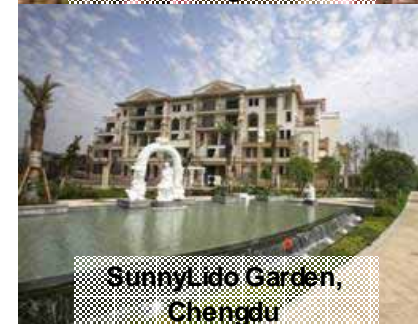


Residential – Deepen & Broaden China Presence

- **Expanding in gateway cities**
 - Secured two new sites in Beijing, three in Foshan and one in Hangzhou
 - Acquired 20% stake in Lai Fung Hldgs
 - landbank of 1m sqft
 - in Shanghai and Pearl River Delta
- **Extending reach into inner cities**
 - JV with Chengdu Zhixin Industrial Co
 - Acquired 29.75% in Henan’s Central China Holdings
- **Pipeline in China**
 - 35,000 homes in 5 years with our partners



Oasis Riviera,
Shanghai



SunnyLido Garden,
Chengdu

Residential – New Markets

- **Vietnam – Ho Chi Minh City**

- Launching 1st development in 2Q2007
 - 1,100 high-mid apartment units
- Secured 2nd residential project
 - 600 apartment units

- **Thailand – Bangkok**

- Sold 1,036 units, sales value of Baht 7.49b (S\$305.5m)
- Launched The Emporio Place (361 units) and Villa Ratchatewi (603 units)

- **India – Mumbai**

- JV with Runwal Group
 - 500 apartment units
- Launching in 1Q2007



Residential – Australia

EBIT contribution up 9% to S\$286m

AUSTRALAND achieved 10th consecutive record PATMI of A\$243.1m

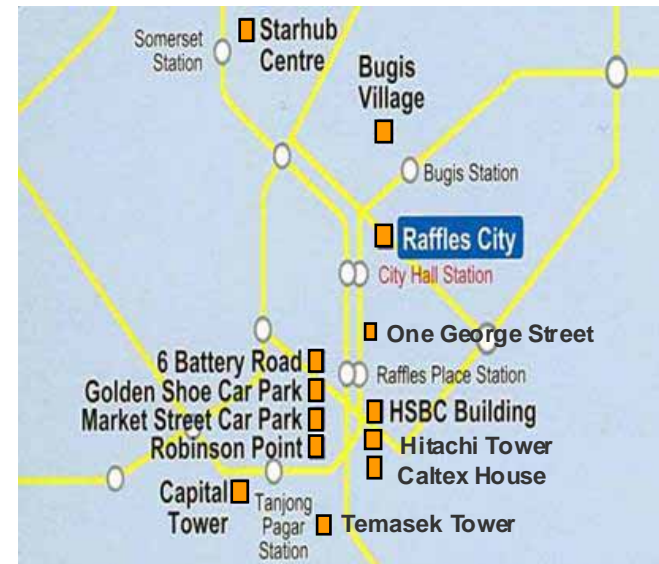
- Property Trust income, up 37.9% to A\$96m
- Commercial & Industrial Div net income, up 26.1% to A\$40m
- Maintain Dividend/Distribution of Aust 16.5 cents



Commercial – Premier Portfolio

Singapore

- **Largest owner/manager in Downtown Core**
 - Net Lettable Area > 5m sqft worth S\$7b
- **Rental performance in tandem with market**
 - Grade A property assets outperforming
- **Occupancy Rates @ 96%, above islandwide average**
- **Market Street & Golden Shoe Car Park refurbishments**
 - Almost full occupancy
 - Average rent up 41% and 26% over preceding rent respectively



Commercial – Premier Portfolio

China

- **Export Raffles City Brand**
 - Raffles City Beijing (107,000 sqm GFA)
 - Raffles City Chengdu (195,000 sqm GFA)
- **Capital Tower Beijing – T.O.P.**
 - International Grade ‘A’ office building
 - One of the largest floor plates: 3,200 sqm
 - GFA: 107,000 sqm
 - Tenants comprise Fortune 500 companies

Hong Kong

- **AIG Tower fully leased**
 - International Grade ‘A’ office building
 - Located in prime Central





Commercial – Premier Portfolio

Malaysia

- **Malaysia Commercial Development Fund ('MCDF')**
 - One Mont'Kiara (mixed development)
 - Jalan Sultan Ismail (office cum retail)
 - Lot D, KL Sentral (mixed development)
- **Potential pipeline for Quill Capita Trust**
 - MCDF Properties
 - a block in Lot J, KL Sentral (office)





Commercial – Premier Portfolio

Malaysia

- **Quill Capita Trust**

- CapitaLand's first REIT, listed outside Singapore
- Total NLA of about 493,000sqft worth RM276m
- MNC Tenants: DHL, HSBC, BMW, Affiliated Computer Services, Panasonic and TRW Automotive
- As at 31Jan07, Total Shareholder Returns of nearly 56% to retail investors since IPO(@ 8Jan07)



Quill Building 1 – DHL 1



Raffles City Bahrain

GCC

- **Raffles City Bahrain**

- Landmark US\$800m waterfront integrated development
- 288,000 sqm GFA
- Completion in 2010

Retail – Largest Owner/Manager of Malls in Asia

Country	Details	# Malls
Singapore	<ul style="list-style-type: none"> • Largest retail mall owner / manager • NLA: over 5.3m sq ft • Asset value of S\$5.6b 	16*
China	<ul style="list-style-type: none"> • Listing of CRCT • Gross rentable area: Over 3.2m sqm • Total asset value of approx S\$3.7b 	>70**
Japan	<ul style="list-style-type: none"> • Malls in Hokkaido, Osaka & Tokyo • NLA: 1.4m sqft • Asset value of S\$581m 	5
Malaysia	<ul style="list-style-type: none"> • Manage Gurney Plaza in Penang 	1
Will manage over 92 malls, 42.3 million sq ft		

*VivoCity under management

**Total in excess of 70 inclusive of CRCDF MOU with a few Chinese parties for the acquisition of 35 retail malls



Retail – CRCT

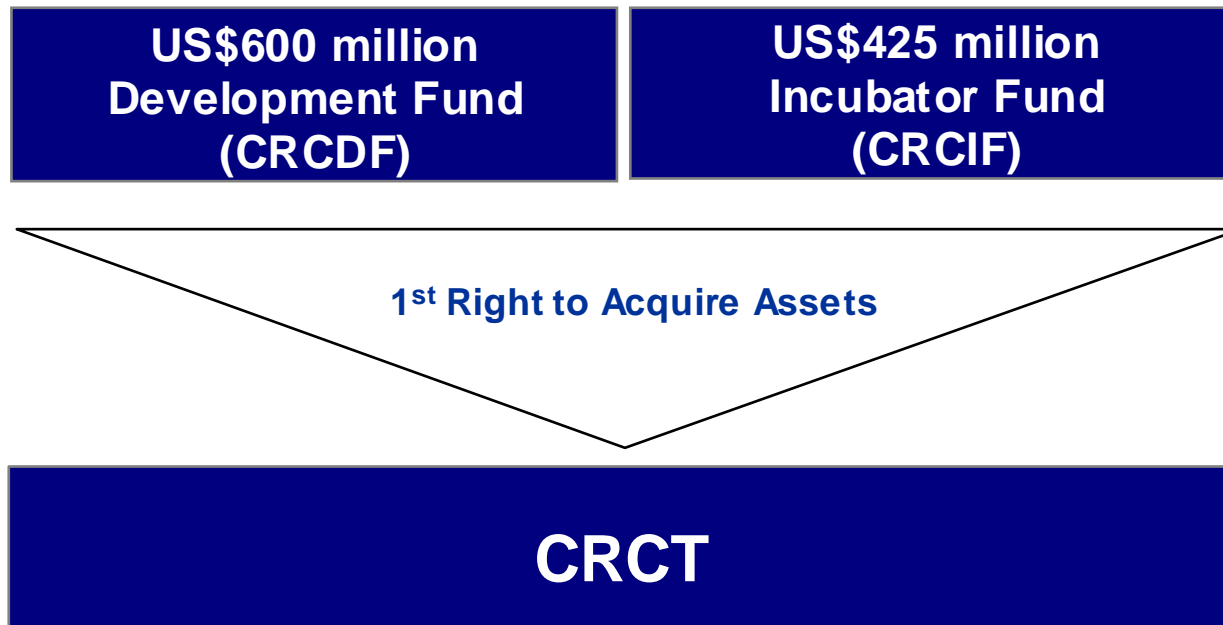


- First pure-play China retail REIT listed in Singapore
- 7 quality malls anchored by Wal-Mart, Carrefour and Beijing Hualian Group
- Total Asset Size of S\$690 mil, Total Gross Rentable Area of 412,866 sqm
- IPO placement 196x subscribed
- Total Shareholder Returns over 164% since IPO (@ 8Dec06)





Retail – Integrated China Retail Fund Strategy





Retail – Singapore

- **Completed S\$85m repositioning of Clarke Quay**
 - Redefined entertainment/F&B landscape
 - Strong tenancy mix, full occupancy
 - Rates doubled over preceding rent
 - Traffic doubled vs before facelift
- **Development & retail manager of VivoCity**
 - Singapore’s largest retail mall of 1.2m sqft
- **Commence construction for Orchard Turn**
 - Ultimate prime site of Singapore’s shopping artery
 - Over 660,000 sqft of net lettable area
 - 4 retail levels above ground and 4 below
 - Residential component, “The Orchard Residences”. Expected to be launched in Mar/Apr 07



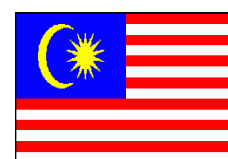
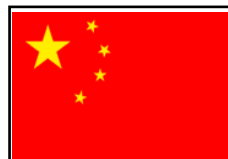
Retail – India

- **2 JVs with Pantaloon Retail Ltd**
- **Invested US\$75m in Horizon Fund (Total Fund US\$350m)**
 - 4 potential projects identified
 - Total 4.1m sqft GFA
- **Identified pipeline of 50 Retail Assets across 30 cities & 14 states**
 - Estimated asset value: US\$1.2b
 - Target completion in 2-3 years
 - 15.3m sqft GFA



Financial Services – AUM Up 68% to S\$14.3b

- Asia's largest property fund manager
- Total of 5 REITs, 1 Property Trust and 10 private real estate funds
 - Listed 3 new REITs: ART, CRCT, and QCT
 - Launched 4 new private real estate funds:
 - CapitaRetail Dev Fund : US\$600m
 - CapitaRetail Incubator Fund : US\$425m
 - Malaysia Commercial Dev Fund : In progress
 - Raffles City Bahrain Fund : In progress





Financial Services – Transactions

- **Advised & Structured Raffles City deal**
 - Largest investment transaction in 2006 at S\$2.17b
- **Structured Raffles City Bahrain Fund**
 - CapitaLand's 2nd Shariah-compliant fund
 - 1st real estate equity Sukuk fund in the world
- **Acquired 5 more (total 10) residential properties by ARC-CapitaLand Residences Japan**
 - Raised target portfolio to JPY42b (S\$564m) from JPY30b (S\$403m)
- **Acquired 5th mall in Hokkaido by CapitaRetail Japan Fund**



Raffles City Singapore



Raffles City Bahrain



Grand View,
Osaka

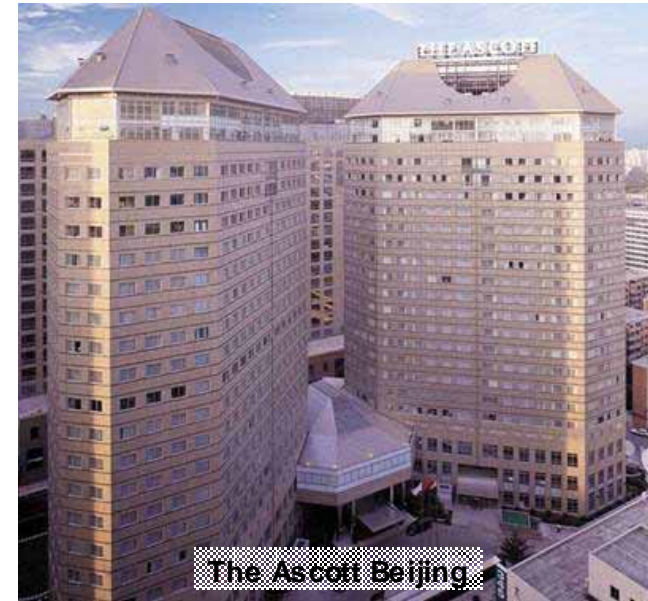


Vivit Square, Tokyo



The Ascott Group – Sterling Year

- **Record PATMI of S\$151.3m, up 261%**
 - Improved operating profit on same store basis
- **Strategic divestments**
 - Divested 15 properties totaling S\$1.04b
 - Liang Court in Singapore Shopping Centre & Ascott London Mayfair
 - Balance 13 acquired by ART
- **Strategic investments**
 - Invested total of S\$620m in 14 properties
 - Added over 2,400 serviced residence units, inclusive of 3 properties from JV with Rattha Holdings
- **Secured 8 new management contracts**
 - Added about 1,400 serviced residence units, inclusive of 2 properties from the alliance with Addax
- **Expansion into new cities**
 - 18,500 service residence units in 46 cities in 20 countries (as at 31Dec06)
- **Creation of Ascott Residence Trust**
 - Vehicle to unlock portfolio value
 - Source of growing fee-based income



The Ascott Beijing



Citadines Bangkok Sukhumvit 8

Olivier Lim

Group Chief Financial Officer



Group Financials



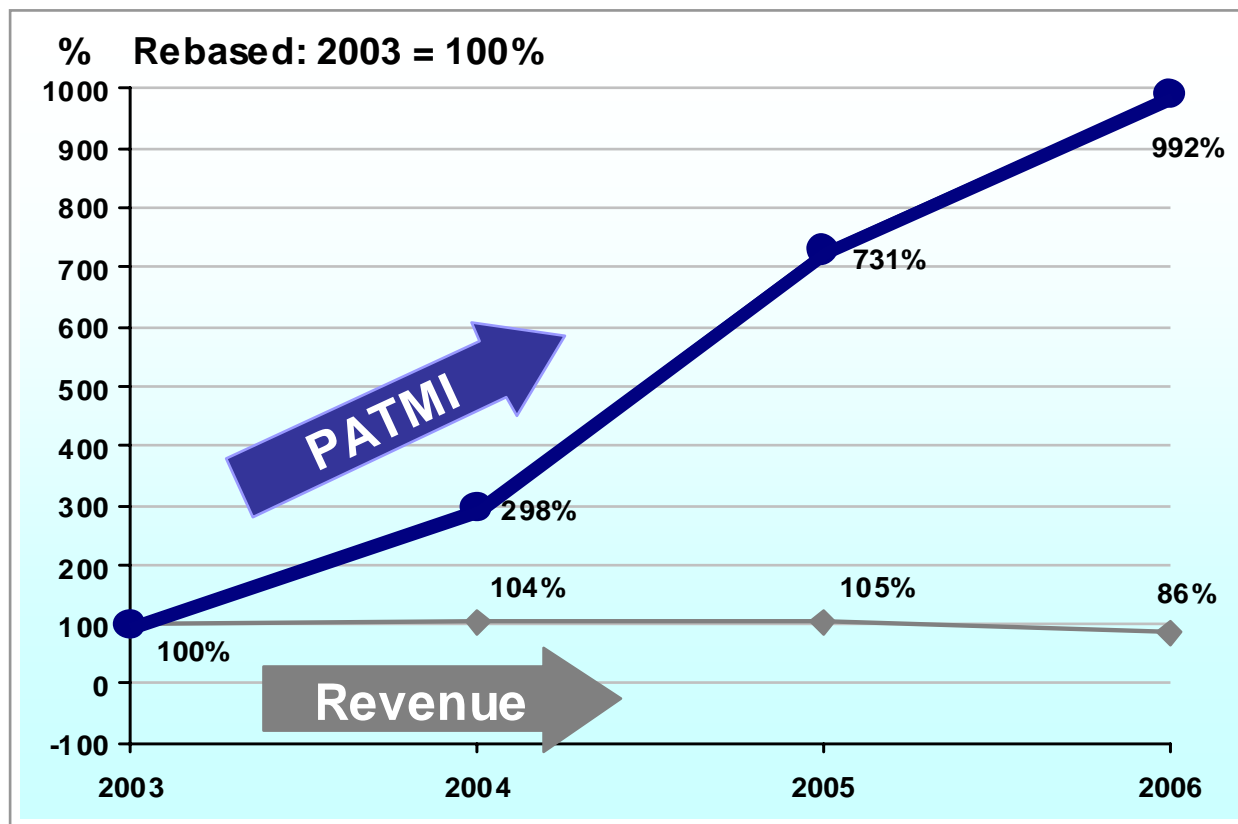


FY2006 Financial Results – Record Earnings

S\$ million	FY 2005	FY 2006	Change
Revenue	3,845.6	3,147.7	↓ 18.1%
EBIT	860.3	1,822.0	↑ 111.8%
PBT	585.7	1,494.0	↑ 155.1%
PATMI	750.5	1,018.0	↑ 35.6%
EPS (cents)	28.3	36.8	↑ 30.0%



Revenue & PATMI Track





FY2006 Financial Results – Record Earnings

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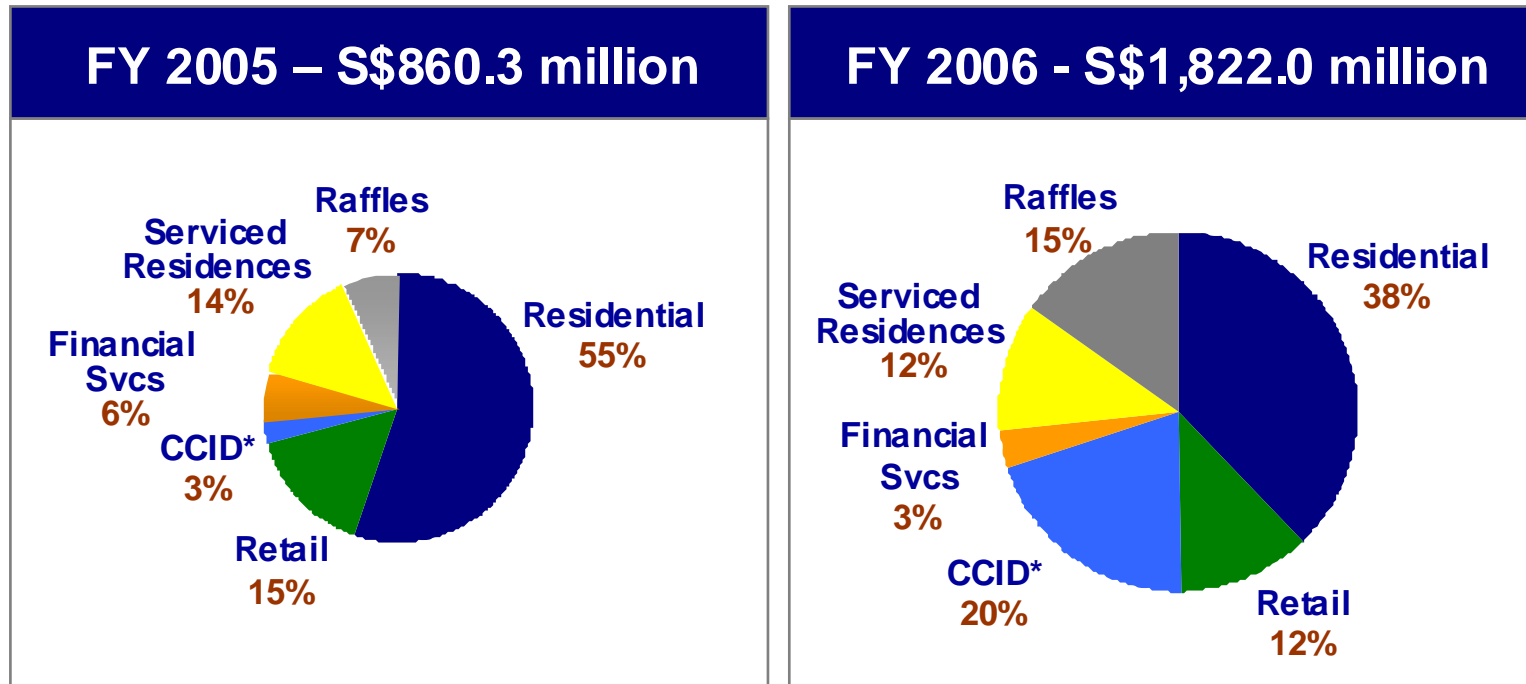
Growth in Core Businesses

S\$ million	FY 2005	FY 2006	Change
PATMI	750.5	1,018.0	↑ 35.6%
PATMI (excl' PREMAS & Hotel Ops)*	307.6	1,002.2	↑ 225.8%

* Excludes: (1) contributions from PREMAS & the hotel business for FY 2005 (S\$18.4m) and
(2) divestment gains (FY 2005: S\$424.5m; FY 2006: S\$15.8m)



EBIT Contributions by SBUs – Balanced Portfolio



* CCID – Commercial and Integrated Development



EBIT by SBUs

(S\$ million)	FY 2005	FY2006	Change
Residential	492.4	692.2	↑ 40.6%
CCID *	24.7	372.4	↑ 1,407.7%
Retail	138.4	221.1	↑ 59.8%
Financial Svcs	53.3	61.6	↑ 15.6%
Serviced Residences¹	121.4	210.4	↑ 73.4%
Raffles Holdings	61.0	280.0	↑ 358.7%
Others & Consol Adj	(30.9)	(15.7)	↑ 49.3%
Total EBIT	860.3	1,822.0	↑ 111.8%

* CCID – Commercial and Integrated Development

1. Inclusive of both The Ascott Group and Ascott Residence Trust



Financial Capacity

	FY 2005	FY 2006	Change
Net Debt (S\$ billion)	4.55	5.44	Increased
Equity (S\$ billion)	9.03	9.51	Increased
Net Debt / Equity	0.50	0.57	Increased
% Fixed Rate Debt	60%	74%	Increased



Debt Coverage

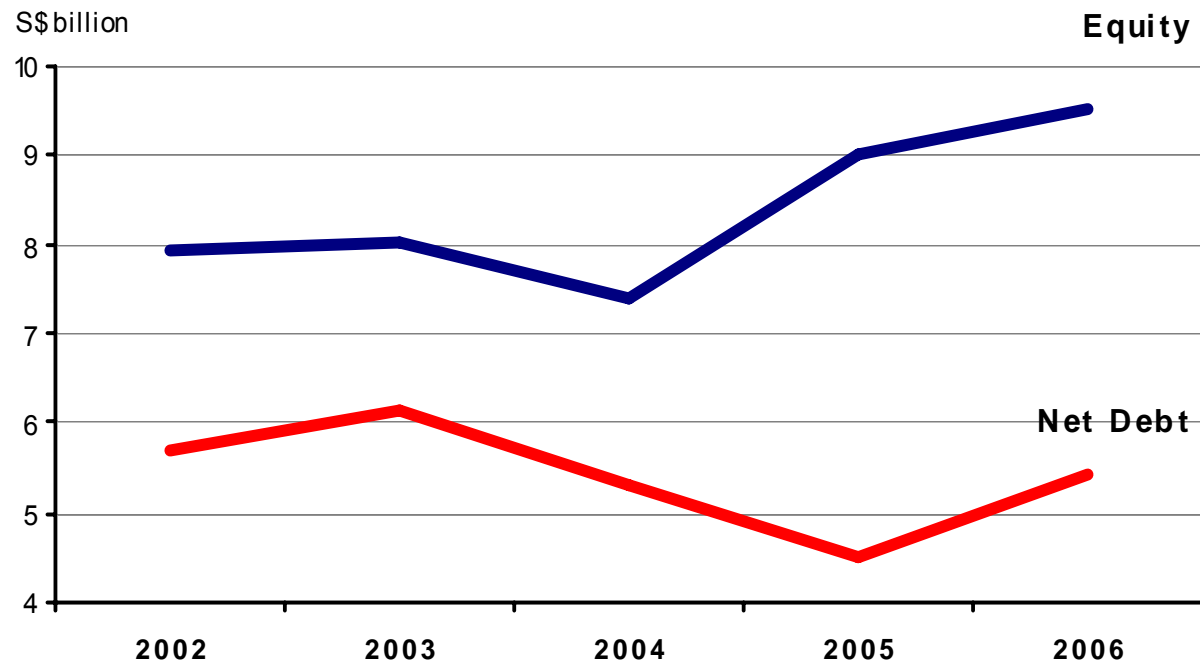
	FY 2005	FY 2006	Change
Finance Cost (S\$ million)	274.6	328.0	+ 19.5%
Interest Cover Ratio (ICR)	9.19	9.75	Improved
Interest Service Ratio (ISR)	8.53	8.97	Improved

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

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



Financial Capacity



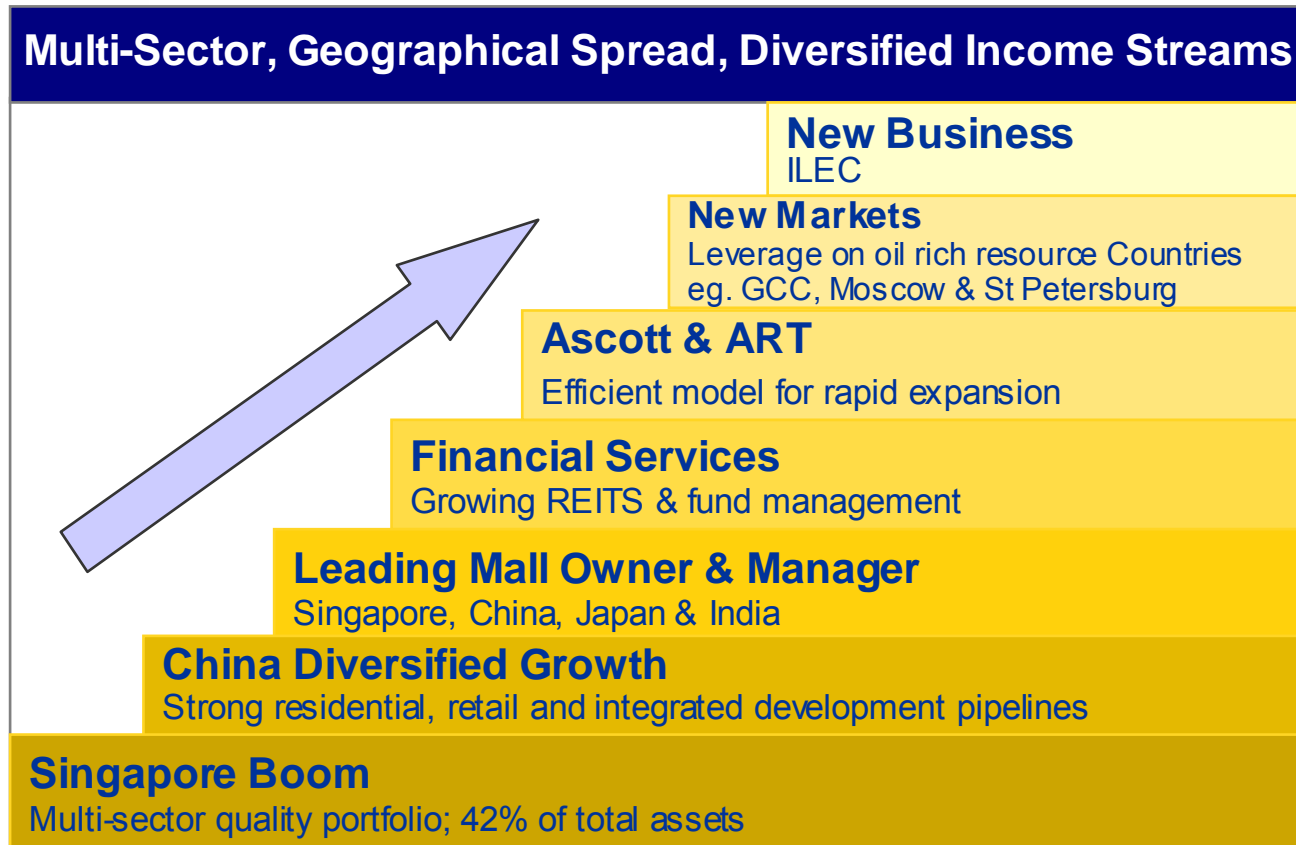
Going Forward



Cap/taLand



Drivers for Sustainable Growth





Singapore – Bright Prospects

- **Healthy economic growth**
 - GDP forecast to grow an average 4.5% p.a. to 2010
- **Positive spill-over on economy from mega projects**
 - Business Financial Centre and two Integrated Resorts projects
- **Safe haven for investments**
 - Political stability and absence of natural disasters
- **Pro-business, pro-investment government policies**
 - maintain business competitiveness by keeping costs low
- **Strong external trade linkages**
 - bilateral trade agreements and improved regional cooperation



Singapore Boom - Residential

- **Landbank**
 - Gillman Heights acquisition in 2007 doubled Singapore residential landbank to over 4m sqft
 - Caters across spectrum: mid-end, high-end and super-luxury segments.
- **2007 Residential Launches**



Site	GFA (Sqft)	Units	Class	Tenure (Years)
Orchard Turn	406,000	175	Super Luxury	99
Silver Tower	160,000	100	High-end	Freehold
Meyer Road	565,000	350	Mid-end/High-end	Freehold
Dragon View	263,000	150	High-end	Freehold
Parkview	652,000	500	Mid-end	956-year



Singapore Boom - Commercial

- **Strong demand & tight supply of office space**
 - Rising rental rates for Grade 'A' buildings
 - Over 50% of leases due for renewal in 2007-2008
- **Wilkie Edge Development (Selegie Complex)**
 - Timely completion by 2008
 - Fringe of CBD
 - Integrated development with office, retail, SOHO and serviced apartments



China Diversified Growth - Four Strategic Thrusts



Residential

Building 35,000 homes
together with our partners,

Retail

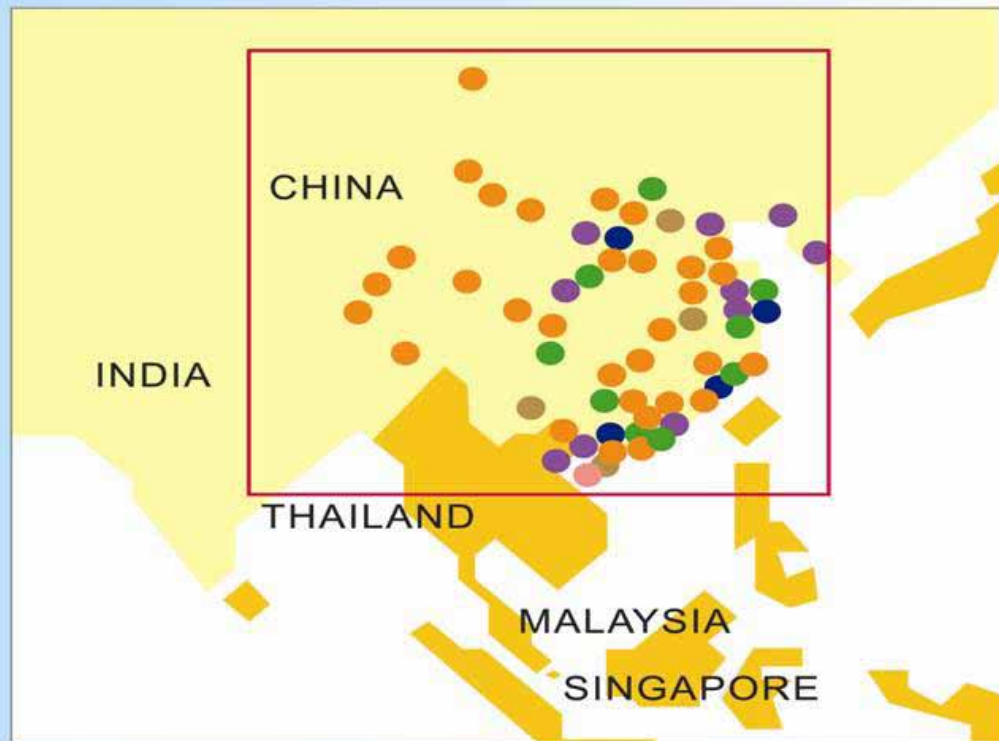
Over 100 malls
Across China

Integrated Dev

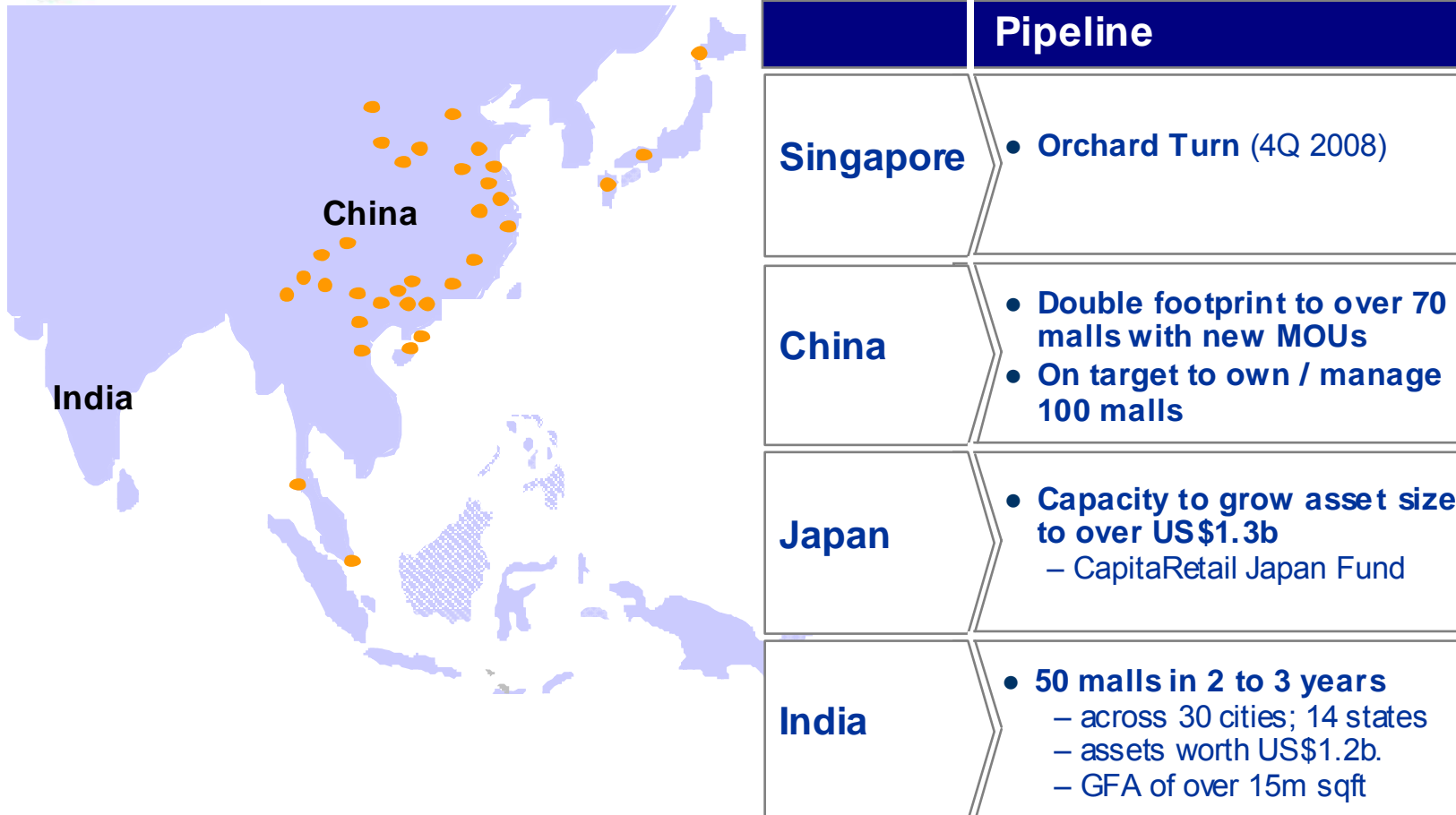
Raffles City in
Gateway Cities

Serviced Residences

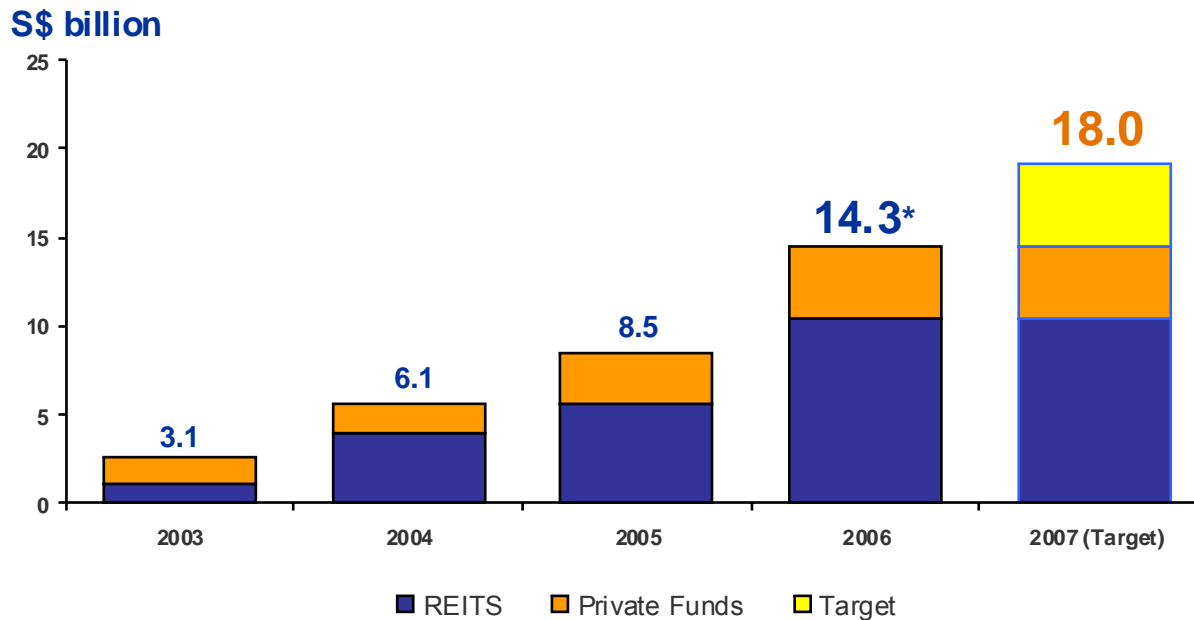
Target 10,000 units
by 2010



Leading Mall Owner/Manager in Asia



Financial Services - New AUM Target



REITS

CMT
CCT
ART
CRCT
QCT

Private Funds

Eureka Office Fund
Mezzo Capital
CCDF
CapitaRetail Japan
CRDF

CCRF
IPPFA
CRIF
ARC-CapitaLand Japan Residences
CRS

*AUM includes ART which is managed by CapitaLand's subsidiary, The Ascott Group



Financial Services – J-REIT Platform

CapitaLand to acquire:

- 13% stake in the listed J-REIT **BLife Investment Corp.** for JPY3.23b (S\$41 m); and
- 33.4% stake in BLife's REIT manager **Morimoto Asset Management Co. Ltd.** for JPY0.2 b (S\$2.5m)
- BLife will be another REIT platform for growth in Japan

Listed	22 March 2006
Market Cap.	JPY22 b (approx S\$280 m) @ 9 Feb 07
Investment Mandate	Residential (70%) & Retail (30%)
Current Portfolio	14 Properties in prime locations in Tokyo



The Ascott Group – Rapid Expansion

- **Entry into fast-growing Eastern Europe (eg. Russia)**
 - Moscow & St. Petersburg**
 - 50/50 partnership with Amtel Properties
 - US\$100m fund to acquire and develop international-class serviced residences
 - Secured 1st contract to manage Amtel's 150-unit Somerset Strogino, Moscow





New Markets – Raffles City Developments

- 3 new RAFFLES CITY to add to Raffles City Singapore & Raffles City Shanghai:
 - Raffles City BEIJING
 - Raffles City CHENGDU
 - Raffles City BAHRAIN
- Target 10 RAFFLES CITY Developments





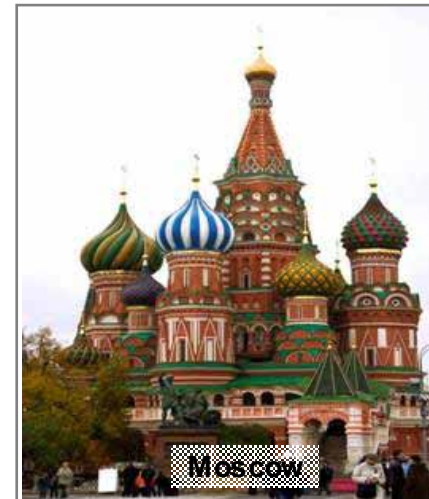
New Markets

Leveraging on oil rich resources countries

- **Moscow & St. Petersburg**
 - 2 of the largest cities in Europe

	Population (mil)	GDP Per Capita (US\$)
Moscow	13,400	12,000
St. Petersburg	4,775	7,000

- **GCC and Central Asia**
 - Bahrain
 - Abu Dhabi
 - Kazakhstan, 2nd largest in oil reserve





New Business – First ILEC Project

Macao Studio City

- 20% effective stake with development role
- Located in upcoming Cotai district
- 6 million sqft GFA
 - Hotels / svc apt: 61%
 - Retail: 23%
 - Casino: 8%
 - TV / film production facilities, Theatre & Arena / MICE centre: 8%
- 2000 hotel rooms:
 - Marriott, Ritz Carlton, 6-star David Tang boutique hotel
- Upside from rental of gaming space



Building People

- **CapitaLand Institute of Management and Business**

- Invest in management bench strength

- **Learning & development institute**

- Imbue CapitaLand's core values in employees

- Equip employees with the knowledge, skills & attitudes needed to excel in a dynamic environment



Networking

Leadership Development

Learning & Development Programs

(General executive management programs)

Reinforcing CapitaLand's Core Values

CapitaLand Hope Foundation



- Focus on underprivileged children
- 3 days of Volunteer Service Leave for staff



- 1st ComCare Connection partner, Canossaville Children's Home
- Christmas Project with Salvation Army & Spastic Children's Association
- Supported other charities – Pathlight School, Children's Cancer Foundation, etc

3 CapitaLand Hope Schools, Yunnan, China

- School buildings or dormitories
- 2 scholarships per school to study in Singapore
- Computer laboratories



Lancang Capitaland Hope School



Cuiyun Capitaland Hope School



Corporate Social Responsibilities – Green Initiatives

- Aim to be at the forefront in environmental awareness
- Established Green Committee to spearhead drive
- Achievements: ASEAN Energy Awards & BCA Green Mark Gold
- 1st Retail Player in Singapore to apply BCA Green Mark Gold Award for domestic and overseas malls

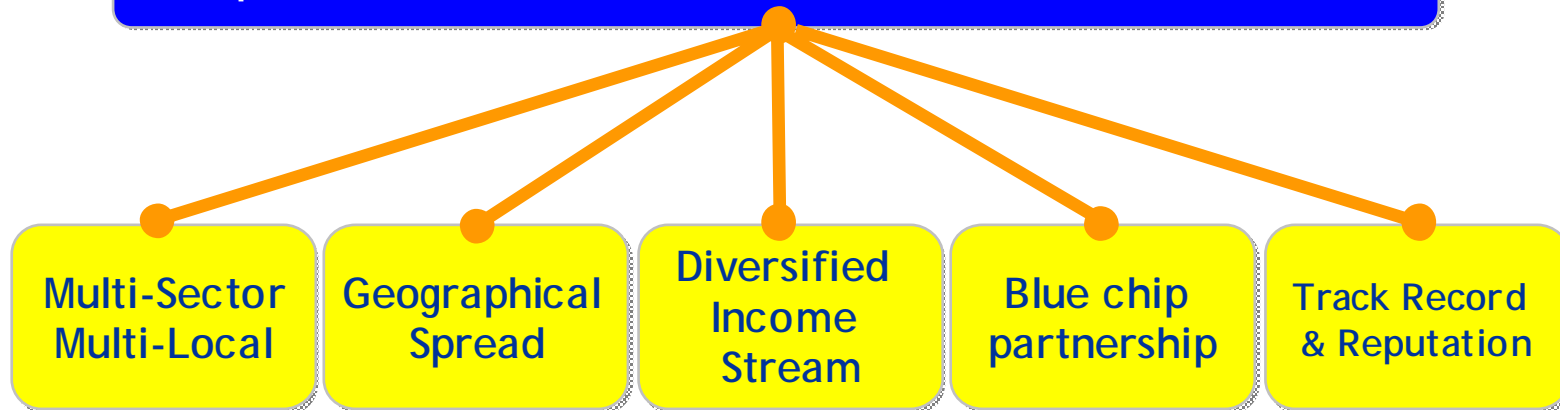




Riding on Asia's Rising Growth



Capital Efficient Business Model + Shareholder Value Focus



Asia - High sustainable growth over next 20 years

Thank You



Questions and Answers

