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.
Contents

• Results Overview
• Highlights
• Financials & Capital Management
• Outlook
• Next Growth Phase
Navigated the Global Crisis Successfully

• **Business Landscape: Sep 2008 to Mar 2009**
  – Collapsing financial markets & economies
  – Global Credit Crunch
  – Severe loss of confidence & risk of “global depression”
  – Was it only 4 months ago?

• **Focused on Solvency, Maximising Liquidity & Financial Flexibility**
  – Protect against the downside, ready for upswing
  – Courage & conviction to deleverage fast

• **Rights Issue for Financial Strength beyond any doubt**
  – Share price rallied strongly upon announcement
  – Strong support by global investors in their flight to quality
  – Highly liquid proxy for Asian real estate: S$80-100m daily traded volume
1H’09 Results

- Revenue
  - Revenue Under Management: S$1.1 billion
- PATMI (excluding revaluations & impairments): S$171 million
- Statutory PATMI
  - S$114.1 million

<table>
<thead>
<tr>
<th></th>
<th>1H 2008</th>
<th>1H 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,451.4</td>
<td>1,078.2</td>
</tr>
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<td>PATMI excluding revaluations &amp; impairments</td>
<td>383.1(^1)</td>
<td>171.0</td>
</tr>
<tr>
<td>Revaluations &amp; Impairments</td>
<td>379.6</td>
<td>(285.1)</td>
</tr>
<tr>
<td>Statutory PATMI</td>
<td>762.7</td>
<td>(114.1)</td>
</tr>
</tbody>
</table>

\(^1\) Inclusive of divestment gain on Hitachi Tower of S$111 million
2Q’09 Core PATMI Improved by 163%

• 2Q’09 PATMI (excluding revaluations & impairments) of S$124 million vs 1Q’09 S$47 million, ↑163%

• 2Q’09 EBIT (excluding revaluations & impairments):
  – CapitaLand China Holdings 109% to S$44 million
  – CapitaLand Residential S’pore 77% to S$35 million
  – Ascott 116% to S$27 million
Oversea Businesses Contributed 61% of EBIT\(^1\)

- **Singapore**: S$189 mil (39%)
- **China**: S$122 mil (25%)
- **Asia/GCC**: S$62 mil (13%)
- **Aust & NZ**: S$100 mil (21%)
- **Europe/Others**: S$7 mil (2%)

\(^1\) excluding revaluations & impairments
Pro-active Capital Management

- **Deleveraged balance sheet**
  - The Group raised total S$3.8 billion in 1H09

- **Strengthened financial position**
  - Improved gearing:

<table>
<thead>
<tr>
<th>1H’09</th>
<th>CapitaLand</th>
<th>CMT</th>
<th>CCT</th>
<th>Australand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gearing</td>
<td>(Net Debt / Equity) 0.43x</td>
<td>(Debt / Asset) 0.30x</td>
<td>(Debt / Asset) 0.31x</td>
<td>(Net Debt / Asset) 0.28&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Share price gains/losses vs rights price @28 Jul’09</td>
<td>3.03x</td>
<td>1.93x</td>
<td>1.53x</td>
<td>0.83x</td>
</tr>
</tbody>
</table>

<sup>1</sup> Pro forma gearing on proposed rights issue
### Strong Recurring Income in 1H09

- Fee-based revenue up 10% to S$182 million (17% of Group’s revenue)
- REITs distribution to CapitaLand up 25% to S$77 million

<table>
<thead>
<tr>
<th>Countries</th>
<th>No. of Funds</th>
<th>No. of REITs</th>
<th>PE Funds (S$ billion)</th>
<th>REITS (S$ billion)</th>
<th>Total AUM (S$ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>14.0</td>
<td>14.0</td>
</tr>
<tr>
<td>China</td>
<td>9</td>
<td>1</td>
<td>6.1</td>
<td>1.2</td>
<td>7.3</td>
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<tr>
<td>Pan-Asian</td>
<td>2</td>
<td>1</td>
<td>0.2</td>
<td>1.6</td>
<td>1.8</td>
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<tr>
<td>Japan</td>
<td>2</td>
<td>-</td>
<td>1.3</td>
<td>-</td>
<td>1.3</td>
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<tr>
<td>Malaysia</td>
<td>2</td>
<td>1</td>
<td>0.2</td>
<td>0.4</td>
<td>0.5</td>
</tr>
<tr>
<td>GCC</td>
<td>1</td>
<td>-</td>
<td>0.4</td>
<td>-</td>
<td>0.4</td>
</tr>
<tr>
<td>India</td>
<td>1</td>
<td>-</td>
<td>0.2</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>17</td>
<td>5</td>
<td>8.4</td>
<td>17.2</td>
<td>25.6</td>
</tr>
</tbody>
</table>
Highlights
Singapore Residential – Sentiments Improved

- **Successful launches**
  - The Wharf Residence
    - 94% of 173 apartments sold
  - The Orchard Residences
    - 83% of 175 apartments sold

- **1,000 units completed & handed over (TOP)**
  - RiverGate: 545 units
  - Scotts HighPark: 73 units
  - The Metropolitan Condominium: 382 units
China Residential – Strong Sales

• **Residential transactions picked up**
  – Improved market sentiment following economic stimulus measures
  – Affordability enhanced

• **Sold 1,163 units\(^1\) in 1H09**
  – Exceeded FY08 sales of 782 homes
  – Price increased by 10%-15%

\(^1\) Does not include sales of listed associate, Central China Real Estate (Henan): ~6,000 homes p.a.
China - Raffles City

5 Raffles City Projects

- Raffles City Shanghai trading well
- Raffles City Beijing Retail opened in April’09
- Raffles City Chengdu construction in progress
- Raffles City Hangzhou final planning stage
- Raffles City Ningbo commenced construction
Vietnam Residential – Positive Signs of Recovery

• GDP grew 3.9% YoY in 1H09

• State Bank of Vietnam (SBV) to maintain interest rates at 7% and CPI below 10% for 2009

• Regulatory changes to home ownership for foreigners & Viet Kieus boosted residential sector

• The Vista, Ho Chi Minh City
  – Over 70% of residential units sold (603 out of total 850 units)
Strong 1H09 performance for CCT
- DPU increased 29% YoY
- Net Property Income increased 41.5% YoY despite challenging market conditions
- Strong Balance Sheet
  - Successfully raised S$828 m through rights issue
  - Gearing reduced to 31%
  - Enhanced financial flexibility (S$3 bn of unencumbered assets)

High occupancy rates maintained
- CCT’s properties 96%
- Industrial properties 88%
Singapore Retail - Resilient Portfolio of 18 Shopping Malls

Singapore

- Retail sales in suburban malls stable
  - Healthy rental
  - Full occupancy
  - Cater to necessity shopping
  - Active asset management

- Positive contribution from ION Orchard in 2H09
Singapore

- ION Orchard opened on 21 July’09
  - 96% of space leased
  - 335 shops with a total retail area of 650,000 sq ft over 8 levels
  - Levels 1 – 4: Luxury and Lifestyle brands
  - Basements 1-4: High Street and Lifestyle brands
- 70% committed to country flagships, new-to-market brands and new concepts
- Over 70 flagships (occupying 40% of area leased)
- >80 new-to-market brands and new concepts
- Gross project (includes The Orchard Residences) currently valued at ~S$3.8bn vs project cost of ~S$2.4bn
China

- **Strong domestic consumption**
  - National retail sales rose by average 15% in 1H09 YoY

- **Total pipeline of 58 malls (including CRCT)**

- **31 malls are operating**
  - 3 new malls opened year-to-date

- **On track to open 7 more malls by end-2009**
Retail – Building Presence Across Asia

• **Malaysia**
  – Less affected by global economic crisis
  – 3 malls - Gurney Plaza, Sungei Wang Plaza and Mines Shopping Fair
  – Asset Enhancement Initiatives (“AEI”) in Mines Shopping Fair completed and malls performing well

• **Japan**
  – Reconfiguration and completion of Chitose Mall Phase 1 & 2

• **India**
  – Forum Value Mall in Bangalore opened on 18 June’09
Growing Fund Management Business

- Growth in recurring Fund Management fees
  - Strong 1H09 revenue of S$78 m, 31% YoY increase
- AUM stands at over S$25 bn
- REITs achieved solid DPU growth

<table>
<thead>
<tr>
<th>REITS</th>
<th>1H09 DPU Growth YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMT</td>
<td>+11.4%</td>
</tr>
<tr>
<td>CCT</td>
<td>+29.1%</td>
</tr>
<tr>
<td>CRCT</td>
<td>+25.5%</td>
</tr>
<tr>
<td>Ascott Reit</td>
<td>-21.0%</td>
</tr>
<tr>
<td>QCT</td>
<td>+12.5%</td>
</tr>
</tbody>
</table>
• **Abu Dhabi (Arzanah)**
  Phase 1 Rihan Heights
  – 579 of 868 units sold
  – Construction on schedule with 12% work completed

• **Bahrain (Raffles City Bahrain)**
  – 91 units sold
  – Piling and sub-structure works completed as scheduled
  – Design refinement (villas and retail) underway to meet changing market needs
Extending Global Leadership
25,000 units spanning 66 cities in 22 countries

- Launched first Citadines properties in Singapore and Japan
  - Occupancies reached highs of >80%
- Expanded presence in China
  - Opened 3 new properties in Chongqing, Shenzhen and Tianjin
  - Secured management contract for Ascott Shanghai near Xintiandi
- Monetised assets
  - Proceeds of S$109 m
  - Inclusive of Somerset Westlake in Hanoi, Ascott Pudong, Shanghai and Citadines Suzhou Lejia
The Ascott Group (Ascott)

Extending Global Leadership (cont’d)

25,000 units spanning 66 cities in 22 countries

• Largest international owner-operator in Europe
  – 50 properties in more than 5,600 units across Europe
  – Added 2 INSEAD residences in Fontainebleau, France in 2009

UK: 6 properties
  London
  1 Ascott
  4 Citadines
  1 Unbranded

France: 35 properties
  Paris
  18 Citadines
  Outside Paris
  17 Citadines

Belgium: 2 properties (Brussels)
Germany: 2 properties (Berlin & Munich)
Spain: 1 property (Barcelona)
Russia: 1 property (Moscow)
Georgia: 1 property (Tbilisi)
Kazakhstan: 2 properties (Aktau & Astana)
Financials & Capital Management

Olivier Lim
Group CFO
Contents

• Statutory Results
• Impact of Revaluations & Impairments
• Credit Market Update
• Capital Management
### Financials

#### 1H 2009 Statutory Results

<table>
<thead>
<tr>
<th>S$ million</th>
<th>1H 2008</th>
<th>1H 2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,451.4</td>
<td>1,078.2</td>
<td>-26%</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,286.6</td>
<td>40.2</td>
<td>-97%</td>
</tr>
<tr>
<td>PATMI</td>
<td>762.7</td>
<td>(114.1)</td>
<td>NM</td>
</tr>
<tr>
<td>EPS (cents)</td>
<td>22.4(^1)</td>
<td>(3.0)</td>
<td>NM</td>
</tr>
<tr>
<td>NTA (S$)</td>
<td>3.47</td>
<td>2.73(^2)</td>
<td>NM</td>
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</tbody>
</table>

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1. Restated for the effects of rights issue.
2. Based on larger share base arising from rights issue.
### Impact of Revals & Impairments: 1H 2009 YoY

<table>
<thead>
<tr>
<th>S$ millions</th>
<th>1H 2008</th>
<th>1H 2009</th>
<th>Change</th>
</tr>
</thead>
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<td>762.7</td>
<td>(114.1)</td>
<td>NM</td>
</tr>
<tr>
<td>Revaluations &amp; Impairments*</td>
<td>379.6</td>
<td>(285.1)</td>
<td>NM</td>
</tr>
<tr>
<td>PATMI excluding Revals &amp; Impairments</td>
<td>383.1</td>
<td>171.0</td>
<td>-55%</td>
</tr>
</tbody>
</table>

* "Revaluations" refer to net FRS40 gains and losses arising from changes in the valuation of investment properties that are either completed or under development. "Impairments" refers to provisions for foreseeable losses on development projects and diminution in value of investments.

CapitaLand Presentation *July 2009*
## Impact of Revals & Impairments: 2Q 2009 QoQ

### Financials

<table>
<thead>
<tr>
<th>S$ millions</th>
<th>1Q 2009</th>
<th>2Q 2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>PATMI</td>
<td>42.9</td>
<td>(156.9)</td>
<td>NM</td>
</tr>
<tr>
<td>Revaluations &amp; Impairments*</td>
<td>(4.1)</td>
<td>(280.9)</td>
<td>NM</td>
</tr>
<tr>
<td>PATMI excluding Revals &amp; Impairments</td>
<td>47.0</td>
<td>124.0</td>
<td>163%</td>
</tr>
</tbody>
</table>

* “Revaluations” refer to net FRS40 gains and losses arising from changes in the valuation of investment properties that are either completed or under development. “Impairments” refers to provisions for foreseeable losses on development projects and diminution in value of investments.*
Financials

Impact to CL PATMI: 5 Key Listed Entities

The following 5 Key Listed Entities reported their results earlier. The PATMI impact to CL of their Revaluations & Impairments is shown below.

<table>
<thead>
<tr>
<th>Listed Entities</th>
<th>CL Share S$ million</th>
<th>Country</th>
<th>SBU / Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Reval.</td>
<td>Impair.</td>
</tr>
<tr>
<td>Australand (Subsidiary)</td>
<td>(171.3)</td>
<td>(115.1)</td>
<td>(56.2)</td>
</tr>
<tr>
<td>CCT (Associate)</td>
<td>(201.3)</td>
<td>(201.3)</td>
<td>-</td>
</tr>
<tr>
<td>CMT (Associate)</td>
<td>(79.4)</td>
<td>(79.4)</td>
<td>-</td>
</tr>
<tr>
<td>Ascott Reit (Associate)</td>
<td>(30.4)</td>
<td>(30.4)</td>
<td>-</td>
</tr>
<tr>
<td>CRCT (Associate)</td>
<td>(1.8)</td>
<td>(1.8)</td>
<td>-</td>
</tr>
<tr>
<td>Total Impact to CL</td>
<td>(484.2)</td>
<td>(428.0)</td>
<td>(56.2)</td>
</tr>
</tbody>
</table>
## Impact to CL PATMI: 5 Key Listed Entities

<table>
<thead>
<tr>
<th>S$ millions</th>
<th>2Q 2009</th>
</tr>
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<tbody>
<tr>
<td><strong>PATMI</strong></td>
<td>(156.9)</td>
</tr>
<tr>
<td>Revals &amp; Impairments: 5 Key Listed Entities</td>
<td>(484.2)</td>
</tr>
<tr>
<td><strong>PATMI excluding (A)</strong></td>
<td>327.3</td>
</tr>
<tr>
<td>Revals &amp; Impairments: Rest of Group</td>
<td>203.3</td>
</tr>
<tr>
<td><strong>PATMI excluding (A) &amp; (B)</strong></td>
<td>124.0</td>
</tr>
</tbody>
</table>
# List of Major Revaluation & Impairment Items

Major Revaluations and Impairments arising from rest of the Group

<table>
<thead>
<tr>
<th>2Q CL PATMI IMPACT</th>
<th>CL Share S$ million</th>
<th>Country</th>
<th>SBU / Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Major Items</strong></td>
<td><strong>Total</strong></td>
<td><strong>Revals</strong></td>
<td><strong>Impair.</strong></td>
</tr>
<tr>
<td><strong>Rest of Group</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ION Orchard</td>
<td>358.0</td>
<td>358.0</td>
<td>-</td>
</tr>
<tr>
<td>Raffles City Hangzhou</td>
<td>135.2</td>
<td>135.2</td>
<td>-</td>
</tr>
<tr>
<td>Raffles City Beijing</td>
<td>32.5</td>
<td>32.5</td>
<td>-</td>
</tr>
<tr>
<td>Raffles City Chengdu</td>
<td>25.1</td>
<td>25.1</td>
<td>-</td>
</tr>
<tr>
<td>Shinjuku Project</td>
<td>(47.6)</td>
<td>-</td>
<td>(47.6)</td>
</tr>
<tr>
<td>Char Yong Gardens</td>
<td>(49.0)</td>
<td>-</td>
<td>(49.0)</td>
</tr>
<tr>
<td>Other CCL exc. CCT</td>
<td>(80.1)</td>
<td>(80.1)</td>
<td>-</td>
</tr>
<tr>
<td>One North Project</td>
<td>(109.0)</td>
<td>(109.0)</td>
<td>-</td>
</tr>
</tbody>
</table>

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## 2Q PATMI Impact Map: Revals & Impairments

### SBU & Geographic Impact of all Revaluations & Impairments

<table>
<thead>
<tr>
<th>2Q 2009 PATMI impact of Revals &amp; Impairments (S$ mil)</th>
<th>Spore</th>
<th>China</th>
<th>Aust/NZ</th>
<th>Other Asia /GCC</th>
<th>Europe &amp; Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>CL Residential Singapore</td>
<td>22.6</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>22.6</td>
</tr>
<tr>
<td>CapitaLand China Holdings</td>
<td>-</td>
<td>181.0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>181.0</td>
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<tr>
<td>CapitaLand Commercial</td>
<td>(260.4)</td>
<td>-</td>
<td>-</td>
<td>(47.4)</td>
<td>(21.2)</td>
<td>(329.0)</td>
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<tr>
<td>CapitaLand Retail</td>
<td>89.4</td>
<td>(10.4)</td>
<td>-</td>
<td>(18.3)</td>
<td>-</td>
<td>60.7</td>
</tr>
<tr>
<td>Serviced Residences *</td>
<td>(3.0)</td>
<td>(13.4)</td>
<td>(2.3)</td>
<td>(13.0)</td>
<td>-</td>
<td>(31.7)</td>
</tr>
<tr>
<td>CapitaLand Financial</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(9.6)</td>
<td>(9.6)</td>
</tr>
<tr>
<td>Others (inc. Australand)</td>
<td>-</td>
<td>-</td>
<td>(171.3)</td>
<td>(3.6)</td>
<td>-</td>
<td>(174.9)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>(151.4)</td>
<td>157.2</td>
<td>(173.6)</td>
<td>(82.3)</td>
<td>(30.8)</td>
<td>(280.9)</td>
</tr>
</tbody>
</table>

*Includes the CL Group's share of Ascott Reit's revaluation losses*
Successful Capital Management Strategy

• Maintained high level of Financial Flexibility
  – Protected downside, ready for upside

• Raise funding when market conducive
  – Not when needed

• Secured long term debt in size
  – e.g. S$1.3 bn CB in 2008 prior to meltdown
  – Long dated MTN Bonds (7+ years)

• Maintained high cash position, low D/E
  – Developed diversified funding over many years
  – Built strong reputation in debt and equity markets
Successful Capital Management Strategy

• Deleveraged early & rapidly from a position of strength
  – 4 Successful equity Issues (CapitaLand, CMT, CCT & Australand)
  – Courage & conviction to be ahead of the curve

• Objective – Demonstrate financial strength beyond doubt
  – Assessed there would be Global flight to quality in Equity & Debt markets
  – Proven: Strong re-rating of CapitaLand once Rights Issue announced
  – Highly liquid free-float and large market cap are competitive advantages
  – Financial strength and Franchise leadership attracting investors & lenders

• Stabilised S-REIT Sector
  – CMT, CCT re-rated by analysts and investors
  – Triggered new equity flows into S-REIT sector
LIBOR-OIS Spread is an indicator of risk and liquidity in the money markets. Commonly used to indicate liquidity in the financial sector and the willingness of banks to lend to each other. OIS stands for Overnight Indexed Swap.

LIBOR-OIS spread has seen dramatic improvement from Lehman Bankruptcy on 15 Sep' 08.

- US
- EU
- Japan
Credit Environment – Confidence Returning

- Co-ordinated Large Actions by Fed & other Central Banks
  - Seeds of the turnaround in 2Q’09

- Equity Market has helped provide “relief” to Credit Markets
  - Has allowed rapid “graceful” deleveraging globally
  - First financial institutions, and now industrials/corporates

- Residential sector recoveries leading the Asian RE recovery
  - China
  - Singapore
  - Australia
Credit Environment – Confidence Returning

- **Singapore Bank Market warming up**
  - Less inward focused…more pro-business
  - Banks’ risk aversion beginning to thaw
  - Liquidity returning, but credit spreads remain elevated
  - However, signs of competitive pressure beginning

- **Gillman project financing seeing good response from banks**
  - Strong appetite from 7 banks
  - S$1 bn demand for S$660 m development loan
  - Currently in documentation

- **China banks: up to RMB 25 billion from BOC and ICBC**
  - Able to tap local liquidity to further extend our growth in China
### Deleveraged Balance Sheet

<table>
<thead>
<tr>
<th>S$ billion</th>
<th>Jun 2008</th>
<th>Jun 2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>12.0</td>
<td>13.6</td>
<td>13%</td>
</tr>
<tr>
<td>Cash</td>
<td>3.4</td>
<td>4.2</td>
<td>24%</td>
</tr>
<tr>
<td>Net Debt</td>
<td>8.2</td>
<td>5.8</td>
<td>-29%</td>
</tr>
<tr>
<td>Net Debt / Equity</td>
<td>0.68</td>
<td>0.43</td>
<td>Improved</td>
</tr>
<tr>
<td>% Fixed Rate Debt</td>
<td>76%</td>
<td>67%</td>
<td>Satisfactory</td>
</tr>
</tbody>
</table>

**Improved**

**Satisfactory**
Despite rapid growth, Group has strengthened its balance sheet.

1 Dividend & distributions totaled S$2.7 bn since merger in Nov 2000. Rights issue of S$1.8bn in 1Q09.
**Capital Management**

**Debt Coverage**

<table>
<thead>
<tr>
<th></th>
<th>Jun 2008</th>
<th>Jun 2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt/Equity</td>
<td>0.68</td>
<td>0.43</td>
<td>Improved</td>
</tr>
<tr>
<td>Interest Cover Ratio</td>
<td>3.2</td>
<td>1.6</td>
<td>Decreased</td>
</tr>
<tr>
<td>Interest Service Ratio</td>
<td>5.6</td>
<td>3.3</td>
<td>Satisfactory</td>
</tr>
</tbody>
</table>

*Excludes unrealised revaluation gains or losses.*

Net D/E = \( \frac{\text{Debt - Cash}}{\text{Equity}} \)

ICR = \( \frac{\text{EBITDA}}{\text{Net Interest Expense}} \)

ISR = \( \frac{\text{Operating cashflow}}{\text{Net Interest Paid}} \)
Debt Management: Gearing Range

The Lesson (Again):

• Globally, failures in the Real Estate Industry…
  …have been Capital Management failures,
  …NOT business failures.

• Capital Management is Critical
  – For Cyclical, Capital Intensive Industries.
  – Liquidity is “invisible”, except when you need it.

• Acceptable Gearing Range: 0.50 to 0.75x
  – In prevailing environment
Outlook

Liew Mun Leong
Group President & CEO
Focusing on 4 Core Markets

- China
- Singapore
- Vietnam
- Australia
China’s Real Estate Drivers
“Strong Dragon – Resilient Internal Strength”

- Strong Urbanisation (15 mil per year) & Rising Middle Class & New Rich (Generation A)
- Strong Sustainable Economy, FDI & Domestic Savings
- Infrastructure (Efficient & World Class)
- Political Competence

China GDP Growth

Source: EIU, Consensus Forecast & CapitaLand Research

CapitaLand Presentation *July 2009*
Credit tightening
- Interest rates
- Reserve requirement

Economic slowdown
- No further tightening measures

Credit loosening

Property revival measures

4 trillion stimulus package (8 Nov 2008)

Source: E-house CRIC and CCH Corporate Planning
Residential Affordability Improved

Affordability improved to ~25% compared to pre-crisis level of >35%

Assumptions: (1) Price data from NDRC based on 70 cities; (2) Loan term of 20 years; (3) Mortgage rate of 5.94%; (4) Loan to value ratio of 0.7; *Affordability ratio is calculated by dividing monthly mortgage installment by monthly household income, a lower figure denotes better housing affordability.
Fast Recovery of Residential Market

- Marked improvement in sales over 2008
- Nation-wide home sales $45.3\%$ for 1st five months to RMB 1.1 trillion

*Source: China Index Academy*

Note: Cities covered in this exhibit are Beijing, Tianjin, Shanghai, Hangzhou, Guangzhou, Shenzhen, Chengdu, Chongqing, Wuhan and Nanjing.
Residential Inventory Reduced

Number of Inventory Months - Existing Supply/Demand of Different Years

- Year 2006
- Year 2007
- Year 2008
- Average Demand between 2006 and 2008
- Projected 2009 Demand Based on March 09 Sales

<table>
<thead>
<tr>
<th>City</th>
<th>Year 2006</th>
<th>Year 2007</th>
<th>Year 2008</th>
<th>2006-08 Avg</th>
<th>Projected 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beijing</td>
<td>10</td>
<td>12</td>
<td>13</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Shanghai</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Guangzhou</td>
<td>6</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Shenzhen</td>
<td>10</td>
<td>15</td>
<td>18</td>
<td>13</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: CEIC, Soufun, Govt. Stat, Morgan Stanley Research
China Retail Sales Robust

Source: CEIC China Premium & CapitaLand Research
Room to Grow for Organised Retail in China

Source: Ernst & Young & CapitaLand Research
China Growth Strategy – 2 Prong Approach

**Organic Growth**
S$6.1 billion (US$4.2 billion) or 27% of Group’s Assets currently in China

**Growth Through Fund Management**
9 PE Funds + 1 REIT currently: AUM S$7.3 billion (US$5 billion)

China business to hit ~45% (~US$8 billion) of Group’s Assets
Our China Strategy – Investing for Growth

• Positioned to grow China franchise
  – RMB25 billion Group credit limit allocation from BOC and ICBC

• Residential
  – Impending launches in Beijing, Ningbo, Foshan and Chengdu
  – Expect to sell over 2,000 homes in 2009
  – Replenish quality land at attractive values

• Integrated development
  – 5 Raffles City developments: 2 operational and 3 under different stages of construction
Our China Strategy – Investing for Growth (cont’d)

• **Retail**
  – Rolling out the pipeline of 58 malls
  – 7 more malls to be completed by end-2009

• **Serviced Residences**
  – 19 operating properties in China with 2 more opening in 2H’09
  – Reconstitute and upgrade of portfolio
  – Secure more management contracts to build franchise
CapitaLand China Executive Committee

- Better co-ordinate and align investments, operations, branding and resources in China
- Spearhead the growing businesses in China

114 projects in 47 cities

Residential:
20 projects (20,000 units) with a total GFA of 3,000,000 sqm

Commercial:
10 projects, with total GFA of 1,300,000 sqm

Retail:
58 malls, with the total GRA of 3,800,000 sqm

Serviced Residence:
26 projects, with 5,000 units

Financial Services:
9 Private Equity funds & 1 REIT
Singapore’s Real Estate Drivers

“Blue-chip Market”

- Diversified Economic Engines
- Market Competitiveness (International Recognition)
- Magnet for Foreign Talents
- Political Competence

Singapore – Safe, Secure, Connected to 192 Cities in the World. Best Bet to Do Business!
Singapore’s GDP Growth Registered Sharp Improvement

GDP (Quarterly; Real) - YoY % chg

<table>
<thead>
<tr>
<th>%</th>
<th>Jun-07</th>
<th>Sep-07</th>
<th>Dec-07</th>
<th>Mar-08</th>
<th>Jun-08</th>
<th>Sep-08</th>
<th>Dec-08</th>
<th>Mar-09</th>
<th>Jun-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP Growth</td>
<td>8.6</td>
<td>9.5</td>
<td>5.5</td>
<td>6.7</td>
<td>2.5</td>
<td>0.0</td>
<td>-4.2</td>
<td>-10.1</td>
<td>-3.7</td>
</tr>
</tbody>
</table>

CapitaLand Presentation *July 2009*
Singapore’s PMI Returned to Expansionary Territory

Purchasing Manager Index (Manufacturing)

Expansion

Contraction

Feb-08  Apr-08  Jun-08  Aug-08  Oct-08  Dec-08  Feb-09  Apr-09  Jun-09
## Event/Initiative Highlights

<table>
<thead>
<tr>
<th>Event/Initiative</th>
<th>Highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two Integrated Resorts</td>
<td>• 35,000 new jobs&lt;br&gt;• Expected completion: 2010</td>
</tr>
<tr>
<td>Youth Olympics 2010</td>
<td>• Promote Singapore as an international destination</td>
</tr>
<tr>
<td>&quot;Remaking of Singapore's premier shopping street, Orchard Road&quot;</td>
<td>• Completion of S$40m makeover&lt;br&gt;• ION Orchard, Orchard Central and 313 Somerset</td>
</tr>
<tr>
<td>Education Hub</td>
<td>• Prestigious institutions eg. INSEAD, Chicago Graduate School etc&lt;br&gt;• Target to increase international students from 50,000 to 150,000 by 2012</td>
</tr>
<tr>
<td>Medical Hub</td>
<td>• Targets 1 m foreign patients annually and S$2.6 bn of value-add and 1% of GDP contribution by 2012</td>
</tr>
<tr>
<td>Tourism hotspot</td>
<td>• Aims to have 17 m visitor arrivals and S$30 bn tourism receipts by 2015</td>
</tr>
<tr>
<td>Asia's Premier Biomedical Sciences Hub</td>
<td>• Home to growing number of leading biomedical companies including Eli Lilly, Novartis, Merlion and ViaCell</td>
</tr>
<tr>
<td>Encouraging Immigration</td>
<td>• Aim for 6.5 m total population</td>
</tr>
</tbody>
</table>
Affordability Improved

### Debt Service Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordability of Private Homes in Singapore</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Debt services ratio** is calculated by dividing monthly mortgage installment by monthly household income. A lower figure denotes better housing affordability.

**Assumptions:**
1. Low-end condominium (75% of median prices)
2. Typical unit size of 110 sqm
3. Loan term of 25 years
4. Loan to value ratio of 0.9
5. Potential buyers are households belonging to the 2nd top decile income group (General Household Survey 2005)

**2Q’09 affordability** adjusted for employer’s CPF contribution

Source: MAS, URA, Department of Statistics & CapitaLand Research

*CapitaLand Presentation *July 2009*
Surge in Residential Transaction Volume

Primary sale vol. in 1H09 totaled 7,250 compared to FY08’s sales of 4,264 homes

Source: Colliers & CapitaLand Research

CapitaLand Presentation *July 2009*
• **Proposed development at former Gillman Heights Condominium site**
  
  – 1,000 lifestyle apartments
  
  – Stunning architecture by Ole Scheeren of the Office for Metropolitan Architecture (OMA) which optimises the full potential of the site
Proposed development at former Char Yong Gardens site

- 165 resort-style apartments by Kerry Hill Architects
- Capitalising on the makeover of the Orchard Road precinct
Singapore’s retail space per capita still relatively low

Source: JHD Research, June 2008
Vietnam’s Real Estate Drivers
“Hungry and Emerging”

Strong Sustainable Economy
Growing FDI & Remittances
Rising Middle Class & New Rich Generation ‘A’
Pro – growth Regulatory Environment

Vietnam - Real Estate Demand Drivers

• Strong & steady economic growth
• Rising income
• Growing urban population
• Large young population
  – 60% below 30 years old vs China & S’pore of just under 40%
• Emerging availability of mortgages
• Improving standards of living fuels demand for quality housing
• Improving investment environment encourages housing investment by Overseas Vietnamese
Vietnam Impending Residential Projects

Hanoi

• **Mulberry Lane**
  – Prime 2.4-ha site in Hanoi’s new CBD 
    (Mo Lao New Urban Area)
  – Approximately 1,500 units in total
  – To be launch-ready by end-2009

Ho Chi Minh City

• **Thanh My Loi project**
  – Obtained 1/500 master plan approval
  – Pending investment approval from the authorities
  – Approximately 950 residential units
Australia’s Real Estate Drivers
“Steady”

- Sustainable Economic Fundamentals & Selling Well To China’s Commodity Needs
- Favorable Demography, Rising Immigration, Strong Population Growth
- Affordable Housing & Inhibited Supply
- Political Stability

Australia – Best OECD Performer & Plugged into Asia’s Resilience
Australia – Economy Improving

Consensus forecast of 2009 GDP growth upgraded

Source: Consensus forecast
Australia - Consumer Confidence Rebounded Sharply

Consumer Confidence Index (Seasonally Adjusted)

Source: Westpac-Melbourne Institute
Australia - Business Confidence Also Rebounded

Business Confidence Index (Seasonally Adjusted)

Source: National Australia Bank
Surge In First-Time Home Buyers
- Low Mortgage Rates and Government Grants

Owner-occupier finance approvals (ex-refinancing)

Source: ABS; Goldman Sachs
Latest data: May 09

Source: ABS; Goldman Sachs
Latest data: May 09
Rationale:

• **Strengthens balance sheet significantly**
  - Reduces gearing to 27.6% from 39.8%
  - Improves financial ratios
  - Increases available liquidity to A$616 m
  - Total debt due by Dec 2010 of A$100 m

• **Positions the business for recovery in the property sector**

• **Allows Australand to take advantage of selective opportunities**

<table>
<thead>
<tr>
<th>MEASURES</th>
<th>COVENANT</th>
<th>PRO FORMA JUNE 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Holders Funds</td>
<td>&gt;$1 billion</td>
<td>$2.3 billion</td>
</tr>
<tr>
<td>Interest Cover Ratio (cash basis)</td>
<td>&gt;2.0 x</td>
<td>&gt;3.0 x</td>
</tr>
<tr>
<td>Covenant Gearing&lt;sup&gt;2&lt;/sup&gt;</td>
<td>&lt;55%</td>
<td>35.4%</td>
</tr>
<tr>
<td>LVR</td>
<td>&lt;1</td>
<td>0.4</td>
</tr>
</tbody>
</table>

<sup>1</sup> CL’s participating quantum A$281.6m (~S$330m)

<sup>2</sup> Total Liabilities / Total Tangible Assets, cash adjusted
Next Phase of Growth
Positioning for Next Phase of Growth

Extend leadership in Asian Retail malls
• ION Orchard landmark project
• 66 operating malls in 5 countries

Expand in Vietnam
• 5-10% of CL’s business

Grow China Business
• 35-45% of CL’s business

Seek opportunities in Singapore
• Singapore’s Global City opportunities

Build Ascott’s Global dominance
• Leverage hospitality for higher real estate value

Grow Financial Services franchise
• Extend leadership in REITs & PE Funds
Corporate Social Responsibility

Ensuring Long-Term Corporate Sustainability

• Corporate sustainability leadership
  – Only Singapore real estate company in Dow Jones Sustainability Asia Pacific Index
  – Only Singapore company in Sustainability Yearbook 2009

• Environmental awards
  – BCA Built Environment Leadership Gold Class (Developer Category) Award 2009 – CapitaLand Limited
  – 26 BCA Green Mark awards won since the scheme’s launch
  – BCA Construction Excellence Award – Citylights condominium

Focused on sustainable growth and building a lasting company
Community initiatives

• **Back to School/ Shop for Hope** – CapitaLand Hope Foundation (CHF) donated S$25,000 for underprivileged children to buy back-to-school necessities

• **Green for Hope** – CHF donated S$1 million to Singapore primary schools’ welfare funds

• **Cityscape Best Developer (CSR) Award** – CapitaLand Muchuan Green Hope School, Sichuan, China

• Over 25 Ascott community initiatives worldwide

Committed to be a **socially-responsible corporate citizen**
Thank You

Questions