



# CapitaLand Group 1H 2009 Results



July 2009



# 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.*



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# Results Overview



**Liew Mun Leong**  
**Group President & CEO**





# 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** : **S\$1.1 billion**  
Revenue Under Management : S\$2.6 billion
- **PATMI (excluding revaluations & impairments)** : **S\$171 million**
- **Statutory PATMI** : **(S\$114.1 million)**

S\$' Million	1H 2008	1H 2009
<b>Revenue</b>	1,451.4	<b>1,078.2</b>
<b>PATMI excluding revaluations &amp; impairments</b>	383.1 <sup>1</sup>	<b>171.0</b>
<b>Revaluations &amp; Impairments</b>	379.6	<b>(285.1)</b>
<b>Statutory PATMI</b>	762.7	<b>(114.1)</b>

<sup>1</sup> Inclusive of divestment gain on Hitachi Tower of S\$111 million

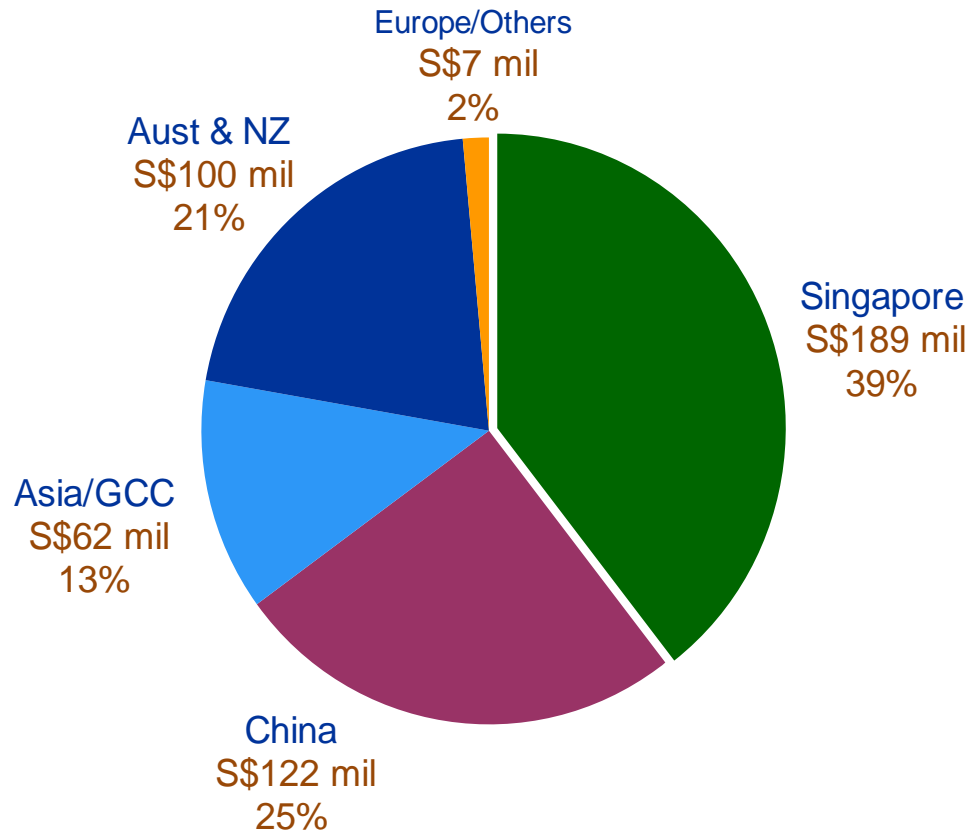


## 2Q'09 Core PATMI Improved by 163%

- 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



# Overseas Businesses Contributed 61% of EBIT<sup>1</sup>



<sup>1</sup> 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:

1H'09	CapitaLand	CMT	CCT	Australand
<b>Gearing</b>	(Net Debt / Equity) <b>0.43x</b>	(Debt / Asset) <b>0.30x</b>	(Debt / Asset) <b>0.31x</b>	(Net Debt / Asset) <b>0.28<sup>1</sup></b>
<b>Share price gains/losses vs rights price @28 Jul'09</b>	<b>3.03x</b>	<b>1.93x</b>	<b>1.53x</b>	<b>0.83x</b>







<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



Countries	No. of Funds	No. of REITs	PE Funds (S\$ billion)	REITs (S\$ billion)	Total AUM (S\$ billion)
 Singapore	-	2	-	14.0	14.0
 China	9	1	6.1	1.2	7.3
Pan-Asian	2	1	0.2	1.6	1.8
 Japan	2	-	1.3	-	1.3
 Malaysia	2	1	0.2	0.4	0.5
 GCC	1	-	0.4	-	0.4
 India	1	-	0.2	-	0.2
<b>TOTAL</b>	<b>17</b>	<b>5</b>	<b>8.4</b>	<b>17.2</b>	<b>25.6</b>

# 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



The Wharf Residence



RiverGate



CapitaLand China Holdings (CCH)

## China Residential – Strong Sales

- **Residential transactions picked up**
  - Improved market sentiment following economic stimulus measures
  - Affordability enhanced
- **Sold 1,163 units<sup>1</sup> in 1H09**
  - Exceeded FY08 sales of 782 homes
  - Price increased by 10%-15%

<sup>1</sup> Does not include sales of listed associate, Central China Real Estate (Henan): ~6,000 homes p.a.



The Riviera, Foshan



Summit Residences, Ningbo



## 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



Raffles City Beijing



Raffles City Ningbo



Raffles City Hangzhou



Raffles City Chengdu



## 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)



The Vista, Ho Chi Minh City



# Singapore Commercial Portfolio Remains Resilient

- **Strong 1H09 performance for CCT**
  - DPU increased 29% YoY
  - Net Property Income increased 41.5% YoY despite challenging market conditions
  - Stronger 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%





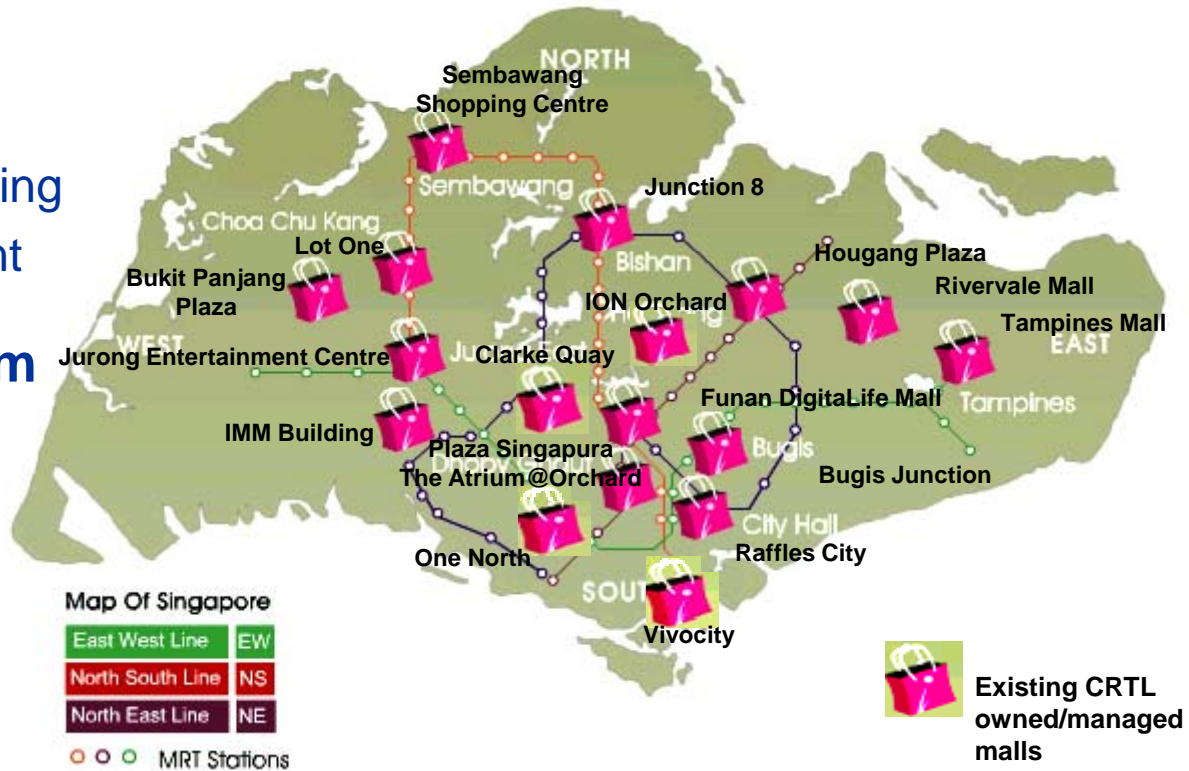


# Singapore Retail - Resilient Portfolio of 18 Shopping Malls

## 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

Suburban Malls well distributed and well located across Singapore



## 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





CapitaLand Retail (CRTL)  
**ION Orchard**

- 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



Level 1 Entrance next to Cartier



Three Sixty



Sephora



Level 1 Entrance next to Louis Vuitton



# China Retail – Expansion On Track

## 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**



Wangjing Mall, Beijing





# 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



Chitose Mall, Hokkaido



Forum Value Mall, Bangalore

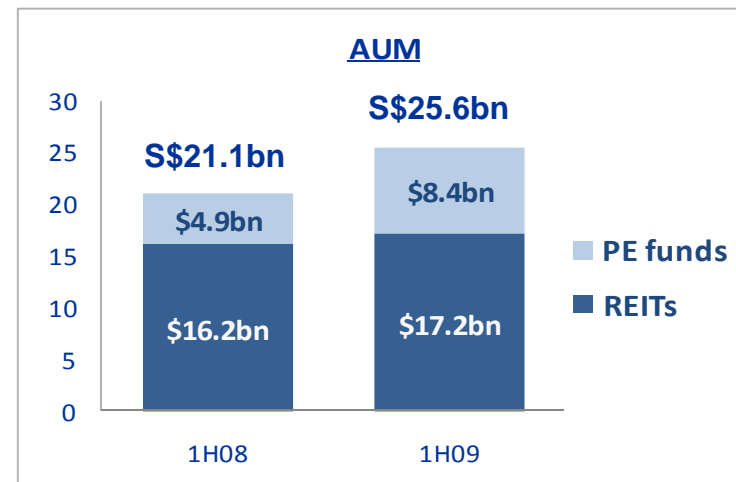


Mines Shopping Fair, Selangor



# 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**



REITs	1H09 DPU Growth YoY
CMT	+11.4 %
CCT	+29.1 %
CRCT	+25.5 %
Ascott Reit	-21.0 %
QCT	+12.5 %



# Pacing Project Progress with Market Conditions

- **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



Rihan Heights, Abu Dhabi



Raffles City Bahrain

*The Ascott Group (Ascott)*

# 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



Citadines Singapore Mount Sophia



Somerset Youyi, Tianjin





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**



- **Statutory Results**
- **Impact of Revaluations & Impairments**
- **Credit Market Update**
- **Capital Management**



Financials

# 1H 2009 Statutory Results

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

*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

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

*\* "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.*



# Impact of Revals & Impairments: 2Q 2009 QoQ

S\$ millions	1Q 2009	2Q 2009	Change
<b>PATMI</b>	<b>42.9</b>	<b>(156.9)</b>	<b>NM</b>
<b>Revaluations &amp; Impairments *</b>	<b>(4.1)</b>	<b>(280.9)</b>	<b>NM</b>
<b>PATMI excluding Revals &amp; Impairments</b>	<b>47.0</b>	<b>124.0</b>	<b>163%</b>

*\* "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.*



## 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.*

2Q CL PATMI IMPACT Listed Entities	CL Share S\$ million			Country	SBU / Remarks
	Total	Revals	Impair.		
Listed Entities					
Australand (Subsidiary)	<b>(171.3)</b>	(115.1)	(56.2)	Austr.	Australand
CCT (Associate)	<b>(201.3)</b>	(201.3)	-	S'pore	CCL
CMT (Associate)	<b>(79.4)</b>	(79.4)	-	S'pore	CRTL
Ascott Reit (Associate)	<b>(30.4)</b>	(30.4)	-	Various	SR
CRCT (Associate)	<b>(1.8)</b>	(1.8)	-	China	CRTL
Total Impact to CL	<b>(484.2)</b>	(428.0)	(56.2)		



# Impact to CL PATMI: 5 Key Listed Entities

S\$ millions	2Q 2009	
<b>PATMI</b>	<b>(156.9)</b>	
Revals & Impairments: 5 Key Listed Entities	<b>(484.2)</b>	(A)
<b>PATMI excluding (A)</b>	<b>327.3</b>	
Revals & Impairments: Rest of Group	<b>203.3</b>	(B)
<b>PATMI excluding (A) &amp; (B)</b>	<b>124.0</b>	





# List of Major Revaluation & Impairment Items

*Major Revaluations and Impairments arising from rest of the Group*

2Q CL PATMI IMPACT Major Items	CL Share S\$ million			Country	SBU / Remarks
	Total	Revals	Impair.		
Rest of Group					
ION Orchard	<b>358.0</b>	358.0	-	S'pore	CRTL/CRS (40%/10%)
Raffles City Hangzhou	<b>135.2</b>	135.2	-	China	CCH
Raffles City Beijing	<b>32.5</b>	32.5	-	China	CCH
Raffles City Chengdu	<b>25.1</b>	25.1	-	China	CCH
Shinjuku Project	<b>(47.6)</b>	-	(47.6)	Japan	CCL
Char Yong Gardens	<b>(49.0)</b>	-	(49.0)	S'pore	CRS
Other CCL exc. CCT	<b>(80.1)</b>	(80.1)	-	Various	CCL
One North Project	<b>(109.0)</b>	(109.0)	-	S'pore	CRTL



## 2Q PATMI Impact Map: Revals & Impairments

*SBU & Geographic Impact of all Revaluations & Impairments*

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

*\* 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



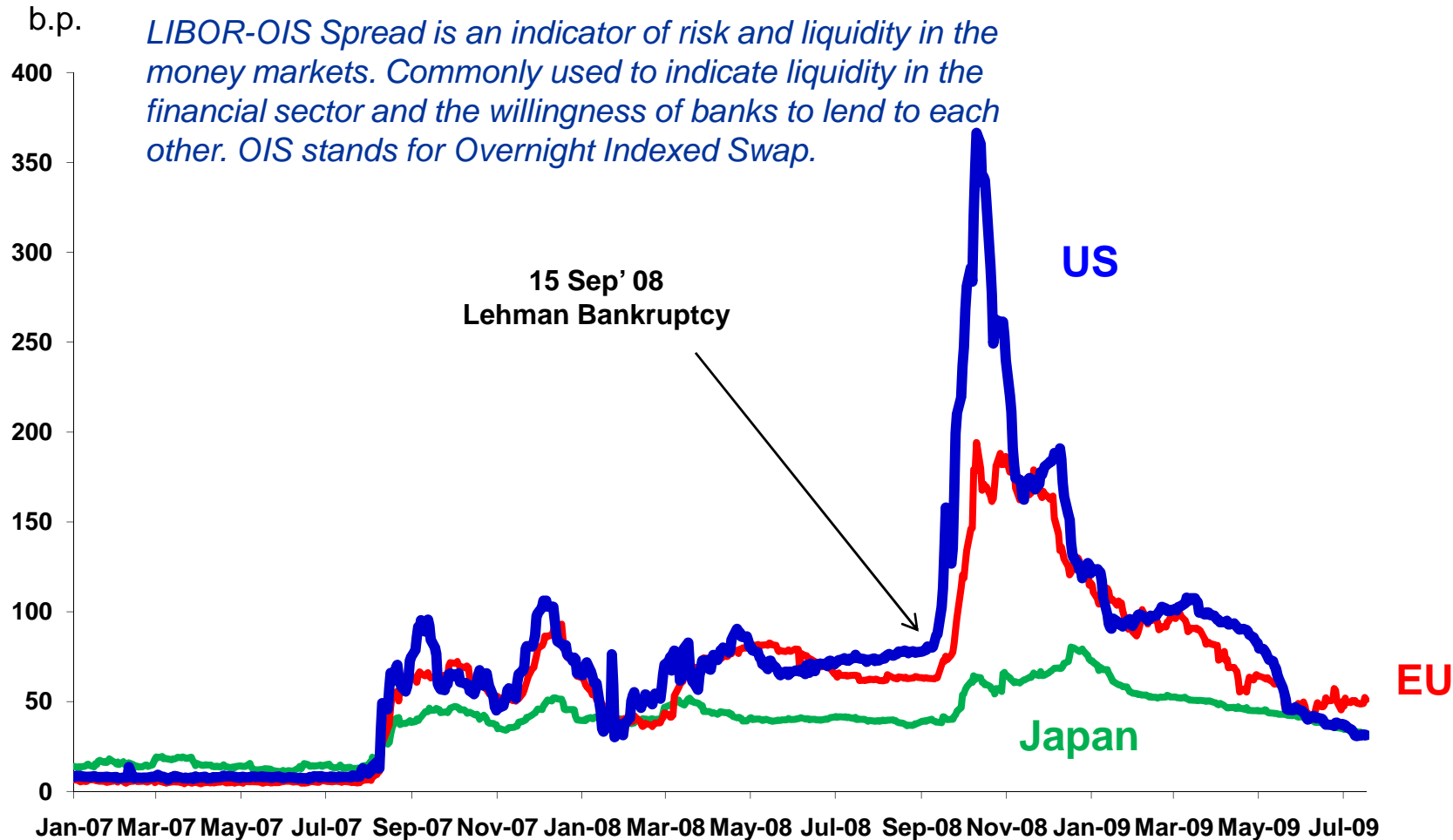
# Successful Capital Management Strategy

- **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



# Credit Environment – Confidence Returning

*LIBOR-OIS spread has seen dramatic improvement*





## **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

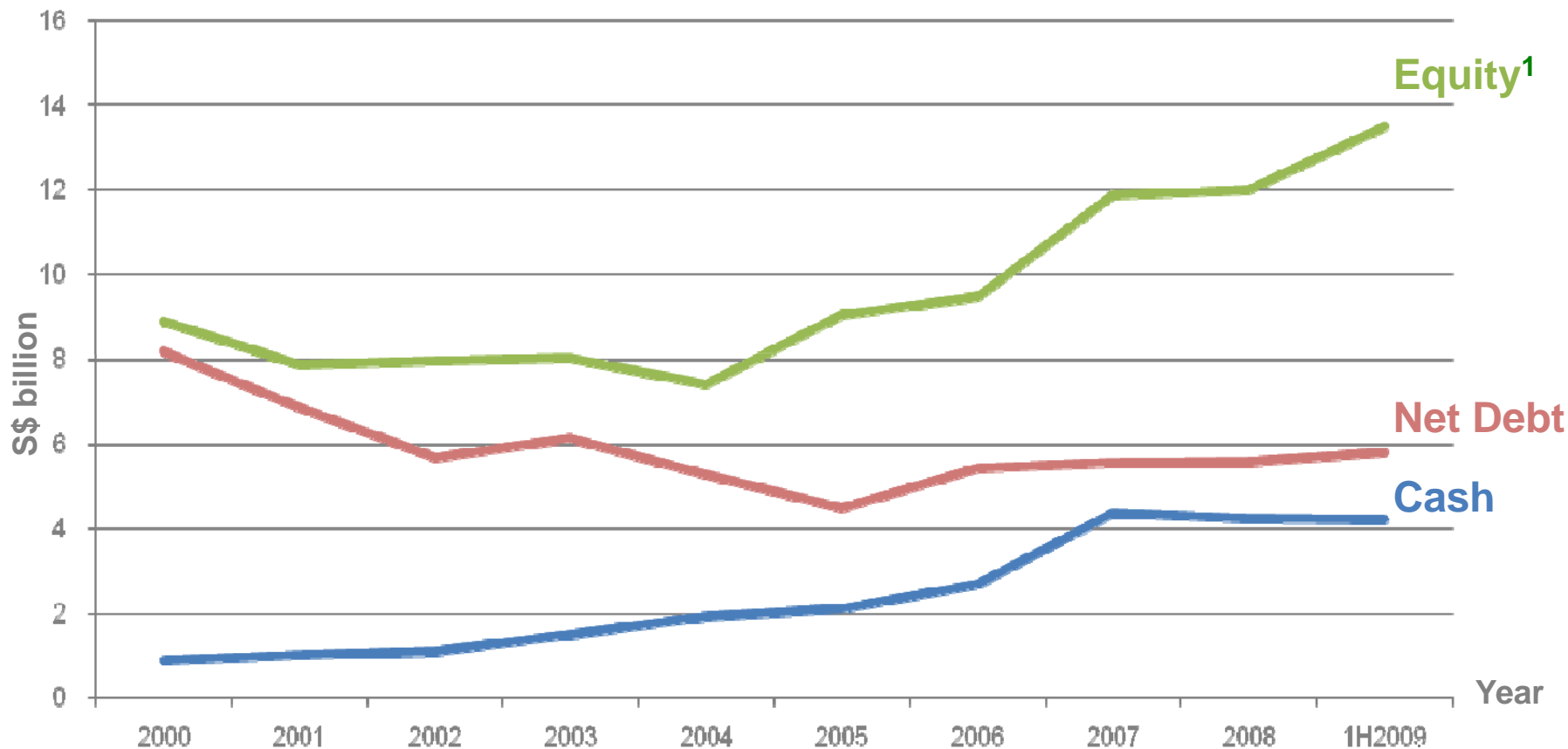
S\$ billion	Jun 2008	Jun 2009	Change
Equity	12.0	13.6	13%
Cash	3.4	4.2	24%
Net Debt	8.2	5.8	-29%
Net Debt / Equity	0.68	0.43	Improved
% Fixed Rate Debt	76%	67%	Satisfactory





# Aggressive Growth, Conservative Capital Management

Despite rapid growth, Group has strengthened its balance sheet



<sup>1</sup> Dividend & distributions totaled S\$2.7 bn since merger in Nov 2000. Rights issue of S\$1.8bn in 1Q09.



Capital Management  
**Debt Coverage**

	Jun 2008	Jun 2009	Change
<b>Net Debt/Equity</b>	<b>0.68</b>	<b>0.43</b>	Improved
<b>Interest Cover Ratio</b>	<b>3.2</b>	<b>1.6</b>	Decreased
<b>Interest Service Ratio</b>	<b>5.6</b>	<b>3.3</b>	Satisfactory

*\* Excludes unrealised revaluation gains or losses.*

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

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

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



## 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

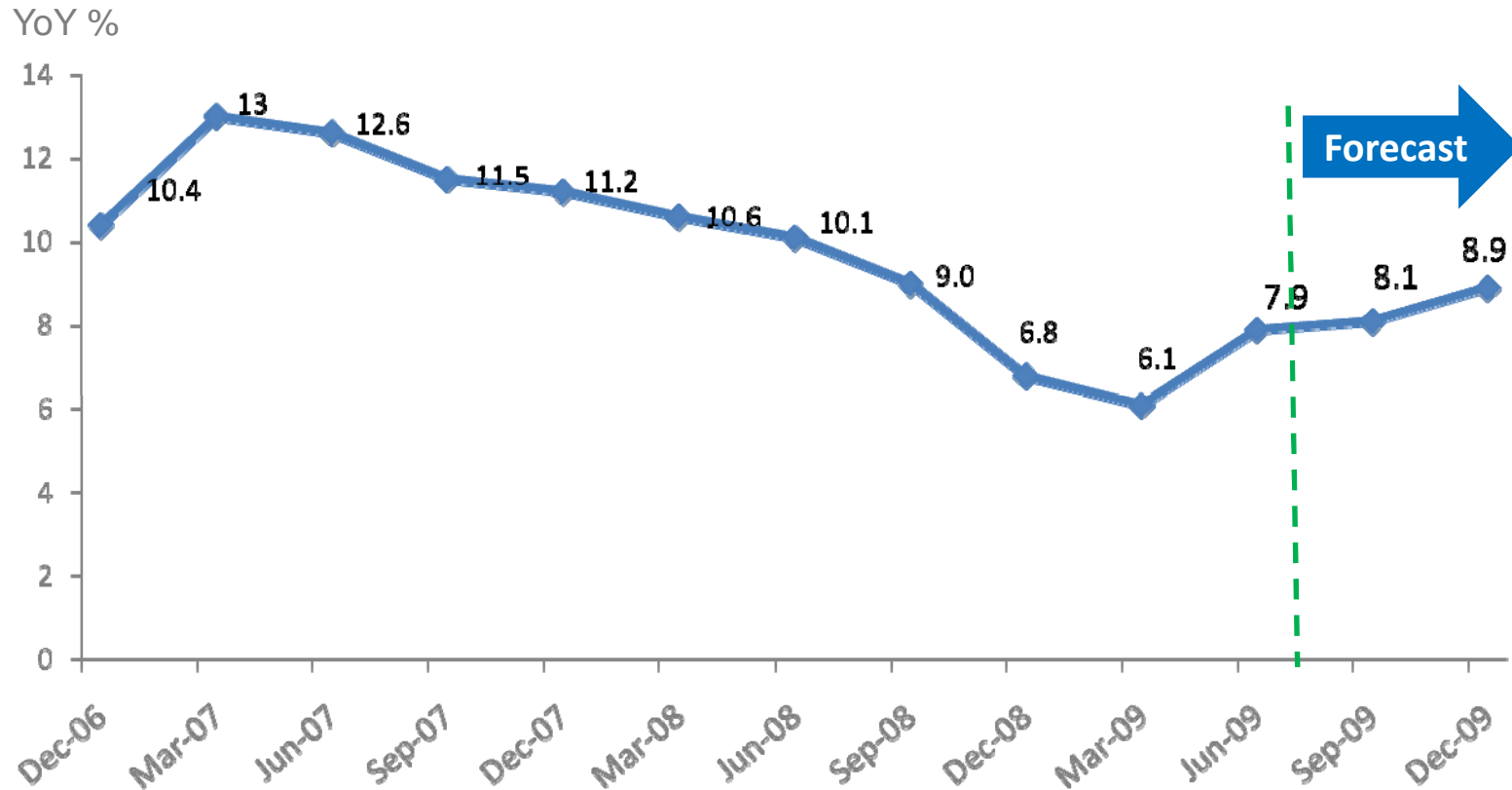
Infrastructure  
(Efficient &  
World Class)

Political  
Competence

China's Potential – World's Largest Economy, World's Largest “Factory”, World's Largest Market for Everything!



# China GDP Growth

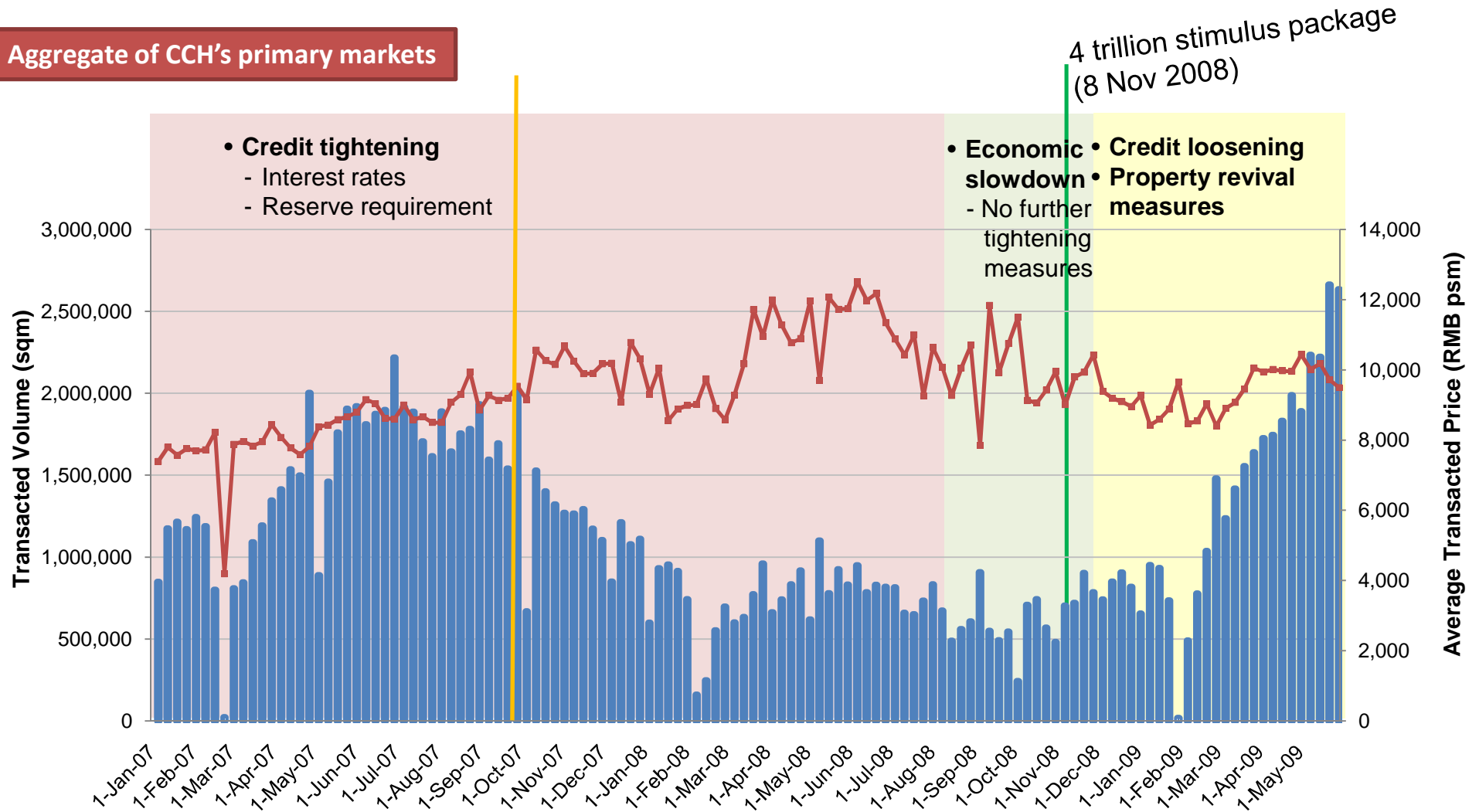


Source: EIU, Consensus Forecast & CapitaLand Research



# Effects of Government Policies on China's Real Estate

## Aggregate of CCH's primary markets



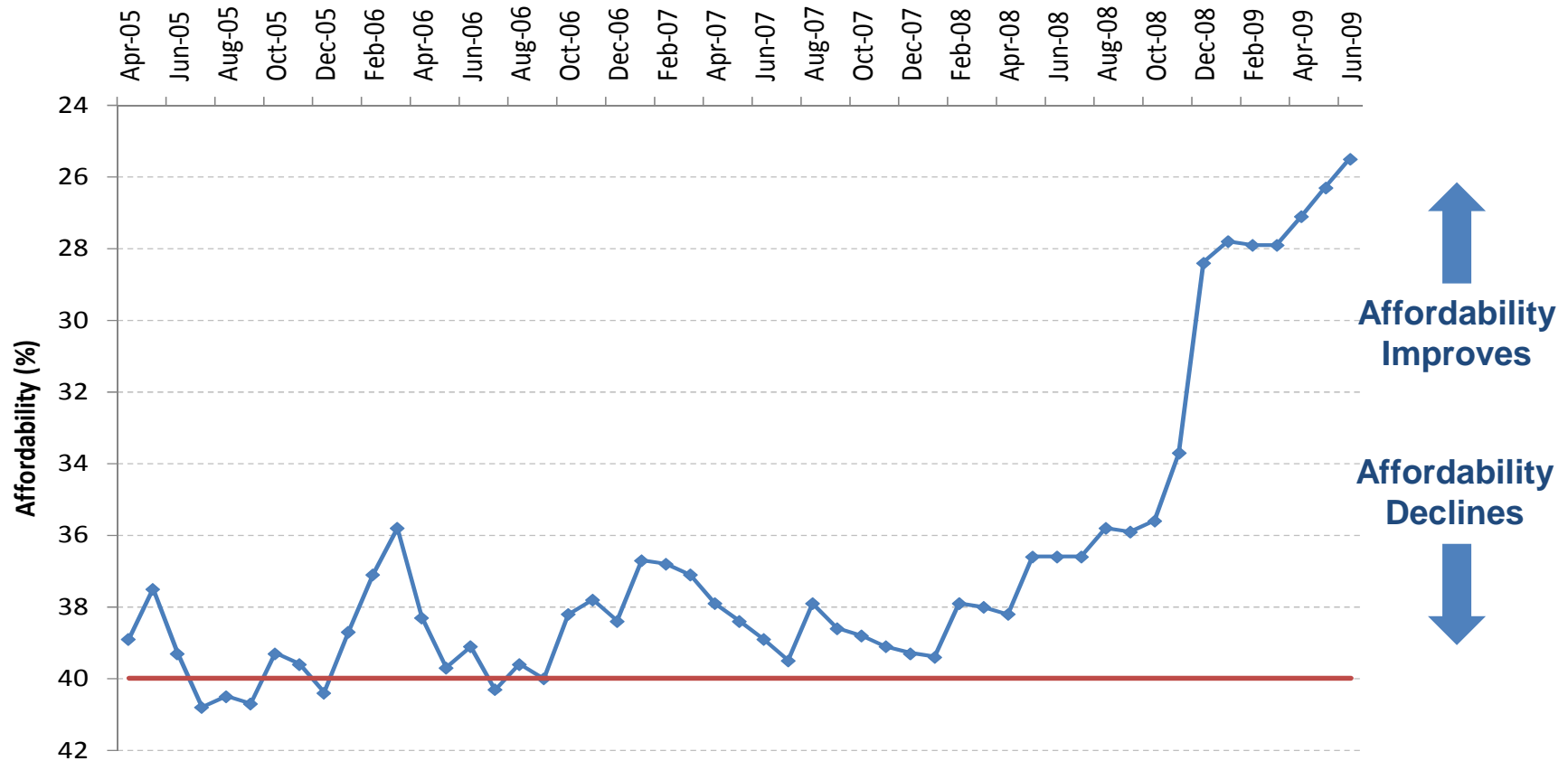
Data includes only normal housing + villa. Excludes all forms of economic, social and relocation housing

Sources: E-house CRIC and CCH Corporate Planning



# Residential Affordability Improved

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

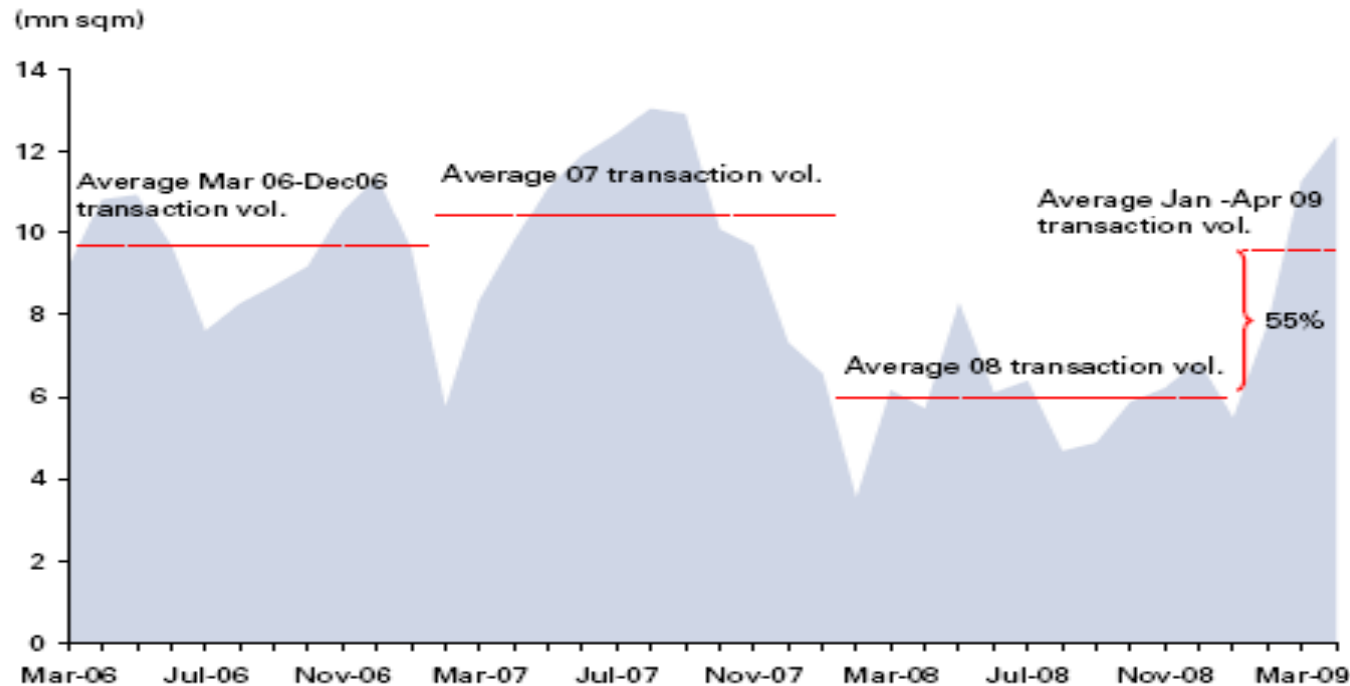


Assumptions: (1) Price data from NDRC based on 70 cities; (2) Loan term of 20 years; (3) Mortgage rate of 5.94%; (4) Loan to value ratio of 0.7; \*Affordability ratio is calculated by dividing monthly mortgage installment by monthly household income, a lower figure denotes better housing affordability



# Fast Recovery of Residential Market

- Marked improvement in sales over 2008
- Nation-wide home sales  45.3% for 1<sup>st</sup> five months to RMB 1.1 trillion

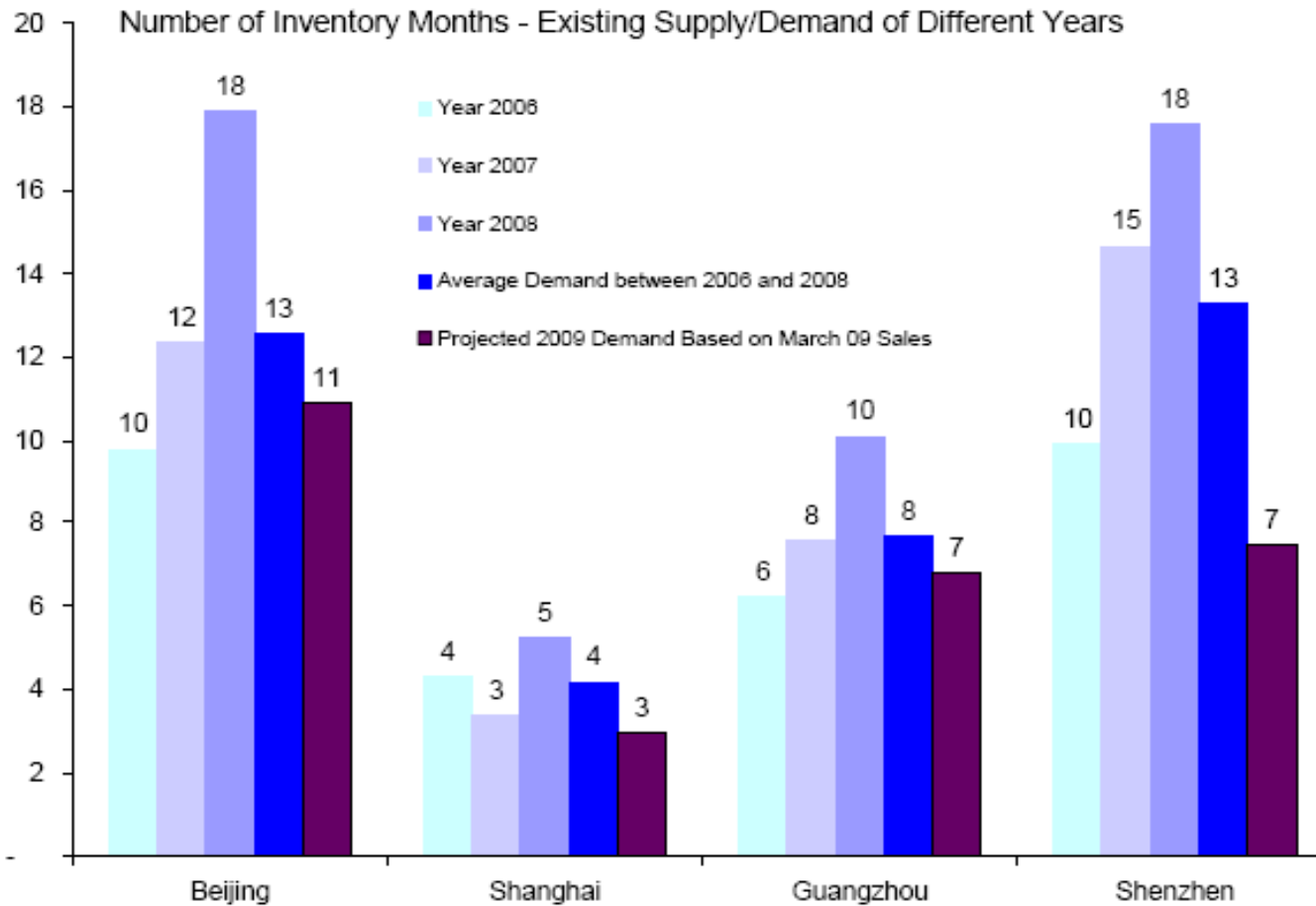


\* Source: China Index Academy

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



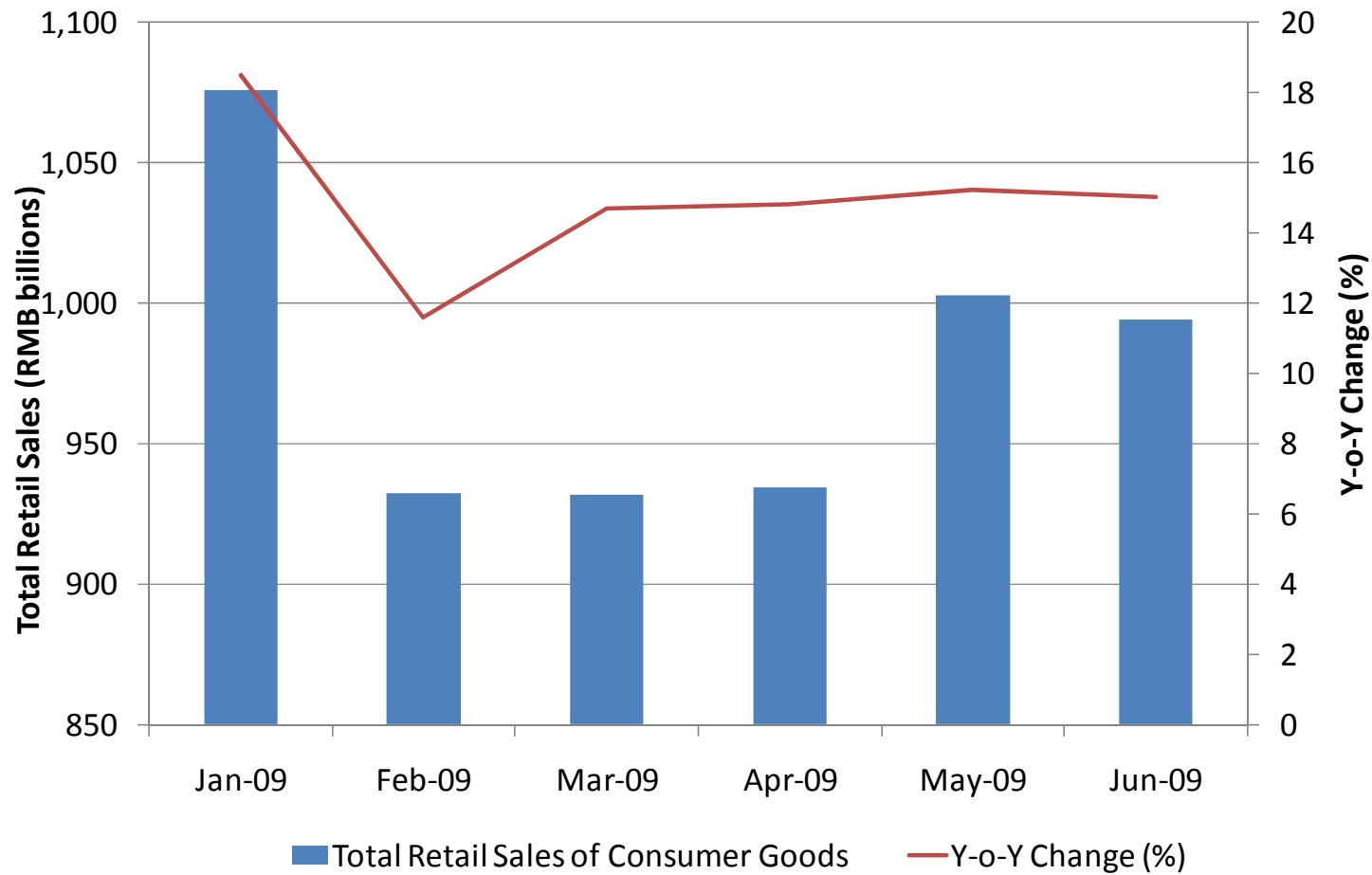
# Residential Inventory Reduced



Source: CEIC, Soufun, Govt. Stat, Morgan Stanley Research



# China Retail Sales Robust

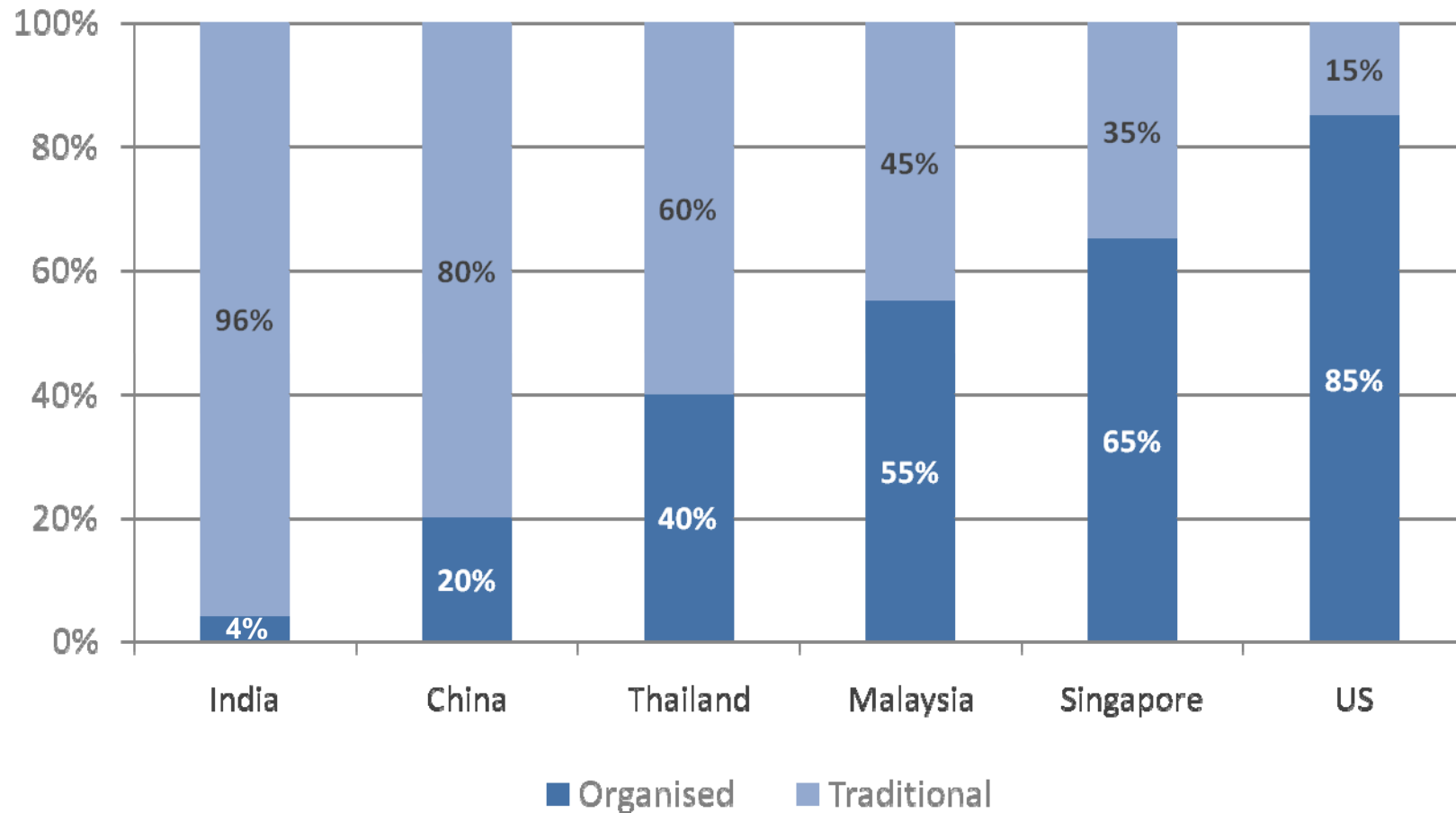


Source: CEIC China Premium & CapitaLand Research





# 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

China business  
to hit ~45%  
(~US\$8 billion)  
of Group's  
Assets

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



# 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  
Competitive-  
ness  
(International  
Recognition)

Magnet for  
Foreign Talents

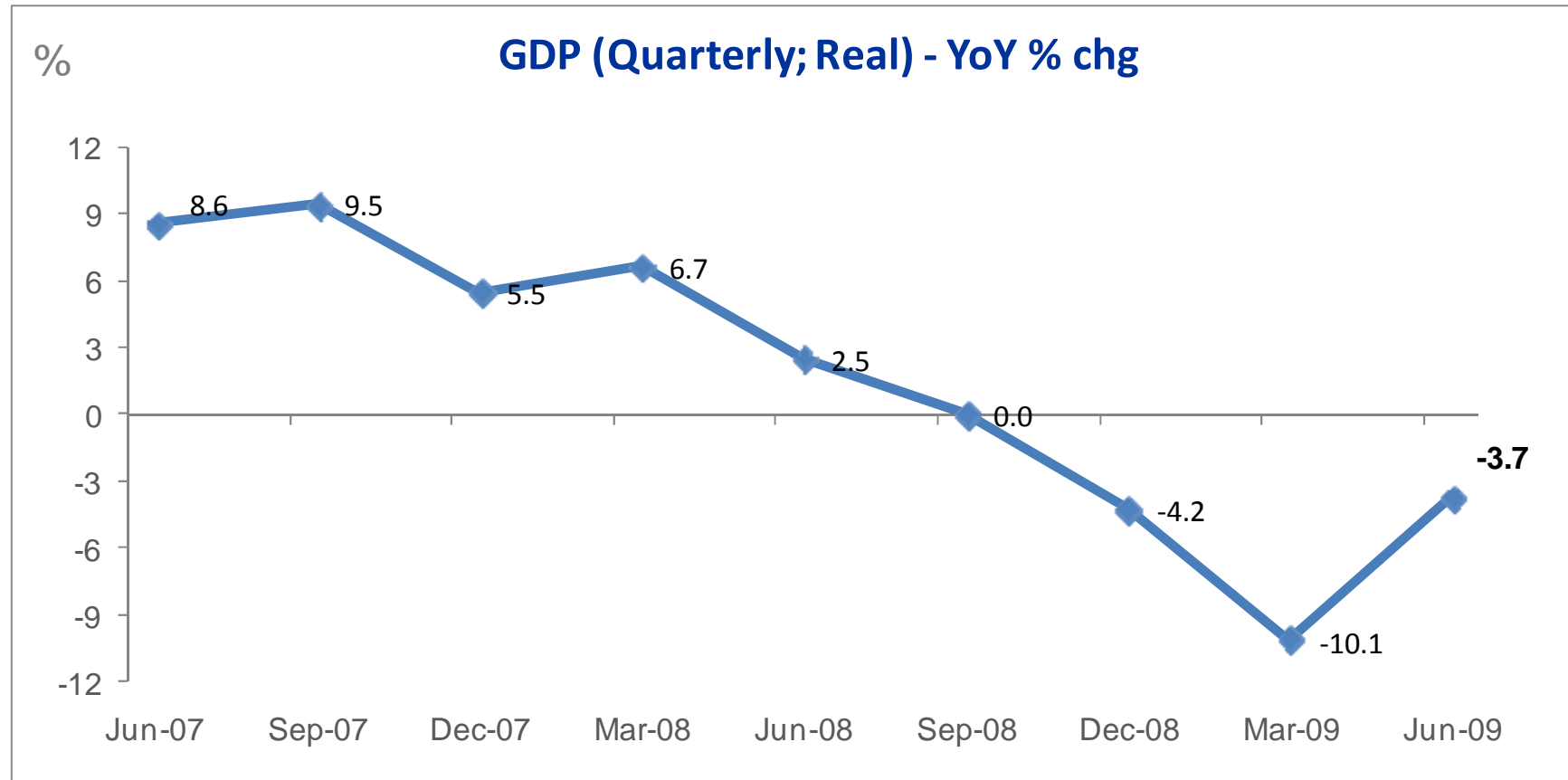
Political  
Competence

Singapore – Safe, Secure, Connected to 192 Cities in the World.  
Best Bet to Do Business!



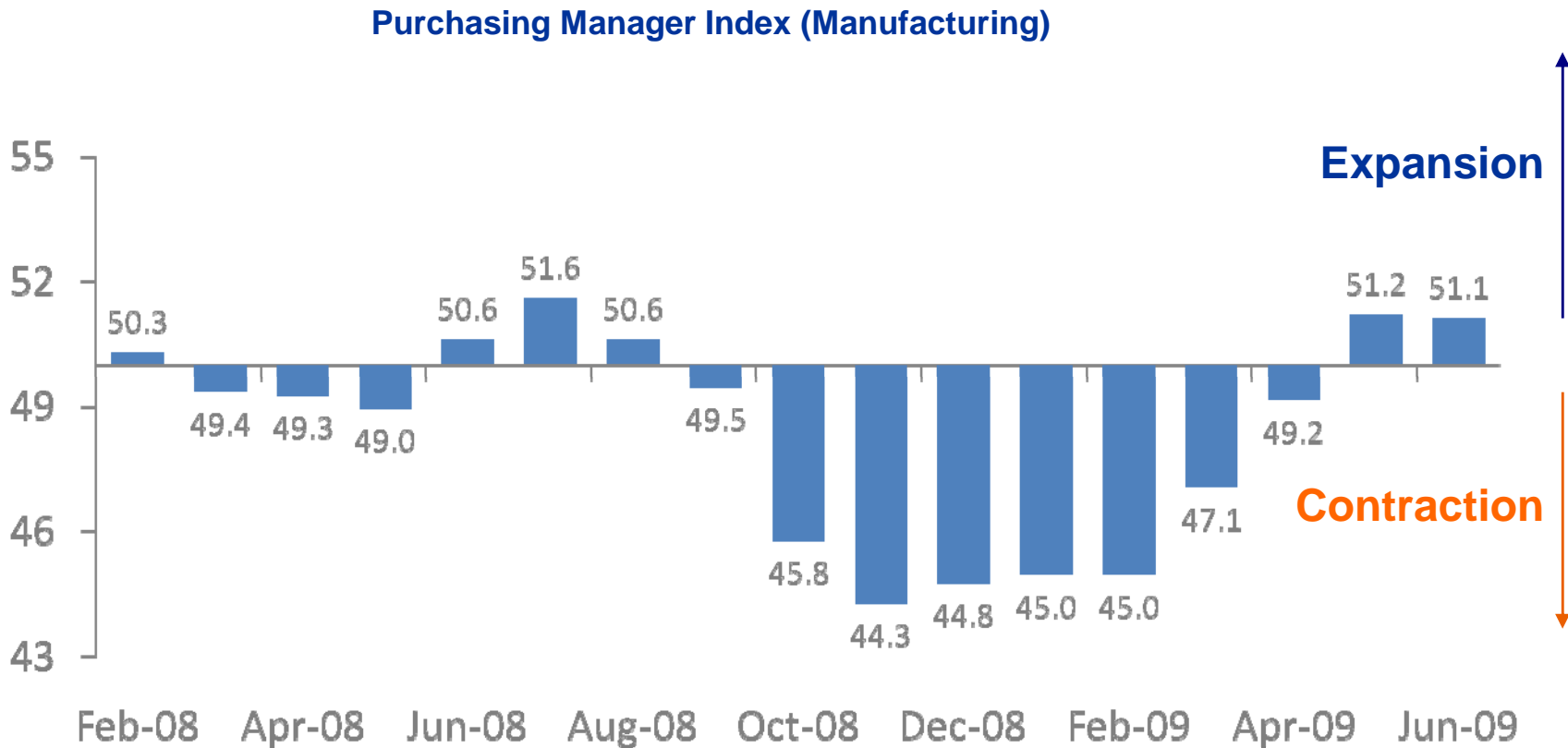


# Singapore's GDP Growth Registered Sharp Improvement





# Singapore's PMI Returned to Expansionary Territory





# Singapore Becoming a Global Hub City

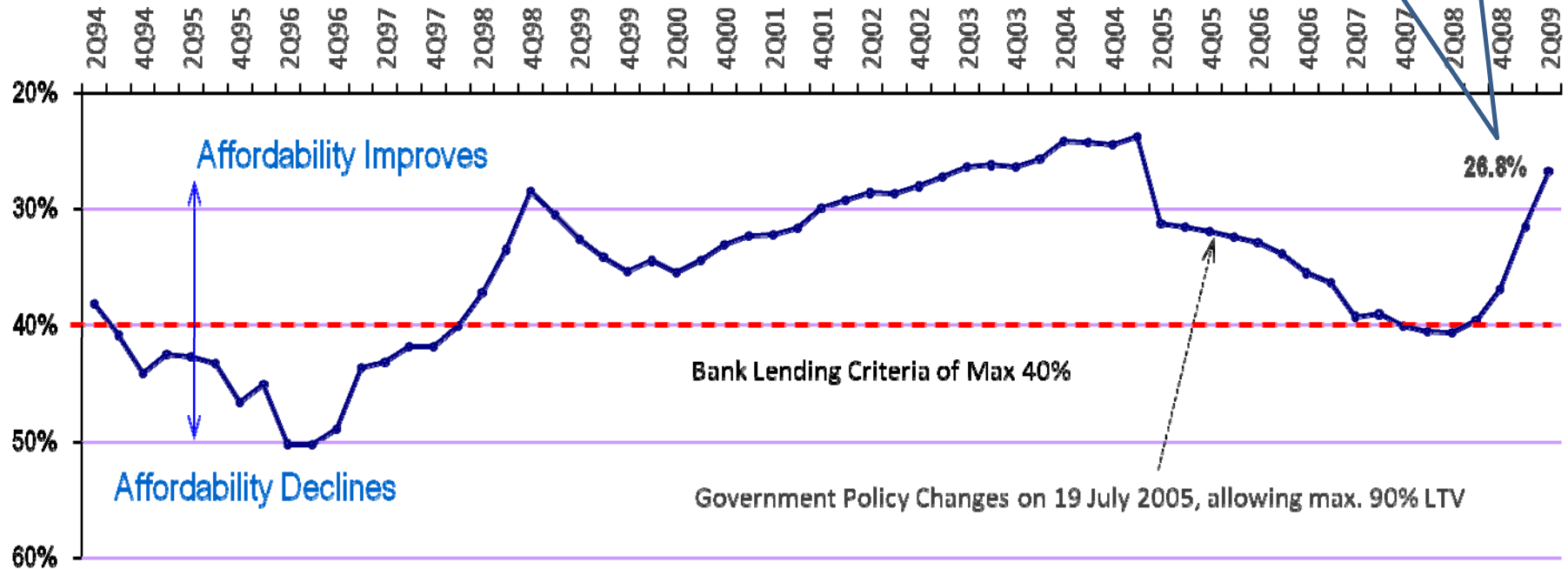
Event/Initiative	Highlights
<b>Two Integrated Resorts</b>	<ul style="list-style-type: none"><li>• 35,000 new jobs</li><li>• Expected completion: 2010</li></ul>
<b>Youth Olympics 2010</b>	<ul style="list-style-type: none"><li>• Promote Singapore as an international destination</li></ul>
<b>"Remaking of Singapore's premier shopping street, Orchard Road"</b>	<ul style="list-style-type: none"><li>• Completion of S\$40m makeover</li><li>• ION Orchard, Orchard Central and 313 Somerset</li></ul>
<b>Education Hub</b>	<ul style="list-style-type: none"><li>• Prestigious institutes eg. INSEAD, Chicago Graduate School etc</li><li>• Target to increase international students from 50,000 to 150,000 by 2012</li></ul>
<b>Medical Hub</b>	<ul style="list-style-type: none"><li>• Targets 1 m foreign patients annually and S\$2.6 bn of value-add and 1% of GDP contribution by 2012</li></ul>
<b>Tourism hotspot</b>	<ul style="list-style-type: none"><li>• Aims to have 17 m visitor arrivals and S\$30 bn tourism receipts by 2015</li></ul>
<b>Asia's Premier Biomedical Sciences Hub</b>	<ul style="list-style-type: none"><li>• Home to growing number of leading biomedical companies including Eli Lilly, Novartis, Merlion and ViaCell</li></ul>
<b>Encouraging Immigration</b>	<ul style="list-style-type: none"><li>• Aim for 6.5 m total population</li></ul>



# Singapore Residential Affordability Improved

Debt Service Ratio

Affordability of Private Homes in Singapore



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

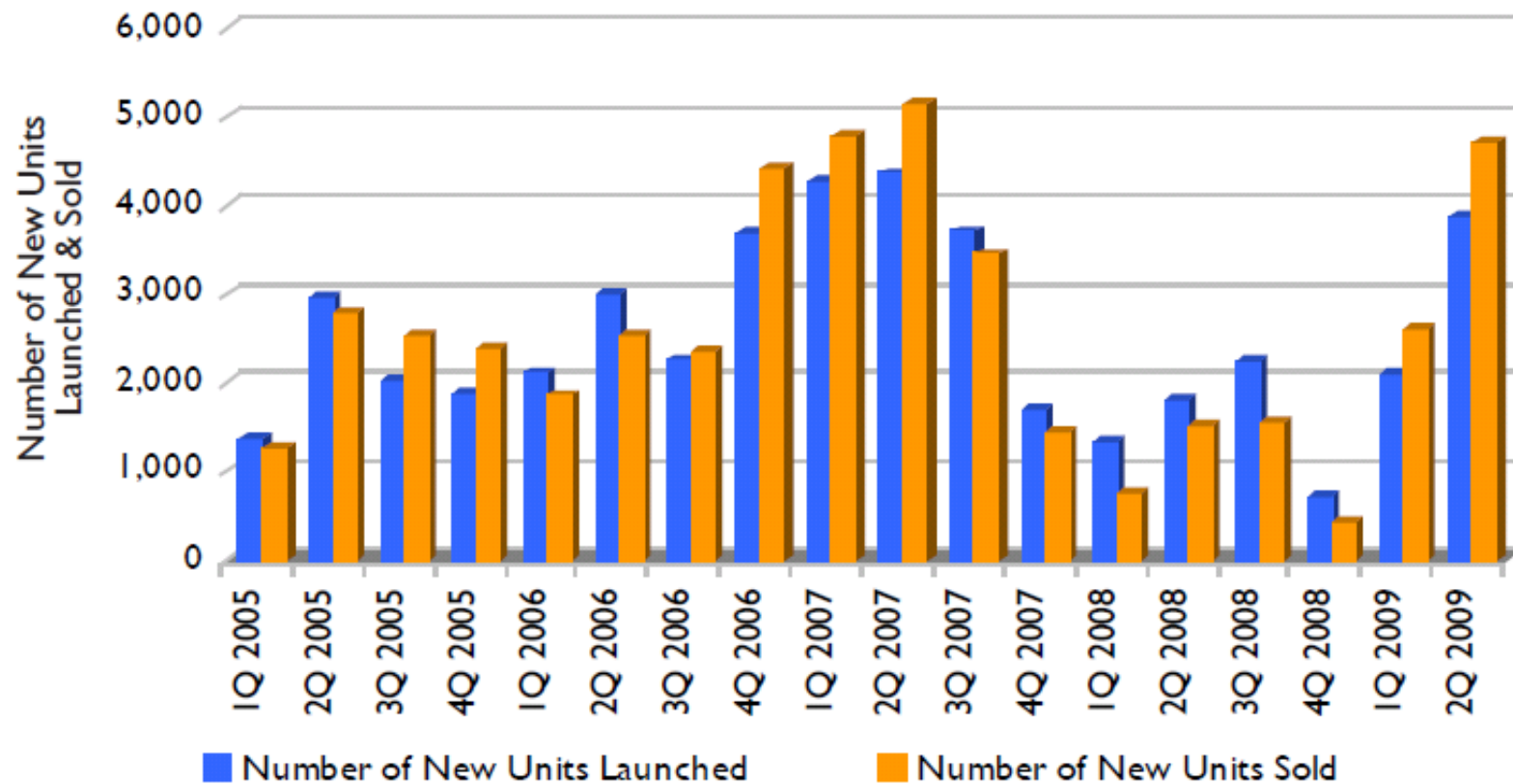
Assumptions: (1) Low-end condominium (75% of median prices); (2) Typical unit size of 110 sqm; (3) Loan term of 25 years; (4) Loan to value ratio of 0.9; (5) Potential buyers are households belonging to the 2nd top decile income group (General Household Survey 2005)

\*Debt services ratio is calculated by dividing monthly mortgage installment by monthly household income, a lower figure denotes better housing affordability



# 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 Residential Singapore (CRS)

## Singapore Impending Launches

- **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 the former Gillman Heights Condominium site



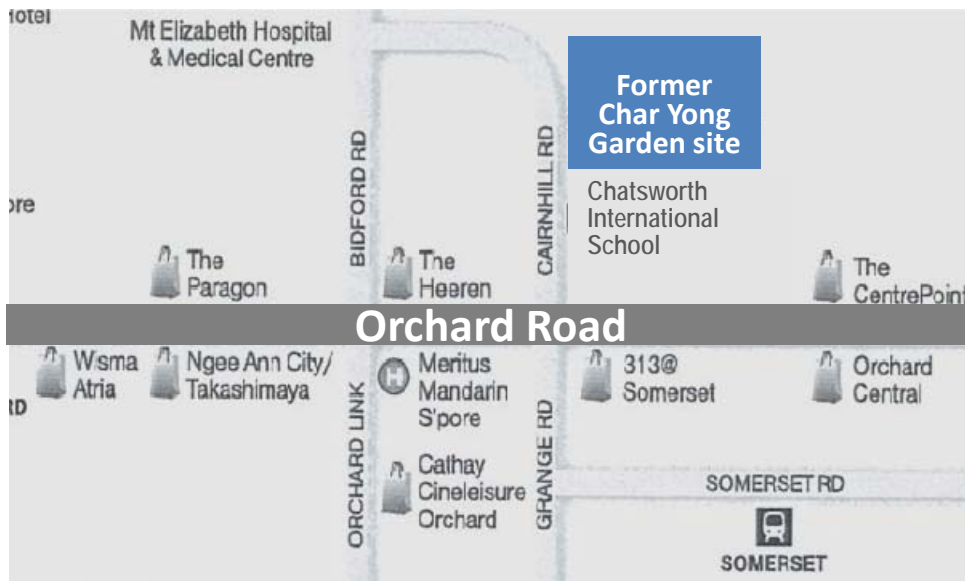
CapitaLand Residential Singapore (CRS)

# Singapore Impending Launches

- **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



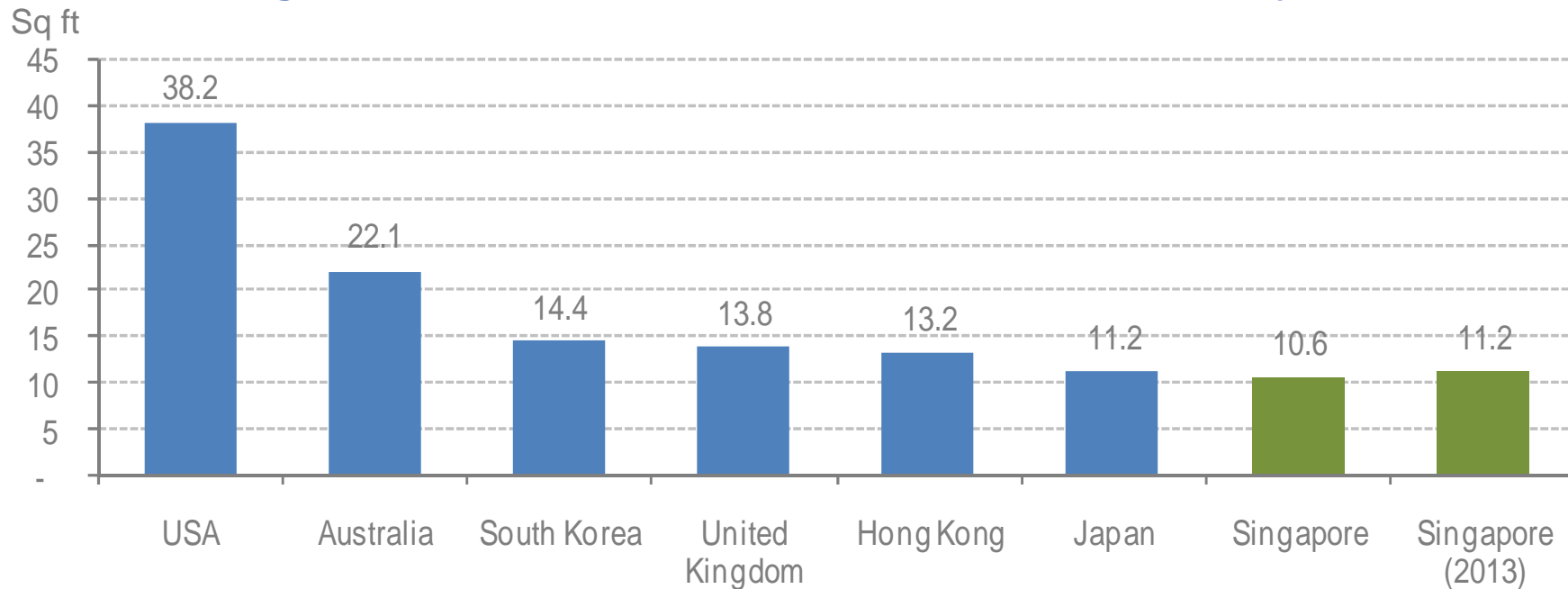
Proposed development at the former Char Yong Gardens site





# Singapore Retail Resilience

## 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 – The Next China – Following Footsteps.  
Competitive and Ambitious Young Population



# 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

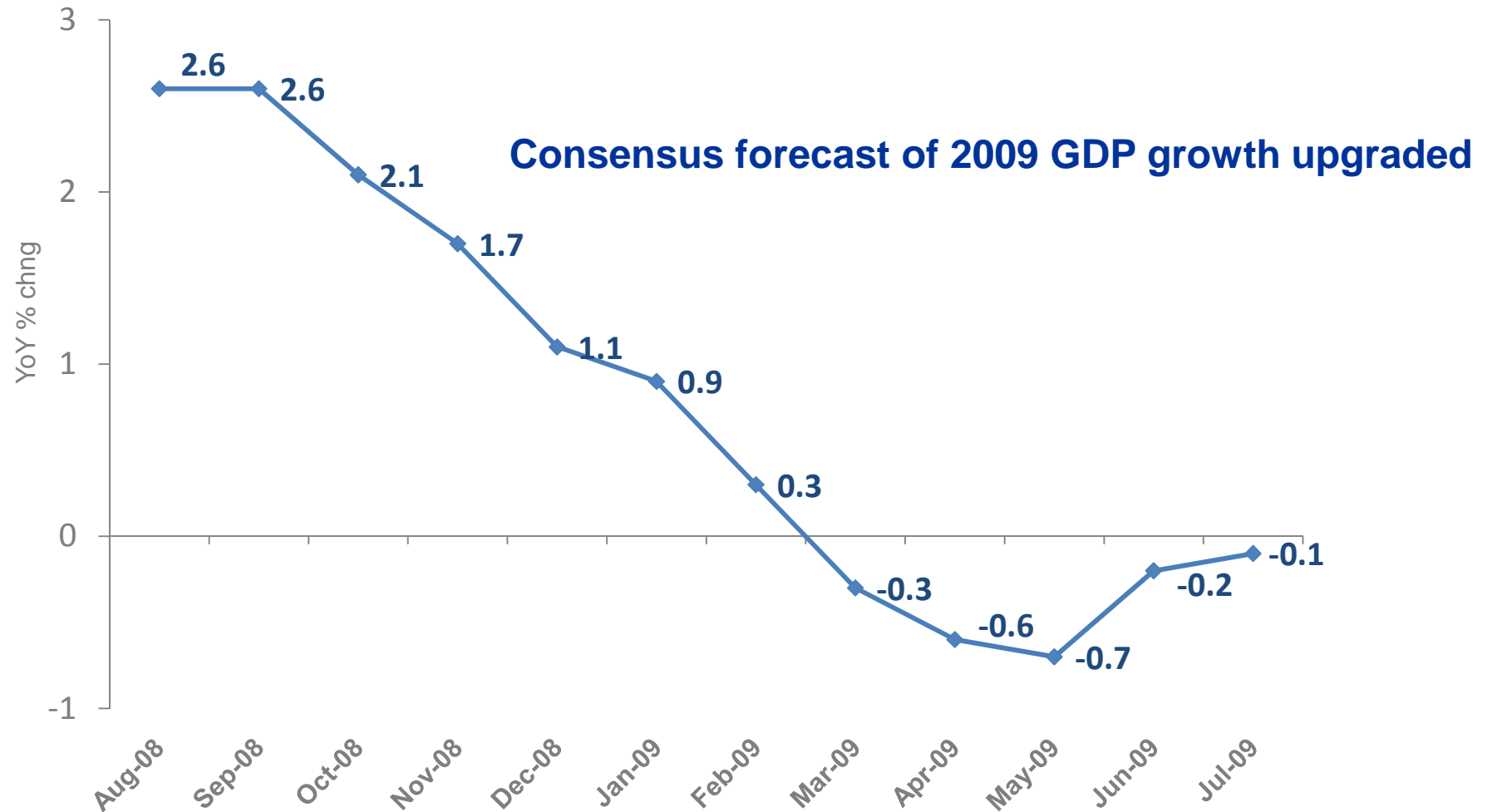
Affordable  
Housing &  
Inhibited  
Supply

Political  
Stability

Australia – Best OECD Performer  
& Plugged into Asia's Resilience



# Australia – Economy Improving

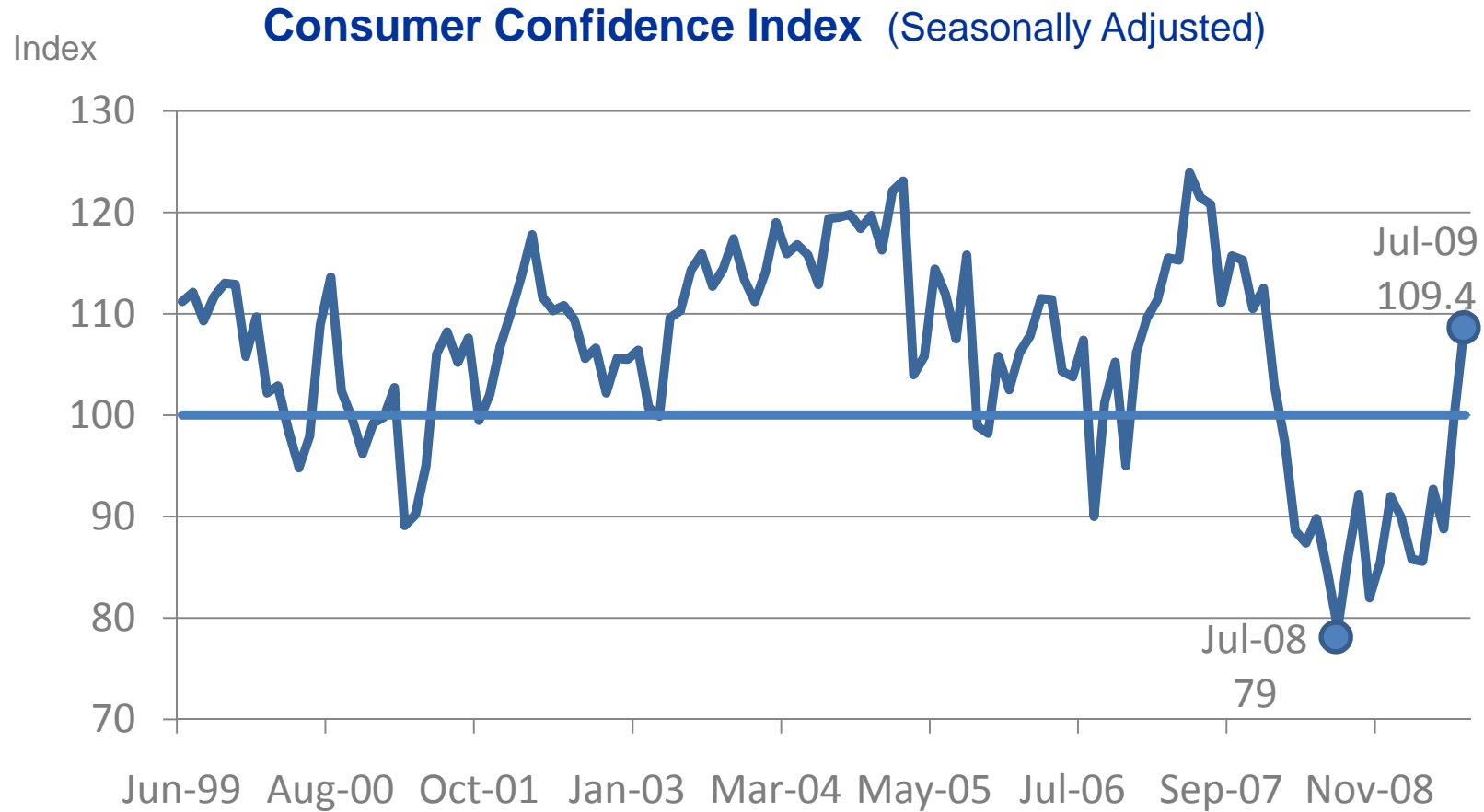


Source: Consensus forecast



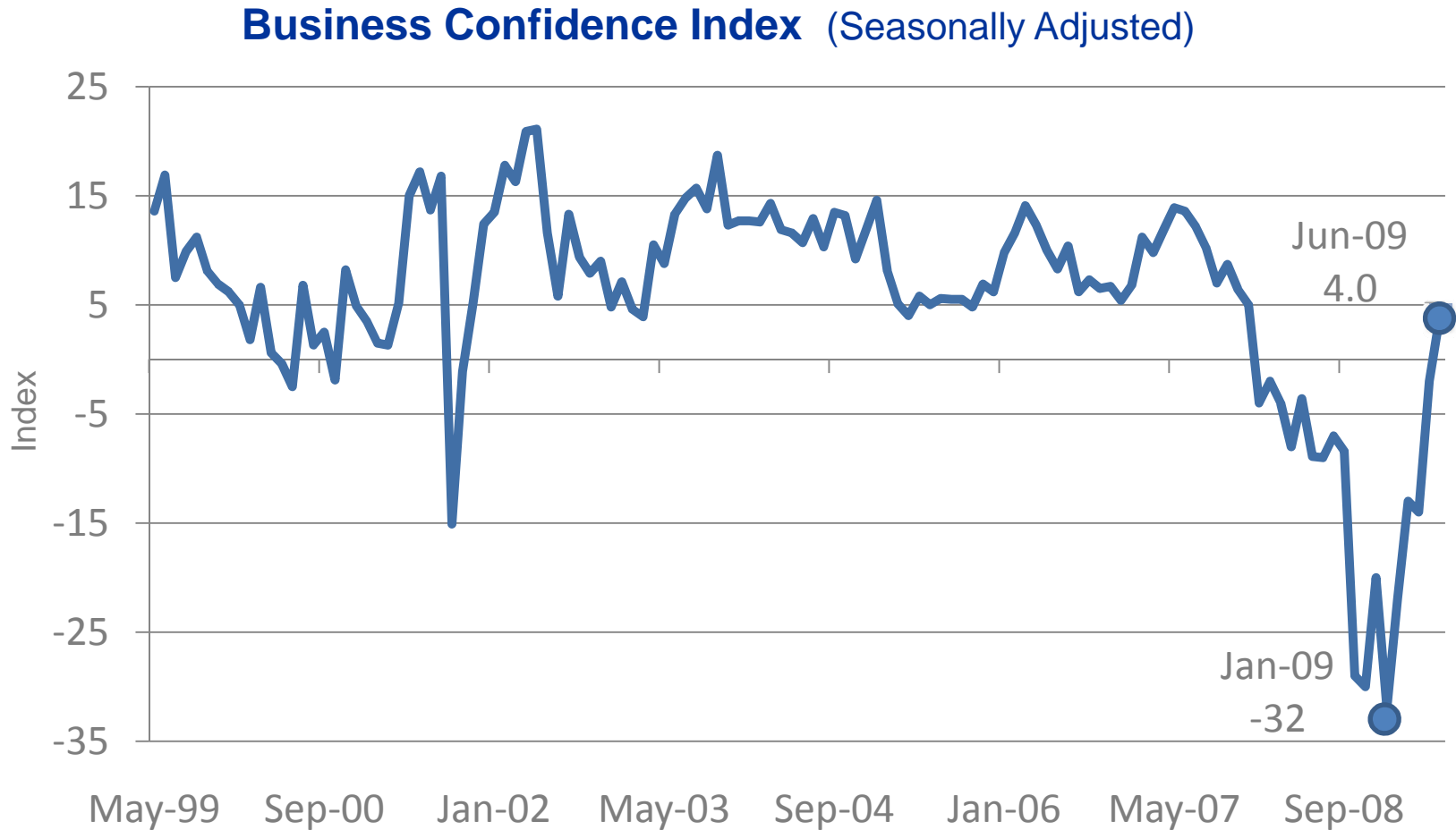


# Australia - Consumer Confidence Rebounded Sharply



Source: Westpac-Melbourne Institute

# Australia - Business Confidence Also Rebounded



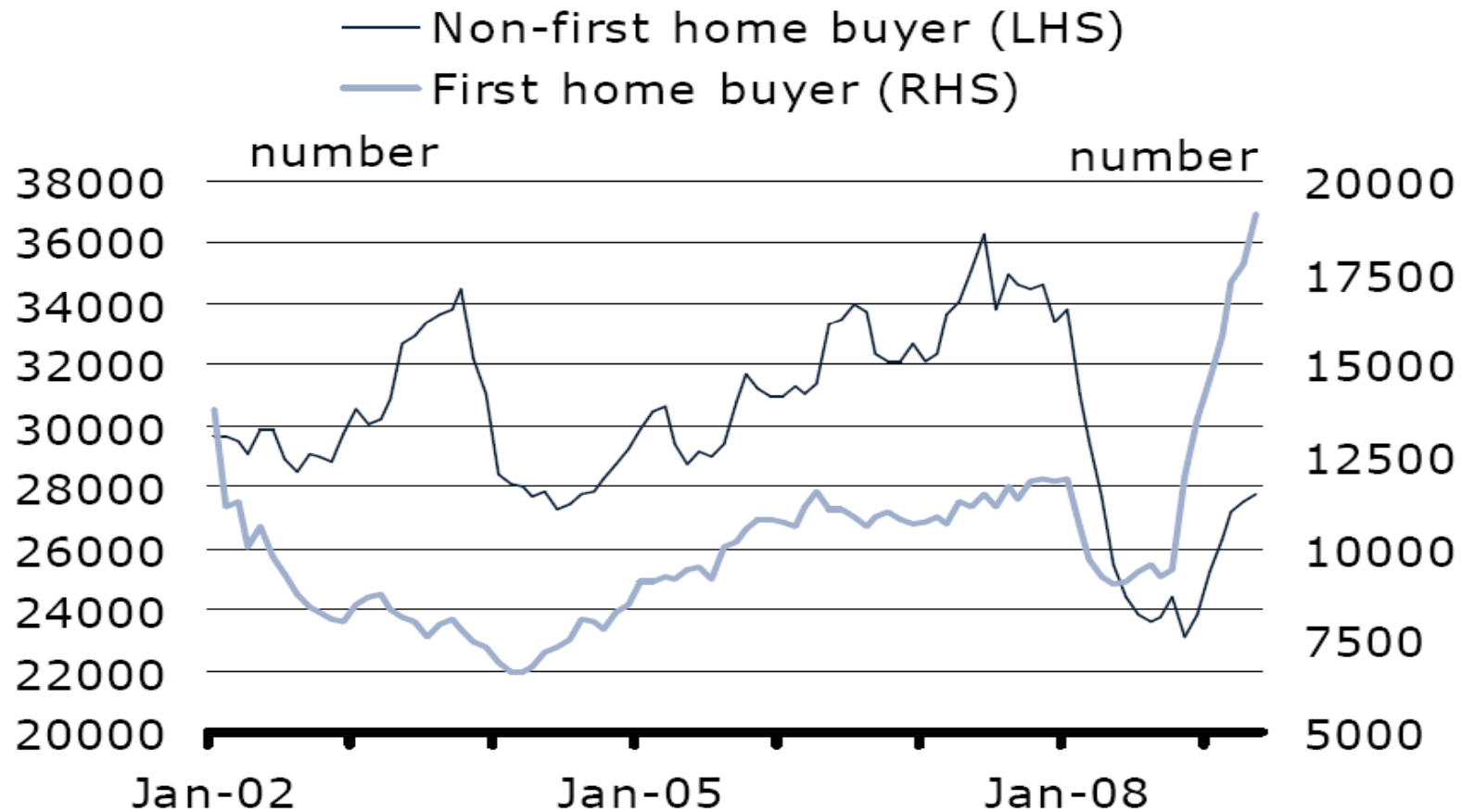
Source: National Australia Bank



# 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

# AUSTRALAND - Raising Equity of A\$475 million<sup>1</sup>

## 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**

MEASURES	COVENANT	PRO FORMA JUNE 2009
Security Holders Funds	>\$1 billion	\$2.3 billion
Interest Cover Ratio (cash basis)	>2.0 x	>3.0 x
Covenant Gearing <sup>2</sup>	<55%	35.4%
LVR	<1	0.4

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

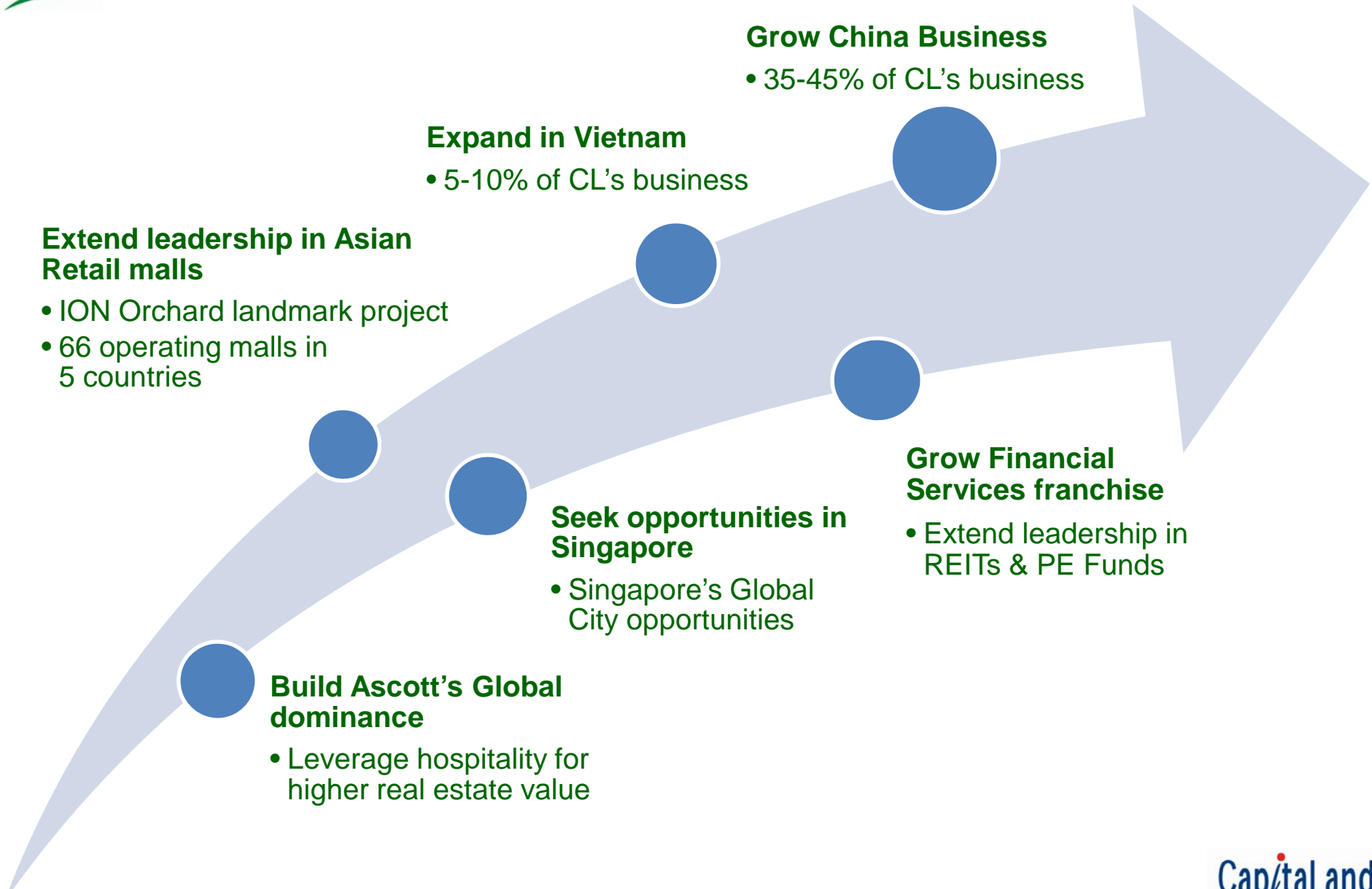
<sup>2</sup> Total Liabilities / Total Tangible Assets, cash adjusted

# Next Phase of Growth





# Positioning for Next Phase of Growth



# CSR





# 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**

# Contributing to Societies / Communities

*Caring for Needy Children in Health, Education and Homes*

## 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

