



# CapitaLand Limited Annual General Meeting “Resilience”

18 April 2016

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

- **2015 Highlights**
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# CapitaLand Share Price Outperformed The STI In 2015

**CAPL: +1.21%**

**STI: -14.31%**



Source: Bloomberg. Based on daily closing prices, from 1 January to 31 December 2015.



# Strong Earnings From Operations

## Revenue

**\$S\$4,761.9**  
million

▲ 21% YoY

## Total PATMI

**\$S\$1,065.7**  
million

▼ 8% YoY

## Total Operating PATMI<sup>1</sup>

**\$S\$823.6**  
million

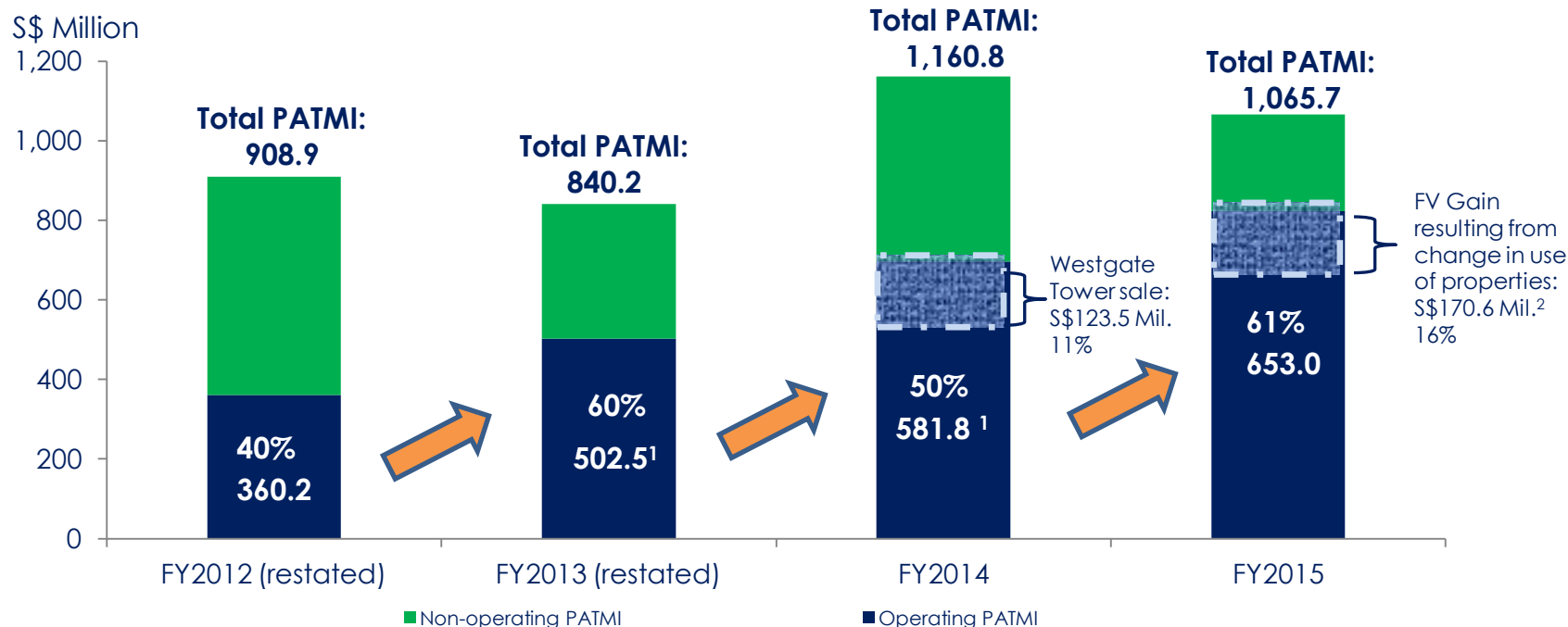
▲ 17% YoY

Note:

(1) Includes fair value gain of \$S\$170.6 million arising from change in use of 3 development projects in China, The Paragon Tower 5 & 6 (\$S\$110.3 million), Raffles City Changning Tower 3 (\$S\$15.6 million) and Ascott Heng Shan (\$S\$44.7 million) from construction for sale to leasing as investment properties.



# Steady Growth In Operating PATMI



**Operating PATMI Increased Steadily For The Past 4 Years;  
Maintain At Least 2/3 Of Total PATMI As Operating PATMI**

Note:

1. Total operating PATMI inclusive of S\$16.3 million operating PATMI from discontinued operation (FY2013 restated: S\$108.7 million)
2. Operating PATMI Inclusive of fair value gain of S\$170.6 million arising from change in use of 3 development projects in China



# Robust & Well-Positioned To Grow

Net Debt/Equity

**0.48** times

Net Debt/Total Assets<sup>2</sup>

**0.28** times

Interest Cover Ratio<sup>1</sup>

**6.1** times

Interest Service Ratio<sup>1</sup>

**6.7** times

Cash

**\$4.2** billion

% Fixed Rate Debt

**70** per cent

Note:

- (1) Interest Coverage Ratio = EBITDA / Net Interest Expense; Interest Service Ratio = Operating Cashflow / Net Interest Paid.  
EBITDA includes revaluation gain
- (2) Total assets excludes cash



# Delivering Long-Term Sustainable Returns

**Return on  
Equity**

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**6.1%**

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**7.1% in 2014**

**Dividend<sup>1</sup>  
per Share**

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**9.0 cents**

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**9.0 cents in 2014**

**Payout ratio of ~36%<sup>2</sup>**

**Net Tangible  
Assets per Share**

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**\$S\$4.11**

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**\$S\$3.83 in 2014**

Note:

(1) Proposed dividend subject to final shareholders' approval at the Annual General Meeting

(2) Based on total FY2015 PATMI





# Proposed First & Final Core Dividend Of 9 Singapore Cents

Dividend Period		1 January 2015 – 31 December 2015
First & Final Core Dividend		9 Singapore Cents per share
Type of Dividend		Cash
Record Date <sup>1</sup>		5:00pm, 27 April 2016
Book Closure Date		28 April 2016
Dividend Payment Date		9 May 2016

Note:

(1) Last day of trading on "cum" basis is 22 April 2016.

A low-angle photograph of the Capital Tower in Singapore, showing its distinctive stepped design and glass facade against a dramatic, cloudy sky. The tower is the central focus on the left side of the frame.

# Review Of 2015

Capital Tower, Singapore



# ① Increased In Scale Across Diversified Asset Classes



Group Managed Real Estate Assets

**\$S\$76.8 Billion**

Revenue Under Management

**\$S\$8.2 Billion** of which  
*Rental RUM is \$S\$4.3 Billion*

Total Home Units Constructed (Since 2000)

**>72,880**

Office Tenants In Singapore And China

**>1,330**

Gross Turnover Sales Of Retailers

**\$S\$10.9 Billion**

Shopper Traffic Across 5 Countries

**~1.0 Billion**

Retail Leases Across 5 Countries

**~15,000**

Unique Serviced Residence Customers

**~900,000**

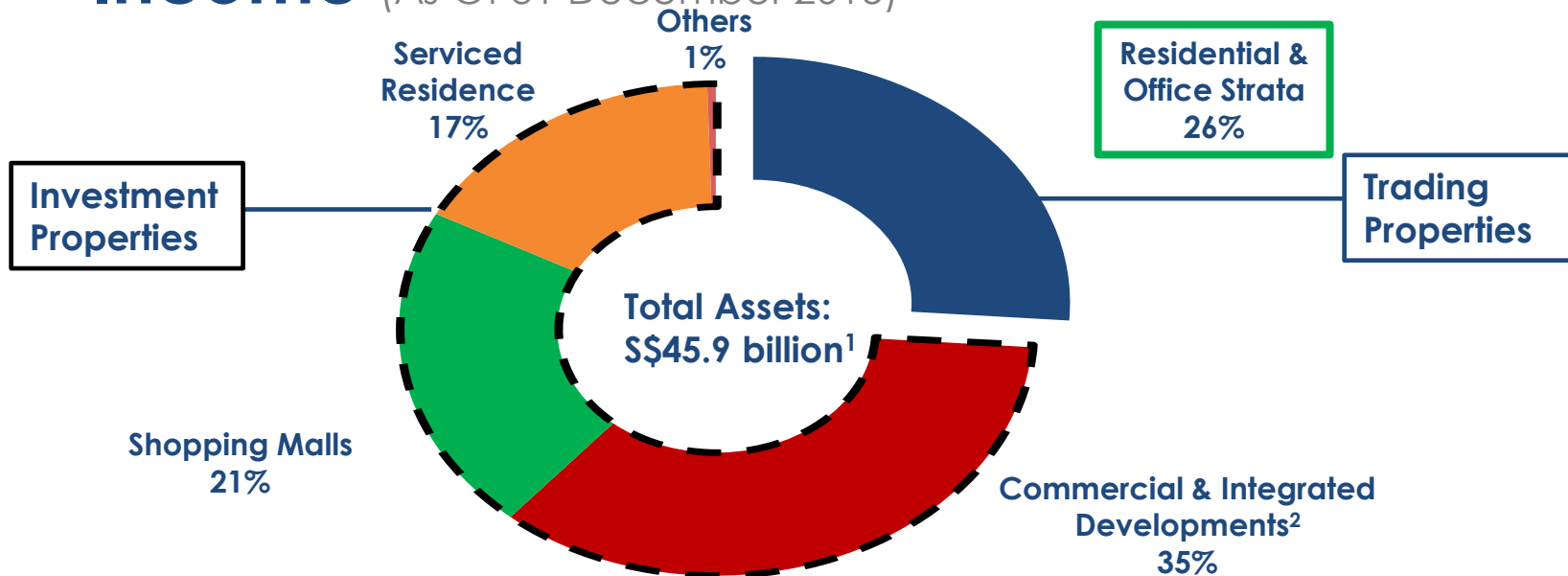
Note:

1. Numbers stated as of FY2015 numbers unless otherwise stated



## ② Resilient Business Model – Strong Recurring Income

(As Of 31 December 2015)



**Majority Or ~74% Of Total Assets Contribute To Recurring Income;  
~26% Of Total Assets Contribute To Trading Income**

Note:

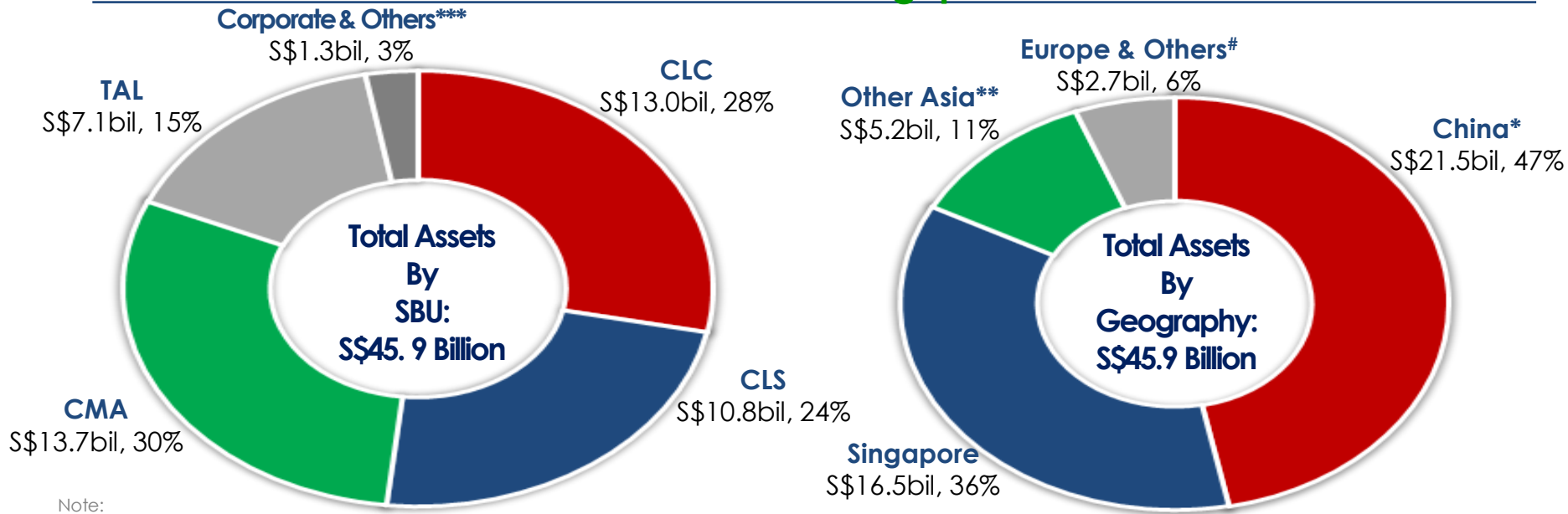
1. Refers to total assets, excluding treasury cash held by CL and its treasury vehicles

2. Excludes residential component



# ③ Continue To Deepen Presence In Core Markets, While Building A Pan-Asia Portfolio

- **Total RE AUM Of S\$76.8 Billion<sup>1</sup> And Total Assets Of S\$45.9 Billion<sup>2</sup> As Of Dec 2015**
- **83% Of Total Assets Are In Core Markets Of Singapore & China**



Note:

1. Refers to the total value of all real estate managed by CL Group entities stated at 100% of property carrying value

2. Defined as total assets owned by CL Group at book value and excludes treasury cash held by CL and its treasury vehicles

\* China includes Hong Kong

\*\* Excludes Singapore and China. Includes projects in GCC

\*\*\* Includes StorHub and other businesses in Vietnam, Indonesia, Japan and GCC

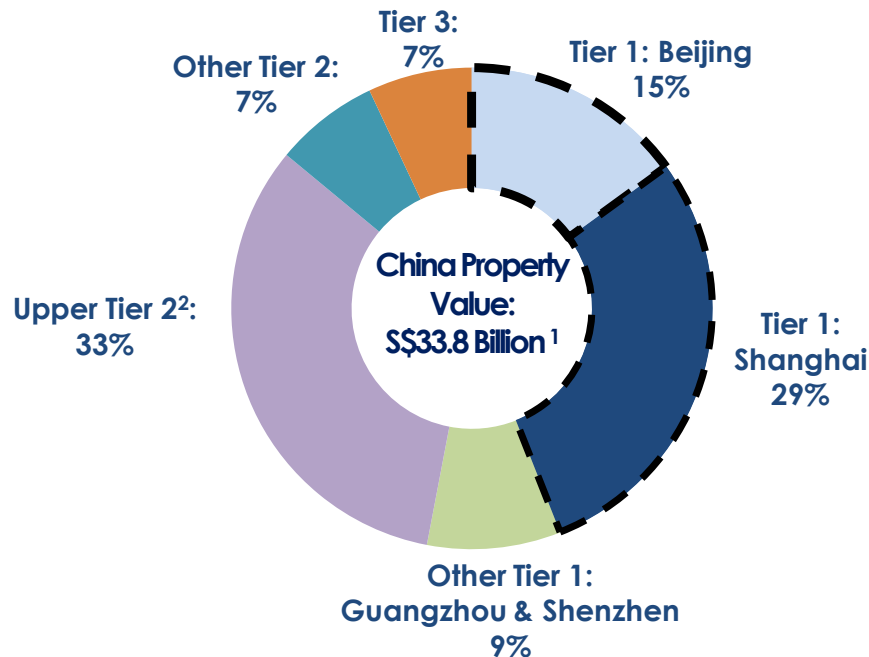
# Includes Australia and USA

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### ③ In China: Remain Focused On Tier 1 & Tier 2 Cities

**Tier 1 & Tier 2 Cities Make Up ~93% Of China's Property Value**



Note:

- 1 As of 31 December 2015. On a 100% basis. Includes assets held by CapitaLand China, CapitaLand Mall Asia and Ascott in China (both operational and non-operational). Excludes properties that are under management contract. Excludes properties in Hong Kong.
- 2 Upper Tier 2 cities include Chengdu, Chongqing, Hangzhou, Shenyang, Suzhou Tianjin, Wuhan and Xi'an
- 3 Tiering of cities are based on JLL report

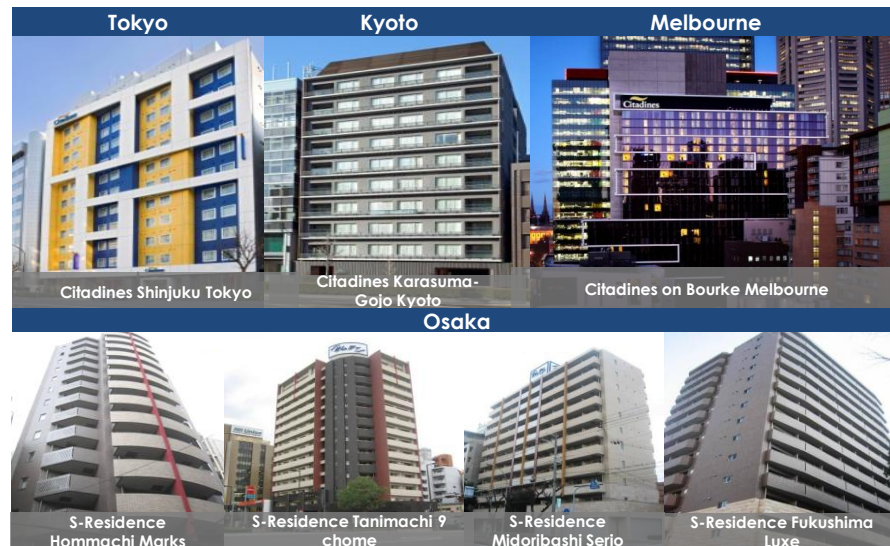


# 4 Capital Recycling Through REITs

## Divestment Of Bedok Mall To CapitaLand Mall Trust (CMT)



## Divestment Of SRs & Rental Housing Properties To Ascott Residence REIT (Ascott REIT)



## Active Capital Recycling Keeps Balance Sheet Robust

Note:

1. Based on agreed value of Bedok Mall of S\$780 million (inclusive of fixed assets) and other net assets of Brilliance Mall Trust of about S\$3.1 million
2. As recorded at asset level since inception
3. Due to partial payment of purchase consideration of Bedok Mall using CMT units
4. Announced on 25 June 2015. Agreed property value

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## 5 Setting Up New Funds: Ascott-QIA US\$600 Million JV



- Ascott's largest private equity fund and a 50:50 joint venture with QIA
- Maiden acquisition of two prime properties in Paris and Tokyo for a total of US\$137million (\$\$191million)

**Aim To Form Another 5 Funds Worth ~S\$8 to ~S\$10 Billion By 2020**



# 6 Active Portfolio Reconstitution

**Reconstitution Of  
Japan's Mall Portfolio**



Vivit Minami Funabashi (Vivit)

**Divestment Of 30% Stake In  
Entity Holding PWC Building**



PWC Building

**Divestment Of Rivervale  
Mall By CMT**



Rivervale Mall

# 7 Active Asset Management To Improve Portfolio

- Redevelop Funan into an integrated development to be an aspirational lifestyle destination
- Mall expected to close in 3Q 2016 for redevelopment works spanning 3 years





## 8 Leveraging Technology Across All Asset Classes

CapitaLand  
Singapore



CapitaLand  
China




CapitaLand  
Mall Asia



The Ascott  
Limited







# **Business Highlights** **- Residential**

ION Orchard, Singapore

# Continue To De-Risk Residential Portfolio In SG

- Low exposure – inventory stock represents ~6.8% of the Group's total assets<sup>1</sup>
- Total sales value of S\$559 million (244 units) in 2015
- Achieved total sales of 222 units worth S\$506 million in 1Q 2016



**The Interlace (World Building of the Year, World Architecture Festival)**



**Sky Vue (2<sup>nd</sup> top selling in Nov & Dec 2015)**

Note:

1. Refers to total assets owned by CapitaLand Group at book value and excludes treasury cash held by CapitaLand and its treasury vehicles.





# Strong Response To Cairnhill Nine

- Best-selling Singapore private residential project in March 2016
- Sold 193 units out of 268 units as at 14 April 2016



Cairnhill Nine



# Achieved Record Breaking China Residential Sales

- Total sales value of RMB 15.4 billion (9,402 units) in 2015
- ~ 77% of launched units sold as at 31 December 2015
- Achieved total sales of 3,377 units worth RMB 4.5 billion in 1Q 2016





Residential

# Steady Pipeline For China In 2016

> 7,300 Launched Ready Units





Residential



# Strong Sales Momentum In Vietnam

- Total sales value of over S\$226 million (1,321 units) in 2015
- Launched units substantially sold
- New acquisitions in 2015 to provide additional pipeline of ~1,350 units for sale
- Achieved total sales of 240 units worth S\$36 million in 1Q 2016





# Business Highlights - Commercial Properties & Integrated Developments

Raffles City Beijing, China

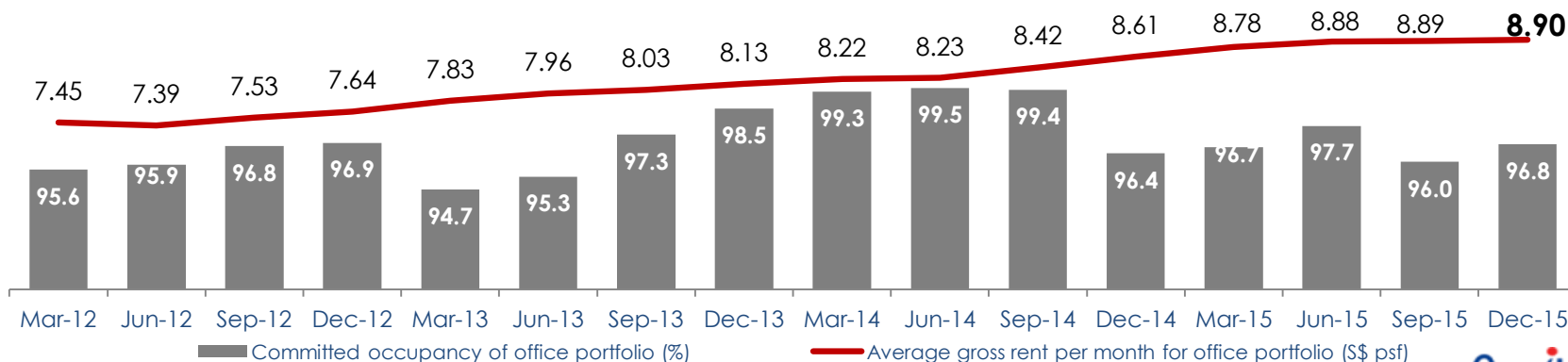
# Singapore Office Portfolio Remains Stable

## CCT's Portfolio Occupancy Above Market Occupancy

CCT's Portfolio Occupancy  
**97.1%**

CCT's Grade A Offices Occupancy  
**95.8%**

## CCT's Portfolio Monthly Average Office Rent Up By 3.4% Y-O-Y<sup>(1)</sup>



Note:

1. Average rent per month for office portfolio (\$/psf) =  $\frac{\text{Total committed gross rent for office per month}}{\text{Committed area of office per month}}$

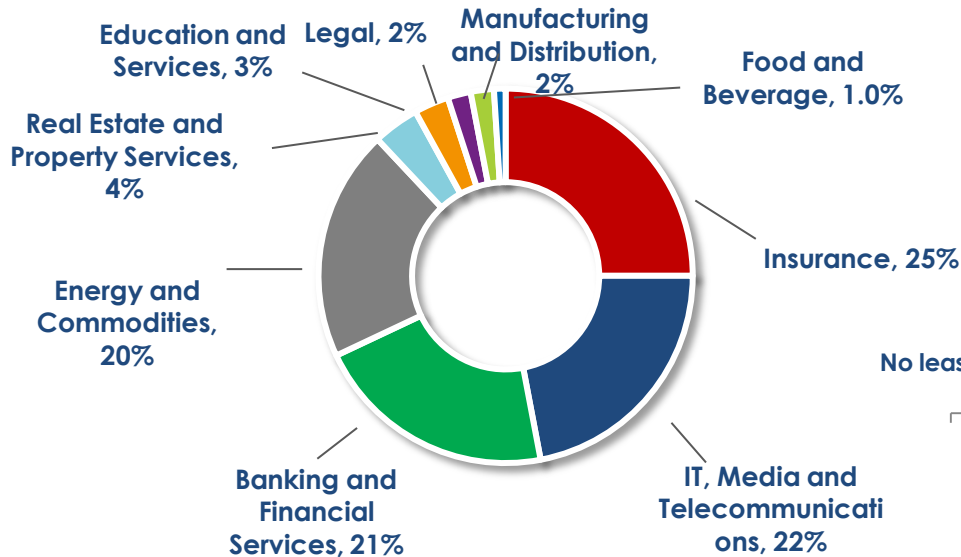




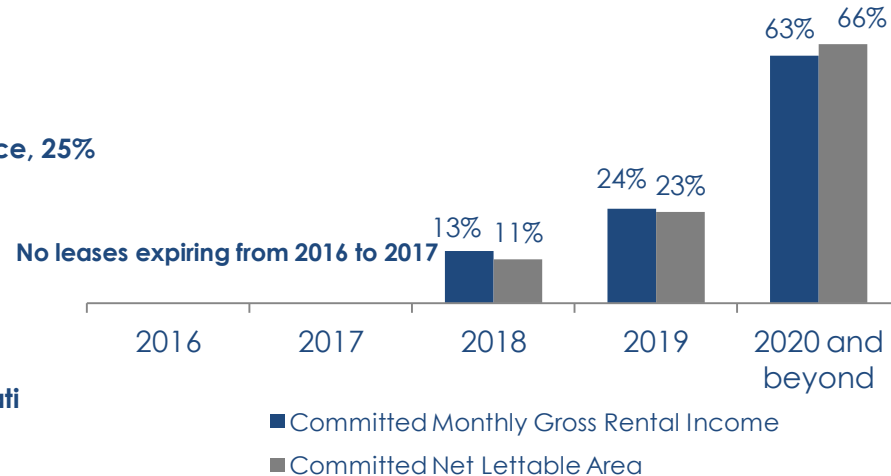
# CapitaGreen – 92.8% Committed As At 31 March 2016

**Committed Tenants Largely On Longer Term Leases, 88% Are From Insurance, IT, Energy and Commodities, And Banking & Financial Sectors**

**Tenant Trade Mix<sup>(1)</sup> For CapitaGreen**



**Lease Expiry Profile For CapitaGreen**



Note:

(1) Based on net lettable area of leases committed at CapitaGreen



# Raffles City – Singapore & China (Operational)

- Singapore Continues To Deliver Stable Returns
- Strong Committed Occupancies For China Operational Assets





# On-Track For Upcoming Raffles City Projects



## Raffles City Changning

Office Tower 3 : Operational  
Office Tower 2 : 1H 2016  
Retail and Office Tower 1 : 2017



## Raffles City Hangzhou

Office : 2016  
Retail: 2017  
Hotel and Serviced  
Residence : 2018



## Raffles City Shenzhen

Office, Retail and Serviced  
Residence : 2017



## Raffles City Chongqing

Office, Retail and  
Serviced Residence : 2018  
Hotel: 2019

2015

2016

2017

2018

Note:

1. Refers to the expected year of opening of the first component in the particular Raffles City development





# Raffles City Changning – Office Tower 3 Commenced Operations

- Office Tower 3 Leasing Achieved 97% Committed Occupancy as at 1Q 2016
- Office Tower 2 Construction Completed. Leasing Achieved 34% Committed Occupancy as at 1Q 2016



Overall Construction  
On Track



Office Tower 2 - Construction  
Completed



Office Tower 3 – Commenced Operations



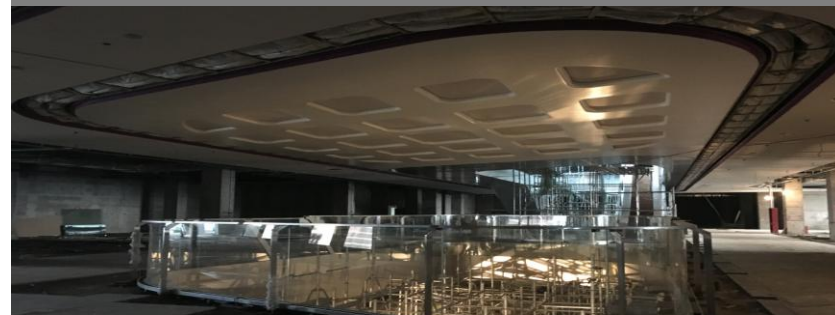


# Raffles City Hangzhou

- Target To Commence Operations In Phases From End 2016
- Sales Of Office Tower 1 And Sky Habitat (RCH) In Progress



- Sky Habitat Achieved Sales Rate Of 25% Or Sales Value Of RMB 229 Million In 1Q 2016



Mall Interior Works In Progress

\*Sales rate computed based on options issued as of 31 Dec 2015

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# Raffles City Shenzhen

## Structurally Completed For All Components



Leasing Show Suite Completed



Structural Completion For All Components

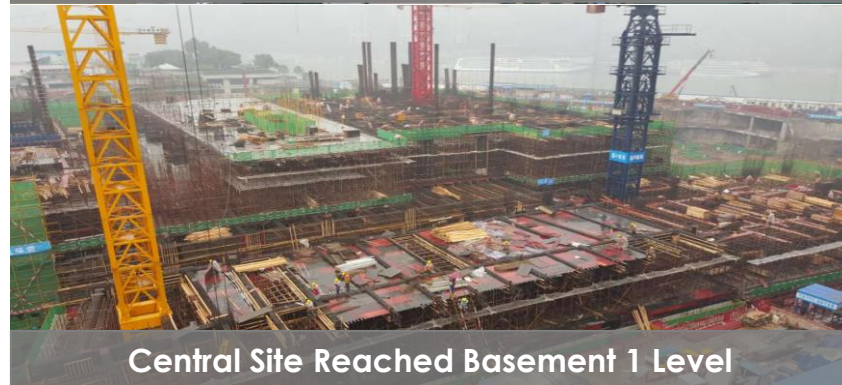


# Raffles City Chongqing

**55% Of Overall Project Piling Completed**



Aerial View Of Site



Central Site Reached Basement 1 Level



# Business Highlights – Shopping Malls



Plaza Singapura, Singapore



# Retail – Asia's Leading Mall Developer, Owner And Manager

## Continued Strong Performance In Core Markets Of Singapore And China

	Singapore	China
Same-mall NPI growth	+2.7%	+7.4%
Committed occupancy rate	97.2%	94.2%
NPI yield on valuation	5.6%	5.3%
Tenants' sales	+1.2% total tenants' sales	+7.3% total tenants' sales
	+3.9% per sq ft	+7.5% per sq m
Shopper traffic	+5.4%	+3.2%

Note: The above figures are on a same-mall basis





# New Mall Opened In China: CapitaMall Sky+

- Opened On 31 Dec 2015; Committed Occupancy ~79%
- Strategically Located In Guangzhou – The Only Mall In Baiyun New Town That Is Directly Connected To A Subway Station





# Singapore: Completion Of Phase 2 AEI At IMM

85 Outlets Stores; Wider Offerings In Fashion And F&B



Designer Fashion Outlets

Food & Beverage



Shopping Malls

# Upcoming Developments In 2016



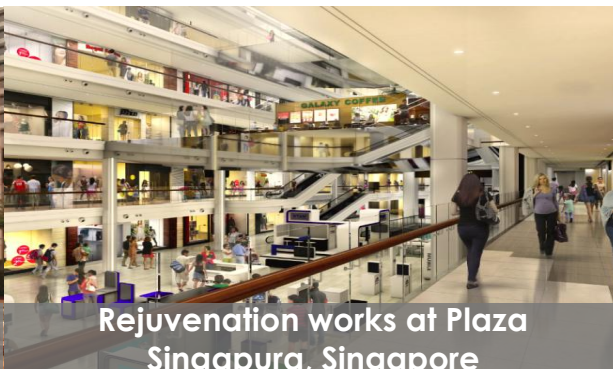
Opening of CapitaMall Xinduxin, Qingdao



Opening of The Forum Mysore, India



Redevelopment of Funan DigitaLife Mall, Singapore



Rejuvenation works at Plaza Singapura, Singapore



Façade upgrading at CapitaMall Wangjing, Beijing



# Topping Out Of CapitaMall Westgate On 11 Jan 2016

- Mall To Open In 2017
- Strategically Located In Qiaokou District Of Wuhan



CapitaMall Westgate, Wuhan - Topping Out Ceremony on 11 January 2016





# Pipeline Of Malls Opening

Country	No. of Properties As Of 31 Dec 2015			
	Opened	Target to be opened in 2016	Target to be opened in 2017 & beyond	Total
Singapore	18	-	1	<b>19</b>
China	55	1	8	<b>64</b>
Malaysia	6	-	1	<b>7</b>
Japan	5	-	-	<b>5</b>
India	4	1	4	<b>9</b>
<b>Total</b>	<b>88</b>	<b>2</b>	<b>14</b>	<b>104</b>

Note

1. The above opening targets relate to the retail components of the developments

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# Business Highlights - Serviced Residences



Ascott Huai Hai Road Shanghai, China



# Serviced Residences – World's Largest International Owner-Operator

## Added ~6,700 Units In FY2015

- > 42,970 units in 95 cities in 27 countries<sup>1</sup> worldwide
- Exceeded 2015 target of 40,000 units ahead of time
- On course to double inventory to 80,000 units by 2020



Somerset Norodom Phnom Penh



Citadines Jomtien Beach Pattaya



Element New York Times Square West, US

Note:

(1) Includes units under development as of 31 December 2015.





# Investments & Strategic Partnerships Made In 2015

## Ascott Deepens Access To Over 100 Million Chinese Travellers Through Global Portfolio Listing On Alibaba's Online Travel Service Platform

Ascott is the first serviced residence company to make available its global network of serviced residences on Alitrip

阿里旅行·去啊



The Partnership Will Allow Ascott To Deepen Access To Over 100 Million Chinese Travellers Currently Served By Alitrip

# Sustainability

One George Street, Singapore





# Key Listings Received For Sustainability Efforts

- **Dow Jones Sustainability World and Asia Pacific Indexes 2015**
- **Global Real Estate Sustainability Benchmark Report 2015:**  
Regional Sector Leader for Asia, Diversified
- **Global 100 Most Sustainable Corporations in the World 2016**
- **The Sustainability Yearbook 2016:** Bronze Class Distinction
- Other awards include:
  - FTSE4Good Index Series
  - MSCI Global Sustainability Indexes 2015
  - STOXX® Global ESG Leaders Indices 2015/2016
  - Channel NewsAsia Sustainability Ranking 2015







# Building Communities

CapitaLand donates up to **0.5%** of annual net profit to [CapitaLand Hope Foundation](#) (CHF) to support programmes for underprivileged children

**>S\$23m**

Donated  
In support of the communities  
CapitaLand operate in since  
2005



**>100,000**

Underprivileged  
children

Benefitted from  
CHF in the areas of shelter,  
education and healthcare

**27**

CapitaLand  
Hope Schools

In China and Vietnam



**>78,000**

Volunteer hours

by CapitaLand staff  
since 2007

**3**

Days

Volunteer Service Leave policy in  
CapitaLand



# Environment, Health and Safety

## Engaging Community, Collaborating in National Efforts



**ISO 14001**  
**BS OHSAS 18001**

Certified in  
15 countries

**National Policy  
Making**



**>\$S89m**

Cost avoidance for  
utilities since 2009

In 2015<sup>1</sup>

Carbon intensity reduction

**20%**

Energy savings

**16.0%**

Water usage reduction

**23.0%** (per m<sup>2</sup>)



**>120**   
**Green Building  
Ratings**

e.g. Green Mark, LEED,  
BREEAM, Casbee



**>250**  
**CapitaLand  
properties**  
participated  
in Earth Hour

## Awards & Recognition



**BCA Green Mark  
Champion Award**

Building and Construction Authority



Workplace Safety and  
Health (WSH) Developer  
Award 2015 awarded to  
CapitaLand Singapore

Note 1: Statistics as at Sep 2015



# Sustainability - Governance

Securities Investors Association Singapore (SIAS)  
Investors' Choice Awards 2015  
"Hall of Fame (Most Transparent Company)"

World Finance Corporate Governance Awards  
2015 (Singapore)

Ranked 4<sup>th</sup> out of 639 companies in the  
Governance and Transparency Index (GTI) 2015\*

All staff sign the  
CapitaLand Pledge (with the no-corruption clause  
and whistle blowing policy) annually



\*This annual study was conducted by the NUS Business School's Centre for Governance, Institutions and Organisations (CGIO)

# Conclusion

Six Battery Road, Singapore

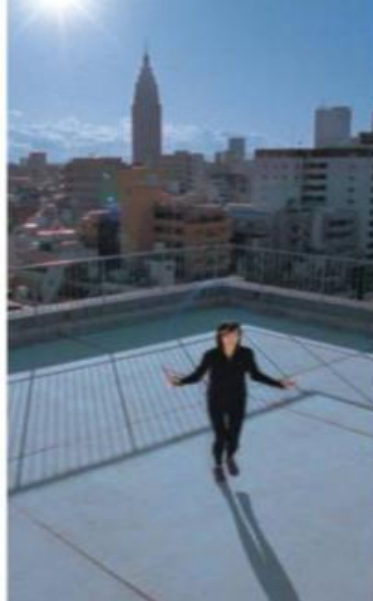




# Conclusion

- Focus on improving operating PATMI
- Execute and deliver project pipeline on time
- Ready to deploy cash to make new investments
- Use funds platform and management contracts to grow asset under management
- Continue to recycle capital and reconstitute existing portfolio

**Well – Positioned To Capture Opportunities In Current Volatile Market**



CapitaLand

Thank You