CapitaLand Limited
Annual General Meeting
30 April 2018
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

• 2017 Overview
• Business Updates
• Awards & Sustainability
• Looking Ahead
• Conclusion
2017 Overview
CapitaLand Share Price Outperformed STI & SGX Real Estate Index

Total Shareholder Return From 1 Jan 2017 – 17 Apr 2018: +27.6%

Source: Bloomberg

Note:
1. Inclusive of dividend of S$0.10 per share distributed during that period.
### 2017 Overview

#### Strong Earnings From Operations

<table>
<thead>
<tr>
<th>Description</th>
<th>Revenue</th>
<th>Total PATMI</th>
<th>Total Operating PATMI¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>S$4,609.8 million</td>
<td>S$1,550.7 million</td>
<td>S$908.3 million</td>
</tr>
<tr>
<td>▼ 12% YoY</td>
<td></td>
<td>▲ 30% YoY</td>
<td>▲ 5% YoY</td>
</tr>
</tbody>
</table>

**Note:**
1. Operating PATMI FY 2017 included a gain of S$160.9 million from the sale of 45 units of The Nassim. Operating PATMI FY 2016 included a S$30.5 million fair value gain arising from the change in use of a development project from construction for sale to leasing as an investment property (Raffles City Changning Tower 2).
Achieved Highest Operating PATMI Since Listing In 2000

2017 Overview

About 2/3 Of Total PATMI As Operating PATMI

Note:
1. Total operating PATMI inclusive of S$16.3 million operating PATMI from discontinued operation (FY 2013 restated: S$108.7 million).
2. Total operating PATMI inclusive of fair value gain of S$30.5 million (FY 2015: S$170.6 million) arising from change in use of development projects in China.
### 2017 Overview

#### Robust Balance Sheet

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt/Equity</td>
<td>0.49 times</td>
</tr>
<tr>
<td>Net Debt/Total Assets</td>
<td>0.28 times</td>
</tr>
<tr>
<td>Interest Cover Ratio&lt;sup&gt;1&lt;/sup&gt;</td>
<td>8.1 times</td>
</tr>
<tr>
<td>Interest Service Ratio&lt;sup&gt;1&lt;/sup&gt;</td>
<td>6.7 times</td>
</tr>
<tr>
<td>Cash</td>
<td>$6.1 billion</td>
</tr>
<tr>
<td>% Fixed Rate Debt</td>
<td>69 per cent</td>
</tr>
</tbody>
</table>

#### Notes:

1. Interest Coverage Ratio = EBITDA / Net Interest Expense; Interest Service Ratio = Operating Cashflow / Net Interest Paid.
2. Total assets excludes cash.

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Well-Positioned To Grow
## Delivered Sustainable Returns To Shareholders

**2017 Overview**

<table>
<thead>
<tr>
<th>Return on Equity</th>
<th>Dividend(^1) per Share</th>
<th>Net Tangible Assets per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.5%</td>
<td>12.0 cents</td>
<td>S$4.20</td>
</tr>
<tr>
<td>6.6% in 2016</td>
<td>10.0 cents in 2016</td>
<td>S$4.05 in 2016</td>
</tr>
</tbody>
</table>

Payout Ratio of \(~36\)%\(^2\)

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**Note:**

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

(2) Based on total FY 2016 PATMI.
**Proposed 12 Singapore Cents Dividend Per Share For FY 2017**

<table>
<thead>
<tr>
<th>Dividend Period</th>
<th>1 January 2017 – 31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Final Dividend</strong></td>
<td>12 Singapore Cents Per Share</td>
</tr>
<tr>
<td><strong>Type of Dividend</strong></td>
<td>Cash</td>
</tr>
<tr>
<td><strong>Record Date</strong>(^1)</td>
<td>5:00pm, 10 May 2018</td>
</tr>
<tr>
<td><strong>Book Closure Date</strong></td>
<td>11 May 2018</td>
</tr>
<tr>
<td><strong>Dividend Payment Date</strong></td>
<td>18 May 2018</td>
</tr>
</tbody>
</table>

Note:
1. Last day of trading on “cum” basis is 7 May 2018.
## Significant Scale Across Global Platform

<table>
<thead>
<tr>
<th>Group Managed Real Estate Assets</th>
<th>Revenue Under Management</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$88.8 Billion</strong></td>
<td><strong>$8.5 Billion</strong></td>
</tr>
<tr>
<td>S$8.5 Billion of which Rental RUM is $4.9 Billion</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Home Units Constructed (Since 2000)</th>
<th>Office Tenants In Singapore And China</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>&gt;91,000</strong></td>
<td><strong>&gt;1,300</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Turnover Sales Of Retailers</th>
<th>Shopper Traffic Across 5 Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$12.2 Billion</strong></td>
<td>~1.1 Billion</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retail Leases Across 5 Countries</th>
<th>Unique Serviced Residence Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>~18,000</td>
<td>~1.2 Million</td>
</tr>
</tbody>
</table>

**Note:**
1. Numbers stated as of FY 2017 numbers unless otherwise stated.
Business Updates - Residential
Singapore: Stable Sales Volume & Value For FY 2017

- Sold 407 Units Worth $1,479 Million\(^1\)

Note:
1. Includes the sale of 45 units in The Nassim in 1Q 2017 and based on options exercised.
Signed S&P For Pearl Bank Apartments

• Private Treaty Collective Sale For S$728 Million
• In Line With Our Disciplined Investment Strategy To Build Quality Residential Pipeline On Sustainable Basis
China: High Sales Volume & Value Achieved

- Over 8,400 Units Sold At A Value Of RMB15,371 Million In 2017
- 93% Of Launched Units Sold As Of 31 December 2017
Vietnam: High Sales Value Achieved For FY 2017

- Achieved Sales of 1,409 Units Worth S$460 million in 2017
- Strong Growth In Sales Value; Higher Handover To Owners
Business Updates

- Commercial Properties &
  Integrated Developments
Achieved Above Market Committed Occupancy

CCT Portfolio Committed Occupancy Rate As At 31 Dec 2017 97.3%

Core CBD Market Occupancy As At 31 Dec 2017 93.8%

CCT’s Average Office Portfolio Rent Increased Largely Driven By Inclusion Of Asia Square Tower 2(1)

Note:
1. Acquisition of Asia Square Tower 2 was completed on 1 November 2017.
2. Average gross rent per month for office portfolio (S$ psf) = Total committed gross rent for office per month / Committed area of office per month

Average gross rent per month for office portfolio (S$ psf)
Acquisitions Of Quality Commercial Assets

**Singapore**
Rejuvenates Portfolio At Agreed Property Value At S$2,094 Million

**Japan**
Strengthens Foothold In Greater Tokyo With Acquisition Of S$620.1 Million

**Germany**
First Commercial Asset In Germany Acquired For S$355.9 Million

**China**
Acquisitions Of Innov Center & Adjacent Site For Total Consideration Of S$706 Million

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Note
1: Based on CapitaLand’s 94.9% share of total consideration of EUR234.3 million (~S$375.1 million).
2. Excluding development cost for the adjacent site.
Malls At Three Raffles City Developments Opened

Raffles City Hangzhou
- Close To 100% Committed Occupancy For Mall Operations
- Total GFA ~298k sqm
- Retail Tenants: Uniqlo, Hotwind, Yan Ji You Bookshop
- Office Tenants: JLL, KUIKO

Raffles City Changning
- Close To 100% Committed Occupancy For Mall Operations
- Total GFA ~260k sqm
- Retail Tenants: Forever 21, H&M, ESPRIT, CitySuper
- Office Tenants: NEC, JustOffice

Raffles City Shenzhen
- Close To 100% Committed Occupancy For Mall Operations
- Total GFA ~122k sqm
- Retail Tenants: PUTIEN, Pandora, TASTE, Palace Cinema
- Office Tenants: Amazon, Aedas
Capital Square Shanghai Opened On 1 Sep 2017

High Committed Occupancy Rates For Mall And Office

Total GFA ~75k sqm, Of Which:
33% Retail, 67% Office

Retail Tenants:
Wills (Gym), 文心食舍 (F&B), 汉小馆 (F&B), Play ABC (Kids Education)

Office Tenants:
Google, Kao, Open Text, M+W, Wells Fargo, Mitsui Chemicals
Raffles City Portfolio

Construction Of RCCQ On Track

• Raffles City Chongqing Towers 2, 5 And 6 Topped Out In 4Q 2017
• First Section Of Conservatory Successfully Lifted Into Position
• Raffles City Residences Tower 2 And Tower 6 Achieved Sales Value Of RMB1,756.9 Million As At 31 Dec 2017
Business Updates
- Retail
## Operational Highlights: Steady Performance

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Singapore</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Same-mall NPI growth</td>
<td>+0.9%&lt;sup&gt;6&lt;/sup&gt;</td>
<td>+8.6%&lt;sup&gt;7&lt;/sup&gt;</td>
</tr>
<tr>
<td>Committed occupancy rate</td>
<td>98.0%</td>
<td>95.5%</td>
</tr>
<tr>
<td>NPI yield on valuation</td>
<td>5.6%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Tenants’ sales</td>
<td>+1.5% total tenants’ sales</td>
<td>+19.8% total tenants’ sales</td>
</tr>
<tr>
<td></td>
<td>+0.9% per sq ft</td>
<td>+7.0% per sq m</td>
</tr>
<tr>
<td>Shopper traffic</td>
<td>+0.6%</td>
<td>+1.3%</td>
</tr>
</tbody>
</table>

Note:
1. Portfolio includes properties that CapitaLand Mall Asia owns and are operational as at 31 Dec 2017.
2. Same-mall compares the performance of the same set of property components opened/acquired prior to 1 Jan 2016.
3. Committed occupancy rates as at 31 Dec 2017 for retail components only.
4. NPI Yield on valuation is based on valuations as at 31 Dec 2017.
6. Excludes Funan which has closed in 2H 2016 for redevelopment.
7. China’s same-mall NPI growth would have been 10.0% if not for higher property tax due to change in basis of assessment which took effect from 1 Jul 2016 for properties in Beijing.
# Opening Of New Malls In China And Malaysia

## China

**CapitaMall Westgate**  
Opened On 28 April 2017  
>435,000 Visitors During Labour Day Weekend From 28 April To 1 May

**Suzhou Center Mall**  
Opened On 13 Nov 2017  
Largest Mall Of 300,000 sqm  
Boasting Over 600 Retail Brands

## Malaysia

**Melawati Mall**  
Opened On 26 July 2017  
Tenants: Golden Screen Cinemas, Fitness First, Padini Concept Store
Expanding Retail Network & Increasing Fee Revenue Through Management Contracts

6 In China and 1 In Singapore To Date, With Total GFA Of ~340,000 sqm
Launched CapitaLand Online Mall On Lazada

- Partnership With Lazada To Bring Physical Retailers Online
- Value-add Mall Tenants As Singapore’s First Omni-Channel Retail Landlord
- Click-and-Collect Service In CapitaLand Malls To Drive Shopper Traffic
### Future Proofing Retailers with Technology

#### Digitalising Interaction With shoppers Via StarPay

- In-app feature on CapitaStar app to enable customers to transact with participating retailers using different ePayment modes
- Instant STAR$ awarding based on authenticated payments
- Expand suite of payment modes to cater to shoppers’ preferences
Business Updates
- Serviced Residence
Serviced Residence Platform: On-Track To Exceed 80,000 Units In 2018

Target To Double Global Portfolio To 160,000 units in 2023
And Drive The Group’s Fee Income
Building Scale & Accelerating Growth

Setting New Record With ~24,000 Units Added In 2017
~3,800 Units Across 18 Properties Opened

• Secured 50 management and franchise agreements in new attractive destinations

• Made first foray into Africa, in Ghana’s capital of Accra

• 6 acquisitions in key gateway cities including Singapore and the United States

• Strong expansion in our two largest markets:
  • Southeast Asia – >23,000 units across in 113 properties across 34 cities
  • China – Exceeded target of 20,000 units, ahead of schedule of 2020
Expanding Global Network Through Acquisitions

Acquired Majority Stake In Quest Apartment Hotels ("Quest")

- Ascott bought an additional 60% stake in Quest for A$180 million (S$191 million)\(^1\)
- Ascott also acquired a 100-unit freehold serviced residence, Quest Cannon Hill, which will be developed on a turnkey basis, for A$24 million (S$25 million)

Acquired 80% Stake In Synergy Global Housing ("Synergy") In U.S.

- The acquisition will triple Ascott’s portfolio from >1,000 units to ~3,000 units in the U.S. and strengthen its extensive range of international-class residences for corporate customers worldwide

Note:
1. Post completion, Ascott’s interest in Quest increased to 80%.
Shaping The Future Of Travel Through lyf

A Dedicated Brand Catered For Millennial-Minded Travellers

- lyf Wu Tong Island Shenzhen, first lyf brand property to open in 2018
- Remaining 4 properties located in Singapore, Dalian and Cebu will open from 2019 to 2021
- On active look out for potential markets to capture the growing market of millennial and millennial-minded travellers

To Seize Opportunities In The Rising Trend Of Coliving And Coworking
Awards & Sustainability

One George Street, Singapore
Key Awards & Accolades

Best In Corporate Governance – 7 Awards
including
1) World Finance Corporate Governance Awards 2017
2) FinanceAsia Asia’s Best Companies 2017
3) Singapore Corporate Awards 2017
4) SIAS 18th Investors’ Choice Awards 2017

Best In Investor Relations – 4 Awards
1) FinanceAsia Asia’s Best Companies 2017
2) Institutional Investor All-Asia Executive Team 2017
3) SIAS 18th Investors’ Choice Awards 2017
4) IR Magazine Awards – South East Asia 2017
Sustainability Accolades

Top 5% ESG company in real estate industry

A constituent of FTSE4Good Index Series

MSCI

2017 Constituent MSCI ESG Leaders Indexes

A constituent of MSCI ESG Leaders Index and MSCI SRI Index 2017

MSCI

2017 Constituent MSCI SRI Indexes

A constituent of

- Euronext Vigeo Index: World 120
- STOXX® Global ESG Leaders Indices
- SGX Sustainability Leaders Indices
- SIAS Investors' Choice Award – Sustainability Award 2017

Dow Jones Sustainability World and Asia Pacific Indexes 2017

Regional Sector Leader for Asia, Diversified, 2017

Most Sustainable Corporations in the World

Highest-ranked real estate management and development company, 2018

Top 5% ESG company in real estate industry

Regional Sector Leader for Asia, Diversified, 2017

A constituent of

- Euronext Vigeo Index: World 120
- STOXX® Global ESG Leaders Indices
- SGX Sustainability Leaders Indices
- SIAS Investors' Choice Award – Sustainability Award 2017

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

**> $25m**

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

- **> 111,000** Volunteer hours
  by CapitaLand staff since 2007

- **3** Days
  Volunteer Service Leave policy in CapitaLand
Looking Ahead
Vision: Global Real Estate Platform

- Significant scale with S$100 billion AUM by 2020
- Beyond brick-and-mortar
- Technology-enabled
- Deliver sustainable shareholder value

Building
People
Building
Communities
Looking Ahead

Significant Real Estate Trends Remain Intact...

Urbanisation

Urbanization in the region, including China, Vietnam and Indonesia

Global Fund Flows

Funds flow across the globe at a growing pace
Looking Ahead

... But Customers Are Changing

Rise Of Millennials
>50% of our customers and growing. Greater value on experiences in live, work and play

Ageing
Rapidly ageing populations in Singapore, China and Japan

More Tourists
Increase in the number of tourists worldwide, e.g. 130.5 million outbound from China in 2017

Shifting Nature Of Work
Companies want mobility, flexibility and community – they value a global network of workplace solutions and global accommodation solutions

Online & Offline
Customers demand a seamless online & offline experience; online platforms are increasingly moving into physical spaces, e.g. Alibaba, Amazon
Demand for real estate remains, but must be coupled with experiential content, convenience, and customer engagement.
CapitaLand’s Two Engines Of Growth

Real Estate Investment

Four Main Geographies

1. Singapore, Malaysia & Indonesia
2. China
3. Vietnam
4. International

- Invest across all asset classes within each geography
- Optimised asset reconstitution and recycling
- Leverage REITs and fund platforms

Operating Platforms

Three Main Platforms:

1. Retail
2. Lodging
3. Workspace

- Asset light approach to drive growth – “Real Estate As a Service” – ROE kicker
- Go global and develop best-in-class operating capabilities
- Build up a strong and loyal customer base

Looking Ahead
Conclusion
Conclusion

• **Record and quality earnings achieved in 2017:**
  - Total PATMI S$1.55 billion, highest since 2008
  - Record operating PATMI of S$908.3 million

• **Achieved credible 8.5% ROE**

• **Proposed dividend of 12 cents** – increased core dividend by 20%
Thank You