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.
A Year of Record Performances

Some Highlights

• Record Profit of S$313 million

• Overseas contributions
  – 68% of Group operating EBIT

• Assets Under Management (AUM) doubled to S$6 billion
  – Successful listing of CapitaCommercial Trust (S$2 bil)
  – CapitaMall Trust acquired Plaza Singapura (S$710 mil)
## Financial Performance – Record Profits

<table>
<thead>
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<td>207.9</td>
<td>295.2</td>
<td><strong>42.0%</strong></td>
</tr>
</tbody>
</table>

*Record Profits PATMI up 205%*
Delivering on 3-pronged Strategy

• ‘Multi-Local’ Strategy Drives Sustainable Overseas Earnings
  – Record contributions from China & Australia
  – Developing new markets

• Increase Fee-Based Income
  – AUM doubled to S$6 billion
  – Growing fund management model

• Active Capital Management
  – Improvement in D/E, ICR and ISR ratios
  – Improving capital structure & lowering cost of capital
  – Re-deploying capital into higher yielding investments
Strong Operating Growth

Operating PATMI Grew at 31% CAGR in 2002-2004
Achieving more, with less

**Assets Under Management (S$ billion)**

- 2001: 1,000
- 2002: 2,000
- 2003: 3,000
- 2004: 4,000

**ROTA**

- 2001: 1.0%
- 2002: 2.0%
- 2003: 3.0%
- 2004: 4.0%

**ROE**

- 2001: -6.0%
- 2002: 0.0%
- 2003: 2.0%
- 2004: 4.0%

**Shareholder Funds (S$ billion)**

- 2001: 5,000
- 2002: 5,200
- 2003: 5,400
- 2004: 5,600
CapitaLand Group comprises 6 listed entities with owned/managed assets of S$28 billion.
Some Highlights
Residential

• **Singapore:**
  – Launched Varsity Park & Citylights

• **China:**
  – Shanghai: Fully sold launched units of La Cité & Oasis Riviera
  – Beijing: Launched maiden project La Forêt
  – Guangzhou: Acquired first site in Tianhe

• **Australia:**
  – Increased recurrent earnings with acquisition of Australand Wholesale Property Trust No 3 (AWPT 3)
Commercial

• Successfully listed CapitaCommercial Trust (CCT)

• Monetised S$1 billion of assets:
  – Office assets - S$ 206 mil (i) 268 Orchard Road, (ii) Canary Riverside
  – Retail assets – S$792 mil (i) Plaza Singapura, (ii) La Park Mizue

• Expanded retail presence in China:
  – Struck deals with (i) SZITIC & (ii) Beijing Hualian to acquire and manage 2 pipelines of malls
Hospitality

Serviced Residence

- **Ascott’s PATMI surged 184% to S$52.5 million**
  - Stronger core performance in S’pore, China & Europe
  - Gains on divestment of Scotts Shopping Centre and The Ascott Singapore

- **Expansion**
  - Opened 2 new serviced residences
    - Ascott Sathorn, Bangkok
    - Somerset Bencoolen, Singapore
  - Secured 4 management contracts
    - Somerset Al Majara, Dubai
    - Somerset Palace, Seoul
    - Somerset Chongrui, Suzhou
    - Citadines Jinqiao, Shanghai
Hospitality

Hotel Operations

- **Raffles’ operating PATMI jumped 83% to S$52.3 million**
  - Performance exceeded expectations

- **Returned S$375 million (18 cents/share) to shareholders**

- **Overseas Expansion:**
  - Secured 3 management contracts
    → Swissôtel, Moscow
    → Raffles Resort, French Polynesia
    → Swissôtel Grand Shanghai
Financial Services

Fund Management

• AUM doubled to S$6 billion

• Successful closing of US$ 61 mil (S$105mil) for CapitaLand China Residential Fund

• Successful closing of ¥10 billion (S$155 mil) for CapitaRetail Japan Fund

• CMT exceeded forecast by 6%, CCT by 11%:

<table>
<thead>
<tr>
<th>CapitaMall Trust</th>
<th>CapitaCommercial Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivered TSR of 131% since listing</td>
<td>Delivered TSR of 47% since listing</td>
</tr>
<tr>
<td>Achieved 7.5% higher rental in 2004</td>
<td>Achieved 10% higher rental in 2004</td>
</tr>
</tbody>
</table>
Financial Services

Financial Advisory & Structuring

- Appointed strategic advisor by Hong Kong Housing Authority to The LINK REIT
- Clinched three structured finance and advisory deals in Malaysia and China
- Transaction value advised - S$3 billion (excluding The LINK REIT)
Overseas EBIT grew at CAGR of 113% in 2001-2004

Overseas EBIT Growth

(S$ million)

2000 2001 2002 2003 2004

(110) 295 425 420 478 177 725

Singapore Overseas

Overseas EBIT grew at CAGR of 113% in 2001-2004
Overseas Contributions – FY2004

**By Geographical Location**

<table>
<thead>
<tr>
<th>Total Assets</th>
<th>Revenue</th>
<th>EBIT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Australia &amp; NZ</strong>&lt;br&gt;20%</td>
<td><strong>Australia &amp; NZ</strong>&lt;br&gt;37%</td>
<td><strong>Australia &amp; NZ</strong>&lt;br&gt;28%</td>
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<tr>
<td><strong>Europe</strong>&lt;br&gt;11%</td>
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<td><strong>Europe</strong>&lt;br&gt;8%</td>
</tr>
<tr>
<td><strong>Singapore</strong>&lt;br&gt;50%</td>
<td><strong>Singapore</strong>&lt;br&gt;9%</td>
<td><strong>Singapore</strong>&lt;br&gt;20%</td>
</tr>
<tr>
<td><strong>China</strong>&lt;br&gt;9%</td>
<td><strong>China</strong>&lt;br&gt;14%</td>
<td><strong>China</strong>&lt;br&gt;24%</td>
</tr>
<tr>
<td><strong>Asia</strong>*&lt;br&gt;9%</td>
<td><strong>Asia</strong>*&lt;br&gt;5%</td>
<td><strong>Asia</strong>*&lt;br&gt;19%</td>
</tr>
<tr>
<td><strong>Others</strong>&lt;br&gt;1%</td>
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</tr>
</tbody>
</table>

* Exclude China & Singapore

**Total: $17.2b**<br>**Total: $3,804m**<br>**Total: $902m**

50% of Assets Overseas contributed 68% to operating earnings
## Robust Financial Results

### (S$ million)

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<td>207.9</td>
<td>295.2</td>
<td>↑ 42.0%</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td>6,154.6</td>
<td>5,279.1</td>
<td>Improved</td>
</tr>
<tr>
<td><strong>D/E Ratio</strong></td>
<td>0.77</td>
<td>0.71</td>
<td>Improved</td>
</tr>
</tbody>
</table>

### Efficient Capital Management
Residential Analysis

<table>
<thead>
<tr>
<th>Revenue</th>
<th>EBIT</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>(S$ million)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>2,380.9</td>
<td>293.8</td>
</tr>
<tr>
<td>2003</td>
<td>2,397.2</td>
<td>342.6</td>
</tr>
<tr>
<td>2004</td>
<td>2,397.2</td>
<td>595.5</td>
</tr>
</tbody>
</table>

- Increased revenue from higher sales in China
- Higher EBIT from Singapore, China, Australia and HK

**Strong margins from overseas operations**
## Commercial Analysis

<table>
<thead>
<tr>
<th>Revenue (S$ million)</th>
<th>EBIT (S$ million)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003: 400.9</td>
<td>2004: 342.9</td>
<td>• Lower revenue due to divestment of 7 CCT’s properties &amp; Plaza Singapura</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Stronger EBIT due to new contributions from Raffles City Shanghai and lower revaluation deficits charged to P&amp;L</td>
</tr>
</tbody>
</table>

Better EBIT from higher yielding assets overseas
Hotels Analysis

<table>
<thead>
<tr>
<th>Revenue (S$ million)</th>
<th>EBIT</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>546.0</td>
<td>60.2</td>
<td>86.1</td>
</tr>
<tr>
<td>690.3</td>
<td>43%</td>
<td>43%</td>
</tr>
</tbody>
</table>

- Robust growth in revenue due to 16% increase in RevPAR & contributions from Nankai Osaka
- Better performance due to initiatives to grow revenue & manage costs efficiently

Beneficiary of global hospitality recovery
## Serviced Residences Analysis

<table>
<thead>
<tr>
<th>Revenue (S$ million)</th>
<th>EBIT</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>200.2</td>
<td>54.7</td>
<td>• Strong revenue growth of 34% to S$202m, from serviced residence operations across all regions</td>
</tr>
<tr>
<td>238.9</td>
<td>73.2</td>
<td>• EBIT up 34%, net profit surged 184% to S$52.5m</td>
</tr>
</tbody>
</table>

Higher contributions from S’pore, China and Europe
## Financial Services Analysis

<table>
<thead>
<tr>
<th>Revenue (S$ million)</th>
<th>EBIT</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>40.9</td>
<td>18.6</td>
<td></td>
</tr>
<tr>
<td>42.3</td>
<td>29.8</td>
<td></td>
</tr>
</tbody>
</table>

- Higher revenue as a result of doubling of AUM
- Higher EBIT due to increased fund management income from enlarged AUM
### Property Services Analysis

#### Revenue

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>(S$ million)</td>
<td>123.8</td>
<td>125.8</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

**Comments:**

- 2004 revenue stable

#### EBIT

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>Change</th>
<th>Percentage</th>
</tr>
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<tr>
<td></td>
<td>8.0</td>
<td>9.1</td>
<td>14%</td>
<td></td>
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**Comments:**

- Higher EBIT due to better cost management

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Better cost controls
### Analysis of Profit after Tax and MI

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<td>589.0</td>
<td>901.8</td>
<td>↑ 53.1%</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>(240.8)</td>
<td>(272.1)</td>
<td>↑ 13.0%</td>
</tr>
<tr>
<td><strong>PBT</strong></td>
<td>348.2</td>
<td>629.7</td>
<td>↑ 80.8%</td>
</tr>
<tr>
<td><strong>Tax</strong></td>
<td>(148.3)</td>
<td>(153.1)</td>
<td>↑ 3.2%</td>
</tr>
<tr>
<td><strong>MI</strong></td>
<td>(97.3)</td>
<td>(163.6)</td>
<td>↑ 68.2%</td>
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### Key Financial Ratios

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<th>Financial Ratio</th>
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<th>FY 2004</th>
<th>Change</th>
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<tbody>
<tr>
<td>NTA per Share (S$)</td>
<td>2.39</td>
<td>2.11*</td>
<td>Decreased</td>
</tr>
<tr>
<td>Net Debt / Equity</td>
<td>0.77</td>
<td>0.71</td>
<td>Improved</td>
</tr>
<tr>
<td>EPS (S cents)</td>
<td>4.1</td>
<td>12.4</td>
<td>Improved</td>
</tr>
<tr>
<td>Interest Cover Ratio (ICR)</td>
<td>3.63</td>
<td>4.83</td>
<td>Improved</td>
</tr>
<tr>
<td>Interest Service Ratio (ISR)</td>
<td>5.13</td>
<td>5.27</td>
<td>Improved</td>
</tr>
</tbody>
</table>

* Decrease mainly due to capital reduction upon distribution in specie of CCT

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

**ISR** = \( \frac{\text{Operating cashflow}}{\text{Net Interest Paid}} \)
Robust Balance Sheet

% of Fixed Rate Loans

- 2000: 42%
- 2001: 43%
- 2002: 68%
- 2003: 65%
- 2004: 74%

Finance Costs

- 2000: S$423m
- 2001: S$408m
- 2002: S$284m
- 2003: S$241m
- 2004: S$272m

Net Debt

- 2000: S$8.2b
- 2001: S$6.9b
- 2002: S$5.7b
- 2003: S$6.2b
- 2004: S$5.3b

FY2004 Results * 7 February 2005 * Singapore
Improved Financial Profile

Gearing

- 2000: 0.92
- 2001: 0.87
- 2002: 0.72
- 2003: 0.77
- 2004: 0.71

Interest Cover Ratio

- 2000: 0.68
- 2001: 0.89
- 2002: 3.42
- 2003: 3.63
- 2004: 4.83

Interest Servicing Ratio

- 2000: 2.68
- 2001: 3.31
- 2002: 4.61
- 2003: 5.13
- 2004: 5.27
Going Forward

Pursuing Profitable Growth in 2005
Growth Strategy – New Residential Launches

- **Singapore**
  - 2 new projects
    - Rivergate
    - Tanglin Residences

- **China**
  - 4 new projects in Shanghai, Beijing and Guangzhou
New Business Segment

- Integrated Leisure, Entertainment (including Gaming) & Conventions (LEC)
  - Leverage on Group’s development, hospitality and asset management expertise
  - Two MOUs with 2 leading integrated resort operators
    * Kerzner International for Sentosa
    * MGM Mirage for Marina Bayfront

The Atlantis
Growth Strategy – Products & Services

- **Business & Financial Centre (BFC)**
  - Offer long term potential; only 60% of GFA for office use, 40% as ‘white site’
  - Office sector recovery aided by limited supply - 2.7 mil sq ft over next 4 years
Growth Strategy – Products & Services

• Business Financial Centre
Growth Strategy – New Markets

• **Thailand – Development**
  – Athenee Residence, Bangkok (78% sold)
  – Launching 2 more projects (1 condo & 1 integrated township)

• **Middle East – Serviced residence & property services**
  – Management contracts in Dubai (Ascott Burj Dubai & Somerset Al Majarah)
  – PREMAS JV with Tricon - facilities management & consulting services

• **Eastern Europe – Hotels**
  – Opening hotel in Moscow

• **India / Vietnam – New markets**
  – More in-depth study
Real Estate Landscape in Asia is fast changing

CapitaLand Financial formed in late 2001 to capitalise on the changing real estate landscape in Asia

- **Emergence of real estate as an asset class**
  - Greater institutional ownership
  - Stronger focus on yield

- **Real estate securitisation more important source of funding**

Growth of REITs in Asia – Dramatic change in landscape
The Asia REIT Landscape

### Table: Estimated (US$ bil) vs. Actual amount invested in REITs

<table>
<thead>
<tr>
<th></th>
<th>Investment grade of real estate</th>
<th>Actual amount invested in REITs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>1,300</td>
<td>21</td>
</tr>
<tr>
<td>United States</td>
<td>2,500</td>
<td>220</td>
</tr>
</tbody>
</table>

Source: CapitaLand Research

### Diagram: Asian Investment Grade Property (US$ billion)

- **Taiwan**: 69
- **Singapore**: 83
- **South Korea**: 87
- **China**: 87
- **Australia**: 97
- **Hong Kong**: 129
- **Japan**: 750

Asia ex-Japan REIT sector – potential US$250 bil of Asian real estate

Source: UBS AG & CapitaLand Research
Strong Factors Driving Demand for REITs

- High savings rates in Asia
- High yielding nature of REITs – appeal to pension funds & ageing population
- Shifting paradigm from capital growth to yields
- Governments promoting REITs in Asia
- Easing regulatory barriers to foreign investments
Growth Strategy – Fund Management & Financial Services

- **CapitaLand Financial built solid track record in 3 years**
  - Eureka Office Fund (wholesale fund with ERGO)
  - CMT
  - CCT
  - CapitaLand China Residential Fund
  - CapitaRetail Japan Fund
  - CapitaRetail Singapore, etc …

- **Will build on momentum to expand AUM to S$13 billion in 3 years**
Growth Strategy – Fund Management & Financial Services

• **REITs**
  – CMT & CCT
    → Accretive acquisitions
    → Pro-active asset management

• **Fund Management**
  – Preparing to launch new property funds for Japan and China

• **Financial Advisory & Structuring**
  – Continues as strategic partner to LINK REIT; Committed to investing US$180m as cornerstone investor
  – Targets transaction values of S$6 bil, principally S’pore, M’sia & China
Growth Strategy – Fund Management & Financial Services

- **China Retail Fund – Targeting 28 Shopping Malls in China**
  - Invest in pipeline of retail malls anchored by Wal-Mart supercenters (6 firm with option for 14 more)
  - Acquire retail malls anchored by Beijing Hualian Group (2 firm with option for 6 more)
  - Potential for creation of property funds / REITs in future
In Conclusion …

… achievements in 4 years demonstrated viability of our strategy

- Record profit: S$313M PATMI
- Strong balance sheet: Debt down 35%
- Successful overseas growth: 68% earnings
- Rapidly growing fund management business: S$6B AUM

Market increasingly recognises not only our real estate competencies but also our growing track records in innovating financial products in real estate industry.
In Conclusion …

Asia is recovering. Our strategies are working. The anticipated Asia economic recovery in the next few years will create a huge window of opportunity for real estate investment and development.

CapitaLand has
• proven competencies across multiple property segments
• skills in innovating financial products
• market presence & networks in key Asian markets
• capital resources
• track records & brands

to capitalise on this boom
CapitaLand today
–A unique and innovative real estate company in Asia.

Thank You