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.
Agenda

- Introduction
- Economy
- China Residential Markets Review
- CapitaLand Residential Portfolio
Introduction
Introduction

China Economy

• China’s GDP growth expected to bottom at 7.4% in 3Q 2012
• Economic transformation from investment-driven to consumption-led
• Monetary easing by government to stimulate economy
• Official forecast of 7.5% GDP growth for 2012

Chinese Housing Policy

• Monetary easing and pent up demand will act as price stabilizers
• Authorities reiterated no loosening of real estate controls in near future
• Expect policy measures to remain intact until at least 1H 2013

CapitaLand well placed to tap mass to mid market housing demand

• Housing demand ↑ in Shanghai, Guangzhou, and Chengdu
• Transaction volume stabilising in Beijing, Ningbo and Hangzhou
• Average transacted prices ↑ in Beijing, Hangzhou, Ningbo and Guangzhou;
• Prices stabilising in Shanghai, Chengdu
Economy
China’s GDP expected to bottom at 7.4% in 3Q2012

- Chinese authorities accelerating public infrastructure project approvals and rolling out subsidy programs.

China GDP Growth (%)

Source: China National Bureau of Statistics & Bloomberg Consensus Forecast
Monetary Easing to Stimulate Economy

- Required Reserve Ratio ("RRR") reduced thrice by a total of 150bps since Dec 2011
- Key policy rates cut twice in June – July 2012

Source: Bloomberg
Mortgage Loans Approvals Rebounded in 2Q12

Latest available data – 2Q 2012

Source: CEIC
China Residential Markets Review
Shanghai, Beijing, Guangzhou, Ningbo, Hangzhou & Chengdu
Observations

- China’s property market has begun to show signs of a modest rebound with sales recovery since 2Q 2012.
- The national residential house price index shows a gentle price recovery in residential sector since Jun 2012.
- However, the price growth in August and September has moderated from the previous two months.

Source: Soufun & China Daily, 4 Sept 2012; HSBC Global Research, 3Q 2012.
Note: Transaction volume for January and February are adjusted on distortion of impact from Chinese New Year.
Shanghai Residential Prices Holding Firm

- Prime sub-market price increased from 1Q2012
- Mid-end sub-market price stabilising
- Transactions recovered well

**Shanghai District Prices (Average)**

**Transacted Pre-Sale Volume**

*Note: House prices reflected are launch-led, not controlled for quality*
Beijing Residential Market – Healthy Rebound

- Strong price recovery
- Healthy rebound in volume transactions

Note: House prices reflected are launch-led, not controlled for quality

Source: Beijing Real Estate Transaction website
Guangzhou Residential Market Steady As It Goes

- Price and volume transactions recorded growth since 1Q 2012

Note: House prices reflected are launch-led, not controlled for quality

Source: Bureau of Land Resources & Housing Management of Guangzhou Municipality
Ningbo Residential Market Looking Promising

- Price recovery on the back of transactions pick up

Note: House prices reflected are launch-led, not controlled for quality
Source: CRIC
Hangzhou Residential Market On the Mend

- Price rebound as transactions show signs of recovery since 2Q 2012

Note: House prices reflected are launch-led, not controlled for quality

Source: Hangzhou Real Estate Information Centre
Chengdu Residential Market – Sound Foundation

- Price rebound to follow as transaction volume started picking up

Note: House prices reflected are launch-led, not controlled for quality

Source: SAGA Organisation
CapitaLand China Portfolio
Balanced Asset Portfolio in China

China Assets: S$13.0b*, 38% of Balance Sheet

- Commercial & Mixed Development: 22%
- Residential: 32%
- Retail: 35%
- Serviced Residences: 6%
- Surbana: 2%
- Others: 1%
- Value Homes: 2%

* Excluding treasury cash
A Well Diversified Residential Landbank

Pipeline of over 34,000* residential homes

Number of Units

Central ~2,500, 7%

East ~9,200, 27%

South ~14,700, 43%

West ~4,400, 13%

North ~3,200, 9%
China Residential Sales Momentum Gaining Traction

- CapitaLand China residential sales continued to improve in 3Q 2012 with demand from first time home buyers and up-graders in China
- 911 units sold in 3Q 2012; total of 1,978 units sold in 9M 2012
  - Units up 180% vs 3Q 2011
  - Sales value up 251% vs 3Q 2011

Note: Units sold includes options issued
Good take up rates from The Loft and The Pinnacle’s recent launches in 3Q 2012

- **The Loft, Chengdu**
  - Launched 257 units in 3Q 2012
  - 81.3% of launched units sold

- **The Pinnacle, Shanghai**
  - Launched 120 units in 3Q 2012
  - 67.5% of launched units sold

*Note: Units sold includes options issued*
Imperial Bay – Sales Momentum Continue

• Launched on Oct 11, 2012
• > 400 buyers turn up
• 100% of launched units sold out within 2 hours
• Total Sales value ~ RMB229m
Ready to handover ~1,300 units in 4Q2012
No Further Real Estate Measures Anticipated

- Home Purchase Restrictions in all cities to remain in place

- Central government to impose a Land Vacancy Fee (20% of land cost) on developers who leave land vacant for over a year, effective July 2012

- NDRC Declares No Intention to Loosen Real Estate Controls (28 Aug 2012)
  - China will stabilize its property tightening measures, continue to curb speculative demand and increase the supply of small and medium-sized housing to prevent rapid rebound in housing prices
Thank you