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Recap On Strategic Roadmap

Key Tasks

- Reduce organisational complexity
  - Streamlined 4 SBUs
  - Improved resource mobility across SBUs
- Review businesses
- Set clear KPIs
- Improve processes
- Re-emphasize Innovation

Set Strategy/ Targets

- 2 core markets of Singapore and China
- 6 city clusters – Singapore/Malaysia; Beijing/Tianjin; Shanghai/Suzhou/Hangzhou/Ningbo; Guangzhou/Shenzhen; Chengdu/Chongqing and Wuhan
- Set the ROE target of 8% to 12% on a sustainable basis
- Focus on operating PATMI and asset composition

Announced
On Jan.13

Announced
On Feb.13

Announced
On Jul. 13
Total Assets @ Sept 2013: $36.4b\(^1\)
(75% of Group Assets in Singapore & China)

- **Singapore**: $5.2b, 14%
- **China**: $14.2b, 39%
- **Other Asia**\(^{**}\): $3.0b, 8%
- **Europe & Others**: $1.1b, 3%

Excluding treasury cash

Group EBIT @ Sept 2013: $1.4b
(77% of Group EBIT from Singapore & China)

- **Singapore**: $599.3m, 43%
- **China**\(^{*}\): $472.2m, 34%
- **Other Asia**\(^{**}\): $100.0m, 7%
- **Europe & Others**\(^{***}\): $230.3m, 16%

By Geography

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\(^1\) Excluding treasury cash

\(^*\) China including Hong Kong

\(^{**}\) Excludes Singapore & China and includes projects in GCC

\(^{***}\) Includes Australia

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Singapore And China Will Continue To Be Key Drivers Of CapitaLand’s Business
Progress So Far

ION Orchard, Singapore
# YTD Investments Mainly In Singapore & China

New Investments Of S$1.63 billion (YTD Sept. 2013)

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### SINGAPORE

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Type</th>
<th>Total GFA (sqm)</th>
<th>Investment Amt (S$M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coronation Road Site</td>
<td>Residential</td>
<td>37,441 (site area)</td>
<td>366.0²</td>
</tr>
<tr>
<td>Big Orange Self Storage Singapore</td>
<td>Self Storage</td>
<td>5</td>
<td>91.8³</td>
</tr>
</tbody>
</table>

### CHINA

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Type</th>
<th>Total GFA (Sqm.)</th>
<th>Investment Amt (SSM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grand Canyon Mall, Beijing</td>
<td>Shopping Mall</td>
<td>70,000</td>
<td>373.0¹</td>
</tr>
<tr>
<td>Hanzhonglu Site, Shanghai</td>
<td>Mixed Development</td>
<td>110,000</td>
<td>397.5³</td>
</tr>
<tr>
<td>No 138 Connaught Road West, Hong Kong</td>
<td>Serviced Residence</td>
<td>3,874</td>
<td>75.5</td>
</tr>
</tbody>
</table>

### OTHERS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Type</th>
<th>Total GFA (Sqm.)</th>
<th>Investment Amt (SSM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Danga Bay Project</td>
<td>Mixed Development</td>
<td>1,021,925</td>
<td>324.0²</td>
</tr>
</tbody>
</table>

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1. Project Development Expenditure
2. Land cost only
3. Acquisition price of company
4. Based on a 100% basis
5. Post acquisition, more than 10,000 self storage units
6. Includes Malaysia

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Progress So Far

![Circle Chart showing investments by country and city]
## Progress So Far

### Scaling Up Ascott’s Presence In China

<table>
<thead>
<tr>
<th>Property</th>
<th>Target Opening Date</th>
<th>No. of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somerset Riviera Guangzhou</td>
<td>1Q 2014</td>
<td>32</td>
</tr>
<tr>
<td>Citadines LiZhiWan Guangzhou</td>
<td>1Q 2014</td>
<td>34</td>
</tr>
<tr>
<td>Citadines Baijia Lake Nanjing</td>
<td>2H 2014</td>
<td>290</td>
</tr>
<tr>
<td>Citadines Intime City Hangzhou</td>
<td>2H 2014</td>
<td>100</td>
</tr>
<tr>
<td>Ascott Central Wuxi</td>
<td>2H 2015</td>
<td>134</td>
</tr>
<tr>
<td>Somerset Wuxi</td>
<td>2H 2015</td>
<td>169</td>
</tr>
<tr>
<td>Ascott Nanbin Chongqing</td>
<td>2015</td>
<td>150</td>
</tr>
<tr>
<td>Somerset Software Park Xiamen</td>
<td>2015</td>
<td>167</td>
</tr>
<tr>
<td>Somerset Swan Lake Hefei</td>
<td>2017</td>
<td>250</td>
</tr>
</tbody>
</table>

Total 9 Management Contracts Signed (1,326 units YTD Sep 13)
Adjustments Made To Existing Product Strategy

(A) Improved Project Profitability

- Right-sizing of apartments → Increase asset churn rate
- Eg. Sky Vue - launched on 28 Sept. 2013, sold 433 units (86%) out of the 505 units launched. Over 80% of units sold are two- and three-bedroom units. Singapore’s top selling project in Sept. 2013

(B) Reconstitution Of Portfolio

- Part of CapitaLand’s on-going strategy to recycle and redeploy capital to higher return projects
- Eg. Divestment of 81 units in Somerset Grand Fortune Garden
Ongoing Review Of Investments

(A) Sale Of Non-core Assets

- Eg. Sale of Technopark@Chai Chee for S$193 million to The Trust Company (Asia) Limited (in its capacity as trustee of Viva Industrial REIT)
  - In line with CapitaLand’s active portfolio management strategy to recycle capital
  - Sale completed as of 4 November 2013

- Eg. Sale of entire indirect one-third interest in investment properties in the UK
  - Resulted in portfolio gains of S$16.4 million in 3Q 2013

Total ~S$215 million Of Capital Recycled
Ongoing Review Of Investments (Cont’d)

(B) Regional Investments / Others

• Australand
  – Increased activities in residential sales; improved sentiments for C&I
  – Sale of residual commercial site at Freshwater Place in Melbourne for A$30 million

• Vietnam → improved residential demand
  – Mulberry Lane: sold more than 109 apartments YTD Sept 2013
  – The Vista: sold 56 apartments YTD Sept 2013

• StorHub
  – Largest Self Storage Operator in Singapore with more than 10,000 self storage units after acquisition of Big Orange on 30 Apr. 2013

• Japan
  – The Parkhouse Nishi Azabu sold 185 units out of 191 units (96%) as at 30 Sept 2013
### Progress So Far

**Reduced Financing Costs & Improving Organisational Effectiveness**

<table>
<thead>
<tr>
<th>Reducing Financing Costs</th>
<th>Improving Organisational Effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Two CBs buyback exercises in May and September 2013</td>
<td></td>
</tr>
<tr>
<td>• Shaved off maturity towers in 2015 and 2016</td>
<td></td>
</tr>
<tr>
<td>• Extended maturities of CBs to 2023</td>
<td></td>
</tr>
<tr>
<td>• Incur meaningful interest savings (more than S$35 million in 2014)</td>
<td></td>
</tr>
<tr>
<td>• Streamlined business units into 4 core businesses - Singapore, China, CMA and Ascott</td>
<td></td>
</tr>
<tr>
<td>• Integration of Surbana Township business into CL China</td>
<td></td>
</tr>
<tr>
<td>• Further streamlining within the corporate office eg. re-organisation of Legal, HR, IT and Corporate Communications departments; creation of iHub and Innovation Hub</td>
<td></td>
</tr>
</tbody>
</table>
Outlook For ROE Target
Overall Strategy

- Right mix of PUDs (1/3) vs. operating assets (2/3)
- Investment property to form the base with optimal capital structure
- ROE “kicker” to come from development profits
As of 30 Sept. 2013

Long term (3 yrs & beyond)

Revaluation Gains/Impairment
Portfolio Gains
Operating Profit

Note:
1. PUDs are non P/L contributing assets comprising either projects which are under development or land sites which have not commenced development or residential projects which have been launch for sale or will be launched within the current year but profit recognition will not be in current year.
2. Operating assets are P/L contributing assets comprising office, shopping malls, serviced residences and residential projects which have commenced profit recognition or whose units will be handed over to buyers within the current year.
Asset Class

- Residential
- Shopping Malls
- Serviced Residences
- Offices

ROE Targets

- Singapore Residential: 10-12%
- China Residential: 12-15%
- Stabilised Assets: 8-10%
- Development Assets To Sell (SR & Offices): 12-15%

8% - 12% ROE Target Is Achievable With Long-Term Capital Allocation Plan & Return Targets
Outlook For ROE Target

(2012)

6.2%

8-12%

Short term (2 yrs)

- Sale of approx. 1,700\(^1\) residential units in SG and completion of approx 4,100\(^2\) units in CN
- Opening of 6 shopping malls in Singapore, China and India
- Opening of about 25 – 30 properties worldwide by Ascott
- Continue to divest non-core assets/recycling of stabilised assets

Long term (3 yrs & beyond)

- Opening of 4 Raffles Cities – Changning, Hangzhou, Shenzhen and Chongqing
- Opening of about 25 – 30 properties worldwide by Ascott
- To achieve 40,000 operational units by Ascott
- New mixed-use / residential developments

Note:
1. Sales pipeline of ~1,700
2. Estimate of completions of launched units in 2H 2013 and 2014 (does not include CL Township)
Looking Forward
Looking Forward

• **Focus on integrated/mixed-use developments**
  — Through harnessing synergies across competencies in our 4 core business: Singapore, China, CMA and Ascott

• **To be nimble and flexible to undertake asset recycling**
  — Redeploy capital to higher return projects

• **Continue with processes to improve organisational effectiveness**

• **Improve capital productivity**
Thank You