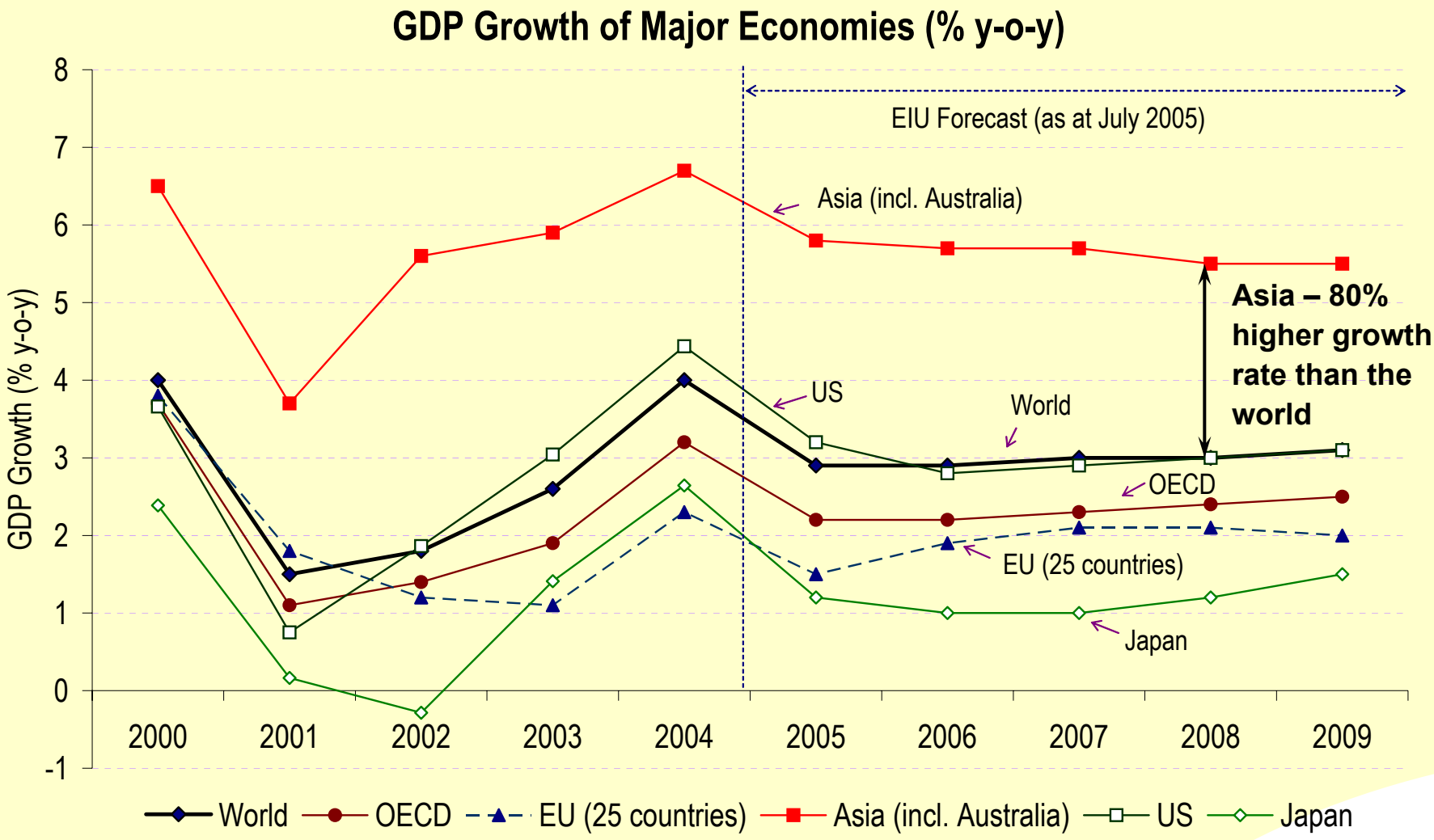
Orchard Turn Bid
-- *Reflects Future Market Confidence*

16 December 2005

Asia – Fastest Growing By Far



Source: EIU & CapitaLand Research

Singapore Still Under-Shopped
… hence expect further growth

Retail Property Supply Per Capita



Source: JLL, CBRE, UBS (Global Real Estate Analyzer, Dec 2004 Issue) & CapitaLand Research

- **Singapore remains "under-shopped" compared to regional (e.g. HK, Japan, and Australia) and western major markets.**
- **Given this structural shortage, retail sector is expected to outperform other property sectors over the long-term.**

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Orchard Turn & Comparable Property Valuation

Orchard Rd Properties	Owner	Land Tenure	NLA (retail) (sq ft)	Capital Value (S$ psf)	Ave. Rental (S$ psf)
Wisma Atria (1)	Prime REIT	56-yr	121,181	4,674	26.6
Ngee Ann City	Prime REIT	67-yr	256,517	1,763	10.6
Paragon	SPH	FH	442,000	2,690	13.8
Plaza Singapura	CapitaMall Trust	FH&LH	486,113	1,635	9.7

Source: UBS & CapitaLand Research

Paragon will be closest comparable to Orchard Turn, in terms of size, location and profile

Orchard Turn has a breakeven cost of S$2500 psf

(1) Wisma Atria's current average rental of S$26.6 psfpm is not directly comparable as it only pertains to 120,000 sf of specialty retail space, which is substantially fashion

(2) Based on max. 1.35 mn sq ft GFA, 70% for retail use, and 70% efficiency ratio

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Orchard Road Rental… more room for growth

The World's Most Expensive Shopping Street

2005 Rank	City	Location	Rental (US$/sq m/yr)	% Below Highest (NY)
1	New York	5th Avenue	13,993	--
2	Hong Kong	Causeway Bay	11,653	-17%
3	Paris	Avenue des Champs Elysees	8,024	-43%
4	London	New Bond Street	6,753	-52%
5	Tokyo	Ginza	5,578	-60%
6	Dublin	Grafton Street	4,423	-68%
7	Sydney	Pitt Street Mall	3,807	-73%
8	Seoul	Myeongdong	3,764	-73%
9	Munich	Kaufingerstrabe	3,632	-74%
10	Zurich	Bahnhofstrasse	3,513	-75%
11	Moscow	Tverskaya	3,400	-76%
12	Athens	Ermou	2,906	-79%
13	Madrid	Preciados	2,789	-80%
14	Singapore	Orchard Road	2,604	-81%
15	Milan/Rome	Via Montenapoleone/Via Condotti	2,603	-81%

Orchard Road rental level is only 19% of that of 5th Avenue (NY)!

Source:
Cushman & Wakefield and CapitaLand Research

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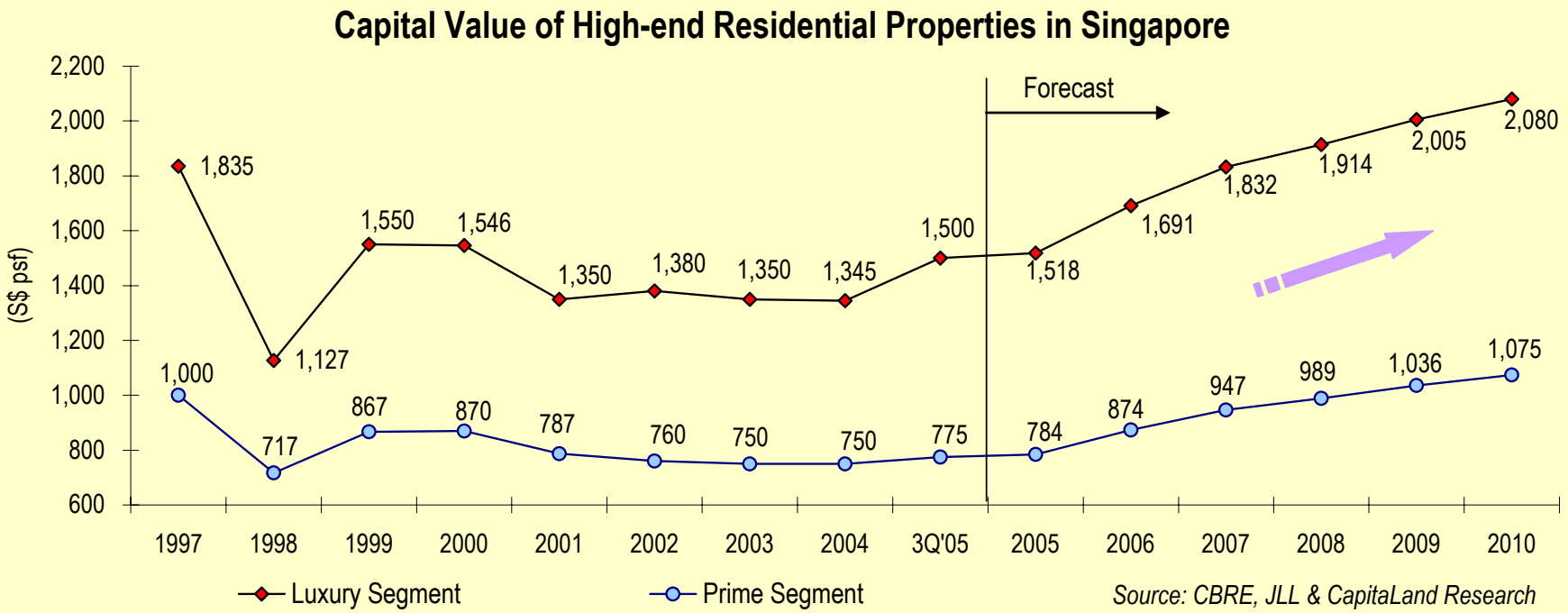
Luxury Segment Price on the Upward Trajectory



* Price index by CBRE is might be different from that from URA, due to the different composition of the basket of projects selected to construct the index.

- **Luxury segment price increased by 11.5% during 1Q-3Q'05…, market is forecasting a 10% p.a. increase for the next 3 years for this segment…**
- **Recent launches of some projects suggest that niche and differentiated projects are able to significantly outperform the overall market benchmarks**
- **Achieving a price of S$1,800-S$2,000 should not be a big challenge if the project is able to differentiate itself successfully…**