CapitaLand Group
Financial Year 2005 Results



16 February 2006

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.

CapitaLand

Liew Mun Leong

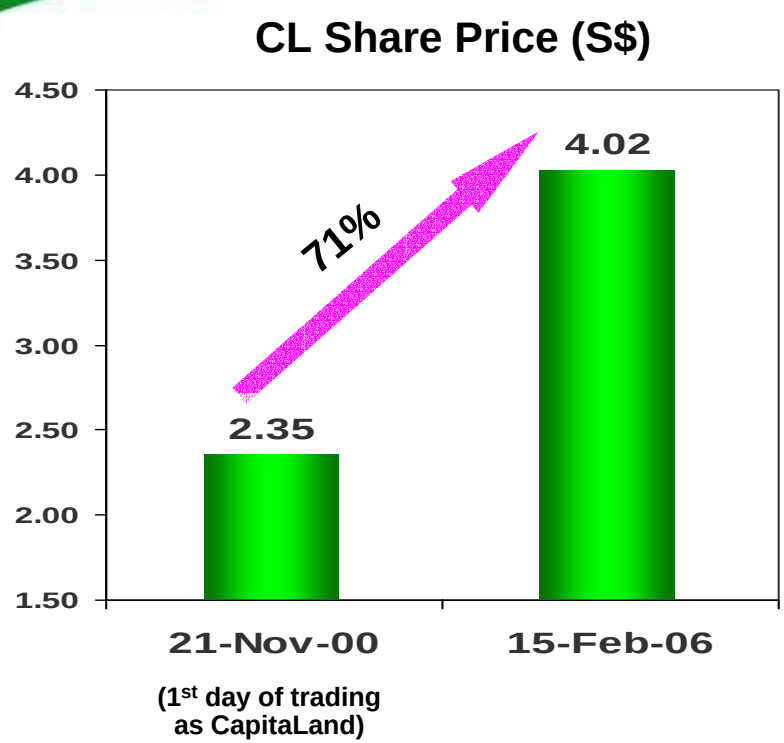


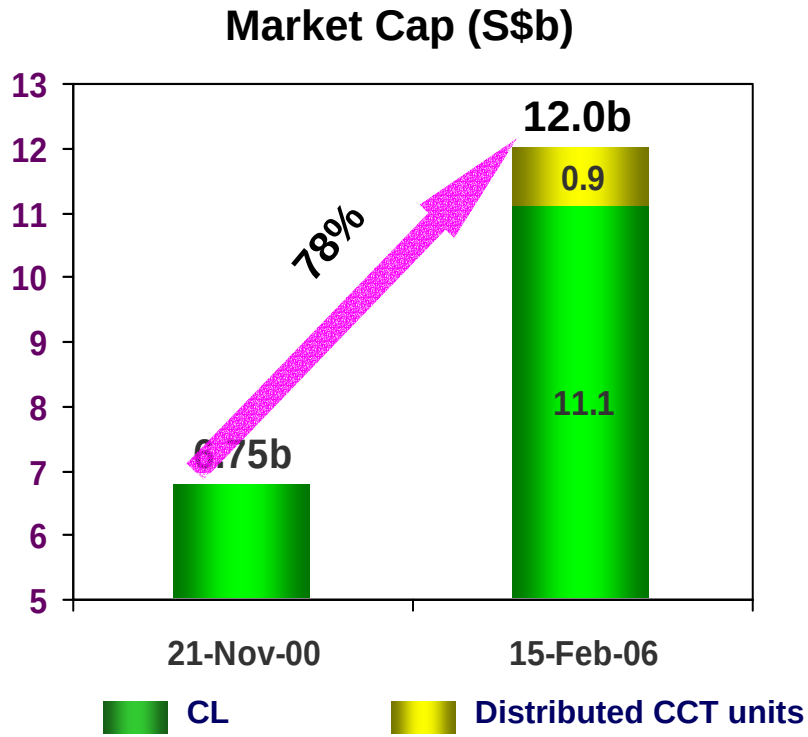
President & CEO
CapitaLand Group

FY 2005 – Record Profit

- **PATMI of S$751 million – an all time high**
- **Reward shareholders – propose total dividend of 18¢**
  - Ordinary dividend of 6¢, up 20% YoY
  - Special dividend of 12¢
- **Created more than S$5 billion of shareholders' value**
  - CapitaLand has created S$5.2 billion (based on share price of S$4.02 on 15th Feb) of shareholders' value over 5 years
  - 5-year Compounded Average Growth Rate (CAGR) of 12%

5-Year Shareholders Return





Total Value Created*

CapitaLand
S$5.3B

Listed entities within Grp**
S$8.6B

* Inclusive of dividends, CCT distributed less equity raised

** CapitaLand, Raffles Hldgs, Ascott Group, Australand, CCT, CMT

FY 2005 – Consistent Business Strategy

- **Successful multi-local strategy drives sustainable overseas earnings**
  - Overseas business contributed 79% to Group EBIT
  - Expanded Asian footprint – accelerated growth in China, Japan, Malaysia and Thailand
- **Increase real estate financial services & fee income**
  - Achieved AUM of S$8.5 billion, up 38% YoY
  - On track to achieve target of S$13 billion AUM by 2007
- **Active capital management**
  - Significant improvement to ROE of 12.5%
  - Increased financial capacity, lower D/E ratio to 0.5
  - Greater strategic focus through divestment of hotels & PREMAS

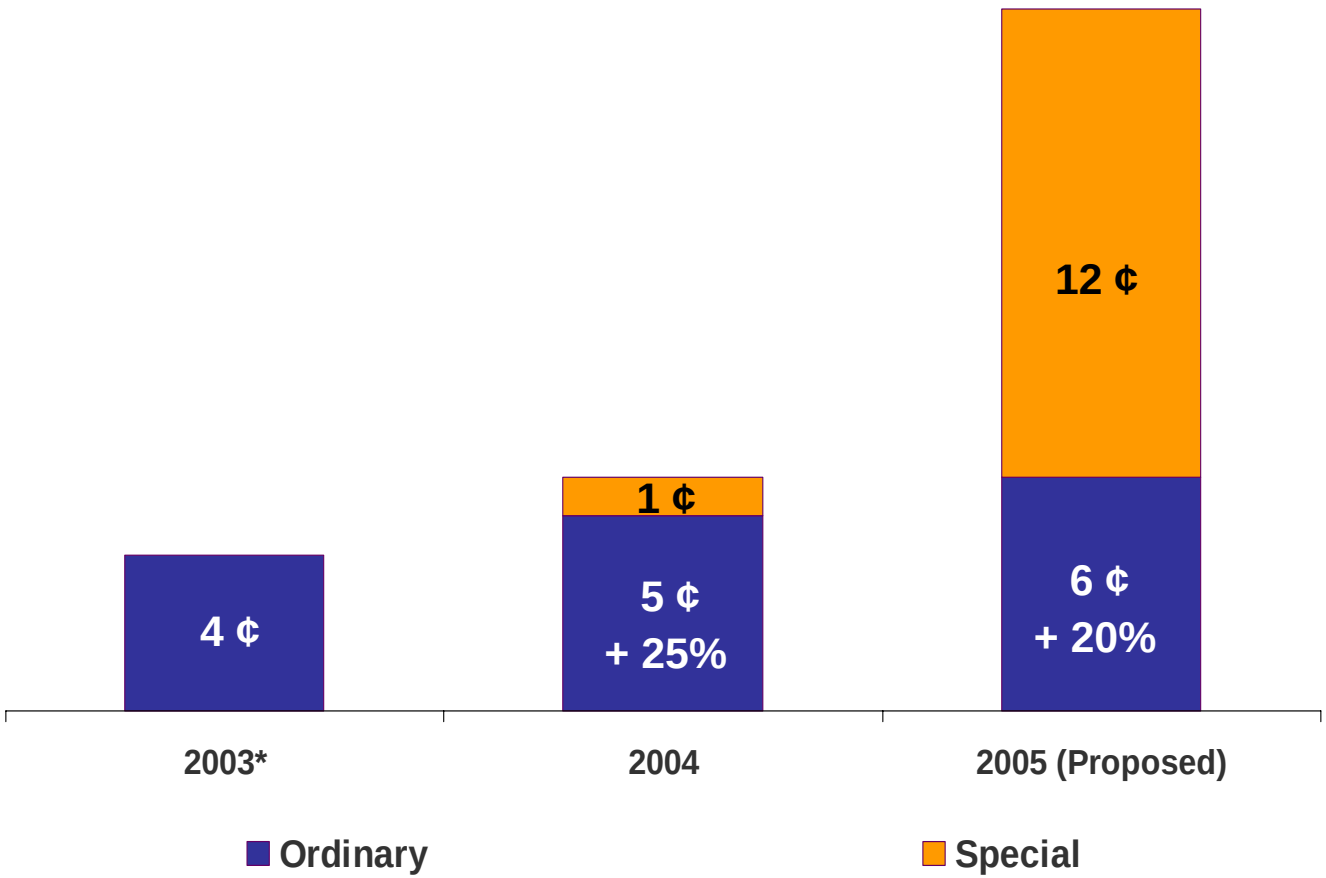
2005 Financial Results

(S$ million)	FY 2004	FY 2005	Change
Revenue	3,179.1	**3,845.6**	**21.0%**
PATMI	305.7	**750.5**	**2.5x**
EPS (S cents)	12.1	**28.3**	**2.3x**
ROE (%)	5.4	**12.5**	**7.1%pts**
NTA / share (S$)	2.10	**2.41**	**14.8%**

Record Profits
PATMI 2.5x

CapitaLand

Growth in Ordinary Dividend



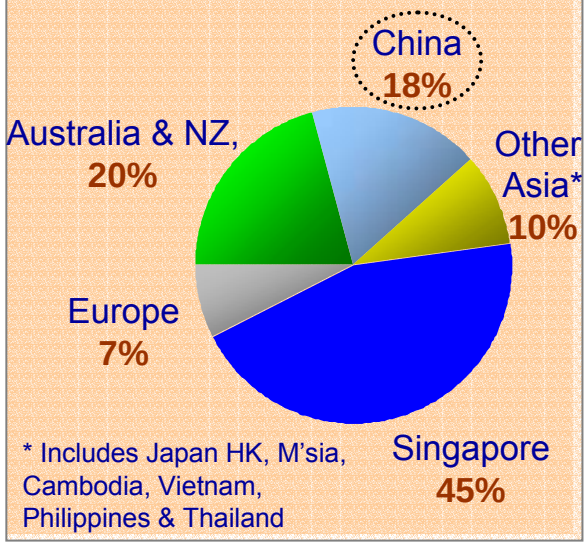
- 12¢ special dividend
- 20% YoY increase in ordinary dividend

Overseas Contributions – FY 2005

55% of Assets Overseas contributed 79% to Group EBIT

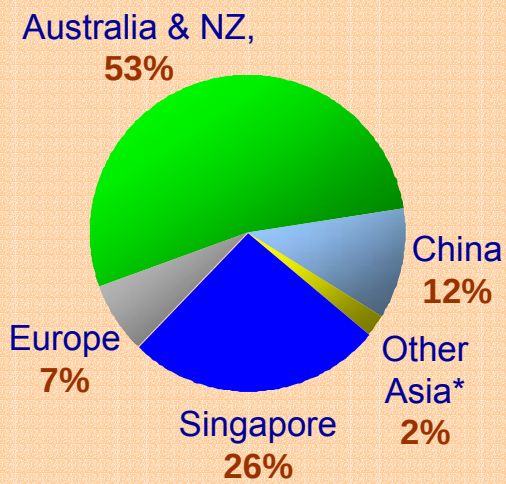
By Geographical Location

Total Assets – S$18.2b

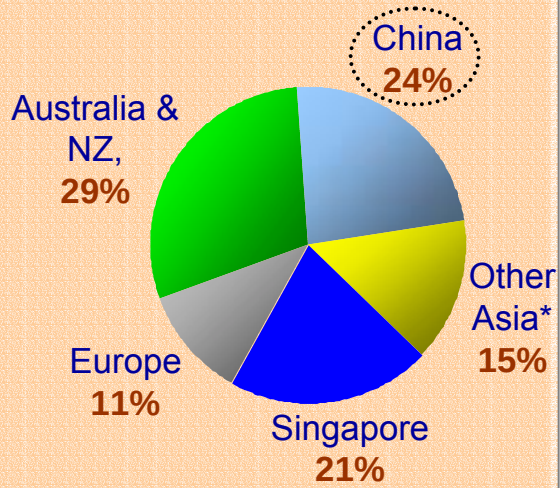


* Includes Japan HK, M'sia, Cambodia, Vietnam, Philippines & Thailand

Revenue – S$3,846m



EBIT – S$860m



Overseas EBIT Growth – 74% CAGR from 2001-2005

Highlights



Major Achievements 2005

- **Residential**

Singapore

- Attained record sales of over S$1 billion
- 880 homes sold in 2005
- Acquired 3 new sites: Yielding 620 apartments
  - Alexandra Rd (350 apartments, GFA 47,739 sq m)
  - Dragon View (150 apartments, GFA 24,413 sq m)
  - Orchard Turn (~120 apartments, GFA 34,560 sq m)

China

- Acquired 3 new development sites:
  - Beijing (Dongzhimen; GFA 145,928 sq m)
  - Ningbo (Jiangbei; 1,300 units, commercial GFA 59,000 sq m)
  - Guangzhou (BaiYun; 3,000 units, GFA 356,623 sq m)





Major Achievements 2005

- **Commercial & Integrated Development**
  - Monetised S$365 million of assets:
    - Pidemco Tower Shanghai, 31 Moorgate London & Four Seasons Hotel London
  - AIG Tower (former Furama Hotel site) – 97% occupancy, rents up to HK$100psf/mth



AIG Tower, Hong Kong



HSBC Building

Major Achievements 2005

- **Retail**

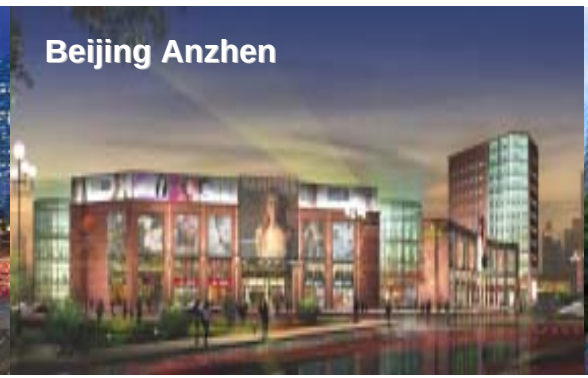
Singapore

- Won landmark Orchard Turn tender with Sun Hung Kai Properties
- Added value at Bugis Junction & re-vitalised Clarke Quay

China

- Secured pipeline of 21 Wal-Mart anchored malls:
  - Opened 4 malls, located in Chongqing, Changsha, Wuhu & Weifang
- Acquired Anzhen and Wangjing malls from Beijing Hualian (for S$360m)







Major Achievements 2005

- **Financial Services**

Fund Management

- AUM hit **S$8.5 billion**, up **38% YoY**
- 1st Shari'ah compliant fund with Arcapita, investing S$500 million in Japan rental housing
- Launched CapitaLand China Development Fund, raising S$678 million
- CapitaRetail Japan Fund bought 3 malls – AUM of S$583 million

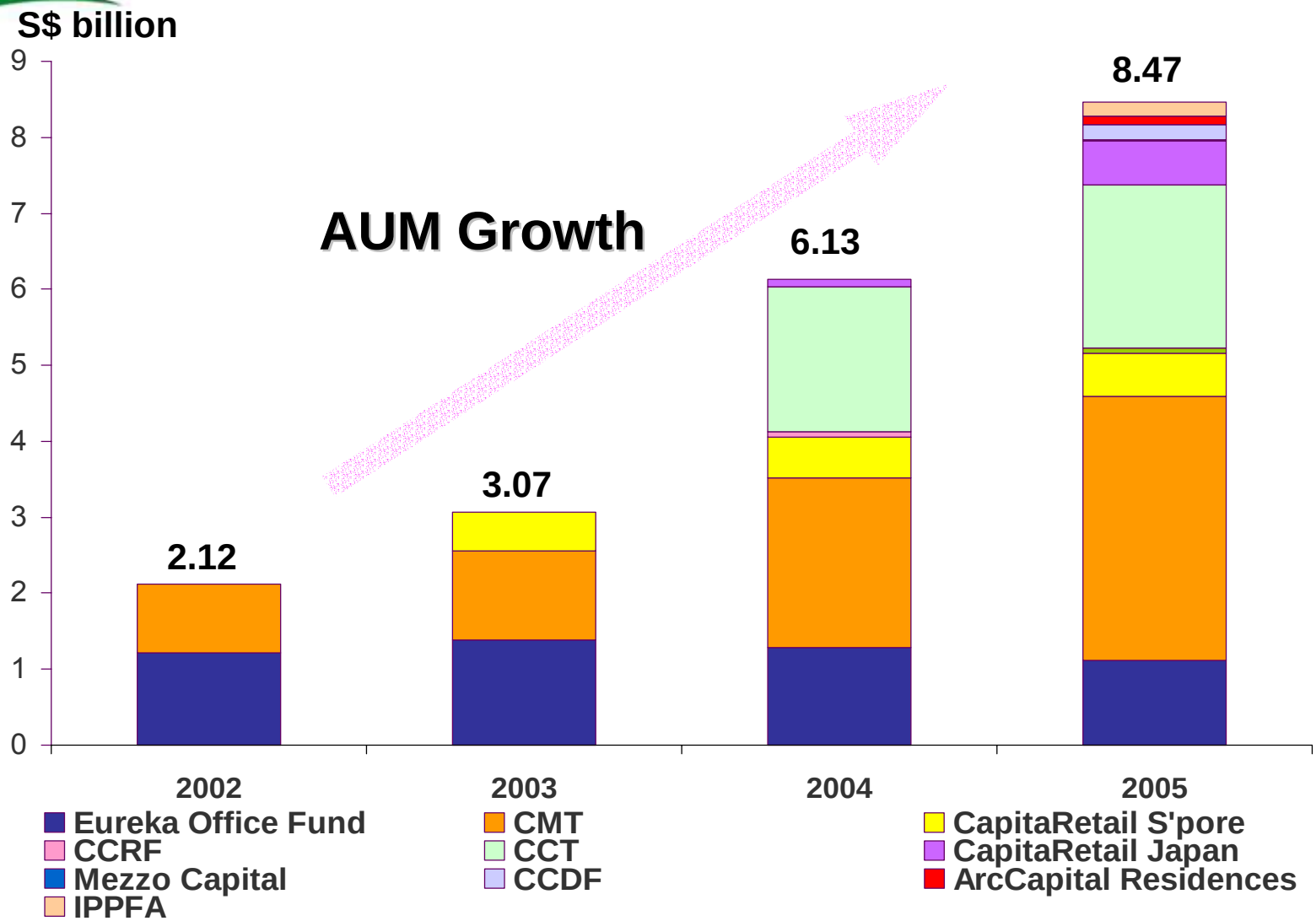
Advisory and Structuring

- Successful listing of LINK REIT, share price appreciated 61% from IPO
- Strategic partner to HKHA's LINK REIT with US$120 million investment

Listed REITs

- CCT acquired HSBC Building
- Commenced asset enhancement for Market Street Carpark.
- CMT purchased 4 malls, namely Jurong Entertainment Centre, Hougang Plaza, Sembawang Shopping Centre and Bugis Junction

Strong Property Funds Business



Major Achievements 2005

- **Serviced Residence – The Ascott Group**
  - Record S$44.6 million PATMI from operations, up 2 times
  - Proposed setting up the Ascott Residence Trust (ART), the 1st Pan-Asian serviced residence REIT
- **Raffles Holdings**
  - Divested hotel business for gain of S$631 million
  - Raffles' FY 2005 PATMI of S$678 million
  - Asset enhancement at Raffles City Complex lifted contributions from Tincel Properties





CapitaLand

CFO
CapitaLand Limited



Group Financials

2005 Financial Results – Record Profits

(S$ million)	FY 2004	FY 2005	Change
PATMI	305.7	**750.5**	**2.5x**
EPS (S cents)	12.1	**28.3**	**2.3x**
Excluding Revaluations *			
PATMI	347.7	**830.5**	**2.4x**
PATMI (Cont. Ops) ^	333.1	**387.6**	↑ **16.4%**

* FY2005 results contain S$80 mil (FY2004: S$42 mil) of net revaluation deficit.

^ Excludes contribution from PREMAS & the hotel business for both years (2004: S$14.6 mil & 2005: S$18.0 mil) and divestment gains from the sale of PREMAS (S$31.1 mil) and the hotel business (S$393.8 mil) in FY 2005.

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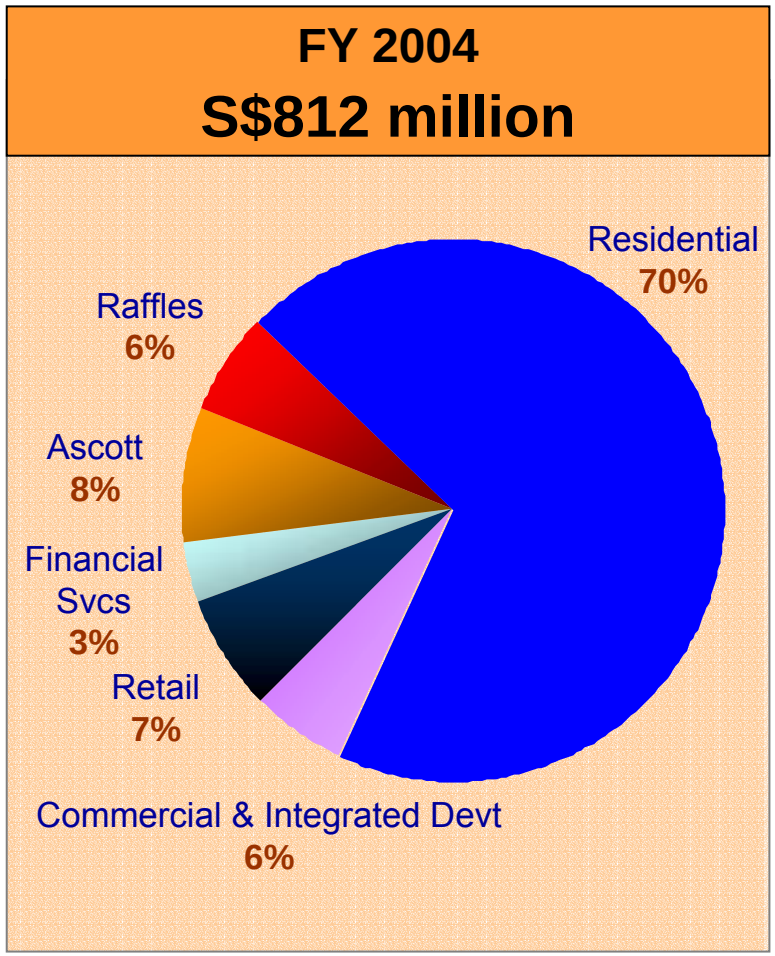
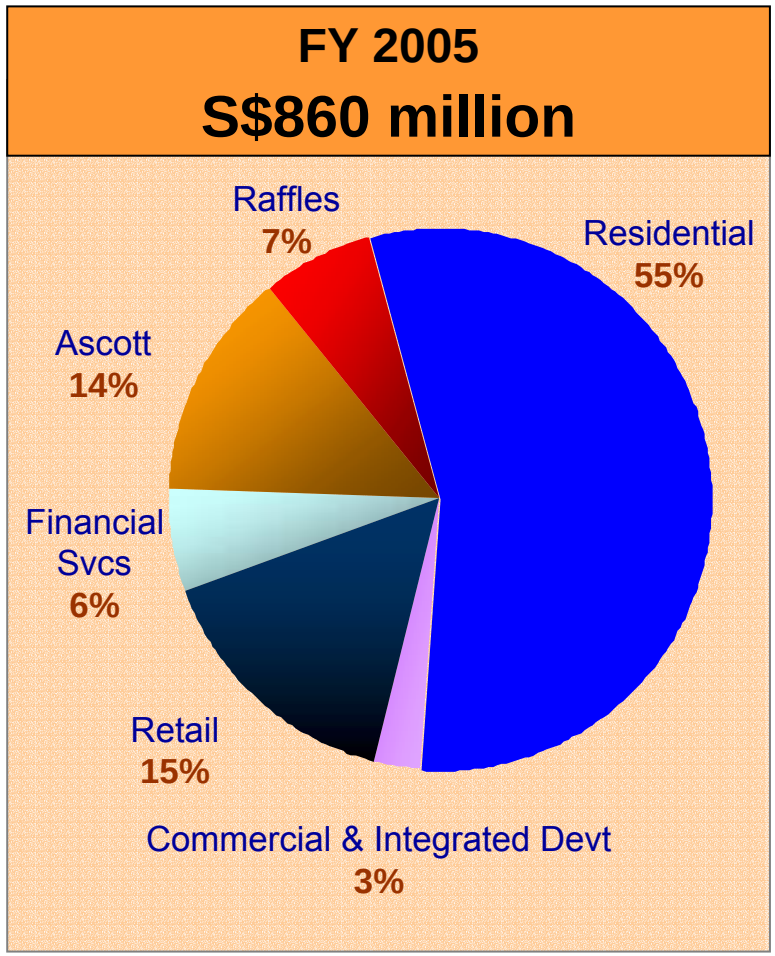
Continuing Ops EBIT by SBUs





Improved Financial Capacity

	FY 2004	FY 2005	Change
Net Debt (S$ million)	5,279	**4,501**	**Improved**
Equity (S$ million)	7,414	**9,028**	**Improved**
Net Debt / Equity *	0.71	**0.50**	**Improved**
% of Fixed Rate Debt	74	**61 ***	**Satisfactory**

* For every 0.10 increase in the Net Debt / Equity ratio,
the CapitaLand has the capacity to borrow an additional S$900+ mil

^ Absolute loan quantum has decreased

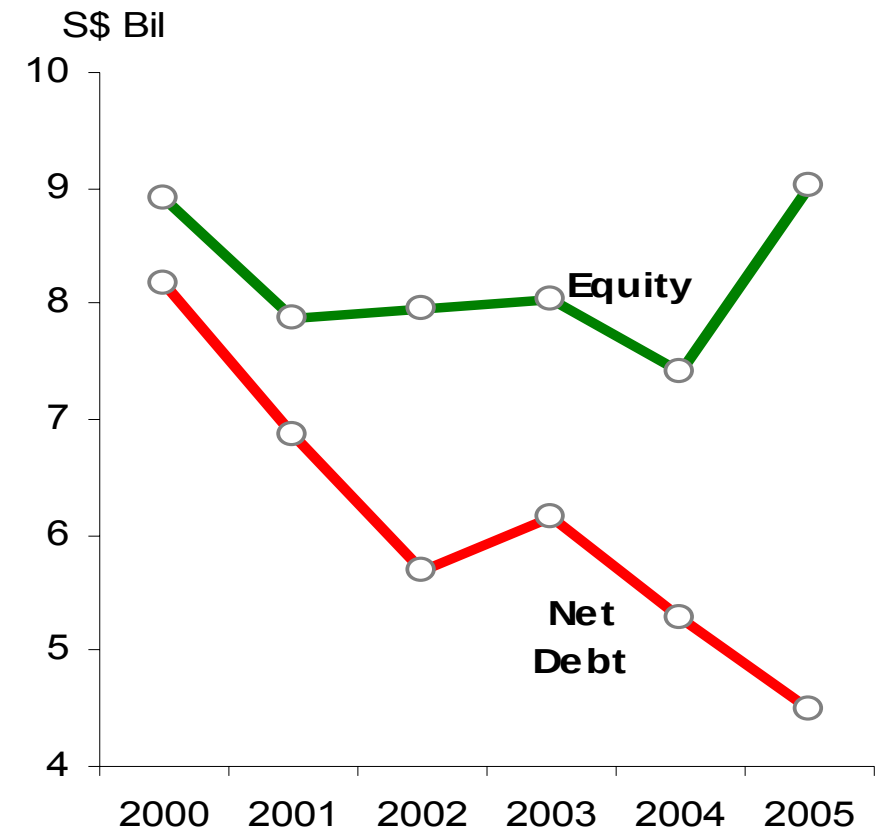
Very Healthy Debt Coverage

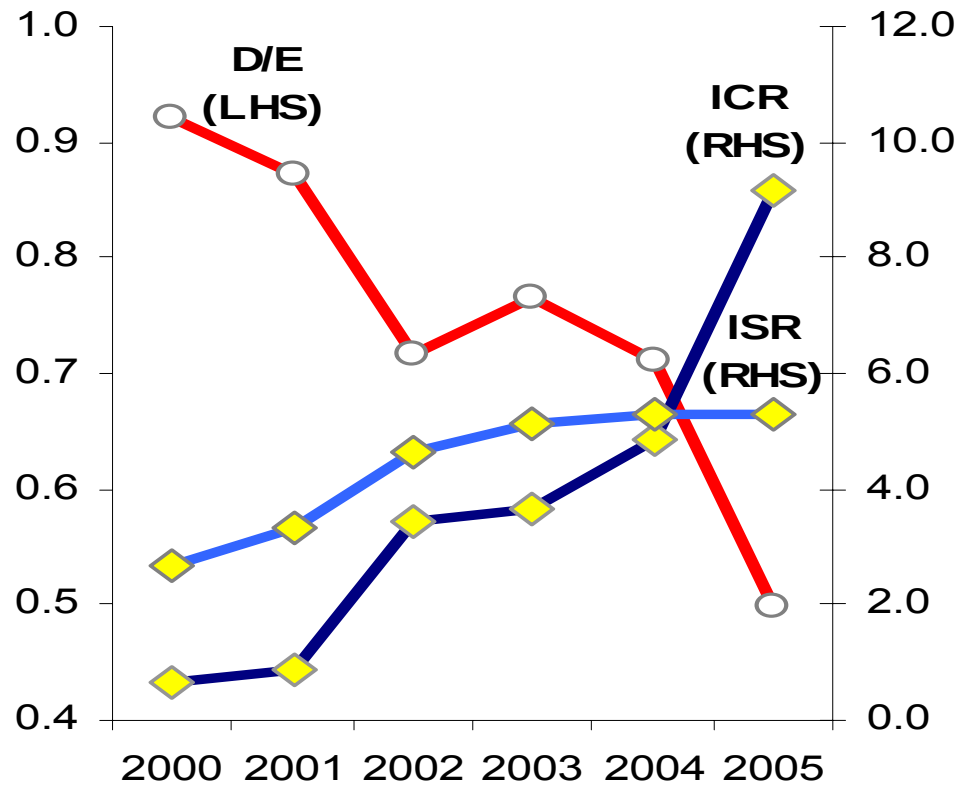
	FY 2004	FY 2005	Change
Finance Cost (S$ million)	263.6	**274.6**	**Stable**
Interest Cover Ratio (ICR)	4.6	**9.2**	**Improved**
Interest Service Ratio (ISR)	5.3	**8.5**	**Improved**

$$\text{ICR} = \frac{\text{EBITDA}}{\text{Net Interest Expense}}$$

$$\text{ISR} = \frac{\text{Operating cashflow}}{\text{Net Interest Paid}}$$

Balance Sheet Capacity





Going Forward



Bright Growth Prospects

Right Geography, Right Timing, Strong Balance Sheet

- **Asian Real Estate markets growing strongly**
  - Property cycle upturn driven by high economic growth
  - Global capital keen to invest in Asian real estate
  - CapitaLand – a trusted intermediary for Asian real estate investments
- **Financial strength**
  - Strong balance sheet and low debt equity ratio

    => Financially capable to participate in mega projects locally & abroad
  - Strong share currency => strengthened acquisition power
  - Strong position to tap into growth opportunities

Residential

- **Singapore**
  - Rising foreign demand
  - Developer of premium homes, commanding price premium
  - Strong sales in 2005 will translate to robust earnings
  - Landbank of approximately 2.55m sf of GFA (including Orchard Turn)
- **China**
  - Strong long term underlying demand
  - Expand beyond current presence in Shanghai, Beijing and Guangzhou
  - Creation of more private funds to accelerate growth
  - Exploit strong financial capacity
- **Australia**
  - On target to raise proportion of recurrent income to 65% of earnings
  - Continues to be a substantial earnings contributor

New Markets – Next Engine of Growth

Residential Development – Launches

- **Thailand**
  - Launched 3rd project in Bangkok, The Empire Place
  - Doubling developments – 4 on-going projects
    - Sukhumvit 24 (320 units), Royal Residence (79 bungalows), Pattaya site (85 units) & North Park Ph 1 (160 units)
- **Malaysia**
  - Stepping up development activities,
    - Building landmark condo at Jalan Mayang
    - Launching early 2007
- **India**
  - 1st JV project in upcoming Ghatkopar area, Mumbai
  - Building more than 500 units (GFA 50,000 sqm)
  - Launching late 2006
- **Vietnam**
  - 1st JV project in An Phu, District 2, Ho Chi Minh
  - Phase 1 of 3 to build 300 upper mid class apartments
  - Launching end 2006





Retail – Asia's Leading Retail Mall Player

Owner and Manager of 46 Shopping Malls

- **Singapore – Largest Retail Mall Player**
  - 16 malls : NLA over 5.6million sq ft, asset size over US$3.5 billion
  - Vivo City, opening in Oct 06, will be the largest mall in S'pore
  - Orchard Turn, iconic retail cum residential development, will be the Centre of Gravity along Orchard Road
- **China – Strong Presence**
  - 26 malls : NLA over 13million sq ft, asset size over US$1.1 billion
  - First right to invest in at least 70% of Wal-Mart anchored malls under SZITIC joint venture up to 2010
  - Potential to grow China portfolio to more than 4 mil sq m by 2010
  - Potential pipeline of approximately 100 malls
- **Japan – Growing Presence**
  - 4 malls : NLA over 1.3 million sq ft, asset size over US$340 million
  - Potential to grow asset size of CapitaRetail Japan fund to S$2.2 billion

Retail

- **Orchard Turn**
  - Landmark development, direct connectivity to Orchard MRT
  - 1.35m sf of GFA; 70-75% retail & 25-30% residential
  - Luxury apartments atop of vibrant high end retail mall
  - S$2.2 billion project, TOP targeted for 4Q2008 (retail)



Integrated Developments

- **Integrated Leisure, Entertainment, Conventions (iLEC)**
  - Submitting Request for Proposal (RFP) for Marina Bay IR concept to government on Mar 29
  - Leverage on MGM MIRAGE and CapitaLand's development, hospitality / resort, retail, F&B, entertainment, MICE and asset management expertise


Fountains of Bellagio


Cirque du Soleil's Ka
MGM Grand Las Vegas




Cirque du Soleil's O
Bellagio



CapitaLand

MGM for Marina Bay Integrated Resort







Dominant player in Las Vegas:

- **Experienced in Asia** – 28 years relationship with Asian high-rollers; marketing offices throughout SE & NE Asia; 50% of Asian player market in Vegas
- **Entertainment** – 19,000 seats to 15 different permanent production shows in Vegas + >US$1.5m potential ticket sales per night; exclusive relationship with Cirque du Soleil in Vegas; added more than 23 nightclubs over last 2 years
- **F&B** – Runs more than 150 restaurants in their Vegas properties alone, many with top-named chefs
- **MICE** – Largest player in Las Vegas: 50% of privately-held MICE space in Vegas, more than 2.5m sq ft
- **Known for Rejuvenation / Reinvestment** – US$167m for Ka at MGM Grand Theatre; US$40m for Bellagio fountains



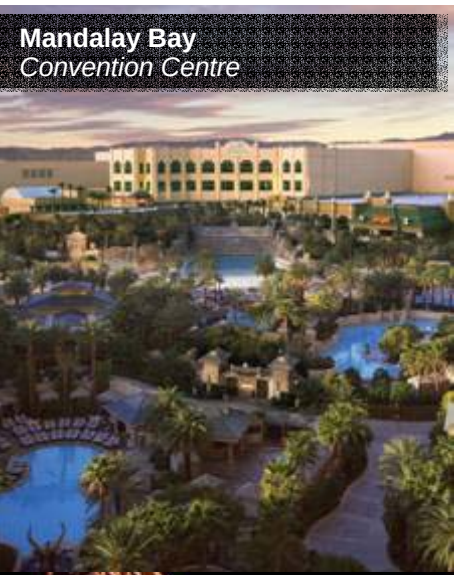


CapitaLand

Marina Bay Integrated Resort

Strong Contender:

- RFP calls for seasoned developer and operator with strong access to tourist market
- MGM strong in Entertainment business development
- Together, MGM and CapitaLand have extensive development experience
- 'Starchitects' will bring iconic, modern and compelling design which will integrate with surrounding Gardens by the Bay and civic attractions

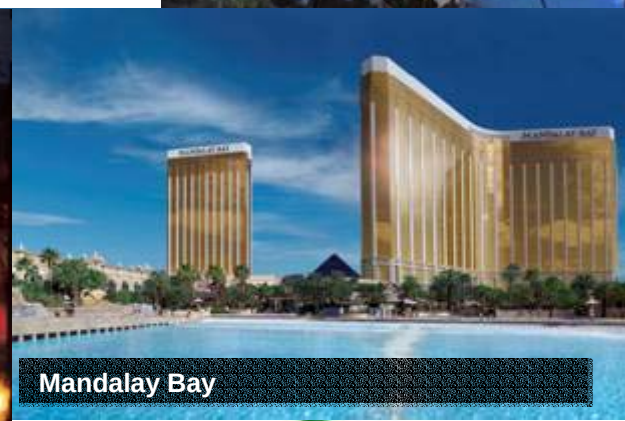

Mandalay Bay
Convention Centre


MGM Grand Las Vegas


Treasure Island


New York - New York


The Mirage


Mandalay Bay

Other Integrated Developments

- **Raffles City Beijing**
  - Integrated development of office, retail, residential and serviced residence – 97,665 sq m above ground; 48,263 sq m below ground
  - Tapping on bustling area of Dongzhimen (东直门), 2nd Ring
    - Established commercial and residential area
    - Located diagonally across the busiest transportation hub in Beijing



Other Integrated Developments

- **Selegie Complex re-development**
  - Vibrant development of office, retail, SOHO and serviced residence
  - Tapping on growing catchment from
    - Urbanites and spill over traffic from Orchard Rd
    - Student communities from neighboring NAFA & SMU



Night View of Selegie Complex


Office space with sky terrace

Financial Services

- **Real Estate Investment Trust (REIT)**
  - Listed REITs to double asset portfolio
  - Plans to launch overseas REITs
- **Fund Management**
  - Launching property funds across Asia, targeting AUM of S$13 billion
  - To rank within the top 10 global fund managers of property fund & financial services products
- **Financial Advisory & Structuring**
  - Explore opportunities beyond strategic partner role to LINK REIT
  - CapitaLand Amanah to invest and provide advisory services for Shari'ah compliant real estate products, target fund size of US$500 million


Capital Tower


HSBC Building


AIG Tower


Capital Tower Beijing

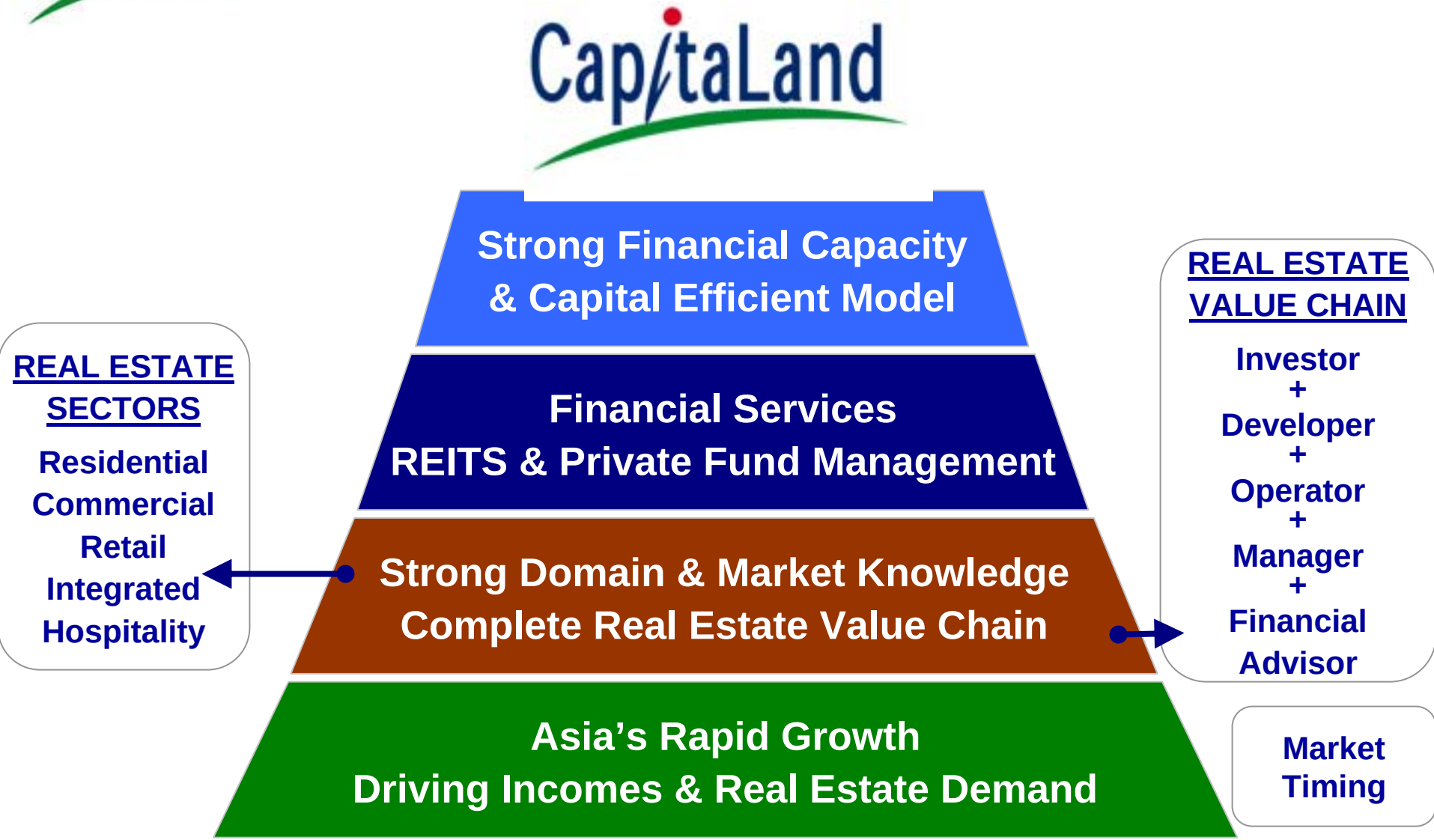

Raffles City Shanghai

Serviced Residence – The Ascott Group

- **ART – Another REIT from CapitaLand Group**
  - 1st pan-Asian REIT
- **Integrated platform to spearhead growth strategy**
  - Creation of ART as a capital efficient vehicle
  - The Ascott Group focuses on management and development / acquisition of properties for warehousing purpose
- **On track to achieve 25,000 apartment units by 2010**
  - Expand aggressively in Asian markets
  - Broaden reach with Citadines brand



Factors Powering Growth & TSR



CapitaLand Group Vision 2010

Aspires to be a world class entrepreneurial, prosperous and lasting real estate company; led and managed by people with core values respected by business and social communities

- Ranked among the top real estate companies in Asia
- Reputed for its innovative and quality real estate products & services
- Strong global network of long term investors and blue chip partners
- Attracts, develops and retains a diversity of top talents
- Delivers consistently above market total shareholders' returns

Thank You



Questions?