Focus, Balance & Scale

Olivier LIM, Group Chief Financial Officer
Harold WOO, Senior Vice President Investor Relations



September 2006

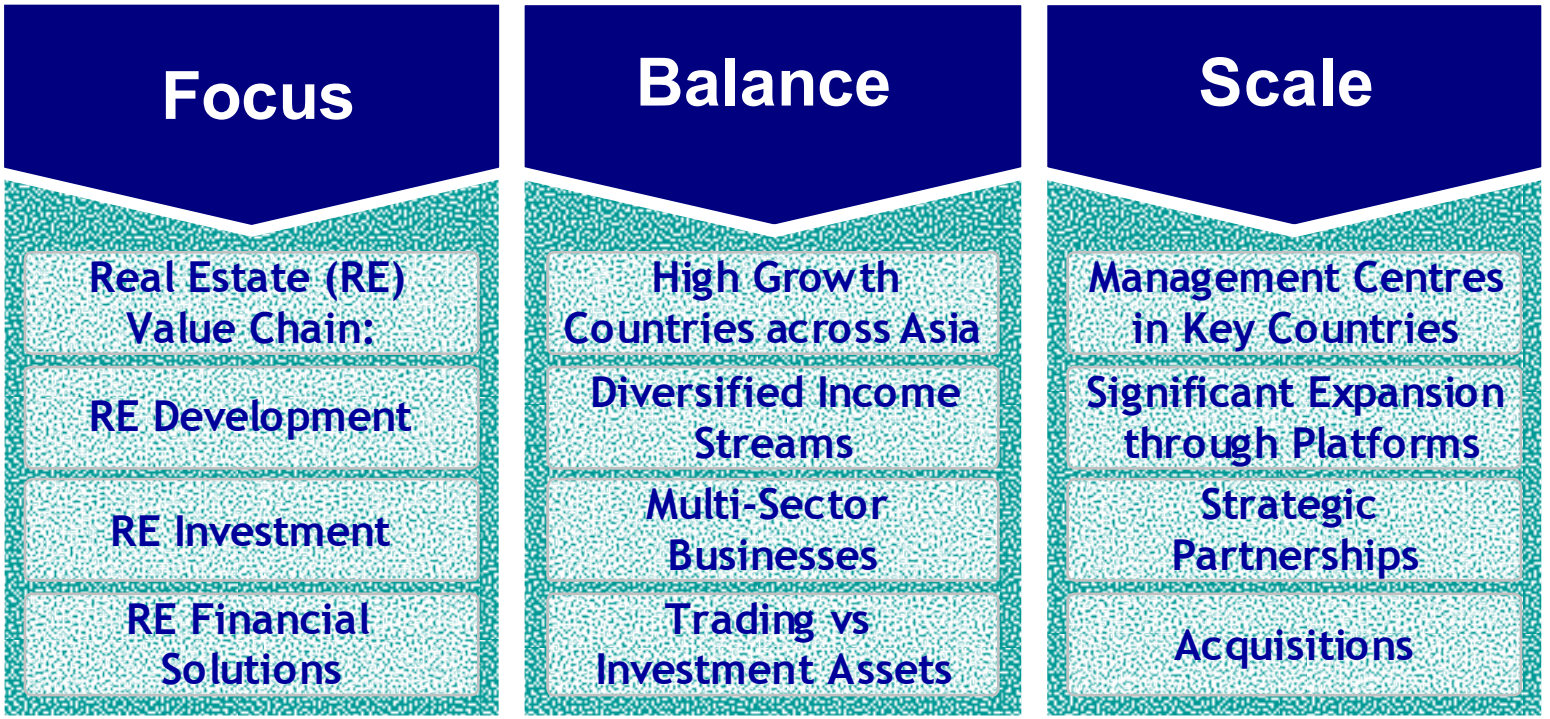
Disclaimer

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.

Our Fundamentals & Business Model



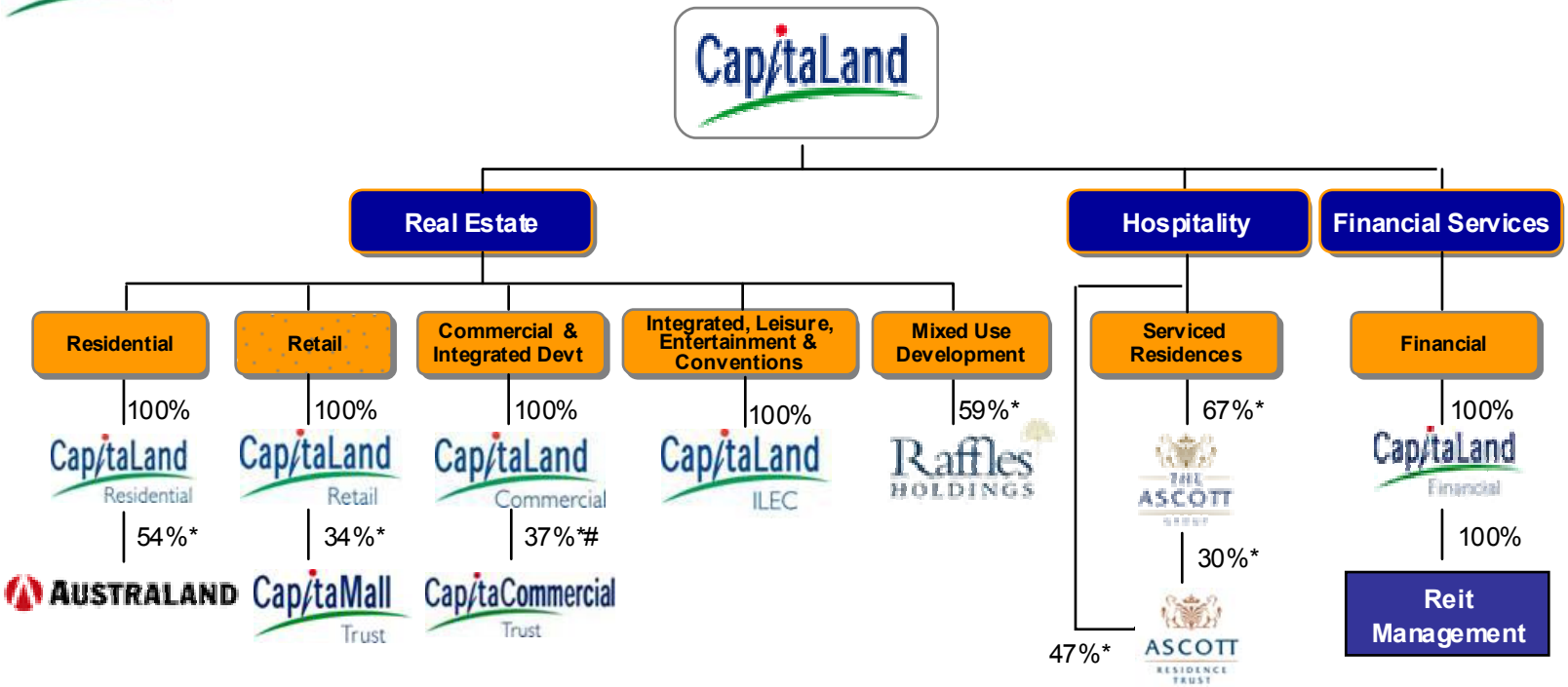
Basic Principles



Our Three-Pronged Business Strategy

- 'Multi-Local' Strategy Drives Sustainable Overseas Earnings
  - — 73% EBIT from overseas
  - — Developing new growth markets
- Increase Real Estate Financial Services & Fee Income
  - — AUM of S$8.7 billion, targeting S$13 billion by 2007
  - — Scalable fund management model, cross border opportunities
- Active Capital Management Aimed at Creating Value
  - — Completed divestment of non-strategic businesses (Raffles' hotel business and PREMAS) and unlocked value for shareholders
  - — Improving efficient capital structure & lowering cost of capital
  - — Re-deploying capital into higher yielding investments

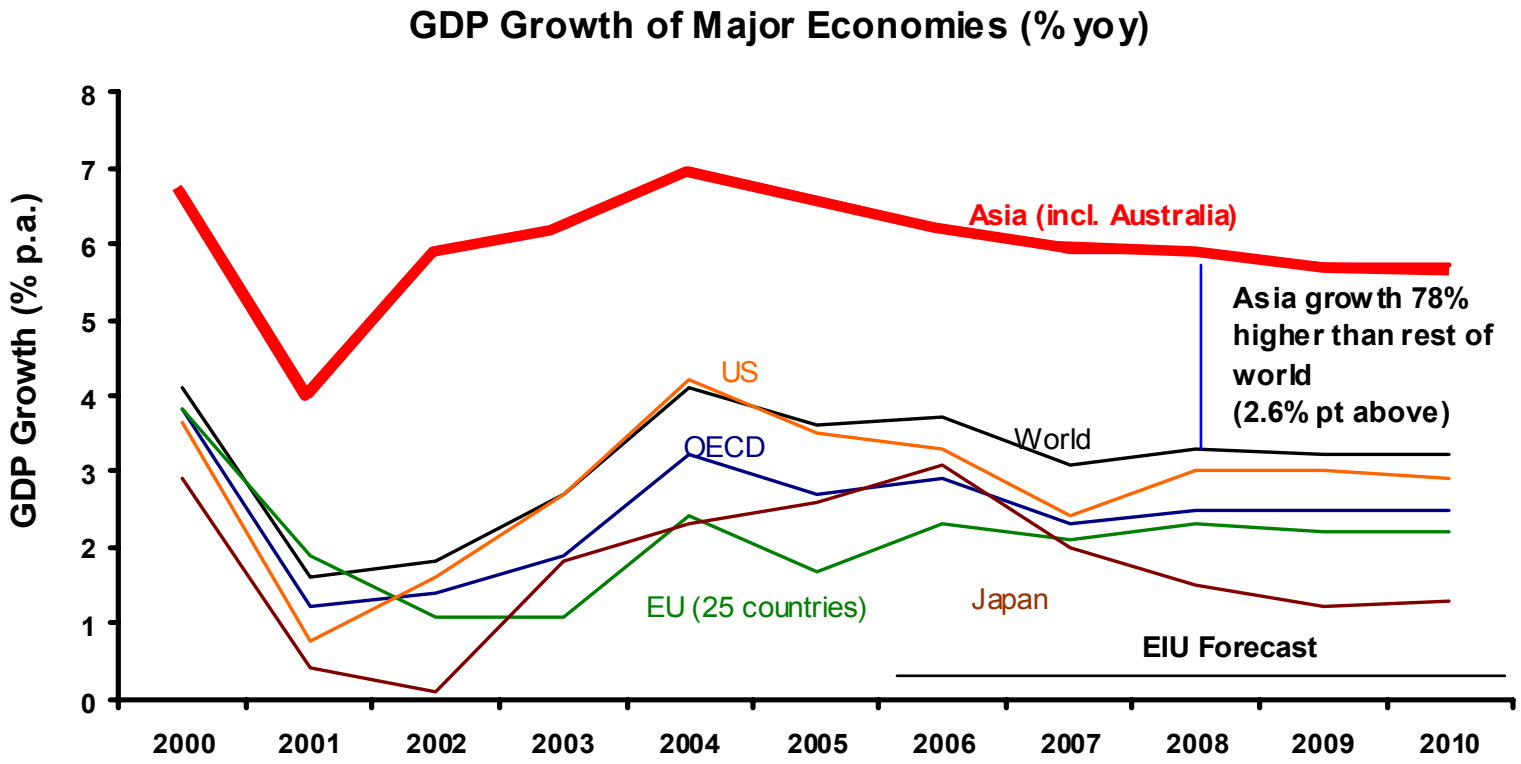
Group Structure



CapitaLand Group comprises 7 listed Companies with total Market Capitalisation of more than S$17.6 billion^

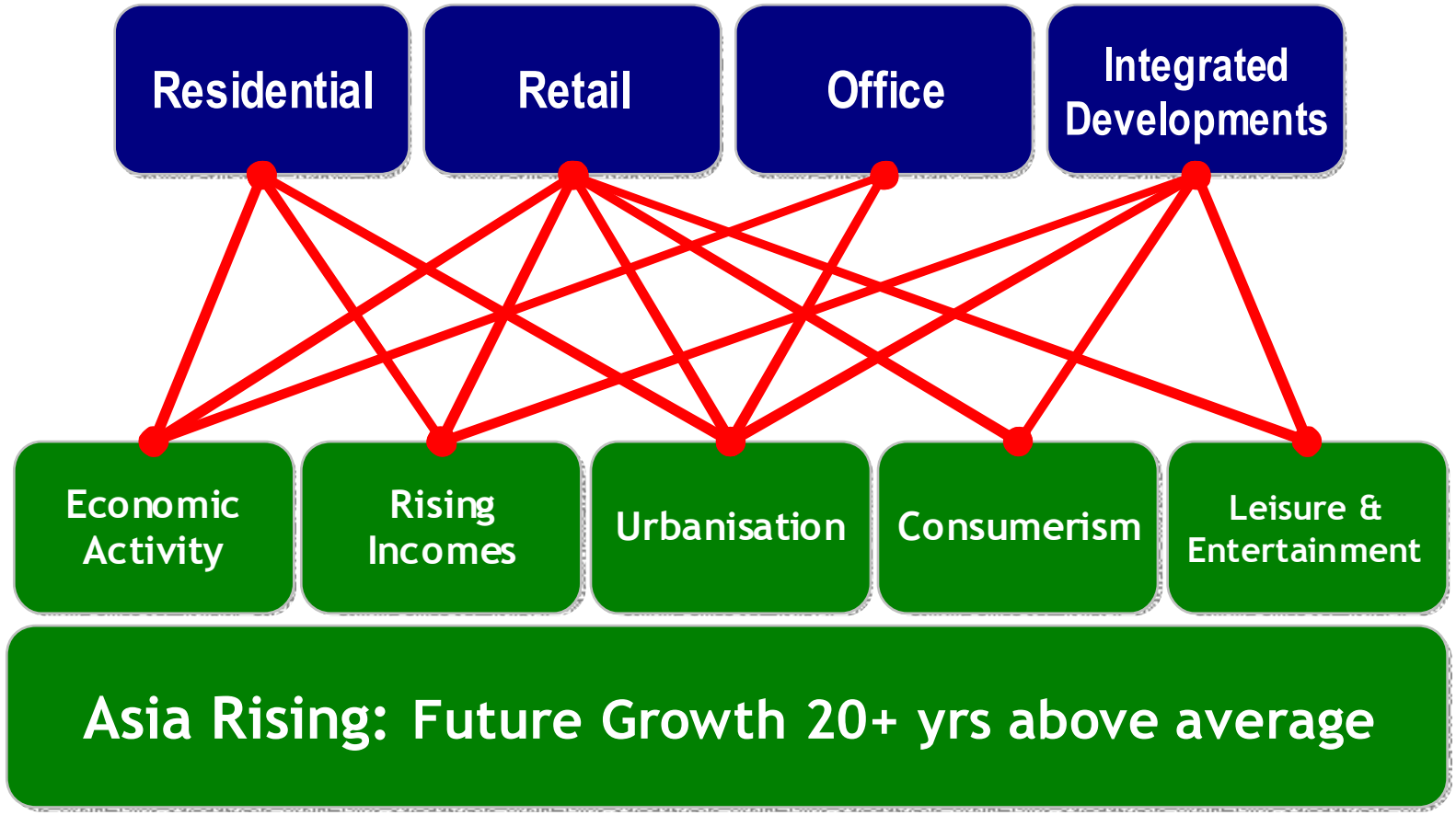
* Listed Entities ^ as at 30th Jun 2006, net of common holdings # Prior to completion of Raffles City acquisition

Asia – Fastest Growing Region



Sources: EIU and CapitaLand Research (16 June 2006)

Plugging into Asian Growth



Window to Asian Growth

CapitaLand

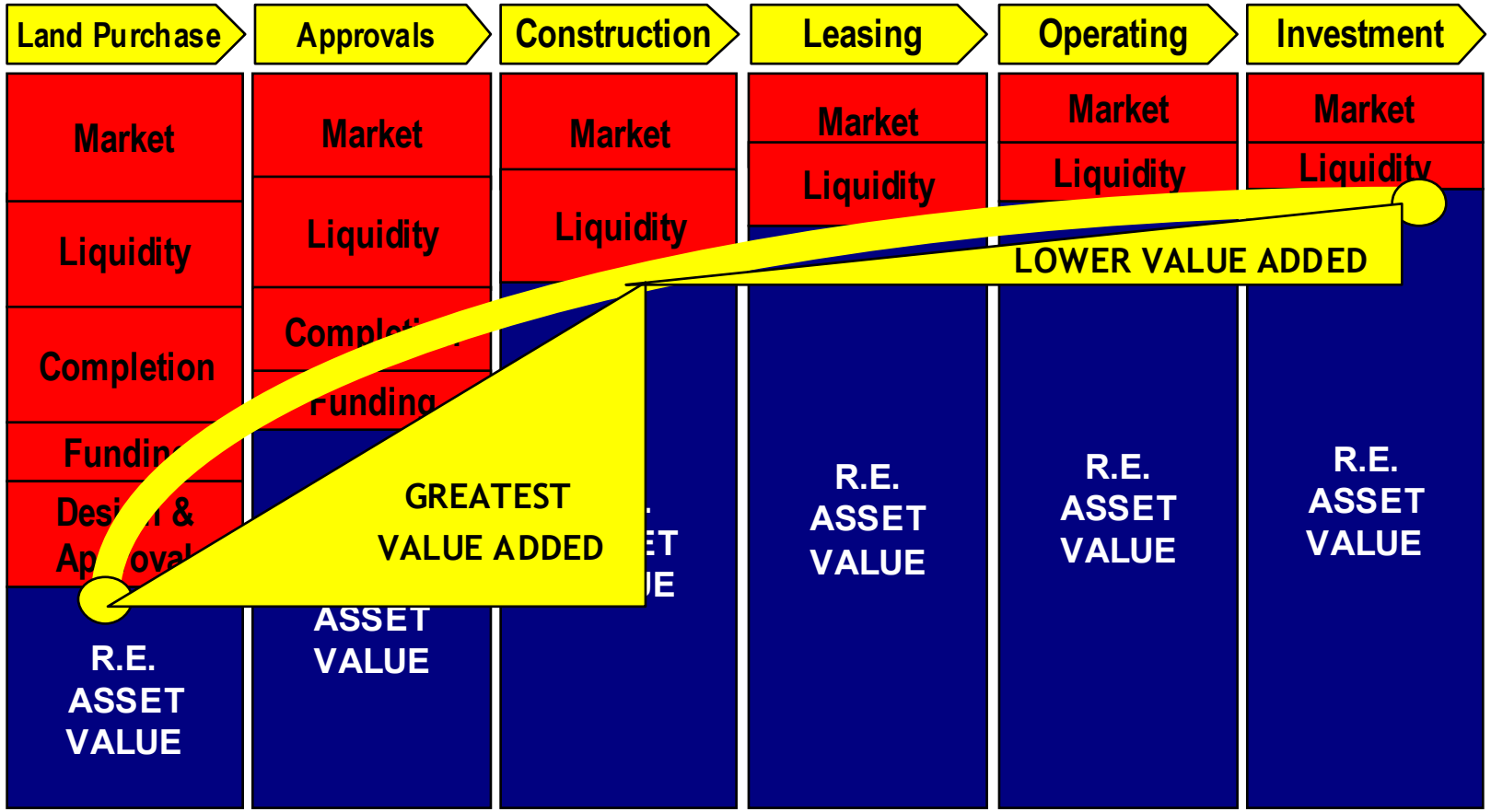
Capital Efficient Model + Shareholder Value Focus

Residential | Retail | Office | Integrated Developments

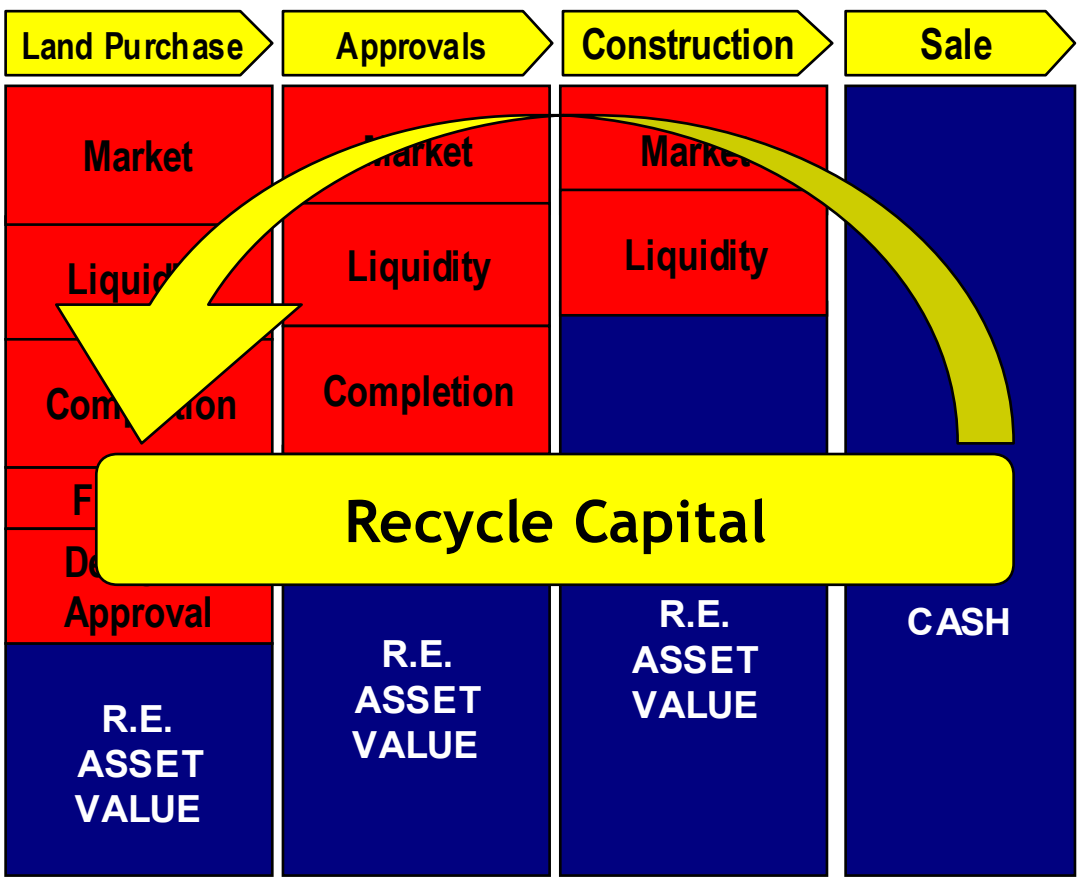
Economic Activity | Rising Incomes | Urbanisation | Consumerism | Leisure & Entertainment

Asia Rising: Future Growth 20+ yrs above average

Capturing the Greatest Value Added



Quick Re-cycling of Capital



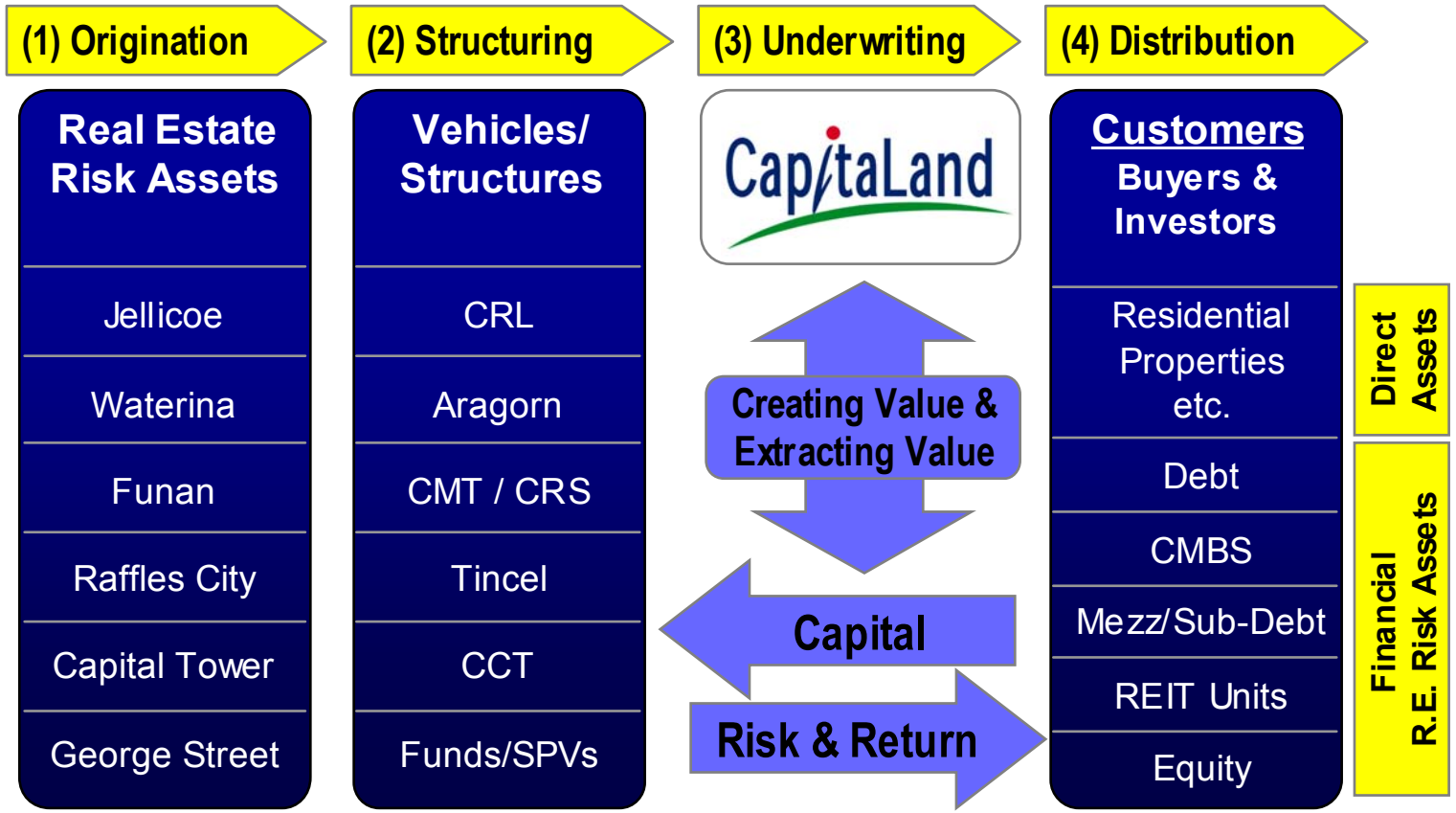
Willing Exits

"Liquid Real Estate"

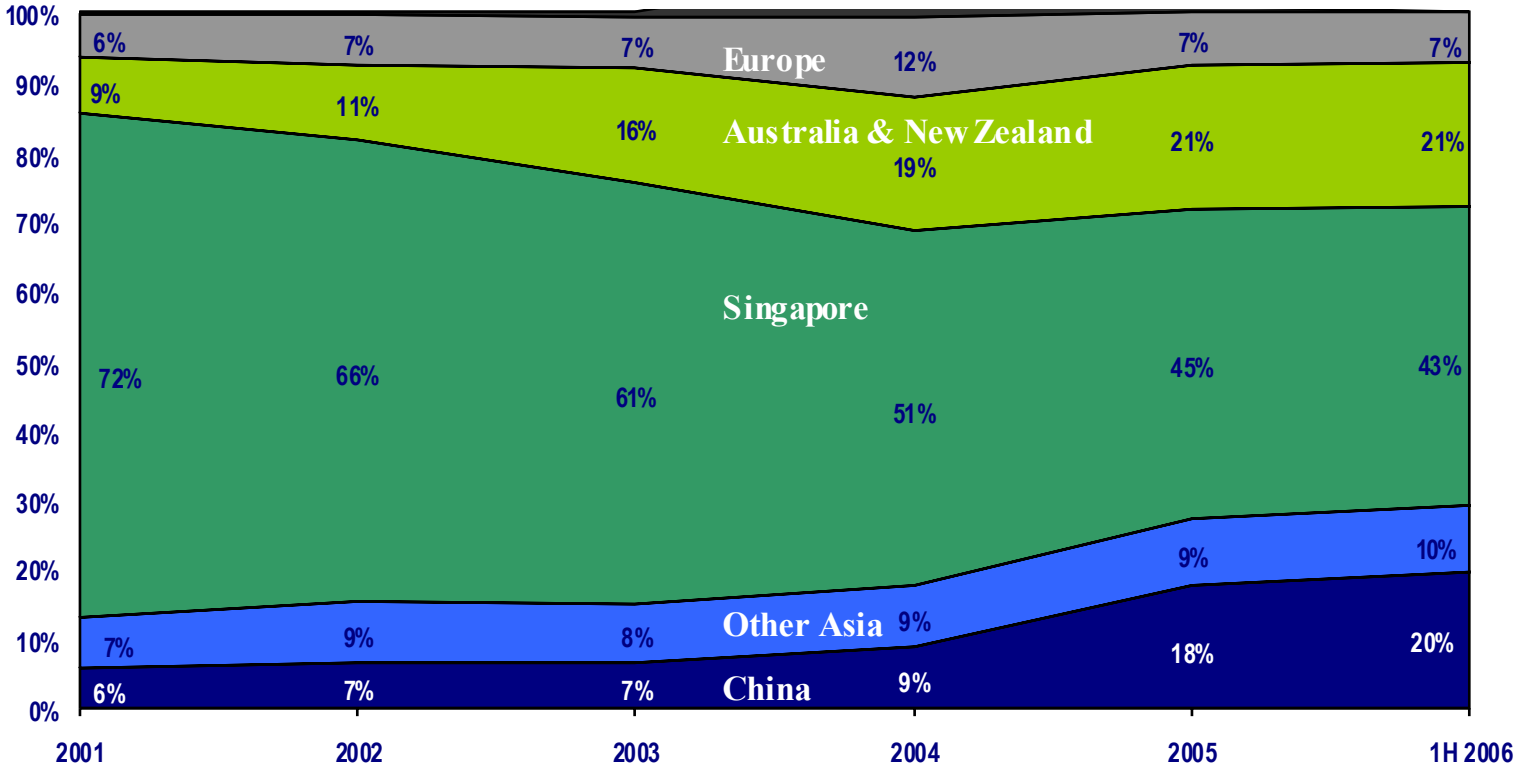
- CMT
- CCT
- Other Income Funds

Capture area of greatest VALUE CREATION, then: RECYCLE CAPITAL

Our Business Model



Capital Allocation by Geography
2001 to 2006



* For 2000, China includes Hong Kong and Europe refers primarily to the United Kingdom.

^ From 2001 "*Other Asia*" includes Indonesia, Hong Kong, Japan, Malaysia, Philippines, Thailand, Cambodia & Vietnam.

^^ "*Others*" includes the United States of America, South America and the Middle East/Mediterranean region.

Business Strategy on Track



1H 2006 – Strategy on Track

- **Strong PATMI of S$288.7 million, up 35% y-o-y**
- **Multi-local strategy drives sustainable overseas earnings**
  - Overseas: 73% of Group EBIT
  - Multi-sector China business: S$228m EBIT, ↑ 63% YoY
  - Singapore: S$144m EBIT, ↑ 31% YoY
- **Growing the Financial Services business unit**
  - Achieved AUM of S$8.7b, ↑ 34% YoY
  - Higher recurring fees led to 36% YoY increase in EBIT
- **Active capital management**
  - Paid 6 ¢ core dividend + 12 ¢ special dividend
  - Strong financial capacity: D/E of 0.55

1H 2006 – Profit Growth

	1H 2005	1H 2006	Change
PATMI (S$ million)	213.6	288.7	↑ 35.2%
EPS (S cents)	8.3	10.5	↑ 26.5%
NTA / share (S$)	2.13	2.33	↑ 9.4%

Growth in Continuing Operations

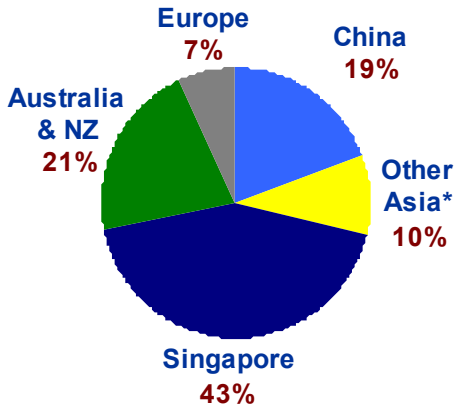
S$ million	1H 2005	1H 2006	Change
PATMI	213.6	288.7	↑ 35.2%
PATMI (Cont. Ops)*	168.8	280.3	↑ 66.1%

* Excludes (1) contributions from PREMAS & the hotel business for 1H 2005 (S$13.6m) and (2) divestment gains (1H 2005: S$31.2m; 1H 2006: S$8.4m)

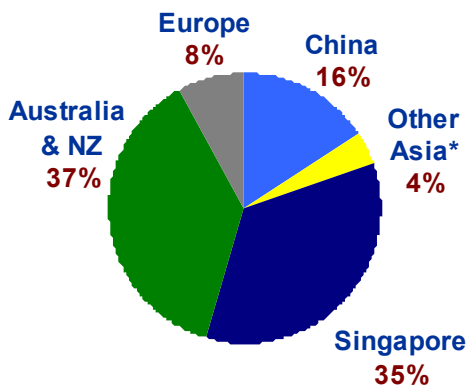
1H 2006 – Overseas Contribution

By Geographical Location

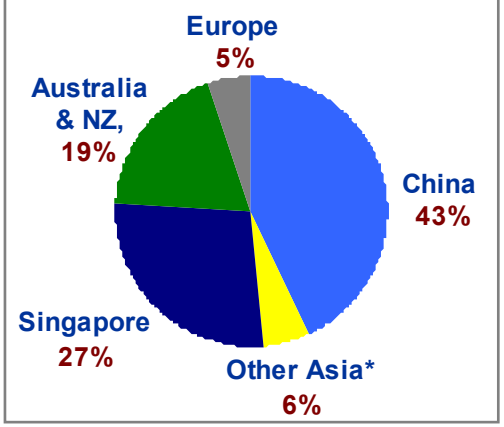
Total Assets S$18.7 billion



Revenue S$1,430.4 million



EBIT S$528.7 million



57% of Assets Overseas contributed 73% to Group EBIT

** Includes HK, Indonesia, Japan, Malaysia, Philippines, Thailand & Vietnam*

Financial Capacity

	1H 2005	1H 2006	Change
Net Debt (S$ billion)	5.13	4.97	Improved
Equity (S$ billion)	7.90	9.09	Improved
Net Debt / Equity	0.65	0.55	Improved
% Fixed Rate Debt	75.0	61.0	Satisfactory

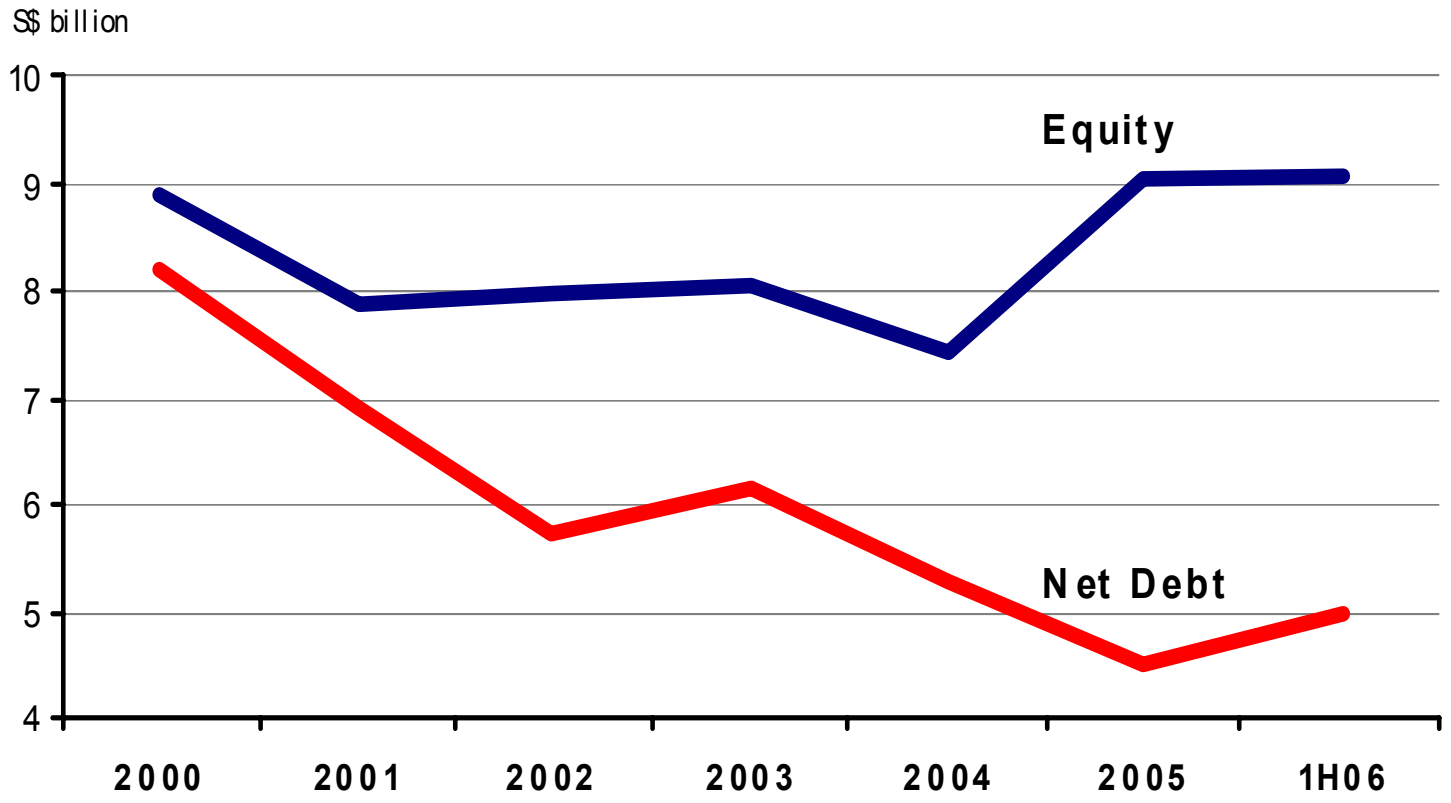
Debt Coverage

	1H 2005	1H 2006	Change
Finance Cost (S$ million)	130.7	143.6	+ 9.9%
Interest Cover Ratio (ICR)	5.55	6.47	Improved
Interest Service Ratio (ISR)	8.57	3.63	Satisfactory

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

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

Financial Capacity



Expanding Our Market Presence



Drivers for Sustainable Growth

Multi-Sector, Geographical Spread, Diversified Income Streams

China Diversified Growth
Multi-sector; Multi-region;
Long-term commitment

Singapore Reflation
Multi-sector quality portfolio;
43% of total assets

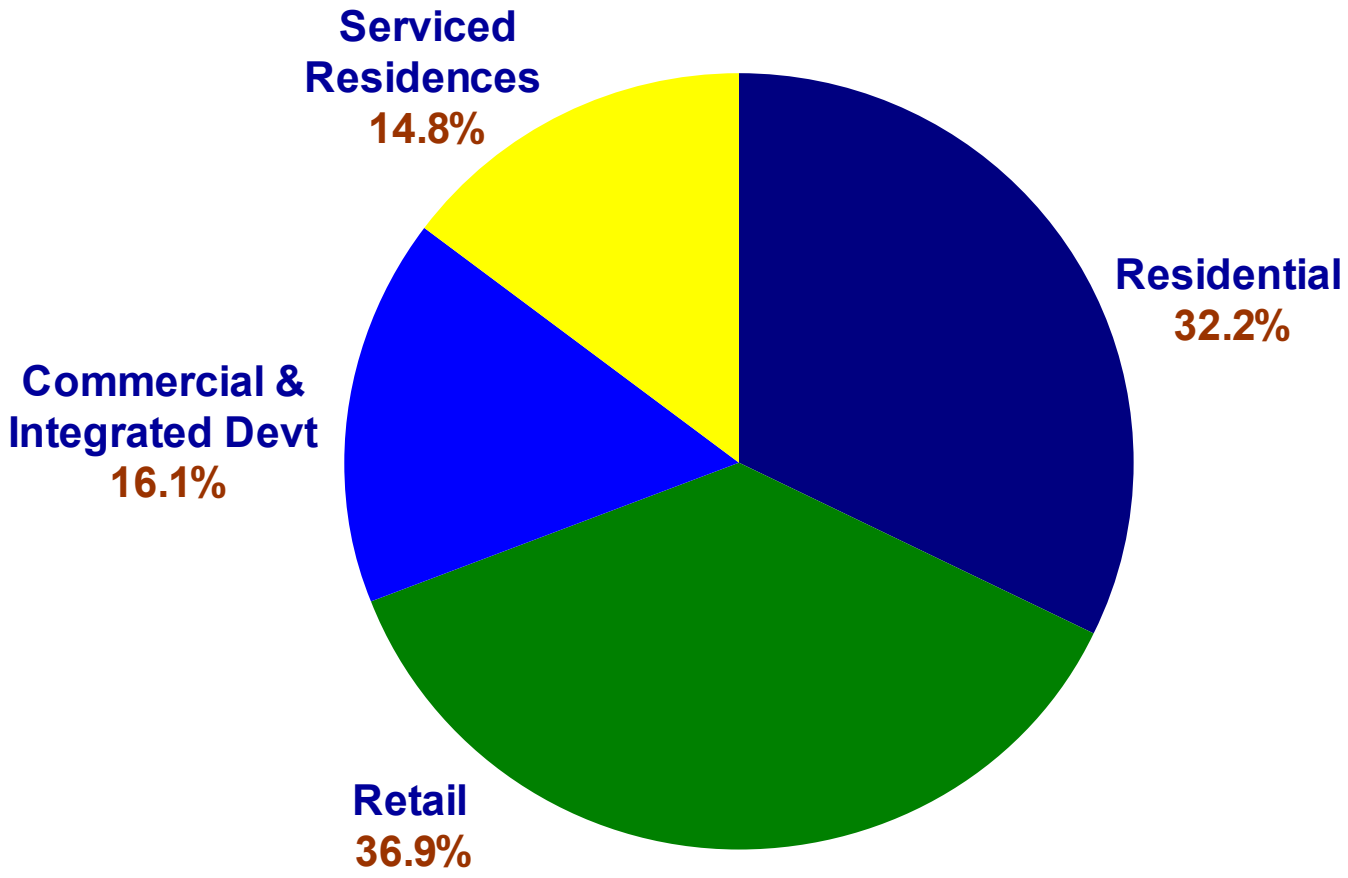
Leading Mall Owner & Operator
Singapore, China, India & Japan

Financial Services
1st mover; High AUM growth;
Good flows & access to global capital

New Markets
E.g. Thailand, India, Vietnam, Malaysia and Bahrain



Asset Allocation – China (S$ 3.6b – 19%)



China Diversified Growth
– Strategic Residential Expansion

Pipeline of up to 35,000 units in high-growth regions

- **South Western China**
  - **Chengdu Zhixin JV**
    - › 25,000 mid-end units
- **Pearl River Delta**
  - **20% stake in Lai Fung**
    - › 1 million sqm landbank
  - **Jinshazhou site, Guangzhou**
    - › 3,000 units
- **Bohai Economic Rim**
  - **2 sites in Chaoyang, Beijing**
    - › 1,100 units
- **Yangtze River Delta**
  - **Hangzhou site**
    - › 1,200 units

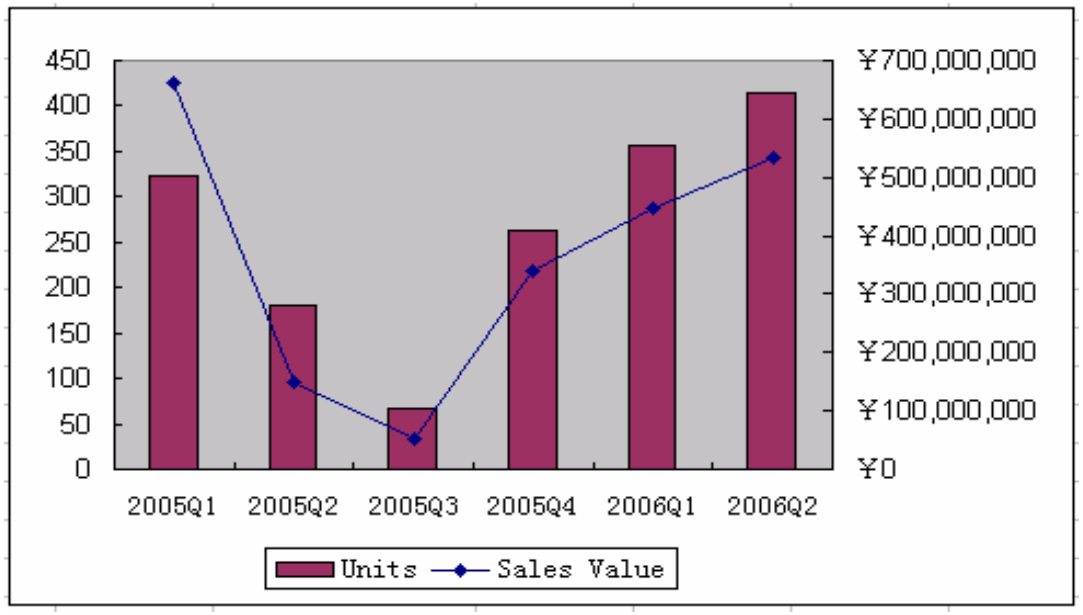
* Above examples highlight only key devts in addition to existing developments.



Impact on CapitaLand

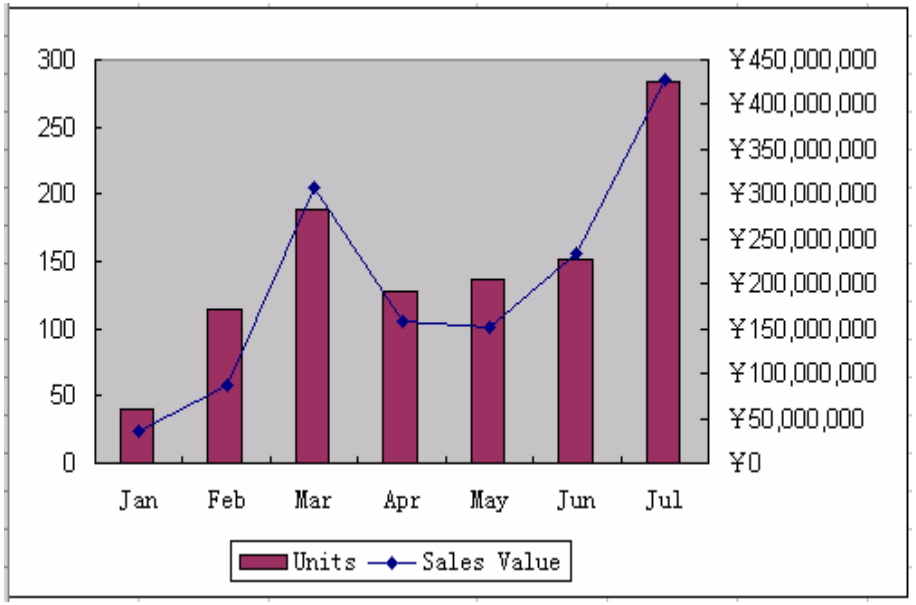
1. Residential sales

Quarter by Quarter sales figure since 2005



Impact on CapitaLand

Month by month sales figure for 2006 up to July



Buyer profile of CCH projects

Local buyers	> 90%
HK/Taiwanese/ Others	< 10%

Impact on CapitaLand

2. Capital Structure – 50% registered capital

For residential portfolio	Retail, commercial projects
• More onshore cash needed	• Less tax shield
• Impact may be mitigated via cash management onshore	• Less shareholders' loan => harder to repatriate cash trapped onshore

3. Long-term investment opportunities at reasonable values

Entry barrier significantly raised for both local and foreign players

4. No significant impact on capital values of existing assets

Our Actions

Business Aspect:

1. Continue to focus on owner occupation and local market
2. Selective participation in Economical Housing projects
3. Review capital structure in view of new requirement – particularly for long term commercial projects

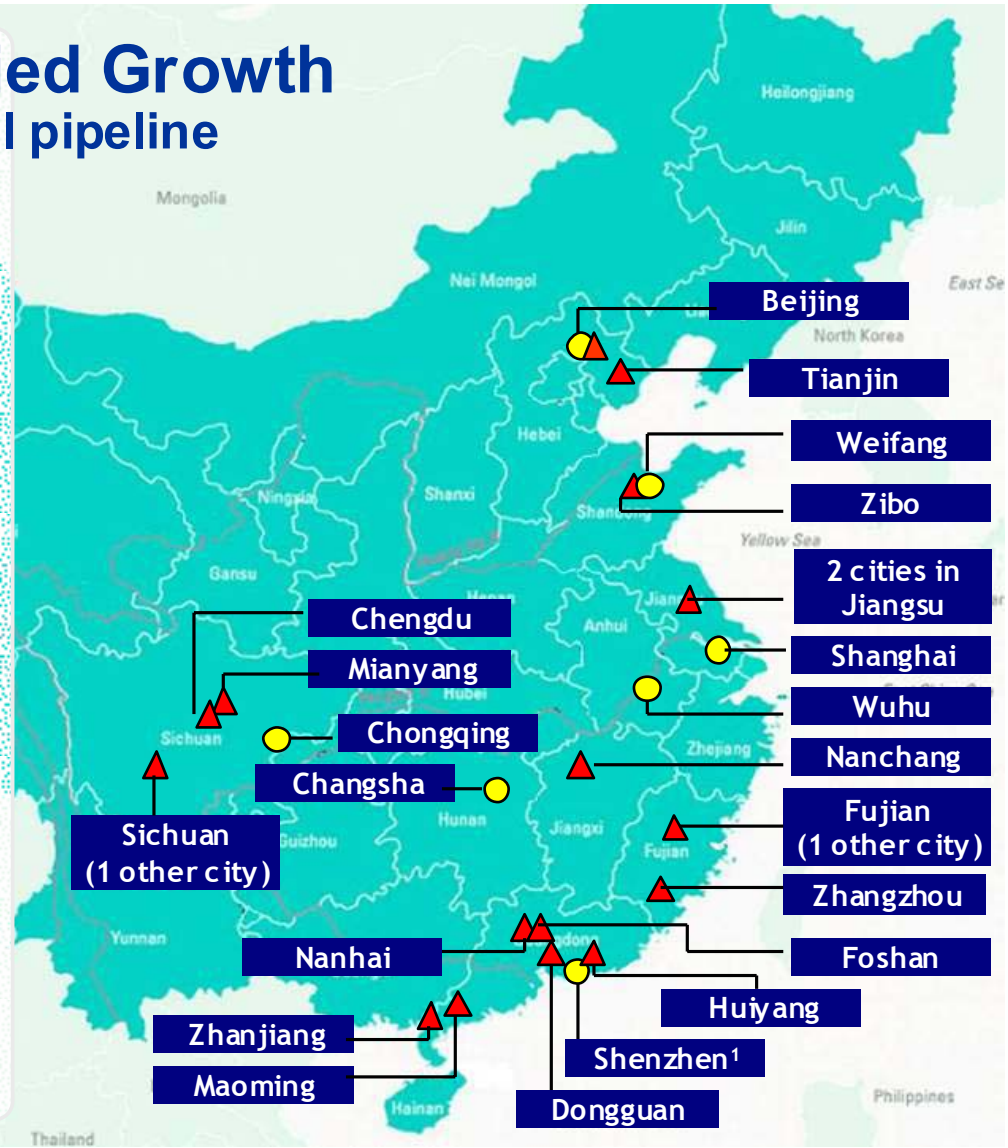
Our Business Position:

1. Long term investor/developer
2. Socially responsible developer/investor

China Diversified Growth
– Secured mall pipeline

Approximately 30 malls in 25 cities
(over 16 million sq ft)

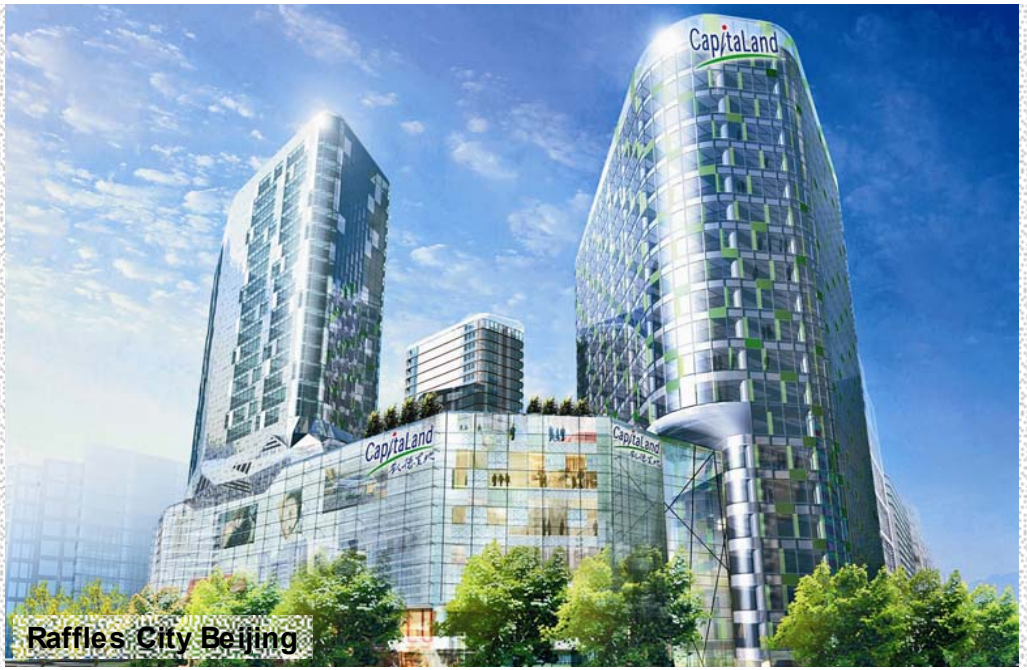
- **Operational**
  (as at 1H 2006)
- **Other retail malls in the pipeline**



[1] *Phase 1 of Wal-Mart Asia Pacific HQ*

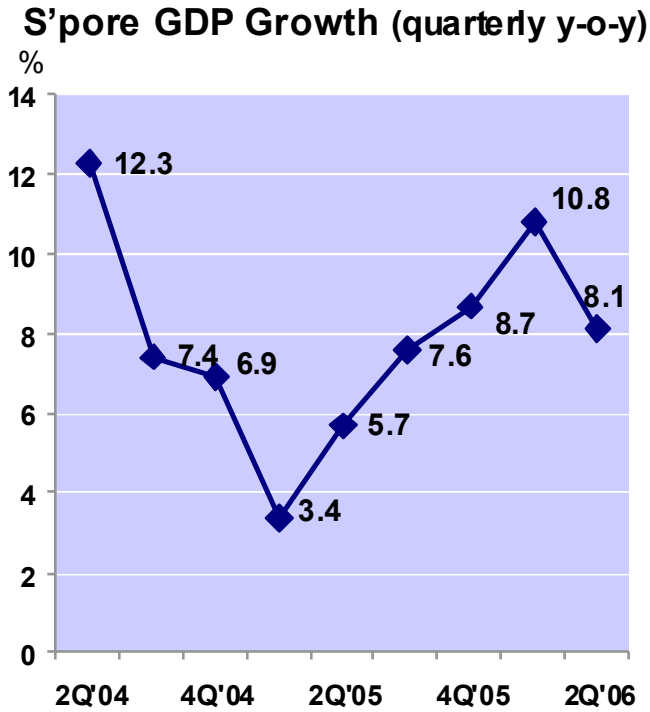
China Diversified Growth
– Mixed Devt. Strategy using "Raffles City" brand

- **Mixed development (office, retail, residential & serviced residences)**
  - 97,665 sqm above ground; 48,263 sqm below ground
- **Diagonally across busiest transportation hub in Beijing**
  - Bustling area of Dongzhimen (东直门), 2nd Ring



Raffles City Beijing

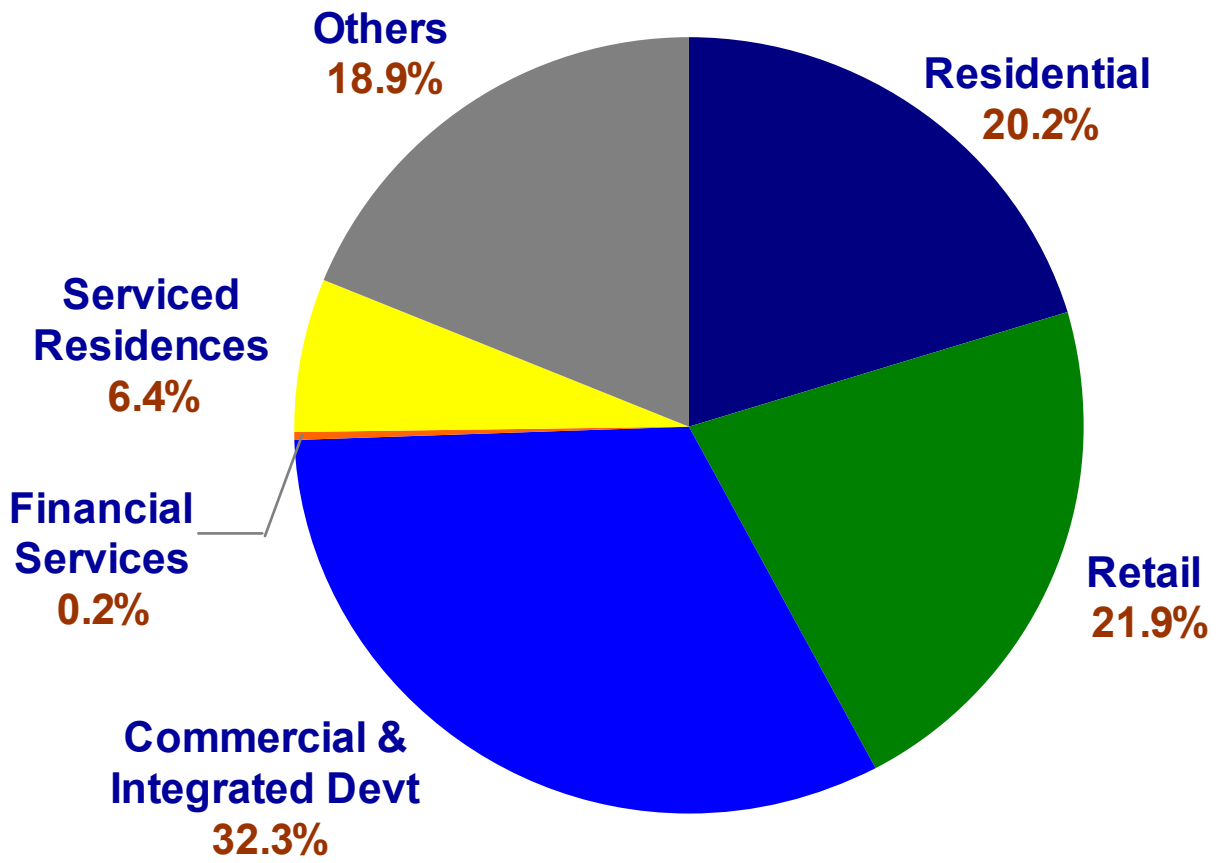
Singapore Reflation



- **9.4% economic growth in 1H 2006**
  - 6.5% to 7.5% growth projected for 2006
- **Positive growth momentum across major sectors**
- **81,500 jobs created in 1H 2006**
  - 2.9% Unemployment rate
- **Positive spillover from government initiatives to create vibrant City**
  - Travel, leisure, shopping & MICE focus
  - Revitalisation of Orchard Road
  - Regional hub: Finance, education, R&D, wealth mgmt and health
  - Low corporate and personal tax rates

Sources: Singapore Department of Statistics, Ministry of Trade and Industry

Asset Allocation – Singapore (S$ 8.1b – 43%)



Singapore Residential – 2006 Launches

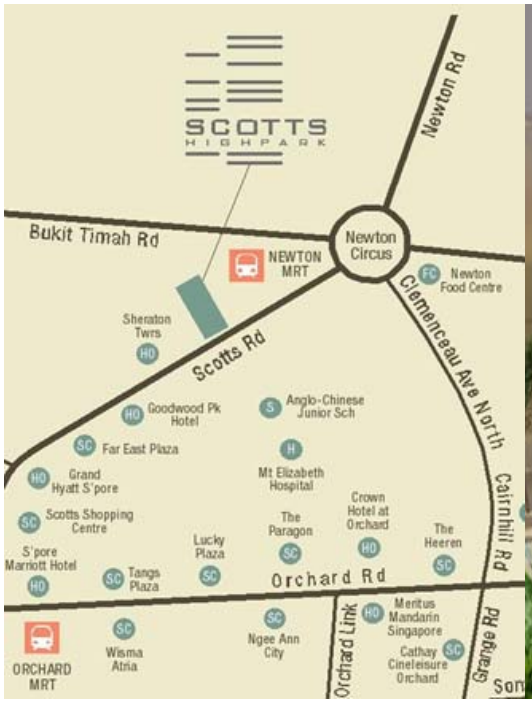
Project	Tenure	Launch Units
Citylights	99 year	210 high-rise city units
Varsity Park Condominium	99 year	Additional 82 units
RiverGate	Freehold	175 riverfront units
RiverEdge	99 year	Additional 58 units
Scotts HighPark	Freehold	73-unit high rise luxury development
Alexandra Rise	99 year	Estimated 380-unit high rise urban development





Singapore Reflation
– Quality Residential Projects

- **Scotts HighPark**
  - 2 residential towers (73 freehold units)
  - Penthouse series: 27-storey tower with luxurious apartments
    - › Unprecedented feature of private verandas across apartment frontages
  - TOP early 2010





Singapore Reflation
– Orchard Turn Mixed Development

- **Design & construction awarded to Penta-Ocean (S$478m)**
- **Over 1 million sq ft retail space & super luxury homes on completion**
  - Tallest residential block in Orchard Road
- **Completed S$1.56 billion Syndicated Credit Facilities**



Orchard Turn Development (Artist Impression)

Singapore Reflation
– Sentosa Integrated Resort Bid

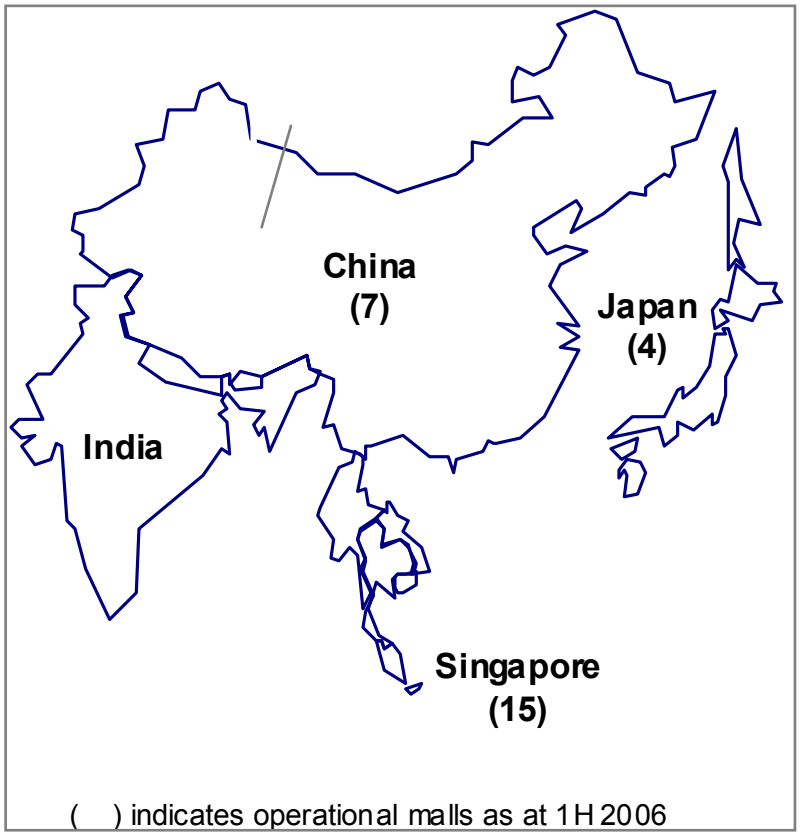
- **Partnering Kerzner (to bid & develop integrated family-oriented resort on Sentosa)**
  - Sol Kerzner: significantly transformed tourism industry in
    - South Africa (Sun City Resort) ; Bahamas (Atlantis, Paradise Island)
  - The Atlantis brand: top warm weather family destination in North America
- **Legendary Frank O. Gehry appointed principal architect and designer**
  - Winner of Pritzker Architecture Prize ("Nobel Prize" of architecture)
  - Renowned for landmark tourist attractions like the:
    - Guggenheim Museum (Bilbao, Spain) & Jay Pritzker Pavilion (Chicago)


Atlantis, Paradise Island (Bahamas)


Guggenheim Museum (Bilbao, Spain)

Asian Mall Growth – Strong Pipeline

Operational Malls



( ) indicates operational malls as at 1H 2006

Pipeline

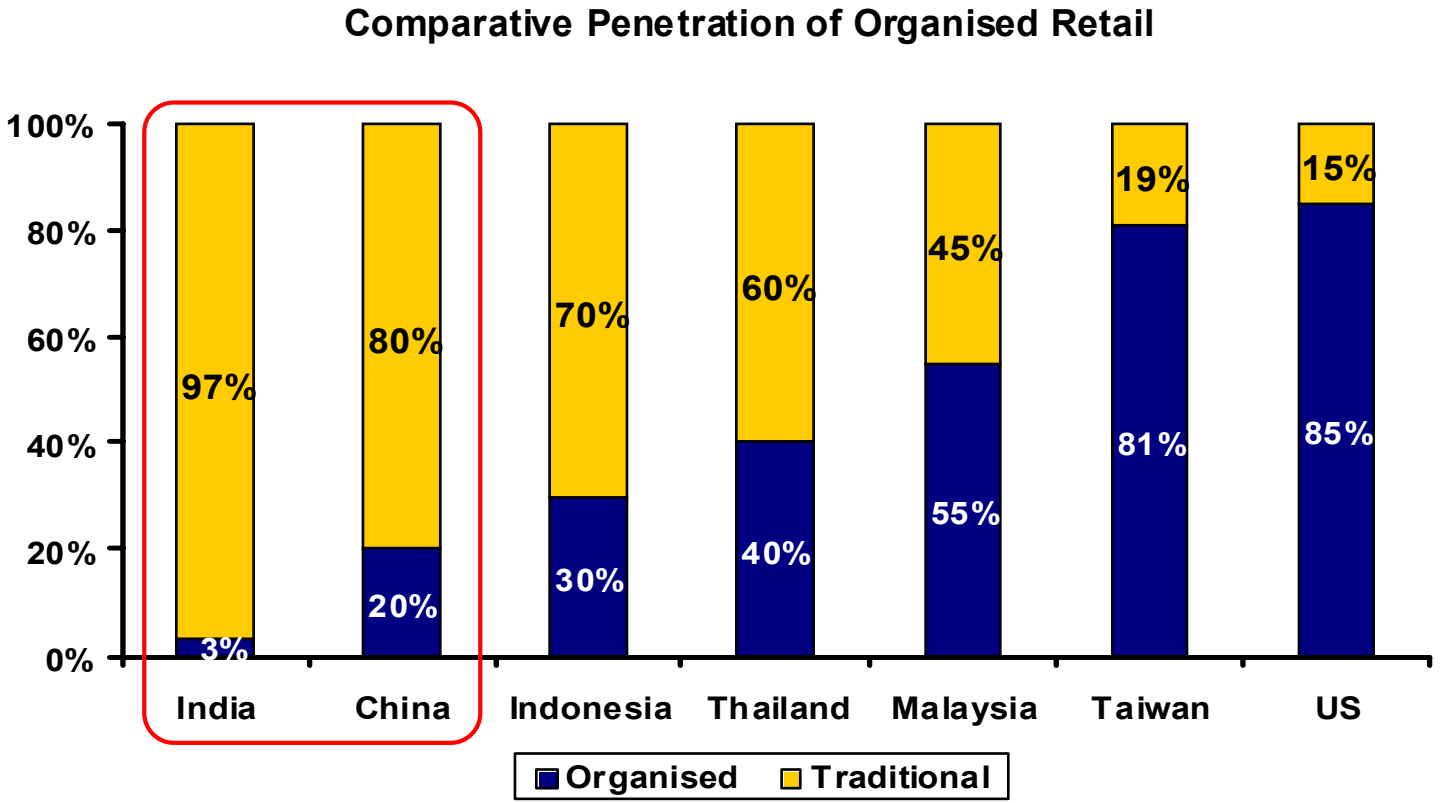
Singapore
- **Raffles City** (by Aug 2006)
- **VivoCity** (Oct 2006)
  - Retail devt. manager
- **Orchard Turn** (4Q 2008)

China
- **>50% of 21 Wal-Mart malls** to open by end 2006
- Strong pipeline to grow

Japan
- Capacity to grow asset size to over US$1.3b
  - CapitaRetail Japan Fund

India
- 50 malls in 2 to 3 years
  - across 30 cities; 14 states
  - assets worth US$1.2b.
  - GFA of over 15m sq ft

China & India Retail – Huge Growth Potential



Source: *"The Great Indian Retail Story"*, Ernst & Young.

Integrated China Retail Mall Strategy

(Through Development & Incubator Retail Funds of over US$1 billion and REIT)

CapitaLand

~ 30% share equity

~ 45% share equity

Incubator Fund

- **Fund Size**: US$ 425m
- **Warehouse** quality income generating retail projects
  - — Pipeline includes Xihuan Plaza Retail Mall in Beijing

Development Fund

- **Fund Size**: US$ 600m
- **Invest** in China retail projects
  - — 21 Wal-Mart anchored malls
  - — Wal-Mart Asia HQ in Shenzhen
  - — 14 other malls by SZITIC possible

1st Right to Acquire Assets in Both Funds

Proposed China REIT (by 2006)

- Expected to own 7 quality assets worth over S$800m
  - — Pipeline includes Anzhen Mall anchored by Beijing Hualian Group

Joint Venture with Pantaloon Retail (India) Ltd

- **US$75mil investment in Horizon Fund**
  - Target fund size: US$350m
  - Invest in retail mall developments in India
  - 4 potential projects identified
    (Total retail GFA: 4.1m sqft ; Estimated total asset value: US$330m)
- **Setting up of JV retail management company**
  - Manage retail properties owned/managed by Pantaloon (Kshitij Venture Capital & Horizon Funds) and funds/REITs jointly created
- **Setting up of JV fund management company**
  - To create retail Development Fund, Income Fund or REITs
  - CapitaLand will invest 20-40% in these funds or REITs

Pantaloon – Largest Retailer in India with Diversified Business



Potential Pipeline of 50 Retail Assets across India



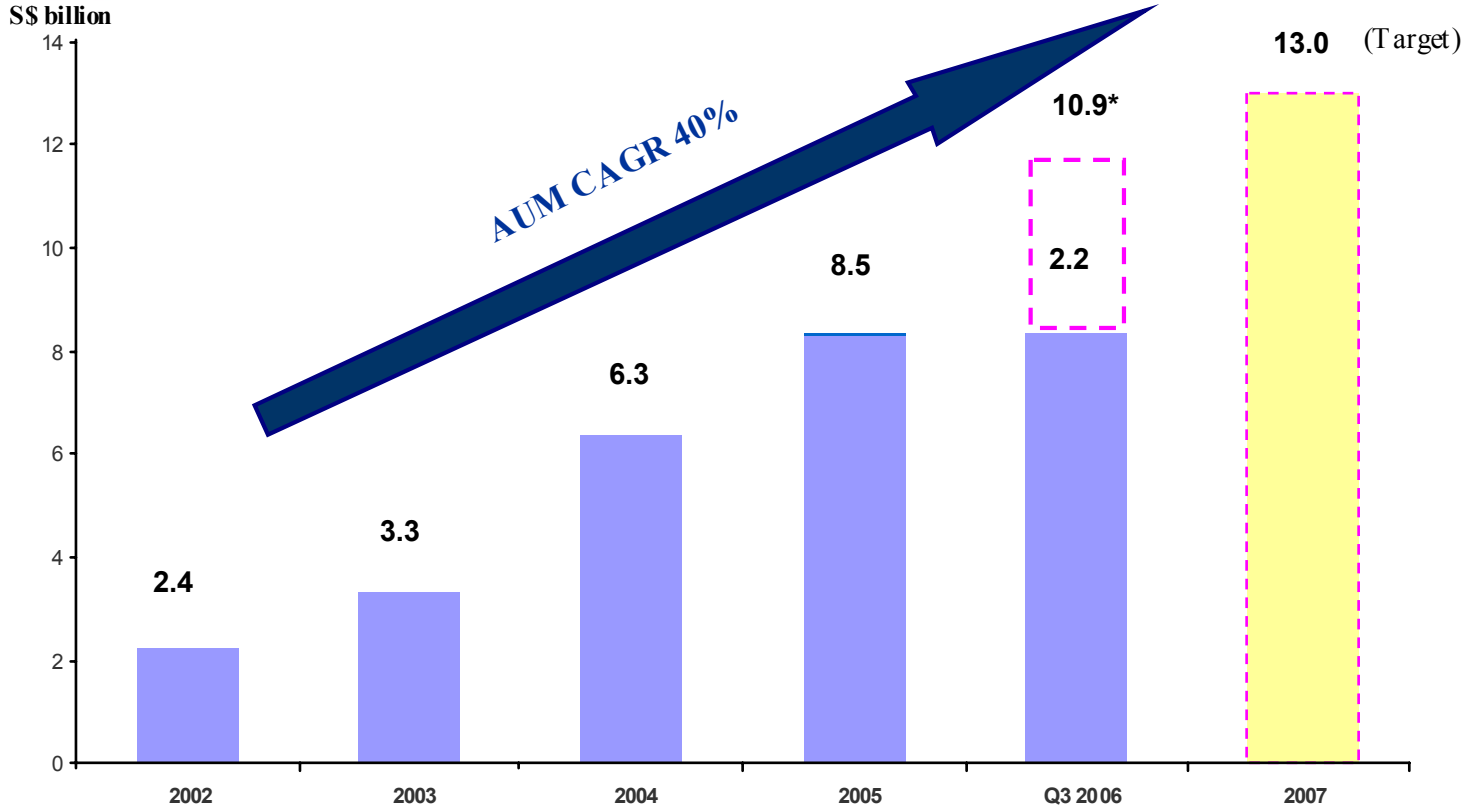
Kshitij Fund & Horizon Fund will

- Develop close to 50 malls spread across 30 cities & 14 states in India
  - Target completion: Next 2-3 years
  - Total retail GFA: ~ 15mil sq ft
  - Estimated total asset value: US$1.2 bil (S$1.9 bil)

Properties	No. of Assets	Retail GFA ('000 sq ft)
To be acquired by Kshitij Fund	14	3,760
To be acquired by Horizon Fund	6	5,150
Leased & Managed by Pantaloon	30	6,422
Total	**50**	**15,332**

* Based on company's estimates. Actual numbers subject to change.

Financial Services – High AUM Growth



* After completion of Raffles City acquisition by CCT and CMT

CapitaLand's Private Property Funds

CapitaLand China Residential Fund

US$61 million

Invest in residential projects in Shanghai, Beijing & Guangzhou

CapitaLand China Development Fund

US$1.0 billion

Invest in large mixed-use development projects in China

CapitaRetail China Development Fund

US$1.5 billion

Invest in retail development projects in China

CapitaRetail China Incubator Fund

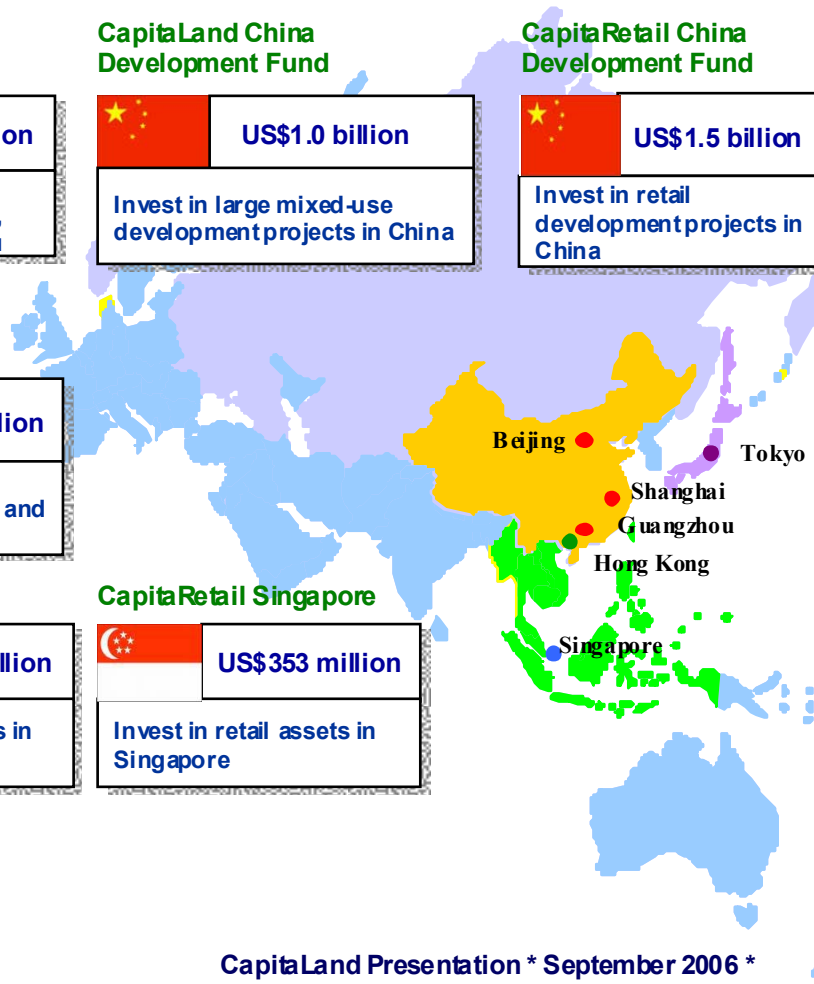
US$1.1 billion

Invest in retail assets in China

IP Property Fund

US$387 million

Opportunistic investments in S.E.A and Hong Kong



CapitaRetail Japan Fund

US$1.3 billion

Invest in retail assets in Japan

Eureka Office Fund

US$704 million

Invest in office assets in Singapore

CapitaRetail Singapore

US$353 million

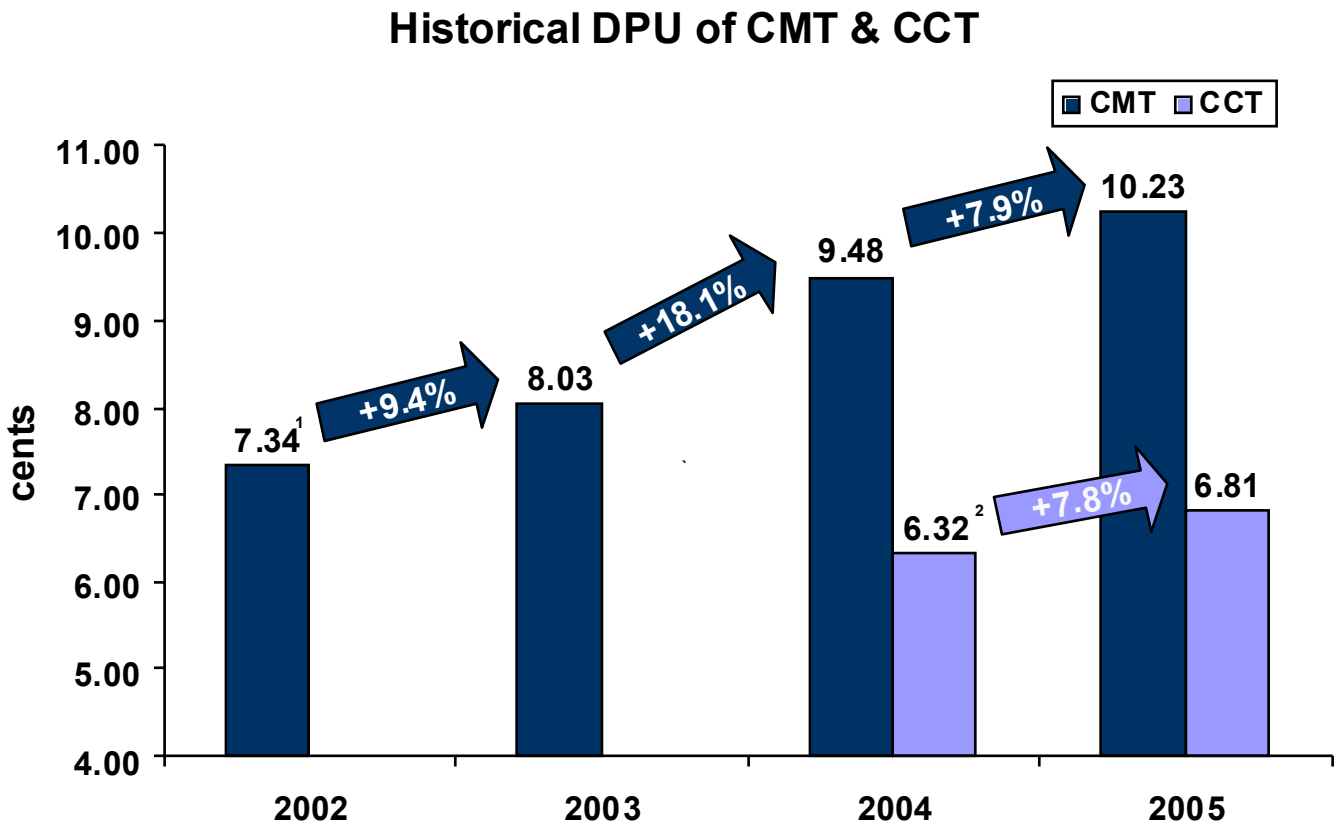
Invest in retail assets in Singapore

ARC-CapitaLand Residences Japan

US$266 million

Invest in retail assets in Japan

Delivering Steady Returns On Our REITs



Note: 1. Annualised based on CMT's DPU of 3.38 cents from 17 July 2002 to 31 Dec 2002
2. Annualised based on CCT's DPU of 3.99 cents from 15 May 2004 to 31 Dec 2004

CCT & CMT acquisition of Raffles City

- **Close to 100% support for Raffles City acquisition**
- **Equity Fund Raising exercise by CCT an overwhelming success:**
  - CCT's private placement approximately 2.6 times subscribed
  - ATM offering fully taken up within 5 mins by retail investors
- **Capitaland's AUM to increase to S$10.9b**



New Markets – Residential

- **India (Runwal Group JV)**
  - 1st project in Mumbai
  - 49% stake in development with over 500 units
  - Launch-ready in 2H 2006
- **Vietnam, Ho Chi Minh City**
  - 1st project in An Phu District 2 (80% stake)
  - Estimated 1,100 units to be built
  - 1st phase launch-ready in 1H 2007
  - Representative office currently operational
- **Malaysia**
  - Freehold development near KLCC (Jalan Mayang)
    - CL - 30% stake & UM Land - 35% stake
  - Launch-ready in 2007



Ho Chi Minh City Devt. (Artist's impression)

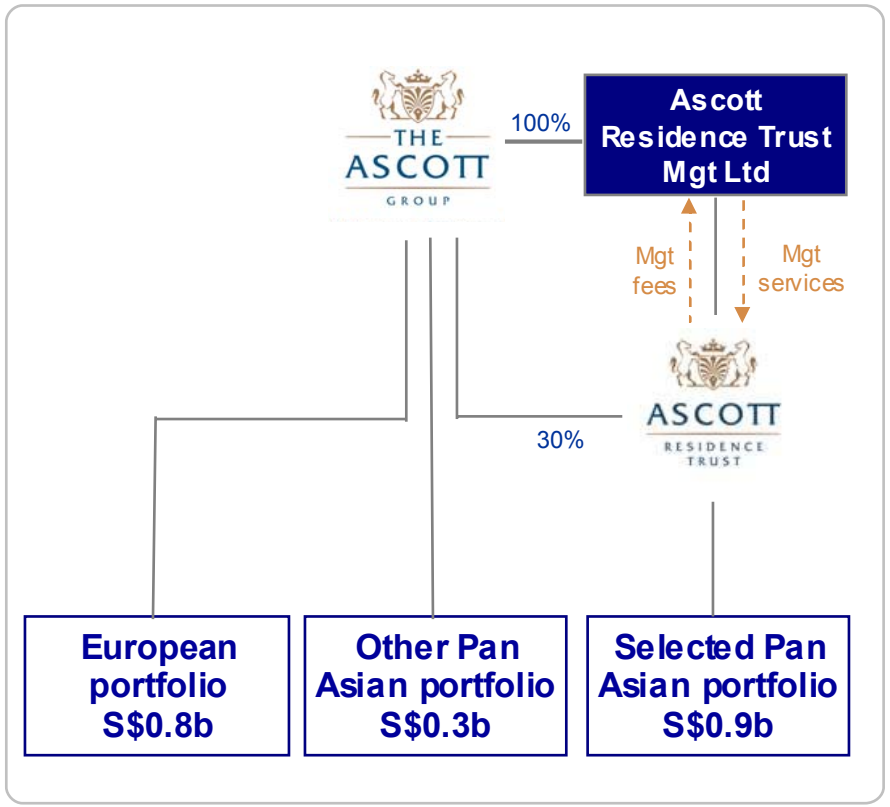
New Markets – Commercial
Manama, Bahrain

- **MOU – up to 30% stake in prime integrated development within Bahrain Bay**
  - Site area: 45,500 sqm; GFA: about 230,000 sq m
  - To comprise residential, serviced apartment, retail & leisure components
- **Bahrain Bay – landmark US$1.5b development project**
  - Will span over 1.1m sq m when completed in 2010
  - Only real estate development in Bahrain with > US$600m in foreign investments



Bahrain Bay (Artist's impression)

The Ascott Group – New Growth Platform



The Ascott Group Ltd

- Achieve 25,000 units by 2010
- Focus on mgmt svcs & incubation of properties for injection into ART
- Deliver high returns through increasing fee-based income & unlocking portfolio value
  - Serviced residence revenue (owned & managed)
  - REIT manager fees
  - Gains from portfolio mgmt

Ascott Residence Trust

- Capital-efficient asset-owning vehicle
- Acquisition platform
- Deliver stable & growing distributions

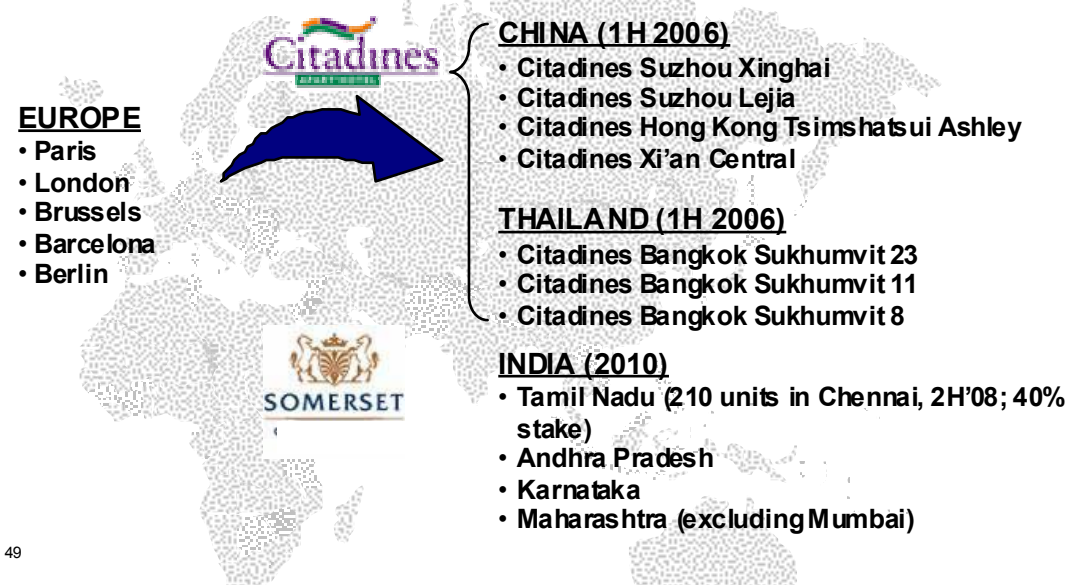
The Ascott Group – Asia Expansion

Accelerate Expansion of Citadines

- 4 new Citadines in China, bringing total to 6
- 3 new Citadines in Thailand, bringing total to 4

Foray into India (Southern states)

- Master development agreement with The Rattha Group
- Total investment estimated to be US$220M
- Rattha to identify, acquire & develop 7 (1,000 units by 2010)
- Target 2,000 units in India by 2010



EUROPE
- Paris
- London
- Brussels
- Barcelona
- Berlin

CHINA (1H 2006)
- Citadines Suzhou Xinghai
- Citadines Suzhou Lejia
- Citadines Hong Kong Tsimshatsui Ashley
- Citadines Xi'an Central

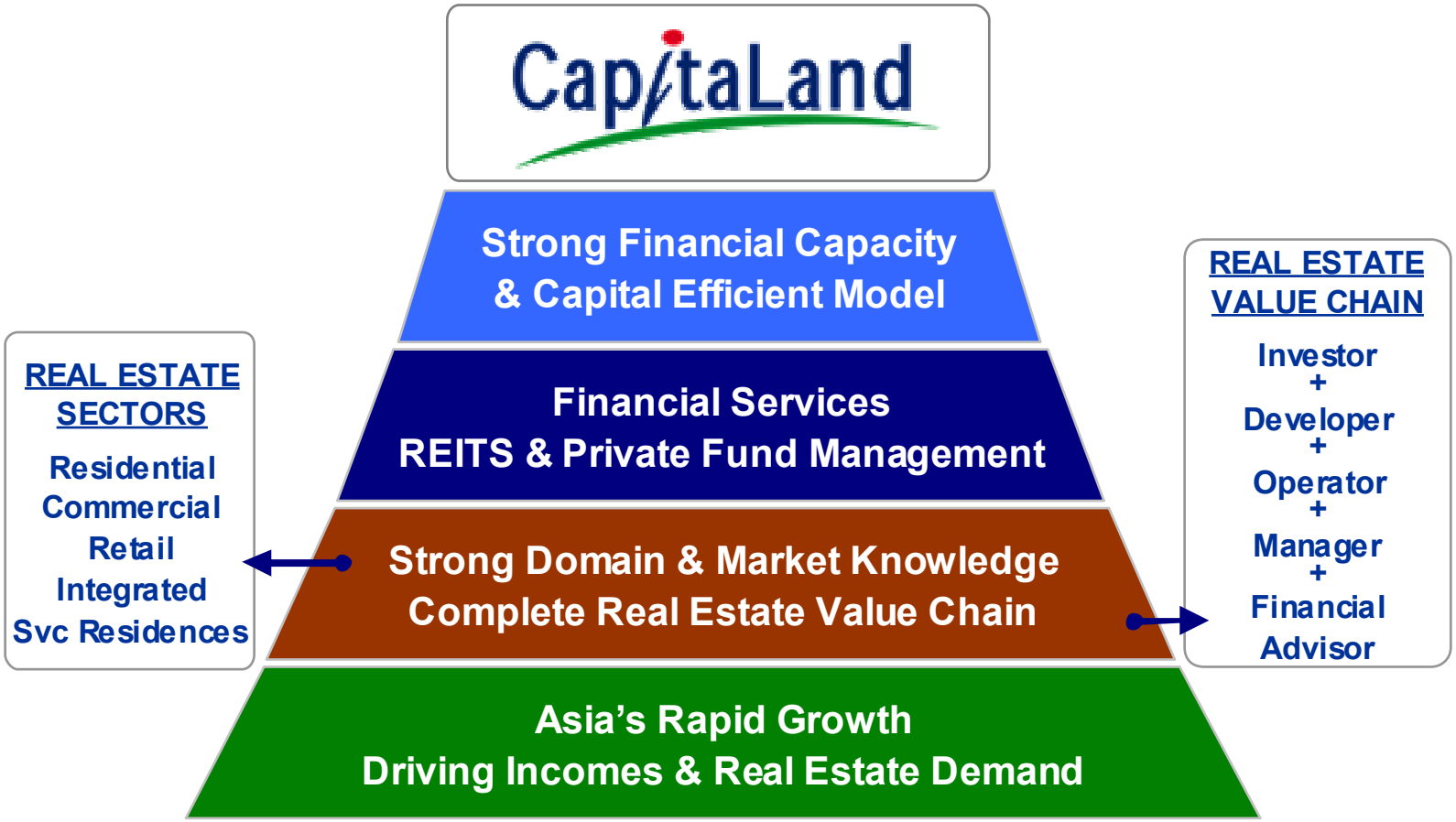
THAILAND (1H 2006)
- Citadines Bangkok Sukhumvit 23
- Citadines Bangkok Sukhumvit 11
- Citadines Bangkok Sukhumvit 8

INDIA (2010)
- Tamil Nadu (210 units in Chennai, 2H'08; 40% stake)
- Andhra Pradesh
- Karnataka
- Maharashtra (excluding Mumbai)


Citadines Suzhou Xinghai



Summary – Solid foundation for Growth





Thank you