

Presentation to Media & Analysts

Macao Studio City
CapitaLand ILEC

16 January 2007

Mr Wong Heang Fine, Chief Executive Officer, CapitaLand ILEC

Agenda

- CapitaLand ILEC
  - Why integrated resorts?
  - What are integrated resorts?
  - How it synergies with CapitaLand's existing core competence
- Macao Studio City
  - Macau overview
  - Cotai
  - Project details



CapitaLand ILEC

- CapitaLand Integrated Leisure, Entertainment and Conventions (ILEC)
- Formed in 2006 to pursue businesses with these components
- Asia's phenomenal economic growth - Maslow's Hierarchy of Needs







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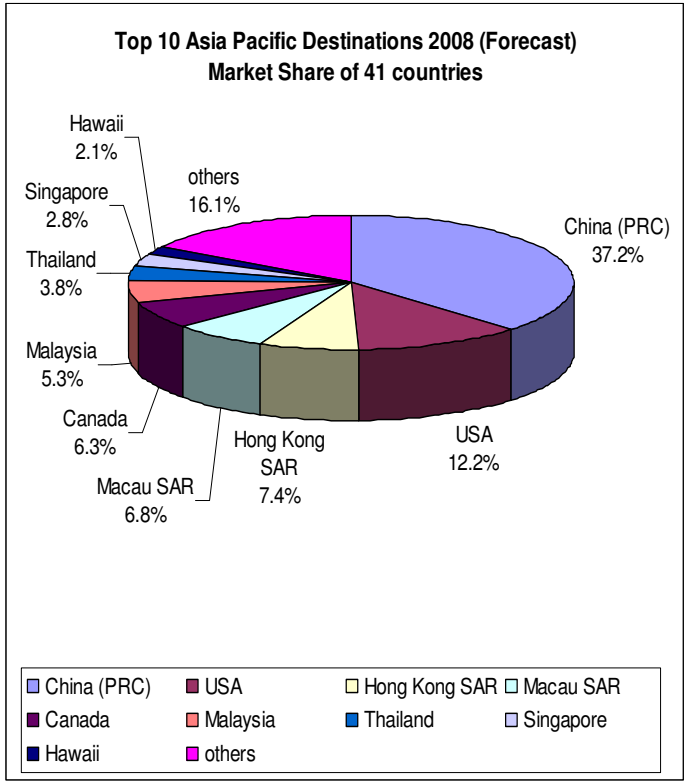
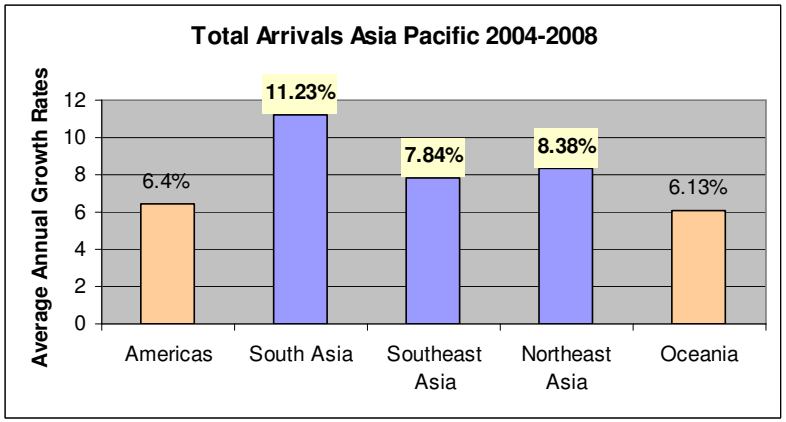
High Tourism Growth Rates



International Tourist Arrivals by Region (mil) 1996-2004

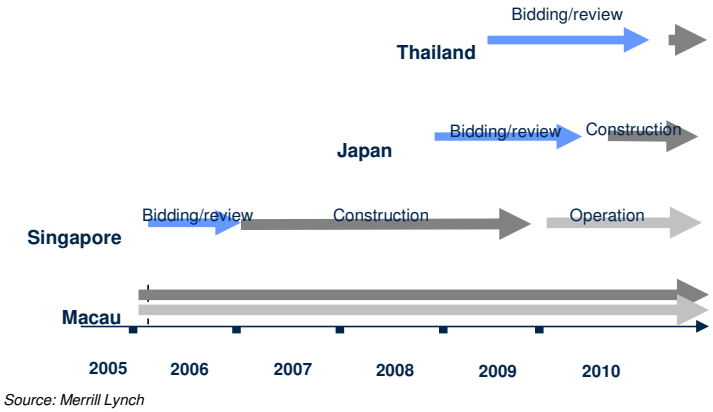
Region	1996	2000	2003	2004	AAGR (%) 1996-2004	YoY Change 2003-2004
World	599.6	687.3	690	763	3.1	10.6
Africa	21.9	27.4	30.8	33.2	5.3	7.8
Americas	116.9	128	113.1	125.8	0.9	11.2
Asia Pacific	93.4	115.3	119.3	152.5	6.3	27.8
Europe	353.3	392.7	396.6	416.4	2.1	5
Middle East	14.1	24	30	35.4	12.2	18

source: PATA



Asian Growth Markets

- Many countries seek to legalise casinos including:
  - Japan
  - Indo China (Vietnam, Thailand)
  - India
- Development opportunities in India, China and other Asian countries



Source: Merrill Lynch



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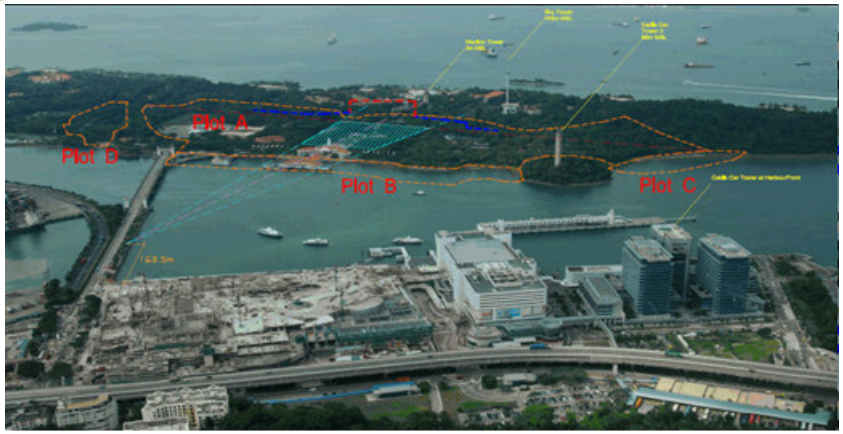
CapitaLand ILEC – An example



The current site at Sentosa



The iconic Atlantis Sentosa designed by Frank Gehry

What are Integrated Resorts





- Integrated Concepts
  - A complementary range of : entertainment, dining, retail, leisure and hotels
  - Cater to the young and old, singles and families, active or easy going
  - Synergies: Multiplier effect

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Building CapitaLand ILEC Business

Building up CapitaLand's ILEC Business

Maiden investment



Macao Studio City

Experience, Relationships, Intellectual Capital



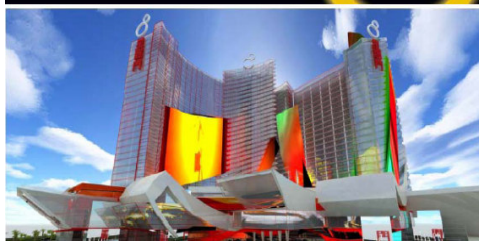
Marina Bay IR



Sentosa IR

CapitaLand ILEC Business – Synergy with other Core Competencies





Operators Network

Asian Market Knowledge

Technical Capabilities

Real Estate Capabilities

Financial Services Capabilities

Leverage ILEC to explore comprehensive development

Macau Overview



Mr Cheng Shin How, Country Director, CapitaLand Hong Kong

Macau Studio City



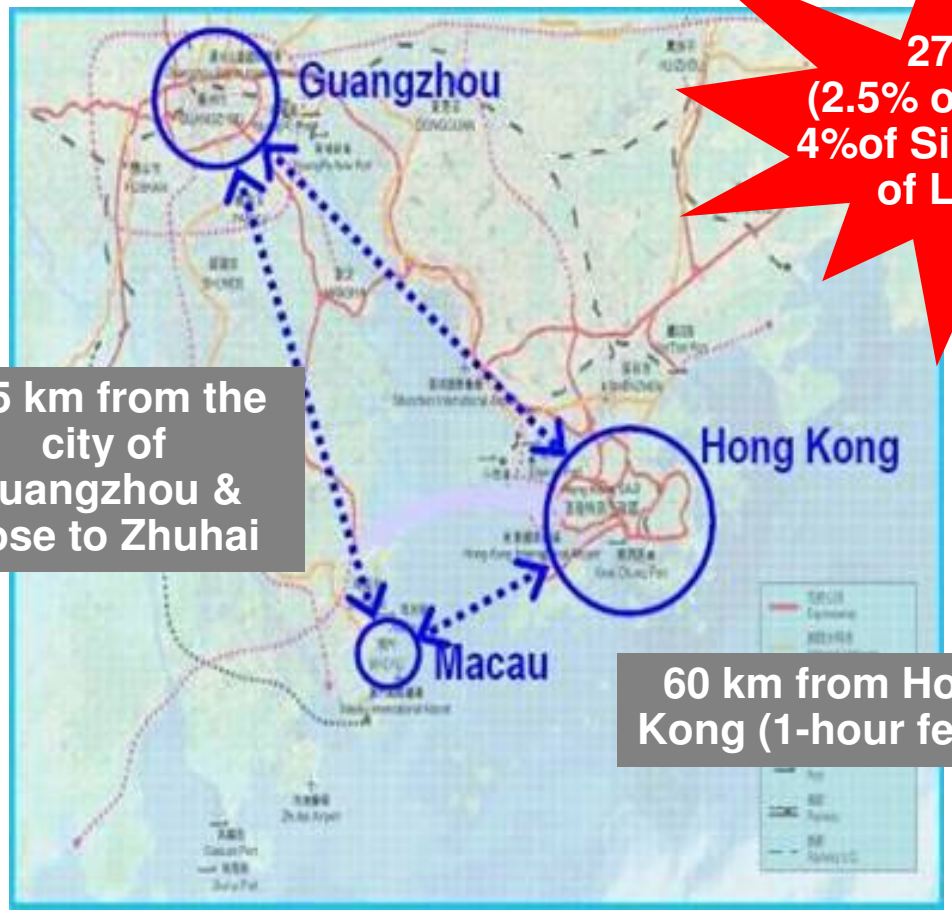
Background

- Land owned by eSun Holdings since 2001
- CapitaLand approached to be co-investor
- Joint venture company is owner/developer and not operator of the respective components

Project Financials

- Estimated total project cost:US$2 billion (S$3.1 billion)
- CapitaLand:
  - Effective stake: 20%
  - Share of investment: S$ 440m (phase 1)
    S$ 324m (phase 2)
    S$ 764m (Total)
- Project IRR: 15.2%

Macau – Excellent Location



27.3 sq km (2.5% of Hong Kong, 4%of Singapore & 8% of Las Vegas)

145 km from the city of Guangzhou & close to Zhuhai

60 km from Hong Kong (1-hour ferry)

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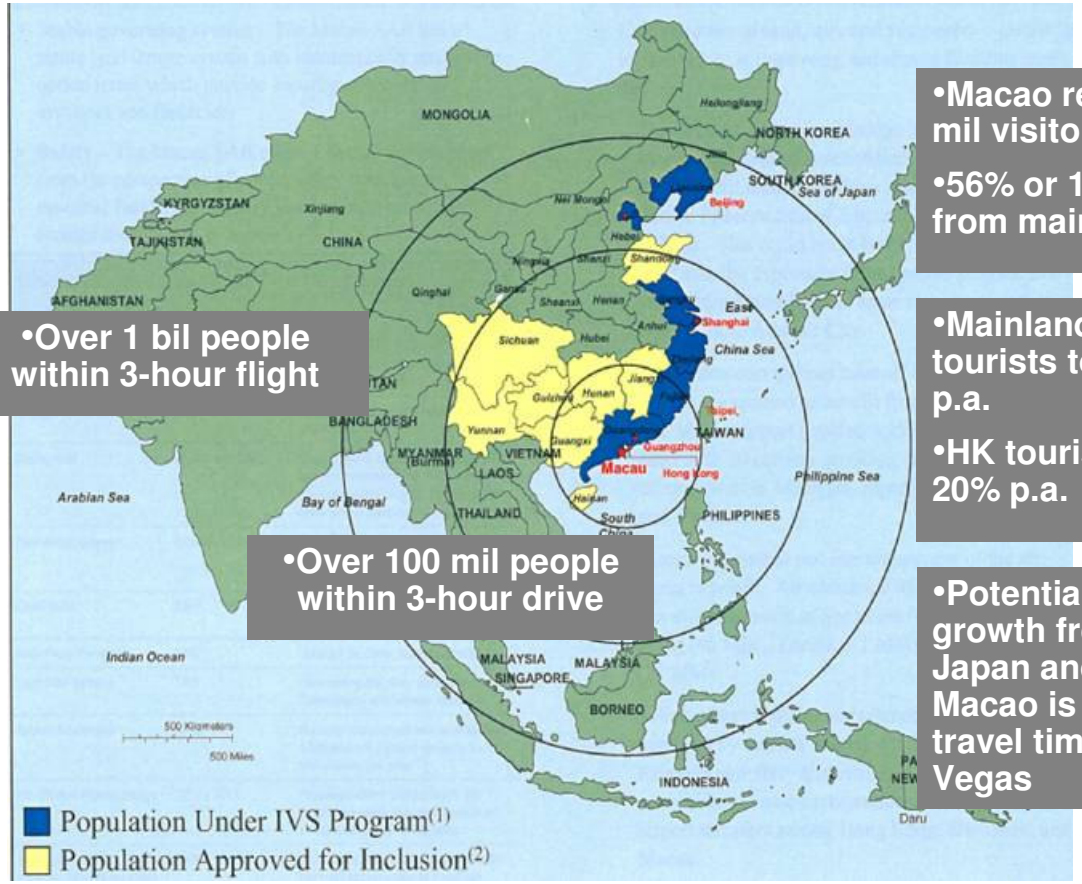
Macau – Huge Market



•Over 1 bil people within 3-hour flight

•Over 100 mil people within 3-hour drive

•Macao received 18.7 mil visitors in 2005

•56% or 10.5 mil are from mainland China

•Mainland Chinese tourists to rise by 14% p.a.

•HK tourists to rise by 20% p.a.

•Potential tourists growth from Taiwan, Japan and Korea, as Macao is just ¼ the travel time vs Las Vegas

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Macau – Positive Economic Indicators

Economic Indicators	2002	2003	2004	2005	2006 Q2 yoy	Trend
Real GDP Growth	10.1%	14.2%	28.3%	6.7%	16.3%	↑
Population ('000)	441.6	448.5 ↑ 1.5%	465.3 ↑ 3.7%	488.1 ↑ 4.9%	503.0 ↑ 5.5%	↑
Unemployment rate	6.3%	6.0%	4.8%	4.1%	3.8%	↓
Median earnings (MOP '000)	4.7	4.8 ↑ 2.1%	5.2 ↑ 8.3%	5.8 ↑ 11.5%	6.4 ↑ 12.9%	↑
Visitor arrivals (mil)	11.5	11.9 ↑ 3.5%	16.7 ↑ 40.3%	18.7 ↑ 12.0%	10.4 ↑ 15.9%	↑
Retail sales (MOP mil)	5,223	6,268 ↑ 20.0%	7,518 ↑ 19.9%	8,778 ↑ 16.8%	5,020 ↑ 20.3%	↑
Gaming revenue (MOP bil)	22.8	29.5 ↑ 29.4%	42.3 ↑ 43.4%	45.8 ↑ 8.3%	25.5 ↑ 11.0%	↑

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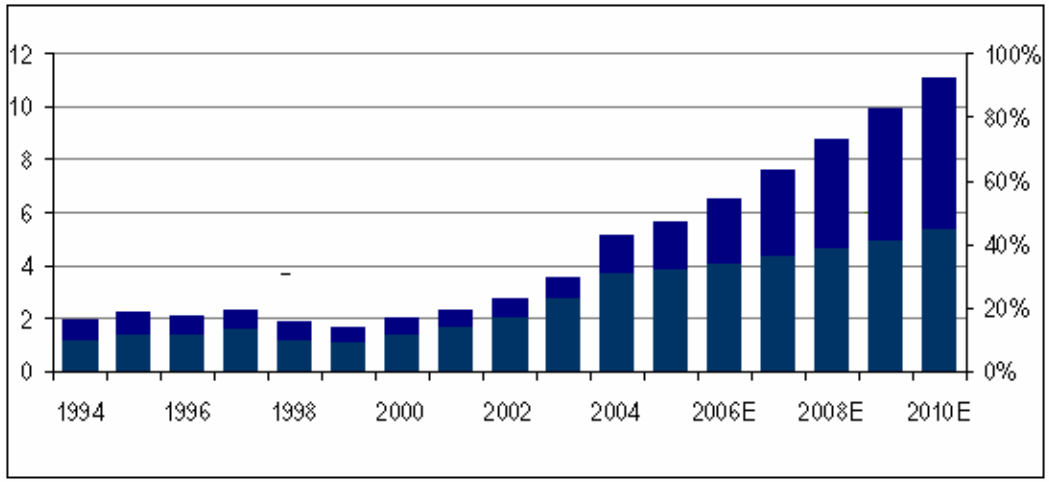
Macau – Gaming Revenue

Exceeds Las Vegas

- Casino revenue exceeded Las Vegas in 2006 (US$6.9 billion vs US$6.5 billion)
- Casino revenue projected to rise from US$6.9 billion in 2006 to US$12 billion by 2012



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Major Developments in Macau Peninsula

Lisboa & Grand Lisboa



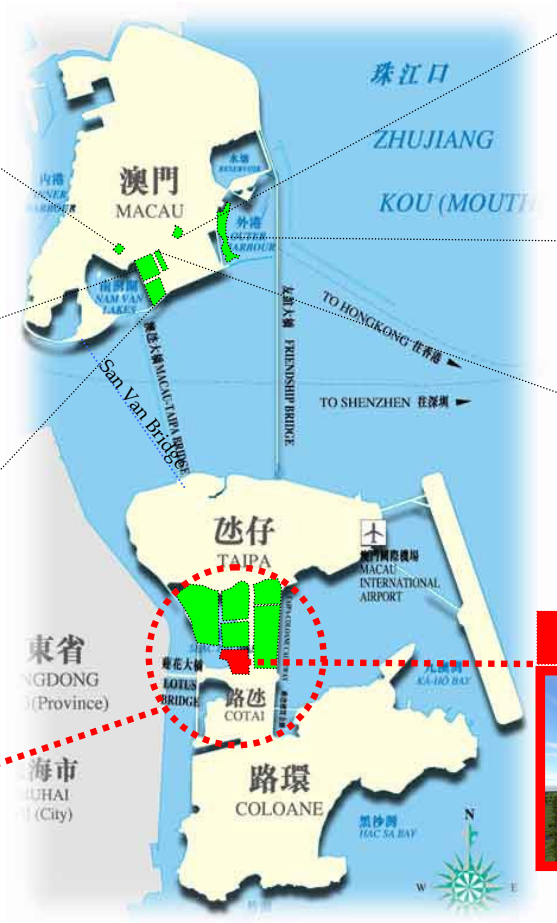
Wynn Resort



MGM Grand



Cotai



Sands Macao



Fisherman's Wharf



Galaxy Star World



Macao Studio City



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Cotai – The Las Vegas of the East

Few minutes from Macau International Airport

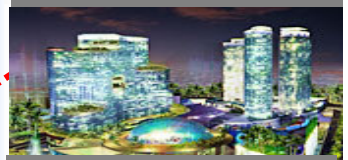
250 acres of reclaimed area between Coloane and Taipa

Few minutes from Zhuhai, China



Few minutes from new ferry terminal

Heart of next generation of integrated mega developments



City of Dreams



Galaxy Mega Resort



The Venetian Macao

Macao Studio City



Macao Studio City: "Where Cotai Begins ™"



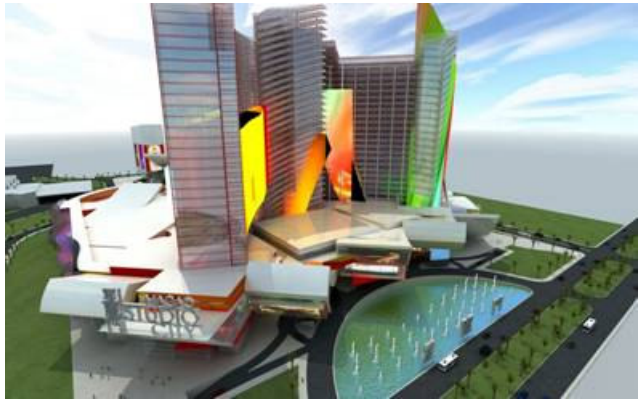
Designed by visionary Las Vegas-based design expert Mr. Paul Steelman



Approx site area of 1.5 mil sf (approx 2.5x approved plot ratio)

Target GFA : 6 million sf (potentially 6.6 million), resulting in plot ratio of approx 4.5x

Macao Studio City





- Land value : HKD900psf
- 6 million sq ft GFA:
  - Hotels: >2910 rooms
  - Serviced Apartments: >540 units
  - Retail: 1.4 m sf
  - Casino: 0.5 m sf
  - TV / film production facilities, Theatre & Arena / MICE centre: 0.6 m sf
- >400 gaming tables
- 2910 Hotel rooms (phase 1 & 2)
  - Marriott (phase 1)
  - Ritz Carlton (phase 1)
  - The Tang hotel – created by David Tang (phase 1)

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Phase 1 and Phase 2

GFA Allocation (Approx): Target Open:	Phase 1 1Q 2009	Phase 2 1Q 2011	Total
Studio Retail™	1,000,000 sf	400,000 sf	1,400,000 sf
Las Vegas Style Casino	200,000 sf	300,000 sf	500,000 sf
Hotels *5-star Hotel Rooms* *4-star Hotel Rooms* *Luxurious Boutique Hotel Rooms* *Sub-total*	1,750,000 sf *300 units* *1.450 units* *110 units* *1,860 units*	1,125,000 sf *200 units* *850 units* *-* *1,050 units*	2,875,000 sf *500 units* *2.300 units* *110 units* *2,910 units*
Service Apartments	250,000 sf *220 units*	375,000 sf *320 units*	625,000 sf *540 units*
Entertainment Components *Theatre* *Arena / MICE Centre*	400,000 sf *2,300 seats* *Up to 4,700 seats*	200,000 sf	600,000 sf
Total – Current Proposed GFA	**3,600,000 sf**	**2,400,000 sf**	**6,000,000 sf**

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World Class Integrated Resort

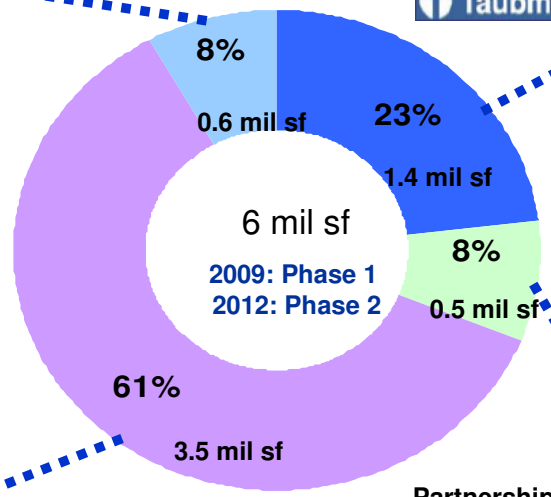
State-of-the-art TV & Film Studio
2,300 seat Theatre up to 4,700-person capacity Arena/ MICE Center



World's Most Recognised Hotel Brands/Service Apts



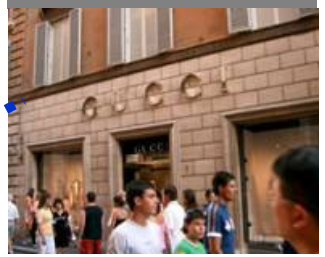
Marriott
The Tang Hotel



Partnership with

Taubman

Studio Retail™



Las Vegas Style Casino with 400 gaming tables



Partnership with

New Cotai Entertainment
Melco PBL Entertainment

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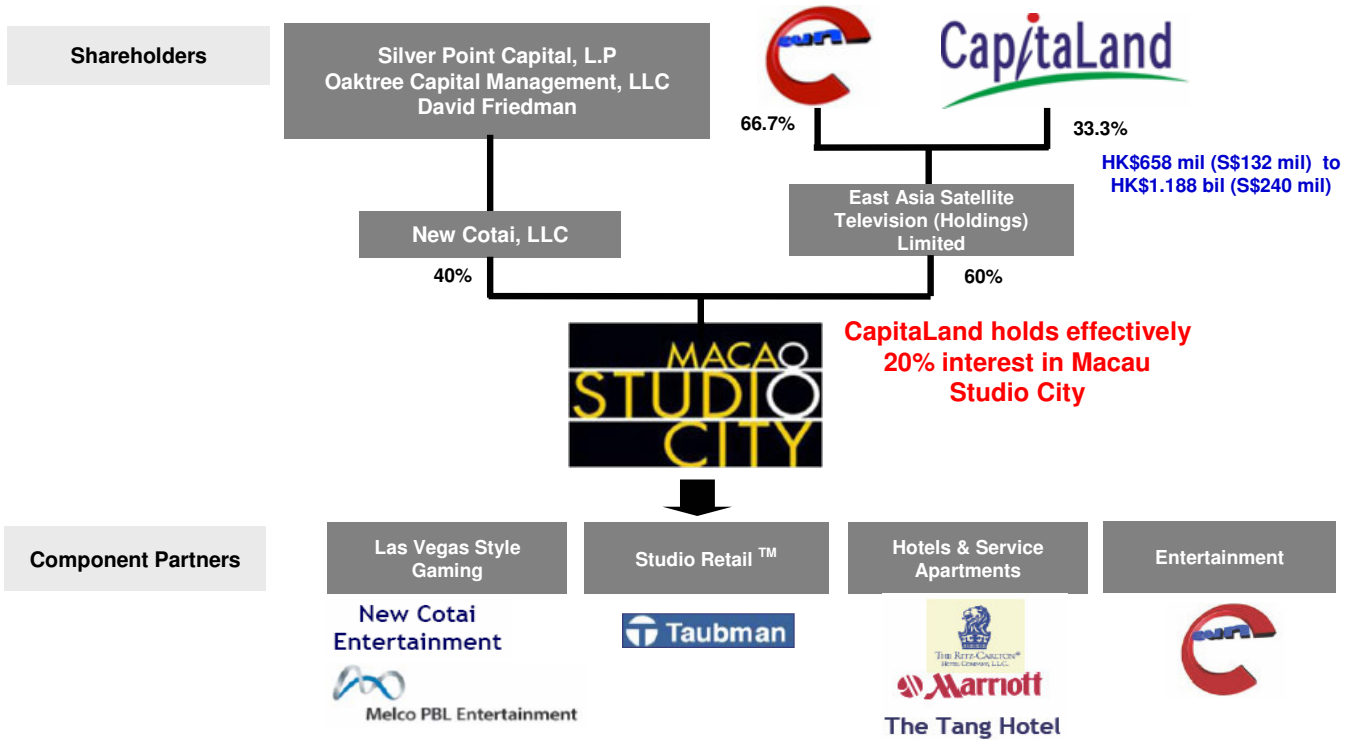
Strategic Partnerships



Profile of Other Shareholders

eSun Holdings Limited



- Decades of experience and in-depth knowledge of Asia's entertainment
- Ability to secure celebrities and artistes
- Ability to create and position the project as the entertainment hub of Macau

New Cotai, LLC

- Owned by a consortium of partners including:
- Silver Point Capital L.P., a global private investment firm with approximately US$7 billion under management;
- Mr. David Friedman, a former senior executive of Las Vegas Sands Inc. with over 20 years of experience in international resort and gaming development; and
- Funds managed by Oaktree Capital Management, LLC, a global independent investment management firm with over US$33 billion under management.

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Partnerships

Las Vegas Style Gaming	Studio Retail ™	Hotels & Service Apartments	Entertainment
New Cotai Entertainment Melco PBL Entertainment	Taubman	The Ritz-Carlton Hotel Company, L.L.C. Marriott The Tang Hotel	eun
Casino lease arrangement Base rental of US$125 psf for a min of 0.2 mil sf Up to US$62.5 mil (if 0.5 mil sf) Annual rent referable to EBITDA (before concession payments) from gaming operations	**Retail co-development & management** Retail management services for an initial term of 15 years	Marriott International to manage both a Marriott hotel and a Ritz Carlton hotel 6-star boutique hotel "The Tang Hotel" to be created by Mr David Tang, founder of the China Clubs and Shanghai Tang	Leading Chinese-language live entertainment & programming

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THANK YOU