CapitaLand Group
Full Year 2007 Results



February 2008

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.

Content

- **Results Overview**
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Results Overview



Liew Mun Leong
Group President & CEO

FY2007 – Record-breaking Results

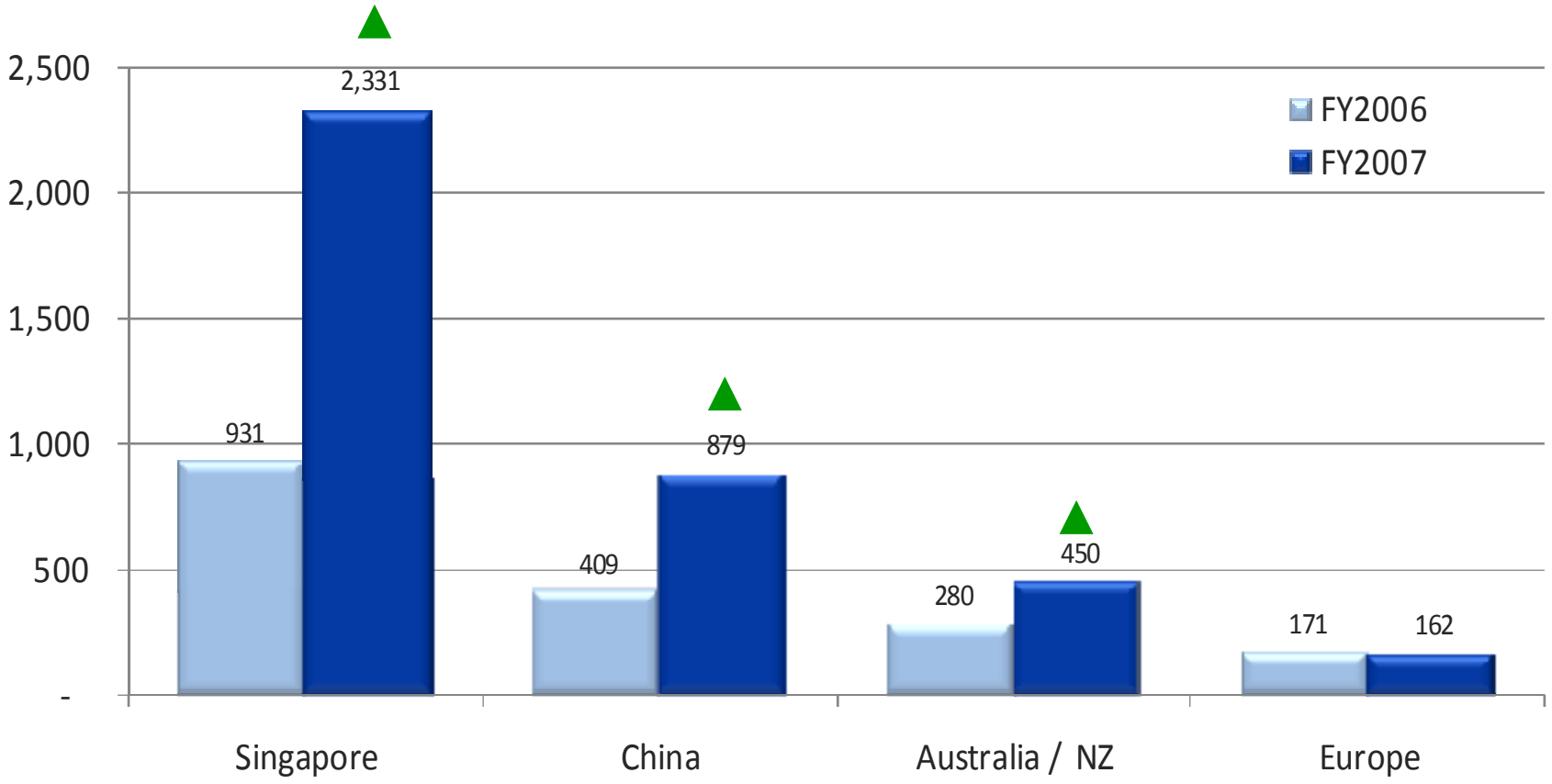
- **Record PATMI of S$2.8 billion, ↑ 173% y-o-y**
  - Exceptional performance across all businesses
- **Core markets outperformed**
  - Singapore: EBIT ↑ 150% to S$2.3 billion
  - China: EBIT ↑ 115% to S$879.3 million
  - Australia: EBIT ↑ 61% to S$450.2 million
- **Further inroads in new markets**
  - Vietnam, India and Gulf Co-operation Council (GCC) countries
- **Financial Services business expanding**
  - Achieved AUM of S$17.7 billion
  - Closed 6 private funds totalling S$3.5 billion
  - Listed Quill Capita Trust
- **Active capital management, strong balance sheet**
  - Extending debt maturity (average 4.1 years)
  - Maintaining high liquidity (cash S$4.4 billion)
  - Healthy D/E ratio (0.47)

FY 2007 – Record Profits of S$2.8 billion

	FY 2006	FY 2007	Change
EBIT (S$ million)	1,814.1	3,824.0	↑ 111%
PBT (S$ million)	1,486.1	3,420.5	↑ 130%
PATMI (S$ million)	1,012.7	2,759.3	↑ 173%
EPS (S cents)	36.6	98.6	↑ 169%

FY 2007 – Core Markets Outperformed

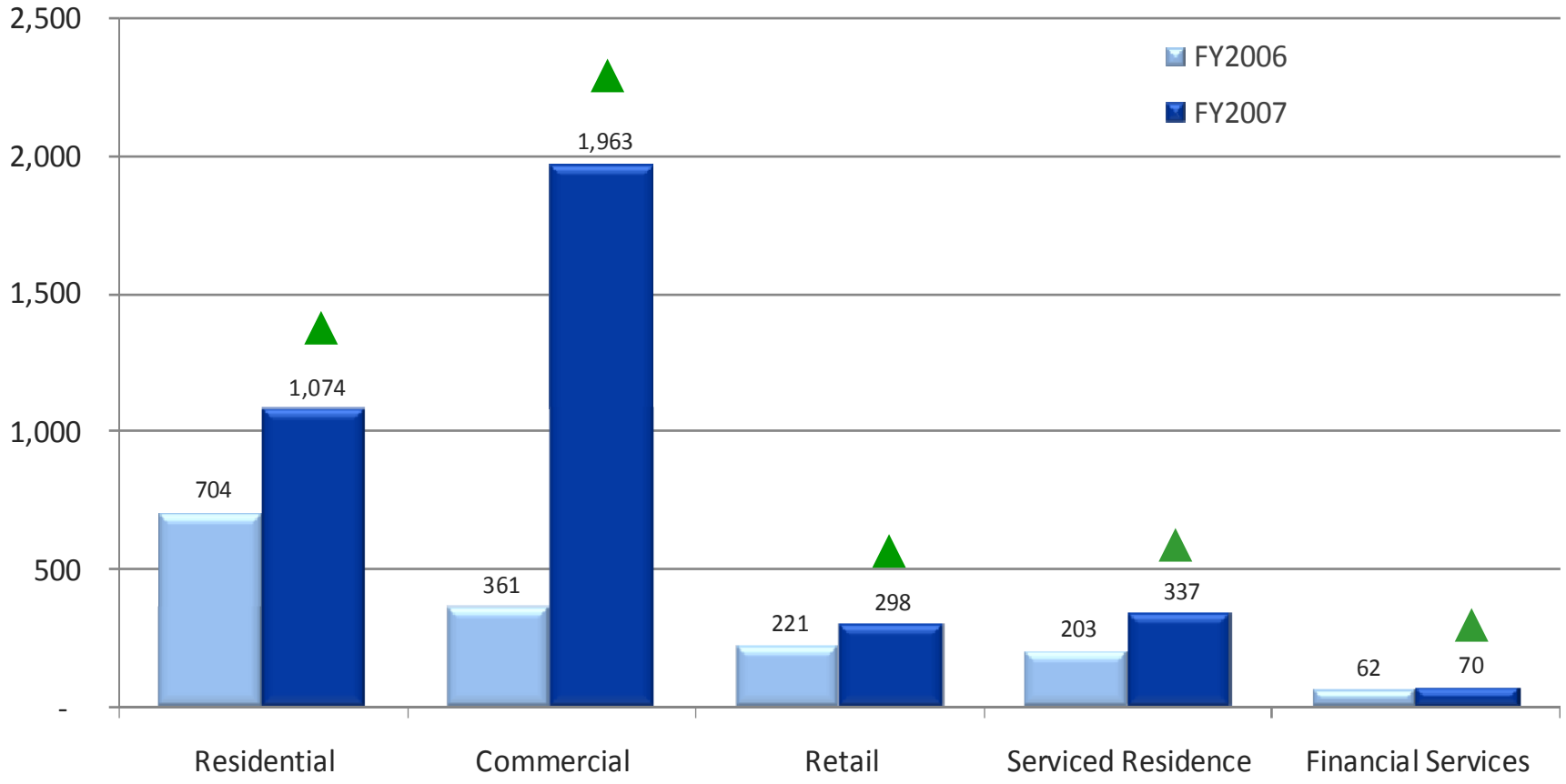
EBIT S$mil



China : Includes Hong Kong and Macau

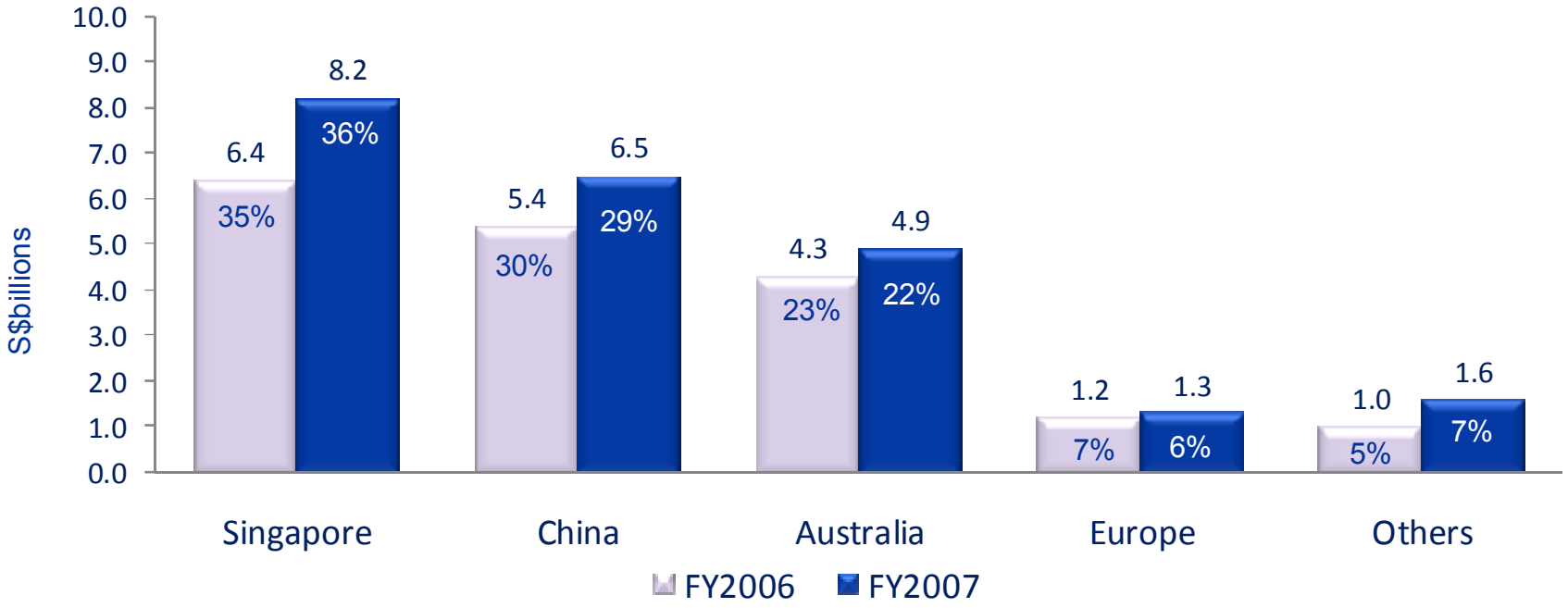
FY 2007 – Strong Performance Across Businesses

EBIT S$mil



Assets by Geography

Diversified Geographical Presence
Assets (ex-cash) FY2007: S$22.5 billion (FY2006: S$18.3 billion)



	Assets		EBIT	
	FY 2006	FY 2007	FY 2006	FY 2007
Singapore	35%	36%	51%	61%
Overseas	65%	64%	49%	39%

Highlights



Residential SBU

Robust Performance

EBIT (S$ million)	FY 2006	FY 2007	Change
Singapore	175	309	77%
China	244	327	34%
Australia	286	450	57%
Total	**704**	**1,074**	**53%**


The Seafront on Meyer, Singapore


Summit Residences, Ningbo


The Emporio, Bangkok


The Vista, Ho Chi Minh City

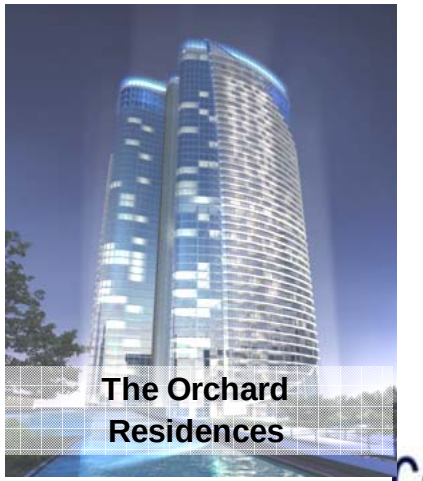
Singapore Residential

Sold 1,430 units with value of over S$3 billion
- Highest sales value achieved by a listed company

The Seafront on Meyer	327 units	87% sold
The Orchard Residences	175 units	76% sold
The Metropolitan	382 units	Fully sold
Scotts High Park	73 units	Fully sold
RiverGate	545 units	99% sold
RiverEdge	135 units	Fully sold
Citylights	600 units	Fully sold
Varsity Park Condominium	530 units	Fully sold
Botannia	493 units	93% sold


The Seafront on Meyer


The Metropolitan Condominium


The Orchard Residences

Singapore Residential

2007 Acquisitions : 4.37m sqft GFA (S$2.3 billion)

Total Pipeline: 5.5m sqft GFA

- **Char Yong Gardens site**
  - GFA: 261,167 sqft freehold site
  - Estimated 180 homes
- **Farrer Court site**
  - GFA: 2.35m sqft leasehold site
  - Estimated 1,500 homes
- **Gillman Heights site**
  - GFA: 1.76m sqft leasehold site
  - Estimated 1,200 homes



Proposed development at Farrer Court site

China Residential

Sold 1,944 units: sales value of ~RMB5b (S$1b)

Shanghai		
Oasis Riviera	444 units	92% sold
Westwood Green (East Zone)	100 units	62% sold
Parc Tresor	705 units	100% sold
Beijing		
La Forêt	1,130 units	99% sold
Guangzhou		
Beau Monde	386 units	99% sold
Ningbo		
Summit Residences	174 units	99% sold
Chengdu		
Luff Egret	260 units	80% sold



Summit Residences, Ningbo



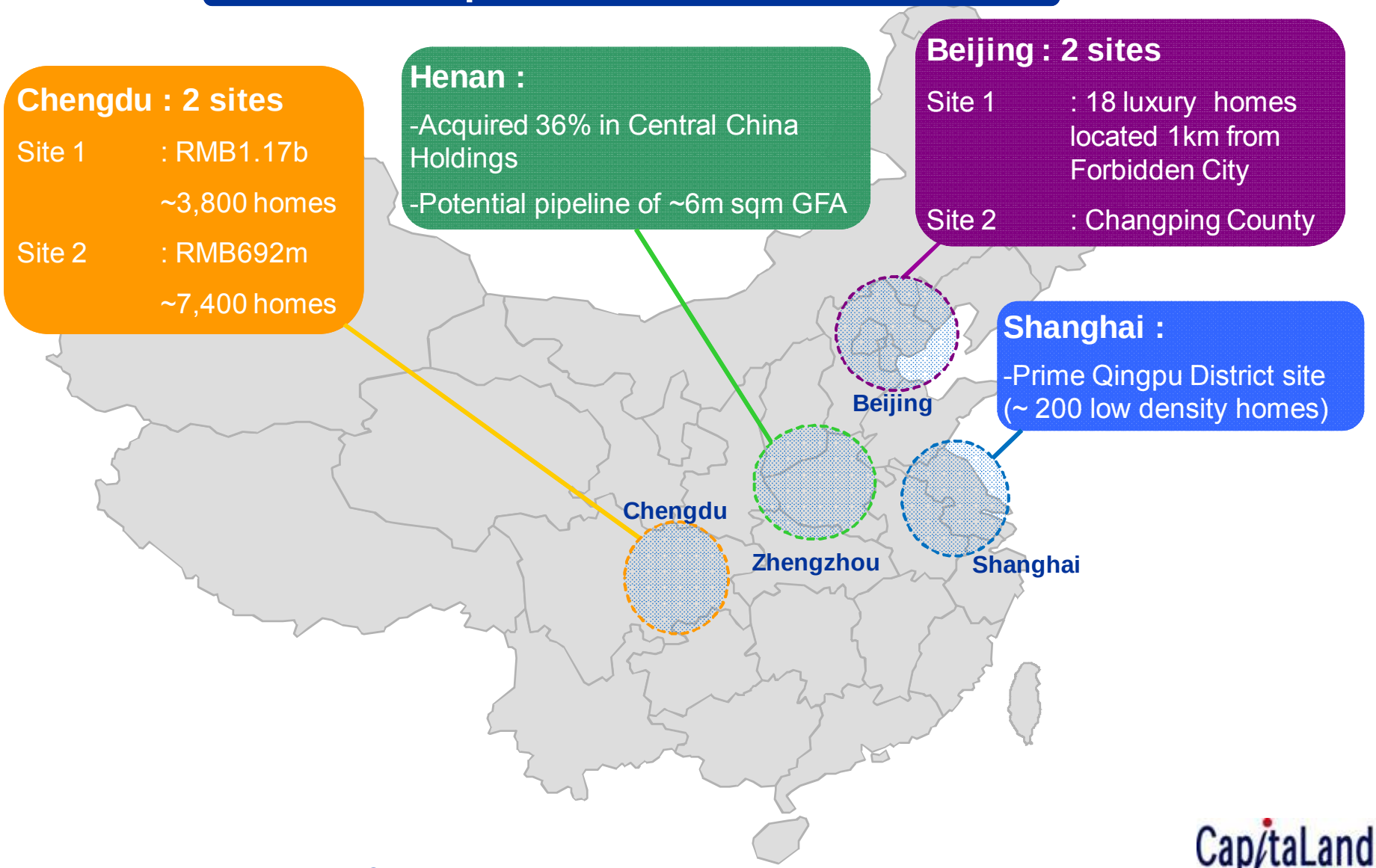
Beau Monde, Guangzhou



Parc Tresor, Shanghai

China Residential

Acquisition of New Sites:



AUSTRALAND

11th Consecutive Year of Record Profit

- **PATMI ↑ 11% to A$269.2 million**
  - Commercial & Industrial Div PBT, ↑ 75% to A$70.1m
  - Investment Property Div PBT, ↑ 6% to A$223.4m
  - Residential Div PBT stable at A$106.3m


Land Developer


Property Development


Builder


Investor


Property/ Trust Manager

New Markets Residential

Thailand - Bangkok

- Villa Rachatewi
  - 100% sold (603 units) since launch 4Q'07
- Villa Sathorn
  - 90% sold (> 500 units) since launch in 3Q'07
- Launch - North Park Place
  - 128 units condominium with hotel services

Vietnam – Ho Chi Minh City

- The Vista
  - Phase 1&2 (>500 units) successfully launched
- Acquired 3rd & 4th sites in Ho Chi Minh City
  - Total pipeline of 2,800 homes


Villa Sathorn, Bangkok


The Vista, Ho Chi Minh City


The Vista, Ho Chi Minh City

Commercial

Portfolio Reconstitution
- achieved benchmark sales prices

- **Divested 45% stake in AIG Tower in Hong Kong**
  - Price: S$1.6 billion (c.S$3,767 psf GFA)
- **Divested 50% stake in Hitachi Tower ***
  - Price: S$811 million (c.S$2,900 psf NLA)
- **Divested 50% stake in Chevron House**
  - Price: S$730 million (c.S$2,780 psf NLA)
- **Acquired remaining 50% stake in 1 George Street**
  - Price: S$1.2 billion (c.S$2,700 psf NLA)



AIG Tower, Hong Kong



Chevron House, Singapore



1 George Street, Singapore

*completion 2008

Commercial

Developments

- **Wilkie Edge Development**
  - Sold to CCT
    - Price: S$262.0m or S$1,177 psf NLA
  - Mixed Development:
    - Office : 9,588 sq m
    - Retail : 3,396 sq m
    - Serviced apartments : 154 units*
- **Market Street Car Park****
  - Granted Outline Planning Permission ("OPP") for redevelopment into Grade A office tower
    - Estimated GFA 850,000 sq ft
- **Prime site in Shinjuku, Tokyo**
  - Invested JPY32b (20% stake) in a commercial cum residential site with Mitsubishi Estate Co., Ltd and Heiwa Real Estate Co., Ltd



Wilkie Edge, Singapore


Market Street Carpark, Singapore

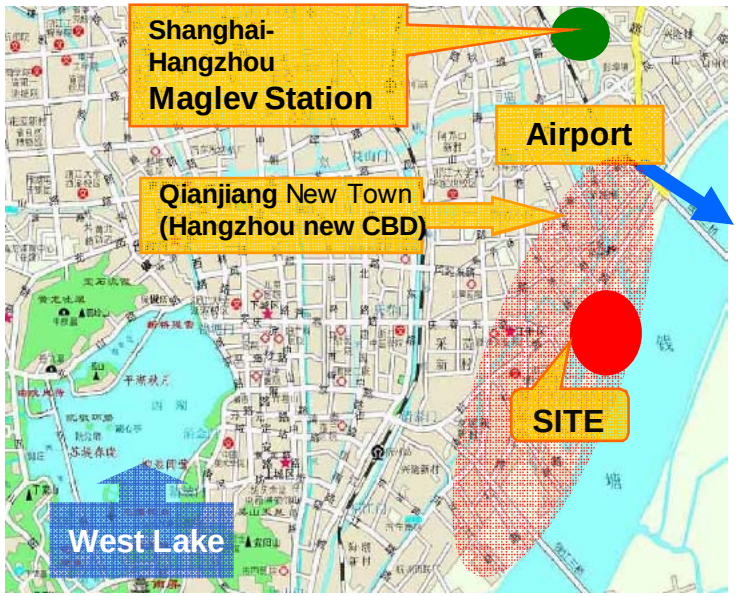
** Sold to The Ascott Group*
*** owned by CCT*

China Commercial

Acquisitions

- **Raffles City Hangzhou site for RMB1.0b**
  - Grade-A office tower, retail mall, five-star hotel and residential units
    - Land cost RMB3,601 (S$715) psm ppr
    - GFA of 283,568 sqm
- **Shanghai site (Zhabei District) for RMB598.1m**
  - Offices and high-end hotel or serviced residences
    - Land cost RMB8,414 (S$1,671) psm ppr
    - GFA of 71,085 sqm
- **IBM Centre (Beijing) acquired for RMB175m**

Hangzhou Site
- Prime Location



Singapore Retail

Centre Of Gravity for Retail

- World's finest retail offering & flagship concept
- NLA of 660,000 sq ft
- 6 global superbrands to establish first duplex flagship stores in Singapore



ION Orchard, Singapore

Singapore Retail

CMT Expanded Portfolio to 13 Retail Malls

- **CMT added 3 Suburban Malls**
  - Lot One, Bukit Panjang Plaza & Rivervale Mall
  - Assets grew 18.8% to S$5.9 billion, extending lead as largest REIT by market capitalization and asset size in Singapore
- **Raised equity of S$352.1m**
- **Target Asset size of S$8 billion by 2010**



Lot One Shoppers' Mall (Lot1)



Bukit Panjang Plaza

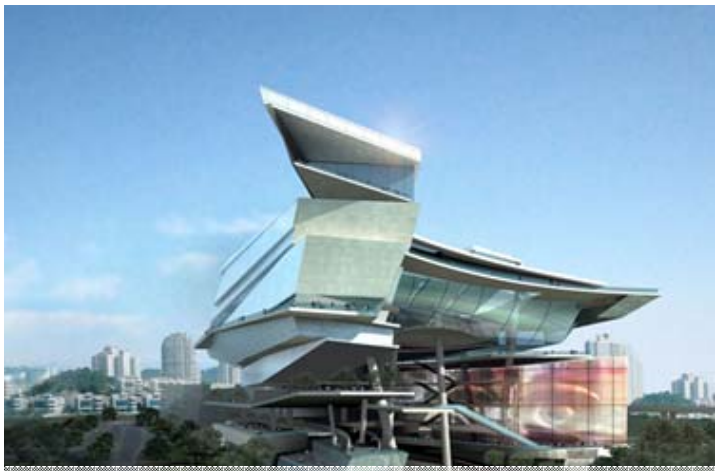


Rivervale Mall

Singapore Retail

Expanding Retail Presence

- **Developing Retail and Entertainment Zone of integrated hub at Vista Xchange, one-north**
  - Total GFA ~24,000 sq m
  - Gross investment ~S$380m
  - Direct connectivity to Buona Vista MRT; complement bustling Rochester and Holland Village enclaves
  - Civic & Cultural Zone of integrated hub with 5,000-seat, world-class theatre
  - Target completion 2011



Vista Xchange, Singapore



Vista Xchange, Singapore

China Retail

CRCT on track to achieve S$3.0b AUM by 2009

- **Injection of Xizhimen Mall (Beijing) into CapitaRetail China Trust (CRCT)**
  - Property transaction price of S$336million
  - 73,857 sq m Gross Rentable Area (“GRA”) mall
  - 5.7% (FY08) & 6.4% (FY09) expected NPI yield
  - Option to acquire “Phase 2” of mall (GRA: 11,539 sq m) with connectivity to MRT station and National Railway station



Xizhimen, Beijing



Xizhimen, Beijing

China Retail

Increase Pipeline
- through Co-operative Agreement with China Vanke

- Strategic partnership with China's largest residential developer
- Pipeline to strengthen retail footprint
- Acquire existing and new retail components within Vanke's townships
- Strong endorsement of retail platform & on-ground delivery capabilities
- Acquired first project in Chengdu with another five projects in the pipeline



Malaysia Retail

Seed assets for proposed pure play Malaysian REIT

- **Gurney Plaza, Penang**
  - Total consideration : RM793.0m (S$346.8m)
  - NLA 700,000 sqft
- **MINES Shopping Fair, Selangor**
  - Total consideration : RM450.2m (S$196.9m)
  - NLA 650,000 sqft



Gurney Plaza, Penang

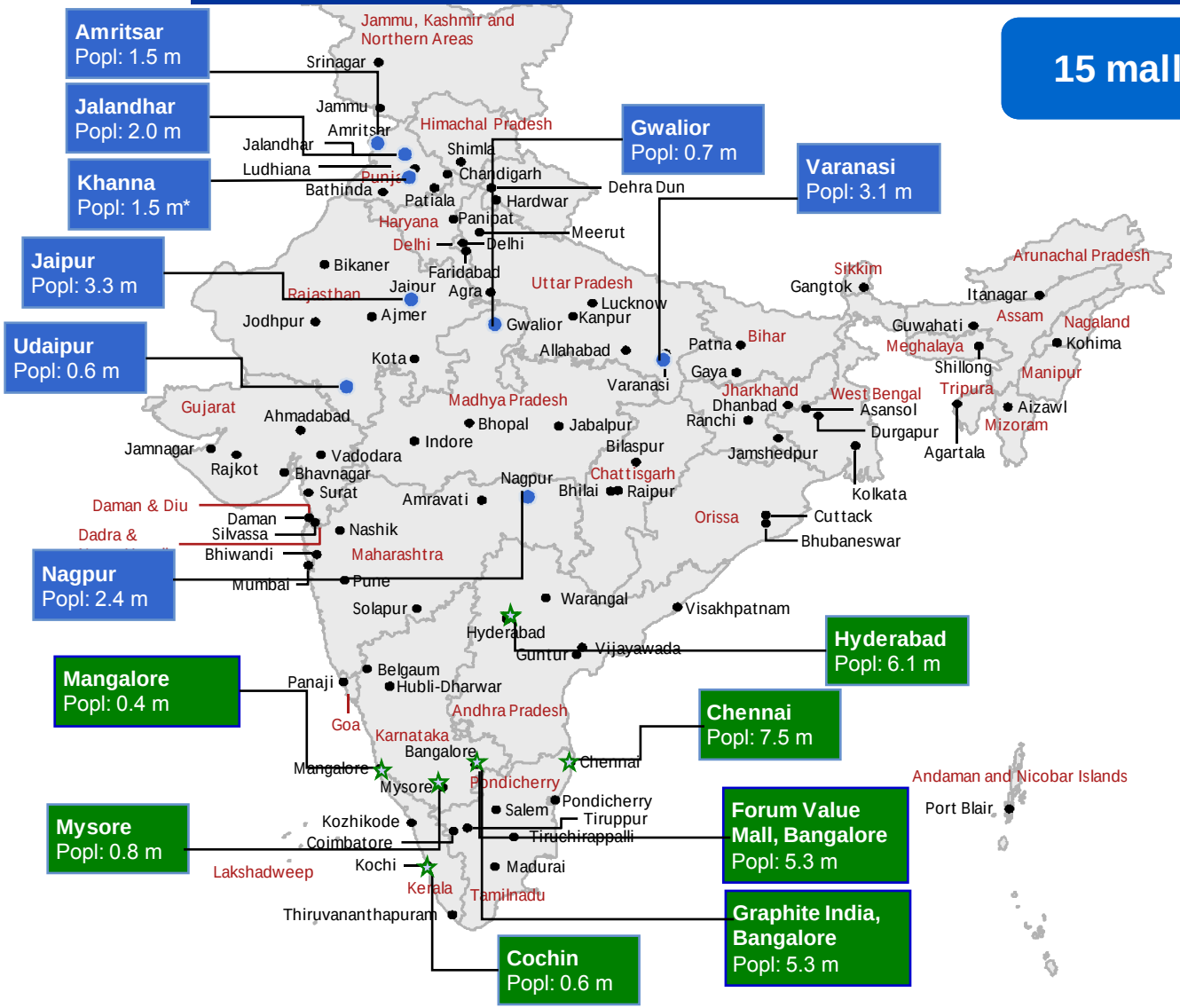


Mines Shopping Fair, Kuala Lumpur

India Retail

2 Joint Ventures: Prestige & Advance India Projects Ltd
(NLA 11 million square feet / Asset Value S$2.1bn)

15 malls in 14 cities Pan-India



Legend

- Cities
- Regions
- Country outline
- **Region names**
- AIPL Projects
- Prestige Projects

* Including the population of nearby Ludhiana

Ascott Performing Strongly

World's Largest International Serviced Residence Owner-Operator

Financial Performance in FY2007

- Net profit ↑ 8% to S$177.3 million y-o-y
- Improved performance from operating assets
  - PATMI ↑ 25% to S$52.5 million

Asset Development Platform

- Successfully closed US$500m Ascott China Fund
- Committed S$576m in new investments
- Net divestment gains of S$112.8m

Management Platform

- Property portfolio crossed 20,000 units in 55 cities in 23 countries



Ascott Singapore Raffles Place

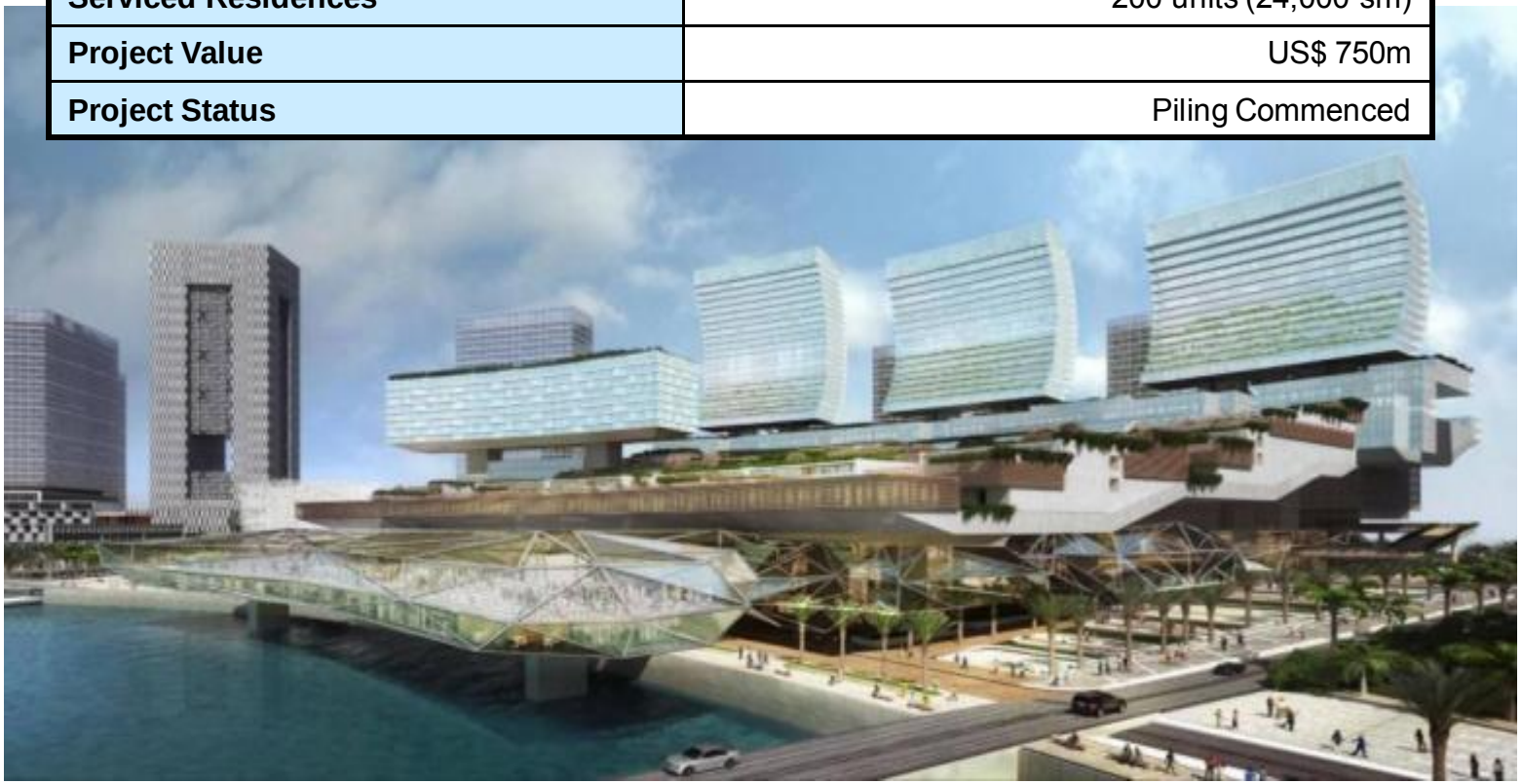


Somerset Olympic Tower, Tianjin

ILEC - Raffles City Bahrain

Construction in Progress

Land Area	43,000 sm
Total GFA	288,000 sm
Residential	613 apt units + 47 villas over 171,300 sm
Retail	92,700 sm
Serviced Residences	200 units (24,000 sm)
Project Value	US$ 750m
Project Status	Piling Commenced

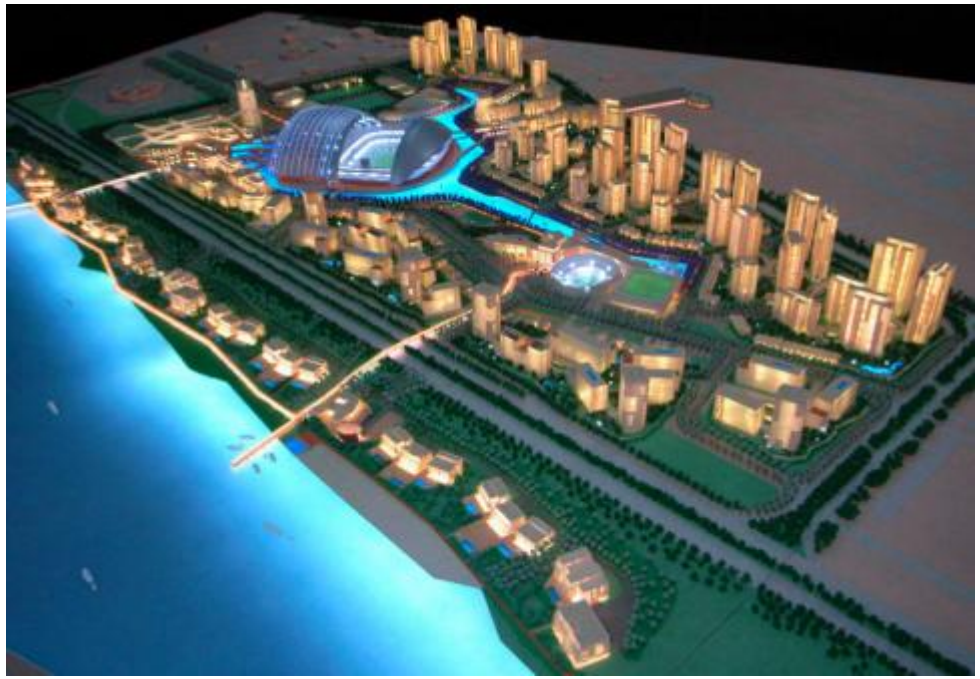


ILEC - New Markets

GCC Country – Abu Dhabi, UAE

- **JV (49/51 percent) with Mubadala Development Company**

  - Prime 140 hectares integrated phased development, 15 minutes from city centre
  - Total project cost of US$4b – US$5b
  - Develop ~ 9,000 residential units over phases
  - Phase 1A cost ~ S$480m



Financial Services

Largest Asian property fund manager

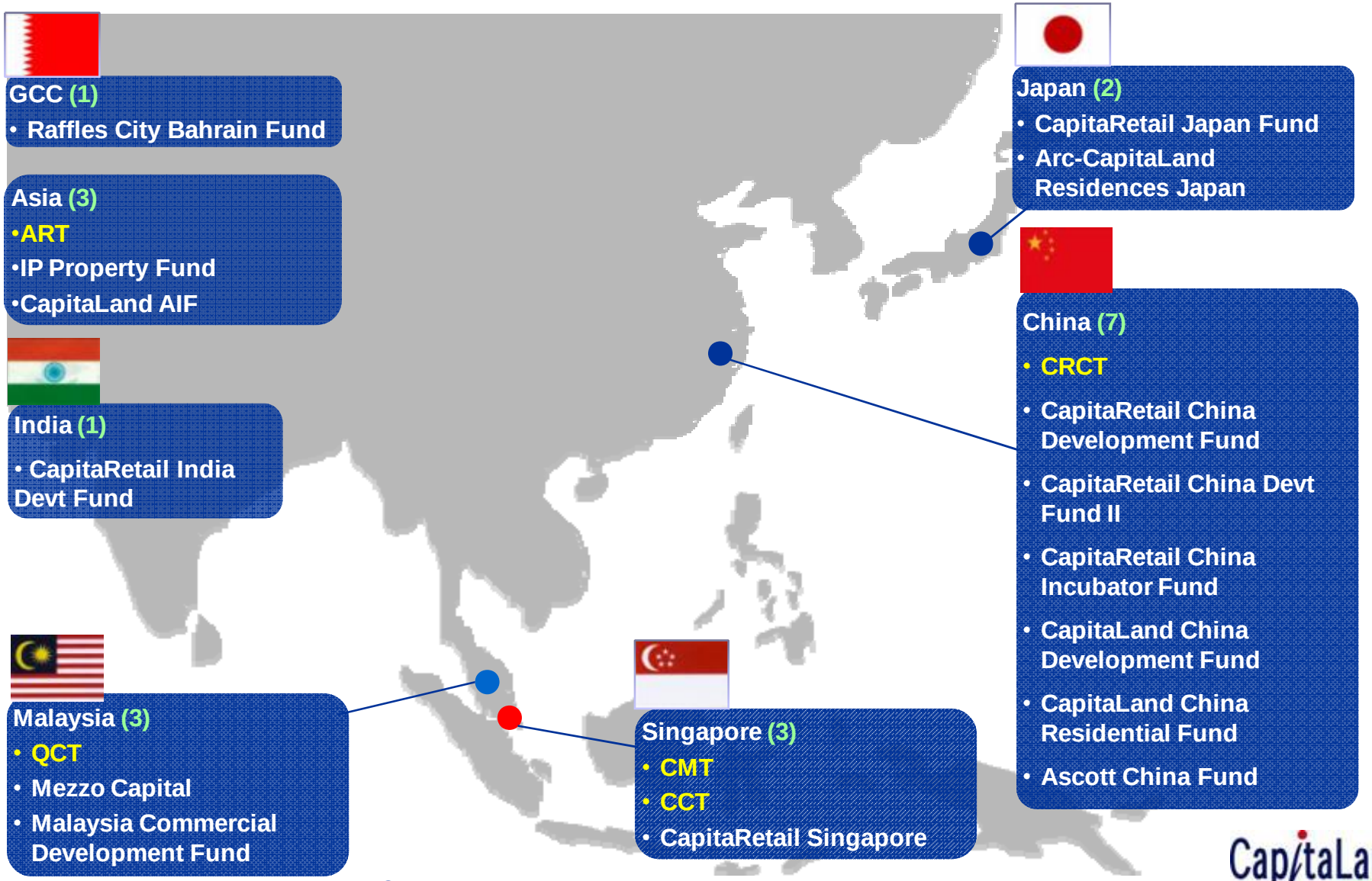
Total Assets Under Management of S$17.7 bn
(5 REITS & 15 private equity funds)

Created 6 new private funds	Equity Stake	Fund Size
CapitaRetail China Development Fund II	45%	US$600m
CapitaRetail India Development Fund	45%	US$600m
Ascott China Fund	*33%	US$500m
Raffles City Bahrain Fund	37%	US$350m
Malaysia Commercial Development Fund	21%	US$270m
CapitaLand AIF	44%	US$180m
Total		**US$2.5b** (S$3.5b)

** Refers to Ascott's stake in the fund*

Geographical Coverage of Our Funds

5 REITS & 15 Private Equity Funds



GCC (1)
- Raffles City Bahrain Fund

Asia (3)
- ART
- IP Property Fund
- CapitaLand AIF

India (1)
- CapitaRetail India Devt Fund

Malaysia (3)
- QCT
- Mezzo Capital
- Malaysia Commercial Development Fund

Singapore (3)
- CMT
- CCT
- CapitaRetail Singapore

Japan (2)
- CapitaRetail Japan Fund
- Arc-CapitaLand Residences Japan

China (7)
- CRCT
- CapitaRetail China Development Fund
- CapitaRetail China Devt Fund II
- CapitaRetail China Incubator Fund
- CapitaLand China Development Fund
- CapitaLand China Residential Fund
- Ascott China Fund

Malaysia REIT

Successful debut of First Overseas REIT

- **Quill Capita Trust ("QCT") assets up 101% to RM585m since listing in Jan 2007**
  - Successfully raised RM225.9m
  - Acquisitions post IPO :
    - Wisma Technip : RM125m
    - Plaza Mont' Kiara : RM90m
  - Proposed acquisitions will increase portfolio to RM643m
    - Quill Building 5 : RM43m
    - Quill Building 8 : RM29m
    - Quill Building 10 : RM23m



Plaza Mont' Kiara, Kuala Lumpur



Wisma Technip, Kuala Lumpur

Financial Results



Olivier Lim
Group CFO

FY2007 – Record Profits

(S$ million)	FY2006	FY2007	Change
Revenue	3,147.7	3,792.7	↑ 20.5%
EBIT	1,814.1	3,824.0	↑ 110.8%
PATMI	1,012.7	2,759.3	↑ 172.5%
EPS (S cents)	36.6	98.6	↑ 169.4%
NTA / share (S$)	2.64	3.53	↑ 33.7%

EBIT by SBUs

(S$ million)	FY2006	FY2007	Change
Residential[1] [2]	703.7	1,073.7	↑ 52.6%
Commercial[1]	361.0	1,962.9	↑ 443.8%
Retail	221.1	297.9	↑ 34.7%
Serviced Residence	202.5	337.2	↑ 66.5%
Financial Svcs	61.6	69.7	↑ 13.2%
Others & Consol Adj[3]	264.3	82.7	↓ 68.7%
Total EBIT	1,814.1	3,824.0	↑ 110.8%

1. Comparatives have been restated due to the Group's internal restructuring.
2. Includes Australand's commercial operations & certain commercial assets in China.
3. Includes start up costs of new businesses. The comparatives included results from Raffles Holdings Ltd Group which had ceased operations and was delisted from the official list of the SGX on 13Dec'06.

EBIT by Geography

(S$ million)	FY2006	FY2007	Change
Singapore	930.9	2,331.0	↑ 150.4%
China*	^408.9	879.3	↑ 115.0%
Australia & NZ	279.8	450.2	↑ 60.9%
Europe	170.8	161.7	↓ 5.3%
Others**	23.8	1.8	NM
Total EBIT	1,814.1	3,824.0	↑ 110.8%

^ Includes negative goodwill of S$77m from the acquisition of Lai Fung Holdings Ltd

* Includes Hong Kong & Macau

**Includes Vietnam, India, Thailand, Malaysia, GCC, Japan, The Philippines & Indonesia

NM: Not meaningful

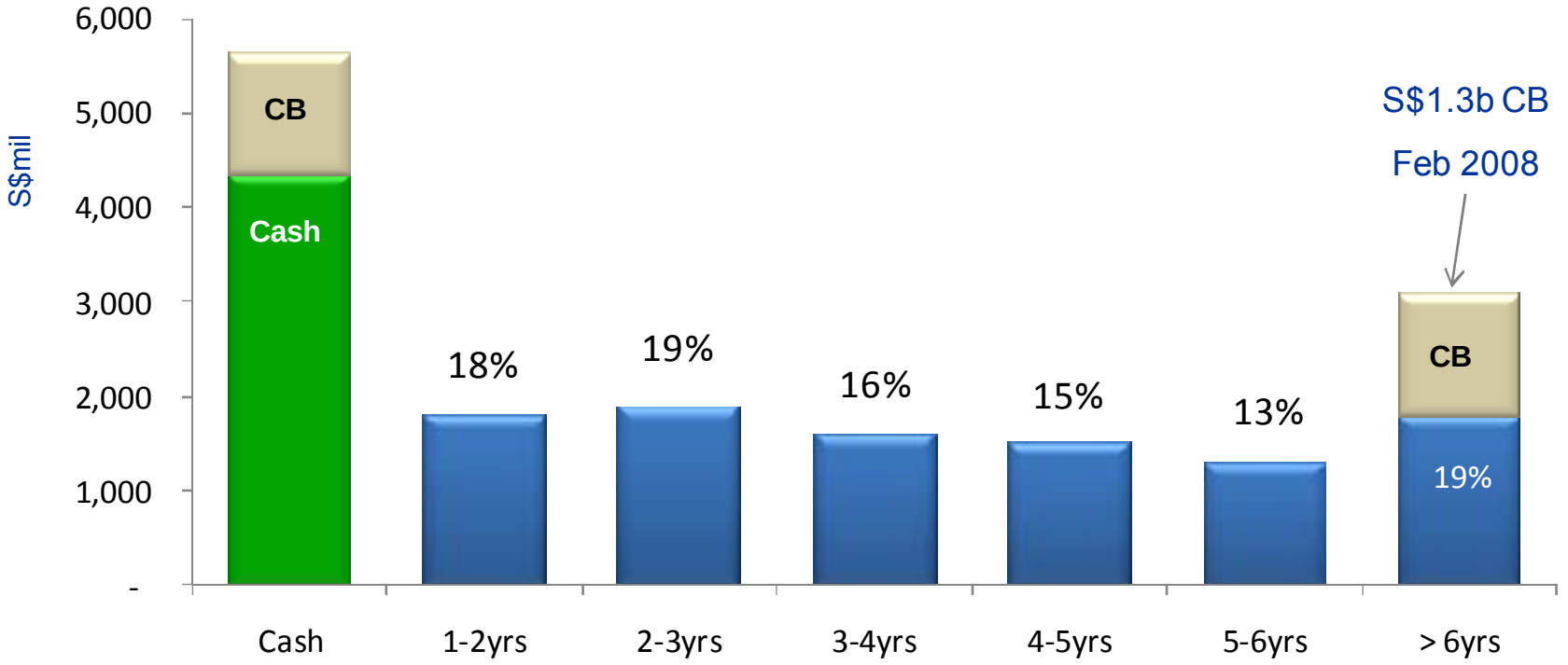
Capital Management

	FY2006	FY2007	Change
Equity (S$ billion)	9.46	11.87	Increased
Net Debt (S$ billion)	5.44	5.56	Increased
Net Debt / Equity	0.58	0.47	Decreased
% Fixed Rate Debt	74%	75%	Increased
Ave Debt Maturity (Yr)	3.0	4.1	Increased

Debt Maturity at 31 Dec 2007

Less than 20% Debt Due Within 1 Year

Average Loan Life: 4.1 Years



Debt Coverage

	FY2006	FY2007	Change
Finance Cost (S$ million)	328.0	403.5	↑ 23.0%
Interest Cover Ratio (ICR)*	8.20	9.42	Improved
Interest Service Ratio (ISR)	8.97	6.19	Decreased

* Excludes unrealised revaluations.

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

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

Outlook



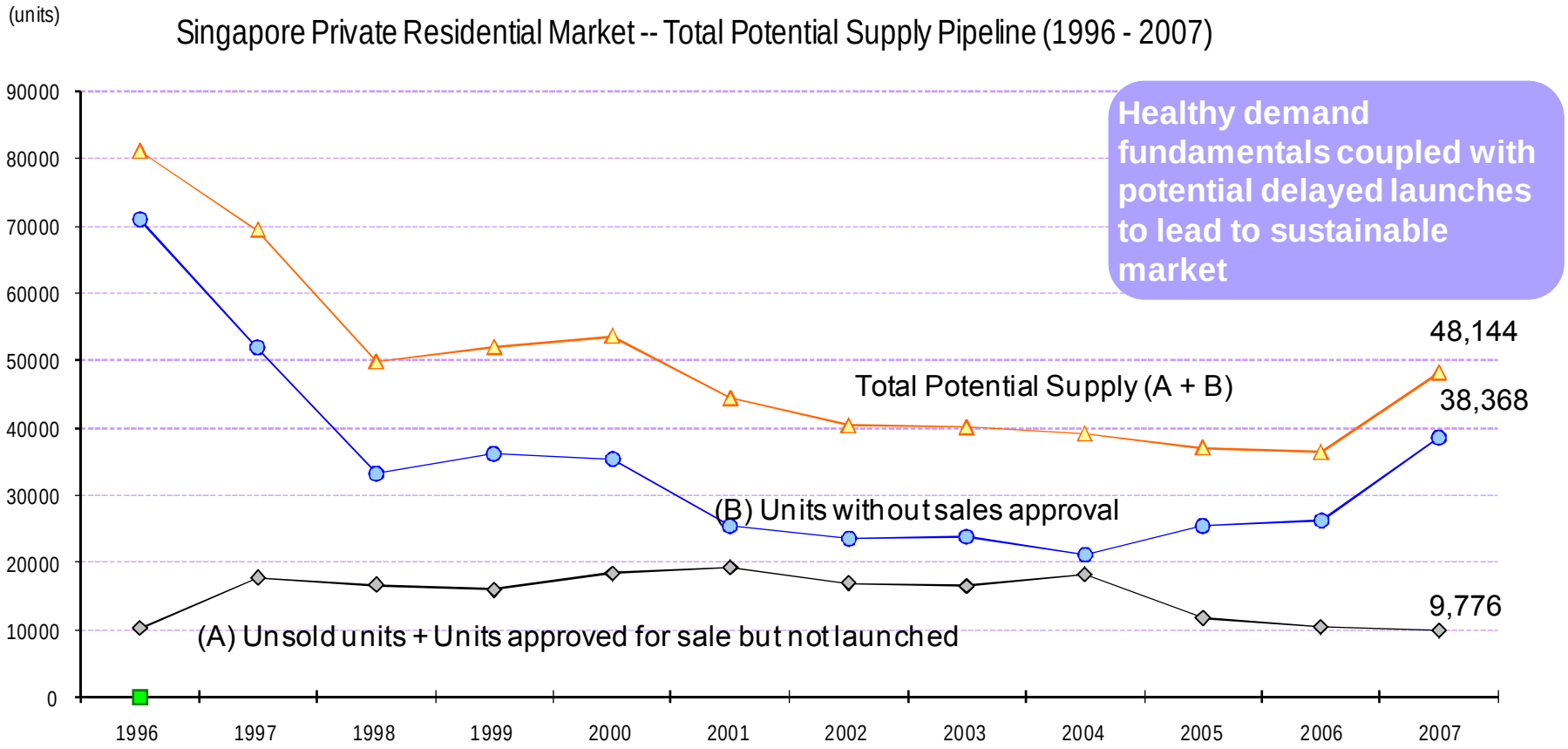
Market Outlook – Singapore Residential

Healthy Fundamentals, Demand/Supply in Equilibrium

- Main demand drivers in 2008:
  - Steady new household formation (≈12,000/year)
  - en-bloc sales displacement demand (≈2,000/year)
- Cautious market sentiment in 1H 2008. Sales volume may moderate but prices are likely to hold up. Sentiment to improve by end-2008.
- Mass and middle segments are supported by real housing demand
- Price forecast for 2008: general residential market▲5% to 10%

Market Outlook – Singapore Residential

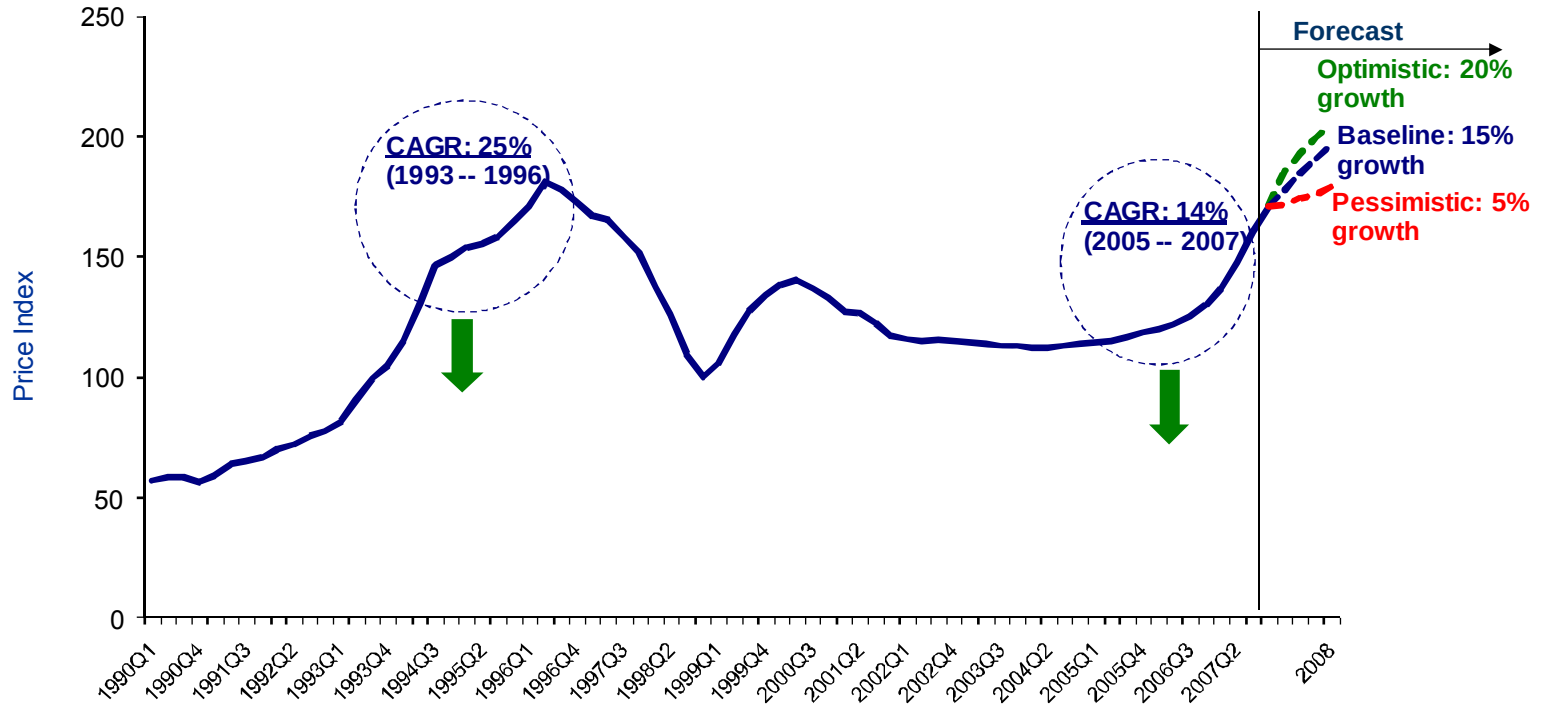
Total Potential Supply < 1996/1997



Source: URA

Market Outlook – Singapore Residential

Different Fundamental Drivers for 2 Periods



Domestic Policy Changes

1. Liberalisation of CPF rules
2. Liberalisation of HDB sub-sale/foreign buyer policy
3. Mass & middle markets were drivers
4. Buyers from South East Asia

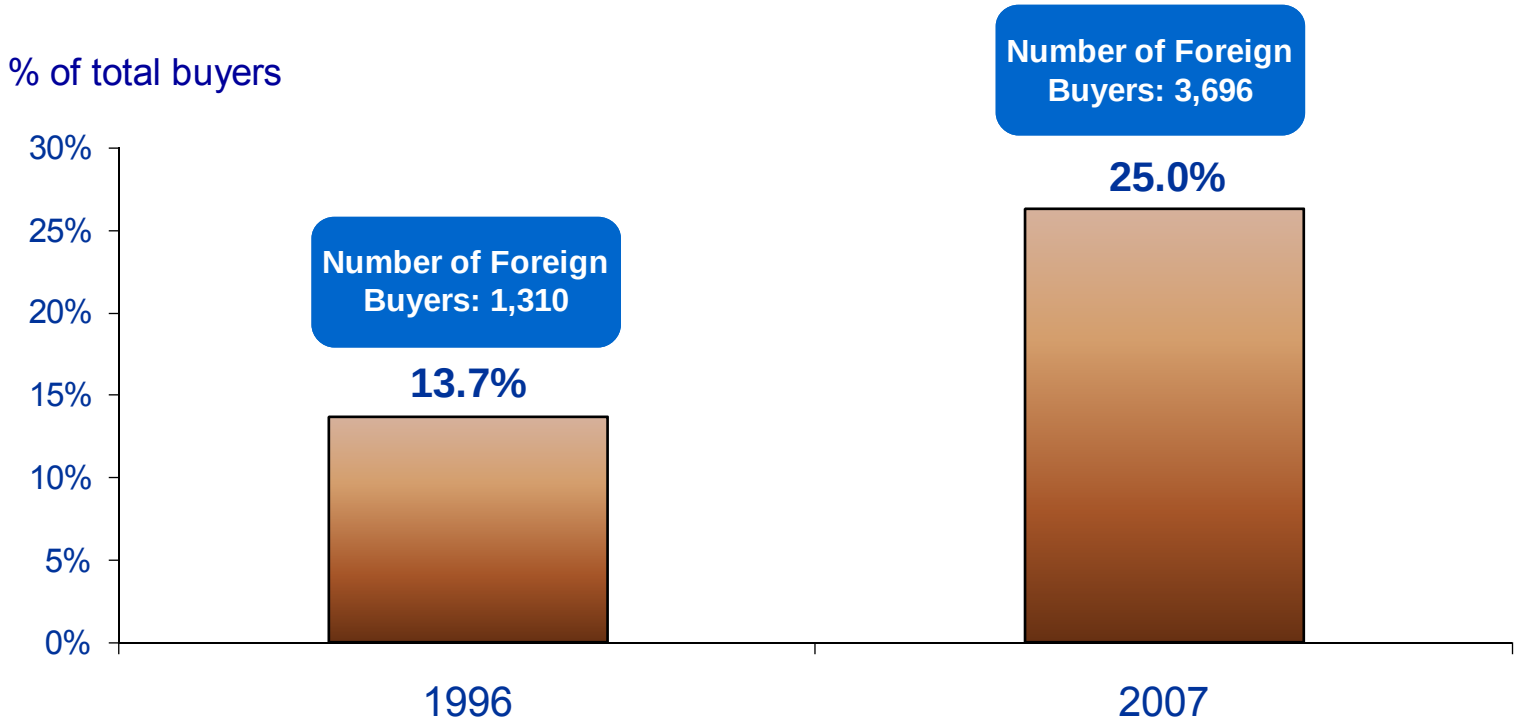
Remaking of Singapore into global city

1. Global City Effects
   - Asian gateway city
   - Influx of foreign buyers
   - IRs spinoffs
   - Increase population to 6.5m
2. En-bloc Displacement Demand
3. Luxury market as driver
4. Foreign buyers from new countries

Source: URA & CapitaLand Research

Market Outlook – Singapore Residential

More Foreign Buyers Now

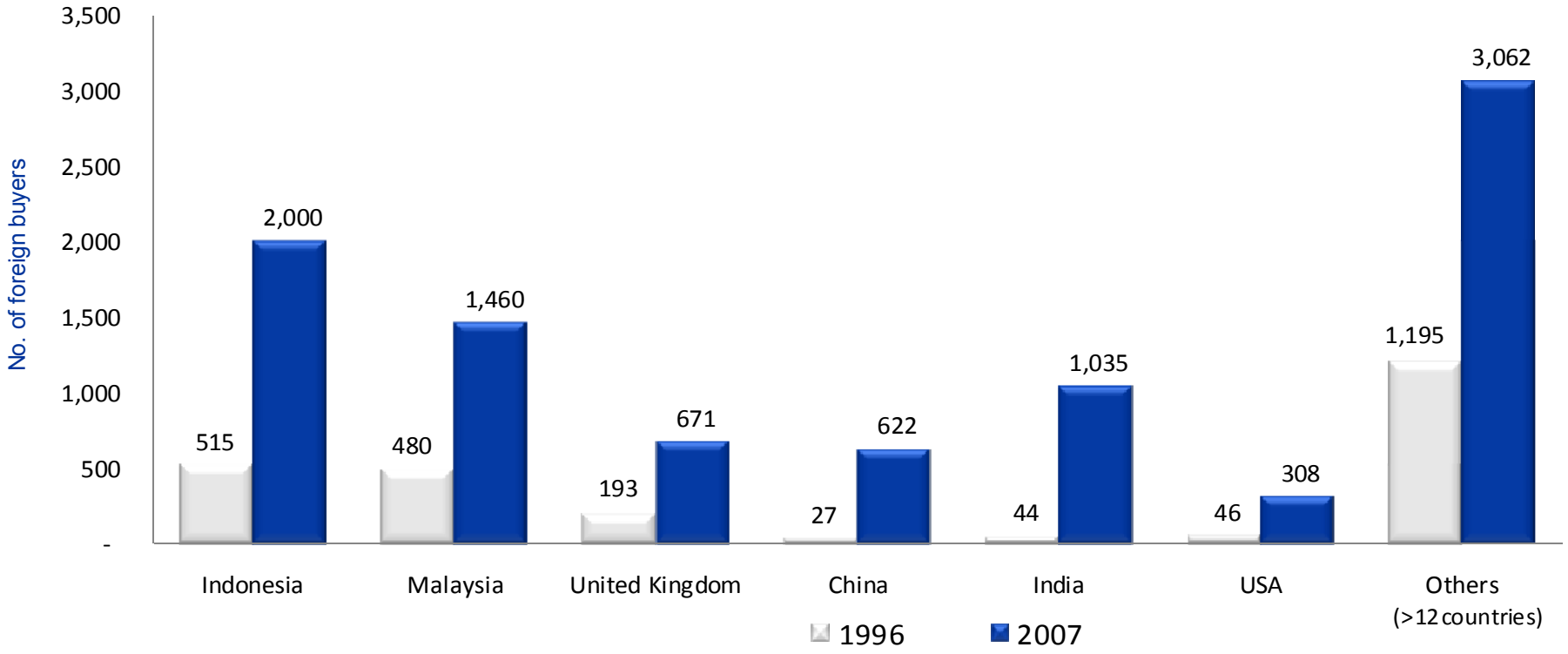


Source: URA & CapitaLand Research

Note: Definition of buyers: primary sales.

Market Outlook – Singapore Residential

Key Foreign Buyers – More Diversified (1996 vs 2007)



Source: URA & CapitaLand Research

Note: Definition of buyers: primary and secondary sales.

Other Nationalities not stated: Koreans, Australian, Canadian, French, Germans, Japanese, Dutch, Russians, Swiss, Irish, Italian, Norwegian

Singapore Residential

Steady Growth

Target to launch 800–1,000 units in 2008

To launch in 1H2008	Location	Units
Latitude	River Valley	130
Silver Tower site	Orchard Road	70

Pipeline of ~5.5m sq ft GFA

Pipeline	Location	Potential GFA
Char Yong Gardens	Orchard Road	261,167
Farrer Court	Farrer Road	2,350,000
Gillman Heights	Gillman	1,760,000
Nassim Hill	Tanglin	171,536
Tong Watt	River Valley	279,405
Yio Chu Kang	Yio Chu Kang	208,000


Latitude


Development at Tong Watt


Development at Farrer Court site

Market Outlook – Singapore Office

Supply Remains Tight till 2010

- **Remaking of Singapore into global city:**
  - Growing importance as regional financial centre
  - Convenient air connection to other parts of Asia
  - Quality of living enhanced by vibrant arts and entertainment
- **Demand remains strong:**
  - Intense competition for vacant office space in the CBD
  - High pre-commitment interests in future projects
- **Continued rental growth in 2008 / 2009**
  - ▲10% - 15% compared to doubling of rental in 2007
  - Overall costs still competitive vis-à-vis other major Asian cities

Market Outlook - China

Positive Policies: Promote Market Stability

- Market experiencing some short term consolidation due to the tighter credit environment, foreign capital control and weakened market sentiment
- Market fundamentals remain strong: Real demand driven by **urbanisation, demographics, strong economic growth & rising income**
- Measures aim to ensure sustainable development of the China's property market
- Opportunities should emerge for well-capitalised companies with proven track record and bona fide operating platform

China

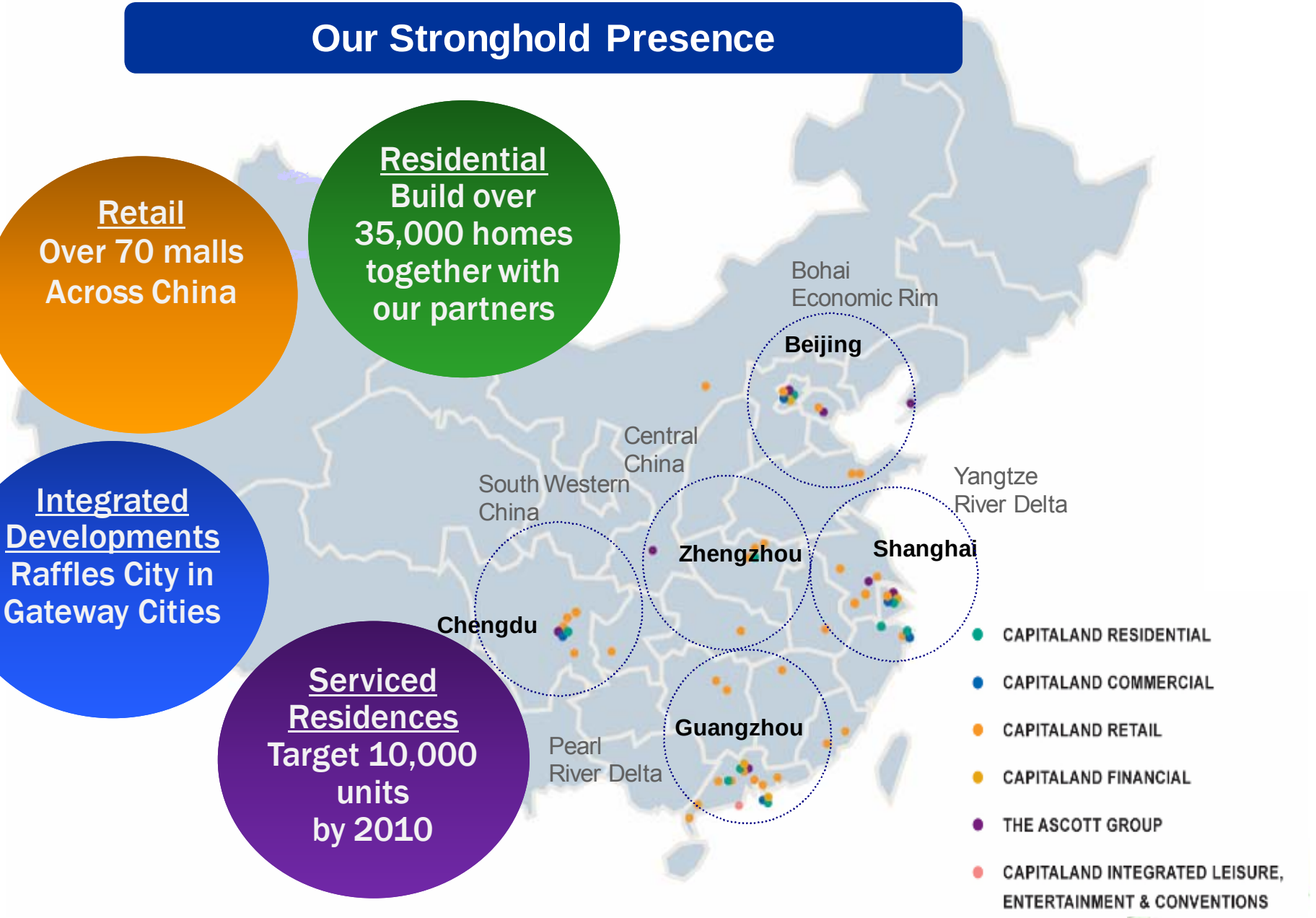
Our Stronghold Presence

Retail
Over 70 malls Across China

Residential
Build over 35,000 homes together with our partners

Integrated Developments
Raffles City in Gateway Cities

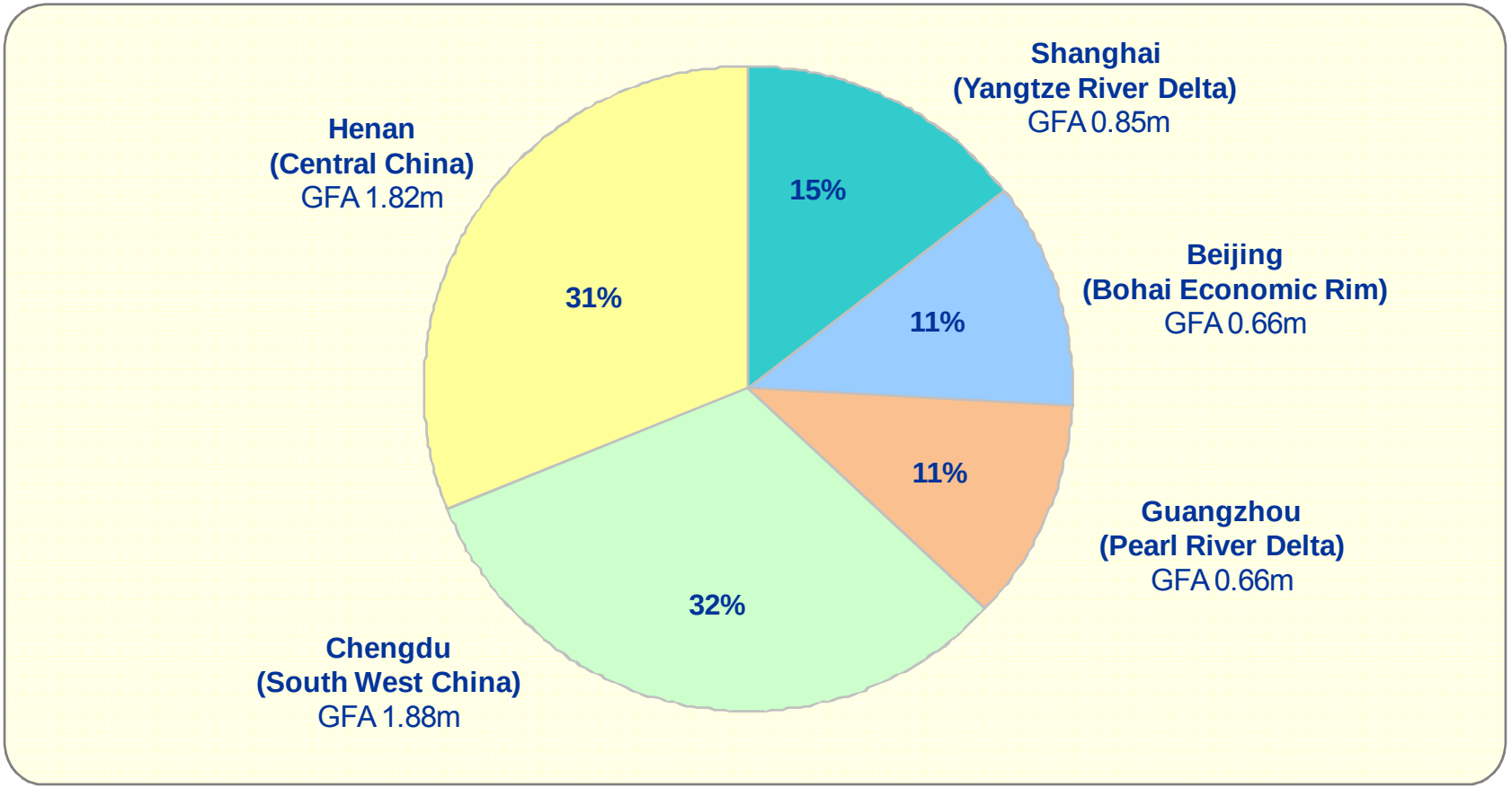
Serviced Residences
Target 10,000 units by 2010



China Residential

Gateway Cities + 2nd Tier Cities

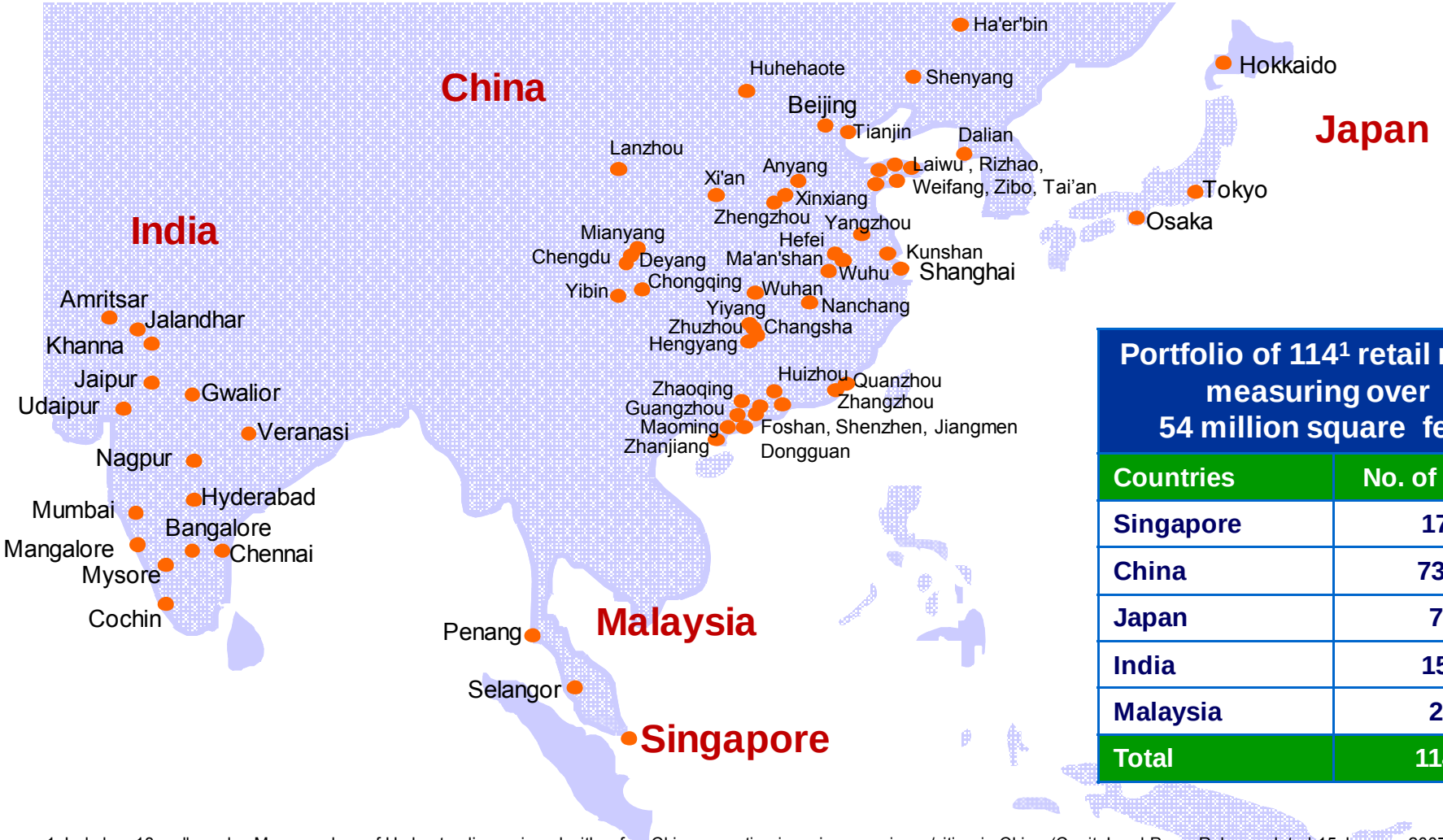
Development pipeline: >35,000 homes



* Effective stake in JV partners: CL Zhixin (50%), Central China Holdings (36.1%), Lai Fung Holdings (20%)

Retail Malls

Footprint in China and India



Portfolio of 114[1] retail malls measuring over 54 million square feet	
Countries	**No. of Malls**
Singapore	17
China	73[1]
Japan	7
India	15
Malaysia	2
Total	**114**

1. Includes 18 malls under Memorandum of Understandings signed with a few Chinese parties in various provinces/cities in China (CapitaLand Press Release dated 15 January 2007)

China Malls

Leading Retail Player in China:

- 73 malls in 44 cities
- S$8 billion worth
- 3.5 million sqm Gross Rentable Area

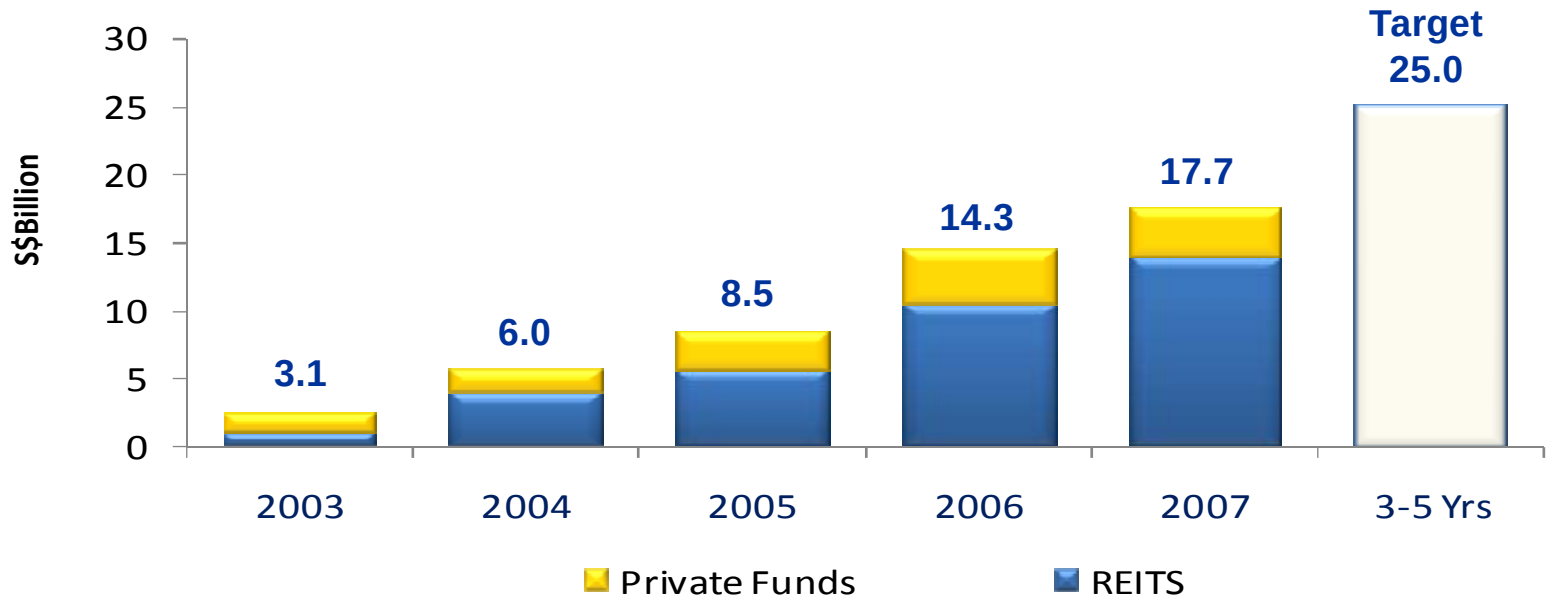
Status	Asset Value (S$)	Funds Exposure (S$)	Gross Rentable Area (sq m)	Total No. of Malls
Approval Obtained from Chinese Authorities	4.1billion	3.4 billion	2.5 million	45
Pending Approval from Chinese Authorities	3.9 billion	2.5 billion	1.0 million	10
Total Committed	8.0 billion	5.9 billion	3.5 million	55
Under MOUs	-	-	-	18
Total	**8.0 billion**	**5.9 billion**	**3.5 million**	**73**

Retail malls anchored by Walmart constitute only about 20% of Funds' Exposure by Asset Value

Number of operational malls : 24
Target opening in 2008 : 14
Target opening in 2009 : 10

Financial Services

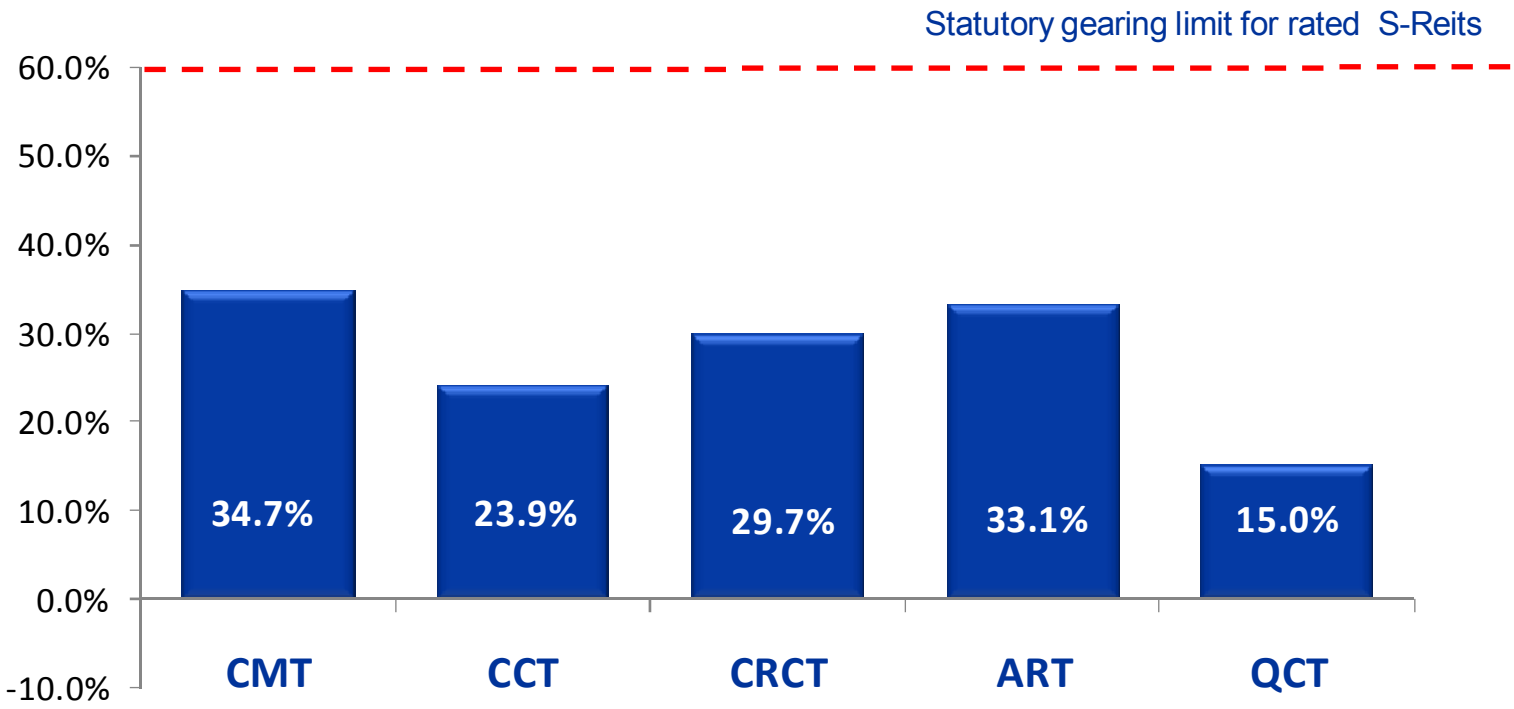
Target AUM of S$25b in 3-5 yrs
- S$11.8bn of investible capital yet to be deployed



- AUM includes ART & Ascott China Fund, which are managed by CapitaLand's subsidiary, Ascott Group and its subsidiaries.

Debt Financing Capacity

Sponsored Reits' low gearing leave ample room for future acquisitions



New Products

Raffles City Brand by CapitaLand

- **4 more RAFFLES CITY under development :**
  - Raffles City BEIJING
  - Raffles City CHENGDU
  - Raffles City HANGZHOU
  - Raffles City BAHRAIN


Raffles City Beijing

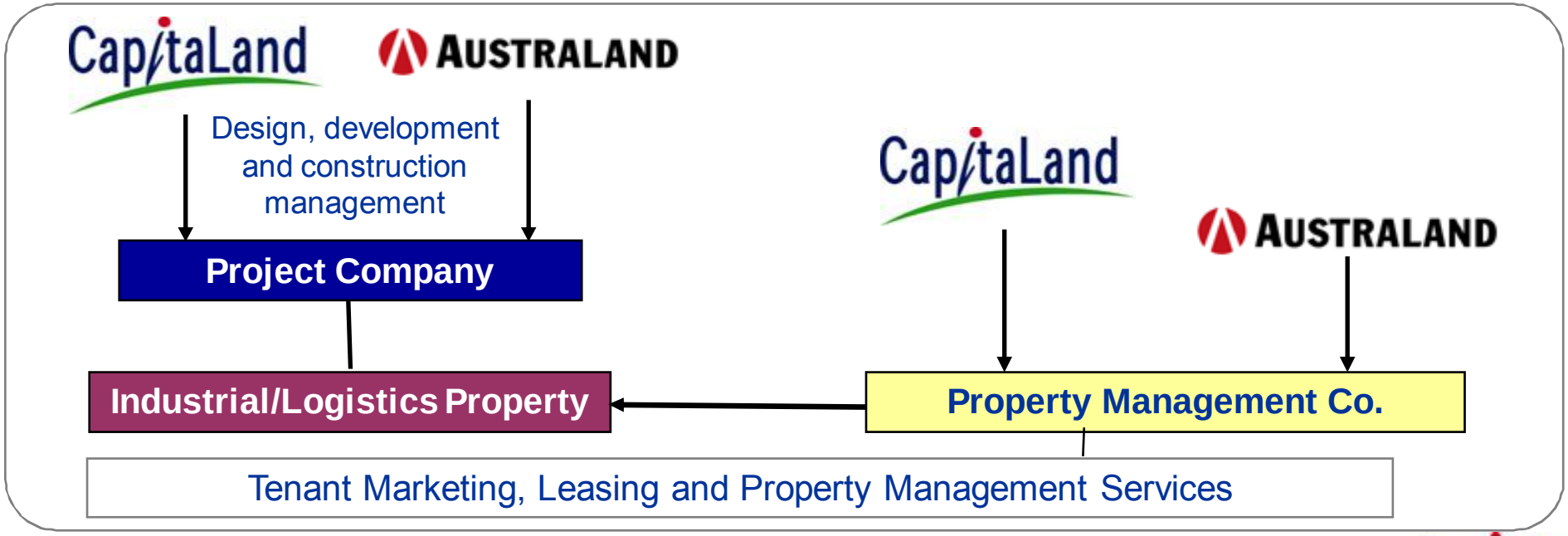

Raffles City Chengdu


Raffles City Bahrain

New Joint Venture

JV Partnership:
CapitaLand 51% & Australand 49%

- Create an immediate development platform for expansion in Asia
- Targeting high growth markets such as China, India, Vietnam, Thailand and Malaysia



New Joint Venture

Pan-Asian Development Platform in Industrial and Logistics Sectors

- **Partner with Australand to capitalise on the industrial and logistics real estate 'white space' in Asia**

CapitaLand

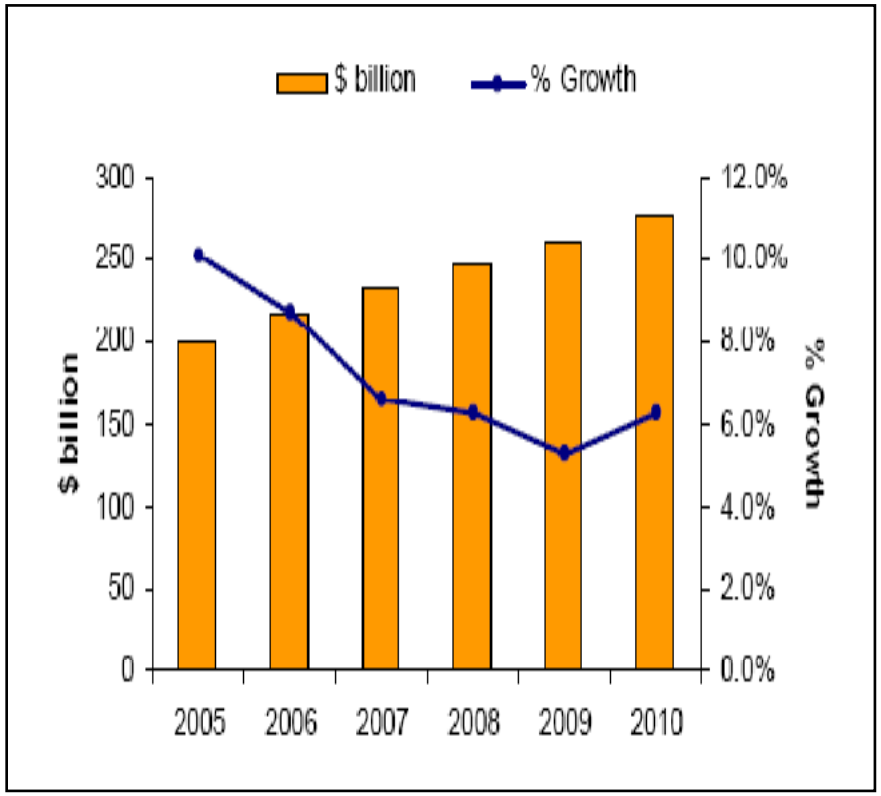
  - Competencies along the entire real estate value chain, strong property development capabilities
  - Strong presence across Asia Pacific
  - Extensive network of customers, tenants & partners
  - Fund structure to hold industrial & logistics assets

AUSTRALAND

  - One of the largest developer of warehouse and logistics space in Australia
  - Track record and in-depth expertise in designing, developing and managing industrial and logistics properties
  - Extensive tenant base from national and international corporations such as LG Electronics, DHL, Electrolux, Makita, BMW, Toyota and Coles.

Asia Logistics Market

Asia-Pacific Logistics Market Value



Source: Datamonitor

- **Asia-Pacific is world's largest logistics market**
  - World's manufacturing hub
  - Growing consumer markets
  - Will account for 38% of global market revenues in 2010
- **State of logistics market in Asia**
  - Fragmented with no clear market leader
  - Relative shortage of good quality facilities

Ascott

Voluntary Unconditional Cash Offer for The Ascott Group

- **Rationale for Privatisation**
  - Strengthen Ascott's leadership position in the market
  - Replicate CapitaLand's successful business model
  - Maximise CapitaLand's competitive advantage
  - Increase cost savings
- **Aggregate Holding as at 21st Feb 2008 (including acceptances)**
  - 91.7% of total number of shares in issue



Green Initiatives 2007

Green Awards

Awarded a total of 17 Green Awards in 2007

Environmental Management System

Achieved ISO 14000 certification for CapitaLand Group in Singapore and CapitaLand China



Green Building Guidelines (GBG)

Formulated and Implemented the GBG across business units in Singapore

Environmental Tracking System (ETS)

Formulated an ETS enabling online tracking of Green Building Indicators of CapitaLand's properties from 2008



Green Awareness for Staff

Specialised training sessions conducted for relevant staff on designing and operating green buildings

Corporate Philanthropy
- Helping needy children in schools

CapitaLand hope FOUNDATION

- Donated >S$1.6m to over 30 children's charities in S'pore and overseas
- Launched CapitaLand Kids Programme to provide direct financial support to 700 needy children in Singapore, Thailand and Vietnam
- Volunteer Expeditions to Yunnan and Vietnam

- **China**. Two more Hope Schools in Sichuan. Launch of "Building for Tomorrow" book on voluntary experience at CapitaLand Huangmaoling Hope School, Yunnan .
- **Thailand**. Three school farms in Nang Rong to provide food for poor students; two school dormitories in Wieng Kaen
- **Vietnam**. School facilities in Rach Gia and Danang









Summary



CapitaLand - Market Leadership in Asia Pacific



Thank You



Questions & Answers