CapitaLand Residential Singapore

January 2011

Stellar 2010 Performance

- **Strong sales performance**
  - **Sold 33% more homes**
    (2010: 800 homes sold vs 2009: 600 homes sold)
  - **Achieved 54% increase in total sales value**
    (2010: S$1.85 billion vs 2009: S$1.2 billion)
  - **Average sales value = S$2.3m/unit;**
    higher than industry average of S$1.52m/unit

- **Financial performance underpinned by strong pre-sales**
  - YTD Sep 2010 Residential Spore Revenue: S$656.9 million
    (YTD Sep 2009 : S$535.1m)
  - YTD Sep 2010 Residential Spore EBIT: S$287.2 million
    (YTD Sep 2009 : S$239.0m)

CapitaLand Residential

Stellar 2010 Performance

- **Successfully completed and handed over 629 units to homebuyers:**
  - Latitude (127 units)
  - The Seafront on Meyer (327 units)
  - The Orchard Residences (175 units)

The Seafront on Meyer

Latitude

Stellar 2010 Performance

- **Successfully launched a series of homes designed by international architects. Strong take-up by homebuyers/investors.**
  - d'Leedon (Sold 93% of 250 units released)
  - The Interlace (Sold 94% of 650 units released)
  - Urban Suites (Sold 99% of development)

Urban Suites

d'Leedon – Zaha Hadid bespoke show unit and crowd at the initial sales launch

Singapore Residential Market

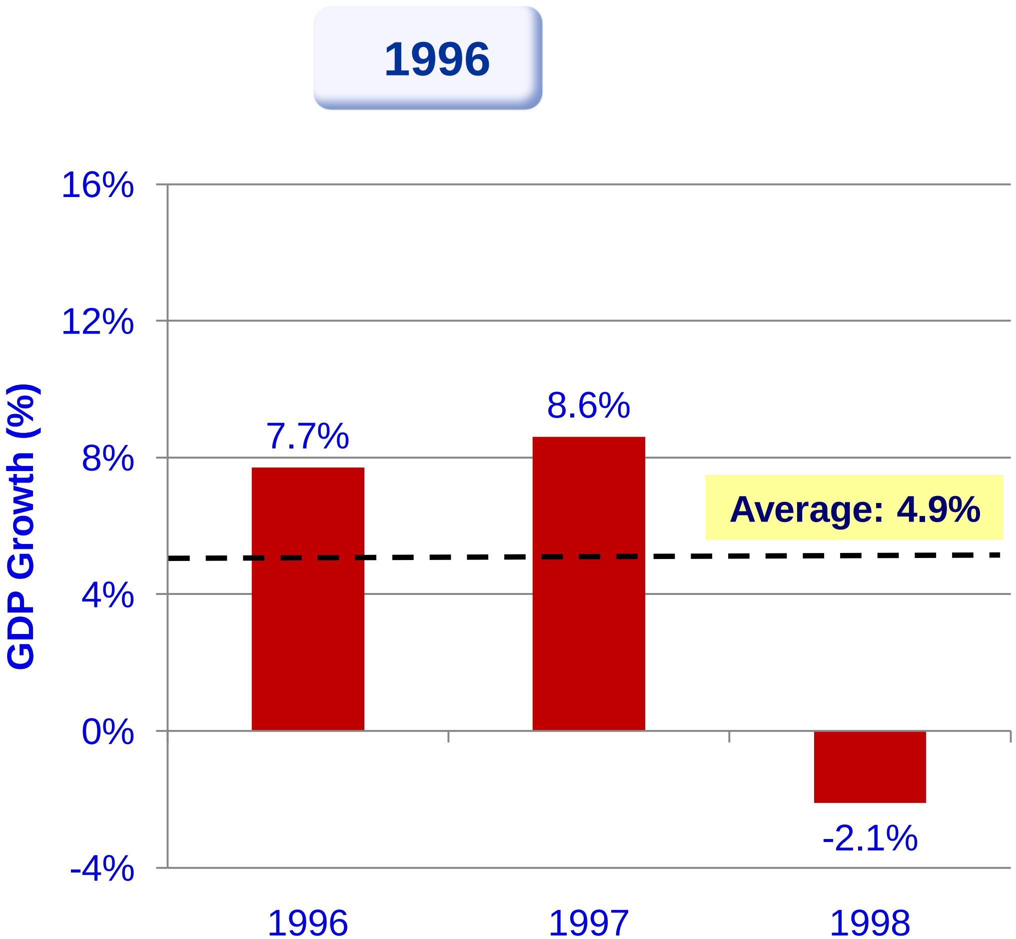
Singapore – global hub city will underpin healthy property market

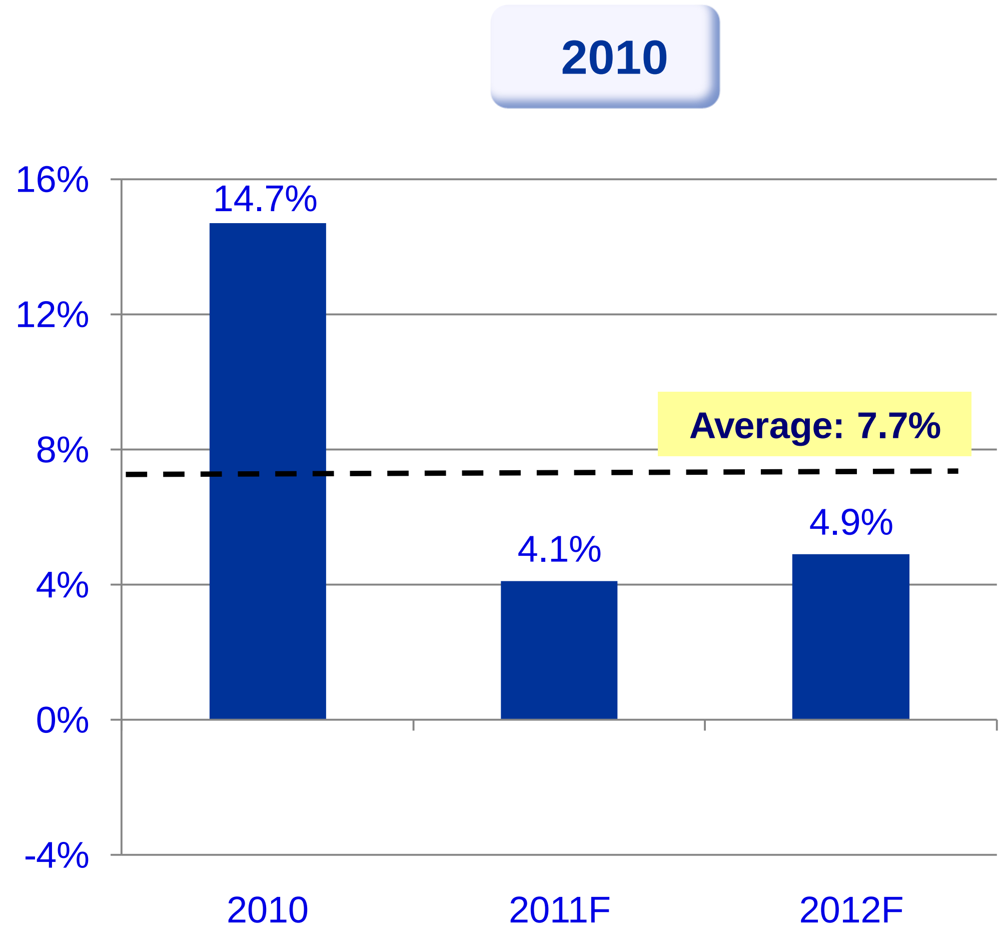
- **Singapore as a global hub city**
  - Land-scarce Singapore (~ 700 sq km) - limited space for developments.
  - Favourable economic growth, low interest rate environment and ample liquidity. Singapore economy forecast to grow by 4-6% in 2011.
  - Influx of expatriates to Singapore, leading to an increase in population and creating greater demand for homes.

Singapore will be to Asia like London is to Europe

CapitaLand Residential

Economic growth

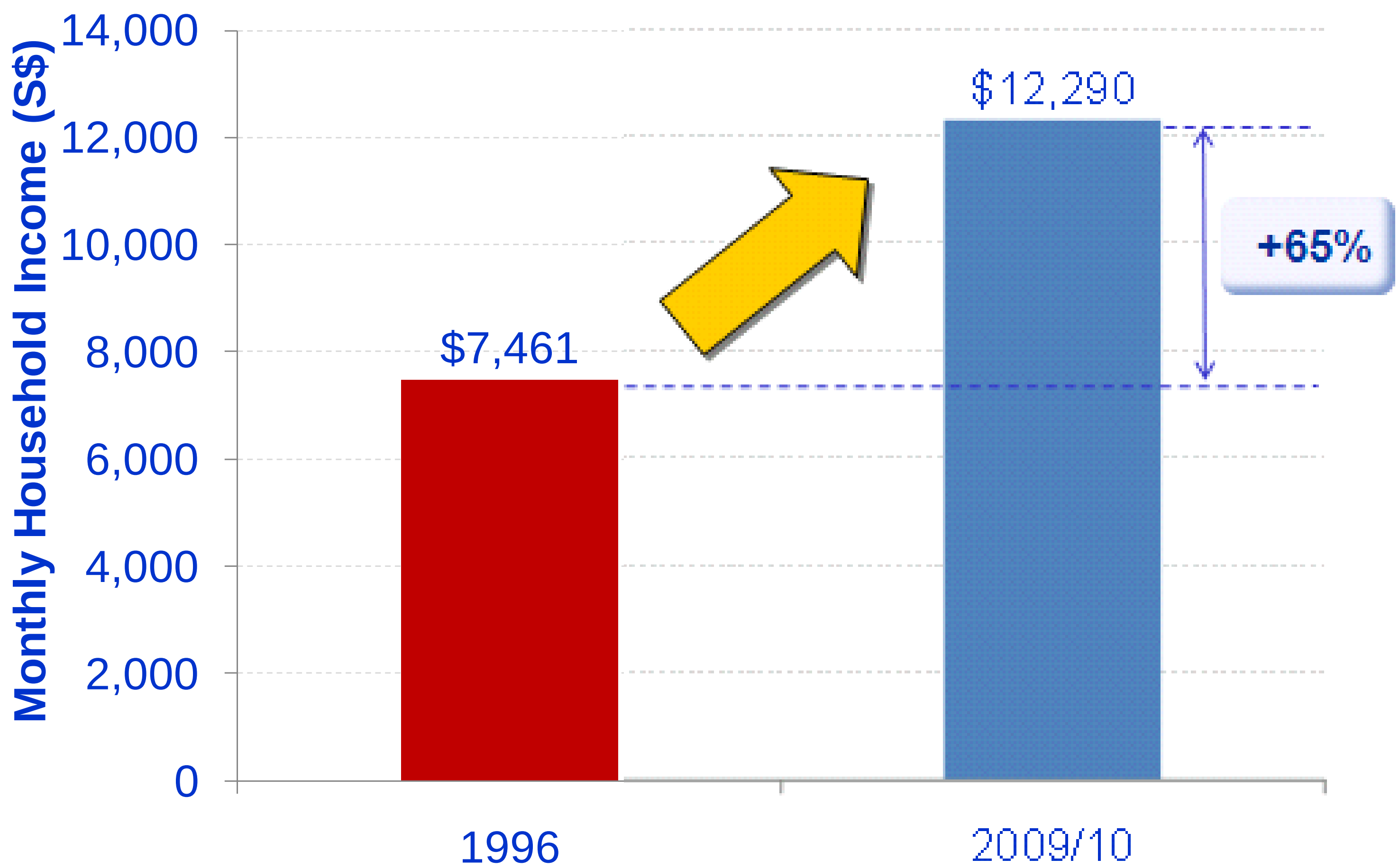




Source: MTI, EIU Forecast, Bloomberg

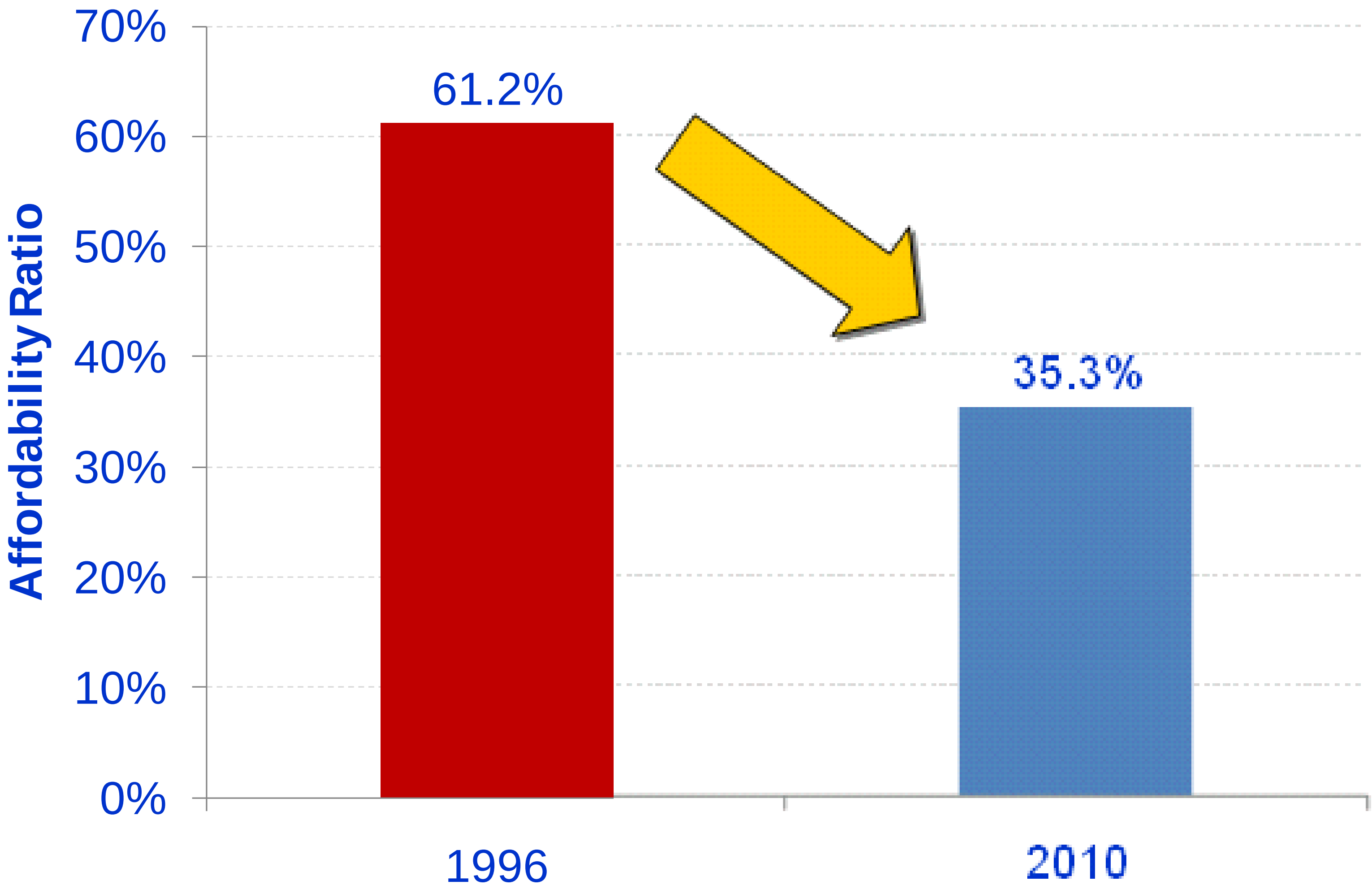
CapitaLand Residential

Monthly household income has grown (80th Percentile & Above)



Source: General Household Survey and Key Household Income Trends

Affordability ratio improved (Repayment-to-Income Ratio)

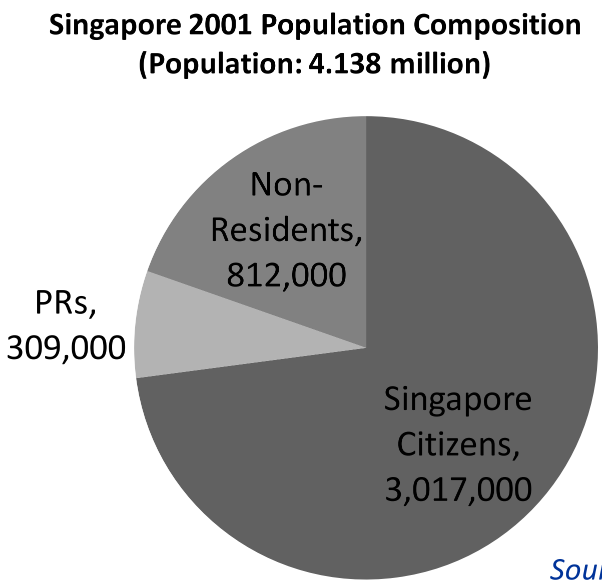


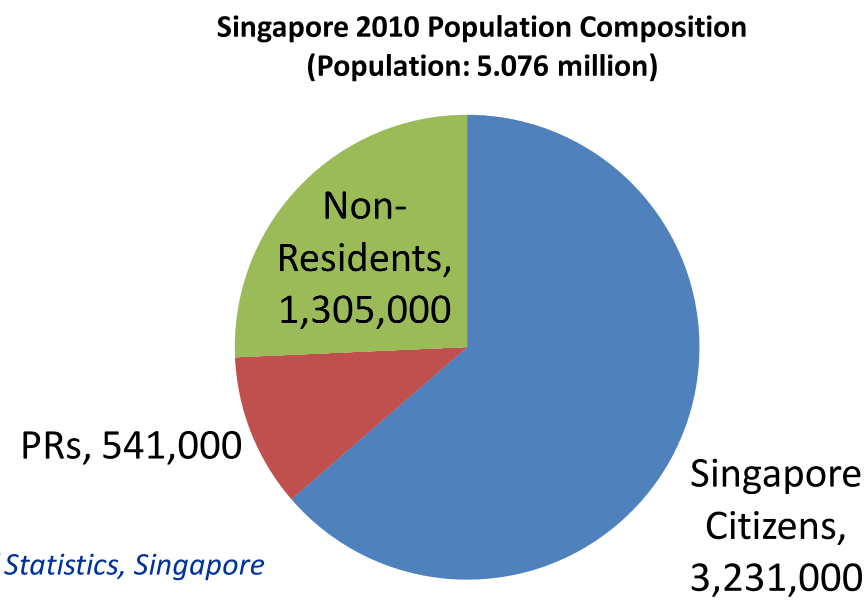
Source: CapitaLand Research

Changing market dynamics

- **Bigger homes versus smaller ones**
  - With urbanisation, it is inevitable that homes will become smaller
  - Current average household size is 3.5 persons
  - CapitaLand's smallest apartment is not less than 500 sq ft in size

- **Population Growth**





Source: Department of Statistics, Singapore

Percentage of Total Population	2001	2010	Average Growth (2001 to 2010)
Singapore Citizens	72.91%	63.64%	0.76%
PRs	7.46%	10.60%	**6.50%**
Non-Residents	19.63%	**25.71%**	**5.67%**

Changing market dynamics

TODAY (3 Sep 2010)

Buyers may prefer 'software' to 'hardware'

These include greenery, shuttles to main shopping belts, housekeeping, laundry and childcare services

CHRISTINE SUN
property@mediacorp.com.sg

The recent move by the Government to cool the residential market is a measured one, targeted at property speculators. It is unlikely to deter genuine home buyers from shopping for their dream home.

We believe this group of buyers are now better placed as they could be more selective and choose where and what they want to buy.

So, what type of private homes would continue to entice buyers? What can developers do to differentiate their projects and entice buyers to opt for their project? After all, property purchases should be treated with a mid- to long-term investment horizon.

PHOTO COURTESY SAVILLS RESE... ...ULTANCY

A survey was conducted by Savills Research and Consultancy in the first week of last month to explore what buyers would like to have when they buy a new private home, apart from common provisions such as swimming pools, tennis courts, kitchen appliances, wardrobes and air-conditioning.

The poll was done at various prime residential locations, heartland areas and new property show flats, comprising a good mix of different age groups, nationalities, housing types and gender. Of these demographics, 64 per cent of respondents were HDB upgraders versus 36 per cent private home owners.

Topping the wish list of 220 respondents was more greenery in their homes. Specifically, 57 per cent of respondents opted for "gardens and greenery". This was followed by "shuttle services to main shopping belts" (53 per cent), "services for housekeeping, laundry, car washing and child care" (45 per cent) and "more car park lots" (43 per cent).

Howev... ...ms that such serene living i... ...ppreciated by private home ow... alone (64 per cent) as HDB upgraders are found to have a strong preference too (54 per cent). Mass market homes which are predominantly bought by HDB upgraders could, therefore, incorporate more greenery to boost sales.

The survey also found that contrary to popular belief, buyers may have a stronger preference for "software" than "hardware" provisions.

"Software" provisions encompass branding, advertising efforts and personal services, while "hardware" offerings cover physical peripherals such as facilities, finishes, fittings, fixtures and landscaping.

Traditionally, developers differentiate their products by enhancing their "hardware".

For example, many developers have upgraded the types of swimming pools provided in new developments — from a simple lap pool to an array of water features like spa, dip, fun, heated, lounge

...misation usually entails ...onstruction costs, only some ...ury homes like The Alba, Boulevard Vue and Skyline @ Orchard Boulevard offer such privileges. More developments could incorporate such design flexibility, perhaps within the confines of limited layout choices to contain costs.

Interestingly, the second and third most popular wish list items were "software" items that encompass personal services that can enhance a dweller's daily convenience. These items include "shuttle services to main shopping belts" (53 per cent) and "services such as housekeeping, laundry, car-washing or child care services" (45 per cent).

These personal services were more popular among both private home owners and HDB upgraders than other commonly provided "software" items such as homes being "designed by renowned architects" (21 per cent) and "concierge services" (15 per cent).

Unfortunately, a comprehensive range of these personal services are not always available in developments.

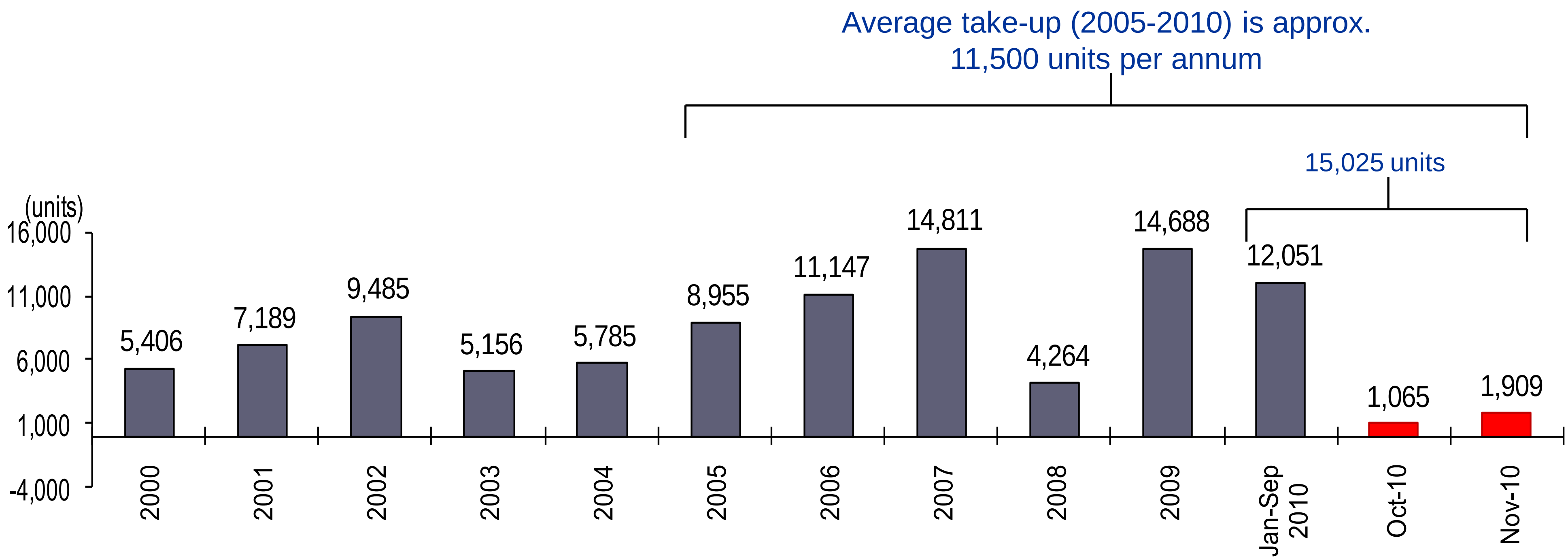
Individual pockets of services are, however, found in selected private homes such as Bayshore Park, that has some laundry services, or The Minton, which is said to be contemplating some child care

> **"Topping the wish list … was more greenery in their homes … shuttles to main shopping belts, housekeeping, laundry and childcare services."**

CapitaLand Residential

Sustainable Sales Momentum

- 15,000 private residential units sold in the first 11 months of 2010, surpassing the 14,700 units sold for the whole of 2009.



Source: URA

Private Residential Units Sold by Developers, Annual Total

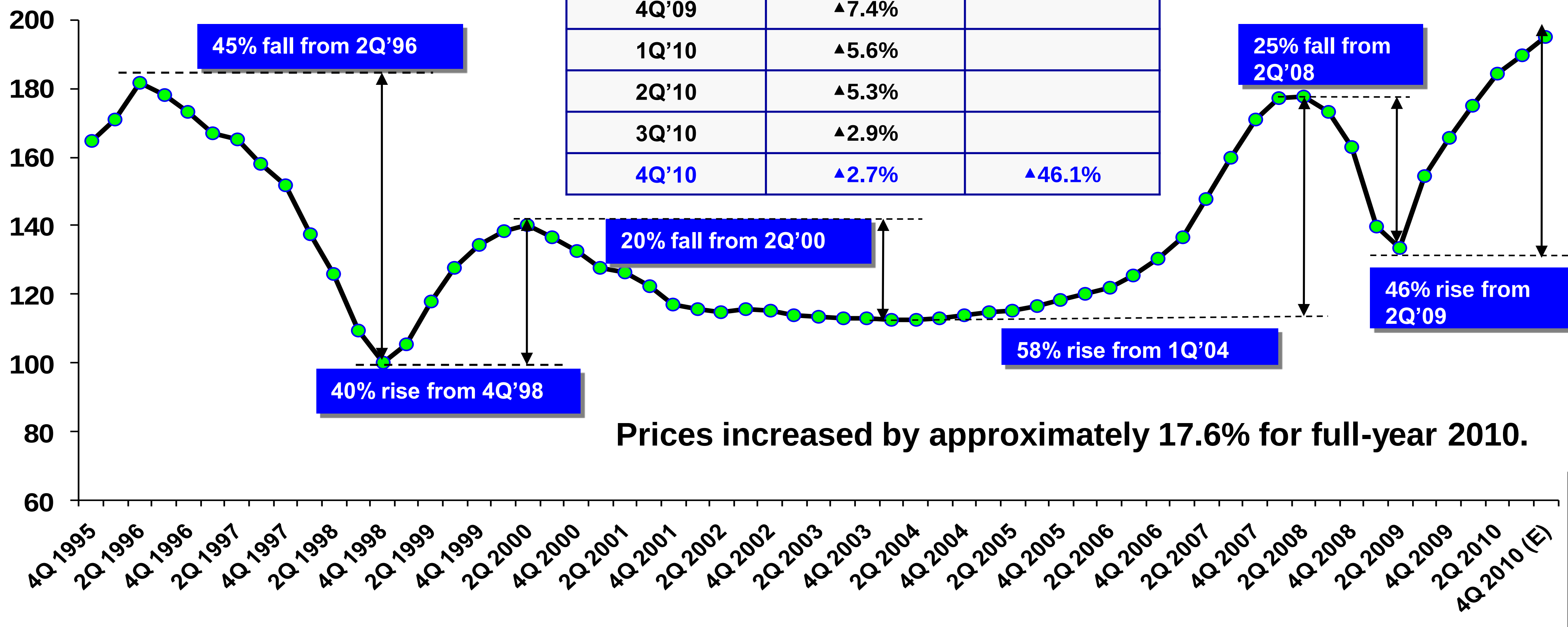
Average number of homes sold annually since 2005 is about 12,000, compared against an average of 7,000 homes sold in the 90s.

Going Forward – Price uptrend expected to continue in 2011

- **For 2011, home prices likely to increase between 5-10%**
- **High-end segment expected to see prices rising between 10-15%**

URA Private Residential Property Price Index (as at 4Q 2010)

	QoQ %	Since 2Q'09
3Q'09	▲15.8%	
4Q'09	▲7.4%	
1Q'10	▲5.6%	
2Q'10	▲5.3%	
3Q'10	▲2.9%	
4Q'10	▲2.7%	▲46.1%



Prices increased by approximately 17.6% for full-year 2010.

Source : URA

Singapore government measures – sustainable market

- **Government continues to maintain a watch over the property market**
  - Intended to reduce speculation and encourage financial prudence.
  - In the longer term, will help ensure a more stable and sustainable property market where home prices move in line with economic fundamentals.

CapitaLand Residential

CapitaLand Residential Singapore – in sweet spot for 2011 !

- **Approximately 2,500 launch-ready homes which have yet to be released for sale.**
  - Pipeline equivalent to **five** typical condominiums in Singapore.

- **Strong demand underpinning market sectors for CapitaLand's developments:**
  - Pipeline of homes located at the city fringe or near MRT stations.
  - Homes will attract growing number of skilled foreign professionals and increasing pool of affluent locals, for owner-occupation and investment.

- **CapitaLand Residential Singapore's margins remain good and improving**
  - Locked in **80%** of total construction costs (including for major developments such as d'Leedon and The Interlace)
  - Will benefit from uptrend in the Singapore residential market.

CapitaLand Plans for 2011

2011 Launch – The Interlace

- Unconventional design by Office for Metropolitan Architecture (OMA)
- Sold 94% of 650 units released for sale to-date
- Plans to release remaining **390 units** this year

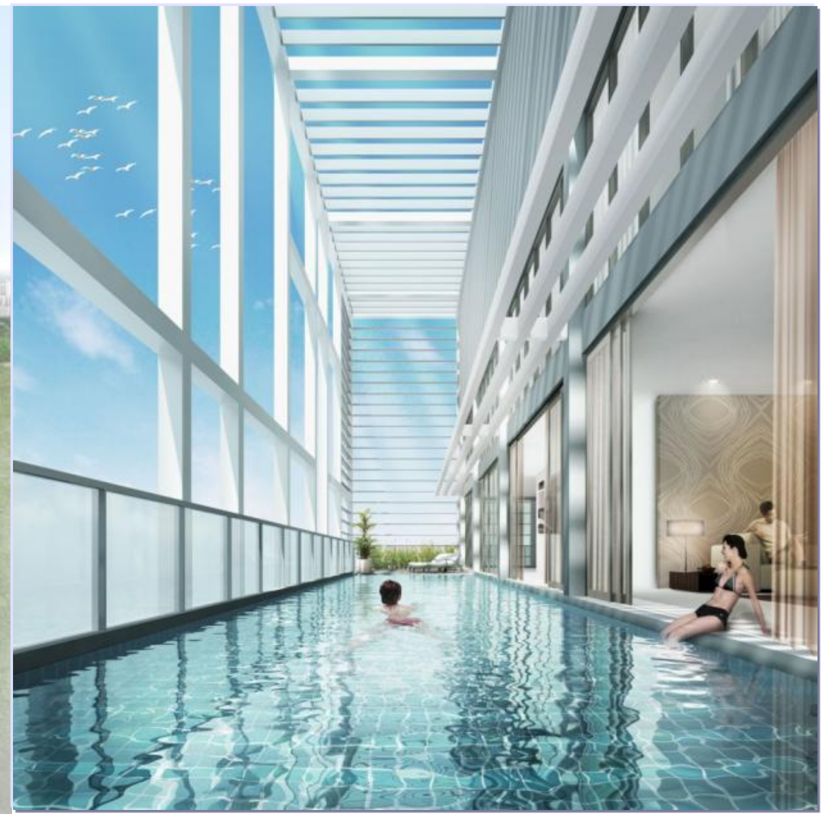
2011 Launch – d'Leedon

- 1,715-unit development designed by Zaha Hadid
- Sold 93% of 250 units released for sale in initial launch
- Plans to release another **750 units** for sale this year

CapitaLand Residential

2011 Launch - Urban Resort Condominium

- Designed by Kerry Hill Architects
- Boutique luxury development with 64 homes in Cairnhill, near the Orchard Road shopping district.



2011 Launch - The Nassim

- Designed by W Architects
- 55 luxury homes in the heart of the Nassim enclave of black-and-white bungalows

2011 Launch – New development at Bedok Town Centre

- A new and dynamic residential lifestyle with approximately 500 apartments
- One-stop family shopping mall, providing convenience and a variety of merchandise and specialty goods

Integrated with bus interchange at L1

L1
B1
B2

Residential component with approximately 500 units

Amenities:

- Bedok Swimming and Sports Complex
- Bedok Community Library
- Bedok Town Centre
- Shopping malls

3 levels of prime retail space

Direct underpass to MRT

CapitaLand Residential

Plans to launch 1,700 homes in 2011

- The Interlace
- d'Leedon
- Urban Resort Condominium
- The Nassim
- Bedok Town Centre site

Urban Resort Condominium

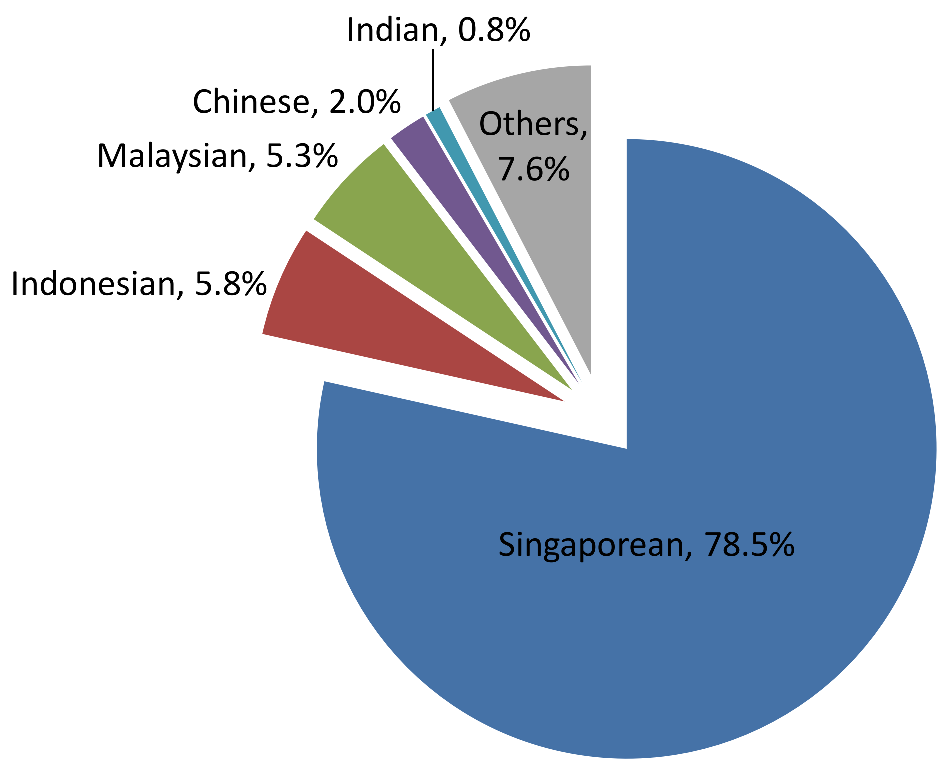
The Interlace

CapitaLand Residential

Extending market coverage in 2011

- Intend to market iconic developments, such as d'Leedon and The Interlace, overseas.
- Overseas markets will include China and India, in addition to the traditional markets of Hong Kong, Indonesia and Malaysia.

Breakdown of Buyers of New Private Residential Units (Average from 2001 to 2010)



Singaporeans: 78.5%
Foreign Buyers: 13.9%
Others: 7.6%

Source: REALIS

Focus on replenishing development landbank

- **Strong financial position to acquire more prime sites**
  Focus will be on sites located near MRT stations or at the city fringe.

- **Land supply of about 14,000 units from 1H 2011 Government Land Sale Programme (Confirmed and Reserved lists)**

Total Private Residential Units	=	12,020
Total Executive Condominium (EC) Units	=	2,290
Total Available	**=**	**14,310**

Land Supply – 1H 2011 Government Land Sale Programme

Confirmed List	No. of units	Sales Agent
Sengkang Sq/Compassvale Rd	530	HDB
Bedok Reservoir Rd/Bedok Nth Rd	640	URA
Choa Chu Kang Dr (EC)	490	HDB
Bendemeer Rd/Whampoa East	780	HDB
Tampines Central 7 (EC)	660	HDB
Sembawang Rd/Jln Sendudok	390	URA
Buangkok Dr/Sengkang East Dr	550	HDB
Jln Loyang Besar/Pasir Ris Dr 4	580	URA
Woodlands Ave 2/Rosewood Dr	390	URA
Flora Dr	380	URA
West Coast Link/West Coast Crescent	360	URA
Choa Chu Kang Rd	335	URA
Punggol Way/Punggol Field (EC)	720	HDB
Punggol Field/Punggol Field Walk	550	HDB
Serangoon Garden Way	80	URA
Upp Serangoon Rd/ Pheng Geck Ave	330	URA
Hillview Ave (Mixed)	360	URA
	8,125	

Reserve List	No. of units	Sales Agent
Bishan St 14	650	HDB
Bartley Rd/Lor How Sun	620	URA
Stirling Rd (Parcel A)	495	URA
Stirling Rd (Parcel B)	490	URA
Alexandra Rd	545	URA
Buangkok Dr/Sengkang Central	550	URA
Tanah Merah Kechil Rd	390	URA
Sengkang Sq/Compassvale Rd	710	HDB
Elias Rd/Pasir Ris Dr 3	325	HDB
Hillview Ave	405	URA
Jalan Jurong Kechil	240	URA
Jelebu Rd/Petir Rd (Mixed)	345	URA
Upp Serangoon View/Upp Serangoon Rd (EC)	420	HDB
	6,185	

Total Available = 14,310

CapitaLand Residential

Conclusion

Leveraging on our competitive edge to advance further in 2011:

- Proven project development capabilities to extract a premium out of a site
- Speed to market
- Deep understanding of homebuyers' needs and ability to build with their lifestyles in mind
- Expertise in building an iconic, integrated and sustainable community

CapitaLand Residential Singapore
- the integral home builder

We will continue to build homes for people who want to make Singapore their destination for living and working, as well as catering to homebuyers/investors who appreciate quality

Thank You