CapitaLand Debt Investor Relations Forum

CapitaMalls Asia Limited - Asia's Leading Mall Developer, Owner and Manager






Singapore • China • Malaysia • Japan • India

8 March 2011

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Agenda

- Introduction
- Financial Summary
- Review of Operational Performance
- Valuation of Properties
- Acquisitions & Monetisations
- Conclusion
- Appendices

Introduction

CapitaMalls Asia

Business In a Glance

- **Operating performance is robust and continues to grow strongly**
  - 5 new malls opened in 2010
  - FY2010: EBIT of S$472.4m
  - FY2010: Net Property Income (NPI) from malls grew 19% year-on-year
  - Revaluation of S$129.8m supported by growth in NPI
- **Strong liquidity and healthy balance sheet positions CMA on solid footing**
  - Offered S$350m 3.95% 7yrs notes under the EMTN Programme and S$200m 1yr and 3yrs retail bonds
  - Successfully refinanced ION Orchard
- **Acquisition and monetisation strategy is on track**
  - New investments of over S$2b in 2010: 4 sites in China, 1 in Singapore, 1 mall in Malaysia
  - Monetisation of about S$500m in 2010: Clarke Quay to CMT and listing of CMMT in Malaysia

Financial Summary






FY 2010 Financial Results

(S$ million)	FY 2010	FY 2009	Change (%)
PATMI	**421.9**	388.1	8.7
Rev under mgt	**1,359.1**	1,287.0	5.6
Revenue	**245.4**	228.9	7.2
EBIT	**472.4**	521.1	(9.3)
Revaluations	**129.8**	177.5	(26.9)
EPS	**10.9 cts #**	20.1 cts	(45.8)
NTA per share	**S$1.50**	S$1.41	6.4

The lower EPS in 4Q 2010 was due mainly to higher average number of shares issued upon IPO.

EBIT by Country and Business

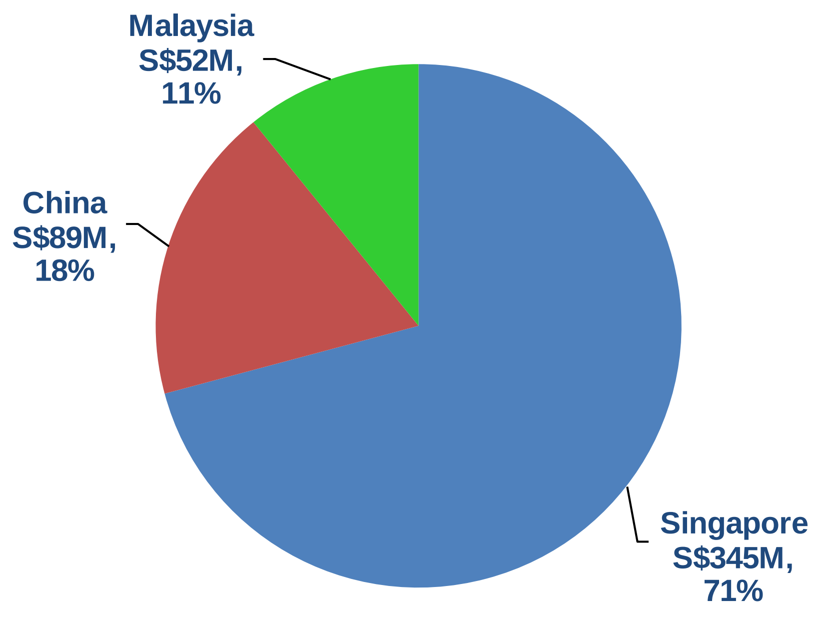
Recurring Income of S$219m

(S$ Million)		FY 2010 EBIT Contribution by Country					
		Singapore	China	Malaysia	Japan	India	Total
Subsidiaries	EBIT						
	Property Income	7	13	29	0	0	49
	Disposals Gains/Losses	3	0	10	0	0	13
	Revaluation	13	23	0	0	0	36
	Management Fee Business	57	8	(1)	(2)	0	62
	Foreign Exchange	1	1	3	0	0	5
	Others	(44)	10	3	0	0	(31)
JCE & Associates	Share of Results (after interest and tax)						
	Development Profits	124	0	0	0	0	124
	Property Income	114	(12)	7	2	(3)	108
	Revaluation Excl REITs	67	28	0	(9)	(2)	84
	Revaluation REITs	3	16	1	0	0	20
	Foreign Exchange	0	2	0	0	0	2
Total		345	89	52	(9)	(5)	472

Sources that generate recurring income

EBIT by Country and Business

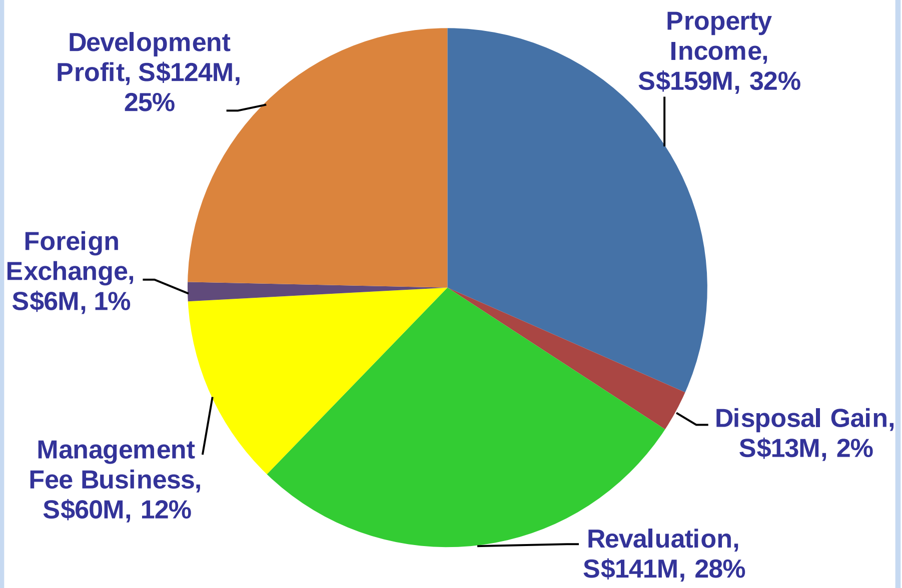
EBIT by Country



Total: S$472 million

Note: Includes Japan (-S$8 million) and India (-S$6 million)

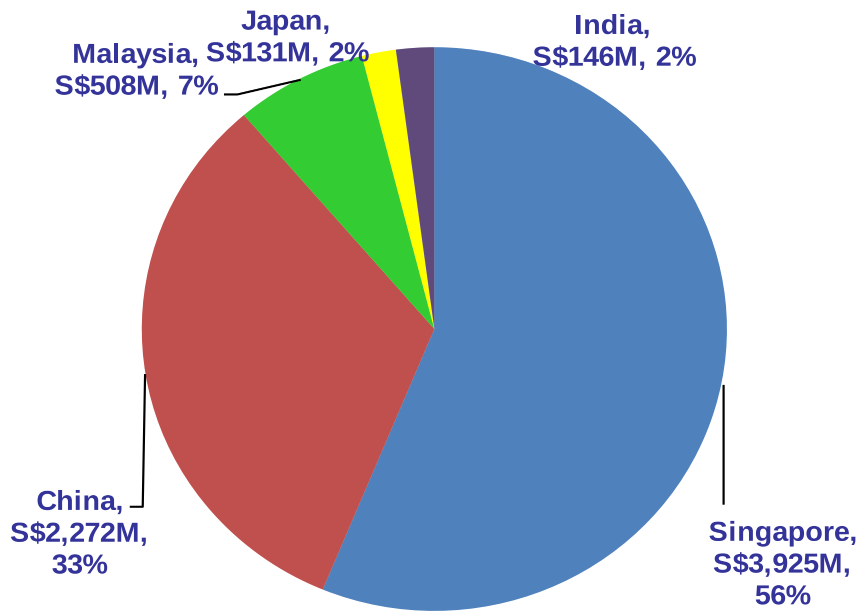
Main Contributors to EBIT



Total: S$472 million

Note: Includes Others (-S$31million)

Total Assets by Country



Total: S$6,982 million

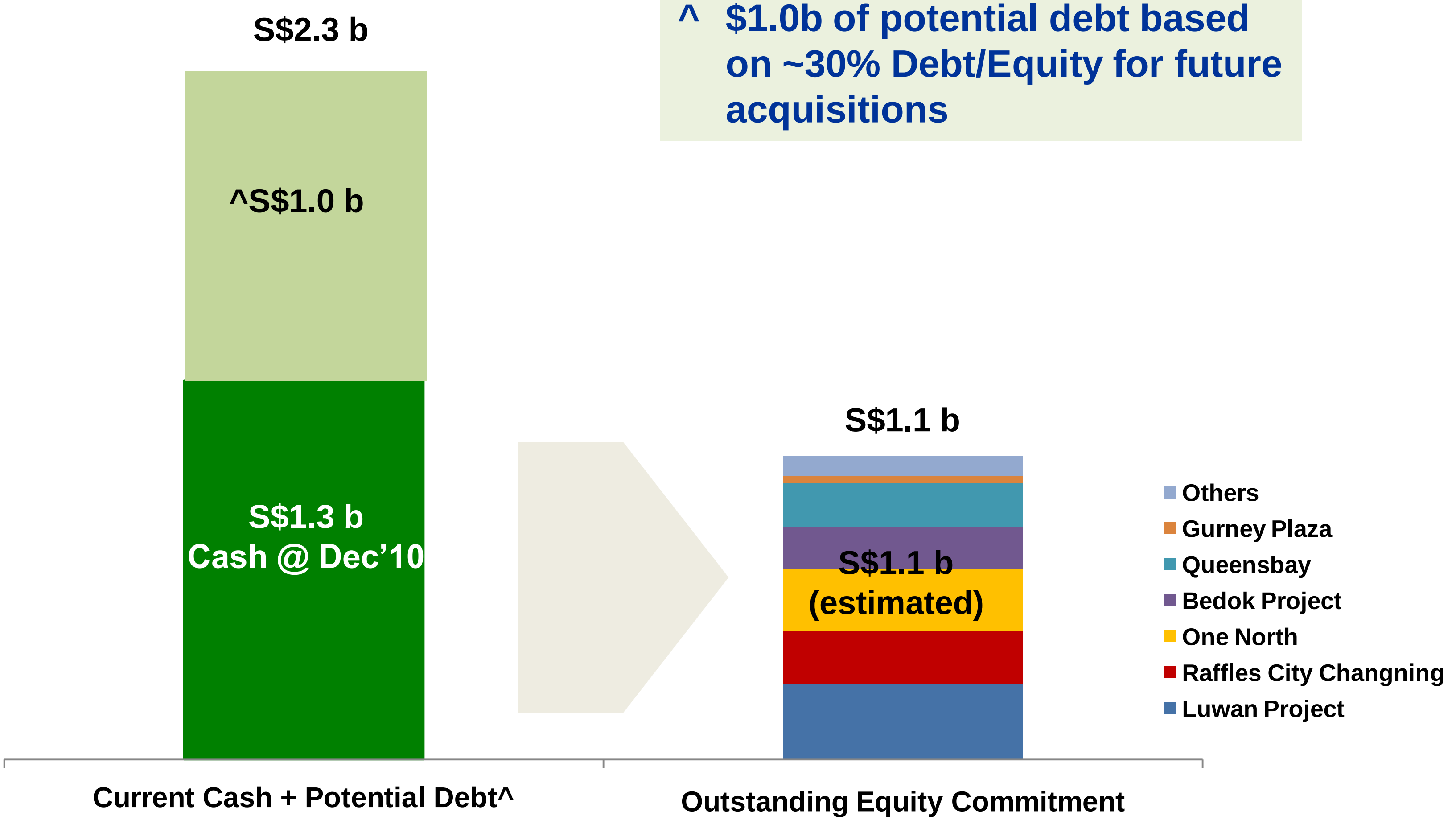
Moving Forward:
Singapore 40%, China 40%, Others 20%

Balance Sheet & Liquidity Position

	31 Dec 10	30 Sep 10	Change
Equity (S$mil)	5,888	5,759	N.M.
Cash (S$mil)	1,318	1,410	(7%)
Net Debt (S$mil)	- (1)	- (1)	N.M.
Net Debt/Equity	- (1)	- (1)	N.M.
% Fixed Rate Debt	71%	70%	N.M.
Ave Debt Maturity (Yr)	4.45	4.62	N.M.

(1) Out of our $1.3 b cash, $1.1 b has already been committed for investments made but not paid

Large Debt Headroom to Support Growth

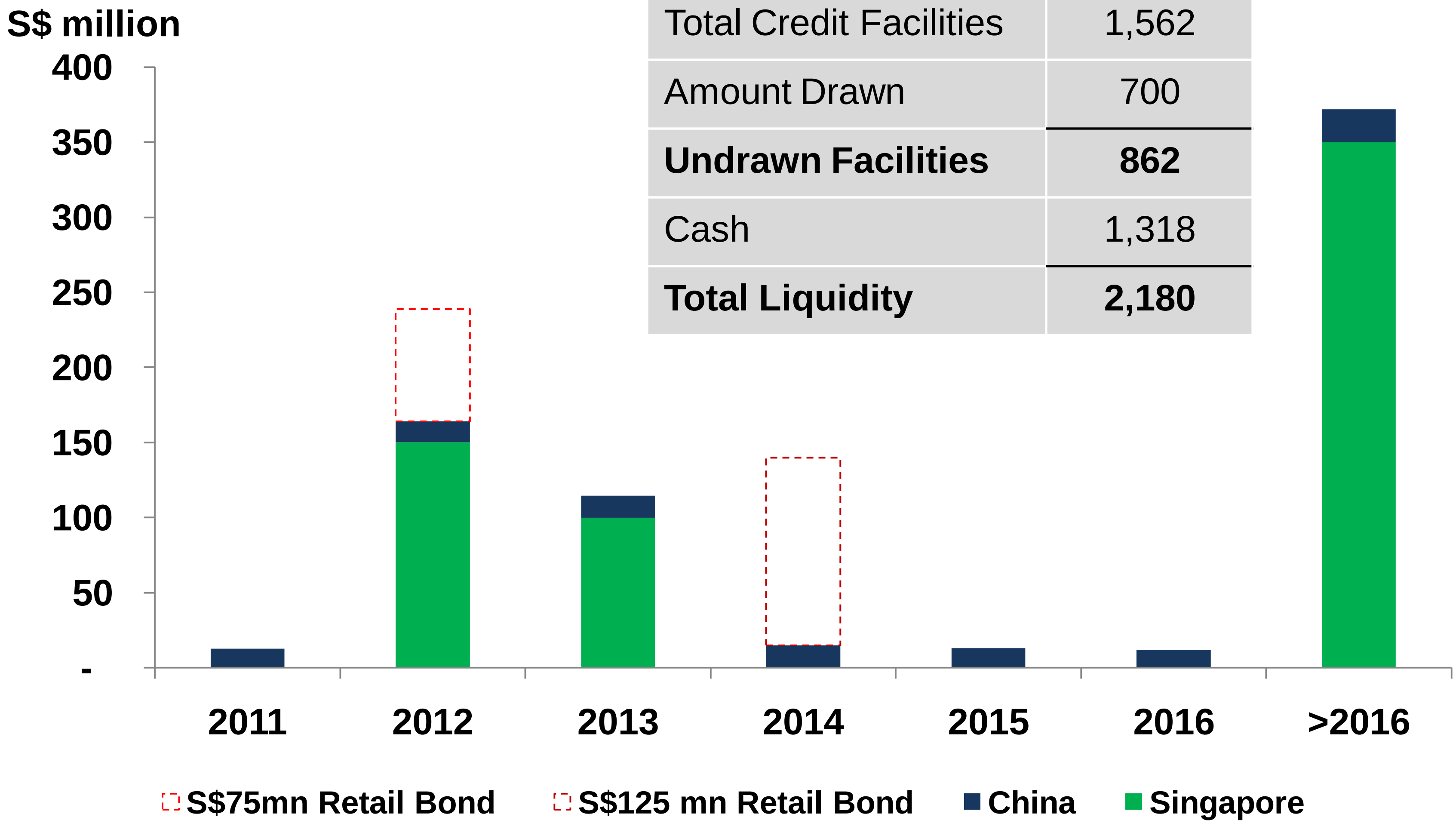


^ $1.0b of potential debt based on ~30% Debt/Equity for future acquisitions

Group Debt Maturity Profile

CMA Treasury Limited issued S$75m 1-yr at 1.00% p.a. and S$125m 3-yr at 2.15% p.a. retail bonds in January 2011

Total Credit Facilities	1,562
Amount Drawn	700
Undrawn Facilities	**862**
Cash	1,318
Total Liquidity	**2,180**



Note: Figures as at 31 Dec 2010

Financial Ratios

Key Credit Highlights (S$' million)	As at 31 Dec 2010
EBIT	472.4
Net Interest Expense	20.3 (1)
Gross Debt	700
Cash and Fixed Deposit Balances	1,318
Net Debt	- (2)
Total Assets	6,982
Gross Debt / EBIT	1.5x
EBIT/ Net Interest Expense	23.3x
Gross Debt / Total Assets	10.0%

Note:
(1) External loan only. Interest expense S$25.6m. Interest income S$5.3m
(2) Net cash

Review of Operational Performance

CapitaMalls Asia

Shopper Traffic & GTO Continue to Grow

Country	FY2010 vs FY2009 (%)	
	Shopper Traffic	Gross Turnover (GTO)
Singapore(1)	3.8	6.4
China(2)	10.7	20.0
Malaysia(3)	18.5	-
Japan(4)	7.7	18.5
India(5)	32.0	73.0

(1) Excludes ION, Hougang Plaza, JCube & The Atrium@Orchard
(2) Includes only those malls in operation since Jan 2009, while excluding 3 malls under CRCT in master lease. GTO Sales not on same tenant basis, and excludes the GTO Sales from supermarket and department stores. GTO sales per sq ft is based on the Committed NLA as at 30 Jun 2009 and 2010,and excludes the committed NLA from supermarket and department stores.
(3) GTO figures unavailable
(4) Excludes Ito Yokado for shopper traffic and GTO includes Vivit Square and Chitose Mall only
(5) Forum Value Mall opened in Jun 2009. Hence, % change is 2H2010 vs 2H2009

Strong NPI Growth (100% basis)

Country (S$'mil)	FY 2010	FY 2009	Change (%)
Singapore	634	524	21
China	217	183	18
Malaysia	58	54	7
Japan	22	24	(7)
India	4	1	3 times
TOTAL	935	787	19

The above figures are on a 100% basis, where NPI of each mall is taken in its entirety regardless of our interest.
The China portfolio includes Raffles City portfolio, but excludes those malls under Asset Swap.

Performance of Operational Malls Continues to Improve

	FY 2010			FY 2009	
	NPI Yield based on valuation as at 31 Dec 10[(1)]	NPI Yield based on valuation as at 31 Dec 09[(1)]	Occupancy Rate as at 31 Dec 10 [(2)]	NPI Yield based on valuation as at 31 Dec 09[(1)]	Occupancy Rate as at 31 Dec 09 [(2)]
Singapore	5.6%	5.8%	99.0%	5.5%	99.2%
China	5.0%	5.9%	96.1%	5.5%	95.6%
China (excl CRCT)	4.5%	5.5%	95.3%	4.5%	91.9 %
Malaysia	6.4%	6.8%	98.3%	6.5%	98.3%
Japan	3.3%	3.2%	95.1%	3.5%	79.3%
India	5.0%	5.4%	90.6%	N.A.	N.A.

Note: The table above excludes completed malls but were operational for less than a year as at Dec 10 and Dec 09 respectively. The above figures are on a 100% basis, where NPI yield and occupancy of each mall is taken in its entirety regardless of our interest.

(1) Refers to weighted average yield of our operational malls, computed by using the annualised net property income.
(2) Refers to the weighted average committed occupancy rate.

Property Portfolio Balances Stability and Growth

Countries	No. of Properties[1]				
	Completed	Target for completion in 2011	Target for completion in 2012	Target for completion in 2013 & beyond	Total
Singapore	15	-	2	1	18
China	38	5	5	5	53
Malaysia	4	-	-	-	4
Japan	7	-	-	-	7
India	1	1	0	7	9
Total	**65**	**6**	**7**	**13**	**91**

[1]As at 31 Dec 2010

Valuation of Properties

December 2010 Valuation Highlights

- **Singapore +S$73.8m**
  - In line with NPI increase and expectation of a resilient rental outlook; cap rates in the range of 5.5% to 6.0%
  - ION S$27.3m (S$4159 psf, S$2.61b) and One North S$10m
  - CMT contributed S$36.5m; largely from JCube, RCS and PS
- **China +S$36.3m**
  - Improved market conditions coupled with higher expected occupancy and rental rates resulted in broad valuation increases;
  - Cap rates from 6.5% to 7.25% and discount rate of about 9.5%
  - Malls that were recently opened contributed significantly; Cuiwei, Anyang, Mianyang, Xinxiang, etc
- **Malaysia**
  - Increase was realized as part of divestment gain through listing of CMMT
  - For Dec 2010, CMMT (Sungei Wang) in contributed +S$0.9m
- **Japan**
  - Valuation maintained with a stable to slightly positive outlook
- **India**
  - Loss of S$0.6m was mainly attributable to properties in Udaipur and Mangalore

Acquisitions & Monetisations

Investments and Monetisations in 2010

Committed Investments of over S$2.0b in 2010

Meili Mall, Chengdu
S$107m

Tianfu Mall, Chengdu
S$368m

Bedok site, Singapore
S$672m

Luwan site, Shanghai
S$495m

Queensbay, Penang
S$276m

Changning site, Shanghai
S$268m

Feb '10 | Jul '10 | Sep '10 | Nov '10 | Dec '10

Sale of Clarke Quay, Singapore to CMT for S$268m

CapitaMalls Malaysia Trust

Listing of CMMT
Proceeds of S$228m raised

Completed Monetisations of around S$500m in 2010

CapitaMalls Asia

Conclusion

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Capital Management Strategy

Disciplined, Proactive & Prudent

- **Continue to raise funds as and when needed to support investment strategy**

- **Continue to implement monetisation strategy to maintain adequate cash flow and liquidity**

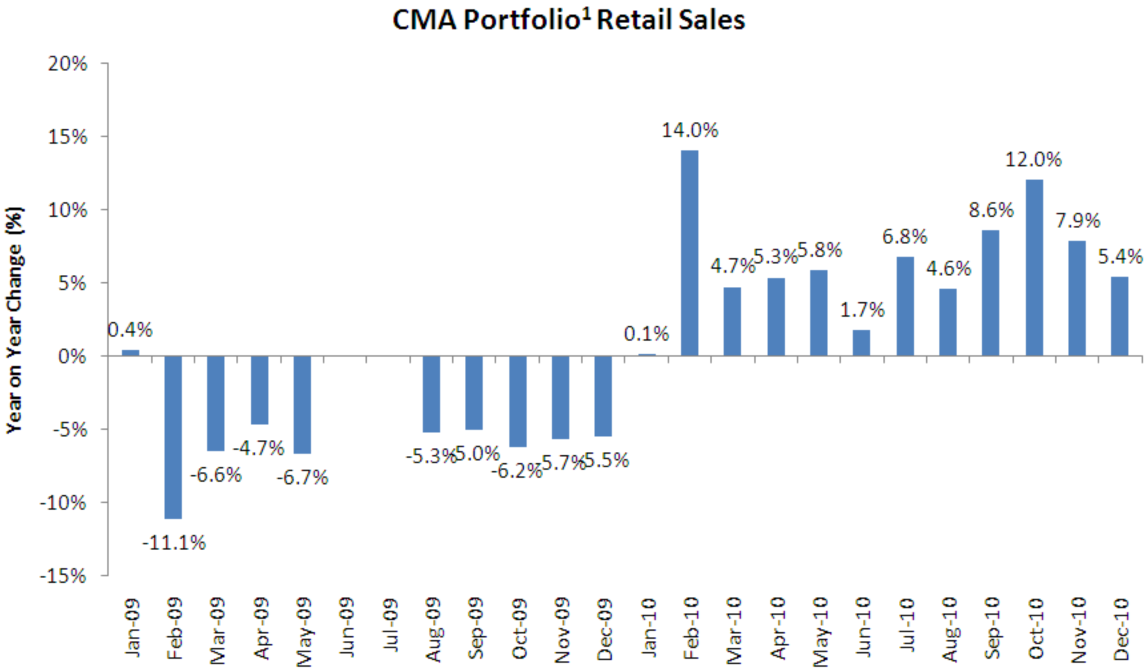
- **Manage balanced funding source and debt maturity**

Appendices

Singapore - Positive Retail Sales Growth

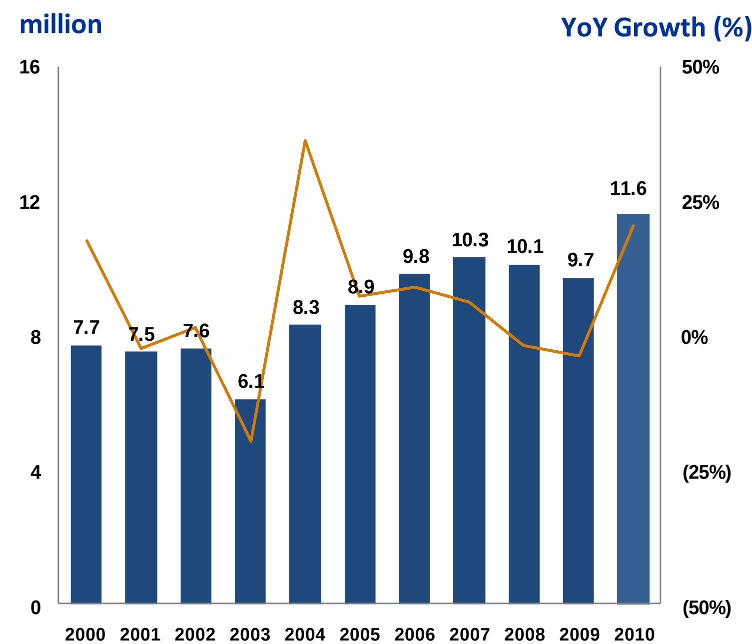
GDP expanded by 14.7% in 2010 and expected to grow between 4%-6% in 2011

Singapore Retail Sales Index Y-o-Y Change (excluding motor vehicle sales)



Source: Singapore Department of Statistics

11.6 million Tourist (+20.2% Y-on-Y) Arrivals

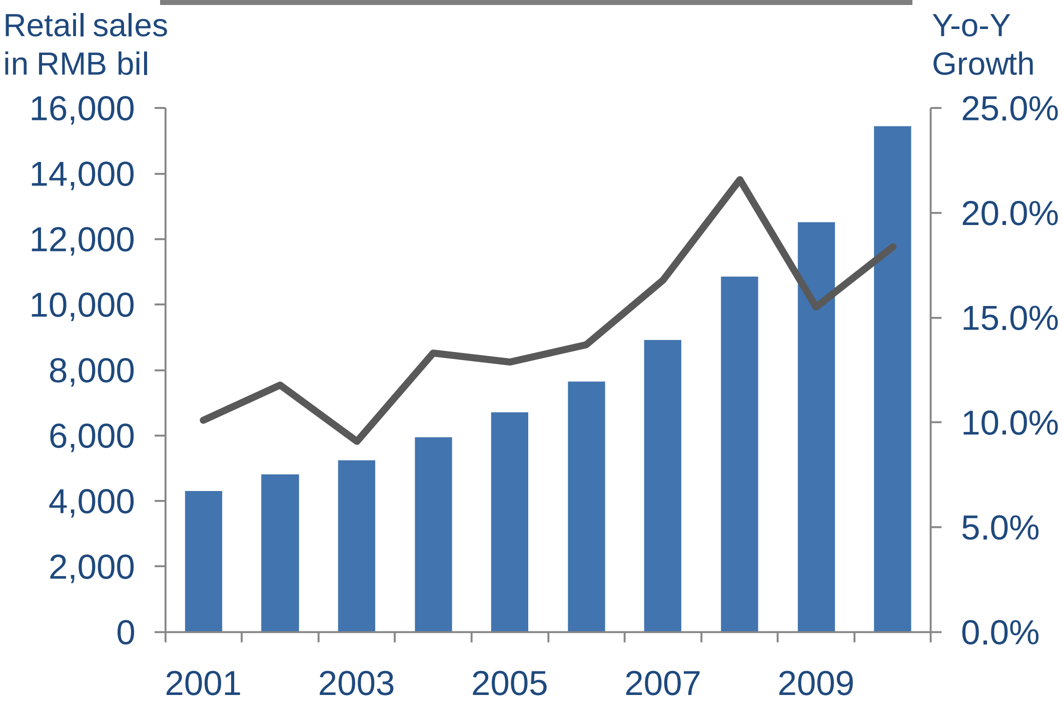


Source: Singapore Tourism Board

Tapping into the Rise of China's Consumption

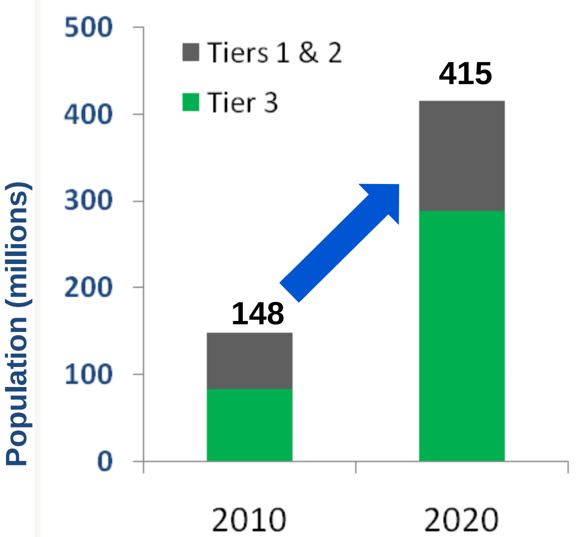
150 million middle class consumers; to reach > 400 million by 2020

Retail sales grew 18.4% in 2010 to reach RMB15.5 trillion



Source: China National Bureau of Statistics

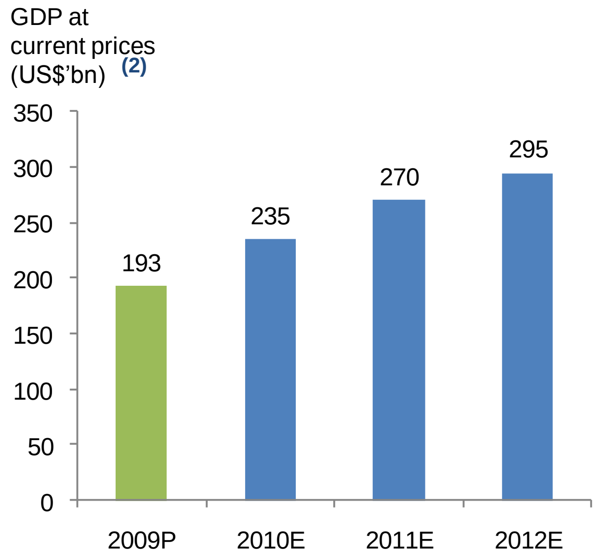
Estimated middle class population in urban China

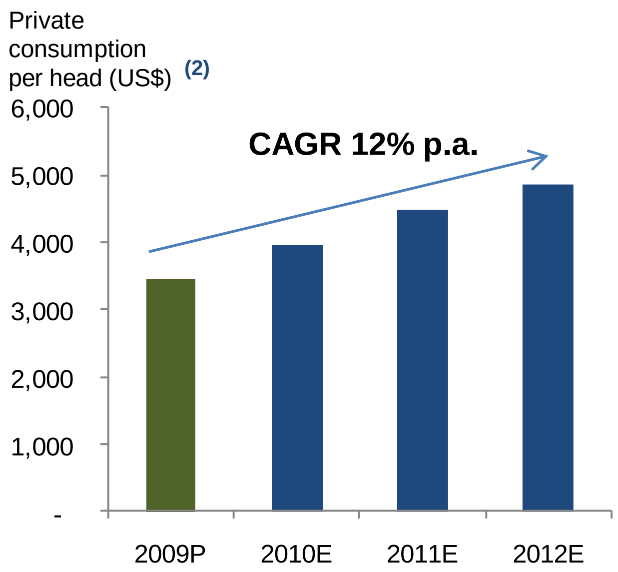


Source: The Boston Consulting Group

Positive Outlook for Malaysia's Economy & Retail Sector

Malaysia's 2010 retail sales growth revised upwards to 8.3%
Total estimated sales turnover of RM132.7 billion [(1)]





- **Forecast average GDP growth 5% p.a. for 2011-15 [(2)]. Retail sales forecast to grow about 5% in 2011 [(3)]**
- **Government announced Economic Transformation Programme**
  - Promotes 12 key economic activities, including Tourism and Wholesale & Retail

Sources:
[(1)] Department of Statistics
[(2)] Economist Intelligence Unit
[(3)] Retail Group Malaysia Sdn. Bhd.

Thank You

For enquiries from analysts/investors,
please contact:
Caroline Fong
Investor Relations
Tel: (65) 6536 1188
Fax: (65) 6536 3884
Email: caroline.fong@capitaland.com
http://www.capitamallsasia.com