CapitaLand Limited

Positioned For Growth

Nomura Investment Forum Asia

12 June 2013

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Agenda

- Latest Update
- Improving Long-term ROE
- Capital Management
- Business Highlights
- Conclusion

1. Latest Update

Streamlined Organisation Structure

CapitaLand 凯德集团

中国驰名商标

- Financial Products & Services
- Regional Investments*

Singapore

- Singapore residential & commercial projects
- Malaysia projects
- CCT
- QCT

China

- China residential & commercial projects
- Raffles City China & mixed development

CMA

- Shopping mall
  - CMT
  - CRCT
  - CMMT

Ascott

- Serviced Residence
  - ART

**Include Australand, Surbana, StorHub, Vietnam, India, Japan, GCC and UK*

CapitaLand

Process Update

Jan 3, 2013

Announcement of New Organisational Structure

Key Tasks

- ✓ Reduce organisational complexity
  - Streamlined 4 SBUs
  - Improved resource mobility across SBUs
- ✓ Review businesses
- ✓ Set clear KPIs
- ✓ Improve processes
- ✓ Re-emphasize Innovation

Desired Outcome

- ✓ Improve visibility, clarity and profitability on core businesses
- ✓ Improve long-term ROE

Update On Other Markets And Businesses

- **Australand**
  - Financial investment undergoing strategic review
  - Strong market leader in C&I, in Australia
  - Residential portfolio focused on affordable segment; more than 90% of portfolio in Sydney, Melbourne and Perth
  - Experienced management team with deep bench

- **Vietnam**
  - Vista, Mulberry Lane, Parc Spring Phase 2 – to continue with development and sales
  - Remaining 3 sites to hold and develop only when market is ready
  - Explore new opportunities for first-time home buyers
  - Good on-ground execution capability

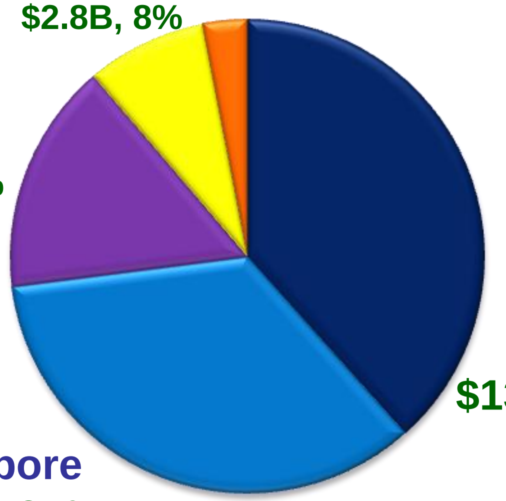
- **Post-restructuring, Surbana Consultancy (40% stake): financial investment**

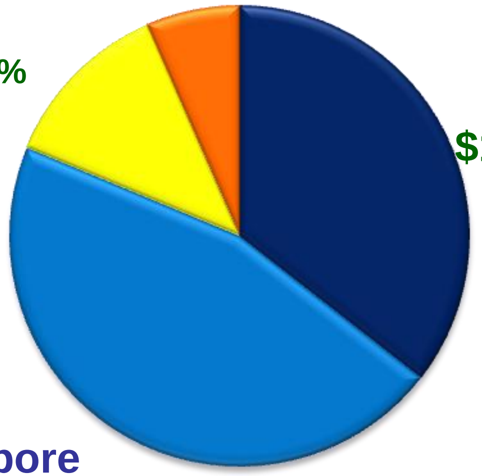
- **Japan**
  - Shinjuku office – continue to hold
  - Nishi Azabu – sold 107 units, ahead of original plan

- **UK, GCC, India**

Focus on Singapore and China

Total Assets @ Mar 2013 : $35.4b[1] (73% of Group Assets in Singapore & China)	Group EBIT @ Mar 2013 : $386.1m (82% of Group EBIT from Singapore & China)





[1] *Excluding treasury cash*
**China including Hong Kong*
*** Excludes Singapore & China and includes projects in GCC*
**** Includes Australia and Europe*

Singapore And China Will Continue To Be Key Drivers Of CapitaLand's Business

2. Improving Long-term ROE

Six Battery Road, Singapore

Strategic Road Map

- **Leverage On CapitaLand's Core Strengths**
  - Singapore / China
  - Shopping Malls / Serviced Residences
  - Deep Market Understanding
  - Prudent Capital Management
  - Strong Balance Sheet

- **Hunt As A Pack**
- **Find Good Opportunities/ Projects**
- **Build scale in key clusters**
- **Attract and develop talents**

Improve Long-term ROE

Focus On Execution

Monitor Project Profitability	▪ To track each project progress closely at the Corporate level ▪ Explore ways to improve product design and time-to-market
Focus On Core Competency	▪ Design and project management ▪ Capital management – Funds and REITs ▪ Mall and serviced residences' operations ▪ Mixed used developments
Multi-sector Expertise In Mixed Development	▪ Explore ways to enhance CapitaLand's competitive edge in Design and Project Management
Gain Access To Good Sites	▪ Develop superior marketing sensing through market research and intelligence work

CapitaLand

Capital Management

Increase Assets Under Management	▪ Broaden pool of capital partners ▪ Enhance synergies across Fund and REIT platforms ▪ Reaching out to existing and new investors
Diversifying Sources of Capital	▪ Raise balance sheet efficiency ▪ Optimise funding cost

Improving Long-Term ROE

CapitaLand's Four Key Businesses

CL Singapore	CL China	CMA	Ascott

Clear Performance Metrics

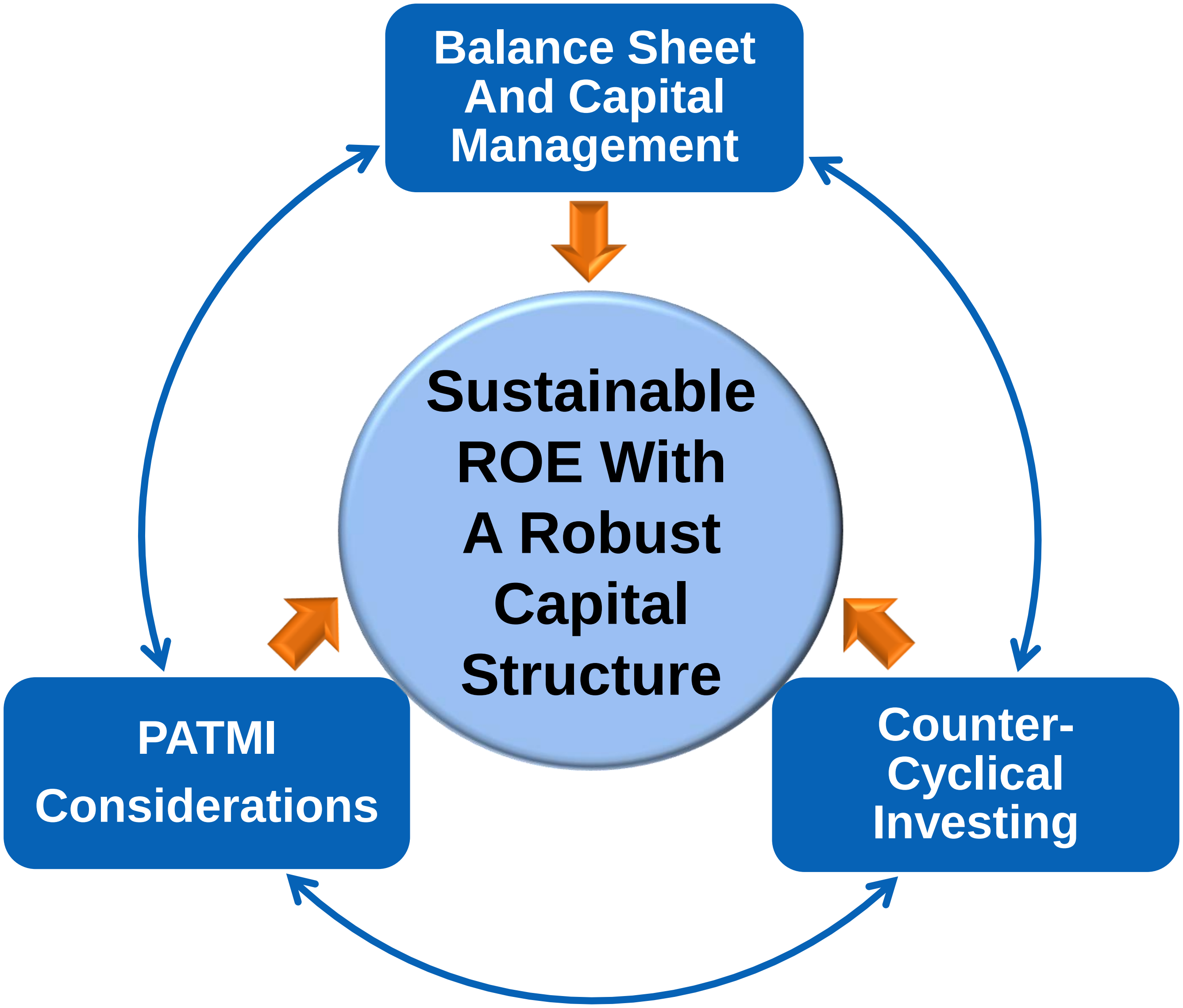
Drive Operational Performance & Profitability

CL Group ROE

3. Capital Management

Raffles City Beijing, China

Overview On Capital Management



Balance Sheet Management

Diversify debt sources maturities and currencies

Optimise finance costs

Make capital more efficient and “flexible”

Monitor total group debt

- Sustainable Capital Structure
- An Implied “A-area” Rating Company

PATMI Considerations

ROE	▪ Focus on long-term, 3 year rolling ROE ▪ Comparable to peers ▪ Meets, or exceeds, investor expectations
PATMI Composition	▪ Profitability largely from business fundamentals and operations (realised vs unrealised PATMI) ▪ One-off cost cutting efforts help, but only in the short term ▪ Stable income stream helps to buffer any volatility (trading vs. non-trading)

Counter-Cyclical Investing

- Growth cannot stop
- Strategic overlay in investing
- Long gestation period for properties under development (PUDs vs. IPs)
- Continue to invest even during market downturn

Outcome To Be Achieved

- Increased cash "fluidity" and diversified debt give more visibility for lower cash buffer and increased capital allocation to profitable projects
- Operating profits to have a higher contribution of PATMI
- Good mix of PUD with IP ensure steady pipeline for future growth
- Maintain a sustainable and flexible capital structure

4. Business Highlights

One George Street, Singapore

CapitaLand Singapore

- **Residential:**
  - Continue to participate in land tenders
  - Increase value to customers
  - Economies of scale in procurement

- **Office:**
  - Be opportunistic and aim for best value

- **REITs:**
  - Look for opportunities for growth

- **Compete as one integrated platform**

- **Develop superior market sensing by tracking and dissecting policy directions more closely**

- **Malaysia: to focus primarily on Iskandar region**

d' Leedon

CapitaGreen

Iskandar – Draft Master Plan

CapitaLand China

- **Focus on key cities in China**
- **Residential strategy:**
  - Target first-time home buyers and upgraders
  - Leverage on branding of integrated developments and convenient access to amenities
  - Open to larger projects with multiple launch phases
  - Review of existing mass housing projects in China
- **Compete as an integrated platform – One CapitaLand local team**
- **Build scale and brand awareness**

Summit Residences, Ningbo

Raffles City Chongqing

Dolce Vita, Guangzhou

CapitaLand China – Mixed Used Developments

- **Build a core holding in China with steady recurring income stream and potential for capital appreciation**

Raffles City Shanghai

Raffles City Beijing

Raffles City Chengdu

Raffles City Hangzhou

Raffles City Ningbo

Raffles City Shenzhen

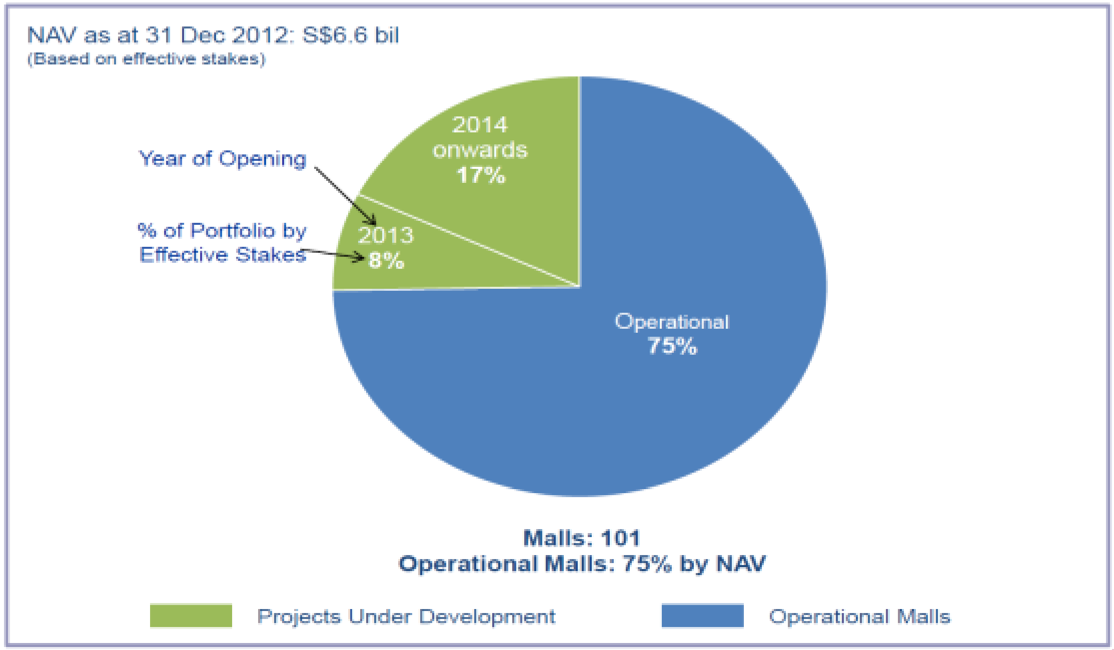
Raffles City Changning

Raffles City Chongqing

Mixed Used Developments Leverage On CapitaLand's Multi-product Expertise To Build Competitive Advantage

CapitaMalls Asia

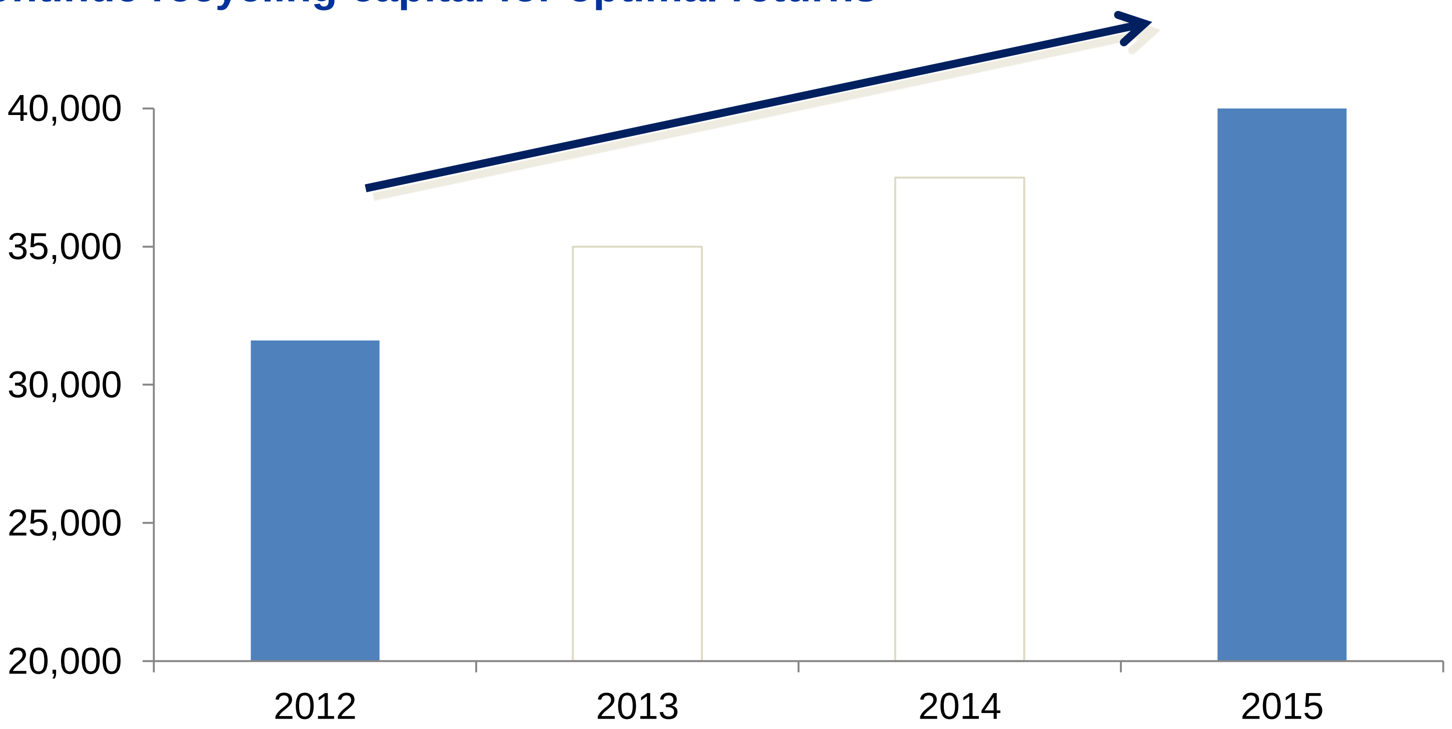
- **Strengthen leadership position in Singapore**
- **Continue to deepen presence in key cities in China**



PIPELINE OF MALLS OPENING (No. Of Properties As At 25 April 2013)				
Operational	Target to be opened in 2013	Target to be opened in 2014	Target to be opened in 2015 & beyond	Total
81	5	3	13	102

Ascott Limited

- **Growth through investments and M&A in existing and new markets**
- **Enhance products and branding**
- **Leverage on brand equity**
- **Continue recycling capital for optimal returns**



Target To Reach 40,000 units By 2015

5. Conclusion

Raffles City Chengdu, China

Summary

- Positive outlook for our businesses
- Simplified organisation helps us scale-up
- Focus on execution excellence to capture more value
- Disciplined capital management will help CapitaLand to grow, even in volatile times
- Efficient cost management to optimise resources

We Are Well-Positioned For 2013 And Beyond


[信] TRUSTWORTHINESS
[智] WISDOM
[义] RIGHTEOUSNESS
CapitaLand
[仁] BENEVOLENCE
[礼] DECORUM

Thank You