



CapitaLand 3Q 2007 Results



October 2007



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Agenda

1. Highlights
2. Financial Review
3. Business Update
 - i. Residential
 - ii. Commercial
 - iii. Retail
 - iv. Financial Services
4. Analysis

Highlights





9 Months to Sept 2007 – Sterling Results

- **Strong PATMI of S\$2.1 billion, up 272.8%**
 - Excluding unrealised revaluation gains, PATMI up 156.5% to S\$1.4 billion
- **Singapore EBIT (ex revaluations) up 136.9% to S\$1.1 billion**
 - Benefited from strong office and residential markets
- **Overseas business thriving**
 - China's EBIT (ex revaluations) up 124.4% to S\$677.3 million
- **Growing financial services and fee-based income**
 - 2 new retail funds to invest in China & India, raising US\$1.2 billion
- **Active capital management**
 - Strong financials: Net D/E ratio improved to 0.46x (prev 0.49x)
 - Cash reserve increased by 42% to S\$3.8 billion
- **Over S\$8 billion committed investments year-to-date**

Financial Review





9 months to Sept 2007 - Strong Performance

(S\$ million)	9Mths 2006	9Mths 2007	Change
Revenue	2,149.0	2,468.4	↑ 14.9%
EBIT	1,103.4	2,802.8	↑ 154.0%
PATMI	559.2	2,084.7	↑ 272.8%
EPS (S cents)	20.2	74.4	↑ 268.3%
NTA / share (S\$)	2.43	3.31	↑ 36.2%



Excluding Revaluations

(S\$ million)	9Mths 2006	9Mths 2007	Change
PATMI	559.2	2,084.7	↑ 272.8%
PATMI Ex. Reval.	559.2	1,434.1*	↑ 156.5%

* Excludes unrealised revaluation gains of S\$650.6m.



EBIT by SBUs (excluding revaluations)

(S\$ million)	9Mths 2006	9Mths 2007	Change
Residential^{1 2}	427.1	529.0	↑ 23.9%
Commercial¹	121.5	1,129.1	↑ 829.3%
Retail	68.3	68.0	-
Financial Svcs	50.0	51.2	↑ 2.4%
Serviced Residences	178.2	229.3	↑ 28.7%
Others & Consol Adj³	258.4	86.6	↓ 66.5%
Total EBIT	1,103.4	2,093.3	↑ 89.7%

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 and gains from placement of ART units in 2007. Comparatives included results from Raffles Holdings Ltd which had ceased operations and was delisted from the official list of the SGX on 13Dec'06.



EBIT by Geography (excluding revaluations)

(S\$ million)	9Mths 2006	9Mths 2007	Change
Singapore	478.4	1,133.3	↑ 136.9%
Australia & NZ	151.5	153.6	↑ 1.4%
China*	[^] 301.9	677.3	↑ 124.3%
Asia/GCC**	18.5	33.1	↑ 78.9%
Europe	153.4	96.2	↓ 37.3%
Total EBIT	1,103.4	2,093.3	↑ 89.7%

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

* includes Hong Kong & Macau

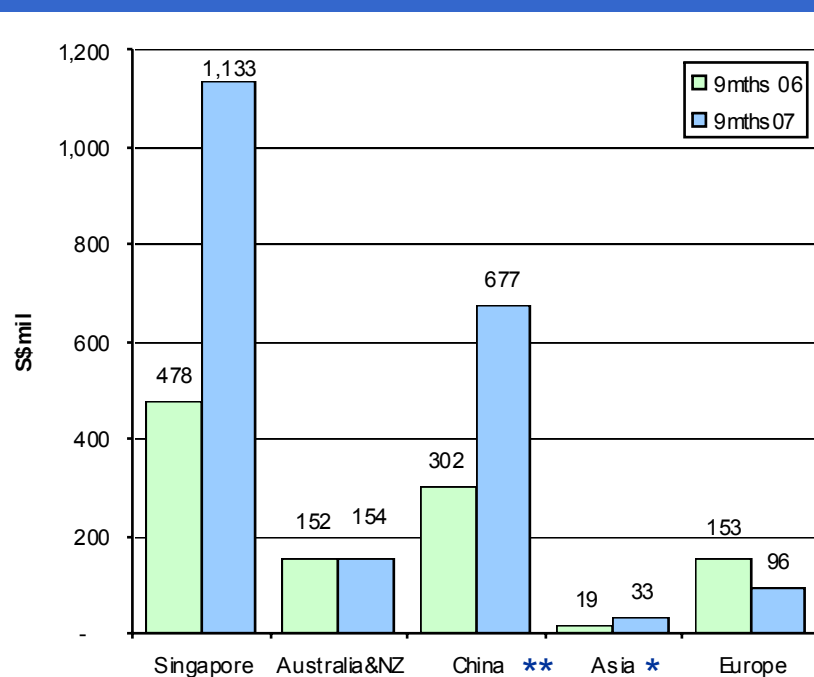
**includes: Vietnam, Thailand, Malaysia, GCC, Japan, The Philippines, India & Indonesia



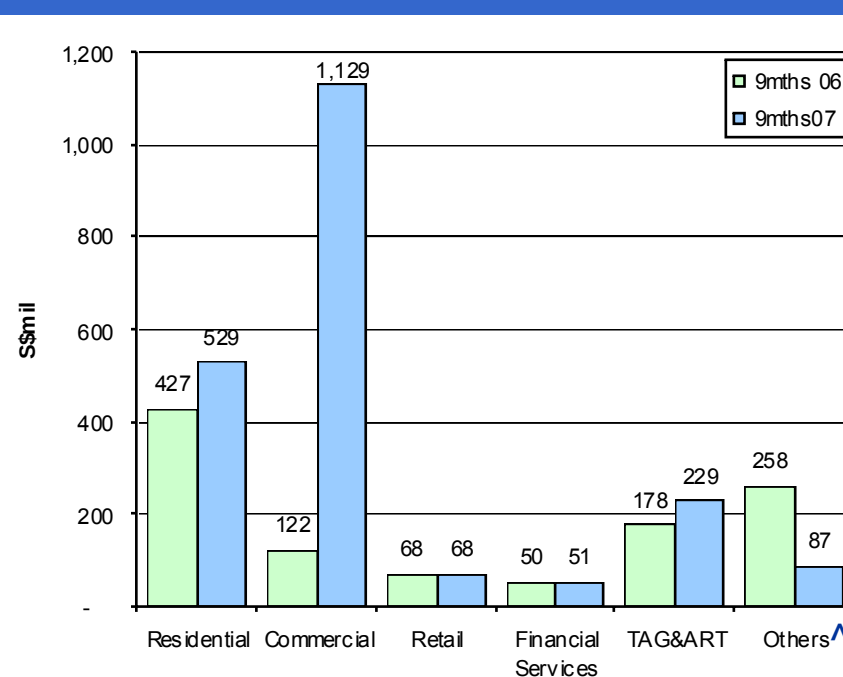
9 months to Sept 2007 EBIT Breakdown (excluding revaluations)

9 Mths to Sept 2007 EBIT : S\$2.09 billion

EBIT by Geography



EBIT by SBU



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

** includes Hong Kong & Macau

^ 2006 included results from Raffles Holdings Ltd which has since ceased operations.

2007 gains primarily due to placement of ART units

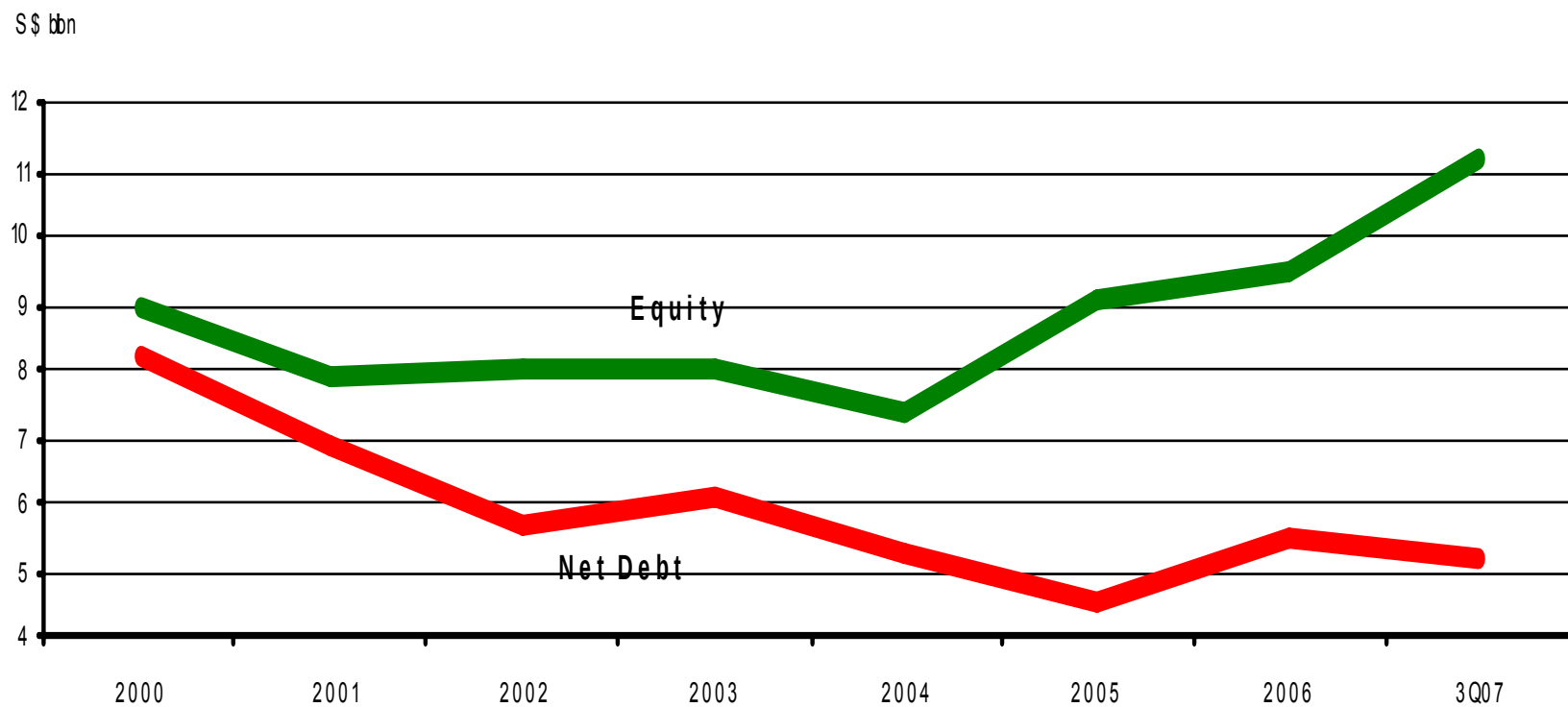


Financial Capacity

	9Mths 2006	9Mths 2007	Change
Net Debt (S\$ billion)	4.69	5.12	Increased
Equity (S\$ billion)	9.58	11.14	Increased
Net Debt / Equity	0.49	0.46	Decreased
% Fixed Rate Debt	72%	69%	Decreased
Ave Debt Maturity (Yr)	2.8	4.0	Increased



Balance Sheet Capacity



Residential





Residential Geographical Breakdown

Revenue (S\$ million)	9Mths 2006*	9Mths 2007	Change
Singapore	527	475	(10%)
China	331	645	95%
Others (includes Australia)	727	702	(3%)
Total	1,585	1,822	15%

EBIT (S\$ million)	9Mths 2006*	9Mths 2007	Change
Singapore	92	153	66%
China	180	249	38%
Others (includes Australia)	155	227	46%
Total	427	629	47%

* restated



Residential – 3Q'07 activities

Singapore

- Securitisation of The Metropolitan Condominium and Scotts HighPark for S\$522m
- The Orchard Residences achieve record price of S\$5,600 psf for a penthouse

China

- Central China Holdings (Henan) stake raised from 29.75% to 36.14% for RMB500m (S\$99.5m)
- More units launched at Westwood Green, Parc Trésor and La Forêt

Vietnam

- Maiden project “The Vista” successfully launched
 - Phase 1&2 fully sold
- 2 JV agreements to develop prime residential sites in Ho Chi Minh City

Thailand

- Villa Sathorn
 - 80% sold since launch in 3Q'07





Residential – Launches in 4Q'07

Singapore

- Latitude
- 127 units (high-end condo)

China

- **Hangzhou**
 - I-World (Phase I)
 - 200 units (mid-end condo)
- **Chengdu**
 - Sunny Lido
 - 220 units (mid-end condo)
- **Shanghai**
 - Westwood Green (East Plot)
 - 35 units (townhouse)

Thailand

- North Park Place





Residential - Singapore

Stages of Income Recognition

PROJECT	Units	Sold (Up to Sep'07)	Completed (up to Sep'07)
Launched in '04			
Varsity Park Condominium	530	100%	89%
Citylights	600	100%	99%
Launched in '05			
RiverGate	545	99%	45%
RiverEdge	135	100%	68%
Launched in '06			
The Metropolitan Condominium	382	100%	17%
Scotts HighPark	73	100%	25%
Launched in '07			
The Orchard Residences <i>(total 175 units)</i>	127	98%	5%
The Seafront on Meyer	327	79%	3%

Actual booking of proceeds based on S&P signed/agreement and revenue accrued based on same basis.



Residential – China

Stages of Income Recognition

PROJECT	Units	Sold (Up to Sep'07)	Completed (up to Sep'07)
SHANGHAI			
Oasis Riviera IV	444*	88%	77%
Westwood Green (East Zone)	100	79%	37%
Parc Trésor	705*	99%	99%
BEIJING			
La Forêt (Zone C)	1,130	90%	95%
GUANGZHOU			
Beau Monde	386*	98%	96%
NINGBO			
Summit Residences	174	78%	36%

Actual booking of proceeds based on S&P signed/agreement and revenue accrued based on same basis.

* Fully launched.

Commercial





Commercial – Office portfolio reconstitution

- **Acquired remaining 50% stake in 1 George Street, a Grade A office building**
 - Equivalent to S\$2,700 psf NLA
- **Divested 50% stake in Chevron House**
 - Equivalent to ~S\$2,780 psf NLA
 - PATMI contribution of S\$150.8m
- **Divested 45% stake in AIG Tower in Hong Kong**
 - Equivalent to ~S\$3,767 psf on GFA
 - PATMI contribution of S\$260.7m



1 George Street, Singapore



Chevron House, Singapore



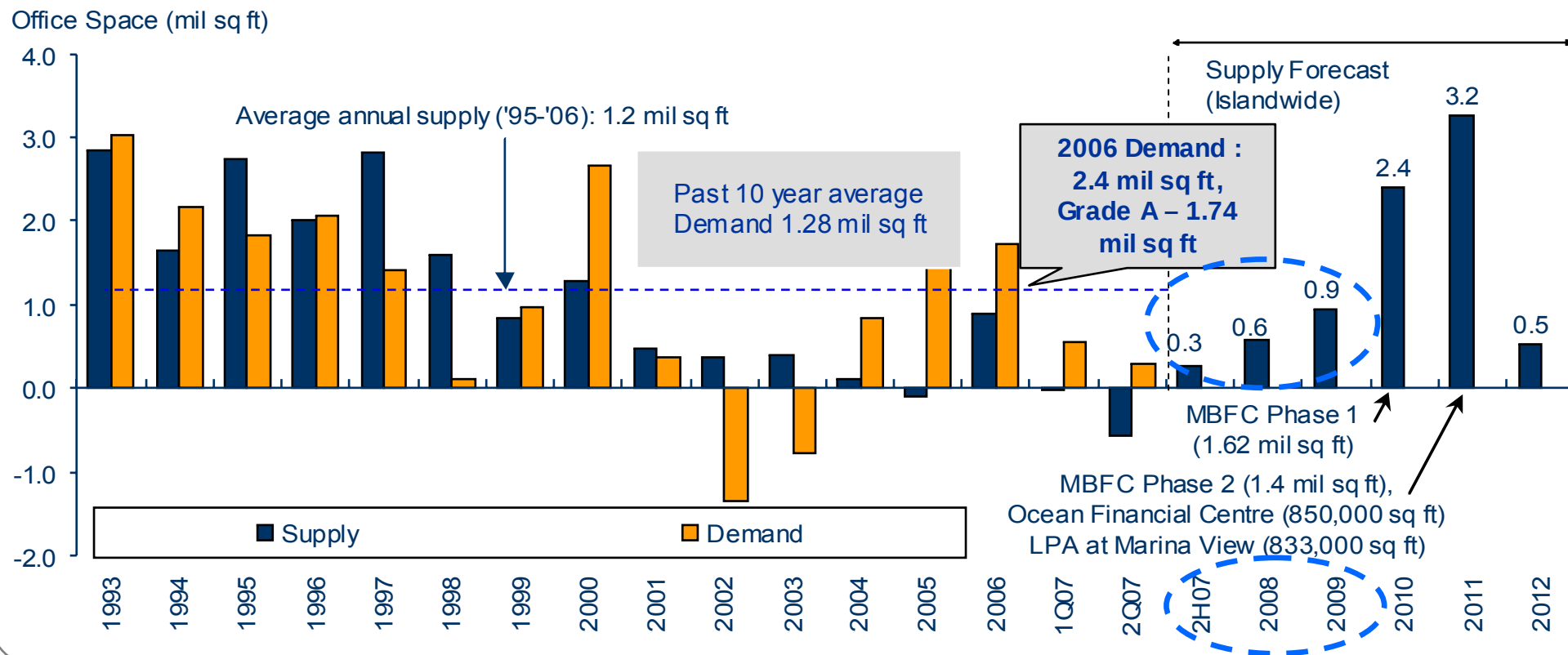
AIG Tower, Hong Kong



Commercial – Singapore

Tight Office Supply in Singapore Over Next 2 Years

Singapore Private Office Space (Central Area) -- Demand, Supply & Vacancy



Note: Central Area comprises 'The Downtown Core', 'Orchard' and 'Rest of Central Area'

Source: URA, CBRE & CapitaLand Research (October 2007)

CapitaLand Presentation *October 2007*

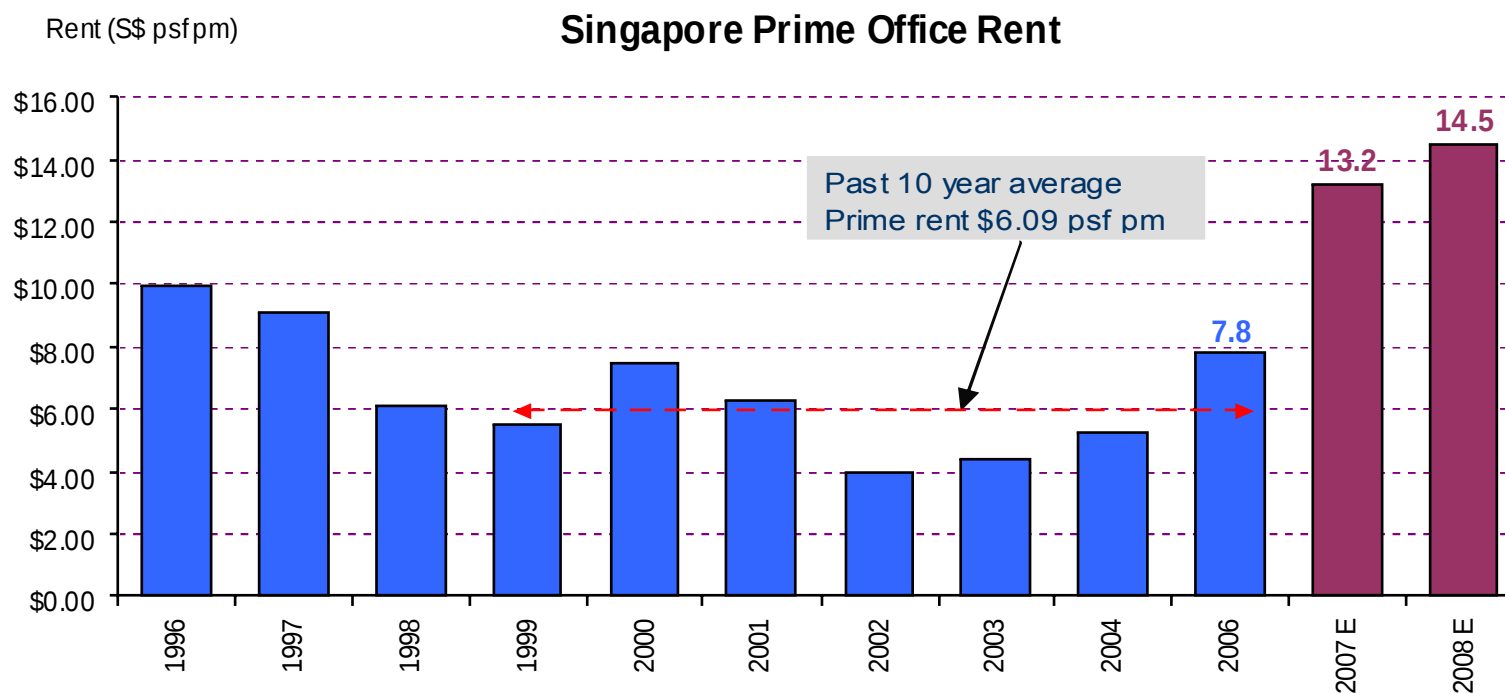




Commercial – Singapore

Prime Office Rent Surpasses 1996 Peak

	3Q 2007	Vs 3Q 2006	Vs 2Q 2007
Prime	\$12.60 psf pm	Up 82.6%	Up 16.7%
Grade A	\$14.90 psf pm	Up 96.1%	Up 13.7%



Source: CBRE Research (October 2007)

Source: CBRE & CapitaLand Research (Oct 2007)

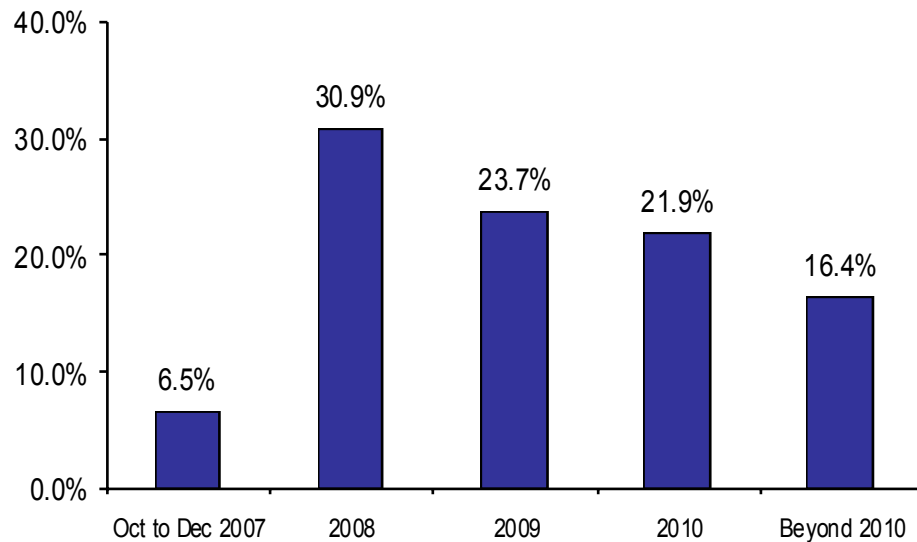




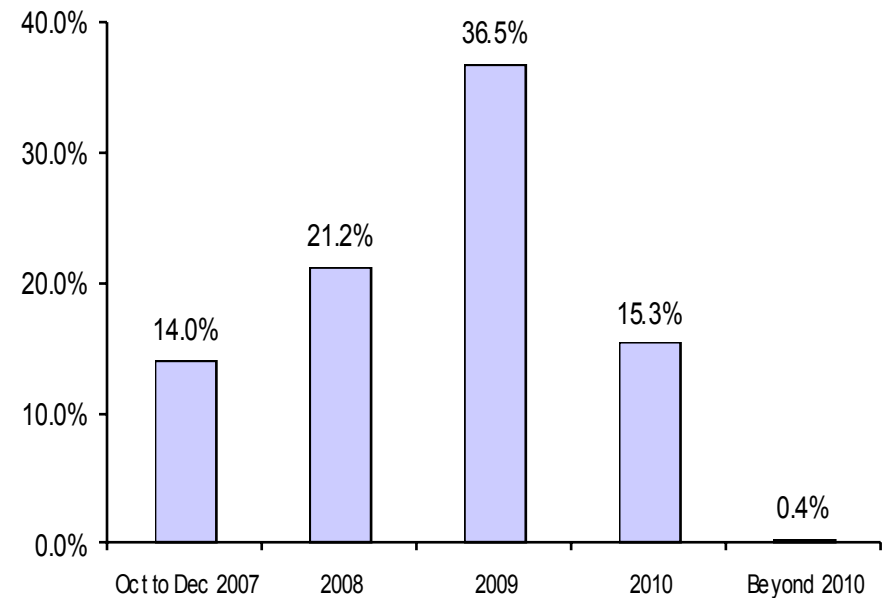
Commercial - Singapore

CapitaLand's portfolio lease expiry profile expected to capture rising market rental value

CCL Office Expiry Profile *



CCL Industrial Expiry Profile

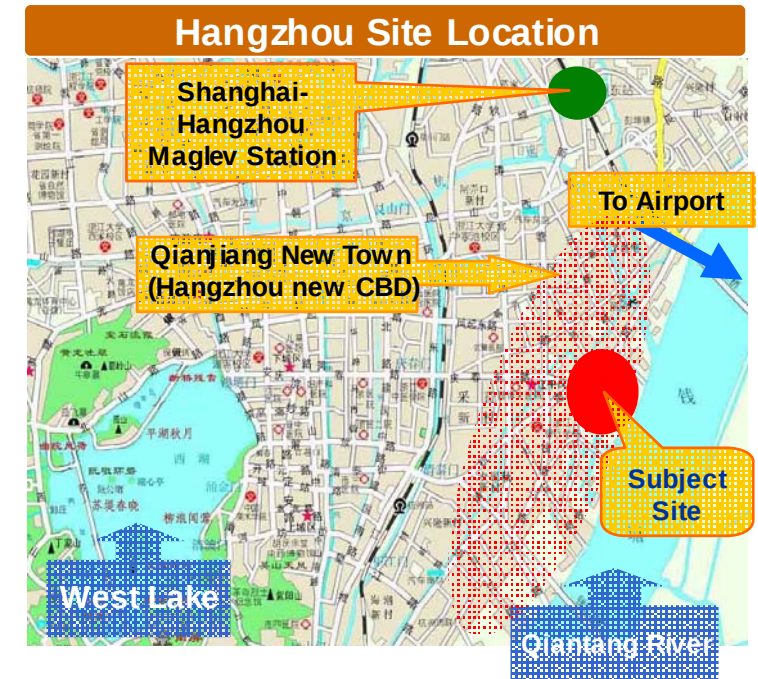


99.5% occupancy for office space and 92.2% occupancy for industrial properties



Commercial – China acquisitions

- **Hangzhou Raffles City site RMB1.0b**
 - Comprising Grade-A office tower, retail mall, five-star hotel and residential units
 - Land cost RMB1.0b (S\$202.8m) or RMB3,601 (S\$715) psm per plot ratio
 - GFA of 283,568 sqm
 - Expected completion 2011
 - Qianjiang New Town, Jianggan District (new CBD)
- **Shanghai's Zhabei District site RMB598.1m**
 - Comprising offices and high-end hotel or serviced residences
 - Land cost RMB598.1m (S\$119.6m) or RMB8,414 (S\$1,671) psm per plot ratio
 - GFA of 71,085 sqm
 - Expected completion 2009
 - Shanghai Multimedia Valley, Ling Shi area



Retail





Retail – Singapore

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





Retail - China

CapitaRetail China Development Fund II (CRCDF II)

- Successfully closed with US\$600 million (S\$900 million) fund size
- Invest in China retail development projects
- CapitaLand holds 45%

...CRCDF II part of total US\$1.6 billion to grow China retail real estate

CapitaRetail China Development Fund I - US\$600 million (S\$900 million)

CapitaRetail China Development Fund II - US\$600 million (S\$900 million)

CapitaRetail China Incubator Fund - US\$425 million (S\$648 million)



Retail - China

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

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





Retail – China pipeline

Ownership	Operational	By 2007	By 2008	Total Malls
CRCT	7	-	-	7
CRCDF	6	4	10	20
CRCIF	1	0	4	5
CL	5	-	-	5
	19	4	14.0	37 ¹

1. Current portfolio of 37 Retail Malls in China excludng 35 from MOU



Retail - Malaysia

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

Financial Services

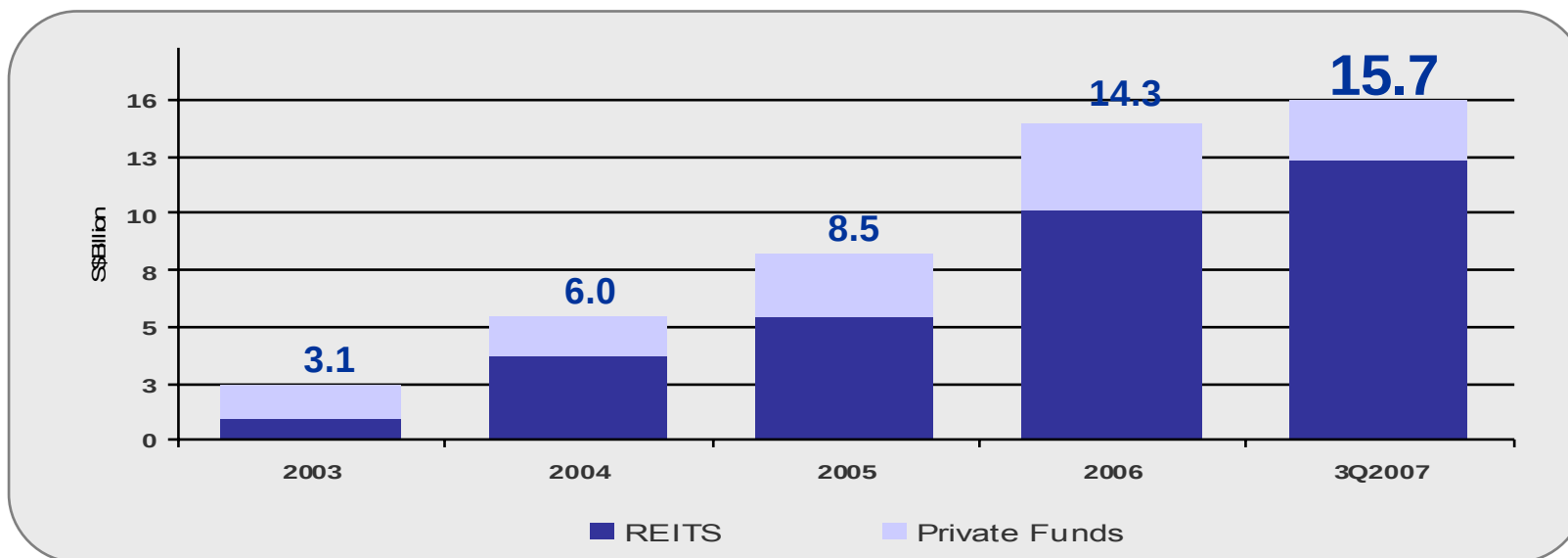




Financial Services

Two new funds

- **CapitaRetail China Development Fund II**
 - Raised S\$900m
 - 3rd retail fund for China, making total fund size of US\$1.6b
- **CapitaRetail India Development Fund**
 - US\$600m target
 - Invest in retail development projects in India



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

-Eureka Office Fund (AUM @ Jun'07: S\$0.7B) was closed recently following the acquisition of the remaining 50% stake.



Analysis



Analysis Of Revenue By SBU

SBU	9Mths '06 (S\$'M)	9Mths '07 (S\$'M)	Change	Comments
Residential ^{1,2}	1,584.8	1,821.6	14.9%	Higher contribution from China's operations.
Commercial ¹	91.7	143.1	56.1%	Consolidation of Raffles City Shanghai as well as higher property management fee income, offsetting lower rental income due to the divestment of Temasek Tower.
Retail	60.4	83.7	38.7%	Higher fee income and revenue from Clarke Quay (improved yield following asset enhancement works completed in 4Q06).
Financial Svcs	76.6	87.0	13.5%	Higher fund management fees from enlarged AUM.
TAG & ART	349.7	344.4	(1.5%)	Deconsolidation of ART, mitigated by strong overall REVPAU growth in majority of the geographical regions.
Others & Consol Adj	(14.2)	(11.4)	19.7%	
Total Revenue	2,149.0	2,468.4	14.9%	

- (1) Comparatives have been restated due to the Group's internal restructuring.
- (2) Includes Australand's commercial operations and certain commercial assets in China.

Analysis Of EBIT By SBU

SBU	9Mths '06 (S\$'M)	9Mths '07 (S\$'M)	Change	Comments
Residential ¹²	427.1	629.1	47.3%	All sectors' operation improved on the back of stronger sales, write back of previous provisions and fair value gains.
Commercial ¹	121.5	1,636.4	NM	Mainly attributed to fair value gains arising from revaluation of investment properties in 1H07. Gains from sale of AIG Tower (HK), Chevron House and Temasek Tower as well as healthy operating performance also contributed to better financial performance.
Retail	68.3	169.7	148.3%	Healthy operating performance and fair value gains arising from Singapore & China properties, which more than offset the one-off S\$21.8m dilution gain from CMT in 3Q2006.
Financial Svcs	50.0	51.2	2.5%	Increased revenue and higher share of associates profits, which was partially offset by higher operating expenses.
TAG & ART	178.2	229.9	29.0%	Higher portfolio gains and strong operating performance.
Others & Consol Adj ³	258.4	86.6	(66.5%)	2006 includes share of gain from sale of Raffles City Singapore. 2007 comprises primarily of gain from placement of units in ART
Total EBIT	1,103.4	2,802.8	154.0%	

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- (3) Includes start up costs of new businesses. Comparatives included results from Raffles Holdings Ltd Group, which had ceased operations & delisted from the SGX on 13 Dec'06

Analysis Of EBIT By SBU

(ex revaluations)

SBU	9Mths '06 (S\$'M)	9Mths '07 (S\$'M)	Change	Comments
Residential ¹²	427.1	529.0	23.8%	All sectors' operation improved on the back of stronger sales and write back of previous provisions.
Commercial ¹	121.5	1,129.1	NM	Gains primarily from sale of Temasek Tower, Chevron House, AIG Tower (HK) as well as healthy operating performance contributed to better financial performance.
Retail	68.3	68.0	-	Healthy operating performance more than offset the one-off S\$21.8m dilution gain from CMT in 3Q2006.
Financial Svcs	50.0	51.2	2.5%	Increased revenue and higher share of associates profits, which was partially offset by higher operating expenses.
TAG & ART	178.2	229.3	28.7%	Higher portfolio gains and strong operating performance.
Others & Consol Adj ³	258.4	86.6	(66.5%)	2006 includes share of gain from sale of Raffles City Singapore. 2007 comprises mainly of gain from placement of units in ART
Total EBIT	1,103.4	2,093.3	89.7%	

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Thank You

