

CapitaLand Investors' Day

"Differentiating For The Future"

Presentation By Mr. Arthur Lang, Group CFO

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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.

Key Highlights

Strong Balance Sheet

Active And Prudent Capital Management

Differentiating Ourselves Through Fund Management

Strong Balance Sheet



ION Orchard, Singapore

Robust Balance Sheet

Gives Ability to Withstand Market Cycles and Pursue Growth

	FY 2014	1Q 2015
Leverage Ratios		
Net Debt/Total Assets[1]	0.32	0.32
Net Debt/Equity	0.57	0.58
Net Debt/Equity (Before FRS110)[2]	0.54	0.54
Coverage Ratios		
Interest Coverage Ratio[3,5]	7.2	6.8
Interest Service Ratio[5]	4.6	4.2
Others		
% Fixed Rate Debt	75%	70%
Ave Debt Maturity[4] (Yr)	3.3	3.5
NTA per share ($)	3.83	3.94

Note:
1. Total assets excludes cash
2. The Group consolidated CCT, ART and CMMT under FRS110
3. EBITDA includes revaluation gain
4. Based on put dates of Convertible Bond holders
5. On run rate basis

Interest Coverage Ratio = EBITDA/ Net Interest Expenses; Interest Service Ratio = Operating Cashflow/ Net Interest Paid

Ample Financial Capacity

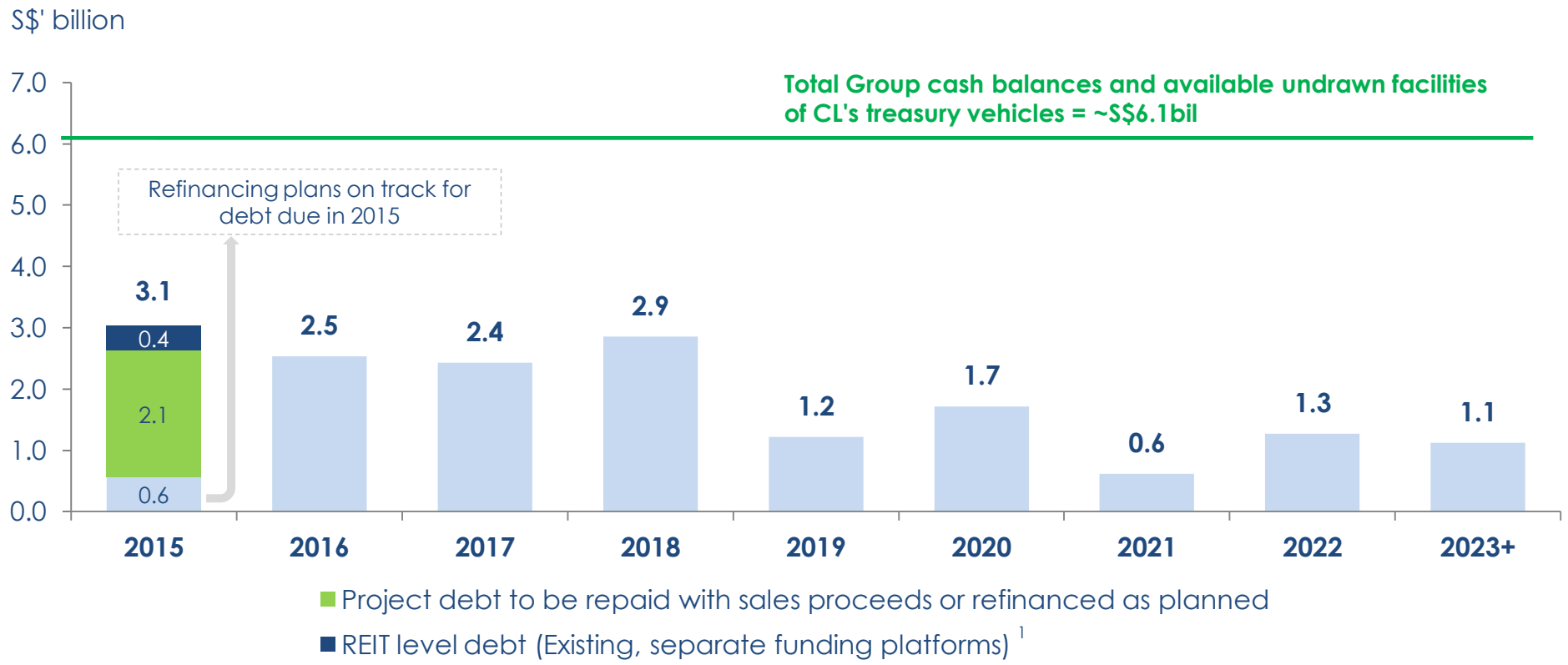
~ $6.1 Billion Cash and Undrawn Facilities Add Balance Sheet Strength

As At 31 Mar 2015	S$ Billion
Total Available Undrawn Facilities	3.1
Cash Balance	3.0
Total Cash Balance And Available Undrawn Facilities	**6.1[1]**

Note:
1. Group cash balance and available undrawn facilities at CapitaLand's treasury vehicles

Well-Managed Debt Maturity Profile (As at 31 March 2015)

82% Of Debt Maturing In 2015 Relates To Debt From REITs And Project-Related Debt



Well-Managed Maturity Profile[2]

Note:
1. Ascott Residence Trust, CapitaLand Commercial Trust and CapitaMalls Malaysia Trust.
2. Based on the put dates of the convertible bonds,

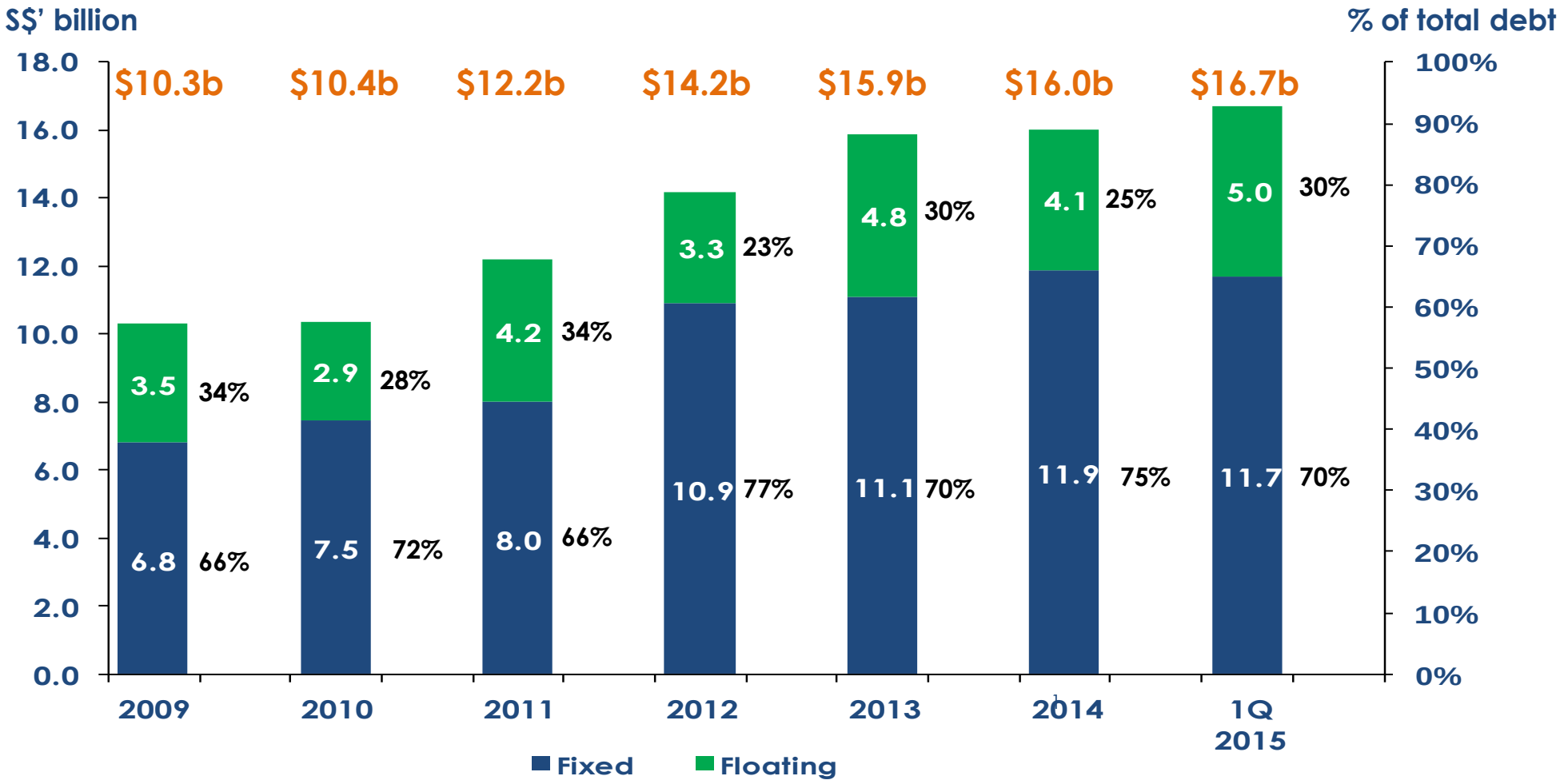
Active and Prudent Capital Management



Raffles City Beijing, China

Good Mix Of Fixed And Floating Interest Rates

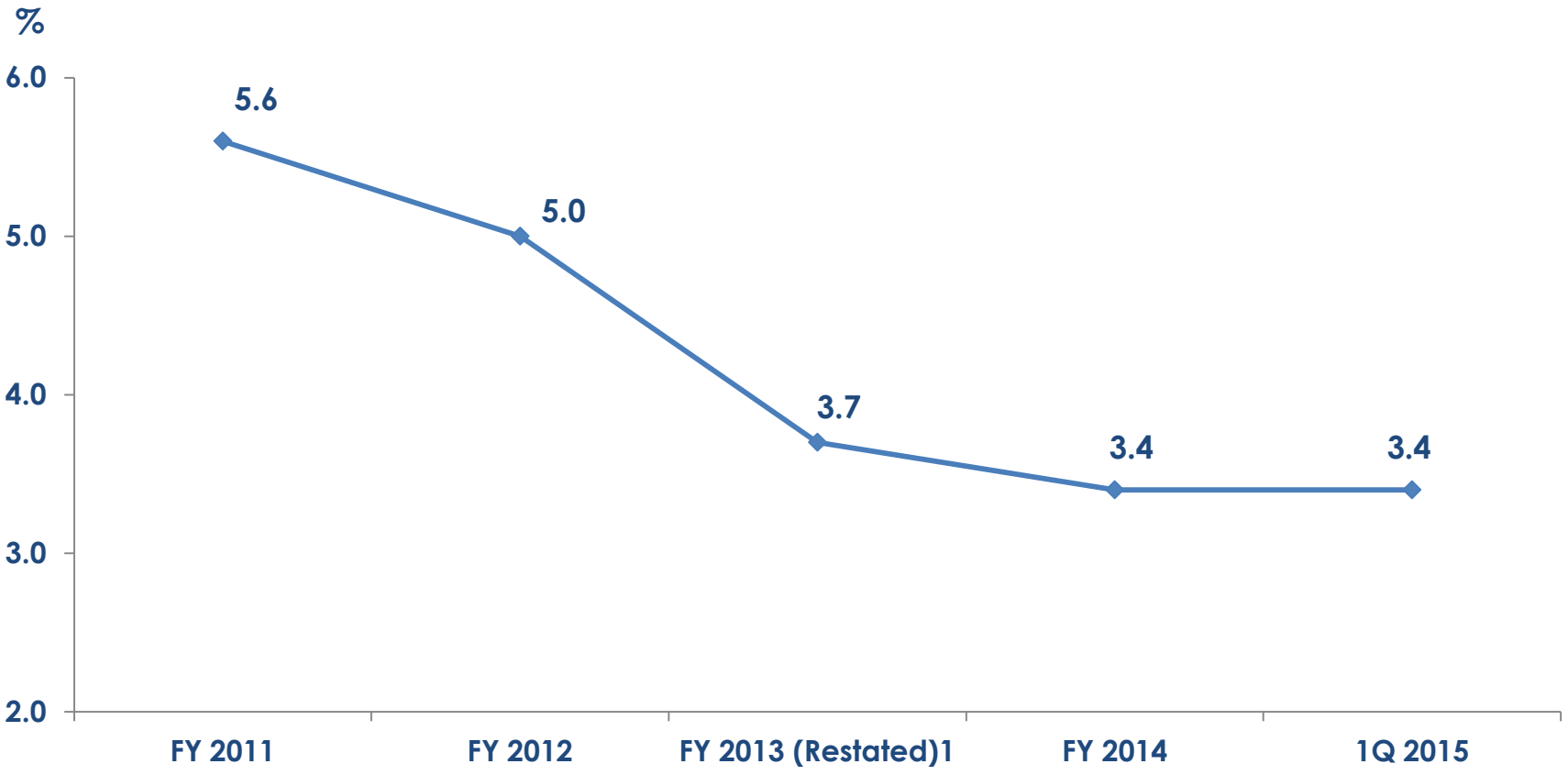
Well-Mitigated Against Any Interest Rate Increase



Note:
1. Restated balance to take into account the retrospective adjustments arising from FRS 110.

Disciplined Cost Management

Implied Interest Rates[2] Kept Low at 3.4%



Note:
1. Implied interest rate before restatement was 4.2%.
2. Implied interest rate = Finance costs before capitalisation/Average debt.

New Convertible Bond Issuance With Tender Offers

Reduces Concentration of Maturing Debt, Extends Average Debt Maturity, and Lowers Interests Costs

- **Terms of New Convertible Bond**

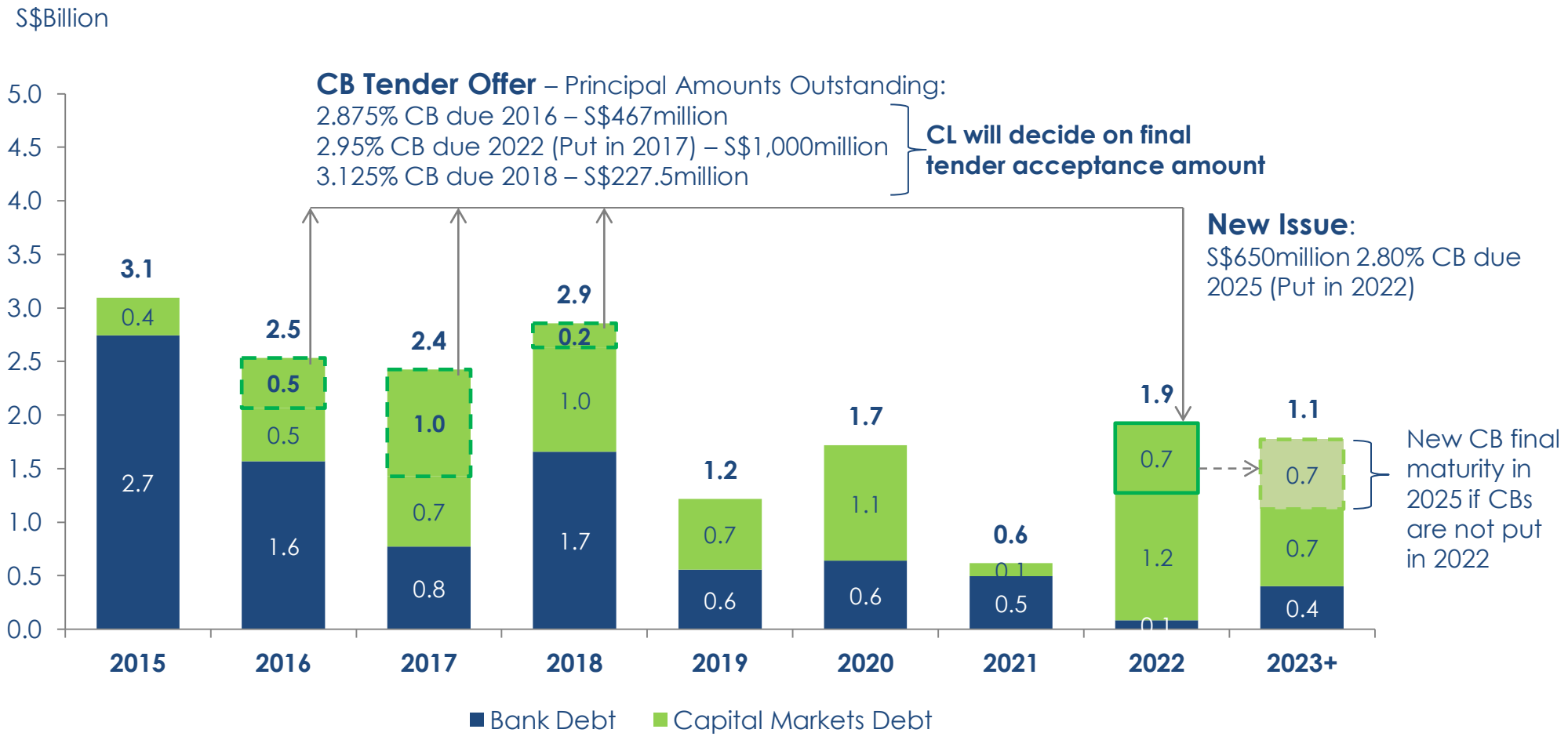
Announcement date	14 May 2015
Issue Size	S$650 million (with S$150 million upsize option)
Issue Price	100% of principal amount of CB
Expected Settlement & Payment Date	8 June 2015
Coupon	2.8% p.a.
Initial Conversion Price	S$4.97
Conversion Premium	40%
Maturity Date	8 June 2025
Investor Put Option	8 June 2022

- **Concurrent tenders for existing tranches:**
  - S$1,200 million 2.875% CB due Sep 2016
  - S$1,300 million 3.125% CB due Mar 2018
  - S$1,000 million 2.95% CB due Jun 2022

Minimum Dilution Expected Post-Transactions

Effect Of May 2015 Convertible Bond Transactions

Impact Of CB Transactions On Debt Maturity Profile (As at 31 Mar 2015)



Differentiating Ourselves Through Fund Management



One George Street, Singapore

CapitaLand Is One of Asia's Leading Fund Managers

S$43.5b AUM
1Q 2015

5 Listed REITs*

16 Private Equity Funds



Asia & Europe (1)
- Ascott Residence Trust*

India (1)
- CapitaMalls India Development Fund

Malaysia (1)
- CapitaMalls Malaysia Trust*

Japan (2)
- CapitaMalls Japan Fund
- ARC-CapitaLand Residences Japan Fund

Vietnam (1)
- Vietnam Joint Venture Fund

Singapore (2)
- CapitaLand Mall Trust*
- CapitaLand Commercial Trust*

China (13)
- CapitaLand Retail China Trust*
- CapitaMalls China Income Fund
- CapitaMalls China Income Fund II
- CapitaMalls China Income Fund III
- CapitaMalls China Development Fund III
- CapitaLand China Development Fund
- CapitaLand China Development Fund II
- Ascott Serviced Residence (China) Fund
- Raffles City China Fund
- Raffles City Changning JV
- CTM Property Trust
- CapitaLand Township Development Fund I
- CapitaLand Township Development Fund II

CapitaLand Pioneered the Development of the REITs Industry in Singapore With the Listing of the First Local and Offshore REITs in Singapore

New Trends In The RE Funds Management

Rise Of Large-Scale, Long-term Institutional Investors – SWFs, Pension Funds

Investors are more demanding and sophisticated	• New pools of capital • Reducing the number of fund managers/partners they work with, sticking to better performers • Large investors, with in-house capabilities, increasingly prefer to go "direct" • Important to invest alongside like-minded investors and partners
Investors increasing core real estate exposure in Asia	• Shift in Asia strategy, going for portfolio diversification • Build-for-core strategies
Shifting geographic focus	• Singapore continues to be attractive, with variety of core and opportunistic commercial real estate opportunities • China remains important for investors who want a diversified global portfolio. Fund managers with established local network, execution capabilities, and track records, can differentiate themselves • Investors starting to explore opportunities in other parts of Asia e.g. Indonesia, Korea, Japan

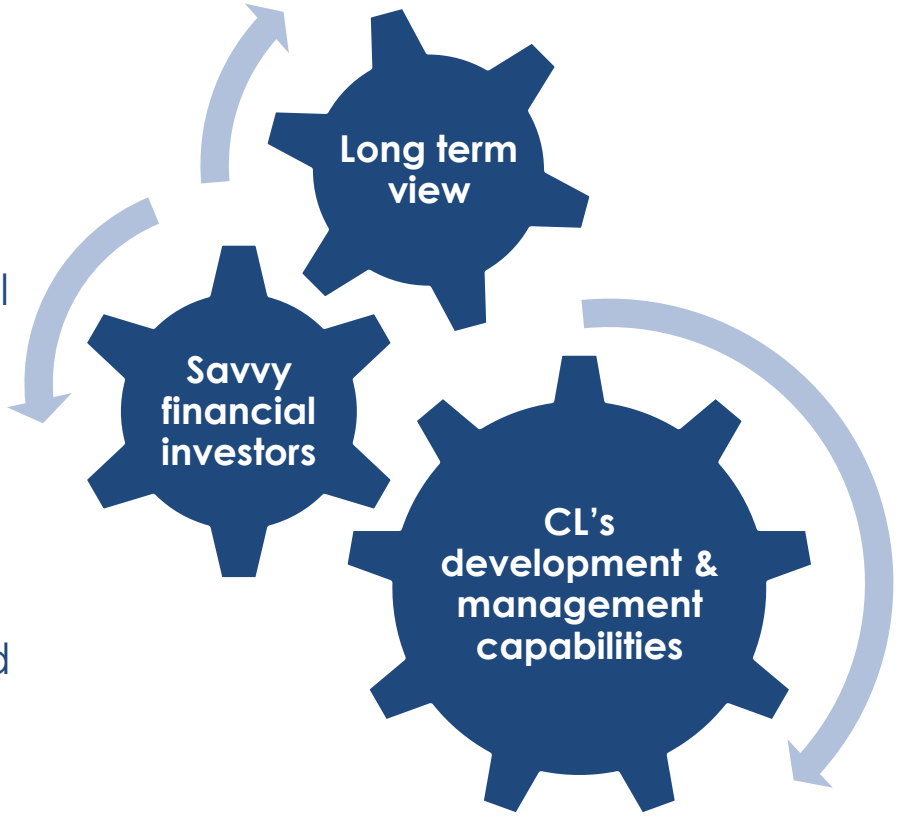
CapitaLand's Value Proposition as Fund Manager

How Does CapitaLand Differentiate Itself From Other Peers?

- **Significant sponsor stake and strong alignment of interest with investors**
- **One-stop real estate solution for investors**
  - Large and deep real estate footprint across Asia
  - Intimate market insights & deal flow access
  - Multi-sector focus
  - Developer-operator capabilities
- **Demonstrated ability to create liquidity options e.g. REITs**
- **Strong balance sheet**
- **Desire to maintain high governance standards and minimise conflicts of interests**
- **Sustainability focus**

Going Forward

- **Continued importance of fund management to CapitaLand**
  - ROE-enhancing "leverage"
  - Central to the active capital management strategy of CL
  - Strategic contributions – AUM growth, Capital Recycling, ROE enhancement
- **Focus for next two years**
  - Deepen existing relationships; cultivate more relationships
  - More Funds/Partnerships/JVs with existing and new partners
  - Capital partnership for both CL and REITs
  - 3-4 new vehicles with AUM of approximately S$4-6 billion





Thank You