



CapitaLand Debt Investors' Day 2015

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7 September 2015



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.



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- **1H 2015 Financial Highlights**
- **Business Strategy Review**
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Overview – 2Q 2015

Revenue

\$S\$1,031.3

million

▲ 18% YoY

EBIT

\$S\$875.1

million

▲ 9% YoY

PATMI

\$S\$464.0

million

▲ 6% YoY

Total Operating PATMI¹

\$S\$256.1

million

▲ 88% YoY

Note:

1. Includes fair value gain of \$S\$125.9 million arising from change in use of 2 development projects in China, The Paragon Tower 5 & 6 (\$S\$110.3 million) and Raffles City Changning Tower 3 (\$S\$15.6 million) from construction for sale to leasing as investment properties. These projects are located at prime location in Shanghai and the Group has changed its business plan to hold these projects for long-term use as investment properties



Overview – 1H 2015

Revenue

Continuing Operations

\$S\$1,946.3

million

▲ 31% YoY

EBIT

Continuing Operations

\$S\$1,256.6

million

▲ 3% YoY

PATMI

Continuing Operations

\$S\$625.3

million

▲ 7% YoY

Total Operating

PATMI¹

\$S\$411.3

million

▲ 41% YoY²

Note:

1. Includes fair value gain of \$S\$170.6 million arising from change in use of 3 development projects in China, The Paragon Tower 5 & 6 (\$S\$110.3 million), Raffles City Changning Tower 3 (\$S\$15.6 million) and Ascott Heng Shan (\$S\$44.7 million) from construction for sale to leasing as investment properties. These projects are located in prime location in Shanghai and the Group has changed its business plan to hold these projects for long-term use as investment properties
2. Includes operating PATMI from discontinued operations of \$S\$16.3 million in 1H 2014

A low-angle photograph of the Capital Tower in Singapore, showing its distinctive stepped design and glass facade against a blue sky with white clouds. The tower is the central focus on the left side of the image.

Business Strategy Review

Capital Tower, Singapore



1 Achieved Significant Scale Across Various Asset Classes¹



Group Managed Real Estate Assets

\$S\$73.1 Billion²

Revenue Under Management

\$S\$8.7 Billion of which
Rental RUM is \$S\$3.9 Billion

Total Home Units Constructed
(Since 2000)

>62,000

Office Tenants In Singapore
And China

>900

Gross Turnover Sales
Of Retailers

\$S\$10.2 Billion

Shopper Traffic
Across 5 Countries

960 Million

Retail Leases Across
5 Countries

~15,000

Unique Serviced Residence
Customers

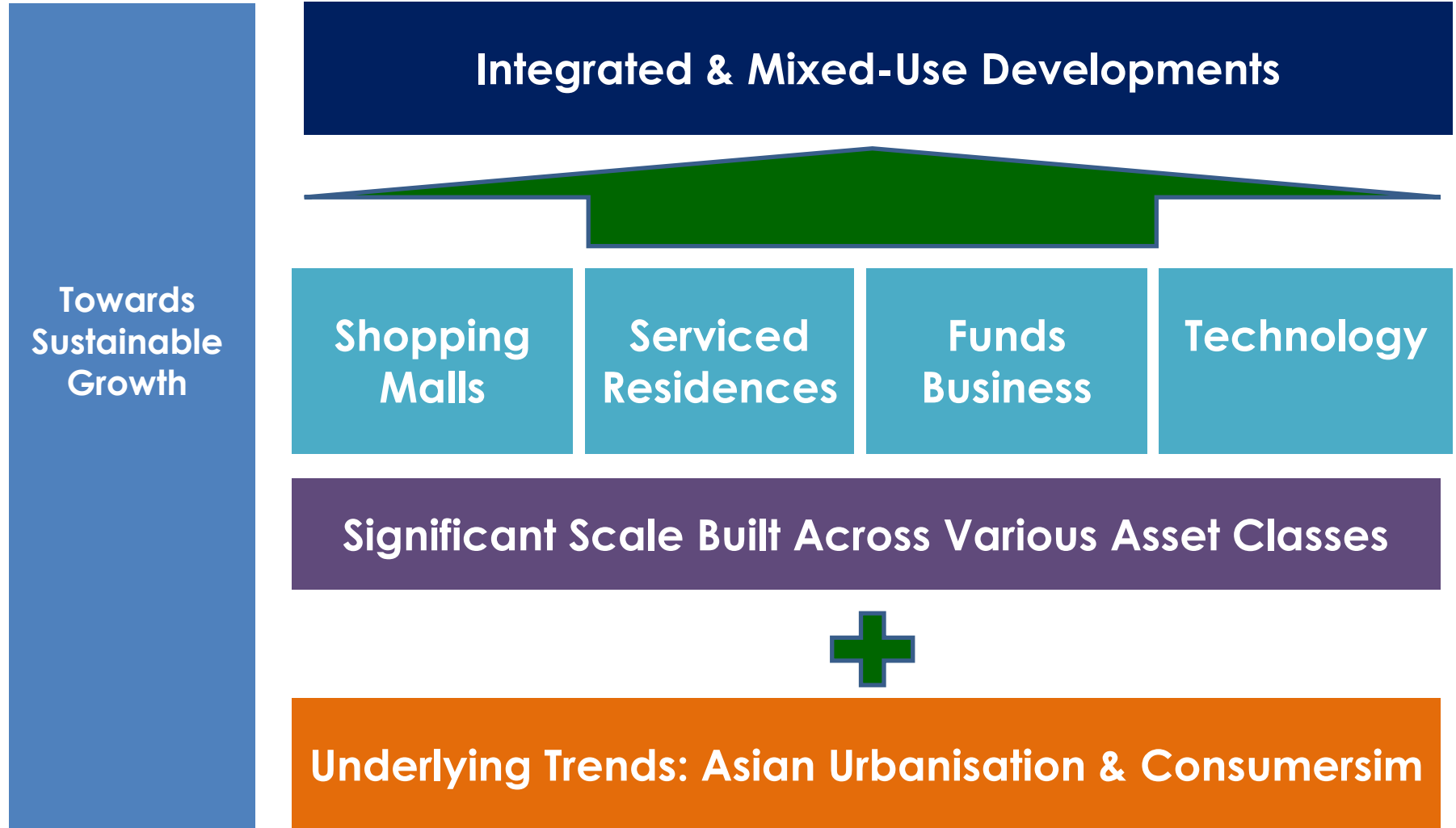
~660,000

Notes:

1. Numbers stated as of FY2014 numbers unless otherwise stated
2. As of 30 June 2015



① A Differentiated Story From Our Peers Through Unique Competitive Advantages





② Deepening Presence In Core Markets, While Building A Pan-Asian Portfolio

Through CapitaLand's Asian Platform & The SR Global Platform

Asian Platform

- Continue to deepen presence in our two core markets of Singapore and China
- Expand presence in new growth markets of Vietnam, Indonesia and Malaysia



**Capture
Real Estate
Value In
Asia And
Globally**



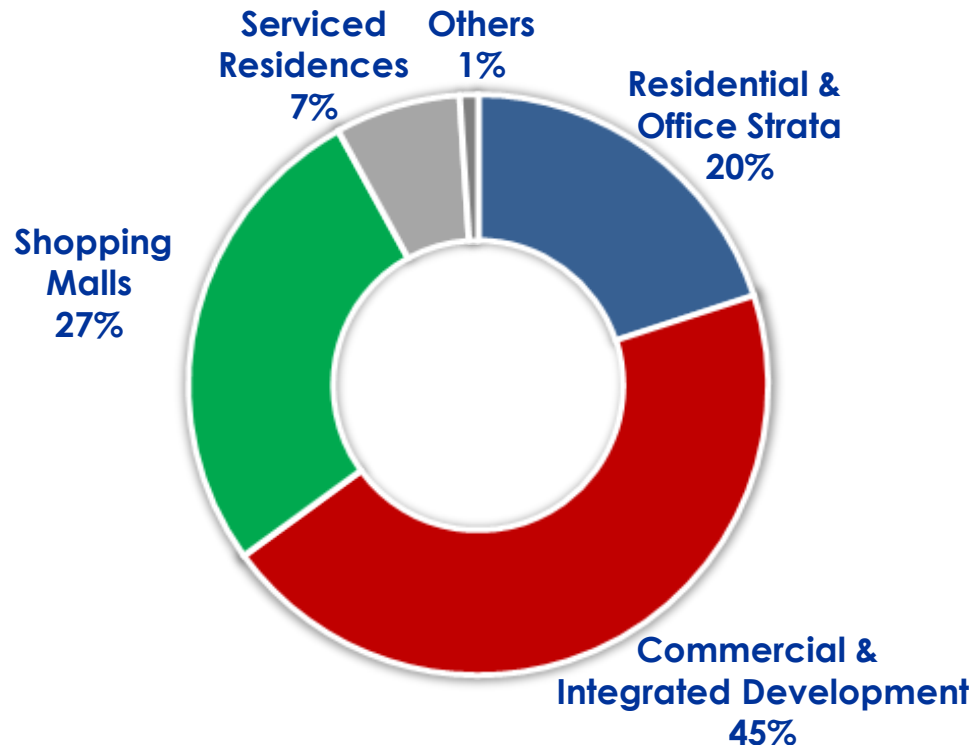
SR Global Platform

- Serviced Residence to tap global investment opportunities
- Leverage on SR Global Systems to add value to real estate
- More projects to achieve network benefits
- Ride the real estate cycle of different markets by investing in gateway cities globally

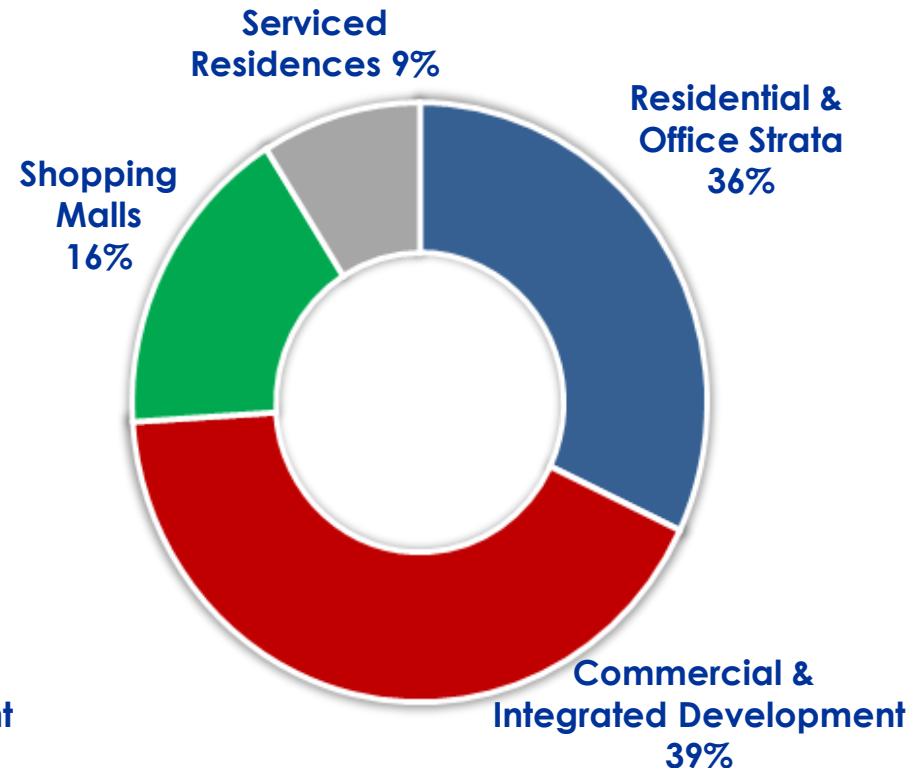


② Well-Diversified Portfolio In Core Markets – Not Overly Exposed To One Particular Asset Class

**Singapore Assets - S\$17.6 billion
(39% of Group's Total Assets¹)**



**China Assets - S\$20.7 billion
(45% of Group's Total Assets¹)**



Well-balanced To Ride Through Cycles

Note:

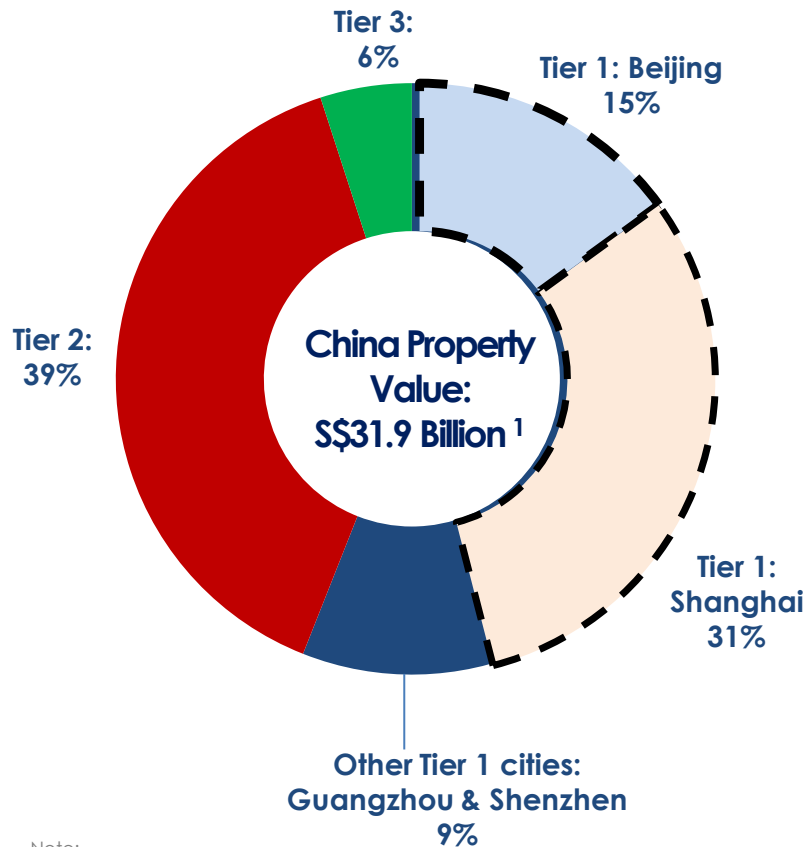
1. Defined as total assets owned by CL Group at book value and excludes treasury cash held by CL and its treasury vehicles

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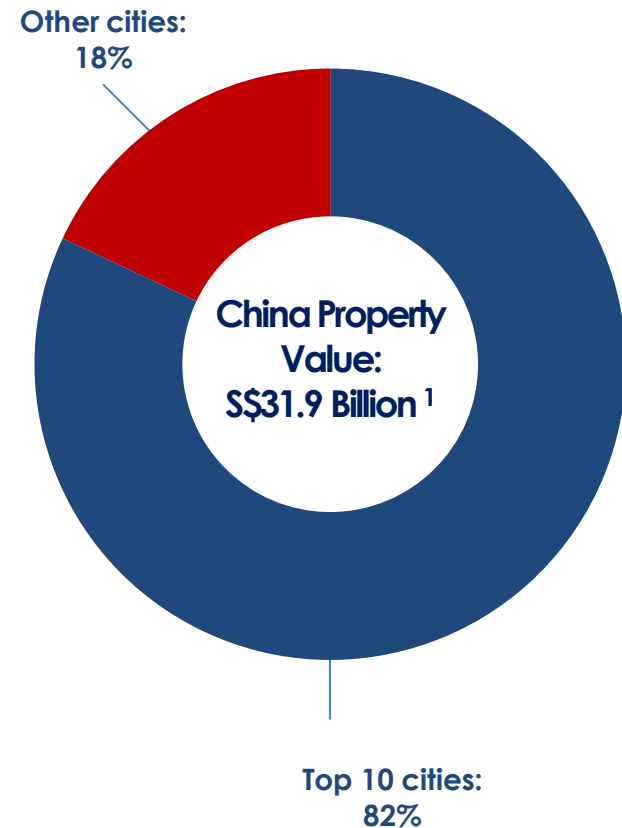


② China – Continue To Focus On Tier 1 & Tier 2 Cities

Tier 1 & Tier 2 Cities Make Up ~94% Of China's Property Value



China's Top 10 Cities² In CL's 5 City Clusters; Make up ~82% of China's Property Value



Note:

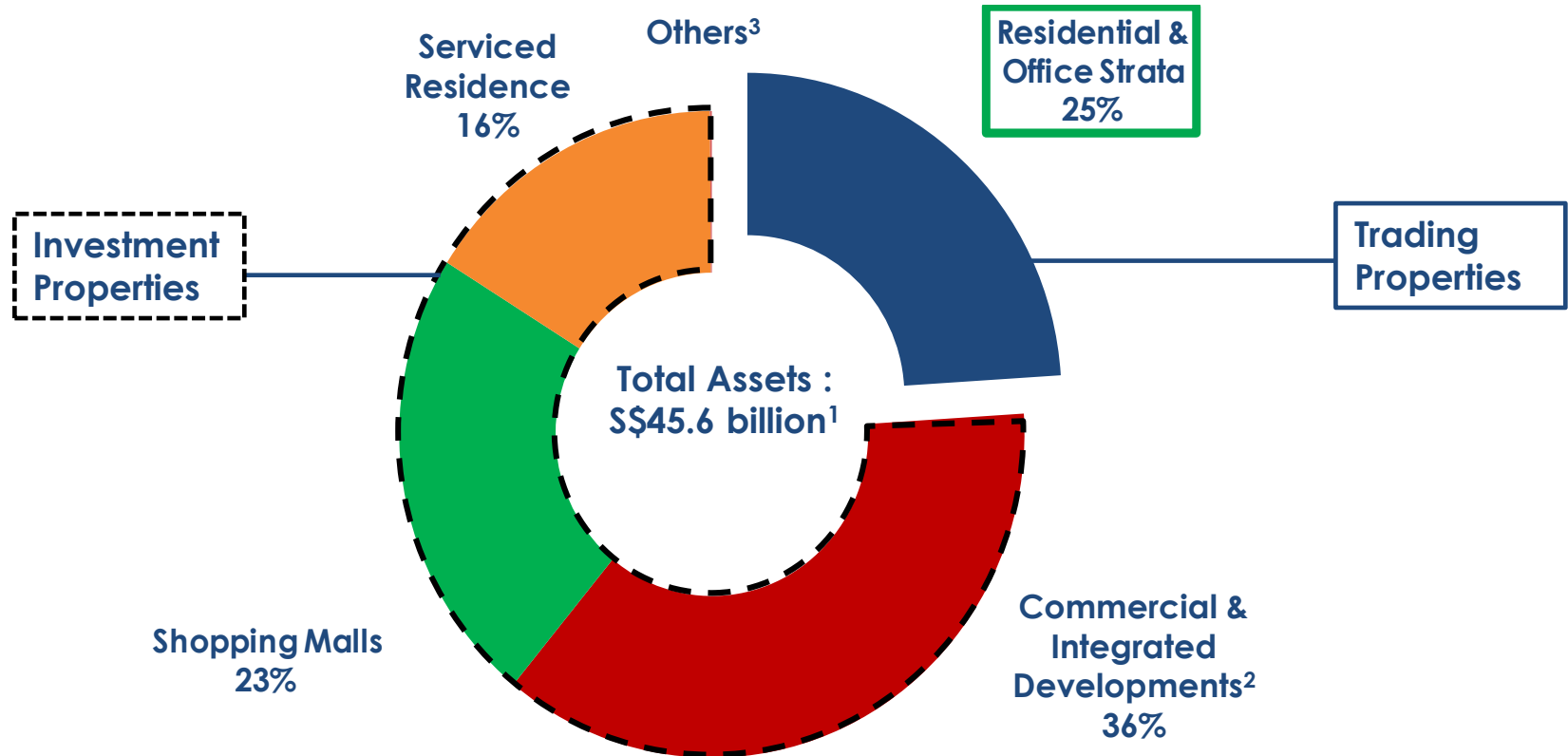
¹ As of 30 June 2015, Property value on 100% basis

² Top 10 cities in terms of GDP per capita include: Beijing, Shanghai, Guangzhou, Shenzhen, Tianjin, Hangzhou, Ningbo, Chengdu, Chongqing, Wuhan

³ On a 100% basis. Includes assets held by CapitaLand China, CapitaLand Mall Asia and Ascott in China (both operational and non-operational). Excludes properties that are under management contracts



③ Optimal Portfolio Mix Provides Stable Recurring Income



**Majority or ~75% Of Total Assets Contribute To Recurring Income;
~25% Of Total Assets Contribute To Trading Income**

Note:

1. As of 30 June 2015. Defined as total assets owned by CL Group at book value and excludes treasury cash held by CL and its treasury vehicles
2. Excludes residential component.
3. Less than 1%



④ Capital Management Platforms Remain An Integral Part Of CL's Strategy

S\$44.1b AUM

As of 30 June 2015

5 Listed REITs*

16 Private Equity Funds



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



4 Expand Using CL's Leadership In Scale And Product Type For REITs & Funds

16 Non-Listed Real Estate Funds¹

- **#1 in PERE's Asia Pacific Fund Manager Ranking²**
- With US\$3.62 billion capital raised
- **Highest-ranked Asian player by real estate assets managed globally, based on ANREV/INREV/NCREIF Fund Manager Survey 2015**

5 Publicly-Listed REITs¹

CapitaLand Mall Trust – S\$7.6 bil. Market Cap

- First & Largest REIT by market capitalisation and asset size in Singapore

CapitaLand Commercial Trust – S\$5.0 bil. Market Cap

- First & Largest Listed Commercial REIT in Singapore

Ascott Residence Trust – S\$2.0 bil. Market Cap

- Premier SR real estate investment trust with quality assets in key global assets

CapitaLand Retail China Trust – S\$1.5 bil. Market Cap

- First & Only China Shopping Mall S-REIT

CapitaMalls Malaysia Trust – RM\$2.7 bil. Market Cap

- Malaysia's shopping mall-focussed REIT with an income- and geographically-diversified portfolio

Total AUM Of S\$44.1 Billion¹

Note:

1. As at 30 June 2015

2. PERE ranking considers (a) capital invested solely in Asia Pacific; (b) includes 3rd party and sponsor equity raised; (c) capital committed from Jan 2009 to Sep 2014; and (d) includes JVs/Funds/club deals.





5 Building The Future Of Real Estate With Technology

- Rationale: Future-Proofing & Staying Relevant
- Setting Up The CapitaLand Technology Council With High-Calibre Technology Stalwarts To Provide Strategic Inputs

- Managing Partner, GGV Capital
- Board Mbr (Baidu, Youku-Tudou, Meilishuo)
- Investor (Meilishuo, Douguo, GrabTaxi, Didi, Tujia, Yangchediandian)

Mr FOO
Jixun



- Managing Partner, Matrix Partners China
- Board Mbr/Investor (Adsame Network, Aipai Games, Bona Film, China Reach Surgical, Kingnet Network, Yoka.com, China Kanghui)

Mr David
SU



- CEO, Media Development Authority of Singapore
- Key agency to drive SG Smart Nation vision
- Map innovative infocomm media solutions
- Former Principal Private Secretary to Prime Minister of Singapore

Mr Gabriel
LIM



Delivering The Business Strategy

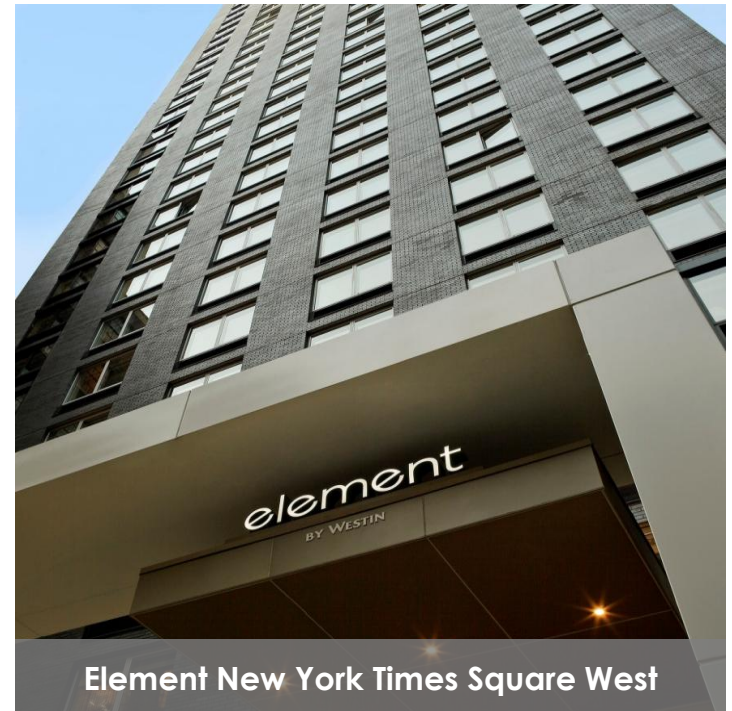
ION Orchard, Singapore



Building The Global Platform Through Serviced Residence

Ascott REIT's Accretive Acquisition Of A Prime Extended-Stay Hotel Property Located In Manhattan, New York City (NYC)

- Maiden Investment into the U.S.
 - Gained foothold into the high demand and highly contested accommodation and hospitality market of NYC
- Centrally located in Times Square which is the commercial and cultural epicenter of Manhattan, NYC



Element New York Times Square West

Entry Into The U.S. Has Successfully Positioned Ascott REIT Into A Global Hospitality Player With Presence Across 40 cities In 14 Countries



Active Portfolio Reconstitution

A) Reconstitution Of Japan's Portfolio

- Acquired Vivit from CapitaMalls Japan Fund at agreed property price of JPY7.0 billion
- Attractively priced and stable source of income
- Divested Chitose Mall to unrelated 3rd party



B) Divestment Of 30% Stake In Entity Holding PWC Building

- Divested 30% stake in DBS China Square Limited (DCS) which owns PWC Building for sale consideration of S\$150 million¹
- Based on PWC Building's valuation of S\$673 million as at 31 December 2014, transaction price was ~S\$1,892 psf²



Asset Reconstitution As Part Of Balance Sheet Management

Notes:

1. Adjusted book value based on management accounts of DCS as at 31 May 2015

2. Based on property NLA of 355,704 sq ft

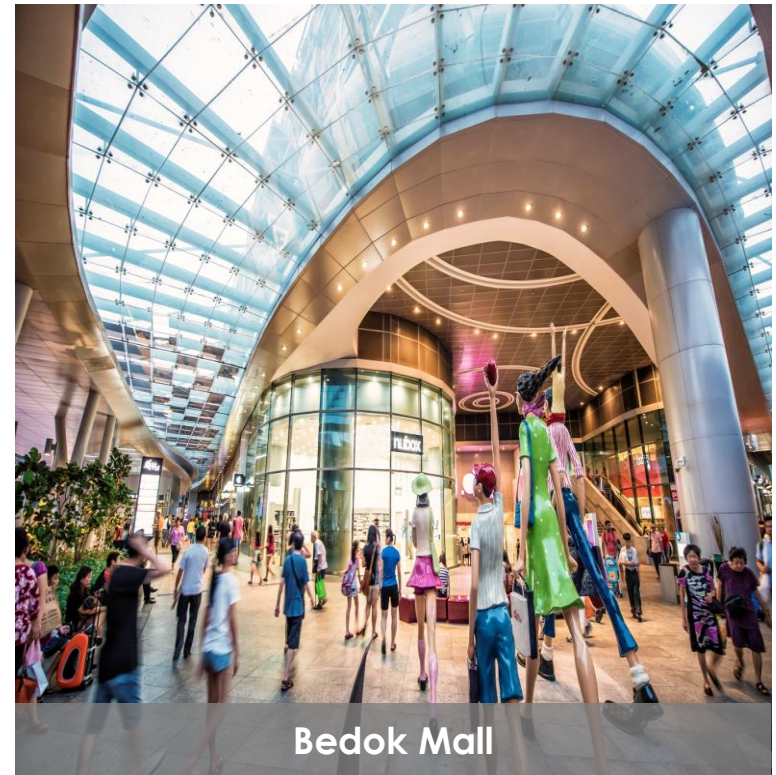
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Capital Recycling Through CL's REITs

1) Divestment Of Bedok Mall To CapitaLand Mall Trust (CMT)

- Sold Bedok Mall to CMT for S\$783.1 million¹
- Realised revaluation gain of >S\$90 million² since inception; of which S\$30 million recognised in 1H 2015
- CapitaLand continues to manage Bedok Mall
- Partial payment of Purchase Consideration using CMT units => CL's stake in CMT is expected to increase from 27.71% to 29.26%³
- Demonstrates CapitaLand's commitment in its REITs



Bedok Mall

Active Capital Recycling Keeps Balance Sheet Robust

Notes:

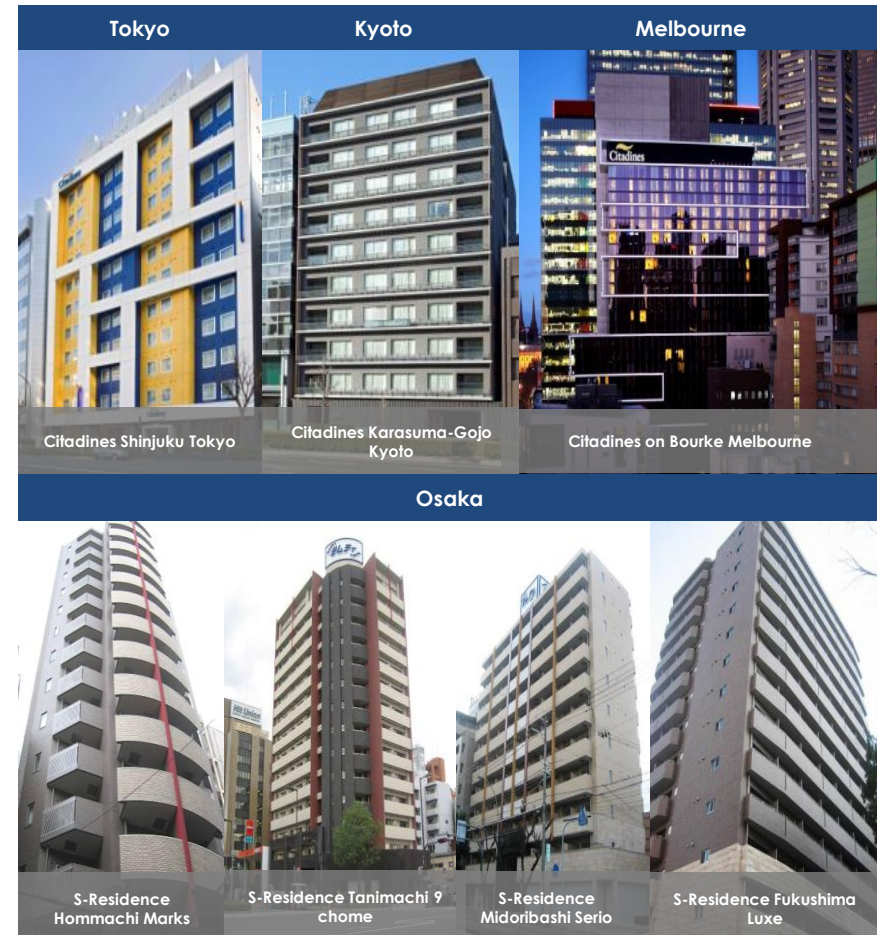
1. Based on agreed value of Bedok Mall of S\$780 million (inclusive of fixed assets) and other net assets of Brilliance Mall Trust of about S\$3.1 million
2. As recorded at asset level since inception
3. As announced on 14 July 2015, completion subject to CMT Unitholders' approval at Extraordinary General Meeting; expected completion in 4Q 2015. Based on the Purchase Consideration being satisfied by way of issuance of 72 million Units to the Vendors on the completion date and payment of balance amount in cash. The final issue price of the Consideration Units will be determined based on the VWAP for a period of 10 business days immediately preceding the completion date.



Capital Recycling Through CL's REITs (Cont'd)

2) Divestment Of Serviced Residences & Rental Housing Properties Worth ~\$372.8 Million¹ To Ascott Residence Trust (Ascott REIT)

- Divestment of serviced residence properties in Australia and Japan, as well as rental housing properties in Japan to Ascott REIT
- Ascott retains the serviced residence management of the 3 properties post divestment
- Ascott also continues to benefit from these properties' stable income stream through ~46% ownership in Ascott REIT



Note:

1. Announced on 25 June 2015. Agreed property value

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Reigniting Capital Management Platforms

- Funds/JVs

Global Serviced Residence Joint Venture Between Ascott & Qatar Investment Authority (QIA)

- Committed aggregate equity funding of US\$600 million
- To invest in serviced residence projects globally with an initial focus in the Asia Pacific region and Europe
- Key benefits:
 - Extend Ascott's leadership position as the world's largest international serviced residence owner-operator; accelerates Ascott's growth towards 80,000 units under management by 2020
 - Grow fee-based income and enhance returns on equity
 - Develop long term relationship with blue chip capital partner and help to diversify CL's capital partner base

**Part Of CapitaLand's Fund Management Strategy
To Set Up 6 New Funds Worth Up To S\$10 Billion By 2020**



Leveraging Technological Innovation To Enhance CL's Real Estate Offerings

Ascott's Strategic Investment In Tujia.com International (\$\$67.69 Million) & Set Up Of A Joint Venture (\$\$54.15 Million)

- Led consortium to invest over \$120 million in China's largest and fastest growing online apartment sharing platform
- Capitalise on Tujia's unique business model and technological capabilities to:
 - Strengthen competitive advantages to expand operation scale, enhance brand value and entrench leadership position in China
 - Optimise service delivery, improve "customer stickiness" and lower cost of operations
- Continue Ascott's existing business model of acquiring good quality real estate and entering into management contracts to expand its business in China

**Sharpening CL's Customer-Centric Focus
To Develop Real Estate Of The Future**

Conclusion

Six Battery Road, Singapore

Going Forward: Concentrate On Execution To Deliver Sustainable Results

Bedok Residences,
Singapore



Sky Habitat
Singapore



The Nassim
Singapore



Parc Botanica,
Chengdu



Vista Garden,
Guangzhou



Century Park,
Chengdu



Residential

Raffles City
Changning²



Raffles City
Hangzhou²



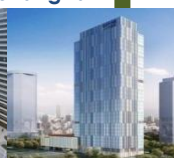
Luwan,
Shanghai



Raffles City
Shenzhen²



Capital Tower
Shanghai



Suzhou
Integrated Project



Raffles City
Chongqing²



Commercial /Integrated Developments

2015

2016

2017

2018

Malls

CapitaMall Sky+,
Guangzhou



CapitaMall 1818,
Wuhan



CapitaMall
Tiangongyuan
Beijing



Mall at
Gutian,
Wuhan



CapitaMall
Xinduxin,
Qingdao



Melawati Mall,
Kuala Lumpur



Jewel Changi
Airport, Singapore

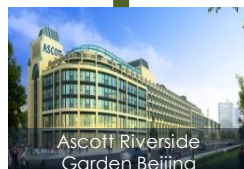
Serviced Residences³

Citadines Suites Arc
de Triomphe



~1,200 Pipeline Units
To Be Opened

Ascott Riverside
Garden Beijing



~6,900 Pipeline Units
To Be Opened

Ascott Marunouchi
Tokyo



~3,600 Pipeline Units
To Be Opened

Ascott Taiyuan



~3,200 Pipeline Units
To Be Opened

Note:

1. Projects listed above are those planned as of 30 June 2015
2. Based on the year of opening of the first component of the particular Raffles City development
3. Based on number of pipeline units in Ascott's inventory of ~14,900 units that are under development as of 30 June 2015



CapitaLand

Thank You