

HALF YEAR FINANCIAL REPORT

1 Jan – 30 Jun 2008

14 AUGUST 2008



CITY DEVELOPMENTS LIMITED

** Artist's Impression of South Beach*



AGENDA

1. FINANCIAL HIGHLIGHTS
2. OPERATIONS REVIEW
3. SINGAPORE PROPERTY MARKET
4. MARKET OUTLOOK



FINANCIAL HIGHLIGHTS



SUMMARY OF FINANCIAL HIGHLIGHTS

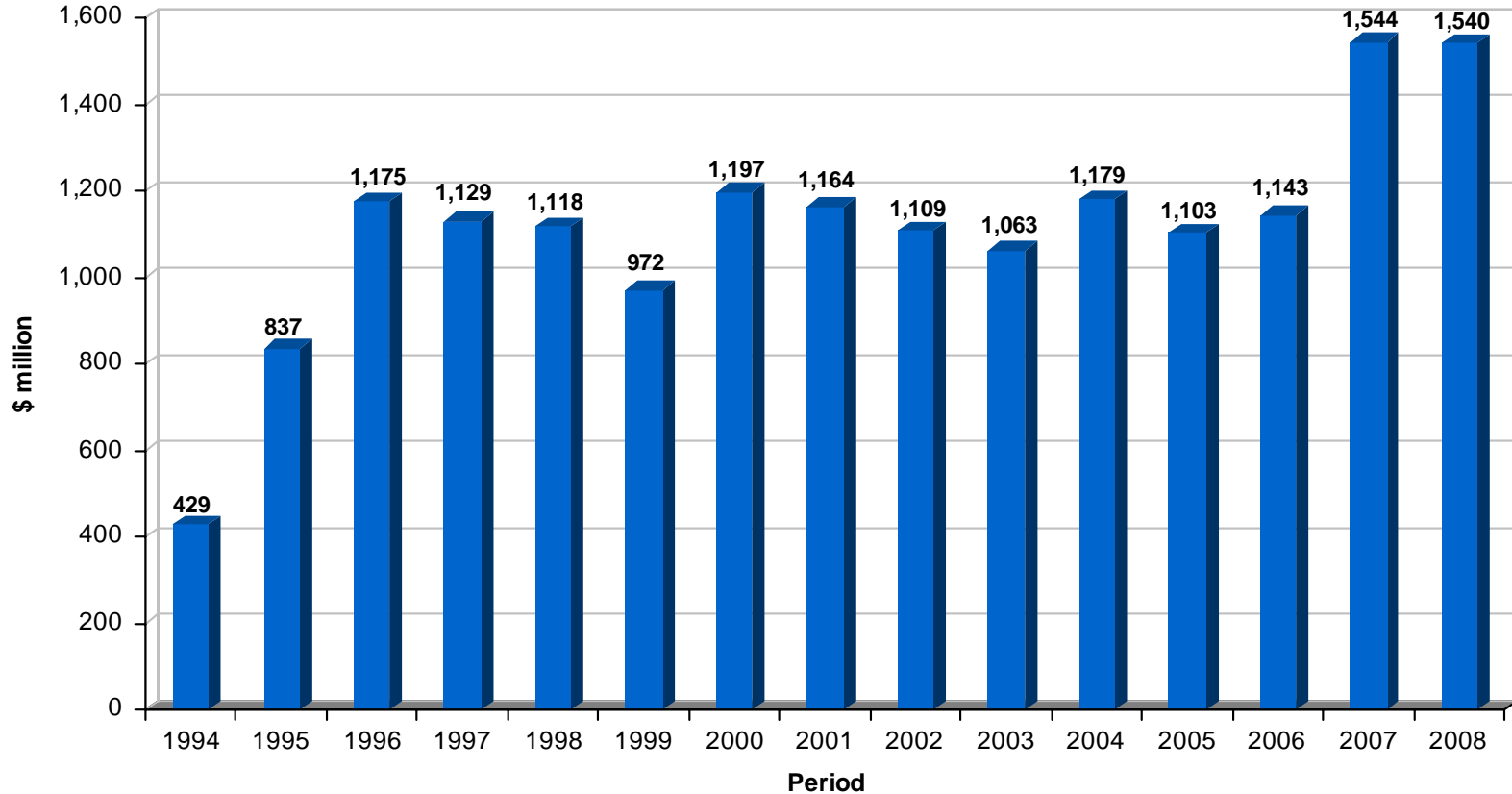
	Q2 2007	Q2 2008	% Change	1H 2007	1H 2008	% Change
Revenue (\$m)	775	781	0.7	1,544	1,540	(0.3)
Profit before tax (\$m)	247	249	0.7	425	481	13.1
PATMI (\$m)	194	165	(15.1)	321	330	3.0
PATMI (\$m) #	164	165	0.6	286	330	15.4
Basic Earnings Per Share (cents)	20.7	17.5	(15.5)	34.5	35.6	3.2
Basic Earnings Per Share (cents) #	17.3	17.5	1.2	30.7	35.6	16.0
NAV Per Share (\$)				5.44	5.77	6.1

Excluding write-back of overprovision in tax due to change in UK tax legislation on hotel tax allowances and reduction in tax rates in various geographical regions.



FINANCIAL HIGHLIGHTS

Revenue for the Period Ended 30 June

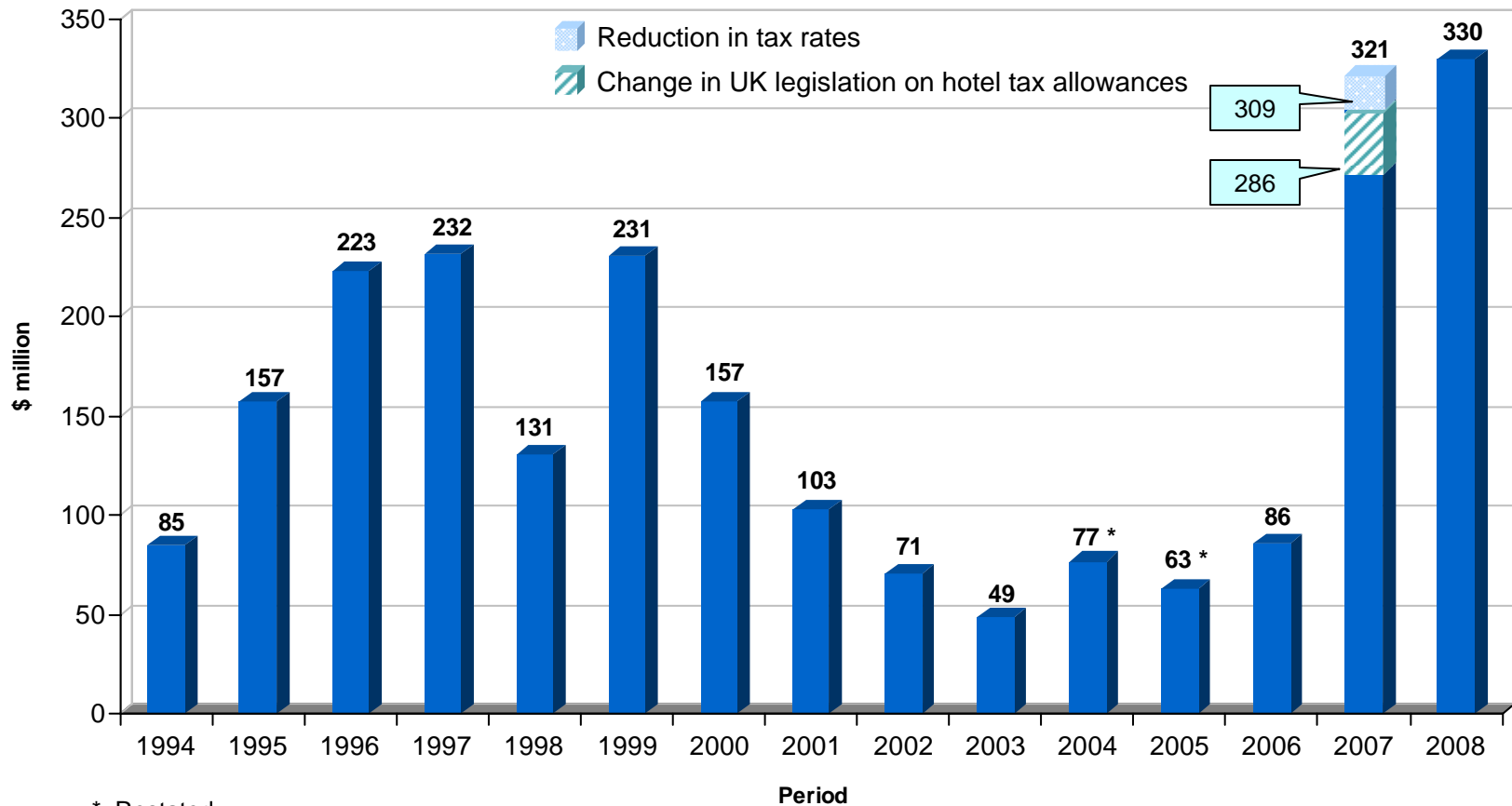


Note : The above financial information is extracted from half-yearly announcements.



FINANCIAL HIGHLIGHTS

PATMI for the Period Ended 30 June



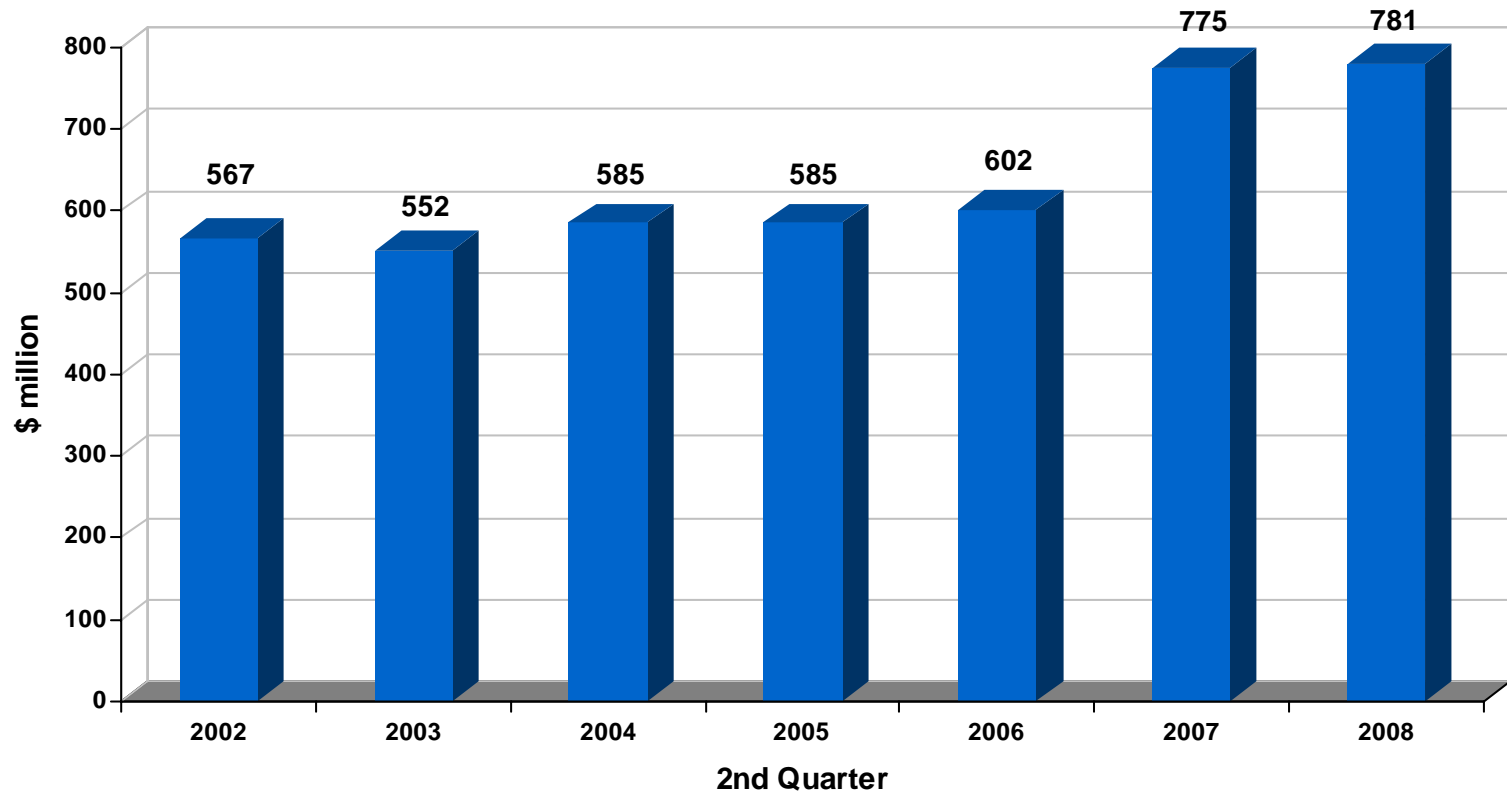
Note : The above financial information is extracted from half-yearly announcements.

The group has adopted FRS 40 cost model whereby its investment properties continue to be stated at cost less accumulated depreciation and accumulated impairment losses with effect from 1 Jan 2007.



FINANCIAL HIGHLIGHTS

Revenue for the Quarter Ended 30 June

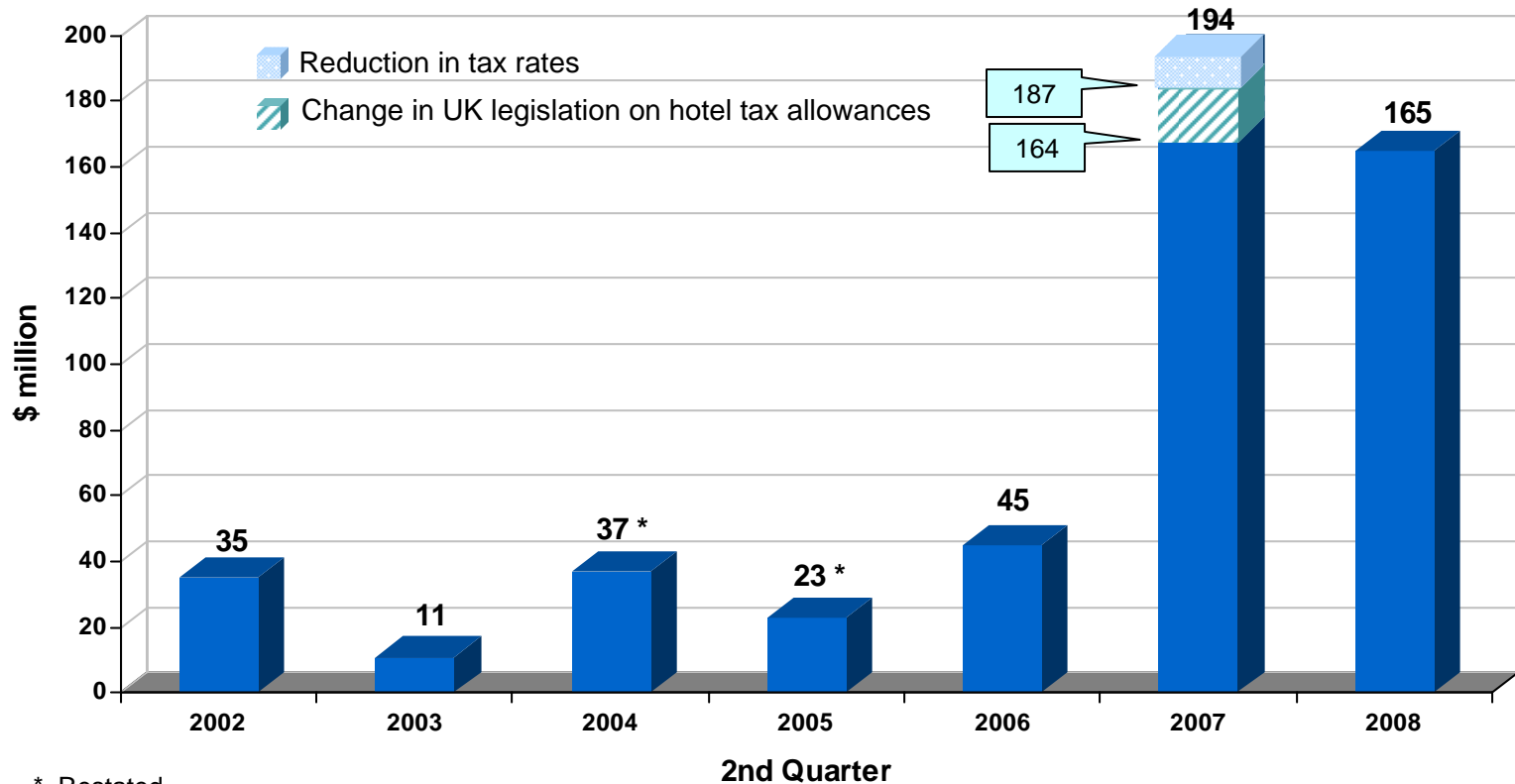


Note : The above financial information is extracted from half-yearly announcements.



FINANCIAL HIGHLIGHTS

PATMI for the Quarter Ended 30 June



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FINANCIAL HIGHLIGHTS

Profit Before Tax by Segment

	1H 2007 \$m	1H 2008 \$m	% Change
Property Development	238	303	↑ 27
Hotel Operations	129	126	↓ 2
Rental Properties	27	50	↑ 85
Others	32	3	↓ 91
Total	426	482	

**Overall Increase
= 13%**



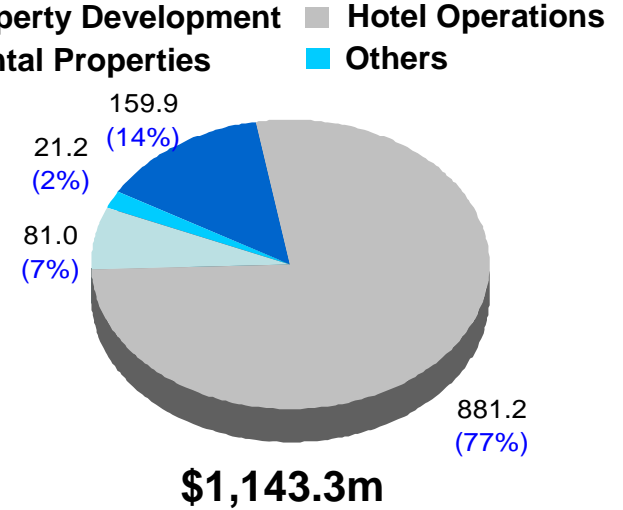
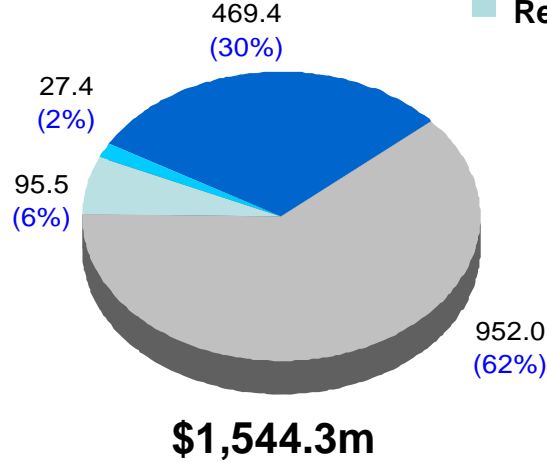
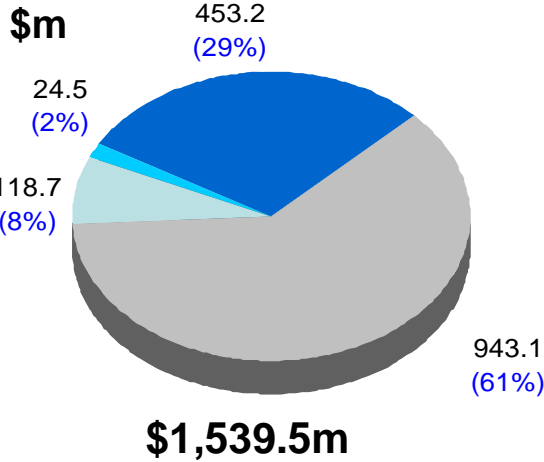
FINANCIAL HIGHLIGHTS – SEGMENT ANALYSIS

1H 2008

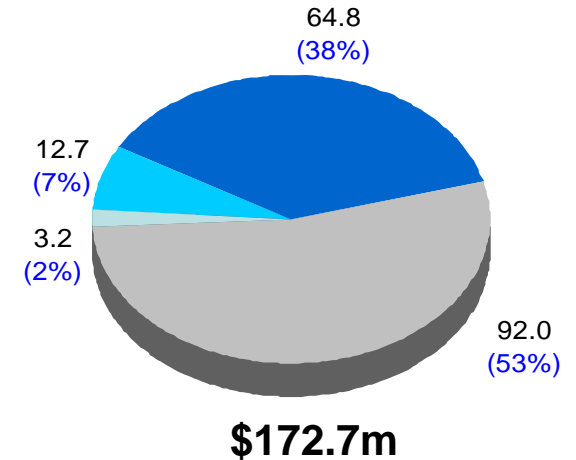
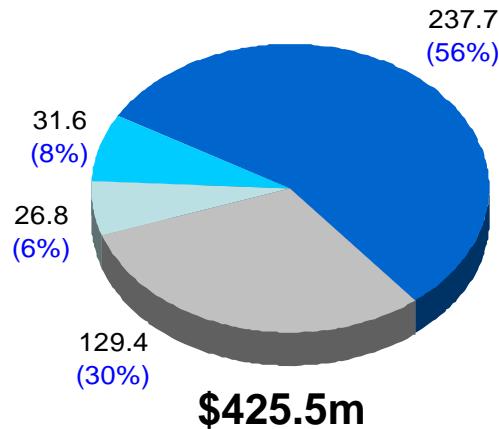
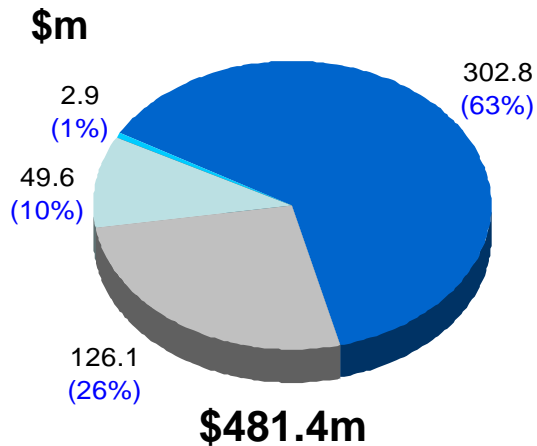
1H 2007

1H 2006

Revenue by Segment



Profit Before Tax by Segment

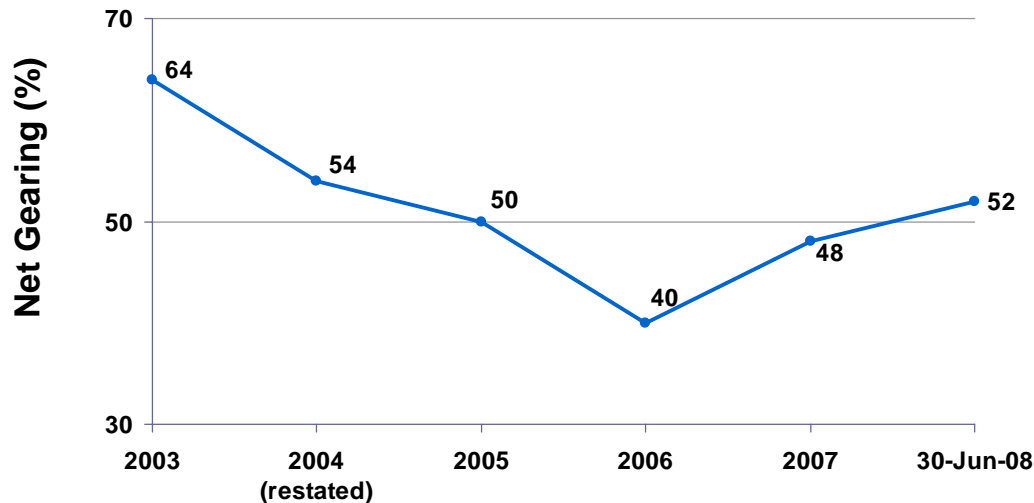


FINANCIAL HIGHLIGHTS

Net Borrowings

	As at 30/06/07	As at 31/12/07	As at 30/06/08
<u>CDL Group Total</u>			
Net Borrowings	\$2,777m	\$3,328m	\$3,560m
Interest Cover Ratio	9.7 x	10.5 x	11.7 x

CDL's Net Gearing (%) (2003 – 30 Jun 2008)



Note :

The net gearing ratio does not take into consideration the fair value gains on investment properties.

The gearing ratio will be lower if these fair value gains are taken into account.



FINANCIAL HIGHLIGHTS

Islamic Financing

- Singapore's first corporate Islamic unsecured *Sukuk-Ijarah* financing arrangement
- \$1 billion Islamic Multi-Currency Medium Term Notes (MTN)
- CDL Group currently has 3 conventional MTN programmes and this will diversify the stream of investors



OPERATIONS REVIEW



•Artist's Impression of Livia

OPERATIONS REVIEW

Planned Residential Project Launches for 2H 2008 (subject to market conditions)

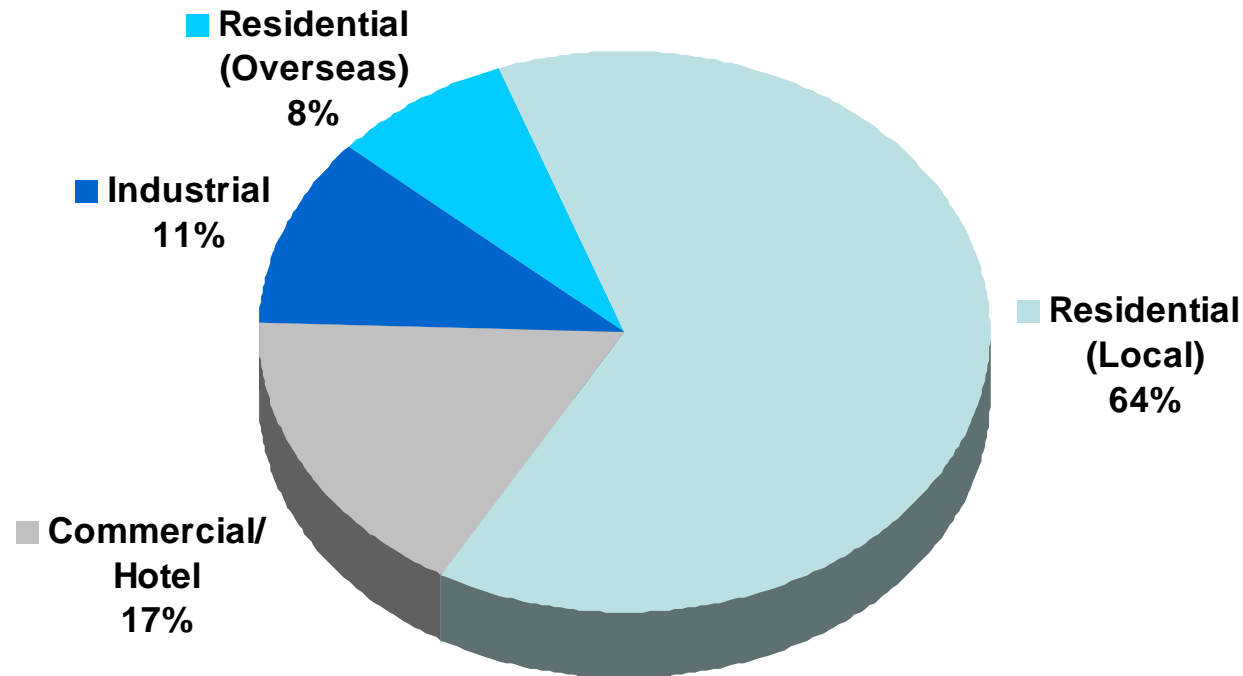
Projects	Units
Livia (Total 724) – Phase 2	200
“The Arte” at Thomson (Total 336)	100
The Quayside Collection at Sentosa Cove (Total 228)	100
<hr/>	
Total	400



OPERATIONS REVIEW

Land Bank by Sector (as at 30 June 2008)

Residential (Local & Overseas)	3,054,509	71.7
Commercial / Hotel	739,597	17.4
Industrial	462,818	10.9
TOTAL	4,256,924	100

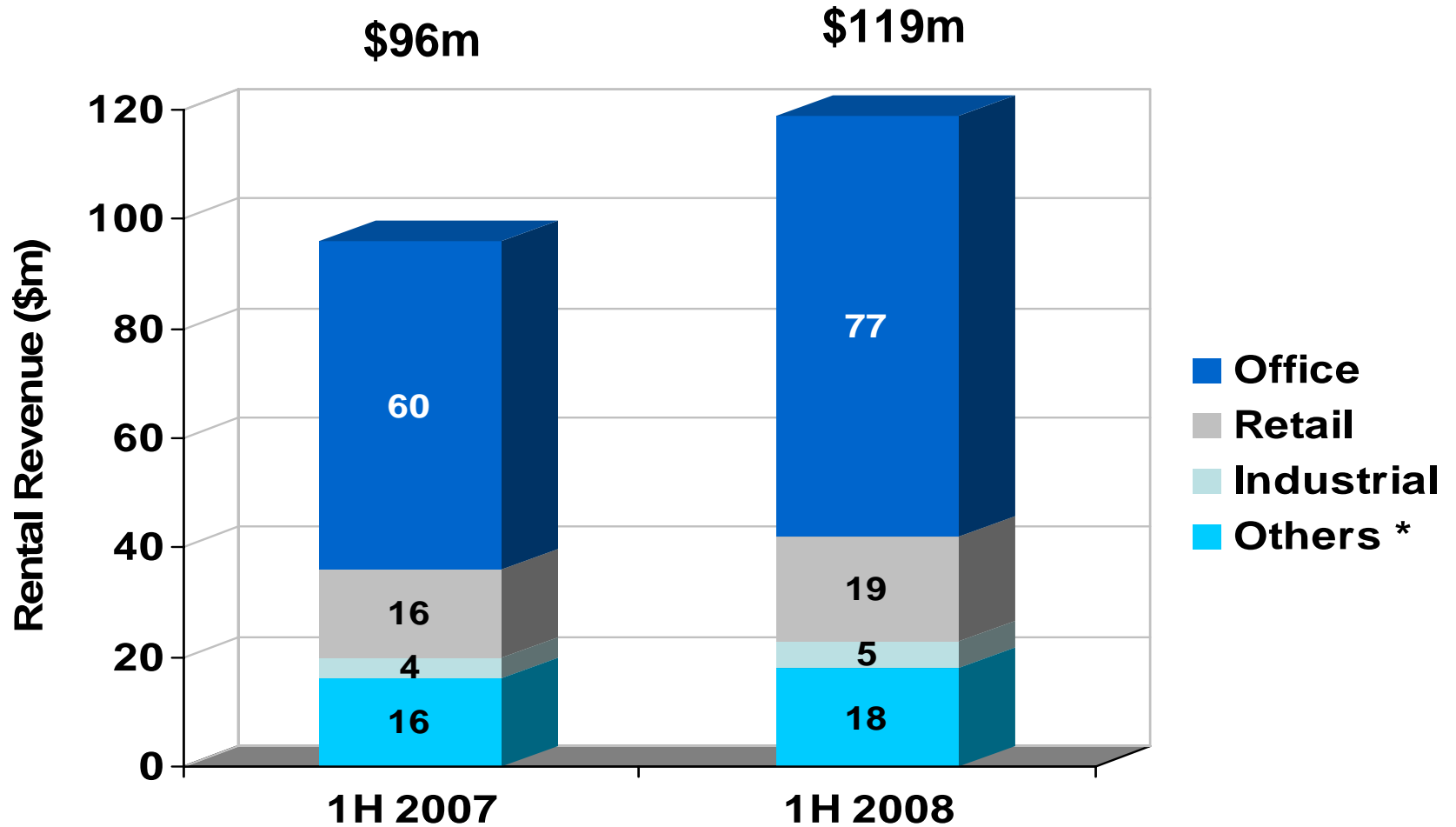


Proposed GFA - 8.9 million sq ft



OPERATIONS REVIEW

Rental Revenue by Sector



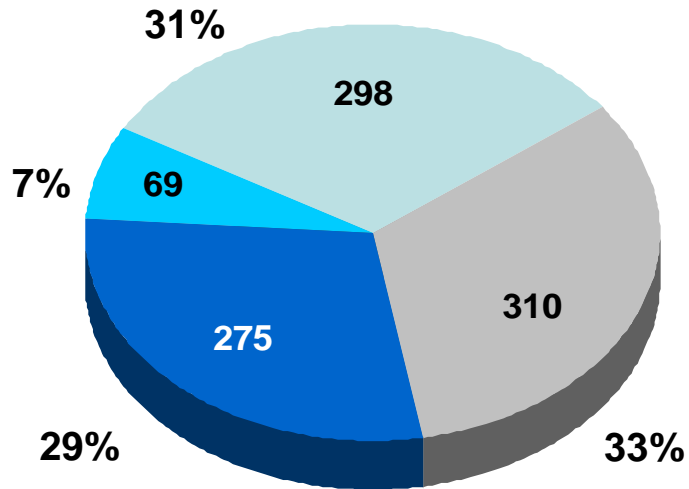
* Including car park, serviced apartment and residential



OPERATIONS REVIEW

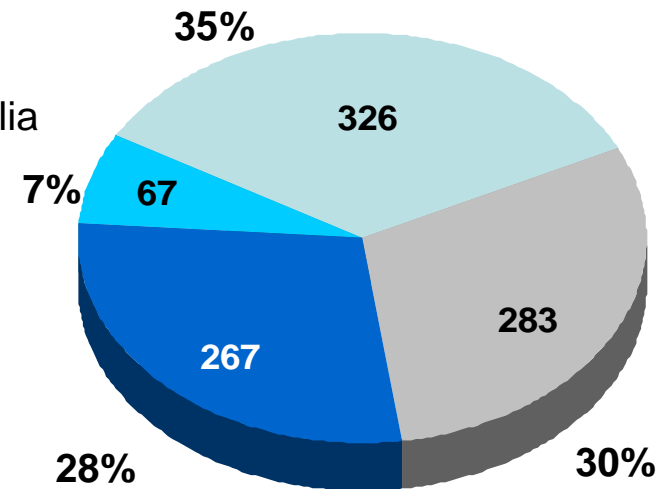
Hotel Revenue by Region

1H 2007



\$952m

1H 2008



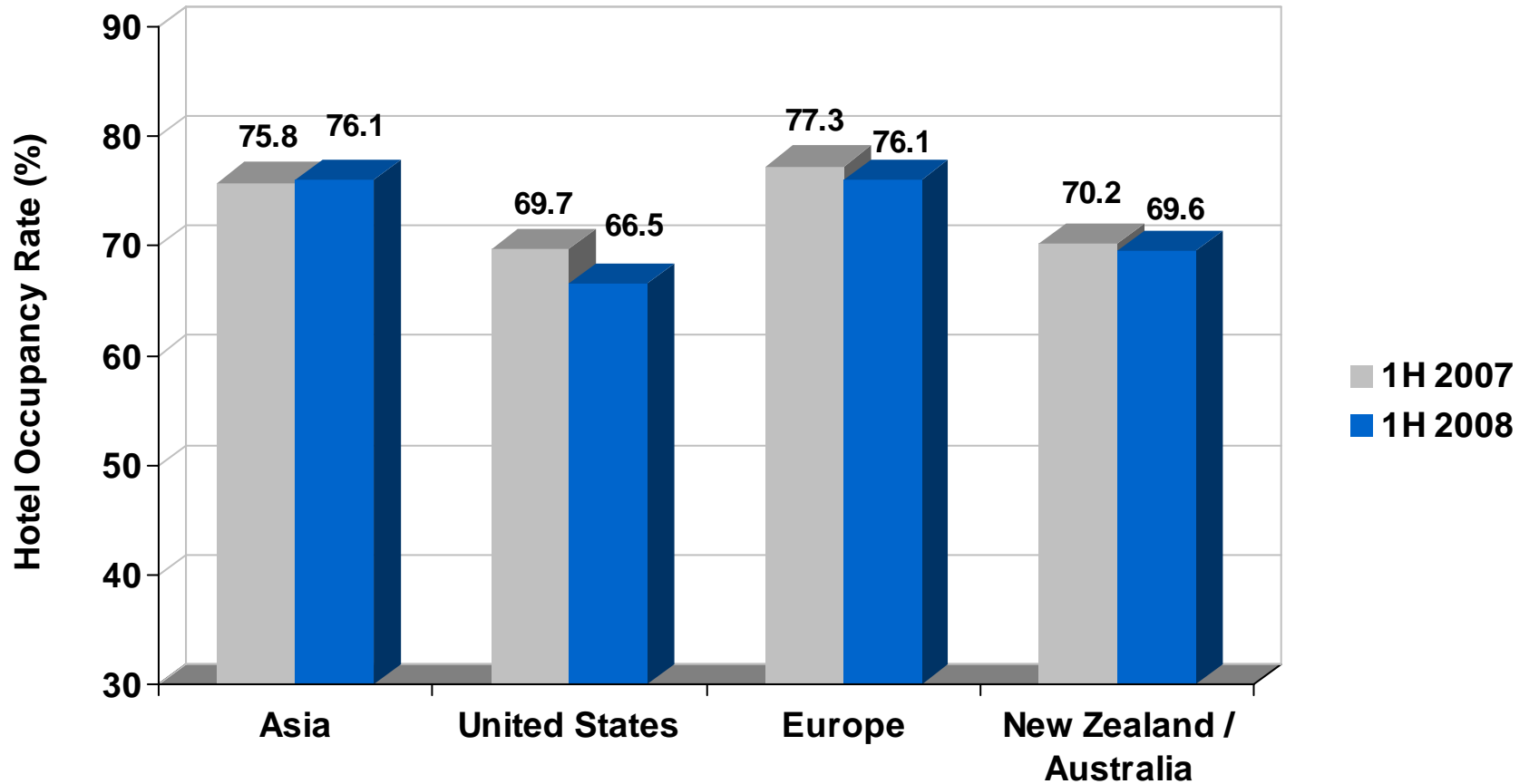
\$943m

Overall change
= ↓ 1%



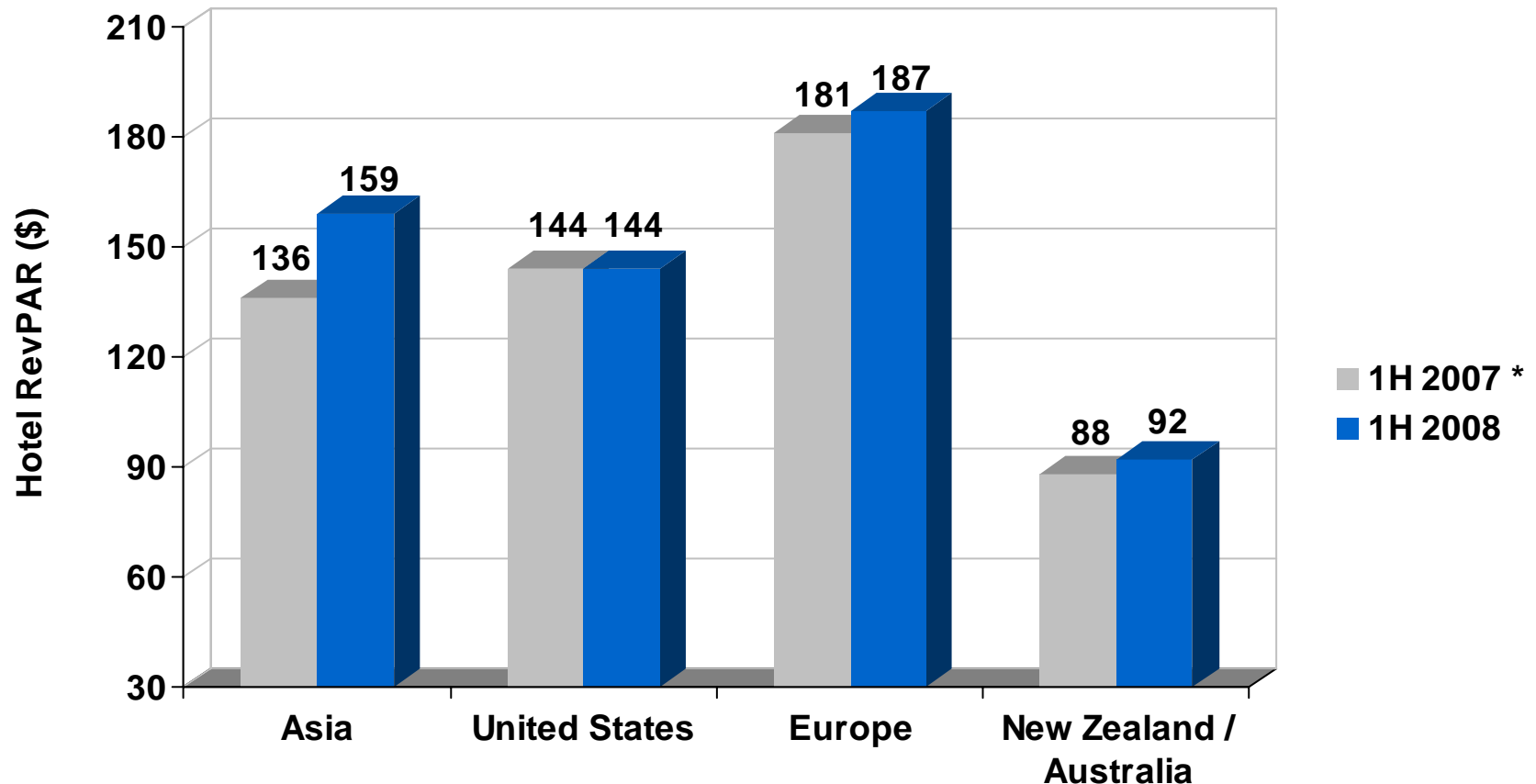
OPERATIONS REVIEW

Hotel Occupancy by Region



OPERATIONS REVIEW

Hotel Revenue Per Available Room at Constant Currency



* For comparability, the 1H 2007 RevPAR has been translated at constant exchange rates (30 Jun 2008).



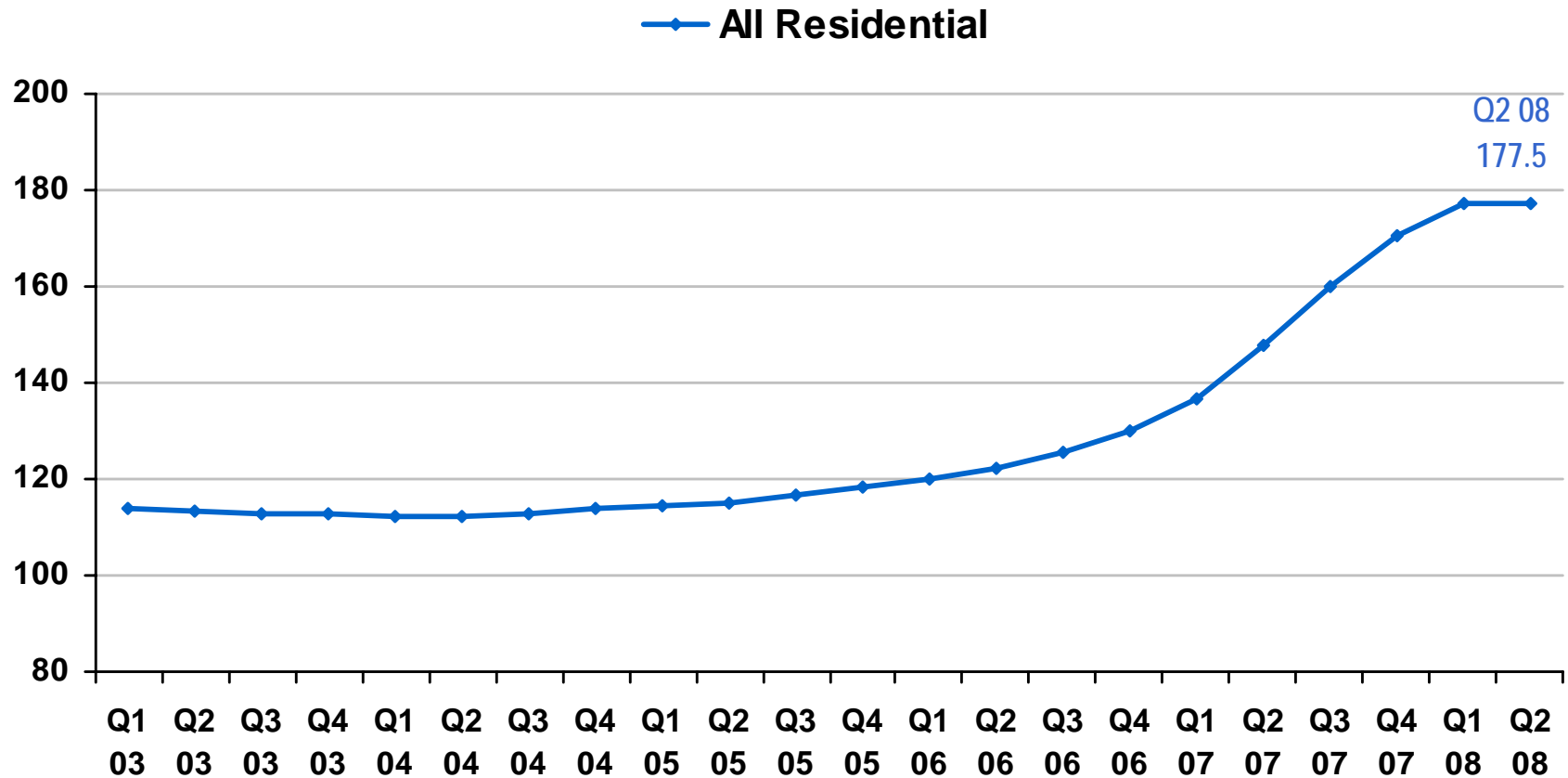
SINGAPORE PROPERTY MARKET



•Artist's Impression of Livia

SINGAPORE PROPERTY MARKET

Property Price Index – Residential (2003 – 1H 2008)



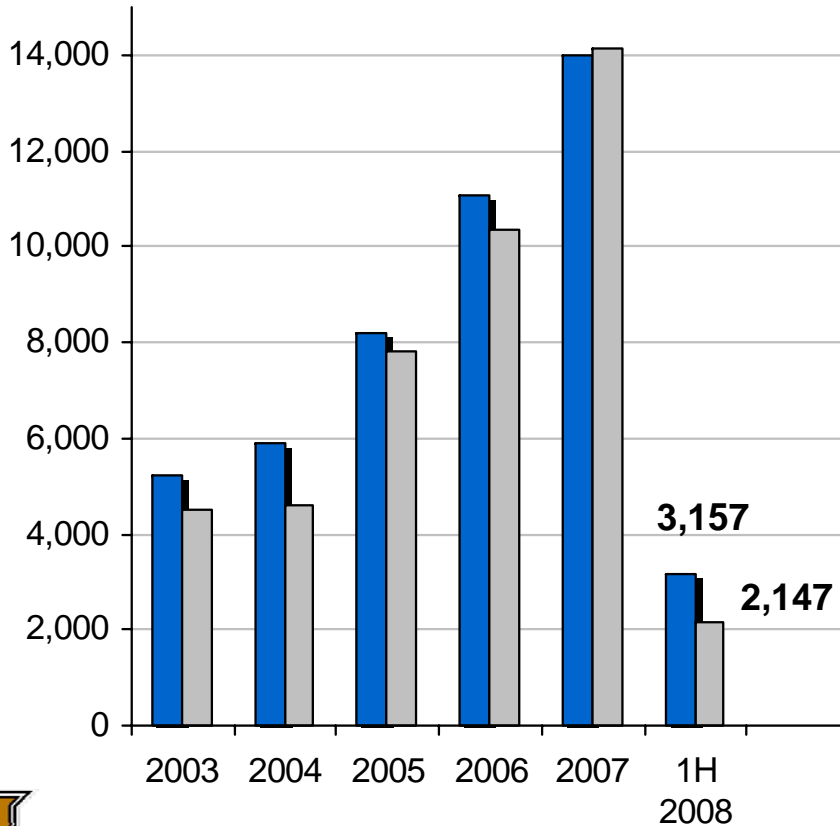
Source : URA, 2Q 2008



SINGAPORE PROPERTY MARKET

No. of New Private Residential Units Launched vs Units Sold (Projects under Construction) (2003 – 1H 2008)

■ New Units Launched □ New Units Sold (Projects Under Construction)



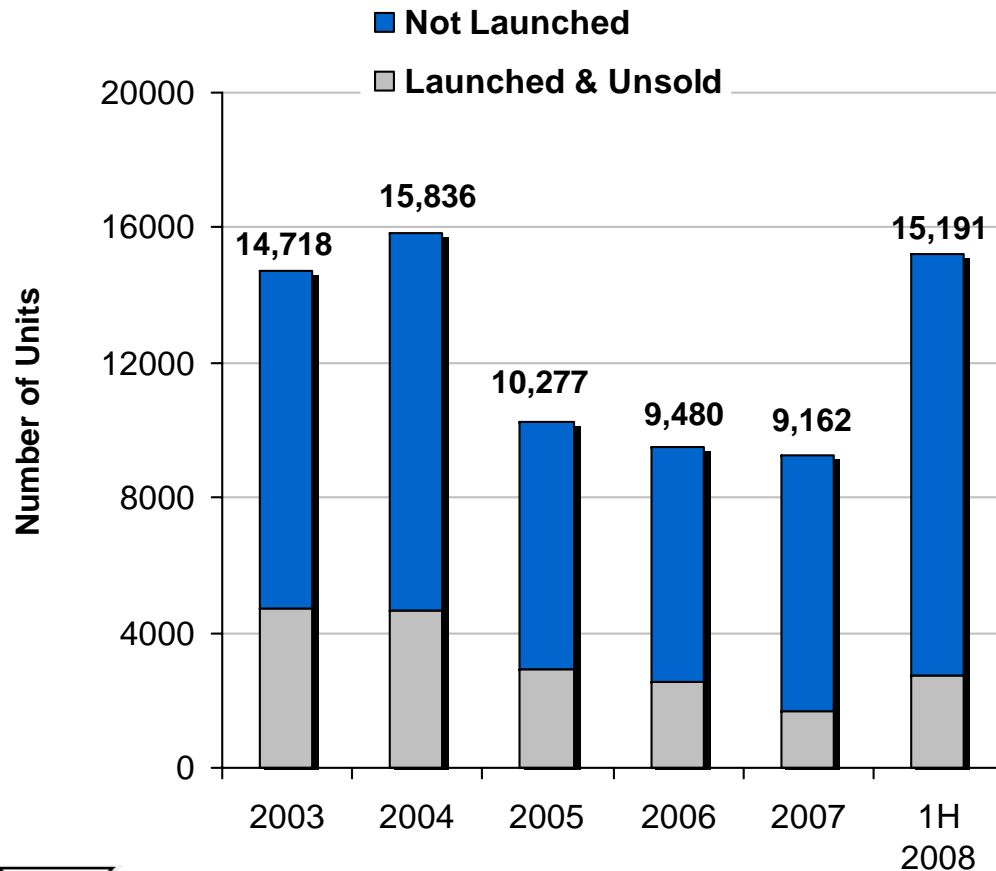
	<u>New Units Launched</u>	<u>New Units Sold (Uncompleted)</u>
2003	5,216	4,497
2004	5,881	4,617
2005	8,201	7,790
2006	11,069	10,363
2007	14,016	14,149
1H 2008	3,157	2,147



Source : URA, 2Q 2008

SINGAPORE PROPERTY MARKET

No. of Uncompleted Private Residential Units Available (2003 – 1H 2008)



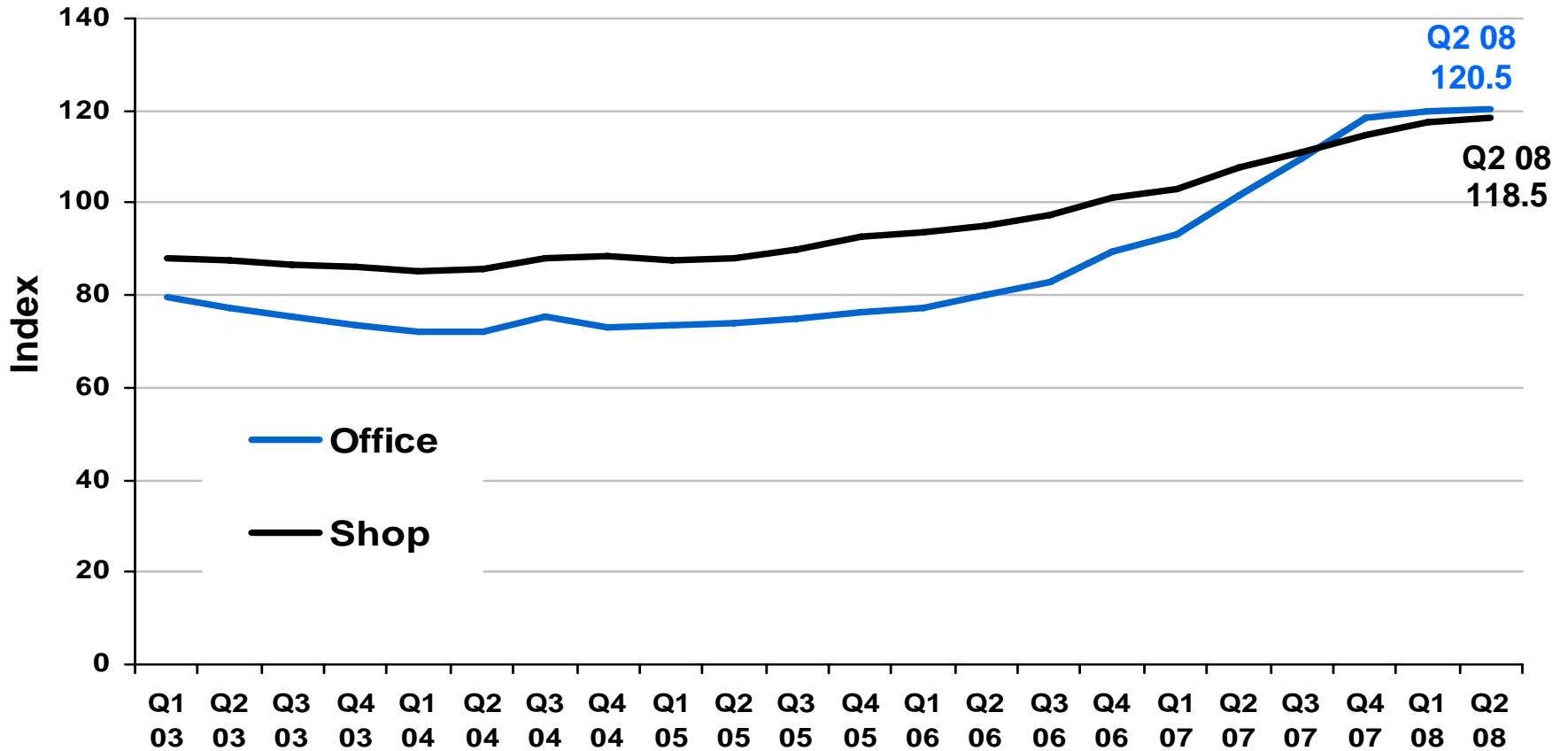
	<u>Launched & Unsold</u>	<u>Not Launched</u>	<u>Total</u>
2003	4,722	9,996	14,718
2004	4,639	11,197	15,836
2005	2,949	7,328	10,277
2006	2,536	6,944	9,480
2007	2,063	7,099	9,162
1H 2008	2,755	12,436	15,191



Source : URA, 2Q 2008

SINGAPORE PROPERTY MARKET

Property Price Index – Commercial (2003 – 1H 2008)

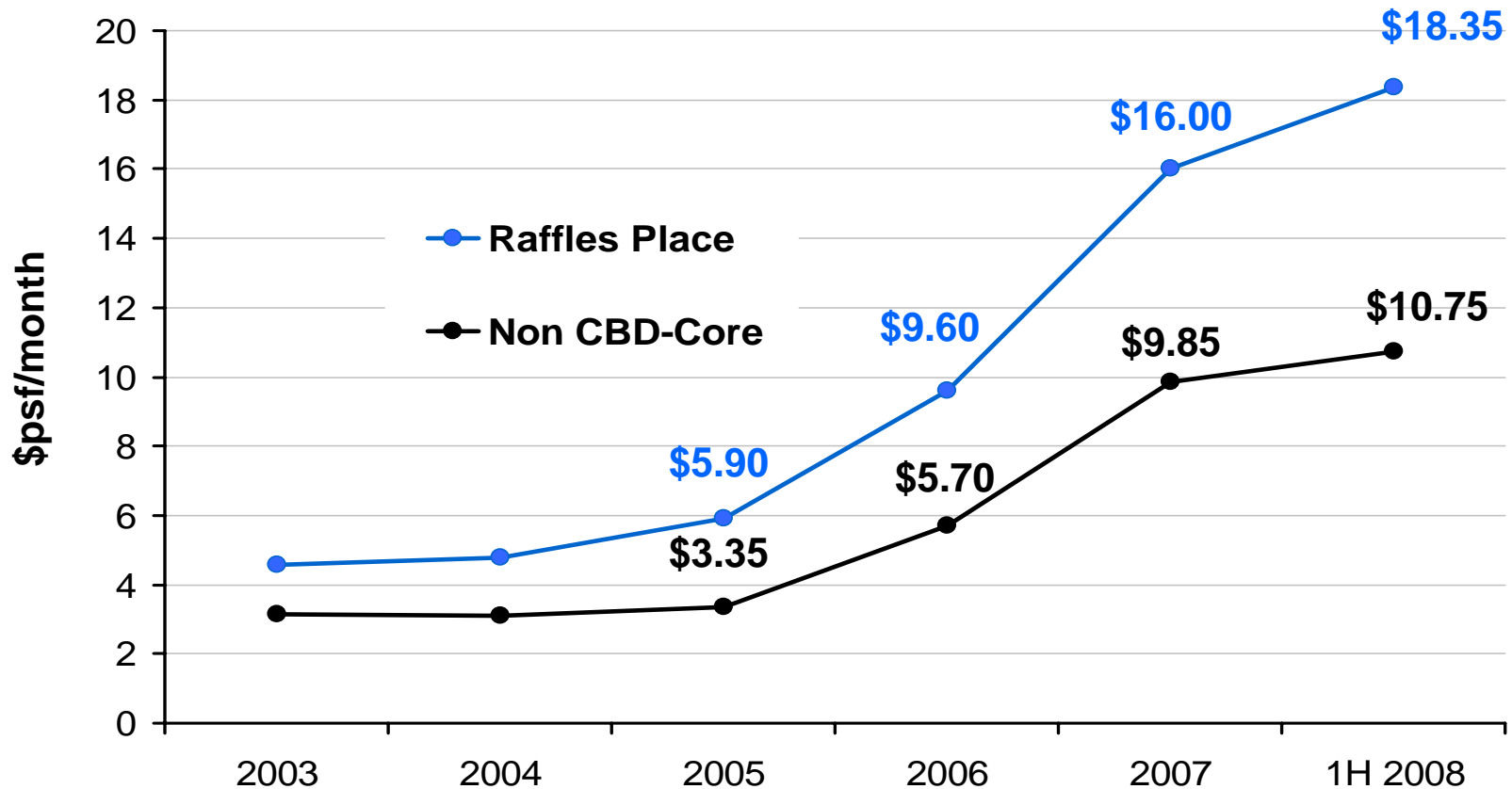


Source : URA, 2Q 2008



SINGAPORE PROPERTY MARKET

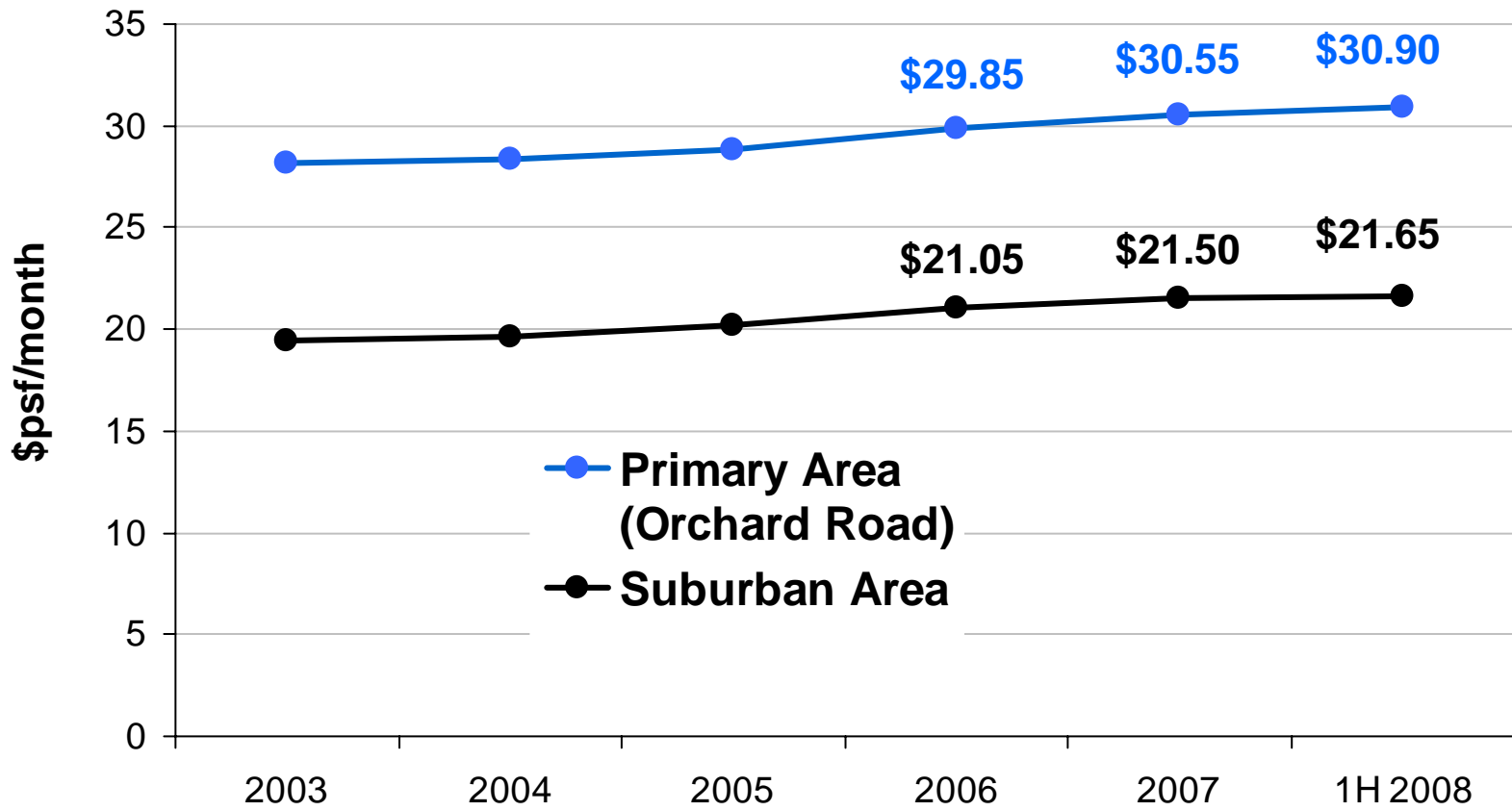
Average Office Rental in CBD (2003 – 1H 2008)



Source : JLL Research, 2Q 2008

SINGAPORE PROPERTY MARKET

Average Prime Level Retail Rental (2003 – 1H 2008)

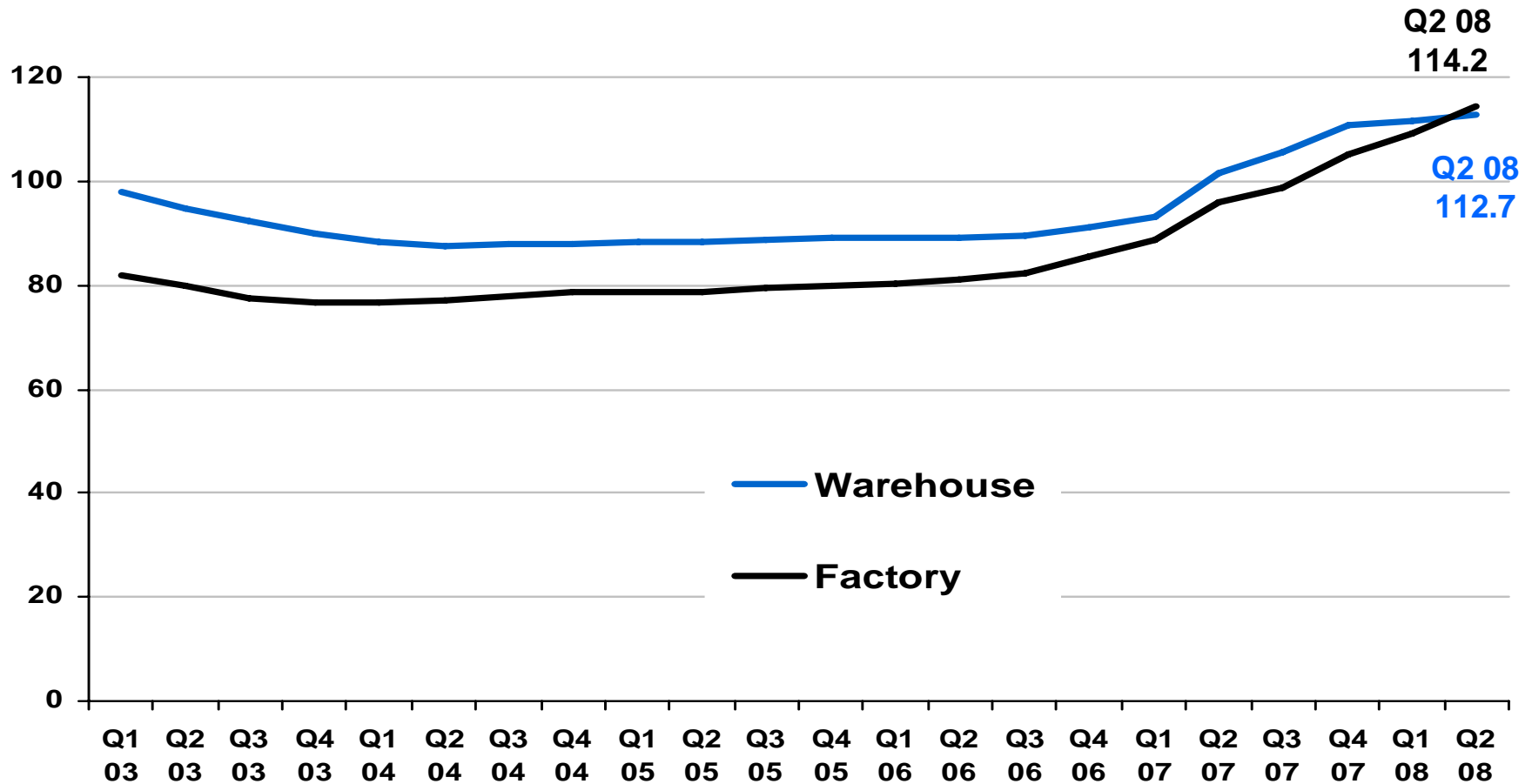


Source : JLL Research, 2Q 2008



SINGAPORE PROPERTY MARKET

Property Price Index – Industrial (2003 – 1H 2008)

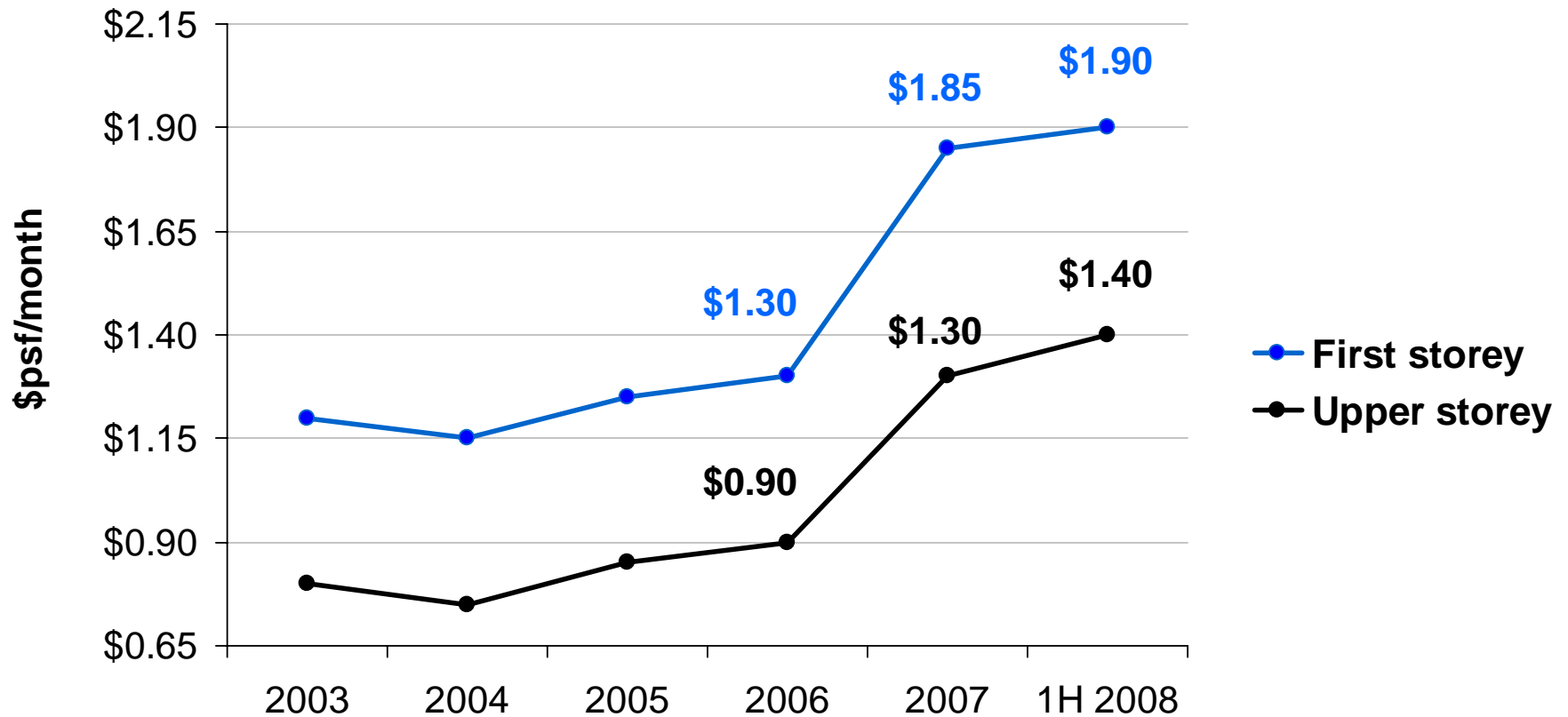


Source : URA, 2Q 2008



SINGAPORE PROPERTY MARKET

Average Private Industrial Space Rental (2003 – 1H 2008)



Source : JLL Research, 2Q 2008



MARKET OUTLOOK



•Artist's Impression of Wilkie Studio

MARKET OUTLOOK

Singapore Economic Outlook

- GDP growth in Q2 2008 dropped to 2.1% (Q2 2007: 9.1%)
- GDP growth forecast for 2008 revised downwards to between 4% and 5% from earlier range of 4% and 6%
- Major economies are experiencing a slow-down in economic activity and Singapore is not spared these economic challenges
- The sub-prime woes and credit crunch has created poor sentiments with effects that are broader than anticipated
- The economy remains fundamentally sound, with no shortage of housing loans, strong governance and a pro-business environment



MARKET OUTLOOK

Property Market – Residential

- Singapore property market in Q2 2008 continued to be subdued
- Total turnover for the industry for 1H 2008 was 2,147 units, a far cry from the record turnover of 9,385 units in 1H 2007
- Nevertheless, transactions in Q2 performed better with 94% increase from 730 units sold in Q1
- Residential property prices remained steady with a small increase of 0.2% in price index
- Housing loans at low interest rates and the high inflationary trend, present a conducive environment for real estate investment
- When the two IRs are completed in 2009/2010, there will likely be a new stream of tourist arrivals and strong growth in the property market



MARKET OUTLOOK

Property Market – Office

- Although rental increase has moderated, the office sector continues to remain steady, with 6.3% increase in overall rentals in Q2 2008
- Even if there should be no growth or a decline in rental rates from its peak, the renewed leases will still be much higher than compared to the doldrum years when long tenancy agreements were locked in at extremely low rates



Disclaimer:

This document may contain forward-looking statements that involve assumptions, 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 developments or companies, shifts in customer demands, customers and partners, expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), 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 the current view of management on future events.



THANK YOU



** Artist's Impression of Palais Renaissance*