

## The Economy

### Singapore economy expands by 10.6% in 1Q06

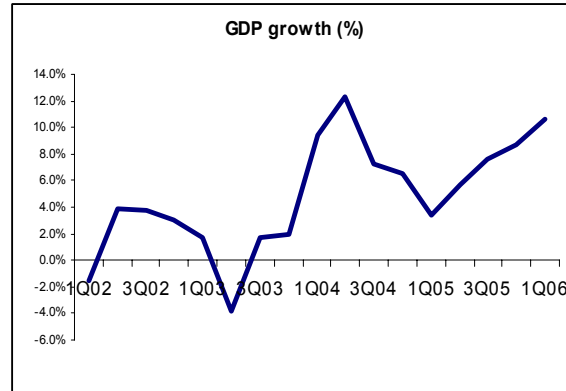
The Singapore economy expanded by 10.6% in 1Q06, after 8.7% growth in 4Q05. The growth momentum slowed from 13% in 4Q05 to 6.8% in 1Q06. Growth in the manufacturing sector increased to 20%, from 14% in 4Q05. The construction sector contracted by 1.3% in 1Q06. Growth in the wholesale and retail trade sector strengthened further to 15% in 1Q06, from 12% in 4Q05. The hotels and restaurants sector expanded at a faster pace on 7.3% in 1Q06, compared with 6.2% in 4Q05.

### Retail sales grow 12.3% in March

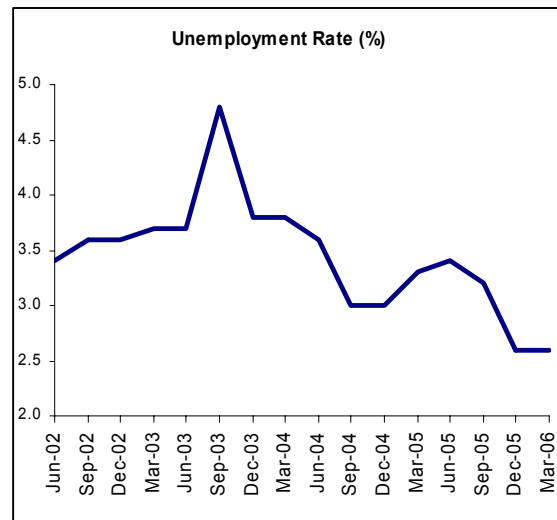
Retail sales in Singapore in March grew by 12.3% y-o-y to reach \$2.89 billion, driven by increased sales of motor vehicles, consumer items and petrol. Motor vehicle sales saw the greatest surge, growing by 17.5% over sales in March 2005. Excluding motor vehicles, retail sales rose 6.4 per cent. Compared with Feb 2006, the retail index rose by 40%, or 13.9% excluding motor vehicles. After seasonal adjustment, overall retail sales rose by 14.5% month-on-month, but only 1.4% excluding motor vehicles.

### Singapore wholesale trade up in Q106

Singapore's domestic and foreign wholesale trade indices grew 7.5% and 15.4% respectively in the first quarter of 2006 in comparison with the same period last year. According to the figures released by the Singapore Department of Statistics, the general wholesale trade sector and the ship chandlers and bunkering sector led the growth of the domestic wholesale trade by expanding 61.6% and 37.8% respectively in the first quarter of this year. The ship chandlers and bunkering sector, which rose 63.5% in the first quarter of 2006 over the previous year, remained the major growth contributor to the foreign wholesale trade.



Source: Department of Statistics, June 2006



Source: Department of Statistics, June 2006

## The Property Market

### Singapore Telecom sells site to MCL for \$102.5 million

Singapore Telecommunications Ltd has sold a prime piece of real estate to MCL Land Ltd for \$102.5 million. The 2.4 ha property is located at the junction of Hillcrest Road and Dunearn Road in Singapore's prime district 11.

### LC Devt to sell Paradiz Centre stake

LC Development Ltd and Singapore Pools (Private) Limited will sell their stakes in Paradiz Centre at Selegie Road for \$138 million, to a consortium led by Lend Lease Real Estate Investments Ltd. LC Development confirmed the proposed sale after first announcing in March 2006 that it was in talks to do so.

### Duchess Court sold en-bloc for \$104 million

The prime residential property of Duchess Court along Duchess Walk has been sold. Developer UOL Group had bought the District 10 site for \$104 million. The en-bloc purchase price works out to an average of \$2.8 million per residential unit, with Duchess Court comprising 36 townhouses and maisonettes. This is equivalent to \$582 psf per plot ratio, inclusive of an estimated development charge of \$20 million.

### Wing Tai bags Newton Meadows

Wing Tai is said to have clinched the freehold Newton Meadows through a collective sale for about \$73 million or around \$660 psf of potential gross floor area inclusive of an estimated development charge of about \$6.9 million. The 42,886 sq ft elevated site is zoned for residential use with a 2.8 plot ratio and can be redeveloped into a 36-storey condominium with about 95 units averaging 1,300 sq ft each.

## ***SIA Building draws keen interest with offers topping \$300 million***

A recent expression-of-interest exercise for SIA Building at Robinson Road attracted about a dozen or so bids from local and foreign institutional investors, with offers crossing \$300 million or \$1,015 psf of net lettable area.

## ***Wing Tai sells Draycott Eight block***

Wing Tai is understood to have found a buyer for a block at its completed 99-year leasehold condominium Draycott Eight for about \$1,600 psf. Based on this figure, industry watchers estimate the lump sum amount for the transaction to be over \$200 million. Completed in 2005, Draycott Eight is a 136-unit project in the prime Draycott/Ardmore area with three 24-storey blocks.

## ***F&N to launch REIT with about \$915 million of assets***

Frasers Centrepoint Trust looks set to be Singapore's 10th REIT, with an initial property portfolio worth \$915 million. Frasers Centrepoint Ltd, a wholly owned subsidiary of Fraser and Neave (F&N) will be the REIT sponsor. Company buildings Causeway Point, Northpoint and Anchorpoint will form the core properties of the trust, to be known as FCT.

## ***Third site open for tender in Singapore's prime shopping belt***

Singapore offered for tender on 17 May a third site in the prime Orchard Road shopping and tourism belt as part of an effort to boost the strip's appeal. The 0.7 ha site at Orchard and Somerset roads - directly above an MRT station - is available for a minimum bid of \$400 million. Bids will close on August 16 2006.

## ***Far East, Frasers Centrepoint buy Waterfront View***

Far East Organization and Frasers Centrepoint set up their maiden joint venture, which has bagged Waterfront View, a privatised former HUDC estate facing Bedok

Reservoir, for \$385 million. The price for the private treaty works out to a land price of \$241 psf per plot ratio.

## ***Sands wins bid for Singapore casino***

Singapore has picked Las Vegas Sands Corp to build and run what will be the world's most expensive casino at a cost of more than \$5 billion. Las Vegas Sands beat three other bidders with a promise to invest \$3.85 billion in the project, on top of the S\$1.2 billion price tag for the land in downtown Singapore. The casino will be part of a 20.6 ha waterfront redevelopment known as an integrated resort, which will also featuring conference halls, performance venues and a hotel.

## ***CDL group to inject four Singapore hotels into \$846 million REIT***

City Developments Ltd (CDL) is putting four Singapore hotels and a shopping mall worth some \$800 million into a widely-anticipated REIT, which will be launched together with a business trust in a stapled group to be listed on SGX. CDL said that its partially-owned Millennium and Copthorne Hotels (M&C) will be setting up a group called CDL Hospitality REIT Group with an initial asset portfolio worth a total of \$846.3 million.

## ***CityDev snags Lucky Tower site for S\$383 million***

CDL has been awarded the Lucky Tower site in Grange Road for \$383 million. The Lucky Tower site has a freehold land area of 169,189 sq ft and is zoned for residential use with a 2.1 plot ratio and 24-storey height limit. The site can be redeveloped into a new condo with about 175 units averaging 2,000 sq ft each.

## ***Lippo snaps up \$1 billion worth of prime property***

Indonesia's Lippo Group has snapped up the Meritus Mandarin hotel, OUB Centre and Change Alley Aerial Plaza and Tower in a S\$1 billion deal, adding to its burgeoning collection of Singapore assets. The sellers

were the Republic's second largest bank, United Overseas Bank (UOB), and three of its associate companies. These companies had controlled the properties via a collective 55% stake in Overseas Union Enterprise (OUE), a listed hotel and resorts group.

## ***St Regis Residences sets new record high of \$3,000 psf***

St Regis Residences along Tanglin Road has set a new benchmark of \$3,000 psf for property prices - 25% higher than the previous record of \$2,400 notched in the mid-1990s. So far, CDL has launched 50 units of the 173-unit development and 38 have been sold at an 'early bird special' with an average price of \$2,500-2,600 psf.

## ***Sun International pulls out of Sentosa race***

The contest to build the Sentosa integrated resort could turn out to be just a three-horse race. Sun International said that it was pulling out, and the Harrah's Entertainment-Keppel Land partnership said that it was still considering its options. This leaves just three parties who have so far confirmed their interest in the mega-project in Sentosa - Genting International with Star Cruises; Kerzner International with CapitaLand; and Eighth Wonder Asia.

## The Month Ahead

The next Jones Lang LaSalle Auction will be held on 21st June 2006.

### 12-30 June 2006

| Date  | Topic                                   | Agency |
|-------|---|--------|
| 15/06 | Retail Sales Index (Apr'06)             | DOS*   |
| 23/06 | Consumer Price Index (May'06)           | DOS*   |
| 26/06 | Index of Industrial Production (May'06) | DOS*   |

Department of Statistics, Singapore

## Office

### Key Issues

- Supported by the recovery of the domestic and regional economies, growth in the business and financial sector will continue to fuel demand for office space over the next six to nine months. Landlords of prime office space have been raising asking rents and are achieving higher rents given the tightening supply.
- Tight supply and rising rents in the CBD Core have prompted some tenants who are rent-sensitive to seek alternative locations such as hi-tech buildings in city fringes and non CBD locations.
- Following an announcement to boost its local staff strength by 900, Credit Suisse took up 110,000 sf of space at One Raffles Quay (ORQ), bringing pre-commitment level of ORQ to almost 100%.
- Investment activities continued over the first five months of 2006 given the prospect of higher rents and improving occupancies. Scheduled for completion in 4Q06, the refurbished former Sinsov Building was sold to Allico REIT for \$72.5 million or \$969 psf. Recently, GMG Building along Robinson Rd was put up for sale for \$45 million or \$820 psf.

### Key Indicators

| Occupancy Rates (end of quarter) | Q4 05 | Q1 06 | Q-o-Q Change |
|----------------------------------|-------|-------|--------------|
| Average CBD Core                 | 91.4% | 92.5% | +1.2%        |
| - Raffles Place & Vicinity       | 91.1% | 91.9% | +0.8%        |
| - Shenton Way                    | 95.1% | 96.2% | +1.1%        |
| - Cecil Street                   | 88.3% | 91.0% | +3.0%        |
| - Robinson Rd                    | 93.1% | 94.6% | +1.6%        |

|                          | Q4 05 | Q1 06 | Q-o-Q Change | Q1 05 | Y-o-Y Change |
|--------------------------|-------|-------|--------------|-------|--------------|
| CBD Core Office CV Index | 62.6  | 66.1  | +5.5%        | 60.0  | +10.1%       |
| CBD Core Office RV Index | 79.3  | 82.9  | +4.5%        | 66.7  | +24.2%       |

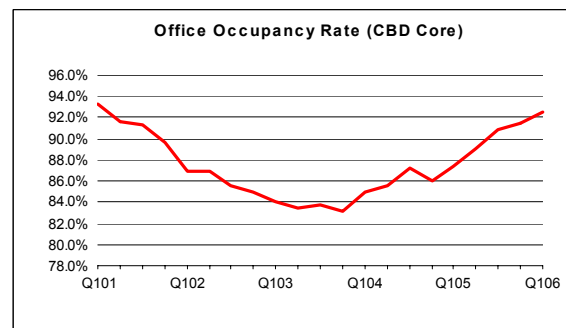
Source: Jones Lang LaSalle Research, June 2006

### Recent Office Sales\* Transactions

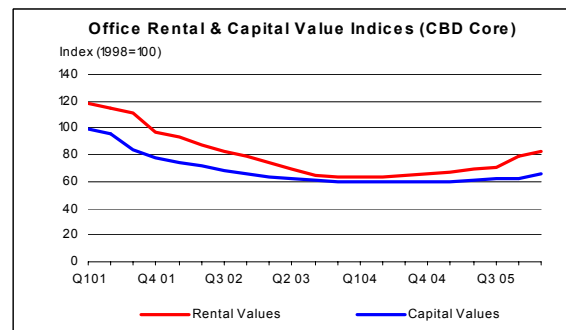
| Property                        | Location            | Price (\$) | Floor Area (sf) | \$psf |
|---------------------------------|---------------------|------------|-----------------|-------|
| #03-03 People's Park Complex    | 1 Park Road         | 615,000    | 603             | 1,020 |
| #16-03 International Plaza      | 10 Anson Road       | 333,237    | 356             | 936   |
| #06-16 Far East Shopping Centre | 545 Orchard Road    | 900,000    | 883             | 1,020 |
| #06-02 Suntec City              | 7 Temasek Boulevard | 4,020,000  | 4,036           | 996   |
| #13-08/09 Sim Lim Tower         | 10 Jalan Besar      | 517,940    | 893             | 580   |

\*transactions in April 2006

Source: URA Realis, Jones Lang LaSalle Research, June 2006



Source: Jones Lang LaSalle Research, June 2006



Source: Jones Lang LaSalle Research, June 2006

## Residential

### Key Issues

- Raved development, St Regis Residences, was soft launched on 1 Jun to a record breaking average \$2,600 psf, surpassing the \$2,400 psf mark set by Ardmore Park in the mid-1990s.
- More high-end projects are lined up in prime districts such as Residences@Evelyn, Newton One and Paterson Residence. The encouraging take-up of these new developments reflect the robust sales demand in the prime area, which are expected to rise further.
- Active foreign parties from neighbouring Malaysia and Indonesia and from further countries like Hong Kong and Japan have been actively buying businesses and real estates in Singapore. They are often seen as the major force behind the surge in prices and activities at the super luxurious end of the Singapore residential market.
- Developers are currently preparing to roll out more mass market projects to cater for the intensifying appetite of the masses. Recent launching of a non-prime area project, The Quartz (\$490 psf), could set a benchmark to offer a clue on whether the recovery of property market has filtered down from the high end to the mass market.
- Rental values of prime units continue to dominate the recovery in the leasing market. The strong demand and limited supply of large luxurious units have driven rents marginally upwards in 1Q06. In contrast to the non-prime districts, rental index for prime districts registered a 0.8% rise from the last quarter and 2.4% a year ago.
- Given the ample supply of non-prime apartments/condominiums, rental values continued to remain stable although leasing activities have picked up for properties located along East Coast and also those near educational institutions.

### Key Indicators

|                              | Q4 05 | Q1 06 | Q-o-Q Change | Q1 05 | Y-o-Y Change |
|------------------------------|-------|-------|--------------|-------|--------------|
| Prime Apt/Condo CV Index     | 97.1  | 101.8 | 4.8%         | 92.1  | 10.5%        |
| Non-Prime Apt/Condo CV Index | 102.3 | 103.5 | 1.1%         | 100.0 | 3.5%         |
| Prime Apt/Condo RV Index     | 101.2 | 102.1 | 0.8%         | 99.7  | 2.4%         |
| Non-Prime Apt/Condo RV Index | 87.4  | 87.4  | 0.0%         | 87.4  | 0.0%         |
| Affordability Index#         | 88.6  | 92.4  | 4.2%         | 81.3  | 13.6%        |

# The lower the index, the better the affordability (defined as the minimum qualifying income that a household must have in order to borrow the maximum loan amount necessary for the purchase of a modal size 3-bedroom private apartment based on banks' long-term interest rates, loan to value and debt coverage ratios.)

Source: Jones Lang LaSalle Research, April 2006

### Bank Rates

|                               | OCBC  | UOB   | DBS   |
|-------------------------------|-------|-------|-------|
| Prime Rates (Jun 06)          | 5.00% | 5.00% | 4.25% |
| Home Loan – Completed project |       |       |       |
| - 1st Year*                   | 3.75% | 3.75% | 3.75% |
| - 2nd Year*                   | 4.00% | 4.00% | 4.00% |
| - 3rd Year**                  | 3.75% | 3.75% | 3.75% |
| - 4th Year**                  | 3.75% | 3.75% | 3.75% |
| - 5th Year**                  | 3.75% | 3.75% | 3.75% |

\*fixed rates \*\* floating rates

### Major Recent New Launches

| Project             | Developer             | Location    | Tenure | Units Launched | Average Price |
|---------------------|-----------------------|-------------|--------|----------------|---------------|
| St Regis Residences | City Developments Ltd | Tanglin Rd  | 999-yr | 100            | \$2600        |
| Residences@Evelyn   | City Developments Ltd | Newton Rd   | FH     | 106            | \$1225        |
| Newton One          | Lippo Group           | Newton Rd   | FH     | 91             | \$1250        |
| The Quartz          | GuccoLand             | Buangkok Dr | 99-yr  | 100            | \$620         |

Source: Jones Lang LaSalle Research, May 2006

### Major Projects Granted Provisional Permission (PP) or Housing Developer Sale Licence (SL) in 1Q 2006

| Project             | Location              | Developer          | Tenure | No. of Units | Expected TOP |
|---------------------|-----------------------|--------------------|--------|--------------|--------------|
| Unnamed             | Ocean Dr              | City Dev & TID JV  | 99-yr  | 264          | 2010         |
| The Inspira         | Arnasalam Chetty Rd   | Hock Giap Land     | FH     | 120          | -            |
| St Regis Residences | Cuscaden Rd           | City Dev           | 999-yr | 173          | -            |
| Unnamed             | Choa Chu Kang North 6 | NTUC Choice Homes  | 99-yr  | 138          | -            |
| Unnamed             | Mistri Rd/Parsi Rd    | BS Capital         | 99-yr  | 167          | -            |
| Unnamed             | Alexandra Rd          | CapitaLand & Lippo | 99-yr  | 406          | -            |
| Unnamed             | Chay Yan St           | UIC & UOL          | FH     | 161          | -            |

Source: URA; Jones Lang LaSalle Research, April 2006

## Residential

### Number of Caveats Lodged (FH/999-Yr Apt/Condo)

|               | Mar-06 | Apr-06 | M-o-M Change | Apr-05 | Y-o-Y Change |
|---------------|--------|--------|--------------|--------|--------------|
| Volume        | 872    | 1007   | 15.5%        | 567    | 77.6%        |
| Value (\$m)   | 1446.7 | 1331.8 | -7.9%        | 552    | 101.4%       |
| Average \$psf | 734    | 663    | -9.7%        | 582.5  | 13.8%        |

### Number of Caveats Lodged (99-Yr Apt/Condo)

|               | Mar-06 | Apr-06 | M-o-M Change | Apr-05 | Y-o-Y Change |
|---------------|--------|--------|--------------|--------|--------------|
| Volume        | 438    | 363    | -17.1%       | 407    | -10.8%       |
| Value (\$m)   | 594    | 260    | -56.2%       | 280.8  | -0.7%        |
| Average \$psf | 412.5  | 419.5  | 1.7%         | 748    | -44%         |

Source: REALIS, April 2006

### Selected Major Sales Transactions (Prime Apt/Condo)

| Project                 | Unit No. | Floor Area (sf) | Price (\$mil) | \$psf |
|-------------------------|----------|-----------------|---------------|-------|
| The Boulevard Residence | #34-02   | 7,029           | 16.00         | 2,276 |
| Ardmore Park            | #23-02   | 2,885           | 5.92          | 2,052 |
| Cairnhill Crest         | #14-05   | 1,733           | 3.15          | 1,815 |
| Draycott Eight          | #18-08   | 2,863           | 5.05          | 1,764 |
| Four Seasons Park       | #12-01   | 2,874           | 4.95          | 1,722 |
| Grange Residences       | #06-11   | 2,852           | 4.80          | 1,683 |
| The Claymore            | #08-02   | 3,348           | 5.30          | 1,583 |
| The Light @ Cairnhill   | #07-01   | 1,690           | 2.65          | 1,571 |
| Nassim Jade             | #02-04   | 1,927           | 2.85          | 1,479 |
| Cuscaden Residence      | #06-09   | 1,238           | 1.81          | 1,462 |
| Three Three Robin       | #09-01   | 1,582           | 2.30          | 1,453 |
| The Paterson            | #07-04   | 1,216           | 1.54          | 1,266 |

Source: REALIS, May 2006

### Selected Major Leasing Transactions

| District  | Property                             | Floor Area (sf) | Monthly Rental (\$) | \$psf |
|-----------|--------------------------------------|-----------------|---------------------|-------|
| Prime     | Leonie Hill Residences, Blk 1 #28-02 | 1410            | 9,000               | 6.38  |
| Prime     | Char Yonh Gdn, Blk 1 #08-04          | 1,250           | 6,400               | 5.12  |
| Prime     | Cairnhill Crest, Blk 2 #02-05        | 1570            | 7,800               | 4.97  |
| Prime     | Amaryllis Ville, Blk 22 #19-17       | 1,238           | 5,800               | 4.68  |
| Prime     | Scotts 28, Blk 28 #14-02             | 1,101           | 5,100               | 4.63  |
| Prime     | Nassim Park, Blk 11 #03-02           | 1,500           | 6,400               | 4.27  |
| Prime     | Melrose Pk, Blk 91/1 #11-01          | 1,313           | 5,000               | 3.81  |
| Prime     | Leonie Condolet, Blk 2 #03-02        | 2,560           | 9,800               | 3.83  |
| Prime     | Aspen Heights, Blk 261 #03-17        | 1,582           | 5,800               | 3.67  |
| Prime     | The Merasaga, Blk 25 #07-01          | 1,700           | 6,200               | 3.65  |
| Prime     | Four Seasons Park, Blk 12/3 #03-00   | 2,264           | 7,650               | 3.38  |
| Prime     | The Levelz, Blk 38 #08-02            | 3,340           | 1,000               | 3.34  |
| Non-Prime | The Trumps, Blk 1 #08-02             | 1,800           | 636                 | 2.83  |
| Non-Prime | Cote D'Azur, Blk 68 #12-22           | 1,389           | 3,900               | 2.81  |
| Non-Prime | Costa Del Sol                        | 1,346           | 3,400               | 2.53  |

Source: Info-Tools/Jones Lang LaSalle Research, Jan/Feb 2006

### Major Residential Projects Completed in 1Q 2006

| District | Project                | Location         | Tenure | No. of Units |
|----------|------------------------|------------------|--------|--------------|
| 5        | The Grandhill          | Pasir Panjang Rd | FH     | 53           |
| 9        | Botanic on Lloyd       | Lloyd Rd         | FH     | 66           |
| 11       | The Linc               | Lincoln Rd       | FH     | 51           |
| 14       | Le Crescendo           | Paya Lebar Rd    | FH     | 228          |
| 14       | Starville              | Lengkong Tiga    | FH     | 250          |
| 15       | Coastarina             | East Coast Rd    | FH     | 56           |
| 15       | The Elegance at Changi | Lor 107 Changi   | FH     | 26           |

\*partial

Source: BCA, Jones Lang LaSalle Research

## Retail

### Key Issues

- Overall retail sales in March 2006 rose by 40% as compared to February 2006. Excluding motor vehicles, the index rose by 13.9%. Total retail sales value in March 2006 was estimated at \$2,896.0 million compared to \$2,067.9 million in Feb 2006. In contrast to a year ago, overall retail sales rose by 12.3%. Excluding motor vehicles, this rate is a only a mere 6.4%.
- Singapore welcomed 815,000 visitors in April 2006, registering a 16.0% hike over the same period a year ago. This is the first time that visitor arrivals for the month of April has exceeded 800,000.
- The Singapore government announced that Las Vegas Sands Corp would build and run the first Integrated Resort in Marina Bay. Sands proposed a US\$3.6 billion investment in Singapore's Marina Bay Sands, which includes a Sky Park - a 100,000 sq ft aerial platform that links three 170m high hotel towers at the roof level. The group has a 30-year concession to operate the casino in a multi-billion dollar complex, making it one of the most expensive in the world.

### Key Indicators

|   | Mar-06  | M-o-M<br>(from Feb-06) | Y-o-Y<br>(from Mar-05) |
|---|---------|------------------------|------------------------|
| Retail Sales Index at Current Prices                              | 203.6   | 40.0%                  | 12.3%                  |
| Retail Sales Index at Current Prices<br>(excluding Motor Vehicle) | 121.2   | 13.9%                  | 6.4%                   |
|   | Apr-06  | M-o-M<br>(from Mar-05) | Y-o-Y<br>(from Apr-05) |
| Visitor Arrivals  | 815,000 | -0.5%                  | 16.1%                  |
| Average Hotel Occupancy   | 83.7%   | -4.7%                  | 1.80%                  |
| Average Hotel Room Rate<br>(\$ per Room night)                    | 161.7   | 2.0%                   | 21.6%                  |
| Average Room Yield  | 135.34  | -3.5%                  | 24.3%                  |

Source: Department of Statistics, STB, June 2006

### Key Indicators

|  | Q1 06 | Q4 05 | Q-o-Q<br>Change | Q1 05 | Y-o-Y<br>Change |
|--|-------|-------|-----------------|-------|-----------------|
| Primary Retail CV Index                      | 112.8 | 108.1 | 4.3%            | 96.5  | 16.8%           |
| Primary Grade A 1st Level Retail RV<br>Index | 143.5 | 141.1 | 1.7%            | 138.6 | 3.5%            |

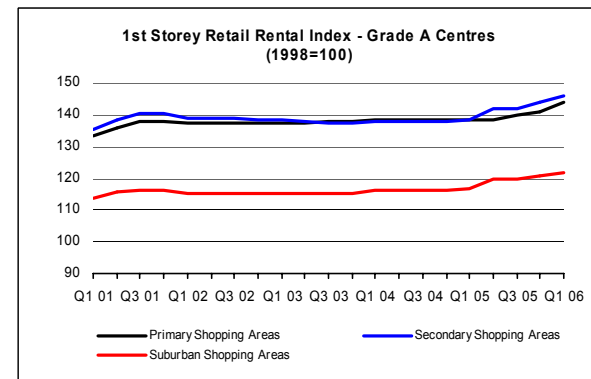
Source: Jones Lang LaSalle Research, June 2006

### Major\* Retail Sales Activities

| Unit   | Property              | Location           | Price (\$ m) | \$psf |
|--------|-----------------------|--------------------|--------------|-------|
| #03-29 | Lucky Plaza           | Orchard Road       | 2.230        | 4,062 |
| #01-07 | The Arcade            | Collyer Quay       | 1.750        | 4,278 |
| #B1-08 | Midpoint Orchard      | Orchard Road       | 0.960        | 2,548 |
| #01-18 | People's Park Centre  | Upper Cross Street | 1.000        | 2,511 |
| #02-66 | Far East Plaza        | Scotts Road        | 2.380        | 7,135 |
| #02-14 | People's Park Complex | Park Road          | 0.640        | 1,416 |
| #01-54 | The Bencoolen         | Bencoolen Street   | 0.855        | 2,562 |

\* Transactions above \$500,000 in May/ June 2006

Source: REALIS, Jones Lang LaSalle Research, June 2006



Source: Jones Lang LaSalle Research, April 2006

## Industrial

### Key Issues

- The manufacturing sector posted its fastest expansion in two years. This 20% y-o-y growth in 1Q06 was supported by growth across most clusters and also partly attributed to the weaker base in 1Q05.
- Boosted by increases in almost all key components, the Purchasing Managers' Index (PMI) rose to its highest level in six months. The PMI stood at 52.3 in May, up 1.9 points as new orders, new export orders, higher production output and inventory increased.
- Cambridge Industrial REIT (CIT) is set to make its debut as Singapore's 11th REIT this coming June, offering investors a forecasted annual distribution yield for the period end-Jun to end-Dec 2006 and the full year 2007 of between 6.50-6.57% depending on whether the over-allotment option is exercised.
- CIT will have an initial portfolio of 27 properties in Singapore, with a total appraised value of \$519 million. Amongst the largest properties by value include CWT Distripark (HQ), YCH Distripark and Jurong Districentre.

### Key Indicators

| Occupancy Rates (end of quarter)               | Q4 05 | Q1 06 | Q-o-Q Change |
|--|-------|-------|--------------|
| <b>Average Occupancy Rate – Private Sector</b> | 89.3% | 88.9% | -0.4%        |
| <b>1. Private Factory (All Types)</b>          | 89.9% | 89.8% | -0.1%        |
| - Multiple-user                                | 84.3% | 84.0% | -0.3%        |
| - Single-user                                  | 92.3% | 92.2% | -0.1%        |
| - Business Park                                | 80.7% | 82.0% | +1.6%        |
| <b>2. Private Warehouse</b>                    | 87.1% | 85.9% | -1.3%        |

|   | Q4 05 | Q1 06 | Q-o-Q Change | Q1 05 | Y-o-Y Change |
|---|-------|-------|--------------|-------|--------------|
| <b>Conventional Industrial CV Index</b> | 66.8  | 66.8  | 0.0%         | 66.8  | 0.0%         |
| <b>Conventional Industrial RV Index</b> | 65.6  | 65.6  | 0.0%         | 59.4  | 10.4%        |

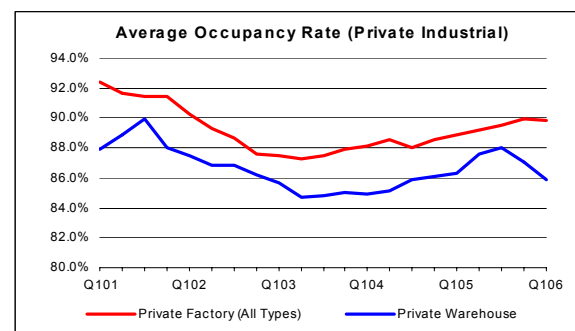
Source: URA, Jones Lang LaSalle Research, June 2006

### Recent Industrial Sales\* Transactions

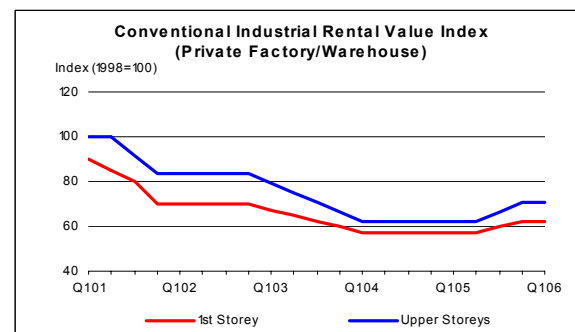
| Property                     | Type      | Tenure          | Price (\$) | Floor Area (sf) | \$psf |
|------------------------------|-----------|-----------------|------------|-----------------|-------|
| 1 Irving Rd                  | Factory   | Freehold        | 5,500,000  | 15,285          | 360   |
| #01-55 16 Boon Lay Way       | Factory   | 60 yrs wef 2003 | 805,050    | 4,305           | 187   |
| 29 Kaki Bukit Crescent       | Factory   | 60 yrs wef 1993 | 2,730,000  | 11,431          | 239   |
| #01-01 3 Upper Aljunied Link | Warehouse | Freehold        | 600,000    | 1,851           | 324   |
| 215 Henderson Road #01-02    | Factory   | Freehold        | 2,600,000  | 10,107          | 257   |

\* Transactions above \$500,000 in April/May 2006

Source: URA Realis, Jones Lang LaSalle Research, June 2006



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