Embargoed for release till 5.00 pm, 31 October 2001

CAPITALAND LIMITED
2001 THIRD QUARTER FINANCIAL STATEMENT ANNOUNCEMENT

Third quarter financial statement on consolidated results for the nine months ended 30 September 2001. These figures have not been audited.

		Group			Company		
		YTD Sep 2001 S$'000	YTD Sep 2000 S$'000	% Change	YTD Sep 2001 S$'000	YTD Sep 2000 S$'000	% Change
1(a)	**Turnover**	**2,620,926**	**1,947,716**	**34.6**	**78,536**	**86,368**	**(9.1)**
1(b)	Investment income	4,467	3,224	38.6	76,892	82,241	(6.5)
1(c)	Other income including interest income	624,683	(177,268)	NM	111,489	54,481	104.6
2(a)	Operating profit before income tax, minority interests, extraordinary items, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss), and exceptional items	530,818	306,958	72.9	168,634	113,863	48.1
2(b)(i)	Interest on borrowings (including RCCPS dividend)	(325,670)	(283,383)	14.9	(72,337)	(72,365)	-
2(b)(ii)	Depreciation and amortisation	(123,459)	(87,235)	41.5	(1,134)	(667)	70.0
2(b)(iii)	Foreign exchange gain/(loss)	(5,417)	(28,837)	(81.2)	(3,017)	1,023	NM
2(c)	Exceptional items	-	-	-	-	-	-
2(d)	Operating profit/(loss) before income tax, minority interests and extraordinary items	76,272	(92,497)	NM	92,146	41,854	120.2
2(e)	Share of results of associated companies, joint ventures and partnerships	(11,591)	15,786	NM	-	-	-
	Operating profit/(loss) before tax	64,681	(76,711)	NM	92,146	41,854	120.2
2(f)	Taxation	(57,023)	(101,727)	(43.9)	(292)	(10,428)	(97.2)
2(g)(i)	**Profit/(Loss) after tax**	**7,658**	**(178,438)**	**NM**	**91,854**	**31,426**	**192.3**
2(g)(ii)	Minority interests (MI)	(193,598)	(24,982)	674.9	-	-	-
2(h)	**(Loss)/Profit after tax & MI**	**(185,940)**	**(203,420)**	**(8.6)**	**91,854**	**31,426**	**192.3**
2(i)	Extraordinary items (EI)	-	-	-	-	-	-
2(j)	**(Loss)/Profit after tax, MI & EI attributable to members of the Company**	**(185,940)**	**(203,420)**	**(8.6)**	**91,854**	**31,426**	**192.3**

Note : Comparative figures have been adjusted to conform with current year's presentation. Please see Paragraph 12 for more details.

NM Not meaningful.

CAPITALAND LIMITED
ANNEX 1: 3Q vs 2Q 2001 PROFIT AND LOSS STATEMENT

		3Q 2001 (3 mths) S$'000	Group 2Q 2001 (3 mths) S$'000	% Change
1(a)	**Turnover**	**873,803**	**987,838**	**(11.5)**
1(b)	Investment income	188	4,257	(95.6)
1(c)	Other income including interest income	70,299	506,788	(86.1)
2(a)	Operating profit before income tax, minority interests, extraordinary items, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss), and exceptional items	237,299	117,812	101.4
2(b)(i)	Interest on borrowings (including RCCPS dividend)	(100,028)	(127,290)	(21.4)
2(b)(ii)	Depreciation and amortisation	(40,574)	(40,448)	0.3
2(b)(iii)	Foreign exchange gain/(loss)	(9,850)	3,862	NM
2(c)	Exceptional items	-	-	-
2(d)	Operating profit/(loss) before income tax, minority interests and extraordinary items	86,847	(46,064)	NM
2(e)	Share of results of associated companies, joint ventures and partnerships	13,475	(58,968)	NM
	Operating profit/(loss) before tax	100,322	(105,032)	NM
2(f)	Taxation	(14,215)	(25,726)	(44.7)
2(g)(i)	**Profit/(Loss) after tax**	**86,107**	**(130,758)**	**NM**
2(g)(ii)	Minority interests (MI)	(3,704)	(188,892)	(98.0)
2(h)	**Profit/(Loss) after tax & MI**	**82,403**	**(319,650)**	**NM**
2(i)	Extraordinary items (EI)	-	-	-
2(j)	**Profit/(Loss) after tax, MI & EI attributable to members of the Company**	**82,403**	**(319,650)**	**NM**

NM *Not meaningful.*

3(a) Earnings per ordinary share (EPS) based on 2(h) profit after tax & MI but before EI

In line with revised Statement of Accounting Standard 8, the extraordinary items for YTD Sep 2000 have been reclassified and presented before calculating "operating profit before taxation". Hence, there is no difference in the profit figures based on 2(h) and 2(j).

The EPS based on existing share capital is calculated on the profit set out in 2(h) and 2(j) above and the weighted average number of issued shares of 2,517.3 million (YTD Sep 2000: 2,498.6 million) during the period under review.

In computing the EPS on fully diluted basis, share options whose exercise prices are equal to or above the market share price of the Company as at 30 September 2001 are disregarded. The weighted average number of shares used for the computation for the EPS on fully diluted basis is 2,517.3 million (YTD Sep 2000: 2,498.6 million).

		Group	
		YTD Sep 2001	**YTD Sep 2000**
3(a)(i)	EPS based on existing share capital (cents)	(7.4)	(8.1)
3(a)(ii)	EPS based on fully diluted basis (cents)	(7.4)	(8.1)

3(b) Earnings per ordinary share (EPS) based on 2(j) profit after tax, MI and EI

		Group	
		YTD Sep 2001	**YTD Sep 2000**
3(b)(i)	EPS based on existing share capital (cents)	(7.4)	(8.1)
3(b)(ii)	EPS based on fully diluted basis (cents)	(7.4)	(8.1)

3(c) Net tangible assets backing per ordinary share

	Group	
	YTD Sep 2001	**YTD Sep 2000**
NTA per ordinary share	$2.57	$2.79

The fall in the NTA per share to $2.57 was largely due to the total provision of $585.9 million made in the current year.

For purposes of calculating the comparative NTA per share as at 30 September 2000, the enlarged share capital of the Group is used.

4(a) Amount of any adjustment for under or over-provision of tax in respect of prior years

The provision for income tax is based on the statutory tax rates of the respective countries in which the companies are operating and after taking into account non-deductible expenses and timing differences.

The amount of under-provision of current tax and deferred tax included in the Group's tax charge for the 9 months ended 30 September 2001 is immaterial (30 Sep 2000: immaterial).

4(b) Amount of any pre-acquisition profits

There were no pre-acquisition profits included in the results reported.

4(c) Amount of profits on any sale of investments and/or properties

Sale of investments/properties	Group's Share of Profit/(Loss) after tax and MI $M
First half year's accumulated divestment gains (for details, please refer to 2001 Half Year Announcement)	320.5
Divestment of Pidemco Centre, Aldephi and part of Temasek Tower into a joint fund with Ergo	42.4
Divestment of 3 hotels, namely Hotel Equatorial in Yangon, Meritus Westlake in Hanoi and Sheraton Suzhou Hotel. *	26.4
Total Group's share of divestment gains after tax & MI	**389.3**

**Net impact to current P&L account is $8.8 million after consolidating losses of $17.6 million for 9 months*

4(d) Any other comments relating to Paragraph 4

Nil.

5. Review of Performance
Segmental Results

5(a)(a) By Strategic Business Units (SBUs) – 3Q 2001 vs 2Q 2001

	Turnover			Profit before interest & tax		
	3Q 2001 (3 mths) S$'000	2Q 2001 (3 mths) S$'000	% Change	3Q 2001 (3 mths) S$'000	2Q 2001 (3 mths) S$'000	% Change
Commercial & Fund Mgt	121,333	142,097	(14.6)	100,490	79,274	26.8
Residential	517,233	618,354	(16.4)	59,994	(468,604)	NM
The Ascott Group *	73,980	82,581	(10.4)	18,478	27,040	(31.7)
RHL Group & RCH **	125,746	117,828	6.7	(1,138)	447,666	NM
Property Services Group	33,592	25,652	31.0	1,200	3,761	(68.1)
E-Business	20	-	NM	(1,428)	(899)	(58.8)
Non-Core Businesses	10,063	6,322	59.2	27,061	(65,041)	NM
- 3 Other Hotels	10,063	6,322	59.2	23,461	(9,441)	NM
- Healthcare	-	-	-	3,600	(55,600)	NM
Corporate and consolidation adjms	(8,164)	(4,996)	63.4	(4,307)	(939)	358.7
Group	**873,803**	**987,838**	**(11.5)**	**200,350**	**22,258**	**800.1**

5(a)(b) By Strategic Business Units (SBUs) – YTD Sept 2001 vs YTD Sept 2000

	Turnover			Profit before interest & tax		
	YTD Sep 2001 S$'000	YTD Sep 2000 S$'000	% Change	YTD Sep 2001 S$'000	YTD Sep 2000 S$'000	% Change
Commercial & Fund Mgt	382,519	258,301	48.1	278,487	149,894	85.8
Residential	1,575,346	1,151,477	36.8	(371,846)	176,702	NM
The Ascott Group *	215,185	137,296	56.7	66,260	53,557	23.7
RHL Group & RCH **	357,129	324,811	9.9	462,584	72,709	536.2
Property Services Group	83,480	71,514	16.7	9,415	11,433	(17.7)
E-Business	20	-	NM	(3,339)	(729)	358.0
Non-Core Businesses	24,112	20,425	18.1	(38,951)	(270,070)	(85.6)
- 3 Other Hotels	24,112	20,425	18.1	13,049	(154,812)	NM
- Healthcare	-	-	-	(52,000)	(115,258)	(54.9)
Corporate and consolidation adjms	(16,865)	(16,108)	4.7	(12,259)	13,176	NM
Group	**2,620,926**	**1,947,716**	**34.6**	**390,351**	**206,672**	**88.9**

* *Although the Ascott Group prepares its financial statements on merger accounting, The Ascott Limited became a subsidiary only on 25 November 2000 from CapitaLand Group's perspective. Hence, the 3Q 2000 comparative turnover and profits shown above pertain only to the former Somerset Group which was a subsidiary of CapitaLand Group.*

** *Depreciation of about $16.0M and $19.7M were put through at CapitaLand Group level in 3Q 2001(9 mths) and 3Q 2000(9 mths) respectively to align Raffles Holdings' depreciation rates for its hotels to the CapitaLand Group's depreciation rates. On a quarterly basis, the depreciation put through in 3Q 2001 and 3Q 2000 were $5.5M and $6.6M respectively.*

Strictly for information only, the numbers reported by The Ascott Group and Raffles Holdings Group to their respective shareholders are:-

	Turnover			Profit before interest & tax (including exceptional items)		
	YTD Sep 2001 S$'000	YTD Sep 2000 S$'000	% Change	YTD Sep 2001 S$'000	YTD Sep 2000 S$'000	% Change
The Ascott Group	215,185	167,967	28.1	62,717	69,838	(10.2)
Raffles Holdings Group	265,723	241,146	10.2	364,178	92,721	292.8

5(a)(c) By Geographical Location

	Turnover			Profit before interest & tax		
	YTD Sep 2001 S$'000	YTD Sep 2000 S$'000	% Change	YTD Sep 2001 S$'000	YTD Sep 2000 S$'000	% Change
Singapore	1,098,172	1,165,749	(5.8)	229,188	241,338	(5.0)
Australia & New Zealand	990,358	558,601	77.3	102,323	46,834	118.5
China & Hong Kong	227,541	141,147	61.2	47,239	(60,528)	NM
South East Asia	60,994	30,333	101.1	17,542	(6,831)	NM
United Kingdom	144,614	23,696	510.3	7,464	1,368	445.6
Others	99,247	28,190	252.1	(13,405)	(15,509)	(13.6)
Group	**2,620,926**	**1,947,716**	**34.6**	**390,351**	**206,672**	**88.9**

Overview

$M	3Q 2001 (3 mths)	2Q 2001 (3 mths)	YTD 2001 (9 mths)	YTD 2000 (9 mths)
Sales	873.8	987.8	2,620.9	1,947.7
EBIT	200.4	22.3	390.4	206.7
Finance costs	(100.0)	(127.3)	(325.7)	(283.4)
PATMI	82.4	(319.7)	(185.9)	(203.4)

The Group achieved a profit after tax and minority interests of $82.4 million in 3Q 2001. This was a turnaround from the loss in 2Q 2001 of $319.7 million. The return to profitability was on the back of steady income from remaining commercial properties, divestment gains of $68.8 million and lower interest costs compared with the substantial provisions of $588.2 million and higher interest costs in 2Q 2001.

The divestment gains of $68.8 million comprised $42.4 million from 3 office buildings being injected into a 50-50 joint fund with Ergo and $26.4 million from the sale completion of 3 overseas hotels. These two divestments generated proceeds of about $320 million in addition to the $1.2 billion already achieved during the first six months of the year.

The Group is also making firm efforts to reduce interest costs and is pleased to report that interest costs charged to the profit and loss account at $100.0 million were 21.4% lower than $127.3 million for 2Q 2001. On the whole, the total interest costs including those capitalised in projects were also lower as a result of lower net borrowings of $7.0 billion at 3Q 2001 compared to $7.7 billion at 2Q 2001. Consequently, the Group also achieved a lower debt-equity ratio of 0.83 versus 0.90 at end-June 2001.

With the profit of $82.4 million in 3Q 2001, year-to-date loss was reduced to $185.9 million from the loss of $268.3 million at half-year. The said year-to-date loss was also 8.6% lower than the loss of $203.4 million recorded for the corresponding period last year.

The Group's turnover for 3Q 2001 at $873.8 million was 11.5% lower than 2Q 2001's turnover of $987.8 million. This was largely due to the loss of contribution from divested properties and lower residential sales. Turnover for 9 months this year stood at $2,620.9 million, an increase of 34.6% over the previous corresponding period. The Group is well on track to exceed the target of 10% to 15% turnover growth set for 2001.

Segment Performance

Commercial & Fund Management SBUs

At EBIT level, the divestment gain of $42.4 million mitigated the loss in contribution from divested properties and thus EBIT for 3Q 2001 was $100.5 million against $79.3 million in 2Q 2001. Turnover for 3Q 2001 was $121.3 million compared with $142.1 million in 2Q 2001 largely due to loss in contribution from divested properties.

Year-to-date turnover was $382.5 million, against $258.3 million last year. The increase was mainly due to the inclusion of Canary Riverside and maiden contribution from Capital Tower, as reported during half year. EBIT was up $128.6 million, or 85.8% to $278.5 million, mainly due to the sale of 5 commercial properties in the first-half and the sale of another 3 properties to the Ergo Fund in this quarter.

Residential SBU

EBIT for 3Q 2001 was $60.0 million versus $39.0 million in 2Q 2001 (excluding provision of $507.6 million in 2Q 2001). This was mainly due to overall improved performance from Singapore as well as overseas operations.

Year-to-date turnover was $1,575.3 million, against $1,151.5 million last year. The higher turnover arises mainly from higher sales recorded by overseas operations. EBIT was a negative $371.8 million (YTD Sep 2000: $176.7 million) due mainly to the provisions for landbank and ongoing projects in Singapore during the first-half of the year mitigated by the increase in contributions from overseas operations.

Serviced Residences SBU (The Ascott Group)

EBIT of $18.5 million in 3Q 2001 was lower than $27.0 million in 2Q 2001, partially due to loss of contribution from divested Orchard Point retail component, lower sales from residential properties and lower income due to the depreciation of US$ in 3Q.

Hotels SBU (Raffles Holdings Group and RC Hotels)

EBIT in 3Q 2001 was a deficit of $1.1 million compared to $447.7 million in the previous quarter This was largely due to the economic slowdown in 3Q resulting in lower leisure and business travel demand, hotel occupancy and food and beverage spending compared to divestment gain of 55% stake in Raffles City (Private) Limited in 2Q. The economic slowdown was further accentuated by the September 11 incident and retaliatory actions. However, year-to-date EBIT stood at $462.6 million largely due to the divestment gain of RCPL.

Property Services SBU

EBIT in 3Q 2001 of $1.2 million was $2.6 million lower than 2Q 2001 of $3.8 million, mainly due to a provision of $1.3 million made for investments in this quarter. Year-to-date EBIT of $9.4 million was also lower than $11.4 million in the previous corresponding period.

E-Business SBU

Loss before interest and tax in the third quarter amounted to $1.4 million. During the quarter ended 30 September 2001, pFission entered into a joint-venture with three other major property owners to develop and maintain an e-office hub.

Non-Core Businesses : Other Hotels and Healthcare

The sale of the 3 hotels, namely Hotel Equatorial in Yangon, Meritus Westlake in Hanoi and Sheraton Suzhou Hotel was completed in September and a gain of $26.4 million was recorded.

As for Parkway Holdings Limited, a write-back of $3.6 million was put through to mark it to September closing price of $0.97 per share versus $0.94 at end-June.

Company's Performance

The internal restructuring exercise undertaken by the Group was completed in September 2001. The Company transferred most of its directly-held subsidiaries at fair market values to various designated SBUs to achieve pure-play operations. These divestment gains which were reduced by the write-off of investments in the three hotels following the completion of the sale resulted in the Company posting a net profit of $91.9 million, or 192.3% rise over the previous corresponding period.

5(b) Events Subsequent to Balance Sheet Date

In the opinion of the directors, no item or event of a material or unusual nature has occurred between 30 September 2001 and the date of this report which would materially affect the results of the operations of the Company and the Group for the nine months ended 30 September 2001.

6. Commentary on current year prospects

Commercial & Fund Management SBUs

The 11 September incident is not likely to have significant impact on the revenue in the 4Q as most leases for the year have been renewed. However, future divestments will be more challenging amidst the current uncertainties. Notwithstanding this, the SBU managed to sell 131 Finsbury Pavement in London for about $125 million in October and realised a gain of $29.2 million therefrom. In addition, the SingMall Property Trust was recently launched.

Residential SBU

Although the 11 September incident will have little impact on revenue recognition in the 4Q, the slowdown in actual units sold would result in weak revenue going forward. With the provisions made in June and barring unforeseen circumstances, it is unlikely that further provisions will be made for residential landbank and projects at year-end.

Serviced Residences SBU (The Ascott Group)

The SBU's revenue has not been materially affected by events that have taken place since the 11 September incident. This is mainly attributable to the well-diversified client base and longer term lease tenure of its business.

For 4Q2001, the Ascott Group does not expect its operating performance to be substantially affected by the global economic slowdown. Marginal revenue loss would be cushioned by lower interest cost, as well as the stepped-up cost control measures and productivity drive already initiated by the Ascott Group since mid 2001. Gains from divestment of Junction 8 and Funan IT Mall will be realised in the last quarter of 2001. The carrying value of the property portfolio is reviewed at each financial year-end. Given the weaker property market conditions, lower valuations are to be expected. Write-downs may be required which could reduce the full-year earnings and the consolidated net asset value. Nevertheless, the impact on Ascott Group's consolidated net asset value is not likely to be significant, and it still expects earnings, inclusive of exceptional gains, to be better than fourth quarter 2000 (S$14.5 million) and full year 2000 (S$32.8 million).

Hotels SBU (Raffles Holdings Group and RC Hotels)

The continued economic slowdown and ongoing retaliatory actions have an adverse impact on the hotel industry worldwide. Occupancy and revenue per available room are projected to decline for the rest of 2001. However, RH Group has taken measures to rein-in costs and to redirect its marketing strategies to focus on local and regional travel businesses.

In line with the prevailing weak market conditions, the SBU expects to record a loss in the last quarter. However, with the gain on divestment of Raffles City (Private) Limited, the SBU expects the overall results for 2001 to be considerably higher than 2000.

Going forward, RH Group has significantly strengthened its balance sheet with the gain from divestment. At the same time, the Swissotel acquisition has enhanced the Group's global presence, diversified its earning base and increased its fee-based income from management contracts. This will position RH Group well to weather the current global market downturn and uncertainties and to take advantage of opportunities as they arise.

Property Services SBU

The 11 September incident is expected to have little impact on the turnover of the SBU in 4Q 2001. However, full year profitability may be adversely affected by further provisions in investments.

E-Business SBU

As stated at half-year, new investments will be scaled back and the priority will be to contain operating costs until the environment stabilises.

GROUP OVERALL PROSPECTS FOR 2001

The Group has worked diligently over the past nine months to execute the strategy outlined by management at the year-end 2000 earnings conference in February. Significant progress has been made towards achieving these goals in the midst of a challenging economic environment.

Divestment and gearing:
The Group remains committed to its strategy of becoming asset light. In third quarter, the Group divested $320 million worth of assets. Together with the $1.2 billion divested earlier in the current year, the Group's total divestments as at September amount to more than $1.5 billion. This excludes the $125 million from the sale of 131 Finsbury Pavement, which was completed in October, as well as the proceeds to be received from the recently launched SingMall Property Trust ("SPT"). Based on the terms in the SPT Prospectus, the expected gain is about $99 million.

Divestment proceeds were primarily used to reduce borrowings, which declined significantly by $1.2 billion from $8.2 billion as at end 2000 to $7 billion currently. Consequently, the Group's gearing improved from 0.92 as at end 2000 to 0.83 at present. The lower gearing helps strengthen the balance sheet to weather the challenging environment ahead.

The Group intends to continue its divestment strategy and expects to meet its full year divestment target of between $1.7 billion and $2.2 billion in the current year. This will allow the Group to further reduce its borrowings and improve gearing.

4Q Outlook:
The Group will review its asset values in 4Q 2001. The Singapore residential market remains weak with sales of private housing units adversely affected by the events of September 11. However, the Group believes that, barring unforeseen circumstances, further provisions this year for the Residential SBU is unlikely. For the Commercial SBU, although rental yields have not significantly changed, asset values may come under pressure because of higher capitalisation rate expectations in commercial property transactions, thereby eroding the Group's year-end net tangible assets. The Group's available revaluation reserve would, however, help to cushion the Group's profits from value erosion, if any, arising from the review of the Commercial SBU's Singapore assets.

7. Dividend

7(a) Any dividend declared for the present financial period? Nil
7(b) Any dividend declared for the previous corresponding period? Nil
7(c) Date payable : Not applicable
7(d) Books closing date : Not applicable
7(e) Any other comments relating to Paragraph 7 : Nil

8. Details of any changes in the Company's issued share capital

During the first 9 months of the year, there was no change in the Company's issued share capital.

During the third quarter, 2 batches of options totalling 21,614,240 were granted at the exercise prices of $2.50 and $2.49. The options may be exercised one year after the date of grant and in accordance with a vesting schedule as laid down in the Share Option Plan rules.

	Company	
	Nine months ended 30/9/2001 S$'000	**Half Year ended 30/6/2001 S$'000**
Issued and fully paid ordinary share of S$1 each :-		
At the beginning and end of the periods	**2,517,350**	**2,517,350**
Number of ordinary shares of $1 each that may be issued on exercise of all share options outstanding at the end of each period	**39,573,080**	**22,823,815**

There are also 172,500 2% redeemable convertible cumulative preference shares ("RCCPS") of US$1 each which are convertible to ordinary shares by 31 December 2001 at the conversion price of $5.43. As the conversion price is currently much higher than the prevailing market price and is expected to remain so before 31 December 2001, it is not anticipated that the RCCPS holders will opt to convert. The RCCPS have been reclassified as short-term liabilities.

9. Comparative figures of the group's borrowings and debt securities

	Group	
	As at 30/9/2001 S$'000	**As at 30/6/2001 S$'000**
9(a) Amount repayable in one year or less, or on demand:-		
Secured	765,980	687,688
Unsecured	3,551,727	3,621,978
Sub-Total 1	**4,317,707**	**4,309,666**
9(b) Amount repayable after one year:-		
Secured	2,270,125	2,476,950
Unsecured	1,967,859	2,382,455
Sub-Total 2	**4,237,984**	**4,859,405**
Total	**8,555,691**	**9,169,071**

9(c) Any other comments relating to Paragraph 9

The above-stated unsecured amount repayable within one year includes an amount of $302.1 million which is the 2% RCCPS. Cash at bank and in hand as at 30/9/2001 was $1,506.7 million (30/6/2001: $1,476.4 million). Hence, total borrowings net of cash as at 30/9/2001 was $7,049.0 million (30/6/2001: $7,692.7 million).

10. Balance Sheet

	Group			Company		
	30/9/2001 S$'000	Restated 30/9/2000 S$'000	% Change	30/9/2001 S$'000	30/9/2000 S$'000	% Change
Non-Current Assets						
Property, Plant & Equipment	2,025,848	1,616,364	25.3	3,356	3,872	(13.3)
Investment Properties	7,233,350	8,365,397	(13.5)	-	-	-
Properties under Devt	404,520	349,283	15.8	-	-	-
Interests in Subsidiaries	-	-	-	5,763,466	4,212,757	36.8
Interests in Associated Companies, Joint Venture Companies and Partnerships	2,239,523	1,593,133	40.6	-	72,736	(100.0)
Deferred Expenditure (note 1)	46,779	-	NM	-	-	-
Other Assets	548,792	542,723	1.1	25	25	-
Current Assets (note 1)	5,980,521	6,435,400	(7.1)	1,225,209	971,399	26.1
Devt Properties for Sale	*3,355,993*	*4,380,841*	*(23.4)*	-	-	-
Trade & Other Receivables	*1,030,564*	*996,335*	*3.4*	*862,340*	*752,659*	*14.6*
Cash & Cash Equivalents	*1,506,710*	*818,875*	*84.0*	*362,869*	*218,740*	*65.9*
Other Current Assets	*87,254*	*239,349*	*(63.5)*	-	-	-
Less: Current Liabilities	(5,509,437)	(5,115,612)	7.7	(1,209,368)	(951,134)	27.2
Trade & Other Payables	*(988,364)*	*(996,335)*	*(0.8)*	*(90,896)*	*(89,097)*	*2.0*
Short-Term Borrowings	*(4,317,707)*	*(3,162,334)*	*36.5*	*(1,118,472)*	*(862,037)*	*29.7*
Other Current Liabilities	*(203,366)*	*(956,943)*	*(78.7)*	-	-	-
Net Current Assets	471,084	1,319,788	(64.3)	15,841	20,265	(21.8)
Less: Non-Current Liabilities						
Long-Term Borrowings	(4,237,985)	(5,069,047)	(16.4)	(754,153)	(864,550)	(12.8)
Other Non-Current Liabilities	(207,054)	(180,119)	15.0	(26,838)	(20,765)	29.2
	8,524,857	**8,537,522**	**(0.1)**	**5,001,697**	**3,424,340**	**46.1**
Representing:						
Share Capital (note 2)	2,517,350	2,517,350	-	2,517,350	1,201,319	109.5
Reserves (note 1)	4,001,317	4,510,390	(11.3)	2,484,347	2,223,021	11.8
Shareholders' Funds	6,518,667	7,027,740	(7.2)	5,001,697	3,424,340	46.1
Minority Interests (MI)	2,006,190	1,509,782	32.9	-	-	-
	8,524,857	**8,537,522**	**(0.1)**	**5,001,697**	**3,424,340**	**46.1**

Note 1: Deferred expenditure as at 30 Sep 2000 amounting to $42.7 million has been restated and reclassified in line with new SAS 34 on Intangible Assets. An amount of $13.4 million was reclassified to prepayments in Current Assets and the balance $29.3 million relating to pre-operating expenses has been charged to reserves.

Note 2: The comparative share capital figure for 30 Sep 2000 at Group level has been adjusted to include 1,316,031,127 ordinary shares being the issued ordinary share capital of DBS Land Limited and a bonus issue of 86,494,952 shares which the Company would have issued pursuant to the share exchange in connection with the merger with DBS Land Limited.

11. Cash Flows Statement

	Group	
	YTD Sep 2001 (9 months) S$M	**YTD June 2001 (6 months) S$M**
Net cashflow from operations	**968**	**464**
Divestments inflows	1,512	1,177
Investments outflows	(786)	(634)
Capital expenditure	(167)	(75)
Net cashflow before financing cost and tax	**1,527**	**932**
Net interest paid	(330)	(215)
Tax and dividend paid	(179)	(122)
Net cashflow after financing cost and tax	**1,018**	**595**

12. Change in Accounting Policies

In compliance with new and revised Statements of Accounting Standard, the Group has this year modified its accounting policies in respect of:

1. deferred expenditure (mainly pre-operating expenses of hotels and services) which is now written off in the year incurred instead of being amortised over an appropriate period. At 30 September 2001, the deferred expenditure refers to goodwill on consolidation arising from acquisition of a subsidiary in the first half year; and
2. items outside the normal trading activities which were previously classified as "extraordinary". These items are now presented before calculating "operating profit before taxation".

In consequence, deferred expenditure as at 1 January 2000 was adjusted by a charge of $22.9 million against reserves. The comparative figures in the profit statement for the nine months to 30 September 2000 have not been restated in accordance with the new policy as the impact is immaterial.

This release 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. The company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

BY ORDER OF THE BOARD

Lim Mei Yi
Company Secretary
31 October 2001