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CAPITALAND LIMITED
2002 FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

1(a)(i) Income Statement

	<---------- Group ---------->			<---------- Company ---------->		
	2002 S$'000	2001 S$'000 (Restated)	% Change	2002 S$'000	2001 S$'000 (Restated)	% Change
Revenue	**3,264,008**	**3,233,172**	**1.0**	**126,750**	**101,436**	**25.0**
Cost of sales	(2,279,317)	(2,766,825)	(17.6)	(19)	(1,594)	(98.8)
Gross profit	984,691	466,347	111.1	126,731	99,842	26.9
Other operating income	268,129	727,199	(63.1)	82,443	155,587	(47.0)
Administrative expenses	(472,383)	(633,757)	(25.5)	(27,175)	(27,502)	(1.2)
Other operating expenses	(88,850)	(212,836)	(58.3)	(12,179)	(27,911)	(56.4)
Profit from operations	691,587	346,953	99.3	169,820	200,016	(15.1)
Finance costs	(283,223)	(408,194)	(30.6)	(108,598)	(140,803)	(22.9)
Share of results of:						
- associated companies	56,276	23,586	138.6	-	-	-
- joint venture companies	19,227	(2,971)	NM	-	-	-
- partnerships	(6)	1,208	NM	-	-	-
	75,497	21,823	246.0	-	-	-
Profit/(Loss) before taxation	483,861	(39,418)	NM	61,222	59,213	3.4
Taxation	(86,600)	(103,335)	(16.2)	(18,623)	(20,181)	(7.7)
Profit/(Loss) after taxation	397,261	(142,753)	NM	42,599	39,032	9.1
Minority interests (MI)	(107,093)	(138,696)	(22.8)	-	-	-
Profit/(Loss) after tax and MI	**290,168**	**(281,449)**	**NM**	**42,599**	**39,032**	**9.1**

Note : 2001 comparative figures have been restated to conform with current year's presentation, adoption of revised SAS 12 (2001) on Income Taxes and certain changes in accounting policies. Please refer to Paragraph 5 for details.

NM Not meaningful.

1(a)(ii) Breakdown and Explanatory Notes to Income Statement

	<---------- Group ---------->		
	2002 S$'000	**2001 S$'000 (Restated)**	**% Change**
Investment income	8,877	6,301	40.9
Other income including interest income	259,252	720,898	(64.0)
Depreciation and amortisation	(107,392)	(162,948)	(34.1)
Allowance for doubtful debts and bad debts written off	(2,421)	(57,629)	(95.8)
Impairment and provision (net) in value of investments, properties, etc (net of tax & MI)	(40,517)	(691,569)	(94.1)
Foreign exchange gain	6,567	9,954	(34.0)

Adjustments for under or overprovision 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 temporary differences. The amount of over-provision of current tax included in the Group's tax charge for 2002 is $6.2 million (2001 : $10.2 million). The effect in prior years' deferred tax liability arising from the implementation of the revised Singapore Statement of Accounting Standard 12 on Income Taxes is $8.8 million which has been adjusted against the opening revenue reserve at 1/1/2002 (1/1/2001 : $10.2 million).

Profit or loss on sale of investments, properties and/or plant and equipment

Sale of investments/properties	**Group's Share of Profit/(Loss) after tax and MI as at 31/12/2002 $M**
First 9 months' accumulated divestment gains including $5.4 million dilution gain from Australand's placement of new shares in March (for details, please refer to 2002 1Q, Half Year and 2002 3Q Announcements)	152.2
Sale of subsidiary, PT Amethyst Wahyu	24.4
Loss on liquidation of subsidiary, Zhongten Investment & Development Pte Ltd	(4.2)
Loss on sale of investment portfolio	(1.8)
Others	(0.6)
Total Group's share of divestment gains after tax & MI	**170.0**

ANNEX 1: 4Q 2002 vs 3Q 2002 INCOME STATEMENT

	<---------- Group ---------->		
	4Q 2002 (3 mths) S$'000	**3Q 2002 (3 mths) S$'000**	**% Change**
Revenue	**998,044**	**774,400**	**28.9**
Cost of sales	(672,208)	(561,911)	19.6
Gross profit	325,836	212,489	53.3
Other operating income	47,375	140,157	(66.2)
Administrative expenses	(133,059)	(109,558)	21.5
Other operating expenses	(84,370)	(9,936)	749.1
Profit from operations	155,782	233,152	(33.2)
Finance costs	(71,670)	(65,818)	8.9
Share of results of:			
- associated companies	13,112	14,268	(8.1)
- joint venture companies	6,082	8,764	(30.6)
- partnerships	6	-	NM
	19,200	23,032	(16.6)
Profit before taxation	103,312	190,366	(45.7)
Taxation	(8,384)	(29,968)	(72.0)
Profit after taxation	94,928	160,398	(40.8)
Minority interests (MI)	(45,028)	(18,715)	140.6
Profit after tax and MI	**49,900**	**141,683**	**(64.8)**

NM *Not meaningful.*

1(b)(i) Balance Sheet

As at 31/12/2002 vs 31/12/2001

	<---------- Group ---------->			<---------- Company ---------->		
	31/12/2002 S$'000	**31/12/2001 S$'000 (Restated)**	**% Change**	**31/12/2002 S$'000**	**31/12/2001 S$'000 (Restated)**	**% Change**
Non-Current Assets						
Property, Plant & Equipment	1,808,013	2,285,416	(20.9)	2,339	3,019	(22.5)
Intangible Assets	32,109	50,985	(37.0)	-	-	-
Investment Properties	5,771,493	6,614,030	(12.7)	-	-	-
Properties under Devt	168,448	383,873	(56.1)	-	-	-
Interests in Subsidiaries	-	-		7,196,761	6,398,012	12.5
Interests in Associated Companies, Joint Venture Companies and Partnerships	2,735,731	2,416,671	13.2	-	-	-
Other Assets	234,126	234,856	(0.3)	1,611	550	192.9
	10,749,920	**11,985,831**	**(10.3)**	**7,200,711**	**6,401,581**	**12.5**
Current Assets	**5,577,653**	**6,383,084**	**(12.6)**	**926,014**	**1,687,868**	**(45.1)**
Devt Properties for Sale	*3,409,528*	*3,445,158*	*(1.0)*	-	-	-
Trade & Other Receivables	*897,195*	*920,740*	*(2.6)*	*576,119*	*1,427,118*	*(59.6)*
Cash & Cash Equivalents	*1,087,055*	*1,922,557*	*(43.5)*	*342,085*	*253,285*	*35.1*
Other Current Assets	*183,875*	*94,629*	*94.3*	*7,810*	*7,465*	*4.6*
Less: Current Liabilities	**4,543,958**	**6,284,155**	**(27.7)**	**715,409**	**1,312,461**	**(45.5)**
Trade & Other Payables	*1,168,640*	*1,346,083*	*(13.2)*	*57,786*	*59,879*	*(3.5)*
Short-Term Borrowings	*3,231,993*	*4,795,682*	*(32.6)*	*657,623*	*1,252,582*	*(47.5)*
Other Current Liabilities	*143,325*	*142,390*	*0.7*	-	-	-
Net Current Assets	**1,033,695**	**98,929**	**944.9**	**210,605**	**375,407**	**(43.9)**
Less: Non-Current Liabilities						
Long-Term Borrowings	3,545,245	4,015,833	(11.7)	1,124,683	942,809	19.3
Other Non-Current Liabilities	391,370	192,376	103.4	1,323,976	885,596	49.5
	3,936,615	**4,208,209**	**(6.5)**	**2,448,659**	**1,828,405**	**33.9**
	7,847,000	**7,876,551**	**(0.4)**	**4,962,657**	**4,948,583**	**0.3**
Representing:						
Share Capital	2,517,350	2,517,350	-	2,517,350	2,517,350	-
Reserves	3,471,860	3,488,579	(0.5)	2,445,307	2,431,233	0.6
Share Capital and Reserves	5,989,210	6,005,929	(0.3)	4,962,657	4,948,583	0.3
Minority Interests	1,857,790	1,870,622	(0.7)	-	-	
	7,847,000	**7,876,551**	**(0.4)**	**4,962,657**	**4,948,583**	**0.3**

Note: 2001 comparative figures have been restated to conform with current year's presentation, adoption of revised SAS 12 (2001) on Income Taxes and certain changes in accounting policies. Please refer to Paragraph 5 for details.

1(b)(i) Balance Sheet

As at 31/12/2002 vs 30/9/2002

	<---------- Group ---------->			<---------- Company ---------->		
	31/12/2002 S$'000	**30/9/2002 S$'000**	**% Change**	**31/12/2002 S$'000**	**30/9/2002 S$'000**	**% Change**
Non-Current Assets						
Property, Plant & Equipment	1,808,013	1,768,567	2.2	2,339	2,464	(5.1)
Intangible Assets	32,109	49,003	(34.5)	-	-	-
Investment Properties	5,771,493	6,062,931	(4.8)	-	-	-
Properties under Devt	168,448	191,789	(12.2)	-	-	-
Interests in Subsidiaries	-	-		7,196,761	6,835,236	5.3
Interests in Associated Companies, Joint Venture Companies and Partnerships	2,735,731	2,749,943	(0.5)	-	-	-
Other Assets	234,126	212,573	10.1	1,611	2,294	(29.8)
	10,749,920	**11,034,806**	**(2.6)**	**7,200,711**	**6,839,994**	**5.3**
Current Assets	**5,577,653**	**5,216,416**	**6.9**	**926,014**	**1,069,346**	**(13.4)**
Devt Properties for Sale	*3,409,528*	*3,259,282*	*4.6*	-	-	-
Trade & Other Receivables	*897,195*	*935,383*	*(4.1)*	*576,119*	*1,048,973*	*(45.1)*
Cash & Cash Equivalents	*1,087,055*	*843,719*	*28.8*	*342,085*	*12,908*	*NM*
Other Current Assets	*183,875*	*178,032*	*3.3*	*7,810*	*7,465*	*4.6*
Less: Current Liabilities	**4,543,958**	**4,233,462**	**7.3**	**715,409**	**876,681**	**(18.4)**
Trade & Other Payables	*1,168,640*	*1,007,432*	*16.0*	*57,786*	*65,885*	*(12.3)*
Short-Term Borrowings	*3,231,993*	*3,106,792*	*4.0*	*657,623*	*670,658*	*(1.9)*
Other Current Liabilities	*143,325*	*119,238*	*20.2*	-	*140,138*	*NM*
Net Current Assets	**1,033,695**	**982,954**	**5.2**	**210,605**	**192,665**	**9.3**
Less: Non-Current Liabilities						
Long-Term Borrowings	3,545,245	3,774,684	(6.1)	1,124,683	1,141,306	(1.5)
Other Non-Current Liabilities	391,370	240,280	62.9	1,323,976	949,827	39.4
	3,936,615	**4,014,964**	**(2.0)**	**2,448,659**	**2,091,133**	**17.1**
	7,847,000	**8,002,796**	**(1.9)**	**4,962,657**	**4,941,526**	**0.4**
Representing:						
Share Capital	2,517,350	2,517,350	-	2,517,350	2,517,350	-
Reserves	3,471,860	3,654,821	(5.0)	2,445,307	2,424,176	0.9
Share Capital and Reserves	5,989,210	6,172,171	(3.0)	4,962,657	4,941,526	0.4
Minority Interests	1,857,790	1,830,625	1.5	-	-	
	7,847,000	**8,002,796**	**(1.9)**	**4,962,657**	**4,941,526**	**0.4**

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	< ---------- Group ---------->		
	As at 31/12/2002 S$'000	**As at 30/9/2002 S$'000**	**As at 31/12/2001 S$'000**
Amount repayable in one year or less, or on demand:-			
Secured	912,704	632,138	1,132,427
Unsecured	2,319,289	2,474,654	3,663,255
Sub-Total 1	**3,231,993**	**3,106,792**	**4,795,682**
Amount repayable after one year:-			
Secured	1,649,274	2,069,589	1,945,393
Unsecured	1,895,971	1,705,095	2,070,440
Sub-Total 2	**3,545,245**	**3,774,684**	**4,015,833**
Total Debt	**6,777,238**	**6,881,476**	**8,811,515**
Less : Cash and cash equivalents	(1,087,055)	(843,719)	(1,922,557)
Net Debt	**5,690,183**	**6,037,757**	**6,888,958**

Details of any collateral

Secured borrowings are generally secured by the borrowing companies' land and buildings, investment properties, properties under development or development properties for sale and assignment of all rights and benefits with respect to the properties.

Cash and cash equivalents

The cash and cash equivalents as at 31/12/2002 totalling to about $1,087.1 million included approximately $614.2 million in fixed deposits and approximately $208.7 million in Project Accounts whose withdrawals are restricted to payment for expenditure incurred on development projects.

1(c) Cash Flows Statement

	<---------- Group ---------->	
	2002	**2001**
	$'000	**$'000**
Cash Flows from Operating Activities		**(Restated)**
Profit/(Loss) before taxation	**483,861**	**(39,418)**
Adjustments for :		
Amortisation of intangible assets	1,345	1,714
Amortisation of leasehold investment property	125	124
Allowance/(Write-back) for:		
- Intangible Assets	(9,619)	15,941
- Foreseeable losses on development properties for sale	(8,305)	445,183
- Loan to investee companies	-	15,443
- Non-current portion of financial assets	9,759	82,773
- Loan to associated companies, joint ventures and partnerships	(497)	4,738
Non-current employee benefits	1,567	650
Depreciation of property, plant and equipment	105,922	161,110
(Write-back)/Impairment of property, plant and equipment	(8,281)	40,863
(Write-back)/Impairment of property under development	-	8,150
Write-down in value of investment property	58,758	34,620
Loss on disposal/write-off of property, plant and equipment	1,704	10,854
Gain on disposal of investment property	(7,110)	(29,701)
Gain on disposal of subsidiaries and associated companies	(173,879)	(559,180)
Share of results of associated companies, joint ventures and partnerships	(75,497)	(21,823)
Accretion of deferred income	(4,677)	(10,807)
Interest expense	283,223	408,194
Interest income	(44,551)	(52,272)
	129,987	**556,574**
Operating profit before working capital changes	**613,848**	**517,156**
(Increase)/Decrease in working capital		
Inventories, trade and other receivables	43,464	188,133
Development properties for sale	91,527	447,267
Trade and other payables	(73,525)	379,011
Amount due from related corporations	(510)	(24,481)
Financial assets	(89,432)	(83,744)
	(28,476)	**906,186**
Cash generated from operations	**585,372**	**1,423,342**
Income tax paid	(107,203)	(82,370)
Customer deposits received	15,635	63,997
Proceeds from sales of future receivables	169,604	-
Net Cash generated from Operating Activities	**663,408**	**1,404,969**

	<---------- Group ---------->	
	2002	**2001**
	$'000	**$'000**
Cash Flows from Investing Activities		
Purchase of property, plant & equipment	(88,776)	(143,007)
Proceeds from disposal of property, plant & equipment	19,950	9,685
Increase/(Decrease) in associated companies, joint ventures and partnerships	80,057	(374,344)
Increase/(Decrease) in amounts owing by investee companies	23	(8,052)
Acquisition of investment properties and property under development	(81,794)	(152,858)
Proceeds from disposal of investment properties and property under development	20,149	220,262
Proceeds/(Acquisition) of non-current financial assets	14,291	236,645
Dividends received from associated companies, joint ventures and partnerships	41,033	33,861
Disposal/(Acquisition) of subsidiaries (net)	500,790	825,321
Interest income received	19,084	83,270
Net Cash generated from Investing Activities	**524,807**	**730,783**
Cash Flows from Financing Activities		
Proceeds from/(Repayment of) loans from related corporations (net)	3,825	(6,418)
Proceeds from/(Repayment of) loans from minority shareholders (net)	8,221	(181,695)
Contribution from minority interests	61,568	-
Redemption of RCCPS	-	(342,747)
Repayment from terms loans (net)	(905,566)	(7,087)
(Repayment of)/Proceeds from debt securities & convertible bonds (net)	(682,732)	54,093
Dividend paid to shareholders	(58,906)	(38,012)
Dividends paid to minority shareholders	(113,979)	(53,709)
Interest expense paid	(338,390)	(531,325)
Net Cash used in Financing Activities	**(2,025,959)**	**(1,106,900)**
Net (decrease)/increase in cash and cash equivalents	**(837,744)**	**1,028,852**
Cash and cash equivalents at beginning of the year	1,909,363	868,116
Effect of foreign exchange rate changes on cash balances	12,026	12,395
Cash and cash equivalents at end of the year	**1,083,645**	**1,909,363**

1(d)(i) Statement of Changes in Equity

As at 31/12/2002 vs 31/12/2001

	<---------- Group ---------->								
S$M	Share Capital	Share Prem.	Cap. Res.	Cap. Redem Res.	Reval Res.	For. Curr. Tran. Res.	Res. On Conso.	Rev. Res.	Total
Balance as at 1/1/2001	**2,517**	**3,454**	**65**	**3**	**1,070**	**(25)**	**4**	**(41)**	**7,047**
Effects of change in accounting policies								1	**1**
Effects of adopting SAS 12								10	**10**
Loss for 2001, as restated								(281)	**(281)**
Dividends paid								(38)	**(38)**
Transfer to capital reserve			23					(23)	**-**
Transfer to capital redemption reserve				2				(2)	**-**
RCCPS redemption premium & translation differences		(25)							**(25)**
Net deficit on revaluation of investment properties & properties under devt.					(381)				**(381)**
Realised revaluation reserve transferred to P/L account					(305)				**(305)**
Share of assoc & jv companies net revaluation deficits					(43)				**(43)**
Foreign currency translation differences						13			**13**
Addition/disposal of subsidiaries and assoc. cos.							3		**3**
Others			6	(1)					**5**
Balance as at 31/12/2001	**2,517**	**3,429**	**94**	**4**	**341**	**(12)**	**7**	**(374)**	**6,006**
Profit for 2002								290	**290**
Dividends paid								(59)	**(59)**
Transfer to revenue reserve			(3)					3	**-**
Convertible bonds			30						**30**
Net (deficit)/surplus on revaluation of investment properties & properties under devt.					(259)				**(259)**
Realised revaluation reserve transferred to P/L account					(130)				**(130)**
Revaluation surplus for an investment property reclassified from PPE held by an assco. co.					111				**111**
Share of assoc & jv companies net revaluation deficit					(63)				**(63)**
Revaluation deficit charged to P/L					41				**41**
Foreign currency translation differences						5			**5**
Dilution/disposal of subsidiary and assoc. cos.						7	11		**18**
Others								(1)	**(1)**
Balance as at 31/12/2002	**2,517**	**3,429**	**121**	**4**	**41**	**-**	**18**	**(141)**	**5,989**

As at 31/12/2002 vs 31/12/2001

	<---------- Company ---------->								
S$M	Share Capital	Share Prem.	Cap. Res.	Cap. Redem Res.	Reval Res.	For. Curr. Tran. Res.	Res. On Conso.	Rev. Res.	Total
Balance as at 1/1/2001	**2,517**	**2,161**	**-**	^	**-**	**1**	**-**	**269**	**4,948**
Profit for 2001								39	**39**
Dividends paid								(38)	**(38)**
Transfer to capital redemption reserve				^				^	**-**
Others						(1)			^
Balance as at 31/12/2001	**2,517**	**2,161**	**-**	^	**-**	**-**	**-**	**270**	**4,949**
Profit for 2002								43	**43**
Dividends paid								(59)	**(59)**
Conversion rights of convertible bonds			30						**30**
Balance as at 31/12/2002	**2,517**	**2,161**	**30**	^	**-**	**-**	**-**	**254**	**4,963**

^ *Less than $1.0 million.*

1(d)(ii) Details of any changes in the Company's issued share capital

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

Share Options

Share options totalling 22,947,600 were granted at the exercise price of $1.71 per share. The options may be exercised one year after the date of grant and in accordance with a vesting schedule as laid down in the CapitaLand Share Option Plan rules. No shares of the Company were issued during the financial year by virtue of exercise of options. As at 31/12/2002, there were 54,127,364 (31/12/2001 : 41,038,712) unissued shares under options.

Performance Shares

During the financial year, conditional awards totalling 1,780,000 performance shares were granted to 28 executives. The executives included Mr Liew Mun Leong who has been conditionally awarded 250,000 performance shares. Mr Liew is the President and Chief Executive Officer of the Company and an Executive Director in the Board of Directors. The awards are conditional on targets set for a performance period, currently prescribed to be a three-year performance period. The performance shares will only be released to the recipient at the end of the performance qualifying period. The final number of performance shares given will depend on the level of achievement of those targets over the three-year performance period. A specified number of performance shares shall be released to the recipient at the end of the performance period, provided the minimum level of targets achieved is not less than 80% of targets set.

Recipients who do not meet at least 80% of the targets set at the end of the performance period will not be given any performance shares. On the other hand, if targets set are exceeded by more than 100%, more performance shares than the original award could be delivered up to a maximum of 200% of the original award. In accordance with the Group's policy, an amount of $658,600, being the currently estimated fair values of the performance shares accrued over the 3-year period, has been provided in the profit and loss account.

$380 million Convertible Bonds

During the financial year, the Company has also issued $380 million convertible bonds due 2007 which are convertible into new 162,685,161 ordinary shares at the conversion price of $2.3358 per new ordinary share. As at 31/12/2002, the number of new ordinary shares that may be issued on conversion is 162,685,161 (31/12/2001 : Nil)

2. Whether the figures have been audited, or reviewed and in accordance with which standard (eg. the Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31/12/2001.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

5(a) SAS 12 (Revised) on Income Tax

The impact arising from the revised Singapore Statement of Accounting Standard 12 (2001) on Income Taxes ("SAS 12") on the balance sheet comparatives with respect to the net profit, the opening revenue reserve and the net tangible assets is as disclosed below:-

	Increase/(Decrease) $M
Net profit for the year ended 31 December 2001	(1.4)
Opening revenue reserve at 1 January 2001	10.2
Opening revenue reserve at 1 January 2002	8.8
Net tangible assets at 31 December 2001	(6.6)

There is no material impact on current year's profit arising from the said adoption of revised SAS 12.

5(b) Reclassification of Starhub Centre as Investment Property

For details, please refer to 2002 1H result announcement released on 26 July 2002.

5(c) Depreciation Rates of Hotel Assets

For details, please refer to 2002 1H result announcement released on 26 July 2002.

5(d) **Reclassification of Interest Income/Expenses pertaining to Financing Vehicles**

After review, the Group is of the view that for companies whose businesses are in the funding and other financing activities, it is more appropriate to classify the interest income earned by these companies as revenue and the interest expense incurred as cost of sales. As such, the comparative figures have been restated as follows:-

	<--------- 2001 --------->	
	Previously Reported S$'000	**Restated S$'000**
Group's Profit & Loss Account:-		
Interest income	83,990	52,272
Interest on borrowings	(432,778)	(408,194)
Segmental Results by SBU:-		
Commercial & Financial SBU's Turnover	489,477	521,195
Commercial & Financial SBU's EBIT	384,545	359,961

5(e) **Australand's Change in Accounting Policy for Recognition of Sales and Profits**

In the 2002 1H results announcement released on 26 July 2002, it was disclosed that subsidiary Australand changed its income recognition policy pertaining to development projects for sale. The Group has also reviewed the various income recognition trigger points across all countries and concluded that they need not be aligned as they are in line with local circumstances and conditions.

Arising from Australand's change of income recognition policy, the prior years' comparative numbers of the overall CapitaLand Group were restated and the impact with respect to the net profit, the opening revenue reserve and the net tangible assets is as disclosed below:-

	Increase/(Decrease) $M
Net profit for the year ended 31 December 2001	(4.8)
Opening revenue reserve at 1 January 2001	4.8
Opening revenue reserve at 1 January 2002	-
Net tangible assets at 31 December 2001	-

The impact of this change in income recognition policy by Australand on the overall CapitaLand Group's current year results is an increase of S$5.1 million.

In addition, the 2001 comparative numbers in the segmental results are also restated as follows:-

	<--------- 2001 --------->	
	Previously Reported S$'000	**Restated S$'000**
Segmental Results by SBU:-		
Residential SBU's Turnover	2,005,927	1,839,442
Residential SBU's EBIT	(340,777)	(352,240)
Segmental Results by Geographical Location:-		
Australia & New Zealand's Turnover	1,228,954	1,062,469
Australia & New Zealand's EBIT	122,009	110,546

5(f) Raffles Holdings' Adoption of Split Accounting for Investment Properties

Prior to 1/1/2002, Raffles Holdings Group's policy was to reclassify an entire property as investment property or property, plant and equipment depending on whether it is occupied substantially for usage, or in the operations of Raffles Holdings Group. From 1/1/2002, Raffles Holdings Group changed its accounting policy to separately accounts for units of a property where the units could be sold or leased out separately. This is to better reflect the substance and economic reality of Raffles Holdings Group's principal activities. Units that are held to earn rentals or for capital appreciation are accounted for as investment property and carried at their open market valuations. Owner-occupied units are treated as property, plant and equipment and carried at cost less accumulated depreciation. Transfers between investment property and property, plant and equipment are made when there is a change in use.

The change in accounting policy is applied retrospectively and the comparative figures are restated accordingly. The effect of this change in accounting policy is to increase depreciation of the overall CapitaLand Group for the financial years ended 31/12/2001 and 31/12/2002 by $0.8 million each.

The net effect arising from Raffles Holdings Group's adoption of the change in accounting policy on the overall CapitaLand Group's net profit, opening revenue reserve and the net tangible asset was as follows:-

	Increase/(Decrease) $M
Net profit for the year ended 31 December 2001	(0.2)
Opening revenue reserve at 1 January 2001	(3.3)
Opening revenue reserve at 1 January 2002	(3.5)
Net tangible assets at 31 December 2001	(2.9)

In addition, the 2001 comparative numbers in the segmental results are also restated as follows:-

	<--------- 2001 --------->	
	Previously Reported	**Restated**
Segmental Results by SBU:-	**S$'000**	**S$'000**
RHL Group & RCH SBU's EBIT	338,912	338,107

For investment properties owned by other subsidiaries in the CapitaLand Group, the impact to the overall CapitaLand Group's financial statements if split accounting is also adopted is not material. Nevertheless, in view of the prospective ED/SAS 40 on Accounting for Investment Properties, the Group intends to review the accounting policy for investment properties.

6. Earnings per ordinary share (EPS) based on profit after tax & MI above after deducting any provision for preference dividends:-

In computing the EPS for 6(a) below, the weighted average number of ordinary shares in issue is 2,517.3 million (2001: 2,517.3 million) during the financial year under review.

In computing the EPS for 6(b) below, share options and convertible bonds whose exercise prices are equal to or above the market share price of the Company as at 31 December 2002 $1.11 are disregarded. The weighted average number of shares used for the computation for the EPS on fully diluted basis is 2,517.3 million (2001: 2,517.3 million).

		<-------- Group -------->	
		2002	**2001**
6(a)	EPS based on weighted average number of ordinary shares in issue	11.5	(11.2)
6(b)	EPS based on fully diluted basis	11.5	(11.2)

7. Net asset value and net tangible assets per ordinary share based on issued share capital as at the end of the period reported on

	<-------- Group -------->		<------- Company ------>	
	2002	**2001**	**2002**	**2001**
NAV per ordinary share	$2.38	$2.39	$1.97	$1.97
NTA per ordinary share	$2.37	$2.37	$1.97	$1.97

The Group's net assets value per share and net tangible assets per share remained relatively unchanged as the reduction in revaluation reserves was offset by the profit for the year.

8. Review of the performance of the group

GROUP OVERVIEW

$M	**4Q 2002 (3 mths)**	**3Q 2002 (3 mths)**	**FY 2002 (12 mths)**	**FY 2001 (12 mths) (Restated)***	**4Q 2001 (3 mths) (Restated)***
Sales	998.0	774.4	3,264.0	3,233.2	589.3
EBIT	175.0	256.2	767.1	368.8	(2.9)
Finance costs	(71.7)	(65.8)	(283.2)	(408.2)	(101.2)
PBT	103.3	190.4	483.9	(39.4)	(104.1)
PATMI	49.9	141.7	290.2	(281.4)	(95.5)

* *Restated due to adoption of SAS 12 on Income Taxes and certain changes in accounting policies. Please refer to Paragraph 5 for details.*

4Q 2002 vs 3Q 2002

The Group recorded a turnover of $998.0 million for 4Q 2002 which was 28.9% higher than the $774.4 million achieved in 3Q 2002. The increase came mainly from the residential, hotels and property services sectors. The higher residential turnover was mainly contributed by Australand while our hotels are seasonally stronger in the last quarter of the year. Our property services sector recorded higher turnover as a result of higher progress billings of building projects and contribution from new contracts secured in 4Q 2002.

The Group's 4Q profit after tax and minority interests ("PATMI") of $49.9 million was less than the $141.7 million recorded in 3Q 2002. The lower profit was due to revaluation deficits of investment properties amounting to $59.0 million which was charged to the profit and loss account. In addition, the $17.8 million in portfolio gains achieved in 4Q is $93.0 million less than the $110.8 million reported in 3Q. These negative variances were partially mitigated by year-end adjustments for tax provision which reduced tax expenses by of $21.6 million in 4Q as compared to 3Q.

In 4Q, the Group successfully securitised the sales receivables from the Waterina residential project, enabling cash flows to be brought forward from the deferred payment scheme. About $130 million was raised. Consequently, the Group's net debt further decreased to $5.7 billion at year-end from $6.0 billion at end September 2002. In tandem, Group's gearing improved further to 0.73 from 0.75. Net tangible assets remained steady at $2.37 per share.

Full Year 2002 vs Full Year 2001

The Group's turnover for FY2002 was $3,264.0 million, 1.0% higher than $3,233.2 million generated in FY2001. The full year contribution from Swissotel, higher residential revenue from China and improved performance from serviced residences in China and New Zealand offset the loss of revenue from assets divested and lower turnover from the Canary Riverside project in United Kingdom and Ascott's residential projects in Australia as the remaining units were substantially sold in 2001.

The Group achieved a PATMI of $290.2 million for 2002. This was a turnaround from the loss position of $281.4 million recorded for 2001. The turnaround was mainly a result of higher contributions from overseas residential and serviced residences operations, as well as lower depreciation expense, lower tax expense and substantially lower interest expense. In addition, it was not necessary to make provisions of the same magnitude made in 2001 when total provisions of $691.6 million were taken.

However, the market environment remained difficult and challenging in 2002. The market values of investment properties, especially those of Singapore office properties declined further in 2002. The Group commissioned independent external valuations for the year-end revaluation exercise. Total revaluation deficits amounted to $362.9 million. As there was insufficient revaluation reserve to cushion the decline in values of investment properties in Singapore and certain other countries, an amount of $59.0 million was charged to the profit and loss account.

The Group continued its strategy to monetise its assets. Portfolio gains in 2002 totalled $170.0 million compared to $431.8 million achieved in 2001. The portfolio gains in 2002 were mainly contributed by the listing of the CapitaMall Trust ("CMT") and the sale of two sites in Indonesia.

At the time of the merger in November 2000, the Group's net borrowings were $8.2 billion and gearing was 0.92. The Group is pleased to announce that it has successfully executed its strategy to lower its debt level in the past two years. This was achieved through a variety of means, including securitisations, outright divestments of non-core assets, realisation of capital values and the listing of CMT, the first REIT in Singapore. Cash inflows from these transactions amounted to about $2.3 billion in the two years. Consequently at 2002 year-end, the net debt has fallen to $5.7 billion and gearing has improved to 0.73. As a result of the reduced borrowings, interest expense was also substantially lower. For 2002, the interest expense charged to the profit and loss account was $283.2 million vs $408.2 million for 2001, a substantial reduction of $125.0 million or 30.6%.

Segment Performance

Commercial & Financial SBUs: CapitaLand Commercial Limited ("CCL") and CapitaLand Financial Limited ("CFL")

4Q 2002 turnover of $101.0 million was 2.5% higher than 3Q 2002 due to higher management fees earned. EBIT of $24.2 million in 4Q 2002 was however lower than 3Q by about $93.9 million or 79.5%. The decrease in contributions from operations was marginal, from $61.4 million to $54.3 million. The reduction in EBIT was largely due to revaluation deficits of investment properties amounting to $46.4 million charged to the profit and loss account, and lower portfolio gain in 4Q as the sale of Kebayoran in Indonesia only generated a profit of $24.3 million as compared to a $50.8 million gain recorded from the listing of CapitaMall Trust in 3Q.

Comparing FY2002 to 2001, turnover of $451.3 million was $69.9 million or 13.4% lower. The decline was mainly attributable to lower overseas revenue as fewer of the remaining units at Canary Riverside in the United Kingdom were sold. Revenue from Singapore operations was higher due to full occupancy at Capital Tower, contributions from Junction 8 and Funan IT Mall for six months prior to CapitaMall's IPO and increased management fee income.

EBIT of $290.4 million was $69.5 million or 19.3% lower due to lower portfolio gain of $76.6 million recorded in 2002 as compared to $124.6 million in 2001 and revaluation deficits charged to the profit and loss account. However, EBIT from operations grew by 11.0%.

Residential SBU: CapitaLand Residential Limited ("CRL")

4Q 2002 turnover of $681.0 million was $212.1 million higher than 3Q 2002. Singapore turnover recorded an increase of $33.0 million. Australian operation was the main contributor recording an increase of $178.2 million. 4Q 2002 EBIT of $112.9 million was higher than the previous quarter by $46.1 million. The increase in EBIT was generally in line with the increased turnover.

In the 4th quarter, SunHaven obtained TOP and Glentrees (176 units) was launched for sale.

In Shanghai, CRL also launched half of the 8 blocks of Summit Residences and were well received with more than 94% take-up rate.

FY 2002 turnover of $1,964.9 million was higher by $125.5 million or 6.8% increase compared to last year. Our China operation contributed good revenue growth of 6.3%, which mainly arose from continuing contribution from Summit Panorama and Manhattan Heights, as well as revenue recognition of Summit Residences in Shanghai. Turnover from Australia operation was also higher than 2001. For Singapore, there was a decrease in turnover as more completed stocks were sold in 2001.

FY 2002 EBIT was $290.0 million compared to a loss of $352.2 million recorded for FY 2001. Singapore operation achieved an EBIT of $48.2 million, which included $22 million write-back for Waterina project, reflecting a turnaround from a loss of $487.4 million in 2001. EBIT for China operation amounted to $65.7 million, recording a robust growth compared to last year.

Serviced Residences SBU: The Ascott Group ("Ascott")

4Q 2002 turnover of $50.4 million was $9.4 million lower than 3Q turnover of $59.8 million. This was largely due to lower remaining residential sales. 4Q EBIT of $5.5 million was lower than 3Q as portfolio gain in the last quarter was $0.2 million compared to $9.1 million in the previous quarter.

Comparing FY2002 to 2001, turnover of $232.4 million was lower by 17.6%. The reduction in turnover was largely due to Ascott's non-core residential and retail businesses being phased out. On the other hand, serviced residences revenue grew 12.7% or $17.6 million as a result of new contributions from Oakford and China operations offset by lower contribution from the Singapore serviced residences. 2002 EBIT of $67.9 million was higher than $48.4 million recorded last year. This was due to higher contribution from the serviced residences business.

Hotels SBU: Raffles Holdings Group and RC Hotels ("Raffles")

4Q 2002 turnover of $135.6 million was $12.3 million or 10.0% higher than that recorded in the previous quarter. The increase across all geographical segments was due to the seasonally stronger 4Q. In addition, there was a $21.8 million write-back arising from the successful resolution of post-completion matters and legal issues relating to the Swissotel acquisition. Accordingly, EBIT at $26.0 million was also higher than the $8.6 million recorded in 3Q.

FY2002 turnover grew 8.6% to $517.8 million from the $476.6 million recorded in 2001. This was due to better operating performance and the full year consolidation of Swissotel which more than offset the deconsolidation of revenue from Tincel Properties (which owns Raffles City Complex) following the partial sale of 55% stake of Tincel Properties.

FY2002 EBIT of $65.5 million was much lower than FY2001's EBIT of $338.1 million which included a significant gain of $462.4 million from the partial sale of Tincel Properties. Excluding this significant gain, EBIT improved in 2002 over 2001 due to better operating performance.

Property Services SBU: PREMAS

4Q 2002 turnover of $35.0 million was $7.4 million or 27% higher than the previous quarter. This was attributed to higher progress billings of building projects and contribution from new contracts secured in 4Q 2002. Correspondingly, EBIT increased by $1.3 million. However, this increase in EBIT was offset by a one-time loss of $1.4 million due to the divestment of investment portfolio in December 2002. As a result, EBIT dropped by $0.1 million or 6.6% from $2.2 million to $2.1 million.

Compared with full year 2001, turnover increased by $3.4 million or 2.9% from $115.5 million to $118.9 million. This was largely due to additional contracts secured and contributions from new business activities such as indoor air quality, energy management and customer contact centre. However, EBIT dropped by almost $3 million due mainly to lower margins and start-up costs relating to new business activities.

9. Variance between the forecast or prospect statement (if disclosed previously) and the actual results

The current announced results are in line with the prospect statement previously disclosed to shareholders in the 2002 3rd quarter announcement.

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Commercial & Financial SBUs: CapitaLand Commercial Limited ("CCL") and CapitaLand Financial Limited ("CFL")

With the continuing uncertainties in the political and economic environments, we expect soft market conditions in the office and industrial sectors to prevail in the first half of 2003. The retail sector, particularly suburban malls, is expected to remain resilient. The SBU is taking advantage of the completion of the North-East MRT line to reposition and enhance Plaza Singapura, located at the Dhoby Ghaut North-East Interchange station. Work on repositioning Clarke Quay is continuing in 2003. Benefits resulting from these repositioning and asset enhancement activities will only be realized in the following years. In 2003, the SBU will focus on improving its portfolio yield and on increasing its fee based income through expanded financial and fund management activities. Despite the challenging environment, the SBU expects to be profitable in 2003.

Residential SBU: CapitaLand Residential Limited ("CRL")

There were signs of recovery in the residential market in Singapore during the first half of 2002. However, sales activity slowed down in the last quarter amidst global economic uncertainty. CRL expects 2003 to continue to be challenging.

Following the successful launch of Summit Residences in 2002, CRL expects its China operations to achieve strong turnover and EBIT growth in 2003. CRL will also continue with its launches in Shanghai and Beijing in 2003.

Australand will continue to make a positive impact on Group's profitability. Its performance is expected to exceed that of 2002.

Overall, CRL expects 2003 to be profitable.

Serviced Residences SBU: The Ascott Group ("Ascott")

In the year under review, Ascott continued its strategic drive to transform itself into a pure-play global serviced residence business and divest its non-core assets in the retail and residential sectors. Todate, Ascott has divested 60% of its non-core assets and sales proceeds were used to pare down debt and to fund growth in the serviced residence sector.

In December 2002, Ascott's shareholders voted overwhelmingly in support of its 50% stake in the Citadine group with a call option to purchase the remaining 50% by May 2004. With the acquisition, Ascott's portfolio will expand from the current 8,400 units to over 13,500 units, bringing the Group closer to achieving the set target of 15,000 units by 2005 and extending its market leadership to Europe as well. It will have operations in cities in 15 countries, up from the base of 6,000 units in 10 countries when the Somerset and Ascott groups first merged.

The global economic recovery has been slower and more drawn out than expected. Despite this, barring any major unforeseen events, Ascott expects 2003 to remain profitable.

Hotels SBU: Raffles Holdings Group and RC Hotels ("Raffles")

For 2003, the lodging industry is expected to continue to be impacted by the weak corporate travel market as a result of slower economic growth. Global industry room rates are forecast to remain flat or decline slightly while occupancy rates are expected to remain stable or increase slightly in the later part of 2003.

Raffles will continue to push its topline initiatives and cost containment programmes in 2003. In line with the economic and industry outlook, Raffles expects operating conditions to remain challenging in 2003. Performance of operations in 2003 is expected to remain flat compared to 2002. Nevertheless, Raffles expects to be profitable for 2003.

Property Services SBU: PREMAS

PREMAS will continue to focus on regional expansion whilst strengthening its operations in Singapore. Overall, PREMAS is expected to be profitable in 2003.

GROUP OVERALL PROSPECTS FOR 2003

Since CapitaLand's formation over two years ago, the Group has focused on its core businesses and made significant progress towards reaching its strategic goals. The Group has divested non-core assets and strengthened its financial position, thereby improving its competitive advantage and increasing its resilience. Although it is impossible to predict what impact the outbreak of hostilities would have on its business, the Group is well-positioned to meet the challenges it will face in 2003 and take advantage of opportunities upon economic recovery.

This year, the Group anticipates launching three residential projects in Singapore. It also expects increased contribution from its China operations as it launches more than one thousand residential units in Shanghai and Beijing in 2003. CapitaLand Financial will seek to establish property funds and create real estate-related financial products in Singapore and abroad. The Group anticipates that earnings from its Australia operations will exceed that recorded in 2002. Listed companies, Raffles Holdings and The Ascott, have announced that they expect to be profitable in 2003.

While the Group has been monetising assets, it has seized opportunities to reinvest proceeds in higher yielding investments. The Group will continue to consider such opportunities in 2003 as it monetises another $500 million, or more, of its assets. However, it will maintain a comfortable gearing level.

The continuing weak economic environment will have an effect on the Group's operations. However, barring unforeseen circumstances, CapitaLand expects 2003 to be profitable.

11. Dividend

11(a) Any dividend declared for the current financial period? Yes.

Name of Dividend :	First & Final
Dividend Type :	Cash
Dividend Rate :	5% per ordinary share less tax
Par value of shares :	$1.00
Tax Rate :	22%

11(b) Previous Corresponding Period

Name of Dividend :	First & Final	Preferential Dividend
Dividend Type :	Cash	Cash
Dividend Rate :	3% per ordinary share less tax	2% per preference share less tax
Par value of shares :	$1.00	US$1.00
Tax Rate :	22%	24.5%

11(c) Date payable : To be announced at a later date.

11(d) Books closure date : To be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. Segmental Revenue & Results

13(a)(a) By Strategic Business Units (SBUs) – 4Q 2002 vs 3Q 2002

	<----------Turnover ---------->			<---Profit before interest & tax--->		
	4Q 2002 (3 mths) S$'000	3Q 2002 (3 mths) S$'000	% Change	4Q 2002 (3 mths) S$'000	3Q 2002 (3 mths) S$'000	% Change
Commercial & Financial	101,020	98,546	2.5	24,240	118,123	(79.5)
Residential	680,957	468,846	45.2	112,871	66,753	69.1
The Ascott Group	50,373	59,768	(15.7)	5,455	18,260	(70.1)
RHL Group & RCH	135,627	123,309	10.0	26,007	8,553	204.1
Property Services Group	34,955	27,531	27.0	2,053	2,198	(6.6)
Others and consolidation adjms	(4,888)	(3,600)	35.8	4,356	42,297	(89.7)
Group	**998,044**	**774,400**	**28.9**	**174,982**	**256,184**	**(31.7)**

13(a)(b) By Strategic Business Units (SBUs) – FY 2002 vs FY 2001

	<----------Turnover ---------->			<---Profit before interest & tax--->		
	2002 S$'000	2001 S$'000 (Restated)	% Change	2002 S$'000	2001 S$'000 (Restated)	% Change
Commercial & Financial	451,317	521,195	(13.4)	290,412	359,961	(19.3)
Residential	1,964,930	1,839,442	6.8	289,950	(352,240)	NM
The Ascott Group	232,413	282,070	(17.6)	67,905	48,448	40.2
RHL Group & RCH *	517,821	476,629	8.6	65,526	338,107	(80.6)
Property Services Group	118,905	115,546	2.9	8,291	11,264	(26.4)
Others and consolidation adjms	(21,378)	(1,710)	NM	45,000	(36,764)	NM
Group	**3,264,008**	**3,233,172**	**1.0**	**767,084**	**368,776**	**108.0**

Note : Comparative figures have been restated. Please see Paragraph 5 for details.

* *CapitaLand Group has aligned with Raffles Holdings' depreciation rates for its hotels with effect from 1/1/2002. Hence, no further additional depreciation will be put through at Capitaland Group's level from 2002 onwards. For FY 2001, the additional depreciation charged was $23.1M.*

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)		
	2002 S$'000	2001 S$'000	% Change	2002 S$'000	2001 S$'000	% Change
The Ascott Group	232,413	282,070	(17.6)	66,198	112,757	(41.3)
Raffles Holdings Group	383,996	358,602	7.1	70,862	266,027#	(73.4)

\# *Restated due to adoption of revised SAS 12 (2001) on Income Taxes and the adoption of split accounting for investment properties. Please see Paragraph 5 for details.*

13(a)(c) By Geographical Location – 4Q 2002 vs 3Q 2002

	<----------Turnover ---------->			<--Profit before interest & tax-->		
	4Q 2002 (3 mths) S$'000	3Q 2002 (3 mths) S$'000	% Change	4Q 2002 (3 mths) S$'000	3Q 2002 (3 mths) S$'000	% Change
Singapore	298,661	291,587	2.4	62,261	157,839	(60.6)
Australia & New Zealand	509,493	304,881	67.1	75,538	32,621	131.6
China	47,605	57,346	(17.0)	1,000	15,747	(93.6)
Asia (excl. Sgp & China)	66,816	49,476	35.0	28,075	32,440	(13.5)
Europe	66,432	62,692	6.0	(28)	17,386	NM
Others	9,037	8,418	7.4	8,136	151	NM
Group	**998,044**	**774,400**	**28.9**	**174,982**	**256,184**	**(31.7)**

13(a)(d) By Geographical Location – FY 2002 vs FY 2001

	<----------Turnover ---------->			<--Profit before interest & tax-->		
	2002 S$'000	2001 S$'000 (Restated)	% Change	2002 S$'000	2001 S$'000 (Restated)	% Change
Singapore	1,269,213	1,404,109	(9.6)	424,710	295,225	43.9
Australia & New Zealand	1,220,924	1,062,469	14.9	151,830	110,546	37.3
China	341,063	327,024	4.3	91,261	(8,889)	NM
Asia (excl. Sgp & China)	120,243	126,402	(4.9)	61,550	5,701	979.6
Europe	275,993	289,611	(4.7)	22,376	4,204	432.3
Others	36,572	23,557	55.2	15,357	(38,011)	NM
Group	**3,264,008**	**3,233,172**	**1.0**	**767,084**	**368,776**	**108.0**

Note : Comparative figures have been restated. Please see Paragraph 5 for details.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 9.

15. Breakdown of sales

		<---------- Group ---------->		
		2002 $'000	2001 $'000	% Change
(a)	Sales reported for first half year	1,491,564	1,757,413	(15.1)
(b)	Operating profit/(loss) after tax before deducting minority interests reported for the first half year	141,935	(78,449)	NM
(c)	Sales reported for second half year	1,772,444	1,475,759	20.1
(d)	Operating profit/(loss) after tax before deducting minority interests reported for the second half year	255,326	(64,304)	NM

16. Breakdown of Total Annual Dividend (in dollar value) of the Company

	2002 ($'000)	2001 ($'000)
Ordinary (less tax)	98,177	57,018
Preference (less tax)	-	6,330
Total (less tax)	**98,177**	**63,348**

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.

BY ORDER OF THE BOARD

Lim Mei Yi
Company Secretary
6 February 2003