



CAPITALAND LIMITED

(Registration Number : 198900036N)

2012 FULL YEAR UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT

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1(a)(i) Income Statement

	Group						
	Note	4Q 2012 S\$'000	4Q 2011 S\$'000	Change %	FY 2012 S\$'000	FY 2011 S\$'000	Change %
Revenue	A	1,110,874	1,059,041	4.9	3,301,363	3,019,569	9.3
Cost of sales		(754,797)	(784,185)	(3.7)	(2,073,289)	(1,946,684)	6.5
Gross profit		356,077	274,856	29.6	1,228,074	1,072,885	14.5
Other operating income	B	136,157	307,736	(55.8)	586,949	713,704	(17.8)
Administrative expenses	C	(189,448)	(163,036)	16.2	(580,251)	(530,187)	9.4
Other operating expenses	D	(31,701)	(18,191)	74.3	(52,122)	(46,459)	12.2
Profit from operations		271,085	401,365	(32.5)	1,182,650	1,209,943	(2.3)
Finance costs		(122,722)	(105,044)	16.8	(498,953)	(472,785)	5.5
Share of results (net of tax) of:	E						
- associates		272,006	290,521	(6.4)	699,197	651,194	7.4
- joint ventures		39,687	120,201	(67.0)	135,584	225,452	(39.9)
		311,693	410,722	(24.1)	834,781	876,646	(4.8)
Profit before taxation		460,056	707,043	(34.9)	1,518,478	1,613,804	(5.9)
Taxation	F	(68,990)	(66,618)	3.6	(201,907)	(190,884)	5.8
Profit for the period/year		391,066	640,425	(38.9)	1,316,571	1,422,920	(7.5)
Attributable to:							
Owners of the Company ("PATMI")		262,724	476,588	(44.9)	930,347	1,057,311	(12.0)
Non-controlling interests ("NCI")		128,342	163,837	(21.7)	386,224	365,609	5.6
Profit for the period/year		391,066	640,425	(38.9)	1,316,571	1,422,920	(7.5)

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1(a)(ii) Explanatory Notes to Income Statement – 4Q 2012 vs 4Q 2011

(A) Revenue

Revenue rose on higher sales recognition from our development projects in both Singapore and Australia, higher rental revenue from our shopping mall business and stronger fee income, partially offset by lower contribution from our development projects in China and Vietnam. (Please see item 8 for details).

Total cost of sales declined by 3.7% despite the increase in revenue and a higher provision for foreseeable losses made in this quarter. This decrease came about as the costs of units sold this quarter was relatively lower. For the quarter, the Group has provided foreseeable losses of about \$49.4 million in respect of its development projects in Vietnam, China and Kazakhstan. The largest portion relates to projects in Vietnam as the demand and sentiment in Vietnam have weakened considerably.

(B) Other Operating Income

	Group		
	4Q 2012 S\$'000	4Q 2011 S\$'000	Change (%)
Other Operating Income	136,157	307,736	(55.8)
Investment income	-	162	NM
Interest income	(i) 20,689	23,866	(13.3)
Other income (including portfolio gains)	(ii) 65,002	110,773	(41.3)
Fair value gains of investment properties	(iii) 50,466	172,935	(70.8)

- (i) Interest income was lower mainly due to the absence of interest income from loans that were extended to a third party and a former investee company, as the loans had been repaid.
- (ii) Other income included portfolio gains of \$27.2 million (4Q 2011: \$83.7 million) and write back of provision for income support of \$16.0 million in respect of One George Street which was no longer required. The portfolio gains are from the divestment of Citadines Ashley Hongkong and the dilution of stakes in CapitaMall Trust ("CMT") and CapitaRetail China Trust ("CRCT") arising from their equity fundraising exercises.
- (iii) Fair value gains arising from the year end revaluation of investment properties were lower this quarter and these were mainly from properties held by our China and Australia subsidiaries.

The impact of valuation of investment properties held through our associates and joint ventures is included in the Share of results of Associates and Joint Ventures (see Note (E)).

(C) Administrative Expenses

	Group		
	4Q 2012 S\$'000	4Q 2011 S\$'000	Change (%)
Administrative Expenses	(189,448)	(163,036)	16.2
<u>Included in Administrative Expenses:-</u>			
Depreciation and amortisation	(12,599)	(9,792)	28.7
Allowance for doubtful receivables and bad debts written off	(11,113)	(173)	NM

Administrative expenses comprised staff costs, depreciation, operating lease expenses and other administrative expenses. 4Q 2012's administrative expenses were higher due to an increase in staff costs and allowance for doubtful receivables, but partially mitigated by lower professional fees due to the absence of one-off fees incurred in 4Q 2011 for CapitaMalls Asia's

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1(a)(ii) Explanatory Notes to Income Statement – 4Q 2012 vs 4Q 2011

(C) Administrative Expenses (cont'd)

secondary listing in Hong Kong. Staff costs rose by 15.5% year on year mainly due to higher share based expenses and increased hirings to support expansion in our overseas operations.

(D) Other Operating Expenses

Other operating expenses in 4Q 2012 were higher mainly due to higher impairment losses; partially mitigated by lower foreign exchange losses. The Group has made an aggregated impairment loss of \$22.4 million mainly in respect of its investments in Bahrain, Singapore, Japan and India. In 4Q 2011, the impairment losses were \$4.8 million. Foreign exchange losses in 4Q 2012 were lower at \$4.5 million as compared to \$7.9 million in 4Q 2011.

(E) Share of Results (net of tax) of Associates and Joint Ventures

Share of results from associates in 4Q 2012 decreased mainly due to the absence of contribution from projects/phases completed in 4Q 2011, namely Beaufort in China and Rihan Heights in Abu Dhabi; partially mitigated by higher share of fair value gains from investment properties held by associates. The Group's share of net revaluation gain was \$229.7 million (4Q 2011: \$158.6 million) and these came mainly from our REITs and China funds, which are our associates.

The share of results from joint ventures in 4Q 2012 also saw a decrease largely due to a \$61.0 million reduction in our share of the revaluation gain from investment properties and a lower share of write back of impairment for Urban Suites by \$17.0 million.

(F) Taxation expense and adjustments for over or under-provision of tax in respect of prior years

The current tax expense is based on the statutory tax rates of the respective countries in which the companies operate and takes into account non-deductible expenses and temporary differences.

4Q 2012's tax expenses included a write back of over-provision of tax for prior years of \$7.2 million (4Q 2011: \$5.2 million).

(G) Gain/(Loss) from the sale of investments

The gains from the sale of investments that are included in the Group's profit after tax and non-controlling interests ("PATMI") are as follows:

4Q 2012	PATMI (\$M)
Citadines Ashley Hongkong	14.0
Gain on dilution of interest in CMT	5.0
Gain on dilution of interest in CRCT	2.8
Others	1.0
Total Group's share of gain after tax & NCI for 4Q 2012	22.8
4Q 2011	PATMI (\$M)
Shanghai CapitaLand Xin Chuang Real Estate Development Co., Ltd. (Zhabei site)	42.4
Corporation Place	14.6
Gain on dilution of interest in CMT	4.1
Gain on dilution of interest in CapitaMalls Malaysia Trust ("CMMT")	4.3
Others	(2.0)
Total Group's share of gain after tax & NCI for 4Q 2011	63.4

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1(a)(iii) Statement of Comprehensive Income

	Group					
	4Q 2012	4Q 2011	Change	FY 2012	FY 2011	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period / year	391,066	640,425	(38.9)	1,316,571	1,422,920	(7.5)
Other comprehensive income:						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations ⁽¹⁾	(221,176)	488,554	NM	(443,366)	145,889	NM
Change in fair value of available-for-sale investments	(803)	77	NM	(254)	(43,848)	(99.4)
Effective portion of change in fair value of cash flow hedges	2,424	(15,925)	NM	(63,600)	(75,048)	(15.3)
Share of other comprehensive income of associates and joint ventures	(31,311)	72,631	NM	(84,312)	101,812	NM
	(250,866)	545,337	NM	(591,532)	128,805	NM
Total comprehensive income	140,200	1,185,762	(88.2)	725,039	1,551,725	(53.3)
Attributable to:						
Owners of the Company	78,237	919,494	(91.5)	487,993	1,153,805	(57.7)
Non-controlling interests	61,963	266,268	(76.7)	237,046	397,920	(40.4)
	140,200	1,185,762	(88.2)	725,039	1,551,725	(53.3)

⁽¹⁾ 4Q 2012's exchange differences arose mainly from the appreciation of SGD against the AUD, RMB and USD by 1.4%, 1.8% and 2.7 % respectively. For FY 2012, SGD appreciated against AUD, RMB and USD by 1.9%, 4.9% and 6.0% respectively.

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1(b)(i) Balance Sheet

	Group			Company		
	31/12/2012 S\$'000	31/12/2011 S\$'000	Change %	31/12/2012 S\$'000	31/12/2011 S\$'000	Change %
Non-current assets						
Property, plant & equipment ⁽¹⁾	1,263,615	1,075,505	17.5	14,400	12,830	12.2
Intangible assets	462,093	458,722	0.7	147	147	-
Investment properties ⁽²⁾	7,969,402	7,074,617	12.6	-	-	-
Subsidiaries	-	-	-	10,546,914	10,605,809	(0.6)
Associates & joint ventures ⁽³⁾	12,511,282	10,685,000	17.1	-	-	-
Other non-current assets	887,308	891,626	(0.5)	2,589	2,884	(10.2)
	23,093,700	20,185,470	14.4	10,564,050	10,621,670	(0.5)
Current assets						
Development properties for sale and stocks	7,510,093	6,905,124	8.8	-	-	-
Trade & other receivables ⁽⁴⁾	1,484,753	1,769,374	(16.1)	2,447,221	2,590,302	(5.5)
Cash & cash equivalents ⁽⁵⁾	5,497,693	6,264,473	(12.2)	442,650	326,539	35.6
Other current assets	201,370	195,000	3.3	-	-	-
	14,693,909	15,133,971	(2.9)	2,889,871	2,916,841	(0.9)
Less: Current liabilities						
Trade & other payables	2,359,598	2,270,488	3.9	76,694	70,834	8.3
Short-term borrowings	782,172	860,239	(9.1)	-	-	-
Current tax payable	432,489	441,075	(1.9)	7,560	7,560	-
	3,574,259	3,571,802	0.1	84,254	78,394	7.5
Net current assets	11,119,650	11,562,169	(3.8)	2,805,617	2,838,447	(1.2)
Less: Non-current liabilities						
Long-term borrowings ⁽⁶⁾	13,397,606	11,330,400	18.2	3,512,287	3,432,956	2.3
Other non-current liabilities ⁽⁷⁾	1,371,960	1,177,768	16.5	51,186	72,182	(29.1)
	14,769,566	12,508,168	18.1	3,563,473	3,505,138	1.7
Net assets	19,443,784	19,239,471	1.1	9,806,194	9,954,979	(1.5)
Representing:						
Share capital	6,300,011	6,298,355	0.0	6,300,011	6,298,355	0.0
Revenue reserves	8,910,445	8,328,115	7.0	3,125,358	3,296,610	(5.2)
Other reserves	(130,048)	275,067	NM	380,825	360,014	5.8
Equity attributable to Owners of the Company	15,080,408	14,901,537	1.2	9,806,194	9,954,979	(1.5)
Non-controlling interests	4,363,376	4,337,934	0.6	-	-	-
Total equity	19,443,784	19,239,471	1.1	9,806,194	9,954,979	(1.5)

NM: Not meaningful

Notes:

- The increase was mainly due to the acquisition of a serviced residence property, The Cavendish London in United Kingdom, partially offset by the divestment of the Hilton Double Tree Hotel and Ascott Guangzhou in China, as well as Ascott Raffles Place in Singapore.
- The increase was mainly due to the revaluation gains of investment properties, acquisition of four shopping malls in Japan and an office building in China; partially offset by the injection of CapitaMall Tianfu in Chengdu into CapitaMalls China Development Fund III ("CMCDF III").
- The increase was mainly due to the share of revaluations gains of investment properties held by associates and joint ventures, acquisition of a 50% stake in Minhang Plaza and Hongkou Plaza, Shanghai, equity injection into Raffles City Chongqing project, as well as the establishment of CMCDF III by CMA.
- The decrease arose due to a reclassification of a deposit for a land parcel to development properties for sale upon receipt of the land title.
- Included cash balances of \$3,321.3 million held at CapitaLand Limited and CapitaLand Treasury Limited. The decrease in cash was mainly due to the funding of the Group's investments.
- The increase in long-term borrowings was mainly due to the issuance of bonds and notes as well as new bank loans taken up to fund the Group's investments.
- The increase arose from a reclassification of an amount due to non-controlling interests to non-current as its repayment is assessed to be after 12 months.

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1(b)(ii) Group's borrowings (including finance leases)

	Group	
	As at 31/12/2012 S\$'000	As at 31/12/2011 S\$'000
<u>Amount repayable in one year or less, or on demand:-</u>		
Secured	192,676	136,479
Unsecured	589,496	723,760
Sub-Total 1	782,172	860,239
<u>Amount repayable after one year:-</u>		
Secured	2,671,168	2,345,703
Unsecured	10,726,438	8,984,697
Sub-Total 2	13,397,606	11,330,400
Total Debt	14,179,778	12,190,639
Total Debt less Cash	8,682,085	5,926,166

Details of any collateral

Secured borrowings are generally secured by mortgages on the borrowing subsidiaries' investment properties (including those under development) or development properties for sale and assignment of all rights and benefits with respect to the properties mortgaged.

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1(c) Consolidated Statement of Cash Flows

	4Q 2012 S\$'000	4Q 2011 S\$'000	FY 2012 S\$'000	FY 2011 S\$'000
Cash Flows from Operating Activities				
Profit after taxation	391,066	640,425	1,316,571	1,422,920
Adjustments for :				
Amortisation and impairment of intangible assets	111	286	1,256	1,601
Allowance/(Write back) for:				
- Foreseeable losses	33,429	39,155	33,429	39,155
- Doubtful receivables	21,804	4,056	22,934	406
- Impairment on financial assets	1,442	1,329	6,242	1,329
- Impairment on investment in associates and joint ventures	5,034	3,437	5,034	3,437
- Impairment on property, plant and equipment	1,454	(830)	8,768	729
Gain from bargain purchase	-	(26)	(4,488)	(26)
Share-based expenses	19,651	8,207	46,652	34,343
Depreciation of property, plant and equipment	12,522	9,529	45,111	39,008
Gain on disposal of property, plant and equipment	(3)	(89)	(41,836)	(969)
Gain on disposal of investment properties	-	(19,411)	-	(19,411)
Net fair value gain from investment properties	(50,466)	(172,935)	(155,092)	(285,032)
Net gain on disposal/liquidation of equity investments and other financial assets	(27,586)	(71,830)	(170,850)	(227,017)
Realisation of reserves for pre-existing interests in acquirees	-	7,698	(5,146)	(12,631)
Share of results of associates and joint ventures	(311,693)	(410,722)	(834,781)	(876,646)
Accretion of deferred income	12,464	26,036	(3,302)	9,910
Interest expense	122,722	105,044	498,953	472,785
Interest income	(20,689)	(23,866)	(93,764)	(80,957)
Taxation	68,990	66,618	201,907	190,884
	(110,814)	(428,314)	(438,973)	(709,102)
Operating profit before working capital changes	280,252	212,111	877,598	713,818
Decrease/(Increase) in working capital				
Trade and other receivables	198,884	(226,557)	56,894	(104,993)
Development properties for sale	(97,198)	(261,360)	(642,410)	(1,073,350)
Trade and other payables	225,900	134,271	104,471	(142,482)
Restricted bank deposits	27,282	(7,131)	5,396	(6,777)
	354,868	(360,777)	(475,649)	(1,327,602)
Cash generated from/(used in) operations	635,120	(148,666)	401,949	(613,784)
Income tax paid	(24,993)	(32,726)	(152,650)	(194,922)
Net cash generated from/(used in) Operating Activities	610,127	(181,392)	249,299	(808,706)

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1(c) Consolidated Statement of Cash Flows (cont'd)

	4Q 2012 S\$'000	4Q 2011 S\$'000	FY 2012 S\$'000	FY 2011 S\$'000
Cash Flows from Investing Activities				
Proceeds from disposal of property, plant and equipment	403	670	221,695	3,470
Purchase of property, plant and equipment	(26,188)	(26,065)	(145,895)	(135,493)
Investments in associates and joint ventures	(59,712)	(309,410)	(1,404,352)	(183,263)
(Advance to)/Repayment from investee companies and other receivables	(29,530)	6,078	(30,931)	(7,354)
Prepayment for acquisition of an investment property	-	(4,764)	(38,091)	(22,441)
Deposits placed for investments	(62,930)	(400,000)	(86,702)	(400,000)
(Refund)/Deposit for disposal of subsidiaries	-	(6,605)	-	48,976
Acquisition of investment properties	(139,182)	(434,936)	(877,620)	(1,958,528)
Proceeds from disposal of investment properties	(2,539)	98,372	93,854	502,889
Proceed from disposal of/(Investment in) other financial assets	8,823	-	17,932	(267,580)
Dividends received from associates and joint ventures	77,624	55,810	421,323	533,174
Acquisition of subsidiaries, net of cash acquired	(284,213)	(19,540)	(426,382)	(419,018)
Disposal of subsidiaries, net of cash disposed off	41,643	276,124	323,001	1,142,375
Interest income received	5,555	17,855	46,470	52,513
Net cash used in Investing Activities	(470,246)	(746,411)	(1,885,698)	(1,110,280)
Cash Flows from Financing Activities				
Proceeds from issue of shares under share option plan	405	22	1,011	2,804
Purchase of treasury shares	-	(10,076)	-	(63,456)
Borrowings from/(Repayments to) non-controlling interests	43,141	(8,280)	56,411	49,083
Contributions from/(Return of capital to) non-controlling interests	1,200	149,283	(917)	149,412
Disposal/(Acquisition) in ownership interests in subsidiaries with no change in control	69,928	-	69,928	(29,268)
Proceeds from bank borrowings	606,242	1,850,035	3,348,158	5,516,970
Repayments of bank borrowings	(543,327)	(462,449)	(2,524,434)	(3,522,087)
Proceeds from issue of debt securities	10,435	200,184	1,482,965	696,200
Repayments of debt securities	-	-	(431,737)	(919,614)
Dividends paid to non-controlling interests	(6,962)	(8,720)	(152,997)	(146,239)
Dividends paid to shareholders	-	-	(340,021)	(256,161)
Interest expense paid	(126,613)	(111,434)	(552,060)	(495,946)
Net cash generated from Financing Activities	54,449	1,598,565	956,307	981,698
Net increase/(decrease) in cash and cash equivalents	194,330	670,762	(680,092)	(937,288)
Cash and cash equivalents at beginning of the period/year	5,331,852	5,487,471	6,254,967	7,187,335
Effect of exchange rate changes on cash balances held in foreign currencies	(32,599)	96,734	(81,292)	4,920
Cash and cash equivalents at end of the period/year	5,493,583	6,254,967	5,493,583	6,254,967
Restricted cash deposits	4,110	9,506	4,110	9,506
Cash and cash equivalents at end of the period/year	5,497,693	6,264,473	5,497,693	6,264,473

Cash and cash equivalents at end of the year

The cash and cash equivalents of about \$5,497.7 million as at 31/12/2012 included \$3,387.2 million in fixed deposits and \$100.7 million in Project Accounts whose withdrawals are restricted to the payment of development projects expenditure.

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

For the year ended 31/12/2012 vs 31/12/2011 – Group

	Share Capital S\$'000	Revenue Reserves S\$'000	Other Reserves* S\$'000	Total S\$'000	Non- controlling Interests S\$'000	Total Equity S\$'000
Balance as at 01/01/2012	6,298,355	8,328,115	275,067	14,901,537	4,337,934	19,239,471
Total comprehensive income						
Profit for the year		930,347		930,347	386,224	1,316,571
<u>Other comprehensive income</u>						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations			(333,608)	(333,608)	(109,758)	(443,366)
Change in fair value of available-for-sale investments			(254)	(254)	-	(254)
Effective portion of change in fair value of cash flow hedges			(36,761)	(36,761)	(26,839)	(63,600)
Share of other comprehensive income of associates and joint ventures			(71,731)	(71,731)	(12,581)	(84,312)
Total other comprehensive income, net of income tax	-	-	(442,354)	(442,354)	(149,178)	(591,532)
Total comprehensive income	-	930,347	(442,354)	487,993	237,046	725,039
Transactions with owners, recorded directly in equity						
Issue of shares under the share plans of the Company and its subsidiaries	1,656		(7,840)	(6,184)	7,943	1,759
Contribution from non-controlling interests (net)				-	69,790	69,790
Effects of reclassification of a subsidiary to interest in joint venture				-	(150,000)	(150,000)
Changes in ownership interests in subsidiaries with a change in control				-	(135)	(135)
Changes in ownership interests in a subsidiary with no change in control		974	66	1,040	(1,040)	-
Dividends paid/payable		(340,021)		(340,021)	(151,565)	(491,586)
Share-based payments			27,166	27,166	13,507	40,673
Share of reserves of associates and joint ventures		(10,861)	19,083	8,222	(533)	7,689
Others		1,891	(1,236)	655	429	1,084
Total transactions with owners	1,656	(348,017)	37,239	(309,122)	(211,604)	(520,726)
Balance as at 31/12/2012	6,300,011	8,910,445	(130,048)	15,080,408	4,363,376	19,443,784

* Includes reserve for own shares, foreign currency translation reserve, capital reserves, available-for-sale reserve, equity compensation reserve and hedging reserve.

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

For the year ended 31/12/2012 vs 31/12/2011 – Group (cont'd)

	Share Capital S\$'000	Revenue Reserves S\$'000	Other Reserves* S\$'000	Total S\$'000	Non- controlling Interests S\$'000	Total Equity S\$'000
Balance as at 01/01/2011	6,276,504	7,511,740	243,689	14,031,933	3,833,271	17,865,204
Total comprehensive income						
Profit for the year		1,057,311		1,057,311	365,609	1,422,920
<u>Other comprehensive income</u>						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations			95,337	95,337	50,552	145,889
Change in fair value of available-for-sale investments			(43,848)	(43,848)	-	(43,848)
Effective portion of change in fair value of cash flow hedges			(47,372)	(47,372)	(27,676)	(75,048)
Share of other comprehensive income of associates and joint ventures			92,377	92,377	9,435	101,812
Total other comprehensive income, net of income tax	-	-	96,494	96,494	32,311	128,805
Total comprehensive income	-	1,057,311	96,494	1,153,805	397,920	1,551,725
Transactions with owners, recorded directly in equity						
Issue of ordinary shares	21,851		(20,694)	1,157	-	1,157
Purchase of treasury shares			(63,456)	(63,456)	-	(63,456)
Contribution by non-controlling interests (net)				-	151,059	151,059
Changes in ownership interests in subsidiaries with a change in control				-	144,249	144,249
Changes in ownership interests in subsidiaries with no change in control		17,322	(3,436)	13,886	(43,154)	(29,268)
Dividends paid/payable		(256,161)		(256,161)	(147,654)	(403,815)
Share-based payments			28,800	28,800	2,958	31,758
Share of reserves of associates and joint ventures		(14,455)	5,225	(9,230)	(765)	(9,995)
Others		12,358	(11,555)	803	50	853
Total transactions with owners	21,851	(240,936)	(65,116)	(284,201)	106,743	(177,458)
Balance as at 31/12/2011	6,298,355	8,328,115	275,067	14,901,537	4,337,934	19,239,471

* Includes foreign currency translation reserve, capital reserves, available-for-sale reserve, equity compensation reserve and hedging reserve.

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

For the year ended 31/12/2012 vs 31/12/2011 – Company

	Share Capital S\$'000	Revenue Reserves S\$'000	Reserve For Own Shares S\$'000	Capital Reserves S\$'000	Equity Comp Reserves S\$'000	Total Equity S\$'000
Balance as at 01/01/2012	6,298,355	3,296,610	(63,456)	383,490	39,980	9,954,979
Total comprehensive income Profit for the year		168,769				168,769
Transactions with owners, recorded directly in equity						
Issue of shares under the share plans of the Company	1,656				(204)	1,452
Issue of treasury shares			14,090		(2,560)	11,530
Dividends paid		(340,021)				(340,021)
Share-based payments					9,485	9,485
Total transactions with owners	1,656	(340,021)	14,090	-	6,721	(317,554)
Balance as at 31/12/2012	6,300,011	3,125,358	(49,366)	383,490	46,701	9,806,194
Balance as at 01/01/2011	6,276,504	3,301,550	-	383,490	37,862	9,999,406
Total comprehensive income Profit for the year		251,221				251,221
Transactions with owners, recorded directly in equity						
Issue of shares under the share plans of the Company	21,851				(4,813)	17,038
Purchase of treasury shares			(63,456)			(63,456)
Dividends paid		(256,161)				(256,161)
Share-based payments					6,931	6,931
Total transactions with owners	21,851	(256,161)	(63,456)	-	2,118	(295,648)
Balance as at 31/12/2011	6,298,355	3,296,610	(63,456)	383,490	39,980	9,954,979

1(d)(ii) Changes in the Company's Issued Share Capital

Issued Share Capital

As at 31 December 2012, the Company's issued and fully paid-up capital (excluding treasury shares) comprises 4,250,879,349 (31 December 2011: 4,244,230,220) ordinary shares. Movements in the Company's issued and fully paid-up share capital during the financial year were as follows:

	No. of Shares
As at 01/01/2012	4,244,230,220
Treasury shares transferred pursuant to employee share plans	5,597,563
Issue of shares under Share Option Plans and payment of Directors' fees	773,183
As at 30/09/2012	4,250,600,966
Issue of shares under Share Option Plans	278,383
As at 31/12/2012	4,250,879,349

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Outstanding Options under CapitaLand Share Option Plan

	No. of Options
As at 01/01/2012	9,000,244
Exercised/Lapsed/Cancelled	(893,669)
As at 31/12/2012	<u>8,106,575</u>

Performance Share Plan

As at 31 December 2012, the number of shares comprised in contingent awards granted under the performance share plan ("PSP") which has not been released was 9,198,942 (31 December 2011: 9,269,054).

Under the PSP, the final number of shares to be released will depend on the achievement of pre-determined targets over a three-year performance period. No shares will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, more shares than the baseline award could be released. For awards granted prior to 2012, the maximum is 200 percent of the baseline award. From 2012, the maximum will be 175 percent of the baseline award. There is no vesting period for shares released under the PSP.

Restricted Stock/Share Plan

As at 31 December 2012, the number of shares comprised in contingent awards granted under the restricted stock/share plan ("RSP") in respect of which (a) the final number of shares has not been determined, and (b) the final number of shares has been determined but not released, is 7,079,164 (31 December 2011: 6,250,405) and 5,234,456 (31 December 2011: 6,812,173) respectively, of which 258,830 (31 December 2011: 744,275) shares out of the former and 586,523 (31 December 2011: 873,652) shares out of the latter are to be cash-settled. With effect from FY2012, the cash-settled plan for non-managerial grade employees in Singapore has been replaced by a Restricted Cash Plan ("RCP").

Under the RSP, the final number of shares to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period. No shares will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, more shares than the baseline award could be released up to a maximum of 150 percent of the baseline award. Once the final number of shares has been determined, it will be released over a vesting period of three years. With effect from 2011, the awards to non-executive directors form part of the directors' fees and will be an outright grant with no performance and vesting conditions.

Convertible Bonds

The Company has the following convertible bonds which remain outstanding as at 31/12/2012:

Principal Amount Outstanding	Maturity Date	Put Dates	Conversion price per share	Convertible by holders on or after
\$1.2 billion	3 September 2016	-	\$4.6908	14 October 2009
\$424.75 million	15 November 2016	15 November 2013	\$6.01	26 December 2006
\$1.05 billion	5 March 2018	5 March 2015	\$7.1468	15 April 2008
\$1.0 billion	20 June 2022	20 June 2017 & 20 June 2019	\$11.5218	20 June 2008

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Convertible Bonds (cont'd)

There has been no conversion of any of the above convertible bonds since the date of their respective issue.

Assuming all the Bonds are fully converted based on their respective conversion prices, the number of new ordinary shares to be issued would be 560,204,672 (31 December 2011: 558,369,149) representing a 13.2% increase over the total number of issued shares (excluding treasury shares) of the Company as at 31 December 2012.

1(d)(iii) Treasury Shares

Movements in the Company's treasury shares during the financial year were as follows:

	<u>No of Shares</u>
As at 01/01/2012	25,209,000
Treasury shares transferred pursuant to employee share plans	<u>(5,597,563)</u>
As at 31/12/2012	<u>19,611,437</u>

The number of treasury shares held by the Company represents 0.5% of the total number of issued shares (excluding treasury shares) as at 31 December 2012.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have neither 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 a 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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2011, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2012.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 January 2012 are:

Amendments to FRS 12 Income Taxes: Deferred Tax Recovery of Underlying Assets; and
Amendments to FRS 107 Disclosures - Transfers of Financial Assets;

There is no significant financial impact on the Group's financial position or performance from the adoption of these amendments to FRS.

On 31 August 2012, the Accounting Standards Council announced the deferment of the mandatory effective dates for the following standards by a year from annual periods beginning on or after 1 January 2013 to 1 January 2014, to allow stakeholders more time to implement the standards:

FRS 27 *Separate Financial Statements*
 FRS 28 *Investments in Associates and Joint Ventures*

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FRS 110 *Consolidated Financial Statements*
 FRS 111 *Joint Arrangements*
 FRS 112 *Disclosures of Interests in Other Entities*

FRS 110 could potentially change the way in which an entity prepares its consolidated accounts. It establishes a single control model as the basis for determining the entities that will be consolidated. It also requires management to exercise significant judgment to determine which investees are controlled, and therefore are required to be consolidated by the Group. The Group's resultant financial statements and gearing ratios may be affected by the application of this standard.

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

Please refer to Item 4 above.

6 Earnings per ordinary share (EPS) based on profit after tax & NCI attributable to the owners of the Company:

		Group			
		4Q 2012	4Q 2011	FY 2012	FY 2011
6(a)	EPS based on weighted average number of ordinary shares in issue (in cents)	6.2	11.2	21.9	24.8
	Weighted average number of ordinary shares (in million)	4,250.7	4,244.5	4,249.4	4,261.4
6(b)	EPS based on fully diluted basis (in cents)	6.1	10.8	21.7	24.6
	Weighted average number of ordinary shares (in million)	4,355.2	4,836.8	4,282.8	4,620.1

7 Net asset value and net tangible assets per ordinary share based on issued share capital (excluding treasury shares) as at the end of the period

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
NAV per ordinary share	\$3.55	\$3.51	\$2.31	\$2.35
NTA per ordinary share	\$3.44	\$3.40	\$2.31	\$2.35

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8 Review of the Group's performance

Group Overview

\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	1,110.9	1,059.0	4.9	3,301.4	3,019.6	9.3
Earnings before Interest and Tax ("EBIT")	582.8	812.1	(28.2)	2,017.4	2,086.6	(3.3)
Finance costs	(122.7)	(105.0)	(16.8)	(499.0)	(472.8)	(5.5)
PBT	460.1	707.0	(34.9)	1,518.5	1,613.8	(5.9)
PATMI	262.7	476.6	(44.9)	930.3	1,057.3	(12.0)
Operating PATMI	110.8	158.5	(30.1)	369.3	352.1	4.9

4Q 2012 vs 4Q 2011

For the quarter under review, the Group achieved a revenue of \$1,110.9 million and a PATMI of \$262.7 million.

Revenue increased by 4.9%, mainly attributable to higher sales recognition from development projects in Singapore and Australia as well as higher rental revenue from our shopping mall business and higher fee income. However, sales recognition from our development projects in China and Vietnam were lower in 4Q 2012 due to fewer units being handed over to buyers.

Our Singapore development projects registered strong growth in revenue in 4Q 2012. Revenue rose 13.5% to \$227.7 million, underpinned by the progressive recognition of existing projects and the commencement of revenue recognition for units sold in Sky Habitat. Revenue from Australia was also higher at \$493.4 million on improved sales from development projects. In China and Vietnam where revenue is recognised on completion, fewer units were completed and handed over to homebuyers during the quarter.

Rental revenue from our shopping mall business continues to increase steadily, backed by the acquisition of four malls in Japan and the opening of a new mall in Singapore this year. Serviced residences' revenue also saw an improvement with contributions from newly acquired properties and higher property management fees. During the quarter, Ascott secured 4 new management contracts in China, 1 in Indonesia and 2 in Vietnam.

The Group's fee income from its fund management, property and project management services also registered an increase. The growth was driven by an enlarged pool of assets under management, improved performance of existing managed properties as well as new project management contracts secured.

For 4Q 2012, the Group achieved an EBIT of \$582.8 million. This was lower due to a number of factors.

Operating profits in 4Q 2012 decreased largely due to lower contributions from several projects which were completed in 4Q 2011, notably The Vista in Vietnam and Rihan Heights in Abu Dhabi. In addition, provision for foreseeable losses amounting to \$57.8 million was made in respect of certain development projects in Vietnam, China and Kazakhstan, of which \$49.4 million was recognised in cost of sales and \$8.4 million in share of results of associates and joint ventures.

The net fair value gains from the revaluation of investment properties were also lower at \$285.7 million (4Q 2011: \$398.1 million), of which \$50.5 million was recognised in other operating income and \$235.2 million in share of results of associates and joint ventures.

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4Q 2012 vs 4Q 2011(Cont'd)

Portfolio gains totaled \$27.2 million in 4Q 2012, primarily from the divestment of Citadines Ashley Hongkong and dilution of the Group's interests in CMT and CRCT. In 4Q 2011, the Group's portfolio gains were \$83.7 million.

In addition, the Group also impaired certain investments in Bahrain, Vietnam, Singapore, Japan and India totalling \$35.0 million (4Q 2011: \$26.3 million), of which \$22.4 million was recorded in other operating expenses and \$12.6 million in share of results of associates and joint ventures.

After taking into account finance costs, taxes and non-controlling interests, the Group achieved a PATMI of \$262.7 million in 4Q 2012. Excluding revaluation gains, impairments and portfolio gains, operating PATMI was S\$110.8 million (4Q 2011: \$158.5 million).

FY 2012 vs FY 2011

For the full year ended 2012, the Group achieved a revenue of \$3,301.4 million and a PATMI of \$930.3 million.

The Group posted a 9.3% increase in revenue, fuelled by higher contribution from development projects in Singapore and Australia, shopping mall business and fee-based income.

FY 2012's revenue from development projects in Singapore grew by 10.4% to \$854.3 million, underpinned by progressive revenue recognition from units sold in The Interlace, Urban Resort Condominium and Sky Habitat, partially offset by lower sales of completed units in Latitude and The Seafront on Meyer. Revenue from Australia was higher on account of higher contribution from development projects. In China, revenue was lower as fewer projects were completed and handed over to homebuyers. The projects in China that contributed to revenue this year were The Metropolis and The Pinnacle in Shanghai, as well as Riverside Ville and Beau Residences in Foshan.

Rental income from our shopping mall business posted a strong growth, primarily from Queensbay Mall in Malaysia which was acquired in April 2011 as well as the four Japanese malls which were acquired this year.

Serviced residence operations reported a small increase in revenue to \$381.7 million as contributions from newly acquired properties and higher property management fees were partially offset by the absence of contribution from divested properties.

Full year fee-based income for the Group was higher as fund management, property and project management services continued to grow on the back of increased assets and property under management. Total assets under management by the Group was \$37 billion as at 31 December 2012.

Geographically, our overseas operations accounted for \$2,131.7 million or 64.6% of total revenue as compared to \$1,944.8 million or 64.4% a year ago. Singapore and China operations contributed about 53.2% to the Group's revenue.

At the EBIT level, the Group achieved \$2,017.4 million. On a full year basis, operating profits were higher, driven by improved contributions from development projects in Singapore, China and Australia, as well as the Group's shopping mall business. However, this increase was offset by lower revaluation gains and portfolio gains as well as higher impairment losses, resulting in the EBIT being slightly lower than last year.

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FY 2012 vs FY 2011 (Cont'd)

Fair value gains from the revaluation of investment properties amounted to \$611.9 million at the EBIT level, \$161.1 million lower than that recorded last year. Lower fair value gains were recorded in respect of investment properties in Singapore, China, Australia and Europe, whilst those in Malaysia and Japan recorded higher fair value gains.

Portfolio gains for FY 2012 were \$239.7 million, comprising mainly gains from the divestment of Hilton Doubletree Hotel, CapitaMall Tianfu, CapitaMall Meilicheng, Ascott Raffles Place, Ascott Guangzhou and Citadines Ashley Hongkong. FY2011's portfolio gains were \$260.5 million.

For the full year, impairment losses and provision for foreseeable losses totalled \$103.1 million (FY2011: \$66.5 million). This was mainly in respect of projects in Bahrain, China, Vietnam, Singapore, Japan, Kazakhstan and India as mentioned earlier.

Singapore and China operations remain the key contributors to EBIT, accounting for 76.9% of total EBIT (FY 2011: 81.0%). Singapore EBIT was \$893.8 million or 44.3% (FY 2011: \$877.3 million or 42.0%) while China EBIT was \$658.4 million or 32.6% (FY 2011: \$813.0 million or 39.0%).

In Singapore, the increase in EBIT was backed by a strong performance from our residential development projects, gains from the divestment of Ascott Raffles Place and Hougang Plaza, partially offset by lower fair value gains from the revaluation of investment properties. EBIT from China was comparatively lower this year due to lower revaluation gains and portfolio gains.

Finance costs for FY 2012 went up by 5.5% to \$499.0 million. This came mainly from an increase in borrowings to fund new investments. The Group's gross debt as at 31 December 2012 stood at \$14.2 billion (31 December 2011: \$12.2 billion) and the net debt equity ratio was 0.45 (31 December 2011: 0.31).

Overall, the Group achieved a PATMI of \$930.3 million for FY 2012. Excluding revaluations and impairments, the Group's PATMI of \$568.7 million was marginally lower than \$573.5 million achieved for FY 2011. Operating PATMI accounted for \$369.3 million which is 4.9% higher y-o-y while the remaining \$199.4 million were gains from divestment.

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9 Segment Performance

CapitaLand Residential Singapore (“CRS”)

S\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	227.7	200.7	13.5	854.3	774.1	10.4
EBIT	99.9	116.4	(14.2)	328.2	327.4	0.2

Higher revenue in 4Q 2012 was mainly attributed to the commencement of revenue recognition for Sky Habitat in December 2012. Revenue for FY 2012 was also higher due to progressive revenue recognition from The Interlace and Urban Resort Condominium. This was partly offset by lower sales of completed units in Latitude and The Seafront on Meyer.

EBIT for 4Q 2012 was lower due to lower write back in impairment charge for Urban Suites amounting to \$17.0 million.

EBIT for FY 2012 was however higher on account of higher revenue. This was partially offset by lower impairment write back as mentioned above.

For FY 2012, CRS sold 681 units with a total sales value of \$1.3 billion (FY 2011: 844 units valued at \$1.35 billion).

CapitaLand China Holdings (“CCH”)

S\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	136.1	216.3	(37.1)	404.1	526.6	(23.3)
EBIT	128.4	139.1	(7.7)	322.8	423.7	(23.8)

In 4Q 2012, CCH sold 1,183 units with sales value of RMB2.8 billion (approximately S\$0.5 billion). This represents a fourfold increase over 4Q 2011 in terms of both units sold and sales value. For FY2012, total sales were in excess of 3,000 units with value of RMB7.0 billion (approximately S\$1.4 billion). (FY 2011: 1,466 units sold with value totaling S\$0.6 billion).

During the quarter, the first phase of Raffles City Shenzhen, iPark, comprising 448 units of SOHO apartments, was launched and achieved a sales rate of 71%. The Loft in Chengdu and Imperial Bay in Hangzhou also released more units for sale.

In terms of units handed over to homebuyers, CCH delivered 1,453 units in 4Q 2012, bringing the total for FY 2012 to 1,995. The units delivered were mainly from The Loft in Chengdu (678 units), Riverside Ville and Beau Residences (aggregate 313 units) in Foshan, as well as The Metropolis and The Pinnacle (aggregate 580 units) in Shanghai. For FY 2011, CCH delivered over 3,300 units mainly from The Loft in Chengdu and Beaufort in Beijing.

4Q 2012 and FY 2012 revenue were lower than previous corresponding periods mainly due to fewer units delivered to homebuyers.

4Q 2012 and FY 2012 EBIT were lower mainly due to the lower revenue and lower gains from divestments. The decrease was mitigated by higher revaluation gains recorded in 4Q and FY 2012.

In December 2012, CCH announced the divestment of a residential site under development in Beijing as part of its ongoing strategy of capital productivity. The transaction is subject to the approval of the PRC regulatory authorities and is expected to complete in 1Q 2013.

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CapitaLand China Holdings (“CCH”) (cont’d)

Raffles City Shanghai and Raffles City Beijing continued to perform well, achieving a 6% net property income yield on market value. The retail malls in Raffles City Chengdu and Raffles City Ningbo successfully commenced operations in late September 2012 and have achieved good leasing commitments.

CapitaLand Commercial (“CCL”)

S\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	25.3	26.8	(5.5)	86.5	96.7	(10.5)
EBIT	75.3	81.5	(7.7)	174.2	189.6	(8.1)

Revenue for 4Q 2012 and FY 2012 decreased due to the absence of contribution from divested properties, mitigated by higher fee income from project management. Two properties, The Adelphi and Corporation Place, were divested in January and December 2011 respectively.

EBIT for 4Q 2012 and FY 2012 also decreased mainly due to lower fair value gains from the revaluation of investment properties and the absence of divestment gain. The decrease was however mitigated by a write back of provision for income support for One George Street and a gain from the sale of United Malayan Land Bhd shares.

Ascott

S\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	98.9	97.3	1.7	381.7	377.5	1.1
EBIT	6.5	31.2	(79.1)	163.2	148.4	9.9

Revenue for 4Q 2012 and FY 2012 was higher compared to the corresponding periods in 2011 mainly due to higher fee income and contributions from newly acquired properties. These were partially offset by the absence of revenue from divested properties.

EBIT for 4Q 2012 was lower mainly due to fair value losses from Ascott Reit (“ART”) and Ascott China Fund (“ACF”), versus fair value gains in 4Q 2011. These losses were partially mitigated by portfolio gains from the divestment of Citadines Ashley Hongkong and contributions from newly acquired properties.

FY 2012 EBIT was higher mainly due to portfolio gains from the divestment of Ascott Raffles Place, Ascott Guangzhou and Citadines Ashley Hongkong, as well as contributions from newly acquired properties. The increase was partially offset by lower share of net fair value gains from ART and ACF.

Ascott secured seven management contracts in Shanghai, Suzhou, Chengdu, Ho Chi Minh City and Surabaya in 4Q 2012. In total, Ascott has secured 14 management contracts in 2012, further strengthening its leadership position as the world’s largest international serviced residence owner-operator.

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CapitaValue Homes (“CVH”)

S\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	3.0	58.4	(94.8)	3.9	80.3	(95.1)
EBIT	(59.6)	(2.2)	NM	(80.9)	(12.9)	(528.6)

Lower revenue in 4Q 2012 and FY 2012 were mainly due to fewer units sold and handed over to buyers for The Vista project in Vietnam.

Higher losses for 4Q 2012 and FY 2012 at the EBIT level were mainly due to lower revenue, operating costs for business expansion in China as well as provision for foreseeable losses for certain projects in Vietnam and China.

CapitaLand Financial (“CFL”)

S\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	25.3	26.5	(4.3)	114.1	103.3	10.5
EBIT	3.4	11.0	(68.9)	67.8	80.0	(15.3)

Revenue for 4Q 2012 was lower mainly due to a reduction in income from financial products which more than offset the higher fund management fees from two of our private equity funds.

For FY 2012, revenue was higher mainly due to one-off acquisition and divestment fees earned from our REITs as well as higher interest income.

Lower EBIT for 4Q 2012 and FY 2012 were mainly due to a provision for doubtful receivables and absence of a portfolio gain, partially mitigated by lower operating costs and the absence of foreign exchange losses.

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CapitaMalls Asia (“CMA”)

S\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	111.3	66.3	67.9	353.7	246.2	43.7
EBIT	226.1	273.9	(17.5)	676.2	597.0	13.3

Revenue for 4Q 2012 and FY 2012 increased mainly due to the contribution from the acquisition of Olinas Mall and additional stakes in three malls in Japan this year, contribution from The Star Vista which began operations in September 2012 and improved management fee revenue due to higher project and property management fees arising from better performance of shopping malls, leasing commission from new mall openings and new projects undertaken.

EBIT for 4Q 2012 was lower by 17.5% due to lower fair value gains mainly from Singapore and China, as well as impairment losses for investments in India, partially mitigated by contribution from the four malls in Japan and improved management fee business as explained above.

EBIT for FY 2012 was however higher by 13.3% at \$676.2 million. The improvement was largely contributed by the portfolio gain in relation to the injection of CapitaMall Tianfu and CapitaMall Meilicheng into CMCDF III, the disposal of Hougang Plaza by CMT, contribution from the four Japan malls and improved results from the management fee business; partially offset by the lower fair value gains and impairment losses taken up in 4Q 2012, as mentioned above.

Others

S\$M	4Q 2012	4Q 2011	Variance (%)	FY 2012	FY 2011	Variance (%)
Revenue	483.2	366.9	31.7	1,103.0	814.9	35.4
EBIT	102.8	161.2	(36.2)	366.0	333.3	9.8

Others include the Corporate Office, Australand, Surbana and others.

4Q 2012 and FY 2012 revenue were higher on increased sales from development projects in Australia.

EBIT in 4Q 2012 decreased mainly due to lower share of development profits from Rihan Heights in Abu Dhabi which was completed in 4Q 2011, lower fair value gains from our investment properties in Australia and higher impairment losses, partially mitigated by lower provision for foreseeable losses.

EBIT for FY 2012 was higher and this was driven by higher development profits and lower provision for foreseeable losses.

9 Variance from Prospect Statement

The current results are broadly in line with the prospect statement made when the third quarter 2012 financial results were announced.

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10 Commentary of the significant trends and 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

On 3 January 2013, CapitaLand announced that it will realign and simplify the Group's organisational structure to sharpen its focus on key markets to realise its growth potential.

The Group will be realigned into four main businesses – CapitaLand Singapore, CapitaLand China, CapitaMalls Asia (CMA) and The Ascott Limited (Ascott). Under the simplified organisational structure, the Group's businesses in Singapore and China excluding that of CMA and Ascott, will be consolidated into CapitaLand Singapore and CapitaLand China respectively. CMA and Ascott will be the other two main business units and they will operate across geographies that CapitaLand is in.

The commentary on the outlook and prospect of the SBUs in this report are based on the new organisational structure.

CapitaLand Singapore (“CL Singapore”)

The Singapore government recently unveiled the seventh and most comprehensive round of market cooling measures to-date in over three years. The measures include raising the additional buyer stamp duty (ABSD) by another 5-7% over the previously imposed ABSD, tighter loan-to-value limits for individuals with at least one outstanding loan and for companies, as well as raising the minimum cash down payment from 10% to 25% for individuals with an existing housing loan.

This followed a URA report of brisk sales of private homes in December 2012 and a record 22,197 units of private homes sold for the full year 2012, which surpassed FY2011's record of 16,292 units.

CL Singapore expects these measures to curb investment demand and further dampen foreign purchases. Transaction volume is expected to drop and prices are expected to moderate in 2013. In anticipation of this, CL Singapore has further enhanced its promotional schemes for d'Leedon and The Interlace, two of its biggest developments. As at 6 February 2013, 1,158 units at d'Leedon and 757 units at The Interlace have been sold, the sale proceeds of which will go towards reducing the projects' financing commitment.

Notwithstanding the recent measures, CL Singapore would continue to source for sites, to build up its pipeline as the long-term prospects of the housing market in Singapore remain attractive.

On the office sector front, Singapore office reported a negative net absorption in the fourth quarter of 2012, after four consecutive quarters of positive office net absorption. This resulted in a decrease in office occupancy rate in the Central Business District (“CBD”) to 92.2% and a decline in average monthly Grade A office rent by approximately 2.2% to \$9.58 per square foot.

Looking ahead, Singapore CBD's new office supply from 2013 to 2015 is estimated to be less than 1 million square feet annually, which is lower than the historical annual supply of 1.3 million square feet over a 20-year period, thus limiting any concern of oversupply. Our two commercial projects, CapitaGreen and Westgate are expected to be completed in 2014 when supply is low.

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CapitaLand China (“CL China”)

China has always been one of the Group’s key markets. With the strategic focus, CL China will actively seek opportunities to acquire new sites for growth.

CL China remains positive about the property market as urbanization, strong domestic consumption and increasing affluence continue to underpin demand.

In 2013, three new residential projects, namely Vermont Hills in Beijing, Summit Residences in Ningbo and The Lakeside in Wuhan are expected to be launch-ready. These new projects and new phases of existing projects will collectively yield about 4,000 units. These units will be released according to the market conditions. CL China also expects to hand over approximately 3,000 units, mainly from The Loft in Chengdu, Dolce Vita in Guangzhou and Beaufort in Beijing.

For mixed development, Raffles City Chengdu expects to launch its exclusive, luxury-finished boutique strata-titled apartments in 1H 2013 followed by the opening of the serviced residences in the later part of the year. With that, Raffles City Chengdu will be fully operational by end of 2013.

Ascott

Ascott will continue to seek investment opportunities in key cities in Asia and Europe and focus on improving the quality of its portfolio through asset enhancement. It will also continue to grow its fee-based income through securing more management contracts.

In January 2013, Ascott secured contracts to manage two serviced residences in Guangzhou, China, further deepening its presence in the city with a total of five properties.

CapitaMalls Asia (“CMA”)

The global economy is showing modest signs of improvement, but growth is expected to remain weak. The International Monetary Fund (“IMF”) forecasted global growth for 2013 to be at 3.6%. There remain concerns over the fiscal crisis in the US, ongoing austerity in the Euro zone and geopolitical tension in the Middle East. The key markets that CMA operates in namely, Singapore, China and Malaysia, are expected to perform well into 2013, on the back of strong tenant sales growth.

With its strong balance sheet and continued access to banks and capital markets, CMA remains ready and flexible for both selective acquisitions and unforeseen volatility.

For further details, please refer to CMA’s 2012 Full Year Unaudited Financial Statements Announcement released on the Singapore Exchange on 7 February 2013.

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GROUP OVERALL PROSPECTS

The global economic outlook remains cautious with the IMF expecting the world economy to expand by 3.6% in 2013. This is despite encouraging data emerging from China that it may register a GDP growth of 8.2% for 2013. Singapore, on the other hand, is expected to achieve a GDP growth of 2.9% for this coming year, based on IMF forecasts.

CapitaLand kicked off 2013 by realigning its organisational structure to sharpen its focus on its key markets to realise its growth potential. With a more streamlined organisation, the Group will be better positioned to seize development opportunities for its two core markets of Singapore and China. Shopping mall and serviced residence activities, spearheaded by CapitaMalls Asia and The Ascott Limited, will operate across all geographies where CapitaLand is in.

In Singapore, the additional cooling measures announced recently are widely expected to have an impact on both sales and prices of the residential market. Nevertheless, the Group believes that with strong economic fundamentals and policies to grow the population, there will be continued demand for new homes. The unveiling of additional Mass Rapid Transit ("MRT") lines will also present opportunities for new developments near these MRT stations.

In China, rapid urbanisation and increasing domestic consumption will be key pillars for China's domestic development in the coming years. CapitaLand intends to focus its investment activities in key Chinese cities to build on its leadership position in the respective markets. We will deploy capital to key cities where we have a meaningful presence or have identified the potential to support a sizeable business operation. With a well recognised CapitaLand brand and Raffles City franchise, the Group intends to leverage opportunities to expand its product offerings in the residential, mixed development, retail and serviced residence sectors.

The Group is conducting a strategic review of its investment in Australand with a view to further optimise value for shareholders.

CapitaLand has maintained a robust balance sheet due to its disciplined approach of active recycling and prudent capital management. The Group has committed S\$4.1 billion of new investments during 2012. The Group's financial capacity remains healthy with cash of S\$5.5 billion and a net debt equity ratio of 0.45 as at end 2012. Approximately 77% of our debt is in fixed rates. The Group has successfully tapped various sources of funding from the banks, debt capital markets, as well as private and public equity capital markets to ensure a diversified pool of funding requirements. Less than 8.4% of our total debt is due within one year and our average debt maturity profile is 3.7 years.

Despite possible economic headwinds and the latest property cooling measures in Singapore, the Group, led by a strong management team and armed with a robust balance sheet, is confident of growing our business into the future.

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11 Dividend

11(a) Any dividend declared for the present financial period? Yes. Please refer to Note 18.

11(b) Any dividend declared for the previous corresponding period? Yes.

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

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

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

No applicable.

13 Interested Person Transactions

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

14 Confirmation Pursuant to Rule 705(5) of the Listing Manual

Not applicable.

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15 Segmental Revenue and Results

15(a)(i) By Strategic Business Units (SBUs) – 4Q 2012 vs 4Q 2011

	Revenue			Earnings before interest & tax		
	4Q 2012 S\$'000	4Q 2011 S\$'000	Variance %	4Q 2012 S\$'000	4Q 2011 S\$'000	Variance %
CapitaLand Residential Singapore	227,732	200,669	13.5	99,919	116,423	(14.2)
CapitaLand China Holdings ⁽¹⁾	136,104	216,314	(37.1)	128,361	139,074	(7.7)
CapitaLand Commercial ⁽²⁾	25,314	26,783	(5.5)	75,259	81,528	(7.7)
Ascott	98,923	97,304	1.7	6,504	31,180	(79.1)
CapitaValue Homes	3,019	58,387	(94.8)	(59,587)	(2,197)	NM
CapitaLand Financial	25,322	26,457	(4.3)	3,421	11,009	(68.9)
CapitaMalls Asia	111,272	66,261	67.9	226,101	273,876	(17.5)
Others ⁽³⁾	483,188	366,866	31.7	102,800	161,194	(36.2)
Total	1,110,874	1,059,041	4.9	582,778	812,087	(28.2)

15(a)(ii) By Strategic Business Units (SBUs) – FY 2012 vs FY 2011

	Revenue			Earnings before interest & tax		
	FY 2012 S\$'000	FY 2011 S\$'000	Variance %	FY 2012 S\$'000	FY 2011 S\$'000	Variance %
CapitaLand Residential Singapore	854,340	774,084	10.4	328,153	327,420	0.2
CapitaLand China Holdings ⁽¹⁾	404,077	526,640	(23.3)	322,809	423,680	(23.8)
CapitaLand Commercial ⁽²⁾	86,539	96,733	(10.5)	174,192	189,565	(8.1)
Ascott	381,686	377,450	1.1	163,157	148,394	9.9
CapitaValue Homes	3,899	80,318	(95.1)	(80,898)	(12,870)	(528.6)
CapitaLand Financial	114,125	103,302	10.5	67,829	80,040	(15.3)
CapitaMalls Asia	353,652	246,173	43.7	676,167	597,024	13.3
Others ⁽³⁾	1,103,045	814,869	35.4	366,022	333,336	9.8
Total	3,301,363	3,019,569	9.3	2,017,431	2,086,589	(3.3)

Note : ⁽¹⁾ Excludes Retail and Serviced Residences in China.

⁽²⁾ Includes residential projects in Malaysia.

⁽³⁾ Includes Corporate Office, Australand, Surbana and others.

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15(b)(i) By Geographical Location – 4Q 2012 vs 4Q 2011

	Revenue			Earnings before interest & tax		
	4Q 2012 S\$'000	4Q 2011 S\$'000	Variance %	4Q 2012 S\$'000	4Q 2011 S\$'000	Variance %
Singapore	308,925	277,946	11.1	245,470	348,537	(29.6)
China ⁽¹⁾	192,775	253,351	(23.9)	279,722	318,442	(12.2)
Other Asia ⁽²⁾	44,163	81,734	(46.0)	(62,253)	35,086	NM
Australia	506,439	387,030	30.9	120,060	120,131	(0.1)
Europe	54,990	51,416	7.0	(221)	(10,072)	(97.8)
Others ⁽³⁾	3,582	7,564	(52.6)	-	(37)	100.0
Total	1,110,874	1,059,041	4.9	582,778	812,087	(28.2)

15(b)(ii) By Geographical Location – FY 2012 vs FY 2011

	Revenue			Earnings before interest & tax		
	FY 2012 S\$'000	FY 2011 S\$'000	Variance %	FY 2012 S\$'000	FY 2011 S\$'000	Variance %
Singapore	1,169,706	1,074,765	8.8	893,821	877,275	1.9
China ⁽¹⁾	587,933	665,599	(11.7)	658,427	813,041	(19.0)
Other Asia ⁽²⁾	139,896	156,354	(10.5)	79,737	46,839	70.2
Australia	1,182,289	890,213	32.8	365,437	336,548	8.6
Europe	196,687	200,508	(1.9)	20,009	15,693	27.5
Others ⁽³⁾	24,852	32,130	(22.7)	-	(2,807)	100.0
Total	3,301,363	3,019,569	9.3	2,017,431	2,086,589	(3.3)

Note : ⁽¹⁾ China including Macau and Hong Kong.

⁽²⁾ Excludes Singapore and China and includes projects in GCC countries.

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

Please refer to Item 8.

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17 Breakdown of Group's revenue and profit after tax for first half year and second half year

	2012 S\$'000	2011 S\$'000	Increase/ (Decrease) %
(a) Revenue			
- first half	1,503,578	1,351,957	11.2
- second half	1,797,785	1,667,612	7.8
Full year revenue	3,301,363	3,019,569	9.3
(b) Profit after tax before deducting minority interests ("PAT")			
- first half	722,017	677,263	6.6
- second half	594,554	745,657	(20.3)
Full year PAT	1,316,571	1,422,920	(7.5)

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

Barring unforeseen circumstances, the Company's policy is to declare a dividend of at least 30% of the annual profit after tax and non-controlling interests excluding unrealised revaluation gains or losses as well as impairment charges or write backs.

The Directors are pleased to propose an ordinary dividend of 7.0 cents per share for the financial year ended 31 December 2012, subject to shareholders' approval.

Name of Dividend	Current financial year ended 31/12/2012		
	Ordinary	Special	Total
Type of Dividend	Cash	-	Cash
Dividend Per share	7.0 cents	-	7.0 cents
Annual Dividend (S\$'000)	297,562	-	297,562

The above dividend amounts are estimated based on the number of issued shares (excluding treasury shares) as at 31 December 2012. The actual dividend payment can only be determined on books closure date.

Name of Dividend	Previous financial year ended 31/12/2011		
	Ordinary	Special	Total
Type of Dividend	Cash	Cash	Cash
Dividend Per share	6.0 cents	2.0 cents	8.0 cents
Annual Dividend (S\$'000)	255,016	85,005	340,021

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19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, CapitaLand Limited (the "Company") confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Low Sai Choy
Company Secretary
21 February 2013

This announcement 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 the current view of management on future events.