CAPITALAND LIMITED

(Registration Number : 198900036N)

2014 THIRD QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT

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CapitaLand

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2014 THIRD QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT

1(a)(i) Income Statement

		Group					
	Note	3Q 2014 S$'000	3Q 2013 S$'000 (Restated)	Change %	YTD Sep 2014 S$'000	YTD Sep 2013 S$'000 (Restated)	Change %
Continuing operations							
Revenue	A	**918,928**	**960,071**	**(4.3)**	**2,406,790**	**2,603,132**	**(7.5)**
Cost of sales		(609,598)	(661,429)	(7.8)	(1,462,915)	(1,683,843)	(13.1)
Gross profit		309,330	298,642	3.6	943,875	919,289	2.7
Other operating income	B	21,905	62,820	(65.1)	304,962	387,924	(21.4)
Administrative expenses	C	(91,843)	(94,305)	(2.6)	(291,817)	(291,453)	0.1
Other operating expenses	D	(12,763)	(15,324)	(16.7)	(26,374)	(51,320)	(48.6)
Profit from continuing operations		226,629	251,833	(10.0)	930,646	964,440	(3.5)
Finance costs		(105,445)	(117,813)	(10.5)	(324,995)	(365,876)	(11.2)
Share of results (net of tax) of:	E						
- associates		82,872	70,454	17.6	431,718	385,808	11.9
- joint ventures		41,009	55,456	(26.1)	207,317	221,249	(6.3)
		123,881	125,910	(1.6)	639,035	607,057	5.3
Profit before taxation from continuing operations		245,065	259,930	(5.7)	1,244,686	1,205,621	3.2
Taxation	F	(47,481)	(30,901)	53.7	(162,831)	(116,196)	40.1
Profit for the period from continuing operations		197,584	229,029	(13.7)	1,081,855	1,089,425	(0.7)
Discontinued operation							
Profit from discontinued operation	G	-	27,149	(100.0)	35,359	152,942	(76.9)
Profit for the period		197,584	256,178	(22.9)	1,117,214	1,242,367	(10.1)
Attributable to:							
Owners of the Company ("PATMI")							
- from continuing operations		129,983	115,851	12.2	716,126	618,758	15.7
- from discontinued operation		-	12,451	(100.0)	35,359	78,841	(55.2)
Total PATMI		**129,983**	**128,302**	**1.3**	**751,485**	**697,599**	**7.7**
Non-controlling interests ("NCI")		67,601	127,876	(47.1)	365,729	544,768	(32.9)
Profit for the period		197,584	256,178	(22.9)	1,117,214	1,242,367	(10.1)

Note:

3Q 2013 and YTD September 2013 results have been restated to take into account:

1. The retrospective adjustments relating to FRS 110 *Consolidated Financial Statements* (please refer to item 4).
2. The re-presentation of Australand's results under "discontinued operation" in accordance with FRS 105 *Non-current Assets Held for sale and Discontinued Operation* (please refer to item 1(a)(ii)(G)).

1(a)(ii) Explanatory Notes to Income Statement – 3Q 2014 vs 3Q 2013 (Restated)

The Group adopted FRS 110 Consolidated Financial Statements (FRS 110) on 1 January 2014 and this requires the Group to consolidate CapitaCommercial Trust, Ascott Residence Trust and CapitaMalls Malaysia Trust. The comparative figures for 3Q 2013 have been restated on similar basis for comparison. (Please see item 4 for details).

(A) Revenue

The decrease was mainly attributable to lower revenue from the Group's development projects in China held by subsidiaries, partially mitigated by higher revenue from our Singapore development projects as well as higher rental revenue from our shopping mall and serviced residence businesses. (Please see item 8 for details).

The cost of sales also decreased in line with lower revenue.

(B) Other Operating Income

		Group		
		3Q 2014 S$'000	3Q 2013 S$'000 (Restated)	Change (%)
Other Operating Income		**21,905**	**62,820**	**(65.1)**
Investment income		781	496	57.5
Interest income	(i)	8,911	18,855	(52.7)
Other income (including portfolio gains)	(ii)	12,213	3,957	208.6
Fair value gains of investment properties	(iii)	-	39,512	(100.0)

(i) Interest income decreased due to lower amount of interest bearing loans extended to associates as well as lower placement of surplus funds with financial institutions.

(ii) Other income for 3Q 2014 was higher as it included a reversal of cost accruals upon finalisation for a project divested in the previous year.

(iii) The Group typically revalues its investment properties in the second and fourth quarter of the year. The net fair value gains in 3Q 2013 were mainly in respect of a one-off revaluation of 81 units in Somerset Fortune Garden pursuant to the proposed divestment of these units on a strata basis by Ascott Residence Trust ("ART").

(C) Administrative Expenses

	Group		
	3Q 2014 S$'000	3Q 2013 S$'000 (Restated)	Change (%)
Administrative Expenses	**(91,843)**	**(94,305)**	**(2.6)**
<u>Included in Administrative Expenses:-</u>			
Depreciation and amortisation	(49,382)	(45,627)	8.2
Writeback for doubtful receivables and bad debts written off	4,103	265	NM

Administrative expenses comprised staff costs, depreciation, operating lease expenses and other miscellaneous expenses. The expenses were lower this quarter mainly due to higher write back of doubtful receivables and lower operating lease expenses, partially offset by higher depreciation.

1(a)(ii) Explanatory Notes to Income Statement – 3Q 2014 vs 3Q 2013 (Restated)

(D) Other Operating Expenses

The decrease in other operating expenses in 3Q 2014 was mainly due to lower foreign exchange losses, partially offset by fair value losses of investment properties of $5.5 million. The foreign exchange loss in 3Q 2014 of $5.4 million (3Q 2013: $12.4 million) arose mainly from the revaluation of EUR receivables as the Singapore dollar has appreciated against the EUR during the quarter.

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

The higher share of results from associates in 3Q 2014 was contributed by better operating performance of China funds and development projects held by associates in China, namely The Loft and Imperial Bay, partially offset by lower contribution from d'Leedon in Singapore.

Share of results from joint ventures decreased mainly due to the absence of a portfolio gain of $16.4 million which was recognised in 3Q 2013 from the divestment of our entire one third interest in three investment properties in United Kingdom.

(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 Group operates and takes into account non-deductible expenses and temporary differences.

Tax expenses were higher this quarter, due mainly to the utilisation of tax losses carried forward by certain subsidiaries of the Group which resulted in a lower taxable income for 3Q 2013. Included in 3Q 2014's tax expense was an under provision of taxes for prior years of $1.8 million (3Q 2013: write back of $2.7 million).

(G) Profit from discontinued operation

On 24 March 2014, the Group completed the sale of its remaining 39.1% stake in Australand through a secondary placement of its stapled securities and Australand has ceased to be an associated company of the Group ("discontinued operation"). Accordingly, Australand's results for 3Q 2013 was re-presented as profit after taxation from discontinued operation.

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

The gains/(losses) from the sale of investments are as follows:

3Q 2014	**PATMI (S$M)**
High Tech City, India	(2.8)
Somerset Seri Bukit Ceylon, Malaysia	0.9
Others (include reversal of cost accruals, see Note B(ii))	4.8
Total Group's share of gain after tax & NCI for 3Q 2014	**2.9**

3Q 2013 (Restated)	
Interest in three investment properties in United Kingdom	16.4
Others	(0.6)
Total Group's share of gain after tax & NCI for 3Q 2013	**15.8**

1(a)(iii) Statement of Comprehensive Income

	Group					
	3Q 2014 S$'000	3Q 2013 S$'000 (Restated)	Change %	YTD Sep 2014 S$'000	YTD Sep 2013 S$'000 (Restated)	Change %
Profit for the period	197,584	256,178	(22.9)	1,117,214	1,242,367	(10.1)
Other comprehensive income:						
Items that are/may be reclassified subsequently to profit or loss						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations (1)	(25,301)	(27,946)	(9.5)	(35,401)	167,719	NM
Change in fair value of available-for-sale investments	(54)	(688)	(92.2)	(2,414)	1,161	NM
Effective portion of change in fair value of cash flow hedges	18,864	(12,334)	NM	17,691	43,457	(59.3)
Share of other comprehensive income of associates and joint ventures	(3,969)	18,267	NM	(12,182)	177,751	NM
	(10,460)	(22,701)	(53.9)	(32,306)	390,088	NM
Total comprehensive income	187,124	233,477	(19.9)	1,084,908	1,632,455	(33.5)
Attributable to:						
Owners of the Company	**120,410**	**198,693**	**(39.4)**	**716,452**	**1,114,708**	**(35.7)**
Non-controlling interests	66,714	34,784	91.8	368,456	517,747	(28.8)
	187,124	233,477	(19.9)	1,084,908	1,632,455	(33.5)

NM: Not meaningful

(1) *3Q 2014's exchange differences arose mainly from the appreciation of SGD against RMB, USD and EURO by 0.30%, 0.41% and 3.60% respectively.*

YTD Sep 2014's exchange differences arose mainly from the appreciation of SGD against RMB and USD by 0.97% and 0.49% respectively.

1(b)(i) Balance Sheet

	Group			Company		
	30/09/2014 S$'000	31/12/2013 S$'000 (Restated)[1]	Change %	30/09/2014 S$'000	31/12/2013 S$'000	Change %
Non-current assets						
Property, plant & equipment[2]	946,409	666,406	42.0	14,331	12,316	16.4
Intangible assets	463,364	467,049	(0.8)	147	147	-
Investment properties[3]	16,441,423	15,495,934	6.1	-	-	-
Subsidiaries	-	-	-	12,807,499	12,739,628	0.5
Associates & joint ventures[4]	12,110,818	12,673,226	(4.4)	-	-	-
Other non-current assets	823,029	620,454	32.6	1,495	1,495	-
	30,785,043	**29,923,069**	**2.9**	**12,823,472**	**12,753,586**	**0.5**
Current assets						
Development properties for sale and stocks[5]	*7,968,317*	*7,382,388*	*7.9*	-	-	-
Trade & other receivables	*972,753*	*1,167,361*	*(16.7)*	*308,040*	*1,100,375*	*(72.0)*[6]
Cash & cash equivalents[7]	*2,600,625*	*6,306,325*	*(58.8)*	*26,088*	*330,439*	*(92.1)*
Other current assets[8]	*4,964*	*196,923*	*(97.5)*	-	-	-
Assets held for sale	83,253	*87,033*	*(4.3)*	-	-	-
	11,629,912	**15,140,030**	**(23.2)**	**334,128**	**1,430,814**	**(76.6)**
Less: Current liabilities						
Trade & other payables	*2,997,478*	*2,889,369*	*3.7*	*51,744*	*1,360,493*	(96.2)[6]
Short-term borrowings[9]	*1,167,494*	*1,279,884*	*(8.8)*	*249,209*	-	NM
Current tax payable	*414,545*	*478,212*	*(13.3)*	*8,813*	*8,064*	9.3
	4,579,517	**4,647,465**	**(1.5)**	**309,766**	**1,368,557**	**(77.4)**
Net current assets	**7,050,395**	**10,492,565**	**(32.8)**	**24,362**	**62,257**	**(60.9)**
Less: Non-current liabilities						
Long-term borrowings	14,588,796	14,656,279	(0.5)	2,973,908	3,190,458	(6.8)
Other non-current liabilities	1,300,671	1,304,572	(0.3)	36,258	41,468	(12.6)
	15,889,467	**15,960,851**	**(0.4)**	**3,010,166**	**3,231,926**	**(6.9)**
Net assets	**21,945,971**	**24,454,783**	**(10.3)**	**9,837,668**	**9,583,917**	**2.6**
Representing:						
Share capital	6,303,962	6,302,207	-	6,303,962	6,302,207	-
Revenue reserves	9,243,626	9,459,989	(2.3)	3,238,702	2,992,741	8.2
Other reserves	284,677	346,673	(17.9)	295,004	288,969	2.1
Equity attributable to owners of the Company	15,832,265	16,108,869	(1.7)	9,837,668	9,583,917	2.6
Non-controlling interests[10]	6,113,706	8,345,914	(26.7)	-	-	-
Total equity	**21,945,971**	**24,454,783**	**(10.3)**	**9,837,668**	**9,583,917**	**2.6**

Notes:

1. *The Group's comparative balance sheet as at 31 December 2013 had been restated to take into account the retrospective adjustments relating to FRS 110 (please refer to item 4).*

2. *The increase was mainly due to the acquisition of a serviced residence in Hong Kong and reclassification of owner-occupied portion of Capital Tower from investment properties.*

3. *The increase was mainly due to fair value gains, acquisition of six serviced residences in Europe, Japan and China, ongoing development expenditure for CapitaGreen and Cairnhill Serviced Residence, partially offset by the reclassification of owner-occupied portion of Capital Tower to property, plant and equipment.*

4. *The decrease was mainly due to the divestment of our 39.1% stake in Australand, partially mitigated by share of results for the period.*

5. *The increase was mainly due to the acquisition of two residential sites in Chengdu and a site in Ningbo.*

6. *The decrease in trade and other receivables as well as trade and other payables arose from the settlement of inter-company loans.*

7. *The decrease was mainly due to the payment for 2013 dividend and voluntary cash offer for CMA. The cash balances as at 30 September 2014 included $1.09 billion held at CapitaLand Limited and its treasury vehicles (comprising CapitaLand Treasury Limited, CapitaMalls Asia Treasury Limited and The Ascott Capital Pte Ltd).*

8. *The decrease was due to the redemption of a money market investment.*

9. *The decrease in short-term borrowings were mainly due to the conversion and buyback of the convertible bond by a subsidiary.*

10. *The decrease in non-controlling interests was mainly due to the privatisation of CMA.*

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

	Group	
	As at 30/09/2014 S$'000	**As at 31/12/2013 (Restated) S$'000**
Amount repayable in one year or less, or on demand:-		
Secured	375,694	213,065
Unsecured	791,800	1,066,819
Sub-Total 1	**1,167,494**	**1,279,884**
Amount repayable after one year:-		
Secured	5,247,236	5,127,460
Unsecured	9,341,560	9,528,819
Sub-Total 2	**14,588,796**	**14,656,279**
Total Debt	**15,756,290**	**15,936,163**
Total Debt less Cash	**13,155,665**	**9,629,838**

As at 30 September 2014, CapitaLand Limited and its treasury vehicles collectively, have available undrawn facilities of approximately $2.98 billion.

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.

1(c) Consolidated Statement of Cash Flows

	3Q 2014 S$'000	3Q 2013 S$'000 (Restated)	YTD Sep 2014 S$'000	YTD Sep 2013 S$'000 (Restated)
Cash Flows from Operating Activities				
Profit after taxation	**197,584**	**256,178**	**1,117,214**	**1,242,367**
Adjustments for :				
Amortisation and impairment of intangible assets	776	1,552	4,096	4,431
(Writeback of)/Allowance for:				
- Foreseeable losses	-	-	(9,038)	-
- Doubtful receivables	(3,811)	(138)	(3,600)	4,890
- Impairment on property, plant and equipment	14	(133)	615	6,268
Gain from bargain purchase	-	-	-	(6,278)
Share-based expenses	9,350	10,886	42,539	26,917
Net change in fair value of financial derivatives	(850)	(1,227)	(1,388)	(5,031)
Depreciation of property, plant and equipment	16,879	16,193	45,811	46,768
Loss/ (Gain) on disposal of property, plant and equipment	137	47	(211)	20
Gain on disposal of an investment property	(931)	-	(931)	-
Net fair value loss/ (gain) from investment properties	5,508	(39,512)	(202,812)	(224,695)
Net (gain)/ loss on disposal/liquidation of equity investments and other financial assets	(1,811)	1,203	(26,308)	(90,246)
Share of results of associates and joint ventures	(123,881)	(128,473)	(655,335)	(614,577)
Loss on re-purchase of convertible bonds	780	-	2,713	33,125
Accretion of deferred income	-	433	-	433
Interest expense	105,445	139,617	324,995	415,364
Interest income	(8,911)	(19,305)	(40,355)	(63,997)
Taxation	47,481	30,901	162,831	116,196
	46,175	**12,044**	**(356,378)**	**(350,412)**
Operating profit before working capital changes	**243,759**	**268,222**	**760,836**	**891,955**
Changes in working capital				
Trade and other receivables	11,843	(494,216)	42,114	(423,550)
Development properties for sale	(158,276)	217,029	(355,930)	(317,120)
Trade and other payables	175,369	14,374	163,406	147,199
Restricted bank deposits	(744)	(2,443)	(4,831)	(1,528)
	28,192	**(265,256)**	**(155,241)**	**(594,999)**
Cash generated from operations	**271,951**	**2,966**	**605,595**	**296,956**
Income tax paid	(73,464)	(71,860)	(212,073)	(187,802)
Net cash generated from/ (used in) Operating Activities	**198,487**	**(68,894)**	**393,522**	**109,154**

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

	3Q 2014 S$'000	3Q 2013 S$'000 (Restated)	YTD Sep 2014 S$'000	YTD Sep 2013 S$'000 (Restated)
Cash Flows from Investing Activities				
Proceeds from disposal of property, plant and equipment	1,274	351	1,581	3,601
Purchase of property, plant and equipment	(34,945)	(22,583)	(75,259)	(67,489)
Repayment of loans by/(Investments in) associates and joint ventures	26,035	268,934	(19,838)	527,303
Repayment of/(Advances to) investee companies and other receivables	24,730	(31,811)	83,333	(35,733)
Deposits placed for investments	(6,345)	(61,154)	(235,501)	(325,995)
Acquisition/Development expenditure of investment properties	(142,963)	(153,472)	(525,022)	(490,144)
Proceeds from disposal of investment properties and assets held for sale	10,247	(2,086)	14,460	88,458
Proceeds from disposal of associates, joint ventures and other financial assets	5,827	3,189	1,210,054	31,001
Dividends received from associates and joint ventures	74,031	222,414	304,213	344,918
Acquisition of subsidiaries, net of cash acquired	(120,359)	(169,209)	(357,290)	(278,905)
Disposal of subsidiaries, net of cash disposed off	1,840	195,064	3,169	319,715
Release of deposit from escrow account for an acquisition	-	(35,132)	-	(199,284)
Settlement of hedging instruments	7,707	(19,413)	(2,102)	849
Interest income received	7,977	13,276	27,548	44,871
Net cash (used in)/generated from Investing Activities	**(144,944)**	**208,368**	**429,346**	**(36,834)**
Cash Flows from Financing Activities				
Proceeds from issue of shares under share option plan	278	15	1,194	1,573
Increase/(Repayment of) in shareholder loans from non-controlling interests	6,412	10,362	(68,169)	44,282
(Return of capital)/Contributions from non-controlling interests	-	(2,129)	-	178,161
Payments for acquisition of ownership interests in subsidiaries with no change in control	(149,766)	-	(3,162,608)	(127,803)
Proceeds from bank borrowings	1,095,849	1,367,630	3,003,598	2,991,539
Repayments of bank borrowings	(1,067,485)	(969,157)	(3,435,657)	(2,090,645)
Proceeds from issue of debt securities	500,000	63,585	500,000	720,290
Repayments of debt securities	(53,788)	-	(344,485)	(821,162)
Repayments of finance lease payables	(924)	(903)	(2,819)	(2,620)
Dividends paid to non-controlling interests	(142,744)	(176,254)	(302,112)	(377,690)
Dividends paid to shareholders	-	-	(340,648)	(298,010)
Interest expense paid	(123,409)	(159,761)	(367,742)	(500,430)
Net cash generated from/ (used in) Financing Activities	**64,423**	**133,388**	**(4,519,448)**	**(282,515)**
Net increase/ (decrease) in cash and cash equivalents	**117,966**	**272,862**	**(3,696,580)**	**(210,195)**
Cash and cash equivalents at beginning of the period	2,463,741	5,356,544	6,288,631	5,816,635
Effect of exchange rate changes on cash balances held in foreign currencies	(3,607)	11,365	(13,951)	34,331
Cash and cash equivalents at end of the period	**2,578,100**	**5,640,771**	**2,578,100**	**5,640,771**
Restricted bank deposits	22,525	204,921	22,525	204,921
Cash and cash equivalents in the balance sheet	**2,600,625**	**5,845,692**	**2,600,625**	**5,845,692**

Cash and cash equivalents at end of the period

The cash and cash equivalents of about $2,600.6 million as at 30/09/2014 included $902.8 million in fixed deposits and $131.3 million in project accounts whose withdrawals are restricted to the payment of development projects expenditure.

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

For the period ended 30/09/2014 vs 30/09/2013 (restated) – 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 01/07/2014	**6,303,123**	**9,140,293**	**288,219**	**15,731,635**	**6,325,653**	**22,057,288**
Total comprehensive income						
Profit for the period		129,983		**129,983**	67,601	**197,584**
Other comprehensive income						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations			(23,319)	**(23,319)**	(1,982)	**(25,301)**
Change in fair value of available-for-sale investments			(54)	**(54)**	-	**(54)**
Effective portion of change in fair value of cash flow hedges			18,475	**18,475**	389	**18,864**
Share of other comprehensive income of associates and joint ventures			(4,675)	**(4,675)**	706	**(3,969)**
Total other comprehensive income, net of income tax	-	-	(9,573)	**(9,573)**	(887)	**(10,460)**
Total comprehensive income	**-**	**129,983**	**(9,573)**	**120,410**	**66,714**	**187,124**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of shares under the share plans of the Company and its subsidiaries	839			**839**	-	**839**
Conversion of convertible bonds			(84)	**(84)**	2,784	**2,700**
Repurchase of convertible bonds			(5,145)	**(5,145)**	(11,065)	**(16,210)**
Dividends paid/payable				**-**	(149,613)	**(149,613)**
Share-based payments			9,991	**9,991**	194	**10,185**
Total contributions by and distributions to owners	839	-	4,762	**5,601**	(157,700)	**(152,099)**
Changes in ownership interests in subsidiaries with change in control		3,265	(3,265)	**-**	6,355	**6,355**
Changes in ownership interests in subsidiaries with no change in control		(24,113)	(953)	**(25,066)**	(126,279)	**(151,345)**
Share of reserves of associates and joint ventures		(157)	510	**353**	-	**353**
Others		(5,645)	4,977	**(668)**	(1,037)	**(1,705)**
Total transactions with owners	**839**	**(26,650)**	**6,031**	**(19,780)**	**(278,661)**	**(298,441)**
Balance as at 30/09/2014	**6,303,962**	**9,243,626**	**284,677**	**15,832,265**	**6,113,706**	**21,945,971**

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

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

For the period ended 30/09/2014 vs 30/09/2013 (restated) – Group (cont'd)

	Share Capital S$'000	Revenue Reserves S$'000	Other Reserves* S$'000	**Total S$'000**	Non-controlling S$'000	**Total Equity S$'000**
Balance as at 01/07/2013, as previously reported	**6,302,126**	**9,171,444**	**215,879**	**15,689,449**	**4,319,858**	**20,009,307**
Effect of change in accounting policy#		44,897	11,634	**56,531**	4,892,072	**4,948,603**
Balance as at 01/07/2013, as restated	**6,302,126**	**9,216,341**	**227,513**	**15,745,980**	**9,211,930**	**24,957,910**
Total comprehensive income						
Profit for the period		128,302		**128,302**	127,876	**256,178**
Other comprehensive income						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations			64,330	**64,330**	(92,276)	**(27,946)**
Change in fair value of available-for-sale investments			(214)	**(214)**	(474)	**(688)**
Effective portion of change in fair value of cash flow hedges			(8,201)	**(8,201)**	(4,133)	**(12,334)**
Share of other comprehensive income of associates and joint ventures			14,476	**14,476**	3,791	**18,267**
Total other comprehensive income, net of income tax	-	-	70,391	**70,391**	(93,092)	**(22,701)**
Total comprehensive income	**-**	**128,302**	**70,391**	**198,693**	**34,784**	**233,477**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of shares under the share plans of the Company and its subsidiaries	16			**16**	-	**16**
Contribution from non-controlling interests (net)				**-**	1,568	**1,568**
Dividends paid/payable				**-**	(151,561)	**(151,561)**
Share-based payments			7,957	**7,957**	3,491	**11,448**
Total contributions by and distributions to owners	16	-	7,957	**7,973**	(146,502)	**(138,529)**
Changes in ownership interests in subsidiaries with change in control				**-**	(22)	**(22)**
Changes in ownership interests in a subsidiary with no change in control		(3,343)		**(3,343)**	2,136	**(1,207)**
Share of reserves of associates and joint ventures		(2,589)	2,994	**405**	10	**415**
Others		(8,253)	3,067	**(5,186)**	738	**(4,448)**
Total transactions with owners	**16**	**(14,185)**	**14,018**	**(151)**	**(143,640)**	**(143,791)**
Balance as at 30/09/2013	**6,302,142**	**9,330,458**	**311,922**	**15,944,522**	**9,103,074**	**25,047,596**

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

 # Please refer to Note 4.

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

For the period ended 30/09/2014 vs 30/09/2013 – 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 01/07/2014	**6,303,123**	**3,164,483**	**(36,989)**	**287,245**	**42,152**	**9,760,014**
Total comprehensive income						
Profit for the period		74,219				**74,219**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of shares under the share plans of the Company	839					**839**
Share-based payments					2,596	**2,596**
Total contributions by and distributions to owners	839	-	-	-	2,596	**3,435**
Total transactions with owners	**839**	**-**	**-**	**-**	**2,596**	**3,435**
Balance as at 30/09/2014	**6,303,962**	**3,238,702**	**(36,989)**	**287,245**	**44,748**	**9,837,668**
Balance as at 01/07/2013	**6,302,126**	**2,881,018**	**(35,017)**	**358,020**	**48,840**	**9,554,987**
Total comprehensive income						
Profit for the period		29,030				**29,030**
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of shares under the share plans of the Company	16					**16**
Share-based payments					2,634	**2,634**
Total contributions by and distributions to owners	16	-	-	-	2,634	**2,650**
Total transactions with owners	**16**	**-**	**-**	**-**	**2,634**	**2,650**
Balance as at 30/09/2013	**6,302,142**	**2,910,048**	**(35,017)**	**358,020**	**51,474**	**9,586,667**

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

Issued Share Capital

As at 30 September 2014, the Company's issued and fully paid-up capital (excluding treasury shares) comprises 4,258,494,176 (31 December 2013: 4,252,045,918) ordinary shares. Movements in the Company's issued and fully paid-up share capital were as follows:

	No. of Shares
As at 01/07/2014	4,258,361,958
Issue of new shares under Share Option Plans	132,218
As at 30/09/2014	**4,258,494,176**

Outstanding Options under CapitaLand Share Option Plan

	No. of Shares
As at 01/07/2014	6,353,943
Exercised/Lapsed/Cancelled	(378,366)
As at 30/09/2014	5,975,577

Performance Share Plan

As at 30 September 2014, the number of shares comprised in contingent awards granted under the performance share plan ("PSP") which has not been released was 11,090,980 (30 September 2013: 9,202,361).

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 in 2012 and 2013, the maximum is 175 percent of the baseline award. From 2014, the maximum will be 170 percent of the baseline award. There is no vesting period for shares released under the PSP.

Restricted Stock/Share Plan

As at 30 September 2014, 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 11,120,249 (30 September 2013: 7,222,047) and 6,631,469 (30 September 2013: 6,613,999) respectively, of which 1,015,001 (30 September 2013: 319,010) shares out of the former and 237,000 (30 September 2013: 356,837) shares out of the latter are to be cash-settled.

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 and the release will be over a vesting period of three years. 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. From 2014, an additional number of shares of a total value equals to the value of the accumulated dividends which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the CapitaLand Restricted Share Plan 2010, will also be released on the final vesting.

Convertible Bonds

The Company has the following convertible bonds which remain outstanding as at 30 September 2014:

Principal Amount $ million	Final Maturity Year	Conversion price $	Convertible into new ordinary shares
184.25	2016	6.0100	30,657,237
235.25	2018	7.1468	32,916,829
467.00	2016	4.6619	100,173,748
650.00	2020	4.9946	130,140,551
800.00	2023	4.2074	190,141,179
1,000.00	2022	11.5218	86,791,994

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

Assuming all the convertible bonds are fully converted based on their respective conversion prices, the number of new ordinary shares to be issued would be 570,821,538 (30 September 2013: 572,791,966) representing a 13.4% increase over the total number of issued shares (excluding treasury shares) of the Company as at 30 September 2014.

1(d)(iii) Treasury Shares

There were no sales, transfers, disposal, cancellation and/or use of treasury shares in 3Q 2014. As at 30 September 2014, the Company held 13,928,946 treasury shares (30 September 2013: 13,911,215) which represents 0.3% of the total number of issued shares (excluding treasury shares).

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 2013, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2014.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 January 2014 are:

Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities;
FRS 110 Consolidated Financial Statements;
FRS 111 Joint Arrangements;
FRS 112 Disclosures of Interests in Other Entities

<u>Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</u>
Amendments to FRS 32 clarify the existing criteria for net presentation on the face of the statement of financial position. Under the amendments, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The Group does not expect any significant financial impact on its financial position from the adoption of amendment to FRS 32.

<u>FRS 110 Consolidated Financial Statements</u>
FRS 110 establishes a single control model as the basis for determining the entities that will be consolidated. It also requires management to exercise significant judgement to determine which investees are controlled, and therefore are required to be consolidated by the Group.

The Group has re-evaluated its involvement with investees under the new control model. Based on its assessment, the Group is required under FRS 110 to consolidate CapitaCommercial Trust, CapitaMalls Malaysia Trust and Ascott Residence Trust.

In accordance with FRS 110, this change in accounting policy was applied retrospectively. Accordingly, the effects of the Group's financial statements arising from the adoption of FRS 110 are as follows:

	Group	
	2014 $'000 Increase/ (Decrease)	**2013 $'000 Increase/ (Decrease)**
Balance sheet as at 1 January		
Revenue reserves	30,013	54,302
Other reserves	10,947	11,213
Non-controlling interests	5,102,880	4,600,925
Total equity	**5,143,840**	**4,666,440**
Balance sheet as at 31 December		
Property, plant & equipment	-	(412,833)
Investment properties	-	10,560,740
Interest in associates and joint ventures	-	(1,602,676)
Other non-current assets	-	(113,833)
Assets held for sale	-	87,033
Cash and cash equivalents	-	386,173
Other current assets	-	3,611
Total assets	-	8,908,215
Trade and other payables	-	208,886
Short-term borrowings	-	85,602
Current tax payable	-	5,501
Long-term borrowings	-	3,287,774
Other non-current liabilities	-	176,612
Total liabilities	-	3,764,375
Net assets	**-**	**5,143,840**

	Group
	2013 $'000 Increase/ (Decrease)
Income statement for the period ended 30 September	
Revenue	400,008
Cost of sales	101,434
Other operating income	172,840
Administrative expenses	17,379
Other operating expenses	(6,567)
Finance costs	68,262
Share of results of associates (net of tax)	(157,887)
Share of results of joint ventures (net of tax)	69,332
Taxation	25,913
Non-Controlling interests	287,132
Profit attributable to owners of the Company	**(9,260)**
Decrease in basic earnings per share (cents)	0.2
Decrease in diluted earnings per share (cents)	0.2

FRS 111 Joint Arrangements
FRS 111 establishes the principles for classification and accounting of joint arrangements. Under this standard, interests in joint ventures will be accounted for using the equity method whilst interests in joint operations will be accounted for using the applicable FRSs relating to the underlying assets, liabilities, revenue and expense items arising from the joint operations. As the Group is currently applying the equity method of accounting for its joint ventures, there is no impact to the Group's profit or net assets.

FRS 112 Disclosures of Interests in Other Entities
FRS 112 sets out the disclosures required to be made in respect of all forms of an entity's interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The adoption of this standard would result in more extensive disclosures being made in the Group's financial statements in respect of its interests in other entities.

As FRS 112 is primarily a disclosure standard, there is no financial impact on the results and financial position of the Group and the Company from the adoption 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			
		3Q 2014	3Q 2013 (Restated)	YTD Sep 2014	YTD Sep 2013 (Restated)
6(a)	EPS based on weighted average number of ordinary shares in issue (in cents)				
	- from continuing operations	3.1	2.7	16.8	14.5
	- from discontinued operation	-	0.3	0.8	1.9
	Total	**3.1**	**3.0**	**17.6**	**16.4**
	Weighted average number of ordinary shares (in million)	4,258.4	4,257.2	4,256.9	4,255.9
6(b)	EPS based on fully diluted basis (in cents)				
	- from continuing operations	3.0	2.7	16.1	14.4
	- from discontinued operation	-	0.3	0.8	1.8
	Total	**3.0**	**3.0**	**16.9**	**16.2**
	Weighted average number of ordinary shares (in million)	4,490.3	4,291.3	4,649.1	4,340.0

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	
	30/09/2014	31/12/2013 (Restated)	30/09/2014	31/12/2013
NAV per ordinary share	$3.72	$3.79	$2.31	$2.26
NTA per ordinary share	$3.61	$3.68	$2.31	$2.26

8 Review of the Group's performance

Group Overview

S$M	3Q 2014	3Q 2013 (Restated)	Variance (%)	YTD Sep 2014	YTD Sep 2013 (Restated)	Variance (%)
Revenue	918.9	960.1	(4.3)	2,406.8	2,603.1	(7.5)
Earnings before Interest and Tax ("EBIT")	350.5	377.7	(7.2)	1,569.7	1,571.5	(0.1)
Finance costs	(105.4)	(117.8)	10.5	(325.0)	(365.9)	11.2
PBT	245.1	259.9	(5.7)	1,244.7	1,205.6	3.2
PATMI - continuing operations	130.0	115.9	12.2	716.1	618.8	15.7
PATMI - discontinued operation[(1)]	-	12.5	(100.0)	35.4	78.8	(55.2)
Total PATMI	130.0	128.3	1.3	751.5	697.6	7.7
Operating PATMI	129.5	94.5	37.0	421.8	318.7	32.4

[(1)] Discontinued operation consists of profit contribution from Australand as well as gain from sale of 39.1% stake in Australand of $19.1 million in YTD September 2014.

3Q 2014 vs 3Q 2013 (Restated)

Continuing Operations

For the quarter under review, the Group achieved a revenue of $918.9 million and a PATMI of $130.0 million from its continuing operations.

Revenue decreased by 4.3% mainly due to lower value of units handed over from development projects held by subsidiaries in CapitaLand China ("CL China"), as the units handed over in 3Q 2013 were from projects that have higher average selling prices, in particular, The Paragon. The decrease was partially mitigated by higher progressive revenue recognition from our development projects in Singapore, and higher contribution from our shopping mall and serviced residence businesses.

CapitaLand Singapore's ("CL Singapore") revenue rose 17.3% on account of higher contribution from Sky Habitat as well as the commencement of revenue recognition for Sky Vue. The increase was partially offset by the decreased sales from The Interlace after obtaining Temporary Occupation Permit in 2013 as well as absence of rental income from TechnoPark@Chai Chee which was divested in November 2013.

For CapitaMalls Asia ("CMA"), the higher revenue was mainly attributable to Bedok Mall and Westgate which commenced operations in December 2013 and improved rental income from malls in China.

Ascott's revenue increased by 6.7% due to contribution from newly acquired properties in China and Japan as well as improved operating performance of properties in Europe.

Collectively, the two core markets of Singapore and China accounted for 75.7% (3Q 2013: 77.9%) of the Group's revenue.

The Group achieved an EBIT of $350.5 million in 3Q 2014. This was 7.2% lower than 3Q 2013 mainly due to absence of a fair value gain of $39.7 million as well as lower portfolio gain of $2.8 million (3Q 2013: $15.7 million). The decrease was partially mitigated by better operating performance attributable to higher overall development profits in China and Vietnam as well as higher rental income from the shopping mall business.

Singapore and China markets remain the key contributors to EBIT, accounting for 80.1% of total EBIT from continuing operations (3Q 2013: 80.3%). Singapore EBIT was $184.1 million or 52.5% of total EBIT (3Q 2013: $201.1 million or 53.2%) while China EBIT was $96.9 million or 27.6% of total EBIT (3Q 2013: $102.3 million or 27.1%).

Singapore EBIT decreased mainly due to lower development profits, partially mitigated by higher contribution from the shopping mall business. EBIT from China was lower due to the absence of fair value gains, partially mitigated by higher share of development profits from projects held through our associates.

Overall, the Group achieved a PATMI from continuing operations of $130.0 million in 3Q 2014, which was 12.2% higher than the restated 3Q 2013 PATMI of $128.3 million. Including PATMI from discontinued operation, the Group's total PATMI for the quarter was 1.3% higher than the 3Q 2013. The Group's operating PATMI was $129.5 million, which was 37.0% higher than the same quarter last year.

YTD September 2014 vs YTD September 2013 (Restated)

Continuing Operations

The Group achieved a revenue of $2,406.8 million and a PATMI of $716.1 million from its continuing operations in YTD September 2014.

Revenue for YTD September 2014 was 7.5% lower mainly due to lower contribution from CL Singapore and CL China. The decrease was partially mitigated by higher rental revenue from our shopping mall and serviced residence businesses as well as contribution from our development projects in Vietnam, namely The Vista and Mulberry Lane.

CL Singapore's revenue decreased by 14.7% as sales from Urban Resort Condominium and The Interlace decreased after obtaining Temporary Occupation Permit in 2013 as well as loss of rental revenue from TechnoPark@Chai Chee, partially offset by higher revenue from Sky Habitat, commencement of revenue recognition for Sky Vue, and higher rental contribution from CapitaCommercial Trust, Bedok Mall and Westgate.

CL China reported a 33.1% reduction in revenue as the units handed over in YTD September 2013 were from projects that have higher average selling prices, in particular, The Paragon. The units handed over to home buyers this year were mainly from La Cite in Foshan, The Metropolis in Kunshan and iPark in Shenzhen.

CMA's revenue increased by 14.1% on account of higher rental revenue from the malls in Singapore and China. The increase was partially offset by lower leasing commissions from China.

Ascott also saw an increase of 7.6% in its revenue due to contribution from newly acquired properties in China and Japan as well as better performance of properties in Europe.

Singapore accounted for 49.6% (YTD September 2013: 49.1%) of the Group's revenue while China operations accounted for 23.6% (YTD September 2013: 29.1%). Together they accounted for 73.2% (YTD September 2013: 78.2%) of the Group's revenue.

The Group achieved an EBIT of $1,569.7 million in YTD September 2014. The divestment loss and lower fair value gains on investment properties were partially mitigated by improved operating performance as well as write back of provision for foreseeable losses, resulting in the EBIT being only slightly lower than last year.

The improvement in operating performance was driven by higher development profits in China and Vietnam, higher contribution from the shopping mall business in Singapore and China and lower losses on re-purchase of convertible bonds. The increase was partially offset by lower contribution from development projects in Singapore.

The divestment loss in YTD September 2014 was $3.4 million (YTD September 2013: gain of $107.2 million), which arose mainly from the sale of LOMA IT Park in India. In addition, the Group recorded net write backs of $8.6 million (YTD September 2013: impairment charge of $10.5 million) mainly in respect of certain projects in Singapore and Bahrain.

In terms of revaluation of investment properties, the Group recorded a fair value gain of $442.7 million (YTD September 2013: $455.5 million) at EBIT level. The fair value gain from investment properties in Singapore, Malaysia and Europe were higher, but this was offset by lower fair value gain from our investment properties in China and Japan.

Singapore and China markets accounted for 80.3% of total EBIT against 82.2% in YTD September 2013. EBIT from Singapore was $757.6 million or 48.3% (YTD September 2013: $787.5 million or 50.1%), while China EBIT was $502.8 million or 32.0% (YTD September 2013: $504.7 million or 32.1%).

The lower Singapore EBIT was mainly attributable to lower development profits, partially mitigated by better performance from our shopping malls and lower losses from re-purchase of convertible bonds. EBIT from China decreased slightly due to lower fair value and portfolio gains, partially mitigated by higher development profits.

Finance costs decreased as the average interest rate and level of borrowings were both lower in YTD September 2014. The reduction in financing costs is a result of capital management initiatives undertaken in FY2013.

For the nine months ended September 2014, the Group achieved a PATMI from continuing operations of $716.1 million in, which was 15.7% higher than the restated YTD September 2013 PATMI of $618.8 million. Including PATMI from discontinued operation, the Group’s total PATMI was $751.5 million, 7.7% higher than restated YTD September 2013. The Group’s operating PATMI was $421.8 million, which was 32.4% higher than restated YTD September 2013.

Segment Performance

CL Singapore

S$M	3Q 2014	3Q 2013 (Restated)	Variance (%)	YTD Sep 2014	YTD Sep 2013 (Restated)	Variance (%)
Revenue	358.8	305.8	17.3	872.7	1,022.5	(14.7)
EBIT	99.5	130.3	(23.6)	458.4	528.8	(13.3)

In 3Q 2014, CL Singapore sold 42 residential units (3Q 2013: 468 units), bringing the total number of residential units sold in YTD September 2014 to 237 units (YTD September 2013: 1,151 units) with a total sales value of $444 million (YTD September 2013: $2.2 billion).

Revenue in 3Q 2014 was 17.3% higher as the commencement of revenue recognition for Sky Vue, higher contribution from Sky Habitat, CapitaCommercial Trust (“CCT”), as well as Bedok Mall and Westgate which opened in December 2013, more than offset the lower contribution from The Interlace which obtained its Temporary Occupation Permit in 2013 and loss of rental revenue from Technopark@Chai Chee (“TPCC”) which was divested in 2013.

Revenue for YTD September 2014 was 14.7% lower due to cumulative impact of lower contribution from The Interlace and Urban Resorts Condominium which were completed in 2013 as well as loss of rental revenue from TPCC; partially mitigated by the new revenue stream from Sky Vue, Bedok Mall and Westgate as well as higher contribution from Sky Habitat and CCT.

EBIT for 3Q 2014 and YTD September 2014 were lower than the corresponding periods in 2013 mainly due to lower contribution from development projects. The YTD September 2014 EBIT was partially mitigated by higher revaluation gain from CCT properties, CapitaGreen, PwC Building and Bedok Mall.

CL China

S$M	3Q 2014	3Q 2013 (Restated)	Variance (%)	YTD Sep 2014	YTD Sep 2013 (Restated)	Variance (%)
Revenue	170.0	305.5	(44.4)	405.7	606.2	(33.1)
EBIT	69.2	41.3	67.6	314.3	255.7	22.9

In 3Q 2014, CL China sold 1,057 units at a sales value of RMB1.6 billion or approximately $323 million (3Q 2013: 1,646 units; RMB 1.7 billion). New projects, namely New Horizon and Lotus Mansion in Shanghai, launched a total of 398 units in the quarter. These projects, which targeted at first time home buyers and up-graders; have achieved a sales rate of about 50% since launch.

For the nine months ended September 2014, 3,288 units were sold at a value of RMB 4.3 billion or approximately $865 million (YTD September 2013: 5,786 units; RMB 6.5 billion). The units sold during the year were mainly from La Botanica in Xi’an, The Loft in Chengdu, The Metropolis in Kunshan, Vista Garden in Guangzhou and The Paragon in Shanghai.

In 3Q 2014, CLC China handed over 951 units (3Q 2013: 1,060 units) to home buyers, mainly from The Metropolis (448 units), The Loft (222 units) and The Botanica in Chengdu (122 units). Including 5,540 units handed over in 1H 2014, CL China delivered a total of 6,491 units for the nine months ended September 2014 (YTD September 2013: 4,977 units).

Revenue in 3Q 2014 and YTD September 2014 were lower compared to previous corresponding periods as the units handed over in previous corresponding periods were from projects that have higher average selling prices, in particular, The Paragon. While the total units handed over to home buyers in 2014 has increased, this was not reflected in the revenue line as the majority of these projects were held through associates and joint ventures, which are accounted in the share of results of associates and joint ventures.

Despite lower revenue, EBIT for 3Q 2014 and YTD September 2014 were higher mainly due to higher share of associates' and joint ventures' operating results, and reversal of costs accruals upon finalisation. Among the associates and joint ventures with higher contributions were The Loft, Imperial Bay in Hangzhou and Raffles City China Fund. YTD September 2013 results was also boosted by a gain from divestment of a residential site in Beijing.

CapitaMalls Asia ("CMA")

S$M	3Q 2014	3Q 2013 (Restated)	Variance (%)	YTD Sep 2014	YTD Sep 2013 (Restated)	Variance (%)
Revenue	173.6	149.0	16.5	521.2	456.6	14.1
EBIT	123.9	103.4	19.8	565.1	572.1	(1.2)

Revenue for 3Q 2014 and YTD September 2014 were higher than the corresponding periods by 16.5% and 14.1% respectively. The increase was mainly attributable to rental revenue from Bedok Mall and Westgate which opened in December 2013 and improved performance from malls in China. For YTD September 2014, the higher revenue was partially offset by lower leasing commission from China.

EBIT for 3Q 2014 grew 19.8% to $123.9 million. This was largely due to contributions from Bedok Mall and Westgate; and better performances from China Funds and CapitaMall Trust ("CMT").

For YTD September 2014, EBIT was 1.2% lower due to the absence of portfolio gains and lower revaluation gains on investment properties. Excluding portfolio and revaluation gains and impairments, CMA's EBIT improved by 20.8% to $386.2 million on account of new contributions from Bedok Mall and Westgate; and better performances from China Funds and CMT.

Ascott

S$M	3Q 2014	3Q 2013 (Restated)	Variance (%)	YTD Sep 2014	YTD Sep 2013 (Restated)	Variance (%)
Revenue	179.0	167.8	6.7	506.3	470.6	7.6
EBIT	42.9	84.9	(49.4)	201.3	221.7	(9.2)

In 3Q 2014, Ascott secured management contracts for 3 properties in Gurgaon, India and Jeddah, Saudi Arabia, deepening its presence in these cities. In addition, Ascott opened 3 more properties in China and Indonesia.

In October 2014, Ascott entered into a strategic partnership with Quest Serviced Apartments ("Quest") where Ascott is expected to invest up to A$500 million in new properties that Quest will secure for its franchise network over the next five years. Quest is a market-leading group predominantly in the business of establishing and franchising serviced apartments through the Quest brand in the Australian domestic market. Ascott also entered into an agreement to acquire a 20% stake in Quest. The strategic partnership and acquisition will further propel growth and deepen Ascott's presence in Australia.

In addition, Ascott Reit also entered into agreements to acquire three Sydney properties from Quest and a hotel property in Tokyo, which will be funded by the issuance of S$150 million perpetual securities.

Revenue for 3Q 2014 and YTD September 2014 were higher mainly due to contribution from newly acquired properties in China and Japan as well as improved performance from properties in Europe.

EBIT for 3Q 2014 and YTD September 2014 were lower mainly due to lower fair value gain from investment properties.

Corporate and Others

S$M	3Q 2014	3Q 2013 (Restated)	Variance (%)	YTD Sep 2014	YTD Sep 2013 (Restated)	Variance (%)
Revenue	37.5	31.9	17.4	100.8	47.2	113.6
EBIT	15.0	17.8	(15.6)	30.5	(6.8)	NM

Corporate and Others include Corporate Office, Surbana (Consultancy), Storhub, Financial Services and other businesses in Vietnam, Japan, UK and GCC.

The higher revenue in 3Q 2014 and YTD September 2014 was attributable to higher sales from development projects in Vietnam, namely Mulberry Lane and The Vista.

EBIT for 3Q 2014 was lower due to the absence of portfolio gain from the sale of three investment properties in United Kingdom in 3Q 2013, partially mitigated by higher revenue.

YTD September 2014's EBIT was higher due to higher revenue, receipt of forfeiture deposit arising from an abortive deal, the absence of a loss incurred on re-purchase of convertible bonds and write back of provision for foreseeable losses, partially offset by the loss on divestment of LOMA IT Park in India and the absence of portfolio gain recognised in 3Q 2013.

9 Variance from Prospect Statement

The current results are broadly in line with the prospect statement made when the second quarter 2014 financial results were announced.

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

CL Singapore

According to the latest URA figures, Singapore private residential prices decreased by 0.7% in 3Q 2014, as compared to the 1.0% decline in 2Q 2014. Prices of non-landed private residential properties across all market segments declined in 3Q 2014.

The real estate cooling measures and concerns over interest rate hikes continue to weigh down the market. However, with a resilient Singapore economy and policies to support population and economic growth, demand for new homes over the long-term remains positive. CL Singapore will continue to invest in well-located sites to build up its pipeline.

With higher occupancy rates, the Singapore office market continues to see an uptrend in Grade A office rent in the core central business district (CBD) during the third quarter. Average monthly Grade A office rent rose by 3.3% to reach $10.95 per square foot at end-September 2014. Core CBD office occupancy grew marginally to 96.6%. The tight supply in the Core CBD market is expected to continue through to the first half of 2016 which, together with healthy demand, would support rental growth. CapitaGreen has committed leases for 279,500 square feet which translates to about 40% of the building's net lettable area and is well positioned to achieve 50% target leasing commitment with by year end.

CL China

The Chinese government has recently allowed some of second and third-tier cities, such as Hangzhou and Ningbo, to loosen or lift their home purchase restrictions (HPRs). However, there was no indication of HPRs relaxation for first-tier cities in the near future. Other than easing of HPRs, People's Bank of China (PBOC) has also recently announced a set of measures that lowers the cost of mortgages and increases the mortgage availability.

Despite these property easing measures, the Chinese government is expected to maintain its policies to ensure stability and healthy development of the real estate market, while granting flexibility to some cities. CapitaLand remains confident in the long term outlook of the Chinese real estate market and will continue to strengthen and deepen its presence in China through the five city clusters.

Three new projects, namely New Horizon, Lotus Mansion and Vista Garden were launched in YTD September 2014. In 4Q 2014, another 4,000 units are expected to be launched ready and these units will be released for sale according to market conditions and subject to regulatory approval.

For projects that have been launched, CL China expects to complete about 1,000 residential units in 4Q 2014. They are mainly from Central Park City in Wuxi and International Trade Centre in Tianjin.

The four completed Raffles City developments, namely Raffles City Shanghai, Raffles City Beijing, Raffles City Ningbo and Raffles City Chengdu continue to report improving operational results. The other four are in various stages of development and are poised to open in phases from 2016 to 2018. Subject to regulatory approval and market conditions, the strata-sale components of Raffles City Shenzhen and Raffles City Hangzhou will be launched in 4Q 2014.

CL China will continue to seek opportunities to acquire new sites to boost its development pipeline in China, including undertaking strategic acquisitions of land banks and real estate assets.

CMA

The key markets that CMA operates in namely, Singapore, China and Malaysia are on track to meeting their 2014 forecasted GDP growth. China's economy is expected to grow between 7.0% and 7.5%; Singapore between 2.5% and 3.5% and Malaysia between 5.5% and 6.0% for 2014.

CMA will focus its efforts on improving the performance of its existing malls as well as the forthcoming opening of new malls in China. CMA will also continue to strengthen its presence in the region when opportunities arise and build upon the sizeable pipeline of malls under development which will lay the foundation for growth in future earnings.

Ascott

Ascott will continue to seek investment opportunities in key gateway cities in Asia and Europe and focus on active asset enhancement initiatives to reposition and upgrade its residences by reconfiguring layout of public space and rooms to maximise returns and enhance travelers' experience.

Ascott will also continue to grow its fee-based income through securing more management contracts as part of its strategy to scale up its global network.

GROUP OVERALL PROSPECTS

CapitaLand continues to focus on building a well-diversified portfolio across integrated developments, shopping malls, serviced residences, offices and homes. Despite headwinds in the residential market, our overall business remains resilient. With a simplified organisational structure, CapitaLand is well-positioned to execute its strategy and capitalise on the long-term urbanisation and consumerism trends in Asia.

The Group will continue to recycle capital and grow its assets-under-management. With prudent capital management and a healthy balance sheet, CapitaLand is able to seize new opportunities as they arise.

11 Dividend

11(a) Any dividend declared for the present financial period? No.

11(b) Any dividend declared for the previous corresponding period? No.

11(c) Date payable : Not applicable.

11(d) Books closing date : Not applicable.

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

No interim dividend has been declared or recommended in the current reporting period.

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

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial statements of the Group and the Company (comprising the balance sheet, consolidated income statement, statement of comprehensive income, statement of changes in equity and consolidated statement of cash flows, together with their accompanying notes) as at 30 September 2014 and for the nine months ended on that date, to be false or misleading in any material aspect.

On behalf of the Board

Ng Kee Choe	**Lim Ming Yan**
Chairman	Director

15 Segmental Revenue and Results – Continuing operations

15(a)(i) By Strategic Business Units (SBUs) – 3Q 2014 vs 3Q 2013 (Restated)

	Revenue			Earnings before interest & tax		
	3Q 2014 S$'000	3Q 2013 [(1)] S$'000 (Restated)	Variance %	3Q 2014 S$'000	3Q 2013 [(1)] S$'000 (Restated)	Variance %
Continuing operations						
CapitaLand Singapore [(2)]	358,846	305,799	17.3	99,514	130,337	(23.6)
CapitaLand China [(3)]	169,957	305,521	(44.4)	69,168	41,271	67.6
CapitaMalls Asia	173,628	149,001	16.5	123,872	103,432	19.8
Ascott	178,997	167,813	6.7	42,913	84,890	(49.4)
Corporate and Others [(4)]	37,500	31,937	17.4	15,043	17,813	(15.6)
Total	**918,928**	**960,071**	**(4.3)**	**350,510**	**377,743**	**(7.2)**

15(a)(ii) By Strategic Business Units (SBUs) – YTD September 2014 vs YTD September 2013 (Restated)

	Revenue			Earnings before interest & tax		
	YTD Sep 2014 S$'000	YTD Sep 2013[(1)] S$'000 (Restated)	Variance %	YTD Sep 2014 S$'000	YTD Sep 2013[(1)] S$'000 (Restated)	Variance %
Continuing operations						
CapitaLand Singapore [(2)]	872,679	1,022,505	(14.7)	458,408	528,848	(13.3)
CapitaLand China [(3)]	405,723	606,171	(33.1)	314,347	255,690	22.9
CapitaMalls Asia	521,235	456,630	14.1	565,106	572,059	(1.2)
Ascott	506,316	470,622	7.6	201,311	221,683	(9.2)
Corporate and Others [(4)]	100,837	47,204	113.6	30,509	(6,783)	NM
Total	**2,406,790**	**2,603,132**	**(7.5)**	**1,569,681**	**1,571,497**	**(0.1)**

Note :
(1) The comparatives have been restated to take into account the retrospective adjustments relating to FRS 110.
(2) Includes residential business in Malaysia.
(3) Excludes Retail and Serviced Residences in China.
(4) Includes Surbana (Consultancy), Storhub, Financial Services and other businesses in Vietnam, Japan, UK and GCC.

15(b)(i) By Geographical Location – 3Q 2014 vs 3Q 2013 (Restated)

	Revenue			Earnings before interest & tax		
	3Q 2014 S$'000	3Q 2013[1] S$'000 (Restated)	Variance %	3Q 2014 S$'000	3Q 2013[1] S$'000 (Restated)	Variance %
Continuing operations						
Singapore	465,131	388,440	19.7	184,148	201,127	(8.4)
China [2]	230,243	359,062	(35.9)	96,857	102,335	(5.4)
Other Asia [3]	129,302	117,652	9.9	47,634	36,763	29.6
Europe & Others[4]	94,252	94,917	(0.7)	21,871	37,518	(41.7)
Total	**918,928**	**960,071**	**(4.3)**	**350,510**	**377,743**	**(7.2)**

15(b)(ii) By Geographical Location – YTD September 2014 vs YTD September 2013 (Restated)

	Revenue			Earnings before interest & tax		
	YTD Sep 2014 S$'000	YTD Sep 2013[1] S$'000 (Restated)	Variance %	YTD Sep 2014 S$'000	YTD Sep 2013[1] S$'000 (Restated)	Variance %
Continuing operations						
Singapore	1,192,962	1,278,092	(6.7)	757,554	787,509	(3.8)
China [2]	568,110	757,837	(25.0)	502,761	504,697	(0.4)
Other Asia [3]	378,930	307,682	23.2	224,051	192,035	16.7
Europe & Others[4]	266,788	259,521	2.8	85,315	87,256	(2.2)
Total	**2,406,790**	**2,603,132**	**(7.5)**	**1,569,681**	**1,571,497**	**(0.1)**

Note : [1] *The comparatives have been restated to take into account the retrospective adjustments relating to FRS 110.*
[2] *China including Hong Kong.*
[3] *Excludes Singapore and China and includes projects in GCC.*
[4] *Includes Australia.*

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.

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

Not applicable.

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

Not applicable.

BY ORDER OF THE BOARD

Michelle Koh
Company Secretary
07 November 2014