



CAPITALAND LIMITED
(Registration Number: 198900036N)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

PROFIT GUIDANCE ON THE UNAUDITED FINANCIAL RESULTS FOR FINANCIAL YEAR ENDED 31 DECEMBER 2020

In its Third Quarter 2020 Trading Outlook, CapitaLand Limited ("**CapitaLand**" or the "**Company**") announced that CapitaLand's financial performance for FY 2020 would be materially and adversely impacted.

Further to the above announcement, the Company wishes to provide the following updates for the unaudited financial results for its full year ended 31 December 2020 ("**FY 2020**"):

- a. Operating PATMI¹ is expected to reduce by 20%² to 30%² from S\$1,057.2 million recorded in full year ended 31 December 2019 ("**FY 2019**");
- b. Cash PATMI (comprising Operating PATMI and Portfolio Gains) is expected to reduce by 35%² to 45%² from the S\$1,492.8 million achieved in FY 2019; and
- c. the Company is in the process of finalising valuations on the group's portfolio of properties as well as impairment assessments of its investments as at 31 December 2020. Based on indicative values, the Company expects to recognise fair value losses on a portion of the group's portfolio of properties, as well as impairments on certain residential projects and equity investments. The Company's share of fair value losses is expected to be in the range of S\$1.55 billion² to S\$1.65 billion² as compared to a gain of S\$674.8 million in FY 2019. The fair value loss represents approximately 4.7% of the group's investment properties portfolio value. The Company also expects to recognise higher impairment losses in the range of S\$800 million² to S\$900 million² in FY 2020 (FY 2019: S\$31.6 million).

The fair value and impairment losses are non-cash in nature, and principally stemmed from the extraordinary events relating to the COVID-19 pandemic that materially affected the CapitaLand group's business during FY 2020. The CapitaLand group's operating and financial performance continues to recover, improving in the second half of 2020 as compared to the first half.

As a result of the impact from revaluations and impairments, the Company expects to report a loss for FY 2020 as compared to a profit for FY 2019.

Notwithstanding the expected full year loss, CapitaLand's overall business and financial position remains resilient. The Company expects to deliver healthy cash PATMI for FY 2020, which will continue to support the Company's dividend policy.

CapitaLand will be releasing its FY 2020 financial results before the start of trading on 24 February 2021.

Shareholders and potential investors are advised to exercise caution when dealing or trading in the securities of the Company.

By Order of the Board

Michelle Koh
Company Secretary
22 January 2021

¹ Operating PATMI refers to profit from business operations excluding any gains or losses from divestments, revaluations and impairments.

² These are based on preliminary estimates which may change as the Company finalises the financial statements for FY 2020.