

CapitaLand is one of the largest listed property companies in Asia. Headquartered in Singapore, the multinational company has property, hospitality and property-related products and services spanning more than 50 cities around the world.

Its diversified business interests cover commercial and industrial buildings, residential properties, serviced residences, hotels, property funds, real estate financials and property services. The Company leverages on its significant asset base and market knowledge to develop fee-based businesses.

Given its scale, scope of services and geographic spread, the company's core assets are its people – a strong international management team and a dedicated, professional staff. The Company believes in developing the best people to deliver the best products and services; in other words, building people who build for people.

CORPORATE DIRECTORY

Board of Directors

Philip Yeo Liat Kok
Chairman

Hsuan Owyang
Deputy Chairman

Liew Mun Leong
President & CEO

in alphabetical order:

Sir Alan Cockshaw
Hsieh Fu Hua
Lim Chin Beng
Vernon R Loucks Jr.
Peter Seah Lim Huat
Sum Soon Lim
Jackson Peter Tai
Lucien Wong Yuen Kuai

Company Secretary
Lim Mei Yi

Assistant Company Secretary
Jessica Lum

Audit Committee

Sum Soon Lim
Hsieh Fu Hua
Lucien Wong Yuen Kuai

Investment Committee

Philip Yeo Liat Kok
Hsuan Owyang
Liew Mun Leong
Jackson Peter Tai
Lui Chong Chee

Executive Resource and Compensation Committee

Peter Seah Lim Huat
Hsuan Owyang
Sir Alan Cockshaw
Lim Chin Beng
Jackson Peter Tai

Nominations Committee

Peter Seah Lim Huat
Hsuan Owyang
Liew Mun Leong
Sir Alan Cockshaw
Lim Chin Beng
Jackson Peter Tai

Budget and Finance Committee

Hsuan Owyang
Liew Mun Leong
Jackson Peter Tai
Lui Chong Chee

Corporate Disclosure Committee

Sum Soon Lim
Liew Mun Leong
Lucien Wong Yuen Kuai

Registered Address

168 Robinson Road
#30-01 Capital Tower
Singapore 068912
Telephone: 6823 3200
Facsimile: 6820 2202

Registrar

Lim Associates (Pte) Ltd
10 Collyer Quay
#19-08 Ocean Building
Singapore 049315
Telephone: 6536 5355
Facsimile: 6536 1360

Auditors

KPMG
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
Telephone: 6213 3388
Facsimile: 6225 6157
(Partner-in-charge: Martha Tan)

Principal Bankers

- ABN-AMRO Bank N.V.
- Australia and New Zealand Banking Group Limited
- Bank of America N.A.
- Bayerische Hypo-und Vereinsbank AG
- Bayerische Landesbank Girozentrale
- BNP Paribas
- Commerzbank AG
- Credit Agricole Indosuez
- Credit Lyonnais
- Credit Suisse First Boston
- Dresdner Bank AG
- Hang Seng Bank
- Malayan Banking Berhad
- National Australia Bank Limited
- Oversea-Chinese Banking Corporation Limited
- Shanghai Commercial Bank Ltd.
- Standard Chartered Bank
- Sumitomo Mitsui Banking Corporation
- The Bank of Tokyo-Mitsubishi Limited
- The Development Bank of Singapore Limited
- The Hongkong & Shanghai Banking Corporation Limited
- UFJ Bank Limited
- United Overseas Bank Limited
- Wing Hang Bank, Ltd.
- Wing Lung Bank Ltd.

CHAIRMAN'S MESSAGE

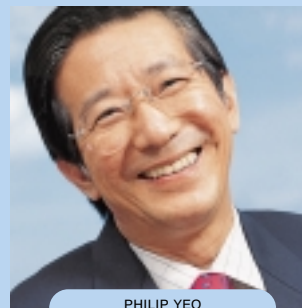
Dear Shareholders

2001 was an unprecedented year in Singapore's recent history. GDP growth turned negative in the second quarter. Singapore was in technical recession by the third-quarter; the global economy was not promising. That economic decline was further exacerbated by the terrorist attacks on New York's World Trade Center in September. Singapore recorded negative GDP growth of 2.2% for the full year, the country's worst economic outcome in its 36-year history.

We demonstrated our resilience in these challenging market conditions and difficult operating environment. The Group remains committed to the strategies that we had mapped out to our shareholders. We focused on our core competencies, balancing trading returns with steady investment income, and growing fee-based business. We stayed the course to leverage on our significant asset base and domain knowledge of the real estate and hospitality businesses and to access third party capital to lighten balance sheet. The Group sought to seize diversification opportunities, capitalise on our geographic spread and optimise its capital structure by divesting non-core businesses. These actions successfully positioned our Group to overcome the adverse environment in Singapore and the selected gateway cities (namely Hong Kong, Tokyo, London and Sydney). In 2001, CapitaLand divested more than S\$1.7 billion worth of assets. This is satisfactory because apart from these transactions, the investment property market in general was muted.

The Group increased the management fee component of its earnings. Contributions to management fees came from all the business units of the Group, fulfilling the goal of growing its fee-based businesses. CapitaLand Commercial, the office, retail and industrial property arm of the company, entered into strategic alliances with foreign and local companies to pave the way for more fee-based contracts. Raffles Holdings, the hotel business unit, made acquisitions to increase its management contracts in the Asia-Pacific, Europe and the United States. The Ascott Group, the serviced residences arm, secured more new management contracts through a series of acquisitions and alliances in key gateway cities in China, the United Kingdom and Australia. PREMAS International, the property services arm, was awarded new management contracts in Singapore and Shanghai.

The year also saw the Group seizing opportunities to expand its global presence in the gateway cities and increasing the contributions from overseas operations. These strategic moves proved to be positive, as contributions from overseas investments helped to offset to some extent, the weak Singapore market. Our eight-year presence in China bore fruit as the operations experienced a turnaround in 2001 and began to contribute positively to the Group's earnings. In the United Kingdom, with the Group's domain knowledge of the property market, we took advantage of the property cycle in the United Kingdom to sell an office building in London.



PHILIP YEO

The Group has been able to execute its strategies with nimbleness and achieve creditable performance despite the difficult operating environment due to the quality of its management and staff. The Group is increasing its talent pool at a global level, in line with its positioning as a multinational corporation headquartered in Singapore. In fact, one quarter of the staff, of Vice President-level and above, is made up of foreign nationals. The Group will continue to place premium value on our committed and challenged staff as they are better able to seek and seize opportunities and build lasting value for CapitaLand's shareholders.

On behalf of the Board, I wish to thank all our shareholders, customers, tenants and business partners for their continued support and last but not least, our staff of CapitaLand for their valued contributions. Looking forward, I am confident that having demonstrated resilience in the first year of operations during a severe economic climate, the Group will continue to succeed in executing our strategic direction and transform CapitaLand into a world-class property company.

PHILIP YEO

Chairman
25 February 2002

"I am confident that having demonstrated resilience in the first year of operations during a severe economic climate, the Group will continue to transform CapitaLand into a world-class property company."



LIEW MUN LEONG

PRESIDENT'S OVERVIEW

For the year 2001, CapitaLand increased its revenue by 15.3% to S\$3.4 billion. However, in the light of the economic slowdown, which caused property values in Singapore and abroad to decline, the Group took measures to write down the value of its assets by S\$1.2 billion, of which S\$424.9 million was charged to reserves and S\$747.2 million (Group's share is S\$691.6 million) was charged to the profit and loss account. As a result, our bottom-line was affected and we reported a S\$275 million loss for the year. Excluding these non-cash provisions, CapitaLand would have reported S\$417 million profit. We also generated healthy cash flow. In total for the year, we generated net cash flow of S\$2.1 billion, before financing cost, tax and dividends.

2001 was an exceptionally tough year, prompting commentators to describe the confluence of several negative events as a "perfect storm". For Singapore, it was one of the worst recessions in its history. This challenging environment severely put to test our strategic intents in the first year of our operations since the merger.

Strategies – Delivering on our promises

Restructuring the company into strategic business units was part of our strategy to focus on execution and performance. Using the Commercial and the Financial (previously called Fund Management) business units, we began to transform CapitaLand into an asset-light, fee-based company.

In 2001, we proactively grew our fee-based income. We executed one of

our strategies, which was to access third-party capital and increase fee income while leveraging on our significant asset base. We established the first Singapore dollar-denominated wholesale property fund jointly with one of Europe's leading insurers, ERGO Insurance Group.

Our group fee income was also supplemented by new management contracts secured by our hospitality businesses, Raffles Holdings and The Ascott Group. Raffles Holdings completed the purchase of Swissotel Holding AG, increasing the number of Raffles Holdings' management contracts from five to 21. For the residential business, we devised Singapore's first credit-rated securitisation of receivables from residential projects to lower our financing costs and to widen our sources of capital.

Raffles Holdings and The Ascott Group seized opportunities to acquire and grow their portfolio of branded products and services and enlarge the scale of their operations globally. They are now recognised as significant international companies by their peers. The cornerstone of our strategy was to have balance, focus and scale. Our increased global footprint, focused on gateway cities, has provided us with scale and balance in all our operations, and has also given comfortable ballast to our income streams. Our Shanghai properties were successfully marketed in China, Hong Kong, Singapore and other ASEAN countries. In Tokyo, we sold all our residential units in the Shibuya project and obtained good returns from our Shinjuku Square Tower

"We have made significant progress in a challenging first year. Our strategies are still relevant in the coming year with a strong emphasis on strengthening our balance sheet and providing quality products and services."

office property. We gained from our sale of our London office property in Finsbury. We are also a leading builder of homes in Australia.

Where possible, we have used divestment proceeds to redeem our outstanding loans. By the end of December 2001, we reduced our net debt position by about S\$1.3 billion to S\$6.9 billion. Consequently, our net gearing declined to 0.87 from 0.92 the year before. Excluding provisions, our net gearing would have been reduced even further to 0.76.

We recognised significant merger-related efficiencies in 2001. In fact, by achieving merger-related cost savings of S\$35 million, we exceeded our original target.

Financial innovation – Expanding business opportunities

We will continue to explore new opportunities through our newly established business unit, CapitaLand Financial. In November, we deferred the initial public offering for SingMall Property Trust (“SPT”). We believe that listed property trusts will prove to be an important new asset class in Singapore. We will continue to monitor the market and plan to re-launch the SPT when market conditions are favourable. We will step up our efforts in innovative securitisations such as that for our residential projects. Real estate securitisation is an important instrument for the working of an efficient real estate market as it enables securities to be issued to investors. It will deepen and broaden the capital market in Singapore. Being a large property company gives us an edge. We have a wide range of assets and we can tap on skills,

domain knowledge and expertise within the Group. In addition, we have created a risk management division to evaluate our investment opportunities.

Our stakeholders – Providing value, ensuring best practices

In 2001, we established corporate governance procedures that are well ahead of the requirements for listed companies in Singapore. We are in lead position in the setting up of procedures for the independent board of directors, the audit committee, the investment committee, and the executive resource and compensation committee.

We switched from semi-annual to quarterly reporting to keep investors better informed and to raise our level of transparency. Our transparency and disclosure policies have been recognised by the Securities Investors Association of Singapore which presented CapitaLand with its Most Transparent Company Award (Property) for 2001, while The Ascott Group was given Special Commendation for its Annual Report 2000 and high disclosure standards.

The Asset magazine awarded the company the Best Securitisation issue for our innovative financing of residential projects. Raffles Hotel continued to be recognised for its excellence by receiving awards such as the World's Best Places to Stay Award (Gold List) by Condé Nast Traveler. For quality building projects, we were accorded several awards in Singapore for residential projects including the prestigious Garden City Award by the National Parks Board, while the Buildings and Construction Authority honoured us with the BCA Construction Award and Best Buildable Design Award.

Going forward – Building for lasting value

We have made significant progress in a challenging first year. We will continue to try to do better tomorrow than today. Our strategies are still relevant in the coming year with a strong emphasis on strengthening our balance sheet and providing quality products and services. We will also develop financial products and services that maximise on our real estate domain knowledge and financial skills. We will continue to lighten our asset base by monetising assets, securing financial partners, restructuring debt portfolio and reducing borrowings. We aim to monetise at least S\$500 million to S\$1 billion of assets in 2002.

We are confident of achieving our aims because we have also the most important asset to deliver the strategies: Our People. I want to thank them for their significant contributions.

Our 11-man Board of 10 non-executive directors, of whom four are foreign nationals and nine are independent, and the International Advisory Panel comprising industry leaders and chief executives of global companies, have given us unstinting guidance and counsel during this period to navigate us out of the “perfect storm”.

Together, in the year 2002, we are committed to bringing to fruition our strategic goals and intentions to build a great and lasting CapitaLand.

LIEW MUN LEONG

President and CEO
25 February 2002

“Together, in the year 2002, we are committed to bringing to fruition our strategic goals and intentions to build a great and lasting CapitaLand.”

BOARD OF DIRECTORS

From left to right



PHILIP YEO



HSUAN OWYANG



PETER SEAH



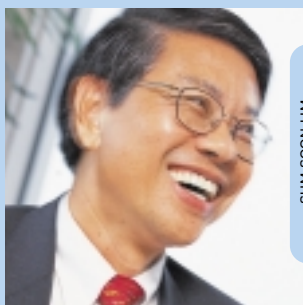
LIM CHIN BENG



JACKSON TAI



SIR ALAN COCKSHAW



SUM SOON LIM



HSIEH FU HUA



LUCIEN WONG



VERNON LOUCKS



LIEW MUN LEONG

DIRECTORS' PROFILE

Philip Yeo

CHAIRMAN

Mr Philip Yeo joined the CapitaLand Board on 15 September 1999 and was elected Chairman on the same day. He was last re-elected as Director at CapitaLand's Annual General Meeting on 31 May 2000. In addition, Mr Yeo is also Chairman of CapitaLand's Investment Committee.

Mr Yeo was appointed Chairman of the Agency for Science, Technology & Research (A*STAR, formerly National Science & Technology Board) and Co-Chairman of the Singapore Economic Development Board (EDB) since 1 February 2001. He was the Chairman of the EDB from January 1986 to January 2001. He served in the Ministry of Defence from 1970 where he held several appointments eventually becoming the Permanent Secretary. He set up the National Computer Board and became its first Chairman from 1981 to 1987.

Besides CapitaLand, Mr Yeo's current directorships in other listed companies include United Overseas Bank, Industrial & Commercial Bank and InfoSys Technologies Limited. He served as Chairman, SembCorp Industries Ltd (previously Sembawang Shipyards merging with Singapore Technologies Industrial in 1998) from 1994 to 1999.

Mr Yeo graduated in 1970 in Applied Science (Industrial Engineering) from the University of Toronto, Canada, under a Colombo Plan Scholarship. He also holds a Master of Science (Systems Engineering) from the University of Singapore and a Master in Business Administration from Harvard University, USA, as a Fulbright scholar. In 1997, he was honoured with a Doctor of Engineering by his alma mater, University of Toronto.

Hsuan Owyang

DEPUTY CHAIRMAN

Mr Hsuan Owyang joined the CapitaLand Board on 20 November 2000 and was elected Deputy Chairman on the same day. He was last re-elected as Director at CapitaLand's Annual General Meeting on 2 May 2001.

In addition, Mr Owyang is also serving as the Chairman of CapitaLand's Budget and Finance Committee and sits on CapitaLand's Investment Committee, Executive Resource and Compensation Committee and Nominations Committee. Mr Owyang is also the Chairman of CapitaLand Residential Limited and SingMall Property Trust Management Limited.

Mr Owyang is concurrently Chairman, Board of Governors, The Institute of Policy Studies and

Chairman, N.M. Rothschild & Sons (Singapore) Limited. He served on the Board of Singapore's Housing Development Board (HDB) since 1977 and was appointed Chairman of the HDB in 1983 until his retirement in October 1998. Mr Owyang had extensive banking experience and had worked on Wall Street for 12 years holding the position of an investment advisor. He was also the Director and General Manager of Overseas Union Bank which he was associated with for more than 18 years before he took up appointment in Post Office Savings Bank as its Executive Deputy Chairman until 1988.

Mr Owyang is the Chairman of Ayala International Holdings Limited, a public company listed on the SGX.

Mr Owyang is a graduate of the University of Dubuque, USA with a BSc in Business Administration. He also holds a Master in Business Administration from Harvard University, USA.

Peter Seah

DIRECTOR

Mr Peter Seah joined the CapitaLand Board on 18 December 2001 and is also serving as Chairman of CapitaLand's Executive Resource and Compensation Committee and Nominations Committee.

Mr Peter Seah assumed his current position as President & CEO of Singapore Technologies Pte Ltd on 1 December 2001. Prior to this, Mr Seah was with Overseas Union Bank (OUB) since 1977 and has held several senior positions in OUB through the years becoming its President & CEO in 1991. Mr Seah retired as Vice Chairman and Chief Executive Officer from OUB on 30 September 2001.

Currently, Mr Seah is Chairman of SembCorp Industries Ltd. He sits on the boards of Government Investment Corporation of Singapore, Board of Commissioners of Currency Singapore and is the Vice President of Singapore Chinese Chamber of Commerce and Industry.

Mr Seah graduated from the University of Singapore with a BBA (Honours) degree.

Lim Chin Beng

DIRECTOR

Mr Lim Chin Beng joined the CapitaLand Board on 23 February 1998 and was last re-elected as Director at CapitaLand's Annual General Meeting on 31 May 2000. In addition, Mr Lim is also a Member of CapitaLand's Executive Resource and Compensation Committee and Nominations Committee.

Mr Lim's 40 years of experience in the aviation industry began with the Malaysian Airlines in the 1960s. In the 1970s, he helped start up Singapore Airlines and was its Managing Director from 1972 to 1982. Mr Lim retired as Deputy Chairman of Singapore Airlines in 1996. Between 1991 to 1997, Mr Lim was also Singapore's Ambassador to Japan.

Currently, Mr Lim is Chairman of The Ascott Group Limited and Singapore Technologies Aerospace Ltd. He is also a Director of Singapore Press Holdings Limited and Pontiac Land Private Limited. He is a member of the Public Service Commission.

Mr Lim is a graduate from the University of Malaya with BA (Economics) (Honours). He also attended an Advanced Management Program at the Harvard Business School, USA in 1973.

Jackson Tai

DIRECTOR

Mr Jackson Tai joined the CapitaLand Board on 20 November 2000 and was last re-elected as Director at CapitaLand's Annual General Meeting on 2 May 2001. In addition, Mr Jackson Tai is a Member of CapitaLand's Investment Committee, Executive Resource and Compensation Committee, Nominations Committee and Budget and Finance Committee. Mr Tai is also Chairman of CapitaLand Commercial Limited.

Currently, Mr Tai is President & Chief Operating Officer of DBS Bank, and also a member of the DBS Corporate Office. He is also responsible for the DBS Finance Division and oversees the business of the DBS Investment Bank. Prior to joining DBS Bank, Mr Tai was a Managing Director of J P Morgan & Co's Investment Banking Division.

Besides CapitaLand, Mr Tai is also a Director of DBS Group Holdings Ltd and Singapore Telecommunications Limited, public companies listed on the SGX.

Mr Tai graduated with a BSc degree from the Rensselaer Polytechnic Institute, USA. He also holds a Master of Business Administration from Harvard University, USA.

Sir Alan Cockshaw

DIRECTOR

Sir Alan Cockshaw joined the CapitaLand Board on 1 July 1999 and was last re-elected as Director at CapitaLand's Annual General Meeting on 31 May 2000. He is a Member of CapitaLand's Executive Resource and Compensation Committee and Nominations Committee and is also Chairman of CapitaLand UK Holdings Limited.

Based in the UK, his early career was spent in both the public and private sectors. In 1973, he joined Fairclough Civil Engineering and was appointed Chief Executive in 1978 and a Member of the main board of Fairclough Construction Group in 1981. In 1982, Fairclough acquired the Press Group and in so doing created the AMEC Group where Sir Alan became Group Chief Executive in 1984 and Chairman in 1988. He retired from AMEC in 1997. Sir Alan has also held a number of public positions on behalf of the UK Government and has recently completed a three-year term as Chairman of English Partnerships, the national regeneration agency, and the Commission for the New Towns, which merged in 1999.

Currently, Sir Alan is also Chairman of the Roxboro Group PLC, British Airways Regional Ltd., PSC International Ltd, Manchester Millennium Ltd., New East Manchester Ltd., and Shawbridge Management Ltd.

Sir Alan holds an Honorary Degree of Doctor of Engineering and an Honorary Degree of Doctor of Science.

Sum Soon Lim

DIRECTOR

Mr Sum Soon Lim joined the CapitaLand Board on 23 October 1998 and was last re-elected as Director at CapitaLand's Annual General Meeting on 2 May 2001. In addition, Mr Sum is also serving as Chairman of CapitaLand's Audit Committee and Corporate Disclosure Committee.

Mr Sum has worked for the Singapore Economic Development Board, DBS Bank, J P Morgan Inc, Overseas Union Bank and Nuri Holdings (S) Pte Ltd, a private investment holding company. He was Corporate Advisor to Singapore Technologies from March 1997 to April 2000.

Currently, Mr Sum's directorships include Chartered Semiconductor Manufacturing Ltd, Singapore Technologies Telemedia Pte Ltd, Singapore Health Services Pte Ltd, Singapore Technologies Electronics Limited, Vertex Venture Holdings Ltd and Green Dot Capital Pte Ltd. Mr Sum is also a member of the Securities Industry Council.

Mr Sum is a graduate of the University of Nottingham, UK with a BSc in Product Engineering (Honours).

Hsieh Fu Hua

DIRECTOR

Mr Hsieh Fu Hua joined the CapitaLand Board on 15 February 2000 and was last re-elected as Director at CapitaLand's Annual General Meeting on 31 May 2000. Mr Hsieh is also a Member of CapitaLand's Audit Committee and the Chairman of CapitaLand Financial Limited.

Mr Hsieh is concurrently Managing Partner of PrimePartners Asset Management Pte Ltd with over 27 years of experience in merchant banking in Asia. He was previously Group Managing Director of the BNP Prime Peregrine Group (a joint venture founded by PrimePartners) and prior to forming PrimePartners in 1994, Mr Hsieh was Chief Executive of Morgan Grenfell Asia Holdings Pte. Ltd., the regional holding company which directed the group's Asian investment banking, stockbroking and fund management activities.

Besides CapitaLand, Mr Hsieh's existing directorships in other public listed companies include The East Asiatic Company Ltd A/S and Nylex (M) Bhd.

Mr Hsieh graduated from the University of Singapore with an honours degree in business administration.

Lucien Wong

DIRECTOR

Mr Lucien Wong joined the CapitaLand Board on 20 November 2000 and was last re-elected as Director at CapitaLand's Annual General Meeting on 2 May 2001. In addition, Mr Wong is a Member of CapitaLand's Audit Committee and Corporate Disclosure Committee.

Mr Wong is the Managing Partner of Allen & Gledhill. He has been in legal practice for more than 20 years, specialising in corporate and finance work and has been involved in several landmark corporate transactions in Singapore. Mr Wong also sat on a number of law review committees in Singapore which reviewed amendments to Singapore company and securities law.

Mr Wong is also a Director of Singapore Technologies Engineering Ltd, a public company listed on the SGX.

Mr Wong is a graduate in LLB (Honours) from the University of Singapore.

Vernon Loucks

DIRECTOR

Mr Vernon Loucks joined the CapitaLand Board on 28 April 2000 and was last re-elected as Director at CapitaLand's Annual General Meeting on 2 May 2001.

Currently, Mr Vernon Loucks is Chairman of The Aethena Group, LLC, a private equity firm. Prior to The Aethena, he was with Baxter International where he retired as Chairman of the Board in December 1999. Mr Loucks' career at Baxter started in 1966 and had included senior positions in both domestic and international operations. In December 1975,

he was elected to Baxter's Board of Directors. He became President and Chief Operating Officer in 1976, Chief Executive Officer in 1980, and was named Chairman in 1987. Prior to joining Baxter, Mr Loucks was senior management consultant for George Fry and Associates.

Mr Loucks' other present directorships include Affymetrix Inc., Anheuser-Busch Companies, Inc., Emerson Electric Co., GeneSoft, Inc., and Edwards Lifesciences Corporation. He is also a member of The Singapore-US Business Council and the Advisory Board of Nestle USA.

Mr Loucks holds a Bachelor's degree in History from Yale University, USA and also holds a Master of Business Administration from the Harvard University, USA.

Liew Mun Leong

PRESIDENT & CEO

Mr Liew Mun Leong joined the CapitaLand Board as Director on 1 January 1997. He was appointed the President & CEO since 20 November 2000 and was last re-elected as Director at CapitaLand's Annual General Meeting on 31 May 2000. He also serves on CapitaLand's Investment Committee, Nominations Committee, Corporate Disclosure Committee and Budget and Finance Committee.

Concurrently, he is also Deputy Chairman of The Ascott Group Limited and Raffles Holdings Limited, public-listed subsidiaries of CapitaLand. He is also Deputy Chairman of CapitaLand Residential Limited, CapitaLand Commercial Limited, CapitaLand Financial Limited, pFission Pte Ltd and PREMAS International Limited.

With more than 22 years of international experience in construction and real estate in Singapore and overseas, Mr Liew led a number of public sector infrastructural development projects in Singapore, including the successful development and construction of Changi Airport. For five years, he was CEO of Singapore Institute of Standards and Industrial Research (SISIR), a statutory board responsible for Singapore's national standards and industrial research and development to support the manufacturing industry in Singapore. Thereafter, he headed a major public listed construction company in Singapore with operations in 13 countries in the Asia Pacific. From 1997 to 1998, Mr Liew was also the President of International Organisation for Standardisation (ISO).

Mr Liew graduated from the University of Singapore with a BEngg degree and is a registered civil engineer.

YEAR IN BRIEF

January

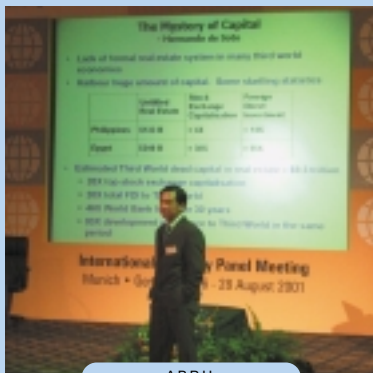
- Launch of icFox Singapore, a joint venture internet hub that provides business-enabling solutions for the construction industry. icFox is a joint venture between pFission, Davis Langdon & Seah Group, BruVest Limited, BuildVest (Holdings) Pte Ltd and icFox International.

February

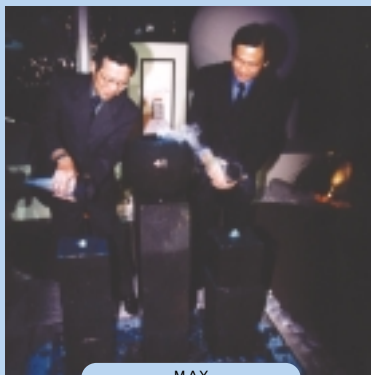
- Divestment of three properties – Thomson Plaza, 11 Beach Road and 79 Anson Road – by CapitaLand Commercial, in line with its strategy to divest fringe assets.
- Acquisition of 11 floors of office space in Shinjuku Square Tower, Tokyo, by CapitaLand Commercial.
- Secured contract, by The Ascott, to manage the 135-unit Somerset Elizabeth in Melbourne's central business district.

March

- Divestment of Orchard Point, a four-storey retail podium for S\$91 million by The Ascott.
- Secured contract, by The Ascott, to manage a 94-unit apartment project in Bencoolen Street in Singapore. The property is located in an area earmarked to be an international entertainment hub.



APRIL



MAY

April

- Assignment of retail property management contracts for S\$8.5 million by The Ascott, in line with its strategy to focus on its core serviced residence business.
- Official opening of CapitaLand Tokyo office, solidifying strategy to grow through "gateway" cities.
- Launch of Ubi Techpark, a prime industrial complex in the Paya Lebar sub-regional centre, by CapitaLand Commercial.
- Relaunch of The Floravale and Woodvale with innovative Financial Investment Package.
- Meeting of the CapitaLand International Advisory Panel (IAP) to discuss the business strategies and plans of the Group after the merger (pictured left).

May

- Launch of Capital Tower, the flagship and HQ for CapitaLand, as the "newest landmark in Singapore". Officiated by Minister for National Development, Mr Mah Bow Tan (pictured above).
- Won the prestigious Building and Construction Authority's "Best Buildable Design Award" (Commercial and Office Buildings), for Capital Tower.
- Clinched inaugural Garden City Award by National Parks for Hillbrooks and certificates of merit for Pinevale and Woodvale.
- Won Building and Construction Authority's inaugural Best Buildable Design Award (Open Category, Residential) for Woodvale.

June

- Divestment of 55% stake in Raffles City (Private) Limited by Raffles Holdings for S\$984.5 million.
- Completion of the acquisition of Swissotel Holding AG by Raffles Holdings, significantly increasing its global presence.
- Sale of 40% interest in Little India Arcade Pte Ltd by CapitaLand Commercial, in line with its strategy to divest non-core investments.
- Official launch of CapitaLand China Holdings Group in Shanghai.
- Official launch of Manhattan Heights, a luxury condominium in Shanghai, by CapitaLand China (pictured below).
- Launch of SunGlade condominium by CapitaLand Residential, which went on to become the top-selling home, in terms of units sold, in Singapore during the second quarter.
- Completion of Singapore's first internationally rated securitisation programme, a S\$200 million progress payment securities Fixed Rate Bond issue, by CapitaLand Residential.
- Won four awards at the 38th Annual World Congress of the International Federation of Landscape Architects, officiated by Prime Minister Goh Chok Tong. Temasek Tower and The Floravale came out tops in the Commercial and Residential categories respectively, while Cuppage Mall/H₂O Zone received a merit award in the prestigious SILA Professional Awards Competition 2001. Temasek Tower also won a merit award in the Garden City Awards 2001.



JUNE

July

- Acquisition of PropertyLifestyle by Propbuzz, an associated company of pFission, which became one of Singapore's largest online property hubs.
- Propbuzz won the Best Business Services Site award at the Asian Internet Awards.
- Completion of joint venture agreement on TenantWorld by pFission. This is the first industry-led office e-Hub in Singapore by leading property developers City Developments Limited, Keppel Land and Singapore Land.
- Acquisition of an additional 65 units of Somerset Fortune Garden, a 211-unit serviced residence in Beijing by The Ascott.
- Sale of stake in VISTA Healthcare Asia by CapitaLand Commercial, in line with its strategy to divest non-core investments.
- Launch of THOS SB RAFFLES by Raffles International as its latest initiative as creator of lifestyle concepts and products.
- Launch of Summit Panorama in Pudong district, Shanghai, by CapitaLand China.



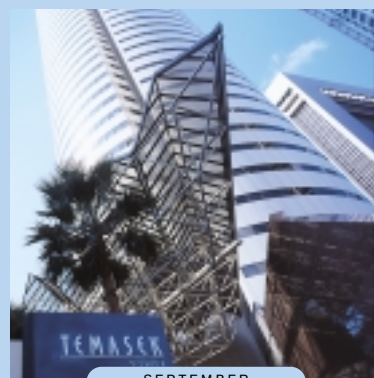
AUGUST

August

- PREMAS International signed a Research MOU with the Centre for Total Building Performance, School of Design Environment, National University of Singapore.
- > Launch of PREMAS Training College by PREMAS International. Officiated by Minister-without-Portfolio Mr Lim Boon Heng (pictured below left).
- Meeting of the IAP to discuss the longer-term growth strategies of the CapitaLand Group.

September

- > Establishment of the first wholesale property fund denominated in Singapore dollars by CapitaLand Commercial and ERGO Insurance Group through the launch of a S\$875 million office property fund with three prime Singapore office properties – Pidemco Centre, The Adelphi and Temasek Tower (pictured above right).
- Completion of the transfer of retail management contracts for Junction 8, Liang Court, Scotts Shopping Centre and Funan The IT Mall, making CapitaLand Commercial the largest manager of retail space in Singapore.
- CapitaLand won the "Most Transparent Company Award" given by SIAS for the Property Company category, and Raffles Holdings won the same for the Hotel category.
- Raffles International was the only home-grown company ranked among the "Best Employers in Singapore", a regional survey conducted by Hewitt Associates.



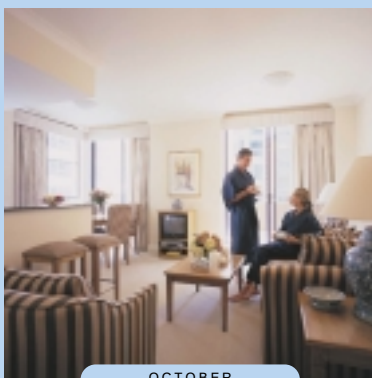
SEPTEMBER

October

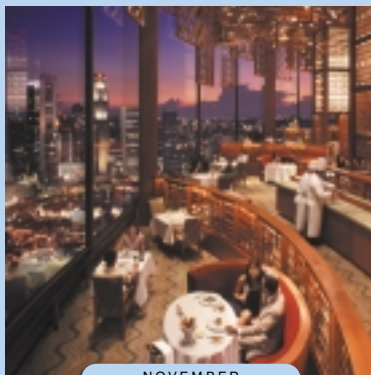
- Announcement of third-quarter results by CapitaLand; the only property company other than subsidiaries The Ascott and Raffles Holdings to announce results on a quarterly basis.
- Completion of the sale of controlling interest in three non-core hotels in Hanoi, Yangon and Suzhou.
- Sale of prime London office property, 131 Finsbury Pavement, for S\$125 million, by CapitaLand Commercial. This is in line with its strategy to optimise returns from investment properties and generate greater shareholder value.
- Creation of a new fee-based business unit, CapitaLand Financial, headed by CapitaLand's former Chief Financial Officer. A new Chief Financial Officer was appointed to augment CapitaLand's senior management.

October

- Sale of 20% stake in Laguna National Golf & Country Club Limited by CapitaLand Commercial, in line with its strategy to divest non-core assets.
- CapitaLand Commercial was conferred the Associate of the Arts Award by Minister for Information and the Arts Mr Lee Yock Suan in recognition of its support for the Arts in Singapore.
- Acquisition of the Oakford chain of serviced residences in Australia for A\$7.23 million by The Ascott. This comprises the leases of nine serviced residences with 466 units in the central business districts of Sydney, Melbourne and Hobart. 18 units were acquired later in the year (pictured below).
- Set up of a private trust called SingMall Property Trust, by CapitaLand Commercial, to take ownership of Tampines Mall, Junction 8 and Funan The IT Mall with a view to listing when market conditions are favourable.
- Launch of SPACademy By Raffles International, Singapore's premier spa education and skills training institute.



OCTOBER



NOVEMBER

November

- Joint venture between The Ascott and Crown Dilmun Holdings, which involves the acquisition of Crown Dilmun's chain of 461 serviced residence units in London and The Ascott Mayfair for £146.5 million. It also has call options to acquire another 218 serviced residences in Manchester and Glasgow.
- The Ascott Group will manage the properties, making it one of the largest serviced residence chains in London.
- A Memorandum of Agreement was signed between The Ascott and Mitsubishi Estate Co. Ltd, a large property developer in Japan, to jointly invest in the development, acquisition and management of serviced residences in Japan.
- Launch of Equinox – the most exciting restaurant and bar complex in Asia – located on levels 68 through 72 of the landmark Raffles City Complex, by Raffles International (pictured above).

November

- Two icFox services, icFox Tenders and icFox Project Net were conferred the BAUCON ASIA 2001 Innovative Exhibit Awards.
- Soft launch of Somerset Fortune Garden in Beijing by The Ascott Group, making it the largest serviced residence chain in the capital of China.

December

- Tanamera Crest by CapitaLand Residential was fully-sold within three weeks of its release of remaining units with a partial deferred downpayment scheme.
- Launch of The Levelz, a freehold condominium targeted at urbanites and investors. The condominium was well received and was 75% sold by the end of 2001 (pictured below).
- Completion of The Ascott's sale of Funan The IT Mall and Junction 8 commercial properties for S\$486 million, as part of its strategy to divest non-core assets.



DECEMBER

CORPORATE GOVERNANCE

CapitaLand's commitment to standards of corporate governance, transparency and disclosure of material information, not only fulfils legal requirements, but in some areas also regularly exceeds the regulatory expectations.

In conjunction with SGX requirements introduced in April 2001 for all listed companies to describe their corporate governance practices from 2003 onwards, CapitaLand has put in place a system for decision making and self-regulation. In addition, the Group also implemented monitoring mechanisms and adopted appropriate transparency and disclosure policies.

Board of Directors & Committees

(a) Board of Directors

CapitaLand places great importance on the quality of its directors. These persons, with extensive and varied qualifications and experience, are respected in their fields and have good track record in both the public and/or corporate sectors. There are a total of eleven directors. Except for Mr Liew Mun Leong, the President and Chief Executive Officer (CEO) of the Group, the rest are non-executive directors.

The Board meets at least four times a year. The incumbent directors attended at least 89% of the aggregate number of Board meetings and committees in which they served. Apart from its statutory responsibilities, the Board approves the Group's strategic directions, key initiatives, major investment and funding decisions; reviews the financial performance of the Group; and decides on

compensation of senior management personnel. These duties are either discharged directly or through Board committees, and through a system of Delegation of Authority to management personnel. Such delegation enables operational efficiency and encourages management decision-making, while maintaining control over major Group policies and decisions.

(b) Audit Committee

The Audit Committee comprises three non-executive directors, all of whom are independent. The Chairman is Mr Sum Soon Lim and the members are Mr Hsieh Fu Hua and Mr Lucien Wong. The Audit Committee assists the Board in ensuring the independence of the external and internal auditors, appropriateness and adequacy of financial statements and other disclosures, and reliability of financial reporting and internal control systems. During 2001, the Audit Committee met and performed the functions stated in the Directors' Report under "Audit Committee".

(c) Investment Committee

The Investment Committee is chaired by Mr Philip Yeo and comprises Mr Hsuan Owyang, Mr Liew Mun Leong, Mr Jackson Tai and Mr Lui Chong Chee, the new Chief Financial Officer of the Group. Mr Lui became a member of this Committee with effect from 28 November 2001, replacing Mr Hiew Yoon Khong.

In December 2000, the Board approved the Delegation of Authority to the newly-established Strategic Business

Unit (SBU) boards and raised the investment approval limits. As all the investment decisions made in 2001 were within the authority limits of the SBU boards and taken at their levels, there were no formal meetings for the Committee during the year. Even so, the views of the Investment Committee and Board were actively sought by the various SBUs.

(d) Executive Resource and Compensation Committee

The Executive Resource and Compensation Committee (ERCC) is chaired by Mr Peter Seah, President and Chief Executive Officer of the Singapore Technologies Group, which is CapitaLand's holding company. Mr Peter Seah replaced Ms Ho Ching on 1 January 2002. The Committee also comprises Mr Hsuan Owyang, Sir Alan Cockshaw, Mr Lim Chin Beng and Mr Jackson Tai, all of whom are non-executive directors. During the year, the ERCC reviewed and approved recommendations on remuneration policies and packages for key executives, approved the grants of share options, reviewed the succession plans for key positions and oversaw the development of high potential executives.

(e) Nominations Committee

The Nominations Committee is chaired by Mr Peter Seah who replaced Ms Ho Ching on 7 January 2002, and the members are Mr Hsuan Owyang, Mr Liew Mun Leong, Sir Alan Cockshaw, Mr Lim Chin Beng and Mr Jackson Tai. The Committee oversees the composition of the

boards and committees in the CapitaLand Group of companies such as reviewing appointments to the CapitaLand Board, approving appointments of holding companies of unlisted SBUs and approving appointments of CapitaLand's nominees on listed companies within the CapitaLand Group of companies (excluding directors deemed independent).

(f) Budget and Finance Committee

The Budget and Finance Committee is chaired by Mr Hsuan Owyang and the members are Mr Jackson Tai, Mr Liew Mun Leong and Mr Lui Chong Chee, who replaced Mr Hiew Yoon Khong on 28 November 2001. During the year, the Committee met four times to review the quarterly financial results, forecasts and the annual financial plan of the Group. It also reviewed and approved changes to the CapitaLand Group Finance Manual comprising policies, procedures and guidelines in areas such as accounting, treasury, investment appraisal, management and statutory reporting, and corporate governance.

(g) Corporate Disclosure Committee

The Corporate Disclosure Committee is chaired by Mr Sum Soon Lim, with Mr Liew Mun Leong and Mr Lucien Wong as members. The Committee reviews corporate disclosure issues and announcements made to the SGX, and ensures that CapitaLand adopts good corporate governance and pursues best practices in terms of transparency to shareholders and the investing community.

Dealing in securities

In compliance with the Best Practices Guide, the Company has issued guidelines to directors and employees in the Group. These guidelines prohibit dealings while in possession of price-sensitive information and during the "close period" which is defined as two weeks before and up to and including the date of announcement of results (quarterly, half year and full year). The guidelines also prohibit dealings in the Company's securities on short-term considerations.

In addition, directors and employees are also prohibited from dealing in securities of other listed companies while they are in possession of unpublished price sensitive information by virtue of their directorship/employment in the Company or any of its group companies. They are also made aware that the overarching Insider Trading laws are applicable at all times.

Internal controls

The Group's internal controls are designed to provide reasonable assurance about the effectiveness and efficiency of operations, reliability of financial information, and compliance with policies and procedures, applicable laws and regulations. The Board, with the help of the Audit Committee and the Budget and Finance Committee, reviews the effectiveness of the Group's financial reporting and internal control systems, which are monitored through a programme of internal audits.

Transparency, disclosure & dissemination of information

CapitaLand's commitment to higher standards of transparency, disclosure and dissemination not only ensures compliance with rules and regulations applicable to public listed companies, but also reduces share price volatility, improves market valuation, increases liquidity, increases the Group's credibility and enhances overall shareholder value. Some of the proactive steps undertaken by the Group are quarterly release of results, earlier compliance of new codes and requirements, furnishing more details in its annual reports, and webcasting its press conferences.

Statement of compliance

The Board of Directors confirms that during the financial year ended 31 December 2001, the Company has complied with the CapitaLand Corporate Governance Policy which is based on SGX Best Practices Guide. The Company was also proactive in the early compliance of some of the requirements stipulated in the Code of Corporate Governance issued by the Corporate Governance Committee.

Looking ahead

Established in early 2001, the Investor Relations Department will continue exploring ways to manage a very robust investor relations programme. It will also enable CapitaLand to look into other regulatory codes to exceed requirements and concurrently strengthen shareholders' confidence in the Company.

BOARD COMPOSITION AND COMMITTEES

as at 25 February 2002

	Audit Committee	Investment Committee	Executive Resource and Compensation Committee	Nominations Committee	Budget and Finance Committee	Corporate Disclosure Committee
Board Members						
Philip Yeo Liat Kok		▲				
Hsuan Owyang		●	●	●	▲	
Peter Seah Lim Huat			▲	▲		
Liew Mun Leong		●		●	●	●
Sir Alan Cockshaw			●	●		
Hsieh Fu Hua	●					
Lim Chin Beng			●	●		
Vernon R Loucks Jr.						
Sum Soon Lim	▲					▲
Jackson Peter Tai		●	●	●	●	
Lucien Wong Yuen Kuai	●					●
Non-Board Member						
Lui Chong Chee		●			●	

Chairman ▲
Member ●

CORPORATE OFFICE

Liew Mun Leong
President & CEO

Lui Chong Chee
Chief Financial Officer wef 1 Nov 2001

in alphabetical order:

Hiew Yoon Khong
Chief Financial Officer until 31 Oct 2001
CEO, CapitaLand Financial wef 1 Nov 2001
CEO, CapitaLand Commercial wef 1 Feb 2002

Ed Ng
Executive Vice President wef 1 Feb 2002

Anthony Seah
Head, Synergistic Cost Management

Martin Tan
Head, InfoNet

in alphabetical order:

Steven Choo
Senior Vice President, Research & Direct Investments

Lai Choon Hung
Senior Vice President, Corporate Planning

Lim Mei Yi
Company Secretary

Basskaran Nair
Senior Vice President, Communications

Nancy Ng
Senior Vice President,
Human Resource & Corporate Services

George Tanasijevich
Senior Vice President, Equity Markets

Wen Khai Meng
Deputy Chief Financial Officer
Risk Management

INTERNATIONAL ADVISORY PANEL

As the global footprint of the business units expand through organic growth, joint ventures and acquisitions, management needs a wider perspective of the external environment that impacts Group's businesses. Moreover, the pace of change, especially in a globalised economy, has indeed created a sense of urgency to keep track of the dynamic changes. CapitaLand's International Advisory Panel (IAP), formed in late 1999, is the vehicle for the Group to tap the experiences and advice of corporate leaders from regional and global companies. The Panel meets up to twice a year to advise and exchange views with management on global trends and regional developments, and provides inputs on the Group's strategies and businesses.

Since 1999, four IAP meetings have been organised. At CapitaLand's 3rd IAP Meeting in April 2001, discussions were focused on business strategies and plans of the Group after the merger, particularly in its overseas investments and efforts to increase returns to shareholders.

The 4th IAP Meeting was a joint meeting in August 2001 with the IAP of Singapore Technologies, the Group's parent company. Held in Munich, Germany, the Meeting covered, among other subjects, the longer-term growth strategies for the CapitaLand Group. Panel members shared their views on the Group's geographical focus, the growth of its hospitality business and the proposed real estate based financial products business.

The IAP

Chaired by Sir Alan Cockshaw, the IAP comprises industry leaders and CEOs of global corporations from Asia, Australia, Europe and the United

States. During the year, Mr Stuart Hornery and Mr Satoru Anzaki stepped down from the IAP. CapitaLand would like to record its deep appreciation for their unstinting service. At the same time, the Group is honoured to have Mr Alasdair Morrison and Dr Fu Yu Ning join the Panel. The members of the CapitaLand IAP are:

- Sir Alan Cockshaw
Chairman, English Partnerships,
United Kingdom
- Satoru Anzaki
(stepped down in May 2001)
President, Komatsu Ltd, Japan
- Jan D Doets
CEO, ING Real Estate, Netherlands
- Dr Fu Yu Ning
(joined in June 2001)
Director & President, China
Merchants Holdings Co,
People's Republic of China
- Stuart Hornery
(stepped down in April 2001)
Chairman, Hornery Institute and
Chairman, Australia's National
Training Authority, Australia
- Jun Itoigawa
Deputy President, IBJ Leasing
Co Ltd, Japan
- Alasdair G Morrison
(joined in May 2001) Chairman &
CEO, Morgan Stanley Asia Pacific,
Hong Kong
- Jeremy Newsum
Group Chief Executive, Grosvenor
Group Holdings Ltd, United Kingdom
- Joseph E Robert, Jr
Chairman & CEO, The J E Robert
Companies, United States

- Dr Vichit Suraphongchai
Chairman of Executive Committee,
The Siam Commercial Bank Public
Co Ltd, Thailand

- Tan Sri Datuk Dr Ahmad
Tajuddin Bin Ali
Chairman, Gas Malaysia Sdn Bhd,
Malaysia

- Marjorie Yang
Chairman, Esquel Group, Hong Kong

Looking ahead The Panel will continue to counsel on matters that will help pilot the Group's business units to be regional or global leaders. These will further strengthen the Group's effort to increase returns to shareholders.

Young ideas panel

The new economy is about young talents, new ideas, fresh innovations and how things can be done unconventionally, yet effectively. Moreover, the views and values of youths today reflect the purchasing decisions of future generations.

CapitaLand's Young Ideas Panel was formed in January 2001 for enterprising youths outside the Group to share their ideas and perspectives. The panel serves as a platform for the airing of valuable feedback on what today's youths want in their homes and workplaces, and what they do in their leisure time.

Looking ahead The Panel will continue to meet regularly to brainstorm and contribute ideas on diverse subjects, ranging from lifestyle trends to emerging business opportunities. CapitaLand's international presence in terms of market positioning, corporate image and its range of products and services delivered at home and abroad, are also under review.

HUMAN RESOURCES

As the Group continues its drive towards becoming a leading multinational property-based player, one of its main priorities is to attract, retain and develop talent at home and abroad. Top management is totally committed to talent management, steering the efforts to identify and develop an international talent pool, as well as to establish career development plans for individuals. They have also instituted meetings with staff regularly to promote a healthy exchange of feedback and ideas.

Key initiatives

With the successful integration of various staff issues following the merger, Human Resources (HR) initiatives are now focused on developing human capital and improving process efficiencies. A key initiative during the year was the centralisation of HR management of CapitaLand's senior executives to provide closer attention on their career development. Other initiatives include talent management, HR co-sourcing, and programmes focused on strengthening CapitaLand as an Employer of Choice. During the year, the Group maintained excellent union-management relations and was presented the Star of Commendation 2001 Award from SISEU (Singapore Industrial & Services Employees' Union).

To maintain a leaner, yet nimble operation, the Group took a big step forward to improve efficiencies and bring more strategic HR solutions to

the business. Last year, the HR function in Corporate HQ and CapitaLand Commercial was outsourced to Embrace Limited, Asia's first full outsourcing service provider. Other SBUs within CapitaLand also partially outsourced their HR transactional processes to Embrace. With this arrangement, HR administration has been reduced and employee self-service introduced.

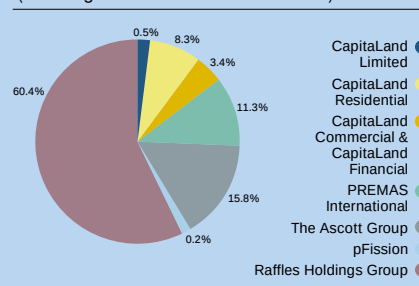
Boosting productivity

The Group abides by the adage that "a healthy body leads to a healthy mind". A healthy lifestyle among staff is a boost to productivity in the workplace. To this end, the CapitaLand Group Sports and Recreation Club was formed to facilitate greater interaction across the various SBUs. Its inaugural event, a Group Walk-A-Jog in Sentosa, held in conjunction with the National Healthy Lifestyle Campaign, attracted more than 500 participants, comprising employees and their family members. Besides such Group-wide activities, the respective SBUs also held their own healthy lifestyle programmes throughout the year.

Looking ahead

More employee self-service modules will be rolled out in the coming year. In addition, meetings and sessions with staff, and sharing of corporate goals and plans throughout the year will continue. Dedicated and committed staff who share the vision and mission are the company's best assets.

CapitaLand Group Staffing
(including local & overseas subsidiaries)



"Top management is totally committed to talent management, steering the efforts to identify and develop an international talent pool."

COMMUNITY RELATIONS

In 2001, the group of companies within CapitaLand participated actively to support the less privileged and the community at large. In line with the Group's belief in good corporate citizenship, community relations went beyond donations to include active community participation in its business operating environments.

Helping hand for charity

In Singapore, CapitaLand Group supported the elderly and disabled children. The Rainbow Centre, a voluntary organisation for children with disabilities, was adopted by CapitaLand Residential. An awareness talk as well as a visit to the Centre enabled staff to interact with the children. In addition, CapitaLand Residential raised more than S\$10,000 in a pledge card donation drive to benefit the Centre.

Staff of PREMAS International also supported children's charities by volunteering their time and efforts at the Children's Convalescent Home. From The Ascott Group, staff of the Singapore office raised funds through donations for children, the elderly and the handicapped.

In Malaysia, The Ascott Kuala Lumpur, launched a charity drive in aid of an orphanage by contributing financial aid, toys and food.

In Thailand, staff and guests at the Somerset residences raised funds for an international volunteer group that cared for the elderly, sick and the orphaned. They also helped flood victims in Petchaboon province by donating funds and volunteering their time and efforts to send emergency aid.

In Vietnam, staff tied up with concerned individuals and residents in the Group's serviced residences to raise funds for children with health problems. This enabled the children to seek proper medical treatment. Staff and residents also volunteered their time, helping handicapped children in Vietnam.

Raffles International staff also went out of their way to do their bit for the community through its REACH (Rendering Encouragement, Assistance, Care and Hope) Programme. In Cambodia, more than two tonnes of clothing, toys, books and stationery were collected for needy children. In addition, the Programme also participated in the annual Clean Angkor Campaign, which promotes cleanliness and the need to protect the unique historical environment of Siem Reap.

Raffles International is a patron of the SOS Children's Villages. Through various programmes, it raises funds to build children's villages worldwide.

Community services

Staff of Funan The IT Mall worked closely with CaseTrust, an accreditation body, and the Infocomm Development Authority of Singapore (IDA), a regulatory body for information technology, to help educate the public on e-commerce transactions.

In China, the activities of Shanghai Jiao Tong University Business School MBA 2001 inauguration and Shanghai Foreign Investment Enterprises were supported by CapitaLand China.

In the other areas, CapitaLand Commercial was awarded the Associate of the Arts Award 2001 for contributions towards the promotion and organisation of arts activities and initiatives in Singapore.

The Group also contributed to the ASEAN Achievement Millennium Awards. The Awards recognised the roles and contributions made by Mr Lee Kuan Yew, Senior Minister, Singapore and Dato Seri Dr Mahathir Mohamad, Prime Minister, Malaysia, to their nations and the ASEAN region.

Looking ahead

CapitaLand will continue to focus on a participatory approach to community relations. This is in line with its mission to 'build people to build for people'.

"CapitaLand will continue to focus on a participatory approach to community relations. This is in line with our mission to 'build people to build for people'."

INVESTOR RELATIONS

As the largest property company in Southeast Asia, CapitaLand attracts a significant amount of interest from investors across the globe and is committed to pursue a high level of dialogue with the global investment community. Its Investor Relations Department was established in early 2001 to provide timely, accurate, orderly, consistent and credible information to investors, analysts and fund managers. Throughout the year, CapitaLand participated in more than 120 investor meetings. The Company also participated in investor conferences in Singapore, Amsterdam and Hong Kong.

Tracking our transformation

At the beginning of 2001, the management of CapitaLand outlined an ambitious plan to transform the Company and enhance shareholder value as a follow-through after the merger. There were regular updates to investors on the Company's goals, strategy, execution, and results. In 2001, CapitaLand began reporting its results on a quarterly basis – the first Singapore property group to do so. The Company conducted briefings for analysts and the media, with members of the executive team making presentations and answering questions. The briefings were simulcast live over the Internet and archived on the Group's web site.

One of Singapore's most prominent investor organisations recently

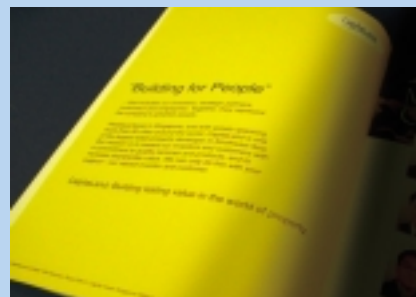
recognised our commitment to earnings transparency. In September, the Securities Investors Association (Singapore) (SIAS) conferred on CapitaLand its Most Transparent Company Award in the property category.

Expanding our channels

This year, CapitaLand launched a new Investor Relations section on the corporate web site at www.ir.capitaland.com. The Investor Relations web pages include many features, such as: real time stock quotes, a press release archive, an Investor Relations event calendar, management biographies, a corporate history and profile, extensive FAQs, and a list of the analysts covering CapitaLand. Investors can make online requests for corporate brochures (available in three languages), a summary financial report, or the annual report. They can even register to receive CapitaLand news by e-mail. In addition, analysts may download financial and asset data for convenient offline viewing. With these improvements, the web site is now a virtual information gold mine for investors.

Looking ahead

In the year to come, the department will continue to uphold transparency standards and seek even more opportunities to increase investors' awareness and interest in CapitaLand.



“In 2001, CapitaLand began reporting its results on a quarterly basis – the first Singapore property group to do so.”

INFONET

The difficult business economic conditions in 2001 reinforce the need to leverage on technology to improve operating efficiencies and effectiveness. Formed in January 2001, the InfoNet Division, reviews the way CapitaLand operates and leverages on technology and the internet to streamline work processes, improve productivity and lower operating cost.

The five key areas reviewed were:

- The way we sell – aimed at improving the way the Group interacts with its potential and existing customers.
- The way we buy – aimed at improving the Group's procurement processes.
- The way we build – aimed at improving the Group's project management processes.
- The way we plan – aimed at improving the Group's planning and administrative processes.
- The way we asset manage – aimed at improving the way the Group manages its properties.

In 2001, significant inroads were made in each of these areas across the CapitaLand Group of Companies and within the Business Units. With the completion of the Group's "Capital E Masterplan", several initiatives were implemented. They included:

- 'Sell Solutions' – Customer Relationship Management systems in the hospitality and residential SBUs.
- 'Buy Solutions' – 'e' procurement systems for some of its construction requirements, stationery, F&B and selected MRO items.
- 'Build' Solutions – pilot trials of the icFox project collaboration and e-tendering systems were done in the residential and commercial business units. Full scale implementation is scheduled for 2002.
- 'Planning Solutions' – a group-wide HR information system and a Group-wide financial reporting and consolidation system were implemented.
- 'Asset Management Solutions' – Condominium management portals were implemented for completed residential developments and similar portals were piloted for commercial and industrial assets.

Looking ahead

Prompted by the rapid growth of technology over the years, the pace of change and of conducting business will continue to increase. The way ahead for the Group is to work towards e-enabling more of its existing business processes with the goal of seamlessly integrating these various e-work processes to its customers and business partners.

"The way ahead for the Group is to work towards seamlessly integrating its various e-work processes to its customers and business partners."

COST MANAGEMENT

One of the main drivers for the merger and formation of CapitaLand in 2000 was the creation of shareholders' value through synergy of operations. The Synergistic Cost Management Division (SCMD) was established to coordinate and steer the Group's efforts in this direction, and has since achieved significant milestones by capitalising on the Group's economies of scale. The division also promoted e-procurement to achieve considerable cost savings.

For 2001, SCMD exceeded its initial target by S\$5 million and posted S\$35 million in audited savings, amidst the cutback on spending due to the economic downturn. The savings are audited by an external panel of reputable international consultants and benchmarked against industry standards.

SCMD criteria

SCMD has adopted the following criteria to facilitate smooth implementation of its projects across the SBUs:

- Fair and equitable transactions for all SBUs – with no inter-SBU subsidy
- Best value ensured – by seeking out the lowest possible cost for the highest possible quality
- Minimum interference to existing operations – adhering to the same procurement pattern for all SBUs

At the beginning of the year, the Division identified the following as key components to achieving its goal:

- Bulk procurement
- HR re-organisation
- Cost of conducting business
- Space allocation and utilisation
- Lower cost of capital
- Review of overseas office operation

Bulk procurement

In particular, SCMD identified bulk procurement of operational and functional needs as the first main areas of synergy. This is further subdivided into more than 10 broad categories to explore further savings potential. More than 50 SBU managers and executives have been appointed as Virtual Procurement Unit (VPU) representatives to these areas of procurement, hence allowing SCMD to build up a systematic link of operations across all SBUs.

Spearheaded and facilitated by SCMD, the VPUs have explored and embarked on more than 20 Group-wide initiatives within the year. VPU representatives also shared information and experiences to further improve and streamline their business operations. In addition, all SBUs examined their internal processes and reduced duplication of work functions, resulting in leaner operations. Leveraging on IT and the Internet, the Group also achieved absolute cost savings and process efficiency through

e-procurement portals such as HospitalityBex and icFox.

Looking ahead

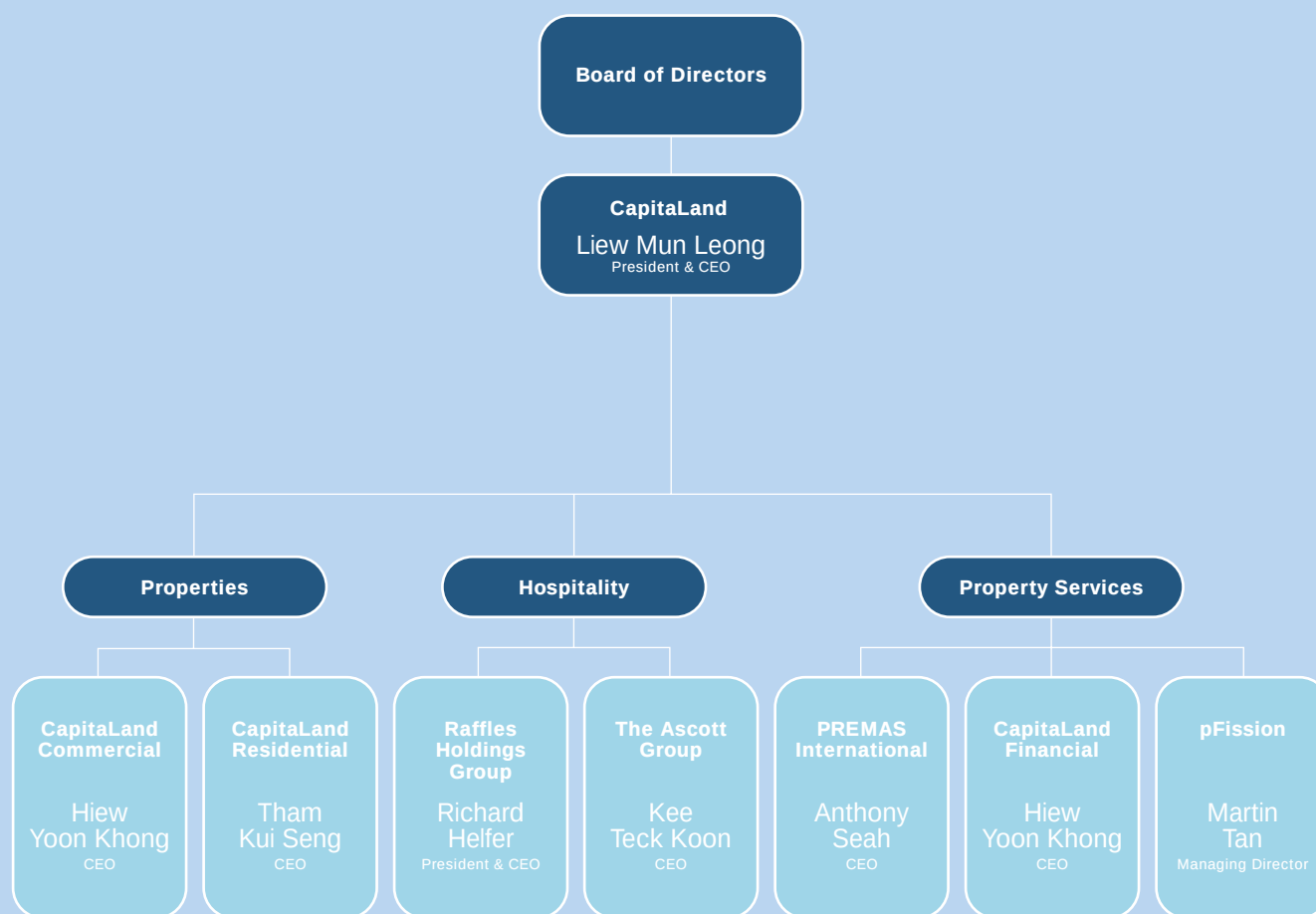
The Division is greatly encouraged by the strong commitment of the Management and the active participation of the executives involved in ensuring the success of the programme. SCMD will continue to reach out to all CapitaLand personnel, bringing more value-added services to their existing operations.

Drawing on the strength and experience gained from its VPU operations, and having established a systematic methodology, SCMD aims to take this synergy to even greater heights. It has already initiated a Global Procurement Programme, which will be further developed in year 2002. This will bring more synergy and an increased awareness to cost-saving efforts across all overseas CapitaLand companies.

SCMD has set itself a target of S\$50 million in savings for year 2002, through the rollout of ambitious cost-saving initiatives such as the Energy Programme. SCMD is confident that with the on-going support and endorsement by the various SBUs, it will continue to deliver operational excellence through the synergy of best practices in systems and processes for CapitaLand, thereby providing lasting value to shareholders.

“One of the main drivers for the merger and formation of CapitaLand in 2000 was the creation of continual shareholders' value through synergy of operations.”

GROUP STRUCTURE



COUNCIL OF CEOS



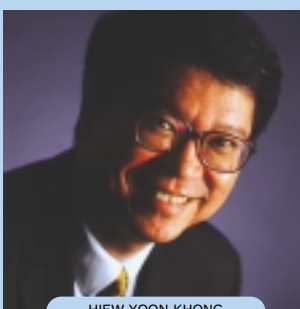
LIEW MUN LEONG



LUI CHONG CHEE



RICHARD HELFER



HIEW YOON KHONG

Liew Mun Leong
President & CEO

Lui Chong Chee
Chief Financial Officer
(wef 1 Nov 2001)

in alphabetical order:

Richard Helfer
President & CEO
Raffles Holdings Group

Hiew Yoon Khong
CEO
CapitaLand Commercial
(wef 1 Feb 2002)
CEO
CapitaLand Financial
(wef 1 Nov 2001)
Chief Financial Officer
CapitaLand
(until 31 Oct 2001)

Kee Teck Koon
CEO
The Ascott Group

Ed Ng
Executive Vice President
CapitaLand
(wef 1 Feb 2002)
CEO
CapitaLand Commercial
(until 31 Jan 2002)

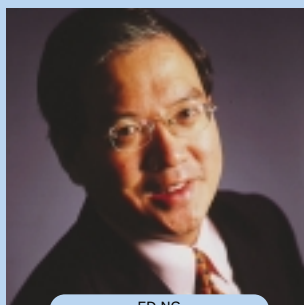
Anthony Seah
CEO
PREMAS International

Martin Tan
Managing Director
pFission

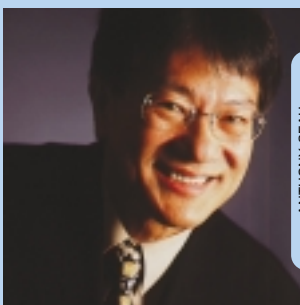
Tham Kui Seng
CEO
CapitaLand Residential



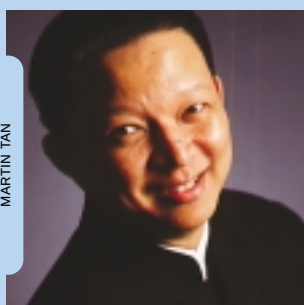
KEE TECK KOON



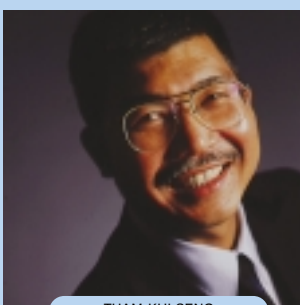
ED NG



ANTHONY SEAH



MARTIN TAN



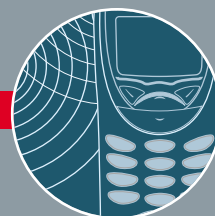
THAM KUI SENG

Commercial & Financial*



CapitaLand Commercial is Singapore's market leader in the office and retail sectors. Overseas, it has commercial property investments in key gateway cities, including London, Tokyo, Shanghai, Hong Kong, and Kuala Lumpur.

CapitaLand Financial leverages on the Group's real estate domain knowledge and financial skills to embark on the property-related financial product business and the provision of fee-based services.



* CapitaLand announced in January 2002 that CapitaLand Fund Management will be merged with CapitaLand Financial. The new merged entity has been named CapitaLand Financial.

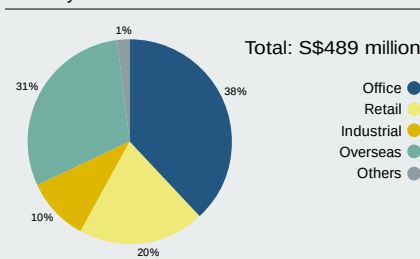
CapitaLand Commercial has a combined management portfolio of 10.9 million square feet of net lettable area in Singapore and a strategic presence internationally.

The Company seeks to build lasting value for stakeholders through active and disciplined asset management of its commercial property portfolio. Its commitment to service excellence also positions it well to realise its vision – to transform commercial properties into living communities – thereby creating loyal customers which will result ultimately in higher retention rates, increased yields and therefore greater value. In this regard, it has put in place several initiatives to better serve customers. These include setting up a 24-hour Customer Hub that offers a one point of contact for all customer enquiries, re-design of key internal customer service processes and a tailored customer service staff training programme.

Financial summary

The Group's turnover grew by 13% to S\$489 million. This was due mainly to higher rental income from Capital Tower in Singapore based on a full year's contribution and its near 100% occupancy at year end. Overseas, higher contributions were also received from the prime Canary Riverside development in the United Kingdom. Its holding company became a subsidiary of the Group in the fourth quarter of 2000.

Turnover
for the year 2001



Earnings before interest and tax ("EBIT") was S\$385 million, a growth of 44% or S\$117 million over the previous year due mainly to gains from divestments and investments. The Company divested a total of 12 properties/investments which yielded profits of S\$125 million.

In Singapore, the divestment included three prime properties in the central business district ("CBD") – Pidemco Centre, The Adelphi, and a 20% stake in Temasek Tower – through the Eureka Office Fund, a 50% – 50% joint venture with ERGO Insurance Group, one of Germany's largest insurance groups. Also sold during the year were other investments and fringe assets namely, Thomson Plaza, 11 Beach Road, 79 Anson Road, Little India Arcade and Laguna Golf & Country Club.

Overseas, prime office development 131 Finsbury Pavement, a nine-storey building located in the City of London's financial district, was sold in line with the Company's divestment strategy to

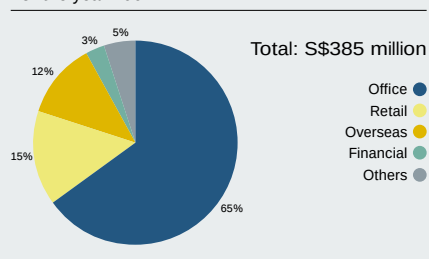
optimise property returns from investment properties and generate greater returns for shareholders.

Singapore-based office and retail properties accounted for a hefty 80% of EBIT contributions. About 12% came from overseas properties which saw an improvement of nearly two fold in 2001 as compared to 2000. The increase is due to the better performance of Pidemco Tower in Shanghai, Menara Citibank building in Malaysia and contribution from the newly acquired Shinjuku Square Tower in Japan.

The Company's improved EBIT was also due to lower revaluation deficits of S\$0.5 million charged to the bottom line in 2001 as compared to the previous year's S\$69 million.

CapitaLand Financial made a S\$13 million maiden contribution which constituted about 3% of total EBIT for 2001.

EBIT
for the year 2001



Office

Market review The office market performed reasonably well in 2001, although increased demand from professional service firms and foreign financial institutions was offset by lower demand from technology companies and local financial institutions. Office occupancies averaged 89% with those in the CBD achieving 94%. Prime office rentals hovered around S\$6.30 per square foot per month, down 16% from the previous year.

Business review CapitaLand Commercial is the largest owner and manager of office space in Singapore. Its 19 office properties and two car park complexes, comprising 5 million square feet of net lettable area, are mostly located in the CBD. In 2001, 19% of leases were renewed with occupancies remaining in the healthy range of 96%, a premium of 8% above the industry average. Capital values were at an average of S\$1,260 per square foot, above the S\$1,240 per square foot set for the market. Rental values were slightly above market at S\$6.45 per square foot per month.

During the year, active asset management and the Group's commitment to serve its customers better saw several initiatives: the exploration into bulk purchases of energy to exploit economies of scale; amplification of professional services; and a review of internal customer service processes. Each initiative was

spearheaded by a multi-disciplinary team in order to cement the Company's commitment to providing top quality customer service.

Meanwhile, asset enhancement works at Six Battery Road proceeded as planned. When completed in mid-2002, the upgraded asset will provide improved yields. Plans are also being reviewed for the redevelopment of Pidemco Centre in order to maximise returns.

Capital Tower, officially launched during the year, won the Building and Construction Authority's prestigious "Best Buildable Design Award" for Commercial and Office Buildings.

Looking ahead Increased supply of secondary office space resulting from the mergers of financial institutions and the downsizing of companies in the financial, IT and other industries will exert downward pressure on the market's occupancy rates and rentals. New supply in 2002, located mainly outside of the CBD, is projected to be 3.72 million square feet.

The Company will continue to focus on maximising the yield of its portfolio through effective asset management and stringent cost management to realise savings through economies of scale. Its portfolio yield is anticipated to be steady with pro-active initiatives to increase non-rental income.

Retail

Market review Due to cautious consumer spending, the retail industry could not match its strong growth in 2000. GDP is expected to contract by 3% while monthly retail sales index (excluding motor vehicles) has shown little or negative growth, when compared year on year since January 2001. The tourist industry also showed signs of decline.

Occupancy rates island-wide and along Orchard Road remained largely unchanged at 92%, compared to last year's 96%. However, supply constraints greatly improved monthly prime rates by almost 4% at S\$27 per square foot in the suburbs, and by 3% at S\$31 per square foot in Orchard Road.

Business review CapitaLand Commercial's retail properties performed satisfactorily despite the difficult business environment. The Company's portfolio achieved capital values of S\$1,161 per square foot. Suburban malls performed better than Orchard Road malls due to their greater resilience to the current downturn.

Rentals of S\$32 per square foot per month, above the market's S\$26 per square foot per month, were secured for suburban malls. Orchard Road malls saw rentals of S\$20 per square foot per month, below the market's S\$30 per square foot per month.

"In 2001, 19% of (office) leases were renewed with occupancies remaining in the healthy range of 96%, a premium of 8% above the industry average."

Demonstrating the resilience of suburban malls in difficult times, Tampines Mall secured their leases due for renewal this year at an average increase of over 20% over previous rates. Full occupancy was also maintained.

Rental growth in Plaza Singapura, however, will be suppressed at least in the short-term, until completion of its asset enhancement and the opening of the adjoining Dhoby Ghaut North East Interchange MRT Station. Nonetheless, the occupancy rate for the mall increased marginally from 96% the previous year to 97%.

Clarke Quay's redevelopment plans were reviewed. Rentals should remain stable until completion of its redevelopment. Meanwhile, the occupancy rate also remained largely unchanged at 84%.

In a move that made it the largest manager of retail space in Singapore, Capitaland Commercial acquired a total of seven management contracts. This comprised four major Singapore retail centres (prime suburban mall, Junction 8; Singapore's largest specialist IT Mall, Funan The IT Mall; Liang Court and Scotts Shopping Centre), a fifth, in Penang, Malaysia (Gurney Plaza) and two in China (The Exchange and The Metropolis), which are under development.

Looking ahead Retailers now face challenging times due to the erosion of consumer confidence during the downturn and the slowdown in visitor arrivals. In the first half of 2002, overall sentiments are not expected to improve. However, there is likely to be support from those looking beyond the current recession and who will take advantage of the weaker market sentiment to acquire prime retail space that has become more affordable.

The majority of retailers are expected to cut back their expansionary or market entry plans. The downward pressure on rents is likely to be felt more in the Orchard Road area rather than the suburban areas. Suburban rents are more resilient as the retailers are still trading relatively well due to the attractive pricing and range of merchandise offered in these malls. The Company's portfolio will also benefit from the recent inclusion of Junction 8 and Funan The IT Mall, in December 2001. Both malls are fully occupied and have a track record of good performance.

The Company will continue to focus on active and disciplined asset management to sustain occupancy as well as to implement several asset enhancement initiatives. In addition, the Company has identified various non-rental income streams such as advertising income. When fully developed in 2002, the impact of

these new sources of revenue will become apparent on the Company's turnover figures.

Industrial

Market review Demand for quality industrial space remained strong despite the economic slowdown due to the government's push towards a knowledge-based economy. Average monthly rent for high-tech space reached S\$2.60 per square foot while that for ground floor conventional space and upper floor space was S\$1.40 and S\$1.15 per square foot respectively. Occupancy for high-tech space averaged 88% as compared to conventional space, which achieved 90%.

Business review CapitaLand Commercial owns five industrial properties comprising about 3.7 million square foot of net lettable area for lease. Occupancies were similar to the market's 88%. Capital values ranged from S\$195 to S\$250 per square foot for 60-year lease properties. Rental values were S\$2.53 per square foot per month. Both were slightly lower than the market's capital values range of \$220 to S\$300 per square foot and rentals of S\$2.60 per square foot per month.

Earlier in the year, CapitaLand Commercial launched the sale of strata units for Ubi Techpark and successfully sold 217 units. TechnoPark@Chai Chee proceeded

“Suburban malls performed better than Orchard Road malls due to their greater resilience to the downturn.”

with upgrading and landscaping works, which will continue into the next year. Its newly-established web portal will offer tenants value-added services and information.

Looking ahead The manufacturing slowdown is bottoming and demand for quality industrial space is expected to increase in the second half.

In its ongoing efforts to augment rental values and meet changing market demands, Capitaland Commercial will conduct feasibility studies on enhancing features such as car parks, and may also reposition its industrial properties. These efforts are likely to strengthen its position as a major player in industrial properties and to leverage on growth prospects when the economy takes a turn for the better.

International

Capitaland Commercial's international portfolio performed well despite the challenging global economic environment following the September 11 attacks in the United States. It achieved this by focusing on investment grade office properties in gateway cities and creating value through active asset and property management. Country offices were established in gateway cities for greater market responsiveness and to exploit investment opportunities.

United Kingdom Amid the weakened property market, London maintains its position as a global financial centre

and a gateway city to Europe. Its strong market fundamentals and the low interest rate environment present attractive investment opportunities which the Company will actively explore.

More than 90% of residential apartments in the Canary Riverside project have been sold. Its health club, restaurant space, and the Four Seasons Hotel Canary Wharf are also fully operational. The Company also divested its office project, 131 Finsbury Pavement, for about S\$125 million and recorded a gain of S\$29 million.

Looking ahead, 25 Moorgate, the Company's joint venture office project with Grosvenor Limited, is progressing well, with project completion targeted for late 2002. Marketing of the office space has commenced.

Japan Japan's property sector experienced lower demand for both commercial space and residential sales. Nevertheless, the successful listings of two J-REITs in September augmented interest in Japanese commercial properties. In particular, the Company's investment in Shinjuku Square Tower outperformed the market, achieving near full occupancy.

Going forward, the Japan property sector shows potential with the continued low interest environment and improving transparency through the J-REIT market. The Company

remains committed to expanding its portfolio in Japan.

China Despite intense competition, office rentals and occupancy in key cities posted significant recovery from 2000. In Shanghai, prime grade-A office building, Pidemco Tower's occupancy rose from 78% at the beginning of the year to 88% by end 2001. Rental income also surged 147% from that of 2000. Raffles Square, a strategically-located prime mixed development in Shanghai, commenced construction in October, and should be completed by end-2003. Marketing of the retail space has begun.

In Xiamen's new business district, its prime mixed development, Huiteng Metropolis, experienced highly respectable sales of 74% and 54% for residential and office units respectively. To date, 32% of the office units have been leased for rental.

China's entry into the World Trade Organisation presents further attractive business opportunities in the future. To capitalise on this, the Company has established a representative office in Beijing.

Hong Kong Although business activity was disrupted after the September 11 terrorist attacks, demolition of the strategically located Furama Hotel site proceeded as scheduled. The prime site will be developed into a grade-A

“Country offices were established in gateway cities for greater market responsiveness and to exploit investment opportunities.”

office building by 2005. On the industrial front, occupancy of the 22-storey high-tech industrial building, Corporation Park, rose from 82% in the previous year to 91%.

While prices of grade-A office space decreased by 6%, interest in grade-B office space remained relatively strong, where yields are higher. Overall, demand has been soft and the market uncertain.

Moving forward, the Company will continue to look out for good opportunities.

Malaysia The office take-up rate for prime grade-A buildings decreased from that in 2000. However, at Menara Citibank, the Company's 50-storey grade-A building in Kuala Lumpur's Golden Triangle, occupancy leaped from 88% to 98%, and rental rate increased by 3%.

For the coming year, the building's occupancy growth is expected to remain stable though the overall office market take-up rate for 2002 is likely to soften.

Non-core activities

Non-core investments like healthcare chains, Parkway Holdings and VISTA Healthcare Asia, and hotel investments in Vietnam, Myanmar and China, were also sold. The sales are in step with the Company's strategy to divest non-core investments and fringe assets.

CapitaLand Financial

CapitaLand Financial aims to enhance the Group's financial capabilities to drive its asset-light strategy as well as to spearhead efforts in creating a fee-based business.

The Company will focus on the financial product business as well as real estate fund management. It would initially leverage on the Group's real estate portfolio to structure them into financial products. One example is the SingMall Property Trust ("SPT"), which comprises a portfolio of three shopping malls – Tampines Mall, Junction 8, and Funan The IT Mall. The company is working on a possible listing of the SPT on the Singapore Stock Exchange.

The Company will retain the asset and property management function after the listing. The Company will also identify and invest in real estate-related financial product opportunities in regional markets where CapitaLand has a presence.

On fund management, during the year, together with leading European company, ERGO Insurance Group, it created a wholesale office property fund worth S\$875 million. The property fund comprises three prime office properties – Temasek Tower, Pidemco Centre and The Adelphi. Named the Eureka Office Fund, it is the first Singapore-dollar denominated fund involving both European and Asian institutional investors. Its portfolio

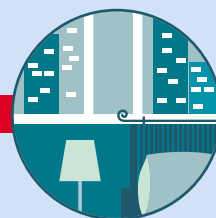
possesses diversified income characteristics namely, steady rental income from the fully-leased Temasek Tower, redevelopment upside from Pidemco Centre, and sales income from The Adelphi. The portfolio therefore delivers a unique, balanced risk-return profile to investors. This fund, which is managed by CapitaLand Financial, will also leverage on CapitaLand Commercial's core competencies such as asset management, marketing and leasing, project development and property management.

“CapitaLand Financial aims to enhance the Group's financial capabilities to drive its asset-light strategy as well as to spearhead efforts in creating a fee-based business.”

Residential



CapitaLand Residential seeks to enhance its leadership in the residential property industry through building and delivering homes that offer lasting value, with an emphasis on product leadership and continual innovation. It aims to create comfortable living environments and intelligent e-lifestyle residences for its homebuyers – homes which they can live, work and play in.



Committed to developing premier, high quality residences for its customers, CapitaLand Residential's homes are beautifully designed with thoughtful features and cater towards the various lifestyles in gateway cities across the region. Among its quality residential properties are Avalon, The Levelz and SunGlade in Singapore; Chrysanthemum Park in Shanghai, China and Woodcroft and Balmain Shores in Australia.

Financial summary

The Company recorded a turnover of S\$2,005.8 million for 2001, a 19% increase over the prior year's turnover of S\$1,689.8 million. EBIT (Earnings Before Interest and Tax) was a negative \$340.8 million, representing a decrease of \$530.2 million compared to the prior year. This was mainly due

to the provision made for Singapore projects and landbank as well as its Hong Kong projects.

Business review

CapitaLand Residential continued to make strides in its key regional markets, namely, Singapore, China (Shanghai) and Australia. In 2001, it sold a total of 6,780 residential units and housing lots.

Sale in Key markets No. of units/lots sold in 2001

Singapore	1,223
China (Shanghai)	1,412
Australia	4,145
Total units/lots	6,780

Singapore The year saw a slowdown in the residential property market, due mainly to the global economic slowdown and general weak market sentiments. The September 11 terrorist attacks in the United States further dampened the overall economic outlook.

Despite the uncertain economic environment, CapitaLand Residential's new projects – Tanamera Crest, SunGlade, The Levelz – met with excellent response from homebuyers. SunGlade was the bestseller in Singapore for the second quarter of the year, while Tanamera Crest was fully sold within three weeks of its relaunch. During the year, Temporary Occupational Permits

(TOP) were obtained for Central Grove and The Clearwater.

Sale of new projects

Projects launched in 2001	Total no. of units	No. of units sold in 2001	% sold in 2001
Tanamera Crest	288	288	100
SunGlade	475	392	83
The Levelz	126	95	75

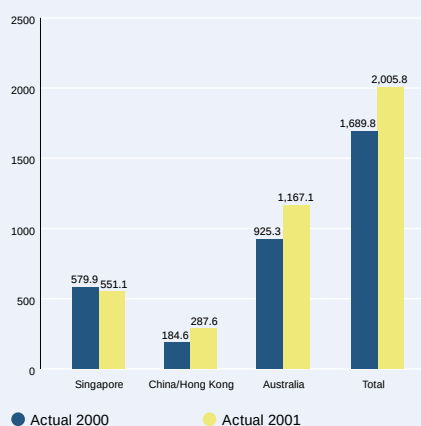
In 2001, CapitaLand Residential made provisions amounting to S\$500.3 million for Singapore residential assets.

CapitaLand also launched a S\$200 million 6-year bond issue collateralised by progress payments generated by three residential development projects. This securitisation bond, which was internationally rated, was the first of its kind in Singapore. The issue allows the replacement of projects, making it possible to capitalise on prevailing low interest rates to tap long-term funds.

China China continued to show strong growth during the year. Its entry into the World Trade Organisation served as an impetus for the strong economic performance.

Shanghai, in particular, is one of the fastest growing residential markets in China with the largest volume of transactions recorded in 2001 compared to other cities. Pro-home

Revenue Distribution by Country (\$m)



“CapitaLand Residential recorded a turnover of S\$2,005.8 million for 2001, a 19% increase over the prior year.”

ownership government policies and financial packages, together with increased disposable income of the homebuyers, have contributed greatly to CapitaLand's success in China during the year.

CapitaLand's Shanghai residential projects continued to flourish. Parkville and Springdale Garden achieved sales of 98% and 91% respectively while Chrysanthemum Park Phase I was fully sold. During the year, about 1,000 units were completed and handed over to the homebuyers.

Sale by property

Project	Total no. of units	No. of units sold in 2001	% sold as at end 2001
Parkville	1,001	381	98
Springdale Garden	805	143	91
Manhattan Heights	254	238	94
Summit	939	650	84*
Panorama*	(773 units launched)		

(*Sales status of units launched)

New releases, including Summit Panorama in Pudong district and Manhattan Heights in Jingan district, have also recorded encouraging sales. As at end 2001, Summit Panorama achieved 84% sales of units released whilst Manhattan Heights saw strong

take-up of 94% following its launch in June 2001.

In addition, CapitaLand acquired a 23,000 square metre site in the Xuhui district during the year. Conveniently located near the Xujiahui shopping and commercial hub, the site will be developed into a quality condominium project comprising about 800 apartments, with a full range of facilities. Residents will be able to commute easily via the nearby MRT station.

In Hong Kong, average occupancy for Block 15 Hong Kong Parkview increased to 97% for the year compared to 86% the prior year. Average rental maintained at about the same level as the prior year.

Australia The Australian property market remained steady with a marked improvement in consumer sentiment, although the introduction of the Goods and Services Tax in July 2000 has somewhat affected developers' margins.

CapitaLand's listed subsidiary in Australia – Australand Holdings, reported a 35% increase in revenue to A\$1,252.8 million. Profit after tax was A\$81.4 million compared to A\$78.1 million for the previous year. The operating profit before tax of A\$114.9 million reflects substantial GST charges of \$50.1 million,

incurred during the period, which offset 37.3% increase in the Group's underlying profitability.

Residential sales by type of development

Type of development	Sales by unit for 2001
Land lots	2,187
Houses	883
Apartments	1,075

Strong contributions were seen from Land & Housing projects in Melbourne and Sydney. Both the Apartments Division and Commercial & Industrial Division recorded significantly higher revenue as compared to the prior year, reflecting an increase in sales and construction activities. About 245,900 square metres of commercial and industrial space was developed or leased during the year.

Malaysia Listed associate company, United Malayan Land, achieved higher sales during the year for its two key township developments in Bandar Seri Alam and Bandar Seri Putra. Bandar Seri Alam, a 3,700 acre township in Johor, achieved sales of 441 units during the year, a 100% increase over the prior year. The township has sold 82% of 4,024 units launched as at end 2001. In Bandar Seri Putra, a 900 acre township in Bangi Selangor, a total of 643 units were sold, 50% more than the prior

year. The township recorded 83% sales of 2,683 units launched as at end 2001.

Suasana Sentral, CapitaLand Residential's other residential development in Kuala Lumpur, did well amidst weak general market sentiments. More than 90% of the 400-unit condominium was sold and the development was completed in January 2002.

Japan In Tokyo, CapitaLand Residential was successful in its first joint venture with Mitsubishi Estate. The 62-unit condominium, Parkhouse Yoyogi-Uehara, was fully sold during the year and construction was completed in June 2001.

Looking ahead

The operating environment for the Singapore residential market will remain challenging in 2002. Nevertheless, the Company's revenue will be underpinned by the three projects – Tanamera Crest, SunGlade and The Levelz – launched in 2001, all of which were well-received. CapitaLand Residential is planning to launch between 800 to 1,000 units in 2002.

Continued earnings are expected from China, Australia and Malaysia. In particular, Shanghai's continued positive environment should see contributions from Summit Panorama

and Manhattan Heights. In the second half of 2002, between 1,000 to 1,500 residential units are planned for release in China.

Australia's economic outlook is expected to remain stable. Compared to the prior year, Australand Holdings is expected to perform better in 2002. Most of Australand's residential projects are likely to be assisted by a favourable supply/demand regime underpinned by the low interest rate environment.

Earning contributions are also expected from the Company's projects with United Malayan Land in Malaysia.

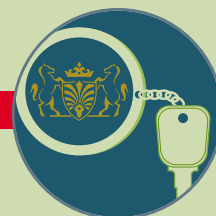
CapitaLand Residential will continue to focus on building and delivering quality homes, tapping on the knowledge and expertise of its operations worldwide.

“CapitaLand Residential will continue to focus on building and delivering quality homes, tapping on the knowledge and expertise of its operations worldwide.”

Serviced Residences



The Ascott Group, CapitaLand's serviced residence arm, is Asia Pacific's largest serviced residence company. It manages a portfolio of 7,600 serviced residence units in 19 cities in 10 countries across Asia, Australasia and the United Kingdom. Its The Ascott and Somerset serviced residence brands are market leaders in the region.



In 2001, The Ascott Group focused on strengthening the fundamentals critical to supporting its rapid growth as a global company. Ascott made good progress in rationalising its portfolio of assets, enhancing its financial position and in solidifying its competitive leadership in key regions.

Financial summary

The success of Ascott's initiatives was evident in its 2001 financial performance. It recorded a 20% increase in earnings. Profits rose to S\$41.2 million from S\$34.3 million the year before.

The company's turnover was S\$282.1 million, down 5%, due to the winding down of non-core businesses. In its core serviced residence sector, it chalked up a robust 15% growth in turnover to S\$139 million.

Ascott's serviced residence EBITDA rose 17% to S\$40.5 million mainly due to the residences' strong performance in the first three quarters of the year.

Most of Ascott's residences continued to outperform their markets. They achieved higher occupancies, rental rates and gross operating profit margins compared to the year before. This was despite the September 11 crisis and deduction of one-time costs for Ascott's expansion into Australia and the United Kingdom.

Ascott's non-core retail turnover rose 6% to S\$82.8 million, while EBITDA increased 11% to S\$57.3 million. Turnover of its non-core 'residential and others' sector decreased by

S\$38.3 million due to provisions and the Company's decision to exit the sector.

The company's S\$41 million exceptional gain was due to the sale of its retail malls, an investment property, and retail management contracts; offset by provisions for various projects and loans.

The company's financial position was substantially strengthened in 2001 with the divestment of 54% of its non-core assets worth S\$628.5 million. The sales proceeds were used to lower its gearing to 0.52 from 0.79 the year before.

Earnings per share rose to 2.66 cents from 2.22 cents in 2000. Net tangible assets per share was 75.5 cents compared to 83.1 cents the prior year, due to diminution in value in some of its properties.

In view of its better performance and stronger balance sheet, Ascott's directors are recommending a total gross dividend of 10% per share, which includes a 5% bonus dividend.

Growing leadership In 2001, Ascott added 1,900 units to its portfolio, which is today the Asia Pacific's largest at 7,600 units. Its vision is to become a leader in the global serviced residence industry and it targets to grow to 15,000 serviced residence units by 2005.

In Australia, it acquired the Oakford group, an established serviced apartment operator, to become one of Australasia's top three serviced

residence chains. The company's significant presence today in Sydney and Melbourne provides a solid foundation for sustained revenue growth in Australasia.

In the United Kingdom, Ascott's joint venture with developer Crown Dilmun has made it the largest international serviced residence chain there with 783 units. It targets to grow to 2,500 units by 2005 to further enhance its leadership.

The company's operational base in London, where it now commands 12% market share, will serve as an excellent springboard for its planned expansion into other major European cities.

In China, it more than doubled its presence with the opening of The Ascott Beijing, Somerset Fortune Garden, and The Ascott Pudong. Today, as the largest international serviced residence chain in China, the company is poised to capitalise on the growth of this major market.

In Japan, Ascott established a strategic partnership with Mitsubishi Estate, one of the country's largest developers, to jointly invest in and manage serviced residences in Japan. In the next two years, Ascott plans to expand its North Asian presence to include Korea.

In Southeast Asia, the company opened the Somerset Lake Point in Bangkok and Somerset Gateway in Kuching. Today Ascott has captured pole positions in Hanoi, Ho Chi Minh City, Bangkok, Manila, Jakarta and Singapore. In 2002, it will work to

“Ascott’s operational base in London, where it now commands 12% market share, will serve as an excellent springboard for its planned expansion into other major European cities.”

further increase its industry leadership in the region.

Within the organisation, Ascott continued to streamline its HR programmes, strengthen The Ascott Training Institute and implement the Balanced Scorecard results-driven management system.

Through these means, the company aims to empower its staff to exceed guests' expectations, and to nurture in them a passion to transform its properties into highly efficient and profitable operations.

Building financial strength In line with its strategy to focus on its core operations, Ascott will divest its remaining S\$600 million non-core assets over the next two years.

Today, the company is well positioned to take advantage of investment opportunities to further grow its core serviced residence business. The economic slowdown offers the potential of good value acquisitions.

With its expansion in Australia and the United Kingdom, Ascott has also increased its allocation in developed countries to one-third of its overall portfolio. It plans to grow this allocation to two-thirds of its portfolio by 2005, as yields in these countries provide a more stable and diversified earnings base.

To improve capital productivity, Ascott secured three more serviced residence management contracts with 748 units in Melbourne, Singapore and Surabaya.

Together with the management contracts secured as part of its expansion in Australia and the United Kingdom, it has exceeded its target of creating a portfolio comprising one-third managed or leased properties, by 2005. Over the year, it will continue efforts to increase its managed fee income.

Growing global brands While the September 11 crisis dampened its earnings in a few countries, the majority of its properties in other countries were relatively unaffected.

This was partly due to its growing brand reputation, marketing network and geographical diversification. In 2001, it launched a major brand campaign across the Asia Pacific to deepen its penetration of the expatriate and business communities.

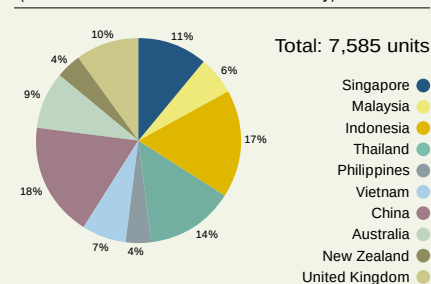
It also centralised its sales and marketing operations at both corporate and regional centres to improve its response time and cross selling to these clients.

Today, Ascott's customer base comprises many of the world's largest multinational companies. Going forward, it will work to further deepen its relationship with these companies.

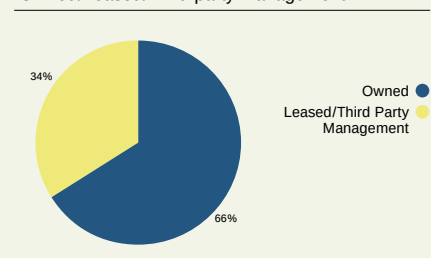
Operating performance On a same store basis, the average occupancy of Ascott's serviced residences rose by 5%. At the same time, the residences' average rental rate went up by 1%. The gross operating profit margin of the serviced residences improved by 3% to 62%.

In 2001, a number of Ascott's properties in Beijing, Shanghai, Bangkok and Kuching were in their start-up phases. The company expects

Geographic Distribution
(in terms of no. of units in each country)



Serviced Residences
Owned/Leased/Third party management



“Today, Ascott's customer base comprises many of the world's largest multinational companies. Going forward, it will work to further deepen its relationship with these companies.”

its overall occupancy and rental rates to improve in 2002 when the operations of such start-ups stabilise.

Looking ahead

Ascott expects 2002 to be profitable and its core serviced residence business to continue to improve with strong revenue growth.

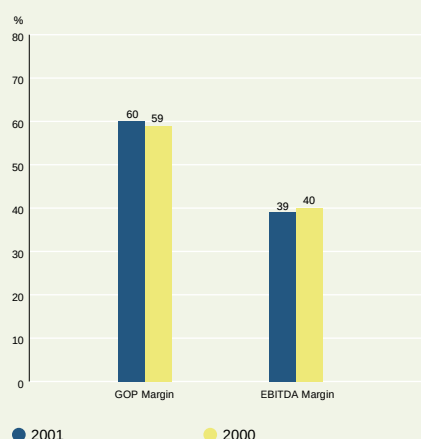
Earnings will be boosted by maiden contributions from the new Australian and UK serviced residences, and by the improved performance and full-year contributions from properties opened in 2001.

The increased savings from its ongoing clustering of property operations, stepped-up marketing efforts and larger client base will further enhance its bottomline. It also expects to benefit from the low interest rate environment.

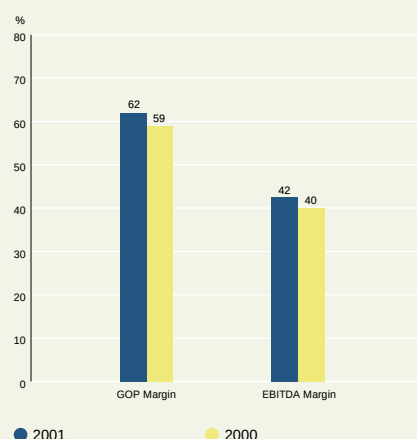
The Ascott Group today has a more competitive global platform and solid balance sheet. Its core serviced residence portfolio, the primary engine for its future growth, is larger, more diversified and resilient.

As the Company looks ahead, it is confident of its stronger position to drive higher returns and create long term value for its shareholders. It sees bright prospects for its serviced residence business.

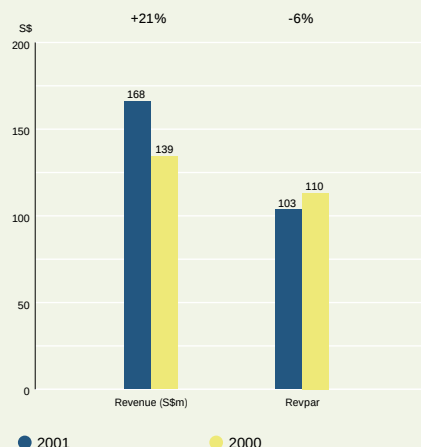
Operating Margins
– all serviced residences



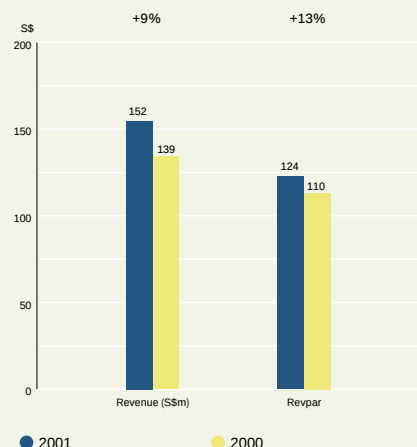
Operating Margins
– same store basis



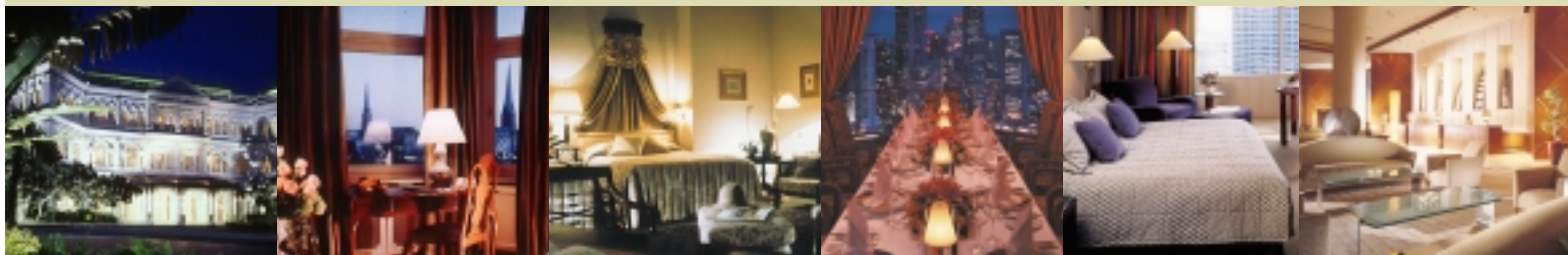
Operating Performance
– all serviced residences



Operating Performance
– same store basis



Hotels



As a leading luxury hotel and resort owner/operator headquartered in Singapore, Raffles Holdings Limited has a portfolio of 38 hotels and resorts in 33 destinations across six continents. Its hotel management arm – Raffles International – is well-respected in the industry for its standards of quality, award-winning concepts and innovative approach towards hotel management.



Raffles International successfully leverages on its two-tiered brand structure: the “Raffles brand” hotels distinguish themselves by the highest standards of products and services available in major cities on an international level; while the “Swissotel” and “Merchant Court” hotels offer quality accommodation and the full range of modern facilities and amenities expected by today's discerning traveller, with an emphasis on quality and comfort.

Synonymous with unsurpassed service and elegance, the Raffles tier of hotels includes prestigious names like Raffles Hotel in Singapore, Brown's Hotel in London, Hotel Vier Jahreszeiten in Hamburg, Le Montreux Palace in Switzerland, Hotel Le Royal in Phnom Penh, Raffles L'Ermitage Beverly Hills in Los Angeles, and Grand Hotel d'Angkor in Siem Reap. Swissotel and Merchant Court Hotels are ideally located in gateway cities around the world.

Financial summary

For the year ended 31 December 2001, Raffles Holdings Limited achieved a turnover of S\$358.6 million, a 7% increase from the previous year's S\$336.3 million. This increase can be attributed to two factors – consolidation of the results of Swissotel which the Group acquired in June 2001 and the full-year results of Raffles L'Ermitage Beverly Hills acquired in October 2000.

Raffles Holdings' bottom line was affected by the global economic slowdown and the disruptions following the September 11 terrorist attacks in the United States. However, overall profitability registered a strong increase of 185% from S\$80.9 million in 2000 to

S\$230.9 million in 2001, due mainly to the net gain recognised from the 55% Tintel Properties divestment.

Performance review

The slower economic growth, accentuated by the September terrorist attacks, has adversely affected the hotel industry globally. Average industry revenue per available room (“RevPAR”) fell across the board worldwide. In line with the industry performance, Raffles Holdings recorded weaker operating performance particularly in the second half. Despite difficult market conditions, Raffles Holdings continued to perform well relative to its competitive sets in terms of RevPAR in the various markets.

In response to the continued economic slowdown and uncertainties, Raffles Holdings has taken steps to reduce costs, including labour and overheads. In addition, the Company will defer certain capital expenditure and refocus its sales and marketing efforts to the expansion of its global sales and distribution channels and networks, the development of global key accounts and its customer relationship and electronic marketing strategies.

The highlight of the year must undoubtedly be the Company's acquisition of Swissotel Holding AG from SAirRelations AG for S\$420.1 million. With the acquisition, the Company has more than doubled its room inventory, strengthened its brand equity, enhanced its global presence, diversified its earnings base and increased its fee-based income from management contracts. Raffles Holdings has since substantially completed the integration of the Swissotel operations.

The launch of THOS SB RAFFLES, the incubator enterprise at the Raffles Hotel shopping arcade, will further promote the Raffles International master brand through premium private label lifestyle products such as exclusive wines and Iranian caviar. By mid 2002, THOS SB products will be available to Raffles International's guests system-wide through its convenience shopping programme. THOS SB is the latest addition to Raffles International's tested signature concepts, which have been exported to Raffles International's hotels across the globe. These revenue-generating initiatives include Amrita Spa, Asia's largest luxury spa operator; and food and beverage concepts such as Doc Cheng's, Jaan and Equinox.

Looking ahead

Amidst current economic conditions, Raffles Holdings continues to set itself challenging goals – by 2005, it aims to be among the top 10 global luxury/deluxe hotel master brands, and to increase its current room inventory to 25,000 rooms. It has taken another step in reaching this goal on 1 January 2002, when Raffles International assumed management of the two Raffles City hotels, with over 2,000 rooms, now relaunched as Raffles The Plaza and Swissotel The Stamford.

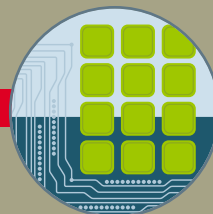
Raffles Holdings has significantly strengthened its balance sheet with the gain from the 55% Tintel Properties divestment. The divestment was part of the strategic plan to leverage on Raffles Holdings' assets to fuel its future growth and expansion. The strong balance sheet positions Raffles Holdings well to seize business acquisitions and growth opportunities as they arise.

“The strong balance sheet positions Raffles Holdings well to seize business acquisitions and growth opportunities as they arise.”

Property Services



PREMAS International is a Total Asset Manager providing value to building owners and users throughout the life cycle of their respective assets. Today, this property services arm of CapitaLand has developed significant competitive advantages through selective utilisation of cutting-edge technologies.



PREMAS International provides a comprehensive range of property services in facilities management, engineering and township management. Integrating key services and products, PREMAs International enhances operational efficiency, adds economic value and improves the yield of the assets it manages.

Financial summary

PREMAS International recorded an after-tax profit of S\$7.3 million on a turnover of S\$115.5 million.

Business review

Property consulting In 2001, consulting opportunities in high growth sectors, corporate clients, third party businesses, and e-enabling of several processes were pursued.

Facilities management PREMAs International will continue to bring its vast experience and knowledge to new markets in the area of high-tech facilities management.

Township management PREMAs International manages four townships in Singapore – Aljunied, Jurong, Hong Kah and Marine Parade – representing a combined population of more than one million. Its Customer Contact Centre provides round-the-clock services, including lift rescue operations, and solutions for electrical problems and sanitary choke.

Through Home Services, which offer a variety of solutions and services to residents, PREMAs International maintains its close links with the community and promotes safe, clean and thriving communities.

The five residential precincts it manages were among the “Top Ten Resident Committee Zones in the

Island-wide Cleanest Estate Competition 2001”. The food centres in these five precincts also won the “Top Ten Cleanest Food Centres”.

Engineering services The Centre of Technical Excellence & Reliability is vital support for township and facilities management. It solves complex engineering and technical issues, and establishes best practices. Its engineering services have now established a mark of reliability among customers.

Key initiatives

Several key initiatives were rolled out in 2001. Among them is a commitment to research, development and deployment.

Through its Total Building Performance benchmark, in August 2001, PREMAs International sealed a Research Memorandum of Understanding (MOU) with the Centre for Total Building Performance – a joint Research Centre established by the Building and Construction Authority and the National University of Singapore. The Centre will undertake projects such as building-life-cycle cost studies, and energy and building performance classifications.

PREMAS International's Energy Centre assists in the design and procurement of systems and equipment. It also helps in planning energy optimisation programmes and plays the role of an energy aggregator.

The company also collaborated with ST Electronics to develop a sophisticated computer-based building management system. In November 2001, PREMAs International embarked on a joint venture to incorporate PREMAs Environ Pte Ltd, an indoor air quality service company. The new company will provide indoor air quality

services for commercial buildings, hospitals and schools.

PREMAS International also launched its Training College, a first for the property services industry in the region. Beyond developing training programmes for its employees, the College will extend its reach to suppliers and customers.

Regionalisation

PREMAS International is now actively pursuing further expansion opportunities in the rest of the region, building upon its present growth in China and Indonesia.

PREMAS Shanghai achieved remarkable growth in China, clinching several major projects. Some of the projects are the 2.6 million square feet Super Brand Mall; Shanghai Racquet Club and Apartments; the State Power Building, a Grade 'A' Office Tower in Beijing; and Chrysanthemum Park, a condominium in Pudong, Shanghai. PREMAs' landscape unit was conferred the prestigious Gold Award by the Shanghai Landscape Bureau for the Chrysanthemum Park project, Phase I.

PT. PREMAs International in Jakarta also secured several large scale retail and commercial projects.

Looking ahead

PREMAS International's thrusts in Singapore and the region will continue, with a more customer-centric approach and greater focus on delivery of services through technology. With the set up of the Centre of Technical Excellence & Reliability, the Customer Contact Centre and the Training College, PREMAs International will step up on its value-oriented solutions for customers in Singapore and abroad.

“Integrating key services and products, PREMAs International enhances operational efficiency, adds economic value and improves the yield of the assets it manages.”

e-business



pFission, established in March 2000, capitalises on new opportunities by identifying and developing e-businesses for the property industry and in tandem with CapitaLand's business and operating strategies in the residential, commercial, hospitality and property management sectors.



The appropriate employment of IT is one avenue to enable companies to innovatively integrate relevant technologies to their business needs so as to be more responsive to rapid changes in their operating environments. In 2001, pFission continued to exploit new opportunities to improve the way real estate companies operate, and to improve the quality and delivery of their products and services.

Financial summary

2001 was the first full financial year for pFission. EBIT for the year ended 31 December 2001 was a loss of S\$5.4 million, compared to a loss of S\$3.2 million for the 10 months ended 31 December 2000. This was due mainly to costs for starting-up and rolling-out of services. As the pFission group of companies comprises mainly associates, their revenue is not consolidated. Revenue for the year was S\$618,000 (2000: S\$19,000) received mainly from provision of management services, consultancy, portal and web site development by pFission and eEnabled Homes.

Business review

The global economic downturn and the weak Singapore property market significantly dampened activity within the real estate sector which led to a lower than projected demand

for services provided by the pFission's companies.

Consequently, the associates emphasised cost restraint while rolling-out its services. The significant events for 2001 included:

- Propbuzz acquiring PropertyLifestyle.com Pte Ltd to become Singapore's leading online property services company which provides a comprehensive suite of services for real estate agents and agencies. At the inaugural Asian Internet Awards held in Hong Kong by Business Online magazine and Visa International, Propbuzz won the Business Services Category award for its strong content and user interface.
- icFox Singapore, another industry-wide joint venture, began providing online construction procurement and project collaboration services for the industry.

Two of its services, icFox Tenders and icFox Project Net, were conferred the BAUCON ASIA 2001 Innovative Exhibit Awards for achieving an exemplary level of innovativeness.

During the year, 22 projects utilised the icFox platform, six of which

were from CapitaLand. Today, icFox continues to experience good adoption rates in Hong Kong, Malaysia, and the Philippines.

- pFission and three other partners – City Developments Limited, Keppel Land Limited and Singapore Land Limited – incorporated TenantWorld Pte Ltd to develop and operate an office e-hub. Due for launch in the first half of 2002, TenantWorld will provide a comprehensive suite of e-services to help property and asset managers/owners manage their portfolios, and will also provide tenants access to high speed internet connection and ASP (Application Service Provider) services.

Looking ahead

IT and technology will continue to play a pivotal role in improving the way property companies operate, and in enhancing the range of products and services they offer. To this end, pFission will continue to scan the technology horizon for appropriate solutions for CapitaLand and the industry.

“IT and technology will continue to play a pivotal role in improving the way property companies operate, and in enhancing the range of products and services they offer.”

Portfolio Details

as at 31 December 2001



The CapitaLand Group has a diversified portfolio of residential developments, commercial properties, serviced residences and hotels located in more than 50 cities around the world including Singapore, Hong Kong, Shanghai, Tokyo, London and Sydney – all gateway cities. This section presents the property portfolio owned by the non-listed subsidiaries of the Group.

Residential Assets

Name	Location	Year	*	Holding Company	Effective Stake	Total No. of units	Tenure
SINGAPORE							
Private Condominiums							
Avalon	Anderson Road	1999	C	Leonie Court Pte Ltd	100%	82	Freehold
Casafina	Bedok South	1999	C	CRL Realty Pte Ltd	50%	224	99 yrs
Central Grove	Geylang Avenue East	2001	C	Sims Park Pte Ltd	50%	262	99 yrs
Glendale Park	Hillview	2000	C	CRL Realty Pte Ltd	50%	448	Freehold
The Levelz	Farrer Road	2001	S	CRL Realty Pte Ltd	100%	126	Freehold
Melrose Park	off River Valley Road	2000	C	CRL Realty Pte Ltd	100%	170	999 yrs
Palm Grove	off Upper Serangoon Road	2000	S	Leonie Court Pte Ltd	100%	111	999 yrs
Palm Haven	off Upper Serangoon Road	2000	S	CRL Realty Pte Ltd	100%	48	999 yrs
Pebble Bay	Tanjong Rhu	1997	C	Waterfront Properties Pte Ltd	50%	512	99 yrs
SunHaven	Upper Changi Road East	2000	S	CRL Realty Pte Ltd	100%	295	Freehold
SunGlade	Upper Serangoon Road	2001	S	CRL Realty Pte Ltd	100%	475	99 yrs
Tanamera Crest	off Upper Changi Road	2001	S	CRL Realty Pte Ltd	100%	288	99 yrs
The Clearwater	Bedok Reservoir Road	2001	C	CRL Realty Pte Ltd	100%	420	99 yrs
The Loft	Nassim Hill	2000	S	Loft Condominium Pte Ltd	100%	77	99 yrs
Executive Condominiums							
Chestervale	Bukit Panjang	1999	C	CRL Realty Pte Ltd	100%	396	99 yrs
The Floravale	Jurong West	2000	C	CRL Realty Pte Ltd	100%	754	99 yrs
The Rivervale	Punggol Road	2000	C	CRL Realty Pte Ltd	100%	671	99 yrs
Woodsvale	Woodlands	2000	C	CRL Realty Pte Ltd	100%	696	99 yrs
Landed Developments							
Holland Green	Holland Road	1998	C	CRL Realty Pte Ltd	100%	53	99 yrs
Name	Location	Year	*	Holding Company	Effective Stake	Total Potential GFA (sqm)	Tenure
Future Projects							
Site at Amber Close	Amber Close	1999	A	CRL Realty Pte Ltd	23.9%	62,151	Freehold
Site at Balmoral Road	near Orchard Road	1997	A	CRL Realty Pte Ltd	100%	27,167	Freehold
Site at Duchess Avenue	off Bukit Timah Road	1997	A	CRL Realty Pte Ltd	100%	13,932	Freehold
Site at Guillemard Road	Guillemard Road	1999	A	CRL Realty Pte Ltd	100%	50,139	Freehold
Site at Jalan Rumbia	off Oxley Rise	1999	A	CRL Realty Pte Ltd	89.7%	30,078	Freehold
Site at Lloyd Road	near Orchard Road	1999	A	CRL Realty Pte Ltd	100%	13,229	Freehold
Site at Martin Road	off River Valley Road	1999	A	CRL Realty Pte Ltd	50%	83,198	Freehold
Site at Meyer Road	Meyer Road	1999	A	CRL Realty Pte Ltd	100%	52,488	Freehold
Site at Mt Sinai Lane	off Holland Road	2001	A	Leonie Court Pte Ltd	100%	27,362	999 yrs
Site at Nassim Hill	near Orchard Road	1999	A	CRL Realty Pte Ltd	100%	15,942	Freehold
Site at Penang Road	Penang Road	1996	A	Winpeak Investment Pte Ltd	25%	40,735	Freehold
Site at Scotts Road	Scotts Road	1997	A	Leonie Court Pte Ltd	100%	18,035	Freehold
Site at Shelford Road	Shelford Road	2000	A	Leonie Court Pte Ltd	100%	30,162	Freehold
Site at St Martin's Drive	off Tanglin Road	2000	A	Leonie Court Pte Ltd	100%	8,638	Freehold
Sites at Tong Watt Road	off River Valley Road	2000	A	Leonie Court Pte Ltd	100%	25,967	999 yrs
Site at Yio Chu Kang Road	Yio Chu Kang Road	2000	A	CRL Realty Pte Ltd	100%	19,330	Freehold

* Year of Acquisition (A) Start of Construction (S) Completion (C)

Name	Location	Year	*	Holding Company	Effective Stake	Total Saleable area (sqm)	Total No. of units	Tenure
CHINA								
Chrysanthemum Park	Pudong District, Shanghai	2001	C	Shanghai Pudong Xinxiang Real Estate Devt Co Ltd	66.5%	144,911	1,109	70 yrs
Summit Panorama (Chrysanthemum Park Phase 2)	Pudong District, Shanghai	2000	S	Shanghai Pudong Xinxiang Real Estate Devt Co Ltd	66.5%	153,784	939	70 yrs
Parkville	Luwan District, Shanghai	1999	C	Shanghai Xin Rui Property Devt Co Ltd	70%	125,738	1,001	70 yrs
Manhattan Heights	Jing'an District, Shanghai	2000	S	Shanghai Xin Li Property Devt Co Ltd	95%	35,712	254	70 yrs
Springdale Garden	Xuhui District, Shanghai	2000	C	Shanghai Xin Wei Property Devt Co Ltd	52%	132,488	805	70 yrs
Taihu Lakeside Villas	Suzhou Taihu National Tourism and Vacation Zone	1997	C	Suzhou Taihu Chungten Real Estate Development Co. Ltd	41.6%	14,684	50	70 yrs
Site at Pudong Nan Road (Chrysanthemum Park Phases 3 & 4)	Pudong District, Shanghai	1997	A	Shanghai Pudong Xinxiang Real Estate Devt Co Ltd	66.5%	Res: 121,335 Retail: 50,000 Office: 36,000	809 (estimated)	70 yrs
Site at Nan Dan Dong Road	Xuhui District, Shanghai	2001	A	Hua Jia Pte Ltd	99%	23,000	N.A.	70 yrs
HONG KONG								
Hong Kong Parkview Blk 15	Repulse Bay	1999	A	Central Hill Limited	75%	9,726	40	75 yrs + 75 yrs
JAPAN								
Parkhouse Yoyogi-Uehara	Shibuya Ward, Tokyo	2001	C	Mitsubishi Estate Co. Ltd	60%	4,552	62	Freehold
MALAYSIA								
Suasanna Sentral	Kuala Lumpur Sentral	2002	C	OneSentral Park Sdn Bhd	49%	66,984	400	Freehold

* Year of Acquisition (A) Start of Construction (S) Completion (C)

Commercial Assets

Name	Location	Year	*	Holding Company	Effective Stake	Total NLA (sqm)	Tenure	Total Book Value as at 31Dec 01 (\$'000)
SINGAPORE								
Office								
268 Orchard Road (securitised)	Orchard Road	1989	A	RE Properties Pte Ltd #	100%	12,301	Freehold	170,000
Bugis Village	Junction of Rochor Road/Victoria Street	1989	A	Rochor Square Pte Ltd	100%	10,650	99 yrs	52,500
Caltex House	Raffles Place	2000	A	Savu Properties Limited	55%	24,669	99 yrs	†
Capital Tower	Robinson Road	2000	C	Capital Tower Pte Ltd	100%	68,914	99 yrs	846,000
Capitol Centre	North Bridge Road	1989	A	Capitol Square Pte Ltd	100%	4,545	30 yrs	373
Site at Church Street, China Square	Close to Raffles Place	2000	S	China Square Holdings Pte Ltd	36.8%	2,562 (land area)	999 yrs	†
Hitachi Tower	Raffles Place	2000	A	Savu Investments Pte Limited	50%	26,122	999 yrs	†
Pidemco Centre	South Bridge Road	1989	A	Pidemco Centre Pte Ltd	50%	26,476	99 yrs	†
PWC Building	Close to Raffles Place	2000	C	DBS China Square Ltd	30%	33,029	99 yrs	†
Site and building leased to Raffles Hospital	North Bridge Road	1997	A	Pidemco-Raffles Properties Pte Ltd	50%	20,000	99 yrs	†
Robinson Point (securitised)	Close to Raffles Place	1997	C	Robinson Point Pte Ltd #	100%	12,368	Freehold	172,000
Selegie Complex	Selegie Road	1995	A	Pidemco Property Management Services Pte Ltd	100%	13,186	99 yrs	60,220
Six Battery Road (securitised)	Raffles Place	1989	A	Clover Properties Pte Ltd #	100%	44,901	999 yrs	740,000
SMA House	Dhoby Ghaut Road	1989	A	Pidemco House Pte Ltd	100%	1,795	99 yrs	8,500
Springleaf Tower (9 floors)	Anson Road	1999	A	Brimitty Pte Ltd	100%	8,754	99 yrs	99,000
Starhub Centre	Cuppage Road	1989	A	Cuppage Centre Pte Ltd	100%	25,885	99 yrs	289,167
Temasek Tower	Shenton Way	1995	A	Temasek Tower Ltd	90.1%	62,188	99 yrs	†
The Adelphi	Coleman Street	1988	A	Adelphi Property Pte Ltd	50%	20,596	999 yrs	†
The Exchange	Raffles Place	1992	C	D.L. Properties Ltd	35.4%	23,220	99 yrs	†

* Year of Acquisition (A) Start of Construction (S) Completion (C)

These holding companies are treated as quasi-subsidaries

Name	Location	Year	*	Holding Company	Effective Stake	Total NLA (sqm)	Tenure	Total Book Value as at 31Dec 01 (S\$'000)
Carpark								
Golden Shoe Carpark	Market Street	1989	A	Golden Square Pte Ltd	100%	3,450	99 yrs	68,600
Market Street Carpark	Market Street	1989	A	Pidemco Tower Pte Ltd	100%	1,697	99 yrs	34,500
Mixed Development								
Bugis Junction	Victoria Street	1990	A	Bugis City Holdings Pte Ltd	20%	63,590	99 yrs	†
Retail								
Clarke Quay	River Valley Road	1993	C	Clarke Quay Pte Ltd	100%	21,613	99 yrs	170,000
Funan The IT Mall	North Bridge Road	1984	C	SingMall Property Trust	87%	23,075	99 yrs	†
Junction 8	Bishan	1993	C	SingMall Property Trust	87%	23,186	99 yrs	†
Plaza Singapura	Orchard Road	1974	C	Plaza Singapura Pte Ltd	100%	42,492	Freehold	668,000
Tampines Mall	Tampines Central	1995	C	SingMall Property Trust	87%	29,020	99 yrs	†
Thomson Plaza #03-24	Upper Thomson Road	1979	C	Thomson Plaza Pte Ltd	100%	2,382	99 yrs	9,350
Industrial								
Clementi Complex	West Coast Road	1989	A	Clementi Complex Pte Ltd	100%	31,741	99 yrs	46,000
Corporation Place	Jurong	1993	C	Corporation Place Ltd	75%	58,226	60 yrs	†
Kallang Avenue Industrial Centre	Junction of Kallang Road and Kallang Avenue	1989	A	KAIC Pte Ltd	100%	10,271	99 yrs	29,000
Kallang Bahru Complex	Junction of Kallang Bahru and Kallang Avenue	1989	A	KBC Pte Ltd	100%	15,784	99 yrs	45,000
Technopark @ Chai Chee	Bedok Town	1982	A	Wan Tien Realty Pte Ltd	100%	107,201	60 yrs	239,000
Ubi Techpark	Ubi Avenue 1	1997	A	Ubi Development Pte Ltd	50%	160,898	60 yrs	†

* Year of Acquisition (A) Start of Construction (S) Completion (C)

† Total book value of non-wholly owned Singapore commercial properties: S\$5.55 billion

Name	Location	Year	*	Holding Company	Effective Stake	Total NLA (sqm)	Tenure	Total Book Value as at 31Dec 01 (S\$'000)
CHINA								
Office								
Pidemco Tower	Huangpu District, Shanghai	1998	C	Shanghai Huteng Real Estate Co Ltd	75%	41,661	50 yrs	††
Mixed Development								
Huiteng Metropolis	Huicheng Commercial City, Xiamen	1998	C	Xiamen Huiteng Properties Co Ltd	50%	64,868	50 yrs	††
Raffles Square	Huangpu District, Shanghai	1997	S	Shanghai Hua Qing Real Estate Devt Co Ltd	47.5%	125,208	50 yrs	††
HONG KONG								
Office								
38th Floor Tower One, Lippo Centre	Central	1997	A	Dahlia Properties Pte Ltd	100%	1,380	75 yrs+75 yrs	23,000
Unit 1806-9 Tower Two, Lippo Centre	Central	1997	A	Star Assets Property Ltd	100%	615	75 yrs+75 yrs	9,126
Redevelopment site at 1 Connaught Road	Central	2000	A	Bayshore Development Ltd	35%	38,090 (est. GFA)	999 yrs	††
Industrial								
Corporation Park	Sha Tin	1996	C	Sea Dragon Ltd	30%	40,100	54 yrs	††

* Year of Acquisition (A) Start of Construction (S) Completion (C)

Name	Location	Year	*	Holding Company	Effective Stake	Total NLA (sqm)	Tenure	Total Book Value as at 31Dec 01 (S\$'000)
INDONESIA								
Landbank								
Site in Kebayoran	Jakarta	1993	A	PT Amethyst Wahyu	95%	85,815 (land area)	30 yrs	††
JAPAN								
Office								
Shinjuku Square Tower (19th to 29th Floors)	Shinjuku Ward, Tokyo	2001	A	Shinjuku Square Tower Tokutei Mokuteki Kaisha	50%	11,097	Freehold	††
MALAYSIA								
Office								
Menara Citibank	Jalan Ampang, Kuala Lumpur	1994	A	Inverfin Sdn Bhd	30%	69,222	Freehold	††
UNITED KINGDOM								
Office								
Redevelopment site at 19-31 Moorgate	Moorgate, London	2001	S	CapitaLand UK Holdings Limited	50%	7,705 (estimated)	150 yrs	††
Mixed Development								
Canary Riverside	Canary Wharf, London	2000	C	Canary Riverside Development Pte Ltd	62.5%	Comm: 6,604 Res: 322 units Hotel: 142 rooms	999 yrs	††

* Year of Acquisition (A) Start of Construction (S) Completion (C)

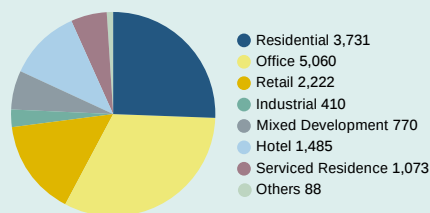
†† Total book value of non-wholly owned overseas commercial properties: S\$1.59 billion

PORTFOLIO ANALYSIS

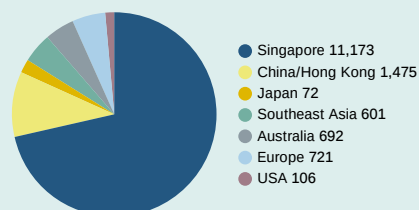
The Group's property portfolio as at 31 December 2001 comprised residential development properties, investment properties, serviced residences and hotels owned by subsidiaries, associated and joint venture companies.

In the following analysis, the values attributable to the CapitalLand Group are used. Investment properties are stated at their market values while residential development properties are stated at book costs (net of any provisions made). Properties treated as fixed assets are stated at book cost.

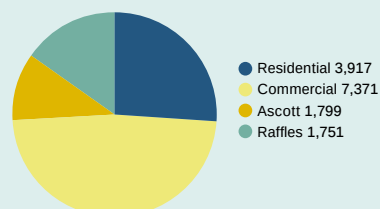
Property
Value by sector (\$m)



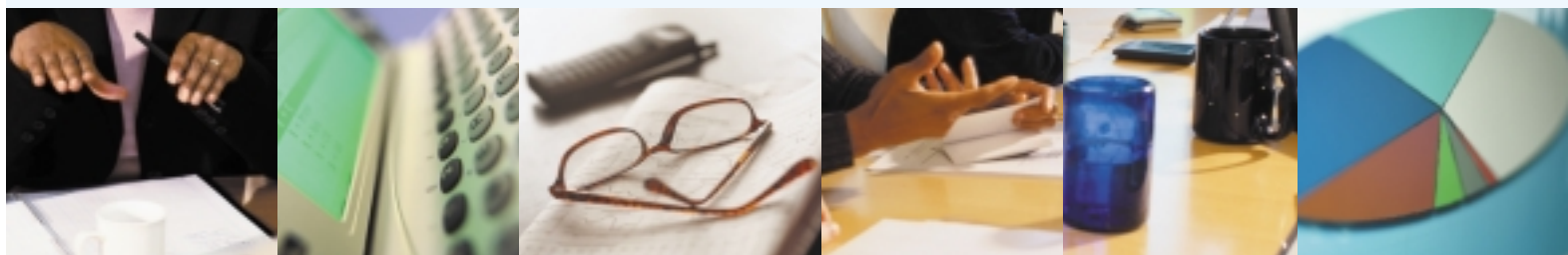
Property
Value by geographical location (\$m)



Property
Value by SBU (\$m)



Financial Review



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64	Value Added Statements

FINANCIAL HIGHLIGHTS

	2001 S\$ million	2000 S\$ million	% Change
(A) Profit and Loss Accounts			
Turnover			
1st Half	1,747.1	1,379.7	26.6
2nd Half	1,620.8	1,542.0	5.1
Total	3,367.9	2,921.7	15.3
Earnings Before Interest and Tax (EBIT)			
1st Half	190.0	62.5	204.0
2nd Half	215.6	248.0	(13.1)
Total	405.6	310.5	30.6
Net (Loss)/Profit attributable to Shareholders			
1st Half	(268.3)	(195.8)	37.0
2nd Half	(6.7)	(91.2)	(92.7)
Total	(275.0)	(287.0)	(4.2)
Net Dividend			
Ordinary share dividends	57.0	38.0	50.0
Preference share dividends	6.3	6.1	3.3
Total	63.3	44.1	43.5
(B) Balance Sheets			
Total Assets	18,352.8	19,585.6	(6.3)
Share Capital	2,517.4	2,517.4	–
Reserves	3,482.7	4,525.0	(23.0)
Shareholders' Funds	6,000.1	7,042.4	(14.8)
Total Borrowings	8,811.5	9,059.8	(2.7)
(C) Financial Ratios			
	2001	2000	% Change
Earnings per share after tax (cents)	(10.9)	(11.5)	(5.2)
Return on Shareholders' Funds (%)	(4.2)	(4.2)	–
Return on Total Assets (%)	1.6	1.0	60.0
Dividend			
Gross ordinary dividend rate (%)	3.0	2.0	50.0
Dividend cover (times)	NM	NM	NM
Net Tangible Assets per share (S\$)	2.37	2.80	(15.4)
Debt Equity Ratio (net of cash) (times)	0.87	0.92	(5.4)
Interest Cover (times)	0.92	0.68	35.3

(D) Segmental Results By Strategic Business Units (SBU)

	2001 S\$ million	Turnover 2000 S\$ million	% Change	2001 S\$ million	Earnings Before Interest & Tax 2000 S\$ million	% Change
Commercial & Financial SBUs	489.5	433.8	12.8	384.5	268.2	43.4
Residential SBU	2,005.9	1,689.8	18.7	(340.7)	189.4	NM
The Ascott Group*	282.1	247.5	14.0	48.4	95.7	(49.4)
RHL Group & RCH**	476.6	445.1	7.1	338.9	94.5	258.6
Property Services SBU	115.5	92.6	24.7	11.3	16.6	(31.9)
E-Business SBU	0.6	–	NM	(5.4)	(3.2)	68.8
Non-Core Businesses	24.1	29.4	(18.0)	(40.5)	(354.6)	(88.6)
– 3 Other Hotels	24.1	29.4	(18.0)	14.7	(158.3)	NM
– Healthcare	–	–	–	(55.2)	(196.3)	(71.9)
Corporate and consolidation adjms	(26.4)	(16.5)	60.0	9.1	3.9	133.3
Group	3,367.9	2,921.7	15.3	405.6	310.5	30.6

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

** Depreciation of about \$24.4M (2000: \$26M) was put through at Group level to align Raffles Holdings' depreciation rates for its hotels to the Group's depreciation rates. In addition, RC Hotels Pte Ltd is a 49% associated company at Raffles Holdings Group level but is a 64.1% subsidiary at Capitaland Group level. Accordingly, adjustments have been made to consolidate RC Hotels Pte Ltd as a subsidiary.

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

	2001 S\$ million	Turnover 2000 S\$ million	% Change	2001 S\$ million	Earnings Before Interest & Tax 2000 S\$ million	% Change
The Ascott Group	282.1	298.3	(5.4)	112.8	112.9	–
Raffles Holdings Group	358.6	336.3	6.6	252.4	123.4	104.5

Note:

1. 2000 comparative figures have been restated to conform with requirements arising from implementation of new/revised accounting standards during the year.

2. NM: Not Meaningful

PERFORMANCE REVIEW

Performance overview

At the time of merger in late 2000, the Group set several financial goals that it wished to achieve within three to five years. It also identified certain key strategies that would enable the Group to meet its targets. The Group is pleased to report that it has made significant progress in executing these strategies in 2001 which had strengthened its balance sheet, intensified its focus on core competencies and grew its third party management fee income.

Nevertheless, declining property values, the general worldwide economic downturn and the effects of the September 11 attacks made 2001 a very difficult year. For the year under review, besides revaluation deficits of S\$424.9 million which had been charged to reserves, the Group also made provisions totalling S\$747.2 million (Group's share is S\$691.6 million) which had been charged to the profit and loss account. These provisions include:

- i) S\$500.3 million for Singapore residential projects and landbank;
- ii) S\$38.9 million revaluation deficits for properties in Hong Kong;
- iii) S\$61.1 million for Parkway shares and Vista Healthcare;
- iv) S\$112.4 million by Raffles Holdings Group for impairment in carrying values of property, plant and equipment and investments; and
- v) S\$34.4 million flowed from The Ascott Group mainly from provisions for loans to third parties and impairment in values of properties.

As a consequence of the above provisions, the Group recorded a loss after tax and minority interests of S\$275.0 million, a marginally lower loss compared to 2000 loss of S\$287.0 million. Without the provisions, a profit of S\$416.6 million

would have been achieved versus 2000 profit of S\$140.8 million (without provisions).

Through sales of non-core and fringe assets, the Group generated divestment proceeds of about S\$1.7 billion and gains of \$431.8 million. As a result, the Group improved its gearing from 0.92 in 2000 to 0.87 at 2001 year-end. The improvement in gearing would have been more significant had the above provisions and revaluation deficits not been made. Excluding the effects of the said provisions and revaluation deficits, gearing would have dropped to 0.76.

Turnover

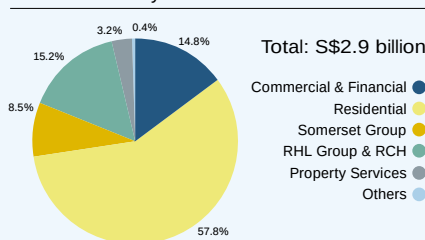
Despite the loss of contribution from divested properties and the weak market sentiments, the Group achieved the 10% to 15% revenue growth set for 2001. Group's turnover was S\$3.4 billion versus S\$2.9 billion in 2000, a 15.3% increase. This is on the back of better residential sales from Australand and China and full

year contribution from Capital Tower and Canary Riverside.

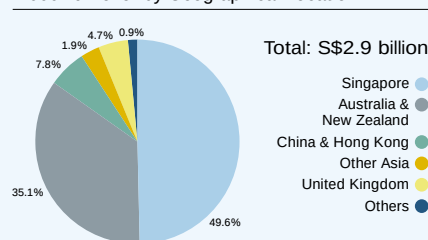
All SBUs shown improvement over their 2000 turnover. Approximately 59.6%, or S\$2.0 billion, was contributed by the Residential SBU. Other major contributors were Commercial SBU (14.5%), Raffles Holdings Group and RC Hotels Pte Ltd (14.1%) and The Ascott Group (8.4%).

In terms of geographical analysis, Singapore was still the Group's largest market with contribution of 41.7% to Group turnover. However, this was a decline from the 49.6% the year before as the Group continuously strove to diversify its geographical base to reduce risks. The acquisition of Swissotel hotel chain which has numerous hotels in Europe, USA and the Middle East/Mediterranean region, and the acquisition of Oakford serviced residences in Australia, together with stepped-up investments in China and the United Kingdom, all helped to contribute to this geographical diversification.

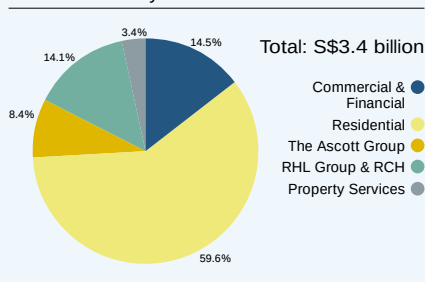
2000 Turnover by SBU



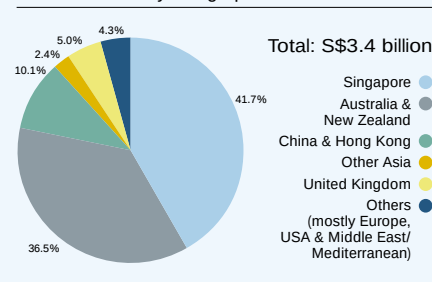
2000 Turnover by Geographical Location



2001 Turnover by SBU



2001 Turnover by Geographical Location

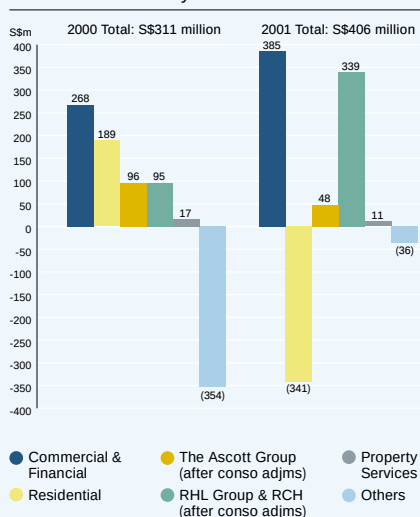


Analysis of results

Group earnings before interest and tax ("EBIT") for 2001 was S\$405.6 million, an increase of 30.6% over 2000.

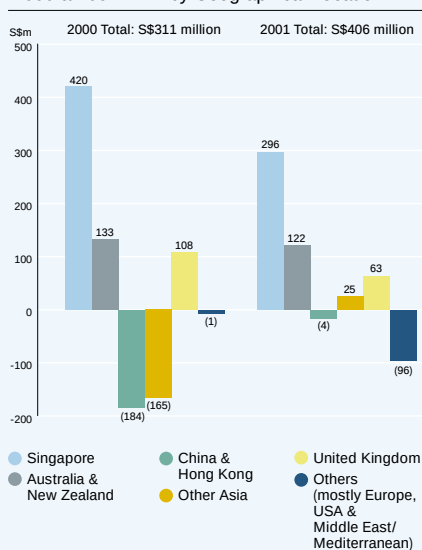
The two key contributors were the Commercial SBU and Raffles Hotels Group whose EBIT increased by 43.4% and 258.6% respectively over 2000 largely due to divestment gains achieved for 2001. Residential SBU recorded a negative EBIT of S\$340.7 million compared to positive EBIT of S\$189.4 million in 2000. The decrease was mainly due to provisions of S\$500.3 million made for Singapore residential projects and landbank as well as the Group's share of revaluation deficit amounting to S\$25.8 million for Hong Kong Parkview Tower. In 2001, the Group disposed of its non-core businesses such as interests in Parkway Holdings Limited and three hotels in Suzhou, Hanoi and Yangon at slightly above written down cost compared to substantial provisions made for these investments in 2000.

2000 & 2001 EBIT by SBU



In terms of geographical analysis, the Group EBIT came mainly from Singapore (72.9%), Australia/New Zealand (30.1%) and United Kingdom

2000 & 2001 EBIT by Geographical Location



(15.5%). However, comparing year-on-year, EBIT from Singapore operations decreased by 29.7% from S\$420.4 million in 2000 to S\$295.6 million in 2001 as the divestment gains achieved for 2001 were offset by substantial provisions made for Singapore residential projects and landbank, and loss of contributions from divested assets. The EBIT from China/Hong Kong and other parts of Asia improved over 2000 due to substantially lesser provisions and better performance from residential projects in China. EBIT of S\$62.9 million from United Kingdom comprised mainly the consolidation of Canary Riverside, the Group's hotel and serviced residences operations in London, and the S\$29.2 million divestment gain of Finsbury Pavement. This was lower than the 2000 EBIT of S\$108.3 million which was contributed mainly by the sale of land rights in Canary Riverside.

Dividends

Although the Group recorded a loss of S\$275 million, the key consideration was to maintain CapitaLand's dividend track and to provide shareholders with a reasonable return on their investment. As such, the Directors

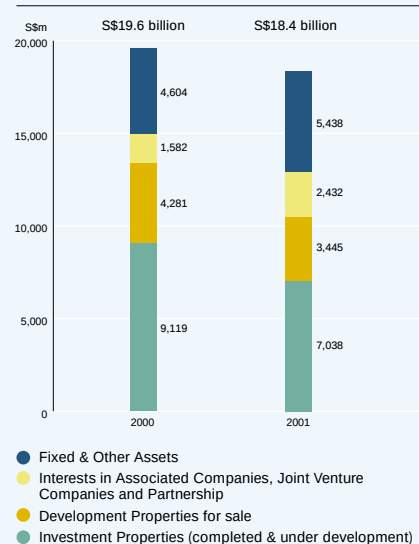
have proposed a first and final dividend of 3% (2000: 2%). The net cash outflow after deducting tax of 24.5% is about S\$57.0 million.

Assets

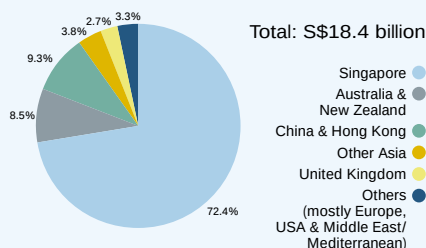
Total Group assets fell 6.3% from S\$19.6 billion in 2000 to S\$18.4 billion in 2001. The decrease was mainly due to a highly successful divestment programme which saw assets totalling S\$1.7 billion in value being monetised to pare down debt and fund new acquisitions. The reduction in assets value was also due to the decline in the market valuation of investment properties and provisions made for residential projects and landbank in Singapore and impairment to fixed assets and investments. The said revaluation deficit and provisions totalled about \$1.2 billion.

The above decrease in assets value was partially offset by new acquisitions such as the Swissotel hotel chain in Europe by Raffles Holdings Group, the Oakford serviced residences chain in Australia by The Ascott Group and Shinjuku Square Tower in Japan by Commercial SBU.

Total Assets by Category



Total Assets by Geographical Location



Shareholder's equity

There was no change in the issued and paid-up ordinary share capital of the Company. On the maturity date of 31 December 2001, the Company redeemed the 172,500 2% redeemable convertible cumulative preference shares ("RCCPS") of US\$1 each at the redemption price of US\$1,171.10 per preference share based on a yield to redemption of 5% per annum. The RCCPS had been classified as a debt since 2000.

The Group revaluation reserve decreased substantially by S\$729.8 million from S\$1.1 billion in 2000 to S\$339.9 million at 2001 year-end. This was mainly due to revaluation deficits of S\$424.9 million charged to it for decline in value of properties. In addition, realised revaluation reserve of S\$304.9 million had been transferred to the profit and loss account as a result of divestments.

Accumulated losses also increased significantly from S\$45.6 million in 2000 to S\$378.8 million in 2001, largely due to the loss of S\$275 million recorded for the year. As mentioned earlier, the loss was attributed to substantial provisions made for the year of which the Group's share was S\$691.6 million.

Arising from the above and movements in other reserves, the shareholders' funds as at 2001 year end was S\$6.0 billion, a reduction of S\$1.0 billion or 14.8%, from S\$7.0 billion in 2000. In tandem, net tangible backing per share fell 43 cents to \$2.37 from \$2.80 the year before.

Treasury Highlights

	2001	2000
Bank Facilities And Available Funds		
Amount available for drawdown (S\$m)	7,032	7,166
Amount utilised for loans (S\$m)	5,007	5,008
Balance unutilised (S\$m)	2,025	2,158
Bank/cash balances and fixed deposits (S\$m)	1,923	879
Total unutilised facilities and funds available for use (S\$m)	3,948	3,037
Capital Markets Capacity		
Debt programmes in place (S\$m)	6,546	6,795
Debt securities outstanding (net of debt securities purchase) (S\$m)	3,805	4,052
Unused capital market capacity (S\$m)	2,741	2,743
Interest Cover Ratio		
Net profit before interest and tax (S\$m)	322	241
Net interest expense (S\$m)	349	354
Interest cover ratio (times)	0.92	0.68
Interest Service Ratio		
Operating cash surplus before interest and tax (S\$m)	1,557	1,022
Net interest paid (S\$m)	471	381
Interest service ratio (times)	3.31	2.68
Secured Debt Ratio		
Total secured debt (S\$m)	3,078	3,285
Percentage of secured debt	35%	36%
Debt/Equity Ratio		
Total debts (S\$m)	8,812	9,060
Bank/cash balances and fixed deposits (S\$m)	1,923	879
Net debts (S\$m)	6,889	8,181
Total equity (S\$m)	7,886	8,896
Debt equity ratio (net of bank/cash balances and fixed deposits) (times)	0.87	0.92

Note:
2000 comparative figures have been restated to conform with requirements arising from implementation of new/revised accounting standards during the year.

Management and sources of funding

The Group places a lot of emphasis on maintaining a prudent financial structure. This includes, among others, keeping a close watch on its cashflow situation, its debt maturity profile and its overall liquidity position. To ensure prudent liquidity management, the Group strives to maintain available banking facilities of at least 25% of its net debt level.

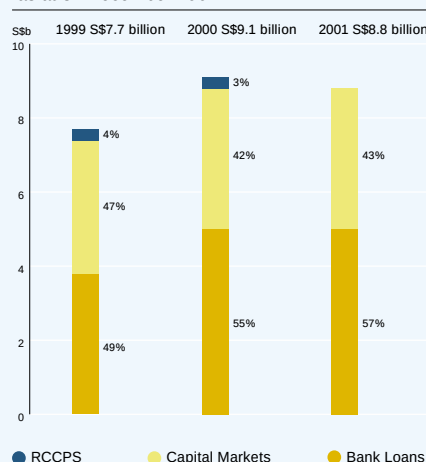
The Group's total debt level is 2.7% lower as at 31 December 2001 compared to previous year. In addition, its cash and fixed deposits balances have risen by a substantial 119% to S\$1.9 billion. As such, the Group's net debt position was only S\$6.9 billion on 31 December 2001, a 16% improvement from a year ago. Most of the cash reserves will be utilised to repay borrowings or finance other investment outlay.

The significant decline in net debt is largely due to the Group's successful asset divestment strategy. In 2001, the Group divested S\$1.7 billion of assets. The assets divested includes the securitisation of its 55% stake in Raffles City Pte Ltd by Raffles Holdings Limited, the sale of Orchard Point retail mall by The Ascott Holdings Limited, the sale of its investment stake (16.7%) in Parkway Holdings Limited and the disposal of our commercial office building site at Finsbury in the United Kingdom.

Sources of funding

The Group sources its funding from both financial institutions and the capital markets. Whenever possible, the Group will raise its funding requirement via the capital markets. This is to ensure that the funding capacity from financial institutions are allocated for project

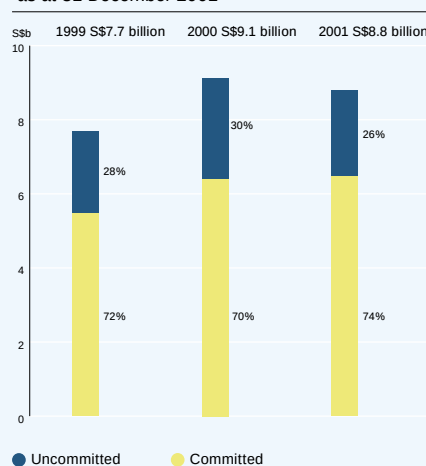
Sources of Funding
as at 31 December 2001



financing or where bank source type of funding is more appropriate.

As at year end, 43% of the Group's funding is from the capital markets. The balance 57% is funded by financial institutions. For year ended 31 December 2001, bank lines for the Group totalled S\$7.03 billion and S\$2.03 billion are utilised as at year end.

Commitment of Funding
as at 31 December 2001



Commitment of funding

In 2001, proceeds from the Group's asset divested was more than S\$1.7 billion. As such, the Group was able to minimise its costs of funding by tapping the lower cost of short term uncommitted funding. Nevertheless, as part of prudent financial management as at 31 December 2001, 74% of the Group's loans are on committed basis. Whenever possible, the Group endeavours to raise committed funding from both the capital markets and financial institutions.

Maturity profile

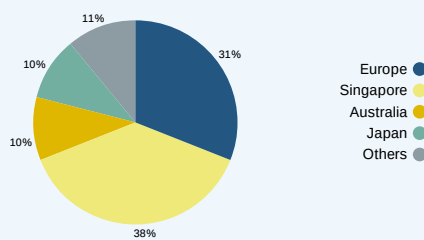
	S\$ billion	%
Yearly Maturity		
Analysis of Loans		
Due within 1 year	4.80	54
Between 1 & 2 years	1.46	17
Between 2 & 3 years	0.53	6
Between 3 & 4 years	0.28	3
Between 4 & 5 years	0.57	7
More than 5 years	1.17	13

As at 31 December 2001, the Group has S\$1.9 billion in cash balances. However, as at date of this report, the Group has already utilised close to S\$660 million to repay the loans due within one year. It intends to use the remaining cash balances to redeem outstanding loans, where appropriate. In addition, the Group has sufficient lines of credit available to meet its short-term debt obligations. The Group actively manages its maturity profile and whenever possible will balance it with its divestment plans.

Available lines by nationality of banks as at 31 December 2001

The Group has extensive and active relationship with a network of not less than 40 banks of various nationalities. The number has

Available Lines by Nationality of Banks
as at 31 December 2001

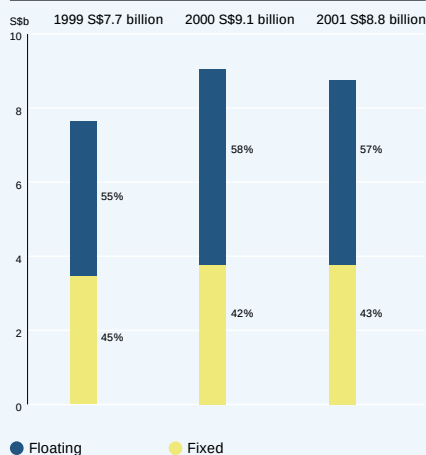


reduced in comparison to the previous year as a result of the ongoing mergers and acquisition within the banking industry.

Interest rate profile

The Group manages its interest costs by maintaining a prudent mix of fixed and floating rate borrowings. On a portfolio basis, the fixed rate borrowings constituted 43% and the balance 57% were on floating rate basis. The more than 40% fixed rate ratio offers protection against interest rates hikes and also

Analysis of Fixed and Floating Rate Loans
as at 31 December 2001



allow the Group to achieve a lower interest costs in view of the low interest rate environment during the year.

The Group actively manages its interest rate profile, taking into account the investment holding period, the divestment plans and the nature of the assets.

During the year, the Group's average rate of cost of borrowing for the various currencies loans has generally decline due to the low interest rate environment.

Gearing

	2001	2000
Debt/Equity ratio (net of cash/fixed deposit balances)		

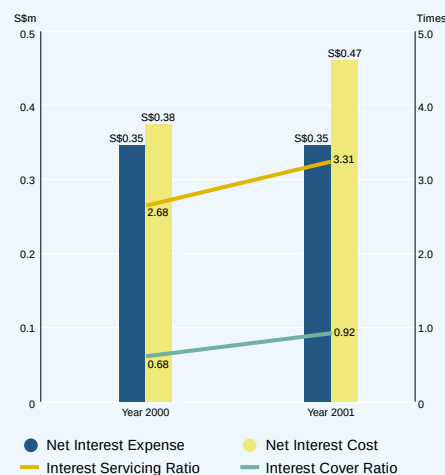
With provision of losses	0.87	0.92
Without provision of losses	0.76	0.88

For the year ended 31 December 2001, the gearing has shown improvement as a result of the divestment completed by the Group during the financial year.

Interest Cover Ratio ("ICR") and Interest Service Ratio ("ISR")

The ICR and the ISR was 0.92 and 3.31 respectively. The ICR has improved as compared to previous year as a result of improved net profits generated during the year from operations. The ISR has also improved from previous year level of 2.68 to 3.31. The improved ISR reflects a strengthening ability by the Group to pay interest costs from its operating cashflow.

Interest Cover and Interest Servicing Ratio



Note: 2000 comparative figures have been restated to conform with requirements arising from implementation of new/revised accounting standards during the year.

5-YEAR FINANCIAL SUMMARY

	1997	1998	1999	2000	2001
(A) Profit and Loss Accounts (\$ million)					
Turnover by Activity					
Commercial properties' rental and related income	429.6	408.3	416.1	463.6	619.3
Residential properties sales and related income	1,173.1	1,754.3	1,860.1	1,863.9	2,054.2
Serviced residences operations	28.1	29.7	63.1	91.4	138.9
Hotels operations	313.2	323.8	336.6	398.1	470.6
Property, project and other management services	128.7	110.1	103.9	117.8	116.3
Other income	51.4	29.0	36.3	65.9	28.1
Inter-segment elimination	(50.7)	(24.9)	(31.2)	(79.0)	(59.5)
Total	2,073.4	2,630.3	2,784.9	2,921.7	3,367.9
Earnings Before Interest and Tax (EBIT) by Activity					
Commercial properties' rental and related income	316.6	324.3	281.2	288.1	595.8
Residential properties sales and related income	228.5	(425.0)	291.2	296.8	(322.9)
Serviced residences operations	4.0	4.3	6.3	31.9	15.7
Hotels operations	12.0	(50.7)	12.1	(132.2)	149.0
Property, project and other management services	21.0	22.5	18.5	22.3	11.4
Other income	0.1	(20.8)	0.7	(194.5)	(43.4)
Inter-segment elimination	(1.4)	(10.4)	3.0	(1.9)	-
Total	580.8	(155.8)	613.0	310.5	405.6
Net Profit/(Loss) attributable to Shareholders	225.7	(724.7)	212.8	(287.0)	(275.0)
(B) Balance Sheets (\$ million)					
Investment Properties (completed and under development)	7,982.5	7,212.0	8,267.2	9,118.6	7,038.4
Development Properties for Sale	3,575.8	2,829.9	3,536.3	4,281.2	3,445.1
Associated & Joint Venture Companies and Partnerships	1,405.6	991.8	1,428.7	1,581.7	2,431.8
Fixed and Other Assets	2,281.2	2,709.4	4,400.1	4,604.1	5,437.5
Total Assets	15,245.1	13,743.1	17,632.3	19,585.6	18,352.8
Shareholders' Funds	6,623.3	5,467.1	6,784.0	7,042.4	6,000.1
Total Borrowings	6,329.7	6,119.8	7,686.9	9,059.8	8,811.5
Minority Interests and Other Liabilities	2,292.1	2,156.2	3,161.4	3,483.4	3,541.2
Total Equities & Liabilities	15,245.1	13,743.1	17,632.3	19,585.6	18,352.8
(C) Financial Ratios					
Earnings per share after tax (cents)	13.4	(37.1)	9.5	(11.5)	(10.9)
Return on Shareholders' Funds (%)	3.5	(12.0)	3.5	(4.2)	(4.2)
Return on Total Assets (%)	2.3	(4.7)	3.3	1.0	1.6
Dividend					
Gross ordinary dividend rate (%)	6.4	1.7	2.7	2.0	3.0
Dividend cover (times)	2.3	NM	3.9	NM	NM
Net Tangible Assets per share (\$)	3.56	2.56	2.71	2.80	2.37
Debt Equity Ratio (net of cash) (times)	0.81	0.95	0.77	0.92	0.87
Interest Cover (times)	4.02	NM	2.48	0.68	0.92

Note:

- Only 2000 comparative figures have been restated to conform with requirements arising from implementation of new/revised accounting standards during the year.
- NM: Not Meaningful

SHAREHOLDER VALUE

The year 2001 was a roller-coaster ride for the Singapore stock market. As one of the largest listed companies on the local bourse, CapitaLand's shares enjoy widespread institutional following. As such, macroeconomic events including the slowdown in the Singapore economy, the September 11 incident and the weakened global economic outlook affected the Company's share price performance.

Therefore it was not surprising that the shares trended lower in the first quarter after beginning the year at S\$2.98. This could be due to the weak Singapore residential property market, as property developers delayed new launches in light of weak buying sentiment.

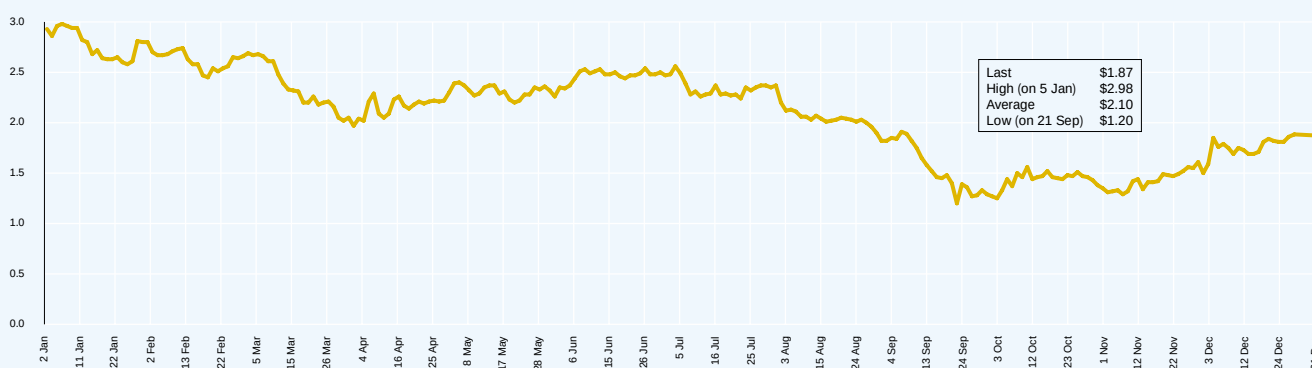
However, the decline in the Company's share price may have been excessive, down more than 30% as at end March 2001. With the release of the year's first quarter market statistics from the Urban Redevelopment Authority (URA), which showed a modest 4.0% decline

in private housing prices, there was renewed interest in CapitaLand's shares. From a low of S\$1.97 at the start of the second quarter, the Company's shares rose by 30%, topping out at S\$2.56 on 4 July 2001. This rally ended partly due to signs of deterioration in the Singapore economy. CapitaLand's shares came under additional selling pressure following the release of the Company's first quarter results which included substantial, but necessary provisions for its Singapore residential assets. The terrorist attack in New York on September 11 further weakened the share price. The steep price fall following the September 11 attack eventually drew bargain hunters back to the market. CapitaLand's share price hit a low for 2001 at S\$1.20 on 21 September 2001, some 53% off the previous high of S\$2.56 on 4 July 2001 before rebounding yet again.

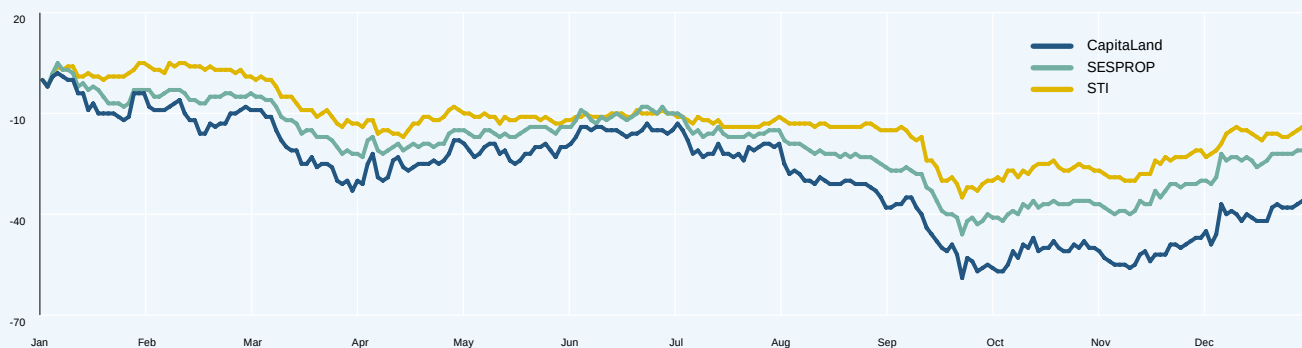
The rebound in CapitaLand's share price post 21 September 2001 continued despite the Company's decision to defer the listing of the

SingMall Property Trust. Market disappointment with the deferment was offset by compelling evidence of an improvement in the Singapore residential market. Although private housing prices remained low, there was a strong increase in the number of units sold. According to URA statistics, a total of 3,461 units were sold in the fourth quarter of 2001, up 76% compared to the third quarter of 2001. The fourth quarter was also the best performing quarter in terms of volume of transactions. The Company launched The Levelz and relaunched Tanamera Crest in the last quarter. Both projects were well-received. Tanamera Crest sold out within three weeks after its relaunch while over 75% of the units in The Levelz were sold by the end of 2001. Consequently, the Company's shares were up 56% to S\$1.87 at the end of the year compared to the most recent low of S\$1.20 in September. Over this same period, the Company's shares outperformed both the STI and the SESPROP index by 25% and 10% respectively.

CapitaLand's Share Price
for the year 2001



Relative Performance of CapitalLand Share Price
STI And Singapore Equities Property Index
(SESPROP)
for the year 2001



	Note	2000	2001
Share Price (S\$)	1		
Last Transacted*		3.000	1.870
High*		3.380	2.980
Low*		1.980	1.200
Average*		2.533	2.103
Turnover (Million Shares)*	1	1.153	4.541
Per Share			
Earnings (cents)	2	(11.5)	(10.9)
Dividends (cents)		2.0	3.0
Dividend Yield (%)	3	0.8	1.4
Net price-earnings ratio (times)	3	N.M	N.M
Net Asset Backing (S\$)		2.80	2.37

Note 1: Share prices and turnover reflect transactions recorded on the Singapore Exchange (DBS Land share price and turnover prior to 21 November 2000).

Note 2: Earnings are based on Group profit/(loss) after tax, minority interests and extraordinary items.

Note 3: In calculating dividend yield and net price-earnings ratio, average share prices have been used.

N.M.: Not meaningful.

* Source: Bloomberg

ECONOMIC VALUE ADDED STATEMENTS

	Note	2001 S\$ million	2000 S\$ million
Net Operating Profit Before Tax		(49.0)	(103.8)
Adjusted for:			
Share of associated companies, joint venture companies and partnerships' profits/(losses)		21.8	(8.5)
Interest expense	1	551.0	495.4
Others		51.9	75.2
Adjusted Profit Before Interest and Tax		575.7	458.3
Cash operating taxes	2	(252.1)	(253.5)
Net Operating Profit After Tax (NOPAT)	3	323.6	204.8
Average capital employed	4	16,971.2	16,154.7
Weighted average cost of capital (%)	5	8.52	10.10
Capital Charge		1,446.0	1,631.6
Economic Value Added		(1,122.4)	(1,426.8)

Note 1: Interest expense is adjusted for interest expense capitalised in previous years now released to the profit and loss.

Note 2: The reported current tax is adjusted for the statutory tax impact of interest expense.

Note 3: NOPAT includes divestment gains of \$620M (2000: \$25M) and provisions of \$712M (2000: \$354M).

Note 4: Average total assets are derived after deducting non-interest bearing liabilities and adding back timing provision, goodwill amortised, unusual gain/(loss) items and present value of operating leases. Any increases or decreases in the market values of investment properties from their historical/acquisition costs are excluded in the determination of average total assets.

Note 5: The Weighted Average Cost of Capital is calculated in accordance with Singapore Technologies (ST) Group EVA Policy as follows:

- i) Cost of Equity using Capital Asset Pricing Model with market risk premium at 7.0% (2000: 7.0%) (with reference to the returns of various MSCI Indices from 1987 to 2000).
- ii) Risk-free rate of 4.12% (2000: 4.57%) based on yield-to-maturity of Singapore Government 10-year Bonds.
- iii) Ungeared beta of 0.70 to 0.85 (2000: 1.0) based on ST risk categories for CapitaLand's strategic business units.
- iv) Cost of debt at 4.58% (2000: 5.25%) (using 5-year Sing\$ swap offered rate + 75 basis points).

Note: 2000 comparative figures have been restated to conform with requirements arising from implementation of new/revised accounting standards during the year.

VALUE ADDED STATEMENTS

	2001 S\$ million	2000 S\$ million
Value Added From:		
Revenue earned	3,367.9	2,921.7
Less bought in materials and services	(2,806.6)	(1,814.5)
Gross Value Added	561.3	1,107.2
Share of associated companies, joint venture companies and partnerships' profits/(losses)	21.8	(8.5)
Exchange gains	10.0	0.7
Other operating income/(expense)	535.7	(294.1)
	567.5	(301.9)
Total Value Added	1,128.8	805.3
Distribution:		
To employees in wages, salaries and benefits	403.7	300.2
To government in taxes & levies	167.1	152.7
To providers of capital in:		
– Net interest on borrowings	433.3	410.0
– Dividends to shareholders	38.0	48.2
	1,042.1	911.1
Balance Retained in the Business:		
Depreciation and amortisation	161.7	120.3
Retained losses	(275.0)	(287.0)
Minority interests	142.4	53.0
	29.1	(113.7)
Non-production Cost and Income		
Bad debts and provision of doubtful debts	57.6	7.9
Total Distribution	1,128.8	805.3
Productivity Analysis:		
Value added per employee (S\$'000)*	42	121
Value added per dollar of employment costs (S\$)	1.38	3.68
Value added per dollar investment in fixed assets (S\$)	0.25	0.51

* Based on Dec 2001 headcount of 13,296 (2000: 9,168).

Note: 2000 comparative figures have been restated to conform with requirements arising from implementation of new/revised accounting standards during the year.

Statutory Accounts

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Directors' Report

On behalf of all the directors of the Company, we are pleased to submit this annual report to the members together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2001.

Directors

The directors in office at the date of this report are as follows:

Philip Yeo Liat Kok
 Hsuan Owyang
 Peter Seah Lim Huat (Appointed on 18 December 2001)
 Liew Mun Leong
 Sir Alan Cockshaw
 Hsieh Fu Hua
 Lim Chin Beng
 Vernon R Loucks Jr.
 Sum Soon Lim
 Jackson Peter Tai
 Lucien Wong Yuen Kuai

Principal Activities

The principal activities of the Company during the financial year are those relating to investment holding, the provision of property management and related agency and consultancy services as well as the corporate headquarters which gives direction, provides management support services and integrates the activities of its subsidiaries.

The principal activities of the subsidiaries are set out in note 49 to the accompanying financial statements.

There have been no significant changes in the activities of the Group or of the Company during the financial year.

Acquisitions and Disposals of Interests in Subsidiaries

(a) Companies Incorporated

During the financial year, the following subsidiaries were incorporated:

Incorporated by Subsidiaries	Effective interest held by the Group
Castle Star Developments Limited	100.0%
CapitaLand Residential Singapore Pte Ltd	100.0%
Australand Apartments No. 1 Pty Limited	63.2%
Australand Apartments No. 2 Pty Limited	63.2%
Australand Apartments No. 3 Pty Limited	63.2%
Australand Apartments No. 4 Pty Limited	63.2%
Australand Apartments (Qld) Pty Limited	63.2%
Australand Holdings Custodian Pty Limited	63.2%
Australand Industrial Constructions Pty Limited	63.2%
Australand Industrial Pty Limited	63.2%
Australand Industrial No. 2 Pty Limited	63.2%
Australand Industrial No. 3 Pty Limited	63.2%
Australand Industrial No. 4 Pty Limited	63.2%
Australand Industrial No. 5 Pty Limited	63.2%
Australand Industrial No. 6 Pty Limited	63.2%
Australand Industrial No. 7 Pty Limited	63.2%
Australand Industrial No. 8 Pty Limited	63.2%
Australand Industrial No. 9 Pty Limited	63.2%
Australand Industrial No. 10 Pty Limited	63.2%

Incorporated by Subsidiaries	Effective interest held by the Group
Australand Industrial No. 11 Pty Limited	63.2%
Australand Industrial No. 12 Pty Limited	63.2%
Australand Industrial No. 13 Pty Limited	63.2%
Australand Industrial No. 14 Pty Limited	63.2%
Australand Industrial No. 15 Pty Limited	63.2%
Australand Industrial No. 16 Pty Limited	63.2%
Australand Industrial No. 17 Pty Limited	63.2%
Australand Industrial No. 18 Pty Limited	63.2%
Australand Industrial No. 19 Pty Limited	63.2%
Australand Industrial No. 20 Pty Limited	63.2%
Australand Industrial No. 21 Pty Limited	63.2%
Australand Industrial No. 22 Pty Limited	63.2%
Australand Industrial No. 23 Pty Limited	63.2%
Australand Industrial No. 24 Pty Limited	63.2%
Australand Industrial No. 25 Pty Limited	63.2%
Australand Industrial Projects Pty Limited	63.2%
Australand Management Services (Vic) Pty Limited	63.2%
Australand Apartments Pty Limited	63.2%
Atchison Street Pty Limited	63.2%
Macleay Apartment Holdings Pty Limited	63.2%
Nexus Apartments Pty Limited	63.2%
Australand Apartment Nominees Pty Limited	63.2%
Australand Apartment Nominees No. 2 Pty Limited	63.2%
Platinum Street Pty Limited	63.2%
AWPT No 2 Construction Finance Pty Limited	63.2%
AWPT No 2 Post Construction Finance Pty Limited	63.2%
Australand Wholesale Investments (No. 3) Limited	63.2%
Australand Wholesale Investments No. 4 Limited	63.2%
Braeside Property Developments Pty Limited	63.2%
Freshwater No. 1 Pty Limited	63.2%
Freshwater No. 2 Pty Limited	63.2%
Freshwater No. 3 Pty Limited	63.2%
Freshwater No. 4 Pty Limited	63.2%
Freshwater No. 5 Pty Limited	63.2%
Freshwater No. 6 Pty Limited	63.2%
Freshwater No. 7 Pty Limited	63.2%
Freshwater No. 8 Pty Limited	63.2%
Freshwater No. 9 Pty Limited	63.2%
Melbourne Apartment Developments Pty Limited	63.2%
Elizabeth Street Melbourne Pty Ltd	63.2%
Walker W9 & 10 Stage 4B Pty Ltd	63.2%
CapitaLand China Holdings (Commercial) Pte Ltd	100.0%
CapitaLand Commercial Kabushiki Kaisha	100.0%
Pyramex Investments Pte Ltd	100.0%
SingMall Property Trust	87.0%
SingMall Property Trust Management Ltd	100.0%
CCL Office Pte Ltd #	50.0%
CR Hotel Investment Pte Ltd	62.5%
Raffles Corporation (Switzerland) Pte Ltd	60.1%
PREMAS Environ Pte Ltd	60.0%
PREMAS Technologies Pte Ltd	100.0%
Ascott Property Management (Beijing) Co., Ltd	68.9%

CCL Office Pte Ltd was incorporated as a wholly-owned subsidiary during the year. The subsequent dilution is presented in (f) below.

b) Trusts Formed

Formed by Subsidiaries	Effective interest held by the Group
Stradbroke Street Unit Trust	63.2%
Rudd Street Unit Trust	63.2%
The Industrial Project (Non-MOF) No. 1 Unit Trust	63.2%
The Industrial Project (Non-MOF) No. 2 Unit Trust	63.2%
The Industrial Project (Non-MOF) No. 3 Unit Trust	63.2%
The Industrial Project (Non-MOF) No. 4 Unit Trust	63.2%
The Industrial Project (Non-MOF) No. 5 Unit Trust	63.2%
Mandible Street Unit Trust	63.2%
Beaudesert Road Unit Trust	63.2%
Apartment Project (Non-MOF) No. 1 Unit Trust	63.2%
Apartment Project (Non-MOF) No. 2 Unit Trust	63.2%
Apartment Project (Non-MOF) No. 3 Unit Trust	63.2%
Apartment Project (Non-MOF) No. 4 Unit Trust	63.2%
Apartment Project (Non-MOF) No. 5 Unit Trust	63.2%
Roy Street Unit Trust	63.2%
Australand Wholesale Property Trust No. 3	63.2%
Australand Wholesale Property Trust No. 4	63.2%
Australand Wholesale Property Trust No. 5	63.2%
Australand Wholesale Property Trust No. 6	63.2%
Australand Wholesale Property Trust No. 7	63.2%
The Broadbeach Unit Trust	63.2%
Minto No. 1 Unit Trust	63.2%
Minto No. 2 Unit Trust	63.2%
Minto No. 3 Unit Trust	63.2%
Minto No. 4 Unit Trust	63.2%
Minto No. 5 Unit Trust	63.2%
Minto No. 6 Unit Trust	63.2%
Stephen Road No. 2 Unit Trust	63.2%
Stanton Road No. 2 Unit Trust	63.2%
Ferndell Street Unit Trust	63.2%
Macleay Street Unit Trust	63.2%
Apartment Project No. 2 Unit Trust	63.2%
Apartment Project No. 3 Unit Trust	63.2%
Apartment Project No. 4 Unit Trust	63.2%
Apartment Project No. 7 Unit Trust	63.2%
Apartment Project No. 8 Unit Trust	63.2%
Apartment Project No. 9 Unit Trust	63.2%
Apartment Project No. 10 Unit Trust	63.2%
No 40-46 Atchison Street Unit Trust	63.2%
Bullecourt Place Unit Trust	63.2%
Outer Harbour Unit Trust	63.2%
Industrial Project No. 2 Unit Trust	63.2%
Industrial Project No. 3 Unit Trust	63.2%
Industrial Project No. 4 Unit Trust	63.2%
Industrial Project No. 5 Unit Trust	63.2%
Trust Project No. 6 Unit Trust	63.2%
Trust Project No. 7 Unit Trust	63.2%
Trust Project No. 8 Unit Trust	63.2%
Trust Project No. 9 Unit Trust	63.2%
Trust Project No. 10 Unit Trust	63.2%
Trust Project No. 11 Unit Trust	63.2%
Trust Project No. 12 Unit Trust	63.2%
Greystanes No. 1 Unit Trust	63.2%
Greystanes No. 2 Unit Trust	63.2%
Greystanes No. 3 Unit Trust	63.2%

(c) Companies Acquired

The following subsidiaries were acquired during the financial year:

Name of Subsidiary acquired	Consideration \$'000	Group's share of net tangible assets/ (liabilities) acquired \$'000	Group's effective interest %
Acquired by subsidiaries			
Ascott Group (Jersey) Limited	*	*	68.9
Oakford Australia Pty Ltd	A\$7,830	*	68.9
Swissôtel Holding AG	288,662	254,699	60.1

* Less than \$1,000.

(d) Additional Interest Acquired

Companies in which additional interests were acquired by subsidiaries	Consideration \$'000	Group's share of net tangible assets/ (liabilities) acquired \$'000	Group's effective interest before and after additional acquisition Before %	After %
Somerset (Australia) Pte Ltd	*	(12)	51.7	68.9

* Less than \$1,000.

(e) Companies Disposed

Companies disposed	Group's effective interest before and after disposal Before %	After %
By the Company		
PID Investments Pte Ltd [#]	82.5	—
– Westlake International Company	61.9	—
SGN Investment & Development Pte Ltd [#]	100.0	—
Suten Investment & Development Pte Ltd [#]	100.0	—
– Suzhou Wugong Hotel Co., Ltd	82.7	—
Yangon Investment Pte Ltd [#]	89.0	—
– Yangon Hotel Limited	84.6	—

The Company disposed of its entire equity interests in the above subsidiaries which are the intermediate holding companies for three overseas hotels, namely the Suzhou Sheraton Hotel, the Meritus Westlake Hotel in Hanoi and Hotel Equatorial in Yangon. Net sale consideration received was \$14.3 million and the Group's share of net tangible liabilities disposed of, including foreign exchange translation loss, was \$12.9 million at the disposal date.

[#] Intermediate holding companies for three overseas hotels.

Companies disposed	Consideration \$'000	Group's share of net tangible assets/ (liabilities) disposed of \$'000	Group's effective interest before and after disposal Before %	After %
By subsidiaries				
Beijing Enctech Electronic Technology Ltd	22	(359)	98.1	—
Fusion Investments Pte Ltd	4,586	502	100.0	—
Sovereign Management (Qld) Pty Limited	*	*	63.2	—
Talavera Herring Pty Limited	*	*	63.2	—

* Less than \$1,000.

(f) Dilution of Interest

Companies in which interest was diluted	Consideration \$'000	Group's share of net tangible assets/ (liabilities) disposed of \$'000	Before %	Group's effective interest before and after dilution After %
CCL Office Pte Ltd	*	*	100.0	50.0
China Club Investment Pte Ltd	*	*	54.4	48.0
Adelphi Property Pte Ltd	59,874	71,172	100.0	50.0
Pidemco Centre Pte Ltd	109,141	100,300	100.0	50.0
hospitalitybex pte ltd	*	*	60.1	46.8
Tincel Properties (Private) Limited				
[formerly known as Raffles City (Private) Limited]	984,500	821,203	60.1	27.0
Temasek Tower Limited	#	#	100.0	90.0

In addition to the above, Australand Holdings Limited ("Australand"), a 63.4% owned subsidiary, has issued 964,000 ordinary shares by virtue of the exercise of options granted under the Share Option Scheme of Australand. Arising therefrom, the Group's effective equity interest in the Australand Group at year end became 63.2%.

Australand Group also diluted its 100% interests in Australand Wholesale Property Trust, Stanton Road No.1 Unit Trust, South Park No. 2 Unit Trust, Henry Deane Building Trust, Maribyrnong Unit Trust, Shettleston Street Trust, The Gateway Building Trust, Trade Street Unit Trust and Walters Road Unit Trust. Arising therefrom, these companies had been reclassified as investments.

* Less than \$1,000

Not applicable

(g) Companies Liquidated/Deregistered

Companies liquidated/deregistered by subsidiaries	Effective interest previously held by the Group %	%
Southwold Ltd	32.5	—
Walker Industrial Developments Pty Limited	63.2	—
Walker Residential Developments Pty Limited	63.2	—

Financial Results

The results of the Group and of the Company for the financial year were as follows:

	The Group \$'000	The Company \$'000
(Loss)/Profit after taxation	(132,611)	39,032
Minority interests	(142,435)	—
(Loss)/Profit attributable to shareholders	(275,046)	39,032
(Accumulated losses)/Unappropriated profits brought forward, as previously reported	(61,577)	231,057
Effect of adopting accounting standards:		
– SAS 10 (dividend proposed in 2000 and declared in 2001)	38,012	38,012
– SAS 31 (provisions)	4,850	—
– SAS 34 (intangible assets)	(22,005)	—
(Accumulated losses)/Unappropriated profits brought forward, as restated	(40,720)	269,069
(Loss)/Profits available for appropriation	(315,766)	308,101
Appropriations:		
First and final dividend paid of 2% less tax at 24.5% in respect of year 2000	(38,012)	(38,012)
Transfer to capital reserve	(23,118)	—
Transfer to capital redemption reserve	(1,901)	(313)
(Accumulated losses)/Unappropriated profits carried forward	(378,797)	269,776

Movements in Reserves or Provisions

Movements in reserves during the year are as set out in the Statements of Changes in Equity for the Group and the Company. Movements in provisions (including allowance, impairment, depreciation and amortisation) are as set out in the accompanying financial statements.

Issues of Shares or Debentures

(a) Issue of Shares

(i) By the Company

During the financial year, the Company did not issue any shares.

(ii) By Subsidiaries

The following subsidiaries issued the following shares:

Name of Subsidiaries	Description of shares issued	Purpose of Issue
Castle Star Developments Limited	2 ordinary shares of US\$1 each issued at par for cash fully paid	Subscribers' shares
CapitaLand Residential Limited	999,999,998 ordinary shares of \$1 each issued at par fully paid by way of capitalisation of shareholder's loan	To finance the acquisition of residential companies within the Group
	2,000,000 redeemable preference shares of \$1 each issued at a premium of \$999 per share fully paid by way of capitalisation of shareholder's loan	
Australand Holdings Limited	934,000 ordinary shares issued at A\$1 per share for cash fully paid #	Exercise of options granted under the company's share option plan
	30,000 ordinary shares issued at A\$1.10 per share for cash fully paid #	Exercise of options granted under the company's share option plan
CapitaLand China Holdings Pte Ltd	99,500,000 ordinary shares of \$1 each issued at par fully paid by way of capitalisation of shareholder's loan	To provide additional working capital
	173,500 redeemable preference shares of \$1 each issued at a premium of \$999 per share fully paid by way of capitalisation of shareholder's loan	To provide additional working capital
CapitaLand Residential Singapore Pte Ltd	2 ordinary shares of \$1 each issued at par for cash fully paid	Subscribers' shares
CRL Realty Pte Ltd	2,150,000 non-cumulative redeemable preference "A" shares of \$1 each issued at a premium of \$99 per share fully paid by way of capitalisation of shareholder's loan	To provide additional working capital

Name of Subsidiaries	Description of shares issued	Purpose of Issue
Hua Jia Holdings Pte Ltd (formerly known as Fabulite Pte Ltd)	2 ordinary shares of \$1 each issued at par for cash fully paid	To provide additional working capital
Leonie Court Pte Ltd	1,000,000 redeemable preference "B" shares of \$1 each issued at a premium of \$99 per share fully paid by way of capitalisation of shareholder's loan	To provide additional working capital
Atchison Street Pty Limited	2 ordinary shares issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Apartments No. 1 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Apartments No. 2 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Apartments No. 3 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Apartments No. 4 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Apartments Nominees Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Apartments Nominees No. 2 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Apartments Pty Limited	2 ordinary shares issued at A\$1 per share for cash	Incorporation of company
Australand Apartments (Qld) Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Holdings Custodian Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial Constructions Pty Limited	50,001 ordinary shares issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 2 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 3 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 4 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 5 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 6 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company

Name of Subsidiaries	Description of shares issued	Purpose of Issue
Australand Industrial No. 7 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 8 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 9 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 10 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 11 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 12 Pty Limited	2 ordinary shares issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 13 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 14 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 15 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 16 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 17 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 18 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 19 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 20 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 21 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 22 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 23 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 24 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial No. 25 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company

Name of Subsidiaries	Description of shares issued	Purpose of Issue
Australand Industrial Projects Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Industrial Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Management Services (Vic) Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Wholesale Investments (No. 3) Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Australand Wholesale Investments No. 4 Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
AWPT No 2 Construction Finance Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
AWPT No 2 Post Construction Finance Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Braeside Property Developments Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Elizabeth Street Melbourne Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 1 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 2 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 3 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 4 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 5 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 6 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 7 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 8 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Freshwater No. 9 Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Macleay Apartment Holdings Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company

Name of Subsidiaries	Description of shares issued	Purpose of Issue
Melbourne Apartment Developments Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Nexus Apartments Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Platinum Street Pty Limited	1 ordinary share issued at A\$1 per share for cash fully paid #	Incorporation of company
Walker W9 & 10 Stage 4B Pty Ltd	100 ordinary shares issued at A\$1 per share for cash fully paid #	Incorporation of company
CapitaLand Commercial Limited	500,000 redeemable preference shares of \$1 each issued at a premium of \$999 per share fully paid by way of capitalisation of shareholder's loan	To finance the acquisition of commercial companies within the Group
CapitaLand China Holdings (Commercial) Pte Ltd	100,000 ordinary shares of \$1 each issued at par for cash fully paid	Subscribers' shares and to provide initial working capital
CapitaLand Commercial Kabushiki Kaisha	200 ordinary shares of JPY50,000 each issued at par for cash fully paid	Subscribers' shares and to provide initial working capital
Dahlia Properties Pte Ltd	150,000 ordinary shares of \$1 each issued at par for cash fully paid	To provide additional working capital
Singmall Property Trust Management Ltd	1,000,000 ordinary shares of \$1 each issued at par for cash fully paid	Subscribers' shares and to provide initial working capital
Pyramex Investments Pte Ltd	2 ordinary shares of \$1 each issued at par for cash fully paid	Subscribers' shares
CR Hotel Investment Pte Ltd	2 ordinary shares of \$1 each issued at par for cash fully paid	Subscribers' shares
CCL Office Pte Ltd	2 ordinary shares of \$1 each issued at par for cash fully paid	Subscribers' shares
hospitalitybex pte ltd	3,599,998 ordinary shares of \$1 each issued at par for cash fully paid	To provide additional working capital
Raffles Corporation (Switzerland) Pte Ltd	2 ordinary shares of \$1 each issued at par for cash fully paid	Subscribers' shares
Hotels & Resorts (Australasia) Pty Ltd	1,100,000 ordinary shares of A\$1 each issued at par fully paid by way of capitalisation of shareholder's loans	To provide additional working capital

Name of Subsidiaries	Description of shares issued	Purpose of Issue
Hotels & Resorts (UK) Ltd	800,000 ordinary shares of £1 each issued at par fully paid by way of capitalisation of shareholder's loans	To provide additional working capital
Raffles International Limited	1,000,000 ordinary shares of \$1 each issued at par fully paid by way of capitalisation of shareholder's loans	To provide additional working capital
Swissôtel Berlin GmbH	Conversion of Euro 4,300,000 shareholder's loan to capital reserves	To provide additional working capital
Hotel "Viet Jahreszeiten" Van Friedrich Haerlin GmbH	Conversion of DM4,000,000 shareholder's loan to capital reserves	To provide additional working capital
Ascott Property Management (Beijing) Co., Ltd	Registration of US\$300,000 capital	Subscribers' shares and to provide initial working capital
PREMAS Technologies Pte Ltd	10,000 ordinary shares of S\$1 each issued at par for cash fully paid	Subscribers' shares and to provide initial working capital
PREMAS Environ Pte Ltd	378,000 ordinary shares of S\$1 each issued at par for cash fully paid and 252,000 ordinary shares of S\$1 each issued at par fully paid by way of transfer of business undertaking and assets acquired	Subscribers' shares and to provide initial working capital and to finance the purchase of business undertaking and assets

With effect from 1 July 1998, par value shares have been abolished under the Australian Company Law Review Act 1998.

(b) Issue of Debentures

(i) The Company

A total of \$492.0 million of Medium Term Notes ("MTNs") were issued in 18 series under the different MTN programmes put in place in previous years. The debt securities were issued for tenures ranging from 3 months to 5 years and carry interest rates ranging from 2.65% to 4.10% per annum.

(ii) Subsidiaries

CapitaLand Commercial Limited, a wholly-owned subsidiary of the Company, issued \$105.08 million of debt securities out of a \$500 million 10-year Dual Currency MTN programme, which was entered into in 1998. The debt securities were issued for tenures ranging from 1 month to 1 year and carry interest rates ranging from 2.40% to 3.45% per annum for the SGD series and 5.15% to 5.70% per annum for the USD series.

Temasek Tower Limited, a subsidiary of the Group, issued \$48 million MTN in 7 series. The debt securities were issued for tenures ranging from 2 years to 7 years and carry interest rates ranging from 3.30% to 4.10% per annum.

The Ascott Group Limited, a subsidiary of the Group, issued \$5 million Variable Rate Notes as part of a \$350 million MTN programme. The debt securities were issued for tenures ranging from 3 to 5 years and carry interest rates ranging from 1.5% to 5.5625% per annum.

SH Malls Limited, a subsidiary of the Group, issued a total of \$66.5 million MTNs in 3 series under a \$500 million MTN programme entered into in 1999. The MTNs were issued for tenures ranging from 1 month to 3 months and carry interest rates ranging from 1.55% to 4.88% per annum.

Junction 8 Limited (formerly known as Ventura (Bishan) Limited), a subsidiary of the Group, issued \$422 million Short Term Fixed Rate Notes in 19 series as part of a \$168 million secured MTN programme which has a 10-year duration from 30 October 2000. The debt securities were issued for tenures ranging from 1 to 3 months and carry interest rates ranging from 2.0% to 3.125% per annum.

All the interest rates were agreed between the Company/subsidiaries and the arranger or remarketing agent at the time of the respective issues.

Unless previously redeemed or purchased and cancelled, all the above-mentioned debt securities issued by the Company and subsidiaries are redeemable at their principal amounts on their respective maturity dates.

Arrangements to Enable Directors to Acquire Shares and Debentures

Except as disclosed under the "Share Options" section of this report, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Interests in Shares and Debentures

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures or share options of the Company or of related corporations either at the beginning of the financial year (or date of appointment, if later) or at the end of the financial year.

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year in shares, debentures and share options in the Company and related corporations are as follows:

	Holdings in the name of the director, spouse and/or infant children	
	At beginning of the year/ date of appointment	At end of the year
The Company	Ordinary shares of \$1 each fully paid	
Peter Seah Lim Huat	113,000	113,000
	Options to subscribe for Ordinary shares of \$1 each	
Philip Yeo Liat Kok		
– Exercisable between 13/6/2001 to 11/6/2005 at an exercise price of \$2.54 per share	107,700	107,700
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	150,000
Hsuan Owyang		
– Exercisable between 5/8/2001 to 3/8/2005 at an exercise price of \$2.51 per share	100,000*	100,000*
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	220,000
Liew Mun Leong		
– Exercisable between 13/6/2001 to 11/6/2010 at an exercise price of \$2.54 per share	1,077,000	1,077,000
– Exercisable between 5/8/2001 to 3/8/2005 at an exercise price of \$2.51 per share	50,000*	50,000*
– Exercisable between 19/6/2002 to 18/6/2011 at an exercise price of \$2.50 per share	–	800,000

	Holdings in the name of the director, spouse and/or infant children	
	At beginning of the year/ date of appointment	At end of the year
Sir Alan Cockshaw		
– Exercisable between 13/6/2001 to 11/6/2005 at an exercise price of \$2.54 per share	204,630	204,630
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	220,000
Hsieh Fu Hua		
– Exercisable between 13/6/2001 to 11/6/2005 at an exercise price of \$2.54 per share	107,700	107,700
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	120,000
Lim Chin Beng		
– Exercisable between 13/6/2001 to 11/6/2005 at an exercise price of \$2.54 per share	140,010	140,010
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	120,000
Vernon R Loucks Jr.		
– Exercisable between 13/6/2001 to 11/6/2005 at an exercise price of \$2.54 per share	53,850	53,850
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	50,000
Sum Soon Lim		
– Exercisable between 13/6/2001 to 11/6/2005 at an exercise price of \$2.54 per share	107,700	107,700
– Exercisable between 5/8/2001 to 3/8/2005 at an exercise price of \$2.51 per share	80,000*	80,000*
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	150,000
Jackson Peter Tai		
– Exercisable between 5/8/2001 to 3/8/2005 at an exercise price of \$2.51 per share	50,000*	50,000*
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	170,000
Lucien Wong Yuen Kuai		
– Exercisable between 13/6/2001 to 11/6/2005 at an exercise price of \$2.54 per share	53,850	53,850
– Exercisable between 19/6/2002 to 18/6/2006 at an exercise price of \$2.50 per share	–	100,000

Holdings in the name of the director,
spouse and/or infant children

At beginning of the year/ date of appointment	At end of the year
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Related Corporations**Chartered Semiconductor Manufacturing Ltd**

Philip Yeo Liat Kok

Sum Soon Lim

Ordinary shares of \$0.26 each fully paid

40,000 40,000

194,425 194,425

**Options to subscribe for
Ordinary shares of \$0.26 each**

Sum Soon Lim

– Exercisable between 7/10/1999 to 7/10/2004
at an exercise price of \$1.0922 per share

14,288 14,288

– Exercisable between 7/10/1999 to 7/10/2004
at an exercise price of \$0.9309 per share

35,720 35,720

– Exercisable between 29/4/2000 to 29/10/2004
at an exercise price of \$3.344 per share

60,000 60,000

– Exercisable between 29/10/2000 to 29/10/2004
at an exercise price of \$3.344 per share

20,000 20,000

– Exercisable between 6/4/2001 to 6/4/2005
at an exercise price of \$16.69 per share

80,000 80,000

– Exercisable between 3/10/2001 to 3/10/2005
at an exercise price of \$11.86 per share

80,000 80,000

– Exercisable between 28/3/2002 to 28/3/2006
at an exercise price of \$4.74 per share

– 40,000

– Exercisable between 15/8/2002 to 15/8/2006
at an exercise price of \$4.99 per share

– 40,000

Raffles Holdings Limited

Liew Mun Leong

Sir Alan Cockshaw

Ordinary shares of \$0.50 each fully paid

50,000 50,000

30,000 30,000

**Options to subscribe for
Ordinary shares of \$0.50 each**

Liew Mun Leong

– Exercisable between 16/8/2002 to 15/8/2011
at an exercise price of \$0.50 per share

– 100,000

SembCorp Industries Ltd

Philip Yeo Liat Kok

Ordinary shares of \$0.25 each fully paid

475 475

	Holdings in the name of the director, spouse and/or infant children	
	At beginning of the year/ date of appointment	At end of the year
Options to subscribe for Ordinary shares of \$0.25 each		
Peter Seah Lim Huat		
– Exercisable between 27/6/2001 to 26/6/2005 at an exercise price of \$1.99 per share	140,000	140,000
– Exercisable between 20/4/2002 to 19/4/2006 at an exercise price of \$1.55 per share	140,000	140,000
Singapore Airlines Ltd	Ordinary shares of \$0.50 each fully paid	
Lucien Wong Yuen Kuai	25,000	–
Singapore Food Industries Limited	Ordinary shares of \$0.05 each fully paid	
Philip Yeo Liat Kok	50,000	50,000
Liew Mun Leong	30,000	30,000
Singapore Technologies Engineering Ltd	Ordinary shares of \$0.10 each fully paid	
Philip Yeo Liat Kok	4,000	4,000
Options to subscribe for Ordinary shares of \$0.10 each		
Lim Chin Beng		
– Exercisable between 20/2/2002 to 19/2/2006 at an exercise price of \$2.72 per share	–	35,000
Sum Soon Lim		
– Exercisable between 20/2/2002 to 19/2/2006 at an exercise price of \$2.72 per share	–	25,000
Lucien Wong Yuen Kuai		
– Exercisable between 20/2/2002 to 19/2/2006 at an exercise price of \$2.72 per share	–	75,000
Singapore Telecommunications Limited	Ordinary shares of \$0.15 each fully paid	
Philip Yeo Liat Kok	1,200	1,200
Peter Seah Lim Huat	3,310	3,310
Liew Mun Leong	5,470	5,470
Hsieh Fu Hua	3,510	3,510
Lim Chin Beng	1,490	1,490
Sum Soon Lim	3,510	3,510
Jackson Peter Tai	30,000	30,000
Lucien Wong Yuen Kuai	3,110	3,110
SMRT Corporation Ltd	Ordinary shares of \$0.10 each fully paid	
Liew Mun Leong	4,000	4,000
Lucien Wong Yuen Kuai	40,000	–

	Holdings in the name of the director, spouse and/or infant children	
	At beginning of the year/ date of appointment	At end of the year
ST Assembly Test Services Ltd	Ordinary shares of \$0.25 each fully paid	
Philip Yeo Liat Kok	35,000	35,000
Liew Mun Leong	13,000	13,000
Sum Soon Lim	95,000	155,000
Lucien Wong Yuen Kuai	30,000	30,000
	Options to subscribe for Ordinary shares of \$0.25 each	
Sum Soon Lim		
– Exercisable between 9/2/2000 to 9/12/2009 at an exercise price of \$0.42 per share	50,000	–
– Exercisable between 9/2/2000 to 9/12/2009 at an exercise price of \$0.25 per share	10,000	–
– Exercisable between 20/4/2001 to 19/4/2010 at an exercise price of \$6.93 per share	40,000	–
STT Communications Ltd	Options to subscribe for Ordinary shares of \$0.50 each	
Sum Soon Lim		
– Exercisable between 19/9/2001 to 18/9/2010 at an exercise price of \$1.42 per share	300,000	300,000
– Exercisable between 28/4/2002 to 27/4/2011 at an exercise price of \$0.92 per share	–	35,000
– Exercisable between 24/11/2002 to 23/11/2011 at an exercise price of \$0.50 per share	–	70,000
The Ascott Group Limited	Options to subscribe for Ordinary shares of \$0.20 each	
Lim Chin Beng		
– Exercisable between 20/12/2001 to 19/12/2005 at an exercise price of \$0.37 per share	200,000 #	200,000
– Exercisable between 29/6/2002 to 28/6/2006 at an exercise price of \$0.32 per share	–	200,000
Liew Mun Leong		
– Exercisable between 20/12/2001 to 19/12/2010 at an exercise price of \$0.37 per share	150,000 #	150,000
– Exercisable between 29/6/2002 to 28/6/2011 at an exercise price of \$0.32 per share	–	120,000
Vertex Technology Fund Ltd	Ordinary shares of US\$1 each fully paid	
Sum Soon Lim	300	300
	Redeemable preference shares of US\$0.01 each fully paid	
Sum Soon Lim	15	–

	Holdings in the name of the director, spouse and/or infant children	
	At beginning of the year/ date of appointment	At end of the year
Vertex Technology Fund (II) Ltd	Ordinary shares of US\$1 each fully paid	
Philip Yeo Liat Kok	50	50
Liew Mun Leong	100	100
Sum Soon Lim	500	500
	Redeemable preference shares of US\$0.01 each fully paid	
Philip Yeo Liat Kok	50	50
Liew Mun Leong	100	100
Sum Soon Lim	500	500
Vertex Venture Holdings Ltd	Ordinary shares of \$0.20 each fully paid	
Liew Mun Leong	—	4,690

* These were options in the former DBS Land Limited which were exchanged for options in CapitaLand Limited on 24 November 2000 in accordance with the terms of the merger between DBS Land Limited and CapitaLand Limited.

The options were offered in December 2000 and accepted in January 2001.

There was no change in any of the above-mentioned directors' interests in the Company and related corporations between the end of the financial year and 21 January 2002.

Dividends

Since the end of the previous financial year, the Company has paid a net final dividend of \$38,011,983 in respect of the previous financial year as proposed in the directors' report of that year. No interim dividend has been paid in respect of the financial year under review. The directors now recommend the payment of a final dividend of 3% less tax at 24.5% amounting to \$57,017,975.

In addition, the Company has redeemed 172,500 2% Redeemable Convertible Cumulative Preference Shares ("RCCPS") due 2001 of US\$1.00 each on 31 December 2001. Under the terms of the RCCPS, dividends were payable twice a year in June and December of each year. Accordingly, the Company had in June 2001 and December 2001 paid net dividend of 2% amounting to US\$1,734,583 (\$3,146,534) and US\$1,753,750 (\$3,186,564) respectively.

Bad and Doubtful Debts

Before the profit and loss account and the balance sheet of the Company were made out, the directors took reasonable steps to ascertain what action had been taken in relation to writing off bad debts and providing for doubtful debts of the Company. The directors have satisfied themselves that all known bad debts have been written off and that adequate provision has been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render any amounts written off for bad debts or provided for doubtful debts in the Group inadequate to any substantial extent.

Current Assets

Before the profit and loss account and the balance sheet of the Company were made out, the directors took reasonable steps to ensure that current assets of the Company which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values and that adequate provision has been made for the diminution in value of such current assets.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report which would render the values attributable to current assets in the consolidated financial statements misleading.

Charges and Contingent Liabilities

Since the end of the financial year:

- (i) no charge on the assets of the Company or any corporation in the Group has arisen which secures the liabilities of any other person; and
- (ii) no contingent liability of the Company or any corporation in the Group has arisen.

Ability to Meet Obligations

No contingent liability or other liability of the Company or any corporation in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

Other Circumstances Affecting the Financial Statements

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group or of the Company misleading.

Unusual Items

In the opinion of the directors, except as disclosed in the accompanying financial statements, no item, transaction or event of a material and unusual nature has substantially affected the results of the operations of the Group or of the Company during the financial year.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Directors' Interest in Contracts

Since the end of the previous financial year, except as disclosed in the accompanying notes to the financial statements, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Share Options**(a) CapitalLand Share Option Plan, Performance Share Plan and Restricted Stock Plan 2000**

The Share Option Plan, Performance Share Plan and Restricted Stock Plan (collectively referred to as the "Share Plans") of the Company were approved and adopted by its members at an Extraordinary General Meeting held on 16 November 2000.

The Executive Resource and Compensation Committee of the Company has been designated as the Committee responsible for the administration of the Share Plans. The Committee comprises the following members:

Mr Peter Seah Lim Huat (Chairman)
Mr Hsuan Owyang
Sir Alan Cockshaw
Mr Lim Chin Beng
Mr Jackson Peter Tai

The Share Option Plan is the basic share incentive scheme which is more widely applied across the Group whereas the Performance Share Plan and Restricted Stock Plan apply only to key executives and the awards granted under these two Plans are only released or vested after achievement of pre-determined targets and/or after the satisfactory completion of time-based service conditions.

Under the Share Option Plan, options are granted to eligible participants exercisable during a certain period and at a certain price as set out below.

Under the Performance Share Plan, awards are granted. Awards represent the right of a participant to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, upon the participant achieving prescribed performance target(s). Awards are released once the Committee is satisfied that the prescribed target(s) have been achieved. There are no vesting periods beyond the performance achievement periods.

Under the Restricted Stock Plan, awards granted vest only after the satisfactory completion of time-based service conditions or where the award is performance-related, after a further period of service beyond the performance target completion date (performance-based restricted awards). No minimum vesting periods are prescribed under the Restricted Stock Plan and the length of the vesting period in respect of each award will be determined on a case-by-case basis. Performance-based restricted awards differ from awards granted under the Performance Share Plan in that an extended vesting period is imposed beyond the performance target completion date.

The principal terms of the Share Plans are:

- **Plans Size and Duration**

The total number of new shares over which options may be granted pursuant to the Share Option Plan, when added to the number of new shares issued and issuable in respect of all options granted thereunder and all awards granted under the Performance Share Plan and Restricted Stock Plan, shall not exceed 15% of the issued share capital of the Company on the day preceding the relevant date of grant.

The Share Plans shall continue in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on 16 November 2000, provided always that the Share Plans may continue beyond the above stipulated period with the approval of shareholders in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the Share Plans, any outstanding options held by and/or awards made to participants prior to such expiry or termination will continue to remain valid.

- **Participants of the Share Plans**

In respect of the Share Option Plan, the following persons shall be eligible to participate:

- Group Executives who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time;
- Non-Executive Directors who, in the opinion of the Committee, have contributed or will contribute to the success of the Group; and
- Executives of Parent Group (that is Singapore Technologies Group) and Executives of Associated Companies (over which the Company has operational control) who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time and who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

In respect of the Performance Share Plan and Restricted Stock Plan, the following persons shall be eligible to participate:

- Group Executives who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time (including those Parent Group Executives and Non-Executive Directors of the Parent Group who meet the foregoing age and rank criteria and whose services have been seconded to a company within the Group and who shall be regarded as Group Executives for the purposes of the Performance Share Plan and Restricted Stock Plan);
- Non-Executive Directors (other than Non-Executive Directors of Parent Group) who, in the opinion of the Committee, have contributed or will contribute to the success of the Group; and

- Executives of Associated Companies who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time and who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

Persons who are the Company's controlling shareholders or their associates as defined in the SGX-ST Listing Manual are not eligible to participate in all the Share Plans.

- **Maximum Entitlements**

The Share Plans provide that the number of options or awards to be granted be discretionary. However, under the Share Option Plan, the aggregate number of shares which may be offered by way of grant of options to Parent Group Executives and Non-Executive Directors of Parent Group shall not exceed 20% of the total number of shares available under the Share Option Plan.

- **Exercise Period**

Under the Share Option Plan, options with subscription prices which are equal to, or higher than, the Market Price may be exercised one year after the date of grant, and in accordance with a vesting schedule and the conditions (if any) to be determined by the Committee on the date of grant of the respective options.

Options with subscription prices which represent a discount to the Market Price may be exercised two years after the date of grant, and in accordance with a vesting schedule and the conditions (if any) to be determined by the Committee on the date of grant of the respective options.

- **Subscription Price**

The subscription price for each share in respect of which an option is exercisable shall be determined by the Committee, in its absolute discretion, to be either:

- a price which is equal to the volume-weighted average price for the Company shares on the SGX-ST over the three consecutive Trading Days immediately preceding the date of grant of that option (the "Market Price"), or such higher price as may be determined by the Committee in its absolute discretion; or
- a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any option shall not exceed 20% of the Market Price in respect of that option.

The subscription price shall, in no event, be less than the nominal value of the Company share.

- **Grant of Options**

Options under the Share Option Plan may be granted at any time during the period when the said Plan is in force, except that no options shall be granted during the period of 30 days immediately preceding the date of announcement of the Company's financial results. In the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, options may be granted on or after the fourth Market Day after the day on which such announcement is released.

(b) Share Options Granted

During the financial year, options were granted under the respective share option schemes of the Company, The Ascott Group Limited and Raffles Holdings Limited, both subsidiaries of the Group. The fair value of each option granted at the date of the grant is estimated using the Black-Scholes option-pricing model on the basis of the following assumptions on dividend yield, risk-free interest rate, expected volatility and expected lives:

CapitaLand Share Option Plan:

Participants and Exercise period	Exercise price per share \$	Number of shares under option	Fair value of options \$	Dividend yield %	Risk-free interest rate %	Volatility rate %	Expected lives (years)
A. Directors:							
1 executive director 19/6/2002 to 18/6/2011	2.50	800,000	704,000 *	1.20	4.12	39.76	4.5
9 non-executive directors 19/6/2002 to 18/6/2006	2.50	1,300,000	1,144,000 *	1.20	4.12	39.76	4.5
Sub-Total A:		2,100,000	1,848,000				
B. Group Executives:							
1,451 participants 19/6/2002 to 18/6/2011	2.50	18,384,240	16,178,131 *	1.20	4.12	39.76	4.5
1 participant 3/7/2002 to 2/7/2011	2.49	100,000	86,000 #	1.21	4.12	39.46	4.5
1 participant 1/1/2003 to 31/12/2011	1.85	300,000	243,000 @	1.60	4.12	53.35	4.5
Sub-Total B:		18,784,240	16,507,131				
C. Parent Group Executives and Associated Company Executives:							
34 participants 19/6/2002 to 18/6/2006	2.50	1,030,000	906,400 *	1.20	4.12	39.76	4.5
Sub-Total C:		1,030,000	906,400				
Total		21,914,240	19,261,531				

* Fair value of each option granted is \$0.88.

Fair value of each option granted is \$0.86.

@ Fair value of each option granted is \$0.81.

In respect of the different categories of participants listed above, no participant received options which totalled 5% or more of the total number of shares available under the CapitaLand Share Option Plan during the financial year under review.

The exercise prices of the above options were set at the Market Price with no discount.

The options granted under the CapitaLand Share Option Plan do not entitle the holders of the options, by virtue of such holdings, to any right to participate in any share of any other company.

The Ascott Group Share Option Plan:

Participants and Exercise period	Exercise price per share \$	Number of shares under option	Fair value of options* \$	Dividend yield %	Risk-free interest rate %	Volatility rate %	Expected lives (years)
A. Group Executives:							
440 participants							
29/6/2002 to 28/6/2011	0.32	14,964,000	1,901,475	2.40	3.11	54.0	4.5
B. Non-Executive Directors:							
9 participants							
29/6/2002 to 28/6/2006	0.32	1,050,000	133,424	2.40	3.11	54.0	4.5
C. Parent Group Executives:							
145 participants							
29/6/2002 to 28/6/2011	0.32	2,022,000	256,936	2.40	3.11	54.0	4.5
Total		18,036,000	2,291,835				

* Fair value of each option granted is \$0.12707.

The options granted under the Ascott Group Share Option Plan do not entitle the holders of the options, by virtue of such holdings, to any right to participate in any share of any other company.

Raffles Holdings Share Option Plan:

Participants and Exercise period	Exercise price per share \$	Number of shares under option	Fair value of options* \$	Dividend yield %	Risk-free interest rate %	Volatility rate %	Expected lives (years)
A. Non-Executive Directors:							
6 participants							
16/8/2002 to 15/8/2006	0.50	400,000	32,000	3.96	4.12	23.71	3.5
B. Group Executives:							
308 participants							
16/8/2002 to 15/8/2011	0.50	6,832,200	546,576	3.96	4.12	23.71	3.5
C. Parent Group Executives:							
86 participants							
16/8/2002 to 15/8/2011	0.50	1,075,500	86,040	3.96	4.12	23.71	3.5
D. Associated Company Executives:							
391 participants							
16/8/2002 to 15/8/2006	0.50	1,273,400	101,872	3.96	4.12	23.71	3.5
Total		9,581,100	766,488				

* Fair value of each option granted is \$0.08.

The options granted under the Raffles Share Option Plan do not entitle the holders of the options, by virtue of such holdings, to any right to participate in any share of any other company.

Save as disclosed above, there were no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries during the financial year.

(c) Share Options Exercised

During the financial year, 964,000 ordinary shares were issued by virtue of the exercise of options granted under the Share Option Scheme of Australand Holdings Limited.

Save as disclosed above, there were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company and its subsidiaries.

In addition, as no awards had been granted under the CapitaLand and Raffles Performance Share Plans and Restricted Stock Plans since the commencement of these two Plans of both companies, no shares had been issued relating to awards released under the two said Plans.

(d) Unissued Shares under Option

At the end of the financial year, there were the following unissued ordinary shares of the Company and the following subsidiaries under option:

Option Category	Number of participants	Expiry date	Nominal value (per share) \$	Exercise price (per share) \$	Number of unissued shares under option
The Company:					
Directors of the Company	7	11/6/2005	1.00	2.54	775,440
	4	3/8/2005	1.00	2.51	280,000
	1	11/6/2010	1.00	2.54	1,077,000
	9	18/6/2006	1.00	2.50	1,300,000
	1	18/6/2011	1.00	2.50	800,000
					4,232,440
Group Executives	17	20/3/2002	1.00	4.82	1,544,743
	12	25/3/2003	1.00	2.70	756,574
	25	7/4/2004	1.00	2.61	1,647,827
	30	12/4/2010	1.00	2.38	2,442,400
	432	11/6/2010	1.00	2.54	6,131,361
	268	3/8/2010	1.00	2.51	3,501,700
	1	23/11/2010	1.00	2.68	200,000
	1,442	18/6/2011	1.00	2.50	17,155,840
	1	2/7/2011	1.00	2.49	100,000
	1	31/12/2011	1.00	1.85	300,000
					33,780,445
Ex-Directors of former DBS Land Limited	3	3/8/2005	1.00	2.51	200,000
Parent Group Executives and Associated Company Executives	95	11/6/2005	1.00	2.54	1,885,827
	31	18/6/2006	1.00	2.50	940,000
					2,825,827
Total number of unissued shares under option					41,038,712

Option Category	Number of participants	Expiry date	Nominal value (per share) \$	Exercise price (per share) \$	Number of unissued shares under option
The Ascott Group Limited:					
Non-Executive Directors	9	19/12/2005	0.20	0.37	1,050,000
	9	28/6/2006	0.20	0.32	1,050,000
Other Executives	371	19/12/2010	0.20	0.37	14,013,000
	581	28/6/2011	0.20	0.32	16,522,000
Total number of unissued shares under option					32,635,000
Raffles Holdings Limited:					
Non-Executive Directors	6	15/8/2006	0.50	0.50	400,000
Other Executives	391	15/8/2006	0.50	0.50	1,273,400
	394	15/8/2011	0.50	0.50	7,907,700
Total number of unissued shares under option					9,581,100
Australand Holdings Limited:					
Employees	19	21/4/2002	N.A. #	A\$1.00	1,552,000
	4	11/8/2003	N.A. #	A\$1.10	625,000
Total number of unissued shares under option					2,177,000

With effect from 1 July 1998, par value shares have been abolished under the Australian Company Law Review Act 1998.

Save as disclosed above, there were no unissued shares of the Company or its subsidiaries under option as at the end of the financial year.

(e) Awards under CapitalLand and Raffles Share Performance Plans and Restricted Stock Plans

There were no awards granted under the Share Performance Plan and Restricted Stock Plan during the financial year.

(f) Proforma Financial Effect Under United States Financial Accounting Standard No. 123

Strictly for information purposes only, the proforma consolidated profit attributable to shareholders and the earnings per share would have been as follows had the Group accounted for the fair value of the employees' share options granted by the Company, The Ascott Group Limited and Raffles Holdings Limited, under the United States Financial Accounting Standard No. 123:

	2001 \$'000	2000 \$'000
Loss attributable to shareholders		
As reported	(275,046)	(286,979)
Less :		
Amortisation of fair value of share options over the vesting periods of the respective companies	(7,988)	(3,263)
Proforma	(283,034)	(290,242)
Earnings per share (in cents)		
As reported	(10.9)	(11.5)
Proforma	(11.2)	(11.6)
Diluted earnings per share (in cents)		
As reported	(10.9)	(11.5)
Proforma	(11.2)	(11.6)

These proforma amounts may not be representative of future disclosures since the estimated fair value of share options is determined in respect of grants made and accepted from financial year ended 31 December 2000 onwards. The estimated fair value of the share options is amortised over the vesting periods of the respective companies and additional options may be granted in future years.

Audit Committee

The Audit Committee members at the date of this report are Sum Soon Lim (Chairman), Hsieh Fu Hua and Lucien Wong Yuen Kuai.

The Audit Committee performs the functions specified by Section 201B of the Companies Act, Chapter 50, and the Listing Manual and Best Practices Guide of the Singapore Exchange.

The financial statements, accounting policies and system of internal accounting controls are the responsibility of the Board of Directors acting through the Audit Committee. Areas of review by the Audit Committee include:

- the reliability of financial statements;
- impact of new, revised or proposed changes in accounting policies or regulatory requirements on the financial statements;
- compliance with laws and regulations, particularly those of the Companies Act, Chapter 50, and the Listing Manual and Best Practices Guide of the Singapore Exchange;
- the appropriateness of quarterly and full year announcements and reports;
- the effectiveness and efficiency of internal and external audits;
- interested persons transactions; and
- the appointment of external auditors and the level of auditors' remuneration.

The Audit Committee met four times during the year. Specific functions performed include reviewing the scope of the internal audit functions and the scope of work of the statutory auditors, and the results arising therefrom, including their evaluation of the system of internal controls. The Audit Committee also reviewed the assistance given by the Company's officers to the auditors. The consolidated financial statements of the Group and the financial statements of the Company were reviewed by the Audit Committee prior to their submission to the directors of the Company for adoption.

In addition, the Audit Committee has, in accordance with Chapter 9A of the Singapore Exchange Listing Manual, reviewed the requirements for approval and disclosure of interested persons transactions, reviewed the procedures set up by the Group and the Company to identify and report and where necessary, seek approval for interested persons transactions and, with the assistance of the internal auditors, reviewed interested persons transactions.

The Audit Committee has recommended to the Board of Directors that the auditors, KPMG, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Auditors

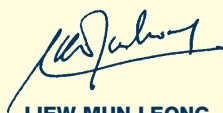
The auditors, KPMG, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors



PHILIP YEO LIAT KOK

Director



LIEW MUN LEONG

Director

Singapore
25 February 2002

Statement by Directors

for the year ended 31 December 2001

We, **PHILIP YEO LIAT KOK** and **LIEW MUN LEONG**, being directors of CapitalLand Limited, do hereby state that in our opinion:

- (a) the financial statements set out on pages 94 to 185 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2001, and of the results of the business and changes in equity of the Group and of the Company and cash flows of the Group for the year ended on that date; and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has authorised these financial statements for issue on the date of this statement.

On behalf of the Board of Directors



PHILIP YEO LIAT KOK

Director



LIEW MUN LEONG

Director

Singapore
25 February 2002

Report of the Auditors to the Members of CapitaLand Limited

We have audited the consolidated financial statements of the Group and the financial statements of the Company for the year ended 31 December 2001 as set out on pages 94 to 185. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

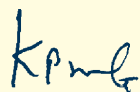
In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Statements of Accounting Standard and so as to give a true and fair view of:
 - (i) the state of affairs of the Group and of the Company as at 31 December 2001 and of the results and changes in equity of the Group and of the Company and of the cash flows of the Group for the year ended on that date; and
 - (ii) the other matters required by Section 201 of the Act to be dealt with in the financial statements;
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and auditors' reports of all the subsidiaries of which we have not acted as auditors, and also considered the financial statements of those subsidiaries which are not required by the laws of their countries of incorporation to be audited, being financial statements that have been included in the consolidated financial statements of the Group. The names of these subsidiaries are stated in note 49 to the financial statements.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements of the Group and we have received satisfactory information and explanations as required by us for those purposes.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification, and in respect of the subsidiaries incorporated in Singapore, did not include any comment made under Section 207(3) of the Act.



KPMG
Certified Public Accountants

Singapore
25 February 2002

Balance Sheets

as at 31 December 2001

	Note	The Group 2001 \$'000	Restated 2000 \$'000	The Company 2001 \$'000	Restated 2000 \$'000
Non-Current Assets					
Property, Plant and Equipment	3	2,252,825	2,189,344	3,019	4,232
Intangible Assets	4	35,594	—	—	—
Investment Properties	5	6,654,530	8,647,173	—	—
Properties Under Development	6	383,873	471,414	—	—
Interests in Subsidiaries	7	—	—	6,398,012	5,619,701
Interests in Associated Companies	8	1,384,788	701,349	—	30,603
Interests in Joint Venture Companies	9	1,012,745	823,990	—	33,185
Interests in Partnerships	10	34,257	56,402	—	—
Financial Assets	11	186,091	443,167	—	—
Other Non-Current Assets	12	23,853	8,172	25	25
		11,968,556	13,341,011	6,401,056	5,687,746
Current Assets					
Development Properties for Sale	13	3,445,158	4,281,178	—	—
Consumable Stock		14,354	12,845	—	—
Trade and Other Receivables	14	921,926	1,066,819	1,623,071	1,385,129
Financial Assets	11	80,275	4,424	7,465	—
Cash and Cash Equivalents	19	1,922,557	879,298	253,285	329,823
		6,384,270	6,244,564	1,883,821	1,714,952
Less: Current Liabilities					
Bank Overdrafts	19	13,194	11,182	884	—
Trade and Other Payables	20	1,346,083	1,289,875	59,879	229,167
Redeemable Preference Shares	26	—	301,530	—	301,530
Short Term Loans	29	2,133,549	1,781,999	470,108	329,868
Current Portion of Term Loans	30	959,673	810,208	150,000	105,000
Current Portion of Debt Securities	31	1,689,266	1,467,613	631,590	498,250
Provision for Taxation	39	142,390	172,988	195,428	177,374
		6,284,155	5,835,395	1,507,889	1,641,189
Net Current Assets		100,115	409,169	375,932	73,763
Less: Non-Current Liabilities					
Term Loans	30	1,900,583	2,404,498	270,055	260,762
Debt Securities	31	2,115,250	2,282,810	672,754	525,310
Deferred Taxation	39	67,480	102,356	238	238
Deferred Income	32	3,146	13,953	—	—
Other Non-Current Liabilities	27	96,210	50,309	885,358	26,397
		4,182,669	4,853,926	1,828,405	812,707
		7,886,002	8,896,254	4,948,583	4,948,802
Representing:					
Share Capital	34	2,517,350	2,517,350	2,517,350	2,517,350
Reserves	35	3,482,747	4,525,043	2,431,233	2,431,452
Share Capital and Reserves		6,000,097	7,042,393	4,948,583	4,948,802
Minority Interests	36	1,885,905	1,853,861	—	—
		7,886,002	8,896,254	4,948,583	4,948,802

The accompanying notes form an integral part of these financial statements.

Profit and Loss Accounts

for the year ended 31 December 2001

	Note	The Group 2001 \$'000	Restated 2000 \$'000	The Company 2001 \$'000	Restated 2000 \$'000
Revenue	37	3,367,939	2,921,708	101,436	407,552
Cost of sales		(2,897,263)	(1,844,508)	(1,594)	(4,846)
Gross profit		470,676	1,077,200	99,842	402,706
Other operating income	38(a)	758,498	162,320	155,587	82,424
Administrative expenses		(632,533)	(464,750)	(27,502)	(30,757)
Other operating expenses		(212,836)	(455,710)	(27,911)	(752)
Profit from operations		383,805	319,060	200,016	453,621
Finance costs	38(f)	(432,778)	(422,870)	(140,803)	(114,090)
Share of results of:					
– associated companies		23,586	(14,562)	–	–
– joint venture companies		(2,971)	6,023	–	–
– partnerships		1,208	2	–	–
		21,823	(8,537)	–	–
(Loss)/Profit before taxation	38	(27,150)	(112,347)	59,213	339,531
Taxation	39	(105,461)	(121,613)	(20,181)	(87,885)
(Loss)/Profit after taxation but before minority interests		(132,611)	(233,960)	39,032	251,646
Minority interests		(142,435)	(53,019)	–	–
Net (loss)/profit attributable to shareholders		(275,046)	(286,979)	39,032	251,646
Basic earnings per share (cents)	40	(10.9)	(11.5)		
Fully diluted earnings per share (cents)	40	(10.9)	(11.5)		

The accompanying notes form an integral part of these financial statements.

Statements of Changes in Equity

for the year ended 31 December 2001

	2001 \$'000	The Group Restated 2000 \$'000	2001 \$'000	The Company Restated 2000 \$'000
Share Capital				
At 1 January	2,517,350	1,095,255	2,517,350	1,095,255
Issue of Nil ordinary shares at a premium of \$Nil per share (2000: 19,569,230 ordinary shares at a premium of \$2.25 per share)	–	19,569	–	19,569
Issue of Nil (2000: 86,494,952) bonus shares at par by way of capitalisation of part of share premium account	–	86,495	–	86,495
Issue of Nil (2000: 1,316,031,127) ordinary shares at par pursuant to the Merger ⁺	–	1,316,031	–	1,316,031
At 31 December	2,517,350	2,517,350	2,517,350	2,517,350
Share Premium				
At 1 January	3,453,684	3,516,348	2,161,144	2,214,761
Issue of Nil ordinary shares at a premium of \$Nil per share (2000: 19,569,230 ordinary shares at a premium of \$2.25 per share)	–	44,030	–	44,030
Issues of various tranches of ordinary shares at various premia by DBS Land	–	24,228	–	–
Issue of bonus shares at par	–	(86,495)	–	(86,495)
Share issue expenses [#]	–	(18,432)	–	(11,152)
Redemption premium and translation differences on US\$ 2% RCCPS	(24,308)	(25,995)	–	–
At 31 December	3,429,376	3,453,684	2,161,144	2,161,144

⁺ At the Extraordinary General Meeting of DBS Land Limited ("DBS Land") held on 18 October 2000, the Merger of the Company and DBS Land pursuant to a merger scheme of arrangement under Section 210 of the Companies Act, Chapter 50, was approved. Shares of the Company were issued to existing shareholders of DBS Land in exchange for their ordinary shares.

[#] Included in the share issue expenses were \$550,000 paid or payable to Allen & Gledhill, a firm in which a director is a member of, and \$720,000 paid or payable to KPMG, the auditors of the Company.

	Note	The Group 2001 \$'000	Restated 2000 \$'000	The Company 2001 \$'000	Restated 2000 \$'000
Capital Reserve					
At 1 January		65,421	52,887	–	–
Transfer from unappropriated profit for capital gain on sale of investment properties		23,118	10,478	–	–
Others		5,634	2,056	–	–
At 31 December		94,173	65,421	–	–
Capital Redemption Reserve					
At 1 January		2,823	2,057	–	–
Disposal of interests in subsidiaries		(857)	–	–	–
Transfer from unappropriated profit for redemption of redeemable preference shares by subsidiaries		1,299	766	–	–
Transfer from unappropriated profit on redemption of US\$ 2% RCCPS		313	–	313	–
Share of joint venture companies' capital redemption reserve		289	–	–	–
At 31 December		3,867	2,823	313	–
Revaluation Reserve					
At 1 January		1,069,745	497,413	–	–
Net (deficit)/surplus on revaluation of investment properties/properties under development		(381,629)	337,444	–	–
Realised revaluation reserve transferred to profit and loss account		(304,923)	(12,548)	–	–
Share of associated and joint venture companies' revaluation (deficit)/surplus		(43,280)	14,275	–	–
Revaluation of investment		–	44,534	–	–
Write-down in value of investment now charged to profit and loss account	38(c)	–	188,680	–	–
Transfer to unappropriated profit		–	(53)	–	–
At 31 December		339,913	1,069,745	–	–

	Note	The Group 2001 \$'000	Restated 2000 \$'000	The Company 2001 \$'000	Restated 2000 \$'000
Foreign Currency Translation Reserve					
At 1 January		(24,708)	(11,806)	1,239	(1,607)
Exchange differences arising on					
– consolidation of foreign subsidiaries, associated and joint venture companies		(5,986)	(15,748)	–	–
– translation of foreign currency loans used to finance investments in foreign subsidiaries		7,152	2,846	(1,239)	2,846
– acquisition of subsidiary		11,229	–	–	–
At 31 December		(12,313)	(24,708)	–	1,239
Reserve on Consolidation					
At 1 January		3,648	54,726	–	–
Goodwill arising on consolidation of subsidiaries and acquisition of associated and joint venture companies		–	(55,433)	–	–
Dilution/disposal of interest in subsidiaries and associated companies		2,880	4,355	–	–
At 31 December		6,528	3,648	–	–
(Accumulated Loss)/Unappropriated Profit					
At 1 January, as previously reported		(61,577)	275,273	231,057	17,423
Effects of adopting SAS 10 and SAS 34	41(b)	16,007	26,165	38,012	–
		(45,570)	301,438	269,069	17,423
Effects of adopting SAS 31	41(b)	4,850	–	–	–
At 1 January, as restated		(40,720)	301,438	269,069	17,423
Net (loss)/profit for the year, as restated	41(b)	(275,046)	(286,979)	39,032	251,646
Dividends	42	(38,012)	(48,170)	(38,012)	–
Adjustment for prior year dividend		–	(668)	–	–
Transfer to capital reserve		(23,118)	(10,478)	–	–
Transfer to capital redemption reserve		(1,901)	(766)	(313)	–
Transfer from revaluation reserve		–	53	–	–
At 31 December		(378,797)	(45,570)	269,776	269,069
Total capital and reserves		6,000,097	7,042,393	4,948,583	4,948,802

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 December 2001

	2001 \$'000	Restated 2000 \$'000
Cash Flows from Operating Activities		
Loss before taxation	(27,150)	(112,347)
Adjustments for:		
Amortisation/write-off of intangible assets	17,193	–
Amortisation of leasehold investment property	124	124
Allowance for:		
– foreseeable losses on development properties for sale	445,183	9,483
– loan to investee companies	15,443	–
– non-current portion of financial assets	82,773	200,192
– diminution in value of investment in associated companies	10,000	–
– loan to associated companies	4,738	–
Depreciation of property, plant and equipment	160,348	120,224
Impairment of property, plant and equipment	40,863	143,802
Impairment of property under development	8,150	59,716
Write down in value of investment property	34,620	38,595
Interest expense	432,778	422,870
Interest income	(83,990)	(69,117)
Loss on disposal/write-off of property, plant and equipment	10,854	454
Gain on disposal of investment property	(29,701)	(23,807)
Gain on disposal of subsidiaries and associated companies	(558,761)	(763)
Provision for retirement gratuity	650	–
Share of results of associated companies, joint venture companies and partnerships	(21,823)	8,537
Accretion of deferred income	(10,807)	(22,723)
	558,635	887,587
Operating profit before working capital changes	531,485	775,240
Decrease/(Increase) in working capital:		
Inventories, trade and other receivables	188,846	41,162
Development properties for sale	435,804	(222,986)
Trade and other payables	379,011	(304,884)
Amount due from related corporations	(24,481)	(69,967)
Financial assets	(83,744)	54,776
Changes in working capital	895,436	(501,899)
Cash generated from operations	1,426,921	273,341
Income tax paid	(85,949)	(163,117)
Customer deposits received/(paid)	63,997	(7,835)
Net Cash generated from Operating Activities carried forward	1,404,969	102,389

	Note	2001 \$'000	Restated 2000 \$'000
Net Cash generated from Operating Activities brought forward		1,404,969	102,389
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		9,685	6,617
Purchase of property, plant and equipment		(143,007)	(119,769)
Increase in associated companies, joint ventures and partnerships		(374,344)	(452,346)
Acquisition of investment properties and property under development		(152,858)	(192,282)
Increase in amounts owing by investee companies		(8,052)	(4,904)
Dividends received from associated companies, joint ventures and partnerships		33,861	65,516
Proceeds from disposal of investment properties		220,262	29,835
Proceeds/(Acquisition) of financial assets		236,645	(3,923)
Disposal/(Acquisition) of subsidiary companies	43	825,321	(280,566)
Interest income received		83,270	70,617
Net Cash generated from/(used in) Investing Activities		730,783	(881,205)
Cash Flows from Financing Activities			
Interest expense paid		(531,325)	(451,512)
Repayment of loans from related corporations (net)		(6,418)	(13,726)
Proceeds from share issues		–	102,051
Repayment of loans from minority shareholders (net)		(181,695)	(30,732)
Redemption of RCCPS		(342,747)	–
(Repayment of)/Proceeds from term loans (net)		(7,087)	721,889
Proceeds from debt securities (net)		54,093	131,796
Dividends paid to minority shareholders		(53,709)	(24,570)
Dividends paid to shareholders		(38,012)	(48,838)
Net Cash (used in)/generated from Financing Activities		(1,106,900)	386,358
Net Increase/(Decrease) in Cash and Cash Equivalents		1,028,852	(392,458)
Cash and Cash Equivalents at beginning of year		868,116	1,273,476
Effect of Exchange Rate Changes on Balances held in Foreign Currency		12,395	(12,902)
Cash and Cash Equivalents at end of year	19	1,909,363	868,116

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

31 December 2001

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by Directors on 25 February 2002.

1. Domicile and Activities

CapitaLand Limited (the “Company”) is incorporated in the Republic of Singapore with its registered office at 168, Robinson Road, #30-01, Capital Tower, Singapore 068912.

The principal activities of the Company during the financial year are those relating to investment holding, the provision of property management and related agency and consultancy services as well as the corporate headquarters which gives direction, provides management support services and integrates the activities of its subsidiaries.

The principal activities of the subsidiaries are set out in note 49 to the accompanying financial statements.

The consolidated financial statements for the year ended 31 December 2001 relates to the Company and its subsidiaries (referred to as the “Group”) and the Group’s interests in associated companies, joint venture companies and partnerships.

2. Summary of Significant Accounting Policies

(a) Statement of compliance

The financial statements have been prepared in accordance with Singapore Statements of Accounting Standard (“SAS”) (including Interpretations of Statements of Accounting Standard) issued by the Institute of Certified Public Accountants of Singapore and the applicable requirements of the Singapore Companies Act, Chapter 50.

(b) Basis of preparation

The financial statements, which are expressed in Singapore dollars, are prepared on the historical cost basis except that certain property, plant and equipment and investment properties are stated at valuation and certain investments in securities are stated at market value.

In 2001, the Group and the Company changed their accounting policies as a result of adopting nine new or revised accounting standards which have become effective for the financial statements for 2001. The benchmark treatment given in SAS 8 (revised 2000) – *Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies* of applying the changes retrospectively by adjusting the opening balance of the retained earnings of the prior and current year has been adopted, unless such treatment is prohibited or modified by the specific transitional provisions set out in the respective standards being adopted. Details of the effects of adopting the standards are given in note 41.

(c) Basis of consolidation

- (i) A subsidiary is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors. The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the financial year. All significant inter-company transactions are eliminated on consolidation.
- (ii) For acquisition of subsidiaries which meet the criteria for merger relief under Section 69B of the Companies Act, Chapter 50 and Singapore Statement of Accounting Standard No. 22 (2000) “Business Combinations”, the assets, liabilities and results are accounted for under the pooling of interests method. In the year of the merger, the prior year comparative figures of the Group are restated as if the companies acquired have always been members of the Group.

For acquisition of subsidiaries which are accounted for under the purchase method, fair values are assigned to the assets, principally investment properties, land and buildings, owned by the subsidiaries at the date of acquisition as determined by the directors based on independent professional valuations. Any excess or deficiency of the purchase consideration over the fair values assigned to the net assets acquired is accounted for as goodwill or negative goodwill under Note 2(e) “Intangible Assets” below.

- (iii) On disposal of a subsidiary, any attributable amount of purchased goodwill or negative goodwill not previously amortised or credited through the profit and loss account or which has previously been dealt with as a movement in Group reserves for a subsidiary acquired prior to 1 January 2001 is included in the calculation of the profit or loss on disposal.
- (iv) The results of subsidiaries acquired and disposed of during the financial year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal respectively.
- (v) Assets, liabilities and the results of foreign subsidiaries are translated into Singapore dollars at rates of exchange closely approximate to those ruling at the balance sheet date. Translation differences arising therefrom are taken directly to foreign currency translation reserve.
- (vi) Exchange differences arising from the translation of inter-company balances which represent an extension of interests of the holding company in the subsidiaries are taken directly to the foreign currency translation reserve in the consolidated financial statements.
- (vii) Where necessary, accounting policies for subsidiaries have been changed to be consistent with the policies adopted by the Group.

(d) Property, plant and equipment

(i) Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for certain freehold and leasehold land and buildings which are stated at their revalued amounts. The revalued amount is the fair value determined on the basis of existing use at the date of revaluation less any subsequent accumulated depreciation.

(ii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

(iii) Depreciation

Depreciation is provided on the straight-line basis so as to write off the costs over their estimated useful lives as follows:

Hospitality leasehold land and buildings	–	lower of remaining business operation licence tenure or land lease (subject to maximum of 50 years)
Other leasehold land and buildings	–	period of land lease (subject to maximum of 30 years)
Freehold buildings	–	20 to 50 years
Plant, machinery and improvements	–	3 to 10 years
Furniture, fittings and equipment	–	2 to 5 years
Motor vehicles	–	5 years

Assets under construction is stated at cost. Expenditure relating to assets under construction (including interest expenses) are capitalised when incurred. Depreciation will commence when the development is completed.

(e) Intangible assets

(i) Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired. Goodwill is stated at cost less accumulated amortisation and impairment losses. In respect of associated and joint venture companies, the carrying amount of goodwill is included in the carrying amount of the investment in the associated or joint venture companies. Goodwill is amortised and charged to the profit and loss account on a straight line basis from the date of initial recognition over its estimated useful life of not more than 20 years.

(ii) Negative goodwill

Negative goodwill arising on acquisition represents the excess of the fair value of the identifiable net assets acquired over the cost of acquisition.

To the extent that negative goodwill relates to an expectation of future losses and expenses that are identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the profit and loss account when the future losses and expenses are recognised. Any remaining negative goodwill, but not exceeding the fair values of the non-monetary assets acquired, is recognised in the profit and loss account over the weighted average useful life of those assets that are depreciable or amortisable. Negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised immediately in the profit and loss account.

In respect of associated and joint venture companies, the carrying amount of negative goodwill is included in the carrying amount of the investment in the associated or joint venture companies. The carrying amount of other negative goodwill is deducted from the carrying amount of intangible assets.

(f) Investment properties and investment properties under development**(i) Investment properties**

Investment properties, which are not held with the intention of sale in the ordinary course of business, are stated at valuation on an open market basis. Valuation is made by the directors on an annual basis based on internal valuation or independent professional valuation. Independent professional valuation is made at least once every 3 years.

The net surplus or deficit on revaluation is taken to revaluation reserve except when the total of the reserve is not sufficient to cover a deficit on an aggregate basis within the same geographical segment, in which case the amount by which the deficit exceeds the amount in the revaluation reserve is charged to the profit and loss account.

Surplus on revaluation is released to the profit and loss account upon the sale of investment properties.

The value of investment properties with remaining lease period of 20 years or less are amortised over their remaining leasehold lives.

(ii) Major retrofitting or redevelopment

Investment properties under or awaiting major retrofitting or redevelopment are stated at valuation immediately prior to the commencement of retrofitting or redevelopment. Major retrofitting or redevelopment expenditure is stated at cost.

Upon completion of major retrofitting or redevelopment, the carrying amounts are stated at valuation on the basis stated in 2(f)(i) above.

An impairment loss is recognised in the same way as a revaluation decrease.

(iii) Properties under development

Properties under development are stated at specifically identified cost less impairment losses. Cost of property under development includes borrowing costs and other related expenditure which are capitalised as and when activities that are necessary to get the asset ready for its intended use are in progress. An impairment loss is recognised in the same way as a revaluation decrease.

Upon completion of the development, the amount is reclassified to investment properties. This will be stated at valuation on the basis stated in 2(f)(i) above.

(g) Subsidiaries

Investments in subsidiaries in the Company's balance sheet are stated at cost less impairment losses.

(h) Associated and joint venture companies

- (i) An associated company is a company in which the Group has significant influence, but not control in the financial and operating policy decisions.
- (ii) A joint venture company is an enterprise over whose activities the Group has joint control established by contractual agreement.
- (iii) In the Company's balance sheet, investments in associated and joint venture companies are stated at cost less impairment losses. The results of the associated and joint venture companies are included in the Company's profit and loss account to the extent of dividends received and receivable, provided the Company's right to receive the dividend is established before the balance sheet date.
- (iv) Investments in associated and joint venture companies are accounted for in the consolidated financial statements under the equity method from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.
- (v) The difference between the cost of acquisition and the Group's share of the fair value of the net assets of associated and joint venture companies at the date of acquisition is accounted for as goodwill or negative goodwill under Note 2(e) "Intangible Assets".
- (vi) The Group's share of the post-acquisition results of the associated and joint venture companies is included in the consolidated profit and loss account using the most recent available audited financial statements. Where the audited financial statements are not available, the Group's share is based on the unaudited financial statements. Any differences between the unaudited financial statements and the audited financial statements obtained subsequently are adjusted for in the following year.

The Group's share of the post-acquisition retained profits and reserves of the associated and joint venture companies is included in the consolidated balance sheet under interests in associated and joint venture companies respectively.

- (vii) On disposal of an associated or joint venture company, any attributable amount of purchased goodwill not previously amortised or credited through the profit and loss account in respect of an acquisition prior to 1 January 2001 is included in the calculation of the profit and loss on disposal.

(i) Partnership

- (i) A partnership is one where the Group has an interest and a share in the profits or loss and the net assets of the partnership.
- (ii) In the Company's balance sheet, investments in partnerships are stated at cost less impairment losses.
- (iii) Investments in partnerships are accounted for in the consolidated financial statements under the equity method.
- (iv) The Group's share of the post-acquisition results of the partnership is included in the consolidated profit and loss account using the most recent available audited financial statements. Where the audited financial statements are not available, the Group's share is based on the unaudited financial statements. Any differences between the unaudited financial statements and the audited financial statements obtained subsequently are adjusted for in the following year.

The Group's share of the post-acquisition retained profits and reserves of the partnership is included in the consolidated balance sheet under interests in partnerships.

(j) Financial assets

- (i) Debt and equity securities held for the long-term are stated at cost less allowance for diminution in value which are other than temporary as determined by the directors for each debt and equity security individually. Any such allowances are recognised as an expense in the profit and loss account.
- (ii) Debt and equity securities held for the short term are classified as current assets, and are stated at the lower of cost and market value determined on a portfolio basis. Cost is determined on the weighted average basis. Any increases or decreases in carrying amount are included in the profit and loss account.
- (iii) Profits or losses on disposal of financial assets are determined as the difference between the net disposal proceeds and the carrying amount of the financial assets and are accounted for in the profit and loss account as they arise.

(k) Development properties for sale

Development properties for sale are stated at the lower of cost plus, where appropriate, a portion of the attributable profit, and estimated net realisable value, net of progress billings. Cost of development properties include interest and other related expenditure which are capitalised as and when activities that are necessary to get the assets ready for their intended use are in progress. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

(l) Consumable stock

Consumable stock comprises principally food and beverages, maintenance supplies and spare parts. They are stated at lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs in bringing the stock to its present location and condition. Allowance is made where necessary for obsolete, slow-moving and defective stock.

(m) Impairment

The carrying amounts of the Group's assets, other than inventories, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. An impairment loss in respect of land and buildings or investment property carried at revalued amount is recognised in the same way as a revaluation decrease. All other impairment losses are recognised in the profit and loss account.

(i) Calculation of recoverable amount

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversal of impairment loss

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal of an impairment loss in respect of land and buildings or investment property carried at revalued amount is recognised in the same way as a revaluation increase. All other reversals of impairment are recognised in the profit and loss account.

An impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

(n) Interest-bearing loans and borrowings

Interest-bearing borrowings are recognised at cost.

(o) Employee benefits**(i) Short term employee benefits**

All short term employee benefits, including accumulated compensated absences, are recognised in the profit and loss account in the period in which the employees render their services to the Company.

(ii) Defined contribution plans

Contributions to post-employment benefits under defined contribution plans are recognised as an expense in the profit and loss account as incurred.

(iii) Equity compensation benefits

The stock option programme allows Group employees to acquire shares of the Company. No compensation cost or obligation is recognised. When the options are exercised, equity is increased by the amount of the proceeds received.

(p) Provisions

A provision is recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(q) Deferred taxation

Deferred taxation is provided using the liability method on all material timing differences arising from the different treatments of certain items for accounting and taxation purposes. Deferred tax benefit, however, is not recognised in the financial statements unless there is a reasonable expectation of realisation.

(r) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the profit and loss account as follows:

(i) Rental income

Rental income is recognised on an accrual basis.

(ii) Development properties for sale

The Group recognises income on property development projects using the percentage of completion method. Profit is brought into the financial statements only in respect of sales procured and to the extent that such profit relates to the progress of construction work. The progress of the construction work is measured by the proportion of the construction costs incurred to date to the estimated total construction costs for each project.

For property development projects in Australia where purchasers are able to rescind the contracts prior to the date of handover of property, income from sale is recognised in the period in which the purchaser takes possession of the property.

(iii) Technical consultancy and management fee

Technical consultancy and management fee is recognised in the profit and loss account as and when services are rendered.

(iv) Dividends

Dividend income is recognised in the profit and loss account when the shareholder's right to receive payment is established.

(v) Interest income

Interest income is recognised on an accrual basis.

(vi) Club memberships

Entrance fees from club memberships are recognised in the profit and loss account when the amounts are due to be received. 50% of the entrance fees is set aside and included in deferred income. Deferred income is amortised over the remaining membership period.

(s) Borrowing costs

- (i) Borrowing costs are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.
- (ii) The interest on borrowings capitalised is arrived at by reference to the actual rate of interest on borrowings for development purposes and, with regard to that part of the development cost financed out of general funds, at the average rate of interest.

(t) Foreign currency translation**(i) Unhedged foreign currency assets and liabilities**

Monetary assets and liabilities in foreign currencies are translated into reporting currencies at rates of exchange closely approximate to those ruling at the balance sheet date. Transactions in foreign currencies are translated at rates ruling on transaction dates. Translation differences are included in the profit and loss account.

(ii) Hedged foreign currency assets and liabilities

Where translation differences arise on translation of a foreign currency liability accounted for as a hedge of the foreign entity, this is included in the foreign currency translation reserve. On disposal of the investment in the foreign entity, translation differences are taken to the profit and loss account.

(u) Operating leases

Rental payable under operating leases are accounted for in the profit and loss account on a straight-line basis over the periods of the respective leases.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

(w) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segments), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's principal activities.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise income-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

3. Property, Plant and Equipment

The Group	Freehold land \$'000	Freehold buildings \$'000	Leasehold land \$'000	Leasehold hotel buildings \$'000	Other leasehold buildings \$'000	Assets under construction \$'000	Plant, machinery and improvements \$'000	Motor vehicles \$'000	Furniture, fittings and equipment \$'000	Total \$'000
At cost/valuation										
At 1 January										
2001	140,580	261,701	393,843	636,815	708,859	16,768	344,123	11,775	519,026	3,033,490
Translation difference on consolidation	4,851	16,847	9,075	7,016	24,299	829	3,170	194	7,126	73,407
Additions	–	4,401	4,708	5,192	31,136	33,019	9,755	822	53,974	143,007
Assets of subsidiaries acquired/ (disposed)	93,358	115,538	(96,075)	(365,693)	–	2,495	(150,991)	(1,953)	(65,685)	(469,006)
Surplus on revaluation	–	26,124	–	–	–	–	–	–	–	26,124
Disposals	–	–	(726)	–	(66)	(2,388)	(2,865)	(1,659)	(24,043)	(31,747)
Written off	–	–	–	–	(8,624)	(224)	(3,238)	(211)	(2,427)	(14,724)
Reclassification	(2,753)	75,452	–	(75,568)	(543)	(25,756)	(1,130)	122	30,176	–
Transfer from investment properties	15,514	94,079	–	–	69,611	–	–	–	–	179,204
At 31 December										
2001	251,550	594,142	310,825	207,762	824,672	24,743	198,824	9,090	518,147	2,939,755
Depreciation and impairment losses										
At 1 January										
2001	–	15,039	29,427	220,819	94,274	–	177,994	7,063	299,530	844,146
Translation difference on consolidation	–	901	357	212	1,871	–	1,505	114	3,601	8,561
Depreciation for the year	–	12,367	3,925	25,549	25,591	–	20,484	1,487	70,945	160,348
Impairment loss	–	8,720	32,143	–	–	–	–	–	–	40,863
Assets of subsidiaries acquired/ (disposed)	–	–	(17,308)	(186,218)	–	–	(81,712)	(1,681)	(54,427)	(341,346)
Disposals	–	–	–	–	(4)	–	(2,576)	(1,369)	(19,025)	(22,974)
Written off	–	–	–	–	(113)	–	(3,129)	(132)	(1,409)	(4,783)
Reclassification	–	754	–	(754)	(19)	–	(2,980)	122	2,877	–
Transfer from investment properties	–	2,115	–	–	–	–	–	–	–	2,115
At 31 December										
2001	–	39,896	48,544	59,608	121,600	–	109,586	5,604	302,092	686,930

The Group	Freehold land \$'000	Freehold buildings \$'000	Leasehold land \$'000	Leasehold hotel buildings \$'000	Other leasehold buildings \$'000	Assets under construction \$'000	Plant, machinery and improvements \$'000	Motor vehicles \$'000	Furniture, fittings and equipment \$'000	Total \$'000
Depreciation charge for 2000	–	1,683	4,651	26,591	13,489	–	22,303	1,477	50,030	120,224
Carrying amount 31 December 2001	251,550	554,246	262,281	148,154	703,072	24,743	89,238	3,486	216,055	2,252,825
Carrying amount 31 December 2000	140,580	246,662	364,416	415,996	614,585	16,768	166,129	4,712	219,496	2,189,344

At 31 December 2001, certain property, plant and equipment amounting to approximately \$339 million (2000: \$152 million) were mortgaged to banks to secure credit facilities for the Group (notes 29 and 30).

Included in the above property, plant and equipment are certain properties stated at independent professional valuations, on the basis of open market valuations.

	Valuation date	Valuation \$'000
Freehold buildings	9 August 2001	120,203
Leasehold land and buildings	30 November 2000	300,000

The carrying amount would have been \$363 million (2000: \$280 million) had these properties been carried at cost less accumulated depreciation.

The net book value of property, plant and equipment held for use by tenants under operating leases as at 31 December 2001 was \$289.3 million (2000: \$299.2 million).

The Company	Plant machinery and improvements \$'000	Furniture, fittings and equipment \$'000	Motor vehicles \$'000	Total \$'000
Cost				
At 1 January 2001	6,812	8,757	526	16,095
Additions	36	615	–	651
Disposals	(430)	(1,539)	–	(1,969)
Written off	(3,212)	(797)	–	(4,009)
At 31 December 2001	3,206	7,036	526	10,768
Depreciation and impairment losses				
At 1 January 2001	4,000	7,819	44	11,863
Depreciation for the year	1,192	129	104	1,425
Disposals	(347)	(1,273)	–	(1,620)
Written off	(3,125)	(794)	–	(3,919)
At 31 December 2001	1,720	5,881	148	7,749
Depreciation charge for 2000	459	608	46	1,113
Carrying amount 31 December 2001	1,486	1,155	378	3,019
Carrying amount 31 December 2000	2,812	938	482	4,232

4. Intangible Assets

	Note	The Group 2001 \$'000	2000 \$'000
Goodwill on consolidation arising from acquisition through business combinations		52,787	—
Less:			
Amortisation			
At 1 January		—	—
Amortisation charge for the year	38(c)	(1,252)	—
Goodwill written off	38(c)	(15,941)	—
At 31 December		(17,193)	—
		35,594	—

5. Investment Properties

	Note	The Group 2001 \$'000	2000 \$'000
(a) Freehold investment properties, at valuation		1,091,631	1,078,514
Leasehold investment properties, at valuation		5,562,526	7,568,162
Leasehold investment properties, at cost		2,021	2,021
Less:			
Amortisation			
At 1 January		(1,524)	(1,400)
Amortisation charge for the year	38(c)	(124)	(124)
At 31 December		(1,648)	(1,524)
		373	497
		6,654,530	8,647,173

- (b) Investment properties are stated at directors' valuation based on independent professional valuations carried out by the following valuers, on the basis of open market valuations.

	Valuation Date
CB Richard Ellis (Pte) Ltd	— October 2001
Jones Lang LaSalle Property Consultants Pte Ltd	— October 2001
Knight Frank Pte Ltd	— October 2001/January 2002
Colliers Jardine Consultancy & Valuation (Singapore) Pte Ltd	— October 2001
CB Richard Ellis Limited (China)	— October 2001
Cuervo Appraiser Inc. (Philippines)	— October 2001
BI Appraisals Ltd (Hong Kong)	— October 2001
HVS International Inc. (United Kingdom)	— December 2001
Insignia Richard Ellis Limited (United Kingdom)	— July 2001
Vigers J.B. Sdn Bhd (Malaysia)	— October 2001

- (c) At 31 December 2001, certain investment properties amounting to approximately \$2,694 million (2000: \$3,502 million) were mortgaged to banks to secure credit facilities for the Group (note 30).
- (d) Investment properties of the Group are held mainly for use by tenants under operating leases.

6. Properties Under Development

	The Group	
	2001 \$'000	2000 \$'000
At cost		
Leasehold land and other related costs	292,006	220,748
Freehold land and other related costs	123,076	204,190
Development costs	110,556	93,031
Interest, property tax and other costs	39,436	47,845
	565,074	565,814
Less:		
Allowance for anticipated valuation deficiencies on completion		
At 1 January	(94,400)	(43,000)
Allowance made	(86,801)	(48,716)
Allowance of subsidiaries acquired	–	(2,684)
At 31 December	(181,201)	(94,400)
	383,873	471,414

During the financial year, interest capitalised as cost of properties under development amounted to \$9.7 million (2000: \$11.1 million). At 31 December 2001, certain properties under development amounting to approximately \$116 million (2000: \$Nil) were mortgaged to banks to secure credit facilities for the Group (note 30).

7. Interests in Subsidiaries

	Note	The Company	
		2001 \$'000	2000 \$'000
(a) Unquoted shares, at cost			
Ordinary shares		2,472,163	2,512,715
Redeemable preference shares		3,401,549	1,945,870
		5,873,712	4,458,585
Less:			
Allowance for diminution in value of investments			
At 1 January		(144,211)	(144,211)
Allowance utilised		80,011	–
Allowance made	38(c)	(2,000)	–
At 31 December		(66,200)	(144,211)
		5,807,512	4,314,374
Add:			
Amounts owing by subsidiaries			
Loan accounts			
– interest free	47	2,930	280,244
– interest bearing	47	614,608	1,086,672
		617,538	1,366,916
Less:			
Allowance for doubtful receivables			
At 1 January		(61,589)	(61,589)
Allowance utilised		57,322	–
Allowance made	38(c)	(22,771)	–
At 31 December		(27,038)	(61,589)
		590,500	1,305,327
		6,398,012	5,619,701

	Note	The Company	
		2001 \$'000	2000 \$'000
Amounts owing by/(to) subsidiaries:			
Current accounts (mainly non-trade)			
– interest free	28	820,047	493,946
– interest bearing	28	581,439	686,261
		1,401,486	1,180,207
Current accounts (mainly non-trade)			
– interest free	28	(18)	(3,431)
– interest bearing	28	(15,095)	(111,844)
		(15,113)	(115,275)
Non-current loan accounts			
– interest free	28	(96,123)	–
– interest bearing	28	(762,588)	–
		(858,711)	–

(b) The balances with subsidiaries are unsecured and have no fixed terms of repayment. However, the management of the parties involved do not intend for the loan accounts to be repaid within the next 12 months. In respect of interest bearing loan and current accounts, interests are charged at rates ranging from 1.09% to 6.72% (2000: 2.06% to 9.22%) per annum. Included in the interest bearing loans is an amount of approximately \$Nil (2000: \$131 million) which is subordinated to the repayment of long-term secured bank loans of certain subsidiaries.

(c) Details of the subsidiaries are set out in note 49.

8. Interests in Associated Companies

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
(a) Unquoted shares, at cost	537,111	273,866	–	30,603
Quoted shares, at cost	49,820	49,820	–	–
Add:				
Goodwill on acquisition	(26,908)	(26,908)	–	–
	560,023	296,778	–	30,603
Share of post-acquisition revaluation reserve	228,557	117,505	–	–
Share of post-acquisition capital reserve	1,055	1,055	–	–
Balance carried forward	789,635	415,338	–	30,603

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Balance brought forward		789,635	415,338	—	30,603
Share of post-acquisition losses		(150,542)	(164,262)	—	—
Exchange differences arising on translation of foreign associated companies		(26,432)	(29,459)	—	—
Amounts owing by associated companies					
Loan accounts					
– interest free	47	216,515	173,948	—	—
– interest bearing	47	589,863	336,419	—	—
		806,378	510,367	—	—
Less:					
Allowance for doubtful receivables					
At 1 January		—	—	—	—
Allowance made	38(c)	(4,738)	—	—	—
At 31 December		(4,738)	—	—	—
		801,640	510,367	—	—
		1,414,301	731,984	—	30,603
Less:					
Allowance for diminution in value of investments					
At 1 January		(30,635)	(30,513)	—	—
Allowance made	38(c)	(10,000)	—	—	—
Disposal of associated company		12,092	—	—	—
Translation adjustments		(970)	(122)	—	—
At 31 December		(29,513)	(30,635)	—	—
		1,384,788	701,349	—	30,603
Market value of quoted shares		41,571	53,084	—	—

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Amounts owing by/(to) associated companies:					
Current accounts					
– Interest bearing (trade)		6,130	–	–	–
– Interest free (non-trade)		4,586	–	–	–
– Interest bearing (non-trade)		95,892	96,894	–	–
	14	106,608	96,894	–	–
Current accounts					
– Interest free (trade)		(13,567)	–	–	–
– Interest bearing (trade)		(3,275)	–	–	–
– Interest free (non-trade)		–	–	–	(19)
– Interest bearing (non-trade)		–	(3,229)	–	–
	20	(16,842)	(3,229)	–	(19)

- (b) The balances with associated companies are unsecured and have no fixed terms of repayment. However, the management of the parties involved do not intend for the loan accounts to be repaid within the next 12 months. In respect of interest bearing loan and current accounts, interests are charged at rates ranging from 1.85% to 6.93% (2000: 1.00% to 9.50%) per annum.
- (c) Included in the loan accounts is an amount of approximately \$246.2 million (2000: \$57 million) which is subordinated to the repayment of external borrowings of certain associated companies.
- (d) Details of the associated companies are set out in note 50.

9. Interests in Joint Venture Companies

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
(a) Capital contribution, at cost		14,360	14,360	–	–
Unquoted shares, at cost		490,197	268,306	–	21,100
Less:					
Goodwill on acquisition		(176)	(176)	–	–
Allowance for diminution in value of investments		–	–	–	(16,500)
		(176)	(176)	–	(16,500)
		504,381	282,490	–	4,600
Amounts owing by joint venture companies					
Loan accounts					
– interest free	47	69,480	95,958	–	28,585
– interest bearing	47	492,301	462,373	–	–
		561,781	558,331	–	28,585
Share of post-acquisition losses		(61,781)	(39,862)	–	–
Share of post-acquisition revaluation reserve		5,616	24,672	–	–
Share of post-acquisition reserves due to subsidiaries acquired		(5,688)	(5,688)	–	–
Share of post-acquisition capital reserve		1,289	–	–	–
Exchange differences arising on translation of foreign joint venture companies		7,147	4,047	–	–
		1,012,745	823,990	–	33,185

Amounts owing by/(to) joint venture companies:

Current accounts (non-trade)					
– interest free	14	28,804	217	–	–
– interest free	20	–	(22,340)	–	(23,340)

(b) The balances with joint venture companies are unsecured and have no fixed terms of repayment. However, the management of the parties involved do not intend for the loan accounts to be repaid within the next 12 months. In respect of interest bearing loan accounts, interests are charged at 7% to 11.75% (2000: 1.85% to 8.5%) per annum. Included in the above is an amount of approximately \$57.2 million (2000: \$83 million) which is subordinated to the repayment of external borrowings of certain joint venture companies.

(c) Details of the joint venture companies are set out in note 51.

(d) The Group's share of the joint venture companies' results, assets and liabilities are as follows:

	2001 \$'000	The Group 2000 \$'000
Balance Sheet		
Property, plant and equipment	161,480	110
Investment properties	550,654	320,310
Properties under development	325,870	267,814
	1,038,004	588,234
Current assets	600,974	487,477
Less:		
Current liabilities	(393,037)	(79,549)
Net current assets	207,937	407,928
	1,245,941	996,162
Less:		
Non-current liabilities	(204,392)	(194,295)
	1,041,549	801,867
Representing:		
Capital contribution	14,360	14,360
Share capital	490,197	268,306
Share of reserves	(53,593)	(17,007)
	450,964	265,659
Amounts owing to/(by) shareholders		
– loan accounts	561,781	558,331
– current accounts	28,804	(22,123)
	590,585	536,208
	1,041,549	801,867
Profit and Loss Account		
Revenue	188,904	18,380
Expenses	(191,875)	(12,357)
(Loss)/Profit before taxation	(2,971)	6,023
Taxation	(6,338)	(900)
(Loss)/Profit after taxation	(9,309)	5,123

The Group's share of the capital commitments of the joint venture companies is \$116.4 million (2000: \$63.0 million).

10. Interests in Partnerships

	2001 \$'000	The Group 2000 \$'000
(a) Capital contribution, at cost	34,295	56,400
Share of post-acquisition (losses)/retained profit	(38)	2
	34,257	56,402

(b) The Group's share of the partnerships' results, assets and liabilities are as follows:

	2001 \$'000	The Group 2000 \$'000
Balance Sheet		
Properties under development	31,727	25,098
Current assets	2,738	31,464
Less:		
Current liabilities	(208)	(160)
Net current assets	2,530	31,304
	34,257	56,402
Representing:		
Capital contribution	34,295	56,400
Share of reserves	(38)	2
	34,257	56,402
Profit and Loss Account		
Revenue	1,247	60
Expenses	(39)	(58)
Profit before taxation	1,208	2
Taxation	(181)	–
Profit after taxation	1,027	2

(c) The Group has interests in the following partnerships:

(i) **Moorgate Investment Partnership**

This is a limited partnership which is registered in United Kingdom and in which the Group has an effective interest of 50%. The principal activity of the partnership is that of property investment and development.

(ii) **Yoyogi Partnership**

In 2001, the partnership was dissolved upon completion of the residential development project. In the previous year, the Group had a 60% interest in the partnership.

11. Financial Assets

	Note	The Group 2001 \$'000	2000 \$'000
(a) Non-current financial assets			
Quoted shares, at cost less write-down		92,722	293,723
Unquoted shares, at cost		107,283	65,122
Quoted bonds, at cost		–	1,700
Other unquoted investments		15,507	50,621
		215,512	411,166
Less:			
Allowance for diminution in value of investments			
At 1 January		(21,343)	(9,831)
Allowance made	38(c)	(82,773)	(11,512)
Allowance utilised		54,398	–
At 31 December		(49,718)	(21,343)
		165,794	389,823
Amounts owing by investee companies			
Loan accounts			
– interest free		24,367	37,697
– interest bearing		44,169	22,787
		68,536	60,484
Less:			
Allowance for doubtful receivables			
At 1 January		(7,140)	(7,140)
Allowance of subsidiaries acquired		(24,205)	–
Allowance made	38(c)	(15,443)	–
Translation adjustments		(1,451)	–
At 31 December		(48,239)	(7,140)
		20,297	53,344
Total		186,091	443,167
Market value:			
Quoted shares		59,465	260,199
Quoted bonds		–	1,000

	Note	The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
(b) Current financial assets					
At cost:					
Quoted shares		5,170	5,170	—	—
Quoted bonds		9,899	—	9,899	—
Other unquoted investments		68,831	—	—	—
		83,900	5,170	9,899	—
Less:					
Allowance for diminution in value of investments					
At 1 January		(746)	(219)	—	—
Allowance made	38(c)	(2,879)	(527)	(2,434)	—
At 31 December		(3,625)	(746)	(2,434)	—
		80,275	4,424	7,465	—
Market value:					
Quoted shares		4,129	4,424	—	—
Quoted bonds		5,902	—	5,902	—

(c) The balances with investee companies are unsecured and have no fixed terms of repayment. However, the management of the parties involved do not intend for the amounts to be repaid within the next 12 months. In respect of interest bearing loan accounts, interests are charged at rates ranging from 3.31% to 7.90% (2000: 7.44% to 9.60%) per annum.

(d) Quoted and unquoted investments include investments in floating rate notes and bonds.

12. Other Non-Current Assets

	Note	The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
Club memberships		1,099	3,990	25	25
Amounts owing by related corporations	28	3,801	—	—	—
Loans to staff and directors of subsidiary		5,523	4,182	—	—
Loan to third party		13,430	—	—	—
		23,853	8,172	25	25

The loan to the third party is unsecured, bears interest at 8.75% (2000: Nil%) per annum and is repayable on March 2005.

13. Development Properties for Sale

	Note	The Group 2001 \$'000	2000 \$'000
(a) Properties in the course of development, at cost			
Land and other related costs		3,236,333	3,259,282
Development costs		1,155,798	1,101,193
Interest, property tax and others		248,175	281,967
		4,640,306	4,642,442
Less:			
Allowance for foreseeable losses			
At 1 January		(414,179)	(528,912)
Allowance of subsidiaries disposed		-	31,255
Allowance made	38(c)	(408,244)	(2,528)
Allowance utilised		1,275	2,620
Transfer to completed units		22,288	83,386
At 31 December		(798,860)	(414,179)
		3,841,446	4,228,263
Add: Attributable profit		51,961	36,815
		3,893,407	4,265,078
Less: Progress billings		(685,191)	(565,555)
		3,208,216	3,699,523
Completed units		290,661	644,619
Less:			
Allowance for foreseeable losses			
At 1 January		(62,964)	(23,407)
Allowance made	38(c)	(36,939)	(6,955)
Allowance utilised		68,472	50,784
Transfer from properties in the course of the development		(22,288)	(83,386)
At 31 December		(53,719)	(62,964)
		236,942	581,655
		3,445,158	4,281,178

(b) During the financial year, there were the following interest capitalised as cost of development properties for sale:

	Note	The Group 2001 \$'000	2000 \$'000
Interest paid and payable to banks	38(f)	46,375	69,530
Less:			
Interest received and receivable from fixed deposit project accounts	38(a)	(1,408)	(1,755)
		44,967	67,775

(c) At 31 December 2001, certain development properties for sale amounting to approximately \$100 million (2000: \$181 million) were mortgaged to banks to secure credit facilities of the Group (notes 30 and 31).

14. Trade and Other Receivables

	Note	The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
Trade receivables	15	410,268	420,829	222	614
Accrued receivables	16	100,947	250,220	–	–
Other receivables, deposits and prepayments	17	234,119	252,943	221,363	204,308
Funds held in trust	18	36,858	31,140	–	–
Amounts owing by:					
– associated companies	8	106,608	96,894	–	–
– joint venture companies	9	28,804	217	–	–
Loans to investee companies		4,069	12,371	–	–
Amounts owing by related corporation	28	253	2,205	1,401,486	1,180,207
		921,926	1,066,819	1,623,071	1,385,129

15. Trade Receivables

		The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
Trade receivables		433,273	433,401	308	1,039
Less:					
Allowance for doubtful receivables					
At 1 January		(12,572)	(13,424)	(425)	(494)
Allowance of subsidiaries disposed/(acquired)		143	(518)	–	–
Allowance made	38(c)	(10,881)	(2,278)	(33)	(84)
Allowance utilised		852	3,636	372	153
Translation adjustments		(547)	12	–	–
At 31 December		(23,005)	(12,572)	(86)	(425)
		410,268	420,829	222	614

16. Accrued Receivables

In accordance with the Group's accounting policy, income is recognised on the progress of the construction work. Upon receipt of Temporary Occupation Permit, the balance of sales consideration to be billed is included as accrued receivables.

17. Other Receivables, Deposits and Prepayments

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Prepayments		36,727	45,528	20	3
Deposits		21,420	39,983	100	93
Other receivables		167,267	109,538	3,211	1,269
Less:					
Allowance for doubtful receivables					
At 1 January		(6,879)	(2,890)	—	—
Allowance of subsidiaries disposed		2,353	960	—	—
Allowance made	38(c)	(26,191)	(4,949)	—	—
Allowance utilised		2,071	—	—	—
Translation adjustments		(466)	—	—	—
At 31 December		(29,112)	(6,879)	—	—
		138,155	102,659	3,211	1,269
Tax recoverables		37,817	64,773	218,032	202,943
		234,119	252,943	221,363	204,308

Other receivables comprise principally amount receivable in connection with staff loans, interest receivable and other recoverables.

18. Funds Held in Trust

Funds held in trust comprise fixed deposits and bank balances with banks and finance companies held on behalf of the Commissioner of Land, Public Utilities Board, the Housing and Development Board and related corporations:

	The Group	
	2001 \$'000	2000 \$'000
Fixed deposits	16,704	12,069
Cash at banks	20,154	19,071
	36,858	31,140

Included in funds held in trust is an amount of \$771,000 (2000: \$885,000) held on behalf of related corporations.

19. Cash and Cash Equivalents

	Note	The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
Amounts held under "Project Account Rules – 1997 Ed" withdrawals from which are restricted to payments for expenditure incurred on development projects		216,096	187,962	–	–
Fixed deposits		1,412,567	475,483	244,729	328,835
Cash at bank and in hand		293,894	215,853	8,556	988
	47	1,922,557	879,298	253,285	329,823
Bank overdrafts (unsecured)		(13,194)	(11,182)	(884)	–
Cash and cash equivalents in the statement of cash flows		1,909,363	868,116	252,401	329,823

Fixed deposits of \$173 million (2000: \$Nil) were pledged as securities for the medium term notes (note 31).

20. Trade and Other Payables

	Note	The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
Trade payables		346,469	253,683	2,477	1,425
Accruals	21	717,864	545,932	40,568	44,684
Other payables	22	145,399	196,289	119	823
Rental and other deposits	23	53,077	140,709	406	1,304
Funds held in trust	18	36,858	31,140	–	–
Provision for cyclical maintenance	24	–	4,850	–	–
Contract work-in-progress	25	7,302	7,350	–	–
Accrued redemption premium	26	–	41,217	–	41,217
Deferred income	32	–	–	821	–
Liability for employee benefits	33	7,774	6,006	375	1,080
Amounts owing to associated companies	8	16,842	3,229	–	19
Amounts owing to joint venture companies	9	–	22,340	–	23,340
Amounts owing to related corporations	28	14,498	37,130	15,113	115,275
		1,346,083	1,289,875	59,879	229,167

21. Accruals

Accruals include accrued development expenditure, accrued interest payable and accrued property, plant and equipment purchases.

22. Other Payables

Other payables relate principally to retention sums and amounts payable in connection with capital expenditure incurred.

23. Rental and Other Deposits

Included in rental and other deposits is an amount of \$2,468,000 (2000: \$1,557,000) received from related corporations.

24. Provision for Cyclical Maintenance

	Note	The Group 2001 \$'000	2000 \$'000
At 1 January, as previously reported		4,850	27,973
Change in accounting policy recognised in accumulated losses	41	(4,850)	–
At 1 January, as restated		–	27,973
Write back		–	(21,943)
Amount utilised		–	(1,180)
At 31 December		–	4,850

25. Contract Work-in-Progress

	The Group 2001 \$'000	2000 \$'000
Cost incurred and provided for	221	121
Less:		
Allowance for anticipated costs/losses	(6,843)	(6,446)
	(6,622)	(6,325)
Less:		
Progress payments received and receivable	(680)	(1,025)
Progress billings in excess of work-in-progress	(7,302)	(7,350)

26. US\$ 2% Redeemable Convertible Cumulative Preference Shares (“RCCPS”)

	Note	The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
Due within 1 year					
US\$ 2% redeemable convertible cumulative preference shares		–	301,530	–	301,530
Accrued redemption premium	20	–	41,217	–	41,217
		–	342,747	–	342,747

Pursuant to the Merger of DBS Land with the Company which was effective on 24 November 2000, 172,500 2% RCCPS of US\$1 each were issued by the Company at a premium of US\$999 per share to existing RCCPS holders of DBS Land in exchange for their 2% RCCPS.

The 172,500 2% RCCPS of US\$1 each were redeemed during the year at the redemption price of US\$1,171.10 per preference share based on a yield to redemption of 5% per annum.

27. Other Non-Current Liabilities

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Amounts owing to related corporations	28	26,647	33,065	885,358	26,397
Liability for employee benefits	33	1,465	807	–	–
Customer deposits and other payables		68,098	16,437	–	–
		96,210	50,309	885,358	26,397

28. Amounts Owing by/(to) Related Corporations

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Current					
Amounts owing by:					
Current accounts					
– Subsidiaries					
– non-trade					
– interest free	7	–	–	820,047	493,946
– interest bearing	7	–	–	581,439	686,261
– Other related corporations					
– trade					
– interest free		–	2,205	–	–
– interest bearing		222	–	–	–
– non-trade					
– interest free		31	–	–	–
	14	253	2,205	1,401,486	1,180,207
Current					
Amounts owing (to):					
Current accounts					
– Subsidiaries					
– non-trade					
– interest free	7	–	–	(18)	(3,431)
– interest bearing	7	–	–	(15,095)	(111,844)
– Other related corporations					
– trade					
– interest bearing		(169)	–	–	–
– non-trade					
– interest free		(14,329)	(37,130)	–	–
	20	(14,498)	(37,130)	(15,113)	(115,275)

	Note	The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
Non-current					
Amounts owing by:					
Loan accounts					
– Other related corporations					
– interest bearing	12	3,801	–	–	–
Non-current					
Amounts owing (to):					
Loan accounts					
– Subsidiaries					
– interest free	7	–	–	(96,123)	–
– interest bearing	7	–	–	(762,588)	–
– Other related corporations					
– interest free		(18,933)	(18,933)	(18,933)	(18,933)
– interest bearing		(7,714)	(14,132)	(7,714)	(7,464)
	27	(26,647)	(33,065)	(885,358)	(26,397)

(a) All balances with related corporations are unsecured and have no fixed terms of repayment. However, the management of the parties involved do not intend for the loan balances to be repaid within the next 12 months. In respect of interest bearing loan and current accounts, interests are charged at rates ranging from 2.07% to 4.18% (2000: 2.06% to 9.22%) per annum.

(b) The immediate holding corporation is Singapore Technologies Pte Ltd and the ultimate holding corporation is Temasek Holdings (Private) Limited. Both corporations are incorporated in the Republic of Singapore.

29. Short Term Loans

	The Group 2001 \$'000	2000 \$'000	The Company 2001 \$'000	2000 \$'000
Short term loans				
– secured	361,749	67,107	–	–
– unsecured	1,771,800	1,714,892	470,108	329,868
	2,133,549	1,781,999	470,108	329,868

Included in the secured short term loan is amount of US\$16.5 million (2000: US\$20 million) equivalent to \$30.2 million (2000: \$35 million) which is secured by a bank guarantee issued by another bank. The loan bears interest at 8.25% to 11.5% (2000: 11.5%) per annum and is repayable on 22 February 2002 (2000: 22 February 2001). The remaining secured short term loans are secured by mortgages on the borrowing subsidiaries' land and buildings.

30. Term Loans

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Term loans				
– secured	1,399,321	1,827,478	–	–
– unsecured	1,460,935	1,387,228	420,055	365,762
	2,860,256	3,214,706	420,055	365,762
Repayable:				
– within 1 year	959,673	810,208	150,000	105,000
– after 1 year	1,900,583	2,404,498	270,055	260,762
	2,860,256	3,214,706	420,055	365,762

(i) Secured Term Loans

These comprise loans repayable:

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Within 1 year	398,928	510,893	–	–
From 1 to 2 years	439,319	489,352	–	–
From 2 to 5 years	353,608	807,866	–	–
After 5 years	207,466	19,367	–	–
After 1 year	1,000,393	1,316,585	–	–
	1,399,321	1,827,478	–	–

The secured term loans bear interests ranging from 2.00% to 8.00% (2000: 2.80% to 10.50%) per annum.

Included in the secured term loans is an amount of \$200 million obtained in 2001, and due to mature in June 2010 with an early call redemption in June 2007. The loan bears interest from 3.71% to 4.79% per annum and is secured by a fixed and floating charge on the assets of the subsidiaries related to the projects (Sunhaven, The Loft and Palm Grove), assignment of the sale and rental proceeds of the projects and a charge on the monies in the Project Account of the projects.

Other term loans are generally secured by:

- mortgages on the borrowing subsidiaries' land and buildings, investment properties, properties under development or development properties for sale; and
- assignments of all rights and benefits with respect to the properties.

(ii) Unsecured Term Loans

These comprise loans repayable:

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Within 1 year	560,745	299,315	150,000	105,000
From 1 to 2 years	505,851	505,556	45,625	179,970
From 2 to 5 years	394,339	582,357	224,430	80,792
After 1 year	900,190	1,087,913	270,055	260,762
	1,460,935	1,387,228	420,055	365,762

The unsecured term loans bear interests ranging from 1.00% to 8.00% (2000: 0.90% to 9.30%) per annum.

31. Debt Securities

Debt securities comprise fixed rate notes, floating rate notes, hybrid rate notes and bonds issued by the Group and the Company.

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Notes issued as at end of the year		4,971,069	4,449,423	1,777,844	1,703,810
Less:					
Notes purchased (but not cancelled)		(1,166,553)	(699,000)	(473,500)	(680,250)
Notes outstanding as at end of the year	47	3,804,516	3,750,423	1,304,344	1,023,560
Repayable:					
Within 1 year		1,689,266	1,467,613	631,590	498,250
From 1 to 2 years		514,000	694,310	134,254	283,810
From 2 to 5 years		636,250	580,500	417,500	126,500
After 5 years		965,000	1,008,000	121,000	115,000
After 1 year		2,115,250	2,282,810	672,754	525,310
		3,804,516	3,750,423	1,304,344	1,023,560

(a) Secured Debt Securities

Included in the above debt securities are \$1,316.75 million (2000: \$1,390.75 million) debt securities issued by subsidiaries which are secured. The details of the secured debt securities as at 31 December 2001 are as follows:

- (i) \$100 million fixed rate bonds bearing interest at 4.75% per annum and are secured by a fixed and floating charge on the assets of a subsidiary and assignment of sales proceeds from the subsidiary's development property (The Clearwater). The bonds which were issued in 1999 are repayable in full on 6 August 2002. In December 2001, the subsidiary purchased \$47 million of bonds from the open market;
- (ii) \$125 million fixed rate bonds bearing interest at 6% per annum and are secured by a fixed charge on the investment property (Robinson Point) of a subsidiary. The bonds which were issued in 1999 mature on 21 July 2009 or at an earlier date in accordance with the terms of the "Call" and "Put" Option Agreements;
- (iii) \$120 million fixed rate bonds bearing interest at 6% per annum and are secured by a fixed charge on the investment property (268 Orchard Road) of a subsidiary. The bonds which were issued in 1999 mature on 31 August 2009 or at an earlier date in accordance with the terms of the "Call" and "Put" Option Agreements;

- (iv) \$550 million fixed rate bonds bearing interest at 6% per annum and are secured by a fixed charge on the investment property (Six Battery Road) of a subsidiary. The bonds which were issued in 1999 mature on 15 December 2009 or at an earlier date in accordance with the terms of the "Call" Option Agreement;
- (v) \$199 million (2000: \$208 million) medium term notes ("MTNs") which comprise 7 (2000: 6) series issued at various fixed/floating/variable rates, as part of a \$350 million secured MTN programme which has a 3 to 5 years duration from 12 July 2000. The MTNs bear interests ranging from 1.5% to 5.5625% (2000: 3.0625% to 5.5625%) per annum and are secured by a collateral mortgage on the investment property (Liang Court Complex) of a subsidiary. Unless previously redeemed or purchased and cancelled, the MTNs are redeemable at their principal amounts on their respective maturity dates from July 2003 to November 2005;
- (vi) \$164 million (2000: \$222.75 million) MTNs which comprise 12 (2000: 19) series issued at various fixed/floating/variable rates, as part of a \$500 million secured MTN programme which has a 10-year duration from 8 December 1999. The MTNs bear interests ranging from 1.55% to 4.88% (2000: 2.80% to 4.875%) per annum and are secured by fixed deposits of the subsidiary (2000: two investment properties (Funan The IT Mall and Orchard Point) held by subsidiaries). Unless previously redeemed or purchased and cancelled, the MTNs are redeemable at their principal amounts on their respective maturity dates from January 2002 to December 2002; and
- (vii) \$105.75 million (2000: \$65 million) of MTNs which comprise 3 (2000: 2) series issued by a subsidiary at various fixed rates, as part of a \$168 million secured MTN programme which has a 10-year duration from 30 October 2000. The MTNs bear interests ranging from 2.0% to 3.125% (2000: 3.0625% to 3.125%) per annum and are secured by fixed deposits of the subsidiary (2000: legal assignment of all issued ordinary shares of the subsidiary) and a guarantee of The Ascott Holdings Limited. Unless previously redeemed or purchased and cancelled, the MTNs are redeemable at their principal amounts on their respective maturity dates from February to March 2002.

(b) Unsecured Debt Securities

Details of the remaining \$2,487.77 million (2000: \$2,359.67 million) unsecured debt securities are as follows:

- (i) The holders of some of the above debt securities have the option to have all or any of their notes purchased by the Group at their principal amount on interest payment dates. In determining the repayment dates of the debt securities, it is assumed that the option will be exercised. Unless previously redeemed or purchased and cancelled, the debt securities are redeemable at the principal amounts on their respective maturity dates.
- (ii) Included above is an A\$54 million equivalent to S\$51.5 million unsecured notes bearing interest of 8.75% per annum. The unsecured notes which were issued in 1997 are repayable in full on 30 June 2002.
- (iii) The debt securities bear interest ranging from 0.86% to 8.50% (2000: 1.09% to 8.50%) per annum.

32. Deferred Income

Deferred income represents mainly premium on bonds issued and 50% of entrance fees from club memberships which has been set aside to match any possible excess operating costs over operating revenues in the remaining membership period.

33. Employee Benefits

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Liability for short-term accumulating compensated absences		7,774	6,006	375	1,080
Liability for long service leave entitlement		572	564	–	–
Liability for retirement gratuity		893	243	–	–
		9,239	6,813	375	1,080
Current	20	7,774	6,006	375	1,080
Non-current	27	1,465	807	–	–
		9,239	6,813	375	1,080

(a) Long service leave

This liability relates principally to provision made by a foreign subsidiary in relation to employees' leave entitlement granted after certain qualifying periods based on duration of employees' services rendered.

(b) Retirement gratuity

The Group operates an unfunded, defined benefit Retirement Gratuity Scheme for its senior executives, including a director. Benefit is payable based on the last drawn salary of the executive and the number of years of service with the Group, including those with certain predecessor corporations. The provision for retirement gratuity scheme at 31 December 2001, based on actuarial valuation, comprises present value of obligations under the scheme of \$2,237,000 (2000: \$1,310,000), net of unrecognised past service cost of \$1,344,000 (2000: \$1,067,000). The amounts recognised in the income statement comprises current service costs of \$339,000 (2000: \$129,000), amortisation of past service costs of \$208,000 (2000: \$Nil) and interest cost of \$103,000 (2000: \$10,000).

(c) Equity compensation benefits

The Share Option Plan, Performance Share Plan and Restricted Stock Plan (collectively referred to as the "Share Plans") of the Company were approved and adopted by its members at an Extraordinary General Meeting held on 16 November 2000. The Share Plans are administered by the Company's Executive Resource and Compensation Committee comprising Mr Peter Seah Lim Huat, Mr Hsuan Owyang, Sir Alan Cockshaw, Mr Lim Chin Beng and Mr Jackson Peter Tai.

Other statutory information regarding the Share Plans are set out below:

- (a) The exercise price of the options is set either at:
 - A price equal to the volume-weighted average price on the SGX-ST over the three consecutive trading days immediately preceding the grant of the option; or
 - A discount to the market price not exceeding 20% of the market price in respect of that option.
- (b) The options vest between 1 year to 5 years after the grant date.
- (c) The options granted expire after 5 or 10 years from the dates of the grant.

As at the end of the financial year, details of the options granted under the Share Plans for unissued ordinary shares of \$1.00 each of the Company were as follows:

Movements of share options outstanding:

Date granted	Exercise price \$	Number of options outstanding 1 January 2001	Options granted	Options exercised	Options cancelled/lapsed	Number of options outstanding 31 December 2001	Fair value of options at date of grant	Exercise period
12/06/2000	2.54	2,869,128	–	–	(207,861)	2,661,267	0.61	13/06/2001 to 11/06/2005
12/06/2000	2.54	7,670,394	–	–	(462,033)	7,208,361	0.61	13/06/2001 to 11/06/2010
24/11/2000	4.58	1,597,284	–	–	(1,597,284)	–	–	27/08/1997 to 25/08/2001
24/11/2000	4.82	1,883,725	–	–	(338,982)	1,544,743	–	22/03/1998 to 20/03/2002
24/11/2000	2.70	803,862	–	–	(47,288)	756,574	–	27/03/1999 to 25/03/2003
24/11/2000	2.61	1,915,792	–	–	(267,965)	1,647,827	–	09/04/2000 to 07/04/2004
24/11/2000	2.38	3,097,000	–	–	(654,600)	2,442,400	0.74	14/04/2001 to 12/04/2010
24/11/2000	2.51	480,000	–	–	–	480,000	0.76	05/08/2001 to 03/08/2005
24/11/2000	2.51	3,931,800	–	–	(430,100)	3,501,700	0.76	05/08/2001 to 03/08/2010
24/11/2000	2.68	200,000	–	–	–	200,000	0.62	25/11/2001 to 23/11/2010
18/06/2001	2.50	–	2,330,000	–	(90,000)	2,240,000	0.88	19/06/2002 to 18/06/2006
18/06/2001	2.50	–	19,184,240	–	(1,228,400)	17,955,840	0.88	19/06/2002 to 18/06/2011
02/07/2001	2.49	–	100,000	–	–	100,000	0.86	03/07/2002 to 02/07/2011
31/12/2001	1.85	–	300,000	–	–	300,000	0.81	01/01/2003 to 31/12/2011
		24,448,985	21,914,240	–	(5,324,513)	41,038,712		

34. Share Capital

	The Group and The Company 2001 \$'000	2000 \$'000
Authorised:		
4,000,000,000 ordinary shares of \$1 each	4,000,000	4,000,000
172,500 2% redeemable convertible cumulative preference shares of US\$1 each	255	255
Issued and fully paid:		
2,517,349,898 ordinary shares of \$1 each	2,517,350	2,517,350

Movements in share capital are shown in the statement of changes in equity.

At the end of the financial year, there were options relating to the Company's Share Option Plan for unissued ordinary shares of the Company of 41,038,712 (2000: 24,448,985), details of which are disclosed in Note 33(c).

35. Reserves

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Share premium	3,429,376	3,453,684	2,161,144	2,161,144
Capital reserve	94,173	65,421	–	–
Capital redemption reserve	3,867	2,823	313	–
Revaluation reserve	339,913	1,069,745	–	–
Foreign currency translation reserve	(12,313)	(24,708)	–	1,239
Reserve on consolidation	6,528	3,648	–	–
(Accumulated loss)/Unappropriated profit	(378,797)	(45,570)	269,776	269,069
	3,482,747	4,525,043	2,431,233	2,431,452

The Group and Company

The application of the share premium account is governed by Sections 69-69F of the Companies Act, Chapter 50.

The capital reserve comprises capital gains on disposal of properties and share of associated companies' capital reserve.

The capital redemption reserve is required by Section 70(5) of the Companies Act, Chapter 50, and it relates to the nominal amount of the redeemable preference shares redeemed by the Company and its subsidiaries.

The revaluation reserve comprises the net cumulative increase in the fair value of investment properties and share of associated companies and joint venture companies' revaluation surpluses and deficits.

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries, associated companies and joint venture companies, as well as from the translation of foreign currency loans used to finance investments in foreign subsidiaries.

The reserve on consolidation comprises the net excess of the fair values of the net assets over the purchase consideration in respect of subsidiaries, associated companies and joint venture companies acquired prior to 1 January 2001.

36. Minority Interests

	The Group	
	2001 \$'000	2000 \$'000
Share of net assets of subsidiaries	1,860,414	1,646,675
Amounts owing to/(by) minority shareholders (advances)		
– interest free	(69,629)	29,714
– interest bearing	95,120	177,472
	1,885,905	1,853,861

The balances with minority shareholders are unsecured and have no fixed terms of repayment. However, the management of the parties involved do not intend for the amounts to be repaid within the next 12 months. In respect of the interest bearing advances, interests are charged at rates ranging from 6.00% to 20.00% (2000: 6.22% to 25.00%) per annum.

37. Revenue

Revenue of the Group and of the Company is analysed as follows:

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Commercial	619,320	463,626	–	–
Residential	2,054,157	1,863,900	–	–
Serviced residences	138,947	91,440	–	–
Hotels	470,576	398,084	–	–
Property, project and other management services	116,286	117,769	30,499	34,379
Investment holding and others	28,138	65,921	70,937	373,173
Inter-segment elimination	(59,485)	(79,032)	–	–
	3,367,939	2,921,708	101,436	407,552

- (a) Revenue of the Company comprises gross rental and other related income from leased properties, fees from the provision of property management, related agency and consultancy services, fees from the provision of management support services and gross dividend income.
- (b) Revenue of the Group comprises gross rental, car park and other related income from investment properties and leased properties, income from property trading, fees from the provision of property and project management, related agency and consultancy services and income from serviced apartments and hotel operations. Intra-group transactions are excluded from the revenue of the Group.
- (c) Property trading income consists of an appropriate portion of the contracted sales value on which income has been recognised under the percentage of completion method.

38. (Loss)/Profit Before Taxation

(Loss)/Profit before taxation includes the following:

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
(a) Other operating income					
Interest income					
– fixed deposits		29,488	35,377	4,378	4,584
– subsidiaries		–	–	55,486	69,223
– associated and joint venture companies		42,120	27,257	–	691
– related corporations		35	4,944	–	10
– investee companies and others		13,755	3,294	421	3,172
– interest capitalised in development properties for sale	13(b)	(1,408)	(1,755)	–	–
		83,990	69,117	60,285	77,680
Dividend income (gross)		6,301	6,890	–	–
Gain on disposal/liquidation of subsidiaries and associated companies		558,761	763	90,427	–
Gain on foreign exchange		9,954	665	3,682	1,064
Commission income		16,088	10,249	–	–
Profit on sale of leasehold investment properties		29,701	23,807	–	–
Others		53,703	50,829	1,193	3,680
		758,498	162,320	155,587	82,424

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
(b) Staff costs				
Wages and salaries, including employers' contributions to defined contribution plans	357,190	281,103	9,065	14,217
Increase in liability for short term accumulating compensated absences	2,175	1,048	(705)	—
Increase in liability for retirement gratuity	650	139	—	—
Increase in liability for long service leave entitlement	8	—	—	—
Others	47,689	18,888	1,831	881
	407,712	301,178	10,191	15,098
Number of employees as at 31 December	13,296	9,168	68	295

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
(c) Other expenses					
Allowance for doubtful receivables					
– subsidiaries (loan accounts)	7	—	—	22,771	—
– associated companies (loan accounts)	8	4,738	—	—	—
– investee companies (loan accounts)	11	15,443	—	—	—
– trade	15	10,881	2,278	33	84
– non-trade	17	26,191	4,949	—	—
Allowance for foreseeable losses on development properties	13	445,183	9,483	—	—
Allowance for diminution in value of					
– subsidiaries	7	—	—	2,000	—
– associated companies	8	10,000	—	—	—
– short term investments	11	2,879	527	2,434	—
– long term investments	11	82,773	11,512	—	—
Amortisation of					
– intangible assets	4	1,252	—	—	—
– leasehold investment properties	5	124	124	—	—
Auditors' remuneration					
– auditors of the Company					
– current year		1,340	1,387	99	80
– overprovision in respect of prior year		(28)	—	—	—
– other auditors					
– current year		1,999	1,623	—	—
– underprovision in respect of prior year		41	—	—	—
Non-audit fees					
– auditors of the Company		1,232	122	133	80
– other auditors		2,228	1,680	—	—
Bad debts written off					
– trade		376	629	33	—
– non-trade		—	53	—	—

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Depreciation of property, plant and equipment	3	160,348	120,224	1,425	1,113
Impairment loss on property, plant and equipment	3	40,863	143,802	–	–
Loss on disposal of property, plant and equipment		913	301	117	7
Operating lease expenses		27,379	39,150	2,307	3,665
Property, plant and equipment written off	3	9,941	153	90	39
Impairment loss on property under development		8,150	59,716	–	–
Share of associated companies' exceptional items		–	4,128	–	–
Write down in value of overseas investment properties		34,620	38,595	–	–
Write-down in investment previously charged to revaluation reserve		–	188,680	–	–
Write-off of intangible assets	4	15,941	–	–	–

(d) Directors' remuneration

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Directors' remuneration				
– directors of the Company	2,598	2,206	2,371	2,050
– other directors	5,937	7,579	–	–
	8,535	9,785	2,371	2,050

(e) Professional fees

Fees paid and payable to firms in which certain directors of the Company are members:

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Charged to profit and loss account	2,253	937	414	109
Included as cost of development properties for sale and property, plant and equipment	791	1,500	–	–
Charged to share premium	–	550*	–	250

* There was also an amount of \$385,000 which was charged to the share premium account of a subsidiary.

(f) Finance costs

	Note	The Group		The Company	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
RCCPS dividend		6,330	6,091	6,330	3,117
Interest paid and payable to:					
– subsidiaries		–	–	43,915	11,381
– related corporations		2,279	489	249	489
– associated and joint venture companies		–	22,100	–	–
– bank loans and overdrafts		198,694	309,027	36,049	39,265
– debt securities		253,967	153,468	52,545	59,049
– others		28,915	12,292	1,715	789
		483,855	497,376	134,473	110,973
Total borrowing costs		490,185	503,467	140,803	114,090
Less:					
Borrowing costs capitalised in:					
– properties under development		(11,032)	(11,067)	–	–
– development properties for sale	13(b)	(46,375)	(69,530)	–	–
		(57,407)	(80,597)	–	–
		432,778	422,870	140,803	114,090

The finance costs have been capitalised at a rate of 0.86% to 8.50% (2000: 0.90% to 10.50%) for properties under development and development properties for sale.

39. Taxation

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
(a) Provision for Taxation				
At 1 January	172,988	221,558	177,374	89,489
Provision of subsidiaries disposed	(39,828)	(2,546)	–	–
Provision made	98,467	116,137	20,181	87,885
Payments made	(85,949)	(163,117)	(2,127)	–
Transfer from deferred taxation account	(3,729)	3,968	–	–
Translation adjustments	441	(3,012)	–	–
At 31 December	142,390	172,988	195,428	177,374
(b) Deferred Taxation				
At 1 January	102,356	91,310	238	238
Deferred taxation of subsidiaries (disposed)/acquired	(27,666)	22,110	–	–
Transfer to profit and loss account	(11,662)	(5,526)	–	–
Transfer to provision for taxation account	3,729	(3,968)	–	–
Translation adjustments	723	(1,570)	–	–
At 31 December	67,480	102,356	238	238
(c) Tax Charge				
Current				
The Company and its subsidiaries				
– Based on current year's results	108,695	129,944	20,181	87,885
– Overprovision in respect of prior year	(10,228)	(13,807)	–	–
	98,467	116,137	20,181	87,885
– Based on current year's results				
– Associated companies	12,137	10,102	–	–
– Joint venture companies	6,338	900	–	–
– Partnerships	181	–	–	–
	117,123	127,139	20,181	87,885
Deferred				
The Company and its subsidiaries				
– Based on current year's results	(9,908)	(9,238)	–	–
– (Over)/Under provision in respect of prior year	(1,754)	3,712	–	–
	(11,662)	(5,526)	–	–
	105,461	121,613	20,181	87,885

The Company

The tax charge is higher than the amount arrived at by applying the Singapore statutory tax rate of 24.5% (2000: 25.5%) to the profit for the year. This is mainly due to certain expenses which are disallowable for tax purposes.

The Group

There is a tax charge for the Group despite the loss for the year. This is mainly due to:

- (a) certain expenses being disallowed for tax purposes;
- (b) timing differences in the treatment of certain items for accounting and tax purposes and for which the related deferred tax benefits have not been recognised;
- (c) losses incurred by some subsidiaries which cannot be offset against profits earned by other companies in the Group. However, these losses are available for set-off against future profits of the relevant subsidiaries subject to the agreement of the Comptroller of Income Tax; and
- (d) varying statutory tax rates of different countries in which the Group operates.

As at 31 December 2001, the Group has unutilised tax losses and unutilised wear and tear allowances amounting to approximately \$342.0 million (2000: \$244.8 million) which are available for carry forward and set off against future taxable income, subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which certain subsidiaries operate.

40. Earning Per Share**(a) Basic earnings per share**

The calculation of basic earnings per share is based on the loss after tax and minority interests of \$275,046,000 (2000: \$286,979,000) and the weighted average of 2,517,349,898 (2000: 2,503,306,323) ordinary shares.

(b) Fully diluted earnings per share

The calculation of fully diluted earnings per share is based on the loss after tax and minority interests of \$275,046,000 (2000: \$286,979,000) and the weighted average of 2,517,349,907 (2000: 2,505,330,159) ordinary shares.

41. Changes in Accounting Policies**(a) Adoption of new/revised accounting standards and their effects**

In 2001, the Company adopted nine new/revised standards in the manner elaborated below:

SAS 8 (revised 2000) – Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies

The adoption of SAS 8 (revised 2000) has resulted in the Group reclassification of the extraordinary item which does not meet the definition of extraordinary item to other operating income or other operating expenses. The revised policy has been applied retrospectively by reclassifying the comparatives in the profit and loss accounts to conform with the current year's presentation.

SAS 10 (revised 2000) – Events after the Balance Sheet Date

The adoption of SAS 10 (revised 2000) has resulted in the Group and the Company reversing the liability for proposed final dividends. The new accounting policy is to recognise proposed final dividends only after they have been formally declared payable by shareholders (refer to note 42). The change has been applied retrospectively by adjusting the opening balances of (accumulated losses)/unappropriated profits at 1 January 2001 and 2000; comparatives have been restated.

SAS 17 (2000) – Employee Benefits

The adoption of SAS 17 (2000) has resulted in the Group and the Company making provisions for the obligations in respect of short term employee benefits in the form of accumulating compensated balances. These obligations are provided when the employees render services that increase their entitlement to future compensated absences (refer to note 33).

The Company had always accrued for short term employee benefits in the form of accumulating compensated balances. Therefore the adoption of the standard has not given rise to any adjustments in the opening balances of unappropriated profits at 1 January 2001 and 2000.

In addition, the provisions for the employee benefits obligations for the subsidiaries of the Company are insignificant. These have been accounted for by adjusting the current year's financial statements.

SAS 31 (2000) – Provisions, Contingent Liabilities and Contingent Assets

The adoption of SAS 31 (2000) has resulted in the Group reversing the provisions for cyclical maintenance that do not meet the recognition criteria given in the standard (refer to note 24). The reversal has been accounted for by adjusting the opening balance of accumulated losses at 1 January 2001; comparatives have not been restated.

SAS 22 (revised 2000) – Business Combinations

On adoption of SAS 22 (revised 2000), the Group has changed the accounting policy on the treatment of goodwill and negative goodwill arising on acquisition of businesses (refer to note 2(e)). The Group has adopted the transitional provision of not restating the goodwill/(negative goodwill) that has previously been written off against reserves, with the view of including the attributable goodwill/(negative goodwill) in the determination of profit or loss when the businesses are disposed of or discontinued. The result of adopting this choice of transitional provision is that the adoption of SAS 22 has no effect on the comparatives or the opening balances of (accumulated losses)/unappropriated profits; the effect of change in accounting policy on net profit for the year arising from current year's acquisition of businesses is a charge of \$17,193,000 for the Group (refer to note 4).

SAS 34 (revised 2000) – Intangible Assets

The adoption of SAS 34 (revised 2000) has resulted in the Group reversing the deferred expenditure for pre-operating expenses. The new accounting policy is to charge out the pre-operating expenses as and when it is incurred (refer to note 41(b)). The change has been applied retrospectively by adjusting the opening balances of (accumulated losses)/unappropriated profits at 1 January 2001 and 2000; comparatives have been restated.

Other Standards

The adoption of SAS 32 (2000) – Financial Instruments: Disclosure and Presentation, SAS 35 (2000) – Discontinuing Operations and SAS 36 (2000) – Impairment of Assets, have not given rise to any adjustments to the opening balances of (accumulated losses)/unappropriated profits of the current and prior period or to changes in comparatives.

(b) Effects of changes in accounting policies

The changes in accounting policies, to the extent that they are applied retrospectively, have the following impact (net of tax):

	Note	2001 \$'000	The Group 2000 \$'000	2001 \$'000	The Company 2000 \$'000
Effect of changes in accounting policy on (accumulated losses)/unappropriated profits:					
Opening (accumulated losses)/unappropriated profits, as previously reported		(61,577)	275,273	231,057	17,423
Effect of adopting SAS 10 (dividends proposed)	42	38,012	48,170	38,012	—
Effect of adopting SAS 34 (intangible assets)		(22,005)	(22,005)	—	—
		16,007	26,165	38,012	—
Effect of adopting SAS 31 (provisions)	24	(45,570) 4,850	301,438 —	269,069 —	17,423 —
Opening (accumulated losses)/unappropriated profits, as restated		(40,720)	301,438	269,069	17,423
Effect of changes in accounting policy on net (losses)/profits for the year:					
Net (losses)/profits before changes in accounting policies		(257,853)	(286,979)	39,032	251,646
Effect of adopting SAS 22 (business combinations)		(17,193)	—	—	—
Net (losses)/profits for the year, as restated		(275,046)	(286,979)	39,032	251,646

42. Dividends

	2001 \$'000	The Group 2000 \$'000	2001 \$'000	The Company 2000 \$'000
As previously reported:				
– Final dividend proposed	—	38,012	—	38,012
Effect of adopting SAS 10:				
– Reversal of final dividend proposed	—	(38,012)	—	—
– Final dividend paid in respect of year 1999	—	48,170	—	—
	—	48,170	—	(38,012)
Final dividend paid in respect of year 2000	38,012	—	38,012	—
	38,012	48,170	38,012	—

After the balance sheet date, the Directors proposed the following dividends. The dividends have not been provided for.

	2001 \$'000	The Group 2000 \$'000	2001 \$'000	The Company 2000 \$'000
Final dividend proposed	57,018	38,012	57,018	38,012

43. Notes to the Consolidated Statement of Cash Flows

	2001 \$'000	2000 \$'000
(a) Net effect of acquisition of subsidiaries		
Property, plant and equipment	309,336	258,563
Investment properties	–	584,973
Properties under development	–	103,928
Interests in associated companies	12,709	59,522
Interests in joint venture companies	–	27,733
Other non-current assets	40,991	2,453
Current assets	84,222	881,848
Current liabilities	(124,239)	(495,010)
Non-current liabilities	(59,224)	(485,941)
Minority interests	(9,096)	(263,883)
Net assets acquired	254,699	674,186
Amounts previously accounted for as associated companies	–	(262,324)
Goodwill arising on consolidation	45,333	30,520
Purchase consideration	300,032	442,382
Less:		
Cash of subsidiaries acquired	(47,133)	(68,490)
Cash outflow on acquisition of subsidiaries	(252,899)	(373,892)
(b) Net effect of disposal of subsidiaries		
Property, plant and equipment	437,672	3,208
Investment properties	1,436,994	–
Interests in associated companies	–	3,593
Other non-current assets	1,788	2,741
Current assets	28,414	143,645
Current liabilities	(370,116)	(31,662)
Non-current liabilities	(95,512)	(2,346)
Minority interests	–	(57,254)
Net assets	1,439,240	61,925
Less:		
Equity interest retained as associated and joint venture companies	(764,114)	–
Net assets disposed	675,126	61,925
Provision for income support and profit warranty	93,431	–
Realisation of revaluation reserve	(319,943)	–
Gain on disposal of subsidiaries	548,268	30,124
Shareholders' loan to subsidiaries repaid	163,297	–
Sale consideration	1,160,179	92,049
(Less)/Add:		
Overdraft/Cash of subsidiaries disposed	(81,959)	1,277
Cash inflow on disposal of subsidiaries	1,078,220	93,326
Net cash inflow/(outflow) on acquisition/disposal of subsidiaries	825,321	(280,566)

44. Commitments

The Group and the Company had the following commitments as at the balance sheet date:

(a) Operating Lease Commitments

Future minimum lease payments for the Group and the Company on non-cancellable operating leases with a term of more than one year are as follows:

	The Group		The Company	
	2001 \$'000	Restated 2000 \$'000	2001 \$'000	2000 \$'000
Lease payments due:				
Within 1 year	80,906	35,642	1,078	1,170
From 1 to 2 years	94,421	50,788	946	–
From 2 to 5 years	250,169	61,975	–	–
After 5 years	197,943	106,148	–	–
	623,439	254,553	2,024	1,170

(b) Commitments

Commitments in respect of:

– capital expenditure contracted but not provided for in the financial statements	30,978	258,165	–	–
– capital expenditure authorised but not committed	73,622	44,854	–	–
– development expenditure contracted but not provided for in the financial statements	265,546	217,364	–	–
– development expenditure authorised but not committed	47,453	–	–	–
– purchase of properties	–	85,821	–	–
– capital contribution in associated, joint venture and investee companies	72,117	20,630	–	–
– shareholders' loan committed but not remitted	–	60,876	–	–
– forward foreign exchange contracts	407,648	69,443	87,580	–
– others	–	110	–	–
	897,364	757,263	87,580	–

(c) As at 31 December 2001, the Group and the Company have entered into interest rate caps and interest rate swaps with notional principal values as follows:

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Interest rate caps	24,800	23,900	–	–
Interest rate swaps	1,108,479	948,980	427,500	455,110
	1,133,279	972,880	427,500	455,110

The maturity dates of these interest rate caps and interest rate swaps contracts are:

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Within 1 year	361,830	299,310	182,500	8,940
From 1 to 2 years	389,995	348,570	–	201,170
From 2 to 5 years	261,654	140,000	160,000	60,000
After 5 years	119,800	185,000	85,000	185,000
	1,133,279	972,880	427,500	455,110

45. Contingent Liabilities (Unsecured)

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Guarantees issued on behalf of				
– subsidiaries	–	–	31,024	432,556
– associated companies	86,922	167,725	–	–
– joint venture companies	40,500	–	–	–
Others	9,981	–	–	–
	137,403	167,725	31,024	432,556

46. Significant Related Party Transactions**Identity of related parties**

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

During the financial year, there were the following significant related party transactions which were carried out in the normal course of business on terms agreed between the parties:

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Subsidiaries				
Management fee income	–	–	25,958	27,450
Rental expense	–	–	(1,220)	(1,642)
Accounting service fee income	–	–	–	1,687
Other Related Corporations				
Rental income	7,997	5,418	–	–
Management and agency fee income	1,014	–	–	–
Construction and project management costs capitalised in development properties	(21,964)	(2,446)	–	–
Purchase of computers, air-tickets and others	(2,300)	(609)	(1,175)	(561)
Immediate Holding Corporation				
Management fee expense	(7,250)	(7,000)	(7,250)	(7,000)
Management and agency fee income	379	–	–	–
Rental income	1,393	1,382	–	–
Training expense	(803)	(101)	(99)	(69)
Ultimate Holding Corporation				
Rental income	3,017	2,157	–	–
Associated and Joint Venture Corporations				
Management fee income	5,533	5,933	–	–
Rental expense	(31,763)	–	–	–
Accounting service fee income and others	279	1,082	–	–
Sale of completed residential properties	43,758	–	–	–

47. Financial Instruments

(a) Financial risk management objectives and policies

The Group and the Company are exposed to interest rate, foreign currency, credit and liquidity risks arising from its diversified portfolio business. The Group's risk management approach seeks to minimise the potential material adverse effects from these exposures. As a whole, the Group has implemented risk management policies and guidelines which set out its tolerance of risk and its general risk management philosophy. In connection with this, the Group has established a framework and process to monitor the exposures so as to ensure appropriate measures can be implemented on a timely and effective manner.

(b) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment relates mainly to its investment in financial products and debt obligations.

The investment in financial products are mainly short term in nature and they are not held or issued for trading or speculative purposes but were mainly placed in fixed deposits or short term commercial papers which yield better returns than cash at bank.

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve certain level of protection against rate hikes. The Group also uses hedging instruments such as interest rate swaps and caps to minimise its exposure to interest rate volatility.

(c) Foreign currency risk

The Group operates internationally and is exposed to various currencies, mainly Australian dollars, Chinese renminbi, Euros, Hong Kong dollars, Japanese yen, Sterling pounds, Swiss francs and United States dollars.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

In relation to its overseas investments in its foreign subsidiaries whose net assets are exposed to currency translation risk and which are held for long term investment purposes, the differences arising from such translation are captured under the foreign currency translation reserve. These translation differences are reviewed and monitored on a regular basis.

(d) Credit risk

The Group has a diversified portfolio of businesses and at balance sheet date, there were no significant concentration of credit risk with any entity. The Group has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. Investments and financial transactions are restricted with counterparties that meet the appropriate credit criteria and of high credit standing.

(e) Liquidity risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash or cash convertible investments to meet its working capital requirement. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group will constantly raise committed funding from both capital markets and financial institutions and prudently balance its portfolio with some short term funding so as to achieve overall cost effectiveness.

(f) Sensitivity analysis

In managing its exposure to interest rate, foreign currency, credit and liquidity risks, the Group strives to prudently balance its portfolio so as to minimise its impact on earnings.

As at balance sheet date, it is estimated that a 1 percentage change in borrowing costs would affect the Group's loss before tax by approximately \$88 million.

(g) Fair values

The aggregate net fair values of financial assets and liabilities which are not carried at fair value in the balance sheet as at 31 December are represented in the following table:

	Note	Carrying amount \$'000	2001 Fair value \$'000
The Group			
Financial Assets			
Quoted equity securities	11(a), (b)	80,969	63,594
Quoted bonds	11(b)	7,465	5,902
		88,434	69,496
Financial Liabilities			
Long-term secured bank loans			
– fixed	30(i)	242,753	235,605
– floating	30(i)	757,640	757,531
Long-term unsecured bank loans			
– floating	30(ii)	900,190	899,185
Long-term secured debt securities			
– fixed	31	895,000	944,700
– floating	31	50,000	50,000
Long-term unsecured debt securities			
– fixed	31	1,170,250	1,214,196
		4,015,833	4,101,217
The Company			
Long-term unsecured bank loans			
– floating	30(ii)	270,055	269,970
Long-term unsecured debt securities			
– fixed	31	672,754	694,040
		942,809	964,010

The fair value of long-term quoted securities is their quoted bid price at the balance sheet date. For other financial instruments, fair value has been determined by discounting the relevant cash flows using current interest rates for similar instruments at the balance sheet date.

The following methods and assumptions are used to estimate fair values of the following significant classes of financial instruments not included in Note 47(g) above.

(i) Cash and Cash Equivalents, Current Investments, Trade and Other Receivables, Short Term Borrowings, Trade and Other Payables

The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

(ii) Non-Current Unquoted Investments

It is not practical to estimate the fair value of the Group's long-term unquoted equity and bond investments because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs. However, the Group do not anticipate the carrying amounts recorded to be significantly in excess of their fair values at the balance sheet date.

(iii) **Non-Current Loans Due from/(to) Subsidiaries, Associated Companies, Joint Venture Companies, Investee Companies and Minority Shareholders**

It is not practical to estimate the fair value of non-current loan accounts due principally to a lack of fixed or repayment term entered by the parties involved and without incurring excessive costs. However, the Group does not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be received or settled.

(iv) **Unrecognised Financial Instruments**

The valuation of financial instruments not recognised in the balance sheet detailed in this note reflects amounts which the Group expects to pay or receive to terminate the contracts (net of transaction costs) or replace the contracts at their current market rates as at the balance sheet date.

The notional amount and net fair value of financial instruments not recognised in the balance sheet as at 31 December are:

	Note	2001 Notional amount \$'000	2001 Net Fair value (payable)/ receivable \$'000
The Group			
Interest rate swap agreements	44(c)	1,108,479	(33,686)
Forward foreign exchange contracts	44(b)	407,648	49
		1,516,127	(33,637)
The Company			
Interest rate swap agreements	44(c)	427,500	(19,562)
Forward foreign exchange contracts	44(b)	87,580	–
		515,080	(19,562)

(h) **Comparative information**

No comparative information for the previous year is presented as such information was not available upon adoption of SAS 32 "Financial Instruments – Disclosure and Presentation".

48. Information Required by Paragraph 7 Ninth Schedule, Companies Act, Chapter 50

The Group's and the Company's liabilities payable and debts receivable at the balance sheet date (excluding deferred taxation, cash and funds held in trust) are as follows:

	2001 Liabilities payable \$'000	2001 Debts receivable \$'000	2000 Liabilities payable \$'000	2000 Debts receivable \$'000
The Group				
Within 1 year	6,234,103	885,068	5,788,223	1,035,679
From 1 to 2 years	1,459,170	25,820	1,689,218	57,526
Within 2 years	7,693,273	910,888	7,477,441	1,093,205
From 2 to 5 years	1,480,407	1,380,652	2,021,032	1,068,698
After 5 years	1,172,466	–	1,027,367	–
	10,346,146	2,291,540	10,525,840	2,161,903
The Company				
Within 1 year	1,506,184	1,623,071	1,641,189	1,385,129
From 1 to 2 years	179,879	–	463,780	–
Within 2 years	1,686,063	1,623,071	2,104,969	1,385,129
From 2 to 5 years	1,527,288	590,500	233,689	1,333,912
After 5 years	121,000	–	115,000	–
	3,334,351	2,213,571	2,453,658	2,719,041

49. Subsidiaries

(a) All subsidiaries set out below are incorporated and conducting business in the Republic of Singapore:

Subsidiaries	Principal Activities	Class of Shares	Percentage Held by the Company		Cost of Investments	
			2001 %	2000 %	2001 \$'000	2000 \$'000
Alexandrite Land Pte Ltd	Investment holding	Ordinary	100	100	*	*
		Redeemable Preference	100	100	4,200	4,200
Areca Investment Pte Ltd	Property development and investment holding	Ordinary	100	100	1,000	1,000
		Redeemable Preference	100	100	674,150	674,150
Beauty World Pte Ltd	Property investment	Ordinary	100	100	36,280	36,280
CapitaLand Commercial Limited	Investment holding	Ordinary	100	100	1,316,031	1,316,031
		Redeemable Preference	100	—	500,000	—
CapitaLand Fund Management Limited (formerly known as Pidemco Capital Pte Ltd)	Investment holding	Ordinary	100	100	*	*
CapitaLand Property Services Holdings Pte Ltd	Investment holding	Ordinary	100	100	*	*
CapitaLand Residential Limited	Investment holding	Ordinary	100	100	1,000,000	*
		Redeemable Preference	100	—	2,000,000	—
CapitaLand Research Pte Ltd (formerly known as Chrysocolla Pte Ltd)	Dormant	Ordinary	100	100	*	*
Capital Tower Pte Ltd	Property investment	Ordinary	100	100	40,903	40,903
		Redeemable Preference	100	100	158,503	158,503
Hill Street Centre Pte Ltd	Dormant	Ordinary	100	100	6,460	6,460
		Redeemable Preference	100	100	5,400	5,400
pFission Pte Ltd	Investment holding	Ordinary	100	100	2,000	2,000
Pidemco Investment Pte Ltd	Investment holding	Ordinary	100	100	*	*
		Redeemable Preference	100	100	59,296	59,296
PID Investments Pte Ltd	Investment holding	Ordinary	—	82.5	—	3,511
		Redeemable Preference	—	85	—	9,302
Pidemco Land (Indonesia) Pte Ltd	Investment holding	Ordinary	100	100	*	*
Pidemco Land (Philippines) Pte Ltd	Investment holding	Ordinary	100	100	*	*
Pidemco Realty Pte Ltd	Dormant	Ordinary	100	100	*	*

Subsidiaries	Principal Activities	Class of Shares	Percentage Held by the Company		Cost of Investments	
			2001 %	2000 %	2001 \$'000	2000 \$'000
Somerset Capital Pte Ltd	Investment holding	Ordinary	100	100	*	*
Somerset International Holdings Pte Ltd	Investment holding	Ordinary	100	100	*	*
Somerset Land Pte Ltd	Investment holding	Ordinary	100	100	*	*
Stamford Holdings Pte Ltd	Investment holding	Ordinary	100	+	69,489	+
3 Yangon Investment Pte Ltd	Investment holding	Ordinary	—	89	—	15,059
SGN Investment Pte Ltd	Investment holding	Ordinary	—	100	—	*
		Redeemable Preference	—	100	—	5,300
Suten Investment & Development Pte Ltd	Investment holding	Ordinary	—	100	—	*
		Redeemable Preference	—	100	—	38,200
					5,873,712	2,375,595
Add: Previously directly held by the Company#					—	2,082,990
					5,873,712	4,458,585

(b) Other subsidiaries in the Group are:

Name of Company		Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
(i) @	Directly held by Areca Investment Pte Ltd: Castle Star Developments Limited		Investment holding	British Virgin Islands	100	—	—	—
(ii)	Directly held by Pidemco Land (Indonesia) Pte Ltd: Pyrite Pte Ltd		Investment holding	Singapore	100	100	—	—
(iii)	Directly held by Pidemco Realty Pte Ltd: PL Residential Capital Limited		Provision of financial and treasury services	Singapore	100	#	Ordinary	—
	PL Residential Treasury Limited		Provision of financial and treasury services	Singapore	100	#	Ordinary	—
(iv) 2	Jointly held by Areca Investment Pte Ltd and Pidemco Land (Philippines) Pte Ltd: Raffles Holdings Limited		Investment holding	Singapore	60.1	60.1	—	—
(v) 2	Jointly held by Raffles Holdings Limited and Pidemco Land (Philippines) Pte Ltd: RC Hotels (Pte) Ltd		Hotel operator	Singapore	64.1	#	Ordinary	—
(vi)	Jointly held by Areca Investment Pte Ltd, Somerset Capital Pte Ltd, Somerset Land Pte Ltd and Stamford Holdings Pte Ltd: The Ascott Group Limited (formerly known as The Ascott Limited)		Investment holding, property investment and the management of commercial, residential and serviced apartment properties	Singapore	68.9	68.9	—	—

Name of Company		Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
(vii)	Jointly held by pFission Pte Ltd and PREMAS Investments Pte Ltd (formerly known as PREMAS Holdings (Asia) Pte Ltd):							
	eNabled Homes Pte Ltd	Development and management of an internet-based platform to interact, transact and share information and provision of information technology value added services	Singapore	55	55	—	—	—
(viii)	Directly held by PID Investments Pte Ltd:							
1	Westlake International Company	Hotel owner and operator	The Socialist Republic of Vietnam	—	61.9	—	—	—
(ix)	Jointly held by Suten Investment & Development Pte Ltd and SGN Investment Pte Ltd:							
1	Suzhou Wugong Hotel Co., Ltd	Hotel owner and operator	The People's Republic of China	—	82.7	—	—	—
(x)	Directly held by Yangon Investment Pte Ltd:							
3	Yangon Hotel Limited	Hotel owner and operator	The Union of Myanmar	—	84.6	—	—	—
(xi)	Directly held by CapitaLand Fund Management Limited (formerly known as Pidemco Capital Pte Ltd):							
	SingMall Property Trust Management Limited	Property management and related services	Singapore	100	—	—	—	—
	Pidemco Capital Investment Pte Ltd	Investment holding	Singapore	100	100	—	—	—
(xii)	Directly or indirectly held by CapitaLand Residential Limited:							
	Ausprop Holdings Limited	Investment holding	Singapore	100	+	—	—	—
1	Australand Holdings Limited	Property investment, development and investment holding	Australia	63.2	+	—	—	—
1	Balmain Shores Pty Limited	Investment holding	Australia	81.6	+	—	—	—
1	Brisun Pty Limited	Property development	Australia	81.6	+	—	—	—
1	Ganlook Pty Ltd	Investment holding	Australia	100	+	—	—	—
	Azurite Land Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
						Redeemable Preference	—	80,630
	Bornite Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
	Silverlac Investments Ltd	Provision of financial and treasury services	Singapore	100	#	—	—	—
	CapitaLand China Holdings Pte Ltd	Investment holding	Singapore	100	+	—	—	—
	BR Properties Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*

	Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
1	CapitaLand Management Consulting (Shanghai) Co., Ltd	Management services	The People's Republic of China	100	+	—	—	—
	Hua Jia Holdings Pte Ltd (formerly known as Fabulite Pte Ltd)	Investment holding	Singapore	100	#	—	—	—
	Hua Jian Holdings Pte Ltd	Investment holding	Singapore	100	+	—	—	—
	Hua Sheng Holdings Pte Ltd	Investment holding	Singapore	100	+	—	—	—
1	Shanghai Xin Rui Property Development Co., Ltd	Property development	The People's Republic of China	70	+	—	—	—
1	Shanghai Xin Wei Property Development Co., Ltd	Property development	The People's Republic of China	52	+	—	—	—
1	Shanghai Xin Li Property Development Co., Ltd	Property development	The People's Republic of China	95	+	—	—	—
	Hua Yuan Holdings Pte Ltd	Investment holding	Singapore	70	+	—	—	—
1	Shanghai Pudong Xinxiang Real Estate Development Co., Ltd	Property development	The People's Republic of China	66.5	+	—	—	—
1	Shanghai Xinqing Property Development Co., Ltd	Property development	The People's Republic of China	85	+	—	—	—
1	Shanghai Bai Hua Property Investment Consultants Co., Ltd	Property consultancy, valuation and agency services	The People's Republic of China	95	+	—	—	—
1	Shanghai Bai Ting Consultant Co., Ltd	Project management and consultancy services	The People's Republic of China	51	+	—	—	—
	Zhongten Investment & Development Pte Ltd	Investment holding	Singapore	80	#	—	—	—
6	Suzhou Taihu Chungten Real Estate Development Co., Ltd	Property development	The People's Republic of China	41.6	#	—	—	—
	CapitaLand Residential Management Services Pte Ltd	Project management and consultancy, and investment consultancy in property-related ventures	Singapore	100	#	Ordinary	—	25
	CapitaLand Residential Singapore Pte Ltd	Investment holding	Singapore	100	—	—	—	—
	CRL Realty Pte Ltd	Property investment, development and investment holding	Singapore	100	+	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
Blissmore Pte Ltd	Investment holding	Singapore	100	#	—	—	—
Cairnhill Place Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	34,700
Choa Chu Kang Land Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
Clarke Quay Adventure Pte Ltd	Dormant	Singapore	100	+	—	—	—
Clearwater Condominium Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
					Redeemable Preference	—	70,000
Clementi Complex Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	6,670
					Redeemable Preference	—	14,100
Eastvale Development Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
Hind Hotels International Limited	Property development	Singapore	89.7	+	—	—	—
Hollandale Realty Limited	Property investment and development	Singapore	100	+	—	—	—
Jurong Development Pte Ltd	Property development	Singapore	80	+	—	—	—
Jurong West Land Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
					Redeemable Preference	—	100,000
KR Realty Pte Ltd	Property investment	Singapore	100	+	—	—	—
Ladyhill (Private) Limited	Dormant	Singapore	100	+	—	—	—
Nassim Hill Realty Pte Ltd	Property development	Singapore	100	+	—	—	—
Orchard Point Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	66,490
					Redeemable Preference	—	620
Pindo Investment Pte Ltd	Dormant	Singapore	100	#	Ordinary	—	*
Pidemco Development Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
Pinevale Condominium Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
Sims Place Realty Limited	Property investment and development	Singapore	95	+	—	—	—
ST Chestervale Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
ST Rivervale Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
ST Windermere Park Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
SV Development Pte Ltd	Property development	Singapore	100	+	—	—	—
Topaz Realty Pte Ltd	Dormant	Singapore	100	+	—	—	—
Torbernite Pte Ltd	Dormant	Singapore	100	#	—	—	—
TM Land Pte Ltd	Property development	Singapore	100	+	—	—	—
Westmere Development Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
Woodsvale Land Pte Ltd	Property development	Singapore	100	#	Ordinary	—	1,000
					Redeemable Preference	—	70,000
1 Hua Rui Investments Ltd	Treasury and related activities	Hong Kong	100	+	—	—	—
Loft Condominium Pte Ltd	Property development	Singapore	100	#	Ordinary	—	9,641
Leonie Court Pte Ltd	Property development	Singapore	100	#	Ordinary	—	21,863
					Redeemable Preference	—	17,490
					Redeemable Preference "A"	—	150,000
Pidemco Land (HK) Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
1 Central Hill Limited	Property investment	Hong Kong	75	#	—	—	—
1 Central Union Limited	Property investment	Hong Kong	100	#	—	—	—
Pidemco Land (Japan) Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
Prime Equities Pte Ltd	Investment holding	Singapore	100	+	—	—	—
Aust Holdings Ltd	Investment holding	Singapore	100	+	—	—	—
Austvale Holdings Ltd	Investment holding	Singapore	100	+	—	—	—
Vanda Holdings Pte Ltd	Investment holding	Singapore	100	+	—	—	—
Opal Holdings Pte Ltd	Investment holding	Singapore	100	+	—	—	—
Ω Lavish Strata Sdn Bhd	In liquidation	Malaysia	60	+	—	—	—
1 PIDLAND (Malaysia) Sdn Bhd	Investment holding	Malaysia	100	#	Ordinary	—	13,006
1 Plushland Sdn Bhd	Investment holding	Malaysia	100	#	—	—	—
1 PT Pakuwon Amethyst (formerly known as PT Pakuwon Subentra Amethyst)	Property investment and development	Indonesia	51	+	—	—	—
Sapphire Investment Pte Ltd	Investment holding	Singapore	100	+	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
Zircon Land Private Limited	Investment holding	Singapore	100	#	Ordinary	—	*
					Redeemable Preference	—	23,000
@ AHL (Perth) Pty Limited	Real estate agent	Australia	63.2	+	—	—	—
@ AHL Administration (Qld) Pty Limited	Property development	Australia	63.2	+	—	—	—
@ AHL Administration (Vic) Pty Limited	Property development	Australia	63.2	+	—	—	—
1 AHL Centenary Pty Limited	Property development	Australia	63.2	+	—	—	—
@ AHL Projects Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ AHL Real Estate Pty Limited	Real estate agent	Australia	63.2	+	—	—	—
@ AHL Saint John's Wood Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
Ω AHL Town Developments Pty Limited	In liquidation	Australia	63.2	+	—	—	—
@ Aimjade Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ ADWI (Qld) Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Australand HK Company Limited	Property development	Hong Kong	63.2	+	—	—	—
1 Archimedes Place Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Allied Land Company Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Australand Wholesale Investment Limited (formerly known as Australand Diversified Wholesale Investments Limited)	Acting as trustee	Australia	63.2	+	—	—	—
1 Australand Wholesale Investments No. 2 Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Australand (Regency) Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Australand Wholesale Property Trust (formerly known as Australand Property Trust)	Property development and investment	Australia	12.6π	+	—	—	—
1 AWPT Finance Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
1 Australand Apartments No. 1 Pty Limited	Property development	Australia	63.2	—	—	—	—
@ Walters Road Unit Trusts	Property development	Australia	5.5π	+	—	—	—

	Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
1	Australand Apartments No. 2 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Australand Apartments No. 3 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Australand Apartments No. 4 Pty Limited	Property development	Australia	63.2	—	—	—	—
@	South Park Nominees Pty Limited (formerly known as Australand Diversified Wholesale Investments (No. 2) Pty Limited)	Property development	Australia	63.2	+	—	—	—
1	Australand Apartments (Qld) Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Holdings Custodian Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial Constructions Pty Limited	Dormant	Australia	63.2	—	—	—	—
1	Australand Industrial Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 2 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 3 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 4 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 5 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 6 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 7 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 8 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 9 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 10 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 11 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 12 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 13 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Industrial No. 14 Pty Limited	Trustee	Australia	63.2	—	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
1 Australand Industrial No. 15 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 16 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 17 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 18 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 19 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 20 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 21 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 22 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 23 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 24 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial No. 25 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Industrial Projects Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Management Services (Vic) Pty Limited	Property management	Australia	63.2	—	—	—	—
1 Australand Apartments Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Atchison Street Pty Limited	Property development	Australia	63.2	—	—	—	—
1 Macleay Apartment Holdings Pty Limited	Property development	Australia	63.2	—	—	—	—
1 Nexus Apartments Pty Limited	Property development	Australia	63.2	—	—	—	—
1 Australand Apartment Nominees Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Australand Apartment Nominees No. 2 Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 Platinum Street Pty Limited	Trustee	Australia	63.2	—	—	—	—
1 AWPT No 2 Construction Finance Pty Limited	Financier	Australia	63.2	—	—	—	—
1 AWPT No 2 Post Construction Finance Pty Limited	Financier	Australia	63.2	—	—	—	—

	Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
1	Australand Wholesale Investments (No. 3) Limited	Trustee	Australia	63.2	—	—	—	—
1	Australand Wholesale Investments No. 4 Limited	Trustee	Australia	63.2	—	—	—	—
1	Braeside Property Developments Pty Limited	Trustee	Australia	63.2	—	—	—	—
1	Freshwater No. 1 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Freshwater No. 2 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Freshwater No. 3 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Freshwater No. 4 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Freshwater No. 5 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Freshwater No. 6 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Freshwater No. 7 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Freshwater No. 8 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Freshwater No. 9 Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Melbourne Apartment Developments Pty Limited	Holding building licence	Australia	63.2	—	—	—	—
1	Elizabeth Street Melbourne Pty Limited	Property development	Australia	63.2	—	—	—	—
1	Walker W9 & 10 Stage 4B Pty Ltd	Property development	Australia	63.2	—	—	—	—
@	Birkenhead Estates Pty Limited	Property development	Australia	63.2	+	—	—	—
1	Blacktown Residential Unit Trust	Property development	Australia	63.2	+	—	—	—
@	Berwick Development Unit Trust	Property development	Australia	63.2	+	—	—	—
@	Capital Cities Housing Trust	Property development	Australia	63.2	+	—	—	—
@	Churchill Estates Pty Limited	Property development	Australia	63.2	+	—	—	—
@	College Square Residential Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Stanton Road No. 1 Pty Limited (formerly known as College Square Retail Pty Ltd)	Property development	Australia	63.2	+	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
@ South Park No. 2 Pty Limited (formerly known as College Square Student Accommodation Pty Limited)	Property development	Australia	63.2	+	—	—	—
@ Crazesun Pty Limited	Investment holding	Australia	63.2	+	—	—	—
Ω Devoba Pty Limited	In liquidation	Australia	63.2	+	—	—	—
@ Gateway Building Nominees Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Henry Deane Building Nominees Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Henry Deane Building Trust	Property development	Australia	12.6π	+	—	—	—
@ Idabell Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Jenfrost Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Kellyville Development Unit Trust	Property development	Australia	63.2	+	—	—	—
@ Laibut Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Landwin Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Lauriston Developments Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Manly Peninsula Pty Limited	Property development	Australia	63.2	+	—	—	—
@ College Square Residential Trust	Property development	Australia	63.2	+	—	—	—
@ Mimosa Developments Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Newcastle Guarantee Corporation Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Northern Gateway Building Nominees Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Port Catherine Developments Pty Ltd	Property development	Australia	63.2	+	—	—	—
@ Portmar Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Rylehall Pty Limited	Property development and acting as trustee	Australia	63.2	+	—	—	—
Ω Saint John's Wood Unit Trust	In liquidation	Australia	63.2	+	—	—	—
@ Saranbay Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Somerset Estates Pty Ltd	Property development	Australia	63.2	+	—	—	—
@ Stephen Road Nominees Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@ Maribyrnong Unit Trust	Property development	Australia	12.6π	+	—	—	—
@ Shettleston Street Trust	Property development	Australia	5.5π	+	—	—	—

Name of Company		Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
@	Braeside Trust	Property development	Australia	63.2	+	—	—	—
1	Talavera Herring Pty Ltd	Acting as trustee	Australia	—	+	—	—	—
@	Tallebudgera Garden Pty Limited	Property development	Australia	63.2	+	—	—	—
@	The Gateway Building Trust	Property development	Australia	5.5π	+	—	—	—
@	The Northern Gateway Building Trust	Property development	Australia	63.2	+	—	—	—
@	TM Burke Estates Pty Limited	Property development	Australia	63.2	+	—	—	—
@	TM Burke Holdings Pty Limited	Property development	Australia	63.2	+	—	—	—
@	TM Burke Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Turana Developments Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Trade Street Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walters Road Pty Limited	Acting as trustee	Australia	63.2	+	—	—	—
@	Woodville Road Property Trust	Property development	Australia	63.2	+	—	—	—
1	Walker Corporation Limited	Property development	Australia	63.2	+	—	—	—
@	ACN 085 799 695 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Anicroft Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Bassdoc Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Basstar Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Basstorm Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Bayslore Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Bechcorp Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Branister Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Cavapak Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Claical Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Claicam Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Hartley Road Smeaton Grange Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Jacday Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Jeraspell Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Kaydoc Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Kayray Pty Limited	Property development	Australia	63.2	+	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
@ Ludove Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Marlin Cove Primary Thoroughfare Company Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Marnwest Pty Limited	Property development	Australia	63.2	+	—	—	—
Ω Navdate Pty Limited	In liquidation	Australia	63.2	+	—	—	—
@ Neswick Pty Limited	Property development	Australia	63.2	+	—	—	—
@ PDI Pty Limited	Property development	Australia	63.2	+	—	—	—
1 A & L Walker Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Australand Management Services (NSW) Pty Limited (formerly known as Australand Apartments Management Services Pty Limited)	Property development	Australia	63.2	+	—	—	—
@ Broadway Shopping Centre Management Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Furzur Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Mauthe Pacific Pty Limited	Property development	Australia	63.2	+	—	—	—
@ PDI (Qld) Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Shellcove Estate Real Estate Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Walker C.E. Pty Limited (formerly known as Walker Civil Engineering Pty Limited)	Property development	Australia	63.2	+	—	—	—
Ω Ridaview Pty Limited	In liquidation	Australia	63.2	+	—	—	—
@ Rimcam Pty Limited	Property development	Australia	63.2	+	—	—	—
Ω Rinzeal Pty Limited	In liquidation	Australia	63.2	+	—	—	—
@ Roeyear Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Sovereign Management (Qld) Pty Limited	Property development	Australia	—	+	—	—	—
@ Suelock Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Thanzo Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Box Road Unit Trust	Acting as trustee	Australia	63.2	+	—	—	—
@ Vamden Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Walker Consolidated Investments Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Mr Derrimut Unit Trust	Property development	Australia	63.2	+	—	—	—
@ Trade Street Unit Trust	Property development	Australia	12.6π	+	—	—	—

	Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
Ω	Blue Star Logistics Pty Limited	In liquidation	Australia	63.2	+	—	—	—
@	Shuttleston Street Pty Limited	Property development	Australia	63.2	+	—	—	—
Ω	Flagstaff Developments Pty Limited	In liquidation	Australia	63.2	+	—	—	—
@	Ferry Avenue Management Pty Limited	Property development	Australia	63.2	+	—	—	—
Ω	Newjem Pty Limited	In liquidation	Australia	63.2	+	—	—	—
@	Property Investment Management Limited	Property development	Australia	63.2	+	—	—	—
@	Walker Corporation (SA) Pty Limited	Property development	Australia	63.2	+	—	—	—
1	Walker Corporation (Qld) Pty Limited	Property development	Australia	63.2	+	—	—	—
@	New Farm Developments Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker Developments (NSW) Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker W9 & 10 Construction Stage 1 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker W9 & 10 Construction Stage 2 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker W9 & 10 Construction Stage 3 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker W9 & 10 Construction Stage 4 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker W9 & 10 Stage 1 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker W9 & 10 Stage 2 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker W9 & 10 Stage 3 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker W9 & 10 Stage 4 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	Walker Finance Pty Limited	Property development	Australia	63.2	+	—	—	—
1	Australand Construction Pty Limited (formerly known as Walker Group Pty Limited)	Property development	Australia	63.2	+	—	—	—
@	ACN 002 367 704 Pty Limited	Property development	Australia	63.2	+	—	—	—
@	ACN 006 342 516 Pty Limited	Property development	Australia	63.2	+	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
1 Chatswood Unit Trust	Property development	Australia	63.2	+	—	—	—
@ Erongo Holdings Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Garrin Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Hedland Marine Services Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Regency Chatswood Construction Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Walker Industrial Developments Pty Limited	Property development	Australia	—	+	—	—	—
@ Walker Menai Pty Limited	Property development	Australia	63.2	+	—	—	—
1 Walker Residential Developments Pty Limited	Property development	Australia	—	+	—	—	—
@ Wharf W Pty Limited	Property development	Australia	63.2	+	—	—	—
@ Stanton Road No. 1 Unit Trust (formerly known as College Square Retail Trust)	Property development	Australia	5.5π	+	—	—	—
@ South Park No. 2 Unit Trust (formerly known as College Square Student Accommodation Trust)	Property development	Australia	5.5π	+	—	—	—
@ Stephen Road Trust	Property development	Australia	63.2	+	—	—	—
1 Stradbroke Street Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Rudd Street Unit Trust	Property development	Australia	63.2	—	—	—	—
1 The Industrial Project (Non-MOF) No. 1 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 The Industrial Project (Non-MOF) No. 2 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 The Industrial Project (Non-MOF) No. 3 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 The Industrial Project (Non-MOF) No. 4 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 The Industrial Project (Non-MOF) No. 5 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Mandible Street Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Beaudesert Road Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Apartment Project (Non-MOF) No.1 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Apartment Project (Non-MOF) No.2 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Apartment Project (Non-MOF) No.3 Unit Trust	Property development	Australia	63.2	—	—	—	—

	Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
1	Apartment Project (Non-MOF) No.4 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Apartment Project (Non-MOF) No.5 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Roy Street Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Australand Wholesale Property Trust No. 3	Property development	Australia	63.2	—	—	—	—
1	Australand Wholesale Property Trust No.4	Property development	Australia	63.2	—	—	—	—
1	Australand Wholesale Property Trust No. 5	Property development	Australia	63.2	—	—	—	—
1	Australand Wholesale Property Trust No. 6	Property development	Australia	63.2	—	—	—	—
1	Australand Wholesale Property Trust No. 7	Property development	Australia	63.2	—	—	—	—
1	The Broadbeach Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Minto No. 1 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Minto No. 2 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Minto No. 3 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Minto No. 4 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Minto No. 5 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Minto No. 6 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Stephen Road No. 2 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Stanton No. 2 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Ferndell Street Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Macleay Street Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Apartment Project No. 2 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Apartment Project No. 3 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Apartment Project No. 4 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Apartment Project No. 7 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Apartment Project No. 8 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Apartment Project No. 9 Unit Trust	Property development	Australia	63.2	—	—	—	—
1	Apartment Project No. 10 Unit Trust	Property development	Australia	63.2	—	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
1 No 40-46 Atchison Street Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Bullecourt Place Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Outer Harbour Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Industrial Project No. 2 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Industrial Project No. 3 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Industrial Project No. 4 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Industrial Project No. 5 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Trust Project No. 6 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Trust Project No. 7 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Trust Project No. 8 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Trust Project No. 9 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Trust Project No. 10 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Trust Project No. 11 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Trust Project No. 12 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Greystanes No. 1 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Greystanes No. 2 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Greystanes No. 3 Unit Trust	Property development	Australia	63.2	—	—	—	—
1 Australand Wholesale Property Trust No. 2	Property development	Australia	63.2	—	—	—	—
(xiii) Directly or indirectly held by CapitaLand Commercial Limited:							
Adelphi Property Pte Ltd	Property investment	Singapore	see note 51	100	—	—	—
Albert Complex Pte Ltd	Dormant	Singapore	100	#	Ordinary	—	35,690
Almandine Pte Ltd	Dormant	Singapore	100	#	—	—	—
Amethyst Holdings Pte Ltd	Investment holding	Singapore	100	100	—	—	—
Anatase Pte Ltd	Dormant	Singapore	100	#	—	—	—

	Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
				2001 %	2000 %		2001 \$'000	2000 \$'000
Ω	Beijing Enctech Electronic Technology Ltd	In liquidation	The People's Republic of China	—	98.1	—	—	—
	Birchvest Investments Pte Ltd	Leasing and managing agent	Singapore	100	100	—	—	—
	Blanco Court Pte Ltd	Dormant	Singapore	100	#	Ordinary	—	31,260
	Brimitty Pte Ltd	Property investment	Singapore	100	#	—	—	—
	Calomel Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
						Redeemable Preference	—	21,000
4	Canary Riverside Development Pte Ltd	Real estate developer, agent and lessor	Singapore/ United Kingdom	62.5	#	—	—	—
4	Canary Riverside Estate Pte Ltd	Construction of a hotel building for long-term investment holding purposes	Singapore/ United Kingdom	62.5	#	—	—	—
4	Canary Riverside Estate Management Limited	Management of investment properties	United Kingdom	62.5	#	—	—	—
4	Canary Riverside Holdings Pte Ltd	Investment holding	Singapore/ United Kingdom	62.5	#	—	—	—
4	Canary Riverside Hotel Pte Ltd	Investment holding	Singapore/ United Kingdom	62.5	#	—	—	—
4	Canary Riverside Investments Pte Ltd	Investment holding	Singapore/ United Kingdom	62.5	#	—	—	—
4	Canary Riverside Properties Pte Ltd	Investment holding	Singapore/ United Kingdom	62.5	#	—	—	—
1	CapitaLand UK Holdings Limited	Investment holding	United Kingdom	100	#	—	—	—
1	CapitaLand (HK) Management Limited	Provision of management services	Hong Kong	100	#	—	—	—
1	CapitaLand UK Management Limited	Provision of management services	United Kingdom	100	#	—	—	—
	Capitol Square Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	230
	China Square Holdings Pte Ltd	Property investment	Singapore	100	100	—	—	—
1	CL Moorgate Ltd	Property development and investment	United Kingdom	100	#	—	—	—
	Clarke Quay Pte Ltd	Property investment	Singapore	100	100	—	—	—
	Corporation Place Ltd	Property investment	Singapore	75	75	—	—	—
	CapitaLand Investments Pte Ltd	Investment holding	Singapore	100	100	—	—	—
	Glover Properties Pte Ltd	Property investment	Singapore	100	100	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
CapitaLand Property Consultants Pte Ltd	Property management, consultancy and investment holding	Singapore	100	100	—	—	—
CapitaLand China Holdings (Commercial) Pte Ltd	Property investment	Singapore	100	—	—	—	—
CapitaLand Commercial (Japan) Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	*
1 CapitaLand Commercial Kabushiki Kaisha	Investment holding	Japan	100	—	—	—	—
CapitaLand Leisure Holdings Ltd	Investment holding	Singapore	100	100	—	—	—
CapitaLand (Retail) Investments Pte Ltd	Investment holding	Singapore	100	100	—	—	—
CapitaLand (Industrial) Investments Pte Ltd	Investment holding	Singapore	100	100	—	—	—
CapitaLand (Office) Investments Pte Ltd	Investment holding	Singapore	100	100	—	—	—
Cuppage Centre Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	39,330
					Redeemable Preference	—	39,400
					Redeemable Preference "A"	—	80,000
China Club Investment Pte Ltd	Club owner and operator	Singapore	see note 50	54.4	—	—	—
Cuppage Terrace Pte Ltd	Dormant	Singapore	100	#	Ordinary	—	5,590
Dahlia Properties Pte Ltd	Property investment	Singapore	100	100	—	—	—
Fusion Investments Private Limited	Property investment	Singapore	—	100	—	—	—
1 ESPL (M) Sdn Bhd	Dormant	Malaysia	98.1	98.1	—	—	—
4 FSCR Hotel (UK) Limited	Hotel management	United Kingdom	62.5	#	—	—	—
4 CR Hotel Investment Pte Ltd	Hotel management	Singapore/ United Kingdom	62.5	—	—	—	—
4 FSCR Investment Pte Ltd	Investment holding	Singapore/ United Kingdom	62.5	#	—	—	—
Funan Centre Pte Ltd	Dormant	Singapore	100	#	Ordinary	—	60,030
Golden Square Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	31,410
					Redeemable Preference	—	27,100
Hua Ye Holdings Pte Ltd	Investment holding	Singapore	75	75	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
Huaten Investment & Development Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	500
					Redeemable Preference	—	35,300
Huteng Investment (Shanghai) Pte Ltd	Investment holding	Singapore	75	#	Ordinary	—	500
					Redeemable Preference	—	17,000
KAIC Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	7,980
					Redeemable Preference	—	4,100
KBC Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	16,120
					Redeemable Preference	—	4,900
Magnetite Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
					Redeemable Preference	—	27,000
Malachite Land Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
Murray Terrace Pte Ltd	Dormant	Singapore	100	#	Ordinary	—	6,400
Orthoclase Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
Pidemco Centre Pte Ltd	Property investment	Singapore	see note 51	#	Ordinary	—	85,650
					Redeemable Preference	—	63,500
Pidemco House Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	2,950
					Redeemable Preference	—	1,600
Pidemco Land (U.K.) Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
					Redeemable Preference	—	35,679
Pidemco Place Pte Ltd	Dormant	Singapore	100	#	Ordinary	—	7,730
Pidemco Property Management Services Private Limited	Property investment and provision of property management services	Singapore	100	#	Ordinary	—	133,485
Pidemco Tower Pte Ltd	Property investment	Singapore	100	#	Ordinary	—	14,920
					Redeemable Preference	—	10,300
PL Europe Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*
Plaza Singapura (Private) Limited	Investment holding and property investment	Singapore	100	100	—	—	—
Prasiolite Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	*

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
	PremierHealth Corporation International Pte Ltd	Investment holding	Singapore	100	—	—	—
1	PremierHealth Corporation (M) Sdn Bhd	Investment holding	Malaysia	65	—	—	—
	PremierHealth Holding Pte Ltd	Investment holding	Singapore	100	—	—	—
	Premier Healthcare Services International Pte Ltd	Healthcare consultancy	Singapore	100	—	—	—
	PremierHealth Investments Pte Ltd	Investment holding	Singapore	100	—	—	—
1	PT Amethyst Wahyu	Property investment and development	Indonesia	95	—	—	—
1	PT CapitaLand Property Services (formerly known as PT DBS Property Services)	Project management and consultancy	Indonesia	100	—	—	—
Ω	PT Encotech Indotama	In liquidation	Indonesia	56.7	—	—	—
1	PT Regency Laguna Jasamedika	Dormant	Indonesia	70	—	—	—
	Pyramex Investments Pte Ltd	Investment holding	Singapore	100	—	—	—
Ω	Quantum M&E Engineering Services Pte Ltd	In liquidation	Singapore	98.1	—	—	—
	Quantum Systems Pte Ltd	Investment holding	Singapore	98.1	—	—	—
1	Regency Medical Centre (Seri Alam) Sdn Bhd	Hospital owner and operator	Malaysia	65	—	—	—
1	Regency Medical Centre (Sungai Petani) Sdn Bhd	Dormant	Malaysia	55.3	—	—	—
	Rochor Square Pte Ltd	Property investment	Singapore	100	#	Ordinary	9,470
					Redeemable Preference	—	2,000
Ω	Sauter Encotech Ltd	In liquidation	Hong Kong	88.3	—	—	—
1	Shanghai Huteng Real Estate Co., Ltd	Property investment and development	The People's Republic of China	75	#	—	—
	Siam Holdings Ltd	Investment holding	Singapore	100	100	—	—
1	Splendid Path Limited	Provision of financial and treasury services	Hong Kong	100	#	—	—
	Somerset Mall Pte Ltd	Dormant	Singapore	100	#	Ordinary	*
1	Star Assets Property Ltd	Property investment	Hong Kong	100	100	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
SingMall Property Trust	Property management and related services	Singapore	87	—	—	—	—
Sultan Centre Pte Ltd	Dormant	Singapore	100	#	Ordinary	—	40,960
Ω Supertek Systems Pte Ltd	In liquidation	Singapore	75.6	75.6	—	—	—
Tafoni Pte Ltd	Property investment	Singapore/ United Kingdom	100	#	—	—	—
Tagore Properties Pte Ltd	Property investment	Singapore	100	100	—	—	—
TMall Ltd (formerly known as Tampines Mall Ltd)	Property investment	Singapore	55	55	—	—	—
Tanjong Pagar Heritage Pte Ltd	Property investment	Singapore	100	100	—	—	—
Temasek Tower Limited	Property investment	Singapore	90	#	Ordinary	—	390,129
					Redeemable Preference	—	28,000
Thomson Plaza (Private) Limited	Property investment	Singapore	100	100	—	—	—
Victoria City Pte Ltd	Investment holding	Singapore	100	#	Ordinary	—	1,000
					Redeemable Preference	—	68,800
Wan Tien Realty (Pte) Ltd	Property investment	Singapore	100	100	—	—	—
Westbond Investments Pte Ltd	Investment holding	Singapore	100	#	—	—	—
(xiv) Directly or indirectly held by CapitaLand Property Services Holdings Pte Ltd:							
PREMAS International Limited	Property management and related services	Singapore	100	#	Ordinary	—	1,850
CapitaLand Valuers & Property Consultants Pte Ltd (formerly known as DBSP Valuers & Property Consultants Pte Ltd)	Real estate agency and valuation services	Singapore	100	+	—	—	—
ESMACO Pte Ltd	Estate management and consultancy and investment holding	Singapore	51	+	—	—	—
ESMACO International Pte Ltd	Property management and investment holding	Singapore	51	+	—	—	—
1 ESMACO (M) Sdn Bhd	Landscaping services	Malaysia	51	+	—	—	—
RESMA Property Services Pte Ltd	Estate and property management	Singapore	51	+	—	—	—
RESMA Building Services Pte Ltd	Building contracts, administration and related services	Singapore	51	+	—	—	—

Name of Company	Principal Activities	Place of Incorporation/ Business	Effective Interest Held by the Group		Class of Shares	Cost of Investments	
			2001 %	2000 %		2001 \$'000	2000 \$'000
RESMA Engineering Services Pte Ltd	Engineering services	Singapore	51	+	—	—	—
ESMACO Valuers & Property Services Pte Ltd	Real estate valuation and agency services	Singapore	51	+	—	—	—
1 ESMACO Property Services (Shanghai) Co., Ltd	Property management	The People's Republic of China	51	+	—	—	—
ESMACO Township Management Pte Ltd	Real estate and township management	Singapore	51	+	—	—	—
PREMAS Investments Pte Ltd (formerly known as PREMAS Holdings (Asia) Pte Ltd)	Property management, consultancy services and investment holding	Singapore	100	#	—	—	—
1 PT PREMAS International	Property management and related services	Indonesia	100	#	—	—	—
PREMAS Technologies Pte Ltd	Investment holding	Singapore	100	—	—	—	—
PREMAS Environ Pte Ltd	Provision of indoor air quality and related services	Singapore	60	—	—	—	—
1 PREMAS Hong Kong Limited	Property management and related services	Hong Kong	70	#	—	—	—
1 PREMAS Property Consultants (Shanghai) Co., Ltd	Property management and related services	The People's Republic of China	100	#	—	—	—
						—	2,082,990

Name of Company		Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
				2001 %	2000 %
(xv)	Directly or indirectly held by Raffles Holdings Limited:				
2	Browns Hotel Ltd	Hotel owner and operator	United Kingdom	60.1	60.1
7	Burton Way Hotel, Inc.	Hotel owner and operator	United States of America	60.1	60.1
2	hospitalitybex pte ltd	Operation of e-procurement portal	Singapore	46.8	60.1
2	Hotel International AG	Hotel owner and operator	Switzerland	59.7	–
2	Hotels & Resorts (Australasia) Pty Ltd	Investment holding	Australia	60.1	60.1
2	Hotels & Resorts (UK) Ltd	Investment holding	United Kingdom	60.1	60.1
2	Hotel “Vier Jahreszeiten” von Friedrich Haerlin GmbH	Hotel operator	Germany	60.1	60.1
2	L’Entrée AG	Restaurant operator	Switzerland	49.2	

	Name of Company	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
				2001 %	2000 %
2	Le Plaza Basel AG	Hotel owner and operator	Switzerland	49.2	—
2	MCH (Sydney) Trust	Hotel owner and operator	Australia	36.1	36.1
2	MCH Holdings (Shanghai) Pte Ltd	Investment holding	Singapore	48.1	48.1
2	MCH Services (Sydney) Pte Ltd	Trust manager	Singapore	36.1	36.1
2	Merchant Quay Pte Ltd	Hotel owner and operator	Singapore	60.1	60.1
2	Raffles Centre (Private) Limited	Investment holding	Singapore	60.1	60.1
2	Tincel Properties (Private) Limited (formerly known as Raffles City (Private) Limited)	Real estate investment and management	Singapore	see note 50	60.1
2	Tincel Treasury Ltd (formerly known as Raffles City Treasury Ltd)	Investment holding	Singapore	see note 50	60.1
2	Raffles Corporation (Australasia) Pte Ltd	Investment holding	Singapore	60.1	60.1
2	Raffles Corporation (Germany) Pte Ltd	Investment holding	Singapore	60.1	60.1
2	Raffles Corporation (USA) Pte Ltd	Investment holding	Singapore	60.1	60.1
2	Raffles Corporation (Switzerland) Pte Ltd	Investment holding	Singapore	60.1	—
2	Raffles Grand Hotel Pte Ltd	Hotel owner and operator	Cambodia	60.1	60.1
2	Raffles Hotel (1886) Ltd	Hotel owner, operator and property investment	Singapore	34.1	34.1
2	Raffles International (Australasia) Pty Limited	Hotel management and management of tourism related activities	Australia	60.1	60.1
3	Raffles International Hotels & Resorts (Thailand) Co., Ltd	Hotel management and management of tourism related activities	Thailand	60.1	60.1
2	Raffles International Limited	Hotel management and management of tourism related activities	Singapore	60.1	60.1
2	Raffles Royal Hotel Pte Ltd	Hotel owner and operator	Cambodia	60.1	60.1
2	Resorts International (1997) Pte Ltd	Investment holding	Singapore	60.1	60.1
2	RHL E-Ventures Pte Ltd	Investment holding	Singapore	60.1	60.1
2	Shanghai Merchant Court Hotel Co., Ltd	Hotel owner and operator	The People's Republic of China	33.7	33.7
2	Stamford Hotels Pte Ltd	Investment holding	Singapore	60.1	60.1
2	Swissôtel Holding AG	Investment holding	Switzerland	60.1	—
2	Swissôtel Management AG	Hotel management and management of tourism related activities	Switzerland	60.1	—

Name of Company		Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group 2001 % 2000 %	
2	Swissôtel Management Corporation	Hotel management and management of tourism related activities	United States of America	60.1	—
Ω	Swissôtel Management Europe AG	Hotel management and management of tourism related activities	Switzerland	60.1	—
Ω	Swissôtel Management Brussels S.A.	Dormant	Belgium	60.1	—
2	Swissôtel (South America) L.L.C.	Hotel management and management of tourism related activities	United States of America	60.1	—
2	Swissôtel Management (USA) L.L.C.	Hotel management and management of tourism related activities	United States of America	45.1	—
@	Swissôtel Employment Services, L.L.C.	Recruitment	United States of America	45.1	—
2	Swissôtel (London) Ltd	Sales office operations	United Kingdom	60.1	—
Ω	Swissôtel Data AG	Information technology services	Switzerland	60.1	—
@	Swissôtel Japan KK	Sales office operations	Japan	60.1	—
8	Swissôtel (Hong Kong) Ltd	Sales office operations	Hong Kong	60.1	—
2	Sodereal Holding S.A.	Investment holding	Switzerland	59.7	—
Ω	Swissôtel Properties Inc.	Dormant	United States of America	59.7	—
2	Rheinpark Plaza Neuss GmbH	Hotel owner and operator	Germany	59.7	—
2	Swissôtel Amsterdam B.V.	Hotel operator	The Netherlands	59.7	—
2	Société Montreux Palace S.A.	Hotel owner and operator	Switzerland	50.0	—
2	Swissôtel Berlin GmbH	Hotel operator	Germany	59.7	—
2	The Raffles Company (1997) Pte Ltd	Investment holding	Singapore	60.1	60.1
2	Vier Jahreszeiten Grundstucksgesellschaft m.b.h	Hotel owner	Germany	60.1	60.1
(xvi) Directly or indirectly held by The Ascott Group Limited (formerly known as The Ascott Limited):					
	Ascott International Management Pte Ltd	Management of serviced apartments	Singapore/Thailand/Malaysia/Indonesia/United Kingdom/The People's Republic of China	68.9	68.9
	Aliph Properties Pte Ltd	Provision of management services	Singapore	68.9	68.9
5	PT Ascott International Management Indonesia (formerly known as PT Kelola Primagraha)	Provision of property management services	Indonesia	68.9	68.9
3	Ascott International Management (Thailand) Limited	Management of serviced apartments	Thailand	68.9	68.9
3	Ascott (1989) Thailand Limited	Dormant	Thailand	68.9	68.9
3	Palm Courtt Serviced Apartments Limited	Dormant	Thailand	68.9	68.9
1	Ascott Mayfair Limited	Property management	United Kingdom	68.9	68.9

	Name of Company	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group 2001 %	2000 %
1	Ascott Property Management (Shanghai) Co., Ltd	Property management	The People's Republic of China	68.9	68.9
3	Ascott Serviced Apartments (Malaysia) Sdn Bhd	Dormant	Malaysia	68.9	68.9
	Suites Cleaning Services Pte Ltd	Cleaning services	Singapore	68.9	68.9
	Ascott Property Management (Beijing) Co., Ltd	Property management	The People's Republic of China	68.9	—
	Ascott Residences Pte Ltd (formerly known as Stamford Residences Pte Ltd)	Investment and development of serviced apartments	Singapore	68.9	68.9
	Hua Li Holdings Pte Ltd	Investment holding	Singapore	41.3	41.3
2	Shanghai Hua Li Real Estate Development Co., Ltd	Development of serviced apartments and condominium	The People's Republic of China	28.9	28.9
2	Ipjora Holdings Sdn Bhd	Development of serviced apartments	Malaysia	41.3	41.3
2	PT Indonesia America Housing	Property investment	Indonesia	68.9	68.9
	Calliston Holdings (S) Pte Ltd	Investment holding	Singapore	68.9	68.9
	Craydon Pte Ltd	Investment holding	Singapore	68.9	68.9
1	Greenpark Investments (Guernsey) Limited	Investment holding	United Kingdom	68.9	68.9
	Hua Xin Residences Pte Ltd	Investment holding and property investment	Singapore/The People's Republic of China	68.9	68.9
	Javana Pte Ltd	Investment holding	Singapore	68.9	68.9
5	PT Bumi Perkasa Andhika	Property development and management	Indonesia	58.6	58.6
	Picnic Food Court International Pte Ltd	Food courts management and operation	Singapore	68.9	68.9
	Scotts Centre Management Pte Ltd	Centre management	Singapore	68.9	68.9
1	Scotts Picnic Food Court Sdn Bhd	Food courts and centre management	Malaysia	68.9	68.9
	Scotts Development (Saraca) Pte Ltd	Property development	Singapore	68.9	68.9
3	Scotts Philippines, Inc.	Management of serviced apartments	Philippines	68.9	68.9
	Scotts Vietnam Pte Ltd	Investment holding	Singapore	68.9	68.9
	Somerset (Australia) Pte Ltd	Investment holding	Singapore	68.9	51.7
1	The Ascott (Australia) Pty Ltd (formerly known as L.C. (Australia) Properties Pty Ltd)	Investment holding	Australia	68.9	51.7
1	Ascott Serviced Residences Pty Ltd (formerly known as Somerset (Western Australia) Pty Ltd)	Dormant	Australia	68.9	51.7

	Name of Company	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
				2001 %	2000 %
1	Oakford (Australia) Pty Ltd	Property management	Australia	68.9	—
	Stamford Hospitality Management Pte Ltd	Management and rental of serviced apartments	Singapore	68.9	68.9
	Telok Ayer Properties Pte Ltd	Investment holding	Singapore	68.9	68.9
	Melody Land Investments Pte Ltd	Investment holding	Singapore	68.9	68.9
	The Ascott Holdings Limited (formerly known as Somerset Holdings Limited)	Investment holding	Singapore	68.9	68.9
	Ascott International Management (2001) Pte Ltd (formerly known as Somerset International Management (Asia Pacific) Pte Ltd)	Investment holding and management of serviced apartments	Singapore	68.9	68.9
1	Ascott International Management (Australia) Pty Ltd (formerly known as Somerset International Management (Australia) Pty Ltd)	Management of serviced apartments	Australia	68.9	68.9
1	Ascott International Management (N.Z.) Pte Limited (formerly known as Somerset International Management (N.Z.) Pte Limited)	Management of serviced apartments	New Zealand	68.9	68.9
1	Liang Court Hospitality Services Sdn Bhd	Management of service and hotel apartments	Malaysia	68.9	68.9
	Burton Engineering Pte Ltd	Investment holding	Singapore	55.1	55.1
1	Hanoi Tower Center Company Ltd	Property investment	The Socialist Republic of Vietnam	41.9	41.9
	Colima Pte Ltd	Property development and investment	Singapore	68.9	68.9
1	East Australia Trading Company Limited	Investment holding	Hong Kong	41.3	41.3
	East Australia Trading Company (S) Pte Ltd	Investment holding	Singapore	41.3	41.3
1	Saigon Office and Serviced Apartment Company Limited	Property investment	The Socialist Republic of Vietnam	27.7	27.7
	Glenwood Properties Pte Ltd	Dormant	Singapore	68.9	68.9
1	Greycliff Birchgrove Pty Limited	Property development	Australia	56.9	56.9
1	Greycliff (Surry Hills) Pty Ltd	Property development	Australia	51.9	51.9
	Ventura (Bishan) Limited (formerly known as Junction 8 Limited)	Investment holding	Singapore	68.9	68.9

	Name of Company	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
				2001 %	2000 %
	Ventura Development Pte Ltd	Property investment	Singapore	68.9	68.9
1	Lavender View Regency Pty Limited	Property development	Australia	34.5	34.5
	LC Genesis (Shanghai) Pte Ltd	Investment holding	Singapore	68.9	68.9
1	Shanghai Yong Liang Real Estate Development Co., Ltd	Property development and investment	The People's Republic of China	49.6	49.6
	LC (Kumpulan Malaysia) Pte Ltd	Investment holding	Singapore	68.9	68.9
1	Cahaya Emas Enterprises Sdn Bhd	Dormant	Malaysia	68.9	68.9
1	Casablanca Villa (M) Sdn Bhd	Property development	Malaysia	68.9	68.9
1	Cosmo Villa Sdn Bhd	Property investment	Malaysia	68.9	68.9
1	Dynamic Chance Sdn Bhd	Property development	Malaysia	68.9	68.9
1	Equicore Enterprise Sdn Bhd	Property investment	Malaysia	68.9	68.9
1	Liang Court Development Sdn Bhd	Investment holding	Malaysia	68.9	68.9
1	Liang Court Hotel Property (M) Sdn Bhd	Dormant	Malaysia	68.9	68.9
1	Liang Court (Malaysia) Sdn Bhd	Investment holding	Malaysia	68.9	68.9
1	Sejati Timur Sdn Bhd	Property investment	Malaysia	68.9	68.9
	Piatra Pte Ltd	Project management and investment holding	Singapore	68.9	68.9
Ω	Profit Kingdom International Limited	In liquidation	Hong Kong	48.2	48.2
Ω	The Masters Golf and Country Club Company Limited (BVI)	Promotion and marketing agent	British Virgin Islands	48.2	48.2
Ω	The Masters Golf and Country Club Company Limited (HK)	Management of a golf and country club	Hong Kong	48.2	48.2
5	PT Ciputra Liang Court	Property investment and development	Indonesia	39.5	39.5
	SH Malls Limited	Investment holding and provision of financing services	Singapore	68.9	68.9
	Slamet Pte Ltd	Investment holding	Singapore	68.9	68.9
1	Guangzhou FC Golf & Country Club Co., Ltd	Development and operation of a golf and country club	The People's Republic of China	48.2	48.2
	Somerset (Wuhan) Investments Pte Ltd	Investment holding	Singapore	48.2	48.2
1	Wuhan New Minzhong Leyuan Co., Ltd	Property development and investment	The People's Republic of China	48.2	48.2
	Somerset Commercial Development Pte Ltd	Investment holding	Singapore	68.9	68.9
	LC Ventura (Tampines) Pte Ltd	Property investment	Singapore	41.3	41.3

Name of Company	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
			2001 %	2000 %
Somerset Development Pte Ltd	Property investment	Singapore	68.9	68.9
Somerset International Management Pte Ltd	Dormant	Singapore	68.9	68.9
Somerset Investments Pte Ltd	Property investment and investment holding	Singapore	68.9	68.9
Quayside F&B Management Pte Ltd	Management of food courts	Singapore	68.9	68.9
Somerset Property Consultant Pte Ltd	Investment holding	Singapore	68.9	68.9
@ Liang Court Property Services (Taiwan) Pte Ltd	Dormant	Taiwan	68.9	68.9
Somerset Realty Pte Ltd	Dormant	Singapore	68.9	68.9
Somerset Residential Properties Pte Ltd	Investment holding	Singapore	62.0	62.0
LC (9 Nassim) Pte Ltd	Property development	Singapore	62.0	62.0
Somerset Retail Holdings Pte Ltd	Investment holding	Singapore	68.9	68.9
Cuppage Terrace (1999) Pte Ltd	Property investment	Singapore	68.9	68.9
FITM Limited (formerly known as Funan IT Mall Limited)	Property investment	Singapore	68.9	68.9
Orchard Point (1999) Limited	Property investment	Singapore	68.9	68.9
Somerset Suzhou Investment Pte Ltd	Investment holding	Singapore	68.9	68.9
Somerset Technopark Pte Ltd	Property development	Singapore	68.9	68.9
Somerset (UK) Pte Ltd	Investment holding	Singapore	51.7	51.7
LCR Devonshire Pte Ltd	Property development	Singapore/United Kingdom	51.7	51.7
LCR Drayton Pte Ltd	Property development	Singapore/United Kingdom	51.7	51.7
LCR Rochester Pte Ltd	Property development	Singapore/United Kingdom	51.7	51.7
Somerset (Vietnam) Investments Pte Ltd	Investment holding	Singapore	68.9	68.9
1 Ascott Group (Jersey) Limited	Investment holding	Jersey	68.9	—
The Ascott Group (Europe) Pte Ltd (formerly known as Somerset Vietnam Investments (II) Pte Ltd)	Investment holding	Singapore	68.9	68.9
Stanhope Gardens Pte Ltd	Investment holding and property development	Singapore/United Kingdom	35.1	35.1
9 LCR Gardens Limited	Property development	United Kingdom	35.1	35.1
Stanhope Holdings Pte Ltd	Investment holding and property development	Singapore/United Kingdom	48.2	48.2

	Name of Company	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
				2001 %	2000 %
@	Matignon Limited	Dormant	United Kingdom	48.2	48.2
	Stanhope Investments Pte Ltd	Investment holding	Singapore/United Kingdom	48.2	48.2
	Stanhope Properties Pte Ltd	Property development	Singapore/United Kingdom	35.1	35.1
	The Ascott Capital Pte Ltd (formerly known as SH Capital Pte Ltd)	Investment trading	Singapore	68.9	68.9
	The Ascott E-Investments Pte Ltd (formerly known as Somerset E-Investments Pte Ltd)	Investment holding	Singapore	68.9	68.9
1	The Ascott (Hyde Park) Pty Ltd (formerly known as Hyde Park Regency Pty Ltd)	Property development	Australia	68.9	68.9
	The Ascott Hospitality Holdings Pte Ltd (formerly known as Somerset Hospitality Holdings Pte Ltd)	Investment holding	Singapore	68.9	68.9
1	Ascott Hospitality Holdings Philippines, Inc. (formerly known as Somerset Hospitality Holdings Philippines, Inc.)	Property investment	Philippines	68.9	68.9
	SN Resources, Inc.	Property investment	Singapore	68.2	68.2
1	SQ Resources, Inc.	Property investment	Philippines	44.1	44.1
	Cairnhill Place (1999) Limited	Property investment	Singapore	68.9	68.9
	Chirac Pte Ltd	Investment holding	Singapore	68.9	68.9
	Effenberg Investments Pte Ltd	Investment holding	Singapore	68.9	68.9
	Laetitia Investments Pte Ltd	Investment holding	Singapore	68.9	68.9
	The Ascott International Investment Pte Ltd (formerly known as Somerset International Investment Pte Ltd)	Investment holding	Singapore	68.9	68.9
	The Ascott Heritage Pte Ltd (formerly known as Somerset Heritage Pte Ltd)	Property investment	Singapore	68.9	68.9
	The Ascott (Vietnam) Investments Pte Ltd (formerly known as Primawell Investments Pte Ltd)	Investment holding	Singapore	68.9	68.9
1	West Lake Development Company, Ltd	Property investment	The Socialist Republic of Vietnam	48.2	48.2

Name of Company	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group 2001 %	2000 %
(xvii) Directly or indirectly held by pFission Pte Ltd:				
Azinger Investments Pte Ltd	Dormant	Singapore	100	100
pFission Investment Pte Ltd	Investment holding	Singapore	100	100
pFission Development Pte Ltd	Investment holding	Singapore	100	100
PVortal 2 Pte Ltd	Dormant	Singapore	100	100
PVortal 3 Pte Ltd	Dormant	Singapore	100	100
PVortal 4 Pte Ltd	Dormant	Singapore	100	100
PVortal 5 Pte Ltd	Dormant	Singapore	100	100
(xviii)Directly held by RC Hotels (Pte) Ltd:				
RC Spa Pte Ltd	Health club operator	Singapore	64.1	64.1

Notes:

- 1 Audited by other member firms of KPMG International.
2 Audited by PricewaterhouseCoopers, Singapore and its associated firms.
3 Audited by Ernst & Young, Singapore and its associated firms.
4 Audited by Deloitte & Touche, Singapore and its associated firms.
5 Audited by Arthur Anderson, Singapore and its associated firms.
6 Jiangsu Gongzheng Certified Public Accountant, The People's Republic of China.
7 Audited by Pannell Kerr Forster PC, New York.
8 Audited by Wong Kit Hung & Co, Hong Kong.
9 Audited by Elliotts.
Previously directly or indirectly held by the Company.
+ Previously directly or indirectly held by CapitaLand Commercial Limited.
@ Not required or not yet required to be audited by the law in its country of incorporation.
Ω Not audited as the companies were liquidated or in liquidation during the year.
* Cost of investment of less than \$1,000.
π In 2000, these companies were subsidiaries. In 2001, they became investments.

50. Associated Companies

Details of the associated companies are as follows:

Associated Companies	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
			2001 %	2000 %
(i) Indirectly held by CapitaLand Residential Limited:				
Bangi Heights Development Sdn Bhd	Property investment and development	Malaysia	45.1	+
Onesentral Park Sdn Bhd	Property development	Malaysia	49	#
Renown Property Holdings (M) Sdn Bhd	Investment holding	Malaysia	30	+
Tanah Sutera Development Sdn Bhd	Property investment and development	Malaysia	13.5	+
United Malayan Land Bhd	Investment holding	Malaysia	21.6	+
Wingem Investment Pte Ltd	Property investment and development	Singapore	25	#
Winpeak Investment Pte Ltd	Property investment and development	Singapore	25	#
Perfect Paradise Finance Limited	Home mortgage financing services	Hong Kong	25	+
Perfect Paradise International Limited	Property development	Hong Kong	25	+
Victory World Finance Limited	Home mortgage financing services	Hong Kong	20	+

Associated Companies	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
			2001 %	2000 %
Victory World Limited	Property development	Hong Kong	20	+
Windsor Heights Estate Management Company Limited	Estate management	Hong Kong	25	+
(ii) Indirectly held by CapitaLand Commercial Limited:				
Bayshore Development Ltd	Property investment	British Virgin Islands	35	#
Bugis City Holdings Pte Ltd	Investment holding	Singapore	20	#
China Club Investment Pte Ltd	Club owner and operator	Singapore	48	^
Dalonia Pte Ltd	Investment holding	United Kingdom	50	#
DBS China Square Limited	Property investment and development	Singapore	30	30
D.L. Properties Ltd	Property investment	Singapore	35.4	35.4
Hua Qing Holdings Pte Ltd	Investment holding	Singapore	50	50
I.P. Property Fund Asia Limited	Investment in real estate	Guernsey	20	#
Inverfin Sdn Bhd	Property investment	Malaysia	30	#
Land Rider Group Ltd	Property investment	British Virgin Islands	50	–
Laguna National Golf And Country Club Ltd	Owner and operator of golf club	Singapore	–	20
Little India Arcade Pte Ltd	Property investment	Singapore	–	40
Medicare Specialist Centre Holdings Sdn Bhd	Hospital owner and operator	Malaysia	25	25
Phoenix Tower Limited	Property investment	Singapore	50	50
PT Tropical Amethyst	Development of a holiday resort	Indonesia	50	50
Sathorn Supin Co., Ltd	Property investment and development	Thailand	30	30
Savu Properties Ltd	Property investment	Singapore	55	#
Sea Dragon Limited	Property investment and development	Hong Kong	30	30
SGT Asia Pacific Pte Ltd	In liquidation	Singapore	39.2	39.2
Skyboost Investments Ltd	Investment holding	Singapore	20	–
Merry View Investments Ltd	Investment holding	Singapore	20	–
Shanghai Enctech Engineering Ltd	In liquidation	The People's Republic of China	49.1	49.1
Shanghai Hai Li Real Estate Co., Ltd	Property development	The People's Republic of China	30	30
Shanghai Hua Qing Real Estate Development Co., Ltd	Property development	The People's Republic of China	47.5	47.5
Shinjuku Square Tower Tokutei Mokuteki Kaisha	Property development	Japan	50	–
Thomson Plaza Investments Pte Ltd	Investment holding	Singapore	–	50

Associated Companies	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
			2001 %	2000 %
(iii) Indirectly held by CapitaLand Property Services Holdings Pte Ltd:				
Bugis Junction Asset Management Pte Ltd	Property management and related services	Singapore	42.9	42.9
Property Integrated Services Company Limited	Property management and related services	Hong Kong	–	31.5
(iv) Directly or indirectly held by Raffles Holdings Limited:				
Tincel Properties (Private) Limited (formerly known as Raffles City (Private) Limited)	Real estate investment and management	Singapore	27	^
Tincel Treasury Ltd (formerly known as Raffles City Treasury Ltd)	Investment holding	Singapore	27	^
Huaxia Swissôtel Management Co., Ltd	Hotel management and management of tourism related services	The People's Republic of China	30.1	–
HOV Hotelera Quito S.A.	Hotel owner	Ecuador	12	–
Hotelera Costa Del Pacifico S.A.	Hotel owner	Peru	23.2	–
Tower Apartments Pty Limited	Trust manager	Australia	15	15
Tower Apartments Trust	Apartment owner	Australia	15	15
(v) Directly or indirectly held by The Ascott Group Limited (formerly known as The Ascott Limited):				
Amanah Ascott Management Sdn Bhd	Property and project management services	Malaysia	34.5	34.5
Amanah Scotts Sdn Bhd	Investment holding, property development and management	Malaysia	34.5	34.5
Hemliner Pte Ltd	Investment holding	Singapore	20.7	20.7
Liang Court Wanisara Sdn Bhd	Property development	Malaysia	33.8	33.8
Meridian Atlantic Sdn Bhd	Property investment	Malaysia	20.7	20.7
Palmira Pte Ltd	Property development	Singapore	34.5	34.5
Regency One Company Ltd	Property investment and development	Thailand	27.6	27.6
Ventura Development (Myanmar) Pte Ltd	Investment holding	Singapore	34.5	34.5
Wisma Matex Sdn Bhd	Property investment and development	Malaysia	20.7	20.7
Westfield Holdings Pte Ltd	Property development	Singapore/United Kingdom	26.9	26.9
York Road Limited	Property development	United Kingdom	25.8	25.8
(vi) Indirectly held by pFission Pte Ltd:				
AlternateTV.com Pte Ltd	Internet webcasting, web development and management, broadcasting services and media production	Singapore	25	–
lcfFox (Singapore) Pte Ltd	Provision of worldwide web navigation, search directory and electronic mail services and other internet related services	Singapore	25	–
Intrasil Tech Pte Ltd	Software development and trading of computer products and provision of IT support services	Singapore	30	30
Propbuzz Holdings Pte Ltd	Development and management of portals to provide internet content for the real property sector and investment holding	Singapore	26	25

Associated Companies	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
			2001 %	2000 %
Propbuzz.com.sg Pte Ltd	Development and management of portals to provide internet content for the real property sector	Singapore	23.4	25
Tenantworld Pte Ltd	Development and management of an office portal and provision of infrastructure, applications and procurement services for tenants and property managers	Singapore	25	–
yLez Technologies Pte Ltd	Investment holding, software development and trading of computer products and provision of IT support services	Singapore	30	30

Notes:

Previously directly or indirectly held by the Company.

+ Previously directly or indirectly held by CapitaLand Commercial Limited.

^ In 2000, these companies were subsidiaries. In 2001, they became associated companies.

51. Joint Venture Companies

Details of the joint venture companies are as follows:

Joint Venture Companies	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
			2001 %	2000 %
(i) Directly or indirectly held by the Company:				
Century West International Limited	In liquidation	Hong Kong	50	50
Pidemco-Raffles Properties Pte Ltd	Property development and investment	Singapore	50	50
(ii) Directly or indirectly held by CapitaLand Residential Limited:				
Laguna Garden Limited	Property development	Singapore	50	+
Waterfront Properties Pte Ltd	Property development	Singapore	50	+
Riverwalk Promenade Pte Ltd	Property development	Singapore	50	+
Parc Vista Pte Ltd	Property development	Singapore	50	#
Seasons Park Limited	Property development	Singapore	50	#
Sims Park Pte Ltd	Property development	Singapore	50	#
Hill Grove Realty Limited	Property development	Singapore	50	+
Soncal Pty Limited	Property development	Australia	31.6	+
ACN 085 142 785 Pty Limited	Property development	Australia	31.6	+
Chymont Pty Limited	Property development	Australia	31.6	+
Glenwood Land Pty Limited (formerly known as Walker Corporation Share Plan Pty Limited)	Property development	Australia	31.6	+
Rosamond Pty Limited	Property development	Australia	—	+
Sur-Mer (Cronulla) Pty Limited	Property development	Australia	31.6	+
The Wharf at Woolloomooloo Pty Ltd	Trustee	Australia	31.6	+
W9 & 10 Construction Stage 1 Pty Ltd	Property development	Australia	31.6	+
W9 & 10 Construction Stage 2 Pty Ltd	Property development	Australia	31.6	+

Joint Venture Companies	Principal Activities	Place of Incorporation/Business	Effective Interest Held by the Group	
			2001 %	2000 %
W9 & 10 Construction Stage 3 Pty Ltd	Property development	Australia	31.6	+
W9 & 10 Construction Stage 4 Pty Ltd	Property development	Australia	31.6	+
W9 & 10 Stage 1 Pty Ltd	Property development	Australia	31.6	+
W9 & 10 Stage 2 Pty Ltd	Property development	Australia	31.6	+
W9 & 10 Stage 3 Pty Ltd	Property development	Australia	31.6	+
W9 & 10 Stage 4 Pty Ltd	Property development	Australia	31.6	+
W9 & 10 Stage 4B Pty Ltd	Property development	Australia	31.6	–
Wharf Developments Pty Ltd	Property development	Australia	31.6	+
Motorway Business Park Pty Ltd	Property development	Australia	31.6	–
Redhill Joint Venture with Macquarie Bank	Property development	Australia	31.6	+
94 Alfred Street Trust	Property development	Australia	31.6	+
The Woolloomooloo Unit Trust	Property development	Australia	31.6	+
Trust Project No. 9 Unit Trust	Property development	Australia	31.6	+
Helensburg Unit Trust	Property investment	Australia	–	+
(iii) Directly or indirectly held by CapitaLand Commercial Limited:				
Adelphi Property Pte Ltd	Property investment	Singapore	50	0
Pidemco Centre Pte Ltd	Property investment	Singapore	50	0
CCL Office Pte Ltd	Investment holding	Singapore	50	–
PMCL Pte Ltd	Investment holding	Singapore	50	#
Rutile Pte Ltd	Investment holding	Singapore	50	#
Grand Design Development Ltd	Investment holding	Hong Kong	50	#
Savu Investments Ltd	Property investment	Singapore	50	#
Ubi Development Pte Ltd	Property development	Singapore	50	#
Xiamen Huiteng Properties Co., Ltd	Property development	The People's Republic of China	50	#
(iv) Indirectly held by The Ascott Group Limited (formerly known as The Ascott Limited):				
Ascott Dilmun Holdings Limited	Investment holding	United Kingdom	34.5	–
IP Thai Property Fund	Property investment	Thailand	20.7	20.7
Mekong-Hacota Joint Venture Company	Property development and management	The Socialist Republic of Vietnam	44.1	44.1
Siam Real Estate Fund	Property investment	Thailand	27.6	27.6
Shanghai Xin Wei Property Development Co., Ltd	Property investment	The People's Republic of China	41.3	–

Ø In 2000, these companies were subsidiaries. In 2001, they became joint venture companies.

(a) Business Segments

[illegible]

	Commercial \$'000	Residential \$'000	Serviced residences \$'000	Hotels \$'000	Property management \$'000	Others \$'000	Eliminations \$'000	Consolidated \$'000
2001								
Significant Non-Cash Expenses								
– Depreciation	21,091	9,525	24,766	96,101	1,479	7,386	–	160,348
– Amortisation	124	–	–	1,252	–	–	–	1,376
Capital Expenditure	6,566	13,328	49,874	68,511	1,757	2,971	–	143,007
Assets and Liabilities								
Segment assets	7,083,719	4,744,185	1,662,357	1,405,922	125,998	591,678	–	15,613,859
Investment in associated companies	1,022,294	196,119	10,117	152,234	288	3,736	–	1,384,788
Investment in joint venture companies	793,211	153,888	63,721	–	–	1,925	–	1,012,745
Investment in partnerships	34,257	–	–	–	–	–	–	34,257
Unallocated assets	–	–	–	–	–	–	–	307,177
Total Assets	8,933,481	5,094,192	1,736,195	1,558,156	126,286	597,339	–	18,352,826
Segment liabilities	4,697,425	2,244,032	999,094	236,023	70,078	244,843	–	8,491,495
Unallocated liabilities	–	–	–	–	–	–	–	1,975,329
Total Liabilities	4,697,425	2,244,032	999,094	236,023	70,078	244,843	–	10,466,824
2000								
Revenue								
External revenue	452,638	1,863,179	84,807	394,366	98,997	27,721	–	2,921,708
Inter-segment revenue	10,988	721	6,633	3,718	18,772	38,200	(79,032)	–
Total Revenue	463,626	1,863,900	91,440	398,084	117,769	65,921	(79,032)	2,921,708
Segmental Results								
Company and subsidiaries	286,022	314,640	30,353	(138,146)	22,100	(193,976)	(1,933)	319,060
Associated companies	(1,849)	(19,862)	1,561	5,980	158	(550)	–	(14,562)
Joint venture companies	3,958	2,065	–	–	–	–	–	6,023
Partnerships	2	–	–	–	–	–	–	2
Earnings before interest and taxation	288,133	296,843	31,914	(132,166)	22,258	(194,526)	(1,933)	310,523
Finance costs								(422,870)
Taxation								(121,613)
Minority interests								(53,019)
Net loss for the year								(286,979)
Significant Non-Cash Expenses								
– Depreciation	8,469	6,461	17,606	81,994	1,512	4,182	–	120,224
– Amortisation	124	–	–	–	–	–	–	124

	Commercial \$'000	Residential \$'000	Serviced residences \$'000	Hotels \$'000	Property management \$'000	Others \$'000	Eliminations \$'000	Consolidated \$'000
2000								
Capital Expenditure	9,016	–	21,728	75,836	–	13,189	–	119,769
Assets and Liabilities								
Segment assets	8,455,083	5,685,974	1,303,496	1,491,303	104,303	944,867	(2,257)	17,982,769
Investment in associated companies	499,792	198,359	–	2,182	995	21	–	701,349
Investment in joint venture companies	389,466	390,937	43,587	–	–	–	–	823,990
Investment in partnerships	26,534	29,868	–	–	–	–	–	56,402
Unallocated assets	–	–	–	–	–	–	–	21,065
Total Assets	9,370,875	6,305,138	1,347,083	1,493,485	105,298	944,888	(2,257)	19,585,575
Segment liabilities	4,990,383	2,311,895	865,894	411,785	71,563	428,748	–	9,080,268
Unallocated liabilities	–	–	–	–	–	–	–	1,609,053
Total Liabilities	4,990,383	2,311,895	865,894	411,785	71,563	428,748	–	10,689,321

(b) Geographical Segments

	Singapore \$'000	Australia and New Zealand \$'000	China and Hong Kong \$'000	Other Asia # \$'000	United Kingdom \$'000	Others @ \$'000	Eliminations \$'000	Consolidated \$'000
2001								
Revenue	1,404,109	1,228,954	340,423	81,285	168,802	144,366	–	3,367,939
Earnings before interest and taxation *	295,568	122,009	(3,857)	24,867	62,906	(95,865)	–	405,628
Total Assets	13,281,289	1,554,355	1,711,730	689,841	503,445	612,166	–	18,352,826
Capital Expenditure	63,929	9,475	39,051	864	2,589	27,099	–	143,007
2000								
Revenue	1,448,012	1,026,021	228,020	54,846	137,695	30,592	(3,478)	2,921,708
Earnings before interest and taxation *	420,350	132,887	(184,183)	(165,546)	108,308	579	(1,872)	310,523
Total Assets	14,671,186	1,592,049	1,703,931	339,175	712,560	566,674	–	19,585,575
Capital Expenditure	97,239	2,018	10,881	3,518	588	5,525	–	119,769

* Earnings before interest and taxation includes share of results from associated companies, joint venture companies and partnerships.

The Group's operations in "Other Asia" include Indonesia, Malaysia, Philippines, Thailand, Myanmar, Cambodia and Vietnam.

@ The Group's operations in "Others" include Europe, the United States of America, South America and the Middle East/Mediterranean region.

53. Subsequent Events

On 8 February 2002, Australand Holdings Limited ("Australand"), a subsidiary of the Group, raised A\$60 million through the placement of 36.365 million new ordinary shares at A\$1.65 per share. As a result, the Group's shareholding in Australand has decreased from 63.2% to approximately 58.8%.

54. Comparative Information

Comparatives in the financial statements have been changed from the previous year due to the adoption of the requirements of the new and revised accounting standards stated in note 41.

Financial Calendar

Financial year ended 31 December 2001

Announcement of Half-year Results	1 August 2001
Announcement of Third Quarter Results	31 October 2001
Announcement of Full-year Results	8 February 2002
Annual General Meeting	2 May 2002
Books Closure Dates	14 May 2002 to 16 May 2002 (both dates inclusive)
Proposed Payment of 2001 Final Dividend	31 May 2002

Financial year ended 31 December 2002

Proposed Announcement of First Quarter Results	May 2002
Proposed Announcement of Half-year Results	July 2002
Proposed Announcement of Third Quarter Results	October 2002
Proposed Announcement of Full-year Results	February 2003

Additional Information

1. Directors' Remuneration

Number of directors of CapitalLand Limited in remuneration bands:

Remuneration Bands	2001	2000
\$500,000 and above	1	1
\$250,000 to \$499,999	1	–
Below \$250,000	9	14
Total	11	15

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Directors of the Company:				
Liew Mun Leong				
– Salary inclusive of AWS and employer's CPF	774	730	774	730
– Bonus and other benefits inclusive of employer's CPF*	746	559	746	559
	1,520	1,289	1,520	1,289
Other Directors				
– Directors' fees inclusive of attendance fees	1,078	917	851	761
Total	2,598	2,206	2,371	2,050

Fair value of share options#

Liew Mun Leong	727	705	704	695
Other Directors	1,169	661	1,144	648
	1,896	1,366	1,848	1,343

Directors of Subsidiaries:

– Directors' remuneration inclusive of directors' fees and attendance fees@	5,937	7,579	–	–
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* Bonuses are normally finalised, approved and paid after the financial year-end. The bonus figures shown above are on paid basis and not on accrued basis and hence, the figures relate to entitlements due to performance for previous years.

Pertains to options granted during the year. The fair value of share options is estimated using the Black-Scholes Option Pricing model and it is for disclosure purpose only. It is not charged to the profit and loss account.

@ Remuneration for directors of subsidiaries includes salary and related costs of management appointees who sit in the subsidiaries' boards of directors and whose salary and related costs are borne by the subsidiaries.

2. Directors' Interests in Contracts

The following professional fees were paid or payable to firms in which the following directors and ex-director of the Company are members:

	The Group		The Company	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Seah Choo Meng: Davis Langdon & Seah	–	642	–	–
Lucien Wong: Allen & Gledhill	2,915	2,683	382	317
Sir Alan Cockshaw: Shawbridge Management Limited	129	47	32	42

3. Significant Related Party Transactions

Please refer to note 46 in the statutory accounts.

4. Interested Person Transactions

Interested person transactions carried out during the financial year which fall under Chapter 9A of the Listing Manual of the Singapore Exchange Securities Trading Limited are as follows:

	\$'000
Temasek Holdings (Pte) Ltd and its associates:	
– Purchase of land	(3,668)
– Rental and service income	11,793
– Sale of other products and services	102
Singapore Technologies Pte Ltd and its associates:	
– Management fees expense	(7,250)
– Property management income	1,008
– Rental and services income	1,754
– Purchase of other products and services	(8,310)

Shareholding Statistics

as at 18 February 2002

Authorised Share Capital

S\$4,000,000,000 (comprising 4,000,000,000 Ordinary Shares of S\$1 each) and
US\$172,500 (comprising 172,500 Redeemable Convertible Cumulative Preference Shares of US\$1 each)

Issued and Fully Paid-up Capital

S\$2,517,349,898 (comprising 2,517,349,898 Ordinary Shares of S\$1 each fully paid; voting rights: one vote per share)

(Note: All of the Redeemable Convertible Cumulative Preference Shares of US\$1 each in the capital of the Company were fully redeemed on 31 December 2001.)

Twenty Largest Shareholders

As shown in the Register of Members and Depository Register

	Name	No. of Shares	%
1	Singapore Technologies Pte Ltd	1,197,123,933	47.55
2	ST Property Investments Pte Ltd	328,344,838	13.04
3	DBS Nominees Pte Ltd	252,509,064	10.03
4	Raffles Nominees Pte Ltd	146,208,686	5.81
5	Citibank Nominees Singapore Pte Ltd	83,848,780	3.33
6	HSBC (Singapore) Nominees Pte Ltd	76,570,711	3.04
7	United Overseas Bank Nominees Pte Ltd	66,956,795	2.66
8	Oversea-Chinese Bank Nominees Pte Ltd	43,538,415	1.73
9	DB Nominees (S) Pte Ltd	41,690,750	1.66
10	Pei Hwa Foundation Limited	12,900,557	0.51
11	Overseas Union Bank Nominees Pte Ltd	11,464,305	0.46
12	NTUC Income Insurance Co-operative Limited	5,509,500	0.22
13	Morgan Stanley Asia (Singapore) Pte Ltd	5,240,050	0.21
14	OCBC Securities Private Ltd	4,037,222	0.16
15	DBS Vickers Securities (Singapore) Pte Ltd	2,979,555	0.12
16	Phillip Securities Private Ltd	2,239,197	0.09
17	J M Sassoon & Co (Pte) Ltd	2,165,750	0.09
18	CLSA Singapore Pte Ltd	2,127,916	0.08
19	BNP Paribas Nominees Singapore Pte Ltd	1,990,500	0.08
20	UOB Kay Hian Pte Ltd	1,361,000	0.05
	Total	2,288,807,524	90.92

Substantial Shareholders

As shown in the Register of Substantial Shareholders as at 18 February 2002

Name of Shareholder	shareholder has a direct interest	Number of Ordinary Shares in which shareholder is deemed to have an interest
ST Property Investments Pte Ltd	328,344,838	–
Singapore Technologies Pte Ltd	1,197,123,933	329,424,838
Singapore Technologies Holdings Pte Ltd	–	1,526,548,771
Temasek Holdings (Private) Limited*	–	1,590,721,271

* Temasek Holdings (Private) Limited is a company wholly-owned by Ministry for Finance, Incorporated.

Size of Holdings

Size of Shareholdings	No. of shareholders	% of shareholders	No. of shares	% of shares
1 – 1,000	8,536	22.91	7,987,339	0.32
1,001 – 10,000	24,837	66.67	97,895,297	3.89
10,001 – 1,000,000	3,860	10.36	122,659,738	4.87
1,000,001 and above	20	0.06	2,288,807,524	90.92
Total	37,253	100.00	2,517,349,898	100.00

Location of Shareholders

Country	No. of shareholders	% of shareholders	No. of shares	% of shares
Singapore	36,144	97.02	2,507,096,549	99.59
Malaysia	606	1.63	5,344,332	0.21
Others	503	1.35	4,909,017	0.20
Total	37,253	100.00	2,517,349,898	100.00

Directors' Shareholdings

As shown in the Register of Directors' Shareholdings as at 21 January 2002

Name of Director	Number of Ordinary Shares in which director has a direct interest		No. of unissued Ordinary Shares comprised in options granted under CapitaLand Share Option Plan
Philip Yeo Liat Kok	–	–	257,700
Hsuan Owyang	–	–	320,000
Liew Mun Leong	–	–	1,927,000
Sir Alan Cockshaw	–	–	424,630
Hsieh Fu Hua	–	–	227,700
Lim Chin Beng	–	–	260,010
Vernon R Loucks Jr.	–	–	103,850
Peter Seah Lim Huat	113,000	–	–
Sum Soon Lim	–	–	337,700
Jackson Peter Tai	–	–	220,000
Lucien Wong Yuen Kuai	–	–	153,850

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at the STI, 168 Robinson Road, Level 9, Capital Tower, Singapore 068912, on Thursday, 2 May 2002 at 3.00 p.m. to transact the following business:

As Ordinary Business

- 1 To receive and adopt the Directors' Report and Audited Accounts for the year ended 31 December 2001 and the Auditors' Report thereon.
- 2 To declare a first and final dividend on ordinary shares of S\$0.03 per S\$1.00 ordinary share less Singapore income tax at 24.5% for the year ended 31 December 2001.
- 3 To approve the sum of S\$850,998 as Directors' fees for the year ended 31 December 2001 (2000: S\$761,360).
- 4 To re-elect the following Directors, each of whom will retire by rotation pursuant to Article 95 of the Articles of Association of the Company and who, being eligible, will offer themselves for re-election:
 - (i) Sir Alan Cockshaw
 - (ii) Mr Hsieh Fu Hua
 - (iii) Mr Lim Chin Beng
- 5 To re-elect Mr Peter Seah Lim Huat, a Director, who will retire pursuant to Article 101 of the Articles of Association of the Company.
- 6 To consider and, if thought fit, to pass the following resolution:
"That pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr Hsuan Owyang be and is hereby re-appointed a Director of the Company to hold such office from the date of this Annual General Meeting until the next Annual General Meeting of the Company."
- 7 To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration.
- 8 To transact such other ordinary business as may be transacted at an Annual General Meeting of the Company.

As Special Business

- 9 To consider and, if thought fit, to pass with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions:
 - 9A That pursuant to Section 161 of the Companies Act, Chapter 50 and the listing rules of the Singapore Exchange Securities Trading Limited, authority be and is hereby given to the Directors of the Company to issue shares in the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed fifty per cent. (50%) of the issued share capital of the Company for the time being, of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company does not exceed twenty per cent. (20%) of the issued share capital of the Company for the time being, and, unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

9B That approval be and is hereby given to the Directors to:

- (a) offer and grant options in accordance with the provisions of the CapitaLand Share Option Plan ("Share Option Plan") and/or to grant awards in accordance with the provisions of the CapitaLand Performance Share Plan ("Performance Share Plan") and/or the CapitaLand Restricted Stock Plan ("Restricted Stock Plan") (the Share Option Plan, the Performance Share Plan and the Restricted Stock Plan, together the "Share Plans"); and
- (b) allot and issue from time to time such number of shares in the Company as may be required to be issued pursuant to the exercise of options under the Share Option Plan and/or such number of fully paid shares in the Company as may be required to be issued pursuant to the vesting of awards under the Performance Share Plan and/or the Restricted Stock Plan,

provided that the aggregate number of shares to be issued pursuant to the Share Plans shall not exceed fifteen per cent. (15%) of the issued share capital of the Company from time to time.

By Order of the Board

Lim Mei Yi

Company Secretary

Singapore

13 March 2002

Notes:

A member entitled to attend and vote at the meeting may appoint not more than two proxies to attend and vote in his stead. Where a member appoints more than one proxy, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 168 Robinson Road #30-01, Capital Tower, Singapore 068912 not less than 48 hours before the time appointed for holding the meeting.

Additional information relating to the Notice of Annual General Meeting:

Resolution No. 9A is to empower the Directors to issue shares in the Company up to an amount not exceeding in total fifty per cent. (50%) of the issued share capital of the Company for the time being, with a sub-limit of twenty per cent. (20%) for shares issued other than on a pro rata basis to shareholders.

Resolution No. 9B is to empower the Directors to offer and grant options and/or grant awards under the CapitaLand Share Option Plan, the CapitaLand Performance Share Plan and the CapitaLand Restricted Stock Plan, and to allot and issue shares pursuant to the exercise of such options and/or vesting of such awards, provided that the aggregate number of shares to be issued does not exceed fifteen per cent. (15%) of the issued share capital of the Company from time to time.

Notes to Proxy Form

- 1 A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead.
- 2 Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
- 3 A proxy need not be a member of the Company.
- 4 A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, the form of proxy will be deemed to relate to all the shares held by the member.
- 5 The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 168 Robinson Road #30-01, Capital Tower, Singapore 068912 not less than 48 hours before the time set for the Meeting.
- 6 The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
- 7 Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- 8 A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore.

General

The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

CapitaLand Limited

(Incorporated in the Republic of Singapore)

Proxy Form – Annual General Meeting**IMPORTANT:**

- 1 For investors who have used their CPF monies to buy CapitaLand shares, the Summary Report/Annual Report is forwarded to them at the request of their CPF Approved Nominee and is sent solely FOR INFORMATION ONLY.
- 2 This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ (Name)

of _____ (Address)

being a member/members of CapitaLand Limited hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of shareholdings	
			No. of shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of shareholdings	
			No. of shares	%

as my/our proxy/proxies to vote for me/us on my/our behalf, at the Annual General Meeting of the Company, to be held on 2 May 2002, and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolutions Relating To:	For	Against
ORDINARY BUSINESS			
1	Adoption of Directors' Report, Audited Accounts and Auditors' Report		
2	Declaration of Dividend		
3	Approval of Directors' Fees		
4(i)	Re-election of Sir Alan Cockshaw as Director		
4(ii)	Re-election of Mr Hsieh Fu Hua as Director		
4(iii)	Re-election of Mr Lim Chin Beng as Director		
5	Re-election of Mr Peter Seah Lim Huat as Director		
6	Re-appointment of Mr Hsuan Owyang as Director		
7	Re-appointment of Auditors		
8	Any Other Business		
SPECIAL BUSINESS			
9A	Authority for Directors to issue shares pursuant to Section 161 of the Companies Act, Cap. 50		
9B	Authority for Directors to offer and grant options and/or grant awards, and to allot shares, pursuant to the CapitaLand Share Option Plan, the CapitaLand Performance Share Plan and the CapitaLand Restricted Stock Plan		

* Please indicate your vote "For" or "Against" with a "✓" within the box provided.

Dated this _____ day of _____ 2002.

Signature(s) of Member(s) / Common Seal

Total number of shares held:

IMPORTANT: PLEASE READ NOTES TO PROXY FORM ON PAGE 194

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Affix
postage
stamp

The Company Secretary

CapitaLand Limited
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

2nd fold here

1st fold here

Main Contacts

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Tel: (65) 6213 3388
Fax: (65) 6225 6157
(Partner-in-charge: Martha Tan)

Registrar
Lim Associates (Pte) Ltd
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#19-08 Ocean Building
Singapore 049315
Tel: (65) 6536 5355
Fax: (65) 6536 1360

This Annual Report may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.