CAPITALAND LIMITED

(Registration Number : 198900036N)

2009 FIRST QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT

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1(a)(i) Income Statement

	Note	Group		
		1Q 2009 S$'000	1Q 2008 S$'000	Change %
Revenue	A	**487,013**	**631,274**	**(22.9)**
Cost of sales	A	(300,303)	(396,090)	(24.2)
Gross profit		186,710	235,184	(20.6)
Other operating income	B	44,153	240,088	(81.6)
Administrative expenses	C	(82,759)	(119,629)	(30.8)
Other operating expenses	D	(20,543)	(5,208)	294.5
Profit from operations		**127,561**	**350,435**	**(63.6)**
Finance costs		(102,173)	(131,902)	(22.5)
Share of results (net of tax) of:				
- associates		31,403	31,739	(1.1)
- jointly-controlled entities		17,403	16,643	4.6
		48,806	48,382	0.9
Profit before taxation		74,194	266,915	(72.2)
Taxation	E	(17,841)	16,757	NM
Profit for the period		56,353	283,672	(80.1)
Attributable to:				
Owners of the Company ("PATMI")	F	**42,853**	**247,469**	**(82.7)**
Minority interests ("MI")		13,500	36,203	(62.7)
Profit for the period		56,353	283,672	(80.1)

NM : Not meaningful

1(a)(ii) Explanatory Notes to Income Statement – 1Q 2009 vs 1Q 2008

(A) Revenue, Cost of Sales

The decrease in 1Q 2009 revenue was mainly due to lower sales from development projects and lower rental revenue from the commercial properties and serviced residences, partially mitigated by higher fee-based revenue. (Please see item 8 for details).The cost of sales was correspondingly lower.

(B) Other Operating Income

		Group		
		1Q 2009 S$'000	1Q 2008 S$'000	Change (%)
Other Operating Income		**44,153**	**240,088**	**(81.6)**
Investment income	(i)	1,958	3,843	(49.1)
Interest income	(ii)	16,564	38,654	(57.1)
Other income (including portfolio gains)	(iii)	25,631	161,997	(84.2)
Foreign exchange gain	(iv)	-	35,594	NM

(i) The decrease in investment income was a result of a reduction in short term investments in Singapore.

(ii) The lower interest income was mainly attributable to weakening interest rates as well as lower surplus funds placed with financial institutions.

(iii) Other income included $14.8 million underwriting fee in respect of CapitaMall Trust's rights issue.

1Q 2008 other income was significantly higher as it included portfolio gains of $141.4 million coming mainly from the divestment of the Group's stake in Hitachi Tower, sale of property at 6 Sarkies Road and an investment in Hong Kong.

(iv) There was a net foreign exchange loss of $0.9 million in 1Q 2009 which was included in other operating expenses.

(C) Administrative Expenses

	Group		
	1Q 2009 S$'000	1Q 2008 S$'000	Change (%)
Administrative Expenses	**(82,759)**	**(119,629)**	**(30.8)**
Included in Administrative Expenses:-			
Depreciation and amortisation	(14,769)	(12,038)	22.7
Write back / (Allowance) for doubtful receivables and bad debts written off / (recovered)	(602)	108	NM

Administrative expenses comprise staff costs, depreciation expenses, operating lease expenses and other administrative expenses. 1Q 2009 administrative expenses were lower due mainly to a reduction in staff related costs, lower professional fees and travelling expenses.

(D) Other Operating Expenses

Other operating expenses of $20.5 million included $14.5 million of marked-to-market loss relating to ineffective portion of non-delivery forward contracts for hedging against RMB exposure and $3.1 million impairment of an investment in China.

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

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

1Q 2008 tax expense was a credit as it included a $28.3 million tax write back in respect of the provision made for the sale of The Ascott Mayfair in 2006.

Included in the tax expense was a $0.8 million under-provision of tax for prior years (1Q 2008: $5.1 million).

Excluding the tax write backs above, the tax expense for 1Q 2008 would be $16.6 million. On a like to like comparison, 1Q 2009's tax expense is higher than 1Q 2008 as we have utilised prior year tax losses to reduce tax expense in 2008.

(F) Gain from the sale of investments

There was no significant sale of investments during the quarter.

Significant sale of investments included in the Group's 1Q 2008 PATMI comprised the following:

1Q 2008	**PATMI (S$M)**
Divestment of stake in Savu Investments (Hitachi Tower)	111.4
Divestment of property at 6 Sarkies Road	13.3
Divestment of investment in Hong Kong	8.2
Others	4.1
Total Group's share of gain after tax & MI for 1Q 2008	**137.0**

1(a)(iii) Statement of Comprehensive Income

With effect from 1 January 2009, FRS 1 *Presentation of Financial Statements* requires an entity to present all non-owner changes in the equity in a Statement of Comprehensive Income. Non-owner changes will include income and expenses recognised directly in equity. This is a change of presentation and does not affect the recognition or measurement of the entity's transactions. Previously, such non-owner changes are included in the Statement of Changes in Equity.

	Group		
	1Q 2009 S$'000	**1Q 2008 S$'000**	**Change %**
Profit for the period	56,353	283,672	**(80.1)**
Other comprehensive income:			
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	43,062	34,710	24.1
Increase / (Decrease) in available-for-sale reserve	39,952	(24,306)	NM
Increase / (Decrease) in hedging reserve	15,759	(24,738)	NM
Share of other comprehensive income of associates and jointly-controlled entities	56,201	(53,273)	NM
	154,974	(67,607)	NM
Total comprehensive income	211,327	216,065	(2.2)
Attributable to:			
Owners of the Company	**183,952**	**155,870**	**18.0**
Minority interests	27,375	60,195	(54.5)
	211,327	216,065	(2.2)

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1(b)(i) Balance Sheet

	Group			Company		
	31/03/2009 S$'000	**31/12/2008 S$'000**	**Change %**	**31/03/2009 S$'000**	**31/12/2008 S$'000**	**Change %**
Non-Current Assets						
Property, Plant & Equipment	1,641,124	1,633,378	0.5	8,116	8,814	(7.9)
Intangible Assets	588,717	588,936	–	–	–	–
Investment Properties	4,264,388	4,254,839	0.2	–	–	–
Properties Under Devt	648,452	593,945	9.2	–	–	–
Interests in Subsidiaries	–	–	–	6,853,164	6,828,287	0.4
Interests in Associates & Jointly-Controlled Entities	8,446,753	7,864,593	7.4	–	–	–
Other Non-Current Assets [1]	439,889	603,342	(27.1)	3,482	10,001	(65.2)
	16,029,323	**15,539,033**	**3.2**	**6,864,762**	**6,847,102**	**0.3**
Current Assets						
Devt Properties for Sale [1]	*3,629,146*	*3,347,168*	*8.4*	–	–	–
Trade & Other Receivables	*1,810,662*	*1,715,099*	*5.6*	*2,110,153*	*1,423,695*	48.2
Cash & Cash Equivalents	*5,508,700* [3]	*4,228,405*	*30.3*	*1,878,241*	*757,801*	147.9
Other Current Assets [2]	*392,222*	*253,908*	*54.5*	–	–	–
	11,340,730	**9,544,580**	**18.8**	**3,988,394**	**2,181,496**	**82.8**
Less: Current Liabilities						
Trade & Other Payables	*2,205,715*	*2,357,161*	*(6.4)*	*96,388*	*133,946*	*(28.0)*
Short-Term Borrowings	*1,830,947*	*1,871,015*	*(2.1)*	–	–	–
Finance Leases	*4,198*	*4,212*	*(0.3)*	–	–	–
Other Current Liabilities	*451,260*	*460,384*	*(2.0)*	*4,540*	*3,968*	*14.4*
	4,492,120	**4,692,772**	**(4.3)**	**100,928**	**137,914**	**(26.8)**
Net Current Assets	**6,848,610**	**4,851,808**	**41.2**	**3,887,466**	**2,043,582**	**90.2**
Less: Non-Current Liabilities						
Long-Term Borrowings	8,192,731	7,918,847	3.5	2,530,377	2,518,579	0.5
Finance Leases	34,628	35,260	(1.8)	–	–	–
Other Non-Current Liabilities	456,464	448,932	1.7	111,634	103,864	7.5
	8,683,823	**8,403,039**	**3.3**	**2,642,011**	**2,622,443**	**0.7**
Net Assets	**14,194,110**	**11,987,802**	**18.4**	**8,110,217**	**6,268,241**	**29.4**
Representing:						
Share Capital [4]	6,221,382	4,396,144	41.5	6,221,382	4,396,144	41.5
Revenue Reserves	5,466,524	5,423,671	0.8	1,645,452	1,617,293	1.7
Other Reserves	969,619	861,874	12.5	243,383	254,804	(4.5)
Equity attributable to owners of the Company	12,657,525	10,681,689	18.5	8,110,217	6,268,241	29.4
Minority Interests	1,536,585	1,306,113	17.6	–	–	–
Total Equity	**14,194,110**	**11,987,802**	**18.4**	**8,110,217**	**6,268,241**	**29.4**

(1) The movement was attributable to the exchange of our investment in convertible bonds for shares in Peace Base Investments Limited, which owns a mixed development site in Shenzhen, China.

(2) The increase was attributable to additional investment in debt securities and fair value gains for quoted equity investments.

(3) Included cash balances of $4,010.8 million held at Group Treasury (CapitaLand Limited and CapitaLand Treasury Limited).

(4) The increase was mainly due to the rights issue of 1.4 billion shares at $1.30 per share.

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

	Group	
	As at 31/03/2009 S$'000	**As at 31/12/2008 S$'000**
Amount repayable in one year or less, or on demand:-		
Secured	886,740	914,212
Unsecured	948,405	961,015
Sub-Total 1	**1,835,145** (1)	**1,875,227** (1)
Amount repayable after one year:-		
Secured	1,706,888	1,499,019
Unsecured	6,520,471	6,455,088
Sub-Total 2	**8,227,359**	**7,954,107**
Total Debt	**10,062,504**	**9,829,334**

(1) *Included A$663 million of borrowings in Australand, of which A$563 million relates to Commercial Mortgage-Backed Securities.*

Details of any collateral

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

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1(c) Consolidated Statement of Cash Flows

	1Q 2009 S$'000	1Q 2008 S$'000
Cash Flows from Operating Activities		
Profit after taxation	**56,353**	**283,672**
Adjustments for :		
Amortisation and impairment of intangible assets	409	344
Depreciation of property, plant and equipment	14,482	11,694
Allowance for:		
- Loans to associates and jointly-controlled entities	29	-
- Impairment loss on investment in an associate	3,143	-
Share-based expenses	1,565	15,320
Changes in fair value of financial instruments and assets	15,430	(13,093)
(Gain)/Loss on disposal/Write off of property, plant and equipment	151	(418)
Loss/(Gain) on disposal of non-current financial assets	41	(8,214)
Gain on disposal of subsidiaries, associates and jointly-controlled entities	(4)	(133,140)
Share of results of associates and jointly-controlled entities	(48,806)	(48,382)
Interest expense	102,173	131,902
Interest income	(16,564)	(38,654)
Taxation	17,841	(16,757)
	89,890	**(99,398)**
Operating profit before working capital changes	**146,243**	**184,274**
Decrease/(Increase) in working capital		
Trade and other receivables	(252,221)	(52,488)
Development properties for sale	77,927	136,249
Trade and other payables	(60,203)	(188,395)
Other financial assets	(129,265)	198,644
	(363,762)	**94,010**
Cash generated from operations	**(217,519)**	**278,284**
Income tax paid	(27,500)	(34,162)
Customer deposits and other non-current payables refunded	(2,911)	(1,280)
Net cash (used in)/generated from Operating Activities	**(247,930)**	**242,842**

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

	1Q 2009 S$'000	1Q 2008 S$'000
Cash Flows from Investing Activities		
Proceeds from disposal of property, plant and equipment	22	1,832
Purchase of property, plant and equipment	(20,805)	(49,634)
Increase in associates and jointly-controlled entities	(455,993)	(265,289)
Decrease/(Increase) in amounts owing by investee companies and other receivables	153	(16,916)
Acquisition of investment properties and properties under development	(53,744)	(171,399)
Proceeds from disposal of investment properties	24,538	-
Disposal of non-current financial assets	1,739	8,270
Dividends received from associates and jointly-controlled entities	61,534	44,878
Disposal/(Acquisition) of subsidiaries	69,292	48,727
Acquisition of remaining interest in subsidiaries	-	(912,943)
Interest income received	7,849	24,618
Net cash used in Investing Activities	**(365,415)**	**(1,287,856)**
Cash Flows from Financing Activities		
Proceeds from issue of shares under share option plan	685	8,651
Proceeds from rights issue (net)	1,794,737	-
Proceeds from loan from minority interests	27,387	15,068
Contribution from /(Return of capital to) minority interests	24,865	(6,990)
Repayment of sales of future receivables	(10,305)	(303,518)
Proceeds from bank borrowings	510,859	1,791,686
Repayment of bank borrowings	(336,918)	(454,468)
Proceeds from debt securities	-	1,400,000
Repayment from debt securities	(11,000)	(104,817)
Repayment of finance lease payables	(604)	(1,017)
Dividends paid to minority interests	(28,418)	(39,330)
Interest expense paid	(88,836)	(111,556)
Net cash generated from Financing Activities	**1,882,452**	**2,193,709**
Net increase in cash and cash equivalents	**1,269,107**	**1,148,695**
Cash and cash equivalents at beginning of the year	4,228,405	4,355,986
Effect of exchange rate changes on cash balances held in foreign currencies	11,188	(18,560)
Cash and cash equivalents at end of the period	**5,508,700**	**5,486,121**

Cash and cash equivalents at end of the period
The cash and cash equivalents of about $5,508.7 million as at 31/03/2009 included $4,469.1 million in fixed deposits and $50.5 million in Project Accounts whose withdrawals are restricted to the payment of development projects expenditure.

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

As at 31/03/2009 vs 31/03/2008 – Group

	Share Capital S$'000	Revenue Reserves S$'000	Other Reserves* S$'000	**Total S$'000**	Minority Interests S$'000	**Total Equity S$'000**
Balance as at 01/01/2009	**4,396,144**	**5,423,671**	**861,874**	**10,681,689**	**1,306,113**	**11,987,802**
Rights issue	1,789,525			**1,789,525**	-	**1,789,525**
Issue of shares under share option and share plans	35,713		(35,028)	**685**	-	**685**
Cost of share-based payment			1,617	**1,617**	338	**1,955**
Effects of acquisition/disposal, dilution and liquidation of subsidiaries (net)				**-**	183,717	**183,717**
MI contribution (net)				**-**	19,042	**19,042**
Total comprehensive income for 1Q 2009		42,853	141,099	**183,952**	27,375	**211,327**
Others			57	**57**	-	**57**
Balance as at 31/03/2009	**6,221,382**	**5,466,524**	**969,619**	**12,657,525**	**1,536,585**	**14,194,110**
Balance as at 01/01/2008	**4,350,058**	**4,011,179**	**1,579,655**	**9,940,892**	**1,924,447**	**11,865,339**
Issue of shares under share option and share plans	31,782		(25,666)	**6,116**	2,535	**8,651**
Equity portion of convertible bonds			82,940	**82,940**	-	**82,940**
Cost of share-based payment			13,380	**13,380**	425	**13,805**
Effects of acquisition/disposal, dilution and liquidation of subsidiaries (net)				**-**	(397,427)	**(397,427)**
MI contribution (net)				**-**	(6,990)	**(6,990)**
Dividends paid/declared to MI				**-**	(25,096)	**(25,096)**
Total comprehensive income for 1Q 2008		247,469	(91,599)	**155,870**	60,195	**216,065**
Others		(1,079)	(24)	**(1,103)**	-	**(1,103)**
Balance as at 31/03/2008	**4,381,840**	**4,257,569**	**1,558,686**	**10,198,095**	**1,558,089**	**11,756,184**

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

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

As at 31/03/2009 vs 31/03/2008 – Company

	Share Capital S$'000	Revenue Reserves S$'000	Capital Reserve S$'000	Equity Comp Reserves S$'000	**Total Equity S$'000**
Balance as at 01/01/2009	**4,396,144**	**1,617,293**	**213,212**	**41,592**	**6,268,241**
Rights issue	1,789,525				**1,789,525**
Issue of shares under share option and share plans	35,713			(10,151)	**25,562**
Cost of share-based payment				(1,269)	**(1,269)**
Total comprehensive income for 1Q 2009		28,158			**28,158**
Balance as at 31/03/2009	**6,221,382**	**1,645,451**	**213,212**	**30,172**	**8,110,217**
Balance as at 01/01/2008	**4,350,058**	**854,944**	**117,272**	**36,622**	**5,358,896**
Issue of shares under share option and share plans	31,782			(10,768)	**21,014**
Equity portion of convertible bonds			95,940		**95,940**
Cost of share-based payment				2,800	**2,800**
Total comprehensive income for 1Q 2008		15,309			**15,309**
Balance as at 31/03/2008	**4,381,840**	**870,253**	**213,212**	**28,654**	**5,493,959**

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

Issued Share Capital

Movements in the Company's issued and fully paid-up share capital during 1Q 2009 were as follows:

	No. of Shares	**Capital S$'000**
As at 01/01/2009	2,823,506,300	4,396,144
Rights issue	1,411,944,806	1,789,525
Issue of shares under Share Option and Share Plans	8,774,144	35,713
As at 31/03/2009	**4,244,225,250**	**6,221,382**

On 9 February 2009, the Company announced a fully underwritten rights issue at the issue price of $1.30 per rights share on the basis of 1 rights share for every 2 existing shares. On 20 March 2009, the Company allotted and issued 1,411,944,806 rights shares for valid acceptances received and credited the share capital with $1,789,525,294.

Outstanding Options under CapitaLand Share Option Plan

	No. of Options
As at 01/01/2009	20,043,514
Additional options granted arising from modification*	3,674,112
Exercised / Lapsed	(751,273)
As at 31/03/2009	**22,966,353**

** Pursuant to the rights issue, the number of options granted under the Share Option Plan was adjusted to compensate for the decline in fair value of the said options.*

Performance Shares

As at 31/03/2009, the number of shares awarded and outstanding under the Company's Performance Share Plan was 10,351,458 (31/03/2008: 5,773,514). This includes additional 1,840,208 contingent shares awarded as modification pursuant to the rights issue.

Under the Performance Share Plan, the final number of shares released will depend on the achievement of pre-determined targets over a three-year performance period. No shares will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200% of the baseline award.

Restricted Stock Plan

As at 31/03/2009, the number of shares awarded and outstanding under the Company's Restricted Stock Plan was 14,858,058, of which 2,233,819 are to be cash settled (31/03/2008: 4,404,529, of which 613,313 are to be cash settled). This includes additional 1,735,695 contingent shares awarded as modification pursuant to the rights issue, of which 240,534 are to be cash settled.

Under the Restricted Stock Plan, the final number of shares released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of two to three years. No shares will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award.

Convertible Bonds

The Company has issued the following convertible bonds which remained outstanding as at 31/03/2009:

- $1.3 billion of Convertible Bonds due in 2018 which are convertible by holders into ordinary shares of the Company at any time on or after 15 April 2008 at a conversion price of $7.1468 per share;
- $1.0 billion of Convertible Bonds due in 2022 which are convertible by holders into ordinary shares of the Company at any time on or after 20 June 2008 at a conversion price of $11.5218 per share; and
- $430 million of Convertible Bonds due in 2016 which are convertible by holders into ordinary shares of the Company at any time on or after 26 December 2006 at a conversion price of $6.01 per share.

There has been no conversion of any of the above convertible bonds since the dates of their issues.

Assuming the Bonds are fully converted based on their respective conversion prices, the number of new ordinary shares to be issued would be 340,239,005, representing a 8.0% increase over the total number of issued shares of the Company as at 31/03/2009.

1(d)(iii) Treasury Shares

The Company did not hold any treasury shares as at 31 March 2009 and 31 December 2008.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares for the three months ended 31 March 2009.

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

The figures have neither been audited nor reviewed by our auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2008, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2009.

Among the changes to FRSs is the amendment to FRS 40 *Investment Property* whereby property under development/construction is now covered under FRS 40. As the Group has adopted the fair value model for its investment property, it will accordingly account for property under development using the fair value model with effect from 1 January 2009. It is the practice of the Group to revalue its investment properties half yearly. The last valuation exercise was done in December 2008.

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

Please refer to Item 4 above.

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

		Group	
		1Q 2009	1Q 2008 (restated)*
6(a)	EPS based on weighted average number of ordinary shares in issue (in cents)	1.2	7.3
	Weighted average number of ordinary shares (in million)	3,443.7	3,392.1
6(b)	EPS based on fully diluted basis (in cents)	1.2	7.2
	Weighted average number of ordinary shares (in million)	3,483.9	3,492.5

** Restated for the effects of rights issue.*

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

	Group		Company	
	31/03/2009	31/12/2008	31/03/2009	31/12/2008
NAV per ordinary share	$2.98	$3.78	$1.91	$2.22
NTA per ordinary share	$2.84	$3.57	$1.91	$2.22

8 Review of the Group's performance

Group Overview

S$M	1Q 2009	1Q 2008	Variance (%)
REVENUE	487.0	631.3	(22.9)
EBIT	176.4	398.8	(55.8)
Finance costs	(102.2)	(131.9)	22.5
PBT	74.2	266.9	(72.2)
PATMI	42.9	247.5	(82.7)

1Q 2009 vs 1Q 2008

The lower revenue in 1Q 2009 was mainly attributable to the Group's development projects as well as absence of rental revenue from commercial properties divested and lower operating performance from the serviced residences. These decreases were, however, partially mitigated by higher fee-based income from the enlarged Assets Under Management ("AUM") of more than $25 billion (1Q 2008: $17 billion).

Revenue in Australia was lower partly due to a weaker exchange rate. In Singapore, the lower revenue was largely due to the completion of two large scale projects, Varsity Park Condominium and Wilkie Edge, a mixed development, in February 2008 and November 2008 respectively.

As for the rental income, the decrease was mainly due to lower revenue from the Group's serviced residences operations in Europe as well as the absence of revenue from properties divested in Singapore and China in 2008, namely Raffles City Shanghai, Capital Tower Beijing and One George Street, but partially mitigated by contribution from Sungei Wang Plaza in Malaysia which was acquired in July 2008. The Group continues to hold a stake in Raffles City Shanghai and One George Street through its interest in Raffles City China Fund and CapitaCommercial Trust respectively.

In terms of geographic spread, revenue from overseas operations continued to be significant at 68.3% of the Group's total revenue (1Q 2008: 70.3%). This was a result of the Group's on-going multi-geography, multi-sector strategy to diversify its revenue streams.

While the decline in revenue had contributed to the lower earnings before interest and tax ("EBIT"), a large part of the reduction in EBIT was due to the absence of divestment gains and foreign exchange gain as well as the marked-to-market loss for certain hedging contracts in 1Q 2009 as compared to a gain in 1Q 2008. The Group had recognised portfolio gains of $141.4 million in 1Q 2008 mainly from the divestment of its stake in Hitachi Tower and a property at 6 Sarkies Road.

Overseas EBIT contribution in 1Q 2009 was $84.5 million or 47.9% (1Q 2008: $179.4 million or 45.0%) of the Group's total EBIT. The decrease in overseas EBIT was mainly due to lower contribution from China, Australia and Europe. In China, the lower EBIT was mainly due to the absence of contribution from properties divested in 2008 and foreign exchange gain. In Australia and Europe, the lower EBIT was mainly attributable to lower revenue.

Finance costs in 1Q 2009 were lower due to lower average gross debt in 2009 compared to 2008. Overall gross debt was lower by $2.3 billion. Consequently, the Group's net debt to equity ("D/E") ratio has improved from 0.59 as at 31 March 2008 to 0.32 as at end 31 March 2009 (D/E ratio as at 31 December 2008: 0.47). The improvement in D/E ratio was also attributable to higher cash balances, mainly from the rights issue proceeds.

Segment Performance

CapitaLand Residential Singapore ("CRS")

S$M	1Q 2009	1Q 2008	Variance (%)
Revenue	80.8	96.2	(16.0)
EBIT	20.0	39.5	(49.4)

Revenue and EBIT for 1Q 2009 were lower mainly due to the completion of a large scale project, Varsity Park Condominium in February 2008.

Temporary Occupation Permit was obtained for RiverGate and Scotts HighPark in March 2009.

CapitaLand China Holdings ("CCH")

S$M	1Q 2009	1Q 2008	Variance (%)
Revenue	72.5	94.9	(23.6)
EBIT	21.2	64.5	(67.2)

1Q 2009 revenue was lower than 1Q 2008 as Raffles City Shanghai ("RCS") and Capital Tower Beijing ("CTB") were divested in 2H 2008 and their contributions were no longer consolidated. CCH continues to hold a stake in RCS through its investment in Raffles City China Fund. Excluding the revenue contribution from RCS and CTB in 2008, 1Q 2009 revenue was comparable with 1Q 2008.

1Q 2009 EBIT was lower than 1Q 2008 due to the deconsolidation of contributions from RCS and CTB, absence of divestment gains and fair value gains which were recognised in 1Q 2008. Excluding these factors, 1Q 2009 EBIT was comparable to 1Q 2008.

In 1Q 2009, four projects were launched – three in Foshan (The Riveria, Riverside Ville and Beau Residences) and one in Chengdu (The Loft).

CapitaLand Commercial ("CCL")

S$M	1Q 2009	1Q 2008	Variance (%)
Revenue	31.6	53.9	(41.3)
EBIT	32.5	136.6	(76.2)

The decrease in revenue for 1Q 2009 was mainly due to the absence of progressive revenue from Wilkie Edge which was fully recognised in 2008 and lower rental income due to the divestment of One George Street in July 2008.

The decrease in EBIT for 1Q 2009 was mainly due to the absence of divestment gain as the corresponding quarter last year included a gain from the divestment of Hitachi Tower.

CapitaLand Retail ("CRTL")

S$M	1Q 2009	1Q 2008	Variance (%)
Revenue	53.3	35.1	52.1
EBIT	37.1	58.1	(36.2)

Revenue for 1Q 2009 was higher than 1Q 2008 mainly due to the inclusion of revenue from Sungei Wang Plaza in Malaysia, which was acquired in July 2008. Property management fees from China also contributed to the increase as more shopping malls commenced operations.

Lower EBIT for 1Q 2009 was due to lower unrealised foreign exchange gain.

Ascott

S$M	1Q 2009	1Q 2008	Variance (%)
Revenue	85.8	105.5	(18.7)
EBIT	12.4	39.5	(68.6)

With effect from June 2008, the contributions from the fund management companies managing Ascott Residence Trust ("Ascott Reit") and Ascott China Fund have been presented under CapitaLand Financial.

Excluding the effect of the above, revenue for 1Q 2009 decreased by $14.7 million or 15% due mainly to lower operational performance as a result of the economic slow down.

1Q 2009 EBIT was lower mainly due to portfolio gain recognised in 1Q 2008 from the divestment of a property at 6 Sarkies Road. Excluding portfolio gain, operating EBIT recorded a smaller decrease of $4.7 million as a result of stringent cost saving measures.

CapitaLand Financial ("CFL")

S$M	1Q 2009	1Q 2008	Variance (%)
Revenue	41.0	29.9	37.1
EBIT	29.2	18.5	57.9

The increase in revenue for 1Q 2009 as compared to the corresponding period last year was mainly attributable to higher fund management fees from the enlarged AUM and contribution from the management companies transferred from Ascott in 2Q 2008, partially offset by lower acquisition fee. As at March 2009, CFL manages 5 Reits and 17 private equity funds with total AUM of more than $25 billion.

EBIT for 1Q 2009 was higher mainly due to higher revenue and higher distribution income and partially offset by lower share of profit from an associated company.

Others

S$M	1Q 2009	1Q 2008	Variance (%)
Revenue	121.9	215.8	(43.5)
EBIT	24.0	42.1	(43.0)

Others include the Corporate Office, Australand and new start-up business units.

Revenue for 1Q 2009 was lower partly due to a weaker exchange rate.

The lower EBIT in 1Q 2009 was largely due to lower revenue as mentioned above and the marked-to-market loss for certain hedging contracts as compared to a gain in 1Q 2008. This was partly mitigated by the underwriting fee income from CapitaMall Trust's rights issue.

9 Variance from Prospect Statement

The current results are broadly in line with the prospect statement made when the fourth quarter 2008 financial results were announced.

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

CapitaLand Residential Singapore ("CRS")

CRS expects its earnings in 2009 to continue to benefit from revenue recognition from sales achieved in prior years, in particular, maiden contributions from The Seafront on Meyer and The Orchard Residences.

In Singapore, buying sentiment will continue to remain cautious in 2009. CRS expects to progressively release units for sale during the year. The land title issue for the Gillman Heights Condominium site was resolved in 1Q 2009. Planning and development works are underway and CRS expects to have the project launch-ready by 2010.

CapitaLand China Holdings ("CCH")

China's economic growth is expected to slow down in 2009. In addition to the RMB 4 trillion stimulus package announced earlier, the Chinese government has also launched a series of pro real estate polices to improve affordability and encourage property spending. As a result, there were some signs of improvement in key markets and transaction volume has started to pick up.

CCH's residential projects are well located and it will progressively time the release of its residential projects for sale according to the market conditions.

For CCH's portfolio of integrated developments held through Raffles City China Fund, Raffles City Shanghai continues to perform well while market's response to Raffles City Beijing, which is due to open in 2009, has been good. Construction is in progress for Raffles City Chengdu while planning and design works have commenced for Raffles City Hangzhou.

Given a strong balance sheet and low level of landbank in its pipeline, CCH is well-positioned to take advantage of the current market to replenish land supply and continue building its franchise in China.

CapitaLand Commercial ("CCL")

Office and industrial rentals in Singapore are facing pressure in tandem with the economic slowdown. However, returns from CCL's commercial portfolio are expected to remain resilient given the positive rental reversion, high occupancy rate and good quality tenants.

On its overseas operations, namely in Vietnam, Thailand, Malaysia, Japan and India, CCL will focus on completing the existing projects while looking out for opportunistic acquisitions.

CapitaLand Retail ("CRTL")

2009 is expected to be a difficult year given the global financial and economic crisis. Against the tough market condition, CRTL will continue to work closely with its tenants, provide value to shoppers with the aim to increase shopper's traffic and promote spending.

In Singapore, the latest CRTL's mall, ION Orchard, has achieved its targeted rental rates as well as over 80% tenancy commitment and negotiations are ongoing for the remaining spaces. It is scheduled for soft opening in July 2009.

CRTL's retail malls in China offer mainly basic necessities and hence are expected to remain fairly resilient. CRTL remains optimistic of the long-term growth potential of China's retail market and will continue to build on its strong brand name as a premier retail mall developer and manager. CRTL now has a retail mall portfolio of 58 malls in China comprising 28 completed ones and 30 under construction, of which 10 are scheduled to open this year.

In India, CRTL will grow its retail market presence with its joint venture partners, Advanced India Projects Ltd and Prestige Estate Projects (P) Ltd, through its 45% stake in CapitaRetail India Development Fund.

Given the current economic situation, CRTL will take a conservative stance in Japan and focus on strengthening its existing operations.

Ascott

The current global economic slowdown has impacted hospitality industry including the business travel patterns in the markets Ascott operates in. Ascott's extended stay business model, geographical diversification and strong brand recognition are helping to mitigate the impact, though it will not fully insulate it from the deteriorating market conditions.

Ascott Hospitality will continue to grow its fee-based income through securing new management contracts and maximise asset yield on current properties through active yield management and cost containment measures. In 1Q 2009, Ascott opened its first Citadines properties in Singapore and Japan. In the next 9 months, Ascott expects to open another 10 properties in cities across Asia and Europe, which will add operating income, including the related management fees.

Ascott Real Estate will also continue with the strategy of reconstituting its asset portfolio and optimising returns through divestments and selective investments.

The above focus will enable Ascott to further consolidate its position as the world's largest international serviced residence owner-operator.

CapitaLand Financial ("CFL")

In 2009, CFL expects to grow its fee-based income through selective asset enhancement programs and competent portfolio management of its existing 5 REITs and 17 private equity funds.

CFL sees opportunities to strengthen its fund management business as it continues to evaluate proposals in an environment of market dislocations over the short to medium term. It will leverage on its track record, domain knowledge and financial services expertise to structure transactions. CFL remains optimistic that in this environment, there remain opportunities to secure quality assets at good value. In line with this strategy, CFL intends to explore value adding transactions for the REITs and funds it manages, with continued focus in Asia.

GROUP OVERALL PROSPECTS FOR 2009

In 1Q 2009, the effects of the unprecedented global economic crisis continued to work through the system. Although it remains difficult to predict the length and severity of this downturn, the Group ended the first quarter in a strong financial position. In March 2009, the Group successfully completed its $1.8 billion rights issue achieving a strong subscription rate of 122% indicating strong support from investors. With the completion of the rights issue, the Group now has an equity base of $14.2 billion, a low net D/E ratio of 0.32, and an unprecedented cash position of $5.5 billion. This will enable it to navigate the challenging environment and take advantage of opportunities going forward.

In 2009, we will continue to maintain a conservative and pro-active approach to capital management. Our focus this year is to maintain a high degree of operational and financial flexibility by conserving our resources for projects that generate sales, cashflow and profits. Thus, we expect to delay some projects, but continue to work on others and in all cases are mindful of market conditions and the over-riding interests of our shareholders. For example, major projects which are expected to come on stream in the next few months include Raffles City Beijing and ION Orchard, both of which have achieved healthy rental commitment levels.

It is the Group's practice to value its investment property portfolio half yearly. With the revision in FRS 40 *Investment Property*, which is effective from FY 2009, we will also be valuing our investment properties under development half yearly. Given the state of global economies, we do not expect a quick and sharp turnaround in the property markets. Hence, there may be downside risk to capital values. On a positive note, we are seeing signs of economic stability and a return of consumer confidence in China. This is having a positive impact on residential sales there and is a possible early indicator of broader stability in the Asia Pacific economies in which we operate.

The Group will continue to focus its resources on growing its core markets and core sectors going forward. We are also keeping a watchful eye on business opportunities that would add shareholder value.

While the environment in 2009 is expected to be challenging, the Group has a strong financial position and a stable base of recurrent earnings from its fund management business. We also expect to see maiden profit contributions from The Seafront on Meyer and The Orchard Residences in FY 2009.

11 Dividend

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

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

11(c) Date payable : Not applicable.

11(d) Books closing date : Not applicable.

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

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

13 Segmental Revenue & Results

13(a) By Strategic Business Units (SBUs) – 1Q 2009 vs 1Q 2008

	Revenue			Earnings before interest & tax		
	1Q 2009 S$'000	1Q 2008 [1] S$'000	Variance %	1Q 2009 S$'000	1Q 2008 [1] S$'000	Variance %
CapitaLand Residential Singapore	80,816	96,184	(16.0)	19,980	39,503	(49.4)
CapitaLand China Holdings [2]	72,537	94,935	(23.6)	21,179	64,516	(67.2)
CapitaLand Commercial [3]	31,631	53,900	(41.3)	32,480	136,558	(76.2)
CapitaLand Retail	53,337	35,063	52.1	37,122	58,141	(36.2)
Ascott [4]	85,783	105,470	(18.7)	12,390	39,484	(68.6)
CapitaLand Financial	41,001	29,903	37.1	29,183	18,478	57.9
Others [5]	121,908	215,819	(43.5)	24,033	42,137	(43.0)
Total	**487,013**	**631,274**	**(22.9)**	**176,367**	**398,817**	**(55.8)**

Note : [1] *The comparatives have been restated due to the Group's internal restructuring.*
[2] *Excludes Retail and Serviced Residences in China.*
[3] *Includes residential projects in Vietnam, Malaysia, India and Thailand.*
[4] *Includes all holdings in Ascott Reit.*
[5] *Includes Corporate Office, Australand and others.*

13(b) By Geographical Location – 1Q 2009 vs 1Q 2008

	Revenue			Earnings before interest & tax		
	1Q 2009 S$'000	1Q 2008 S$'000	Variance %	1Q 2009 S$'000	1Q 2008 S$'000	Variance %
Singapore	154,178	187,489	(17.8)	91,883	219,394	(58.1)
China [1]	102,876	120,423	(14.6)	26,182	93,401	(72.0)
Asia / GCC [2]	35,552	23,412	51.9	19,034	17,901	6.3
Australia & New Zealand	131,514	230,708	(43.0)	30,212	49,911	(39.5)
Europe	51,640	66,109	(21.9)	9,828	18,121	(45.8)
Others	11,253	3,133	259.2	(772)	89	NM
Total	**487,013**	**631,274**	**(22.9)**	**176,367**	**398,817**	**(55.8)**

Note : [1] *China including Macau and Hong Kong.*
[2] *Excludes Singapore and China.*

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

Please refer to Item 8.

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

Not applicable.

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

Not applicable.

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

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company (comprising the balance sheet, consolidated income statement, statement of comprehensive income, statement of changes in equity and consolidated statement of cash flows, together with their accompanying notes) as at 31 March 2009 and the results of the business, changes in equity and cash flows of the Group for the three months ended on that date, to be false or misleading in any material respect.

On behalf of the Board

Dr Hu Tsu Tau
Chairman

Liew Mun Leong
Director

BY ORDER OF THE BOARD

Low Sai Choy
Company Secretary
24 April 2009