For Immediate Release
24 April 2009

NEWS RELEASE

CapitaLand achieves 1Q2009 net profit of S$42.9 million

Stronger revenue by retail and financial services business units

Singapore, 24 April 2009 – CapitaLand has achieved profit after tax and minority interests (PATMI) of S$42.9 million in 1Q2009, despite the unprecedented challenges and difficult business environment arising from the global financial downturn.

Revenue and Earnings before Interest and Tax (EBIT) in 1Q2009 benefitted from higher fee-based income from the Group's fund management arm and retail mall operations. This helped mitigate lower sales from projects under development, absence of rental revenue from commercial properties divested and lower operating performance of serviced residence properties.

Revenue in 1Q2009 was S$487.0 million compared to S$631.3 million in 1Q2008. Group EBIT in 1Q2009 fell to S$176.4 million mainly due to the decrease in 1Q2009 revenue and an absence of divestment gains. In 1Q2008, CapitaLand had recorded gains of S$141.4 million mainly from the divestment of its stake in Hitachi Tower and a property at 6 Sarkies Road.

The retail and financial services business units achieved higher revenue. CapitaLand Retail posted 1Q2009 revenue of S$53.3 million (up 52%), mainly due to its third retail mall in Malaysia which was acquired in July 2008 and property management fees from new retail malls in China. CapitaLand Financial posted 1Q2009 revenue of S$41.0 million (up 37%), mainly due to higher fund management fees.

Overseas revenue of S$332.8 million accounted for 68% of total revenue for the quarter. The Group's core overseas markets of Australia and China continue to be the main contributors, posting total revenue of S$234.4 million.

FINANCIAL HIGHLIGHTS

S$ million	**1Q2009**	**1Q2008**
Revenue	487.0	631.3
Earnings before interest and tax (EBIT)	176.4	398.8
Finance costs	(102.2)	(131.9)
Profit after tax and minority interests (PATMI)	**42.9**	**247.5**

Dr Richard Hu, Chairman of CapitaLand Group, said: "Given the uncertain economic outlook in 1Q2009, CapitaLand launched a capital raising exercise from a position of business and financial strength to significantly enhance its financial flexibility. The rights issue was well-received by shareholders, closing 1.22 times subscribed and raising S$1.8 billion. With S$5.5 billion of cash on the balance sheet and low net debt-to-equity ratio of 0.32, the Group is in an even stronger financial position to navigate the challenges and take advantage of investment opportunities going forward."

Liew Mun Leong, President and CEO of CapitaLand Group, said: "Homebuyer sentiments in the Group's key markets of Singapore, China and Australia remained cautious in 1Q2009 and, as expected, were reflected by low transaction volumes. In Singapore, we will launch our residential sales in close response to market demand. ION Orchard, our award-winning mall at Orchard Turn, has already achieved over 80 per cent tenancy commitment and is on target to soft open in July 2009. In China, we are seeing a return in consumer confidence and signs of economic stability. CapitaLand launched four residential projects in 1Q2009 – three in Foshan and one in Chengdu – and the transaction volume is positive. The retail mall operations in China are resilient given that a large proportion of tenants are mass-market, necessity retailers. The Raffles City Beijing integrated development has achieved sound rental commitment levels and is expected to open later this year. Ascott, our serviced residence unit, opened two Citadines-branded serviced residence properties in Singapore and Tokyo, bringing the number of Citadines properties opened in Asia to 11."

Mr Liew added: "Going forward, in the expected recessionary environment, CapitaLand will continue to take a conservative and proactive approach to capital management and focus on delivering projects that generate sales, cashflow and profits. With the successful rights issue and strengthened financial position, CapitaLand is keeping a watchful eye on business opportunities that would add shareholder value. We do not expect a quick and sharp turnaround in global property markets. 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 FY2009."

Issued by: **CapitaLand Limited (Co. Regn.: 198900036N)**
Date: **24 April 2009**

Analyst Contact
Harold Woo
SVP, Investor Relations
Tel: +65 68233 210
Email: harold.woo@capitaland.com

Media Contact
Basskaran Nair
SVP, Corporate Marketing and Communications
Tel: +65 68233 554
Email: basskaran.nair@capitaland.com

For the full CapitaLand Limited Financial Statements announcement and slides, please visit our website www.capitaland.com.