CAPITALAND LIMITED

(Registration Number : 198900036N)

2009 SECOND QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT

TABLE OF CONTENTS

CAPITALAND LIMITED

2009 SECOND QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT

1(a)(i) Income Statement

		Group					
	Note	2Q 2009 S$'000	2Q 2008 S$'000	Change %	1H 2009 S$'000	1H 2008 S$'000	Change %
Revenue	A	**591,140**	**820,138**	**(27.9)**	**1,078,153**	**1,451,412**	**(25.7)**
Cost of sales	A	(460,236)	(523,516)	(12.1)	(760,539)	(919,606)	(17.3)
Gross profit		130,904	296,622	(55.9)	317,614	531,806	(40.3)
Other operating income	B	62,598	443,047	(85.9)	106,751	683,135	(84.4)
Administrative expenses	C	(93,291)	(118,530)	(21.3)	(176,050)	(238,159)	(26.1)
Other operating expenses	D	(255,237)	(13,374)	NM	(275,780)	(18,582)	NM
(Loss)/Profit from operations		**(155,026)**	**607,765**	**NM**	**(27,465)**	**958,200**	**NM**
Finance costs		(99,098)	(138,589)	(28.5)	(201,271)	(270,491)	(25.6)
Share of results (net of tax) of:	E						
- associates		(270,009)	285,023	NM	(238,606)	316,762	NM
- jointly-controlled entities		288,869	(5,026)	NM	306,272	11,617	NM
		18,860	279,997	(93.3)	67,666	328,379	(79.4)
(Loss)/Profit before taxation		(235,264)	749,173	NM	(161,070)	1,016,088	NM
Taxation	F	(31,830)	(112,701)	(71.8)	(49,671)	(95,944)	(48.2)
(Loss)/Profit for the period		(267,094)	636,472	NM	(210,741)	920,144	NM
Attributable to:							
Owners of the Company ("PATMI")	G	**(156,921)**	**515,247**	**NM**	**(114,068)**	**762,716**	**NM**
Minority interests ("MI")		(110,173)	121,225	NM	(96,673)	157,428	NM
(Loss)/Profit for the period		(267,094)	636,472	NM	(210,741)	920,144	NM

NM : Not meaningful

1(a)(ii) Explanatory Notes to Income Statement – 2Q 2009 vs 2Q 2008

(A) Revenue, Cost of Sales

The decrease in 2Q 2009 revenue was mainly due to lower sales from the Group's development projects in Australia and Singapore, the absence of rental revenue from the commercial properties which were divested last year, lower serviced residences' revenue and fee income. (Please see item 8 for details).

In line with the lower sales, cost of sales also decreased but at a lower rate due to higher provision for foreseeable losses for development projects mainly in Australia and China during the quarter. Excluding the impact of these provisions, the gross profit margin for 2Q 2009 was comparable to that of 2Q 2008.

(B) Other Operating Income

		Group		
		2Q 2009 S$'000	2Q 2008 S$'000	Change (%)
Other Operating Income		**62,598**	**443,047**	**(85.9)**
Investment income	(i)	4,314	5,963	(27.7)
Interest income	(ii)	17,780	20,883	(14.9)
Other income (including portfolio gains)	(iii)	40,498	58,944	(31.3)
Fair value gain of investment properties / properties under development	(iv)	-	359,617	(100.0)
Foreign exchange gain / (loss)	(v)	6	(2,360)	NM

(i) The decrease in investment income was due to the timing of distribution income from the Group's investments in China and Japan.

(ii) The lower interest income was mainly attributable to weaker interest rates.

(iii) Other income included portfolio gains of $22.6 million, which was mainly from the strata sale of Ascott Pudong.

2Q 2008 other income included portfolio gains of $26.3 million primarily from the realisation of deferred income from the sale of Wangjing Mall and the dilution gain arising from the initial public offering of an associate in China as well as marked-to-market gains from financial instruments and assets of $20.2 million.

(iv) The fair value gains in 2Q 2008 were mainly attributable to the Group's investment properties in China. For 2Q 2009, the Group's valuation of its investment properties and properties under development ("Investment Properties") held through its subsidiaries resulted in a net fair value loss and this was included in Other operating expenses. (Please refer to note (D)).

(C) Administrative Expenses

	Group		
	2Q 2009 S$'000	2Q 2008 S$'000	Change (%)
Administrative Expenses	**(93,291)**	**(118,530)**	**(21.3)**
Included in Administrative Expenses:-			
Depreciation and amortisation	(24,913)	(13,754)	81.1
Write back for doubtful receivables and bad debts recovered	598	554	7.9

Administrative expenses comprise staff costs, depreciation expenses, operating lease expenses and other administrative expenses. 2Q 2009 administrative expenses were lower due mainly to reduction in staff related costs, lower professional fees and travelling expenses, partially offset by higher depreciation as a result of lower residual values of serviced residence properties.

(D) Other Operating Expenses

Other operating expenses of $255.2 million included the following:

(a) a net fair value loss of $212.6 million arising from net losses from the revaluation of the Group's portfolio of investment properties held by its subsidiaries in Australia and Singapore partially offset by valuation gains from properties in China. The impact of valuation of investment properties held through our associates and jointly-controlled entities is included in the Share of results of Associates and Jointly-Controlled Entities. (see note (E) below).

(b) an impairment loss of $47.6 million in respect of an investment in Japan.

(E) Share of results (net of tax) of Associates and Jointly-Controlled Entities

The share of results from associates in 2Q 2009 was a loss mainly because of fair value losses taken up by our associates for investment properties held by them in Singapore and Japan.

However, the share of results from joint ventures in 2Q 2009 showed a significant increase due to fair value gain from an investment property in Singapore, partially offset by a provision for foreseeable losses on a Singapore development project.

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

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

Despite loss before tax, the Group recorded a net tax expense for 2Q 2009 mainly due to tax provided in respect of fair value gains for investment properties in China and divestment gains.

Included in 2Q 2009 tax expense was a $0.2 million over-provision of tax for prior years (2Q 2008: $0.6 million).

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

The Group's profit after tax and minority interests ("PATMI") included the following net gains from the sale of investments / property, plant and equipment:

2Q 2009	PATMI (S$M)
Gain from strata sale of Ascott Pudong	15.5
Others	(2.6)
Total Group's share of gain after tax & MI for 2Q 2009	**12.9**
2Q 2008	
Realisation of deferred gain from the sale of Wangjing Mall to CapitaRetail China Trust ("CRCT")	17.1
Others	3.2
Total Group's share of gain after tax & MI for 2Q 2008	**20.3**

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 in 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		
	2Q 2009 S$'000	**2Q 2008 S$'000**	**Change %**
(Loss) / Profit for the period	(267,094)	636,472	NM
Other comprehensive income:			
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	126,613	14,721	760.1
(Decrease) / Increase in available-for-sale reserve	(8,090)	3,711	NM
Increase in hedging reserve	58,369	49,108	18.9
Decrease in capital reserve	(84)	(136)	(38.2)
Share of other comprehensive income of associates and jointly-controlled entities	(125,082)	2,451	NM
	51,726	69,855	(26.0)
Total comprehensive income	(215,368)	706,327	NM
Attributable to:			
Owners of the Company	**(207,619)**	**581,486**	NM
Minority interests	(7,749)	124,841	NM
	(215,368)	706,327	NM

1(b)(i) Balance Sheet

	Group			Company		
	30/06/2009 S$'000	**31/12/2008 S$'000**	**Change %**	**30/06/2009 S$'000**	**31/12/2008 S$'000**	**Change %**
Non-Current Assets						
Property, Plant & Equipment	1,613,868	1,633,378	(1.2)	7,205	8,814	(18.3)
Intangible Assets	580,439	588,936	(1.4)	–	–	–
Investment Properties	4,225,978	4,254,839	(0.7)	–	–	–
Properties Under Devt	678,407	593,945	14.2	–	–	–
Interests in Subsidiaries (1)	–	–	–	8,170,693	6,828,287	19.7
Interests in Associates & Jointly-Controlled Entities	8,755,621	7,864,593	11.3	–	–	–
Other Non-Current Assets (2)	490,423	603,342	(18.7)	3,482	10,001	(65.2)
	16,344,736	**15,539,033**	**5.2**	**8,181,380**	**6,847,102**	**19.5**
Current Assets						
Devt Properties for Sale (3)	*3,957,246*	*3,347,168*	*18.2*	–	–	–
Trade & Other Receivables	*1,845,869*	*1,715,099*	*7.6*	*1,398,520*	*1,423,695*	*(1.8)*
Cash & Cash Equivalents	*4,202,371 (4)*	*4,228,405*	*(0.6)*	*994,884*	*757,801*	*31.3*
Other Current Assets	*219,937*	*253,908*	*(13.4)*	–	–	–
	10,225,423	**9,544,580**	**7.1**	**2,393,404**	**2,181,496**	**9.7**
Less: Current Liabilities						
Trade & Other Payables	*2,003,777*	*2,357,161*	*(15.0)*	*107,407*	*133,946*	*(19.8)*
Short-Term Borrowings	*1,134,509*	*1,871,015*	*(39.4)*	–	–	–
Finance Leases	*3,664*	*4,212*	*(13.0)*	–	–	–
Other Current Liabilities	*451,648*	*460,384*	*(1.9)*	*4,084*	*3,968*	*2.9*
	3,593,598	**4,692,772**	**(23.4)**	**111,491**	**137,914**	**(19.2)**
Net Current Assets	**6,631,825**	**4,851,808**	**36.7**	**2,281,913**	**2,043,582**	**11.7**
Less: Non-Current Liabilities						
Long-Term Borrowings	8,831,966	7,918,847	11.5	2,542,174	2,518,579	0.9
Finance Leases	34,797	35,260	(1.3)	–	–	–
Other Non-Current Liabilities	547,147	448,932	21.9	106,098	103,864	2.2
	9,413,910	**8,403,039**	**12.0**	**2,648,272**	**2,622,443**	**1.0**
Net Assets	**13,562,651**	**11,987,802**	**13.1**	**7,815,021**	**6,268,241**	**24.7**
Representing:						
Share Capital (5)	6,224,968	4,396,144	41.6	6,224,968	4,396,144	41.6
Revenue Reserves	5,005,017	5,423,671	(7.7)	1,344,385	1,617,293	(16.9)
Other Reserves	933,833	861,874	8.3	245,668	254,804	(3.6)
Equity attributable to owners of the Company	12,163,818	10,681,689	13.9	7,815,021	6,268,241	24.7
Minority Interests	1,398,833	1,306,113	7.1	–	–	–
Total Equity	**13,562,651**	**11,987,802**	**13.1**	**7,815,021**	**6,268,241**	**24.7**

(1) The increase was mainly due to the transfer of cost of investment in The Ascott Group Limited from subsidiaries in the Group to the Company.
(2) The decrease was mainly 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.
(3) The increase was due to acquisition of the former Gillman Heights condominium site and the development site owned by Peace Base Investments Limited as mentioned in note (2) above.
(4) Included cash balances of $2,726.8 million held at Group Treasury (CapitaLand Limited and CapitaLand Treasury Limited).
(5) 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 30/06/2009 S$'000	As at 31/12/2008 S$'000
Amount repayable in one year or less, or on demand:-		
Secured	189,340	914,212
Unsecured	948,833	961,015
Sub-Total 1	**1,138,173**	**1,875,227**
Amount repayable after one year:-		
Secured	2,540,817	1,499,019
Unsecured	6,325,946	6,455,088
Sub-Total 2	**8,866,763**	**7,954,107**
Total Debt	**10,004,936**	**9,829,334**

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.

1(c) Consolidated Statement of Cash Flows

	Group			
	2Q 2009 S$'000	**2Q 2008 S$'000**	**1H 2009 S$'000**	**1H 2008 S$'000**
Cash Flows from Operating Activities				
(Loss)/Profit after taxation	**(267,094)**	**636,472**	**(210,741)**	**920,144**
Adjustments for :				
Amortisation of intangible assets	179	316	588	660
Depreciation of property, plant and equipment	24,612	13,438	39,094	25,132
Allowance/(Write back) for:				
- Foreseeable losses on development properties for sale	114,521	52,803	114,521	52,803
- Loans to associates and jointly-controlled entities	(762)	–	(733)	–
- Impairment loss on investment in an associate	–	–	3,143	–
- Impairment loss on non-current financial assets	47,593	13,685	47,593	13,685
Share-based expenses	10,862	11,553	12,427	26,874
Changes in fair value of financial instruments and assets	(5,515)	(20,191)	9,915	(33,283)
(Gain on disposal)/Write-off/Impairment of property, plant and equipment (net)	(17,213)	230	(17,062)	(188)
Valuation loss/(gain) on investment properties and properties under development	212,560	(359,617)	212,560	(359,617)
Gain on disposal of non-current financial assets	(4,462)	(302)	(4,421)	(8,518)
Gain on disposal/dilution of subsidiaries and associates	(3,121)	(25,527)	(3,125)	(158,667)
Share of results of associates and jointly-controlled entities	(18,860)	(279,997)	(67,666)	(328,379)
Accretion of deferred income	1,224	–	1,224	–
Interest expense	99,098	138,589	201,271	270,491
Interest income	(17,780)	(20,883)	(34,344)	(59,537)
Taxation	31,830	112,701	49,671	95,944
	474,766	**(363,202)**	**564,656**	**(462,600)**
Operating profit before working capital changes	**207,672**	**273,270**	**353,915**	**457,544**
(Increase)/Decrease in working capital				
Trade and other receivables	85,106	398,877	(167,115)	343,257
Development properties for sale	(277,023)	28,823	(199,096)	165,073
Trade and other payables	(79,236)	(38,764)	(139,439)	(224,025)
Other financial assets	(33)	(441)	(129,298)	198,203
	(271,186)	**388,495**	**(634,948)**	**482,508**
Cash (used in)/generated from operations	**(63,514)**	**661,765**	**(281,033)**	**940,052**
Income tax paid	(25,013)	(113,187)	(52,513)	(147,350)
Customer deposits and other non-current payables received	(1,012)	126	(3,923)	(1,154)
Net cash (used in)/generated from Operating Activities	**(89,539)**	**548,704**	**(337,469)**	**791,548**

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

	Group			
	2Q 2009 S$'000	2Q 2008 S$'000	1H 2009 S$'000	1H 2008 S$'000
Cash Flows from Investing Activities				
Proceeds from disposal of property, plant and equipment	501	186	523	2,018
Purchase of property, plant and equipment	(34,032)	(161,976)	(54,837)	(211,611)
Increase in associates and jointly controlled entities	(366,670)	(285,877)	(822,663)	(551,166)
Decrease/(Increase) in amounts owing by investee companies and other receivables	14,973	(5,392)	15,126	(22,308)
Acquisition of investment properties and properties under development	(58,297)	(687,236)	(112,041)	(858,635)
Proceeds from disposal of investment properties and properties under development	71,137	–	95,675	–
(Acquisition)/Disposal of non-current financial assets (net)	(9,560)	(5,522)	(7,821)	2,748
Dividends received from associates and jointly-controlled entities	37,859	39,754	99,393	84,632
Disposal/(Acquisition) of subsidiaries (net)	16,853	(51,282)	86,145	(2,554)
Acquisition of remaining interest in a subsidiary	(18,000)	(46,546)	(18,000)	(959,489)
Interest income received	8,663	29,270	16,512	53,888
Net cash used in Investing Activities	**(336,573)**	**(1,174,621)**	**(701,988)**	**(2,462,477)**
Cash Flows from Financing Activities				
Proceeds from issue of shares under share option plan	3,586	13,360	4,271	22,011
Proceeds from rights issue	–	–	1,794,737	–
Proceeds from / (Repayment of) amounts owing to/by minority interests	20,760	(14,949)	48,147	118
Contribution from minority interests	1,054	(6,453)	25,919	(13,444)
Repayment of sales of future receivables	(241,672)	(142,604)	(251,977)	(446,122)
Proceeds from bank borrowings	897,836	792,077	1,408,695	2,583,763
Repayment of bank borrowings	(964,146)	(1,449,574)	(1,301,064)	(1,904,041)
Proceeds from debt securities	50,000	–	50,000	1,400,000
Repayment of debt securities	(203,810)	(70,182)	(214,810)	(175,000)
Repayment of finance lease payables	(50)	(950)	(654)	(1,967)
Dividends paid to minority interests	(7,480)	(13,304)	(35,898)	(52,634)
Dividends paid to shareholders	(297,159)	(423,398)	(297,159)	(423,398)
Interest expense paid	(112,944)	(134,202)	(201,780)	(245,758)
Net cash (used in)/generated from Financing Activities	**(854,025)**	**(1,450,179)**	**1,028,427**	**743,528**
Net decrease in cash and cash equivalents	**(1,280,137)**	**(2,076,096)**	**(11,030)**	**(927,401)**
Cash and cash equivalents at beginning of the period	5,508,700	5,486,121	4,228,405	4,355,986
Effect of exchange rate changes on cash balances held in foreign currencies	(26,192)	11,971	(15,004)	(6,589)
Cash and cash equivalents at end of the period	**4,202,371**	**3,421,996**	**4,202,371**	**3,421,996**

Cash and cash equivalents at end of the period

The cash and cash equivalents of about $4,202.4 million as at 30/06/2009 included $3,417.7 million in fixed deposits and $38.3 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 30/06/2009 vs 30/06/2008 – 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 01/04/2009	**6,221,382**	**5,466,524**	**969,619**	**12,657,525**	**1,536,585**	**14,194,110**
Issue of shares under share option and share plans	3,586			**3,586**	-	**3,586**
Dividends paid		(297,159)		**(297,159)**	-	**(297,159)**
Cost of share-based payment			8,820	**8,820**	125	**8,945**
Effects of acquisition/disposal, dilution and liquidation of subsidiaries (net)				**-**	(103,934)	**(103,934)**
MI contribution (net)				**-**	1,055	**1,055**
Dividends paid/declared to MI				**-**	(27,249)	**(27,249)**
Total comprehensive income for 2Q 2009		(156,921)	(50,698)	**(207,619)**	(7,749)	**(215,368)**
Others		(7,427)	6,092	**(1,335)**	-	**(1,335)**
Balance as at 30/06/2009	**6,224,968**	**5,005,017**	**933,833**	**12,163,818**	**1,398,833**	**13,562,651**
Balance as at 01/04/2008	**4,381,840**	**4,257,569**	**1,558,686**	**10,198,095**	**1,558,089**	**11,756,184**
Issue of shares under share option and share plans	13,360			**13,360**		**13,360**
Dividends paid		(423,398)		**(423,398)**		**(423,398)**
Cost of share-based payment			12,131	**12,131**	646	**12,777**
Effects of acquisition/disposal, dilution and liquidation of subsidiaries (net)				**-**	382	**382**
MI contribution (net)				**-**	(6,420)	**(6,420)**
Dividends paid/declared to MI				**-**	(22,123)	**(22,123)**
Total comprehensive income for 2Q 2008		515,247	66,239	**581,486**	124,841	**706,327**
Others		3,121	(3,137)	**(16)**	-	**(16)**
Balance as at 30/06/2008	**4,395,200**	**4,352,539**	**1,633,919**	**10,381,658**	**1,655,415**	**12,037,073**

* 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 30/06/2009 vs 30/06/2008 – 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 01/04/2009	**6,221,382**	**1,645,451**	**213,212**	**30,172**	**8,110,217**
Issue of shares under share option and share plans	3,586				**3,586**
Dividends paid		(297,159)			**(297,159)**
Cost of share-based payment				2,284	**2,284**
Total comprehensive income for 2Q 2009		(3,907)			**(3,907)**
Balance as at 30/06/2009	**6,224,968**	**1,344,385**	**213,212**	**32,456**	**7,815,021**
Balance as at 01/04/2008	**4,381,840**	**870,253**	**213,212**	**28,654**	**5,493,959**
Issue of shares under share option and share plans	13,360				**13,360**
Dividends paid		(423,398)			**(423,398)**
Cost of share-based payment				3,602	**3,602**
Total comprehensive income for 2Q 2008		186,504			**186,504**
Balance as at 30/06/2008	**4,395,200**	**633,359**	**213,212**	**32,256**	**5,274,027**

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 2Q 2009 were as follows:

	No. of Shares	**Capital S$'000**
As at 01/04/2009	4,244,225,250	6,221,382
Issue of shares under Share Option and Share Plans	1,830,938	3,586
As at 30/06/2009	**4,246,056,188**	**6,224,968**

Outstanding Options under CapitaLand Share Option Plan

	No. of Options
As at 01/04/2009	22,966,353
Exercised / Lapsed	(1,957,676)
As at 30/06/2009	**21,008,677**

Performance Shares

As at 30/06/2009, the number of shares awarded and outstanding under the Company's Performance Share Plan was 10,287,535 (30/06/2008: 9,221,506).

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 30/06/2009, the number of shares awarded and outstanding under the Company's Restricted Stock Plan was 14,593,291, of which 2,157,369 are to be cash settled (30/06/2008: 10,503,649, of which 1,423,489 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 30/06/2009:

- $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 30/06/2009.

1(d)(iii) Treasury Shares

The Company did not hold any treasury shares as at 30 June 2009 and 31 December 2008.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares for the six months ended 30 June 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.

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			
		2Q 2009	2Q 2008 (restated)*	1H 2009	1H 2008 (restated)*
6(a)	EPS based on weighted average number of ordinary shares in issue (in cents)	(3.7)	15.1	(3.0)	22.4
	Weighted average number of ordinary shares (in million)	4,245.1	3,405.7	3,783.7	3,398.8
6(b)	EPS based on fully diluted basis (in cents)	(3.7)	14.3	(3.0)	21.7
	Weighted average number of ordinary shares (in million)	4,245.1	3,786.6	3,783.7	3,717.3

** 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	
	30/06/2009	31/12/2008	30/06/2009	31/12/2008
NAV per ordinary share	$2.86*	$3.78	$1.84*	$2.22
NTA per ordinary share	$2.73*	$3.57	$1.84*	$2.22

** NAV and NTA as at 30/06/2009 computed on larger share base after rights issue.*

8 Review of the Group's performance

Group Overview

S$M	2Q 2009	2Q 2008	Variance (%)	1H 2009	1H 2008	Variance (%)
Revenue	591.1	820.1	(27.9)	1,078.2	1,451.4	(25.7)
EBIT	(136.2)	887.8	NM	40.2	1,286.6	(96.9)
Finance costs	(99.1)	(138.6)	(28.5)	(201.3)	(270.5)	(25.6)
PBT	(235.3)	749.2	NM	(161.1)	1,016.1	NM
PATMI	(156.9)	515.2	NM	(114.1)	762.7	NM
PATMI excluding revaluations / impairments	124.0	135.6	(8.6)	171.0	383.1	(55.4)

2Q 2009 vs 2Q 2008

Group's revenue for 2Q 2009 was lower, primarily attributable to lower contributions from development projects and serviced residences operations as well as the absence of revenue from commercial properties divested in previous year.

Revenue from sales of development projects in Australia and Singapore declined during the quarter but this decrease was partially mitigated by higher sales in China and Vietnam. The lower revenue from Australia was partly due to weaker sales as expected under the current economic conditions and partly due to a lower exchange rate. In Singapore, the lower revenue was due mainly to the timing of revenue recognition of projects in accordance with accounting standards. Over in China, sentiment has picked up and we saw healthy sales of our residential projects including the newly launched projects in Beijing and Foshan. In Vietnam, we continued to recognise revenue from the sales of The Vista project in Ho Chi Minh City.

The global downturn has also affected our serviced residence operations and this has resulted in lower revenue, particularly from the operations in Europe.

Revenue from our office and retail properties continued to be stable in this quarter. The lower rental revenue compared to 2Q 2008 was mainly a result of the absence of rental revenue from properties divested in 3Q 2008.

Fee income for this quarter was slightly lower due to lower acquisition fees but mitigated by increased fund management fees from an enlarged Assets under Management("AUM") of more than $25 billion (2Q 2008: $21 billion).

For the quarter under review, Group EBIT was a loss of $136.2 million. The loss arose mainly from the Group's provisions for write down in values of its residential assets and other investments as well as the revaluation impact of the investment properties portfolio.

The Group has made provisions for foreseeable losses for its development projects totaling about $201.7 million, mainly for the projects in Australia held through Australand and the former Char Yong Gardens site in Singapore.

The revaluation of the Group's investment properties (including properties under development) also resulted in the Group taking up a net fair value loss of $173.8 million. Fair value losses were recorded from the valuation of investment properties in Singapore, Australia, Japan and United Kingdom while fair value gains were from the revaluation of investment properties in China and one investment property development, namely ION Orchard, in Singapore. In contrast, the Group had recorded a net fair value gain of $596.4 million in 2Q 2008.

2Q 2009 vs 2Q 2008 (cont'd)

The Group has also assessed and made a provision for diminution in value for one of its investments in Japan. Excluding the impact of the provisions/writedowns and revaluation, the Group EBIT was $297.7 million compared to $368.6 million in 2Q 2008.

After taking into account finance costs and taxes, Group's bottom line for 2Q 2009 was a loss of $156.9 million compared to a profit of $515.2 million in 2Q 2008 which was largely contributed by the revaluation gain last year. Excluding the revaluation impact as well as the provisions and write downs that were taken up this quarter, PATMI was $124.0 million, or 9% lower than 2Q 2008's $135.6 million, mainly due to lower divestment gains.

While the Group has reported a statutory loss this quarter, operationally the Group has performed better this quarter than 1Q 2009 when excluding the impact of fair value losses (revaluations) and impairments. Excluding these revaluations and impairments, net profits rose by 163% quarter-on-quarter to $124 million in 2Q 2009 from $47 million in 1Q 2009. This was on the back of improved sales of development projects mainly from China.

1H 2009 vs 1H 2008

For 1H 2009, group revenue was lower for the same reasons mentioned above. The fee-based income for 1H 2009 was however higher than 1H 2008. Revenue from overseas operations constituted 76.7% of the Group's total revenue (1H 2008: 70.6%) with China and Australia being the main contributors. We also began to see increased contribution from Vietnam; a result of our on-going multi-geography, multi-sector strategy to diversify our revenue streams.

In terms of EBIT, 1H 2009's EBIT was $40.2 million. The significant decrease was primarily due to the net fair value loss of $173.8 million from the revaluation of investment properties compared to a net fair value gain of $596.4 million in 1H 2008 and impairments of assets of $265.8 million. In addition, lower divestment gains and foreign exchange gains as well as the marked-to-market loss for certain hedging contracts also contributed to the lower EBIT in 1H 2009. In 1H 2008, the Group had recognised portfolio gains of $167.7 million mainly from the divestment of its stake in Hitachi Tower and a property at 6 Sarkies Road as well as realisation of deferred gain from the sale of Wangjing Mall to CapitaRetail China Trust.

Overseas EBIT contribution in 1H 2009 was $4.7 million or 11.7% (1H 2008: $695.8 million or 54.1%) of the Group's total EBIT. The decrease in overseas EBIT was mainly due to lower fair value gains for the investment properties in China and lower revenue, fair value losses for investment properties and higher provision for foreseeable losses made in Australia.

Finance costs for 1H 2009 were lower due to lower average gross debt and interest rates. The Group's total gross debt has decreased by $1.6 billion from $11.6 billion in June 2008 to $10.0 billion in June 2009. Consequently, the Group's net debt to equity ("D/E") ratio improved from 0.68 in June 2008 to 0.43 in June 2009 (D/E ratio as at 31 December 2008: 0.47).

Segment Performance

CapitaLand Residential Singapore ("CRS")

S$M	2Q 2009	2Q 2008	Variance (%)	1H 2009	1H2008	Variance (%)
Revenue	21.2	119.8	(82.3)	102.0	216.0	(52.8)
EBIT	57.8	60.4	(4.2)	77.8	99.9	(22.1)

Revenue for 2Q 2009 and 1H 2009 was lower than last year same periods due to timing of revenue recognition for the various projects in accordance with accounting standards. In 2Q 2008, revenue was recognised for Botannia and Scotts HighPark. Scotts HighPark has since been fully recognised in 1Q 2009. 1H 2008's revenue also included that of Varsity Park Condominium which was completed in February 2008.

2Q 2009 EBIT includes CRS' share of impairment loss of $49 million for the former Char Yong Gardens site. This is offset by its 10% share of fair value gains amounting to $72 million from the revaluation of ION Orchard*.

For the first half of 2009, Temporary Occupation Permit was obtained for RiverGate, Scotts HighPark, The Metropolitan Condominium and Botannia, a project led by CRS' joint venture partner.

* *CapitaLand's 50% stake in the Orchard Turn project is held through CRS (10%) and CRTL (40%) with recognition of fair value gains and profits shared in that proportion.*

CapitaLand China Holdings ("CCH")

S$M	2Q 2009	2Q 2008	Variance (%)	1H 2009	1H2008	Variance (%)
Revenue	158.2	109.1	45.0	230.7	204.0	13.1
EBIT	270.3	374.4	(27.8)	291.5	439.0	(33.6)

Revenue for 2Q 2009 and 1H 2009 was higher than previous corresponding periods mainly due to improved residential sales of existing projects as well as newly launched projects in Beijing and Foshan. The higher revenue in 1H 2009 was partially negated by the deconsolidation of contributions from Raffles City Shanghai (RCS) and Capital Tower Beijing (CTB) which were divested in 3Q 2008.

EBIT for 2Q 2009 and 1H 2009 was lower than previous corresponding periods due to lower fair value gains; absence of divestment gains and lower share of contribution from RCS due to CCH's reduced stake. CCH now owns a smaller stake in RCS through its stake in Raffles City China Fund. Excluding these factors, EBIT for 2Q 2009 and 1H 2009 was better than previous corresponding periods.

In June 2009, CCH soft-opened Raffles City Beijing's retail mall and also launched Raffles City Ningbo, its fifth 'Raffles City' branded project in China.

CapitaLand Commercial ("CCL")

S$M	2Q 2009	2Q 2008	Variance (%)	1H 2009	1H2008	Variance (%)
Revenue	39.0	50.6	(22.8)	70.7	104.5	(32.4)
EBIT	(292.5)	181.8	NM	(260.0)	318.4	NM

The decrease in revenue for 2Q 2009 and 1H 2009 was mainly due to the absence of progressive revenue recognition from Wilkie Edge which was completed in 2008 and lower rental income due to the divestment of One George Street in July 2008. The decrease was partially offset by the progressive recognition of revenue from The Vista in Vietnam.

EBIT for 2Q 2009 and 1H 2009 was a loss, mainly due to fair value losses on revaluation of investment properties as compared to fair value gain the year before. In addition, 1H 2008's EBIT included a gain from the divestment of Hitachi Tower.

CapitaLand Retail (“CRTL”)

S$M	2Q 2009	2Q 2008	Variance (%)	1H 2009	1H2008	Variance (%)
Revenue	55.4	46.7	18.6	108.7	81.7	33.0
EBIT	110.8	182.6	(39.3)	154.1	240.7	(36.0)

Revenue for 2Q 2009 was higher than 2Q 2008 mainly due to revenue contributions from Sungei Wang Plaza in Malaysia, which was acquired in 3Q 2008. Revenue for 1H 2009 was also higher by 33%, contributed mainly by the retail malls in Malaysia and China.

EBIT for 2Q 2009 and 1H 2009 was higher than revenue as it included fair value gains from the revaluation of investment properties. In 2Q 2009, the retail properties had a net revaluation gain as the fair value gain from ION Orchard more than compensated for the fair value losses of other retail properties. Notwithstanding this, the net fair value gains were lower than the year before, which explained for the lower EBIT compared to prior year same periods.

Ascott

S$M	2Q 2009	2Q 2008	Variance (%)	1H 2009	1H2008	Variance (%)
Revenue	100.4	120.5	(16.7)	186.2	225.9	(17.6)
EBIT	(4.9)	17.9	NM	7.5	57.4	(86.9)

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 2Q 2009 and 1H 2009 decreased by $17.3 million and $34.6 million respectively due mainly to lower performance from Europe arising from the economic slowdown and negative currency exchange impact from the weaker Euro.

In 2Q 2009, EBIT was a loss due to Ascott Group’s share of fair value losses from the revaluation of properties. Excluding the above and portfolio gains, operating EBIT would have been positive. Although revenue decreased by $17.3 million against 2Q 2008, operating EBIT decreased by $1.1 million against 2Q 2008 as the decline in revenue was mitigated by cost saving measures as well as contributions from newly-opened properties.

1H 2009 EBIT was lower mainly due to lower revenue and share of fair value losses recognised from the revaluation of properties.

CapitaLand Financial (“CFL”)

S$M	2Q 2009	2Q 2008	Variance (%)	1H 2009	1H2008	Variance (%)
Revenue	39.1	43.0	(9.3)	80.1	72.9	9.7
EBIT	17.5	24.0	(27.3)	46.8	42.5	10.2

Revenue in 2Q 2009 was lower mainly due to the absence of acquisition fees but mitigated by higher fund management fees.

Revenue for 1H 2009 was however higher due to the growth in fund management fees in tandem with the enlarged Assets Under Management of more than $25 billion. As at June 2009, CFL manages 5 Reits and 17 private equity funds.

Lower EBIT for 2Q 2009 was due to decline in revenue as mentioned above and share of associates’ impairment losses.

EBIT for 1H 2009 was higher as higher fund management fees and distribution income coupled with lower operating expenses, more than offset the share of associates’ impairment losses.

Others

S$M	2Q 2009	2Q 2008	Variance (%)	1H 2009	1H2008	Variance (%)
Revenue	177.9	330.5	(46.2)	299.8	546.3	(45.1)
EBIT	(295.2)	46.7	NM	(277.6)	88.8	NM

Others include the Corporate Office, Australand and others.

Revenue for 2Q 2009 and 1H 2009 was lower mainly due to lower sales from development projects in Australia and the weaker AUD exchange rate against the SGD.

EBIT in 2Q 2009 and 1H 2009 was also lower largely due to lower revenue as mentioned above as well as fair value losses from the revaluation of investment properties and higher provision for foreseeable losses in Australia.

9 Variance from Prospect Statement

The current results are broadly in line with the prospect statement made when the first quarter 2009 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. Significant profit recognition is expected from these two projects in 2H 2009 when the progress of construction work exceeds our threshold for commencement of progressive revenue recognition for sales under deferred payment schemes.

In Singapore, strong buying interest was seen for projects launched in 1H 2009 despite the weak economy. CRS is encouraged by the improved buying sentiments and expects to see continued buying interest for projects that are well-located. CRS will progressively release units for sale to ride the momentum of the market. In addition, CRS will have the proposed development at the former Gillman Heights Condominium site launch-ready in 2H 2009.

CapitaLand China Holdings ("CCH")

China's key markets have seen signs of improvement and property transaction volume has picked up following the economic stimulus measures introduced by the Chinese government.

CCH will continue with the launches of its well-located residential projects amidst strong market response.

CCH's portfolio of integrated developments held through Raffles City China Fund, which includes Raffles City Shanghai continues to perform well. Raffles City Beijing's office tower and serviced residence are slated to open in 2H 2009. Construction work has begun for Raffles City Chengdu while planning and design works have commenced for Raffles City Hangzhou.

A new Raffles City in Ningbo, held under CapitaLand China Development Fund, has also commenced construction.

With its 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")

Notwithstanding the downward pressure on office rentals due to the economic slowdown, returns from CCL's commercial portfolio are expected to remain resilient given the positive rental reversion, high occupancy rate and good quality tenants.

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

CapitaLand Retail ("CRTL")

Despite the uncertain economic outlook in Singapore, retail sales have been resilient. There has been a gradual return of consumer confidence and sentiments in Singapore as noted from the slower year-on-year decline in sales receipts registered at our malls in 2Q 2009. CRTL recently soft-opened its latest mall, ION Orchard, on 21 July 2009 with 96% committed leases and expects the retail outlook in Singapore to be stable.

China's economic outlook has improved following the government's stimulus plan. CRTL's China malls whose tenants are mainly selling basic necessities have remained fairly resilient. Year to date, CRTL has opened 3 new malls, making a total of 31 malls in operation and planned to open another 7 malls by the end of 2009.

In India, CRTL's first mall, Forum Value Mall, opened its doors to shoppers on 18 June 2009. CRTL will continue to grow its market presence in India with its two joint venture partners and through CapitaRetail India Development Fund.

In Japan, CRTL will take a conservative stance and focus on strengthening its existing operations as Japan's economic environment remains challenging.

Malaysia has been relatively less affected by the global credit crisis and therefore CRTL expects its Malaysian retail malls operations to continue to perform well.

Ascott

The global economic downturn has impacted the hospitality industry. Although the hospitality demand has stabilised since the end of 2Q 2009, the timing and extent of the economic recovery remain uncertain. Ascott will continue to focus on extended stay business model to help mitigate the uncertain 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. As at July 2009, Ascott has opened seven new properties and secured three management contracts. In the next 5 months, Ascott will add another 6 properties in cities across Asia and Europe.

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

CapitaLand Financial ("CFL")

CFL expects to grow its fee-based income through selective asset enhancement programs and competent portfolio management with the existing 5 REITs and 17 private equity funds that it manages. It will leverage on its track record, domain knowledge and financial services expertise to structure transactions.

CFL is optimistic that in this environment of market dislocation, there are opportunities to participate in quality assets at good value and to strengthen its fund management business. In line with this, CFL intends to explore value adding transactions for the REITs and funds it manages, with continued focus in Asia.

GROUP OVERALL PROSPECTS FOR 2009

The global environment in 2Q 2009 improved on the back of synchronised actions by governments to bring confidence back to financial markets, and to provide strong fiscal stimuli to fragile economies. These measures appear so far to have had a better impact than originally expected.

The broader Group successfully strengthened its financial position by completing four successful rights issues (Australand, CapitaLand, CapitaMall Trust and CapitaCommercial Trust). Deleveraging the balance sheet provides the Group with excellent financial flexibility and has demonstrated its standing as one of the leading real estate groups in Asia. It will be able to take advantage of investment opportunities going forward.

Although the outlook for 2009 remains challenging, it has improved significantly compared to a few months ago. Heading into the second half of the year, we will remain vigilant and proactive in our approach to capital management. With cash reserves of S$4.2 billion and a low net debt-to-equity ratio of 0.43x, the Group will seek to deploy capital into quality assets at good value while being fully aware that the economic recovery could be slow. We intend to replenish our landbank in China, reposition our business mix in Australia, and continue building our operations in Vietnam. While we remain open to strategic investments, we will maintain a careful approach and in the meantime will focus on organic growth.

Going forward, operating results should benefit from the recognition of profits from The Seafront on Meyer and The Orchard Residences projects, the higher residential sales achieved in China as well as maiden rental contributions from Raffles City Beijing and ION Orchard.

The Group-wide management changes, with several younger senior officers taking over leadership roles, emphasises the care with which the Group treats succession while the newly formed CapitaLand China Executive Committee underlines the Group's intention to expand our businesses in China.

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)(i) By Strategic Business Units (SBUs) – 2Q 2009 vs 2Q 2008

	Revenue			Earnings before interest & tax		
	2Q 2009 S$'000	2Q 2008 S$'000	Variance %	2Q 2009 S$'000	2Q 2008 S$'000	Variance %
CapitaLand Residential Singapore	21,212	119,773	(82.3)	57,849	60,355	(4.2)
CapitaLand China Holdings [1]	158,190	109,083	45.0	270,294	374,447	(27.8)
CapitaLand Commercial [2]	39,023	50,563	(22.8)	(292,480)	181,795	NM
CapitaLand Retail	55,357	46,682	18.6	110,815	182,562	(39.3)
Ascott [3]	100,409	120,478	(16.7)	(4,871)	17,914	NM
CapitaLand Financial	39,050	43,044	(9.3)	17,450	24,013	(27.3)
Others [4]	177,899	330,515	(46.2)	(295,223)	46,676	NM
Total	**591,140**	**820,138**	**(27.9)**	**(136,166)**	**887,762**	**NM**

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

	Revenue			Earnings before interest & tax		
	1H 2009 S$'000	1H 2008 S$'000	Variance %	1H 2009 S$'000	1H 2008 S$'000	Variance %
CapitaLand Residential Singapore	102,028	215,957	(52.8)	77,829	99,858	(22.1)
CapitaLand China Holdings [2]	230,727	204,018	13.1	291,473	438,963	(33.6)
CapitaLand Commercial [2]	70,654	104,463	(32.4)	(260,000)	318,353	NM
CapitaLand Retail	108,694	81,745	33.0	154,140	240,702	(36.0)
Ascott [4]	186,192	225,948	(17.6)	7,519	57,398	(86.9)
CapitaLand Financial	80,051	72,947	9.7	46,833	42,491	10.2
Others [4]	299,807	546,334	(45.1)	(277,593)	88,814	NM
Total	**1,078,153**	**1,451,412**	**(25.7)**	**40,201**	**1,286,579**	**(96.9)**

Note : (1) *Excludes Retail and Serviced Residences in China.*
(2) *Includes residential projects in Vietnam, Malaysia, India and Thailand.*
(3) *Includes all holdings in Ascott Reit.*
(4) *Includes Corporate Office, Australand and others.*

13(b)(i) By Geographical Location – 2Q 2009 vs 2Q 2008

	Revenue			Earnings before interest & tax		
	2Q 2009 S$'000	2Q 2008 S$'000	Variance %	2Q 2009 S$'000	2Q 2008 S$'000	Variance %
Singapore	97,432	239,038	(59.2)	(56,395)	371,400	NM
China [1]	190,870	134,332	42.1	294,668	439,859	(33.0)
Asia / GCC [2]	40,522	20,023	102.4	(40,975)	31,665	NM
Australia & New Zealand	187,770	341,693	(45.0)	(301,255)	27,817	NM
Europe	65,553	82,155	(20.2)	(19,189)	16,461	NM
Others	8,993	2,897	210.4	(13,020)	560	NM
Total	**591,140**	**820,138**	**(27.9)**	**(136,166)**	**887,762**	**NM**

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

	Revenue			Earnings before interest & tax		
	1H 2009 S$'000	1H 2008 S$'000	Variance %	1H 2009 S$'000	1H 2008 S$'000	Variance %
Singapore	251,609	426,527	(41.0)	35,487	590,794	(94.0)
China [1]	293,746	254,755	15.3	320,851	533,260	(39.8)
Asia / GCC [2]	76,075	43,436	75.1	(21,941)	49,564	NM
Australia & New Zealand	319,285	572,401	(44.2)	(271,044)	77,730	NM
Europe	117,193	148,264	(21.0)	(9,361)	34,583	NM
Others	20,245	6,029	235.8	(13,791)	648	NM
Total	**1,078,153**	**1,451,412**	**(25.7)**	**40,201**	**1,286,579**	**(96.9)**

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 30 June 2009 and the results of the business, changes in equity and cash flows of the Group for the six 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
30 July 2009

This announcement 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