For Immediate Release
30 July 2009

NEWS RELEASE

CapitaLand achieves 2Q2009 net profit of S$124.0 million excluding revaluations and impairments

Singapore, 30 July 2009 – CapitaLand has achieved profit after tax and minority interests (PATMI) of S$124.0 million in 2Q2009 (excluding revaluations and impairments), a 163% increase compared to 1Q2009. Including aggregate losses on revaluations and impairments totalling S$280.9 million taken in 2Q2009, the Group posted a 2Q2009 net loss after tax and minority interest of S$156.9 million.

The unprecedented global economic crisis continued to weigh on real estate markets in Singapore and overseas. In line with weaker market valuations, the Group has taken revaluations and impairment provisions primarily related to the Singapore office portfolio (including CapitaLand's share of CapitaCommercial Trust's revaluation losses), real estate assets in Australia and the former Char Yong Gardens site in Singapore. The Group also had offsetting revaluation increases arising mainly from ION Orchard and some assets in China.

Revenue and Earnings before Interest and Tax (EBIT) in 2Q2009 benefitted from higher sales in China and Vietnam. In China, the Group saw healthy sales of its residential projects, including the new launches in Beijing, Chengdu and Foshan. This contributed significantly to the 163% quarter-on-quarter increase in PATMI. In Vietnam, the Group continued to recognise sales for The Vista, a residential development in Ho Chi Minh City. These mitigated lower sales revenue from development projects in Australia and Singapore, absence of rental revenue from commercial properties which had been divested and lower operating performance of serviced residence properties.

Across the Group, 2Q2009 revenue was S$591.1 million, bringing revenue for the six months ended 30 June 2009 to over S$1 billion.

FINANCIAL HIGHLIGHTS

S$ million	2Q 2009	2Q 2008	1H2009	1H2008
Revenue	591.1	820.1	1,078.2	1,451.4
Earnings before interest and tax (EBIT)	(136.2)	887.8	40.2	1,286.6
Finance costs	(99.1)	(138.6)	(201.3)	(270.5)
Profit after tax and minority interests (PATMI)	(156.9)	515.2	(114.1)	762.7
PATMI excluding revaluations and impairments	**124.0**	**135.6**	**171.0**	**383.1**

Dr Richard Hu, Chairman, CapitaLand Group, said: “Although some stability has been restored in the financial markets, the outlook for 2009 remains uncertain. We continue to focus on strategic capital management and preserving a strong financial position to take advantage of investment opportunities in our core markets. As at end June 2009, CapitaLand had a cash position of S$4.2 billion and maintained a healthy net debt-to-equity ratio of 0.43. We remain determined to maintain our financial strength to act on opportunities that will arise in our various markets, notwithstanding the challenging economic conditions. We are well-positioned for sustained growth and to build a lasting company.”

Liew Mun Leong, President and CEO of CapitaLand Group, said: “Operationally, the Group’s has performed better this quarter than the previous quarter. The 2Q2009 PATMI (excluding revaluations and impairments) was a 163% increase compared to 1Q2009. We believe subsequent quarters may improve as we go into the year given the improvement in sentiments in our core markets.”

Mr Liew added: “The weaker market valuations of real estate properties are an expected outcome of the ongoing financial crisis. At the operational level, in Singapore, we saw strong buyer response at The Wharf Residence. The high-end market is also seeing positive signs with The Orchard Residences selling another 13 units since May at good prices. ION Orchard soft-opened on 21 July with 96% of leasable space committed and is poised to be the new destination for shopping, dining, and entertainment. In China, market sentiments have been improving and we will capitalise on this to grow our business there. Since 2001, we have tripled our asset base in the country. In June, we opened Raffles City Beijing’s retail mall. Another Raffles City project has also been launched in Ningbo. We have formed the CapitaLand China Executive Committee in order to have greater strategic oversight and to spearhead the Group’s growth in China.”

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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.

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