



For Immediate Release
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NEWS RELEASE

CapitaLand records 1H 2007 profit of S\$1.5 billion
Five times the profit of 1H 2006

Singapore, 31 July 2007 – CapitaLand posted record profit after tax and minority interests (PATMI) of S\$1.5 billion for the 1H 2007, more than five times the profit achieved in 1H 2006. This is due to stronger overall residential business, especially in Singapore and China; higher fee-based income from commercial and retail operations; and unrealised fair value and portfolio gains. Excluding unrealised fair value gains of S\$647.4 million, PATMI would still be S\$873.3 million, three times that of 1H 2006 PATMI.

Group Earnings before Interest and Tax (EBIT) was S\$2.0 billion for 1H 2007, nearly four times that of 1H 2006. Residential business recorded a 71.7% rise in EBIT to S\$492.5 million in 1H 2007, with healthy growth recorded in Singapore, China and Australia, its mainstay markets. For this period, Singapore residential recorded an impressive 146% increase in EBIT. Commercial's EBIT in 1H 2007 increased to S\$1.1 billion, up 10 times from S\$101.4 million in 1H 2006. This is due to improved operating results, divestment gain from Temasek Tower, and unrealised fair value gains arising from the revaluation of investment properties. Retail's EBIT in 1H 2007 grew 261.3% to S\$144.2 million, due to higher fee income, improved contribution from Clarke Quay, and unrealised fair value gains of retail properties. Financial Services' EBIT in 1H 2007 was S\$45.4 million, a 78.2% increase from 1H 2006. Serviced residences also did well, underpinned by strong operating performance and divestments of assets.

Financial Highlights

S\$ million	2Q 2007	2Q 2006	1H 2007	1H 2006
Revenue	935.6	771.7	1,572.6	1,430.4
Earnings before Interest and Tax (EBIT)	1,224.7	314.6	2,044.2	538.3
Profit after tax and minority interests (PATMI)	912.6	157.2	1,520.7	286.7
PATMI (excluding unrealised fair value gains)	267.2	157.2	873.3	286.7

Dr Richard Hu, Chairman of CapitaLand Group, said: “The Group enjoyed sustainable positive economic growth driven by strong export recovery and supported by a resurgent consumer sector in Singapore and its key markets. In addition, given CapitaLand’s substantial financial capacity and its capital efficient business model, the Group continues to be in a strong position to capitalise on these growth opportunities. The business areas are expected to perform well, particularly in Singapore where we have a pole position as owners and managers of retail and commercial properties, and residential landbank in the right homebuyers’ segments. Overseas, China and Australia continue to make significant contributions as mainstay markets, with the new markets gradually making their mark for future contributions to our earnings. Overall, the outlook for the Group in 2007 is positive.”

Liew Mun Leong, President and CEO of CapitaLand Group, said: “Our business units and the different geographies have performed exceptionally well in 1H 2007. More importantly, they have put in place future growth plans such as having a pipeline of assets to grow their portfolio or building a healthy residential landbank for ongoing development earnings. The office sector remains core to CapitaLand and we will constantly reconstitute our commercial portfolio of 4.6 million sq ft in Singapore and 3.7 million sq ft overseas, to meet growing demands. We have over 5 million sq ft of landbank for residential development in Singapore, catering to the myriad homebuying needs in a strong residential market. Going forward, the Group’s prospects will be underpinned by our expanding overseas geographic footprint, even as we seek opportunities in Singapore’s firm property market. We will be focused as a major developer of residential, retail, commercial and integrated developments and rapidly extend our lead in the serviced residences business. We will grow our REITs and private equity real estate funds through our international network and reputation, while our pro-active capital management and capital recycling will enable us to maximise risk-adjusted shareholder returns.”

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For the full 1H2007 CapitaLand Limited Financial Statements announcement and slides, please visit our website www.capitaland.com

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