NEWS RELEASE

For immediate release
22 February 2008

CapitaLand achieves exceptional S$2.8 billion profit for FY2007, a record for fourth consecutive year

Profits before tax of S$3.4 billion is over two times FY2006

Singapore, 22 February 2008 – The CapitaLand Group posted profit after tax and minority interests (PATMI) of about S$2.8 billion for FY2007, almost three times the S$1.0 billion recorded in FY2006. It also had a record profit before tax (PBT) of S$3.4 billion, which is over two times FY2006. These exceptionally high record profits were achieved as a result of our sterling performance in the key markets of Singapore, China and Australia. Besides strong profit contributions from its core businesses, the Group also benefitted from fair value gains on its portfolio of assets.

Earnings before interest and tax (EBIT) for FY2007 was S$3.8 billion, more than doubled that of the year before. EBIT for both Singapore and overseas segments increased. Overseas EBIT was S$1.5 billion, 69.0% higher than FY2006. Revenue contribution from overseas remained strong at S$2.9 billion, or 76.4% of the Group's total revenue. Revenues from China and Australia were S$1.1 billion and S$1.4 billion respectively, with strong home sales in both countries.

FINANCIAL HIGHLIGHTS				
$ million	**4Q 2007 (3 mths)**	**4Q 2006* (3 mths)**	**FY2007**	**FY2006***
Revenue	1,324.3	998.7	3,792.7	3,147.7
EBIT	1,021.2	710.7	3,824.0	1,814.1
Finance costs	(115.1)	(98.8)	(403.5)	(328.0)
PBT	906.1	611.9	3,420.5	1,486.1
PATMI (Profit attributable to shareholders)	674.7	453.5 (1)	2,759.3	1,012.7 (1)

* ***Restated***

(1) Includes profits from discontinued operations

Dr Richard Hu, Chairman, CapitaLand Group, said, “The Group had an exceptional 2007, with remarkable performance by all its business units in Singapore, China and Australia. The Group also took the opportunity in the course of the year to strengthen its financial position by unlocking value through the divestment of its more mature property assets, and managing its debt profile. Early this year, amidst a tough global economic and financial landscape, we locked in more long-term money at a fixed cost of funding, by issuing a record-breaking S$1.3 billion 10-year convertible bond, our fourth since 2002. Looking forward, the current weakness in the US housing market and economy and the tight credit environment will likely cast a cloudy outlook over the general economic and business conditions for at least the first half of 2008. However, the Group’s strong financial capacity will ensure that it is well-positioned for the more challenging global environment this year.”

Liew Mun Leong, President and CEO, CapitaLand Group, said, "Over the years, we have built up our capital-efficient business model, robust financial position, as reflected in our strong balance sheet, and equally strong real estate competencies. This has enabled us to deliver four consecutive years of record profits since 2004. All our businesses in Singapore and overseas have performed well this year. In 2007, we sold over 1,400 homes in Singapore and about 2,000 homes in China. We successfully closed six new private equity funds and grew the asset base of our REITs to bring the Group’s assets under management to about S$18 billion. We strengthened our position as Asia’s leading retail mall owner/manager with over 110 retail malls secured or under MOU. We also invested about S$8 billion in total, including buying over 1 George Street, a Grade A office building, and acquiring sites in China for our Raffles City integrated developments, and for prime commercial and residential projects. Our subsidiary, The Ascott Group, continued to enlarge its global footprint by re-investing divestment proceeds into higher-yield assets, and to enhance existing properties. Last year, Ascott committed a total of S$576 million in investments, in countries including Singapore, China, Japan, India, United Kingdom, Germany and Russia. Going forward, with a consolidated cash reserves of S$4.4 billion and a low debt-equity ratio, we will be able to further strengthen our international competitive position to grow our well-diversified portfolio, and actively pursue new business opportunities.”

This release 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 the current view of management on future events.

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For the full FY2007 CapitaLand Limited Financial Statements announcement and slides, please visit our website www.capitaland.com