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NEWS RELEASE

CapitaLand achieves strong profit growth with 1H2010 net profit of S$591.5 million

Net profit more than doubles compared to 1H2009, excluding revaluations and impairments

Singapore, 4 August 2010 – CapitaLand has achieved a net profit of S$591.5 million for the first six months of the year and a net profit of S$476.1 million in 2Q2010. The strong profit growth compared to the same period last year reflects a recovery in Singapore and the key markets we operate in. Excluding the impact of revaluations and impairments, 1H2010 net profit was S$382.7 million, more than double compared to 1H2009 on the same basis.

Revenue for 2Q2010 grew 48% year-on-year to S$873.9 million. Revenue from CapitaLand's residential projects in Singapore increased by S$301.4 million, mainly from The Seafront on Meyer and Latitude. In China, there was a reduction due mainly to lower recognition from subsidiaries' projects, most of the sales having been previously recognised. Rental income from shopping malls rose during the quarter with the increase mainly from malls in Malaysia and China. Ascott, the Group's serviced residence business unit, also recorded higher revenue as demand for most of its properties improved during the quarter. For 1H2010, revenue was S$1.56 billion, 45% higher than that achieved in 1H2009.

CapitaLand's overseas markets did well in the first six months of 2010. In 1H2010, revenue from overseas operations rose 10% year-on-year to S$907.5 million. China and Australia were the main contributors. Revenue from Vietnam continued to increase in line with our strategy of growing the country into our fourth core market.

Group Earnings before Interest and Tax (EBIT) for 1H2010 was S$1.19 billion compared to the S$40.2 million recorded in the same period last year. The strong performance was mainly driven by higher profits from residential projects in Singapore and China, and a net revaluation gain from investment properties in China. Excluding the impact of revaluations and impairments, 1H2010 EBIT was S$792.8 million, 65% higher than 1H2009 on the same basis.

As at 30 June 2010, the Group's net debt-to-equity ratio remained healthy at 0.28.

FINANCIAL HIGHLIGHTS

S$ million	**2Q2010**	**2Q2009**	**1H2010**	**1H2009**
Revenue	873.9	591.1	1,561.2	1,078.2
Earnings before interest and tax (EBIT)	881.3	(136.2)	1,190.8	40.2
Finance costs	(109.9)	(99.1)	(213.0)	(201.3)
Profit after tax and minority interests (PATMI)	**476.1**	**(156.9)**	**591.5**	**(114.1)**
PATMI excluding revaluations/ impairments	**271.7**	**124.0**	**382.7**	**171.0**

Dr Richard Hu, Chairman of CapitaLand Group, said: "Asia continues to lead the recovery of the global economy. Robust economic growth in Singapore, China and Vietnam ensure fundamentals in these markets remain strong and this will generate real demand in the real estate sector. Australia's economy and the underlying residential sector also remain strong. CapitaLand has a healthy balance sheet and financial flexibility. We will continue to seek strategic investments that are in line with the Group's long-term growth plans in its core markets, such as the acquisition of Orient Overseas Developments Limited earlier this year. In China, our diversified businesses of homes, office buildings, shopping malls, serviced residences and mixed developments continue to do well."

Mr Liew Mun Leong, President and CEO of CapitaLand Group, said: "We have performed well in our core markets of Singapore, China, Australia and Vietnam this quarter. In Singapore, we continue to see strong sales momentum for our residential projects and recorded total sales of about S$1.3 billion in the first six months of this year, mainly from Urban Suites and The Interlace. The prime office sector in Singapore is recovering as rents have troughed and demand has rebounded. In China, we sold close to 1,200 homes across Beijing, Chengdu and Kunshan in 1H2010 and remain on track to launch new residential projects in Shanghai and Hangzhou later this year. We have grown our 'Raffles City' portfolio in China with Raffles City Shenzhen, our sixth 'Raffles City' development in the country. In Vietnam, we will continue to grow our business from total assets of S$400 million currently to approximately S$2 billion over the next three to five years."

Mr Liew added: "Our shopping mall subsidiary CapitaMalls Asia successfully listed CapitaMalls Malaysia Trust in July to grow its shopping mall business in Malaysia. Ascott has benefited from the recovery in global business travel to achieve higher revenue and occupancy for its serviced residences in 1H2010. As more asset enhancement initiatives in Asia and Europe are completed, Ascott will capture the uptrend in the improved hospitality market. Our subsidiary Australand is well-positioned to benefit from the resilient housing market and strong residential demand in Australia. Going forward, we expect continued improvement in the operating performance across our key sectors in our core markets."

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