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NEWS RELEASE

CapitaLand achieves 1Q2011 net profit of S$101.5 million

Singapore, 26 April 2011 – CapitaLand has achieved net profit of S$101.5 million in 1Q2011, 241% higher than the restated 1Q2010 net profit of S$29.8 million. The 2010 results were required to be restated to be comparable to the current year's results as a consequence of the adoption of the INT FRS 115 accounting policy which was effective on 1 January 2011.

Revenue in 1Q2011 was S$611.5 million, 39% higher than 1Q2010. This was mainly due to higher contributions from the Group's development projects. These include residential projects such as The Interlace and The Wharf Residence in Singapore, Beau Residences and The Riviera in China; as well as commercial, industrial and residential projects in Australia.

Group Earnings before Interest and Tax (EBIT) for 1Q2011 was S$283.5 million, 46% higher than that achieved in 1Q2010. This was mainly due to higher profits from development projects, higher portfolio gains and lower foreign exchange losses. EBIT from overseas operations represented 54%, or S$152.0 million, of the Group's total EBIT for 1Q2011. China recorded higher EBIT due to higher development profits as well as portfolio gains from the realisation of available-for-sale reserves in respect of LFIE Holding.

In respect of INT FRS 115 which became effective on 1 January 2011, CapitaLand is of the view that the implementation of this standard will result in the accounting recognition of the Group's overseas development projects in a manner that may not reflect the sales and construction progress of those projects. In particular, the new standard will result in income recognition that is lumpy and back-ended, thus creating more volatility in profit recognition even though the underlying projects' cashflows have not changed. It also does not reflect the gradual reduction of risk and the increase in economic value from these underlying projects as they are built and sold over their development phases.

FINANCIAL HIGHLIGHTS

S$ million	**1Q2011**	**1Q2010 (Restated)***
Revenue	611.5	440.0
Earnings before interest and tax (EBIT)	283.5	194.2
Finance costs	(113.3)	(103.1)
PATMI	**101.5**	**29.8**
PATMI excluding revaluations/ impairments	**100.1**	**25.4**

* Note: Revenue recognition on development projects was revised following the adoption of INT FRS 115 which was effective on 1 January 2011. Please refer to the CapitaLand *2011 First Quarter Financial Statements Announcement* for details on the change in accounting policy.

Dr Richard Hu, Chairman of CapitaLand Group, said: “Asia, with its stronger fundamentals, growing domestic demand and rising income levels, continues to present many opportunities for the Group to expand its businesses in the core markets. Given its strong balance sheet, CapitaLand is actively pursuing further investment opportunities to lay an even firmer foundation for future, sustainable growth.”

Mr Liew Mun Leong, President and CEO of CapitaLand Group, said: “CapitaLand’s core markets of Singapore, China and Australia accounted for 96% of Group EBIT in 1Q2011. As we move into our next 10 years of expansion, it is our intention to focus our capital and human resources on building on our success in these core markets by both broadening and deepening our businesses there. We will also continue to develop Vietnam into our fourth core market over time in a measured and calibrated manner, in line with the macroeconomic situation and market developments there.”

“In Singapore, we are primed for growth in the residential and shopping mall sectors with the acquisition of prime, well-located sites. For our commercial business, we will, together with CapitaCommercial Trust, redevelop Market Street Car Park into a Grade A office tower that will be an ultra-modern addition to Singapore’s central business district.”

“In China, the Group strengthened its foundation for growth with two acquisitions that significantly expanded our residential pipeline there to over 64,000 units. We increased our ownership in LFIE Holding, which is building 7,800 homes on a 1.1 million sqm waterfront site in Guangzhou. We acquired a 40% strategic stake in Surbana Corporation, which has four townships across China, to accelerate the growth of our newly-created value housing business. It will augment CapitaValue Homes’ plan to build 10,000 to 15,000 value homes annually in China and Vietnam over the next three to five years.”

Mr Liew added: “Ascott, our serviced residence unit, continues to expand its footprint by seeking new investment opportunities in Asia and Europe. This year, it plans to redeploy S$1 billion capital to invest in Asia and Europe and is on track to achieve 40,000 apartment units globally by 2015.”

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Analyst Contact	Media Contact
Harold Woo	Basskaran Nair
SVP, Investor Relations	SVP, Corporate Marketing and Communications
Tel: +65 68233 210	Tel: +65 68233 554
Email: harold.woo@capitaland.com	Email: basskaran.nair@capitaland.com

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